2025 Annual Business Operation Report of Lao Culture Tourism Group Public Company

I. Business Operation Status for the Year 2025

1. **Tourism and Cultural Building Construction Project** This mixed-use development integrates a hotel, condominiums, and office spaces within a single structure, serving as the company's corporate headquarters. Located in Phonphanao Village, Xaysettha District, Vientiane Capital, the groundbreaking ceremony was held on April 25, 2023. Foundation work commenced in May 2023, and as of October 2025, the primary building structure has been completed. The project is expected to undergo final inspection and officially open in 2026.

2. **Vang Vieng Tourism and Cultural Economic-Industrial Demonstration Zone** Located in Khanmak Village, Vang Vieng District, Vientiane Province, this project occupies the site of Vang Vieng Cement Plants 1 and 2. The groundbreaking ceremony took place on January 12, 2024. The Master Plan, Economic-Technical Feasibility Study, and Environmental Impact Assessment (EIA) have been approved by the Ministry of Information, Culture, and Tourism (MICT) and Vientiane Province. The project is currently expediting the processing of land-use rights documentation.

3. **Nong Si Fa Duang Chan Vang Vieng International Resort (Ministry of National Defense Training Center)** Located in Phonsou Village, Vang Vieng District, Vientiane Province, this project covers approximately 24 hectares. The groundbreaking ceremony was held on January 12, 2024. In 2025, preliminary construction began, including the installation of electrical and water systems and road renovations.

4. **Agricultural Machinery Spare Parts Market Construction Project** Located in Nonkhilek Village, Sikhottabong District, Vientiane Capital, this development comprises commercial spaces, residential units, a hotel, and offices. The groundbreaking ceremony was held on April 4, 2024. Construction is divided into phases; Phase 1 was completed and commissioned for use in 2025.

5. **Staff Dormitory Construction Project** Located in Nonsavang Village, Xaysettha District, Vientiane Capital, this 3-story building covers 2,000 square meters and includes 14 bedrooms. Approximately 25% of the structure has been completed, with full completion expected within this year.

6. **Phou Pha Bua Buddha Statue Construction Project** Located at the summit of Phou Pha Bua in Nakhun Village, Vang Vieng District, Vientiane Province (approximately 12 km from the Tourism and Cultural Demonstration Zone). The conceptual design is complete. The establishment of the Phou Pha Bua Buddha Statue Foundation has been approved by relevant authorities to provide construction funding. Surveys were completed in 2025, and road construction commenced in January 2026 with an expected completion date of April 15, 2026. Following consultations with the Buddhist Fellowship Organization, the groundbreaking ceremony is scheduled for August 8, 2026.

7. **Cinema Building Construction Project** Located in Kaoyout Village, Sikhottabong District, Vientiane Capital, covering a total area of 3,050 square meters. This land development project is a collaboration with the Cinema Department of the MICT. The design plans and cooperation agreement have been finalized and submitted to the MICT for consideration.

8. **Land Development Project in Cooperation with the Lao Front for National**

Development (LFND) Located in Xieng Ngueun Village, Chanthabouly District, Vientiane Capital. The development plan has been completed and submitted to relevant authorities. The Company signed a Memorandum of Understanding (MOU) for cooperation with the LFND on March 11, 2025.

9. **Mining Operations** on June 3, 2024, the Company signed a cooperation agreement for mining development in Houaphanh Province with the State Rural Development Enterprise under the Ministry of National Defense. Government approval procedures are currently underway, pending the signing of the concession agreement. Additionally, both parties have agreed to develop land owned by the Enterprise for new building construction. Design and survey work are complete, with construction slated to begin in 2026.

10. **Comprehensive Cooperation with the Ministry of Information, Culture, and Tourism (MICT)** In 2025, a proposal was submitted to the MICT for the Company's subsidiary, **Lao National Tourism Planning and Design Institute Sole Co., Ltd.**, to participate in the planning, design, promotion, construction, and operation of various tourist sites registered under the Ministry. The goal is to modernize these sites to international standards regarding facilities, safety, and suitability. The proposal has received preliminary approval. Furthermore, the Company has proposed the joint establishment of the "Vang Vieng Tourism Management and Service Center," with documentation already submitted to the Ministry.

II. 2026 Annual Work Plan

In addition to continuing the aforementioned projects to successful completion, the Company will actively prepare to resume stock trading on the Lao Securities Exchange (LSX).

III. Financial Status

Details are provided in the Company's 2025 Annual Financial Report.

IV. Status of Shareholder Meetings and the Board of Directors

As of December 31, 2025, the company has organized 1 Ordinary General Meeting of Shareholders, 1 Extraordinary General Meeting of Shareholders, 2 Ordinary Meetings of the Board of Directors, and 7 Extraordinary Meetings of the Board of Directors. These meetings considered and approved various significant proposals as follows:

- Minutes of the 2023 Annual Ordinary General Meeting of Shareholders of Simuang Lao Public Company;
- The 2024 Annual Business Operation Report of the Lao Cultural Tourism Group Public Company;
- The 2024 Annual Financial Statements of the Lao Cultural Tourism Group Public Company;
- The 2023 Annual Financial Statements of Simuang Lao Public Company;
- Regarding the hiring of the General Manager and changes to members of the company's Board of Directors;
- Regarding the shares of Fast Tobacco Trading Co., Ltd.;
- Regarding the registration of subsidiary companies;
- Regarding the proposal to maintain the status as a registered company;
- The 2026 - 2028 Business Operation Plan of the Lao Cultural Tourism Group Public Company;

- Regarding the change of the company's General Manager;
- Regarding the change of the company's Board of Directors members;
- Regarding the registration of new founders of the Lao Cultural Tourism Group Public Company;
- Regarding the acquisition of floors 1 - 3 of the Cultural-Tourism Building as assets of the Lao Cultural Tourism Group Public Company for use as office space;
- Regarding the name change of the Lao International Exhibition Services Co., Ltd. (Single Member);
- The Financial Report for the first 6 months of 2025 of the Lao Cultural Tourism Group Public Company;
- The Business Operation Report for the first 6 months of 2025 of the Lao Cultural Tourism Group Public Company;
- Regarding the change of shares in Fast Tobacco Trading Co., Ltd.;
- Regarding the increase of registered capital and shares of the Lao National Tourism Planning and Design Institute Co., Ltd. (Single Member).

V. Basic information for the Board of Directors and Staff

The Board of Directors of Lao Tourism and Culture Public Company Limited consists of 11 members, 4 from the Lao side (1 independent board member), 7 from the Chinese side (2 independent board members).

As of December 31, 2025, the company has a total of 44 permanent Staff.

- The Board of Directors has the following detailed information:

	MR. NIE LEI	Nationality Chinese	Chairman of the Board of Directors General Manager
	MR Vanhthong SITTHIKOUN	Nationality Lao	Vice Chairman of the Board of Directors
	Mr. LIU HAO	Nationality Chinese	Board of Directors

	Mr.Khambon XAYLAOVONG	Nationality Lao	Board of Directors Deputy Director General
	Mr. ZHANG JINGHUA	Nationality Chinese	Board of Directors Chief Financial
	Mr.Sinthanou SOMPONGBOUTTAKHAN	Nationality Lao	Board of Directors Deputy Director General
	MS. CAI LINGLING	Nationality Chinese	Board of Directors
	MR DING ZHENXU	Nationality Chinese	Board of Directors
	MR DAI YONGHUA	Nationality Chinese	Independent Board Member
	MR. LIU WENJU	Nationality Chinese	Independent Board Member
	MR. VIKHAMDEANG INTHAXAY	Nationality Lao	Independent Board Member

VI. Dividend Policy

As the Company is currently in a restructuring and business model transition phase and has not yet reached profitability, there is no dividend payment plan for the year 2025.

VII. Other Significant Matters

1. **Litigation and Claims:** As of December 31, 2025, there are no pending lawsuits or legal claims.
2. **Sanctions against Senior Management by Relevant Supervisory Authorities:** As of December 31, 2025, no sanctions have been imposed on senior management by relevant monitoring and supervisory authorities.
3. **Changes in Major Shareholders and General Manager:** According to the Resolution of the 6th Ordinary Meeting of the Board of Directors for the year 2025, Mr. Hua Sha has been appointed as the General Manager of the company.
4. **Acquisition of Other Companies and Asset Sales of the Company:**
   - Based on the Resolution of the 6th Extraordinary Meeting of the Board of Directors for the year 2025, it was approved to transfer all shares held by the Lao Cultural Tourism Group Public Company in Fast Tobacco Trading Co., Ltd. to Mr. Zhou Xunguo.
   - Based on the Resolution of the 7th Extraordinary Meeting of the Board of Directors for the year 2025, it was approved for Lao Phuan Ching Consulting and Investment Management Co., Ltd. (Single Member) to increase the registered capital for the Lao National Tourism Planning and Design Institute Co., Ltd. (Single Member) in the amount of 1,921,600,000.00 Kip.
5. **High-Value Transactions Related to the Company:** As of December 31, 2025, there have been no high-value transactions involving the company.
6. **Independence Status of the Company:** The company maintains independence in terms of personnel, assets, accounting and finance, business operations, and organizational structure.
7. **Engagement of Audit Firms:** The services of the original audit firm continued to be utilized in 2025 without any changes.
8. **Signing of Significant Contracts and Guarantees:**
   - A Construction Technical Supervision Contract and a Construction Cost Management Contract for the Phoupha Bua Vang Vieng Buddha Statue Construction Project were signed with Lao Phuan Ching Consulting and Investment Management Co., Ltd. (Single Member) on November 01, 2025.
   - As of December 31, 2025, there are no outstanding guarantees.

Managing Director

Lao Culture Tourism Public Group Company

NIE LEI