



# The First Six - month Report 2022



ບໍລິສັດ ສວັນນີ ໂຮມເຊັນເຕີ ມະຫາຊົນ  
Souvanny Home Center Public Company

PHONTONGSAVAT RD, PHONTONG VILLAGE, CHANTHABULY DISTRICT, VIENTIANE CAPITAL  
OFFICE: (856 21) 415645, FAX: (856 21) 262984, WWW.SOUVANNY.LA

## Content

<b>I. Overview of business of Company</b> .....	<b>2</b>
1. Vision .....	2
2. Mission .....	2
3. History of SOUVANNY.....	2-3
<b>II. Financial Status and Business Operation Result</b> .....	<b>4</b>
<b>III. General Information and some important information about SVN</b> .....	<b>5</b>
<b>IV. Securities and Shareholders 2022</b> .....	<b>5</b>
<b>V. Organization Structure: Board of Directors, Managing Directors and the activities of the Board</b> .....	<b>6</b>
1. Organization Chart of the Company.....	6
2. The structure of SVN’s Board of Directors and their curriculum vitae.....	6
2.1 Board of Directors of SVN .....	6
2.2 Briefly Background of Board of Directors.....	7-12
2.3 The structure of SVN’s Executive Directors.....	13
3. The activities of SVN’s Board.....	14
4. Remuneration of Members of Board of Directors.....	14
<b>VI. Corporate Social Responsibility</b> .....	<b>14</b>
1 Tax Payment.....	14
2. Corporate Social Responsibility.....	15-18
<b>VII. Body’s Management Policy</b> .....	<b>19</b>
<b>VIII. Risk Management Policy</b> .....	<b>19</b>

## I. Overview of business of Company.

### 1. Vision.

Souvanny Home Center will become a leader of the development of modern trade centers on construction materials, home decoration, home appliances, and Consumer goods in all sale channels to meet the customer's needs in Lao PDR and connects to the ASEAN market.

### 2. Mission

- Developing the import of construction materials, home furnishings, home appliances, and consumer goods from all areas with quality and reasonable prices to all customer groups, and all areas of Laos, contributing to be a part to drive the Lao economy.
- Improving the Service and Hand-over in all sales channels both Offline and Online to be modernized.
- Enhancing the capacity of personnel and creating continuously successor staffs to be the potential personnel to cope with the new technologies changing in the transfer periods and changing of the customer's behavior in the new era.
- Developing Laos' trade links with ASEAN and the world, as Laos is the center of the region.
- Maintain all interests of all parties involved in the Company and contribute to social and environmental responsibility for sustainable green development.

### 3. History of SOUVANNY

SOUVANNY Home Center Public Company (“the Company” or “SVN”) operates one-stop shopping home center which provides both services and full-ranged products from construction material to home supplies and decoration such as, tile, sanitary ware, paint, home and office decoration material. Moreover, the Company also has services including the products recommendation to customers, interior design for kitchen and restroom, and product delivery. Most of the imported products of the Company are high quality with well-known brands easily recognized effectively managed by modern computer system, focusing on distribution and warehouse system. The products can be separated over 20 categories vary on the customers' needs under the slogan that **“improving products and services to high quality, delivering full-range products with on-time basis, satisfying customers, and continuous development”**. The Company's distribution channel is to sell through its own modern trade showrooms under the brand “Souvanny” to be leading modern construction materials in Lao PDR.

Souvanny's shop was established in **1988** by Mrs. Souvanny SOUKHABANDITH, Mr. Waddana SOUKHABANDITH, and Mr. Phannola SOUKBANDITH at Sisawat Village, Chanthabuly District, Vientiane Lao PDR. However, currently it becomes a sub-branch (Thongkhankham branch) 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 100,000,000 Kip. **In 2000**, the Company

rapid growth as the need in construction materials has increased, together with Mr. Kotsada SOUKHABANDITH graduating from abroad and coming to help manage the Company business. In this year, the Company opened Phonetong branch operating the first one-stop shopping home center which provides both services and full-ranged products from construction materials to home supplies and decorations in modern trade showroom. So, the head office was moved from Thongkhankham branch to Phongtong branch (currently Head office). **In 2004**, the company has expanded a new branch as Sikhai branch at Nahae Village, Sikhottabong District, Vientiane. **In 2015**, the Company has transformed the business from Souvanny Trading Export-Import Sole Company Limited to Souvanny Trading Export-Import Company Limited with the registered capital 500,000,000 Kip. Extraordinary General Shareholder's Meeting No. 1/2015, **on 28 July 2015**, has approved the important issues as follow: Changing the par value from 50,000 Kip per share to 2,000 Kip per share. Approving an increase in registered capital from 500,000,000 Kip to 280 billion Kip, total 140,000,000 shares. The Company was invested by Global House International Company Limited, who provides both services and full-ranged products from construction materials to home supplies and decoration in Thailand, expecting to obtain business operation know-how to improve the Company business. Extraordinary General Shareholder's Meeting No.3/2015, the company is controlled by SOUKHABANDITH family who own 60% of the company's share. 40% of the company's shares is owned by Global House International Limited. **on 13 September 2015**, has agreed on the important issues as follow: Transforming the Company to public company and changing the company name to Souvanny Home Center Public Company. Approving an increase in registered capital for Initial Public Offering (IPO) 50 billion Kip by issuing 25,000,000 ordinary shares, with par value of 2,000 Kip per share to respond to economic growth and become a listed company in Lao Securities Exchge (LSX). The Company's share was listed in LSX and first trading day **on 11 December 2015**. **On 30 January 2017**, the company has expanded a new branch as Xokyai Branch at Xokyai Village, Saysettha District, Vientiane (450 Year Road). **On 30 September 2017**, the company has expanded a new branch as Pakxun Branch at Sisaard Village, Pakxun district, Borlikhamxay Province. **On 31 March 2018**, the company closed business of SVN's Thongkhankham Branch and **On 17 July 2018**, the company has expanded a new branch as Pakse Branch at Karng Village, Pakse district, Champasak Province. **On 1 July 2019**, the company closed business of SVN's ThongToum Branch.

On 02 March 2020, the company has expanded a new branch as Thakhek Branch at Phonphim Village, thakhek District, Khammuan Province, and on December 14, 2021, the Company expanded to its seventh branch, Savannakhet Branch, located in Phonesavangnuea Village, Kaisone Phomvihan City, Savannakhet Province.

## II. Financial Status and Business Operation Result for the first Six-month 2022

### 1. Revenue:

- Total revenue of the first six-month of 2022 was equivalent to LAK 309,590 million, compared to the same period of the last year, an increase of LAK 86,206 million or equal to 38.59% due to the increase in the variety of products and new products to meet the needs of customers. At the same time, the company also has revenue from new branches increasingly, the other part is due to the government policy by reducing the value added tax rate from 10% to 7%, making the company has capacity to compete in price with other company better.

### 2. Expenses:

- Total expenses of the first six-month of 2022 were equivalent to LAK 44,996 million, compared to the same period of the last year, an increase of LAK 9,608 million or equal to 27,15% due to the increase in sales and administrative expenses and including expenditures on sale promotion from opening a new branch.

### 3. Net Profit:

- Total net profit of the first six-month of 2022 was equivalent to LAK 34,628 million.

4. **Asset:** Total assets as of June 30, 2022, were equivalent to LAK 1,298,717 million compared to December 31, 2021, which increased by LAK 349,072 million, or equal to 36.76 % due to the increase in inventory and non-current assets of new branches in Savannakhet branch, current assets increased from prepayments, and the increase in exchange rate from financial transaction adjustments.

5. **Liabilities:** Total liabilities as of June 30, 2022, were equivalent to LAK 272,427 million compared to December 31, 2021, which increased by LAK 82,502 million. or equal to 43.44% due to the company have long-term loan to expand business increasingly.

6. **Equity:** Total equity as of June 30, 2022, was equivalent to LAK 1,026,290 million compared to December 31, 2021, it increased by LAK 266,570 million, or equal to 35.09% due to the increase of the company's profit and financial transaction adjustments.

**Note: For business performance figures depend on Financial Statements**

### III. General Information and some important information of SVN

#### 1. Location and Network

The Head Office of the Company is located at No 366, Phonetongsavath Village, Chanthabouly District, Vientiane Capital. Nowadays, there are 7 branches. 3 branches in Vientiane and 4 branches in other provinces such as:

1. Phonetong branch address: No 366, Phonetong Rd, phonetongsavath village, Chanthabouly District, Vientiane capital.  
Tel: 021 560000 / 020 56082311
2. Sikhai branch address: 13 North Rd, Nahae village, Sikhottabong District, Vientiane capital.  
Tel: 021 621254 / 020 58842414
3. Xokyai branch address: 450 Rd, Xokyai village, Xaysettha District, Vientiane capital.  
Tel: 021 466009 / 020 55112509
4. Pakxan branch address: 13 South Rd, Sisaart village, Pakxan District, Borlikhamxay Province.  
Tel: 054 791026 / 020 58097558
5. Pakse branch address: Karng village, Pakse Capital City, Champasuk Province.  
Tel: 031 514091 / 020 56206753
6. Thakhek branch address: Phonphim village, Thakhek District, Khammuan Province.  
Tel: 051 212353 / 020 94071293
7. Savannakhet branch address: 9 Rd, phonesavarngnuea village, Kaisone Phomvihan City, Savannakhet Province.  
Tel: 041 215858

#### 2. Contact Information

- Tel: (+856-21) 415645 / 021 561111
- fax: (+856-21) 262984
- E-mail: [Souvanny@souvanny.la](mailto:Souvanny@souvanny.la)
- Website: [www.souvanny.la](http://www.souvanny.la)

### IV. Securities and Shareholders 2022

#### ➤ Registered Capital

The Company has paid registered capital of LAK 330 billion on 30 June of 2022, as the ordinary shares of 165,000,000 with par value at LAK 2,000 per share.

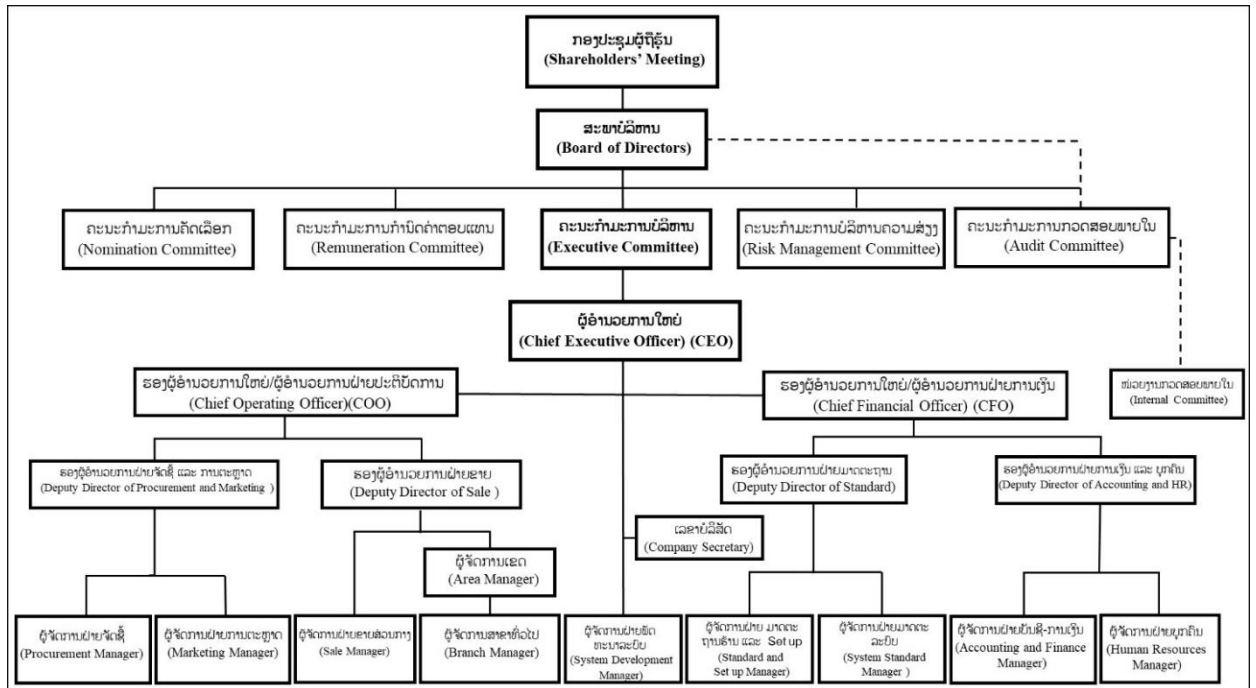
#### ➤ Shareholders.

The shareholder of the Company who has share more than 5% of total shares

- Soukbandith family with 83,893,600 shares equal to 51 %
- Global House International Company Limited with 56,000,000 shares equal to 34 %.

## 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 Board of Directors of SVN consists of 9 members:

- |                                  |  |
|----------------------------------|--|
| 1. Mr. Somchit INTHAMITH         | Chairman of the Board of Directors, independent member.      |
| 2. Mr. Xayphone KONGMANILA.Ph.D. | Vice Chairman of the Board of Directors, independent member. |
| 3. Mr. Waddana SOUKHABANDITH     | Member of the Board of Directors.                            |
| 4. Mr. Bounterm KOMMITTAPHAP     | Member of the Board of Directors, independent member.        |
| 5. Mrs. Khamkhai LORVANHXAI      | Member of the Board of Directors.                            |
| 6. Mr. Piphop VASANAARCHASAKUL   | Member of the Board of Directors.                            |
| 7. Ms. Chutikan SRISAENGCHAN     | Member of the Board of Directors.                            |
| 8. Mr. Phannola SOUKHABANDITH    | Member of the Board of Directors.                            |
| 9. Mr. Kotsada SOUKHABANDITH     | Member of the Board of Directors.                            |

## 2.2 Briefly Background of the Board of Directors.

### 1. Mr. Somchit INTHAMITH



<b>Date of Birth</b>	13/03/1960
<b>Nationality</b>	Lao
<b>Education Background</b>	Master of Development Economics, martin luther university halle-wittenberg, Germany.
<b>Positions</b>	Chairman of the Board of Directors and independent member of SVN.
<b>Attendance at various meeting in fisrt six-month 2022</b>	- Attended General shareholder’s meeting for 1 time - Attended the Board Of Directors’ Meeting for 2 times.

### 2. Mr. Xayphone KONGMANILA .Ph.D.



<b>Date of Birth</b>	30/12/1973
<b>Nationality</b>	Lao
<b>Education Background</b>	Doctoral Degree of Business Administration, Hiroshima University, Japan.



**Positions** Vice chairman of Board of Directors of SVN, Chairman of the Audit Committee, Member of Board of Directors of SVN, Independent Director of SVN

**Attendance at various meeting in first six-month 2022**

- Attended General Shareholder’s Meeting for 1 time.
- Attended the Board Of Directors’ Meeting for 2 times.
- Attended the Audit Committee’s Meeting for 2 times.

**3. Mr. Waddana SOUKHABANDITH**



**Date of Birth** 28/10/1966

**Nationality** Lao.

**Education Background** Master of Business Administration , Mahasarakham University, Thailand.

**Positions** Member of Board of Directors of SVN.  
CEO of SVN.

**Attendance at various meeting in first six-month 2022**

- Attended General Shareholder’s Meeting for 1 time.
- Attended the Board Of Directors’ Meeting for 2 times.
- Attended the Audit Committee’s Meeting for 2 times.
- Attended the Nomination Committee’s Meeting for 1 time.
- Attended the Remuneration Committee’s Meeting 1 time.

#### 4. Mr Bounterm KOMMITTAPHAP



<b>Date of Birth</b>	03/03/1955
<b>Nationality</b>	Lao
<b>Education Background</b>	Bachelor' Degree of Law of Faculty of Law and Political Science of Laos
<b>Positions</b>	Member of Board of Directors of SVN, Independent Director of SVN Chairman of the Remuneration Committee,
<b>Attendance at various meeting in fisrt six-month 2022</b>	<ul style="list-style-type: none"><li>- Attended General Shareholder's Meeting for 1 time.</li><li>- Attended the Board Of Directors' Meeting 2 times.</li><li>- Attended the Nomination Committee's Meeting 1 time.</li><li>- Attended the Remuneration Committee's Meeting 1 time.</li></ul>

#### 5. Mrs. Khamkhai LORVANHXAI



<b>Date of Birth</b>	21/08/1978
<b>Nationality</b>	Lao
<b>Education Background</b>	Degree of Business Administration, Settha Business Administration College, Laos.
<b>Positions</b>	Member of Board of Directors of SVN

**Attendance at various meeting in first six-month 2022** - Attended General Shareholder’s Meeting for 1 time  
- Attended the Board Of Directors’ Meeting 2 times.

**6. Mr. Phiphop VASANAARCHASAKUL**



**Date of Birth** 21/05/1970  
**Nationality** Thai  
**Education Background** Bachelor’s degree of humanities, Kasetsart University, Thailand  
**Positions** Member of Board of Directors of SVN.  
Deputy Chief Executive Officer- Business Development of Siam Global House PCL.  
**Attendance at various meeting in first six-month 2022** - Attended General Shareholder’s Meeting for 1 time  
- Attended the Board Of Directors’ Meeting 2 times.

**7. Ms. Chutikan SRISAENGCHAN**



**Date of Birth** 25/04/1969  
**Nationality** Thai

<b>Education Background</b>	Master of Business Administration, Khonkaen University, Thailand
<b>Positions</b>	Member of Board of Directors of SVN. Deputy Chief Executive Officer of Financial and Accounting of Siam Global House PCL
<b>Attendance at various meeting in first six-month 2022</b>	- Attended General Shareholder’s Meeting for 1 time - Attended the Board Of Directors’ Meeting 2 times.

**8. Mr. Phannola SOUKHABANDITH**



<b>Date of Birth</b>	22/09/1969
<b>Nationality</b>	Lao
<b>Education Background</b>	Master of Business Administration, Mahasarakham University, Thailand.
<b>Positions</b>	Member of Board of Directors of SVN. Chief financial officer Of SVN (CFO)
<b>Attendance at various meeting in first six-month 2022</b>	- Attended General Shareholder’s Meeting for 1 time. - Attended the Board Of Directors’ Meeting for 2 times. - Attended the Audit Committee’s Meeting for 2 times. - Attended the Nomination Committee’s Meeting for 1 time. - Attended the Remuneration Committee’s Meeting 1 time.

**9. Mr. Kotsada SOUKHABANDITH**



<b>Date of Birth</b>	04/01/1972
<b>Nationality</b>	Lao
<b>Education Background</b>	Master of Business Administration, Khonkaen University, Thailand
<b>Positions</b>	Member of Board of Directors of SVN. Chief operating officer Of SVN (COO)
<b>Attendance at various meeting in first six-month 2022</b>	<ul style="list-style-type: none"><li>- Attended General Shareholder’s Meeting for 1 time.</li><li>- Attended the Board Of Directors’ Meeting for 2 times.</li><li>- Attended the Audit Committee’s Meeting for 2 times.</li><li>- Attended the Nomination Committee’s Meeting for 1 time.</li><li>- Attended the Remuneration Committee’s Meeting 1 time.</li></ul>

## **2.3 The structure of SVN's Executive Management.**

### **1. Mr. Waddana SOUKHABANDITH**



Chief Executive Officer of SVN (CEO)

### **2. Mr. Phannola SOUKHABANDITH**



Chief Financial Officer of SVN (CFO)

### **3. Mr. Kotsada SOUKHABANDITH**



Chief Operating Officer of SVN (COO)

### 3. The activities of SVN's Board for the first six-month 2022

- The General Shareholder's Meeting was held for 1 time.
- The Board of Directors' meeting was held for 2 times.
- The Audit Committee's meeting was held for 2 times.
- The Remuneration Committee's meeting was held for 1 time.
- The Nomination Committee's meeting was held for 1 time.

### 4. Remuneration of Members of Board of Directors.

- the allowance to attend a meeting of member of the board of directors of the company who the independent member of the board of directors as follows:

- The Chairman of the board of directors 6,500,000 Kip/1 time.
- The Deputy Chairman of the board of directors 4,300,000 Kip/1 time.
- The member of the board of directors 4,300,000 Kip/1 time.

## VI. Corporate Social Responsibility.

### 1. Tax Payment.

Souvanny Home Center Public Company has strictly taken under the law of the Lao P.D.R. particularly Tax law by performing its obligation to the state such as Value Added Tax, payroll tax, profit tax, etc

<b><u>The state tax in the First Six-month</u></b>			
<b>No.</b>	<b>Details</b>	<b>Total value (LAK) 2022</b>	<b>Total value (LAK) 2021</b>
1	Import Duty	1,507,938,273	1,101,446,061
2	Value Added Tax	21,287,861,773	22,625,319,475
3	Payroll Tax	719,012,906	387,168,999
4	Consumption tax	2,545,500	
5	Profit Tax	10,000,000	2,000,000
	<b>Total</b>	<b>23,527,358,452</b>	<b>24,115,934,534</b>

## 2. Corporate Social Responsibility.

Souvanny Home Center Public Company supported the society such as:

- Souvanny Home Center together to donate Blood to the Lao Red Cross to help the patient who needs the blood.



- Souvanny Home Center Public Company, Pakse branch donated three computers to apply for teaching and learning materials at the value of 10,800,000 Kip to Monks secondary school in Salavan Province.





- Souvanny Home Center Public Company has donated 100 textbooks for Primary School at the value of 6,200,000 Kip to the Relief Project of Sikhottabong District's Administrative Office to bring to help the school in Phongsaly Province.



- Souvanny Home Center Public Company, Thakhek Branch donated 20 marble chairs at the value of 2,400,000 Kip to Thakhek District to be used at Sikhottabong Stupa Park which is a Cultural Tourism site in Thakhaek District.



- Souvanny Home Center Public Company, Thakhek Branch donated exterior paint value of 11,800,000 kip to Thakhek District Administration Office, Khammouane Province.



- Souvanny Home Center Public Company donated Consumption suppliers to the Red Cross of the Lao PDR, to help those affected by the COVID-19 outbreak.



- Souvanny Home Center public Company has contributed fund to repair the party flag that follows the lamp post of road No. 13 in Pakse city area with a total value of 11,000,000 kip.



- Souvanny Home Center public Company has contributed tiles and roofing materials for the construction of the village's office to PhonPhim village, Thakaek district, Khakmouan province, with a total value of 12,000,000 kip





## VII. Body's Management Policy

The company has internal policies to manage the body by applying the Management Standard under the ISO 9001-version 2015, Using the store's standard for servicing and the computer system with effective software in order to control and approve following the work procedures under the internal and external audit team and also utilizing the Closed-circuit television to control the mistakes that might occur to the company.

## VIII. Risk Management Policy

The Business on distributing the Construction Materials has the main risks last year following;

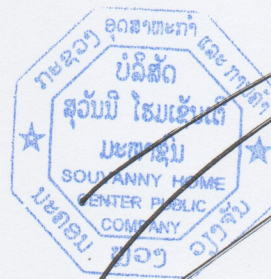
1. Customer's debt
2. Money Exchange rate
3. Disease Epidemics
4. And threats

We systemically manage risks the detail is below;

- On the term of managing the Customer's debt, we have used approval mechanics by carefully considering giving credits and determining the suitable credit value to customers
- On the Money Exchange rate, we accurately import the products under the Lao Law, so that we are able to buy the currency from the bank;
- On the term of Disease Epidemics such as COVID-19, We have applied the SOUVANNY APP that Customer can select and buy our products on ONLINE and On OFFLINE, We have set the prevention measure of Social distancing, wearing the mask, check temperature before entering the showroom and we have provided hand cleaning gel the entrance and many points around the showroom.
- In terms of threats such as Floods, Fires, storms, earthquakes also, we have bought the insurance for each branch to cover every situation that may arise;

**Chief Executive Officer**

**Souvanny Home Center Public Company**



**Waddana SOUKHABANDITH**