THE THIRD QUARTER REPORT

ended 30 September 2026



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I. Overview of the Company's business

1. Vision

Souvanny Home Center will become a leader in the development of modern trade centers for construction materials, home decoration, home appliances, and general supplies across all sales channels to meet the customers' needs in Lao PDR and connect to the ASEAN market.

2. Mission

- **Supply Chain Excellence:** Expanding the import of high-quality construction materials, home furnishings, appliances, and consumer goods at competitive prices to serve all customer segments across Laos, thereby contributing to the national economic drive.
- **Omni-channel Modernization:** Continuously improving service standards and fulfillment processes across all sales channels, both offline and online, to ensure a seamless and modern customer experience.
- **Human Capital & Succession Planning:** Enhancing personnel capacity and developing a robust pipeline of successors to build a future-ready workforce capable of navigating technological shifts and evolving consumer behaviors in the digital era.
- **Regional Connectivity:** Strengthening Laos' trade links with ASEAN and the global market, leveraging the country's strategic position as a regional hub.
- **Stakeholder Interests & Sustainability:** Safeguarding the interests of all stakeholders while upholding our commitment to social and environmental responsibility to develop in a sustainable, green direction.

3. History of SOUVANNY

SOUVANNY Home Center Public Company ("the Company" or "SVN") operates a one-stop shopping home center that provides both services and a full range of products from construction materials to home supplies and decoration, such as tile, sanitary ware, paint, home and office decoration materials, furniture, and others. Moreover, the Company also has services including product recommendations to customers, interior design for the kitchen and restroom, and product delivery. Most of the imported products of the Company are of high quality, with well-known brands easily recognized and effectively managed by modern computer systems, focusing on distribution and warehouse systems. The products can be separated into over 20 categories, varying according to the customers' needs under the slogan: **"Enhance the quality of products and services to align with the needs of target customer groups, ensure customer satisfaction, maintain operational processes in accordance with standards, and pursue continuous development."** The Company's main distribution channel is through its own modern trade showrooms under the Lao PDR's top brand ''Souvanny''.

Souvanny was established in **1988** by Mrs. Souvanny SOUKHABANDITH, Mr. Waddana SOUKHABANDITH, and Mr. Phannola SOUKABANDITH at Sisawat Village, Chanthabuly District, Vientiane, Lao PDR, with initial registered capital of 3,250,000 Kip. **In 1993,** the Company was registered as Souvanny Trading Export-Import Sole Company Limited with registered capital of 100,000,000 Kip. **In 2000**, the Company experienced rapid growth as the need for construction materials increased, together with Mr. Kotsada SOUKHABANDITH graduating from abroad and coming to help manage the Company's business. In this year, the Company opened the Phonetong branch, operating the first one-stop shopping home center, which provides both services and full-range products from construction materials to home

supplies and decorations in a modern trade showroom. So, the head office was moved from the Thongkhankham branch to the Phonetong branch (currently the head office to this day). **In 2004,** the company expanded by opening a new branch, the Sikhai branch at Nahae Village, Sikhottabong District, Vientiane.

In 2015, the company changed its business structure from Souvanny Trading Export-Import Sole Company Limited to Souvanny Trading Export-Import Company Limited with the registered capital of 500,000,000 Kip. Pursuant to the extraordinary General Shareholder's Meeting No. 1/2015, **on 28 July 2015,** which included an agenda item to consider adjusting the par value of the Company's shares from 50,000 Kip per share to 2,000 Kip per share, and approving an increase in registered capital from 500,000,000 Kip to 280 billion Kip, totaling 140,000,000 shares. The Company was invested in by Global House International Company Limited, a provider of both services and full-range products, from construction materials to home supplies and decoration in Thailand. This partnership facilitates the transfer of business know-how and strengthens the Company's long-term competitive potential. The SOUKHABANDITH family holds 60% of the company's shares, while Global House International Limited holds 40% of the company's shares. **On 13 September 2015**, the extraordinary General Shareholder's Meeting No. 1/2015 was held. The meeting was held to consider the following agenda: conversion into a public company and changing the company name to "Souvanny Home Center Public Company." Concurrently, the company increased its registered capital to facilitate an Initial Public Offering (IPO) of 50 billion Kip, through the issuance of 25,000,000 new common shares with a par value of 2,000 Kip per share; the company aims to support business expansion and prepare for a listing on the Lao Securities Exchange (LSX). This aligns with its ambition to become a leading provider of a comprehensive range of construction materials, home and building decoration products, and related services in the Lao PDR. O**n 11 December 2015**, Souvanny Home Center Public Company listed its shares for trading on the Lao Securities Exchange (First Trading Day). **On 30 January 2017,** Souvanny Home Center Public Company expanded its operations by opening an additional branch in Vientiane Capital: Xokyai Branch at Xokyai Village, Saysettha District, Vientiane (450 Year Road). **On 30 September 2017**, Souvanny Home Center Public Company further expanded its operations by opening an additional branch, namely the Pakxun Branch, at Sisaard Village, Pakxun District, Borlikhamxay Province. **On 31 March 2018**, the company closed its Thongkhankham Branch. **On 17 July 2018,** the company further expanded its operations by opening an additional branch, the Pakse Branch at Karng Village, Pakse District, Champasak Province. **On 1 July 2019**, the company closed its ThongToum Branch. On 02 March 2020, the company further expanded its operations by opening an additional branch, Thakhek Branch, at Phonphim Village, Thakhek District, Khammuan Province, and on **December 14, 2021**, the Company opened its seventh branch, Savannakhet Branch, located in Phonesavangnuea Village, Kaisone Phomvihan City, Savannakhet Province. **On June 9, 2023**, Souvanny Home Center Public Company launched the trading of its first issuance of corporate bonds on the Lao Securities Exchange. The issuance has a total value of 3 million US dollars (approximately 51.6 billion Lao Kip), with a par value of 50,000 US dollars per unit, an annual interest rate of 7.50%, and a maturity period of 4 years. The funds raised are intended for business operations, the repayment of loans from financial institutions, investment in branch expansion, or as working capital for the company. **On October 13, 2024**, SOUVANNY Home Center officially opened its new branch, the 8th branch, Luang Prabang Branch, in Phonexay Village, Luang Prabang City, Luang Prabang Province, with an exhibition area and warehouse of no less than 15,000 square meters, with a wide range of products to meet customers' needs. On 8 November 2025, **Souvanny Home Center** officially opened its 9th branch, located in Somsanouk Village, Hadxayfong District, Vientiane Capital. The new branch is a three-storey building with over than 24,000 square meters of showroom space, and over 1,107 square meters of warehouse space.

II. Financial Status and Business Operation Results

1. Revenue:

- Total revenue for the first nine months of 2026 amounted to **LAK 857,468 million**, representing an increase of **LAK 152,352 million (or 21.61%)** compared to the same period of the previous year. This increase was due to expanding product variety, organizing promotions to attract more customer interest in services, and additional revenue from various branches, particularly the new Somsanouk branch opened at the end of 2025.

- Total revenue for the third quarter of 2026 amounted to **LAK 266,738 million**, representing an increase of **LAK 32,960 million (or 14.10%)** compared to the same period of the previous year. This increase was due to expanding product variety, organizing promotions to attract more customer interest in services, and additional revenue from various branches, particularly the new Somsanouk branch opened at the end of 2025.

2. Expenses:

- Total expenses for the first nine months of 2026 amounted to **LAK 158,107 million**, representing an increase of **LAK 31,543 million (or 24.92%)** compared to the same period of the previous year. This increase was driven by higher selling and administrative expenses, as well as costs associated with the newly opened Somsanouk branch.
- Total expenses for the third quarter of 2026 amounted to **LAK 54,941 million**, representing an increase of **LAK 11,183 million (or 25.56%)** compared to the same period of the previous year. This increase was driven by higher selling and administrative expenses.

3. Net Profit:

- Total net profit for the first nine months of 2026 was equivalent to LAK 49,404 million.
- Total net profit for the third quarter of 2026 was equivalent to LAK 13,517 million.

4. Assets:

- Total assets as of September 30, 2026, amounted to **LAK 2,146,951 million**, representing a decrease of **LAK 46,972 million (or -2.14%)** compared to December 31, 2025. This was mainly due to a decrease in cash and cash equivalents used for short-term debt repayments, such as accounts payable and maturing bank loans, as well as a decrease in non-current assets resulting from accounting depreciation and foreign exchange translation.

5. Liabilities:

- Total liabilities as of September 30, 2026, amounted to **LAK 424,098 million**, representing a decrease of **LAK 55,955 million (or -11.66%)** compared to December 31, 2025. This decrease resulted from the repayment of overdrafts, short-term loans, trade accounts payable, and other payables.

6. Equity:

- Total equity as of September 30, 2026, amounted to **LAK 1,722,852 million**, representing an increase of **LAK 8,982 million (or 0.52%)** compared to December 31, 2025. This increase was driven by retained earnings (or net profit generated).

Note: Business performance figures are based on Financial Statements.

III. General Information and some important information of SVN

1. Location and Network

Souvanny Home Center Public Company has its headquarters located at No 366, Phonetongsavath Village, Chanthabouly District, Vientiane Capital. Nowadays, there are 9 branches. 4 branches are in Vientiane, and 5 branches are in other provinces, as follows:

1) Phonetong branch address: No. 366, Phonetong Rd, Phonetongsavath Village, Chanthabouly District, Vientiane Capital. Tel: 021 560 000 / 020 5608 2311.
2) Sikhai branch address: 13 North Rd, Nahae village, Sikhottabong District, Vientiane Capital. Tel: 021 621 254/020 5884 2414
3) Xokyai branch address: 450 Rd, Xokyai village, Xaysettha District, Vientiane Capital. Tel: 021 466 009/020 5511 2509
4) Pakxan branch address: 13 South Rd, Sisaart village, Pakxan District, Borlikhamxay Province. Tel: 054 791 026/020 5809 7558
5) Pakse branch address: No. 38 Rd, Karng village, Pakse Capital City, Champasak Province. Tel: 031 514 091 / 020 5620 6753
6) Thakhek branch address: No. 13 South Rd, Phonphim village, Thakhek District, Khammouane Province. Tel: 051 212 353 / 020 9407 1293
7) Savannakhet branch address: 9 Rd, Phonesavangnuea village, Kaisone Phomvihan City, Savannakhet Province. Tel: 041 215 858 / 020 9558 8289.
8) Luangprabang branch address: 13 North Rd, Phonexay village, Luangprabang City, Luangprabang Province. Tel: 071 211 455 / 020 5400 3930.
9) Somsanouk Branch Address: Thadeua RD, Somsanouk Village, Hadxayfong District, Vientiane Capital. Tel: 021 811 616 / 020 9662 8986

2. Contact Information

- Tel: (+856-21) 415 645
- Whatsapp: (+856-20) 9693 5223
- E-mail: Souvanny@souvanny.la
- Website: www.souvanny.la
- App: Souvanny Retail App
- Facebook: Souvanny Home Center
- Line ID: @Souvanny
- Instagram: Souvanny Home Center
- TIKTOK: Souvanny Home Center

IV. Securities and Shareholders 2026

- **Registered Capital**

As of September 30, 2026, the Company has a total registered capital of 330,000,000,000 Kip, divided into 165,000,000 ordinary shares with a par value of 2,000 Kip per share.

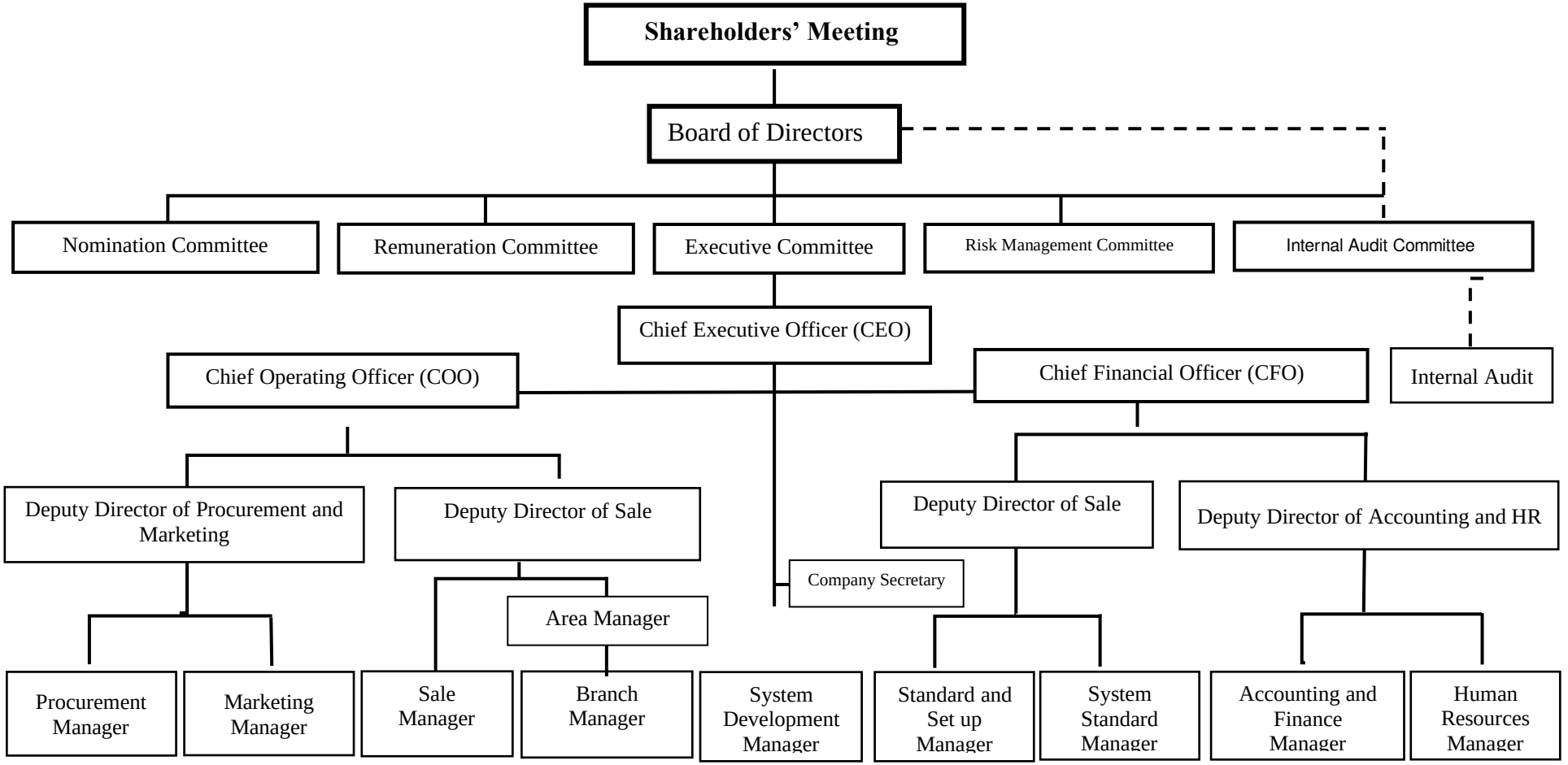
- **Shareholders.**

The list of major shareholders of the company, holding 5 percent or more of the shares, is as follows:

1. Soukhabandith family with 83,893,600 shares equal to 51 percent
2. Global House International Company Limited with 56,000,000 shares equal to 34 percent.

V. Organization Structure: Board of Directors, Managing Directors and the activities of the Board

1. Organization Chart of the Company



2. The structure of SVN's Board of Directors and their curriculum vitae

2.1. The Board of Directors of SVN consists of 9 members



Mr. Somchith INTHAMITH
Chairman of the Board of Directors, Independent Director, Chairman of Nomination and Risk Management Committee

Mr. Xayphone KONGMANILA, Ph.D
Vice Chairman of the Board of Directors, Independent Director and Chairman of Audit Committee





Mr. Waddana SOUKHABANDITH
Member of the Board of Directors and Chief Executive Officer (CEO)

Mr. Sonesavanh SENGAPHAY
Member of the Board of Directors, Independent Director and Chairman of Remuneration Committee





Mr. Phannola SOUKHABANDITH
Member of the Board of Directors and Chief Financial Officer (CFO)

Mr. Bounthavy SIMMAXAY
Member of the Board of Directors and Finance Manager





Mr. Kotsada SOUKHABANDITH
Member of the Board of Director, Chief Operating Officer (COO)

Ms. Chutikan SRISAENGCHAN
Member of the Board of Directors





Mr. Piphop VASANAARCHASAKUL
Member of the Board of Directors

2.2. Brief Background of the Board of Directors

1. Mr. Somchit INTHAMITH



Date of Birth	13/03/1959
Nationality	Lao
Education Background	Master of Development Economics, Martin Luther University Halle-Wittenberg, Germany, 1985.
Positions	Chairman of the Board of Directors and independent member of SVN.
Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board of Directors' Meeting 3 times. - Attended the meeting of the selection committee 1 time. - Attended the Risk Management Committee's meeting 1 time.

2. Assoc.Prof.Dr. Xayphone KONGMANILA



Date of Birth	30/12/1973
Nationality	Lao
Education Background	Doctoral Degree in Business Administration, Hiroshima University, Japan, 2009.
Positions	Vice Chairman of the Board of Directors of SVN, Chairman of the Audit Committee, Member of the Board of Directors of SVN, Independent Director of SVN
Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board of Directors' Meeting 2 times. - Attended the Audit Committee's Meeting 3 times.

3. Mr. Waddana SOUKHABANDITH



Date of Birth	28/10/1966
Nationality	Lao.
Education Background	Master of Business Administration, Mahasarakham University, Thailand, 2002.
Positions	Member of the Board of Directors of SVN. CEO of SVN.
Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board of Directors' Meeting 3 times. - Attended the Audit Committee's Meeting 3 times. - Attended the meeting of the selection committee 1 time. - Attended the Risk Management Committee's meeting 1 time. - Attended the Remuneration Committee's Meeting 1 time.

4. Mr. Sonesavanh SENGAPHAY



Date of Birth	30 /6/1960
Nationality	Lao
Education Background	- Master of Arts in Law, Tajikistan University of Law, former USSR, 1993. - Master of Laws, Chulalongkorn University, Bangkok, Thailand, 2009.
Positions	Member of the Board of Directors of SVN and Independent Director of SVN
Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board of Directors' Meeting 3 times. - Attended the Remuneration Committee's Meeting 1 time.

5. Mr. Phannola SOUKHABANDITH



Date of Birth	22/09/1969
Nationality	Lao
Education Background	- Master of Business Administration, Mahasarakham University, Thailand. - Certified Public Accountant (CPA-XII), Lao Chamber of Professional Accountants and Auditors, Department of Accounting, Ministry of Finance, PDR, 2022
Positions	Member of the Board of Directors of SVN. Chief Financial Officer of SVN (CFO)
Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board of Directors' Meeting 3 times. - Attended the Audit Committee's Meeting 3 times. - Attended the meeting of the selection committee 1 time. - Attended the Risk Management Committee's meeting 1 time. - Attended the Remuneration Committee's meeting 1 time.

6. Mr. Kotsada SOUKHABANDITH



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Date of Birth	04/01/1972
Nationality	Lao
Education Background	Master of Business Administration, Khonkaen University, Thailand
Positions	Member of the Board of Directors of SVN. Chief Operating Officer of SVN (COO)

Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board of Directors' Meeting 3 times. - Attended the Audit Committee's Meeting 3 times. - Attended the meeting of the selection committee 1 time. - Attended the Risk Management Committee's meeting 1 time. - Attended the Remuneration Committee's meeting 1 time.

7. Mr. Bounthavy SIMMASAY



Date of Birth	06/04/1982
Nationality	Lao
Education Background	Degree in Business Administration, Pakpasak Technical College, Laos. Studied Master of Finance and Accounting (MFA), National University of Laos.
Positions	Member of the Board of Directors of SVN
Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board of Directors' Meeting 3 times.

8. Mr. Phiphop VASANAARCHASAKUL



Date of Birth	21/05/1970
Nationality	Thai
Education Background	Bachelor's degree in humanities, Kasetsart University, Thailand, 1993.

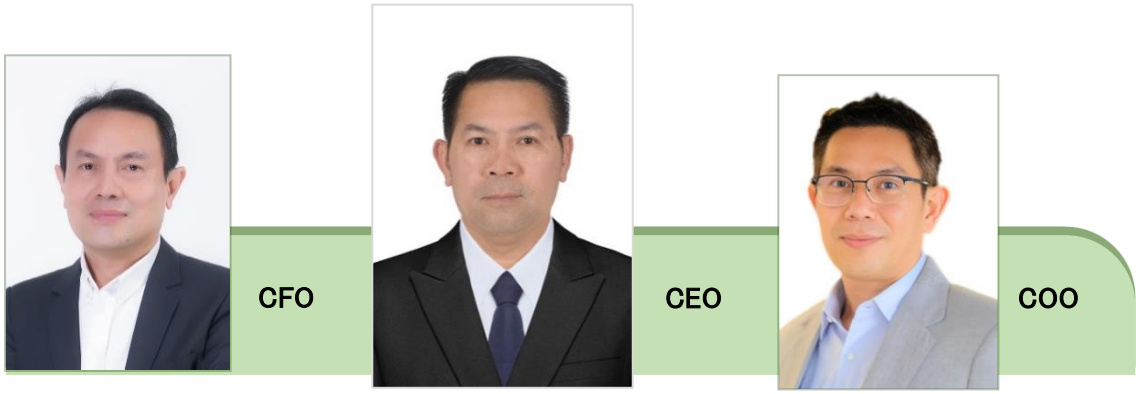
Positions	Member of the Board of Directors of SVN. Deputy Chief Executive Officer- Business Development of Siam Global House PCL.
Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board of Directors' Meeting 3 times.

9. Mrs. Chutikan SRISAENGCHAN



Date of Birth	25/04/1969
Nationality	Thai
Education Background	Master of Business Administration, Khonkaen University, Thailand, 2001.
Positions	Member of the Board of Directors of SVN. Deputy Chief Executive Officer of Finance and Accounting, Siam Global House PCL
Attendance at various meetings in the nine months of 2026	- Attended the Ordinary Shareholders' Meeting 1 time - Attended the Board Of Directors' Meeting 3 time.

2.3. The structure of SVN's Executive Management



Mr. Phannola SOUKHABANDITH
Chief Financial Officer (CFO)

Mr. Waddana SOUKHABANDITH
Chief Executive Officer (CEO)

Mr. Kotsada SOUKHABANDITH
Chief Operating Officer (COO)

3. The activities of SVN's Board for the Nine-month 2026

- The General Shareholder's Meeting of 2025 was held 1 time
- The Board of Directors' Meeting was held 3 times.
- The Audit Committee's Meeting was held 3 times.
- The Selection Committee's Meeting was held 1 time.
- The Risk Management Committee's Meeting was held 1 time.
- The Remuneration Committee's Meeting was held 1 time.

4. Remuneration of Members of the Board of Directors.

For independent members of the Board of Directors, compensation is provided in the form of an attendance allowance for each meeting, structured as follows:

- The Chairman of the Board of Directors 10,000,000 Kip/1 time.
- The Deputy Chairman of the board of directors 6,600,000 Kip/1 time.
- The member of the board of directors 6,600,000 Kip/1 time.

VI. Corporate Social Responsibility.

1. Tax Payment.

Souvanny Home Center Public Company strictly complies with the laws of the Lao PDR, particularly tax laws. This is evidenced by the fulfillment of its tax obligations to the State, including Value Added Tax (VAT), salary tax, and profit tax, among others.

The state tax in the Third quarter of 2026

No.	Details	Total value (LAK) 2026	Total value (LAK) 2025
1	Import Duty	1,363,110,200	1,789,419,000
2	Value Added Tax	26,605,890,253	23,473,308,303
3	Payroll Tax	2,518,257,189	1,935,971,830
4	Excise Tax	-	-
5	Profit Tax	-	-
	Total	**30,487,257,642**	**27,198,699,133**

The state tax in the nine months of 2026

No.	Details	Total value (LAK) 2026	Total value (LAK) 2025
1	Import Duty	4,673,848,400	4,683,827,300
2	Value Added Tax	86,855,746,888	70,665,532,693
3	Payroll Tax	7,250,134,536	5,561,962,788
4	Excise Tax	-	2,089,700
5	Profit Tax	2,000,000,000	2,000,000,000
	Total	**100,779,729,824**	**82,913,412,481**

2. Corporate Social Responsibility.

Souvanny Home Center Public Company carried out several social contribution projects during the past third quarter, as follows:

- On July 28, 2026, Souvanny Home Center Public Company welcomed a delegation from the Thai Investors Association (SIAT) at the Somsanouk branch in Vientiane Capital. The delegation was led by Mr.Waddana SOUKHABANDITH, CEO of Souvanny Home Center Public Company, and Mr. Chatchawanan Santidet, President of the Thai Investors Association (SIAT), along with their delegation.





- On August 6, 2026, Souvanny Home Center Public Company donated ceiling and gypsum materials to the local administrative authority of Nasae Commune, Thakhek District, Khammouane Province.
- On August 11, 2026, Souvanny Home Center Public Company donated equipment and supplies to the Pakxan District Public Security (Police) for official use, valued at 5,244,000 Kip.
- On August 20, 2026, Souvanny Home Center Public Company contributed 5,000,000 Kip to sponsor the traditional boat racing festival in Luang Prabang





- On August 12, 2026, employees of Souvanny Home Center Public Company united to donate blood to the Lao Red Cross as a social contribution to help those in need of blood.











- Souvanny Home Center Public Company organized its Q3 promotion.







VII.Internal Control Policy

The company has established internal policies to strengthen its management framework by adhering to international standards, including ISO 9001:2015, warehouse operational standards, and various service protocols such as 5S (Sort, Set in order, Shine, Standardize, and Sustain) and Safety Standards. Furthermore, the company leverages advanced computer systems and effective software to streamline operations. This is complemented by a multi-level approval system subject to both internal and external audits, alongside the strategic integration of CCTV surveillance at key risk points to ensure maximum security and transparency

Cert No. 75Q17255

VIII. Risk Management Policy

The key risk factors for the construction materials trading business in Laos over the past year were;

1. Customer debt
2. Money Exchange rate
3. Direct and indirect costs are higher
4. And threats

- Foreign Exchange Fluctuations: By strictly adhering to Lao PDR laws for all product imports, the company maintains high credibility, enabling more efficient access to foreign currency exchange through formal banking channels.
- Credit Risk Management: To mitigate the risk of customer debt, we have implemented a rigorous credit approval mechanism. This involves a careful assessment of creditworthiness and the establishment of appropriate credit limits for each customer.
- Cost Control & Inflation: In response to rising direct and indirect costs driven by inflation, we actively seek diverse, cost-effective suppliers. We negotiate internationally to secure high-quality products at competitive prices, ensuring affordability for our customers.
- Natural Disaster Mitigation: To protect against unforeseen events such as floods, fires, storms, or earthquakes, the company has secured comprehensive insurance coverage for all branches to mitigate potential financial losses.

Chief Executive Officer
Souvanny Home Center Public Company

Waddana SOUKHABANDITH