

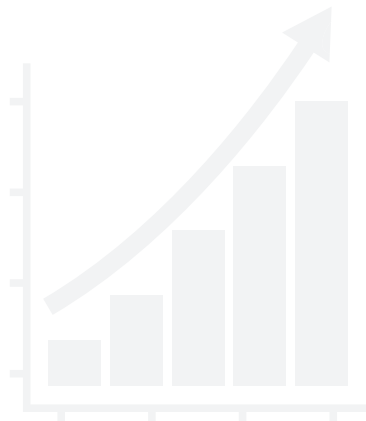


ທະນາຄານການຄ້າຕ່າງປະເທດລາວ ມະຫາຊົນ
BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



Report on BCEL's Business Performance

For The Six-Month Period ENDED
30 June 2023



I. Overview of BCEL

1. Vision

BCEL has revised its long-term strategy for 2021-2025, to align with the bank's development work plan and to attain its goals and objectives under the vision of "**Becoming a strong and modern bank that meets international standards**".

2. Mission

To achieve its vision of becoming a strong and modern bank that meets international standards, BCEL has the following key missions: developing strong corporate governance that adapts to the changing times; strengthening its financial stability and complying with Basel 2 principles; improving its IT system and technology for better banking services; managing its information system with accuracy, transparency, speed, and adherence to international standards; and enhancing its staff's expertise, customer experience, and shareholder sustainable value through human resource development that supports its new vision.

❖ Plans and Projects for 2023

In order to develop and achieve sustainable strength to become the leading bank in terms of modern and international banking practices in the Lao PDR. BCEL has determined its development strategies covering the directions, goals, and detailed implementation plans for the year 2023, which comprise 11 Plans, and 38 Projects as follows:

● Strategy 1: Organizational strengthening (5 Plans and 20 Projects)

- Financial Management and Sustainable Business Operation Enhancement: 5 projects;
- Credit Management: 5 projects.
- Empowerment and Effectiveness Enhancement of Human Resources: 4 projects.
- Create and Strengthen the Risk Management System and the Foundation of Anti-Money Laundering: 5 projects.
- Developing corporate governance in accordance with international Standards: 1 project.

● Strategy 2: Modernization, advanced technology, and innovation enhance the business operation. A step into the digital era of the economy (3 Plans and 13 Projects)

- Development and Management of the IT System: 6 projects.
- Management Information System and the Development and Modernization of the Statistic System to meet the international standard: 5 projects.
- Developing the products to transform the digital banking services: 2 projects.

- **Strategy 3: Strengthen the governance and the international standard services (3 Plans and 5 Projects)**
 - The Improvement of the Accounting System and the Reporting Standard: 3 projects.
 - The Improvement of the Audit System to meet the International Standards: 2 projects.
 - The Development of the PCI Compliance or Payment Card Industry Data Security Standard.

II. Financial Position and Highlights

1. Lao Macro-Economy and Trends in the Future

In the first six months of 2023, which marks the post-COVID-19 pandemic period, both the manufacturing and services sectors showed gradual growth, leading to a notable increase of the GDP by 4,8% (The National Assembly's Resolutions stipulated 4,5%). The International Monetary Fund (IMF) predicts that the Lao economy will continue to grow at a rate of 4%, while the World Bank and the Asian Development Bank estimate a growth rate of 3,8% and 4% respectively. Despite these positive trends, there are still uncertain and unpredictable factors that could affect the economy, including the conflicts leading to the increase of goods prices in the international market, and the depreciation of the Lao Kip. Furthermore, the country's efforts to substitute imports with domestic manufacturing are still inconsequential and pose a significant challenge to the sustained economic growth of Laos in the last six months of 2023.

1.1. Inflation

In June of 2023, the inflation rate skyrocketed to 28,64%, marking a significant increase from the previous year's June rate of 23,6%. On average, the inflation rate for the first six months of 2023 was a staggering 38,06%, which is a massive jump from the 11,4% recorded during the same period in 2022. The primary cause of this inflationary pressure can be attributed to the escalating prices of essential commodities, including food and non-alcoholic beverages, which rose by 49,1%. Additionally, the costs of health and medicine surged by 38,8%, while restaurant and hotel services increased by 35,2%, and telecommunication and transportation expenses rose by 33%. Home appliances also experienced a sharp increase of 32,9%, among other items. Furthermore, the depreciation of the Lao Kip currency played a significant role in contributing to this alarming inflation rate.¹

1.2. Exchange Rate

The exchange rate of the bank for USD in June 2023 averaged 18.539 LAK/USD, reflecting a notable 25,91% increase compared to the previous year's rate of 14.724 LAK/USD. Meanwhile, the exchange rate of the market stood at 19.578 LAK/USD on average, representing a 12,63% increase compared to the same period of the previous year's rate of 17.382 LAK/USD.

Furthermore, the exchange rate of THB was recorded at 551,45 LAK/THB on average for every commercial bank, which experienced an increase of 15,15% compared to the previous year's rate. On the other hand, the black market's THB rate was 567,14 LAK/THB, indicating a 12,36% increase (Source: Bank of the Lao PDR).

¹ Inflation Report of June 2023

Despite the internal and external factors contributing to the plummeting value of LAK, BOL remains committed to implementing strict monetary measures to mitigate the exchange rate in the last six months of 2023. Additionally, the government will apply regulated floating exchange rate measures to regulate the market rate more strictly.²

1.3. Import-Export and the Investment

The import and export market of Lao PDR for the first six months of 2023 is projected to experience a significant boost, with an expected growth of 7.546,04 million USD. This projection indicates that exports will account for 4.272,15 million USD, while imports will reach 3.273,89 million USD, resulting in a trade surplus of 998,26 million USD. The majority of exported products are electricity, bronze, gold plate, tapioca, paper, paper-made goods, salt, gold ore, and other commodities. Meanwhile, diesel, vehicles, appliances, electrical goods, and other products are the main imported products.³

2. Highlighted updates

During the first half of 2023, BCEL held several important meetings and events to discuss and review its business performance, financial reports, and strategic plans. The bank conducted 2 Business Performance Review Meetings, including the 2022 Business Performance Review Meeting and the 1st Quarter of the year 2023 Business Performance Review Meeting, where the BCEL management team participated. Additionally, BCEL held an Ordinary Board of Directors Meeting and the Annual General Meeting of the Shareholders for the year 2022, during which BCEL paid dividends of 100 LAK per share to its shareholders.

BCEL also participated in various meetings and events, including the meeting between the Bank of the Lao PDR and commercial banks, the Korea-Lao PDR cross-border payment service meeting, and the “Promote Local Currency Use in between-nations Trade and Investment” seminar.

In terms of financial reporting, BCEL has disclosed its financial reports in the IFRS standards for the year 2022 and for the first quarter of 2023, along with the annual report for the year 2022. The bank has also signed a contract with PwC, an external audit firm, for the year 2023.

BCEL has approved its business plan for the year 2023, which includes the classification of branches and service units, as well as the implementation of KPIs on branches and four divisions in the Head Office. Additionally, the bank has reviewed its Long-Term Strategic Plan 2021 – 2025 for the first two-year period (2021 – 2022) and made necessary adjustments.

Lastly, BCEL has successfully distributed the Bank of the Lao PDR’s bond of the 2nd Sale three times.

Systems development:

BCEL’s Loan Origination System has successfully gone live for its phase 1 development. BCEL has made significant improvements to its services, BCEL has developed and updated several important functions, such as a printing function for bank verification, an online new account

² Bank of Lao PDR Facebook Page, 26/06/2023

³ The implementation report of the National Socio-Economic Development Plan for the first six months of 2023 and the direction plan for the last six months of 2023

opening form, developing a new system to collect the employee's information, and Fast Track function.

However, the most notable development is the updates made to BCEL One. BCEL has introduced several new functions to BCEL One, including Tipme, a feature that allows users to tip others, similar to a customer tipping a waiter in a restaurant. Moreover, BCEL One now offers a currency trading platform, allowing users to trade currencies with ease. In addition, BCEL One has also introduced a feature that enables users to book and purchase BOL's bonds seamlessly.

To make its services more accessible to a wider audience, BCEL has also enhanced its network by enabling customers to transfer CNY to WeChat via BCEL One. The bank also upgraded its OneCash e-wallet, making it available for international tourists.

Furthermore, BCEL has implemented an online service queue feature, introduced M-Loan, enabling customers to get loans on BCEL One, and has introduced a new E-sticker for Road Tax.

Service networks:

BCEL has expanded its service networks by opening the Lao-Bao Border Check Point Service Unit in Savannakhet Branch, updated and renamed the Vientiane Branch's Thongpong Service Unit to the Vehicle Registration and Driving License Service Unit. Furthermore, the Champasak Branch's Nakasang Service Unit has been renamed to Meuang Khong Service Unit. In response to customer demand, BCEL has reopened four money exchange units on Saturdays and Sundays. These units include Bokeo Branch's Money Exchange Unit, the Fourth Thai-Lao Friendship Bridge Money Exchange Unit, Luangnamtha Branch's Money Exchange Unit, and Champasak Branch's Money Exchange Unit.

Organizational Structure:

BCEL has recently conducted a revision of the organizational structure within the Marketing and Private Banking Division in order to better align with the current market conditions. As part of this effort, BCEL has created 2 new Marketing Units specifically designed for the Luangprabang Branch and Vangvieng Branch.

Cooperations: BCEL has successfully entered into cooperative agreements with various entities, which include the National University of Laos and the Banking Institute for the issuance of student cards. Furthermore, the bank has collaborated with the Lao-China Railway to provide online ticketing on the LCR application, with settlements made via BCEL One. In addition, the bank has partnered with Prudential Laos to offer online purchase of life insurance on BCEL One. BCEL has also formed a strategic alliance with Tencent from China for the fund transfer service from BCEL One to WeChat. Moreover, the bank has joined with KEB Hana Bank from South Korea to enable payments on the GLN system by scanning QR codes via BCEL's OnePay, as well as TOSS, KAKAO, and KB applications.

Marketing:

BCEL has recently implemented various marketing campaigns to boost sales. Among these campaigns were the 33% Discount VISA Campaign where 33 merchants participated, the Valentine's Day Promotion “ຝາກເງິນຝາກໃຈໄວ້ກັບ BCEL” (Deposit Heart Deposit Money with

BCEL), and a campaign to promote tourism by encouraging the use of VISA cards. Customers who made payments using VISA cards at participating merchants received a discount.

Another campaign was the Easy Sell Easy Buy promotion, which rewarded customers who paid via OnePay with a total of 200 million LAK. This campaign was available for OnePay's merchants and customers. BCEL also launched a BCEL One phone top-up campaign, with a total reward value of 465 million LAK, for prepaid phones of Laotelecom and T Plus.

To further boost the use of MasterCard, BCEL launched the “ຊື້ອາບ ຜົນ ທ່ຽວ Fun” campaign. Additionally, BCEL's OnePay cashback promotion at D-Mart rewarded customers with a 10% cashback on their receipt when paying via OnePay.

Apart from these marketing campaigns, BCEL also conducted roadshows at several festivals and provided site services for changing QR code stickers for merchants from old QR codes to Lao QR codes. These efforts were recognized when BCEL was awarded the Lao Business Leader Award 2022 by the Lao National Chamber of Commerce and Industry.

3. Financial Highlights

During the first half of 2023, BCEL encountered several difficulties and challenges stemming from volatile regional and global economic conditions, inflation, and debt. Although there have been promising signs of business recovery in Laos, the pace of restoration has been sluggish due to numerous obstacles such as inflation, fluctuating exchange rates, oil prices, soaring national debt, dwindling reserves, and a weak manufacturing sector. These factors pose significant challenges to the country's economy. Despite these challenges, our management team is closely monitoring BCEL's performance and has gradually improved it, as evidenced by the consistently positive financial highlights. As of the second quarter of 2023, BCEL's financial highlights are as follows:

- Assets/Liabilities: 111.241.132 million LAK, surpassed the 2023 annual plan by 11,83% and registered an increase of 31,73% compared to the same period last year.
- Loans: 46.309.964 million LAK, achieved 92,53% of the 2023 annual plan and displayed a growth of 20,37% compared to the same period of last year.
- NPL rate: 3,02%.
- Deposits: 101.134.205 million LAK, exceeded the 2023 annual plan by 11,14% and increased by 32,21% compared to the same period of last year.
- Capital: 2.454.072 million LAK, attained 89,56% of the 2023 annual plan and increased by 15,89% compared to the same period of last year.
- Profit/(Loss) Before Tax: 142.694 million LAK, achieved 57,08% of the 2023 annual plan and showcased a remarkable growth compared to the same period of the last year.
- Profit/(Loss) After Tax: 102.022 million LAK, surpassed 51,01% of the 2023 annual plan and displayed an exceptional growth compared to the same period of the last year.

III. Overview of BCEL

- **Locations and networks**

The Bank's Head Office is located on No.01, Pangkham Street, Ban XiengNheun, Chanthabouly District, Vientiane, Lao PDR. As of 30 June 2023, the Bank has 1 Head Office, 6 joint ventures, 20 branches, 98 service units, and 11 exchange units all over the Lao PDR.

Contact

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- Website: www.bcel.com.la

- **History of BCEL**

Banque pour le Commerce Exterieur Lao Public is operating in the form of a public company and is listed in the Lao Securities Exchange.

BCEL) was established in accordance with the Decision on Bank Establishment No. 129/BOL dated 01 November 1989. On 23 December 2010, BCEL accomplished IPO and renamed to Banque Pour Le Commerce Exterieur Lao Public according to the 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. The Ministry of Finance representing the Government 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—a French group of cooperative banks.

On 17 August 2017, BCEL succeeded the recapitalization by public offering and right offering to the existing shareholders. BCEL operated under the new Decision no. 21/BOL dated 13 September 2017 issued by Bank of Lao PDR. On 15 September 2017, Lao Securities Exchange certified that BCEL increased its registered capital in the amount of 355.728.500.000 LAK (71.145.700 shares) according to certificate No. 01/LSX dated 15 September 2017. At that time, BCEL also had received the new amended Business License no. 0429 dated 18 May 2018 issued by the Ministry of Industry & Commerce.

On 11 October 2019, the Lao Securities Commission Office granted BCEL permission for restructuring BCEL's shareholders structure by offering more room to the public and the existing shareholders. The purpose of the restructuring aimed to diversify the shareholders, growth, and stability strengthening. On 29 November 2019, the Lao Securities Commission Office issued a certificate endorsing the offering completion of 10% of BCEL's shares.

At present, BCEL's shareholder structure consists of 60% held by the government, domestic investors (including BCEL's employees), 30% held by foreign investors, and 10% held by BCEL's strategic partner.

The main activities of BCEL are to provide banking services including fund mobilization and deposit-taking for short-term, medium-term, and long-term organizations and individuals. The bank also provides loans for short-term, medium-term, and long-term to business units and individuals based on the loan purposes and the capability of the bank in lending; foreign exchange transactions, payment services, international trade services, bank guarantee services, precious metal trading and other banking services allowed by the Bank of the Lao PDR such as insurance broker service.

Registered Capital

The registered capital of BCEL as of 30 June 2023 is 1.038.617 million LAK (31 December 2022: 1.038.617 million LAK)

IV. The organizational structure of the Board of Directors, Management, and the operations of the committees supervised by the Board of Directors

1. The Structure and Profiles of the Board of Directors

1.1. The Board of Directors of BCEL

The Board of Directors of BCEL, as of 30 June 2023, consists of 9 members as follows:

Name and surname	Position	Date of designation
Mr. Bounpone Vannachith	Chairman	27 th April 2023
Mr. Kamsouk Sundara	Independent member, Vice Chairman, Acting Chairman	29 th October 2021 (reappointed)
Mme. Saysamone Chanthachack	Member	22 nd November 2022
Mr. Stephane Mangiavacca	Member	29 th May 2020
Mr. Pasomphet Khamtanh	Member	3 rd August 2021
A./Prof Mr. Thongphet Chanthanivong	Independent member	3 rd August 2021
Mrs. Latdavanh Songvilay	Independent member	3 rd August 2021
Mr. Sonexay Silaphet	Independent member	3 rd August 2021
Mr. Viengsouk Chounthavong	Member	27 th April 2018

1.2.The Profiles of the Board of Directors



Bounpone VANNACHITH **Chairman**

Personal Information:

Date of Birth: 14 April 1959

Nationality: Lao

Language: English and Vietnamese

Designation: Vice Minister of Finance

Education Background:

2012: Master's Degree in Economics (Economic Management), National Academy of Political and Public Administration

2010: Bachelor's Degree in Economics (Economic Management), National Academy of Political and Public Administration

1998: Higher Diploma in Economics (Economic Management), National Academy of Political and Public Administration

Professional Experience:

02/04/2021 - present: Deputy Minister of Finance

2016-2021: Vice Chairman of the State Audit Organization

2010-2016: Vice Chairman of National Economy Development Committee, Prime Minister's Office

2005-2010: Vice Governor of Oudomxay Province

1999-2005: Chief of the Provincial Finance Office, Oudomxay Province

1995-1998: Deputy Chief of the Provincial Planning-Cooperation Office, Oudomxay Province

1989-1995: Head of the Finance Office of Meuang Houn District, Oudomxay Province

1985-1988: Deputy Head of the Economic Planning & Finance Office of Meuang Houn District, Oudomxay Province

1984-1985: Head of the Statistical Planning Office of Meuang Houn District, Oudomxay Province

1981-1984: Officer of the Statistical Planning Office of Meuang Houn, Oudomxay Province

1976 -1981: Soldier in the 28th Battalion and the 63th Office.



Khamsouk SUNDARA

Vice Chairman

Personal Information:

Date of Birth: 03 June 1945

Nationality: Lao

Language: Lao, English, and French

Designation: Independent Director

Education Background:

1993: George Town University (pew Fellowship Program) Washington D.C, United States of America.

1985: Indian Institute for Bank Management, Puna, India

1974: International Training Center, Nagoya, Japan.

1972: Trained in Economics Areas at the UN Institute of Economic Management in Bangkok, Thailand.

1969: Graduated from High School and University in Australia (Bachelor of Arts from the University of New South Wales)

Professional Experience:

2005: Finance and Banking Advisor at Lane Xang Minerals Limited (Subsidiary of Oxiana Group, Melbourne, Australia).

1995–1996: Advisor to the Executive Director of South East Asia constituency of the IMF, Washington D.C.

1997–2005: Bank of the Lao PDR (BOL).

1990–1994: Bank of the Lao PDR (BOL).

1976–1989 : worked at Banque Pour Le Commerce Exterieur Lao (BCEL).

1970–1975: worked at Banque de Development du Laos (BDL).



Saysamone Chanthachack
Director

Personal Information:

Date of birth: 15/03/1969

Nationality: Lao

Language: Lao, English

Designation: Managing Director of BCEL

Education Background:

Higher Diploma of Politics Course.

2007: International Master of Business Administration, Flinders University, Australia.

1998: Master of Public Policy, Graduate School of Policy Science, Saitama University, Japan.

1993: Master of Economics, Kuban State University, Russia.

Professional Experience:

08/2022–Present : Managing Director, Banque Pour Le Commerce Exterieur Lao Public.

09/2021–08/2022: Chief Executive Officer, Lao Securities Exchange.

2015: Director General, Lao Securities Commission Office, Bank of the Lao PDR.

04/2010: Deputy Director General, Lao Securities Commission Office, Bank of the Lao PDR.

2009: Deputy Director General, Monetary Policy Department, Bank of the Lao PDR.

1993–1997: Officer, Monetary Policy Department, Bank of the Lao PDR.



Stephane MANGIAVACCA

Director

Personal Information:

Date of Birth: 11 July 1975

Nationality: French

Languages: French, English, Spanish, Chinese, and Japanese

Education Background:

1996 – 1999: Ecole Nationale Supérieure des Mines de Saint-Etienne,

- Engineering Diploma with honors
- Joined an exchange program in Environmental Engineering, University of New Brunswick in Canada
- Undergraduate and graduate classes in Economics

Professional Experience:

01/2020 – present: Head of International, BRED Banque Populaire, France

2009 – 2010: Chief Risk & Compliance Officer, BRED Banque Populaire, France

2001 – 2009: Executive at Central Audit, Banque Populaire - Natixis - Coface (now BPCE GROUP), France

1999 – 2001: French Trade Commission, French Ministry of Economy and Finance, Guangzhou, China

1999: Intern, EDF, French Company of Electricity, Lyon, France

1998: Intern, The Yokohama Rubber Company, Hiratsuka, Japan

1997: Intern, Pechiney-Aluminium, Issoire, France



Pasomphet Khamtanh
Director

Personal Information:

Date of Birth: 25 May 1970

Nationality: Lao

Languages: English

Designation: Deputy Director General, Department of State-Owned Enterprises Reform and Insurance, Ministry of Finance.

Education Background:

2001-2003: Master's Degree in Economics and Business from Kyung Hee University in South Korea.

1987-1993: Bachelor's Degree in Machinery Management from Technical College, Laos.

Professional Experience:

08/2000-Present: Deputy Director General, Department of State-Owned Enterprises Reform and Insurance, Ministry of Finance.

2016-2020: Deputy Director General of Fiscal Policy and Legal Department, Ministry of Finance.

2013-2016: Chief of External Finance and Debt Management Department Division.

2009-2013: Chief of the Projects Chief of External Finance and Debt Management Department Division.

2007-2008: Deputy Division of Finance Statistics, Fiscal Policy Department, Ministry of Finance.

1998-2007: Staff of Budget Department, Ministry of Finance.

1994-1998: Staff of External Finance Department, Ministry of Finance.



Thongpheth Chanthanivong

Independent Director

Personal Information:

Date of Birth: 20 April 1962

Nationality: Lao

Languages: Lao, English

Designation: Deputy Dean of the Faculty of Economics and Business Administration, National University of Laos.

Education Background:

2018-2021: Ph.D. Candidate (Accountancy), 2021, Siphatham University, Thailand.

2019: Received CPA Certificate

1998-2000: International Business Management), at De Mons University in Belgium.

1998-2000: Master in Business Administration at AIT University in Thailand.

1996-1997: Bachelor's Degree in Business Administration, the Co-project between National Politics School and AIT University in Thailand.

1981-1985: Bachelor of Science (Mathematics and

Professional Experience:

- Vice-Dean, Faculty of Economics and Business Management (Responsible for PostGraduate Program), National University of Laos.
- Associate Professor in Business Administration (2006).
- Chairman of CPA's Curriculum, Lao Chamber of Professional Accountants, and Auditors.
- Member of Lao Chamber of Professional Accountants and Auditors Board Committees.
- Member of Lao Telecom Company's Board Committees.
- Member of Lao's Accounting System Improvement (Ministry of Finance)
- Teacher of Masters's and Bachelor's courses in the subjects: Business, Accounting, Finance and Banking, and Economics at the National University of Laos.
- Guest speakers for the MBA course at Khonekhane University, Thailand.
- Trainer on IFRS and AIS



Latdavanh Songvilay
Independent Director

Personal Information:

Date of birth: 27/04/1982

Nationality. : Lao

Language: English

Position: Acting Director General of Macroeconomic Research Institute (MRI) of Lao Academy of Social and Economic Sciences (LASES)

Education Background:

2008–2009: Master of Public Policy from the National Graduate Institute for Policy Studies (GRIPS), Japan;

2000–2005: Bachelor’s degree in Economics, National University of Laos;

2004: Exchange student course, National University of Singapore, Singapore.

Professional Experience:

2020-Present: Acting Director General of Macroeconomic Research Institute of Lao Academy of Social and Economic Sciences

2019–2020: Acting Director General of the Center for Macroeconomic and Economic Restructuring of the National Institute of Economic Research

2016–2019: Deputy Director General of the Center for Macroeconomic and Economic Restructuring of the National Institute of Economic Research

2015–2016: Chief of Division in National Economic Research Institute of the Ministry of Planning and Investment

2011–2015: Deputy Chief of Division in National Economic Research Institute of Ministry of Planning and Investment

2005–2011: Research Assistant at the National Economic Research Institute of the Ministry of Planning and Investment



Sonexay Silaphet

Independent Director

Personal Information:

Date of birth: 01/01/1977

Nationality: Lao

Language: English

Position: President of Lao Chamber of Professional Accountants and Auditors (LCPAA)

Education Background:

2017–2021: Doctor of Philosophy Ph.D. Accountancy, Sripatum University, Thailand;

2013–2014: Master's degree in finance, Santapol Technology College;

1995–2000: Bachelor's degree in business administration, Comcenter College;

1995–1998: Higher diploma in accounting, Pakpasak Technical College;

06/2016: Member of CPA Australia;

2018: Member of LCPAA;

1999–2000: Member of Lao Institute of Chartered Public Accountants (LICPA).

Professional Experience:

05/2022–Present: President of Lao Chamber of Professional Accountants and Auditors (LCPAA)

2015–05/2022: Vice-President of Lao Chamber of Professional Accountants and Auditors (LCPAA)

01/2016–12/2017: Vice President of ASEAN Federation of Accountants (AFA)

01/2014–12/2015: Vice President of ASEAN Federation of Accountants (AFA)

07/2011–09/2014: Director of Ernst & Young Lao Limited

07/2008–06/2011: Senior Audit Manager of Ernst & Young Lao Limited

08/2007–06/2008: Audit Manager of Ernst & Young Lao Limited

05/2004–08/2007: Audit Manager of PricewaterhouseCoopers (Lao) Ltd

2002–05/2004: Experienced Senior Auditor of PricewaterhouseCoopers (Lao) Ltd

2000–2001: Senior Auditor of PricewaterhouseCoopers (Lao) Ltd

1998–1999: Auditor of PricewaterhouseCoopers (Lao) Ltd



Viengsouk Chounthavong

Director

Personal Information:

Date of Birth: 15 August 1964

Nationality: Lao

Languages: Lao, English, and Czech

Designation: BCEL Deputy Managing Director

Education Background:

2007: 45 days Political Theory Course, Politics and Administration School

1982-1989: Master's Degree in Economics and Commerce, Czech Republic.

Professional Experience:

2019-Present: Deputy Managing Director of BCEL

2015 - 2019: Chief of Credit Administration Division, BCEL

2013–2015: Branch Manager of BCEL's Champasack Branch

2011–2013: Branch Manager of BCEL's Salavanh Branch

2010–2011: Acting Branch Manager of BCEL's Salavanh Branch

2007–2010: Acting Branch Manager of BCEL's Champasack Branch

2005–2007: Acting Deputy Branch Manager of BCEL's Champasack Branch

2003–2005: Chief of Credit Section, BCEL's Champasack Branch

2001–2002: Head of Service Division, BCEL's Champasack Branch

1996–2000: Staff of Credit Division, BCEL's Champasack Branch.

2. The Management Team

2.1. The Board of Management

The Board of Management of BCEL, as of 30 June 2023, consists of 6 members as follows:

Name and Surname	Position	Date of Designation
Mme. Saysamone Chanthachack	Managing Director	1 st August 2022
Mr. Nanthalath Keopaseuth	Deputy Director	30 th September 2014
Mr. Kongasack Souphonesy	Deputy Director	1 st May 2021
Mr. Viengsouk Chounthavong	Deputy Director	18 th February 2019
Mrs. Bouaphayvanh Nandavong	Deputy Director	1 st May 2021
Mr. Saychit Simmavong	Deputy Director	1 st May 2021

2.2. Biography of the Management Team



Saysamone Chanthachack **Director**

Personal Information:

Date of birth: 15/03/1969

Nationality: Lao

Language: Lao, English

Designation: Managing Director of BCEL

Education Background:

Higher Diploma of Politics Course.

2007: International Master of Business Administration, Flinders University, Australia.

1998: Master of Public Policy, Graduate School of Policy Science, Saitama University, Japan.

1993: Master of Economics, Kuban State University, Russia.

Professional Experience:

08/2022–Present : Managing Director, Banque Pour Le Commerce Exterieur Lao Public.

09/2021–08/2022: Chief Executive Officer, Lao Securities Exchange.

2015: Director General, Lao Securities Commission Office, Bank of the Lao PDR.

04/2010: Deputy Director General, Lao Securities Commission Office, Bank of the Lao PDR.

2009: Deputy Director General, Monetary Policy Department, Bank of the Lao PDR.

1993–1997: Officer, Monetary Policy Department, Bank of the Lao PDR.



Nanthalath Keopaseuth
Deputy Director

Personal Information:

Date of birth: 16/08/1978

Nationality: Lao

Language: Lao, English, and Chinese

Designation: Deputy Director of BCEL

Education Background:

2008–2010: Masters's Degree in International Trade Policy from the United States of America.

2005–2006: Certificate in International Trade from Australia,

2004–2004: Enrolled in English Training Course from Vientiane College, Lao PDR

1996–2000: Bachelor's Degree in English, National University of Laos.

Professional Experience:

2014–Present: BCEL Deputy Managing Director

2012–2014: Chief of Electronic Banking and Card Service Center.

2010–2012: Acting Chief of Electronic Banking and Card Service Center.

2007–2008: Acting Deputy Chief of Electronic Banking and Card Service Center.

2001–2003: Technical staff at International Remittance.

200–2001: Technical staff of Accounting Division.

2000–2001: Technical staff of Operation Center.



Kongsack SOUPHONESY
Deputy Director

Personal Information:

Date of Birth : 12/11/1977

Nationality : Lao

Language : Lao, English

Designation : BCEL Deputy Managing Director

Education Background:

2021 : Master's Degree in Financial Management, National University of Laos **Professional**

2018 : A Higher Diploma in Political Theory and Public Administration, Vientiane Capital's
School of Politics and Public Administration;

Experience:

2021-Present : Deputy Managing Director of BCEL

03/09/2018 : Chief of Internal Audit Division, BCEL Head Office

2016-2018 : Attend Political Course at Vientiane Capital Politics and Administration
Institution.

27/10/2014 : Chief of Luangnamtha Branch

29/04/2013 : Chief of Huaphan Branch

12/05/2010 : Chief of Huaphan Branch

20/05/2008 : Acting Deputy Chief of Huaphan Branch

13/12/2007 : Chief of Credit Section of Oudomxay Branch

2005-2007 : Acting Chief of Credit Section of Oudomxay Branch

26/05/2000 : Staff of BCEL's Oudomxay Branch



Viengsouk Chounthavong

Deputy Director

Personal Information:

Date of Birth: 15 August 1964

Nationality: Lao

Languages: Lao, English, and Czech

Designation: BCEL Deputy Managing Director

Education Background:

2007: 45 days Political Theory Course, Politics and Administration School

1982-1989: Master's Degree in Economics and Commerce, Czech Republic.

Professional Experience:

2019-Present: Deputy Managing Director of BCEL

2015 - 2019: Chief of Credit Administration Division, BCEL

2013–2015: Branch Manager of BCEL's Champasack Branch

2011–2013: Branch Manager of BCEL's Salavanh Branch

2010–2011: Acting Branch Manager of BCEL's Salavanh Branch

2007–2010: Acting Branch Manager of BCEL's Champasack Branch

2005–2007: Acting Deputy Branch Manager of BCEL's Champasack Branch

2003–2005: Chief of Credit Section, BCEL's Champasack Branch

2001–2002: Head of Service Division, BCEL's Champasack Branch

1996–2000: Staff of Credit Division, BCEL's Champasack Branch.



Bouaphayvanh Nandavong
Deputy Director

Personal Information:

Date of Birth : 26/11/1971

Nationality : Lao

Language : Lao, English

Designation : BCEL Deputy Managing Director

Education Background:

2014 : Master Degree in Economy Management from National Politics and Administration Institution

Professional Experience:

2021-Present : Deputy Managing Director of BCEL

1/1/2019-2021 : Chief of Human Resources Division

2018-2019 : Acting Chief of Human Resources Division

2015-2018 : Deputy Chief of Human Resources Division

2013-2015 : Deputy Chief of Vientiane Branch

2011-2013 : Deputy Chief of Human Resources Division

1997-2009 : Staff of Human Resources Division, Head Office

1994-1997 : Staff of Admin-Finance Division

1993-1994 : Staff of BCEL's Morning Market Service Unit



Saychit Simmavong

Deputy Director

Personal Information:

Date of Birth : 11/02/1972

Nationality : Lao

Language : Lao, Englis, French

Designation : BCEL Deputy Managing Director

Education Background:

2014: Master's Degree in Economy Management from the National Politics and Administration Institution.

Professional Experience:

2021-Present : Deputy Managing Director of BCEL

08/01/2018 : Chief of Admin-Finance Division

27/10/2014 : Acting Chief of Admin-Finance Division

2013-2014 : Deputy Chief of Admin-Finance Division

2007-2013 : Chief of General Administration Section, Admin-Finance Division

2000-2006 : Chief of Cheque Collection Unit, Treasury and International Service Division

1999-2000 : Chief of Sihom joint Money Exchange Unit, Service Center

1988-1999 : Chief of Money Exchange Unit at Friendship Bridge, Service Center

10/09/1995 : Staff of BCEL Head Office

3. Operation of the Board of Directors and the Committees of the Board of Directors

3.1. The meetings of the Board of Directors

During the first six months of 2023, the Board of Directors held 1 Ordinary Meeting and approved some of the matters via circular letters which are as follows.

- Resolved to approve the audit result of the financial report of the year 2022 in order to propose to the shareholders' meeting for approval;
- Determined the book closure date to determine the right of the shareholder to participate in the AGM of the Shareholders 2022;
- Approved the book closure date to determine the right of the shareholders to receive the payment of the dividends;
- Approved the agendas in the AGM of the Shareholders 2022;
- Approved the allocation of profits for the year 2022 in order to propose to the shareholders' meeting for approval;
- Approved the appointment of the Chairman of BCEL's Board of Directors in order to propose to the shareholders' meeting for approval;
- Approved the business plan for the year 2023 in order to propose to the shareholders' meeting for approval;
- Approved the selection of the independent audit firm for the year 2023 in order to propose to the shareholders' meeting for approval;
- Approved the repositioning of some officers within the Divisions and Branches;
- Approved loan applications under the approval authority of the Board of Directors for customers.

3.2. Risk Management Committee

The committee has paid attention to supervising the research and development of the regulations and policies on risk management. The committee also approved the policies and regulations related to risk management and followed up on the implementation of the Basel 2 project which has been implemented since 2018. The Committee has held the meeting as regular practice as stipulated in the regulation. In 1H2023, the Committee held 1 meeting with the following matters were discussed:

- Acknowledged the report on the implementation of risk management and the Basel 2 project;
- Agreed on the working process for making requests. In case of an urgent request, such a request can be made via a circular letter.
- Issued 9 documents of risk management (8 policies and 1 guideline), updated the operational risk process for the Basel 2 project, which involved enhancing the operation loss report to ensure better project operation, and succeeded in conducting the stress test that identified risky factors that could potentially impact BCEL's profits.

3.3.Nomination & Remuneration Committee

The Committee worked closely on the selection of high-ranking officers and executives and the organizational structure of BCEL's management from time to time. Moreover, the Committee worked on the amendment of the salary and remuneration of BCEL's employees from the working level to the C-level in accordance with BCEL's policies and with the aim of serving the best interests of BCEL and its shareholders.

3.4.Corporate Governance Committee

The Committee worked closely on maintaining the business performance of BCEL, especially loan customers expansion, solving NPL, and the treasury from time to time. Besides, the Committee has followed up on the performance of the bank, the implementation of the annual plan, the long-term strategic plans, working plans, and projects. The Committee also worked on human resource development. In 1H2023, the Committee opened 1 meeting with the following matters:

- Acknowledged the report of the business performance for the year 2022, and the report of the business performance for 1Q2023 and 2Q2023;
- Approved the business performance plan for the year 2023 in order to report to the Board of Directors;
- Approved the plan for organizing the BOD's meeting and the Shareholder's meeting in order to report to the Board of Directors.

3.5.Audit Committee

Audit Committee supervised the area of internal audit and policymaking regarding the internal audit, the selection of an independent audit firm, and the coordination with the authorized and state auditors. The Committee also worked closely on resolving the audit findings and the recommendation of the auditor. The Committee pushed BCEL complying its accounting system along with the determined principle and regularly monitored the disclosure in accordance with the regulation of disclosure. The Committee held regular meetings as stipulated in BCEL's regulation. In 1H2023, the Committee held 1 meeting and discussed the following matters:

- Acknowledged the financial reports: the 2022 financial report (pre-audit), the Divisions and Branches' account audit report, the report on the implementation of the IFRS, the disclosure, and the 2022 report of the internal audit.
- Approved, in principle, the allocation of the profits for the year 2022 which will be divided by 100 LAK/share. The preliminary agreement will be proposed to BOL regarding the execution and will be proposed in the BOD's meeting and the Shareholder's meeting.
- Approved, in principle, the selection of PwC as an independent auditor of BCEL for the year 2023 in order to report to the BOD's meeting and the Shareholder's meeting.
- During the first six-month 2023, the Internal Audit conducted common audits on 43 parties across the Divisions, Centers, Branches, Sections, and Service Units; 59 urgent audits on the Section and Service Unit parties; 1 on command audit; 2 spot check audits; and 1 specific audit.

V. Corporate Social Responsibility

1. Tax payment

In the first six months of 2023, BCEL paid tax in the total amount of 39.319 million LAK by the following details.

	Description	1H2023	2022
1	Profit Tax	21.605,70	5.719,72
2	Value Added Tax	978,45	3.813,74
3	Salary Tax	16.201,88	23.123,86
4	Consumption Tax	-	-
5	Withholding Tax	445,33	755,72
6	Other taxes	87,71	6.998,84
Total		39.319,08	40.411,88

2. Corporate Social Responsibility

BCEL's management and staff have made significant contributions to Corporate Social Responsibility (CSR), which is a fundamental element of BCEL's core values, in addition to business operations and other tasks.

BCEL's potential in technology and advancements has been utilized to develop a CSR product called "BCEL OneHeart", an intermediary platform for donations that supports both donors and recipients. In 1H2023, 4 projects were implemented, including the Fund-Raising Project to support the construction of students' dormitories at the Elementary and Secondary School of Phuhuad, Nga District, Oudomxay Province; the 20.000 LAK for Children project; fundraising to support Tou Bia, the victim of a house fire incident; and the school renovation and construction project in Thamdeng Village, Kaleum District, Sekong Province. The platform received a total of 1.981 donations valued at 103,14 million LAK.

Furthermore, BCEL has been supporting various areas in society, such as education, sports, healthcare, victims of natural disasters, and special national events, through the provision of cash and materials. In 1H2023, BCEL's support reached 65 events, with a total amount of 924,21 million LAK. BCEL's commitment to CSR demonstrates its dedication to making a positive impact on society and contributing to the betterment of people's lives.

Managing Director



Saysamone CHANTHACHACK