

No: 017...../BCEL..BOD..2025..

Date:14 MAY 2025.....

Minutes

Annual General Meeting of BCEL's Shareholders for the year 2024

Date 30 April 2025

The Annual General Shareholders' Meeting of Banque pour le Commerce Exterieur Lao Public (BCEL) for the Year 2024 (hereinafter called: "The Meeting") was held at 14:30 on Wednesday, 30 April 2025 at Lao Plaza Hotel, Vientiane Capital, and was presided over by **Mr. Akhom Praseuth (Ph.D)**, Vice Chairman of BCEL's Board of Directors, together with Directors of the Board of Directors. The Meeting was attended by **43** shareholders, **231** proxies, and the total number of shares in the meeting was **836,449,765** shares, including **81,244,345** shares via proxies, which in total is equivalent to **80.535%** 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 regulations and laws. The number of shares not attending the Meeting was **202,166,735** shares, equivalent to **19.465%** of the total shares of BCEL.

Chairpersons and the members of the Board of Directors attended the meeting consisted of:

1. Mr. Akhom Praseuth (Ph.D), Vice Chairman, Chairman of the Meeting;
2. Mrs. Saysamone Chanthachack, Managing Director of BCEL, Board Member;
3. Mr. Pasomphet Khamtanh, Board Member;
4. Assoc. Prof. Thongphet Chanthanivong, Independent Board Member;
5. Mr. Sonexay Silaphet, Independent Board Member;
6. Mrs. Latdavanh Songvilay, Independent Board Member;
7. Mr. Soulivath Souvannachoumkham, Vice Minister of Finance, Representative from Ministry of Finance
8. Mr. Michael De Clercq, Representative of the strategic partner, COFIBRED

The Chairman of the Meeting introduced the rule of the Meeting and the voting procedure. After that, the Meeting was proceeded according to the agenda.

The Meeting has considered, commented and resolved each agenda as follows:

Agenda 1: Confirmation of the minutes of the Annual General Shareholders' Meeting for the year 2023

Mrs. Saysamone Chanthachack, BCEL's Managing Director reported to the Meeting brief information of the minutes of the Annual General Shareholders' Meeting for the

year 2023 held on 29 April 2024. The minutes had been disclosed in compliance with the related regulations and the Meeting was requested to consider and approve the said minutes;

The Chairman of the meeting invited shareholders to ask questions on this agenda, with some comments as follows:

Mr. Sonenalin Sengmany, Head of the Meeting Secretariat, informed the meeting about improvements made to certain points in the minutes based on previous shareholder feedback, such as: The meeting minutes have been prepared in two languages, Lao and English versions, and have already been disclosed through the Lao Securities Exchange. With support from some of the shareholders who provided suggestions to improve certain terms in the English version of the minutes to make them more accurate, the Secretariat has corrected some terms according to these recommendations. However, a few still were not modified because their meaning remains aligned with the Lao version, though the choice of words might not have been the most appropriate from a native speaker's perspective. Therefore, the minutes disclosed on the Lao Securities Exchange system have not been updated. (The complete version approved by the meeting can be downloaded from BCEL's website)

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

- **Approved:** 836,449,765 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: Consider and approve the annual report of performance and financial statements BCEL for the year 2024

Mrs. Saysamone Chanthachack, BCEL's Managing Director reported to the meeting the annual report of performance and audited financial statements of BCEL for the year 2024 which included some of the key information as follows:

- Held the Annual General Shareholders' Meeting for the year 2023 and completed the payment of dividend at 300 LAK per share to BCEL's shareholders;
- Held the Meeting of BCEL's BOD for 11 times (04 Ordinary meetings and 07 Extraordinary Meetings);
- Held 4 meetings to review the business performance of BCEL (Annual meeting 01 time and Quarterly meeting 03 times);
- Organized a ceremony to celebrate the 35th anniversary of the establishment of BCEL;
- Reviewed the implementation results of the 2021-2025 business strategic plan;
- Conducted research to develop a new 5-year BCEL business strategic plan for the period 2025-2029;
- Graded the branches and service units of BCEL for 2024 and set KPIs for the branches for 2024;
- Development of IT tools, products, and services to meet customers need;
- Opened 2 new service units: Xaymongkhoun Service Unit under the Vientiane Capital Branch and Vangtao-Chongmek Service Unit under the Champasak Branch.

- Awards and recognition: Best Issuing Member Award 2023 by UnionPay International; The Best Tax Payer of the Year 2022 by Ministry of Finance; The 2024 U.S. Dollar Clearing Quality Recognition Award for Outstanding Achievement of Best-in-Class (MT103) from JP Morgan Chase Bank; BCEL has received 02 awards for listed companies, which are as follows: The First-Class Disclosure Award 2024 and The First-Class Corporate Governance Award 2024.

Business results for the year 2024 audited by EY and approved by BCEL's Board of Directors are the following:

- **Total Assets:** 142,191 billion LAK, compared with the 2024 plan achieved 100.99%;
- **Total Deposits:** 133,135 billion LAK, compared with the 2024 plan achieved 102.41%;
- **Total Loans:** 62,162 billion LAK, compared with the 2024 plan achieved 104.53%;
- **NPL Ratio:** 2.79%;
- **Net Profit:** 449 billion LAK, compared with the 2024 plan achieved 149.85%.

The Chairman proposed to shareholders to ask the question, but there was no comment and question on this agenda.

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

- **Approved:** 836,449,765 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 3: Consider and approve the allocation of the profit for the year 2024 into reserves and dividend payment

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the Meeting to consider and approve the allocation of the profit for the year 2024 into regulatory reserves and dividend payment for the shareholders as follows:

- Regulatory reserve: **10%**;
- Dividends: **100 LAK/Share**; Total dividend amount of **103,861,650,000 LAK**;
- The remaining shall be allocated into the business expansion fund;
- Dividend payment date: **14/05/2025**.

The Chairman proposed to shareholders to ask the question, but there was no comment and question on this agenda.

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

- **Approved:** 836,449,765 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 4: Consider and approve the Plan for the year 2025

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the Meeting to consider and approve the plan for the year 2025 which includes some key targets and figures compared with the actual figures of the year 2024 as follows:

- **Total Assets:** No less than 150,620 billion LAK, compared with 2024, an increase of 5.93%;
- **Total Deposits:** No less than 138,000 billion LAK, compared with the end of 2024, an increase of 3.65%;
- **Total Loans:** No less than 65,700 billion LAK, compared with the end of 2024, an increase of 5.69%;
- **Total NPL (Non-Performing Loans):** Not exceeding 3% of total loans;
- **Net Profit:** No less than 550 billion LAK, compared with 2024, an increase of 22.34%.
- **Service network expansion plan:** establish 01 new branch, expand 13 new service units, and relocate 2 existing service units.
- **Technical equipment, construction, and repair plan:** focus on continuing unfinished projects, replacing outdated equipment, and adding necessary new equipment with a total budget of 804.67 billion LAK.
- **New staff recruitment plan** with the number of 84 new employees.

The Chairman proposed to shareholders to ask the question on this agenda and there were comments and questions as follows:

- ❖ **Mr Kraiwal Kadavanich:** According to the information in the document, BCEL's 2025 recruitment plan includes 84 new staffs and the establishment of 1 new branch. However, as explained by the Managing Director, the 84 new staffs include replacements for a number of resigned employees, but the addition of 01 branch comes from upgrading a service unit to branch status, therefore will result in reduction of 01 service units in the plan to expand with 13 new service units. It is recommended to review and adjust the content of the report. Additionally, planned figures in other Agenda(s) may need adjustment, therefore, it is suggested that the Meeting should grant full authority to BCEL's Board of Directors for consideration and approval.
- ❖ **Mr Souvanrith Im:** Inquired whether the 800 billion LAK recapitalization plan has already been incorporated into the 2025 business plan.
- **Mrs. Saysamone Chanthachack,** BCEL's Managing Director, expressed gratitude and responded to the shareholder's questions:
 - Regarding the figures in the report related to the number of employees, service units, and branches, they will be reviewed and corrected;
 - For the 2025 plan, BCEL has already considered capital increase in the annual plan. However, since the annual planning was conducted before receiving a response from the Ministry of Finance (initially, BCEL proposed to the Ministry to increase capital by more than 600 billion LAK, but the Ministry of Finance approved an increase of approximately 500 billion LAK). Additionally, BCEL's capital increase is related to the sale of shares in Banque Franco-Lao and shares in EDL-Generation Public Company as specified in

agenda 9 and 10. Therefore, after completing the recapitalization, including the actual value of share sales, the plan will be revised and adjusted. In considering adjustments to certain plan figures, BCEL will base decisions on maximizing the interest of the shareholders;

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

- **Approved:** 836,449,765 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 5: Consider and approve the business strategic plan of BCEL 2025-2029

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting to consider and approve the business strategic plan of BCEL 2025-2029 aimed at delineating its directions, objectives, and comprehensive implementation plans, all under the vision of "**A strong and modern bank with international standards.**" This strategy is organized around three primary pillars:

- **Strategy 01:** Comprehensive organization strengthening (consist of 4 programs and 17 projects)
 - Financial management and enhancing sustainable business effectiveness;
 - Efficient credit administration and management;
 - Strong and effective human resource development;
 - Strengthening risk management and anti-money laundering.
- **Strategy 02:** Modernization by applying new technology in the business (consist of 5 programs and 22 projects)
 - Development and management of IT system;
 - Product development, turning the services towards Digital Banking;
 - Modernization of information management and statistics development;
 - Modernization of credit approval;
 - Modernization of accounting system and financial reports.
- **Strategy 03:** Management and services development in accordance with international standard (consist of 6 programs and 11 projects)
 - Organizational administration and management in line with Green Growth (Sustainable Finance)
 - Implementation of BASEL II standards;
 - Development of accounting and financial report in line with full option of IFRS;
 - Development and improvement of internal audit with COSO (Compliant Internal Control Systems) standard;
 - Development of services in line with *ISO9001:2015*;
 - Development of PCI Compliance.

The Chairman proposed to shareholders to ask the question on this agenda and there were comments or questions as follows:

- ❖ **Mr Thongloun Manilerth:** Regarding the strategy to develop services according to the international standard *ISO 9001:2015*, wondered if this number should be 2025 instead?
- **Mr. Sonenalin Sengmany:** *ISO 9001:2015* is the code for that international standard, and it does not refer to the year 2025;

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

- **Approved:** 836,449,765 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 06: Consider and approve the appointment of the independent auditor for the year 2025.

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting regarding the selection of the external auditor for the year 2025: Pursuant to the research and bidding as provided in regulations, BCEL has nominated PwC as the independent auditor of the year 2025 financial statements with the remuneration of 945,000,000 LAK (the remuneration for the previous year during which EY served as an independent auditor was 945,000,000 LAK) and there are 05 reports to be issued including:

- 1) Audit report on the financial statements in accordance with LAS;
- 2) Audit report on the financial statements in accordance with IFRS special purpose;
- 3) Management Letter;
- 4) Operational review report;
- 5) Loan review report.

The Chairman proposed to shareholders to ask the question, there was no comment and question on this agenda.

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

- **Approved:** 836,449,765 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 7: Consider and approve the appointment of the chairman and member of BCEL's Board of Directors replacing the members who completed their mandate, and the term of office for the Board of Directors

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting to approve the appointment of **Mr. Soulivath Souvannachoumksam**, Vice Minister of Finance, as a Chairman of the BCEL Board of Directors to replace **Mr. Bounpone Vannachit** who has retired; and the appointment of **Mr. Arnaud DELAUNAY** as member of BOD to replace **Mr.**

Stephane MANGIAVACCA. Therefore, the composition of the new BCEL's Board of Directors, will consist of **08 members**, as follows:

- | | |
|---|--|
| 1. Mr. Soulivath Souvannachoumklam | Vice Minister of Finance, Chairman |
| 2. Mr. Akhom Praseuth (Ph.D) | Independent Director, as Vice Chairman |
| 3. Mme. Saysamone Chanthachack | Managing Director of BCEL, Member |
| 4. Mr. Pasomphet Khamtanh | Member |
| 5. Mr. Arnaud DELAUNAY | COFIBRED Representative, Member |
| 6. Assoc. Prof. Thongphet Chanthanivong | Independent Director, Member |
| 7. Mrs. Latdavanh Songvilay | Independent Director, Member |
| 8. Mr. Sonexay Silaphet | Independent Director, Member |

This Board of Directors has a term of **01** year starting from this shareholders' meeting onward.

The Chairman proposed to shareholders to ask the question, there was no comment and question on this agenda.

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

- **Approved:** 836,449,765 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 8: Consider and approve BCEL's recapitalization

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting to approve BCEL's recapitalization: Based on the continuous business expansion of BCEL, the current Capital Adequacy Ratio (CAR) of BCEL is 6.00% (IFRS) according to figures from the month of 12/2024, which is below the standard set by the Bank of the Lao PDR of 8%. Therefore, it is necessary to increase the registered capital of BCEL to ensure stability and confidence in BCEL.

The managing director of BCEL proposed to the meeting to consider and approve BCEL's recapitalization plan of no less than **800** billion LAK, assigning BCEL to implement necessary procedures in order to increase BCEL's capital adequacy ratio in compliance with the minimum capital adequacy standards issued by the Bank of the Lao PDR, and authorizing the Board of Directors to consider and approve all necessary matters to complete the implementation of the recapitalization and thereafter reporting to shareholders at the next meeting.

The Chairman proposed the shareholders to ask the question on this agenda and there were comments and questions as follow:

- ❖ **Mr Kraiwal Kadavanich:** In this agenda, it states that the resolution will authorize BCEL to proceed with necessary steps to complete the capitalization, including giving authority for approval to the Board of Directors. Therefore, it is proposed that the meeting should

grant additional right and power to the Board of Directors to modify and adjust the 2025 business plan figures as presented in agenda 4, since the Board's current approval authority is limited specifically to agenda 9 and 10 only.

- The English version of the document should be modified with more appropriate and precise expression. In practice, there may be various documents, and some may require rejecting certain issues to resolve problems successfully. It is recommended to grant complete authority to the Board of Directors.
- ❖ **Souvanrith Im:** Regarding BCEL's capitalization, it appears that BCEL's capital increase comes from multiple sources, primarily the Ministry of Finance, the strategic partner, and general shareholders in the Lao Securities Exchange. Has BCEL established a timeline for implementation and when is it expected to complete?
- **Mrs. Saysamone Chanthachack,** BCEL's Managing Director: Agrees with the comments of **Mr Kraiwal Kadavanich** and confirms that BCEL's proposal to the shareholders' meeting is indeed to request authorization for the Board of Directors to proceed with implementation and to decide on various issues;
- Regarding BCEL's capitalization plan, following this shareholders' meeting resolution, BCEL will coordinate with relevant parties to ensure the capital increase proceeds according to the established timeline, which is expected to complete by the third quarter of 2025;

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

- **Approved:** 836,379,765 votes, equivalent to 3/3 of the total votes participating in the meeting and equal to 80.528% of all BCEL shares;
- **Disapproved:** 70,000 votes, equivalent to 0/3 of the total votes participating in the meeting and equal to 0.007% of all BCEL shares.

Agenda 9: Consider and approve the sale of shares held by BCEL in Banque Franco-Lao Limited

Mrs. Saysamone Chanthachack, Managing Director of BCEL proposed to the meeting to approve the sale of shares held by BCEL in Banque Franco-Lao Limited (BFL Bank): Currently, the CAR ratio of BCEL remains below the standards set by Bank of the Lao PDR, while BCEL's business continues to expand as reported in the above agenda. Therefore, BCEL considers it appropriate to withdraw capital invested in certain companies in order to utilize it more effectively in BCEL's core business operations and to limit BCEL's investment scope from becoming too broad, avoiding investments in activities that may create conflicts of interest. As part of this, BCEL proposes to sell all of its 30% shareholding in Banque Franco-Lao Limited. Regarding the selling price details, further research and negotiations with interested buyers will be required, based on taking into account the maximum benefits for BCEL shareholders. Currently, a company has already expressed interest in purchasing these shares.

The meeting is requested to consider and approve BCEL to proceed with necessary steps to complete the sale of all shares that BCEL holds in Banque Franco-Lao Limited, by

granting complete authority to the Board of Directors to consider and decide all necessary matters to complete this share sale, and to report back to shareholders at the next meeting.

The Chairman proposed the shareholders to ask the question on this agenda and there were comments and questions as follow:

- ❖ **Mr Kraiwal Kadavanich:** Suggested to improve some vocaburary in the English version of this agenda for better accuracy as stated in agenda 08.

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

- **Approved:** 836,419,765 votes, equivalent to 3/3 of the total votes participating in the meeting and equal to 80.532% of all BCEL shares;
- **Disapproved:** 30,000 votes, equivalent to 0/3 of the total votes participating in the meeting and equal to 0.003% of all BCEL shares.


Agenda 10: Consider and Approve the Sale of shares held by BCEL in EDL-Generation Public Company

Mrs. Saysamone Chanthachack, BCEL's Managing Director proposed to the meeting to consider and approve the sale of shares held by BCEL in EDL-Generation Public Company: Based on the plan to withdraw capital that BCEL has invested in certain companies to use in its core business and to limit the scope of investments from becoming too extensive, BCEL deems it appropriate to propose selling all shares that BCEL holds in EDL-Generation Public Company, amounting to **38,350,000** shares. Regarding the selling price details, further research and negotiations with interested buyers will be needed, based on maximizing benefits for BCEL shareholders. Currently, a company already expressed interest in purchasing these shares.

The meeting is requested to consider and approve BCEL to proceed with necessary steps to complete the sale of all shares that BCEL holds in EDL-Generation Public Company, by granting complete authority to the Board of Directors to consider and decide all necessary matters to complete this share sale, and to report back to shareholders at the next meeting.

The Chairman proposed the shareholders to ask the question on this agenda. However, there were no questions.

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

- **Approved:** 836,327,065 votes, equivalent to 3/3 of the total votes participating in the meeting and equal to 80.523% of all BCEL shares;
- **Disapproved:** 122,700 votes, equivalent to 0/3 of the total votes participating in the meeting and equal to 0.012% of all BCEL shares. 

After the Meeting had completed all agenda, the Chairman of the Meeting opened the floor for participants to provide additional comments or questions, and there were some additional comments as follows:

- ❖ **Mr Kraiwal Kadavanich:** In the previous meeting, there was discussion about regulations for using the thousand separator mark (comma/point). It appears that some BCEL staff are still using the old format, and in reality, some mobile phone Operating System & model limitation have not been updated to make users get familiar with the newly legalized format.
- **Ms. Saysamone Chanthachack,** Managing Director of BCEL: The updating of systems on mobile phones may depend on each individual and brand, but BCEL has already made improvements regarding accounting principles. BCEL will take this feedback for further review and improvement.
- ❖ **Mr. Soulivath Souvannachoumkham, Vice Minister of Finance and the new Chairman of BCEL's Board of Directors, addressed the shareholders' meeting:**
 - He expressed gratitude to the shareholders for their confidence and for approving his appointment as Chairman of BCEL's Board of Directors. BCEL plays an important role in the economic development of Lao PDR, is listed on the Lao Securities Exchange, and conducts business aimed at maximizing shareholder's benefits;
 - On behalf of BCEL's Board of Directors, he assured shareholders that the Board of Directors will strive to lead BCEL to continue development with high efficiency and will implement the strategic plan to meet the established targets; and he requested endless confidence from shareholders to continue using BCEL's services and supporting BCEL in the future.

The Chairman expressed his appreciation to the shareholders and the proxies for their kind attendance at the Meeting and announced the Meeting closed at 16:20 hrs. of the same day.

Chairman of the meeting



Akhom PRASEUTH (PhD)

Recorder



Sonenalin SENGMAN