Banque Pour Le Commerce Exterieur Lao Public (BCEL)

Analysis of Financial Position and Key Business Performance for the first quarter of 2026

Direction and key strategic goals for 2026

BCEL's 2026 plan focuses on improving credit quality while maintaining leadership in digital banking technology, in order to serve customers better and lead the bank toward international standards in a sustainable manner.

- **Financial stability:** Building a strong, sustainable business that is ready to cope with all changes, in order to create benefits for shareholders and society.
- **Technology and security:** Fully transition to digital banking with new innovations, while ensuring the highest level of cybersecurity.
- **Customer-centricity:** Retain the existing customer base, expand the new customer base, and focus on building customer satisfaction with services.
- **Human resources and standards:** Develop staff into professional experts and progressively upgrade the bank's systems to meet international standards.

Operational Priorities

- **Credit management:** Upgrade credit management to ensure quality, and expand lending to new potential customer segments; maintain credit quality and non-performing loan management standards in accordance with regulations set by the Bank of Lao PDR (BOL).
- **Continuous development of Digital Banking:** Develop diverse, secure new products that meet the needs of all customer segments and can be integrated with both domestic and international systems, positioning the bank as a leader in digital banking.
- **Upgrading to international standards and sustainable finance strategic programs:** Pioneer as a model bank in Laos for implementing ESRM (Environmental and Social Risk Management) standards and Taxonomy; continue to push forward the BASEL II program, IFRS accounting standards, Big Data system, and **Green Finance** to completion according to plan.

Overview of Activities for the first quarter of 2026

Although the macroeconomic situation faces challenges from various factors (inflation, volatility of oil and gold prices, political tensions), BCEL has been able to effectively adjust its operational strategy, enabling profits and financial position to grow better than the same period last year.

- **Total Net Revenue:** 📈 **2,020** billion LAK (🚀 grew **82%**)
- **Credit loss expense of loans to customers:** **1,366** billion LAK (increased **108%**)
- **Operating Expenses:** **291** billion LAK (increased **6%**)
- **Profit Before Tax:** **405.9** billion LAK (🚀 grew **128%**)

BCEL’s Product growth

- **BCEL One** has a cumulative total of more than **2,050,000 users**, an increase of **3%** compared to the end of 2025.
- **i-Bank** has a cumulative total of more than **78,000 users**, an increase of **5%** compared to the end of 2025.
- **SMS Banking** has a cumulative total of more than **164,000 users**, an increase of **5%** compared to the end of 2025.
- **One Pay** has a cumulative total of more than **359,000 merchants**, an increase of **10%** compared to the end of 2025.
- **ATM cards** for general customers, civil servant cards and student cards, have a cumulative total of more than **1,840,000 cards**, an increase of **3%** compared to the end of 2025.
- **International cards** have a cumulative total of more than **246,000 cards**, an increase of **3%** compared to the end of 2025.
- **BCOME** has a cumulative total of more than **824 agents** (including **74 Super-Agents**).
- **MoneyGram** has a cumulative total of more than **368 agents**

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Revenue Structure

Net Interest Income: Value: 1,470 LAK billion 🚀 Increased 84%

Loan interest: 72%

Bond interest: 21%

Deposit interest: 7%

Non-interest Fee Income: Value: 550 LAK billion 🚀 Increased 58%

Net Fees and Service Income: 300 LAK billion (increased 58%). Derived from BCEL One, ATM cards, money transfers, e-commerce, payment of utility bills (water supply, electricity, telephone), and others. Equivalent 15% of total revenue.

Net Foreign Exchange Trading Income: 87 LAK billion 🚀 Increased 8% (Equalvalent 4% of total revenue).

Other Income: 162 billion LAK🚀 increase 354%, Equalvalent 8% of total revenue

Expenditure Structure

Total Expenses: 291 billion LAK (increased 6%).

BCEL emphasizes expense control to enhance efficiency.

Staff expenses 55%

Administrative and operating expenses 32%

Depreciation expenses 13%

Notable Achievements and Key Events in Q1 2026

- **Personnel:** The BCEL's Managing Director received the **"Best Women Leader-Banking 2025"** award from Women's Tabloid.
- **Digital Services:** Upgraded BCEL One security **(Red First, Red Confidence)** and launched a feature allowing customers to open savings deposit accounts online by themselves.
- **Partnerships:** integrating the Bill Payment system with Banque Franco-Lao (BFL) and BIC Microfinance Institution Ltd. (non-deposit-taking); providing toll/road fee payment services through a modern system in partnership with Development Triangle Economic Complete Sole Co., Ltd.; cooperating with Electricité du Laos (EDL) on payment and electricity bill issuance through a modern system; and cooperating with Lao Airlines State Enterprise to upgrade its service and settlement systems to a modern standard.
- **Marketing**: MasterCard transaction volume reached an all-time high in March 2026; usage-promotion campaigns included the **"Red First"** program and "One Pay Use Well, Get Rewarded," as well as a free fuel voucher (fuel top-up card) giveaway for up to 2,000 motorcycle riders.

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