JOINT DEVELOPMENT BANK PUBLIC

FINANCIAL STATEMENTS
(in accordance with the accounting policies of the Bank and the relevant accounting regulations and notifications of Bank of the Lao People's Democratic Republic)

31 DECEMBER 2025

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JOINT DEVELOPMENT BANK PUBLIC

GENERAL INFORMATION

THE BANK

Joint Development Bank Public (the Bank, formerly Joint Development Bank Limited) is a public company which listed on the Securities Exchange of Lao PDR (LSX).

The Bank was established under a joint venture agreement dated 2 February 1989 between Bank of the Lao PDR ("the BOL") and Phomsouvanh Silo & Drying Ltd, a Company incorporated in Thailand. Under the agreement, Phomsouvanh Silo & Drying Ltd and the BOL owned 70% and 30% of the Bank's capital respectively. In 2010, the BOL transferred all its contributed capital to Phomsouvanh Silo & Drying Ltd. In 2012, Phomsouvanh Silo & Drying Ltd sold 100% its contributed capital to three individual domestic investors.

The Bank operated under Decision No. 04/PMA of the President of Ministerial Assembly and Decision No. 04/BOL of the Bank of the Lao PDR dated 21 January 1989, which were amended by Investment License No. 133/10 dated 23 September 2010 issued by Ministry of Planning and Investment and Enterprise Registration Certificate No.0234/ERU dated 3 May 2013 issued by the Ministry of Industry and Commerce.

In 2025, the Bank changed its par value from 10,000 LAK/share to 1,000 LAK/share and issue the new share 75,333,000 shares with par value 1,000 LAK/share for Initial Public Offering (IPO).

The Bank obtained the certificate of share issuance from the Lao Commission Office for share issuance in the Lao Securities Exchange on 28 August 2025, and trading commenced on 10 October 2025 and listed itself at the Lao Securities Exchange on the same date.

The principal activities of the Bank are to provide services on mobilizing and receiving short, medium and long term deposit funds from various organisations and individuals; lending on a short, medium and long term basis to various organisation and individuals up to the nature and ability of the Bank's capital resources; conducting foreign currency transactions; internal trade finance services, discounting of commercial notes, bonds and valued documents; providing transaction services between customers; and other banking services as approved by the BOL.

Share Capital

The share capital as at 31 December 2025 is LAKm 750,000 (31 December 2024: LAKm 674,666).

BOARD OF DIRECTORS (BoD)

Members of the Board of Directors for the year ended 31 December 2025 and at the date of this report are as follows:

Name	Title	Date of appointment
Mr. Vilay Siphaphone	Chairman	Appointed on 15 May 2025
Mrs. PhonesamaySoukhaphon	Vice Chairman	Appointed on 15 May 2025
Mr. Sakhone Yorphanxay	Member	Appointed on 15 May 2025
Mr. Khamsing Sonesinnavong	Member	Appointed on 15 May 2025
Mr. Vilarndeth Vayyasomsack	Member	Appointed on 15 May 2025
Mr. Visoud Bouasisaard	Member	Appointed on 15 May 2025
Mr. Bounsoum Sysavath	Member	Appointed on 15 May 2025
Mr. Souksavanh Manyvanh	Member	Appointed on 15 May 2025
Mr. Chomkham Boubphalyvanh	Member	Appointed on 15 May 2025

GENERAL INFORMATION

MANAGEMENT

Members of the Management during the year ended 31 December 2025 and at the date of this report are as follows:

Name	Title	Date of appointment/resignation
Mr. Sakhone Yorphanxay	General Director	Appointed on 13 Oct 2025
Mr. Vilarndeth Vayyasomsack	Deputy General Director	Appointed on 13 Oct 2025
Mr. Chanthaphone Chanthavong	Deputy General Director	Appointed on 13 Oct 2025
Mr. Chansana Singhavong	Deputy General Director	Appointed on 13 Oct 2025
Mrs. Khonesavanh Vixathep	Deputy General Director	Appointed on 13 Oct 2025
Mrs. Nitta Nammavong	Deputy General Director	Appointed on 13 Oct 2025
Mr. Xay Boulommavong	Deputy General Director	Appointed on 13 Oct 2025
Mr. Vilaphong Phichit	Deputy General Director	Appointed on 13 Oct 2025

LEGAL REPRESENTATIVE

The legal representative of the Bank during the year ended 31 December 2025 and as at the date of this report is Mr. Sakhone Yorphanxay – General Director.

AUDITORS

The auditors of the Bank are PricewaterhouseCoopers (Lao) Sole Company Limited.

JOINT DEVELOPMENT BANK PUBLIC

REPORT OF MANAGEMENT

The Management of Joint Development Bank Public ("the Bank") is pleased to present its report and the Bank's financial statements as at and for the year ended 31 December 2025.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Bank's Management is responsible for the financial statements of each interim financial period which give a true and fair view of the financial position of the Bank and of its operational results and its cash flows for the period. In preparing those financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Bank and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying interim financial statements.

STATEMENT OF MANAGEMENT

Management does hereby state that, in its opinion, the accompanying financial statements as at 31 December 2025 are prepared, in all material respects, in accordance with the relevant regulations and notifications of the Bank of Lao People's Democratic Republic and the accounting policies described in Note 2 to the financial statements.

For and on behalf of Management:

ທະນາຄານ ຮ່ວມພັດທະນາ ມະຫາຊົນ JOINT DEVELOPMENT BANK Public

Mr. Sakhone Yorphanxay
General Director

Vientiane Capital, Lao PDR
Date: 28 April 2026

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INDEPENDENT AUDITOR'S REPORT

To: The shareholder of Joint Development Bank Public

Our opinion

In our opinion, the financial statements of Joint Development Bank Public ("the Bank") for the year ended 31 December 2025 are prepared, in all material respects, in accordance with the relevant regulations and notifications of the Bank of Lao People's Democratic Republic and the accounting policies described in Note 2 to the financial statements.

What we have audited

The Bank's financial statements comprise:

- the statement of income for the year then ended;
- the statement of financial position as at 31 December 2025;
- 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 2 to the financial statements, which describes the basis of accounting. The financial statements have been prepared in accordance with the Bank's accounting policies which 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.

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Key audit Matters

Key audit matter	How our audit addressed the key audit matter
Provision for credit losses of loan to customers Refer to Note 16.3 – Provision for credit losses of loan to customers. As at 31 December 2025, loans to customers amounted to LAKm 25,126,112 representing approximately 57% of the Bank's total assets, while the Provision for credit losses of loans to customers amounted to LAKm 104,179. Although the provision for impairment of loan was setting up based on the aging preparation under Regulation 512/BOL dated 29 June 2018. However, we considered as significant in our audit due to the estimation of provision for impairment involves the use of management's judgements in classifying loans as performing or non-performing based upon quantitative and qualitative factors. Based on the significant, level of subjectivity and estimation uncertainly, provision for impairment account on loan to customers is a key audit matter.	We performed the following audit procedures to address the risk relating to the provision for credit losses of loans to customers: • We performed risk assessment procedures by evaluating both internal and external factors that could affect the operating performance of individual Loan customers, industry sectors, and customer segments. This included assessing how such factors may impact management's judgement and estimates in determining the provision for credit losses of loans. • We 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 for credit losses. • We evaluated and tested key manual controls over loan to customer and provision for credit losses processes as follows: - Loan origination and approval procedures, - Collateral valuation processes, and - Accuracy and completeness of data input into the core banking system. • Tested samples of loans which it had impairment provisions classification as individual basic, we performed as follows. - Evaluated and tested the completeness and accuracy of loan balance and provision for impairment at the reporting date; - Tested the Bank's classification of the loan in accordance with the regulation of the Bank of Lao PDR; - Assessed and tested the impact of loan restructures in accordance with the regulation of the Bank of Lao PDR; - Recalculated the amount of loan loss provision. • We reviewed the work performed by independent professional valuers engaged by the Bank to assess collateral values. We evaluated their qualifications and independence and tested, on a sample basis, whether management appropriately applied the collateral valuation results in determining provision for credit losses of loans to customers. Based on the procedures performed, we assessed the completeness and accuracy of the provision for credit losses of loans to customers and related disclosures in the financial statements and evaluated compliance with the requirements of the Bank of Lao PDR.

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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.

Responsibilities of the directors of the financial statements

The directors are responsible for the preparation of the financial statements in accordance with accounting policies described in Note 2 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 Company'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 are 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.

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- 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: 28 April 2026

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JOINT DEVELOPMENT BANK PUBLIC

STATEMENT OF INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 LAKm	2024 LAKm
OPERATING INCOME AND EXPENSES			
Interest and similar income	3	2,287,061	1,904,904
Interest and similar expenses	3	(1,795,384)	(1,436,264)
NET INTEREST AND SIMILAR INCOME		**491,677**	**468,640**
Fee and commission income	4	937,748	761,638
Fee and commission expenses	4	(152,225)	(126,086)
Net gain from securities investment	5	34,938	41,005
Net gain from dealing in foreign currencies	6	143,321	279,353
NET OPERATING INCOME		**1,455,459**	**1,424,550**
OTHER INCOME AND EXPENSES			
Other operating income	7	77,934	63,421
Administration expenses		(452,689)	(368,281)
- Payroll and other staff costs	*8*	*(264,661)*	*(205,811)*
- Other administrative expenses	*9*	*(188,028)*	*(162,470)*
Depreciation and amortization charges		(74,901)	(51,214)
Other operating expenses	10	(87,187)	(148,655)
Net provision (reversed)/charged for non-performing loans		(4,930)	1,301
TOTAL PROFIT BEFORE TAX		**913,686**	**921,122**
Profit tax	28	(195,608)	(179,861)
NET PROFIT AFTER TAX		**718,078**	**741,261**
Earnings per share (LAK			
Basis earnings per share	30	1,038	1,221

Prepared by:

Ms. Vilasini Phichit
Head of Finance and Accounting department

Approved by:

Ms. Soutthida Thammavong
Head of Internal Audit Department

Approved by:

Mr. Sakhone Yorphanxay
General Director

Vientiane, Lao PDR
Date: 28 April 2026

The accompanying notes on pages 15 to 39 form an integral part of these in financial statements.

JOINT DEVELOPMENT BANK PUBLIC COMPANY

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 LAKm	2024 LAKm
Assets			
Cash and balances with the BOL		**7,612,766**	**7,216,139**
Cash on hand	11	1,695,840	2,476,961
Balances with the BOL	12	5,620,015	4,557,379
Gold and other precious metals	13	296,911	181,799
Due from other banks	14	**2,621,257**	**1,298,605**
Demand deposits		1,454,857	1,219,141
Term deposits		1,153,003	73,316
Saving deposits		13,397	6,148
Investment in securities	15	**2,548,388**	**997,468**
Available-for-sale securities		1,710	2,350
Held-to-maturity securities		1,000,322	995,118
Land under consignment for sale		911,644	-
Other Investments		634,712	-
Loans to customers, net of specific provision	16	**25,021,933**	**20,548,354**
Investments in joint venture	17	**11,656**	**2,698**
Fixed assets		**770,057**	**449,371**
Construction in progress and fixed assets in transit	18	22,141	7,816
Intangible fixed assets	19	481,970	234,891
Tangible fixed assets	20	246,852	186,095
Right-of-use-assets	21	19,094	20,569
Other assets		**5,197,342**	**2,631,776**
Accrued interest receivable		273,759	222,897
Other assets	22	4,923,583	2,408,879
Total assets		**43,783,399**	**33,144,411**

Prepared by:

Ms. Vilasini Phichit
Head of Finance and Accounting department

Approved by:

Ms. Southtida Thammavong
Head of Internal Audit Department

Approved by:

Mr. Sakhone Yorphanxay
General Director

Vientiane, Lao PDR
Date: 28 April 2026

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JOINT DEVELOPMENT BANK PUBLIC COMPANY

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	2025 LAKm	2024 LAKm
Liabilities and equity			
Liabilities			
Due to other banks and financial institutions	23	**3,174,493**	**2,630,625**
Demand and saving deposits		518,992	214,659
Term deposits		911,331	1,360,134
Borrowings		1,744,070	1,055,809
Other payables		100	23
Due to customers	24	**36,009,458**	**27,476,248**
Demand and saving deposits		7,106,846	7,062,532
Fixed term deposits		28,902,612	20,413,716
Other liabilities		**1,927,609**	**1,357,961**
Accrued interest payables		1,139,943	924,446
Other liabilities		787,666	433,515
Total liabilities		**41,111,560**	**31,464,834**
Equity			
Share capital	25	750,000	674,666
Share premium	25	568,616	-
Regulatory reserve	26	148,067	73,941
General reserve fund	26	102,229	95,094
General provision for credit activities		107,934	91,562
Provision for unrecoverable assets		341,489	94,030
Unrealized gain/(loss) from gold revaluation		15,408	(10,995)
Retained earnings		638,096	661,279
Total equity		**2,671,839**	**1,679,577**
Total liabilities and equity		**43,783,399**	**33,144,411**

Prepared by:

Ms. Vilasini Phichit
Head of Finance and Accounting department

Approved by:

Ms. Soutthida Thammavong
Head of Internal Audit Department

Approved by:

Mr. Sakhone Yorphanxay
General Director

Vientiane, Lao PDR
Date: 28 April 2026

The accompanying notes on pages 15 to 39 form an integral part of these in financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Paid-up capital	Share premium	General provision for unrecoverable assets	Unrealized (gain/loss) from gold revaluation	General provision for credit activities	Regulatory reserve fund	General reserve fund	Retained earnings	Total
	LAKm	LAKm	LAKm	LAKm	LAKm	LAKm	LAKm	LAKm	LAKm
Balances at 01 January 2025	674,666	-	94,030	(10,995)	91,562	73,941	95,094	661,279	1,679,577
Paid up (Note 25)	75,334	-	-	-	-	-	-	-	75,334
Share premium (Note 25)	-	568,616	-	-	-	-	-	-	568,616
Gain/(loss) on revaluation	-	-	247,459	-	-	-	-	-	247,459
Appropriate-legal reserve (Note 26)	-	-	-	-	-	74,126	-	(74,126)	-
General reserve fund (Note 26)	-	-	-	-	-	-	7,135	(7,135)	-
Dividend paid (Note 27)		-	-	-	-			(660,000)	(660,000)
Unrealized loss on available for sale - Gold	-	-	-	26,403	-	-	-	-	26,403
Net general provision for credit activities during the year	-	-	-	-	16,372	-	-	-	16,372
Net profit for the year	-	-	-	-	-	-	-	718,078	718,078
Balances at 31 December 2025	**750,000**	**568,616**	**341,489**	**15,408**	**107,934**	**148,067**	**102,229**	**638,096**	**2,671,839**

Prepared by:

Ms. Vilasini Phichit
Head of Finance and Accounting department

Approved by:

Ms. Southtida Thammavong
Head of Internal Audit Department

Approved by:

Mr. Sakhone Yorphanxay
General Director

Vientiane, Lao PDR
Date: 28 April 2026

The accompanying notes on pages 15 to 39 form an integral part of these in financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025

	Paid-up capital	General provision for unrecoverable assets	Unrealized gain/(loss) from gold revaluation	General provision for credit activities	Regulatory reserve fund	General reserve fund	Retained earnings	Total
	LAKm	LAKm	LAKm	LAKm	LAKm	LAKm	LAKm	LAKm
Balances at 01 January 2024	**474,666**	**94,030**	**-**	**81,649**	**47,226**	**68,379**	**454,325**	**1,220,275**
Paid up (Note 25)	200,000	-	-	-	-	-	-	200,000
Appropriate-legal reserve (Note 26)	-	-	-	-	26,715	-	(26,715)	-
General reserve (Note 26)	-	-	-	-	-	26,715	(26,715)	-
Dividend paid (Note 27)	-	-	-	-	-	-	(480,877)	(480,877)
Unrealized loss on Gold			(10,995)					(10,995)
Net general provision for credit activities during the year	-	-	-	9,913	-	-	-	9,913
Net profit for the year	-	-	-	-	-	-	741,261	741,261
Balances at 31 December 2024	**674,666**	**94,030**	**(10,995)**	**91,562**	**73,941**	**95,094**	**661,279**	**1,679,577**

Prepared by:

Ms. Vilasini Phichit
Head of Finance and Accounting department

Approved by:

Ms. Southtida Thammavong
Head of Internal Audit Department

Approved by:

Mr. Sakhone Yorphanxay
General Director

Vientiane, Lao PDR
Date: 28 April 2026

The accompanying notes on pages 15 to 39 form an integral part of these in financial statements.

JOINT DEVELOPMENT BANK PUBLIC COMPANY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 LAKm	2024 LAKm
OPERATING ACTIVITIES			
Net profit before tax		**913,686**	**921,122**
Adjustments for:			
Depreciation and amortization charges	19, 20, 21	74,902	51,214
Write-off		-	7,800
Loss from disposal		372	-
Net provision charges		104,179	63,682
Interest income	3	(2,287,061)	(1,904,904)
Interest expense	3	1,795,384	1,436,264
Income from gold		(47,651)	-
Cash flows used in operating activities before changes in operating assets and liabilities		**553,811**	**575,178**
Increase/(decrease) in operating assets			
Balances with other banks		767,008	(255,319)
Loans to customers		(5,427,373)	(3,964,137)
Other assets		(2,587,242)	(502,448)
Increase/(decrease) in operating liabilities			
Amounts due to BOL and other banks		(144,392)	891,448
Due to customers		8,533,210	5,609,085
Other liabilities		443,964	56,407
Cash generated from (used in) operations		**2,138,986**	**2,410,214**
Profit tax paid during the year			
Interest Paid		(1,579,887)	(1,212,692)
Interest Received		2,236,201	1,901,610
Profit tax paid		(209,280)	(85,005)
Net cash flows from/used in operating activities		**2,586,020**	**3,014,127**
INVESTING ACTIVITIES			
Payment for construction in progress	18	(36,483)	(27,225)
Payment for intangible assets	19	(34,505)	(58,228)
Payment for tangible assets	20	(73,792)	(69,092)
Proceed from disposals of assets		1,148	-
Payment for right-of-use assets	21	(4,869)	(8,675)
Payment for held-to-maturity securities		(15,616,637)	(1,297,654)
Proceed from maturity of held-to-maturity securities		15,621,457	1,016,971
Payments for purchase of gold	13	(519,857)	(192,792)
Proceeds from sale of gold	13	420,153	-
Payment for other investments	15.4	(634,712)	-
Payment for joint ventures investments	17	(8,958)	(1,000)
Net cash flows used in investing activities		**(887,055)**	**(637,695)**

Prepared by:

Ms. Vilasini Phichit
Head of Finance and Accounting department

Approved by:

Ms. Southtida Thammavong
Head of Internal Audit Department

Approved by:

Mr. Sakbone Yorphanxay
General Director

Vientiane, Lao PDR
Date: 28 April 2026

The accompanying notes on pages 15 to 39 form an integral part of these in financial statements.

JOINT DEVELOPMENT BANK PUBLIC COMPANY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 LAKm	2024 LAKm
FINANCING ACTIVITIES			
Payment of dividend	27	(660,000)	(232,789)
Payment for borrowing with BoL		(569,580)	(435,155)
Proceeds from borrowing with BoL		1,257,840	113,559
Share premium	25	568,616	-
Paid up share capital	25	75,334	-
Net cash flows from financing activities		**672,210**	**(554,385)**
Net change in cash and cash equivalents		2,371,175	1,822,047
Cash and cash equivalents at the beginning of the year		6,748,974	4,926,927
Cash and cash equivalents at the end of the year	**29**	**9,120,149**	**6,748,974**
Non-cash investing activities:			
- Paid dividend by offsetting against receivable of shareholders for issuance of share capital and income tax for dividends		-	248,088
- Land under consignment for sale which offsetting with loan to customers		911,644	-
- General provision for unrecoverable assets		247,459	-
Gain on revaluation of land use right		*223,619*	-
Gain on revaluation of building		*23,840*	-

Prepared by:

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Approved by:

Mr. Sakhone Yorphanxay
General Director

Vientiane, Lao PDR
Date: 28 April 2026

The accompanying notes on pages 15 to 39 form an integral part of these in financial statements.

1. GENERAL INFORMATION

Joint Development Bank Public (the Bank, formerly Joint Development Bank Limited) is a public company which listed on the Securities Exchange of Lao PDR (LSX) on 10 October 2025.

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 resources of capital, foreign exchange transactions; and providing other banking services allowed by Bank of Lao PDR (BoL).

The Bank has the Certificate of Membership of Deposit Protection Office (DPO), Bank of Lao PDR. Therefore, the deposit from customer is guaranteed by DPO.

The Head Office of the Bank is located at No. 82, Lane Xang Road, Vientiane, Lao PDR.

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

The financial information was authorised for issue by the Bank's management on 28 April 2026.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Bank's accounting policies as described in the notes to the financial statements and the relevant BoL regulations and notifications. 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 about the Bank's accounting policies and the relevant accounting regulations and notifications of BoL.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Recognition of interest income and expenses

Interest income recognition

Interest income is recognised on an accrual basis using the nominal interest rates stipulated in loan contracts with clients except for non-performing accounts and specific consideration.

Where an account becomes non-performing or when the management believes that the borrower has no ability to repay the principal and interest, the recording of interest is suspended, and interest income already recognised is reversed. Interest income will be recognised if accrued interest on non-performing loans will be subsequently collected or actually received. Customer accounts are deemed to be non-performing where repayments are in arrears for more than three months or 90 days. This is in line with the regulations of BoL.

Interest expense recognition

Interest expense on deposits from customers, other banks, finance institutions and borrowing are recognised on an accrual basis.

2.3 Recognition of fee and commission income

Fees and commissions consist of fees received for fund transfer (including cheque settlement), foreign currency exchange transactions, financial guarantees and other banking services.

Fee and commission income are recognized in the separate income statement on cash basis.

2.4 Recognition of dividend income

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

2.5 Foreign currency transactions and translation

The financial statements are presented in Lao Kip. Monetary assets and liabilities denominated in currencies other than LAK at year end are translated into LAK at the exchange rate ruling on the statement of the financial report date. Income and expenses arising in foreign currencies during the period are converted into LAK at the rates ruling on the transaction dates. Gains and losses resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities are recognised in the statement of income when earned and incurred.

2.6 Cash and cash equivalents

Cash and cash equivalents consist of cash, highly liquid short-term investments with an original maturity of less than to 30 days that are readily convertible to known amount of cash, gold and accounts due from banks with original maturity of less than 30 days or less.

2.6.1 Gold and other precious metals

Under the chart of account issued by the Accounting Department of BoL, Gold is reclassified as cash and cash equivalent. Management intended to be held gold for an indefinite period of time, which may be sold in response to liquidity needs or changes in market rate are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Cash and cash equivalents (Continued)

2.6.1 Gold and other precious metals (Continued)

Gold is initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost and subsequently measured at fair value.

The fair value of gold is based on price at the close of business on the statement of financial position date by reference to the London Bullion Market Association (LBMA) market. The unrealised gain/(loss) from gold revaluation is recognised in equity.

On disposal of gold, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of income. The unrealised gain/(loss) from gold revaluation which previously recognised in equity is charged or credited to the statement of income. Cash payment or receive from purchase/sale present under investing activities.

2.7 Loans to customers

Loans to customers are recognized at cost and presented at outstanding balance less specific provision for credit activities.

2.8 Classification of and provision for credit activities

Provision for credit losses

Classification

In accordance with Regulation 512/BOL dated 29 June 2018, and Official Letter No.898/CBSD dated 14 November 2018, the Bank is required to classify loans and create a provision for impairment losses. Accordingly, loans are classified into performing or non-performing loans based on their payment arrears status and other qualitative factors.

Loans classified as normal/pass (Group A) and watch/special mention (Group B) are considered performing loans. Loans classified as substandard (Group C), doubtful (Group D) and loss (Group E) are considered non-performing loans.

Provision

Under Regulation 512/BOL dated 29 June 2018, to calculate provisions, banks can account for collateral value with the percentage prescribed in the Regulation to deduct it from the loan outstanding before applying the provision rates.

In accordance with Regulation 784/BOL dated 3 September 2019, commercial banks that grant loans to SMEs under this regulation are eligible to set up provision at 0.20% of outstanding the SME loan balances that are classified as normal.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Classification of and provision for credit activities

Provision for credit losses

Provision

Regarding the loans related to infrastructure development projects from the Government, which are overdue, but project repayments are within schedule by the Government, the Bank is allowed to classify their loans as Special Mention loans in accordance with Official Letter No. 172/BOL dated 15 May 2017 by the Bank of the Lao PDR.

Provisions are categorised as general and specific based on the loan classification. Below is a summary of provision rates applicable for each loan classification as at the balance sheet date.

Group	Category	Accounting for provision balance	Provision rate	Days past due
Performing (general)				
A	Normal or pass	In capital and reserves	0.5%	Within 29 Days
B	Watch or special mention	Deducted to loan balance	3%	30 to 89 days
Non-Performing (Specific)				
C	Substandard	Deducted to loan balance	20%	90 to 179 days
D	Doubtful	Deducted to loan balance	50%	180 to 359 days
E	Loss	Deducted to loan balance	100%	360 days or more

(i) Provision amount is calculated by the following formulas:

a. General provision = Provision rate x Loan outstanding balance
b. Specific provision = Provision rate x Loan outstanding balance - undiscounted value of collateral.

(ii) The performing-loan provision balance group A is recorded in the balance sheet in 'Provision for performing loans' under capital and reserve. The accumulated balance of the non-performing loan provision and the performing-loan provision balance group B are recorded to the balance sheet in 'Loans to customers, net of provision for NPLs'.

(iii) Changes in the performing-loan provision is recorded in the income statement as 'Other operating expenses' for provision expenses, and 'Other operating income' for reversals of provision expenses. Changes in the non-performing loan provision are recorded in the income statement as 'Net provision for NPLs changed to/ (reversal out of) expenses.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Leases

According to the BOL's Notification No. 1433/BOL dated 24 October 2019 that requesting commercial banks to apply lease account as mentioned in the guideline of the notification for preparation and presentation of financial statements.

The Bank recognised right-of-use assets and lease liabilities for those leases previously classified as finance lease or operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The lease contract for office lease before adopting the notification no.1433/BOL issued by BoL as mentioned on above, the Bank classified each of its leases -lessee at the inception date as an operating lease. The rental fee record as period expenses based on contract period.

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 on 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.

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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.9 Leases (Continued)

Lease liabilities (Continued)

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.

Payment for right of use assets are presented in the cash flow statement under investing activities.

2.10 Investment securities

Available-for-sale investments

Available-for-sale investments include equity instruments that the Bank has intention to hold for investment and that are ready for trading. These securities are not frequently traded but could be sold at any time the transaction yield benefit.

Investment is initially recognised at cost and subsequently measured at fair value.

The fair value is based on price at the close of business on the statement of financial position date by reference to the Lao Securities Exchange (LSX) market. The unrealised gains and losses are recognised in the statement of income.

On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of income.

Held-to-maturity securities

Investment in government bond

Held-to-maturity investment in government bond, recognised at cost and subsequently reflected at cost in the statement of financial position, are debt securities with fixed or determinable payments and maturities, which the Bank has intention and ability to hold to maturity to earn interest. When they are sold before maturity date, these securities will be reclassified as trading securities or available-for-sale securities.

Debt settlement through government bond

Held-to-maturity securities, debt settlement through government bond, are initially recognized at face value and subsequently reflect at face value in the statement of financial position. The difference between the face value and the purchase price will be considered a discount. Discounts arising from securities purchases are amortized in the statement of income using the straight-line method over the year from the acquisition dates to the maturity dates.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Interest in joint venture

Interest in joint venture is investment in the other party that the Bank has Joint Venture Agreements and has representative as director in those company.

The Bank's interest in joint venture are recognized at cost and subsequently reflected at cost in the statement of financial position. Dividend and income transferred from joint ventures are recognized in the statement of income as "Net gain from equity investment".

2.12 Foreclose assets

Foreclosed assets refer to properties seized due to non-payment of loan agreements. The bank will auction these assets to recover the outstanding debt. Foreclosed assets are recorded when the bank has the right to the foreclosed asset.

Foreclosed assets are recorded using the outstanding balance according to the customer's contract and will be revalued upon sale. The difference between the sale price and the carrying amount will be recognized as a profit or loss from the sale of the asset in the statement of income.

2.13 Fixed assets

2.13.1 Intangible fixed assets

Intangible fixed assets consist of land use rights and software. Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives as follow:

Land use rights (*)	No amortisation
Computer software	20%

(*): Land use rights refer to land that the Bank owns but is recorded in the term of accounts, issued by BOL, as land use rights. The cost of land use rights is not amortized because they have an indefinite life. When the fixed assets are revalued, the gain/(loss) will recognised in "General provisions unrecoverable assets" present in under equity.

Cost associated with maintaining computer software are recognised as an expense as incurred.

2.13.2 Tangible fixed assets

Tangible fixed assets consist of buildings and improvements, office equipment, furniture and fixtures, and motor vehicles.

Fixed assets are stated at cost less accumulated depreciation, if any. When the fixed assets are revalued, the gain/(loss) will recognised in "General provisions unrecoverable assets" present in under Equity. Depreciation will recognise to income statements base on useful life.

The cost of an asset comprises its purchase price plus any costs directly attributable to the bringing of the asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are capitalized and expenditures for maintenance and repairs are charged to the statement of income, if any

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Fixed assets (Continued)

2.13.2Tangible fixed assets (Continued)

When assets are sold or disposed, their cost and accumulated depreciation or amortization are removed from the statement of financial position and any gains or losses resulting from their disposal are posted to the statement of income.

2.14 Depreciation

Depreciation and amortization of fixed assets are provided on the straight-line basis at prescribed rates over their estimated useful life in accordance with the Tax Law revised No. 67 date 18 Jun 2019 effective for accounting periods starting on 1 January 2020. The following are the annual rates used:

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

2.15 Regulatory reserve fund

Under the Law on Commercial Banks date 7 December 2018 requires commercial banks to allocate net profit to a regulatory reserve fund, business expansion fund, and others.

In accordance with the Enterprise Law, 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 Annual General Meeting (AGM).

The Business expansion fund and other funds shall be created upon decision of the Board of Directors.

2.16 Taxation

The Bank is obliged to pay profit tax at rate of 20% of total taxable profit in accordance with the Tax Law.

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

2.17 Employee benefits

Post-employment benefits

Post-employment benefits are paid to retired employees of the Bank by the Social Security Fund Department which belongs to the Ministry of Labour and Social Welfare. The Bank is required to contribute to theses post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 6.00% of the employee's basic salary on a monthly basis. The Bank has no further obligation concerning post-employment benefits for its employees other than this.

Termination benefits

In accordance with Article 82 of the Amended Labour Law No. 43/NA dated 24 December 2013 and the Decree of the President of the Lao People's Democratic republic on the Promulgation of the Labour Law (Amended) No. 068/P dated 28 January 2014, the Bank has the obligation to pay allowance for employees who are terminated by dismissal in the following cases:

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.17 Employee benefits

Termination benefits

- The employee 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 multiplied by the total number of months worked.

As at 31 December 2025, there is no employees of the Bank who were dismissed under the above-mentioned grounds, therefore the Bank has not made a provision for termination allowance in the financial statements.

2.18 Land under consignment for sale

Land under consignment for sale comprises land acquired by the Bank through debt settlement arrangements with customers, under which the customers are granted the right to repurchase the land within an agreed period and at a predetermined price as stipulated in the consignment agreement.

Land under consignment for sale is recorded using the outstanding balance according to the customer's contract. Upon sale, the land is measured based on the actual sale price. Any difference between the sale proceeds and the carrying amount of the land is recognized as a gain or loss from the sale of assets in the statement of income.

2.19 Other investments

Other investments comprise investments made by the Bank that are not classified as available-for-sale or held-to-maturity securities. These investments represent placements made in accordance with contractual investment arrangements. Other investments are initially recognised at the amount invested in accordance with the contractual terms. Subsequent to initial recognition, other investments are carried at the invested amount.

Gains or losses arising from other investments are recognised in profit or loss when the conditions specified in the investment contracts are fulfilled.

3. NET INTEREST AND SIMILAR INCOME

	2025 LAKm	2024 LAKm
Interest and similar income from:		
Loans to customers	2,169,804	1,826,137
Interbank transactions	37,231	25,557
Bonds issued by the MOF	80,026	53,210
	2,287,061	**1,904,904**
Interest and similar expenses for:		
Deposits from other banks	(139,634)	(143,123)
Customers' deposits	(1,655,750)	(1,293,141)
	(1,795,384)	**(1,436,264)**
Net interest and similar income	**491,677**	**468,640**

4. FEE AND COMMISSION INCOME

	2025 LAKm	2024 LAKm
Fee and commission income from:		
Trade finance, ATM and transmittance activities	927,595	753,873
Interbank transactions	3,710	2,372
Settlement services	6,443	5,393
	937,748	**761,638**
Fees and commission expenses for:		
Interbank transactions	(127,787)	(102,648)
Settlement services	(24,438)	(23,438)
	(152,225)	**(126,086)**
Net fee and commission income	**785,523**	**635,552**

5. NET GAIN FROM SECURITIES INVESTMENT

The net gain from securities investment is from the profit from bond discount, debt settlement through government bond, amount of LAKm 34,938 (2024: LAKm 41,005).

6. NET GAIN FROM DEALING IN FOREIGN CURRENCIES

	2025 LAKm	2024 LAKm
Gain from dealing in foreign currencies	41,685,617	66,802,556
Loss from dealing in foreign currencies	(41,542,296)	(66,523,203)
	143,321	**279,353**

7. OTHER OPERATING INCOME

	2023 LAKm	2024 LAKm
Reversal of accrued interests and expenses	3,092	20,815
Recovery of bad debts written off	8	3
Income from disposing fixed assets	1,170	1,467
Others income from banking expenses	7,376	6,821
Income from non-banking operation	5,733	4,181
Extraordinary income (1)	12,904	30,134
Income on sale gold (2)	47,651	-
	77,934	**63,421**

(1) Extraordinary income for the year ended 31 December 2025 represents gain from the sale of foreclosed assets amounting to LAKm 12,904 (2024: LAKm 30,134).

(2) In 2025, the Bank recognised realised income of LAKm 47,651 from the sale of gold (2024: nil).

8. PAYROLL AND OTHER STAFF COSTS

	2025 LAKm	2024 LAKm
Wages and allowances	128,148	103,944
Insurance expense for employees	2,194	2,249
Bonus and welfare benefits	87,397	68,968
Training expenses	468	1,337
Other benefits welfare	46,454	29,313
	264,661	**205,811**

9. OTHER ADMINISTRATIVE EXPENSES

	2025 LAKm	2024 LAKm
Professional fees (1)	23,403	21,582
Fuel and oils	1,716	1,865
Official business trips	4,359	4,833
Publication, marketing and promotion expenses	15,280	11,118
General and administration expenses	11,135	9,860
Insurance fees	1,289	1,247
Post and telecommunications	9,384	8,539
Repair and maintenance	39,178	27,974
Electricity and water supply	6,027	5,363
Office rental	24,219	11,781
Entertainments	11,826	13,259
Others (2)	40,212	45,049
	188,028	**162,470**

(1) This is included audit fee approximately LAK 717 million.
(2) Other expenses mainly consist of waiving various fees, such as card fees and late payment penalties.

10. OTHER OPERATING EXPENSES

	2025 LAK	2024 LAK
Depositor Protection Fund expense	30,954	25,244
Net provision for performing loans	49,314	64,983
Others (1)	6,919	58,428
	87,187	**148,655**

(1) This consists of various expenses such as donations, land appraiser fees, and event sponsorships

11. CASH ON HAND

	2025 LAK	2024 LAK
Cash on hand in LAK	342,902	215,969
Cash on hand in foreign currencies	1,352,938	2,260,992
	1,695,840	**2,476,961**

12. BALANCE WITH BOL

	2025 LAK	2024 LAK
Demand deposits - current	3,761,217	3,046,724
Compulsory reserves - current (i)	1,858,792	1,510,649
Registered capital deposits (ii)	6	6
	5,620,015	**4,557,379**

Accounts with the BOL include settlement and compulsory. These balances earn no interest.

(i) Under regulations of the BOL, the Bank is required to maintain certain reserves with the BOL in the form of compulsory deposits, no interest, which are computed at 8% for LAK and 10% - 11% for foreign currencies (2024: 8% for LAK and 10% - 11%), on a bi-monthly basis, of customer deposits having original maturities of less than 12 months.

(ii) Under regulation Degree No. 02/PR of BOL, commercial banks are required to maintain a minimum balance of a special deposit at BOL equivalent to 25% of their paid-up capital to ensure their operational continuance. During the year, the Bank obtained approval from the Bank of the Lao P.D.R. to utilize the registered capital raised from the issuance of shares, with 90% allocated for extending credit to customers and 10% allocated for investment in technology and financial innovation.

13. Gold and other metals precious in the bank

	2025 LAKm	2024 LAKm
As at 1 January	181,799	-
Addition	519,857	192,794
Disposal	(420,153)	-
Unrealized gain/loss from gold revaluation	15,408	(10,995)
	296,911	**181,799**

14. DUE FROM OTHER BANKS

	2025 LAKm	2024 LAKm
Demand deposits at other banks	**1,454,857**	**1,219,141**
- Domestic banks	87,465	47,798
- Foreign banks	1,367,392	1,171,343
Term deposits at other banks	**1,153,003**	**73,316**
- Domestic banks (i)	1,153,003	73,316
Saving deposits at other banks (ii)	**13,397**	**6,148**
- Domestic banks	1,129	322
- Foreign banks	12,268	5,826
	2,621,257	**1,298,605**

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

(i) The term deposit is denominated in USD, having term of 3 months, along with the interest at rate of 3% - 12% per annum (2024: 3% - 12% per annum).

(ii) Saving deposits have no term and earn interest at rate ranging from 0% - 1% per annum (2024: 0% – 1% per annum)

15. INVESTMENT IN SECURITIES

	2025 LAKm	2024 LAKm
Available-for-sale investment (15.1)	1,710	2,350
Held-to-maturity securities (15.2)	1,000,322	995,118
Land under consignment for sale (15.3)	911,644	-
Other Investments (15.4)	634,712	-
	2,548,388	**997,468**

15.1 Available-for-sale investment

The available-for-sale investment consist of 1,000,000 shares invested in EDL-Generation Public Company, a listed company in Laos.

15.2 Held-to-maturity securities

Represent the bonds issue by Ministry of Finance and bond from debt settlement through government bond. Details of other bonds by contractual maturity date are as follows:

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

	2025 LAKm	2024 LAKm
Within 1 year	330,726	79,561
1 to 5 years	499,094	354,771
Over 5 years	170,502	560,786
	1,000,322	**995,118**

Details of other bonds by interest rate are as follows:

	2025 % per annum	2024 % per annum
Within 1 year	5.50%	5.50%
1 to 5 years	4.50% - 5.20%	4.50% - 5.20%
Over 5 years	5.30% - 6.00%	5.30% - 6.00%

15.3 Land under consignment for sale

Land under consignment for sale totalling LAKm 911,644 mainly consist of land received from loan customers as part of loan offset arrangements. Under these agreements, customers are entitled to repurchase the assets from the Bank within period as agreed in agreement.

15.4 Other Investments

The Bank invested USD 29 million in a short-term investment with Bitqik with return rate 0.1% of investment. Subsequently the Bank was fully collected USD 29 million in January 2026.

16. LOANS TO CUSTOMERS, NET OF SPECIFIC PROVISION

	2025 LAKm	2024 LAKm
Loans to customers	25,126,112	20,642,218
Less specific provision	(104,179)	(93,864)
	25,021,933	**20,548,354**

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

	2025 Interest rates % per annum	2024 Interest rates % per annum
Loans denominated in LAK	5.50% - 16.00%	5.50% - 16.00%
Loans denominated in USD	7.00% - 14.00%	7.00% - 14.00%
Loans denominated in THB	7.00% - 14.00%	7.00% - 14.00%
Loans denominated in CNY	10.00% - 11.00%	10.00% - 11.00%

16.1 Analysis of loan portfolio by currency

	2025 LAKm	2024 LAKm
Loans denominated in LAK	3,827,156	1,318,726
Loans denominated in USD	13,008,728	10,684,512
Loans denominated in THB	8,281,985	8,638,731
Loans denominated in CNY	8,243	249
	25,126,112	**20,642,218**

16.2 Analysis of loan portfolio by quality

	2025 LAK	2024 LAK
Performing loans:		
Normal or Pass	21,586,754	18,420,440
Watch or Special Mention	3,378,406	2,125,789
Non-performing loans:		
Substandard	66,058	-
Doubtful	16,494	-
Loss	78,400	95,989
	25,126,112	**20,642,218**

16. LOANS TO CUSTOMERS, NET OF SPECIFIC PROVISION (CONTINUED)

16.3 Provision for credit losses of loans to customers

The breakdown of loan classification and provision as required by the BoL as at 31 December 2025 is as follows:

Classification	Loan balance LAKm	Specific Provision LAKm	General provision LAKm
Performing loans:			
- Normal or Pass	21,586,754	-	107,934
- Watch or Special Mention	3,378,406	75,454	-
Non-performing loans:			
- Substandard	66,058	1,072	-
- Doubtful	16,494	207	-
- Loss	78,400	27,446	-
Total	**25,126,112**	**104,179**	**107,934**

The breakdown of loan classification and provision as required by the BoL as at 31 December 2024 is as follows:

Classification	Loan balance LAKm	Specific Provision LAKm	General provision LAKm
Performing loans:			
- Normal or Pass	18,420,440	-	91,562
- Watch or Special Mention	2,125,789	63,774	-
Non-performing loans:			
- Substandard	-	-	-
- Doubtful	-	-	-
- Loss	95,989	30,090	-
Total	**20,642,218**	**93,864**	**91,562**

17. INVESTMENTS IN JOINT VENTURE

	2025		2024	
	Book value LAKm	Ownership %	Book value LAKm	Ownership %
Lao National Payment Network Company Limited	1,698	5%	1,698	5%
Lao Foreign Exchange	1,000	5%	1,000	5%
Supreme Smarty Fund Management Company Limited	8,958	30%	-	-
	11,656		**2,698**	

- Lao National Payment Network Company Limited (LAPNet) in Lao PDR provides a sub-transaction payment system, acting as an intermediary between payment sectors and service providers in Laos.

- Lao Foreign Exchange (LFX), an online foreign exchange market system through the LFX mobile banking application.

- In 2025, the Bank invested of LAKm 8,959 in Supreme Smarty Fund Management Company Limited, a company providing fund management and investment management services.

18. CONSTRUCTION IN PROGRESS AND FIXED ASSETS IN TRANSIT

	2025 LAKm	2024 LAKm
Balance as at 1 January	**7,816**	**7,886**
- Additions during the year	36,483	27,225
- Transferred to tangible fixed assets (Note 20)	(22,158)	(27,138)
- Write-off	-	(157)
Balance as at 31 December	**22,141**	**7,816**

19. INTANGIBLE FIXED ASSETS

	Land use rights LAKm	Software LAKm	Total LAKm
At 1 January 2025			
Cost	213,975	52,132	266,107
Accumulated amortisation	-	(31,216)	(31,216)
Net book amount at 1 January 2025	**213,975**	**20,916**	**234,891**
Year ended 31 December 2025			
Opening net book amount	213,975	20,916	234,891
Additions	-	34,505	34,505
Revaluation (*)	223,619	-	223,619
Amortisation	-	(11,045)	(11,045)
Closing net book amount	**437,594**	**44,376**	**481,970**
At 31 December 2025			
Cost	437,594	86,637	524,231
Accumulated amortisation	-	(42,261)	(42,261)
Net book amount at 31 December 2025	**437,594**	**44,376**	**481,970**

(*) Land Use Rights: During 2025, the Bank revalued its land use rights to reflect their fair value. The revaluation was performed by an independent professional.

	Land use rights LAKm	Software LAKm	Total LAKm
At 1 January 2024			
Cost	169,541	83,700	253,241
Accumulated amortisation	-	(67,460)	(67,460)
Net book amount at 1 January 2024	**169,541**	**16,240**	**185,781**
Year ended 31 December 2024			
Opening net book amount	169,541	16,240	185,781
Additions	49,179	9,049	58,228
Amortisation	-	(2,879)	(2,879)
Write-off and disposal - net	(4,745)	(1,494)	(6,239)
Closing net book amount	**213,975**	**20,916**	**234,891**
At 31 December 2024			
Cost	213,975	52,132	266,107
Accumulated amortisation	-	(31,216)	(31,216)
Net book amount at 31 December 2024	**213,975**	**20,916**	**234,891**

20. TANGIBLE FIXED ASSETS

Movement of tangible fixed assets for the year ended 31 December 2025 is as follows:

	Buildings & improvements LAKm	Office equipment LAKm	Furniture & fixtures LAKm	Motor vehicles LAKm	Total LAKm
At 1 January 2025					
Cost	64,969	157,113	132,591	29,236	383,909
Accumulated depreciation	(32,837)	(70,989)	(77,434)	(16,554)	(197,814)
Net book amount at 1 January 2025	**32,132**	**86,124**	**55,157**	**12,682**	**186,095**
Year ended 31 December 2025					
Opening net book amount	32,132	86,124	55,157	12,682	186,095
Additions	8,493	44,609	19,938	752	73,792
Revaluation*	23,840	-	-	-	23,840
Transfer in/(out) (Note 18)	-	19,293	-	2,865	22,158
Disposal/Write-off, net	-	(111)	(1,409)	-	(1,520)
Depreciation	(3,384)	(32,420)	(17,999)	(3,710)	(57,513)
Closing net book amount	**61,081**	**117,495**	**55,687**	**12,589**	**246,852**
At 31 December 2025					
Cost	97,302	220,904	151,120	32,853	502,179
Less: Accumulated depreciation	(36,221)	(103,409)	(95,433)	(20,264)	(255,327)
Net book value at 31 December 2025	**61,081**	**117,495**	**55,687**	**12,589**	**246,852**

(*) During 2025, the Bank revalued its building to reflect their fair value. The revaluation was performed by an independent professional.

20. TANGIBLE FIXED ASSETS

Movement of tangible fixed assets for the year ended 31 December 2024 is as follows:

	Buildings & improvements LAKm	Office equipment LAKm	Furniture & fixtures LAKm	Motor vehicles LAKm	Total LAKm
At 1 January 2024					
Cost	64,330	100,996	108,130	23,456	296,912
Accumulated depreciation	(30,109)	(50,629)	(67,323)	(13,427)	(161,488)
Net book amount at 1 January 2024	**34,221**	**50,367**	**40,807**	**10,029**	**135,424**
Year ended 31 December 2024					
Opening net book amount	34,221	50,367	40,807	10,029	135,424
Additions	1,869	57,045	4,266	5,912	69,092
Transfer in/(out) (Note 18)	-	1,839	25,299	-	27,138
Write-off, net	(677)	(72)	(655)	-	(1,404)
Depreciation	(3,281)	(23,055)	(14,560)	(3,259)	(44,155)
Closing net book amount	**32,132**	**86,124**	**55,157**	**12,682**	**186,095**
At 31 December 2024					
Cost	64,969	157,113	132,591	29,236	383,909
Less: Accumulated depreciation	(32,837)	(70,989)	(77,434)	(16,554)	(197,814)
Net book value at 31 December 2024	**32,132**	**86,124**	**55,157**	**12,682**	**186,095**

21. RIGHT OF USE ASSETS

	LAKm
At 1 January 2025	
Cost	33,629
Accumulated amortisation	(13,060)
Net book amount at 1 January 2025	**20,569**
Year ended 31 December 2025	
Opening net book amount	20,569
Additions	4,869
Disposal – net	-
Amortisation	(6,344)
Closing net book amount	**19,094**
At 31 December 2025	
Cost	38,498
Less: Accumulated amortisation	(19,404)
Net book value at 31 December 2025	**19,094**

22. OTHER ASSETS

	2025 LAKm	2024 LAKm
Tax recoverable	3,032	3,032
Advance to foreign credit cards	25,192	47,981
Prepaid expense waiting to be allocated	17,638	40,809
Receivables from employee	12,337	12,617
Foreclosed assets	3,875,567	1,728,588
Others	989,817	575,852
	4,923,583	**2,408,879**

23. DUE TO OTHER BANKS AND FINANCIAL INSTITUTIONS

	2025 LAKm	2024 LAKm
Demand deposits	**518,956**	**214,627**
Domestic banks and financial institutions	518,938	203,053
National treasury	18	11,574
Saving deposits	**36**	**32**
Domestic banks and financial institutions	36	32
Term deposits	**911,331**	**1,360,134**
Domestic banks and financial institutions	911,331	1,360,134
Other institutions		
Borrowings	**1,744,070**	**1,055,809**
Bank of Lao PDR*	1,744,070	1,055,809
Other payables to other banks and financial institutions	**100**	**23**
	3,174,493	**2,630,625**

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

	2025 % per annum	2024 % per annum
Demand deposits	0.00% - 0.60%	0.00% - 0.60%
Term deposits	3.20% - 13.00%	3.20% - 13.00%
Saving deposits	1.00%	1.00%

(*) Details of BOL Borrowing as at 31 December 2025 are as follows:

Purpose	Currency	Term	Interest rate % per annum	2025 LAKm
Covid 19 Program	LAK	6 years	3.00%	389,582
For SMEs	LAK	2 years	4.43% - 4,80%	1,000,000
For SMEs	LAK	5 years	2.50%	354,488
				1,744,070

Details of BOL Borrowing as at 31 December 2024 are as follows:

Purpose	Currency	Term	Interest rate % per annum	2024 LAKm
Covid 19 Program	LAK	6 years	3.00%	727,170
Covid 19 Program	USD	5 years	5.45% + 3months CME Term SOFR	216,580
For SMEs	LAK	5 years	2.50%	112,059
				1,055,809

24. DUE TO CUSTOMERS

	2025 LAKm	2024 LAKm
Demand deposits	**1,418,091**	**2,056,549**
Demand deposits in LAK	270,185	423,243
Demand deposits in foreign currency	1,147,906	1,633,306
Saving deposits	**5,688,755**	**5,005,983**
Saving deposits in LAK	1,181,545	972,579
Saving deposits in foreign currency	4,507,210	4,033,404
Fixed term deposits	**28,902,612**	**20,413,716**
Fixed term deposits in LAK	3,515,200	1,366,500
Fixed term deposits in foreign currency	25,387,412	19,047,216
	36,009,458	**27,476,248**

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

	2025 % per annum	2024 % per annum
Demand deposits	No interest	No interest
Saving deposits in LAK	0.85% - 1.89%	0.85% - 1.89%
Saving deposits in USD	0.50% - 3.00%	0.50% - 3.00%
Saving deposits in THB	0.50% - 3.00%	0.50% - 3.00%
Saving deposits in CNY	0.30% - 0.60%	0.30% - 0.60%
Term deposits in LAK*	1.50% - 12.50%	1.50% - 12.50%
Term deposits in foreign currencies	2.00% - 10.00%	2.00% - 10.00%

25. Share capital

	Share capital (shares)	Ordinary share (LAKm)	Share premium (LAKm)	Total (LAKm)
At 1 January 2024	47,466,610	474,666	-	474,666
Issue of shares	20,000,000	200,000	-	200,000
At 31 December 2024	**67,466,610**	**674,666**	**-**	**674,666**
Change par value	607,199,490	-	-	-
Issue of share	75,333,900	75,334	568,616	643,950
At 31 December 2025	**750,000,000**	**750,000**	**568,616**	**1,318,616**

According to shareholder meeting resolution No. 305/JDB in 2025, the Bank was changed its par value from 10,000 LAK/share to 1,000 LAK/share. The existing shareholders received shares at a 1:10 ratio.

In addition, the Bank issued the new share 75,333,900 shares in 2025 for IPO with par value 1,000 LAK/share, with sales price of Kip 7,900 and Kip 8,800 for investors inside and outside Lao PDR respectively. The Bank has premium on share capital, after deducted shares offering cost, LAKm 568,616.

As at 31 December 2025, all share is issued and fully paid-up.

26. RESERVES

Regulatory and general reserve fund

	Regulatory reserve fund LAKm	General reserve fund LAKm	Total LAKm
As at 1 January 2024	47,226	68,379	115,605
Appropriate to reserves for the year 2024	26,715	26,715	53,430
As at 31 December 2024	**73,941**	**95,094**	**169,035**
As at 1 January 2025	73,941	95,094	169,035
Appropriate to reserves for the year 2025	74,126	7,135	81,261
As at 31 December 2025	**148,067**	**102,229**	**250,296**

At the General Shareholders' Meeting No. 3022/ທຄຣ held on 24 November 2025, the shareholders resolved to allocate regulatory reserve funds totalling LAK 74,126 million and general reserve funds totalling LAK 7,135 million.

27. DIVIDENDS

	2025 LAKm	2024 LAKm
Dividend paid	660,000	480,877

On 24 November 2025, the Annual General Shareholder's Meeting approved to pay dividends from net profit for 2024 to shareholder's amount to LAKm 660,000. These dividends were paid in 25 December 2025.

On 9 January 2024, the Annual General Shareholder's Meeting approved to pay dividends from net profit for 2023 to shareholder's amount to LAKm 480,877. These dividends were paid in February 2024.

28. TAXATION

Profit tax expense

Current profit tax expense

Provision is made for profit tax on the current period's profits, in accordance with the Lao Tax Law. The Bank is obliged to pay tax at rate of 20% on total taxable profit before profit tax.

During the year, the Bank applied for and completed its initial public offering (IPO) and was listed on 10 October 2025. Under the Tax Law applicable to listed companies, the Bank is entitled to a corporate income tax rate of 13% on taxable profit before income tax for four years, effective from the listing date.

	2025 LAKm	2024 LAKm
Profit/(Loss) before tax	**913,686**	**921,122**
Less: Non-taxable income	(41,514,595)	(66,543,403)
Add: Non-deductible expenses	41,632,792	66,521,588
Taxable profit	**1,031,883**	**899,307**
Current profit tax	**195,608**	**179,861**
Payable at the beginning of the year	110,348	15,492
Current profit tax	195,608	179,861
Tax paid during the year	(209,280)	(85,005)
Payable at the end of the year	**96,676**	**110,348**

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 financial statements could be changed at a later date upon final determination by the tax authorities.

29. CASH AND CASH EQUIVALENTS

	2025 LAKm	2024 LAKm
Cash on hand	1,695,840	2,476,961
Demand deposits with the BoL	1,994,142	3,046,724
Current accounts with other banks	5,430,167	1,225,289
	9,120,149	**6,748,974**

30. EARNINGS PER SHARE

Earnings per share ("EPS") is calculated by dividing the net profit after tax attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

The earnings per share for the year ended 31 December 2024 have no requirement to disclose in last year. For the comparative purpose, earnings per share for the year ended 31 December 2024 has been restated by adjusting the number of ordinary shares on the basis that the change in par value from LAK 10,000 per share to LAK 1,000 per share had occurred at the beginning of the comparative period, in order to ensure comparability with the current year.

The following reflects the data used in the earnings per share computation.

	2025 LAKm	2024 (as previous report) LAKm	2024 (Restated) LAKm
Net profit attributable to the ordinary shareholders of the bank (LAKm)	718,078	741,261	741,261
Weighted average number of ordinary shares (Shares)	691,930,119	674,666,100	607,268,839
Basic earnings per share (LAK)	1,038	1,099	1,221

31. COMMITMENT AND CONTINGENT

	2025 LAKm	2024 LAKm
Bank guarantee	369,931	426,764

32. EVENTS AFTER THE REPORTING DATE

Dividend payment announcement

At the Board of Directors' meeting held on 26 March 2026 , the Board of Directors approved a dividend payment in respect of net profit for the year ended 31 December 2025 of Kip 800 per share (31 December 2024: Kip 880 per share) amounting to a total of LAKm 600,000 (31 December 2024: LAKm 660,000).