ບໍລິສັດ ປິໂຕຣລ້ຽມເທຣດດິ້ງລາວ ມະຫາຊົນ
PETROLEUM TRADING LAO PUBLIC COMPANY
ຖະໜົນ: ກຳແພງເມືອງ, ບ້ານໂພນທັນ, ເມືອງໄຊເສດຖາ, ນະຄອນຫຼວງວຽງຈັນ, ສ ປ ປ ລາວ ໂທ: 856 21 264834-5 ແຟັກ: 856021 264836
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No:...../PTL/2021
Vientiane Capital, Date: 18 MAY 2021

The Minutes of the Annual General Shareholders' Meeting of 2020 of Petroleum Trading Lao Public Company

The Annual General Shareholders' Meeting of 2020 of Petroleum Trading Lao Public Company (PTL) was held on 07th May 2021 at 08:50 am on the 8th floor of Lao Securities Exchange Building, Phonthan Village, Saysettha District, Vientiane, Lao P.D.R. At the opening, the meeting was attended by 11 shareholders, in which 8 shareholders attended the meeting in person and 3 shareholders attended the meeting as proxies, holding the total of 198.816.290 shares, equivalent to 84,60% of the total paid-up shares. On the agenda 3, There was 1 more shareholder attended the meeting in person. Thus, the meeting was attended by 12 shareholders, in which 9 shareholders attended the meeting in person and 3 shareholders attended the meeting as proxies, holding the total of 198.824.790 shares, equivalent to 84,61% of the total paid-up shares. Thereby, this made the quorum in accordance with the Enterprise Law and the Articles of Association of the company.

The host introduced each of Board of Directors and the relevant officers attending the meeting as followed:

Board of Directors	**Position**
1. Mrs. Chanthadom MEKSAVANH	: Vice Chairman;
2. Mrs. Daly PHOLSENA	: Independent Director, Chairman of Internal Audit Committee;
3. Mr. Phoxay CHANTHAVONGSA	: Independent Director, Internal Audit Committee;
4. Mr. Bounthanh CHITTAVONG	: Director.

Mr. Chanthone SITTHIXAY Chairman; Mrs. Savanhthong PHONGSAVANH Vice Chairman and Mr. Nouphan MAHAPHON Independent Director were not available to attend the meeting. Therefore, Mrs. Chanthadom MEKSAVANH Vice Chairman was appointed as the chairman of this meeting.

Furthermore, there were representatives from the Lao Securities Commission Office, Lao Securities Exchange, Price Waterhouse Cooper (Lao) Sole Co., Ltd, Lanexang Securities Public Company and the individual shareholder attended the meeting.

The host instructed the measures of COVID-19 prevention attending the meeting as well as informed the agenda, instruction for vote procedure and counting as the following:

Agenda:

Agenda 1: To consider and approve the Minutes of the Annual General Shareholders' Meeting for the year 2019

Agenda 2: To consider and approve the business performance result of the year 2020 and audited financial statement for the year 2020

Agenda 3: To consider and approve the business plan of PTL for the year 2021

Agenda 4: To consider that there is no dividend payments from the business performance result of the year 2020

Agenda 5: To consider and approve the appointment of the External Auditor which is Price Waterhouse Cooper (Lao) Sole Co., Ltd ("PwC") for the year 2021 together with determination a gap of remuneration between USD34.000 to USD37.000

Agenda 6: To consider and approve on the requested resignation of Mr. Chanthone SITTHIXAY as the PTL's Chairman of the Board of Directors

Agenda 7: To consider and approve on the appointment of Mr. Vang RATTANAVONG to be the PTL's chairman of the Board of Directors

Process of Voting:

- Each shareholder is entitled to the votes equaling to the number of shares held by them, whereby one share is entitled to one vote;
- In casting votes in each agenda, the Chairman of the meeting will ask If any shareholders disapproved;
  If the shareholders who disapprove shall put a mark ✓ in the disapproved box □ in the ballots and raise hand up for the company's staff to collect the vote counting card; and for the shareholders who do not raise the hand up shall be deemed that they have approved as proposed to the meeting;
- In the case of any shareholders have appointed the proxies to attend the Meeting and to cast the votes as specified by the shareholders in the Proxy Form, the Company has already recorded such votes at the registration for the convenience of the proxies. The proxies are not required to put any mark in the ballots.

Vote Counting:

- In vote counting of each agenda, the disapproval votes of the shareholders attending the Meeting and by proxy which the Company recorded the votes at the registration will be deducted from the amount of the total shares of the shareholders attending the Meeting and casting the votes in each agenda.
- The Chairman will announce the voting results of each Agenda to the Meeting after the vote casting of each agenda is completed by specifying the numbers and percentages of the approval votes and the disapproval votes. The company will not count the disapproval vote of the shareholders who submit the ballots after the Chairman has announced the voting results of each agenda to the meeting.

In case of the shareholders or the proxies have any question of each agenda, please raise hand up and introduce yourself that you're a shareholder or the proxy in order to record

in the minutes of the Annual General Shareholders' Meeting of 2020. And again, in accordance with the relevant rules and regulations, I would like to notify that the observers are not allowed to have comments on the agenda of the meeting today.

Therefore, in order to make transparency for counting the votes to the meeting, we are looking for the volunteer at least 1 people to be witness by informing your name, surname, and specific as the shareholder or the proxy. And shall sit at the counting desk in which Ms. Moukdalay KHOUNSAVANH, the proxy of shareholder being as a volunteer together with the Directors of the company; and then assigned to secretary of the company responsible for counting votes of all agendas.

After that, Mrs. Chanthadom MEKSAVANH, Chairman of the meeting officially opened and proceed the meeting according to the agenda of the Annual General Shareholders' Meeting of 2020 as per details following:

Agenda 1. To consider and approve the Minutes of the Annual General Shareholders' Meeting for the year 2019

The Chairman of the meeting proposed to the meeting as follows: The Minutes of the Annual General Shareholders' Meeting for the year 2019 held on 29th May 2020 has been accurately and completely reviewed the contents.

The Chairman of the meeting encouraged the meeting to have comments after report but there were no comments.

The Chairman of the meeting then proposed to the meeting to consider and approve the Minutes of the Annual General Shareholders' Meeting for the year 2019.

Resolution: The meeting resolved with unanimous votes from the total votes attending the meeting to approve the Minutes of the Annual General Shareholders' Meeting for the year 2019 as the votes following:

- Approved 198,816,290 votes or equal to 100 %.
- Disapproved 0 vote or equal to 0 %.
- Total 198,816,290 votes or equal to 100 %.

Agenda 2. To consider and approve the business performance result of the year 2020 and audited financial statement for the year 2020

The Chairman of the meeting proposed to the meeting about the business performance result of the year 2020 has been detailed as follows:

I. The business performance result of the year 2020

❖ The total sale of Gas station customers:

1) Comparison of sales between the Plan in 2020 and the actual sales

No.	Gas station	Plan in 2020 (liters)	Actual (liters)	Difference	
				(liters)	(%)
1	Platinum	16.113.000	12.991.000	(3.122.000)	(19)
2	Gold	23.036.000	21.576.000	(1.460.000)	(6)
3	Standard	22.553.000	18.443.000	(4.110.000)	(18)
4	Thongthin	11.597.000	11.137.000	(460.000)	(4)
Total		**73.299.000**	**64.147.000**	**(9.152.000)**	**(12,49)**

2) Comparison of sales between the year 2020 and 2019

No.	Gas stations	Sales in 2020 (liters)	Sales in 2019 (liters)	Difference	
				(liters)	(%)
1	Platinum	12.991.000	14.518.000	(1.527.000)	(10,52)
2	Gold	21.576.000	24.036.000	(2.460.000)	(10,23)
3	Standard	18.443.000	17.747.000	696.000	3,92
4	Thongthin	11.137.000	10.675.000	462.000	4,33
Total		**64.147.000**	**66.976.000**	**(2.829.000)**	**(4,22)**

❖ The total sale of project customers:

1) Comparison of sales between the Plan in 2020 and the actual sales

No.	Customer	Plan in 2020 (liters)	Actual (liters)	Difference	
				(liters)	(%)
1	B2B	114.140.000	84.575.000	(29.565.000)	(25,90)

2) Comparison of sales between the year 2020 and 2019

No.	Customer	Sales in 2020 (liters)	Sales in 2019 (liters)	Difference	
				(liters)	(%)
1	B2B	84.575.000	102.357.000	(17.782.000)	(17,37)

❖ The total sale of Medium LS Fuel Oil, Asphalt Petroleum and Lubricant

1) Comparison of sales between the Plan in 2020 and the actual sales

No.	Customers	Plan in 2020 (liters)	Actual (liters)	Difference	
				(liters)	(%)
1	Medium LS Fuel Oil	According to the customers' order	6.759.375	6.759.375	100
2	Asphalt Petroleum	According to the customers' order	19.003.187	19.003.187	100
3	Lubricant	120.000	12.298	(107.702)	(89,75)
Total		**120.000**	**25.774.860**	**25.654.860**	**213,79**

2) Comparison of sales between the year 2020 and 2019

No.	Customers	Sales in 2020 (liters)	Sales in 2019 (liters)	Difference	
				(liters)	(%)
1	Medium LS Fuel Oil	6.759.375	N/A	6.759.375	100
2	Asphalt Petroleum	19.003.187	N/A	19.003.187	100
3	Lubricant	12.298	10.335	1.963	18,99
Total		**25.774.860**	**10.335**	**25.764.525**	**218,99**

❖ Comparison of the total customer's sales

1) Comparison of sales between the Plan in 2020 and the actual sales

No.	Customers	Plan in 2020 (liters)	Actual (liters)	Difference	
				(liters)	(%)
1	B2B	114.140.000	84.575.000	(29.565.000)	(25,90)
2	Gas stations	73.299.000	64.147.000	(9.152.000)	(12,49)
3	Medium LS Fuel Oil, Asphalt Petroleum	According to the customers' order	25.762.562	25.762.562	100
4	Lubricant	120.000	12.298	(107.702)	(89,75)
Total		**187.559.000**	**174.496.860**	**(13.062.140)**	**(6,96)**

2) Comparison of sales between the year 2020 and 2019

No.	Customers	Sales in 2020 (liters)	Sales in 2019 (liters)	Difference	
				(liters)	(%)
1	B2B	84.575.000	102.357.000	(17.782.000)	(17,37)
2	Gas stations	64.147.000	66.976.000	(2.829.000)	(4,22)
3	Medium LS Fuel Oil, Asphalt Petroleum	25.762.562	N/A	25.762.562	N/A
4	Lubricant	12.298	10.335	1.963	18,99
Total		**174.496.860**	**169.343.335**	**5.153.525**	**3%**

❖ Tax paid to the tax authority and other in 2020

No.	List	2019 (KIP)	2020 (KIP)	Difference	
				(KIP)	(%)
1	Import Tax	43.299.752.000	30.770.033.800	(12.529.718.200)	(28,94)
2	Excise Tax	174.210.011.500	104.651.811.900	(69.558.199.600)	(39,93)
3	Value Added Tax	162.358.934.899	56.457.764.899	(105.901.170.000)	(65,23)
4	Road Tax	88.338.640.000	76.018.280.000	(12.320.360.000)	(13,95)
5	Reserve Fund	80.734.800.000	195.899.410.000	115.164.610.000	58,79
6	E-Meter	1.019.292.000	877.134.000	(142.158.000)	(13,95)
7	Quality Fee	2.717.812.000	2.339.024.000	(378.788.000)	(13,94)
8	Value Added Tax During a Year	15.826.873.767	61.466.531.998	45.639.658.231	74,25
9	Profit Tax	800.000.000	2.870.718.065	2.070.718.065	72,13
10	Income Tax	1.251.753.473	880.770.879	(370.982.594)	(29,63)
Total		**570.557.869.639**	**532.231.479.541**	**(38.326.390.098)**	**(6,72)**

❖ Human Resource

In 2020, our human resource department have worked to make sure that our employees are enough and capable and skills to works in their roles and responsibilities, update and make sure our wealth fare and employee benefit are complying with labor law and company policy. In addition, we provide training on various topics to increase the skills and awareness of employees within the organization.

Our Company has 56 employees for the year 2020, in which 35 staffs are female.

II. Financial statement for the year 2020 has been summarized as the following:

List	2020	2019	Difference	%
Total Assets (LAK)	781.156.921.782	753.368.200.898	27.788.720.884	3,69
Total Liabilities (LAK)	571.010.773.835	520.790.867.043	50.219.906.792	9,64
Total Equities (LAK)	210.146.147.947	232.577.333.855	(22.431.185.908)	(9,64)
Total Revenues (LAK)	1.129.058.388.481	1.271.935.934.055	(142.877.545.574)	(11,23)
Profit/(Loss), net (LAK)	(22.431.185.908)	(80.237.966.665)	57.806.780.757	(72,04)
EPS (LAK)	(96)	(342)	246	(71.93)

The audited financial statement for the year 2020 has been detailed as attached the documents in the letter of invitation.

The Chairman of the meeting encouraged the meeting to have comments after report but there were no comments.

The Chairman of the meeting then proposed to the meeting to consider and approve the business performance result of the year 2020 and audited financial statement for the year 2020.

Resolution: The meeting resolved with unanimous votes from the total votes attending the meeting to approve the business performance result of the year 2020 and audited financial statement for the year 2020 as the votes following:

- Approved 198,816,290 votes or equal to 100 %.
- Disapproved 0 vote or equal to 0 %.
- Total 198,816,290 votes or equal to 100 %.

Agenda 3. To consider and approve the business plan of PTL for the year 2021

The Chairman of the meeting delegated Mr. Mark LUVANT, General Manager of PTL to report about business plan of PTL for the year 2021 as follows:

2021 will be a big challenge for the Company as we will need to recover from the 2020 losses and also compensate the fact that we will not supply the Express Way during this year as the 2nd portion "*Vang Vieng-Luangprabang*" will resume only by end of 2021/beginning of 2022. Therefore, the Company has decided to adopt a more aggressive and resilient strategy in the market but also internally.

1) Growth - Offset 2020 Volume Loss

i) Projects/B2B

- Capture incremental volumes, leveraging on our supply and logistics advantage (vs other importers) along with our compliance with the government regulations.
- Capture Key B2B Accounts (Mining).

- Capitalize Spot Market opportunities and consolidate 45M liters.

ii) Retail

- Capture Full potential of existing and newly acquired COCO sites
- Redesign and expand our Retail value proposition with additional fuel and non-fuel businesses to capture additional margin and volume:
  - Take over fuel card business (Plus Card)
  - Develop Lubricant bays (10)
  - Develop Coffee Shops (5)

iii) Marketing & Promotions

- Optimize margins by improving mapping real cost to serve.
- Continue to monitor and collaborate with industry to maintain/increase CIF margins.

2) Operational Efficiency

i) Continue to efficiently manage Opex and Capex by adjusting our structures and investments to only the highest returns on short time.

ii) Re-design our operations capacity, divest low volume depots and expand higher ones and leverage on other storage available to reduce the investment of capacity expansion.

3) Financial Discipline

i) Reduce our 2020 AR to 0.

ii) Reduce our OD risk with Suppliers.

iii) Manage Spot market credit risk.

iv) Manage FX losses to 0.

4) Culture

i) Progress high performance individuals into more challenging roles.

ii) Develop our workforce capabilities – promote cross functional changes and trainings.

iii) Foster process innovations.

❖ **External Factors in 2020**

1. Foreign Exchange

For the period of Jan-May we experienced losses only mostly due to negative valuation of KIP to USD that we are experiencing this year. The second half (June-Dec) we started gaining thanks to a positive valuation of receivables and in that period **dollars were getting very weak** on the international market while **Yuan was getting strong**. We were able to capitalize on that because we were pricing the product in Yuan (receiving Yuan) while paying for the product in USD.

2. Post-COVID19

The impact of COVID-19 and the oil prices war are proving to be a two-pronged crisis for oil, gas, and chemicals companies. Oil prices are dropping due to failed agreements on production cuts and the need for chemicals and refined products is slowing from industrial slow-downs and travel restrictions in the wake of this global pandemic.

The Chairman of the meeting encouraged the meeting to have comments after Mr. Mark LUVANT's briefly report but there were no comments.

The Chairman of the meeting then proposed to the meeting to consider and approve the business plan of PTL for the year 2021.

Resolution: The meeting resolved with unanimous votes from the total votes attending the meeting to approve the business plan of PTL for the year 2021 as the votes following:

- Approved 198,824,790 votes or equal to 100 %.
- Disapproved 0 vote or equal to 0 %.
- Total 198,824,790 votes or equal to 100 %.

Agenda 4. To consider that there is no dividend payments from the business performance result of the year 2020

The Chairman of the meeting proposed to the meeting: Pursuant to the Financial Statement was audited by external auditor for the year 2020, the company losses from business operation and pursuant to the Enterprises Law No.46/NA, dated 26 December 2013, on the article 155 "Distribution of dividends" the company is prohibited to distribute dividends when there still are accumulated losses.

The Chairman of the meeting encouraged the meeting to have comments after report but there were no comments.

The Chairman of the meeting then proposed to the meeting to consider and approve that there is no dividend payments from the business performance result of the year 2020

Resolution: The meeting resolved with unanimous votes from the total votes attending the meeting to approve that there is no dividend payments from the business performance result of the year 2020 as the votes following:

- Approved 198,824,790 votes or equal to 100 %.
- Disapproved 0 vote or equal to 0 %.
- Total 198,824,790 votes or equal to 100 %.

Agenda 5: To consider and approve the appointment of the External Auditor which is Price Waterhouse Cooper (Lao) Sole Co., Ltd ("PwC") for the year 2021 together with determination a gap of remuneration between USD34.000 to USD37.000

The Chairman of the meeting proposed to the meeting: Pursuant to the Enterprises Law No.46/NA, dated 26 December 2013, on the article 154 Rights and duties of the Annual General Shareholders' meeting to elect and decide a remuneration of the external auditor which Price Waterhouse Cooper (Lao) Sole Co., Ltd ("PwC") has been accordingly considered by the Board of Directors, hereby propose to the meeting in order to consider and approve the appointment of PWC as the external auditor for the year 2021 and determined a gap of remuneration between USD34.000 to USD37.000; PWC is the external auditor company authorized by Lao Securities Commission Office. Due to PWC has been the external auditor for PTL since 2017 to 2020 with its equipped experience and detailed discretion. The previous remunerations in details were as follow:

Year	Remuneration of audit
2017	55.000
2018	55.000
2019	34.000
2020	34.000
2021	34.000 – 37.000

The Chairman of the meeting encouraged the meeting to have comments after report but there were no comments.

The Chairman of the meeting then proposed to the meeting to consider and approve the appointment of the External Auditor which is Price Waterhouse Cooper (Lao) Sole Co., Ltd ("PwC") for the year 2021 together with determination a gap of remuneration between USD34.000 to USD37.000

Resolution: The meeting resolved with unanimous votes from the total votes attending the meeting to approve the appointment of the External Auditor which is Price Waterhouse Cooper (Lao) Sole Co., Ltd ("PwC") for the year 2021 together with determination a gap of remuneration between USD34.000 to USD37.000 as the votes following:

- Approved 198,824,790 votes or equal to 100 %.
- Disapproved 0 vote or equal to 0 %.
- Total 198,824,790 votes or equal to 100 %.

Agenda 6: To consider and approve on the requested resignation of Mr. Chanthone SITTHIXAY as the PTL's Chairman of the Board of Directors

The Chairman of the meeting proposed to the meeting: Mr. Chanthone SITTHIXAY resigned being the PTL's Chairman of the Board of Directors due to he was responsible for other duties.

The Chairman of the meeting encouraged the meeting to have comments after report but there were no comments.

The Chairman of the meeting then proposed to the meeting to consider and approve on the requested resignation of Mr. Chanthone SITTHIXAY as the PTL's Chairman of the Board of Directors

Resolution: The meeting resolved with unanimous votes from the total votes attending the meeting to approve on the requested resignation of Mr. Chanthone SITTHIXAY as the PTL's Chairman of the Board of Directors as the votes following:

- Approved 198,824,790 votes or equal to 100 %.
- Disapproved 0 vote or equal to 0 %.
- Total 198,824,790 votes or equal to 100 %.

Agenda 7: To consider and approve on the appointment of Mr. Vang RATTANAVONG to be the PTL's chairman of the Board of Directors

The Chairman of the meeting proposed to the meeting: Due to the former Chairman of the Board of Director resigned in order to responsible to other duties. Therefore, propose to appoint Mr. Vang RATTANAVONG to be the new PTL's chairman of the Board of Directors.

The Chairman of the meeting encouraged the meeting to have comments after report but there were no comments.

The Chairman of the meeting then proposed to the meeting to consider and approve on the appointment of Mr. Vang RATTANAVONG to be the PTL's chairman of the Board of Directors

Resolution: The meeting resolved with unanimous votes from the total votes attending the meeting to approve on the appointment of Mr. Vang RATTANAVONG to be the PTL's chairman of the Board of Directors as the votes following:

- Approved 198,824,790 votes or equal to 100 %.
- Disapproved 0 vote or equal to 0 %.
- Total 198,824,790 votes or equal to 100 %.

The Chairman of the meeting informed to the shareholders that all agendas were completely considered and approved in accordance with Letter of Invitation and encouraged the meeting to have other comments but there were no comments from shareholders.

At the end of the meeting, Mrs. Chanthadom MEKSAVANH, Chairman of the meeting gave a speech: on behalf of The Board of Directors would like to thank you very much to all the shareholders and proxies attended the Annual General Shareholders' Meeting of 2020 as well as thank you to representative from the Lao Securities Commission Officer, Lao Securities Exchange, Lanexang Securities Public Company and all related parties, who also attended the meeting today which made this meeting was successful.

The meeting has no any issue and the Chairman of the meeting declared the meeting adjourned at 10:10 a.m.

Yours Sincerely,

Chairman of the meeting



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Chanthadom MEKSAVANH

Note: ***Minutes of the Annual General Shareholders' meeting for the year 2020 shall deem to use the Lao language as the original.***