Summary of business performance of Banque Pour Le Commerce Exterieur Lao Public (BCEL)

For the 9-month period of the year 2026 (Ended September 30, 2026)

Vision and Mission: "A strong and modern bank with international standards"

BCEL focus on developing and improving services to adapt to the period of transformation with customer-centricity; strengthening financial stability in accordance with BASEL II principles; developing modern IT systems and technology integration into service systems; implementing new innovations in business to fully transform to Digital Banking; developing information systems to be accurate, clear, transparent, fast and ensuring Cyber Security meets international standards; developing personnel in various areas to be skilled and professional in banking services; creating satisfaction for customers who use the services; creating maximum sustainable benefits for BCEL's shareholders; and establishing various conditions to meet international standards.

Financial Highlights the 9-month period for the year 2026

- Total Assets: 171,087 billion LAK, achieving 98.61% of the 2026 annual plan, an increase of 6.43%; compared to end of 2025;
- Total Loans Outstanding: 69,744 billion LAK, achieving 108.98% of the 2026 annual plan, an increase of 0.33% compared to end of 2025;
- NPL Ratio: 2.19%;
- Total Deposits: 159,732 billion LAK, achieving 99.21% of the 2026 annual plan, an increase of 5.89% compared to end of 2025;
- Net Profit After Tax: 1,045 billion LAK, achieving 97.75% of the 2026 annual plan, an increase of 73.33% compared to the same period of the previous year.

Plans and projects

BCEL emerges as a leading bank characterized by modernization and compliance with international banking standards in Lao PDR, BCEL has formulated a comprehensive development strategy that outlines the directions, objectives, and specific implementation plans. The implementation in 2026 includes 15 programs and 50 projects

Overview of Lao PDR's Economy and Future Trends

In the 3rd quarter of 2026, based on the 2nd Ordinary Session of the 10th National Assembly (NA) on October 5, 2026 the Prime Minister of Lao PDR reported that: During the 9-month period of 2026, the economy of Lao PDR continued to expand at a rate of 4.8% compared to the same period last year which expanded at a rate of 4.6% and in Q3 there is a growth trend of 4.4%. This is due to the manufacturing industry and private sector investment experiencing expansion; the electricity energy sector also continued to grow well due to the commencement of production from wind power; wholesale-retail services, public services, and accommodation and food services linked to tourism also expanded, which was able to attract foreign tourists increasing by 7% compared to the same period last year. In addition, the export sector continued to grow well in the 9-month period increasing by 2.9% compared to the same period last year. However, it is noted that the agriculture sector is at risk of not achieving the target due to the volatility of fuel prices causing production and transportation costs to increase, some businesses slowing down production, combined with the African swine fever outbreak and natural disasters that affected the said sector; through preliminary estimates, the GDP trend for the whole year of 2026 will expand at a rate of 5.1% (NA resolution: 5.5%).

- Agriculture sector: Expanded by 4.0% accounting for 19.6% of GDP, falling short of the set target (NA resolution: expanded by 4.6%, accounting for 21.9%), where the main reason for not meeting the plan was due to the impact of natural disasters and floods resulting in damage to agricultural production, especially paddy rice production, which caused the crop cultivation sector to grow by 2.9%, falling short of the planned growth rate of 4%;
- Industry sector: Expanded by 5.2% accounting for 33.0% of GDP (NA resolution: expanded by 5.1%, accounting for 31.1% of GDP);
- Service sector: Expanded by 5.7% accounting for 37.0% of GDP, falling short of the set target (NA resolution: expanded by 6.6%, accounting for 36.6% of GDP), due to political unrest and instability in the Middle East region coupled with global oil price fluctuations causing passenger transportation costs to increase;
- Taxes: Expanded by 4.4% accounting for 10.5% (NA resolution: expanded by 4%, accounting for 10.4%).

Remark: Information from the summary report on the assessment of the implementation of the National Socio-Economic Development Plan, State Budget Plan, and Monetary Plan for 2026, and the directions for the 2027 plan to the 2nd Ordinary Session of the 10th National Assembly.

Inflation

The inflation rate of the Lao PDR in September 2026 continued to fluctuate and increase from the previous month at the level of 7.8% (August was 7.7%). Among them, the housing, water, electricity, and cooking gas category increased by 30.7%; the education category increased by 18.8%; the transport category increased by 13.6%; the health and medicine category increased by 11.1%; the alcohol and tobacco category increased by 9.5%; the restaurants and hotels category increased by 7.6%; and the clothing and footwear category increased by 6.6%.

The main causes leading to the increase in the inflation rate during the 9 months of 2026 are primarily from (1) the conflict situation in the Middle East causing fuel prices to adjust higher and resulting in fuel prices in the Lao PDR adjusting up according to the increase in import prices, (2) the adjustment and increase of electricity and water prices, (3) the adjustment and increase of certain goods according to seasons, (4) the mechanism in monitoring the price adjustments up and down of goods according to the increase and decrease of costs of goods and services domestically is not yet strict. At the same time, specifically for this September, the main causes of the price increases of goods come from fuel prices, the adjustment and increase of prices of goods and services in the education category for the new school year, and the price adjustments of goods according to seasons.

Remark: Information from the Monthly Consumer Price Index Report, September 2026, Lao Statistics Bureau.

Exchange Rate

- For Q3/2026, the BOL has set the exchange rate for buying or selling the LAK against the USD within a margin of not exceeding ±1% compared to the reference exchange rate announced daily by the Monetary Policy Department, and the spread between the buying and selling rates shall not exceed 2%.
- It is determined that the spread between the buying and selling rates shall not exceed 2% for the exchange of the LAK against the THB, CNY, EUR, JPY, and GBP.
- The spread between the buying and selling rates is set at not exceeding 5% for the exchange of the LAK against other currencies. According to the Decision on the Determination of Exchange Rates, No. 313/BOL, dated April 10, 2026.
- The system-wide banking exchange rate for the USD averaged 21,811 LAK/USD for 9 months of 2026, while the informal/parallel market exchange rate averaged 21,780 LAK/USD. For the THB, the system-wide banking exchange rate averaged 662 LAK/THB, whereas the informal/parallel market exchange rate averaged 667 LAK/THB.

Remark: Information from the Bank of the Lao PDR (September issue)

Highlighted business operation of BCEL

During the 9-month period of 2026, BCEL convened 2 operational performance review meetings (reviewing first haft year 2026 performance and outlining strategic targets for second haft year 2026), and held a total of 6 Board of Directors meetings (3 ordinary and 3 extraordinary). BCEL approved the 2026 Business Plan and Staff Development Plan (both pre- and post-AGM); hosted the commendation and award ceremony for the 2025 KPI performance across all branches, while completing the Q2/2026 branch KPI assessment and service network ranking; restructured the mandates, roles, and authorities of 2 departments; assessed the impact of rising fuel prices on the business plan; and held the 50th Lao National Day Commemorative Medal conferral ceremony honoring BCEL employees.

In terms of shareholder affairs, capital markets, and investor relations: BCEL successfully convened the 2025 Annual General Meeting of Shareholders (AGM) and approved a dividend payment of 200 LAK per share; published the 2025 Annual Report and Factsheet; released 34 official disclosures on the Lao Securities Exchange (LSX) and BCEL websites; and actively participated in the "Listed Companies Meet Investors" forum at the LSX presenting performance results for FY2025, Q1/2026, and H1 2026. In addition, Executive Management attended the 80th Board of Directors Meeting and the 2026 AGM of Lao-Viet Joint Venture Bank (LaoVietBank) in Vietnam.

- **System & Product Development:** Launched the digital self-onboarding feature enabling customers to open deposit accounts online via BCEL One; upgraded BCEL One with customizable favorite shortcuts (starring preferred functions); integrated EDL e-Bill and Auto Payment services for electricity bill settlements via BCEL One; Upgrading BCEL One's security under the campaign theme 'Red First, Red Confidence'; and officially launched the new "Mastercard Platinum Smartpay" card product.
- **Cooperation with External Partners:** Modernized and enhanced integrated ticketing/service solutions with Lao Airlines; implemented modern billing and automated payment integration with Electricité du Laos (EDL); and signed a business cooperation Memorandum of Understanding (MOU) between BCEL and OceanBase (Singapore).
- **Marketing Initiatives & Customer Engagement:** Hosted modern financial literacy study tours for students from 2 schools at BCEL Headquarters; conducted live lucky draws for the Mastercard Campaign 2025 and One Point rewards; sponsored the "Chess Koff Cafe Open Rapid Chess Tournament" organized by Vientiane Chess Academy; and hosted the "BCEL Exclusive Shopping Experience" for high-net-worth clients organized by Siam Piwat in Thailand.

General information and some key details of BCEL

- Location and networks: The Bank's Head Office is located on No.01, Pangkham Street, Ban XiengNheun, Chanthabouly District, Vientiane, Lao PDR. As of 30 September 2026, the Bank has 01 Head Office, 07 joint venture companies, 21 branches, 101 service units, and 9 Money Changers all over the Lao PDR
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Banque pour le Commerce Exterieur Lao Public (BCEL) operates as a public company and is listed on the Lao Securities Exchange. The bank was established in accordance with Decision on Bank Establishment No. 129/BOL dated 1 November 1989. On 23 December 2010, BCEL completed its initial public offering (IPO) and was renamed Banque Pour Le Commerce Exterieur Lao Public as per Enterprise Registration License No.0061/ERO dated 10 January 2011, issued by the Department of Enterprise Registration and Management, Ministry of Industry and Commerce of the Lao PDR. Initially, the Government, represented by the Ministry of Finance, held 80% of the total shares.

On 15 July 2011, the Ministry of Finance sold 10% of the total ordinary shares to its strategic partner named Compagnie Financière de la BRED (COFIBRED) which is a subsidiary of BRED, the largest banking society in the Banque Populaire Group of French group of cooperative banks.

In 2017, BCEL succeeded the recapitalization by public offering and right offering to the existing shareholders in accordance with a permission granted by the Lao Securities Commission Office on 17 August 2017. This made BCEL increase its registered capital in the amount of 355,728,500,000 LAK (71,145,700 shares) according to the certificate from the Lao Securities Exchange No. 01/LSX, dated 15 September 2017. Accordingly, the BCEL's registered capital was increased from 682,888 to 1,038,617 million LAK.

In order to develop BCEL further, the government has offered more room for the general public and investors to jointly own BCEL by reducing the government shares in BCEL and offering to the public and the existing shareholders. On 11 October 2019 the Lao Securities Commission Office granted a permission for this offering. On 29 November 2019, the Lao Securities Commission Office issued certificate endorsing the offering completion of 10% of BCEL's shares.

On 18 February 2025, the Lao Securities Exchange approved the change in par value of BCEL shares through a stock split at a ratio of 1:5, meaning the par value changed from 5,000 LAK/share to 1,000 LAK/share. This increased the number of BCEL shares from 207,723,300 shares to 1,038,616,500 shares, while maintaining the same registered capital. The purpose was to increase the liquidity of BCEL share trading on the Lao Securities Exchange and to make BCEL shares more accessible to investors at a lower price, while maintaining the same market capitalization and preserving the original shareholding proportions of all shareholders.

On 27 August 2025, The Lao Securities Commission Office granted a license to BCEL to offer shares to both the public and existing shareholders, amounting to 506,255,500 shares priced at 1,640 LAK each for existing shareholders and 1,730 LAK each for the general public. On 28 October 2025, BCEL successfully concluded the share offering, as confirmed by the Securities Commission Office, raising a total capital of 841,911,622,580 LAK, which led to an increase in registered capital of 506,255,500,000 LAK. Currently, BCEL's shareholder structure comprises of 60% government ownership, with domestic investors (including BCEL's employees) and foreign investors holding 30%, and BCEL's strategic partner holding 10%.

Registered Capital: The registered capital of BCEL as of 30 September 2026 is 1,544,872 million LAK (Not changed from 30 June 2026)

The organizational structure of the Board of Directors

The Board of Directors of BCEL, as of 30 September 2026, consists of 8 members as follows:



Chairman

Mr. Soulivath Souvannachoumkham



Vice Chairman

Mrs. Bounta Daravy

Directors



Mrs. Saysamone Chanthachack



Mr. Pasomphet Khantanh



Mr. Michael De CLERCQ

Independent Directors



Assoc.Prof. Thongpheth Chanthanivong



Mrs. Latdavanh Songvilay



Mr. Sonexay Silaphet

The organizational structure of the Board of Managment

The Board of Management of BCEL, as of 30 September 2026, consists of 7 members as follows:



Managing Directors

Mrs. Saysamone Chanthachack

Deputy Managing Directors



Mr. Nanthalath Keopaseuth



Mr. Kongsack Souphonesy



Mr. Nalin Silavongsith



Mrs. Bouaphayvanh Nandavong



Mrs. Phousengthong Anoulakkham



Mr. Saychit Simmavong

Operation of the Board of Directors during the 9-month period of 2026

During the 9-month period of 2026, the Board of Directors of BCEL held a total of 6 meetings (3 ordinary meetings and 3 extraordinary meetings), in which they acknowledged and approved various important contents as follows:

1. Acknowledged the business operation performance reports for the year 2025, Q1/2026, and up to August 2026.
2. Acknowledged the internal audit performance reports for the year 2025, Q1/2026, and Q3/2026.
3. Acknowledged the risk management and Basel II implementation performance reports for Q4/2025, the year 2025, Q1/2026, and Q3/2026.
4. Acknowledged the progress report on the implementation of International Financial Reporting Standards (IFRS) of BCEL for Q3/2026.
5. Approved the plan to hold the Annual General Meeting of Shareholders of BCEL for the year 2025.
6. Approved various plans to be submitted to the shareholders' meeting for consideration and approval:

- The business operation plan for the year 2026 and the revised business plan for the year 2026;
- The allocation plan for post-tax profits for the year 2025 to contribute to various reserves according to regulations, pay annual employee bonuses, and pay dividends to shareholders;
- The adjustment of the salary index value for BCEL employees;
- The amendments to the invitation letter documents for the 2025 Annual General Meeting of Shareholders.

7. Approved the performance evaluation results of the Board of Directors, Board members, and Board committees for the year 2025.
8. Approved the forms and evaluation methods for the Board of Directors, Board members, and Board committees for the year 2026.
9. Approved on a principle basis the amendments to BCEL's regulations.
10. Approved the audit results of BCEL's financial statements for the year 2025.
11. Approved on a principle basis the selection and appointment of independent auditors for the years 2026, 2027, and 2028.
12. Approved the pre-audit financial statement documents for 1st and 3rd Quarter for the year 2026.
13. Approved credit/corporate customer loan applications falling under the approval authority of the Board of Directors, totaling 16 cases.
14. Approved the Policy on Liquidity Risk Management of BCEL.
15. Approved the Policy on Market Risk Management of BCEL.
16. Approved the Outsourcing Policy of BCEL.
17. Approved the amendments to the Charter of the Board of Directors of BCEL.
18. Approved the Regulation on Procurement using BCEL's funds (No. 006/BCEL.2024).
19. Approved the amendments to the policy for employees on local field missions.
20. Approved asset appraisal companies having service contracts with BCEL and approved the addition of 1 external asset valuation company.
21. Approved the appointment and reshuffle of certain personnel.

Risk Management Committee

The Committee has closely monitored risk management work and the progress of the Basel II project. During the 9-month period of 2026, a total of 7 meetings were held to consider and approve important matters as follows:

- Regarding reporting and monitoring work:
  - Acknowledged the reports on the implementation of risk management and Basel II work for Q4/2025, Q1/2026, Q2/2026, and Q3/2026.
  - Acknowledged the report on Internal Capital Adequacy Assessment Process (ICAAP).
- Regarding resolution issuance and policy approval:
  - Approved the Liquidity Risk Management Policy and the Outsourcing Policy;
  - Issued resolutions approving 2 new risk management policies (in Q3).

Nomination & Remuneration Committee

The Committee has focused on studying and considering the human resource/workforce plan to continuously improve the job positions of BCEL. the 9-month period of 2026, 4 meetings were held, along with submitting proposals through the Committee 4 times to issue resolutions approving personnel appointment work and personnel policy work, with the following main objectives:

- Approved the proposals for appointment and assignment of job positions for certain personnel (according to the endorsing resolutions);
- Approved and implemented personnel policy work, including the amendment of BCEL's employee welfare regulations regarding the calculation of retirement lump-sum allowance policies for employees;
- Approved the amendments to the management regulations of BCEL's employee welfare reserve fund to align with the revised retirement lump-sum allowance policy and to conform with the management of the welfare reserve fund in the new period according to International Accounting Standards (IAS 19);
- Approved the adjustment of the salary index for BCEL employees to serve as a basis for submitting to the shareholders' meeting for consideration and approval.
- Approved the change of 2 designated staff members to be assigned to the executive management of BCEL's joint venture company.

Corporate Governance Committee

The Committee has closely monitored and directed BCEL's business operations. During the 9-month holding 4 meetings (ordinary and extraordinary) to consider the following key agendas:

1. Shareholders' Meeting Matters:

- Approved the following plans to organize the and proposals to be submitted to the AGM for consideration and approval:
  - The 2026 Business Plan and the revised 2026 Business Plan;
  - The 2025 Profit After Tax Allocation Plan (for allocation into statutory reserve funds, annual employee bonuses, and dividend payments to shareholders);
  - The revision of the salary index value for BCEL employees;
  - The revision of the invitation documents for the Annual General Meeting of Shareholders for the year 2025.

2. Financial and Business Operations:

- Acknowledged the Q1 and Q3 2026 business performance report and agreed to submit it to the Board of Directors.
- Approved the Q1 and Q3 2026 financial report (unaudited) and agreed to submit it to the Board of Directors.
- Acknowledged the business performance report as of August 2026.

Audit Committee

The Committee has regularly monitored and directed the internal audit activities of BCEL, holding discussions and approving the following key matters:

- Acknowledged the internal audit report and the follow-up on the resolution of audit findings for the year 2025 and Q1 and Q3 for the year 2026.
- Approved the unaudited financial statements for Q1/2026.
- Approved the revised Terms of Reference (TOR) for the audit of financial statements from 2026 onwards, with the following details:
- Agreed to conduct a bidding process to select and sign a contract with an independent auditor for a 3-year period (2026, 2027, and 2028) to ensure continuity.
- From 2026 onwards, agreed to suspend the preparation of 3 reports: the 6-month review report on financial statements in accordance with Lao Accounting Standards (LAS); the annual Operational Review Report; and the annual Loan Review Report.
- Approved the appointment of PwC as the independent auditor of BCEL for the years 2026, 2027, and 2028.

Corporate Social Responsibility

Alongside business operations, BCEL's management and employees have attached importance and actively contributed to social assistance work by utilizing modern technology and innovation potentials to assist in management in order to generate benefits for society without expecting returns, with the following outstanding achievements:

- "BCEL One Heart" digital social assistance project: Which is an easy-to-use, convenient, fast, and importantly, highly transparent system because every step of receiving and delivering donation funds can be audited, truly earning high trust from society.
  - Achievements in the during 9-month period of 2026: There were 27 projects opened for assistance, with a total of more than 7,000 donations made, and a total fundraising value of more than 586 million LAK.
- Direct social sponsorship and assistance: In addition to the One Heart project, BCEL has also provided direct social assistance in both cash and material equipment forms according to proposals from the public and private sectors, covering multiple fields such as supporting education and sports work, public health work, natural disaster relief work, promoting various important national festivals, and others, providing a total assistance of more than 2,700 million LAK during the said period.

Managing Director