VIENTIANE CENTER
ວຽງຈັນເຊັ້ນເຕີ

ບໍລິສັດ ວຽງຈັນເຊັ້ນເຕີ ລາວ ມະຫາຊົນ
VIENTIANE CENTER LAO PUBLIC COMPANY
ຖະໜົນຄຸ້ມວຽງ, ບ້ານໜອງຈັນ, ເມືອງ ສີສັດຕະນາກ, ນະຄອນຫຼວງວຽງຈັນ, ໂທ ແລະ ແຟັກ: (+856) 21 228299
KHUVIENG ROAD, NONGCHAN VILLAGE, SISATTANAK DISTRICT, VIENTIANE CAPITAL, Tel & Fax: (+856) 21 228299

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

No. 008 ...../VCL
Vientiane Capital, Date. 16 APR 2021.....

INVITATION

To: Shareholders of Vientiane Center Lao Public Company
Subject: Invitation to the Annual General Shareholders' Meeting of VCL for the year 2020

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- Pursuant to the resolutions of 1st General Meeting of the Board of Directors of Vientiane Center Lao Public Company (VCL) for the year 2021, dated 17/03/2021 .
- Pursuant to the resolutions of 2nd Extra-Ordinary Meeting of the Board of Directors of Vientiane Center Lao Public Company (VCL) for the year 2021, dated 16/04/2021 .

Vientiane Center Lao Public Company (hereinafter called VCL or the Company) is honored to invite you to attend the Annual General Shareholders' Meeting (hereinafter called AGM or the Meeting) for the year 2020 at 14:00 on April 30, 2021 (registration process starts at 13:00 to 14:00), at Diamond Meeting Room, 4th floor of Landmark Mekong Riverside Hotel, Thatkhao Village, Sisattanak District, Vientiane Capital, Lao PDR.

The Company has announced the date, time, location and agenda of the Annual General Shareholders' Meeting for the year 2020 on the website of the Lao Securities Exchange(www.lsx.com.la).

We are looking forward to your kind attending this Meeting.

Chairman of BOD

ບໍລິສັດ ວຽງຈັນເຊັ້ນເຕີ ລາວ ມະຫາຊົນ
Vientiane Center Lao Public Company

Attachments of the Meeting:

1. Proposals of the AGM of VCL for the year 2020;
2. The Minutes of the AGM of VCL for the year 2019;
3. The Audited Annual Financial Statements of VCL for the year 2020;
4. The Business Performance Review for the year 2020 and the Business Plan for 2021 of VCL;
5. The resumes of partial replaced Board members and the President for the 2nd Board of Directors.
6. Proxy Form;
7. Documents or evidences required to be presented prior to attending the AGM for the year 2020;
8. Map of the meeting venue.

Remarks:

1. All shareholders shall obtain the invitation letter and all attachments at the Lao Securities Exchange Building, 4th Floor, starting from April 19, 2021, T4 Road, Phonthan Neua Village, Saysettha District, Vientiane Capital. Tel: (856-21)454361-4, Fax: (856-21)454361-4.
2. Please kindly attend the Meeting on the date, time specified above, by presenting ID cards or passports (for foreign shareholders).
3. In case of proxy, please complete the enclosed proxy form, if you are unable to attend the Meeting in attached hereto in the Attachment 6.
4. The proxy who will be attending the Meeting must present documents or evidences to identify himself/herself for attending the Meeting, according to the details specified in the Attachment 7 attached hereto, and submit the persons authorized by the Chairman before attending the AGM;
5. If any shareholder wished to appoint an independent director of VCL to attend and cast votes on your behalf, please complete the Proxy Form and tick a box ☑ in front of the name of one of the independent directors as provided in the Proxy Form to be the proxy, and please submit such Proxy Form, including supporting documents to Vientiane Center Lao Public Company, 5th Floor, Vientiane Center Office Building, Khuvieng Road, Nongchan Village, Sisattanak District, Vientiane Capital, Lao PDR. Please deliver to the Company before April 28,2021.
6. If you have any queries or questions for more details, please contact the Company, Tel：Mr. Lei Yaohai, 020 9554 9597 (Email: yhlei@vclao.com) during the office hours.

Attachment 1

Proposal 1: Report the Implementation of the Resolutions of the Annual General Shareholders Meeting of Vientiane Center Lao Public Company for the year 2019.

Details:

To report to the shareholders regarding the results of implementing the resolutions of the Annual General Shareholders Meeting for the year 2019 with details as bellow:

1. The Meeting considered and approved the proposals as bellow:

Proposal 1: To consider Report the implementation of the Resolutions of the 1st Extra-Ordinary Shareholders' Meeting of Vientiane Center Lao Public Company for the year 2019;

Proposal 2: To consider and approve the Minutes of the 1st Extra-Ordinary Shareholders' Meeting of VCL 2019;

Proposal 3: To consider and approve the Audited Annual Financial Statements for the year 2019;

Proposal 4: To consider and approve Business Performance Review for the year2019 and Business Plan for the year 2020;

Proposal 5: To consider and approve the Dividend Payment for the year 2019 to shareholders;

Proposal 6: To consider and approve the Nomination of Board members and the Chairman for 2nd Board of Directors;

Proposal 7: To consider and approve the new legal representative of VCL;

Proposal 8: To consider and approve the acquisition of office space related-party Transaction;

Proposal 9: To consider and approve the change of the loan pledged assets and extension of the loan agreement;

Proposal 10: To consider and approve the renew of appointment of Ernst & Young Lao Co., Ltd as the Auditing Firm of VCL;

Proposal 11: To consider and approve the Nomination for the Executive Committee and the Committees of Board of Directors for the Company;

Proposal 12: To consider and approve the Amendments to the Articles of the Company, Article 9 : Directors and Article 12: Board of Directors

2. The proposals have been implemented according to the Meeting except the Proposal 8.

3. For the Proposal 8, it was under an ongoing process since the acquiring assets are the related-party transactions, it requires the assessment of the price of the acquiring assets. Currently, the Company is negotiating with the seller based on the assessed price and the result of the negotiation is expected in the first half year.

The Comments of the Board of Directors:

The report on the resolutions implementation of the Annual General Shareholders Meeting for the year 2019 was to report and inform shareholders only and without voting required.

Proposal 2: To consider and approve the Minutes of the AGM of VCL 2019

Details:

The AGM of VCL for the year 2019 was convened on May 29, 2020. The Minutes of the Meeting detailed in Attachment 2, as attached herewith and disclosed on website of the Lao Securities Exchange (www.lsx.com.la).

The Comments of the Board of Directors:

The Minutes of AGM was recorded accurately and completely, the Board of Directors agreed to propose to the Annual Shareholders' Meeting for consideration and approval.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 3: To consider and approve the Audited Annual Financial Statements for the year 2020

Details:

The Audited Annual Financial Statements for the year 2020 were duly audited by Ernst & Young (Laos) Company as detailed in Attachment 3, which have been approved by the Board of Directors.

The Comments of the Board of Directors:

The Board of Directors has considered and approved the Audited Annual Financial Statements of VCL for the year 2020 and agreed to propose to the Annual General Meeting of the Shareholders.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 4: To consider and approve Business Performance Review for the year 2020 and Business Plan for the year 2021.

Details:

1. A Business Performance Review for the year 2020

The Business Performance for the year 2020 has been reviewed by the Board of Directors with the details specified in the Attachment 4 as attached herewith. The Executive Summary of Business Performance has been highlighted as bellow:

1) Revenue

In 2020, the annual operating income is 10,823,461,127 Kip, of which the rental income is 3,629,077,149 Kip, the income from office space rental is 4,592,978,043 Kip, the income from the venture agreement is 867,210,999 Kip, the income from the event space rental is 842,740,011 Kip and advertising space is 891,453,925 Kip. The reason of decrease in income was due to the impact of the COVID-19 and the adoption of new accounting policy for income recognition as prescribed in the financial statements 2020.

2) Expenditure

In 2020, the total expenditure of VCL is 846,240,739.00 Kip, accounting for 5 percent of the revenue.

3) Taxation

In 2020, the total taxation is 1,225,665,719 kip, of which corporate income tax accounted for 396,678,916 Kip, VAT for 821,273,303 kip and the personal income tax for 7,713,500 kip.

4) Profit

In 2020, the profit before tax is 11,625,388,605.00 Kip, decreasing 5 percent compared with last year. The net profit is 8,076,209,410.00 kip, increasing 4 percent compared with last year. The reason of increase was due to a reevaluation of fair value in real estate industry, since the fair value in 2020 was 1.4 billion kip while it was at 500 million in 2019.

2. Business Plan for the year 2021

1) Implement the plan for using the funds of IPO to purchase assets, negotiate with the seller based on the appraisal price issued by the asset appraisal company, and strive to reach a consensus within the first half of the year;
2) In terms of shopping malls. The COVID-19 continues for a long period of time, and international ports continue to be closed. Local residents of Laos will still be unable to drive to the border cities of Thailand for shopping for a long time. Vientiane City will have opportunities for increased circular shopping. The mall team will enrich the brand and focus on Distributors of well-known brands in Thailand negotiated, striving for country-specific agent distribution, and further tapping the brand advantage of Vientiane Center. At the same time, it will further utilize the planning and design advantages of the shopping mall team to actively plan innovative activities, provide one-stop event planning plans, venues and event equipment rentals with partners, and create new profit growth points.
3) In terms of office building. In 2021, we will further increase the docking of customers who have expired in other office projects in the Laos market. Now we have started negotiations for the entry of some expired companies to understand customer needs in a timely manner, strive for steady progress during the economic downturn, and increase the occupancy rate of office buildings..

The Comments of the Board of Directors:

The Board of Directors has considered and approved the Business Performance review 2020 and the Business Plan 2021 of VCL and agreed to propose to the Annual General Meeting of Shareholders.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 5: To consider and approve the Dividend Payment for the year 2020 to shareholders.

Details:

According to the Articles of the Company, the dividend payment shall be approved by the AGM after deducting legal reserve and other reserves(if any).

The Company propose the AGM to consider and approve the 2020 Dividend Payments to the shareholders whose names appear in the registration book of shareholders closed at April 01, 2021 at the rate of 12.5 Kip per share, with the total dividend payout of 1,839,998,750 Kip. Dividend payment shall be made within 30 days after an approval by the shareholders' meeting and authorize CEO to sign the documents regarding the payment of dividends.

The Comments of the Board of Directors:

The Board of Directors has considered and approved the above Dividend Payment Proposal. Board of Directors indicated that starting from the beginning of 2020, due to the impact of COVID-19, Lao Government Authorities started to stop the large-scale events, close borders, the consumption of locals decreased dramatically and resulted in the decline of the traffic in Vientiane Center, the business of Vientiane Center had been affected seriously and as well as the Major Cineplex also stopped operations for a certain period for the prevention of the COVID spread. Keeping reserves and reducing the payout for dividends to a certain degree was a strategy which would increase the stability of hedging the risks generated by the pandemic and keep a continuous development. In order to give back to the investors with their long-term support and increase the market confidence and return the trust of shareholders and boost market confidence, it is proposed to distribute 12.5 Kip dividends per share, with a total dividend of 1,839,998,750 Kip, accounting for approximately 28.87% of the net profit after deducting the appraisal appreciation. The Board of Directors approved the dividend payment for the year 2020 of VCL and agreed to propose to the Annual General Meeting of Shareholders.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 6: To consider and approve the change of the partial Board members and the Chairman for the 2nd Board of Directors.

Details:

According to the amended Enterprise Law, Article 154 Rights and Duties of shareholders' Meeting.

According to work transfer, Mr. Wei Hua, Ms. Zhou Lei and Ms. Deng Yu who are the members of the company's second term of the Board of Directors have been Application for resignation as director or independent director. After review by the company's nomination committee, it is proposed to nominate some members of the second term of the Board of Directors and the candidates for the change of chairman as follows:

- Mr. WANG Weikun Chairman
- Mr. LUO Xiaodong Director
- Mr. ZHANG Tianyi Independent Director

A resume of each nominee is provided in Attachment 5 attached with an invitation letter.

Because the above mentioned directors are holding prestigious educational qualifications, great competency and overwhelming business experience fulfilling requirements for being 2nd-term members of the Board of Directors of VCL.

The Comments of the Board of Directors:

The Board of Directors has considered and approved the nomination for the change of the partial Board members and the Chairman for the 2nd Board of Directors and agreed to propose to the Annual General Meeting of Shareholders.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 7: To consider and approve the new legal representative of VCL.

Details:

According to the amended Enterprise Law, Article 154 Rights and Duties of shareholders' Meeting.

Since Mr. WANG Weikun is to be the Chairman for the 2nd BOD. In order to facilitate the business implementation, the legal representative person shall be replaced from Ms. Zhou Lei to Mr. WANG Weikun in the business license.

The Comments of the Board of Directors:

The Board of Directors has considered and approved the change of the legal representative and agreed to propose to the Annual General Meeting of Shareholders.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 8: To consider and approve the Authorization to fully execute the Extension of the Loan Agreement of VCL.

Details:

the loan agreement between VCL ("Lessee") and North Nongchan Complex Development Co., Ltd. ("Lessor") will expire on November 29, 2021， the main contents of the contract as follows:

1. Loan amount: 64,232,500,000 Kip;
2. Borrowing interest rate: 3.5% / year;
3. Repayment method: At the maturity date, the lessee shall repay the principal and interest once at a time to the Lessor or settle the debt into equity according to the relevant laws and regulations of Laos.
4. Loan extension period: extended to November 29, 2021;
5. Pledged assets: 51 rooms are used as loan pledged assets.

The Comments of the Board of Directors:

The Board of Directors had approved. The board of directors believes that in view of the inconsistency

between the expiration time of the loan contract and the time of the Annual General Shareholders Meeting of VCL, and the high cost of convening a shareholders meeting of Volkswagen Company, in order to deal with the expiration of the loan contract in a timely and compliant manner, It is proposed to apply to VCL's Annual General Shareholders Meeting for the year 2020 to authorize to the board of directors fully execute the Extension of the Loan Agreement of VCL.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 9: To consider and approve the appointment of Ernst & Young Lao Co., Ltd as the Auditing Firm of VCL.

Details:

For the appointment of Ernst & Young Lao Co., Ltd. as the company's external auditor. The period of this appointment is from the year of 2021 to 2023 with the annual service charge at 31,000$.

Compared with the previous cost, as follows:

No	Auditor	Currency	Year				
			2019	2020	2021	2022	2023
1	Ernst & Young Lao Co., Ltd	USD	38,000				
2	Ernst & Young Lao Co., Ltd	USD		34,000			
3	Ernst & Young Lao Co., Ltd	USD			31,000		
4	Ernst & Young Lao Co., Ltd	USD				31,000	
5	Ernst & Young Lao Co., Ltd	USD					31,000

The Comments of the Board of Directors:

The board of directors has approved. The board of directors believes that the appointment of Ernst &

Young (Laos) as the Company's auditor for the Company's 2021-2023 fiscal year is in line with the Lao Securities Regulatory Commission's management regulations, and the annual service cost has been reduced by US$3,000 compared with last year. It agreed to propose to the Annual General Meeting of Shareholders.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 10: Approved the change of the partial Committees of Board of Directors for the Company.

Details:

In view of the adjustment of the director positions of some members of the company's committees, it is proposed to nominate candidates for some of the company's committee members involved in the adjustment to the general meeting of shareholders, as follows:

1. the Audit Committee

Former members:

1) Ms. Deng Yu, Chairman of the Audit Committee / Independent Director

2) Ms. Zhou Lei, member of the Audit Committee / Director

3) Mr. Viengsavanh PHANTALY, member of the Audit Committee / Independent Director

New members:

1) Mr.Luo Xiaodong, Chairman of the Audit Committee / Director

2) Mr. JoXong BouaSiNengMa, member of the Audit Committee / Independent Director

3) Mr. Viengsavanh PHANTALY, member of the Audit Committee / Independent Director

2. the Nomination Committee

Former members:

1) Mr. Bualapha SANTIKHONGKA, Chairman of the Nomination Committee/ Director

2) Ms. Deng Yu, member of the Nomination Committee / Independent Director

3) Mr. JoXong BouaSiNengMa, member of the Nomination Committee / Independent Director

New members:

1) Mr. Bualapha SANTIKHONGKA, Chairman of the Nomination Committee/ Director

2) Mr. Zhang Tianyi, member of the Nomination Committee / Independent Director

3) Mr. JoXong BouaSiNengMa, member of the Nomination Committee / Independent Director

3. the Remuneration Committee

Former members:

1) Mr. Wu Xinghua, Chairman of the Remuneration Committee/ Director

2) Mr. Xiao Yong, member of the Remuneration Committee/ Independent Director

3) Ms. Deng Yu, member of the Remuneration Committee / Independent Director

New members:

1) Mr. Wu Xinghua, Chairman of the Remuneration Committee/ Director

2) Mr. Xiao Yong, member of the Remuneration Committee/ Independent Director

3) Mr. Zhang Tianyi, member of the Remuneration Committee / Independent Director

The term of the members of the committees is the same as that of the second term of the board of directors of VCL.

The Comments of the Board of Directors:

The Board of Directors has approved and agreed to propose to the Annual General Meeting of Shareholders.

Required Votes:

According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

Proposal 11: To consider and approve the Amendments to the Articles of the Company, Article 9: Directors and Article 12: Board of Directors

Details:

According to the amended Enterprise Law, Article 154 Rights and Duties of shareholders' Meeting.

To ensure the Company's business operation is in line with its corporate documents with regards to changes to Company's Directors and the Board of Directors, the Company proposes to the Meeting to amend the contents of Article 9: Directors, and Article 12: Board of Directors, as per following details:

1) Amendment to Articl 9: Directors: With the change of the directors such as from Ms. Zhou Lei to Mr. Wang Weikun, from Mr. Wei Hua to Mr. Luo Xiaodong, from Ms. Deng Yu to Mr. Zhang Tianyi, and come to the following details:

Vientiane Center Public Company's Directors consists of 11 directors, namely:

A. The directors who are shareholders: No

B. Hire the outside person as a director: 11 people, consisting of:

The First Director(Managing Director):

- Name and Surname: Mr. Li Xiaodong.
- Nationality: Chinese.
- Foreign Address: Kunming City, Yunnan Province China.
- Laos Address: Nongchan Village, Sisattanak District, Vientiane Capital.
- Passport No: E99829448, dated July 10, 2017.

The Second Director:

- Name and Surname: Mr. Wang Weikun
- Nationality: Chinese.
- Foreign Address: Kunming City, Yunnan Province China.
- Laos Address: Nongchan Village, Sisattanak District, Vientiane Capital.
- Passport No: EJ4156289, dated November 19, 2020.

The Third Director:

- Name and Surname: Mr. Luo Xiaodong.

- Nationality: Chinese.

- Foreign Address: Kunming City, Yunnan Province China.

- Laos Address : Nongchan Village, Sisattanak District, Vientiane Capital.

- Passport No: E60438199, dated November 10, 2015.

The Fourth Director:

- Name and Surname: Ms. Orlathay SANTIKHONGKA

- Nationality: Lao.

- Laos Address: Sisavath Village, Chanthaboury District, Vientiane Capital.

- ID card number: 01-0036797, dated January 30, 2015

The Fifth Director:

- Name and Surname: Mr. Bualapha SANTIKHONGKA (Yao Bin)

- Nationality: Lao.

- Laos Address: Sisavath Village, Chanthaboury District, Vientiane Capital.

- ID card number: 01-0036796, dated January 30, 2015

The Sixth Director:

- Name and Surname: Mr. Wu Xinghua

- Nationality: Chinese.

- Foreign Address: Hefei City, Anhui Province China.

- Laos Address: Phonesavath Village, Chanthaboury District, Vientiane Capital.

- Passport No: E55964760, dated February 02, 2016

The Seventh Director:

- Name and Surname: Mr. Sun Feihu

- Nationality: Chinese.

- Foreign Address: Kunming City, Yunnan Province China.

- Laos Address: Nongchan Village, Sisattanak District, Vientiane Capital.

- Passport No: E61792462, dated November 12, 2015.

The Eighth Director:

- Name and Surname: Mr. Xiao Yong

- Nationality: Chinese.

- Foreign Address: Kunming City, Yunnan Province China.

- Laos Address: Nongchan Village, Sisattanak District, Vientiane Capital.

- Passport No: G28936820, dated 15 July 2008.

The Ninth Director:

- Name and Surname: Mr. Zhang Tianyi

- Nationality: Chinese.

- Foreign Address: Kunming City, Yunnan Province China.

- Laos Address: Phonesavan Village, Saysettha District, Vientiane Capital.

- Passport No: E89453283, dated March 01, 2017

The Tenth Director:

- Name and Surname: Mr. Viengsavanh PHANTALY.

- Nationality: Lao.

- Laos Address: Sengsavang Village, Xaysettha District, Vientiane Capital.

- ID card number: A1-0010349, dated March 28, 2014

The Eleventh Director:

- Name and Surname: Mr. JoXong BouaSiNengMa

- Nationality: Lao.

- Laos Address: Sisangvone Village, Saysettha District, Vientiane Capital.

- ID card number: 01-18 005815, dated October 05, 2018

The Director of the company who signing and seal the company to act on behalf of the company is Mr. Li Xiaodong.

2) Amendment to Article 12. Board of Directors: With the change of the board of directors such as from Ms. Zhou Lei to Mr. Wang Weikun, from Mr. Wei Hua to Mr. Luo Xiaodong, From Ms. Deng Yu to Mr. Zhang Tianyi, and come to the following details:

The Board of Directors of Vientiane Center Lao Public Company shall:

- (√) The Board of Directors of Vientiane Center Lao Public Company are 11 persons as follows:

1. Mr. Wang Weikun	Chairman
2. Ms. Orlathay SANTIKHONGKA	Vice Chairman
3. Mr. Bualapha SANTIKHONGKA (Yao Bin)	Director
4. Mr. Li Xiaodong	Director
5. Mr. Wu Xinghua	Director
6. Mr. Sun Feihu	Director
7. Mr. Luo Xiaodong	Director
8. Mr. Zhang Tianyi	Independent Director
9. Mr. Xiao Yong	Independent Director
10. Mr. Viengsavanh PHANTALY	Independent Director
11. Mr. JoXong BOUASINENGMA	Independent Director

The Comments of the Board of Directors:

The Board of Directors has thoroughly considered and agreed for the shareholders' meeting to approve the amendments to the Company's Articles of Association.

Required Votes:

The Law on Enterprises stipulates that this agenda must be approved by the votes of at least two-thirds (2/3) of the total votes attending the Meeting; and at least 80 percent of total paid-up shares..

VIENTIANE CENTER
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ຖະໜົນຄຸວຽງ, ບ້ານໜອງຈັນ, ເມືອງ ສີສັດຕະນາກ, ນະຄອນຫຼວງວຽງຈັນ, ໂທ ແລະ ແຟັກ: (+856) 21 228299
KHUVIENG ROAD, NONGCHAN VILLAGE, SISATTANAK DISTRICT, VIENTIANE CAPITAL, Tel & Fax: (+856) 21 228299

Attachment 2

Lao People's Democratic Republic

Peace Independence Democracy Unity Prosperity

No. 010 /VCL

Vientiane Capital, Date 17 JUN 2020

Minutes of the Annual General Shareholders' Meeting of VCL for the year2019("the Company")

TIME AND LOCATION

The Meeting was held at 14:30 p.m. on May 29, 2020 at the Diamond Room, 4th Floor, Landmark Mekong Riverside Hotel, Thatkao Village, Sisattnak District, Vientiane Capital, Lao PDR.

THE OPENING

Ms. Orlathay SANTIKHONGKHA, the Vice Chairman of Vientiane Center Lao Public Company, was assigned by Mr. Wei Hua, the Chairman of Board of Directors (BOD), to be the Chairman of the Annual General Shareholders' Meeting of VCL for the year2019 as Mr. Wei Hua was unable to attend the Meeting in Vientiane due to COVID-19. The Meeting was attended by 33 attendees, which comprised of 28 participants and 5 representatives. The total presented shares were 143,565,400 or 98% of the total shares of the Company and accorded with the legal and regulatory requirements of the opening of the Meeting.

The Secretary to the BOD officially announced the starting of the Meeting and introduced the presented BOD members, officials from Lao Securities Commission Office and distinguished guests as below:

1. Mr. Vongpasith SENGVONGDEUANE Deputy Director of Securities Issuance Management Division, Lao Securities Commission Office

2. Ms. Vanhnaphone SOUNANTHA Department of Securities Issuance Management, Lao Securities Commission Office

3. Mr. Khampheng KEOPANYA Department of Legislation, Lao Securities Commission

Office

4. Ms. Phetanong MOUNLAMAY Senior Technical Registration and Disclosure Division Department, Lao Securities Exchange

5. Ms. Orlathay SANTIKHONGKHA Vice Chairman

6. Mr. Bualapha SANTIKHONGKHA, Director

7. Mr. Wu Xinghua, Director and Chief Operating Officer (COO)

8. Ms. Deng Yu, Independent Director

9. Mr. Viengsavanh PHANTALY, Independent Director

10. Mr. Joxiong BUASINENGMA, Independent Director

The Secretary to the BOD of the Meeting informed the rule of the Meeting and procedures of voting. After that the Chairman of the Meeting, Proceeded with each agenda by order.

The Meeting considered, commented and resolved on each agenda as follows:

Agenda 1: To consider Report the implementation of the Resolutions of the 1st Extra-Ordinary Shareholders' Meeting of Vientiane Center Lao Public Company for the year 2019.

The Chairman of the Meeting reported to the shareholders regarding the results of implementing the resolutions of the 1st Extra-Ordinary Shareholders' Meeting 2019 with details as bellow:

The Meeting considered and approved the proposals as bellow:

Proposal 1: To consider and adopt the Company will not distribute the 2018 annual profit to shareholders;

Proposal 2: To consider and adopt transactions to use the fundraising to purchase office assets;

Proposal 3: To consider and adopt objective of parts of the fundraising usage;

Proposal 4: To consider and adopt renewing Ernst & Young Lao Co., Ltd as VCL's auditor;

Proposal 5: To consider and adopt terminating and nominating an Independent Board of Director;

Proposal 6: To consider and adopt amend Organizational Structure of 1st Ordinary Meeting of VCL's Board of Directors 2017;

Proposal 7: Report an appointment of the Chief Operating Officer (COO) and the Secretary to the Board of Directors.

1. The proposal 1, 2, 4, 5 and 6 have been implemented according to the Meeting.

2. For the Proposal 3, it was under an ongoing process since the acquiring assets are the related-party transactions, according to the regulations of the Lao Securities Commission Office, it required an approval by the Company's Shareholders' Meeting. The proposed plan was to be submitted to the Shareholders Meeting for further consideration.

There is no voting required for this agenda.

Agenda 2: To consider and approve the Minutes of the 1st Extra-Ordinary Shareholders' Meeting of VCL 2019;

The Chairman of Meeting reported The 1st Extra-Ordinary Shareholders' Meeting of VCL for the year 2019 was convened on November 29, 2019. The Minutes of the Meeting detailed in Attachment 2 (No 21/69-29/69), as attached with the Invitation and disclosed on website of the Lao Securities Exchange. The Minutes of 1st Extra-Ordinary Shareholders' Meeting was recorded accurately and completely.

After that, the Chairman of the Meeting encouraged the shareholders to ask question and there was no question.

The Meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed that Minutes of the 1st Extra-Ordinary Shareholders' Meeting of VCL 2019;

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Agenda 3: To consider and approve the Audited Annual Financial Statements for the year 2019;

The Chairman of Meeting reported The Audited Annual Financial Statements for the year 2019 were duly audited by Ernst & Young (Laos) Company as detailed in Attachment 3 (No

30/69-35/69), which has been approved by the Board of Directors. The Board of Directors has considered and approved the Audited Annual Financial Statements of VCL for the year 2019 and agreed to propose to the Annual General Meeting of the Shareholders. According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

After that, the chairman of the meeting encouraged the shares to ask question and there was no question.

After that, The Chairman of the Meeting asked the shareholders to votes on this agenda.

The meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed that the Audited Annual Financial Statements for the year 2019;

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Agenda 4: To consider and approve Business Performance Review for the year 2019 and Business Plan for the year 2020;

The Chairman of Meeting reportedas follows:

1. A Business Performance Review

In 2019, the annual operating income is 12,649,812,728 Kip, the total expenditure of VCL is 3.09 billion Kip, accounting for 24 percent of the revenue. And the total taxation is 2,768,340,813 kip, the net profit is 7,733,881,659 kip. The detailed in Attachment 4 (No 39/69-40/69), as attached with the Invitation.

2. Business Plan for the year 2020

Continue to carry out the purchase of high-quality assets according to the plan of theraised funds from listing, the implementation shall be approved in accordance with the relevant laws and regulations;The detailed in Attachment 4 (No 43/69-44/69), as attached with the Invitation.

After that, the Chairman of the Meeting encouraged the shareholders to ask question and there was no question.

The Meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed that the Business Performance Review for the year2019 and Business Plan for the year 2020;

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Agenda 5: To consider and approve the Dividend Payment for the year 2019 to shareholders;

The Chairman of Meeting report about According to the Articles of the Company, the dividend payment shall be approved by the AGM after deducting legal reserve and other reserves (if any).

The Company proposes theAGM to consider and approve the 2019 Dividend Payments to the shareholders whose names appear in the registration book of shareholders closed at April 30, 2020 at the rate of 13.14 Kip per share, with the total dividend payout of 1,934,206,686 Kip. Dividend payment shall be made within 30 days after an approval by the shareholders' meeting and authorize CEO to sign the documents regarding the payment of dividends.

After that, the Chairman of the Meeting encouraged the shareholders to ask question and question and clarification are as follow:

Question by LAO-CHINA SECRITIES COMPANY LIMITE: As shareholder of VCL we have some comments as in the road show of VCL, you company has promised to distribute 50% dividend to shareholders, we do understand that due to the COVID19 pandemic, but we do hope that VCL could fulfill your promise to distribute 50% of the net profit as most listed company in Laos would distribute that and therefore to strengthen confidence of the investors who invested in Lao secondary market.

Answered by Mr. Wu Xinghua, Chief Operating Officer (COO) of VCL: According to your question, we still keep our promise currently we make this decision as we want to keep our profits for future. VCL was listed last May and the company went to stock market for only half year, unfortunately COVID19 outbreak in January and Laos has a small business scope and affected hospitality as well as the retail business. The reason why we distributed 50% of the half year profit is that VCL was listed only for half year, secondly we'll use the reserves as the risk control fund to

hedge the risks due to the pandemic. After the lockdown, VCL opened immediately and show strong confidence to recover and we helped the retailors to get through this difficult time, we'll distribute the 50% of the profit since the company is listed on Lao Securities Exchange and use the reserves to be the risk control fund and we do hope all the investors could understand.

The meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed that the Dividend Payment for the year 2019 to shareholders;

- Approved: 96,073,700 votes, equivalent to 67% of the total votes attending the Meeting.
- Disapproved: 47,491,700 votes, equivalent to 33% of the total votes attending the Meeting.

Agenda 6: To consider and approve the Nomination of Board members and the Chairman for 2nd Board of Directors;

The Chairman of Meeting reported about According to the amended Enterprise Law, Article 154 Rights and Duties of shareholders' Meeting. According to the Board of Directors Agreement of the Lao Securities Commission, Article 13 a term for BOD members of listed companies equals two years, after being approved by shareholders' meeting. In a view on a terminated tenure of the 11 members of the company's first-termboard of directors (30/11 / 2017-29 / 11/2019), the company has proposed 11 nominees for the second term of the Board of Directors, as follows:

- Ms. Zhou LeiChairman
- Ms. Orlathay SANTIKHONGKHA Vice Chairman
- Mr. Wei Hua Director
- Mr. Bualapha SANTIKHONGKHA Director
- Mr. Li Xiaodong Director
- Mr. Wu Xinghua Director
- Mr. Sun Feihu Director
- Mr. Xiao Yong Independent Director

- Ms. Deng Yu Independent Director

- Mr. Viengsavanh PHANTALY Independent Director

- Mr. Joxiong BUASINENGMA Independent Director

A resume of each nominee is provided in Attachment 5 (No 45/69-55/69), as attached with the Invitation.

Because the above mentioned directors are holding prestigious educational qualifications, great competency and overwhelming business experience fulfilling requirements for being 2nd-term members of the Board of directors of VCL.

After that, the chairman of the meeting encouraged the shares to ask question and there was no question.

After that, The Chairman of the Meeting asked the shareholders to votes on this agenda

Resolution: Agreed that the Nomination of Board members and the Chairman for 2nd Board of Directors;

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending theMeeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Agenda 7:To consider and approve the new legal representative of VCL

The Chairman of Meeting reported about According to the amended Enterprise Law, Article 154 Rights and Duties of shareholders' Meeting. Since Ms. Zhou Lei is to bethe Chairmanfor the 2nd BOD. In order to facilitate the business implementation, the legal representative person shall be replaced from Mr. Wei Hua to Ms. Zhou Lei in the business license. The Board of Directors has considered and approved the change of the legal representativeand agreed to propose to the Annual General Meeting of Shareholders. According to the Enterprise Law, this proposal shall be approved with the votes of more than half of the total votes attending the Meeting.

After that, the chairman of the meeting encouraged the shares to ask question and there was no question.

The meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed that the new legal representative of VCL

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Agenda 8: To consider and approve the acquisition of office space related-party Transaction.

The Chairman of Meeting reported aboutAccording to the IPO fundraising plan, VCL carried out the preparations for acquiring the entire 3rd floor office building assets of North Nongchan Complex Development Co., Ltd and have already showed intention for the acquisition at a price not exceeding 1,811 $ / ㎡ (excluding tax), which is currently the market price. The details of the entire 3rd floor office building assets are in Attachment 1 (No 10/69-11/69), as attached with the Invitation.

The lease period of the above-mentioned assets is five years, and the annual rent is 1.08 billion kip that will generate our constant cash flow after the acquisition.

After that, the Chairman of the Meeting encouraged the shareholders to ask question and question and clarificationare as follow.

Question by LAO-CHINA SECRITIES COMPANY LIMITE: Suggested appointing an independent appraisal firm to evaluate the value of the purchase recognized by Lao Securities Commission Office as the related-party transaction. For the sustainable development of Vientiane Center, the questioner suggested the parent company of Vientiane Center supported VCL and after the appraisal; VCL should timely disclosure the result.

Answered by Mr. Wu Xinghua, Chief Operating Officer (COO) of VCL: Any property purchase under VCL would be reviewed by the appraisal firm as it's also required by the company. VCL would cooperate with the appraisal firm which was in the shortlist of Lao Securities Commission Office and the company would disclose the results once finished.

The meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed and approve the acquisition of office space related-party Transaction;

- Approved: 47,565,000 votes, equivalent to 100% of the total votes attending the Meeting. (The calculation of the votes of this agenda exclude Ms. Orlathay SANTIKHONGKHA who is the representative of Mr. Wei Hua as it's a related parties transaction)

- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Agenda 9: To consider and approve the change of the loan pledged assets and extension of the loan agreement

The Chairman of Meeting reported about VCL ("Lessee") and North Nongchan Complex Development Co., Ltd. ("Lessor") have reached a consensus on the extension of the loan contract signed when the company was established with the main contents of the contract as follows:

1. Loan amount: 64,232,500,000 Kip;

2. Borrowing interest rate: 3.5% / year;

3. Repayment method: At the maturity date, the lessee shall repay the principal and interest once at a time to the Lessor or settle the debt into equity according to the relevant laws and regulations of Laos.

4. Loan extension period: extended to November 29, 2021;

5. Pledged assets: 68 rooms are used as loan pledged assets. According to the actual situation of asset appreciation, the management team optimizes the loan pledged assets and proposed to change the loan pledged assets from 68 rooms to the following 51 houses:

After that, the chairman of the meeting encouraged the shares to ask question and there was no question.

The meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed the change of the loan pledged assets and extension of the loan agreement.

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Agenda 10: To consider and approve the renew of appointment of Ernst & Young Lao Co., Ltd as the Auditing Firm of VCL.

The Chairman of Meeting reported about proposed to renew Ernst & Young Lao Co., Ltd. as the company's external auditor. The period of this appointment is from January 1, 2020 to December 31, 2020, and the audit servicefee is 34,000$.

No	Auditor	Currency	Year		
			2018	2019	2020
1	Ernst & Young Lao Co., Ltd	USD	30000		
2	Ernst & Young Lao Co., Ltd	USD		38000	
3	Ernst & Young Lao Co., Ltd	USD			34000

After that, the chairman of the meeting encouraged the shares to ask question and there was no question.

The meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed the renew of appointment of Ernst & Young Lao Co., Ltd as the Auditing Firm of VCL

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Agenda 11: To consider and approve the Nomination for the Executive Committee and the Committees of Board of Directors for the Company

The Chairman of Meeting reported about the As the members of the Executive Committee and the Committees of Board of Directors for the Company are terminated, it is necessary to elect new members of the Executive Committee and the Committees of Board of Directors for the Company, The details are in Attachment 1 (No 16/69), as attached with the Invitation.

The members of the Executive Committee and the Committees of Board of Directors for the Company are two years from the date of the approval of the Shareholders' Meeting.

After that, the chairman of the meeting encouraged the shares to ask question and there was no question.

The meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed the Nomination for the Executive Committee and the Committees of Board of Directors for the Company

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending theMeeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting

Agenda 12: To consider and approve the Amendments to the Articles of the Company, Article 9: Directors and Article 12: Board of Directors

The Chairman of Meeting reported about the According to the amended Enterprise Law, Article 154 Rights and Duties of shareholders' Meeting.To ensure the Company's business operation is in line with its corporate documents with regards to changes to Company's Directors and the Board of Directors, the Company proposes to the Meeting to amend the contents of Article 9: Directors, and Article 12: Board of Directors, The details are in Attachment 1 (No 17/69-20/69), as attached with the Invitation.

After that, the chairman of the meeting encouraged the shares to ask question and there was no question.

The meeting resolved with the vote of the shareholders attending the Meeting as the detailed below:

Resolution: Agreed that the Amendments to the Articles of the Company, Article 9: Directors and Article12: Board of Directors

- Approved: 143,565,400 votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 vote, equivalent to 0% of the total votes attending the Meeting.

Having no more questions, the chairman of the Meeting expressed his sincere thanks to the shareholders and proxies for their kind attendance and declared to close the meeting at 15:30 p.m on the same day.

Chairman of the Meeting



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Orlathay SANTIKHONGKHA

Attachment 3

Vientiane Center Lao Public Company

Financial statements

For the year ended 31 December 2020

Vientiane Center Lao Public Company

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Vientiane Center Lao Public Company

GENERAL INFORMATION

THE COMPANY

Vientiane Center Lao Public Company ("the Company") was established in accordance with the Business License No. 1169/ERM dated 30 November 2017 issued by the Department of Enterprise Registration and Management, the Ministry of Industry and Commerce of Lao PDR.

In 2019, the Company has completed Initial Public Offering (IPO) process where additional 51,199,900 shares with par value of LAK 1,000 per share and selling price of LAK 1,050 per share were issued. Accordingly, the Company received the Certificate of Initial Public Offering (IPO) completion No.0006/LSCO on 29 May 2019 issued by Lao Securities Commission Office and the latest amendment of Business License No. 1375/ERM on 1 September 2020 issued by Department of Enterprise Registration and Management, the Ministry of Industry and Commerce of Lao PDR. The total 147,199,900 shares of the Company (under the ticker "VCL") have been officially listed on Lao Securities Exchange since 31 May 2019.

The principal activities of the Company per Business License are to develop and lease shopping malls and offices.

The Company's head office is located at Khouvieng Road, Nongchanh Village, Sisattanark District, Vientiane Capital, Lao PDR.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and as at the date of this report are:

Name	*Position*	*Date of appointment/resignation*
Mr. Wei Hua	Chairman	Resigned on 29 May 2020
Ms. Zhou Lei	Chairman	Appointed on 29 May 2020
Ms. Orlathai Santikhongkha	Vice Chairman	
Mr. Liu Guangcan	Member	Resigned on 29 May 2020
Mr. Weihua	Member	Appointed on 29 May 2020
Mr. Boulapha Santikhongkha	Member	
Mr. Chai Jianhong	Member	Resigned on 29 May 2020
Mr. Sun Feihu	Member	Appointed on 29 May 2020
Mr. Li Xiaodong	Member	
Mr. Wuxinghua	Member	
Mr. Xiao Yong	Member	
Mrs. Deng Yu	Member	
Mr. Joxiong Buoasinengma	Member	
Mr. Viengsavanh Phanthaly	Member	

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Name	*Position*	*Date of appointment/resignation*
Mr. Li Xiaodong	Executive Director	
Mr. Sun Fei Hu	Director	
Mr. Xu Bo	Director	Resigned on 29 May 2020
Mr. Wu Xinghua	Director	Appointed on 29 May 2020

GENERAL INFORMATION (continued)

AUDIT COMMITTEE

Members of the Audit committee during the year and at the date of this report are:

Name	*Position*	*Date of appointment/resignation*
Mr. Xiao Yong	Head	Resigned on 29 May 2020
Ms. Deng Yu	Head	Appointed on 29 May 2020
	Member	Resigned on 29 May 2020
Ms. Zhou Lei	Member	Appointed on 29 May 2020
Mr. Viengsavanh Phanthaly	Member	

LEGAL REPRESENTATIVE

The Company's legal representative is Mr. Wei Hua for the period up to 31 August 2020 and is Ms. Zhou Lei for period from 1 September 2020 to date of this report.

Mr. Li Xiaodong is authorised to sign the accompanying financial statements for the year ended 31 December 2020 in accordance with the Letter of Authorisation date on 1 November 2017.

AUDITORS

The auditors of the Company are Ernst & Young Lao Co., Ltd.

Vientiane Center Lao Public Company

REPORT OF MANAGEMENT

Management of Vientiane Center Lao Public Company ("the Company") is pleased to present its report and the financial statements of the Company for the year ended 31 December 2020.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

Management is responsible for the financial statements of each financial year which gives a true and fair view of the financial position of the Company and of its results of operations and cash flows for the year. In preparing those financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with accounting policies applied. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying financial statements are prepared in accordance with the accounting policies as described in Note 3 to the financial statements.

On behalf of management:

Mr. Li Xiaodong
Executive Director

Vientiane Capital, Lao PDR

7 April 2021

Building a better working world

Ernst & Young Lao Co., Ltd
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23 Singha Road, Nongbone Village
Saysettha District
Vientiane Capital, Lao PDR

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INDEPENDENT AUDITOR'S REPORT

To: The Shareholders of Vientiane Center Lao Public Company

Opinion

We have audited the financial statements of Vientiane Center Lao Public Company ("the Company"), which comprise the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared, in all material respects, in accordance with the accounting policies as described in Note 3 to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in Lao PDR, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 3 to the financial statements, which describes the accounting policies adopted by the Company. These accounting policies are not intended to present the financial position, the results of operations and the cash flows of the Company in accordance with international generally accepted accounting principles.

Our opinion is not modified in respect of this matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

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Revenue recognition

Following the nature of the business, the Company generated different types of revenue and other operating incomes such as rental incomes from retails and office space, rentals fees from renting billboards and event hall, share incomes from Business Cooperation Contract, in aggregating to LAK10,997,412,493 for the current year. There is a risk of material misstatements as to the occurrence, completeness and cut-off associated with revenue and other operating incomes recognition. We considered the revenue and other operating income recognition to be a key audit matter because (a) the billing process is complex (b) billing cycle periods may not coincide with year-end closing and the potential impact might be material to the profit or loss for the year. In addition to our testing the controls of the Company over its process being in place to ensure the occurrence and timely recognition of such revenues, our audit procedures included, among others, testing on sampling basis to ensure that revenues transactions are adequately substantiated by relevant documents, and recognised in the proper period. Accounting policies for revenue recognition are presented in Notes 3.12 and 3.14, and detailed disclosure about the Company's revenue is presented in Note 4.

Fair value of investment property

The Company accounts for its investment properties ("IP") using fair value method. As of 31 December 2020, the carrying value of the Company's IP amounted to LAK194,125,161,160; representing 75% of the Company's total assets. We considered the fair value of IP to be a key audit matter because (a) the impact of the total fair value adjustment is material to the profit or loss for the year, and (b) the valuation process of IP requires significant judgment in determining the appropriate valuation methodology, and complexity in calculations which involved certain range of estimates, assumptions and information, such as rental rate, occupancy rates, discount rate, growth rate among others, based on external and internal factors as assessed by management. As a result, our audit procedures, among others, including involvement of our internal specialist in evaluating the methodologies and the assumptions, relevant inputs and estimates used in the valuation by management; and evaluating the adequacy of relevant disclosures in the financial statements relating to the valuation of IP. Relevant accounting policy and a discussion of significant judgment and estimates are presented in Notes 2.2 and 3.5, and the detailed disclosure about the Company's IP is presented in Note 12.

Responsibilities of the Company's Management for the Financial statements

The Company's management is responsible for the preparation of the financial statements in accordance with the accounting policies as described in Note 3 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with management, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Anh Hoang Trinh
Partner

Vientiane, Lao PDR

7 April 2021

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Vientiane Center Lao Public Company

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 31 December 2020

	Notes	*For the year ended 31 December 2020 LAK*	*For the year ended 31 December 2019 LAK*
Revenue	4	9,089,266,191	10,003,956,689
Other operating incomes		1,908,146,302	2,645,856,039
Gross income		**10,997,412,493**	**12,649,812,728**
Operating expenses	5	(846,240,739)	(998,293,517)
Valuation gain from investment property	12	1,474,216,851	522,700,000
Operating profit		**11,625,388,605**	**12,174,219,211**
Financial incomes	6	1,701,290,218	187,809,544
Financial expenses	7	(2,291,851,284)	(2,279,361,633)
Profit before tax		**11,034,827,539**	**10,082,667,122**
Profit tax expense	8	(1,533,588,364)	(2,348,785,463)
Profit for the year		**9,501,239,175**	**7,733,881,659**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year, net of tax		**9,501,239,175**	**7,733,881,659**
Earnings per share			
- *Basic profit for the year attributable to ordinary equity holders*	*20*	*64.55*	*61.23*

Prepared by:

孙飞虎

Mr. Sun Fei Hu
Finance Manager

Reviewed by:

Mr. Li Xiaodong
Executive Director

Vientiane Capital, Lao PDR

7 April 2021

Vientiane Center Lao Public Company

STATEMENT OF FINANCIAL POSITION
as at 31 December 2020

	Notes	31 December 2020 LAK	31 December 2019 LAK
ASSETS			
CURRENT ASSETS			
Cash	9	22,497,520,522	38,655,476,969
Trade and other receivables	10	30,878,284,709	13,207,235,168
Advance for property purchased	11	10,000,000,000	23,400,000,000
Total current assets		**63,375,805,231**	**75,262,712,137**
NON-CURRENT ASSETS			
Investment property	12	194,125,161,160	165,197,500,000
Tangible fixed assets		4,561,085	-
Total non-current assets		**194,129,722,245**	**165,197,500,000**
TOTAL ASSETS		**257,505,527,476**	**240,460,212,137**
EQUITY AND LIABILITIES			
LIABILITIES			
CURRENT LIABILITIES			
Trade and other short-term payables	13	5,349,436,856	3,929,632,436
Total current liabilities		**5,349,436,856**	**3,929,632,436**
NON-CURRENT LIABILITIES			
Trade and other long-term payables	13	6,643,543,597	-
Long-term borrowings	14	64,232,500,000	64,232,500,000
Deferred tax liabilities	8	6,188,878,021	4,773,943,187
Total non-current liabilities		**77,064,921,618**	**69,006,443,187**
Total liabilities		**82,414,358,474**	**72,936,075,623**
EQUITY			
Share capital	15	147,199,900,000	147,199,900,000
Share premium		2,559,995,000	2,559,995,000
Regulatory reserve fund		2,726,548,069	1,776,424,152
Business expansion fund		2,726,548,069	1,776,424,152
Retained earnings		19,878,177,864	14,211,393,210
Total equity		**175,091,169,002**	**167,524,136,514**
TOTAL LIABILITIES AND EQUITY		**257,505,527,476**	**240,460,212,137**

Prepared by:

孙飞虎

Mr. Sun Fei Hu
Finance Manager

Reviewed by:

Mr. Li Xiaodong
Executive Director

Vientiane Capital, Lao PDR

7 April 2021

Vientiane Center Lao Public Company

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2020

	Share capital LAK	*Share premium LAK*	*Regulatory reserve fund LAK*	*Business expansion fund LAK*	*Retained earnings LAK*	*Total LAK*
Balance as at 1 January 2019	**96,000,000,000**	**-**	**1,140,216,421**	**1,140,216,421**	**9,121,731,365**	**107,402,164,207**
Share issued	51,199,900,000	2,559,995,000	-	-	-	53,759,895,000
Adjustment of tax in previous years	-	-	(137,180,435)	(137,180,435)	(1,097,443,482)	(1,371,804,352)
Net profit during the period	-	-	-	-	7,733,881,659	7,733,881,659
Appropriation of profit to reserves	-	-	773,388,166	773,388,166	(1,546,776,332)	-
Balance as at 31 December 2019	**147,199,900,000**	**2,559,995,000**	**1,776,424,152**	**1,776,424,152**	**14,211,393,210**	**167,524,136,514**
Balance as at 1 January 2020	**147,199,900,000**	**2,559,995,000**	**1,776,424,152**	**1,776,424,152**	**14,211,393,210**	**167,524,136,514**
Net profit during the year	-	-	-	-	9,501,239,175	9,501,239,175
Dividend declared	-	-	-	-	(1,934,206,687)	(1,934,206,687)
Appropriation of profit to reserves	-		950,123,917	950,123,917	(1,900,247,834)	-
Balance as at 31 December 2020	**147,199,900,000**	**2,559,995,000**	**2,726,548,069**	**2,726,548,069**	**19,878,177,864**	**175,091,169,002**

Prepared by:

孙飞虎

Mr. Sun Fei Hu
Finance Manager

Reviewed by:

Mr. Li Xiaodong
Executive Director

Vientiane Capital, Lao PDR

7 April 2021

Vientiane Center Lao Public Company

STATEMENT OF CASH FLOWS
for the year ended 31 December 2020

	Notes	*For the year ended 31 December 2020 LAK*	*For the year ended 31 December 2019 LAK*
OPERATING ACTIVITIES			
Profit before tax		**11,034,827,539**	**10,082,667,122**
Adjustments for:			
Depreciation charged during the year		1,023,915	-
Provision for doubtful debt		171,444,970	-
Valuation gain from investment property	12	(1,474,216,851)	(522,700,000)
Interest expense		2,291,851,284	2,279,361,633
Working capital adjustments:			
Increase in receivables		(6,734,345,795)	(30,090,577,654)
Increase in payables		8,341,373,403	241,260,360
Profit tax paid		(396,678,916)	(1,238,700,574)
Net cash flows from/(used in) operating activities		**13,235,279,549**	**(19,248,689,113)**
INVESTING ACTIVITIES			
Purchase of investment property		(27,453,444,309)	-
Purchase of tangible fixed assets		(5,585,000)	-
Net cash flows used in investing activities		**(27,459,029,309)**	**-**
FINANCING ACTIVITIES			
Proceeds from issuance of share capital – par value		-	51,199,900,000
Share premium		-	2,559,995,000
Dividend payment		(1,934,206,687)	-
Net cash flows (used in)/from financing activities		**(1,934,206,687)**	**53,759,895,000**
Net (decrease)/increase in cash during the year		**(16,157,956,447)**	**34,511,205,887**
Cash at the beginning of the year		**38,655,476,969**	**4,144,271,082**
Cash at the end of the year	**9**	**22,497,520,522**	**38,655,476,969**

Prepared by:

孙飞虎

Mr. Sun Fei Hu
Finance Manager

Reviewed by:



Mr. Li Xiaodong
Executive Director

Vientiane Capital, Lao PDR

7 April 2021

1. CORPORATE INFORMATION

Vientiane Center Lao Public Company ("the Company") was established in accordance with the Business License No. 1169/ERM dated 30 November 2017 issued by the Department of Enterprise Registration and Management, the Ministry of Industry and Commerce of Lao PDR.

In 2019, the Company has completed Initial Public Offering (IPO) process where additional 51,199,900 shares with par value of LAK 1,000 per share and selling price of LAK 1,050 per share were issued. Accordingly, the Company received the Certificate of Initial Public Offering (IPO) completion No.0006/LSCO on 29 May 2019 issued by Lao Securities Commission Office and latest amendment of Business License No. 1375/ERM on 1 September 2020 issued by Department of Enterprise Registration and Management, the Ministry of Industry and Commerce of Lao PDR. The total 147,199,900 shares of the Company (under the ticker "VCL") have been officially listed on Lao Securities Exchange since 31 May 2019.

The principal activities per Business License of the Company are to develop and lease shopping malls and offices.

The Company's head office is located at Khouvieng Road, Nongchanh Village, Sisattanark District, Vientiane Capital, Lao PDR.

2. BASIS OF PREPARATION

2.1 Basis of preparation

The financial statements of the Company have been prepared using the historical cost convention except for investment property that has been measured at fair value. These financial statements are expressed in Lao Kip ("LAK").

The Company's financial statements have been prepared in accordance with the accounting policies as set out in Note 3. These accounting policies are not intended to present the financial position, the results of operations and the cash flows of the Company in accordance with international generally accepted accounting principles.

Fiscal year

The Company's fiscal years start on 1 January and end on 31 December.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2. BASIS OF PREPARATION (continued)

2.2 *Significant accounting judgements, estimates and assumptions* (continued)

Classification of property

The Company determines whether a property is classified as investment property or inventory property:

- Investment property comprises land and buildings (principally offices, and retail property) that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business.

- Inventory property comprises property that is held for sale in the ordinary course of business. Principally, this is residential property that the Company develops and intends to sell before, or on completion of, construction.

As of 31 December 2020, the Company only has investment property presented in Note 12.

Operating lease contracts – the Company as lessor

The Company has entered into commercial property leases on its investment property. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Valuation of investment property

The fair value of investment property is determined by real estate valuation experts using recognised valuation techniques and the principles as disclosed in Note 12.

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to taxable income and expenses already recorded. The Company establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authority of Lao PDR. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulation by the taxable entity and the responsible tax authority. Such differences in interpretation may arise depending on the conditions prevailing in Lao PDR.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Accounting policies for the classification of assets and liabilities with related parties are summarised in Note 3.17.

3.2 Fair value measurement

The Company measures investment properties at fair value at each reporting date. The Company does not have financial instruments measured at fair value. Fair value related disclosures for items measured at fair value or where fair values are disclosed, are summarised in the following notes:

► Accounting policy disclosures	*Note 3.5*
► Valuation methods, significant estimates and assumptions	*Note 12*
► Investment property	*Note 12*

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 *Fair value measurement* (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.3 *Taxes*

Current profit tax

Current profit tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

Current profit tax relating to items recognised directly in equity is recognised in equity and not in the statement of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Taxes (continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporarily differences associated with investments in subsidiary where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, carried forward of unused tax credit and unused tax losses can be utilised, except:

- where the deferred tax asset arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporarily differences associated with investments in subsidiary deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognised deferred income tax assets are re assessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the statement of financial position date.

Deferred tax is charged or credited to the statement of profit or loss, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority:

- either the same taxable entity;
- or when the Company intends either to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 *Taxes* (continued)

Value added tax

The value added tax of rental income and other income was computed using the applicable tax rate for the year.

Accounting policy for value added tax relating to Business Cooperation Contract ("BCC") is presented in Note 3.14.

Any adjustment to the amount of tax payable of prior years as a result of tax inspection are recorded directly into retained earnings.

3.4 *Foreign currencies*

The financial statements are presented in LAK, which is the Company's functional currency. Transactions in foreign currencies are initially recorded by the Company at exchange rates prevailing at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

Differences arising on settlement or translation of monetary items are taken to the statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

3.5 *Investment property*

Investment property comprises completed property that is held to earn rentals or for capital appreciation or both. Property held under a lease is classified as investment property when it is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions.

Investment property is measured initially at cost, including transaction costs. Transaction costs include transfer taxes, professional fees for legal services and initial leasing commissions to bring the property to the condition necessary for it to be capable of operating. The carrying amount also includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Subsequent to initial recognition, investment property is stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

Investment property is derecognised either when it has been disposed of or when it is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Cash

Cash comprises cash on hand and cash at bank.

3.7 Rent and other receivables

Rent and other receivables are recognised at their original invoiced value except where the time value of money is material, in which case receivables are recognised at fair value and subsequently measured at amortised cost.

A provision is made when there is objective evidence that the Company will not be able to recover balances in full.

Balances are written off when the probability of recovery is assessed as being remote.

3.8 Tenant deposits

Tenant deposits liabilities are initially recognised at fair value and subsequently measured at amounts to be paid in the future.

Any difference between the initial fair value and the nominal amount is included as a component of operating lease income and recognised on a straight-line basis over the lease term.

3.9 Interest bearing loans and borrowings

All loans and borrowings are initially recognised at amount received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amounts to be paid in the future. The interest raising from loans and borrowings are calculated using nominal interest rate defined in contracts.

3.10 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in the arrangement.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

3.11 Reserves

In accordance with Article 156, Enterprise Law dated 26 December 2013, the Company is required to appropriate 10% of profit after tax each year into regulatory reserve fund. When this reserve fund reaches 50% of the registered capital, the Company may suspend such appropriation to reserve, unless otherwise provided by the by laws.

The appropriation of profit into business expansion fund is in accordance with Article 16 of the Company's Articles of Association. For the year ended 31 December 2020, the Company has appropriated 10% of profit to business expansion fund.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

The specific recognition criteria described below must also be met before revenue is recognised.

Rental income

The Company is the lessor in operating leases. Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature, except for contingent rental income which is recognised when it arises.

Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the directors are reasonably certain that the tenant will exercise that option.

Amounts received from tenants to terminate leases or to compensate for dilapidations are recognised in the statement of profit or loss when the right to receive them arises.

Other operating income

Other operating income comprises income from renting billboards and event hall, which is recognised in the period the services is provided.

Income from Business Cooperation Contract ("BCC")

Income from Business Cooperation Contract ("BCC") is recognised in accordance with accounting policy presented in Note 3.14.

Interest income

Interest income is recognised as it accrues using the effective interest rate (EIR) method. The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in finance income in the statement of profit or loss.

3.13 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Business Cooperation Contract ("BCC") in the form of jointly controlled operation

Business Cooperation Contract is an operation that does not constitute a new entity. Partners of the BCC are obliged and entitled to the benefit as stated in the contractual agreement. Activities of the BCC are carried out simultaneously with ordinary operations of partners.

The Company recognises its revenue from BCC and relevant value added tax obligation based on net income of the contract, being the difference between total income and the profit portion belonging to the other partner of the BCC.

The Company then recognises the settlement obligation at net into receivables account. The value added tax obligation raising from the contract was declared and paid on net amount received by the Company.

Details of the operation that the Company is currently having are presented in Note 4.

3.15 Deferred revenue

Deferred revenue is a liability on the Company's financial position that represents a prepayment, directly or indirectly to the Company, by its customers for goods or services that have yet to be delivered. Deferred revenue is recognized as earned revenue on the income statement as the good or service is delivered to the customer.

3.16 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are not caculated and presented.

3.17 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of operations of the Company.

The Company exercises interpretive judgement and assesses at each reporting date the classification of current/non-current for assets and liabilities relating to outstanding balances with related parties.

4. REVENUE

	For the year ended 31 December 2020 LAK	*For the year ended 31 December 2019 LAK*
Revenue from cooperation contract (*)	867,210,999	2,389,832,351
Rental incomes	8,222,055,192	7,614,124,338
	9,089,266,191	**10,003,956,689**

(*) In accordance with the Cooperation Contract between the Company and Major Platinum Cineplex (Lao) Co., Ltd. (MAJOR), the Company contributes the 20-year lease term commencing from 7 August 2015 to 6 August 2035 of a part of its investment property into a joint cinema operation with MAJOR. The revenue from the cinemas operation is shared between the Company and MAJOR on a fixed rate determined in the Contract.

5. OPERATING EXPENSES

	For the year ended 31 December 2020 LAK	*For the year ended 31 December 2019 LAK*
Depreciation expenses	1,023,915	-
Provision for doubtful debt	171,444,970	-
Staff expenses	375,759,000	385,210,860
Others	298,012,854	613,082,657
	846,240,739	**998,293,517**

6. FINANCIAL INCOMES

	For the year ended 31 December 2020 LAK	*For the year ended 31 December 2019 LAK*
Net gain from foreign exchange difference	1,701,290,218	187,809,544
	1,701,290,218	**187,809,544**

7. FINANCIAL EXPENSES

	For the year ended 31 December 2020 LAK	*For the year ended 31 December 2019 LAK*
Interest expense from related parties	2,291,851,284	2,279,361,633
	2,291,851,284	**2,279,361,633**

8. TAXATION

Prior to 2019, the Company is obliged to pay Profit Tax at rate of 24% on total profit before tax in accordance with the Tax Law No.70/NA dated 15 December 2015 which is effective on or after 24 May 2016 and expired with the issuance of Income Tax Law No.67/NA.

According to Tax Law No.70/NA, the Company is granted profit tax reduction of 5% from normal rate for the first four years from 2019 to 2022 because the Company has been listed on Lao Stock Exchange since 31 May 2019. Hence, the tax rate applicable for the Company in 2019 is 19%.

Under the new Income Tax Law No.67/NA dated 18 June 2019, which is effective on or after 1 January 2020, the normal profit tax ("PT") rate is 20%. In addition, the companies which are registered on Lao Stock Exchange shall be granted incentive rate at 13% for four years from the date of registration. Accordingly, the tax rate applicable for the Company in 2020 is 13%.

	For the year ended 31 December 2020 LAK	*For the year ended 31 December 2019 LAK*
Current profit tax expenses	118,653,530	727,271,313
Deferred tax expenses	1,414,934,834	1,621,514,150
	1,533,588,364	**2,348,785,463**

Current profit tax ("PT")

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could change at a later date upon final determination by the tax authorities.

	For the year ended 31 December 2020 LAK	*For the year ended 31 December 2019 LAK*
Accounting profit before tax	**11,034,827,539**	**10,082,667,122**
Tax rate	13%	19%
Profit tax expense	1,434,527,580	1,915,706,753
Adjustments to increase/(decrease) Profit tax		
Non-deductible interest expense	297,940,667	433,078,710
Provision for doubtful debt	22,287,846	-
Unrealised gain from foreign exchange difference	(221,167,728)	-
Depreciation of investment property under Tax law	(1,223,286,644)	(1,522,201,150)
Non-taxable income regarding valuation gain from investment property	(191,648,191)	(99,313,000)
Current profit tax expenses	**118,653,530**	**727,271,313**

8. TAXATION (continued)

Deferred tax

The table below presents the deferred tax liabilities recognised by the Company, and the movements thereon, during the current and previous periods.

Currency: LAK

	Statement of financial position		*Statement of profit or loss*	
	31 December 2020	*31 December 2019*	*For the year ended 31 December 2020*	*For the year ended 31 December 2019*
Deferred tax liabilities				
Difference between tax base and accounting base relating to investment property	6,188,878,021	4,773,943,187	1,414,934,834	1,621,514,150
Net deferred tax liabilities	***6,188,878,021***	***4,773,943,187***		
Net deferred tax charged to statement of profit or loss			***1,414,934,834***	***1,621,514,150***

9. CASH

	31 December 2020 LAK	*31 December 2019 LAK*
Cash on hand	22,532,369	133,881,789
Cash at banks	22,474,988,153	38,521,595,180
	22,497,520,522	**38,655,476,969**

10. TRADE AND OTHER RECEIVABLES

	31 December 2020 LAK	*31 December 2019 LAK*
Receivables from related parties (*) (*Note 16*)	30,165,838,073	12,226,797,139
Receivables from tenants	883,891,606	980,438,029
Less: Provision for doubtful debt	(171,444,970)	-
	30,878,284,709	**13,207,235,168**

(*) Advance and payment of rental and other operating income such as billboard advertising income from a number of tenants during the period from 30 November 2017 to 31 December 2020 was collected and held by North NongChan Complex Development Co., Ltd ("NNCD").

11. ADVANCE FOR PROPERTY PURCHASED

	31 December 2020 LAK	*31 December 2019 LAK*
Advance to related parties (*Note 16*)	10,000,000,000	23,400,000,000
	10,000,000,000	**23,400,000,000**

Details of the advances are as follows:

	31 December 2020 LAK	*31 December 2019 LAK*
Advance for 1st acquisition of office space	-	23,400,000,000
Advance for 2nd acquisition of office space (i)	10,000,000,000	-
	10,000,000,000	**23,400,000,000**

(i) In accordance with an Agreement on 21 January 2020, the Company and NNCD agreed that NNCD will transfer to the Company additional 1,380.3 sqm in the 3rd floor of the Vientiane Center buildings with contract value at USD 2,070,450. As at 31 December 2020, the Company already paid LAK 10,000,000,000 to NNCD as the advance payment of the Agreement.

12. INVESTMENT PROPERTY

On 30 November 2017, the parent company - NNCD transferred to the Company a lease property ("the investment property – 1st component") comprising retail and office space with a combined area of 9,607.88 sqm.

On 1 January 2020, the Company received the transfer of additional 1,709.5 sqm in the 2nd, 4th, 5th and 8th floor (the investment property - 2nd component) of the Vientiane Center buildings.

For the year ended 31 December 2020

	The investment property – 1st component	*The investment property - 2nd component*	*Total*
	LAK	*LAK*	*LAK*
As at 1 January	**165,197,500,000**	**-**	**165,197,500,000**
Addition during the period	-	27,453,444,309	27,453,444,309
Adjustment to fair value	(1,191,535,399)	2,665,752,250	1,474,216,851
As at 31 December	**164,005,964,601**	**30,119,196,559**	**194,125,161,160**

For the year ended 31 December 2019

	The investment property – 1st component	*The investment property - 2nd component*	*Total*
	LAK	*LAK*	*LAK*
As at 1 January	**164,674,800,000**	**-**	**164,674,800,000**
Addition during the period	-	-	-
Adjustment to fair value	522,700,000	-	522,700,000
As at 31 December	**165,197,500,000**	**-**	**165,197,500,000**

12.1 Cost of the investment property

Cost of the investment property – 1st component

Detailed information of the investment property – 1st component is as follows:

- Part A: Retail and Office space on 1st, 2nd, 4th and 6th floors of Vientiane Center buildings with the area of 5,753.66 sqm (Unit No. A1003, A2003, A1012, A1017-2, A1018, A1021, A1020, A1023, A1038, A2049, A4003-1, A4009, B4001, C1016, F6020 and F6027);

- Part B: Promotion Area and Office space on 1st, 6th, 7th and 9th Floors of Vientiane Center buildings with the area of 3,854.22 sqm (Unit No. A1007-1, F6001, F6002, F6003, F6004, F6005, F6006, F6007, F6008, F6009-1, F6009-2, F6010 to F6015, F6016-1, F6016-2, F6017, F6018, F6019, F6021 to F6026, F6028 to F6031, F6032-1, F6032-2, F6033 to F6049, F7004 to F7010, F9001 to F9012 and A1000).

12. INVESTMENT PROPERTY (continued)

12.1 Cost of the investment property (continued)

Cost of the investment property – 1st component (continued)

The investment property – 1st component is located at Khouvieng Road, Nongchanh Village, Sisattanark District, Vientiane Capital, Lao PDR. The full lease period is 50 years and can be extended for further 20 years, started from 29 September 2010 in accordance with Land Concession Contract on 29 September 2010, the Additional Land Concession Contract on 29 April 2014 and the Concession Licence on 8 May 2014 issued by Vientiane Capital Authority to NNCD. NNCD also received the Land Certificate on 4 April 2014 from Department of Natural Resources and Environment, Vientiane Capital.

The Company initially recognised the investment property – 1st component at cost, being the price agreed between the Company and NNCD. Such price was determined based on the Valuation report on 26 March 2018, issued by Sims Property Consultants Company Limited, an external consultant from Thailand, according to which the total value of this investment property was as follow:

- Part A: 95,999,200,000 LAK with 62.87 years leasehold;
- Part B: 64,232,500,000 LAK with 62.87 years leasehold.

As disclosed in Note 13, 51 units of the investment property – 1st component are used as collaterals of the borrowings from NNCD.

Cost of the investment property – 2nd component

The purchase price of the investment property – 2nd component is at LAK 30,198,788,739 (inclusive VAT at 10%). The investment property – 2nd component consist of 14 units located in the 2nd, 4th, 5th and 8th floor of the same office building of the investment property – 1st component.

The company's valuation policies and procedures for property valuations are proposed by the management team, while determined by the audit committee. Each year, the management team recommends, and the audit committee appoints an internal/external valuer who is responsible for the valuation of the Company's property for the purpose of determining its fair value in the annual financial statements. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three years.

Changes in valuation techniques

The fair value of the investment property - 1st component was previously determined based on the discounted cash flow (DCF) method. The Company believes that the income capitalization method provides better transparency than DCF method and has, therefore, decided to change the valuation method. This change in valuation method is applied prospectively as it is a change in estimate.

12.2 Fair value measurement – investment property

For the year ended 31 December 2019

The fair value of the investment property - 1st component is determined using a discounted cash flow (DCF) method.

12. INVESTMENT PROPERTY (continued)

12.2 Fair value measurement – investment property (continued)

Under the DCF method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, an appropriate, market-derived discount rate is applied to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related re-letting, redevelopment, or refurbishment. The appropriate duration is typically driven by market behaviour that is a characteristic of the class of real property. Periodic cash flow is typically estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance cost, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, are then discounted.

For the year ended 31 December 2020

Both the investment property - 1st component and the investment property – 2nd component are valued using the income capitalisation method, where a property's fair value is estimated based on the normalised net operating income generated by the property, which is divided by the capitalisation (discount) rate. The fair value was determined based on the Valuation report on 25 January 2021, issued by Lao International Asset Appraisal Co., Ltd. In the income capitalisation method, the income-producing capacity of a property is estimated by using contract rents on existing leases and by estimating market rent from rental activity at competing properties for the vacant space. Deductions are then made for vacancy and collection loss and operating expenses. The resulting net operating income is divided by an overall capitalization rate to derive an opinion of value for the subject property. The capitalization rate represents the relationship between net operating income and value.

12.3 Fair value hierarchy

The following table show an analysis of the fair values of investment property recognised in the statement of financial position by fair value hierarchy:

	Fair value				
	Quoted prices in active markets (Level 1)	*Significant observable input (Level 2)*	*Significant unobservable inputs (Level 3)*	*Total*	*Total gain in the period in the statement of profit or loss*
	LAK	*LAK*	*LAK*	*LAK*	*LAK*
31 December 2020					
Investment property	-	-	194,125,161,160	194,125,161,160	1,474,216,851
	-	**-**	**194,125,161,160**	**194,125,161,160**	**1,474,216,851**
31 December 2019					
Investment property	-	-	165,197,500,000	165,197,500,000	522,700,000
	-	**-**	**165,197,500,000**	**165,197,500,000**	**522,700,000**

There were no transfers between Levels 1, 2 or 3 during the year ended 31 December 2020.

12. INVESTMENT PROPERTY (continued)

12.4 Valuation techniques used to derive fair values

The following table shows the valuation techniques used in measuring the fair value of the investment property - 1st component and the investment property – 2nd component, as well as the significant unobservable inputs used:

Valuation technique	*Significant unobservable inputs*	*Inter-relationship between key unobservable inputs and fair value measurement*
Income capitalization method	▶ Estimated rental value (ERV) at USD 1,391,513 ▶ Operating expense at 5% ▶ Long-term vacancy rate at 13.07% ▶ Discount rate at 5.45%	The estimated fair value would increase/(decrease) if: ▶ ERV was higher/(lower) ▶ Operating expense was lower/(higher) ▶ Long-term vacancy rate was lower/(higher) ▶ The discount rate was lower/(higher)

13. TRADE AND OTHER PAYABLES

Trade and other short-term payables

	31 December 2020 LAK	*31 December 2019 LAK*
Profit tax payable	329,245,928	607,271,314
Deferred revenue from tenants – short term	3,198,832,995	548,578,974
Value added tax payable	58,795,420	2,135,433,326
Deposit from tenants	1,581,822,504	184,431,206
Others	180,740,009	453,917,616
	5,349,436,856	**3,929,632,436**

Trade and other long-term payables

	31 December 2020 LAK	*31 December 2019 LAK*
Deferred revenue from tenants - long term	6,643,543,597	-
	6,643,543,597	**-**

14. LONG-TERM BORROWINGS

	31 December 2020 LAK	*31 December 2019 LAK*
Long-term borrowing from related parties *(Note 16)*	64,232,500,000	64,232,500,000
	64,232,500,000	**64,232,500,000**

In accordance with Asset transfer minutes on 30 November 2017 and Loan agreement on 30 November 2017, the Company recognised a short-term borrowing from NNCD with its principal being the difference between the cost of the investment property at the time of transfer of LAK160,231,700,000 (*Note 12*) and the capital contributed by NNCD of LAK95,999,200,000. The Company used 68 units in Part B of the investment property as collateral.

According to the Amendment of Loan agreement on 13 June 2018, the loan has term for 2 years and bears interest at 3.5% per year. Accordingly, the original contractual maturity date is 30 November 2019 and the principal and interest shall be paid on maturity date.

Both parties agreed that only the lender has the right to choose the payment method. The conditions and methods of payment are in accordance with the provisions of the Agreement:

- In case that the lender chooses payment method as cash, the amount of payment is equal to amount of principal and interest accordance with provision article 2.2 of the Agreement (from the date that the contract is effective until maturity date).

- In the case that the lender chooses the payment method as the new share issued by the Company, the number of new shares to be paid to the lender is calculated from the lower between (a) par value of borrower's share, (b) Net assets per share of borrower, (c) 90% of the average share price traded on the Lao Securities Exchange within 30 days prior to the payment date. In addition, if the lender chooses to receive new shares issued by the Company, the lender shall agree to waive interest charge.

On 4 March 2019, NNCD issued the letter No. 44/NNCD to decrease 700,000,000 LAK from the interest charge incurred for the year ended 31 December 2018.

On 30 November 2019, NNCD and the Company entered the Revised Loan contract with new repayment date on 29 November 2021 and new collateral being 51 units of the investment property - 1st component. In accordance with the Revised Loan contract, the borrowings can be renewed after maturity date based on agreement of the Company and NNCD.

As of 31 December 2020, the management of the Company is of the view that they have expectation and discretion, to roll over the obligation as necessary and then classified the obligation as non-current liabilities.

15. SHARE CAPITAL

	31 December 2020		31 December 2019	
	Quantity	*Amount (LAK)*	*Quantity*	*Amount (LAK)*
Issued and paid-up shares				
Ordinary shares	147,199,900	147,199,900,000	147,199,900	147,199,900,000

In 2019, the Company has completed IPO process offering where additional 51,199,900 shares with par value of LAK 1,000 per share and selling price of LAK 1,050 per share were issued. Accordingly, the Company received the Certificate of Initial Public Offering (IPO) completion No.0006/LSCO on 29 May 2019 issued by Lao Securities Commission Office and Business License No. 0833/ERM on 29 May 2019 issued by Department of Enterprise Registration and Management, the Ministry of Industry and Commerce of Lao PDR.

After the IPO, the total 147,199,900 shares of the Company (under the ticker "VCL") have been officially listed on Lao Securities Exchange since 31 May 2019.

16. RELATED PARTY TRANSACTIONS

The Company had transactions with the following related parties during the year:

Related parties	*Relationship*	*Country of incorporation*
North Nongchan Complex Development Co., Ltd	Shareholder	Lao PDR

Transactions with related parties are conducted at contractually agreed prices. Significant transactions with related parties were as follows:

Related parties	*Nature of transaction*	*For the year ended 31 December 2020* LAK	*For the year ended 31 December 2019* LAK
North Nongchan Complex Development Co., Ltd	Collection of rental fee and others on behalf of the Company	15,440,911,298	5,306,051,576
	Interest charged	(2,291,851,284)	(2,279,361,633)
	Settlement on behalf of the Company	(394,860,869)	(364,076,000)
	Collection of management fee and others on behalf of NNCD	(589,934,415)	(417,417,199)
	Advance for property purchased	10,000,000,000	23,400,000,000
	Transfer of investment property purchased	(27,453,444,309)	-

Terms and conditions

Outstanding balances as at 31 December 2020 (with exception for long-term borrowing from NNCD) are unsecured and will be settled in cash. For the year ended 31 December 2020, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2019: nil).

Purchase and interest from related parties are made on the basis of contract negotiation.

16. RELATED PARTY TRANSACTIONS (continued)

Balances due from and due to related parties as at 31 December 2020 and 31 December 2019 were as follows:

Related parties	*Relationship*	*Nature of transaction*	*31 December 2020*	*31 December 2019*
			LAK	*LAK*
Trade and other receivables *(Note 10)*				
North Nongchan Complex Development Co., Ltd	Shareholder	Net receipt on behalf of the Company	30,165,838,073	12,226,797,139
			30,165,838,073	**12,226,797,139**
Advance for property purchased *(Note 11)*				
North Nongchan Complex Development Co., Ltd	Shareholder	Advance	10,000,000,000	23,400,000,000
			10,000,000,000	**23,400,000,000**
Long-term borrowings *(Note 14)*				
North Nongchan Complex Development Co., Ltd	Shareholder	Borrowings (*)	64,232,500,000	64,232,500,000
			64,232,500,000	**64,232,500,000**

(*) The loan has revised term of 2 years and bears interest at 3.5% per year. The principal and interest are payable at maturity date. Please refer to Note 14 for more details.

Other than long-term borrowing from NNCD, all other outstanding balances with related parties are unsecured and interest-free.

17. CAPITAL MANAGEMENT

Capital of the Company includes equity, loans, trade and other payables.

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or increase equity capital.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

	31 December 2020 LAK	*31 December 2019 LAK*
Total liabilities	82,414,358,474	72,936,075,623
Less: cash	(22,497,520,522)	(38,655,476,969)
Net debt	**59,916,837,952**	**34,280,598,654**
Equity	175,091,169,002	167,524,136,514
Capital and net debt	**235,008,006,954**	**201,804,735,168**
Gearing ratio	25%	17%

The adequacy of the gearing ratio is reviewed and determined by the management annually.

18. COMMITMENTS

The Company lets out retail space and office space under operating lease arrangements. The future minimum rental receivables as at 31 December 2020 and 31 December 2019 under the operating lease agreements are as follows:

	31 December 2020 LAK	*31 December 2019 LAK*
Less than 1 year	5,151,527,659	5,637,693,872
From 1-5 years	8,952,749,086	11,927,326,954
More than 5 years	20,016,612	236,548,522
TOTAL	**14,124,293,357**	**17,801,569,348**

18. COMMITMENTS (continued)

Commitments under BCC

In accordance with the Cooperation Contract between the Company and Major Platinum Cineplex (Lao) Co., Ltd. (MAJOR), the Company contributes the 20-year lease term commencing from 7 August 2015 to 6 August 2035 of a part of its investment property into a joint cinema operation with MAJOR. The revenue from the cinemas operation is shared between the Company and MAJOR on a fixed rate determined in the Contract. Accordingly, MAJOR has to pay to the Company as following:

- Area A:
  - (i) Shared revenue of gross box office and,
  - (ii) Shared revenue of concession.
- Area B:
  - (i) Shared revenue of bowling including related equipment rentals or sales,
  - (ii) Shared revenue of foods and beverage sales from bowling facilities and from any karaoke area that MAJOR may operate.
- Other: fixed monthly charge.

The Company shall not have right to terminate the BCC prior the expiration of the lease term, unless (i) there is a material breach by MAJOR; or (ii) there is the event of force majeure circumstances; or (iii) either party files for bankruptcy or goes into liquidation.

19. SEGMENT INFORMATION

The Company's principal activities per Business License are to develop and lease shopping malls and offices. In addition, these activities are only taking place within Lao PDR. As a result, the Company's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

20. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	For the year ended 31 December 2020	*For the year ended 31 December 2019*
Net profit attributable to ordinary shareholders in LAK	9,501,239,175	7,733,881,659
Weighted average number of ordinary shares (*)	147,199,900	126,299,119
Basic earnings per share	**64.55**	**61.23**

(*) The weighted average number of ordinary shares is calculated based on following information:

- Number of shares from 1 January 2020 to 31 December 2020 is 147,199,900.

21. SIGNIFICANT EVENT

In accordance with the Resolution on Measures to prevent the Spread of Covid-19 on 30 March 2020 issued by the Company's management, the retails area of the properties was temporary closed from 30 March 2020 to 29 April 2020 while the office area of the properties remains open. The Company then extended the measures until 3 May 2020 and resumed the operation of retails area on 4 May 2020. Exemption and discount for rental fee was provided to certain tenants of retails area who had to close their shops.

The Company already performed preliminary assessment of the possible impact of Covid-19 on its operations, cash flows and financial condition as well as operations of its tenants and customers. The management is of the view that the overall business of the Company is not significantly affected by the pandemic and the Company's measures.

22. EVENTS AFTER THE REPORTING DATE

There has not been any matter or circumstance that has arisen after 31 December 2020 that requires adjustment or disclosure to be made in the financial statements of the Company.

Prepared by:

孙飞虎

Mr. Sun Fei Hu
Finance Manager

Reviewed by:

Mr. Li Xiaodong
Executive Director

Vientiane Capital, Lao PDR

7 April 2021

Attachment 4

Vientiane Center Lao Public Company

Business Performance Review for the year 2020 and Business Plan for the year 2021

Content

1. Company Profile
2. Vision and Mission
   2.1 Vision
   2.2 Mission
3. Organizational Structure
4. Operating Outcome
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   4.2 Profit and loss
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   4.5 Taxation
5. Work of the Sales and Marketing
6. Work of the Board of Directors
7. Corporate Social Responsibility
8. Business Plan for the year 2020

1. Company Profile

Vientiane Center Lao Public Company (the Company) was established on November 30 2017 and was a public company split off from North Nongchan Complex Development Co., Ltd., a joint venture between China Yunnan Construction and Investment Holding Group Co., Ltd. and Krittaphong Group Co., Ltd. Vientiane Center Lao Public Company was listed on Lao Securities Exchange on May 31 2019, stock code: VCL, registered capital: 147,199,900,000 Kip.

The business scope of the Company consists of real estate development for sales and leasing, specifically including the lease and sale of shops, office building, event space, and advertising as well as joint operations. The Vientiane Center shopping mall and office building operated by the Company have attracted well-known merchants and multinational companies such as Bank of China(Hong Kong), Amazon Coffee, Miniso, Lao-China Railway, DKSH and Prudential Insurance. At present, Vientiane Center has become the leading retailer and shopping, business, financial and exhibition center in Laos and is recognized as the typical cooperation model awarded by governments of China and Laos.

2. Vision and Mission

2.1 Vision

To be the leading retailer and shopping, business, financial and exhibition center in Laos.

2.2 .Mission

To bring a more fulfilling lifestyle to Laos.

3. Organizational Structure

1.1 Vientiane Center Lao Public Company has 11 directors, of which the general manager is chosen among the directors.

3.2 The 11 directors of Vientiane Center Lao Public Company are as follows:

1. Ms. Zhou Lei	Chairman
2. Ms. Orlathay SANTIKHONGKA	Vice Chairman
3. Mr. Li Xiaodong	Director, General Manager

4. Mr. Wei Hua	Director
5. Mr. Bualapha SANTIKHONGKA (Yao Bin)	Director
6. Mr. Wu Xinghua	Director
7. Mr. Sun Feihu	Director
8. Ms. Deng Yu	Independent Director
9. Mr. Xiao Yong	Independent Director
10. Mr. Viengsavanh PHANTALY	Independent Director
11. Mr. JoXong BouaSiNengMa	Independent Director

4. Operating Outcome

4.1. Revenue

In 2020, the annual operating income is 10,997,412,493.00 Kip, which has decreased by 15%, of which the rental income is 3,629,077,149.00 Kip, the income from office space rental is 4,592,978,043.00 Kip, the income from the joint-operation agreement is 867,210,999 Kip, the income from the event space rental is 842,740,011 Kip and advertising space is 891,453,925 Kip, the income from interest on bank deposit is 173,952,366.00 Kip. The reason for the decrease in income was due to the impact of the COVID-19 pandemic.

4.2. Profit and Loss

In 2020, the Company annual operating expenditure is 846,240,739.00 Kip, financial expenses is 1,947,234,978.00 Kip, profit before tax is 9,678,153,627.00 Kip, net profit is 8,076,209,410.00 Kip, increased 4% compared with the year of 2019. The reason for net profit growth was due to changes in the fair value in real estate industry, the fair value in 2020 was approximately 1.4 billion Kip compared to approximately 500 million Kip in 2019.

4.3. Total Assets

For the year 2020, the Company's total assets is 256,116,806,919.00 Kip, which has increased 7% compared to 2019. The reason for the increase in total assets was because Vientiane Center has purchased space in office building from NNCD, which costs approximately 31 billion Kip.

4.4. Total Liabilities

For the year 2020, the Company's total liabilities is 82,450,667,681.00 Kip, which has increased 13% compared to 2019. The reason for the increase in debt was due to the prepayment of rent from Bank of China(Hong Kong) Vientiane Branch.

4.5. Taxations

In 2020, the total taxation is 1,225,665,719 Kip, which includes: total corporate income tax amount 396,678,916 Kip, Value-added tax (VAT) amount 821,273,303 Kip and the personal income tax amount 7,713,500 Kip.

5. Work of Sales and Marketing

Looking back to the year 2020, business sector in Laos was greatly affected by the COVID-19 pandemic. Since February 2020, the Lao government has successfully delivered an official document, firstly, to prohibit foreign tour groups, main tour groups to Laos such as Thai, Chinese, Vietnamese, Korean and other foreign tour groups from affected countries. Mentioned countries above had entered lockdown, and the Lao government prohibit foreign tour groups to prevent the imported infection, these factors have impacts on the operation and performance of the mall.; Secondly, to forbidden any wedding party during the pandemic, a launch party or promotions, which leads to the cancellation of our Event Hall, outside activities had decreased distinctly in the second half of the year. But after back to the normal phase, our company have planned many events, self-organized the first International Coffee Day in Vientiane, the Lao Lantern Market, Handicraft Lao Brand, innovative events such as Food Fun Fair with Dance Contest, and organized booths for rent for the Listed

Companies Celebration for the 10th Anniversary of the Lao Capital Market event to expand sources of income.

In terms of the retail and office building, the competition for commercial real estate in Vientiane has been intensified, except the previous traditional commercial competition projects such as the ITECC MALL, in the first half year of 2020, Parkson's food republic and supermarket has fully opened for business, and has reduced rental fee due to the pandemic, increased investment in other vacant areas, which has a certain impact on our company; office building such as Kolao Tower, Vang Vieng Tower, Crowne Plaza have maintained a stable occupancy rate, and Conxin international office building started operating. Due to the impact of the pandemic, the business of existing office building customers was greatly impacted by the market environment, resulting in a partial loss of office building customers due to the reduction of budgets by enterprises. There are few incremental customers in the office market in Vientiane, and other projects generally reduce rental fee to acquire new customers or to retain existing customers. However, Vientiane Center adheres to advantage of combining shopping malls and office buildings, creating more convenient shopping and office facilities, and comprehensively improving service quality. During the pandemic, the Company has provided supports to merchants, stabilized the occupancy rate, and responded to market condition in a timely manner after the closure in May. Strengthening the operation and promotion of shopping malls and office buildings, combined with popular events such as self-organized event while ensuring safety and achieved a good consumption rebound.

Throughout 2020, Vientiane Center has held 61 events, such as the monthly Lao Telecom Market, Japan and Thailand Product Shows, GAC new car launch, Vegetarian Festival, etc. We also self-organized the first International Coffee Day in a large scale in Vientiane, the Lao Lantern Market, Handicraft Lao Brand, food exhibition and street dance competition, the revival of Laos domestic tourism exhibition, etc. which aimed to bring positive promotion and customers to the mall. As for the office building, Vientiane Center spared no efforts to create synergies and co-development with

the shopping mall, the Company aimed to take advantages from the facilities of the mall and in return bring the stable working staff from the office building back to the mall to consume. In 2020, the office building has newly hosted 12 companies, with an occupancy rate of 72.70% at the year end. In the next stage, Vientiane Center office building shall maintain the existing tenants and actively seek new tenants and further increase the revenue of Vientiane Center Lao Public Company to a next stage.





6. Work of the Board of Directors

6.1. In 2020, the BODs had organized total of 5 board meetings, including 3 regular board meetings, 1 extra-ordinary meeting, and 1 annual general meeting.

6.2 The Related Party Transaction Committee held 1 meeting to study the related party transactions regarding the purchase of assets and formed a proposal to the Board of Directors for approval, which provided decision-making information for the Board Meeting.

6.3 According to the requirements of the Lao Securities Commission Office that the members of all the committees under the Board of Directors shall be directors. The Nomination Committee reviewed the members under Risk Control Committee, Nomination Committee, Compensation Management Committee, and Related Party Transaction Committee and formed a report submitted to the Board of Directors for approval, which provided decision-making information for the Board Meeting.

6.4 Based on the work plan, the Auditing Committee will review the Company's first quarter, semi-annual, third quarter and the annual financial reports of 2020 to ensure the accuracy.

7. Corporate Social Responsibility

In 2020, Laos has been faced with Covid-19 outbreak, while actively cooperating with the Lao's government's epidemic prevention and control requirement and also tried our best to fulfill the corporate social responsibility.

1. Co-organized 2 Blood Donation Events for public benefits and Lao Red cross, which include 680 blood donators.
2. Provide facilities for fundraising activities by placing 4 donation boxes next to escalators and other areas in the mall. In 2020, we have raised 14,524,000 Kip for the Lao charity.



8. Business plan for the year 2021

8.1. In terms of office building: in 2021, Vientiane Center aims to attract more foreign customers already inside Laos. Considering the impact of the pandemic, in 2021, there will be an increase in the market for office space in Laos for customer whose contracts will soon expire, we have tracked the internal of other expired customers in the Lao Market, meet the needs of customers, try to stay stabilized during the economic downturn, raise the rate of office space rental for better results.

8.2 In terms of shopping mall joint-operation and leasing: in 2021, the shopping mall will try to enter the market of distribution and holding well-known brands, strengthen the linkage between online shopping and offline shopping. Considering the long duration of the current pandemic and the continued closure of international and local ports, residents of Laos will still be unable to travel to Thailand for shopping purpose for an extended period of time. Circular shopping in Vientiane will increase the opportunity and advantage of existing shops. The shopping mall team will focus on negotiating with well-known brand distributors in Thailand, try to co-join with international brands, strive for national agency distribution, and further enrich the brand revenue channel.

8.3 In terms of Event and Advertising leasing: in 2021, Vientiane Center will further enrich the concept of innovative events and increase revenue. Due to the pandemic and the government out-break control, events in 2020 were less than expected. For 2021 events, the planning department

will further utilize the mall team's planning and design advantages, actively plan innovative events, utilize the professional segmentation capabilities of partners and combine the advantage of Vientiane Center venues and market promotion to provide customer with event planning solutions and assist in the curation. In additions, the Vientiane Center has purchased event stages, light stands, event booth tables and chairs, etc. and leased the entire linked event venue to the customers, providing one-stop event planning solutions, venues and event equipment leasing, and creating new profit.

8.4 Continue to carry out the purchase of high-quality assets according to the plan of the raised funds from listing, the implementation shall be approved in accordance with relevant laws and regulations.

Chairman



Attachment 5

Resume of Chairman



Name: Mr. Wang Weikun

Nationality: Chinese

Date of birth: **15** /05/**19**84

Place of birth: Hunan province, China.

- Education:

  Graduated from University of International Business and Economic(China), Major in Master degree of the Finance; Waseda University(Japan), Major in Master degree of the International Relations .

- Work Experience:

  - 2006-2009, Studied at University of International Business and Economic(China), Major in Master degree of the Finance
  - 2009-2010, Worked at KPMG (China)Co., Ltd
  - 2010-2014, Deputy Director of the Economic Cooperation in the Lanexang-Mekong Subregion of the Yunnan Provincial Development and Reform Commission
  - 2014-2018, Director of the Economic Cooperation in the Lanexang-Mekong Subregion of the Yunnan Provincial Development and Reform Commission
  - 2014-2016, Studied at Waseda University(Japan), Major in Master degree of the International Relations
  - 2018-2019, Head of Strategic Development Planning Division, Yunnan Provincial Overseas Investment CO., LTD
  - 2019-2020, Head of the Board Office, Yunnan Provincial Overseas Investment CO., LTD
  - 2020 until currently, General Manager of Lao-China Joint Venture Co., Ltd.

Resume of Director



Name:	Mr. Mr. Luo Xiaodong
Nationality:	Chinese
Date of birth:	07/03/1989
Place of birth:	Chongqing City, China.

- Education:

  Graduated from Yunnan University of Finance and Economics, major in Bachelor of Finance and Financial Management.

- Work Experience:

  - 2009-2013, Studied at Yunnan University of Finance and Economics, major in Bachelor of Finance and Financial Management；
  - 2013-2014, Worked at Yunnan Construction Engineering General Contracting Company；
  - 2014-2015, Worked at Yunnan pan-Asia Agricultural Cooperation Development Co., Ltd；
  - 2015-2017, Worked at North Nongchan Complex Development Co., Ltd；
  - 2017-2019, Deputy Manager of Finance Department of North Nongchan Complex Development Co., Ltd；
  - 2019 until currently, Manager of Finance Department of North Nongchan Complex Development Co., Ltd

Resume of Independent Director



Name:	Mr. Zhang Tianyi
Nationality:	Chinese
Date of birth:	25/10/1976
Place of birth:	Sichuan Province, China.

- Education:

  Graduated from China Yunan University, major in Master degree of Laws.

- Work Experience:

  - 2008 – 2015, Part-time Lawyer of the Associate Yunnan Baquian;
  - 2015– currently, Lawyer and Partner of the Associate Yunnan Baquian;
  - 2016– currently, Director of Baqian Law & Consultancy (Lao).
  - 2017– currently, Senior Consultant of the China Pan-Mekong Lao Firm.

    Since 2008, Zhang Tianyi has focused on foreign investment, cross-border financing, overseas energy development, overseas infrastructure construction, and foreign-related commercial dispute resolution, and he has mastered the laws of Southeast Asia and South Asia.

Attachment 6

PROXY

Written at .....

Date.....month.....year.....

(1) I/We..... Nationality.....

Date of birth..... ID card / Passport No. :.....

Reside at..... Village..... District.....

Province ..... Country.....

(2) Being a shareholder of Vientiane Center Lao Public Company. Holding the ordinary shares in the total amount of share, which are equivalent to the same number.

(3) Hereby appoint

☐ 1. Mr./Ms..... Age.....,

ID card / Passport No..... Reside at..... Village

District..... Province ..... Country.....; or

☐ 2.Mr Viengsavanh phanthaly Age 44, ID card / Passport No. A1-0010349 Reside at..... Village Sengsavang District Xaysettha Province Vientiane Capital Country LAO PDR ; or

☐ 3. Mr joexiong BUASYNENGMA Age 48 , ID card / Passport No. 01-18 005815 Reside at..... Village Sisangvone District Xaysettha Province Vientiane Capital Country LAO PDR ; or

He/she is my/our proxy to attend and vote on my behalf at the Annual Shareholders' Meeting of VCL for the year 2020to be held on April 30, 2021 at 14:00 p.m, at Diamond meeting room, at Diamond meeting room on 4th floor of Landmark Mekong Riverside Hotel, Thatkhao Village, Sisattanak District, Vientiane Capital, Lao PDR. or adjournment at any date, time and place thereof.

(4) I/We hereby authorize the proxy to vote on my/our behalf at this meeting as follow:

- To grant my/our proxy to consider and vote on my/our behalf as he/she may deem appropriate in all respects; ☐ Approve ☐ Disapprove
- To grant my/our proxy to vote as per my/our intention and consider and vote on my/our behalf

in some agendas as he/she may deem appropriate in all respects;

☐ Approve ☐ Disapprove

- To grant my/our proxy to votes as per my/our intention as follows.

Proposal 2: To consider and approve the Minutes of the Annual General Shareholders' Meeting of the Vientiane Center Lao Public Company 2019.

☐ Approve ☐ Disapprove

Proposal 3: To consider and approve the Audited Annual Financial Statements for the year 2020.

☐ Approve ☐ Disapprove

Proposal 4: To consider and approve Business Performance Review for the year 2020 and Business Plan for the year 2021.

☐ Approve ☐ Disapprove

Proposal 5: To consider and approve the Dividend Payment for the year 2020 to shareholders.

☐ Approve ☐ Disapprove

Proposal 6: To consider and approve the change of the partial Board members and the Chairman for the 2nd Board of Directors.

☐ Approve ☐ Disapprove

Proposal 7: To consider and approve the new legal representative of VCL.

☐ Approve ☐ Disapprove

Proposal 8: To consider and approve the Authorization to fully execute the Extension of the Loan Agreement of VCL.

☐ Approve ☐ Disapprove

Proposal 9: To consider and approve the Appointment of Ernst & Young as the Auditing Firm of VCL.

☐ Approve ☐ Disapprove

Proposal 10: To consider and approve the change for the partial Committees of Board of Directors for the Company.

☐ Approve ☐ Disapprove

Proposal 11: To consider and approve the Amendments to the Articles of the Company, Article 9: Directors and Article 12: Board of Directors.

☐ Approve ☐ Disapprove

(5) Voting of the proxy in any agenda that is not as specified in this Proxy shall be considered as invalid and shall not be my/our voting as a shareholder;

(6) In case I/We have not specified my/our voting intention in any agenda or not clearly specified, it shall be deemed approved.

(7) Any business carried out by the proxy at the said meeting, except in case that the proxy does not vote according to my/our intention(s) specified in the Proxy, shall be deemed as having been carried out by myself/ourselves in all respects.

Grantor signed:.....

(.....)

Proxy signed:.....

(.....)

Remark:

1. The shareholder appointing the proxy must authorize only one proxy to attend and vote at the meeting and may not split the number of shares to several proxies for splitting votes;
2. Pursuant to the Law on Notary (Amended) No. 11/NA, dated November 26, 2019. In order for the appointment by the shareholder to the proxy to have legal effect, this Proxy must be notarized with the court. In this regard, the company will not take any responsibility in the case where the Proxy submitted to the Company has not been register with the Notary Office, Ministry of Justice.

VIENTIANE CENTER
ວຽງຈັນເຊັ້ນເຕີ
ບໍລິສັດ ວຽງຈັນເຊັ້ນເຕີ ລາວ ມະຫາຊົນ
VIENTIANE CENTER LAO PUBLIC COMPANY
ຖະໜົນຄຸວຽງ, ບ້ານໜອງຈັນ, ເມືອງ ສີສັດຕະນາກ, ນະຄອນຫຼວງວຽງຈັນ, ໂທ ແລະ ແຟັກ: (+856) 21 228299
KHUVIENG ROAD, NONGCHAN VILLAGE, SISATTANAK DISTRICT, VIENTIANE CAPITAL, Tel & Fax: (+856) 21 228299

Attachment 7

Documents or evidences required to be presented prior attending the Annual General Shareholders' Meeting of VCL for the year 2020

For your convenience for the registration process to attend the Annual General Shareholders' Meeting of VCL for the year 2020, the shareholders or proxies who will attend the Meeting shall bring the invitation to the Meeting, registration form and proxy form for the registration. The company reserves the rights to allow only the shareholders or the proxies who have proper and complete documents to attend the Meeting.

Documents or evidences (valid) required to be presented by the shareholders or proxies to attend the Meeting

1. Shareholders who are natural persons

1.1 Shareholders attending the Meeting themselves shall present valid documents issued by governmental authorities, e.g. The identification card or passport (for foreign shareholders), including the evidence of name or last name change (if any);

1.2 Shareholders appointing a proxy to attend the Meeting. A proxy shall present the documents as follows:

- A proxy form as attached to the invitation to the Meeting, which has been duly complete and signed by the shareholder and the proxy;
- A copy of valid document of the shareholder issued by governmental authorities as specified on item 1.1 which has been certified true and correct by the shareholders;
- Valid document of the proxy issued by governmental authorities, e.g. the identification card or passport (for foreign proxy), the evidence of name or last name change (if any).

2. Shareholders who are juristic persons

2.1 Representatives of shareholders (authorized directors) attending the meeting themselves, shall present the documents as follow:

- Valid document of the representatives of the shareholder (authorized directors) issued by governmental authorities, e.g. the identification card or passport (for foreign representative) of the shareholders (authorized directors), including the evidence of name or last name change (if any);
- Copies of the Foreign Investment License (if any), the Enterprise Registration Certification (Affidavit), the Article of Association and the Tax certificate (of the last year) of the shareholders specifying that the representatives of the juristic person attending the Meeting are duly authorized

to represent the shareholder, which have been certified true and correct by the representatives of the shareholder (authorized directors).

2.2 Shareholders appoint a proxy to attend the Meeting. A proxy shall provide the documents as follow:

- A proxy form as attached to the invitation to the Meeting which has been duly complete and signed by the shareholder and the proxy (authorized directors);
- Copies of the Foreign Investment License (if any), the Enterprise Registration Certification (Affidavit), the Article of Association and the Tax certificate (of the last year) of the shareholders specifying that the representatives of the juristic person attending the Meeting are duly authorized to represent the shareholder, which have been certified true and correct by the representatives of the shareholder (authorized directors).
- Copies of valid document of the representatives of the shareholder (authorized directors) issued by governmental authorities, which have been certified true and correct by the representatives of the shareholder (authorized directors).
- Valid document of the proxy issued by governmental authorities, e.g. the identification card or passport (for foreign proxy), the evidence of name or last name change (if any).

Remarks: In case of the shareholders are foreigners, please follow the instructions item 1 or 2, as the case may be. If the documents are in other language beside Lao or English, the translation are required into Lao or English, and shall be certified by person or by the representatives (authorized directors) of such foreign juristic persons.

Proxy

Shareholders who are unable to attend the Meeting themselves, may appoint a proxy to attend the meeting on the shareholders' behalf by proceeding as follow:

1. Appoint any person or one of the directors of Company to attend and vote the Meeting on the shareholders' behalf by specifying the name and details the proxy or marking (✓) in the ☐ in front of the name of one of the directors as provided in the proxy form to be the proxy to attend the Meeting.
2. Return the duly complete proxy form to Vientiane Center Lao Public Company Office, Khuvieng Road, Nongchan Village, Sisattanak District, Vientiane Capital, Lao PDR and Please deliver to the Company before May 28, 2020 or at least an hour before the Meeting starts for verification of documents.

In this regard, shareholders may not split shares to appoint several proxies to split votes in the Meeting. Each of the shall authorize the proxy to cast the votes equaling to the same number of shares held by such shareholder, and shall not appoint only parts of the shares held by such shareholders.

Registration

1. The Company will start the registration process from 1:00 p.m. at Diamond meeting room, at Diamond meeting room on 4th floor of Landmark Hotel, Thatkhao Village, Sisattanak District, Vientiane Capital, Lao PDR. In case of the shareholders attending the Meeting themselves
   1.1 Contact the registration point and present the valid documents to identify themselves in order to attending the Meeting;
   1.2 Collect the documents from the registration and ballots for every agenda which requires votes.
2. In case of the shareholders appointing the Proxy to attend the Meeting
   2.1 Contact the documents verification point and present the valid documents to identify themselves in order to attending the Meeting;
   2.2 Contact the registration point and present the documents according to the (2.1) which were verified by the staffs.
   2.3 Collect the documents from the registration and ballots for every agenda which requires votes. (Except for the case of proxy in which the voting has been clearly specified in the proxy form).

Voting and Vote Counting Result

1. Voting:
   1.1 One share is entitled to one vote. Shareholders shall only cast the votes equaling to the same number of shares held.
   1.2 In casting votes in each agenda, the chairman will ask if anyone disapproves in order to save time of the shareholders and proxies as a whole.
   - If the shareholders and the proxies whole disapprove shall put a mark ( ) in the disapprove box and sign the ballots and raise their hands to deliver the ballots to the company's staff members for vote counting at the time, the shareholders and the proxies who do not raise their ballots considered as approval in the Meeting
   - If no any shareholder raises the ballot considered as approval the Meeting, Except for the shareholders and proxies submit their disapproval the Company will record disapproval voting.

   1.3 In case of proxy in which the voting has been clearly specified in the proxy form, the company will record such votes at the time of the registration.
2. Vote Counting Result:
   2.1 In case of proxy in which the voting has been clearly specified in the proxy form, the company will record such votes at the time of the registration
   2.2 The chairman will announce the voting result in each agenda to the meeting after the voting process in each agenda finished by separating the amount and percentage of the approval

votes and the disapproval votes from the total votes. In case of the shareholders submit the disapproval ballots after the Chairman has announced the voting result of each Agenda to the Meeting, the Company will disregard such disapproval votes.

Attachment 8

Map of the meeting venue

Diamond meeting room on 4th floor of Landmark Hotel, Thatkhao Village, Sisattanak District, Vientiane Capital, Lao PDR.

