NO.: 11 / BCEL .BOD.2023.....
Vientiane Capital, Date: .....24 MAR 2023.....

Invitation Letter

Attention: **All valued BCEL's Shareholders**
Subject: **Invitation to BCEL's Annual General Shareholders' Meeting**

- In accordance with the Resolutions of BCEL's Board of Directors no. 6/BOD.BCEL, dated on 07/03/2023

Banque Pour Le Commerce Exterieur Lao Public is honored to invite you, BCEL's shareholders, to BCEL's Annual General Shareholders' Meeting for the year 2022, which will be held on **27/04/2023 at 14:30 hrs. (Registration starts from 13:00 – 14:30**) at the Grand Ballroom, Lao Plaza Hotel, Vientiane Capital to discuss and approve the issues as specified in the attachments.

BCEL has set **22 March 2023 to be the Closing Date of the Shareholders Register Book (Record Date) to define the right of the shareholders to participate in BCEL's Annual General Shareholders' Meeting** which has been duly disclosed.

BCEL encourages the shareholders, who are not convenient to attend the meeting in person, to grant the proxy to either one of the independent members of BCEL's Board of Directors or a representative to attend the meeting on their behalf. The Proxy Form, is enclosed herewith. The completed Proxy Form should be sent to email: bcelhqv@bcel.com.la **before 24 April 2023**.

We hope you would devote your precious time to attend the meeting.

Acting Chairman of the Board of Directors

Khamsouk Sundara

Attachments

1. Agenda of BCEL's Annual General Shareholders' Meeting for the year 2022 (Attachment 1)
2. The Minutes of BCEL's Extraordinary Shareholders' Meeting for the year 2022 (Attachment 2)
3. The brief report on the Business Performance of BCEL for the year 2022 and audited financial statements for the year 2022 (Attachment 3)
4. Draft Plan of the year 2023 (Attachment 4)
5. CV of MR. BOUNPONE VANNACHITH, Chairman of BCEL's Board of Directors (Attachment 5)
6. The Proxy Form (Attachment 6)
7. The Rule of BCEL's General Shareholders' Meeting (Attachment 7)
8. The recommendation on the document and the reference that shall be presented when attending the meeting (Attachment 8)
9. The guideline on voting (Attachment 9)
10. Map of the meeting venue (Attachment 10)

❖ Remarks:

1. Each shareholder can download the invitation letter and the attached files on the website of BCEL: www.bcel.com.la and on the Lao Securities Exchange's website www.lsx.com.la or to get the invitation letter stipulated your right to attend the meeting (with barcode) at the Lao Securities Exchange at the Level 4, Settlement and Securities Deposit Division at Phonthan Nue Village, T4 Road, Saysettha, Vientiane Capital. Tel: +85621 454361-4
2. For the shareholders who shall attend and to assign the proxy, please bring ID Card or Family Book or Passport (For Foreign shareholders) on the meeting day to inform when registering to the meeting. All the references are defined in the guideline to the meeting regarding the references and evidence to prove the right of the shareholders to the meeting (The documents are attached herewith)
3. For the shareholder that shall assign proxy to attend the meeting and voting. Please fill the information and sign on the Proxy Form, which attached herewith with full and complete information.

❖ BCEL's Contact Persons

1) Ms. Phonedasouk Vongphachan, Tel: 020 92 636 456
2) Mr. Phonenalath Kongvongsa, Tel: 020 2222 3455

Agenda
The Annual General Shareholders' Meeting of BCEL for the year 2022
27 April 2023

Agenda 1: Confirmation of the minutes of the Extraordinary Shareholders' Meeting for the year 2022

BCEL has prepared the Minutes of the Extraordinary Shareholders' Meeting for the year 2022 as shown in the attachment 2 and the Minutes has been disclosed in compliance with the related regulations.

Opinion of the Board of Directors:

The Board of Directors agreed with the Minutes. Therefore, the Shareholders' Meeting is requested to consider and approve the Minutes of the Meeting.

Vote requirement:

This agenda will be approved if the approved votes reach more than half of the total votes in the meeting.

Agenda 2: Consider and approve the annual report on the performance and financial statements of BCEL for the year 2022 (Attachment 3)

Some of outstanding performance of BCEL over the year 2022 are the following:

- Held 2 shareholders' meetings: The Annual General Shareholders' Meeting for the year 2021 and the Extraordinary Shareholders' Meeting for the year 2022;
- The Board of Directors held 10 meetings;
- Held 3 meetins to review the business performance of BCEL;
- In 2022 BCEL made some improvement of the organization structure in order to make the organization structure more compact and improve performance effectiveness including: the merge of 3 divisions in charge of credit works into 2 divisions, the merge of Risk Management Division and AML Division, the merge of Marketing Division and Corporate and Private Banking Service Division, and dissolution of Legal Division;
- The handover ceremony between the former Managing Director and the new Managing Director was held on 2 August 2022;
- Completed the development of IT tools, services and products such as: upgrade of core banking system phase 2, infrastructure of big data system, international money transfer vis BCEL One application, development of OneCash product for international users, and others;
- Enactment of 10 documents related to risk management, and risk review of products and Service of BCEL's 08 products;
- Researched and amended the 1 policy on credit; amended 11 regulations on credit management; issued 3 instructions for credit operation, and issued 10 notices associated with technical works;
- Received an ASEAN Business Award 2022 and was awarded with leadership in merchant sales volume 2022 by VISA.

Business results for the year 2022 audited by PWC and approved by BCEL's Board of Directors are the following:

- Assets: 94.493.015 LAK million, 130% compared with the year 2022 plan;
- Loans: 42.808.801 LAK million, 135% compared with the year 2022 plan;
- NPL: 3,36%;
- Deposits: 86.782.335 LAK million, 131% compared with the year 2022 plan;
- Equity: 2.357.960 LAK million, 95% compared with the year 2022 plan;
- Profit before tax: 197.079 LAK million, 334% compared with the year 2022 plan;
- Profit after tax: 228.190 LAK million, 483% compared with the year 2022 plan.

Opinion of the Board of Directors:

The Board of Directors agreed with the report and proposal. Therefore, the Shareholders' Meeting is requested to consider and approve.

Vote requirement:

This agenda will be approved if the approved votes reach more than half of the total votes in the meeting.

Agenda3: Consider and approve the allocation of the profit of the year 2022

BCEL would like to request the Meeting to consider and approve the allocation of the profit after tax of the year 2022 into reserves and dividends for the shareholders as follows:

- Regulatory reserve: **10%**;
- Dividends: **100 LAK/share**;
- The remaining shall be allocated into the business expansion fund;
- Dividend payment date: **12/05/2023**.

BCEL has selected the date of 21 April 2023 as the record date to determine the right of the shareholders to receive the dividends for the year 2022 which has already been disclosed.

Opinion of the Board of Directors:

The Board of Directors has duly considered and resolved to ask the Shareholders' Meeting to consider and approve this agenda.

Vote requirement:

This agenda will be approved if the approved votes reach more than half of the total votes in the meeting.

Agenda 4: Consider and approve the Plan for the year 2023 (Attachment 4)

The shareholders' meeting is requested to consider and approve the plan for the year 2023 which includes some key targets and figures compared with the actual figures of the year 2022 as follows:

- **Assets:** not less than 99.476.000 LAK million, increase 5% compared with the year 2022 actual figure;
- **Deposits:** not less than 91.000.000 LAK million, increase 5% compared with the year 2022 actual figure;
- **Loans:** not less than 50.050.000 LAK million, increase 17% compared with the year 2022 actual figure, Loan/deposit ratio not less than 55%;
- **NPL:** not more than 3,50%;
- **Equity:** 2.740.000 LAK million, increase 16% compared with the year 2022 actual figure;
- **Profit before tax:** 250.000 LAK million, increase 27% compared with the year 2022 actual figure;
- **Profit after tax:** 200.000 LAK million;
- Service expansion: 5 service units;
- Procurement, construction and maintenance focuses mainly on the ongoing projects, replacement of broken items and procure only the necessary, in total of 304 LAK billion;

Opinion of the Board of Directors:

The Board of Directors has duly considered and resolved to ask the Shareholders' Meeting to consider and approve this agenda.

Vote requirement:

This agenda will be approved if the approved votes reach more than half of the total votes in the meeting.

Agenda 5: Consider and approve the appointment of the independent auditor for the year 2023.

Pursuant to the research and bidding as provided in regulations, BCEL has nominated PWC the external auditor of the year 2023 financial statements including 4 reports below:

- Audit report on the financial statements in accordance with IFRS special mention;
- Management Letter;
- Operational review report;
- Loan review report.

Audit services in accordance with IFRS covering reports in Lao and English, audit review on financial statements for the 6 months and year end audit will cost 816.850.000 LAK. (For previous year the audit services cost 920.000.000 LAK).

Opinion of the Board of Directors:

The Board of Directors has duly considered and resolved to ask the Shareholders' Meeting to consider and approve this agenda.

Vote requirement:

This agenda will be approved if the approved votes reach more than half of the total votes in the meeting.

Agenda 6: Consider and approve the appointment of the Chairman of BCEL's Board of Directors (Attachment 5)

Concerning the appointment of the Chairman of BCEL's Board of Directors which became vacant since June 2021, the previous shareholders' meeting resolved to authorize the Board of Directors to consider approving the nomination of the Chairman of the Board of Directors as decided by the Ministry of Finance and then report to this shareholders' meeting. In this regard, BCEL has coordinated with parties concerned and the Ministry of Finance has issued the decision number 0561/MOF, dated on 21 February 2023 appointing Mr. Bounpone Vannachit, Vice Minister of Finance, the new Chairman of BCEL's Board of Directors. Then, on 21 March 2023 BCEL's Board of Directors met and resolved to approve the appointment of the Chairman and to propose to the shareholders' meeting for consideration and approval in accordance with relevant regulations and laws.

Opinion of the Board of Directors:

The Board of Directors has duly considered and resolved to ask the Shareholders' Meeting to consider and approve this agenda.

Vote requirement:

This agenda will be approved if the approved votes reach more than half of the total votes in the meeting.

Attachment 2

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

Banque Pour Le Commerce Exterieur Lao Public Vientiane Capital, 22/11/2022

Minutes

BCEL's Extraordinary Shareholders' Meeting for the year 2022.

The Extraordinary Shareholders' Meeting of Banque pour le Commerce Exterieur Lao Public (BCEL) for the Year 2022 (hereinafter called: "The Meeting") was held at 14:35 on the 22nd November 2022 at BCEL's Head Office, Vientiane Capital and was presided over by Mr. Khamsouk Sundara, Vice-Chairman of BCEL's Board of Directors, together with Directors of the Board of Directors. The Meeting was attended by 16 shareholders, 145 proxies, and the total number of shares in the meeting was 152.435.111 shares, including 929.531 shares via proxies, which in total is equivalent to 73,384% of the total shares of BCEL and this made the quorum of the Meeting in accordance with the Articles of Association of BCEL and relevant laws. The number of shares not attending the Meeting was 55.288.189 shares, equivalent to 26,616% of the total shares of BCEL.

The Chair Committee and the Directors of the Board of Directors who attended the Meeting included the following:

1. Mr. Khamsouk Sundara, Independent Director, Vice-Chairman of the Board of Directors, Chairman of the Meeting
2. Mr. Pasomphet Khamtanh, Representative of the Ministry of Finance, Director of the Board of Directors;
3. Assoc. Prof. Thongphet Chanthanivong, Independent Director of the Board of Directors;
4. Mr. Sonexay Silaphet, Independent Director of the Board of Directors;
5. Mrs. Latdavanh Songvilay, Independent Director of the Board of Directors;
6. Mr. Viengsouk Chounthavong, BCEL's Deputy Managing Director, Director of the Board of Directors;
7. Mr. Stephane Urbain, the representative of COFIBRED, the Strategic Partner;
8. Mrs. Saysamone Chanthachack, BCEL's Managing Director.

The Chairman of the Meeting introduced the rule of the Meeting and the voting. After that, the Meeting was proceeded in accordance with the agenda.

The Meeting considered, commented and voted on each agenda as follows:

Agenda 1: To consider and approve the minutes of the shareholders' meeting for the year 2021.

Mrs. Saysamone Chanthachack, BCEL's Managing Director, reported to the Meeting that the minutes of BCEL's shareholders' meeting for the year 2021 held on 29 April 2022 has been disclosed in accordance with the related regulations, and requested the Meeting to consider and approve the said minutes;

After that, the Chairman provided an opportunity for shareholders to ask the question on this agenda. There were no questions.

The meeting approved the Minutes of BCEL's shareholders' meeting for the year 2021 with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 152.435.111 votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 votes, equivalent to 0% of the total votes attending the Meeting.

Agenda 2: Report of BCEL's Business Performance for the 9 months of the year 2022.

Mrs. Saysamone Chanthachack, BCEL's Managing Director, reported to the Meeting about the implementation of the resolutions adopted by the previous shareholders' meeting, outstanding activities taken by BCEL and the business performance results for the 9 months of the year 2022 (unaudited figures) which comprised of some key numbers as follows:

- Assets: 86.652.772 million LAK, an excess of 19,47% of the year plan 2022 or a 37,34% increase compared to the same period of last year.
- Loans: 40.673.338 million LAK, which was a 28,16% excess compared to the year plan 2022 or a 36,97% increase compared to the same period of last year;
- NPL: 3,24%
- Deposits: 79.479.447 million LAK, an excess of 20,42% compared to the year plan 2022 or a 39,22% increase compared to the same period of last year;
- Capital: 2.139.294 million LAK, which was 86,61% of the year plan 2022 or a 0,16% decrease from the same period of the last year;
- Profit/(Loss) Before Tax: 25.581 million LAK, 43,36% of the annual plan of the year 2022;
- Profit/(Loss) After Tax: 24.740 million LAK, 52,42% of the annual plan of the year 2022.

After that the Chairman provided an opportunity for shareholders to ask the question on this agenda. There were comments and questions as follows.

❖ **Mr. Kraiwal Kadavanich:** On behalf of the Thai Shareholder Association:

- According to the attachment 3 number 4 specifies that the procurement, construction and repair has been carried out at 9% of the year plan, but it does not specify whether this more or less.
- Relocation of 2 service units as reproted by the managing director is specified in attachment 3 number 5 as "open" of 2 service units. Therefore, clarification is needed whether this is actually relocation or new open.
- Merging of the Marketing division with the Corporate and Private Banking Service division, which division is responsible for sales and marketing strategy for retail banking?
- According to the attachment it is said that there will be a service unit in railway station, but in the minutes of the previous BCEL's Shareholders Meeting, has stated that there is no plan to expand more service units, please kindly clarify.
- According to the reports, 6 employees is to be recruited, but in the minutes of the previous Shareholders' Meeting there is to stop recruitment.
- It should be clear whether vote is required or not for Agenda 2 as there is a ballot, but according to the Chairman this agenda is for reporting purposes only.
- For the recruitment of 6 new employees of BCEL, just in case that the shareholders meeting did not approve before, we should vote agenda 2 to approve the recruitment of those 6 staff members.

➢ **Mrs. Saysamone Chanthachack**: thanked for the comments and responded as follows:

- The procurement, construction and repair made 9% of the year plan. The item covering most of the plan is the expense for construction of DATA Center. Before starting, the construction plan was approved by the board of directors and shareholders' meeting. The construction has been partially completed which is recognized as fixed assets under purchase and construction. The construction project is still ongoing. The 9% figure represents the procurement, construction and repair that has been booked as assets compared with the year plan.
- For the 2 service units that were just open, it is actually relocation of 2 existing service units, namely Phontong Service Unit and Namphou Service Unit due to the fact that there are service points nearby. Therefore, they relocated into new places where there are more communities to increase effectiveness in customer service.
- The merge of divisions is taken in line with cost-saving policy as the larger structure means more expenditure. So it is necessary to merge 4 divisions and become 2 divisions. However, the key functions including services are still maintained.
- For the railway station service unit is still under research whether there should be a service unit at the railway station, but it is still on hold as BCEL is also working on possibility for rail ticket settlement with the Lao China Railway Company and researching various related issues. Currently ATMs are already installed.
- Recruitment of additional employees of BCEL is very limited and for necessary work. Currently, the Managing Director is working with branches to summarize the problems and information so as to realize the actual need of staff recruitment to put in the year 2023 plan.

With regard to recruitment of 6 new employees we checked again whether it was included in the year 2022 plan which has already been approved by the shareholders' meeting, and we will report to the next shareholders' meeting.

- In relation to preparation of the next meeting documents, we will pay more attention on document preparation.
- Agenda 2 does not require votes as declared by the Chairman.

❖ **Mr. Sovanrith Im from Canadia Bank:** For the year 2022 do you expect BCEL to pay dividends or not and what is the plan for year 2023?

➢ **Mrs. Saysamone Chanthachack**: Regarding the expectation of the dividends for the year 2022, as of October 2022, the unaudited business results of BCEL show some profit. For year end of 2022, BCEL Management team will strive for their best to make BCEL's performance result with profit as much as possible in order to make dividend payment possible for the shareholders. However, the amount of dividends and the form of payment will be considered and propose to the next shareholders' meeting.

- The plan for the year 2023 is currently being developed by BCEL. The main point of the plan is that BCEL emphasizes solving various problems and difficulties in the past, for examples, to solve NPL, to minimize new NPL, to lend carefully focusing on the areas that are given priority by the government and that should be qualified borrowers only; and to develop the products of BCEL that meet the demands and expectation of the society so as to have more income from service fees.

❖ **Mr. Ang Buth from Canadia Bank**: Inquiring about the plan to establish an asset management company of BCEL, how the progress is, how the share structure will be. Will BCEL co-share with other entities or 100% own the shares? These will make the direction clearer for managing the assets associated with NPL in order to generate some returns which is of the interest of the shareholders.

- The open and close of service units or branches could affect the customer service and operation results. Therefore, clear targets should be established for each service unit or branch because shareholders expect dividends;
- The merge of divisions is highly appreciated.

➢ **Mrs. Saysamone Chanthachack**: In establishment process of BCEL's asset management company we have tried to research with the lessons of foreign countries and worked with the debt collection center of BOL to see the readiness of various aspects. At the same time, we try to explore about the advantages and disadvantages of establishing such a company from the lessons of Vietnam and Thailand. For the shareholder plan of the establishment of the company, initially, BCEL will hold 100% of the shares, then we will research to have other shareholder helping us in management; The establishment license is subject to the approval from BOL. Once the approval is given, we can proceed further.

- The establishment and close of the service unit is based on the actual business effectiveness. For those service units that have been closed BCEL still continue consider the direct and indirect benefits. If there is more beneficial BCEL will propose the reopening. Some areas that cannot expand service units, we will also consider to have other alternative ways of service, for example, installing ATMs to serve the customers.

The Meeting acknowledged the report of BCEL's business performance for the 9 months of the year 2022

Note: This agenda is the report for information purpose only, and no vote is required.

Agenda 3: Report on the appointment of the Managing Director

Mrs. Saysamone Chanthachack, BCEL's Managing Director, reported to the Meeting that the Extraordinary Board Meeting held on the 1 August 2022 approved the transfer of Mr. Khamphout Sitthilath former managing director of BCEL to take new duty at the Bank of the Lao PDR as required by the mandates of the relevant organization, and approved the appointment of Mrs. Saysamone Chanthachack, the new managing director of BCEL. The handover ceremony between the former and the new managing director was held on the 2nd August 2022 and disclosure was made available for the shareholders, investors and the public in accordance with disclosure procedure. Such appointment is consistent with the rights and functions of the Board of Directors as provided in the articles of association of BCEL, law on commercial banks and related regulations. In accordance with clause 3 article 123 of the law on enterprises, the vacancy of managing director which occurs in between the two ordinary shareholders' meeting shall be appointed by the board meeting.

After that, the Chairman provided an opportunity for shareholders to ask the question on this agenda. There were no comments or questions.

The Meeting acknowledged the report on the appointment of the Managing Director of BCEL.

Note: This agenda is the report for information purpose only, and no vote is required.

Agenda 4: To consider and approve the appointment of the members of the Board of Directors to replace the vacant positions

Mrs. Saysamone Chanthachack, BCEL's Managing Director, reported to the Meeting that the current BCEL's board of directors consist of 7 members out of 9 members of the original due to the fact that 2 members were transferred to take new duty as per decisions of the relevant organizations as follows:

1. Mr. Bounleua Sinxayvoravong, PhD., Board Chairman, was appointed the Governor of the Bank of the Lao PDR who also submitted a letter informing the board of directors about his intention to cease his roles in BCEL's board of directors.
2. Mr. Khamphout Sitthilath former managing director of BCEL, board Member, was assigned to take new duty at the Bank of the Lao PDR and this, as provided in the articles of association of BCEL, ends his membership in the board of directors.

Regarding the 2 vacant seats in BCEL's board of directors, the board of directors has resolved to propose the appointment of the replacing members as follows:

1. Propose the appointment of Mrs. Saysamone Chanthachack, managing director of BCEL, to be theboard member replacing Mr. Khamphout Sitthilath. The Ministry of Finance has had a decision about this appointment;
2. Regarding the appointment of the member to replace Mr. Bounleua Sinxayvoravong, the relevant organization is currently considering. Therefore, the shareholders' meeting is requested to authorize the Board of Directors to approve the appointment after the decision of the relevant organization is received, and to make disclosure as required by regulations and report the shareholders in the next shareholders' meeting.

After that, the Chairman provided an opportunity for shareholders to ask the question on this agenda. There were comments and questions as follows:

❖ **Mr. Kraiwal Kadavanich**:
- Informed the Meeting that the order of the bullet points specifying the vacant positions and request for succession approval should have been made in the same order. According to the English version, the request for approval of Mrs. Saysamone mentioned Attachment 5 but the Attachment 5 happens to be about fuel allowances. Therefore, the document should be prepared more carefully.
- The request for the Meeting to authorize the Board of Directors to approve the successor of the Board Chairman should be made clear that the Meeting authorizes the Board of Directors to consider approving the person who is decided by the relevant organization (the Ministry of Finance) only, so the Board of Directors cannot consider approving any other person.

➢ **Mrs. Saysamone Chanthachack:** In connection with this agenda, the main point is to approve the appointment of members of BCEL's Board of Directors to replace the vacant positions, which is to approve the Managing Director as a member of the Board of Directors in accordance with the regulations. With regard to the position of Chairman of the Board of Directors to succeed Mr Bounleua Sinxayvoravong, previously BCEL has proposed to the relevant organization and it is under consideration process. The person to assume the position of the Chairman of the Board of Directors will be determined by the Ministry of Finance. If the Ministry of Finance notifies the name of the person, Board of Directors shall consider approving that person as per the decision of the Ministry of Finance and disclose the information to the public.
- In relation to the contradiction in the document attachment, we will pay more attention on document preparation for the next meeting.

The Meeting resolved to approve Mrs. Saysamone Chanthachack, Managing Director of BCEL as a member of the BCEL's Board of Directors and resolved to authorize the Board of Directors of BCEL to approve the nominated person whom to be appointed by the Ministry of Finance as the Chairman of the BCEL's Board of Directors.

The meeting approved with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 152,435,111votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 votes, equivalent to 0% of the total votes attending the Meeting.

Agenda 5: To consider and approve the adjustment of fuel allowance for BCEL's employees

Mrs. Saysamone Chanthachack, BCEL's Managing Director, reported to the Meeting that current fuel allowance for BCEL's employees was adopted in 2010 determining the allowances in fixed amount of money for each position. At the present, there has been substantial increase in petroleum price (i.e. the regular petroleum price 10.500 LAK/liter in 2010 was increased to 19.570 LAK/liter in September 2022). This makes the current fuel allowance received by the employees become insufficient to afford the today petroleum price. Therefore, in order to restore the confidence and encouragement of the employees, and to fight against the unprecedented brain drain among the employees which there has been a relatively high turnover rate this year, the Management of BCEL has researched and agreed to adjust the fuel allowance from fixed amount of money for each position to a fixed number of liters of petroleum for each position basing on the regular gasoline price as determined by the government in each period of time. Details are given in the table below.

Table of Adjustment of Fuel Allowance		
	Old (in LAK)	**New (in litres of petroleum)**
General Managing Director	3,000,000	**190**
Deputy Managing Director	2,200,000	**140**
Board member from BCEL who is not DMD	2,100,000	**130**
Chief of Division, Center and Branch Manager	1,800,000	**110**
Vice Chief of Division, Center and Branch Manager	1,600,000	**100**
Head of Section and Complete Service Unit	1,500,000	**95**
Deputy Head of Section and Complete Service Unit	1,400,000	**90**
Deputy Head of Normal Service Unit	1,300,000	**80**
Team Head	1,200,000	**75**
Expertised Technical Staff	1,000,000	**70**
Experienced Technical Staff	1,000,000	**70**
Permanent Staff	1,000,000	**65**
Probational Staff	0	**25**
Contractual Technical Staff	0	**25**
Contractual Staff	0	**25**

After that, the Chairman provided an opportunity for shareholders to ask the question on this agenda. There were comments and questions as follows:

- **Mr. Kraiwal Kadavanich**:
  - Regarding the high staff turnover rate, did BCEL think of this before?
  - Concerning the fuel allowance, do we use the fleet cards or require employees to show petrol bills in order to reimburse fuel benefits?
  - It should be made clear that approval is requested for changing from fixed amount of money to liter of petrol limit, not the approval for increasing the payment of fuel allowance as given in the Attachment 5.
- **Mrs. Saysamone Chanthachack**: In relation to the fuel allowance, it is intended to improve the living conditions of the employees in the difficult economic situation. In the Attachment, we want to show the Meeting about the information on the current fuel allowance which is determined in fixed amount of money and the fuel allowance determined in liters of petroluem which we are proposing for approval. If we take the current fuel allowance in liters of petroluem with the petroluem price in 2010, we will realize that the number of liters of petroluem under the new fuel allowance that we are proposing reduce significantly. But due to the current high oil prices, the new fuel allowance when calculated in amount money also increase. Disbursement shall be calculated by multiplying numbers of liters of each staff position with the regular gasoline price determined by the Ministry of Industry and Commerce in each period of time and the money shall be transfered into each employee's monthly income. This means that the amount of money for fuel allowance received by the employee will swing corresponding to change of petroluem price in each period of time. The request for the Meeting's approval is the number of liters of petroluem for each position.
- **Mr. Ang Buth from Cannadian Bank**: If the disbursement is made according to the liters of petroleum, this will be difficult for staff and management process as petroleum bills must be kept in order to disburse the fuel payment. Therefore, calculation in amount of money will more appropriate. Regardless of fluctuation of oil price, we just take the number of petroleum liters multiplied with the oil price and then transfer the money to the employees in each month as this money is subject to tax pursuant to laws.
- **Mrs. Saysamone Chanthachack**: The amendment is proposed to approve the change into the number of liters of fuel. The actual disbursement is in amount of money according to the actual price of fuel each month and the money is paid in combination with the staff salary. This kind of improvement is a psychological tactic aiming to encourage employees.
  - The income tax is still an obligation that BCEL employees must fully fulfill for the state.
  - There are many reasons for the resignation of employees. However, in the history of 33 years operation of BCEL, many people want to become BCEL employees. There have been plenty of job applicants. But in the past year, particularly in 2022, approximately 10 employees have resigned. As Executive Management, we need to understand the reasons for this, and there are many problems we can see, including head-hunting for experienced employees by our competitors. At this difficult period, there are many problems to solve. So, BCEL has researched and proposed a solution starting from the adjustment of fuel

allowance at initial stage. Although it is minimal, this means problem solution from small to large with what we can do in order to enable the employees to see that the management team is paying attention on their problems and this shall encourage them to carry out their works confidently.

- **Mr. Kraiwal Kadavanich:** commented that using the word "high staff turnover rate" seems inappropriate as it could tarnish the reputation of BCEL.
- **Mrs. Saysamone Chanthachack**: expressed appreciation for the comment made by Mr. Kraiwal Kadavanich.

The meeting approved the adjustment of fuel allowance for BCEL's employees with the majority vote of the shareholders attending the Meeting as detailed below:

- Approved: 152,435,111votes, equivalent to 100% of the total votes attending the Meeting.
- Disapproved: 0 votes, equivalent to 0% of the total votes attending the Meeting.

Other matters:

1. **Mr. Sonenalin Sengmany:** informed the Meeting that the Plan for the year 2022 has included the recruitment of 6 employees and this plan has already been approved in the last shareholders' meeting.
   - **Mrs. Saysamone Chanthachack**: agreed with the information and requested the secretariat to note in the minutes of the Meeting.
2. **Mr. Kraiwal Kadavanich:** made comments as follows:
   - Information and updates on BCEL's website are necessary to make shareholders have better access to information. A link should be created for investor relations as it is the keyword for searching on the internet which shall not specify the link name as disclosure. With this link, it will be more convenient for shareholders and investors to obtain the information;
   - BCEL One has splash screen for advertisement of credit card benefits, for example, travel insurance. However, this kind of advertisement is not available on BCEL's website which shall be made avialable to attract the customers. Additional advertisement on benefits for BCEL's credit cardholders should be made available, for instance, access to airport lounge;
   - Commission charge for payment for goods and services made by credit card should be re-introduced to Merchant Discount Rate (MDR) which the commission charge is included in the goods or service prices and later the merchant must pay the bank for bringing customers. This will help make the merchants not worry that they are charged for settlement by cards;
   - At the present BCEL does not require customer signatures for settlement by cards in certain amount. In reality, the merchants are not properly trained and it becomes

confused for both the merchants and customers whether signatures shall be made on the payment slip. This could be solved with 2 options: train the merchants to get the right understanding or revert to the standard practice which require customer signature for all transactions.

- **Mrs. Saysamone Chanthachack:** thanked for all the comments on various problems. BCEL will take into consideration to improve BCEL's services where it is deemed appropriate.

The Chairman has addressed his sincere thanks to the shareholders and the proxies for their kind attendance to the Meeting and announced the Meeting closed at 15:30 of the same day.

Chairman	**Recorder**
Khamsouk Sundara	**Phondasouk Vongphachanh**

Attachment 3

BUSINESS PERFORMANCE OF BCEL FOR THE YEAR 2022

In 2022, it was another difficult year for BCEL's business operation. Possible reasons are because the economy had not yet fully recovered, and we faced additional hindrances such as inflation, fluctuations in oil prices and exchange rates, and the ongoing impact of COVID-19. Nonetheless, thanks to effective leadership and the collaborative efforts of all employees, BCEL was able to overcome these challenges and achieve the best possible outcome. Our business performance was highlighted by the following achievements:

1. Some outstanding movements

These are the highlighted movements from 1 last year.

- Organized the Business Performance Review Meeting: 3 meetings.
- Organized the Board of Directors Meeting: 10 meetings.
- Organized the Shareholders' Meeting: 1 ordinary meeting, and 1 extraordinary meeting (2 meetings).
- Approved the Haft-yearly Report 2022 of BCEL that was reviewed by the external auditor.
- BCEL restructured its organizational chart aiming for comprehensiveness and flexibility. BCEL merged some of the Sections and Divisions with similar roles and responsibilities and re-positioned some of the employees.
- Applied Key Performance Indicators (KPI) to the Branches and 2 Credit Divisions to assess the performance in the year.
- BCEL made upgrades to IT and its banking services such as the new Core Banking system (phase 2), Big Data, international money transfer in BCEL One, OneCash for foreign visitors, and so on.
- Canceled the contracts of all money exchange agents of BCEL.
- Working on the establishment of BCEL Asset Management Company Limited.
- Finished conducting regular audits on Divisions, Branches, Sections, and Service Units throughout BCEL which covered 154 parties and 393 urgent audits.
- Issued 10 risk management documents, and conducted product and Service risk assessments on 8 products.
- Working on the amendment of 1 document of credit policy, and 11 documents of credit. Issued 3 guidelines for the operation of credit, issued 6 decisions on credit, and 10 notices of other works.
- Received ASEAN Business Award 2022.
- Obtained VISA Leadership in Merchant Sales Volume in 2022.

2. Business Performance in 2022

- **Assets:** 94.493.015 million LAK, 130% compared with the year 2022 plan;
- **Loans:** 42.808.801 million LAK, 135%% compared with the year 2022 plan;
- **NPLs:** 3,36%;
- **Deposits:** 86.782.335 million LAK, 131% compared with the year 2022 plan;
- **Equity:** 2.357.960 million LAK, 95% compared with the year 2022 plan;
- **Profit before tax:** 197.079 million LAK, 334% compared with the year 2022 plan;
- **Profit after tax:** 228.190 million LAK, 483% compared with the year 2022 plan.

3. Procurement, Construction, and Maintenance

The plan for equipment supply, construction, and reparation was set for 231 billion LAK. In 2022, the asset team recorded fixed assets for conducting the depreciation cost and the fixed assets that are in the processes of purchasing and under the construction in a total of 122 billion LAK or 53% of the year plan.

4. Service expansion

In 2022, BCEL has opened 3 Service Units which included 2 relocation: Phonphanao Service Unit, Saysettha Branch; and Saysettha Development Zone Service Unit, Vientiane Branch, and 1 newly open: Sanamxay Service Unit, Attapeu.

5. Human Resource Highlights

As of 2022, BCEL has 1 Head Office, 11 Divisions, 3 Centers, 20 Branches, 97 Service Units, and 11 Money Changer Units. BCEL has 2.107 employees (978 females) and they were all joined as the membership of the Lao Social Security Organization. BCEL held the hand-over ceremony for the out-going and the new Managing Director.

6. Human Resource Highlights

11 Plants and 38 Projects		Unit	2022
		295	70%
Strategy 1	**Organization Strengthening**	**180**	**84%**
Plan 1	**Financial Management and Business Sustainability**	86	85%
Plan 2	**Modern Credit Management**	30	96%
Plan 3	**Human Resource Enhancement**	28	85%
Plan 4	**Risk Management and Anti-Money Laundering Strengthening**	36	80%
Plan 5	**International Standardize the Corporate Governance**	0	72%
Strategy 2	**Innovation, Modernization, and Business Digitalization**	**93**	**70%**
Plan 6	**IT System Upgrade**	39	69%
Plan 7	**Information Management System, and the Modernization and International Standardization of the Statistic**	12	79%
Plan 8	**Service Digitalization**	42	61%
Strategy 3	**Governance and International Standardization of the Services**	**22**	**56%**
Plan 9	**Accounting and Financial Report Development**	12	59%
Plan 10	**Audit Development**	7	94%
Plan 11	**Payment Card Industry Data Security Standard**	3	15%

7. Corporate Social Responsibility and Social Support

Along with the business operation and the other tasks implemented in 2022, the management and the staff of BCEL have greatly contributed to the work related to Corporate Social Responsibility (CSR), which has been one of the key elements in the core values of BCEL, the detail is as follows:

- By applying BCEL's potential in technology and advancements, BCEL has developed a product for CSR named "BCEL OneHeart", an intermediary platform for donation that supports both the donors and the recipients. In 2022, BCEL OneHeart had 3.992 donations in the total amount of 297,80 million LAK.
- BCEL has also supported society in various forms in the fields of education and sports, health, the relief of natural disaster victims, national events, etc. The support was in the form of cash and materials. There were 78 events of social contribution in 2022, the total value was 605,62 million LAK.

BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

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FINANCIAL STATEMENTS

31 DECEMBER 2022



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BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE BANK

Banque Pour Le Commerce Exterieur Lao Public ("the Bank") is a joint-stock bank incorporated and registered in the Lao People's Democratic Republic ("Lao PDR").

ESTABLISHMENT AND OPERATIONS

The Bank was established from the equitisation of Banque Pour Le Commerce Exterieur Lao which had been established in accordance with the Banking Business License No. 129/BOL dated 01 November 1989. On 23 December 2010, the Bank successfully undertook its Initial Public Offering. On 10 January 2011, the Bank was equitized and renamed into Banque Pour Le Commerce Exterieur Lao Public under the Operating License No. 0061/LRO dated 10 January 2011 issued by the Business License Registration Office of the Lao PDR. At that date, the Government, represented by the Ministry of Finance ("MOF"), was the largest shareholder with 80% shareholding.

On 15 July 2011, the MOF sold 10% of the total ordinary shares (equivalent to 13.657.759 shares) to its strategic partner named Compagnie Financière de la BRED ("COFIBRED") in accordance with the Ordinary Shares Purchase Agreement between the Ministry of Finance and COFIBRED. COFIBRED is a subsidiary of BRED, the biggest regional banking society in the Banque Populare Group - a French group of cooperative banks. The total purchased price of LAK 150.235.349.000 has been paid fully by COFIBRED.

On 17 August 2017, Lao Securities Commission Office approved the Bank to recapitalize by both Rights offering (which resulted in 68.047.300 shares) and Public offering (which resulted in 3.098.400 shares) in Lao Securities Exchange in order to increase its charter capital. The Bank received the new Banking Business License No. 21/BOL, dated 13 September 2017 issued by Bank of the Lao PDR. On 15 September 2017, Lao Securities Exchange certified that the Bank successfully increased its charter capital amount LAK 355.728.500.000 (equivalent to 71.145.700 shares) in accordance with Listing Certificate No. 01/LSX, dated 15 September 2017 and its latest amended Business License No. 0429/ERO dated 18 May 2018 issued by Ministry of Industry and Commerce.

On 11 October 2019, Lao Securities Commission Office approved the Bank to recapitalised by both Rights offering and Public offering. The purpose of the government share divestment is to support more diverse shareholders to develop the Bank on the business expansion and sustainability. On 29 November 2019, Lao Securities Commission Office certified the Bank successfully offered 10% of the Bank's shares.

The shareholding structure of the Bank as at 31 December 2022 is as follows:

Shareholders	Number of shares	%
The Government	124.634.021	60%
Strategic partners	20.772.359	10%
Local investors (including employees of the Bank) and other foreign investors	62.316.920	30%
	207.723.300	100%

The principal activities of the Bank are to provide banking services including mobilizing and receiving short-term, medium-term, and long-term deposits from organisations and individuals; making short-term, medium-term, and long-term loans to organisations and individuals based on the nature and capability of the Bank's sources of capital; foreign exchange transactions, international trade financial services, discounting of commercial papers, bonds and other valuable papers, and providing other banking services allowed by Bank of the Lao PDR.

SHARE CAPITAL

The share capital as at 31 December 2022 is LAKm 1.038.617 (31 December 2021: LAKm 1.038.617).

LOCATION AND NETWORK

The Bank's Head Office is located at No. 01, Pangkham Street, Ban Xiengnheun, Chanthabouly District, Vientiane Capital, Lao PDR. As at 31 December 2022, the Bank has one (01) Head Office, six (6) associates and joint ventures, twenty (20) main branches, ninety-seven (97) services units, and eleven (11) exchange units all over Lao PDR.

INVESTMENTS IN ASSOCIATES AND INTEREST IN JOINT VENTURES

As at 31 December 2022, the Bank has investments in associates and interest in joint ventures totally six (06) as follows:

Name	Established in accordance with Business License No.	Business Sector	% owned by the Bank
BCEL - Krung Thai Securities Company Limited	1079/ERO issued by the Ministry of Industry and Commerce on 10 July 2019	Securities	70%
Lao Viet Joint Venture Bank	732/ERO dated 29 August 2016 by the Ministry of Industry and Commerce	Banking & Finance	25%
Banque Franco - Lao Limited	0495/ERO dated 7 June 2018 by the Ministry of Industry and Commence	Banking & Finance	30%
Lao-Viet Insurance Joint Venture Company	0600 dated 16 August 2013 by the Ministry of Industry and Commence	Insurance	35%
Lao China Bank Company Limited	041/ERM dated 27 January 2014 by the Department of Enterprise Register and Management of the Lao PDR	Banking & Finance	39,87%
Lao National Payment Network Company Limited	0349/ERO granted by the Department of Enterprise Registration and Management of the Ministry of Industry and Commerce of the Lao PDR on 12 March 2019	Transaction settlement management (Electronic)	20%

BOARD OF DIRECTORS

Members of the Board of Directors during the year ended 31 December 2022 and at the date of this report are as follows:

Name	Title	Date of appointment
Mr. Khamsouk Sundara	Acting Chairman	Reappointed on 14 July 2022
Mr. Pasomphet Khamtanh	Member	Appointed on 3 August 2021
Mr. Stéphane Mangiavacca	Member	Appointed on 29 May 2020
Mrs. Saysamone Chanthachack	Member	Appointed on 22 November 2022
Assoc.Prof.Thongphet Chanthanivong	Member	Appointed on 3 August 2021
Mrs. Latdavanh Songvilay	Member	Appointed on 3 August 2021
Mr. Sonexay Silaphet	Member	Appointed on 3 August 2021
Mr. Viengsouk Chounthavong	Member	Appointed on 27 April 2018

MANAGEMENT

Members of the Management during the year ended 31 December 2022 and at the date of this report are as follows:

Name	Title	Date of appointment
Mrs. Saysamone Chanthachack	General Managing Director	Appointed 2 August 2022
Mr. Kongsack Soukphonesy	Deputy Managing Director	Appointed 1 May 2021
Mr. Nanthalath Keopaseuth	Deputy Managing Director	Appointed 30 September 2014
Mr. Viengsouk Chounthavong	Deputy Managing Director	Appointed 18 February 2019
Mrs. Bouaphayvanh Nandavong	Deputy Managing Director	Appointed 1 May 2021
Mr. Saichit Simmavong	Deputy Managing Director	Appointed 1 May 2021

LEGAL REPRESENTATIVE

The legal representative of the Bank during the period and as at the date of this report is Mrs. Saysamone Chanthachack – General Managing Director, Mr. Saychit Simmavong is responsible for administrative, finance and accounting.

AUDITORS

The auditor of the Bank is PricewaterhouseCoopers (Lao) Sole Company Limited.

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Independent auditor's report

To: Board of Director and Shareholders of Banque Pour Le Commerce Exterieur Lao Public

Our opinion

In our opinion, the financial statements of Banque Pour Le Commerce Exterieur Lao Public (the Bank) for the year ended 31 December 2022 are prepared, in all material respects, in accordance with the accounting policies described in Note 3 to the financial statements.

What we have audited

The Bank's financial statements comprise:

- the statement of financial position as at 31 December 2022;
- the statement of income for the year then ended;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of matter - Basis of accounting

We draw attention to Note 3 to the financial statements, which describe the basis of accounting. The financial statements have been prepared in accordance with the Bank's accounting policies which the accounting basis used in the preparation of these financial statements may differ from International Financial Reporting Standard (IFRS). The readers should therefore be aware that the accompanying financial statements are not intended to present the financial position and its financial performance and cash flows in accordance with IFRS. Our opinion is not modified in respect to this matter.

Key audit matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We determine one key audit matter: Provision for impairment of loan to customers. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Provision for impairment of loan to customers Refer to Note 15 – Provision for impairment. As of 31 December 2022, Loan to customer balance was LAK 42.808.801 million (45% of total asset), and provision for impairment balance was LAK 1.809.562 million. Provision for impairment of loan to customers was considered as significant in our audit due to the estimation of provision for impairment involved the management's judgements and assumptions in identifying evidence of impairment for individual and collective customers and calculating the impairment amount including uncertainly of timing for recognition. Management had set up provision for impairment on loan to customers by classifying in two type of impairment which were individual and collective impairment. For individual impairment was calculated by the present value of the estimated future cashflows expected from customer. For collective impairment, loan to customer were grouped based on similar credit risk characteristics. Future cashflows on a group of loan to customer were collectively evaluated for impairment and were estimated based on historical loss experience.	We performed the following procedures: • Performed risk assessment on both internal and external factors which may affect the operating result of individual, industry group and customer group which it might affect the judgement and estimation made by management. . • Evaluated and tested the Information Technology General Control over access program and data, control over completeness of customer's data used in calculation of provision impairment. • Evaluated and tested manual controls over loan to customer and provision for impairment processes as follows; - Loan origination and approval - Collateral valuation - Data input into system • Tested samples of loans which it had classified as individual and collective impairments, we performed as follows; - Inquired with management regarding processing of identify and classified loans as individual and collective impairments - Examined the assumptions used in the calculation of present value of future cashflows expected from customer with supporting document such as future cashflows expected from customer, collateral valuation, - Recomputed discount rate and assess the appropriate of discount rate used in calculation of present value of future cashflows

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Key audit matter (continued)

Key audit matter	How our audit addressed the key audit matter
Based on the significant level of subjectivity and estimation uncertainly, provision for impairment account on loan to customers was a key audit matter.	- Assessed the appropriateness of assumptions used in calculation of probability of default, loss rate for calculation of collective impairment by examine with relevant supporting evidence and had a detailed discussion with management regarding the assumptions. - Recomputed provision for impairment at the end of reporting date. • Furthermore, for collateral valuations performed by the professional valuers, we evaluated their competence, capabilities and objectivity including evaluated the appropriateness of their work. Then, we sampled those valuations to check that the management used the valuations in the calculation of provision for impairment for individual customer From those procedures performed, we found that management's judgements and assumptions regarding provision for impairment was appropriate.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the audit committee.

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Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and presentation of the financial statements in accordance with the accounting policies described in Note 3 to the financial statements, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For PricewaterhouseCoopers (Lao) Sole Company Limited

By Apisit Thiengtrongpinyo
Partner

Vientiane Capital, Lao PDR

Date: 11 April 2023

BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAKm	2021 LAKm
Interest incomes	5	3.116.126	2.244.913
Interest expenses	5	(1.845.243)	(1.492.316)
Net interest incomes	**5**	**1.270.883**	**752.597**
Fee and commission incomes	6	513.818	317.892
Fee and commission expenses	6	(149.673)	(39.694)
Net fee and commission incomes	**6**	**364.145**	**278.198**
Net gain from dealing in foreign currencies	7	(38.154)	3.913
Net loss from dealing derivatives	8	-	171
Other operating incomes	9	121.260	180.385
Operating income		**1.718.134**	**1.215.264**
Credit loss expense of loans to customers	15	(912.720)	(649.075)
NET OPERATING INCOME		**805.414**	**566.189**
Personnel expenses	10	(329.249)	(305.806)
Depreciation and amortisation	19, 20	(112.823)	(81.350)
Depreciation of right-of-use assets	21	(7.898)	(8.040)
Other operating expenses	11	(195.263)	(175.296)
TOTAL OPERATING EXPENSES		**(645.233)**	**(570.492)**
Share of profit and loss of associates and joint ventures	18	36.898	16.888
PROFIT BEFORE TAX		**197.079**	**12.585**
Income tax	26.1	31.111	(1.175)
NET PROFIT FOR THE YEAR		**228.190**	**11.410**
Earnings per share (LAK)	33	**1.099**	**55**

Prepared by:

Mrs. Phousengthong Anoulakkham
Chief of Accounting Department
Date: 11 April 2023

Approved by:

Mr. Sompasong Phothisane
Chief of Internal Audit Department
Date: 11 April 2023

Approved by:

BANK OF THE LAO PDR
BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC
VIEN TIANE CAPITAL

Mr. Saychit Simmavong
Deputy Managing Director
Date: 11 April 2023

The accompanying notes on pages 16 to 57 form an integral part of these financial statements.

BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAKm	2021 LAKm
NET PROFIT FOR THE YEAR		**228.190**	**11.410**
OTHER COMPREHENSIVE (EXPENSE)/INCOME			
Changes in the fair value of financial investments – Available-for-sale	16	-	1.534
Remeasurement of employee benefit	27	(1.053)	22.498
Profit tax related to components of other comprehensive income	26.3	211	-
OTHER COMPREHENSIVE (EXPENSE)INCOME FOR THE YEAR, NET OF TAX		**(842)**	**24.032**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**227.348**	**35.442**

Prepared by:

Mrs. Phousengthong Anoulakkham

Chief of Accounting Department
Date: 11 April 2023

Approved by:

Mr. Sompasong Phothisane

Chief of Internal Audit Department
Date: 11 April 2023

Approved by:

BANK OF THE LAO PDR
BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC
VIEN TIANE CAPITAL

Mr. Saychit Simmavong

Deputy Managing Director
Date: 11 April 2023

The accompanying notes on pages 16 to 57 form an integral part of these financial statements.

BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

STATEMENT OF FINANCIAL POSITION
AS AT YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAKm	2021 LAKm
ASSETS			
Cash and balances with Bank of the Lao PDR	12	27.786.294	19.022.276
Due from banks	13	11.855.719	9.114.970
Loans to customers	14	47.235.372	32.372.070
Financial investments - Available-for-sale	16	90.123	91.657
Financial investments - Held-to-maturity	17	4.967.151	5.273.352
Investments in associates and joint ventures using the equity method	18	691.081	643.318
Property and equipment	19	540.325	563.503
Intangible assets	20	283.285	293.321
Right-of-use assets	21	52.028	55.713
Deferred tax assets	26.3	116.520	37.015
Advance profit tax	26.2	-	24.015
Other assets	22	875.117	745.782
TOTAL ASSETS		**94.493.015**	**68.236.991**
LIABILITIES ANS EQUITY			
LIABILITIES			
Due to banks and other financial institutions	23	6.639.183	5.269.436
Due to customers	24	80.994.071	57.169.169
Borrowings from other banks	25	4.105.783	3.354.623
Current tax liabilities	26.2	21.907	-
Lease liabilities		26.553	29.595
Other liabilities	27	347.558	282.022
TOTAL LIABILITIES		**92.135.055**	**66.104.845**
EQUITY			
Share capital	28	1.038.617	1.038.617
Statutory reserves	29	836.635	831.667
Other comprehensive items		9.040	11.416
Retained earnings		473.668	250.446
TOTAL EQUITY		**2.357.960**	**2.132.146**
TOTAL LIABILITIES AND EQUITY		**94.493.015**	**68.236.991**

Prepared by:

Mrs. Phousengthong Anoulakkham

Chief of Accounting Department
Date: 11 April 2023

Approved by:

Mr. Sompasong Phothisane

Chief of Internal Audit Department
Date: 11 April 2023

Approved by:

BANK OF THE LAO PDR
BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC
VIEN TIANE CAPITAL

Mr. Saychit Simmavong

Deputy Managing Director
Date: 11 April 2023

The accompanying notes on pages 16 to 57 form an integral part of these financial statements.

BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital LAKm	Statutory reserves LAKm	Other comprehensive items: Remeasurement of post-employment benefit reserve LAKm	Other comprehensive items: Available-for-sale reserve LAKm	Retained earnings LAKm	Total LAKm
Balance as at 31 December 2020		**1.038.617**	**753.399**	**(12.616)**	**-**	**433.629**	**2.213.029**
Dividend paid out to shareholders	34	**-**	-	-	-	(116.325)	(116.325)
Appropriation to reserves for the year 2020	29	**-**	78.268	-	-	(78.268)	-
Net profit for the year 2021		-	-	-	-	11.410	11.410
Remeasurement in the fair value of financial investment – Available-for-sale		-	-	-	1.534	-	1.534
Remeasurement of employee benefit	27	-	-	22.498	-	-	22.498
Profit tax related to components of other comprehensive income		-	-	-	-	-	-
Balances as at 31 December 2021		**1.038.617**	**831.667**	**9.882**	**1.534**	**250.446**	**2.132.146**

The accompanying notes on pages 16 to 57 form an integral part of these financial statements

BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital LAKm	Statutory reserves LAKm	Other comprehensive items: Remeasurement of post-employment benefit reserve LAKm	Other comprehensive items: Available-for-sale reserve LAKm	Retained earnings LAKm	Total LAKm
Balance as at 31 December 2021		**1.038.617**	**831.667**	**9.882**	**1.534**	**250.446**	**2.132.146**
Appropriation to reserves for the year 2021	29	-	4.968	-	-	(4.968)	-
Net profit for the year 2022		-	-	-	-	228.190	228.190
Remeasurement in the fair value of financial investments – Available-for-sale		-	-	-	(1.534)	-	(1.534)
Remeasurement of employee benefit	27	-	-	(1.053)	-	-	(1.053)
Profit tax related to components of other comprehensive income	26.3	-	-	211	-	-	211
Balances as at 31 December 2022		**1.038.617**	**836.635**	**9.040**	**-**	**473.668**	**2.357.960**

Prepared by:

Mrs. Phousengthong Anoulakkham

Chief of Accounting Department
Date: 11 April 2023

Approved by:

Mr. Sompasong Phothisane

Chief of Internal Audit Department
Date: 11 April 2023

Approved by:

BANK PDR BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC VIEN TIANE CAPITAL

Mr. Saychit Simmavong

Deputy Managing Director
Date: 11 April 2023

The accompanying notes on pages 16 to 57 form an integral part of these financial statements

BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAKm	2021 LAKm
OPERATING ACTIVITIES			
Profit before tax		**197.079**	**12.584**
Adjustments for:			
Depreciation and amortisation charges	19, 20, 21	120.720	89.390
Expense for impairment losses	15	912.720	649.075
Post-employment benefit expense	10	9.288	8.784
Share of profit and loss of associates and joint ventures	18	(36.898)	(16.888)
Unrealise loss on exchange rate		1.532.273	(113.343)
Loss/(Gain) on disposal/written-off		6.359	12.340
Interest incomes	5	(3.116.126)	(2.244.913)
Interest expenses	5	1.845.243	1.492.316
Dividend income	9	(1.918)	(3.835)
Cash flows from operating profit before changing in operating assets and liabilities		**1.468.742**	**(114.490)**
Changes in operating assets			
Net change in balances with other banks		(1.486.073)	466.148
Net change in loans to customers		(13.983.518)	(4.276.295)
Financial investment - Held-to-maturity		-	83.857
Net change in other assets		(192.252)	(197.048)
Changes in operating liabilities			
Net change in due to other banks		1.361.992	1.790.480
Net change in due to customers		23.658.446	12.020.658
Net change in other liabilities		55.838	65.350
Net change in borrowing from other banks		(711.662)	311.146
Net change in Lease liabilities		-	2.218
Interest received		694.112	1.093.618
Interest paid		(1.380.334)	(1.309.769)
Tax paid during the year	26.2	(2.261)	(48.916)
Net cash flows from operating activities		**9.483.029**	**9.886.954**
INVESTING ACTIVITIES			
Purchase and construction in progress and property and equipment		(80.409)	(40.928)
Purchase of right of use	21	(5.364)	(2.431)
Purchase of intangible asset	20	(1.784)	(53.953)
Proceeds from disposals of property and equipment		7.468	-
Payment for investment in associates and joint ventures	18	(18.498)	(13.360)
Dividends received from investment in associates and joint venture investment	18	7.633	1.364
Dividends received from financial investments – available for sale	9	1.918	3.835
Payment from investment in financial investments – hold to maturity		(931.000)	-
Proceed from investment in investment in financial investments – hold to maturity		1.465.537	1.738.371
Net cash flows from/(used) in investing activities		**445.501**	**1.632.898**

BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 LAKm	2021 LAKm
FINANCING ACTIVITIES			
Payment of dividends	34	-	(116.325)
Payment on lease payment		(13.345)	(474)
Net cash flows used in financing activities		**(13.345)**	**(116.799)**
Net change in cash and cash equivalents		**9.915.185**	**11.403.055**
Cash and cash equivalents at the beginning of the year	**30**	**25.799.885**	**14.396.829**
Cash and cash equivalents at the end of the year	**30**	**35.715.070**	**25.799.885**

Non-cash from financing and investing activities;

Acquisition of construction in progress and property and equipment	2.033	8.188
Settlement loan to customers and investment in hold-to-maturity securities	229.358	3.196.569
Acquisition of right-of-use assets	-	4.318

Prepared by:

Mrs. Phousengthong Anoulakkham

Chief of Accounting Department
Date: 11 April 2023

Approved by:

Mr. Sompasong Phothisane

Chief of Internal Audit Department
Date: 11 April 2023

Approved by:

BANK OF THE LAO P.D.R BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC VIEN TIANE CAPITAL

Mr. Saychit Simmavong

Deputy Managing Director
Date: 11 April 2023

The accompanying notes on pages 16 to 57 form an integral part of these financial statements

1. GENERAL INFORMATION

Banque Pour Le Commerce Exterieur Lao Public (the Bank) is a public limited company which registered under Bank of Lao PDR (BoL) and listed on the Securities Exchange of Lao PDR (LSX).

The Bank is incorporated and domiciled in Lao PDR. The Bank's Head Office is located at No. 01, Pangkham Street, Ban Xiengnheun, Chanthabouly District, Vientiane Capital, Lao PDR, As at 31 December 2022. the Bank has one (01) head office, six (6) associates and joint ventures, twenty (20) main branches, ninety-seven (97) services units, and eleven (11) exchange units all over Lao PDR.

The principal business operations of the Bank,its associates and joint ventures are to provide banking and other services including:

- mobilising and receiving deposits from organisations and individuals
- making loans to organisations and individual
- foreign exchange transactions
- international trade financial services
- discounting of commercial papers
- bonds and other valuable papers
- insurance
- securities

The financial statements is presented in Lao Kip and rounded to the nearest million, unless otherwise stated.

The financial statements was authorised for issue by the board of directors on 11 April 2023.

2. SIGNIFICANT EVENTS DURING THE CURRENT YEAR

The Bank of Lao PDR has announced several COVID-19 pandemic temporary relief measures such as they have waived compliance with Regulation 512/BOL for commercial banks and financial institutions, dated 29 June 2018. This means that after loans are restructured, they can be classified in the same group as they were before restructuring. The waiver also allows commercial banks to restructure loans classified as 'non-performing loans' more than twice and lend credit to customers affected by COVID-19.

In response, the Bank has continually applied with the Bank of Lao PDR's announcement such as loan restructuring and closely monitored the effect of COVID-19 to customers which might have an impact to its loan portfolio.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies applied in the preparation of the financial statements are set out below.

3.1 Basis of preparation

According to the laws and regulations on accounting and auditing for the securities sector issued by the MoF and the Lao Securities Commission Office (LSCO), all listed companies who identified as PIE are required to prepare their financial statements in accordance with International Financial Reporting Standards (IFRS).

Notification No. 1137/MoF dated 27 April 2020 issued by MoF, and announcement No. 0009/LSC, dated 25 May 2020, issued by the LSCO, state the extended time for listed companies to prepare their action plan for IFRS, which is until 31 December 2025. Listed companies must fully adopt IFRS as of 1 January 2026 onwards.

During the transitional period, the PIE must set up a development plan to adopt IFRS and share this with the MoF and the LSCO for monitoring purposes.

In accordance with the MoF and LSCO's announcement mentioned above, the Bank is setting up a plan to fully adopt IFRS in the next few years for their accounting policies.

The financial statements are prepared in accordance with the accounting policies of the Bank as described in Note 3. The accounting principles applied may differ from generally accepted accounting principles adopted in other countries and jurisdictions. The accompanying financial statements are not intended to present the financial position and financial performance in accordance with other jurisdictions. Consequently, these financial statements are addressed only to those who are informed on the Bank's accounting policies.

The preparation of financial statements requires management to make estimates and assumptions affecting the amounts reported as assets and liabilities, the disclosure of any contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates (Note 15).

The financial statements have been prepared under the historical cost convention, except for certain financial assets (financial investments – available for sale) measured at fair value.

3.2 Foreign currency translation

Transactions in foreign currencies are initially recorded at the spot rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into LAK at the spot rate of exchange at the reporting date (see the list of exchange rates of applicable foreign currencies against LAK as at 31 December 2022 and 31 December 2021 as presented in Note 38). Unrealised exchange differences arising from the translation of monetary assets and liabilities on the balance sheet date are recognised in the statement of income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Recognition of income and expense

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

3.3.1 Interest income and expense

For all financial instruments measured at amortised cost, interest-bearing financial assets classified as available-for-sale and financial instruments designated at fair value through profit or loss, interest income or expense are recorded using the effective interest rate (EIR).

The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

When the recorded value of a financial asset or a group of similar financial assets has been reduced by an impairment loss, interest income continues to be recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

3.3.2 Fees and commission incomes

The Bank earns fee and commission income from a diverse range of financial services it provides to its customers. Fee and commission income is recognised at an amount that reflects the consideration to which the Bank expects to be entitled in exchange for providing the services.

The performance obligations, as well as the timing of their satisfaction, are identified, and determined, at the inception of the contract. The Bank's revenue contracts do not typically include multiple performance obligations, as explained further in 3.3.2.1 and 3.3.2.2 below.

When the Bank provides a service to its customers, consideration is invoiced and generally due immediately upon satisfaction of a service provided at a point in time or at the end of the contract period for a service provided over time (unless otherwise specified in 3.3.2.1 and 3.3.2.2 below). The Bank has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

3.3.2.1 Fee and commission income from services where performance Obligations are satisfied over time

Performance obligations satisfied over time include services where the customer simultaneously receives and consumes the benefits provided by the Bank's performance as the Bank performs.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Recognition of income and expense (continued)

3.3.2 Fees and commission incomes (continued)

3.3.2.2 Fee and commission income from providing services where performance obligations are satisfied at a point in time

Services provided where the Bank's performance obligations are satisfied at a point in time are recognised once control of the services is transferred to the customer. This is typically on completion of the underlying transaction or service or, for fees or components of fees that are linked to a certain performance, after fulfilling the corresponding performance criteria. These include fees and commissions arising from negotiating or participating in the negotiation of a transaction for a third party, such as the arrangement/participation or negotiation of the acquisition of shares or other securities, or the purchase or sale of businesses, brokerage and underwriting fees.

The Bank typically has a single performance obligation with respect to these services, which is to successfully complete the transaction specified in the contract.

3.3.3 Dividend income

Dividend income is recognised when the Bank's right to receive the payment is established.

3.3.4 Net trading income

Results arising from trading activities include all gains and losses from changes in fair value and related interest income or expense and dividends for financial assets and financial liabilities 'held for trading'.

3.4 Cash and cash equivalents

Cash and cash equivalents as referred to in the statement of cash flows comprise cash on hand, non-restricted current accounts with the BOL and amounts due from banks on demand or with an maturity of three months or less.

3.5 Investments in associates and interest in joint ventures

The Bank has investment in associates and interest in joint ventures, which are jointly entities, whereby the ventures have a contractual arrangement that establishes joint control over the economic activities of the entities. The arrangement requires unanimous agreement for financial and operating decisions among the ventures.

The Bank recognises its interest in the associates and joint ventures using the equity method using the financial information available on hand.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Bank's share of the post-acquisition profits or losses of the investee in profit or loss, and the Bank's share of movements in other comprehensive income of the investee in other comprehensive income.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Investments in associates and joint ventures (continued)

Equity method (continued)

Dividends received or receivable from investment in associates and interest in joint ventures are recognised as a reduction in the carrying amount of the investment. Where the Bank's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, the Bank does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. The allowance for impairment is made for investments in associates and joint ventures when the associates and joint ventures are making a loss (except for the loss which is identified in the business plan before establishment). Accordingly, the allowance is made for the difference between actual investment in the associates and joint venture and the Bank's proportionate share in the associates and joint venture's net equity.

3.6 Financial instruments -initial recognition and subsequent measurement

3.6.1 Date of recognition

All financial assets and liabilities, with the exception of loans to customers and balances due to customers, are initially recognised on the trade date, i.e., the date that the Bank becomes a party to the contractual provisions of the instrument. This includes "regular way trades" - purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

Loans to customers are recognised when funds are transferred to the customers' account. The Bank recognises due to customer balances when funds reach the Bank.

3.6.2 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention in acquiring them. All financial instruments are measured initially at their fair value plus transaction costs, except in the case of financial assets and financial liabilities recorded at fair value through profit or loss.

3.6.3 The effective interest rate method

The effective interest rate (EIR) is the rate exactly discounts estimated future cash payments or receipts through the contractual term of the financial instrument or, when appropriate a shorter period, to the net carrying amount of the financial asset or financial liability. The amortised cost of the financial asset or financial liability is adjusted if the Bank revises its estimates of payments or receipts. The adjusted amortised cost is calculated based on the original or latest re-estimated EIR and the change in is recorded as 'Interest and similar income' for financial assets and 'Interest and similar expense' for financial liabilities.

3.6.4 'Day 1' profit or loss

When the transaction price differs from the fair value of other observable current market transactions in the same instrument, or based on a valuation technique whose variables include only data from observable markets, the Bank immediately recognises the difference between the transaction price and fair value (a 'Day 1' profit or loss) in 'Net trading income'. In cases where fair value is determined using data which is not observable, the difference between the transaction price and model value is only recognised in the statement of income when the inputs become observable, or when the instrument is derecognised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments - initial recognition and subsequent measurement (continued)

3.6.5 Available for sale financial investments

Available for sale investments include equity investments. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated at fair value through profit or loss.

The Bank has not designated any loans or receivables as available for sale.

After initial measurement, available for sale financial investments are subsequently measured at fair value.

Unrealised gains and losses are recognised directly in equity (Other comprehensive income) in the 'Available-for-sale reserve'. When the investment is disposed of, the cumulative gain or loss previously recognised in equity is recognised in the statement of income in 'Other operating income'. Where the Bank holds more than one investment in the same security, they are deemed to be disposed of on a first–in first–out basis.

Dividends earned while holding available-for-sale financial investments are recognised in the statement of income as 'Other operating income' when the right of the payment has been established. The losses arising from impairment of such investments are recognised in the statement of income in 'Impairment losses on financial investments' and removed from the 'Available-for-sale reserve'.

3.6.6 Held-to-maturity financial investments

Held-to-maturity financial investments are non-derivative financial assets with fixed or determinable payments and fixed maturities, which the Bank has the intention and ability to hold to maturity. After initial measurement, held-to-maturity financial investments are subsequently measured at amortised cost using the EIR. Periodically, held-to-maturity securities are subject to review for impairment. Allowance for impairment of these securities is made when there has been a significant or prolonged declined in the fair value below their cost. The losses arising from impairment of such investments are recognised in the statement of income line 'Impairment loss expense'.

If the Bank were to sell or reclassify more than an insignificant amount of held-to-maturity investments before maturity (other than in certain specific circumstances), the entire category would be tainted and would have to be reclassified as available-for-sale investments. Furthermore, the Bank would be prohibited from classifying any financial asset as held-to-maturity during the following two years.

3.6.7 Due from banks and loans to customers

'Due from banks' and 'Loans customers' include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than:

- Those that the Bank intends to sell immediately or in the near term and those that the Bank, upon initial recognition, designates as at fair value through profit or loss;
- Those that the Bank, upon initial recognition, designates as available-for-sale;
- Those for which the Bank may not recover substantially all of its initial investment, other than because of credit deterioration.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments - initial recognition and subsequent measurement (continued)

3.6.7 Due from banks and loans to customers (continued)

After initial measurement, amounts 'Due from banks' and 'Loans to customers' are subsequently measured at amortised cost using the EIR method, less allowance for impairment. The amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the EIR. Therefore, the Bank recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of the loan, hence, recognising the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (prepayments, penalty interest and charges).

If expectations are revised the adjustment is booked as a positive or negative adjustment to the carrying amount in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest and similar income in the statement of profit or loss.

3.6.8 Due to other banks and customers and other borrowed funds

"Due to other banks and customers and other borrowed funds" include arrangements where the substance of the contractual arrangements result in the Bank having an obligation either to deliver cash or another financial asset to the holder.

After initial measurement, "Due to other banks and customers and other borrowed funds" are subsequently measured at amortised cost using the EIR. The amortised cost is calculated by taking into account any discount or premium on the issue and costs that are an integral part of the EIR.

3.6.9 Reclassification of financial assets

The Bank was permitted to reclassify, in certain circumstances, non-derivative financial assets out of the 'Held-for-trading' category and into the 'Available-for-sale', 'Loans and receivables', or 'Held-to-maturity' categories. From this date it was also permitted to reclassify, in certain circumstances, financial instruments out of the 'Available-for-sale' category and into the 'Loans and receivables' category. Reclassifications are recorded at fair value at the date of reclassification, which becomes the new amortised cost.

For a financial asset reclassified out of the 'Available-for-sale' category, any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the EIR. Any difference between the new amortised cost and the expected cash flows is also amortised over the remaining life of the asset using the EIR. If the asset is subsequently determined to be impaired, then the amount recorded in equity is recycled to the statement of profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Financial instruments - initial recognition and subsequent measurement (continued)

3.6.9 Reclassification of financial assets (continued)

In rare circumstances, the Bank may reclassify a non-derivative trading asset out of the 'Held-for-trading' category and into the 'Loans and receivables' category if it meets the definition of loans and receivables and the Bank has the intention and ability to hold the financial asset for the foreseeable future or until maturity. If a financial asset is reclassified, and if the Bank subsequently increases its estimates of future cash receipts as a result of increased recoverability of those cash receipts, the effect of that increase is recognised as an adjustment to the EIR from the date of the change in estimate.

Reclassification is at the election of management and is determined on an instrument by instrument basis.

3.7 De-recognition of financial assets and financial liabilities

3.7.1 Financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired. The Bank also derecognises the assets if it has both transferred the asset, and the transfer qualifies for derecognition.

The Bank has transferred the asset if, and only if, either:

- The Bank has transferred its contractual rights to receive cash flows from the asset or
- It retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass–through' arrangement.

A transfer only qualifies for derecognition if either:

- The Bank has transferred substantially all the risks and rewards of the asset or
- The Bank has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

In relation to the above, the Bank considers the control to be transferred if, and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

When the Bank has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Bank's continuing involvement in the asset. In that case, the Bank also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Bank has retained.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.7 De-recognition of financial assets and financial liabilities (continued)

3.7.1 Financial assets (continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Bank could be required to repay.

The Bank also derecognises a financial asset, in particular, a loan to customer when the terms and conditions have been renegotiated to the extent that it substantially became a new loan, with the difference recognised as an impairment in the statement of profit or loss.

3.7.2 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.8 Impairment of financial assets (Loan to customers)

The Bank assesses at each reporting date, whether there is any objective evidence that a financial asset – loan to customers is impaired. A financial asset – loan to customer is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include: indications that the borrower or a group of borrowers is experiencing significant financial difficulty; the probability that they will enter bankruptcy or other financial reorganisation; default or delinquency in interest or principal payments; and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

3.8.1 Financial assets carried at amortised cost

Individual impairment losses

For financial assets – loan to customers carried at amortised cost, the Bank first assesses whether objective evidence of impairment exists for financial assets that are individually significant or are already under specific work out by management.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). An estimation of future cash flow of loan to customers under Non-Performing Loan classification are calculated from 40% of collateral value assessed by internal valuer together with a consideration of expected timeline to sale collateral. An estimate of future cash flow of loan to customer under Performing Loan classification are from the expected of collection of loan principal and interest throughout contractual period together with taking consideration of the expected recoverable rate using the rate for grade A at 99% and grade B at 97%-95%) plus 20% of collateral value.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment of financial assets (continued)

3.8.1 Financial assets carried at amortised cost (continued)

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in credit loss expense in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of interest and similar income.

Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Bank. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a future write–off is later recovered, the recovery is credited to income.

The present value of the estimated future cash flows is discounted at the financial asset's contractual interest rate. If the Bank has reclassified trading assets to loans, the discount rate for measuring any impairment loss is the new EIR determined at the reclassification date.

The calculation of the present value of the estimated future cash flows of a collateralised financial asset reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

Collective impairment model

For the purpose of a collective evaluation of impairment, financial assets are grouped on the basis of similar credit risk characteristics that are indicative of the debtors' ability to pay all amounts due according to the contractual terms (for example, on the basis of a credit risk evaluation or grading process).

Future cash flows on a group of financial assets that are collectively evaluated for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group. Historical loss experience is adjusted on the basis of current observable data to reflect the effects of current conditions on which the historical loss experience is based and to remove the effects of conditions in the historical period that do not currently exist.

Estimates of changes in future cash flows reflect and are directionally consistent with changes in related observable data from period to period (such as changes in unemployment rates, personal indebtedness, collateral values including property prices for mortgages, commodity prices, payment status or other factors that are indicative of incurred losses in the group and their magnitude). The methodology and assumptions used for estimating future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.8 Impairment of financial assets (continued)

3.8.2 Impairment of available for sale investments

The Bank records impairment charges on available for sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is 'significant' or 'prolonged' requires judgment. In making this judgment, the Bank evaluates, among other factors, historical share price movements and duration and extent to which the fair value of an investment is less than its cost.

3.8.3 Collateral valuation

The Bank seeks to use collateral, where possible, to mitigate its risks on financial assets. The collateral comes in various forms such as cash, securities, letters of credit/guarantees, real estate, receivables, inventories, other non-financial assets and credit enhancements such as netting agreements. The fair value of collateral is generally assessed, at a minimum, at inception and based on the Bank's annually reporting schedule.

To the extent possible, the Bank uses active market data for valuing financial assets, held as collateral. Other financial assets which do not have a readily determinable market value are valued using models. Non-financial collateral, such as real estate, is valued based on data provided by third parties (if available) such as mortgage brokers, housing price indices, audited financial statements, and other independent sources.

3.8.4 Collateral repossessed

The Bank's policy is to determine whether a repossessed asset is best used for its internal operations or should be sold. Assets determined to be useful for the internal operations are transferred to their relevant asset category at the lower of their repossessed value or the carrying value of the original secured asset. Assets that are determined better to be sold, are immediately transferred to assets held for sale at their fair value at the repossession date in line with the Bank's policy.

3.9 Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial positions if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Property and equipment

Property and equipment are stated at cost excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates.

Depreciation is calculated using the straight–line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Construction in progress is not depreciated. The following are annual rates used:

Buildings & improvements	5%-10%
Office equipment	20%
Furniture and fixtures	20%
Motor vehicles	20%

Property and equipment are derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in 'Other operating income' in the statement of income in the year the asset is derecognised.

3.11 Intangible assets

The Bank's other intangible assets include the value of land use rights and software.

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Bank.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year–end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and they are treated as changes in accounting estimates. The amortsation expense on intangible assets with finite lives is recognised in the statement of income in the expense category consistent with the function of the intangible asset.

Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful lives. The following are annual rates used:

Software	20% - 50%

The land use rights of the Bank were not amortised as land use rights have indefinite term and was granted by the Government of Lao PDR.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Impairment of non-financial assets

The Bank assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Bank estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit (CGU)'s fair value less costs to sell and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Bank estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of income.

3.13 Financial guarantees

In the ordinary course of business, the Bank issues financial guarantees, consisting of letters of credit, guarantees and acceptances. Financial guarantees are initially recognised in the financial statements (within 'Other liabilities') at fair value on the date the guarantee was issued, being the premium received.

Subsequent to initial recognition, the Bank's liability under each guarantee is measured at the higher of the amount initially recognised less cumulative amortisation recognised in the statement of income, and the best estimate of expenditure required to settle any financial obligation arising as a result of the guarantee.

Any increase in the liability relating to financial guarantees is recorded in the statement of income in 'Credit loss expense'. The premium received is recognised in the statement of income in 'Net fees and commission income' on a straight-line basis over the life of the guarantee.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Leasing

3.14.1 Right-of-use assets

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease arrangement based on whether the contract that conveys to the user (the lessee) the right to control the use of an identified asset for a period of time in exchange for consideration. If a contract contains more than one lease component, or a combination of leasing and services transactions, the consideration is allocated to each of these lease and non-lease components on conclusion and on each subsequent re-measurement of the contract on the basis of their relative stand-alone selling prices. The Bank combines lease and non-lease components, in cases where splitting the non-lease component is not possible.

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease term includes periods covered by an option to extend if the Bank is reasonably certain to exercise that option. Unless the Bank is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment assessment.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Leasing (continued)

3.14.2 Lease liabilities

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating a lease, if the lease term reflects the Bank exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Bank uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying assets.

3.14.3 Short-term leases and leases of low-value assets

The Bank applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of assets that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.15 Employee benefits

Post-employment benefits

Post-employment benefits are paid to retired employees of the Bank at the time of retirement by the amount equal to (Latest Basic Salary + Wage + 25% of allowance (If have) + 25% of other benefits) x 1,5 x working years.

The fund for Post-employment benefits come from:

(i) the retirement reserve contributed by the employees, for which the Bank withholds a certain monthly amount from employees' salary (5,5%) of the amount (Equal to Basic Salary + Wage + 25% of allowance + 25% of other benefits);

(ii) and the Bank contribution by monthly, which is equal to 6% of the amount (Equal to Basic Salary + Wage + 25% of allowance + 25% of other benefits);

The Bank records its contribution as 'Payroll and other staff costs' into the statement of income on an accrual basis.

The employee benefit obligation is calculated annually by management using the projected unit credit method. The present value of the employee benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.15 Employee benefits (continued)

In October 2022, the bank applied Social Security Fund therefore the Bank is required to contribute to the Social Security Organisation at the rate of 6% of employee's basic salary monthly and the bank has still pay post-employment benefit as mention above also.

Termination benefits

In accordance with Article 82 of the Amended Labour Law No. 43/NA approved by the President of the Lao People's Democratic Republic on 28 January 2014, the Bank has the obligation to pay allowance for employees who are terminated by dismissal in the following cases:

- The worker lacks specialised skills or is not in good health and thus cannot continue to work;
- The employer considers it necessary to reduce the number of workers in order to improve the work within the labour unit.

For the termination of an employment contract on any of the above-mentioned grounds, the employer must pay a termination allowance which is calculated on the basis of 10% of the basic monthly salary earned before the termination of work.

As at 31 December 2022, no employee of the Bank was dismissed under the above-mentioned grounds; therefore, the Bank has not made a provision for termination allowance in the separate financial statements.

3.16 Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Bank determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of income net of any reimbursement in other operating expenses.

3.17 Profit tax

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Bank operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.17 Profit tax (continued)

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

3.18 Statutory reserves

Under the requirements of the Law on Commercial Banks dated 7 December 2018, commercial banks are required to appropriate net profit to the following reserves:

- Regulatory reserve fund
- Business expansion fund and other funds

In accordance with Article 156, Enterprise Law dated 26 December 2013, the Bank is required to appropriate 10% of profit after tax each year into Regulatory reserve fund. When this reserve fund reaches 50% of the registered capital, the Bank may suspend such provision, unless otherwise provided by the laws. The Bank will record after getting approval from General Shareholders' Meeting.

The business expansion fund and other funds shall be created upon decision of the Board of Management.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Bank's separate financial statements requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Bank's accounting policies, management has made the following judgements and assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Existing circumstances and assumptions about future developments may change due to circumstances beyond the Bank's control and are reflected in the assumptions if and when they occur. Items with the most significant effect on the amounts recognised in the financial statements with substantial management judgement and/or estimates are collated below with respect to judgements/estimates involved.

4.1 Effective interest rate method

The Bank's EIR method, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans and deposits and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behavior and life cycle of the instruments, as well expected changes to other fee income/expense that are integral parts of the instrument.

4.2 Impairment losses on loans to customers

The Bank reviews its individually significant loans at each reporting date to assess whether an impairment loss should be recorded in the statement of income.

The Bank's impairment methodology for assets carried at amortised cost results in the recording of provisions for:

- Individual impairment losses on individually significant or specifically identified exposures;

This estimation requires an element of management's judgement, in particular for the estimation of the amount and timing of future cash flows and collateral values when determining individual impairment losses. These estimates are driven by a number of factors, the changing of which can result in different levels of allowances.

- Collective impairment.

The loss allowances for financial assets are based on assumptions about default risk and loss rates. The Bank uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Bank's past history and existing market conditions at the end of each reporting period.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONTINUED)

4.3 Impairment of available-for-sale investments

The Bank reviews its equity securities classified as available-for-sale investments at each reporting date to assess whether they are impaired.

This assessment, including the interpretation of what is 'significant' or 'prolonged' requires judgement. In making this judgement, the Bank evaluates, among other factors, historical share price movements, and the duration and extent to which the fair value of an investment is less than its cost.

4.4 Determination of lease terms

Critical judgement in determining the lease term, the Bank considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Bank considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Bank becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Bank.

4.5 Determination of discount rate applied to leases

The Bank determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, currency and security.

5. NET INTEREST INCOMES

	2022 LAKm	2021 LAKm
Interest income calculated using the effective interest method from:		
Lending to customers	2.537.667	1.912.270
Investment securities	315.734	263.777
Deposits in other banks	262.725	55.786
Other activities	-	13.080
	3.116.126	**2.244.913**
Interest expense calculated using the effective interest method for:		
Customer deposits	(1.604.004)	(1.291.278)
Due to banks	(241.239)	(201.038)
	(1.845.243)	**(1.492.316)**
Net interest incomes	**1.270.883**	**752.597**

6. NET FEE AND COMMISSION INCOMES

	2022 LAKm	2021 LAKm
Fee and commission income from:		
Settlement services	421.069	247.792
Treasury activities	16.493	17.374
Other activities	76.256	52.726
	513.818	**317.892**
Fee and commission expense for:		
Settlement services	(57.119)	(36.200)
Treasury activities	(92.554)	(3.494)
	(149.673)	**(39.694)**
Net fee and commission incomes	**364.145**	**278.198**

7. NET GAIN FROM DEALING IN FOREIGN CURRENCIES

	2022 LAKm	2021 LAKm
Gain from foreign currencies trading and revaluation of monetary items	19.843.888	5.834.698
Loss from foreign currencies trading and revaluation of monetary items	(19.882.042)	(5.830.785)
	(38.154)	**3.913**

8. NET LOSS FROM DEALING DERIVATIVES

	2022 LAKm	2021 LAKm
Gain from derivatives	-	1.787
Loss from derivatives	-	(1.616)
	-	**171**

9. OTHER OPERATING INCOMES

	2022 LAKm	2022 LAKm
Recovery of bad debts written off	79.983	156.784
Dividend income	1.918	3.835
Others	39.359	19.766
	121.260	**180.385**

10. PERSONNEL EXPENSES

	2022 LAKm	2021 LAKm
Salaries	175.210	175.293
Bonus and other allowances	131.925	115.602
Post-employment benefits expense	9.288	8.784
Other staff costs	12.926	6.127
	329.249	**305.806**

11. OTHER OPERATING EXPENSES

	2022 LAKm	2021 LAKm
Deposit Insurance paid to Depositor Protection Fund	66.506	48.435
Stationary and office materials	19.473	18.766
Repair and maintenance	23.698	19.060
Utilities	9.085	9.766
Telecommunication	9.435	9.538
Insurance expense	6.885	8.652
Tax and other duties	2.019	5.900
Training, meeting and seminar	9.162	4.582
Rental fee	7.533	4.497
Publication, marketing and promotion	5.052	4.424
Consulting and financial service fees	2.783	3.096
Fuel expense	4.502	2.067
Interest expense on lease liabilities	1.016	1.210
Other expenses	28.114	35.303
	195.263	**175.296**

12. CASH AND BALANCES WITH BANK OF THE LAO PDR ("THE BOL")

	2022 LAKm	2021 LAKm
Cash on hand in LAK	1.836.261	1.641.453
Cash on hand in foreign currencies ("FC")	2.003.515	1.232.341
Balances with the BOL:		
- Demand deposit	21.205.571	14.445.195
- Compulsory deposit (*)	2.196.153	1.350.120
- Term deposits	516.600	334.890
Accrued interest income	28.194	18.277
	27.786.294	**19.022.276**

Balances with the BOL include demand and compulsory deposits. These balances earn no interest.

(*) Under regulations of the BOL, the Bank is required to maintain certain reserves with the BOL in the form of compulsory deposits, which are computed at 5,00% for LAK and 5,00% for foreign currencies, on a bi-weekly basis, (2021: 3,00% and 5,00%) of customer deposits having original maturities of less than 12 months. During the year, the Bank maintained its compulsory deposits in compliance with the requirements by the BOL. This restricted deposits with bank of the Lao PDR are not available for use in the Bank's day-to-day operations.

13. DUE FROM BANKS

	2022 LAKm	2021 LAKm
Current and saving accounts	**7.033.415**	**7.639.523**
- In LAK	255.257	181.421
- In foreign currencies	6.778.158	7.458.102
Term deposits	**4.722.038**	**1.468.772**
- In LAK	3.105.000	747.890
- In foreign currencies	1.617.038	720.882
Accrued interest income	**100.266**	**6.675**
	11.855.719	**9.114.970**

Interest rates for amounts due from other banks during the year are as follows:

	2022 % per annum	2021 % per annum
Demand deposits	0,15% - 1,20%	0,07% - 1,10%
Saving deposits	2,16%	0,07% - 2,16%
Term deposits	2,00% - 7,50%	0,15% - 6,36%

14. LOANS TO CUSTOMERS

	2022 LAKm	2021 LAKm
Gross loans	42.808.801	30.080.974
In which:		
Less: Allowance for impairment losses (Note 15)	(1.809.562)	(1.457.635)
Accrued interest income	6.236.133	3.748.731
	47.235.372	**32.372.070**

Interest rates for commercial loans during the year are as follows:

	2022 Interest rates % per annum	2021 Interest rates % per annum
Loans denominated in LAK	5,00% - 16,00%	5,00% - 16,00%
Loans denominated in USD	4,99% - 16,00%	4,15% - 16,00%
Loans denominated in THB	6,00% - 11,50%	6,00% - 10,00%

Analysis of loan portfolio by currency:

	2022 LAKm	2021 LAKm
Loans denominated in LAK	12.763.474	10.920.255
Loans denominated in USD	24.790.269	15.408.832
Loans denominated in THB	5.255.058	3.751.887
	42.808.801	**30.080.974**

14. LOANS TO CUSTOMERS (CONTINUED)

Analysis of loan portfolio by original maturity:

	2022 LAKm	2021 LAKm
Short-term loans	4.560.760	2.714.300
Medium-term loans	24.929.587	17.234.346
Long-term loans	13.318.454	10.132.328
	42.808.801	**30.080.974**

Analysis of loan portfolio by industrial sectors of customers:

	2022		2021	
	LAKm	%	LAKm	%
Industrial services companies	23.252.832	54,32%	16.367.536	54,41%
Services companies	5.667.984	13,24%	4.609.807	15,31%
Trading companies	4.672.093	10,91%	3.830.878	12,73%
Construction companies	5.120.441	11,96%	3.723.445	12,37%
Transportation companies	1.751.815	4,09%	1.199.632	3,99%
Technical instruments enterprises	1.755.682	4,10%	50.507	0,17%
Agricultural & forestry	80.631	0,19%	45.683	0,15%
Handicrafts	2.830	0,01%	2.103	0,01%
Others	504.493	1,18%	251.383	0,86%
	42.808.801	**100,00%**	**30.080.974**	**100,00%**

15. ALLOWANCE FOR IMPAIRMENT LOSSES OF LOANS TO CUSTOMERS

Changes in allowance for impairment losses of loans to customers during the year ended are as follows:

	2022 LAKm	2021 LAKm
Balance as at 1 January	**1.457.635**	**1.073.649**
Net change during the year	912.703	649.075
Non-performing loans written off	(904.200)	(378.906)
Foreign exchange differences	343.424	113.817
Balance as at 31 December	**1.809.562**	**1.457.635**

Breakdown of allowance for impairment losses of loans to customers as at 31 December are as follows:

	2022		2021	
	Outstanding balance LAKm	Impairment LAKm	Outstanding balance LAKm	Impairment LAKm
Individually impaired	5.764.485	1.586.358	5.888.337	1.109.137
Collectively impaired	37.044.316	223.205	24.192.637	348.498
	42.808.801	**1.809.562**	**30.080.974**	**1.457.635**

16. FINANCIAL INVESTMENTS - AVAILABLE-FOR-SALE

As at 31 December 2022, the shares have fair value of amount LAKm 90.123 (2021: LAKm 91.657) and the bank recognized the changes of fair value during the year 2022 in other comprehensive expense.

17. FINANCIAL INVESTMENTS - HELD-TO-MATURITY

	2022 LAKm	2021 LAKm
Amortised cost of Treasury bills issued by the Ministry of Finance	855.777	418.769
Amortised cost of Bonds issued by the Ministry of Finance	4.111.374	4.854.583
	4.967.151	**5.273.352**

17.1 Treasury bills issued by the Ministry of Finance

Term	Purchase date	Maturity date	Face value (LAKm	Amortised cost LAKm	Interest rate per annum (nominal)
1 Year	28-Apr-2022	28-Apr-2023	470.000	469.874	5,00%
1 Year	27-May-2022	27-May-2023	61.000	60.982	5,00%
1 Year	14-Jul-2022	14-Jul-2023	220.000	219.933	5,00%
1 Year	22-Nov-2022	22-Nov-2023	105.000	104.988	5,00%
			856.000	**855.777**	

17.2 Bonds issued by the Ministry of Finance

- Details of other bonds by contractual maturity date are as follows:

	2022		2021	
	Face value LAKm	Amortised cost LAKm	Face value LAKm	Amortised cost LAKm
Within 1 year	-	-	-	-
1 to 5 years	1.836.096	1.814.313	2.712.741	2.690.173
Over 5 years	2.359.536	2.297.061	2.225.191	2.164.410
	4.195.632	**4.111.374**	**4.937.932**	**4.854.583**

- Details of other bonds interest by contractual maturity date are as follows:

	2022 % per annum	2021 % per annum
Within 1 year	5,00%	5,00%
1 to 5 years	3,80-6,95%	3,60 - 6,95%
Over 5 years	4,00-6,00%	4,00 - 6,00%

Other bonds represent the bonds which were issued by the Ministry of Finance to either for settlement the loans that that the Bank lend to MOF or for settlement the loan that the Bank lend to customers for construction of the government's projects.

18. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	LAKm
Balance as at 1 January 2022	**643.318**
Share of profit of associates and joint ventures	36.898
Invest in associates and joint ventures	18.498
Less: Dividends received during the year	(7.633)
Balance as at 31 December 2022	**691.081**

Investment in associates and joint ventures as at 31 December, and dividend income for the year ended 31 December were as follows:

	Ownership interest		Cost		Equity		Dividend income	
	2022	2021	2022	2021	2022	2021	2022	2021
	)%(		LAKm					
BCEL – Krung Thai Securities Company Limited	70	70	70.000	70.000	76.392	74.920	-	-
Lao Viet Joint Venture Bank	25	25	197.839	197.839	260.080	252.650	-	-
Banque Franco – Lao Limited	30	30	138.000	126.000	148.156	128.048	-	-
Lao China Bank Company Limited	39,87	49	151.458	147.000	181.030	168.675	4.808	-
Lao-Viet Insurance Joint Venture Company	35	35	9.168	9.168	17.549	14.282	1.076	-
Lao National Payment Network Company Limited	20	20	6.800	4.760	7.874	4.743	1.749	1.364
Total			**573.265**	**554.767**	**691.081**	**643.318**	**7.633**	**1.364**

- BCEL - Krung Thai Securities Company Limited is incorporated in the Lao PDR under the Business License No. 180-10 granted by the Investment Promotion Department of the Ministry of Planning and Investment of the Lao PDR on 14 December 2010. The company's principal activities are to provide brokerage services, proprietary trading, finance and securities investment advisory services, custody services, underwriting for share issues and other value-added services.

- Lao Viet Joint Venture Bank ("LVB") is incorporated in the Lao PDR with its head office located in Vientiane and engages in the provision of banking services. It is a joint venture with the Bank for Investment and Development of Vietnam, a state-owned commercial bank incorporated in the Socialist Republic of Vietnam. The joint venture was granted the banking license on 31 March 2000 by the Bank of the Lao PDR for a period of 30 years. In 2015, LVB increased its contributed capital to LAK 791.357.560.000. The Bank's ownership rate in LVB after the capital increase is 25% in accordance with Investment License No. 004-15/KH-DDT4 issued by Ministry of Planning and Investment on 24 August 2015, equivalent to LAK 197.839.390.000.

18. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (CONTINUED)

- Lao China Bank Company Limited ("LCNB") is incorporated in the Lao PDR and engages in the provision of baking services. It is a joint venture with Fudian Bank China, a state-owned commercial bank incorporated in China. The joint venture bank was granted the Banking Business Licence on 20 January 2014 by the Bank of the Lao PDR. In 2022, According to the updated business license No. 0839/ຈຫວ, dated 26 April 2022, Lao China Bank Company Limited increased its share capital from 1.000 to 1.229 shares, but BCEL has consented to keep its ownership (490 shares) and no additional payment will be made for this capital increase. Another shareholder, "Fudian Bank Co., Ltd," is the only one who injects additional cash to increase the number of shares to 229 or 79.880 million LAK, causing BCEL's percentage of ownership to decline from 49.00% to 39.87%.

- Banque Franco - Lao Limited ("BFL") is incorporated in the Lao PDR with its head office located in Vientiane and engages in the provision of banking services. It is a joint venture with Cofibred Company Frances De La Bred which is a state-owned bank incorporated in Paris, France. The joint venture was granted the temporary banking license on 01 October 2009 and a permanent license on 16 July 2010 by the Bank of the Lao PDR. The legal capital of BFL was USD 20 million which was later revised to USD 37 million in accordance with the President's decree issued on 24 September 2009 and letter No. 01/BOL dated 28 January 2010 from BOL. As 31 December 2022, the total contributed capital of the Bank in this company was LAKm 138.000 (2021: LAKm 126.000).

- Lao National Payment Network Company Limited (LAPNet) is incorporated in the Lao PDR under the Business License No. 0349 granted by the Department of Enterprise Registration and Management of the Ministry of Industry and Commerce of the Lao PDR on 12 March 2019 and engages in the provision of financial services. It is an association among Bank of the Lao PDR, Union Pay International, Lao Development Bank, Agriculture Promotion Bank, Joint Development Bank, Lao-Viet Bank, ST Bank, BIC Bank and the Bank. The legal capital was LAKm 34.000. As 31 December 2022, the total contributed capital of the Bank in this company was LAKm 6.800 (2021: LAKm 4.760).

19. PROPERTY AND EQUIPMENT

	Construction in progress LAKm	Buildings & improvements LAKm	Office equipment LAKm	Furniture & fixtures LAKm	Motor vehicles LAKm	Total LAKm
Year ended 31 December 2022						
Opening net book value	63.521	335.630	145.464	10.004	8.884	563.503
Additions	79.549	161	422	3.243	-	83.375
Transferred in/(out)	(39.434)	14.004	17.898	3.412	3.186	(934)
Written-off net book value	(645)	(3.910)	(32)	(7)	(22)	(4.616)
Depreciation charge	-	(40.924)	(49.445)	(7.151)	(3.483)	(101.003)
As at 31 December 2022	**102.991**	**304.961**	**114.307**	**9.501**	**8.565**	**540.325**
As at 31 December 2022						
Cost	102.991	541.374	283.694	37.510	25.179	990.748
Accumulated depreciation	-	(236.413)	(169.387)	(28.009)	(16.614)	(450.423)
Net book value	**102.991**	**304.961**	**114.307**	**9.501**	**8.565**	**540.325**

20. INTANGIBLE ASSETS

	Land use rights LAKm	Software LAKm	Total LAKm
At 1 January 2022			
Cost	243.486	62.363	305.849
Accumulated amortisation	-	(12.528)	(12.528)
Net book amount	**243.486**	**49.835**	**293.321**
Year ended 31 December 2022			
Opening net book amount	243.486	49.835	293.321
Additions	851	-	851
Transfer in	-	933	933
Written-off net book value	-	-	-
Amortisation charge	-	(11.820)	(11.820)
As at 31 December 2022	**244.337**	**38.948**	**283.285**
At 31 December 2022			
Cost	244.337	62.683	307.020
Accumulated amortisation	-	(23.735)	(23.735)
Net book amount	**244.337**	**38.948**	**283.285**

21. RIGHT-OF-USE ASSETS

	Lands and buildings LAKm
As at 1 January 2022	
Cost	86.330
Accumulated depreciation	(30.617)
Net book amount	**55.713**
Accumulated depreciation:	
Opening balance	55.713
Additions	5.364
Written-off net book value	(1.151)
Depreciation charge	(7.898)
As at 31 December 2022	**52.028**
At 31 December 2022	
Cost	90.543
Accumulated depreciation	(38.515)
Net book value	**52.028**

22. OTHER ASSETS

	2022 LAKm	2021 LAKm
Assets available for sale	358.864	343.028
Accrued interest income	104.679	150.437
Advance for top-up	167.218	97.779
Advance payment for other operations	65.961	43.138
Stationeries and other tools	18.503	11.479
Prepaid expenses to be allocated	16.158	11.371
Advance payment to suppliers	3.302	9.739
Security deposits	36.975	23.012
Others	103.457	55.798
	875.117	**745.781**

23. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	2022 LAKm	2021 LAKm
Demand deposits	**5.260.211**	**4.239.624**
- In LAK	1.744.986	1.691.702
- In foreign currencies	3.515.225	2.547.922
Saving deposits	**356.226**	**222.603**
- In LAK	94.772	113.520
- In foreign currencies	261.454	109.083
Term deposits	**975.367**	**764.652**
- In LAK	238.485	261.870
- In foreign currencies	736.882	502.782
Others	**17.718**	**20.652**
- In LAK	17.689	19.912
- In foreign currencies	29	740
Accrued interest expense	**29.661**	**21.905**
	6.639.183	**5.269.436**

Interest rates for deposits from other banks and financial institutions during the year are as follows:

	2022 % per annum	2021 % per annum
Demand deposits	0,00% - 0,30%	0,00% - 0,30%
Saving deposits	No interest	No interest
Term deposits	0,56% - 6,65%	0,56% - 6,65%

24. DUE TO CUSTOMERS

	2022 LAKm	2021 LAKm
Demand deposits	**10.938.271**	**7.627.802**
Demand deposits in LAK	4.438.412	3.453.603
Demand deposits in FC	6.499.859	4.174.199
Saving deposits	**42.874.328**	**28.428.750**
Saving deposits in LAK	17.924.403	13.710.668
Saving deposits in FC	24.949.925	14.718.082
Term deposits	**26.007.200**	**20.439.404**
Term deposits in LAK	8.885.920	9.446.282
Term deposits in FC	17.121.280	10.993.122
Margin deposits	**370.732**	**79.905**
Margin deposits in LAK	290.574	24.830
Margin deposits in FC	80.158	55.075
Others	**139.691**	**95.915**
Accrued interest expense	**663.849**	**497.393**
	80.994.071	**57.169.169**

The interest rates during the year for these deposits are as follows:

	2022 % per annum	2021 % per annum
Demand deposits	No interest	No interest
Saving deposits in LAK	1,25% - 1,75%	1,25% - 1,89%
Saving deposits in USD	0,60% - 1,00%	0,90% - 1,15%
Saving deposits in THB	0,45% - 0,55%	0,45% - 0,70%
Term deposits in LAK	3,16% - 12,50%	3,16% - 12,15%
Term deposits in USD	1,65% - 7,75%	1,65% - 7,75%
Term deposits in THB	1,40% - 7,75%	1,40% - 7,75%

25. BORROWINGS FROM OTHER BANKS

	2022 LAKm	2021 LAKm
Borrowings from the BOL	3.614.601	2.251.071
Borrowings from other banks	21.000	910.510
Accrued interest expense	470.182	193.042
	4.105.783	**3.354.623**

	2022 LAKm	2021 LAKm
Current borrowings	3.841.066	2.672.285
Non-current borrowings	264.717	682.338
	4.105.783	**3.354.623**

Borrowings from the BOL as at 31 December 2022 include:

- USD 97.854.000 long-term borrowing (original borrowing amount was USD 100.000.000 with interest rate of 5,50% per annum) for the purpose of providing credit to certain Government-backed Hydropower projects. The loan's principal is paid annually from 27 August 2015 to 27 August 2025. Interest is paid quarterly.
- USD 97.900.000 long-term borrowing (original borrowing amount was USD 100.000.000 with interest rate of 5,30% per annum) for the purpose of providing credit to certain Government-backed Hydropower projects. The loan's principal is paid annually from 3 May 2016 to 3 May 2026. Interest is paid quarterly.
- LAK 4.050.000.000 long-term borrowing (credit line was LAK 4.050.000.000 with interest rate of 3% per annum) for the purpose of providing credit to medium and small corporates who got effected from COVID-19 according to the BOL regulation No.318/BOL dated 19 May 2020. The loan's principal is paid by 3 times such as first-time repayment for loan principal is 30%, second time repayment for loan principal is 30%,and third time repayment for loan principal is 40%. Interest is paid two time per year (June and December). This borrowing period is started from 18 August 2020 to 18 August 2026.
- LAK 4.116.657.000 long-term borrowing (credit line was LAK 4.200.000.000 with interest rate of 3% per annum) for the purpose of providing credit to medium and small corporates who got effected from COVID-19 according to the BOL regulation No.318/BOL dated 19 May 2020. The loan's principal is paid by 3 times such as first-time repayment for loan principal is 30%, second time repayment for loan principal is 30%,and third time repayment for loan principal is 40%. Interest is paid two time per year (June and December). This borrowing period is started from 3 November 2020 to 3 November 2026.
- LAK 3.000.000.000 long-term borrowing (credit line was LAK 3.080.000.000 with interest rate of 3% per annum) for the purpose of providing credit to medium and small corporates who got effected from COVID-19 according to the BOL regulation No.318/BOL dated 19 May 2020. The loan's principal is paid by 3 times such as first-time repayment for loan principal is 30%, second time repayment for loan principal is 30%, and third time repayment for loan principal is 40%. Interest is paid two time per year (June and December). This borrowing period is started from 22 December 2020 to 22 December 2026.
- LAK 10.050.000.000 long-term borrowing (credit line was LAK 15.050.000.000 with interest rate of 3% per annum) for the purpose of providing credit to medium and small corporates who got effected from COVID-19 according to the BOL regulation No.318/BOL dated 19 May 2020. The loan's principal is paid by 3 times such as first-time repayment for loan principal is 30%, second time repayment for loan principal is 30%, and third time repayment for loan principal is 40%. Interest is paid two time per year (June and December). This borrowing period is started from 15 March 2021 to 15 March 2027.

25. BORROWINGS FROM OTHER BANKS (CONTINUED)

- LAK 102.500.000.000 long term borrowing (credit line was LAK 110.000.000.000 with interest rate of 3% per annum) for the purpose of providing credit to medium and small corporates who got effected from COVID-19 according to the BOL regulation No.318/BOL dated 19 May 2020. The loan's principal is paid by 2 times such as first-time repayment for loan principal is 40%- and second-time repayment for loan principal is 60% by start for repayment in 2026. Interest is paid two time per year (June and December). This borrowing period is started from 3 November 2022 to 3 November 2027.

- LAK 120.000.000.000 long term borrowing (credit line was LAK 120.000.000.000 with interest rate of 3% per annum) for the purpose of providing credit for the company to capital of investment to develop medical technology and medicine (Purchase the production equipment, raw material for use in production and use to develop staff and investment construction the factory building). The loan's principal is paid by 4 times by repayment each year is 25% such as first-time repayment is in 2025. Interest is paid quarterly. This borrowing period is started from 27 December 2021 to 27 December 2028.

- LAK 21.000.000.000 long term borrowing (Credit line was LAK 21.00.000.000 with interest rate of 0%) for the purpose of providing credit for the enterprises, small and medium corporates that Lao own 100% to continue or expanses their business. The loan principal is paid after the end of contract and the borrowing period is started from 6 December 2022 to 6 December 2033.

26. TAXATION

26.1 Income tax expense

Major components of tax expense are as follows:

	2022 LAKm	2021 LAKm
Current income tax expense	(48.184)	(1.175)
Deferred tax income	79.295	-
Total tax expense for the year	**31.111**	**(1.175)**

26. TAXATION (CONTINUED)

26.2 Current profit tax ("PT")

The Bank is obliged to pay tax at a rate of 20% (2021: 20%) on total profit before tax in accordance with the Tax Law.

The calculations of Profit tax for the years 2022 and 2021 are as follows:

	2022 LAKm	2021 LAKm
Profit before tax	**197.079**	**12.584**
Adjustments for:		
- Amotisation of financial investment – hold to maturity	3.077	4.939
- Amortisation of loans to customers	37.227	(88.651)
- Impairment losses of loans to customers	261.433	101.418
- Defined post-employment benefits plan obligation expense	(6.855)	(8.617)
- Interest income from non-performing loan	(318.675)	-
- Non-taxable profit from investment in associates and joint ventures using the equity method	(29.266)	(15.524)
Profit before tax in accordance with the relevant regulations and notifications of the Bank of Lao People's Democratic Republic	**144.021**	**6.149**
Tax rate at 20% (2021: 20%)	**28.804**	**1.230**
Tax effect of;		
- Income exempted from PT	(3.924.746)	(1.152.253)
- Non-deductible expenses	3.942.513	1.152.198
- Other adjustments	1.613	-
Current income tax expense	**48.184**	**1.175**

	2022 LAKm	2021 LAKm
Total tax expense in the year	**48.184**	**1.175**
Payable/(Advance) at the beginning of the year	**(24.015)**	23.726
Tax adjustments	-	(1.198)
Paid in the year	(2.262)	(47.718)
(Advance PT)/PT payable at the end of the year	**21.097**	**(24.015)**

The Bank's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations in many types of transactions is susceptible to varying interpretations, amounts reported in the separate financial statements could be changed at a later date upon final determination by the tax authorities.

26. TAXATION (CONTINUED)

26.3 Deferred tax assets/(liabilities)

	Statement of financial position		Statement of income		Statement of comprehensive income	
	2022 LAKm	2021 LAKm	2022 LAKm	2021 LAKm	2022 LAKm	2021 LAKm
Deferred tax assets	121.615	43.883	77.521	-	211	-
Deferred tax liabilities	(5.095)	(6.868)	1.773	-	-	-
Deferred tax assets, net	**116.520**	**37.015**				
Net deferred tax credited/(charged) to the statement of income			**79.924**	**-**		**-**
Net deferred tax credited to the statement of comprehensive income					**211**	**-**

27. OTHER LIABILITIES

	2022 LAKm	2021 LAKm
Items waiting to settle	163.936	122.323
Defined post-employment benefit plan obligations	75.310	70.026
Other tax payable	55.238	53.759
Payable to suppliers	26.643	24.972
Payables to employees	13.347	2.757
Others	13.084	8.185
	347.558	**282.022**

Changes in defined post-employment benefit plan obligations are as follows:

	2022 LAKm	2021 LAKm
As at 1 January	70.026	86.866
Current service cost	4.355	4.126
Interest cost	4.933	4.658
Actuarial changes arising from changes in financial assumption	1.053	(22.498)
Benefits paid	(5.058)	(3.126)
As at 31 December	**75.310**	**70.026**

Net benefit expense (recognised in profit or loss):

	2022 LAKm	2021 LAKm
Current service cost	4.355	4.126
Interest cost	4.933	4.658
	9.288	**8.784**

The principal assumptions used in determining post-employment benefit obligations for the Bank's plans are shown below:

	2022 %	2021 %
Discount rate	5,00 – 10,40	5,00 - 10,55
Future salary increases	0,91	1,22
Employee turnover rate	4,24	2,41

A quantitative sensitivity analysis for significant assumptions as at 31 December is, as shown below:

	2022 LAKm	2021 LAKm
Discount rate		
increase 50 basis points	(4.432)	(4.207)
decrease 50 basis points	4.832	4.584
Future salary increases		
increase 50 basis points	5.154	4.886
decrease 50 basis points	(4.745)	(4.500)

28. SHARE CAPITAL

There was no change in share capital during the year 2022.

29. STATUTORY RESERVES

	Regulatory reserve fund LAKm	Business expansion fund and other funds LAKm	Total LAKm
As at 31 December 2020	**205.773**	**547.626**	**753.399**
Appropriation to reserves for the year 2020	22.362	55.906	78.268
As at 31 December 2021	**228.135**	**603.532**	**831.667**
Appropriation to reserves for the year 2021	496	4.472	4.968
As at 31 December 2022	**228.631**	**608.004**	**836.635**

30. ADDITIONAL CASH FLOW INFORMATION

Cash and cash equivalents included in the separate statement of cash flows comprise the following separate statement of financial position amounts:

	2022 LAKm	2021 LAKm
Demand deposits with the BOL	21.205.571	14.445.195
Current accounts with other banks	7.033.415	7.639.524
Cash and cash equivalents on hand	3.839.776	2.873.794
Term deposit due within 90 days	3.636.308	841.372
	35.715.070	**25.799.885**

31. CONTINGENT LIABILITIES AND COMMITMENTS

	2022 LAKm	2021 LAKm
Un-drawn commitments to lend for customers (ii)	2.890.791	1.917.706
At sight letters of credit	796.757	502.217
Letter of credit and bank guarantees (i)	698.175	375.568
Deferred payment letters of credit	-	-
Un-drawn commitments to lend for other banks (ii)	-	-
	4.385.723	**2.795.491**

(i) Letter of credit and bank guarantees

Letters of credit guarantees (including standby letters of credit) and acceptances commit the Bank to make payments on behalf of customers contingent upon the failure of the customer to perform under the terms of the contract. Guarantees and standby letters of credit carry the same credit risks as loans. Credit guarantees can be in the form of bills of exchange or in the form of irrevocable letters of credit, advance payment guarantees, and endorsement liabilities from bills discounted.

(ii) Un-drawn commitments to lend

Commitments to extend credit represent contractual commitments to make loans and revolving credits. Commitments generally have fixed expiry dates, or other termination clauses. Since commitments may expire without being drawn upon, the total contract amounts do not necessarily represent future cash requirements. However, the potential credit loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific standards. The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

32. RELATED PARTY DISCLOSURES

Significant transactions with other related parties during the year 2022 are as follows:

a) Parent entity

The Bank is controlled by the following entity

Name	Type	Place of incorporation
The Ministry of Finance of Lao PDR ("MOF")	Parent	Lao PDR

The remaining 40% of the shares is widely held.

b) Transaction with related parties

Transactions with related parties are as follows:

	2022 LAKm	2021 LAKm
Interest and similar incomes		
Parent entity	293.105	268.716

c) Outstanding balances of significant related party

The outstanding balances at the end of the period ended in relation to transactions with related parties are as follows:

	2022 LAKm	2021 LAKm
Due from banks		
Joint venture and Associates	1.674.875	837.737
Financial investments - Held-to-maturity		
Parent entity	5.015.632	5.356.812
Other assets		
Parent entity	104.679	150.437
Joint venture and Associates	5.249	-
Due to banks and other financial institutions		
Joint venture and Associates	2.008.538	368.799

d) Key management compensation

Key management includes member of the board of director and board of management. The compensation paid or payable to key management are as follows:

	2022 LAKm	2021 LAKm
Salaries and other short-term	2.807	2.911

33. EARNINGS PER SHARE

	2022	2021
Basic earnings per share		
From continuing operations attributable to the ordinary equity holders of the bank (LAKm)	228.190	11.410
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share (Shares)	207.723.300	207.723.300
Total basic earnings per share attributable to the ordinary equity holders of the bank (LAK)	1.099	55

Net operating profit for the period ended 31 December 2022 is LAK 191.292 million which profit per share is LAK 921 per share and operating loss for the period ended 31 December 2021 was LAK 5.478 million which loss per share was 26 LAK per share

34. DIVIDENDS

The annual general meeting of shareholder, held on 5 May 2022, there is no approved the dividend payment from the company's business operation result in FY2021 (2020: LAK 560 per share amounting to a total LAK 116.325 million).

35. RISK MANAGEMENT POLICIES

Introduction

Risk is inherent in the Bank's activities but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank's continuing profitability and each individual within the Bank is accountable for the risk exposures relating to his or her responsibilities.

The primary objective of the Bank in risk management is to comply with the BOL regulations. On the other hand, the Bank has recognised the importance of meeting international best practices on risk management. The Board of Directors and Board of Management, with support from an Asset and Liability Management Committee, are in the process of formulating broad parameters of acceptable risk for the Bank and monitor the activities against these parameters.

The Board has appointed the Asset and Liability Management Committee which has the responsibility to monitor the overall risk process within the Bank.

The Bank is exposed to credit risk, liquidity risk and market risk, the latter being subdivided into trading and non-trading risks. It is also subject to various operating risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Bank's policy is to monitor those business risks through the Bank's strategic planning process.

Risk management structure

The Board of Directors is responsible for the overall risk management approach and for approving the risk management strategies and principles.

The Asset and Liability Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk-Compliance Department is responsible for managing risk decisions and monitoring risk levels and reports to the Board of Directors.

The Bank's policy is that risk management processes throughout the Bank are audited annually by the Internal Audit function, which examines both the adequacy of the procedures and the Bank's compliance with the procedures. Internal Audit discusses the results of all assessments with management and reports its findings and recommendations to the Audit Committee.

36. CAPITAL MANAGEMENT

The Bank maintains minimum regulatory capital in accordance with Regulation No 536/BFSD/BOL dated 14 October 2009 by the Governor of the Commercial Bank Supervision Department of the BOL and other detailed guidance. The primary objectives of the Bank's capital management are to ensure that the Bank complies with externally imposed capital requirements by the BOL. The Bank recognises the need to maintain effectiveness of assets and liabilities management to balance its profit and capital adequacy.

In accordance with Regulation 536/BFSD/BOL, the Bank's regulatory capital is analysed into two tiers:

- Tier 1 capital, which includes share capital, the regulatory reserve fund, business expansion fund and other funds, and retained earnings;
- Tier 2 capital, which is equal to 45% of revaluation reserves; and the lower option between 1,25% of total risk weighted balance sheet items and outstanding balance of general provision during the year.

Various limits are applied to elements of the capital base: qualifying tier 2 cannot exceed tier 1 capital, and qualifying subordinated liabilities may not exceed 50 percent of tier 1 capital.

An analysis of the Bank's capital based on financial information deprived from special purpose separate financial statements is as follows:

	2022 LAKm	2021 LAKm
Tier 1 capital	2.357.960	2.132.146
Tier 2 capital	-	-
Total capital	**2.357.960**	**2.132.146**
Less: Deductions from capital (Investments in other entities)	(691.081)	(643.318)
Capital for CAR calculation (A)	**1.666.879**	**1.488.828**
Risk weighted balance sheet items	24.106.080	18.738.102
Risk weighted off balance sheet items	2.408.986	1.467.354
Total risk weighted assets (B)	**26.515.066**	**20.205.456**
Capital Adequacy Ratio (A/B)	**6,29%**	**7,37%**

37. EVENTS AFTER THE REPORTING DATE

The Ordinary Meeting of Board of Directors, held on 21 March 2023, approved the dividend payment from the Company's 2022 business operation result after deducting required regulation reserve to shareholders that determines the payment dividend of LAK 100 per share, and the date of dividend payment to shareholders is determined to be on 12 May 2023. This matter shall be proposed to the Annual general meeting 2023 for further consideration.

38. EXCHANGE RATES OF APPLICABLE FOREIGN CURRENCIES AGAINST LAK AT YEAR END

	2022 LAK	2021 LAK
USD	17.220,00	11.163,00
EUR	18.287,00	12.650,00
THB	498,22	346,44
GBP	20.593,00	14.872,00
JPY	129,82	96,18
AUD	11.558,00	7.995,00
CNY	2.456,00	1.771,00

BRIEF BUSINESS OPERATION PLAN OF BCEL FOR THE YEAR 2023

The year 2023 is another year which the business operation of BCEL is expected to face various challenges and difficulties, resulting from the effect of gobal and regional economic constraints, particularly the highest inflation rate in years and the conflict in the EU region. This conflict has caused the increase in oil and food prices. As a result, many countries experienced the two-digit rate inflation. The central banks of many countries have actively responded to inflation by implementing monetary measures that support the economic conditions of their respective countries. Laos's economy in 2023 is expected to grow positively since it opened its border after COVID-19 was mitigated. However, Lao economy will remains meet many snags and it tends to be more challenging for Laos compared to last year. The main challenge will still be the rising price of goods and circumstantially affected factors of production which is the consequence of the political tensions in the EU region. Moreover, the implementation of monetary policies of big market countries will also create tremendous pressure on small market countries, including Laos.

Furthermore, Laos has high value of imports and intergrated with many countries in terms of trading, investment and financial martkets, and the multi-currencies are widely used in society. Businesses and financial institutions in Laos are still under restoration from the COVID-19, and the country is struggling with high value of public debts. These factors have pressured to the foreign exchange rate and the inflation rate at a high level[1]. Therefore, The business plan for BCEL in 2023 will primarily be based on the conditions of its business operations in recent times, as well as the local and regional economic conditions. This approach is aimed at ensuring the sustainability of the business and facilitating timely solutions to any problems that may arise, as has been done in the past. BCEL has the goals as follows:

1. Vision

BCEL has set up the vision based on the long-term strategy 2021-2025 as "**To become a strong, and modern bank achieving international standard**".

2. Mission

To support the vision of becoming a strong and modern bank that achieves international standards, the key missions of BCEL are to develop strong corporate governance by emphasizing business operations that are suitable for the changes of the new era, strengthen financial stability, and comply with Basel 2 principles. Additionally, BCEL aims to improve the capacity of the bank's IT system and technology, which will be applied in banking services. Management of Information Systems is also a critical area of development, which should meet accuracy, transparency, swiftness, and compliance with international standards. Moreover, BCEL shall focus on human resource development to support the new vision of development, which will be enhanced through staff expertise and a better customer experience, ultimately sustaining the highest shareholder benefit.

[1] The 1st Meeting for 2023 of the Monetary Theory Committee
https://www.bol.gov.la/fileupload/09-02-2023_1675907072.pdf

3. Goals for 2023

To make the development fully meet the standards in all areas, all Divisions must pay closer attention to the implementation of the operation and projects plans of BCEL from time to time as:

- Ensure the business expansion concerning stability, financial health, and sustainability. This is to handle the unusual changes in situations and unexpected problems that might occur in the future.
- Modernize, use innovation in business, and digitalize banking services.
- Enhance staff expertise and professionalism.
- Customer-centric, maintain old customer base, attract new customers, and improve customer experience.
- Focus on sustaining the benefits of the shareholders and corporate social responsibility.
- Make BCEL meet the requirements and international standards.

4. Goals for the financial statement in 2023

In 2023, BCEL will keep improving the business, especially by maintaining the quality of loans and expediting debt resolutions. BCEL has the goals for the financial statement in 2023 as follows.

- **Assets:** no less than 99.476.000 million LAK, when compared to 2022 it will be increased by 5 %;
- **Deposits:** no less than 91.000.000 million LAK, when compared to 2022 it will be increased by 5%;
- **Loans:** no less than 50.050.000 million LAK, when compared to 2022 it will be increased by 17% (or Loans shall be no less than 55% of Deposits);
- **NPLs:** no more than 3,50% of Loans;
- **Equity:**2.740.000 LAK million, increase 16% compared with the year 2022 actual figure;
- **Profit before tax:** 250.000 million LAK, when compared to 2022 it will be increased by 27%;
- **Net profit (after tax):** 200.000 million LAK.

5. Plan for procurement, construction, and maintenance

Due to the limited budget for the business expansion plan, the plan for equipment supply, construction, and reparation will be focusing on continuing the unfinished tasks, replacing the broken-down equipment, and supplying new equipment as necessary. The plan amounts to 304 billion LAK which is included in the available budget.

6. Service expansion

In 2023, BCEL has a service expansion plan in focal areas by analysing the economic growth situation (in general) and the performance of BCEL itself (in specific). The service branch expansion will go through the process of feasibility study, ensuring the performance of the branches from time to time. This is aimed at achieving the highest profits for BCEL. BCEL planned to expand the service into 5 new Service Units in 2023 as below.

	Service Unit	**Branch**
1	Laobao Service Unit	Savannakhet Branch
2	Gold Triangle Service Unit	Bokeo Branch
3	Kangpayang Service Unit	Vientiane Branch
4	Xienghon Service Unit	Sayabuli Branch
5	Viengphukha Service Unit	Luangnamtha Branch

7. Recruitment

Employee requirement has been raised amongst many Divisions and Branches within BCEL in 2023. The recruitment will be conducted based on the economic situation and the performance of BCEL from time to time and the necessity, for instance, the vacancy for the position that could not be replaced (repositioning) and the vacancy for the positions that were resigned. The main practice for the position in 2023 will be repositioning for the purpose of reducing expenses.



BOUNPONE VANNACHITH

Chairman of the Board of Directors

Banque pour le Commerce Extérieur Lao Public

- Date of birth: 14 April 1959
- Nationality: Lao
- Language: English and Vietnamese (intermediate)

EDUCATION

- 2012: Master's Degree in Economics (Economic Management), National Academy of Political and Public Administration
- 2010: Bachelor's Degree in Economics (Economic Management), National Academy of Political and Public Administration
- 1998: Higher Diploma in Economics (Economic Management), National Academy of Political and Public Administration
-

WORK EXPERIENCE

- 02/04/2021 - present: Deputy Minister of Finance
- 2016-2021: Vice Chairman of the State Audit Organization
- 2010-2016: Vice Chairman of National Economy Development Committee, Prime Minister's Office
- 2005-2010: Vice Governor of Oudomxay Province
- 1999-2005: Chief of the Provincial Finance Office, Oudomxay Province
- 1995-1998: Deputy Chief of the Provincial Planning-Cooperation Office, Oudomxay Province
- 1989-1995: Head of the Finance Office of Meuang Houn District, Oudomxay Province
- 1985-1988: Deputy Head of the Economic Planning & Finance Office of Meuang Houn District, Oudomxay Province
- 1984-1985: Head of the Economy, Statistics and Planning Office of Meuang Houng District, Oudomxay Province
- 1981-1984: Officer of the Economy, Statistics and Planning Office of Meuang Houng District, Oudomxay Province
- 1976 -1981: Soldier in the 28th Battalion and the 63th Office.

ໃບມອບສິດ
Proxy

1. ຂ້າພະເຈົ້າ ..... ສັນຊາດ.....
I / We ..... nationality .....
ເຮືອນເລກທີ ..... ບ້ານ ..... ເມືອງ ....
residing at ..... Village ..... District ....
ແຂວງ .....Province.....
ເປັນຜູ້ຖືຮຸ້ນຂອງທະນາຄານການຄ້າຕ່າງປະເທດລາວ ມະຫາຊົນ
Being a shareholder of Banque Pour Le Commerce Exterieur Lao Public
ມີຮຸ້ນທີ່ຖືຈຳນວນ.....ຮຸ້ນຊຶ່ງເທົ່າກັບຈຳນວນສຽງທີ່ຈະລົງຄະແນນສຽງ
Holding a total number of .....shares which are equivalent to the same number of votes

2. ຂໍມອບໝາຍສະມາຊິກສະພາບໍລິຫານອິດສະຫຼະ:
Hereby assign the Independent Board Member (select only one):

☐ ທ່ານ ຄຳສຸກ ສຸນດາຣາ
Mr. Khamsouk Sundara

☐ ທ່ານ ຮສ. ທອງເພັດ ຈັນທະນິວົງ
Assoc Prof. Thongphet Chanthanivong

☐ ທ່ານ ສອນໄຊ ສີລາເພັດ
Mr. Sonexay Silaphet

☐ ທ່ານນາງ ລັດດາວັນ ຊົງວິໄລ
Mrs. Latdavanh Songvilay

☐ ***ບຸກຄົນອື່ນ ກະລຸນາລະບຸລາຍລະອຽດ / Or other person, please specify:***

ຂໍມອບໝາຍ ທ່ານ/ທ່ານ ນາງ ..... ອາຍຸ.....ປີ
Hereby assign Mr./Ms. ..... age .....
ສັນຊາດ.....ຢູ່ເຮືອນເລກທີ.....
Nationality…….. residing at……
ບ້ານ..... ເມືອງ ..... ແຂວງ ....
Village ..... District ..... Province..... .....

ໃຫ້ເປັນຜູ້ຕາງໜ້າຂອງຂ້າພະເຈົ້າ ເພື່ອເຂົ້າຮ່ວມ ແລະ ລົງຄະແນນສຽງແທນຂ້າພະເຈົ້າຢູ່ໃນກອງປະຊຸມຜູ້ຖືຮຸ້ນ ທຄຕລ, ທີ່ຈະຈັດຂຶ້ນໃນ ເວລາ 14:30 ໂມງ ຂອງວັນທີ 27 ເມສາ 2023.
To be my/our proxy to attend and vote on my/our behalf in the Shareholders' Meeting of the Banque Pour Le Commerce Exterieur Lao Public which will be held at 14:30 PM of 27 April 2023.

3. ຂ້າພະເຈົ້າ ອະນຸຍາດໃຫ້ຜູ້ຕາງໜ້າລົງຄະແນນສຽງແທນຂ້າພະເຈົ້າ ຢູ່ໃນກອງປະຊຸມດັ່ງນີ້ (ເລືອກເອົາໜຶ່ງ ຈາກສອງທາງເລືອກລຸ່ມນີ້)
I /We authorize the proxy to vote on my/our behalf in the Meeting as follows (**choose one from the two following options**):

1. ☐ ໃຫ້ຜູ້ຕາງໜ້າມີສິດພິຈາລະນາ ແລະ ລົງຄະແນນສຽງໃນທຸກໆບັນຫາແທນຂ້າພະເຈົ້າ ຕາມທີ່ຜູ້ກ່ຽວເຫັນສົມຄວນ; ຫຼື
To grant the proxy to consider and vote in all agendas on my/our behalf as the proxy may deem appropriate; ***or***

2. ☐ ໃຫ້ຜູ້ຕາງໜ້າລົງຄະແນນສຽງຕາມຄວາມຕ້ອງການຂອງຂ້າພະເຈົ້າດັ່ງນີ້ (ຖ້າເລືອກຂໍ້ນີ້, ກະລຸນາເລືອກລົງຄະແນນ **ເຫັນດີ ຫຼື ບໍ່ເຫັນດີ** ໃນທຸກໆວາລະລຸ່ມນີ້):
To grant the proxy to vote as per my/our intention indicated in the followings (If you select this option, please choose to vote either ***approve*** or ***disapprove*** in every agenda):

ວາລະທີ 1: ຮັບຮອງບົດບັນທຶກກອງປະຊຸມຜູ້ຖືຮຸ້ນສະໄໝວິສາມັນ ທຄຕລ ປະຈຳປີ 2022

Agenda 1: Approve the minutes of the Extraordinary Shareholders' Meeting for the year 2022;

☐ ເຫັນດີ / approve ☐ ບໍ່ເຫັນດີ / disapprove

ວາລະທີ 2: ພິຈາລະນາ ແລະ ຮັບຮອງບົດລາຍງານຜົນການດຳເນີນງານ ແລະ ເອກະສານລາຍງານການເງິນ ທຄຕລ ປະຈຳປີ 2022;

Agenda 2: To consider and approve the annual report on the performance and financial statements of BCEL for the year 2022

☐ ເຫັນດີ / approve ☐ ບໍ່ເຫັນດີ / disapprove

ວາລະທີ 3: ພິຈາລະນາ ແລະ ຮັບຮອງການຈັດສັນກຳໄລປະຈຳປີ 2022

Agenda 3: To consider and approve the allocation of the profit of the year 2022.

☐ ເຫັນດີ / approve ☐ ບໍ່ເຫັນດີ / disapprove

ວາລະທີ 4: ພິຈາລະນາ ແລະ ຮັບຮອງເອົາແຜນການປີ 2023

Agenda 4: To consider and approve the plan for the year 2023

☐ ເຫັນດີ / approve ☐ ບໍ່ເຫັນດີ / disapprove

ວາລະທີ 5: ພິຈາລະນາ ແລະ ຮັບຮອງເອົາຜູ້ກວດສອບອິດສະຫຼະປະຈຳປີ 2023

Agenda 5: To consider and approve the appointment of independent auditor for the year 2023.

☐ ເຫັນດີ / approve ☐ ບໍ່ເຫັນດີ / disapprove

ວາລະທີ 6: ພິຈາລະນາ ແລະ ຮັບຮອງການແຕ່ງຕັ້ງປະທານສະພາບໍລິຫານ ທຄຕລ

Agenda 6: To consider and approve the appointment of the Chairman of BCEL's Board of Directors

☐ ເຫັນດີ / approve ☐ ບໍ່ເຫັນດີ / disapprove

4. ການລົງຄະແນນສຽງຂອງຜູ້ຕາງໜ້າທີ່ບໍ່ເປັນໄປຕາມໃບມອບສິດນີ້ ໃຫ້ຖືວ່າບໍ່ຖືກຕ້ອງ ແລະ ບໍ່ແມ່ນການລົງຄະແນນຂອງຂ້າພະເຈົ້າ.

Any votes made by the proxy contradicting to this Proxy shall be considered as invalid and shall not constitute my/our votes as the shareholder.

5. ໃນກໍລະນີທີ່ຂ້າພະເຈົ້າ ບໍ່ໄດ້ລະບຸຄວາມຕ້ອງການຂອງຕົນໃນການລົງຄະແນນສຽງໃນວາລະໃດໜຶ່ງ ຫຼື ລະບຸໃວ້ ບໍ່ຈະແຈ້ງ ໃຫ້ຖືວ່າຂ້າພະເຈົ້າ ລົງຄະແນນສຽງເຫັນດີ

In case I/we have failed to specify my/our voting intention in any agenda or not clearly specified, my/our vote in such agenda shall be deemed approved.

6. ທຸກການກະທຳໃດຂອງຜູ້ຕາງໜ້າໃນກອງປະຊຸມ ທີ່ເປັນໄປຕາມໃບມອບສິດນີ້ ໃຫ້ຖືວ່າຂ້າພະເຈົ້າ ໄດ້ກະທຳເອງທຸກປະການ.

Any action made by the proxy in the meeting in accordance with this Proxy, shall be deemed as having been performed by myself/ourselves in all respects.

ທີ່..... ວັນທີ...../...../2023

Wrote at…….. date…….

ເຊັນຜູ້ຖືຮຸ້ນທີ່ມອບໝາຍ / signed by the shareholder **ເຊັນຜູ້ຕາງໜ້າ /signed by the proxy**

ໝາຍເຫດ/Remark:

1. ຜູ້ຖືຮຸ້ນ ຈະຕ້ອງແຕ່ງຕັ້ງຜູ້ຕາງໜ້າພຽງຜູ້ດຽວເຂົ້າຮ່ວມກອງປະຊຸມ ແລະ ລົງຄະແນນສຽງແທນຕົນເອງ
   The shareholder is required to assign only one proxy to attend and vote in the meeting on the shareholder's behalf.
2. ໃບມອບສິດສະບັບນີ້ຈະຕ້ອງນຳໄປຈົດທະບຽນສານ ນຳສຳນັກງານທະບຽນສານທີ່ຢູ່ສະດວກສຳລັບທ່ານ ເພື່ອໃຫ້ຮັບປະກັນຜົນ ສັກສິດທາງກົດໝາຍ, ທະນາຄານມີສິດປະຕິເສດໃບມອບສິດໃດໆທີ່ບໍ່ໄດ້ຈົດທະບຽນສານ.
   This Proxy must be certified by your most convenient Court Notary Office to ensure its legal validity. BCEL may reject any Proxies or proxy authorizations without endorsement of the Court Notary Office.
3. ຜູ້ຕາງໜ້າ ຕ້ອງສະແດງເອກະສານຂອງຕົນເອງຕໍ່ ພະນັກງານປະຈຳໂຕະລົງທະບຽນ ຄື: ບັດປະຈຳຕົວ ຫຼື ປຶ້ມສຳມະໂນຄົວ ຫຼື ໜັງສືຜ່ານແດນ (ສຳລັບນັກລົງທຶນຕ່າງປະເທດ) ພ້ອມກັບສຳເນົາເອະສານປະເພດດຽວກັນນີ້ຂອງຜູ້ຖືຮຸ້ນ, ໃບມອບສິດສະບັບນີ້ ແລະ ໜັງສືເຊີນປະຊຸມ.
   The proxy must present to the officers at registration desk his/her valid ID Card, or family book or passport (in case of foreign investor) together with the copies of the same documents of the shareholder, this Proxy, and the Invitation to the Meeting.

Attachment 6



Khamsouk Sundara
Vice Chairman

Biography

Date of birth:	3 June 1945
Nationality:	Lao
Language:	Lao, English, and French
Designation:	Independent Member

Education

1993:	Trained in George Town University (pew Fellowship Program) Washington D.C, USA.
1985:	Trained in Indian Institute for Bank Management, Puna, India.
1974:	Trained in International Training Center, Nagoya, Japan.
1972:	Trained in Economics Areas at UN Institute of Economic Management in Bangkok, Thailand.
1969:	Graduated from High School and University in Australia (Bachelor of Arts from University of New South Wales).

Professional experience

04/2005:	Finance and Banking Advisor at Lane Xang Minerals limited (Subsidiary of Oxiana Group, Melbourne, Australia).
1995 – 1996:	Advisor to the Executive Director of South East Asia constituency of the IMF, Washington D.C.

1990 – 1994 and 1997 – 2005: Worked at Bank of Lao PDR.

1976– 1989:	Bank of Lao PDR.
1976 – 1989:	Worked at Banque pour le Commerce Exterieur Lao Public.
1970 – 1975:	Worked at Banque de Development du Laos (LDB in present).

Attachment 6



Thongpheth Chanthanivong

Biography

Date of birth:	20 April 1962
Nationality:	Lao
Language:	Lao, English,
Designation:	Deputy Dean of Faculty of Economics and Business Administration, National University of Laos.

Education

2018-2021:	PhD. Candidate (Accountancy), 2021, Siprathum University, Thailand.
2019:	Received CPA Certificate
1998-2000:	International Business Management), at De Mons University in Belgium.
1998-2000:	Master in Business Administration at AIT University in Thailand.
1996-1997:	Bachelor Degree in Business Administration, the Co-project between National Politics School and AIT University in Thailand.
1981-1985	Bachelor of Science (Mathematics and Physics), National University of Laos

Professional experience

- Vice-Dean, Faculty of Economics and Business Management (Responsible of Post-Graduate Program), National University of Laos.
- Associate Professor in Business Administration (2006).
- Chairman of CPA's Curriculum, Lao Chamber of Professional Accountants and Auditors.
- Member of Lao Chamber of Professional Accountants and Auditors Board Committees.
- Member of Lao Telecom Company's Board Committees.
- Member of Lao's Accounting System Improvement (Ministry of Finance)
- Teacher of the Master and Bachelor courses of the subjects: Business, Accounting, Finance and Banking, Economics of the National University of Laos.
- Guest speakers for the MBA course of Khonekhane University, Thailand.
- Trainer on IFRS and LAS Auditing.

Attachment 6



Latdavanh Songvilay

Biography

Date of birth:	27 April 1982
Nationality:	Lao
Language:	Lao, English,
Designation:	Acting Chief of Centre of Macroeconomics Policy Research and Economic Restructuring.

Education

2008-2009:	Master in Public Policy, National Graduate Institute for Policy Studies, Japan.
2000-2005:	Bachelor of Economics Faculty of Economics & Business Management, National University of Laos.
2004:	Certificate of Economics, National University of Singapore.

Professional experience

2019-Present:	Acting Director General of Centre of Macroeconomics Policy Research and Economic Restructuring.
2016-2019:	Deputy Director General, Chief of Centre of Macroeconomics Policy Research and Economic Restructuring.
2015-2016:	Head of Division at Centre of Macroeconomics Policy Research and Economic Restructuring.
2011-2015:	Deputy Head of Division at Centre of Macroeconomics Policy Research and Economic Restructuring.
2005-2011:	Research Assistant to the Researcher at Centre of Macroeconomics Policy Research and Economic Restructuring.

Attachment 6



Sonexay Silaphet

Biography

Date of birth:	1 January 1977
Nationality:	Lao
Language:	Lao, English,
Designation:	Vice President of Lao Chamber of Accountants and Auditors.

Education

2017-2021:	PhD. Candidate in Accountancy, Sripatum University, Thailand.
2018:	Member of CPA Laos
06/2016:	Member of CPA Australia
2013-2014:	Master of Business Administration major in Finance, Santapol College, Thailand.
1995-2000:	Bachelor Degree of Business Administration, Comcenter College, Laos
1999-2000:	Member of Lao Institute of Chartered Public Accounts (LICPA)
1995-1998:	Diploma in Business Administration, major in Accounting at Pakpasak Technical College, Laos

Professional experience

Present	President of Lao Chamber of Accountants and Auditors·
01/2016-12/2017	President of ASEAN Federation of Accountants (AFA)
01/2014-12/2015:	Vice President of ASEAN Federation of Accountants (AFA)
07/2011-09/2014:	Director of Ernst & Young Lao Limited
07/2008-06/2011:	Senior Manager of Auditing at Ernst & Young Lao Limited
05/2004-08/2007:	Audit Manager at PriceatwerhouseCoopers (Lao) Ltd
2002-05/2004:	Experienced Audit Senior at PriceatwerhouseCoopers (Lao) Ltd
2000-2001:	Audit Senior at PriceatwerhouseCoopers (Lao) Ltd
1998-1999:	Audit Assistant at PriceatwerhouseCoopers (Lao) Ltd.

ລະບຽບສຳລັບການດຳເນີນກອງປະຊຸມຜູ້ຖືຮຸ້ນ ທຄຕລ
Rules for the Shareholders' Meeting of BCEL

1. ການລົງທະບຽນເພື່ອເຂົ້າຮ່ວມກອງປະຊຸມ/**Registration for attending the meeting**

ຜູ້ເຂົ້າຮ່ວມກອງປະຊຸມທຸກຄົນ ຕ້ອງລົງທະບຽນໃຫ້ຮຽບຮ້ອຍຕາມຂັ້ນຕອນທີ່ ທຄຕລ ກຳນົດໄວ້ ກ່ອນເຂົ້າຮ່ວມກອງປະຊຸມ ແລະ ຕ້ອງອະນຸຍາດໃຫ້ ທຄຕລ ສຳເນົາເອົາບັດປະຈຳຕົວ ຫຼື ໜັງສືຜ່ານແດນ ຫຼື ເອກະສານອື່ນໆທີ່ສາມາດໃຊ້ແທນໄດ້ ເພື່ອເອົາໄວ້ເປັນຫຼັກຖານ.

All attendees must complete registration in accordance with the procedures specified by BCEL before attending the meeting and allow BCEL to photocopy their ID cards or passports or other similar documents as evidence.

ຜູ້ຕາງໜ້າ ຕ້ອງສະແດງເອກະສານຂອງຕົນເອງຕໍ່ພະນັກງານປະຈຳໂຕະລົງທະບຽນ ຄື: ບັດປະຈຳຕົວ ຫຼື ປຶ້ມສຳມະໂນຄົວ ຫຼື ໜັງສືຜ່ານແດນ (ສຳລັບນັກລົງທຶນຕ່າງປະເທດ) ພ້ອມກັບ ສຳເນົາເອກະສານປະເພດດຽວກັນນີ້ຂອງຜູ້ຖືຮຸ້ນ, ແລະ ໃບມອບສິດ. ຖ້າເອກະສານເຫຼົ່ານີ້ເປັນພາສາຕ່າງປະເທດ ແມ່ນອະນຸຍາດໄດ້ສະເພາະເອກະສານທີ່ເປັນພາສາ ອັງກິດເທົ່ານັ້ນ.

For the proxy, documents to be presented to the officers at registration desk are: his/her own valid ID Card, or family book or passport (in case of foreign investor) together with the copies of the same documents of the shareholder, and letter of Proxy. If these documents are in foreign languages, only the documents in English are acceptable.

ກໍລະນີທີ່ບໍ່ໄດ້ລົງທະບຽນ ຫຼື ລົງທະບຽນບໍ່ສຳເລັດເນື່ອງຈາກຂາດຄວາມຄົບຖ້ວນດ້ານເອກະສານດັ່ງກ່າວ ຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າ ຈະບໍ່ມີສິດລົງຄະແນນສຽງ, ຕັ້ງຄຳຖາມ ຫຼື ມີຄຳເຫັນຕໍ່ທີ່ປະຊຸມ.

Without registration or the registration is incomplete due to absence of the said documents, shareholders or proxies shall have no right to vote, question or make comments in the meeting.

2. ອົງປະຊຸມ/**Quorum**

ກອງປະຊຸມສາມາດດຳເນີນໄດ້ກໍ່ຕໍ່ເມື່ອມີຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທີ່ເຂົ້າຮ່ວມກອງປະຊຸມຢ່າງໜ້ອຍ 2 ຄົນຂຶ້ນໄປ ແລະມີຈຳນວນຮຸ້ນທີ່ຖືເກີນ 51% ຂອງຈຳນວນຮຸ້ນສາມັນທັງໝົດ ຕາມທີ່ໄດ້ກຳນົດໄວ້ໃນ ກົດລະບຽບຂອງທະນາຄານການຄ້າຕ່າງປະເທດລາວ ມະຫາຊົນ.

Shareholders' meeting can commence only if there are at least **2** or more shareholders attending the meeting and their shares shall be more than **51%** of the total shares, pursuant to the Articles of Association of Banque pour le Commerce Exterieur Lao Public.

3. ການດຳເນີນກອງປະຊຸມ/**Rules for proceeding**

3.1 ທ່ານປະທານສະພາບໍລິຫານ ທຄຕລ ຫຼື ຜູ້ທີ່ໄດ້ຮັບມອບໝາຍ ເປັນປະທານກ່າວເປີດ ແລະ ນຳພາດຳເນີນກອງປະຊຸມ.

The Chairman of BCEL's Board of Directors or designated person will preside over and lead the meeting.

3.2 ທ່ານປະທານກອງປະຊຸມ ເປັນຜູ້ສະເໜີຫົວຂໍ້ຂອງແຕ່ລະວາລະ ແລະ ເປັນຜູ້ສັ່ງໂຫວດ ຄະແນນແຕ່ລະວາລະ.

The Chairman of the meeting will propose the title of each agenda and order the voting of each agenda.

3.3 ຜູ້ອຳນວຍການ ທຄຕລ ເປັນຜູ້ດຳເນີນສະເໜີ ເນື້ອໃນຂອງແຕ່ ລະວາລະໃນກອງປະຊຸມ.

The Managing Director of BCEL will present details of each agenda to the meeting.

3.4 ຫຼັງຈາກທີ່ທ່ານຜູ້ອຳນວຍການ ໄດ້ສະເໜີເນື້ອໃນຂອງວາລະແລ້ວ, ປະທານກອງປະຊຸມຈະສະເໜີໃຫ້ຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທີ່ມີຄຳຖາມ ຫຼື ຄຳເຫັນຕໍ່ວາລະທີ່ກຳລັງຖືກພິຈາລະນາຢູ່. ກໍລະນີມີຄຳຖາມ ທ່ານຜູ້ອຳນວຍການ ຈະເປັນຜູ້ໃຫ້ຄຳອະທິບາຍຊີ້ແຈງ. ຈາກນັ້ນ, ຖ້າບໍ່ມີຄຳຖາມໃດໆຕໍ່ແລ້ວ ປະທານກອງປະຊຸມຈະສະເໜີໃຫ້ຜູ້ຖືຮຸ້ນຫຼືຜູ້ຕາງໜ້າລົງມະຕິຕໍ່ວາລະດັ່ງກ່າວ.

After the Managing Director has presented details of each agenda, the Chairman will ask the Shareholders and Proxies to make necessary comments or questions. Should there is a question, the Managing Director shall give the answer forthwith. Only when there is no any further question or comment, the Chairman shall ask the Shareholders and Proxies to vote on the agenda

3.5 ຜູ້ເຂົ້າຮ່ວມກອງປະຊຸມ ຕ້ອງປິດສຽງໂທລະສັບ ຫຼື ອຸປະກອນການສື່ສານທຸກຢ່າງ ແລະ ບໍ່ສົ່ງສຽງດັງລົບກວນ ຕະຫຼອດໄລຍະຂອງການດຳເນີນກອງປະຊຸມ.

All attendees must switch off the sound of their mobile phones or any communication devices and must not make any disturbing noise throughout the meeting.

4. ພາສາທີ່ນຳໃຊ້ໃນກອງປະຊຸມ/**Language in the meeting**

ພາສາທີ່ນຳໃຊ້ຢູ່ໃນກອງປະຊຸມແມ່ນພາສາລາວ

The language used in the meeting is Lao language.

5. ຜູ້ມີສິດລົງຄະແນນສຽງ/**Persons eligible to vote**

5.1 ມີແຕ່ຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທີ່ໄດ້ຮັບມອບໝາຍຢ່າງຖືກຕ້ອງ ຊຶ່ງໄດ້ລົງທະບຽນເຂົ້າຮ່ວມກອງປະຊຸມຮຽບຮ້ອຍແລ້ວ ເທົ່ານັ້ນ ທີ່ຈະມີສິດລົງຄະແນນສຽງ.

Only the shareholders or proxies who have registered to attend the meeting are eligible to vote.

5.2 ຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທີ່ບໍ່ໄດ້ລົງທະບຽນເຂົ້າຮ່ວມກອງປະຊຸມ ແລະ ຜູ້ເຂົ້າຮ່ວມອື່ນ ຈະບໍ່ມີ ສິດໃນການລົງຄະແນນສຽງ.

Any shareholders or proxies who have not registered to attend the meeting and other attendees will not be eligible to vote.

6. ການລົງຄະແນນສຽງ/**Voting**

ປະທານກອງປະຊຸມ ຈະເປັນຜູ້ສະເໜີວາລະທີ່ຕ້ອງການໃຫ້ລົງຄະແນນສຽງ ໂດຍຈະເຊີນ ພຽງແຕ່ຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທີ່ໄດ້ຮັບມອບໝາຍ ທ່ານໃດທີ່ບໍ່ເຫັນດີຕໍ່ບັນຫາທີ່ກອງປະຊຸມໄດ້ນຳ ສະເໜີເທົ່ານັ້ນ ລົງຄະແນນສຽງ ເພື່ອຄວາມສະດວກໃນການນັບຄະແນນສຽງ (ໝາຍຄວາມວ່າ ຜູ້ຖືຮຸ້ນທ່ານໃດທີ່ເຫັນດີຕໍ່ການສະເໜີດັ່ງກ່າວ ກໍບໍ່ຈຳເປັນຕ້ອງລົງຄະແນນສຽງໃດໆ).

The Chairman of the meeting will propose the agendas that require voting, and only the shareholders or proxies who DO NOT AGREE with the matters proposed by the meeting are invited to vote so as to facilitate vote counting process (meaning that for those who agree with such matters are not necessary to cast a vote).

7. ຜົນສັກສິດຂອງການລົງຄະແນນສຽງ/**Effectiveness of voting**

7.1 ສຳລັບ ການລົງມະຕິທົ່ວໄປ, ການລົງຄະແນນສຽງບໍ່ເຫັນດີຈະມີຜົນສັກສິດ ກໍຕໍ່ເມື່ອມີຄະແນນສຽງຫລາຍກວ່າເຄິ່ງໜຶ່ງຂອງ ຈຳນວນຮຸ້ນ ທຄຕລ ທັງໝົດໃນທີ່ປະຊຸມ.

For ordinary resolutions, the "Disapprove votes" will become effective only if such votes account for more than half of the total number of BCEL shares attending the meeting

7.2 ສຳລັບການລົງມະຕິສະເພາະ, ການລົງຄະແນນສຽງບໍ່ເຫັນດີຈະມີຜົນສັກສິດ ກໍຕໍ່ເມື່ອມີຄະແນນສຽງຫລາຍກວ່າ ໜຶ່ງສ່ວນສາມຂອງຈຳນວນຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທັງໝົດທີ່ເຂົ້າຮ່ວມກອງປະຊຸມ ແລະ ມີຮຸ້ນລວມກັນຫຼາຍກວ່າ 20% ຈຳນວນຮຸ້ນ ທຄຕລ ທັງໝົດ.

For special resolution, the "Disapprove votes" will become effective only if such votes account for more than one third of total shareholders or proxies attending the meeting and having shares more than **20%** of the total BCEL shares.

7.3 ທຸກບັດລົງຄະແນນສຽງ "ບໍ່ເຫັນດີ" ຕໍ່ວາລະໃດໜຶ່ງທີ່ຖືກສົ່ງໃຫ້ທີ່ປະຊຸມຫຼັງຈາກທີ່ກອງປະຊຸມໄດ້ ປະກາດຜົນການລົງຄະແນນຂອງວາລະນັ້ນແລ້ວ, ຈະຖືວ່າເປັນບັດລົງຄະແນນສຽງທີ່ໃຊ້ບໍ່ໄດ້.

Any and All "Disapprove votes" in any Agenda which are submitted to the Meeting after the Meeting has already announced the voting result of such Agenda shall be null and void.

8. ການແຈ້ງຜົນການລົງຄະແນນສຽງ/**Notification of voting result**

ຜູ້ເຂົ້າຮ່ວມກອງປະຊຸມ ຈະໄດ້ຮັບແຈ້ງກ່ຽວກັບຜົນການນັບຄະແນນຢູ່ໃນທີ່ປະຊຸມເລີຍ ໂດຍ ການນັບ ຄະແນນສຽງ ຈະຖືເອົາໜຶ່ງຮຸ້ນ ເທົ່າກັບໜຶ່ງຄະແນນສຽງ.

Attendees will be informed about the voting result forthwith in the meeting with one share equals one vote.

9. ການສະເໜີຄຳຖາມ/**Questions**

9.1 ປະທານກອງປະຊຸມ ຈະສະເໜີໃຫ້ຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທີ່ໄດ້ຮັບມອບໝາຍຢ່າງຖືກຕ້ອງ ມີຄຳ ຖາມ ຫຼື ສະແດງຄຳເຫັນທີ່ບໍ່ນອນໃນວາລະຂອງກອງປະຊຸມ, ໃນຕອນທ້າຍກອງປະຊຸມພາຍຫຼັງທີ່ ສຳເລັດຄົບຖ້ວນທຸກວາລະແລ້ວ. ສຳລັບຜູ້ເຂົ້າຮ່ວມອື່ນໆ ຈະບໍ່ມີສິດສະເໜີຄຳຖາມ ຫຼື ມີຄຳເຫັນໃນທີ່ ປະຊຸມ, ຍົກເວັ້ນກໍລະນີທີ່ປະທານກອງປະຊຸມ ໄດ້ສະເໜີໃຫ້ຜູ້ເຂົ້າຮ່ວມດັ່ງກ່າວ ປະກອບຄຳເຫັນຕໍ່ທີ່ ປະຊຸມ.

The chairman of the meeting will ask the shareholders or proxies to question or make comments on the issues which are not included in the agenda of the meeting, after the meeting has completed its all agenda. Other attendees are not eligible to question or make any comments, unless the Chairman asks such attendees to question or make comments in the meeting.

9.2 ເມື່ອມີການສະເໜີຈາກປະທານກອງປະຊຸມແລ້ວນັ້ນ, ຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທີ່ປະສົງຈະມີ ຄຳຖາມ ຫຼື ສະແດງຄຳເຫັນຕໍ່ທີ່ປະຊຸມ ຕ້ອງຍົກມືຂຶ້ນ ພ້ອມທັງສະແດງເຄື່ອງໝາຍຕາມທີ່ ທຄຕລ ກຳນົດໃຫ້ ເພື່ອສະແດງວ່າແມ່ນຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າທີ່ໄດ້ຮັບມອບໝາຍຢ່າງແທ້ຈິງ. ຖ້າຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າ ທີ່ ໄດ້ຮັບມອບໝາຍ ຫາກບໍ່ສະແດງເຄື່ອງໝາຍດັ່ງກ່າວແລ້ວນັ້ນ ປະທານກອງປະຊຸມ ຫຼື ຄະນະອຳນວຍ ການ ທຄຕລ ຫຼື ຄະນະຮັບຜິດຊອບກອງປະຊຸມ ມີສິດສະເໜີຄັດຄ້ານຄຳຖາມ ຫຼື ຄຳເຫັນຂອງຜູ້ກ່ຽວ ແລະ ກອງປະຊຸມ ຈະບໍ່ມີພັນທະໃນການຕອບຄຳຖາມຂອງຜູ້ກ່ຽວໃນກໍລະນີ ດັ່ງກ່າວ.

Having been asked by the Chairman, any shareholders or proxies desirous to question or make comments in the meeting must raise their hands and show the symbol as given by BCEL to confirm that they are truly the shareholders or proxies. Should the shareholders or proxies do not show such symbol, the Chairman or BCEL Directors, or Committee in charge of the meeting may reject questions or comments made by the shareholders or proxies, and in this case the meeting shall not be obliged to answer such questions.

ຄຳແນະນຳກ່ຽວກັບເອກະສານ ແລະ ຫຼັກຖານທີ່ຕ້ອງນຳມາສະເໜີໂຕເພື່ອເຂົ້າຮ່ວມກອງປະຊຸມ
Instruction about the documents and evidence to be presented prior to attending the meeting

ເພື່ອຄວາມສະດວກໃນການລົງທະບຽນເຂົ້າຮ່ວມກອງປະຊຸມຜູ້ຖືຮຸ້ນຂອງທະນາຄານການຄ້າຕ່າງປະເທດລາວ ມະຫາຊົນ, ຜູ້ຖືຮຸ້ນ ຫຼື ຜູ້ຕາງໜ້າ ທີ່ຈະເຂົ້າຮ່ວມກອງປະຊຸມ ກະລຸນານຳເອົາໜັງສືເຊີນປະຊຸມ, ໃບເຂົ້າຮ່ວມກອງປະຊຸມທີ່ອອກໃຫ້ໂດຍຕະຫຼາດຫຼັກຊັບລາວ ແລະ ໃບມອບສິດ (ສຳລັບຜູ້ຕາງໜ້າ) ມາພ້ອມເອກະສານທີ່ສາມາດນຳໃຊ້ຢັ້ງຢືນຕົນເອງ ຕາມແຕ່ລະກໍລະນີດັ່ງນີ້:

For convenience in registration process to attend the Shareholders ' Meeting of Banque Pour Le Commerce Exterieur Lao Public, the shareholders or the proxies who will attend the Meeting are required to bring the Invitation to the Meeting, the Letter for attending the meeting issued by the Lao Securities Exchange and the Proxy (applicable for the proxy only) together with the documents for proof of identity as indicated for each circumstance below:

1. ຜູ້ເຂົ້າຮ່ວມທີ່ເປັນບຸກຄົນ / attendees who are natural persons

ໃຫ້ນຳເອົາເອກະສານໃດໜຶ່ງຂອງຕົນດັ່ງຕໍ່ໄປນີ້ ມາສະແດງເວລາລົງທະບຽນ

Shall present one of the following documents of their own at the time of registration.

1.1. ບັດປະຈຳຕົວ/Identification Card

1.2. ສຳມະໂນຄົວ/Family book

1.3. ໜັງສືຜ່ານແດນ (ສຳລັບນັກລົງທຶນຕ່າງປະເທດ)/Passport (for foreign investors)

2. ຜູ້ເຂົ້າຮ່ວມທີ່ເປັນນິຕິບຸກຄົນ / Attendees who are legal persons

ໃຫ້ນຳເອົາເອກະສານໃດໜຶ່ງທີ່ກຳນົດໄວ້ໃນຂໍ້ 1 ເທິງນີ້ ພ້ອມກັບເອກະສານໃດໜຶ່ງດັ່ງຕໍ່ໄປນີ້ ມາສະແດງ ເວລາລົງທະບຽນ:

Shall present one of the documents as given in 1. above plus one of the following documents at the time of registration:

2.1. ໃບອະນຸຍາດລົງທຶນ/ Investment License

2.2. ໃບທະບຽນວິສາຫະກິດ/ Certificate of Enterprise Registration (Affidavit)

2.3. ໃບທະບຽນອາກອນສະບັບຫຼ້າສຸດ/ most recent Tax Certificate

ສຳລັບຜູ້ເຂົ້າຮ່ວມທີ່ບໍ່ແມ່ນຜູ້ອຳນວຍການ ຕ້ອງໄດ້ນຳເອົາໃບມອບສິດຈາກຜູ້ອຳນວຍການທີ່ມີສິດອຳນາດມາພ້ອມຕື່ມອີກ.

For attendee who is not the authorized director shall have the Proxy as attached hereto signed by the authorized director.

ເອກະສານ ແລະ ຫຼັກຖານທີ່ຕ້ອງນຳມາສະເໜີໂຕ ເພື່ອເຂົ້າຮ່ວມກອງປະຊຸມຊຶ່ງເປັນພາສາຕ່າງປະເທດ ຕ້ອງແປເປັນພາສາລາວ ໂດຍມີການເຊັນຢັ້ງຢືນຄວາມຖືກຕ້ອງໃນການແປຈາກບໍລິສັດແປພາສາທີ່ໜ້າເຊື່ອຖືໄດ້. ສຳລັບພາສາຕ່າງ ປະເທດ ແມ່ນອະນຸຍາດໃຫ້ສຳລັບພາສາອັງກິດເທົ່ານັ້ນ. ທຄຕລ ມີສິດປະຕິເສດເອກະສານອ້າງອີງໃດໆ ທີ່ບໍ່ເປັນໄປຕາມ ການກຳນົດນີ້.

All documents and evidence in a foreign language which are required to present prior to attending the Meeting must be translated into Lao language and the translation shall be certified by an acceptable translation company. The foreign language is permitted only for English. BCEL has the right to reject any documents contradicting this provision.

ຄຳແນະນຳ ກ່ຽວກັບ ການລົງຄະແນນສຽງ
Vote Instruction

1. ຜູ້ເຂົ້າຮ່ວມກອງປະຊຸມ ຈະໄດ້ຮັບບັດລົງຄະແນນສຽງສຳລັບທຸກໆວາລະ ທີ່ຕ້ອງການໃຫ້ມີການລົງຄະແນນສຽງ ໃນເວລາລົງທະບຽນເຂົ້າຮ່ວມກອງປະຊຸມ. ການລົງຄະແນນສຽງໂດຍຜູ້ຕາງໜ້າ ຊຶ່ງຜູ້ຖືຮຸ້ນທີ່ມອບໝາຍສິດໄດ້ລະບຸຢ່າງຈະແຈ້ງແລ້ວ ກ່ຽວກັບ ການລົງຄະແນນໃນແຕ່ລະວາລະ ທະນາຄານ ຈະບັນທຶກການລົງຄະແນນສຽງ ໃນເວລາລົງທະບຽນ ໂດຍທີ່ຜູ້ຕາງໜ້າຈະບໍ່ຕ້ອງລົງແນນສຽງອີກ.
   The attendees will be given a ballot for voting in each agenda requiring a vote at the time of registration. For the case of proxy in which the voting in each agenda has been clearly specified by the shareholder in the Proxy, BCEL will record such votes at the time of the registration and the proxy will not be required to vote.
2. ກອງປະຊຸມ ຈະເຊີນພຽງແຕ່ຜູ້ຖືຮຸ້ນທ່ານໃດທີ່ ບໍ່ເຫັນດີ ຕໍ່ບັນຫາທີ່ກອງປະຊຸມໄດ້ນຳສະເໜີເທົ່ານັ້ນ ລົງຄະແນນ ສຽງ (ໝາຍຄວາມວ່າ ຜູ້ຖືຮຸ້ນທ່ານໃດທີ່ ເຫັນດີຕໍ່ການແຕ່ງຕັ້ງດັ່ງກ່າວ ກໍບໍ່ຈຳເປັນຕ້ອງລົງຄະແນນສຽງໃດໆ).
   Only the shareholders who DO NOT AGREE with the matters proposed by the meeting are invited to vote (meaning that for those who agree with such appointment are not necessary to make any vote)
3. ໃນການລົງຄະແນນສຽງ ຂໍໃຫ້ທ່ານປະກອບຂໍ້ມູນໃສ່ບັດລົງຄະແນນສຽງທີ່ໄດ້ແຈກຢາຍໃຫ້. ໃນນັ້ນ ຕ້ອງໄດ້ລະບຸ ຢ່າງຈະແຈ້ງກ່ຽວກັບຊື່ ແລະ ນາມສະກຸນຂອງທ່ານ, ຈຳນວນຮຸ້ນ ທຄຕລ ທີ່ທ່ານຖືຢູ່ (ຖ້າບໍ່ມີຂໍ້ມູນດັ່ງກ່າວຢູ່ໃນບັດລົງຄະແນນສຽງ) ແລະ ໃຫ້ໝາຍຕີນກາໃສ່ຫ້ອງ ບໍ່ເຫັນດີ.
   To vote, kindly fill in the distributed ballot in which you must specify clearly about your name and surname, and the total number of BCEL shares you are holding (if such information is not available in the ballot) and mark a cross in the Disapprove box.
4. ຫລັງຈາກທ່ານລົງຄະແນນສຽງຮຽບຮ້ອຍແລ້ວ ຂໍໃຫ້ທ່ານຍົກບັດດັ່ງກ່າວຂຶ້ນ ເພື່ອໃຫ້ຄະນະຮັບຜິດຊອບເກັບເອົາ ແລະ ຮວບຮວມຄະແນນສຽງ.
   After you have clearly casted your vote, kindly raise your hand with the ballot, so the organizers can take the ballot and count the votes.
5. ທ່ານຈະໄດ້ຮັບແຈ້ງກ່ຽວກັບຜົນການນັບຄະແນນຢູ່ໃນທີ່ປະຊຸມເລີຍ ໂດຍການນັບຄະແນນສຽງຈະຖືເອົາໜຶ່ງຮຸ້ນ ເທົ່າກັບໜຶ່ງຄະແນນສຽງ.
   You will be informed about the voting result right in the meeting with one share equals one vote.
6. ການລົງຄະແນນສຽງບໍ່ເຫັນດີຈະມີຜົນສັກສິດ ກໍຕໍ່ເມື່ອມີຄະແນນສຽງຫລາຍກວ່າເຄິ່ງໜຶ່ງຂອງຈຳນວນຮຸ້ນ ທຄຕລ ທັງໝົດໃນທີ່ປະຊຸມ.
   The Disapproval votes will become effective only if such votes account for more than half of the total number of BCEL shares attending the meeting.

ໝາຍເຫດ/Remark:

1. ຜູ້ເຂົ້າຮ່ວມທີ່ບໍ່ໄດ້ລົງທະບຽນເຂົ້າປະຊຸມ ຈະບໍ່ມີສິດໃນການລົງຄະແນນສຽງ.
   Any attendees who failed to make registration will not be eligible to votes.
2. ທຸກບັດລົງຄະແນນສຽງບໍ່ເຫັນດີຕໍ່ວາລະໃດໜຶ່ງ ທີ່ຖືກສົ່ງໃຫ້ທີ່ປະຊຸມ ຫຼັງຈາກທີ່ກອງປະຊຸມໄດ້ປະກາດຜົນການລົງຄະແນນຂອງວາລະນັ້ນແລ້ວ, ຈະຖືວ່າເປັນບັດລົງຄະແນນສຽງທີ່ໃຊ້ບໍ່ໄດ້.
   All disapprove votes in any Agenda which is submitted to the Meeting after the Meeting has announced the voting result of such Agenda shall be deemed invalid.

ແຜນທີ່ສະຖານທີ່ຈັດກອງປະຊຸມຜູ້ຖືຮຸ້ນຂອງ ທຄຕລ / BCEL Shareholder Meeting

- ກອງປະຊຸມສາມັນຜູ້ຖືຮຸ້ນ ປະຈຳປີ 2022
  ໃນວັນທີ 27 ເມສາ 2023 ເວລາ 14:30
  ທີ່ຫ້ອງປະຊຸມ Grand Ballroom
- BCEL's shareholder's Meeting 2022
  Date 27 April 2023, 14:30
  At Grand Ballroom

