



Head office

No. 05/BCEL.2020

Vientiane capital, Date: 31 AUG 2020

LETTER OF EXPLANATION

**Attn: Domestic and foreign investors of Banque pour le Commerce Exterieur Lao Public;
Re: Explanation of the delayed disclosure of the 6-month 2020 financial statement of
BCEL.**

- In accordance with the announcement no. 04/LSCO dated 28/01/2019 regarding the reporting and disclosure;
- In accordance with the regulations on disclosure no. 330/LSX dated 27/09/2018;
- In accordance with the announcement no. 0009/LSCO dated 25/05/2020 regarding the disclosure in IFRS.

Banque pour le Commerce Exterieur Lao Public (BCEL) would like to inform you that BCEL should have disclosed the 6-month 2020 financial statement on 29/08/2020 in compliance with relevant regulations. Unfortunately, in the actual practice BCEL could not conduct the disclosure on the said time because of the following reasons:

1. BCEL has used the audit service from the new audit firm for the year 2020 and it is the first time for this audit firm to audit BCEL. Hence, more time is needed in collecting and reviewing the financial information of BCEL than the previous years.
2. Due to the spread of COVID-19 in late 2019 to the current time in 2020, the operation of all business sectors has not been carried out smoothly.

In response to the said issues, BCEL is currently working responsibly and it is expected that the financial report shall be ready for disclosure within 07/09/2020.

Therefore, this letter is made for your kind information and we apologize for the delay.

Sincerely yours,
General Managing Director

PHOUKHONG CHANTHACHACK