VIENTIANE CENTER
ວຽງຈັນເຊັ້ນເຕີ
ບໍລິສັດ ວຽງຈັນເຊັ້ນເຕີ ລາວ ມະຫາຊົນ
VIENTIANE CENTER LAO PUBLIC COMPANY
ຖະໜົນຄູວຽງ, ບ້ານໜອງຈັນ, ເມືອງ ສີສັດຕະນາກ, ນະຄອນຫຼວງວຽງຈັນ, ໂທ ແລະ ແຟັກ: (+856) 21 228299
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Vientiane Center Lao Public Company

Semi-Annual Report 2025

1. Company Profile

1.1 Vision

To create the first commercial brand in Laos and build the "shopping center, office center, financial center and exhibition center" in Laos

1.2 Mission

To implement the urban lifestyle

1.3 Company Profile

Vientiane Center Lao Public Company was established on November 30, 2017 as a public subsidiary by North Nongchan Complex Development Co., Ltd. (a joint venture founded by Yunnan Construction and Investment Holding Group Co., Ltd. and Krittaphong Group Co., Ltd.) through high-quality assets divestiture, and listed on the Lao Stock Exchange on May 31, 2019, with the Stock Code of VCL.

The Company operates in the field of real estate development for sale and rental, specifically store rental and sale, office building rental and sale, event venue rental, advertising space rental, and large business associates. With brand promotion, service enhancement and business format adjustment, the shopping malls and office buildings operated by the Company Vientiane Center have attracted well-known merchants (Bank of China, Miniso, MAJOR Cinema, etc.) and major multinational corporations (KOWEPO, Prudential, DKSH, etc.) to set up businesses. At present, it has been initially developed into a "shopping center, office center, financial center and exhibition center" in Laos, which is the first commercial brand in Laos and regarded as a model of Sino-Lao cooperation by the Chinese and Lao governments.

1.4 Basic Information of the Company

1.4.1 Address

The office of Vientiane Center Lao Public Company is located at Khuvieng Road, North Nongchan Cillage, Sisattanak District, Vientiane, Lao P.D.R.

1.4.2 Contact Information of the Company

Phone No.: (+856-21) 228299

Fax: (+856-21) 228299

Website: http://www.vcplao.com/

1.4.3 Registered Capital

As of June 30, 2025, the registered capital of Vientiane Center Lao Public Company was 147,199,900,000 KIP.

1.4.4 Shareholder Information

Shareholders holding 5% or more of the shares as of August 01, 2025:

(1) North NongChan Complex Development Co., Ltd. holding 95,999,200 shares, accounting for 65.22% of the total shares;

(2) Lao-China Securities Co., Ltd. holding 49,747,500 shares, accounting for 33.79% of the total shares.

2. Important Business of the Company and Key Financial Indicators for the Company

2.1 Important Business of the Company

As of June 30, 2025, there are 10 tenants in the retail spaces owned by the company, with an occupancy rate of 97%; the office buildings owned by the company have 23 tenants, achieving a rental rate of 90%.

In terms of event investment and promotion, a total of 27 large and medium-sized events were held in the first half of 2025, including a tourism exhibition, a water-splashing festival, a coffee brewing competition, a Children's Day celebration, a Korean cultural experience event, Laos' first Maker Fair, the 2025 Laos-China Commodity Promotion Fair, and the Vientiane Center Healthy Care event. Additionally, we independently organized and planned the grand opening ceremony of Vientiane Jarern Sport Travel Company. Through diversified business formats and targeted marketing, we have effectively enhanced the mall's popularity and brand influence, injecting strong momentum into tenant traffic and performance growth.

2.2 Possible Risks

In the mall business, several challenges have emerged:

1. Commercial Space Oversupply: The growth of retail space and the number of stores in Vientiane has outpaced the increase in consumer numbers and purchasing power, leading to a relative surplus of commercial space both citywide and in the vicinity of Vientiane Center.

2. Aging Property and Branding Difficulties: The mall’s facilities are gradually aging, making it harder to attract high-end brands, which affects the overall coherence and appeal of the shopping center.

3. Limited Investment Resources: Current investment partnerships are largely confined to local Lao businesses, with insufficient exploration and integration of client resources from China and other international markets.

Overall, the mall needs to strengthen efforts in brand optimization, operational efficiency, and differentiated competition to address these challenges.

For the office leasing business, the key issues are:

1. Deteriorating Environment and Low Tenant Interest: Certain floors require urgent upgrades to improve the overall environment, as weak tenant demand persists. Increased investment in public areas is needed to attract more clients.

2. Intensified Market Competition: Recent surges in new office supply across Vientiane have heightened competition, leading to mounting downward pressure on rental prices.

In summary, the company’s operations are constrained by Laos’ limited urban scale, population size, consumer spending power, and fierce competition in the industry. These factors have prolonged the investment attraction cycle and increased the risk of underperforming against expectations.

2.3 Important Financial Indicators of the Company in the First Half of 2025

2.3.1 Revenue

As of June 30, 2025, VCL achieved a total operating revenue of 12,049,784,200.00 kip, up 11.86% year-on-year, including the shop rental revenue of 4,281,222,114.00 kip, the office building rental revenue of 6,624,427,112.00 kip, the associated operation revenue of 749,638,291.00 kip, the

event space rental revenue of 251,626,583.00 kip, Billboard rental revenue of 134,862,459.00 kip, Interest revenue 8,007,641.00 kip..

Reasons for the Increase in Operating Revenue in the First Half of 2025:

1. Enhanced Market Activity in Laos and Neighboring Countries: The economic vibrancy in Laos and surrounding markets improved significantly, while the company intensified its investment promotion efforts, directly driving revenue growth across all operational segments.

2. Mitigated Impact of Kip Depreciation: As most of the company's revenue contracts are denominated in US dollars, the severe depreciation of Laos' local currency, the kip, had a relatively limited adverse effect.

3. Successful Marketing Strategies: The mall implemented effective promotional campaigns, including sales events and holiday celebrations, attracting more customers and boosting sales.

4. Introduction of High-Demand Brands: The addition of popular brands and stores increased rental income and sales-based revenue sharing, directly contributing to higher overall revenue.

5. Data-Driven Optimization: Through data analysis, the mall optimized store layouts and product displays, enhancing the shopping experience, which in turn increased foot traffic and customer spending frequency.

2.3.2 Profit and Loss

As of June 30, 2025, the Company's operating expenses amounted to 5,035,119,379.00 kip, representing a year-on-year decrease of 14.44%. This reduction was primarily due to non-recurring or temporary expenses incurred in 2024 (such as maintenance, promotional activities, and service fees) that did not reoccur in 2025, leading to lower operating costs. Profit before tax amounted to 10,071,833,664.00 kip; Income tax expense to 1,379,467,630.00 kip and net profit to 8,692,366,034.00 kip, reflecting a year-on-year increase of 137.58%.

Reason for the surge in net profit: In the first half of 2025, the company sold investment property, generating a disposal gain, which significantly contributed to the growth in net profit.

2.3.3 Total Assets

As of June 30, 2025, the Company's total assets amounted to 342,945,113,371.00 kip, representing a year-on-year increase of 2.03% compared to 2024.

Reason for asset growth: The improved occupancy rates in both the Company's shopping mall and office buildings have led to increased rental income, which has indirectly contributed to the growth in the Company's total assets.

2.3.4 Total liabilities

As of June 30, 2025, the company's total liabilities stood at 52,107,462,017.00 kip, representing a 2.21% year-on-year decrease compared to 2024.

Reason for the liability reduction: The decrease was primarily due to the payment of operational service fees during the current period, which reduced the accounts payable balance and consequently lowered overall liabilities.

3. Organizational Structure of the Board of Directors and the Executive Committee

3.1 Board of Directors

3.1.1 Members of the Board of Directors

The Board of Directors of Vientiane Center Lao Public Company consists of 11 members:

- Mr. He Jun: Chairman; Number of shares: 0; Salary: 0
- Ms. Orlathai Santikongkha: Vice Chairman; Number of shares: 0; Salary: 0
- Mr. Bulapha Santikongkha: Member of the Board; Number of shares: 0; Salary: 0
- Mr. Wang Weikun: Member of the Board; Number of shares: 0; Salary: 0
- Mr. Wu Xinghua: Member of the Board; Number of shares: 0; Salary: 0
- Mr. Luo Xiaodong: Member of the Board; Number of shares: 5,000; Salary: 0
- Mr. Lei Yaohai: Member of the Board; Number of shares: 4,900; Salary: 0
- Mr. Xiao Yong: Independent Member; Number of shares: 0; Salary: 0
- Ms. Zhang Tianyi: Independent Member; Number of shares: 0; Salary: 0
- Mr. Viengsavanh Phanthaly: Independent Member; Number of shares: 0; Salary: 0
- Mr. Josong Bouasinengma: Independent Member; Number of shares: 0; Salary: 0

3.1.2 Resumes of Board Members

（1）Mr. He Jun



- Nationality: Chinese
- Date of birth: 11 /04/1989
- Languages: Chinese, English.
- Designation: Chairman
- Education Background: Master of Business Administration from Yunnan University.

（2）Ms. Orlathay SANTIKHONGKHA



- Nationality: Laos
- Date of birth: 21 /01/1979
- Languages: Chinese, English.
- Designation: Vice Chairman
- Educational Background: Master of Business Administration from Laos National University.

（3）Mr. Wang Weikun



- Nationality: Chinese
- Date of birth: 15 /05/1984
- Languages: Chinese, English.
- Designation: Chairman
- Educational Background: Master of Finance from University of International Business and Economic(China); Master of International Relations from Waseda University(Japan). .

（4）Mr. Boulapha SANTIKHONGKHA



- Nationality**:** Laos
- Date of birth**:** 06/02/**19**67
- Languages: Chinese, Laos
- Designation: Director,
- Educational Background**:** Bachelor of Business Administration from South China University of Technology**.**

（5）Mr. Wu Xinghua



- Nationality**:** Chinese
- Date of birth**:** 09/01/**19**84
- Languages: Chinese, English, Laos, Thai
- Designation: Director, Chief Operation Officer
- Educational Background**:** Master of Business Administration from Thailand Assumption University**.**

（6）Mr. Luo Xiaodong



- Nationality**:** Chinese
- Date of birth**:** 07/03/**19**89
- Languages: Chinese
- Designation: Director
- Educational Background**:** Bachelor of Finance and Financial Management from Yunnan University of Finance and Economics

（7）Mr. Lei Yaohai



- Nationality**:** Chinese
- Date of birth**:** 28/11/**19**84
- Languages: Chinese
- Designation: Director, Secretary of the Board of Director
- Educational Background: Master of Business Administration from Khon Kaen University (Thai)**.**

（8）Mr. Xiao Yong



- Nationality**:** Chinese
- Date of birth**:** 02/**0**7/**19**77
- Languages: Chinese
- Designation: Independent Director
- Educatioal Background: Master of Financial Management Shandong University of Finance (China)..

（9）Mr. Zhang Tianyi



- Nationality**:** Chinese
- Date of birth**:** 25/10/**19**76
- Languages: Chinese
- Designation: Independent Director
- Educational Background**:** Master of Law from Yunan University (China)**.**

（10）Mr. Viengsavanh PHANTHALY



- Nationality**:** Laos
- Date of birth**:** 25/**01**/**19**76
- Languages: Laos, English, Thai
- Designation: Independent Director
- Educational Background: Master of Corporate Law and Securities Law from University of Washington.

（11）Mr joexiong BOUASYNENGMA



- Nationality**:** Laos
- Date of birth**: 15**/12/**1972**
- Languages: Laos, Chinese, English, Thai
- Designation: Independent Director
- Educational Background: Master of International Finance from Renmin University of China.

3.2 the Committees

3.2.1. Executive Committee:

1) Mr. WANG WeiKun, Chairman of the Executive Committee / Chief Executive Officer (CEO)

2) Mr. WU Xinghua, Member of the Executive Committee / Chief Operating Officer (COO)

3) Mr. LUO Xiaodong, Member of the Executive Committee / Chief Financial Officer (CFO)

3.2.2 Audit Committee:

1) Mr. Josong Bouasinengma, Chairman of the Audit Committee / Independent Member

2) Mr. He Jun, Member of the Audit Committee / Chairman of BOD

3) Mr. Xiaoyong, Member of the Audit Committee / Independent Member

3.2.3 Risk Management Committee:

1) Mr. Viengsavanh Phanthaly, Chairman of the Risk Management Committee / Independent Member

2) Mr. Zhang Tianyi, Member of the Nomination Committee / Independent Member;

3) Mr. LUO Xiaodong, Member of the Risk Management Committee / Member;

3.2.4 Nomination Committee:

1) Mr. Josong Bouasinengma, Chairman of the Nomination Committee / Independent Member;

2) Mr. Zhang Tianyi, Member of the Nomination Committee / Independent Member;

3) Mr. Bualapha Santikongkha, Member of the Nomination Committee / Member;

3.2.5 Remuneration Committee:

1) Mr. Zhang Tianyi, Chairman of the Remuneration Committee / Independent Member;

2) Mr. Xiaoyong, Member of the Remuneration Committee / Independent Member;

3) Mr. Wu Xinghua, Member of the Remuneration Committee / Member;

3.2.6 Related Party Transaction Committee:

1) Mr. Josong Bouasinengma, Chairman of the Related Party Transaction Committee / Independent Members;

2) Mr. Bualapha Santikongkha, Member of the Related Party Transaction Committee / Member;

3) Mr. Xiaoyong, Member of the Related Party Transaction Committee / Independent Member;

3.3 Work Performance of the Board of Directors and Committees

3.3.1 Board of Directors

During the first half of 2025, the Board of Directors convened a total of 4 meetings to deliberate on corporate strategies and operational matters.

3.3.2 Audit Committee

In compliance with its annual work plan, the Audit Committee organized 2 review meetings:

- Examined the company's 2024 Annual Financial Audit Report

- Reviewed the Q1 2025 Financial Statements

These reviews ensured the accuracy and regulatory compliance of the company's financial disclosures.

3.3.3 Related Party Transactions Committee

The committee conducted 1 meeting to evaluate a specific related party transaction, providing professional assessment and recommendations to support the Board's decision-making process regarding the transaction approval.

4. Social Responsibility

Vientiane Center actively fulfills its tax obligations in accordance with the law. In the first half of 2025, it contributed a total of 1,196.2971 million Kip in taxes, as detailed below:

No	Items	Amount(million)	
		In the first half of 2025	In the first half of 2024
1	Profit tax	-	-
2	Vat	1,172.4072	52.6069
3	Income tax	23.8899	21.2171
4	Other tax	-	-
合计		1,196.2971	73.8240

5. Investor relations maintenance activities

On May 29, 2025, Vientiane Center participated in the Opportunity Day organized by the Lao Securities Exchange, where the company presented: Corporate Overview, Core Business Operations, Organizational Structure, Development Strategy and 2025 Business Plan, Corporate Social Responsibility Initiatives, Key Financial Indicators for FY2024.

6. The Related Party Transactions

There was one related party transaction in the first half of 2025:

Appointing North Nongchan Complex Development Co., Ltd. to carry out public company asset operation services.

This matter falls within the decision-making authority of the Board of Directors, and after review by the Company's Related Party Transactions Committee, it was submitted to the Board of Directors on April 09, 2025 for deliberation and execution. The resolution has been disclosed on the website of the Lao Securities Exchange.

Director/CEO

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Wang Wei Kun