

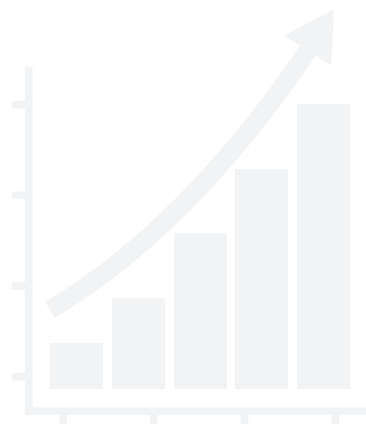


ທະນາຄານການຄ້າຕ່າງປະເທດລາວ ມະຫາຊົນ
BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



Report on BCEL's Business Performance

Financial Statement for the Three-Month
Period of Quarter III
Ended 30 September 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

BCEL's vision is to become a strong and modern bank that meets international standards. To achieve this vision, BCEL has the following key missions: to develop strong corporate governance that adapts to the changing times; to strengthen its financial stability and comply with Basel 2 principles; to improve its IT system and technology for better banking services; to manage its information system with accuracy, transparency, speed, and adherence to international standards; and to enhance 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 its pursuit to evolve and maintain sustainable growth, with the aim of becoming a leading bank that adheres to modern and international banking practices within the Lao PDR, BCEL has outlined its development strategies for the year 2023. These strategies encompass the directions, objectives, and detailed implementation plans, which are organized into 11 distinct Plans and 38 specific Projects.

- **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 nine months of 2023, the Lao economy saw a growth in its Gross Domestic Product (GDP) at a rate of 4,4% (with Q1 at 4,8%, Q2 at 4,5%, and Q3 at 3,8%). The GDP for the entire year of 2023 is projected to grow at a rate of 4,2%, which falls short of the anticipated rate of 4,5% as outlined in the National Assembly's resolutions.

Several respected organizations have offered their predictions for Laos' economic growth. The International Monetary Fund projects a growth rate of 4%, the World Bank estimates a rate of 3,8%, and the Asian Development Bank anticipates a 4% growth rate.

However, there are several factors that contribute to the uncertainty surrounding Laos' economic growth. These include the soaring inflation rate, the fallout from the conflict between Russia and Ukraine, and the economic recovery from the Covid-19 pandemic. These challenging factors continue to apply downward pressure on growth, making it difficult to reach the targets set by the National Assembly.

Despite these challenges, there are still positive developments. The country's openness has attracted more tourists, and there appears to be a surge in agricultural production, as well as in the export of minerals and ores such as Potassium. Notable improvements in the transportation ecosystem, including the Laos-China railway and cross-border transportation and logistics, are also contributing to economic growth. These factors are expected to draw more foreign currency into the country than in the previous year, thereby contributing to economic growth.

1.1. Inflation

In the nine months of 2023, the overall inflation rate reached 33,7%, a significant increase from the 17,7% recorded in September 2022. The most substantial inflation was observed in the food and non-alcoholic beverages sector, which saw a rise of 42,8%. This was closely followed by the restaurants and hotels sector, which experienced an increase of 34,5%.

Health and medicine products weren't far behind, with an inflation rate of 31,9%. Home appliances saw a rise of 29,8%, while the communication and transportation sector experienced an increase of 27,1%. Clothing prices inflated by 26,3%, and the cost of alcohol



and cigarettes rose by 24,5%. Lastly, housing, water supply, electricity, and cooking gas saw an increase of 21,8%.¹

The continuous upward trend in the prices of commodities and services is a clear indication of the persistent inflationary pressures.

1.2. Exchange Rate

In September 2023, the average exchange rate for USD in banks was recorded at 20.001 LAK/USD, marking a significant increase of 25,29% compared to the previous year's rate of 15.964 LAK/USD. Concurrently, the market's average exchange rate stood at 22.565 LAK/USD, reflecting a 23,22% increase from the previous year's rate of 18.313 LAK/USD.

The THB exchange rate followed a similar trend. Commercial banks recorded an average rate of 594,43 LAK/THB, a 26,91% increase from the previous year. Meanwhile, the black market's THB rate averaged at 638,81 LAK/THB, indicating a 28,11% increase (Source: Bank of the Lao PDR).

Despite the challenges posed by both internal and external factors leading to the depreciation of the LAK, the Bank of the Lao PDR (BOL) remains steadfast in its commitment to implement stringent monetary measures to stabilize the exchange rate in the last three months of 2023. Additionally, the government plans to employ regulated floating exchange rate measures to more strictly regulate the market rate.²

2. Highlighted Updates of BCEL

In the 3rd quarter of 2023, BCEL conducted several significant meetings and events to evaluate its business performance, financial reports, and strategic plans. These included the Business Performance Review Meeting for Q2 of 2023 and the Ordinary Board of Directors Meeting. Representatives from BCEL's Management Team also participated the Board of Directors Meeting of the Lao-Viet Bank held in Vietnam. Furthermore, BCEL engaged in a knowledge exchange session on accounting and financial reporting with 6 partner companies. The bank disclosed its financial report for the first half of 2023, audited by PwC, and established the criteria for awarding and remunerating branches implementing Key Performance Indicators (KPIs) for the year 2023. In addition, BCEL completed the determination of KPIs for branches for the year 2024. The bank also successfully distributed the 3rd BOL's bond to the public.

Systems development:

BCEL has achieved success in developing a Single Gate Tax Payment Channel that enables multi-currency payment. Additionally, the LAPNET network has integrated the BCOME service for efficient money transfer services. BCEL has also introduced two new features on BCEL One - a loan application function for consumer loans and an option for customers to purchase AGL insurance.

¹ The inflation report of September 2023

² Bank of Lao PDR Facebook Page, 26/10/2023



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Service networks:

BCEL has opened a money changer at Oudomxay Branch and separated Xaysomboun Service Unit from Xiengkhuang Branch to be a single Service Unit, which is now under the direct supervision of the management team. Additionally, BCEL has set plans for service expansion for the year 2024.

Cooperations: BCEL signed a MOU regarding the coordination mechanism between the Office of The Supreme People's Prosecutor and BCEL.

Marketing:

BCEL has organized 5 campaigns, including the Fin & Fun campaign with MasterCard, the 10th anniversary of BCEL One promotion, the OneCash wallet for tourists, the OnePay promotion to encourage payment via OnePay, and the Lao Women Union Day promotion. BCEL was awarded four times for its outstanding business performance in VISA Client Forum 2023. The awards include the Cross-border Payment Leading Award, Leading Merchant Award, Good Acquiring Award, and Payment Leading Award.

3. Financial Highlights

- **Assets/Liabilities:** 116.378.198 million LAK, surpassed the 2023 annual plan by 17% and registered an increase of 34% compared to the same period last year.
- **Loans:** 49.004.646 million LAK, achieved 98% of the 2023 annual plan and displayed a growth of 20% compared to the same period of last year.
- **NPL rate:** 2,3%.
- **Deposits:** 106.768.288 million LAK, exceeded the 2023 annual plan by 17% and increased by 34% compared to the same period of last year.
- **Capital:** 2.555.806 million LAK, attained 93% of the 2023 annual plan and increased by 19% compared to the same period of last year.
- **Profit/(Loss) Before Tax:** 85.922 million LAK for Q3 2023 and 228.616 million LAK for the nine months of 2023, achieved 91% of the 2023 annual plan.
- **Profit/(Loss) After Tax:** 100.523 million LAK for Q3 2023 and 202.545 million LAK for the nine months of 2023, surpassed 1% of the 2023 annual plan.

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 September 2023, the Bank has 1 Head Office, 6 joint ventures, 20 branches, 98 service units, and 12 exchange units all over the Lao PDR.

Contact

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- Website: www.bcel.com.la



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- 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 September 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 September 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 District, Oudomxay Province

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



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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:

2015: 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 Extérieur Lao (BCEL).

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



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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.



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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



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BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



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.



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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



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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



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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



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BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



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 September 2023, consists of 6 members as follows:

Name and Surname	Position	Date of Designation
Mrs. 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.



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BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



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.



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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



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BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



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.



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BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



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



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BANQUE POUR LE COMMERCE EXTERIEUR LAO PUBLIC



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 Q3 of the year 2023, the Board of Directors held 1 Ordinary Meeting and approved some of the matters via circular letters which are as follows.

- Approved the financial report of the first 6 months of 2023 (reviewed by the auditor PWC);
- Approved the change of the technology system of the Data Center room of BCEL from a Traditional Data Center to a Modular Data Center;
- Approved the value of additional works and the revised value of the construction project of BCEL's Data Center at Phase 1;
- Approved the revised policy for BCEL's employees;
- Approved the plan for organizing the Board of Directors meetings
- 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 been overseeing the research and development of regulations and policies on risk management. It has also approved policies and regulations related to risk management and has been monitoring the implementation of the Basel 2 project since its launch in 2018. The committee has been holding regular meetings as stipulated in the regulations. In Q3 of 2023, the committee held one meeting where the following matters were discussed:

- Acknowledged the report on the implementation of risk management and the Basel 2 project;
- Amended the guideline on the loss report and incorporated it into BCEL's loss and risk operation report system (amended in 2023).
- Amended the policy on the Internal Capital Adequacy Assessment (ICAAP)

3.3.Nomination & Remuneration Committee

The Committee closely collaborated on the selection of high-ranking officers and executives, as well as the organizational structure of BCEL's management, on an ongoing basis. Additionally, the Committee worked on amending the salary and remuneration of BCEL's employees, ranging from working-level to C-level, in accordance with BCEL's policies and with the goal of serving the best interests of BCEL and its shareholders. During Q3 2023, the committee approved the repositioning of certain officers within the Divisions and Branches, considered a welfare policy to support employees during economic constraints in 2023, and amended the employees' policy for the year 2024.

3.4.Corporate Governance Committee

The Committee closely collaborated on maintaining the business performance of BCEL, particularly with regard to expanding loan customers, resolving NPLs, and managing the



treasury on an ongoing basis. Additionally, the Committee monitored the bank's performance, the implementation of annual plans, long-term strategic plans, working plans, and projects. The Committee also focused on human resource development. During Q3 2023, the Committee held one meeting to discuss the following matters:

- Acknowledged the report of the business performance for the first 6 months of the year 2023 and its business plan.

3.5. Audit Committee

The Audit Committee supervised the internal audit area and policies, including the selection of an independent audit firm and coordination with authorized and state auditors. The Committee also closely collaborated on resolving audit findings and recommendations. It pushed for BCEL's compliance with its accounting system and determined principles, as well as regularly monitored disclosures in accordance with disclosure regulations. The Committee held regular meetings as stipulated in BCEL's regulations. During Q3 2023, the Committee held one meeting to discuss the following matters:

- Acknowledged the financial reports for the first 6 months of the year 2023 reviewed by PWC to propose to the BOD's approval
- In Q3 2023, the Internal Audit conducted common audits on 40 parties across the Divisions, Centers, Branches, Sections, and Service Units; 86 urgent audits on the Section and Service Unit parties; 05 on command audits; and reviews the audit works with 13 branches.

V. Corporate Social Responsibility

1. Tax payment

In the nine months of 2023, BCEL paid tax in the total amount of 43.579 million LAK.

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 their business operations and other tasks.

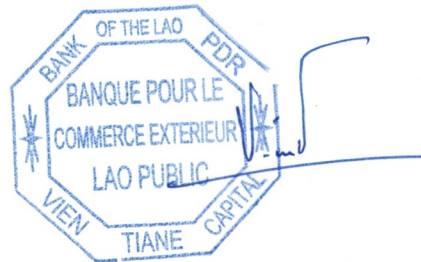
BCEL has utilized its potential in technology and advancements to develop a CSR product called "BCEL OneHeart", an intermediary for donations that supports both donors and recipients. During the nine months of 2023, seven projects were implemented, including the Fund-Raising Project to support the construction of students' dormitories at the Elementary and 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 Thamheng Village, Kaleum District, Sekong Province. Additionally, BCEL supported the Fund-Raising project to aid the floods nationwide; the project to support the construction of teacher and student dormitories at Muang Suem High School, Add District, Huanphan Province; supporting the fund to purchase lands for the construction of traditional medicine the Champasack Buddhism Organization, and the construction of the Fine Art Training Center. The platform received a total of 3.361 donations valued at 213,61 million LAK.



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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. During the nine months of 2023, BCEL's support reached 79 events, with a total amount of 1.160,24 million LAK.

Managing Director



Bouaphayvanh NANDAVONG