
***BANGKOK BANK PUBLIC COMPANY LIMITED
- VIENTIANE BRANCH***

Financial Statements

Year ended December 31, 2025

Bangkok Bank Public Company Limited - Vientiane Branch

Branch information

Branch	Bangkok Bank Public Company Limited - Vientiane Branch
Registration number	04/93/BoL
Registered office	Unit 12, Samsenthai Road Xieng Nguen Village, Chanthabouly District P.O. Box 5400 Vientiane Capital, Lao PDR
Branch Manager	Ms. Chadaphorn Uratchat
Auditor	Deloitte (Lao) Sole Company Limited

Manager's responsibility in respect of the financial statements

The Branch Manager is responsible for ascertaining that the financial statements are properly drawn up so as to give a true and fair view of the statement of financial position of Bangkok Bank Public Company Limited - Vientiane Branch as at December 31, 2025, and the related statements of income, changes in Head Office account and cash flows for the year then ended. In preparing these financial statements, the Branch Manager is required to:

- i) adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;
- ii) comply with regulations of the Bank of Lao PDR and accounting policies set out in Note 3 to the financial statements and ensure that these have been appropriately disclosed, explained and quantified in the financial statements;
- iii) maintain adequate accounting records and an effective system of internal controls;
- iv) prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Branch will continue operations in the foreseeable future; and
- v) control and direct effectively the Branch in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the financial statements.

The Branch Manager confirms that the Branch has complied with the above requirements in preparing the financial statements.



Ms. Chadaphorn Uratchat
Branch Manager

March 31, 2026

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE BRANCH MANAGER OF BANGKOK BANK PUBLIC COMPANY LIMITED - VIENTIANE BRANCH

Opinion

We have audited the financial statements of Bangkok Bank Public Company Limited - Vientiane Branch (the “Branch”), which comprise the statement of financial position as at December 31, 2025, and the related statements of income, changes in Head Office account and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Bangkok Bank Public Company Limited - Vientiane Branch as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance with the regulations of Bank of the Lao PDR and the Branch’s accounting policies as described in Note 3 to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (“ISAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Branch in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (“IESBA Code”) together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use

We draw your attention to Notes 2 and 3 to the financial statements, which describe the basis of accounting and significant accounting policies. The financial statements are prepared to provide information for use by the Branch and Bank of the Lao PDR. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the regulations of Bank of the Lao PDR and the Branch's accounting policies as described in Note 3 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Branch's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Branch or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Branch's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Branch's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Branch to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

VIENTIANE
March 31, 2026


Choopong Surachutikarn
Certified Public Accountant

DELOITTE (LAO) SOLE COMPANY LIMITED

BANGKOK BANK PUBLIC COMPANY LIMITED - VIENTIANE BRANCH
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

UNIT : LAK

ASSETS	Notes	2025	2024
Cash and Deposits with Central Bank		601,925,914,062	608,311,406,753
Cash on hand	4.1	24,720,866,196	25,409,429,580
Deposits with Central Bank	5	577,205,047,866	582,901,977,173
Due from Other Banks	6	98,872,463,920	281,884,679,147
Demand deposits		33,872,463,920	27,229,655,147
Time deposits		65,000,000,000	-
Loan and advance, net		-	254,655,024,000
Due from Head Office and Other Branches	20	633,899,311,988	572,207,471,581
Loans to Customers, net	7	257,297,402,296	337,710,379,609
Fixed Assets, net		21,346,994,675	22,996,239,417
Intangible assets	8	15,184,840	25,354,502
Tangible assets	9	21,331,809,835	22,970,884,915
Other Assets		6,571,297,445	7,409,110,210
Accrued interest receivables	10	6,386,713,225	7,257,631,420
Other assets	11	184,584,220	151,478,790
TOTAL ASSETS		1,619,913,384,386	1,830,519,286,717

Notes to the financial statements form an integral part of these statements

BANGKOK BANK PUBLIC COMPANY LIMITED - VIENTIANE BRANCH
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2025

UNIT : LAK

	Notes	2025	2024
LIABILITIES AND HEAD OFFICE ACCOUNT			
Due to Other Banks	12	50,902,818,428	63,233,095,420
Demand deposits		20,902,818,428	20,275,095,420
Time deposits		30,000,000,000	42,958,000,000
 Due to Head Office and Other Branches	 20	 -	 257,748,000,000
 Due to Customers	 13	 992,246,018,693	 971,946,764,788
Demand deposits		663,854,101,259	616,547,986,988
Time deposits		320,897,326,510	347,575,069,416
Other liabilities		7,494,590,924	7,823,708,384
 Tax Payable	 14	 6,761,213,057	 8,495,897,256
 Other Liabilities		 26,966,941,376	 28,837,760,046
Accrued interest payables	15	5,401,241,026	7,827,172,754
Other liabilities	16	21,565,700,350	21,010,587,292
TOTAL LIABILITIES		<u>1,076,876,991,554</u>	<u>1,330,261,517,510</u>
 HEAD OFFICE ACCOUNT			
Branch capital	17	313,632,516,480	313,632,516,480
Legal reserve	18	36,340,133,821	31,965,775,886
General provision for credit activities	7.2	3,087,568,757	4,052,524,485
Retained earnings		189,976,173,774	150,606,952,356
TOTAL HEAD OFFICE ACCOUNT		<u>543,036,392,832</u>	<u>500,257,769,207</u>
TOTAL LIABILITIES AND HEAD OFFICE ACCOUNT		<u><u>1,619,913,384,386</u></u>	<u><u>1,830,519,286,717</u></u>

Notes to the financial statements form an integral part of these statements

BANGKOK BANK PUBLIC COMPANY LIMITED - VIENTIANE BRANCH

STATEMENT OF INCOME

FOR THE YEAR ENDED DECEMBER 31, 2025

UNIT : LAK

	Notes	2025	2024
Interest Income		46,430,341,361	82,295,001,283
Interest income from interbank		18,671,259,611	50,548,066,554
Interest income from loans to customers		27,759,081,750	31,746,934,729
Interest Expenses		(10,585,714,721)	(33,534,203,575)
Interest expenses for interbank		(3,125,376,150)	(24,493,628,575)
Interest expenses for customer deposits		(7,460,338,571)	(9,040,575,000)
Net Interest Income and Expense		35,844,626,640	48,760,797,708
Income from Fee and Financial Services		25,463,546,487	28,694,379,830
Expenses for Fee and Financial Services		(921,669,169)	(1,050,897,703)
Net operating income		60,386,503,958	76,404,279,835
Gain on Foreign Exchange		8,585,905,994	25,792,741,073
Other Operating Income		4,354,626,561	1,834,972,674
Operating Expenses		(14,233,347,908)	(16,002,161,792)
Employee's expenses		(10,449,233,113)	(10,361,099,442)
Other operating expenses		(3,784,114,795)	(5,641,062,350)
Depreciation and Amortization	8 and 9	(1,798,877,742)	(2,101,343,290)
Other Expenses		(539,737,323)	(685,149,856)
General provision for credit activities		(298,637,323)	(475,039,856)
Other expenses		(241,100,000)	(210,110,000)
Profit Before Income Tax Expenses		56,755,073,540	85,243,338,644
Income Tax Expenses	14	(13,011,494,187)	(17,472,755,547)
Net Profit for the Years		43,743,579,353	67,770,583,097

Notes to the financial statements form an integral part of these statements

BANGKOK BANK PUBLIC COMPANY LIMITED - VIENTIANE BRANCH

STATEMENT OF CHANGES IN HEAD OFFICE ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2025

UNIT : LAK

	Notes	Branch capital	Legal reserve	General provision for credit activities	Retained earnings	Total Head Office account
Opening balance as at January 1, 2024		313,632,516,480	25,188,717,576	4,472,787,254	89,613,427,569	432,907,448,879
Net profit for the year	18	-	-	-	67,770,583,097	67,770,583,097
Transfer to legal reserve		-	6,777,058,310	-	(6,777,058,310)	-
General provision for credit activities	7.2	-	-	(420,262,769)	-	(420,262,769)
Closing balance as at December 31, 2024		<u>313,632,516,480</u>	<u>31,965,775,886</u>	<u>4,052,524,485</u>	<u>150,606,952,356</u>	<u>500,257,769,207</u>
Opening balance as at January 1, 2025		313,632,516,480	31,965,775,886	4,052,524,485	150,606,952,356	500,257,769,207
Net profit for the year	18	-	-	-	43,743,579,353	43,743,579,353
Transfer to legal reserve		-	4,374,357,935	-	(4,374,357,935)	-
General provision for credit activities	7.2	-	-	(964,955,728)	-	(964,955,728)
Closing balance as at December 31, 2025		<u>313,632,516,480</u>	<u>36,340,133,821</u>	<u>3,087,568,757</u>	<u>189,976,173,774</u>	<u>543,036,392,832</u>

Notes to the financial statements form an integral part of these statements

BANGKOK BANK PUBLIC COMPANY LIMITED - VIENTIANE BRANCH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

UNIT : LAK

	Notes	2025	2024
Cash flows from operating activities			
Profit before income tax expenses		56,755,073,540	85,243,338,644
Adjustments to reconcile profit before income tax expenses for the year to cash received (paid) from operating activities:			
Depreciation and amortization	8 and 9	1,798,877,742	2,101,343,290
Reversal of general provision for credit activities		(4,053,081,180)	(851,149,422)
Unrealized (gain) loss on exchange		(83,285,548)	1,165,655,653
Gain on disposal of assets		-	(471,426,838)
Interest income		(46,430,341,361)	(82,295,001,283)
Interest expenses		10,585,714,721	33,534,203,575
Cash generated from operations		<u>18,572,957,914</u>	<u>38,426,963,619</u>
Interest received		47,301,259,556	90,770,952,796
Interest paid		(13,011,646,449)	(36,720,147,920)
Income tax paid	14	<u>(14,746,178,386)</u>	<u>(16,948,208,935)</u>
Net cash provided by operating activities before changes in operating assets and liabilities		38,116,392,635	75,529,559,560
Changes in operating assets and liabilities :			
Decrease (increase) in operating assets:			
Due from other banks - time deposits		(65,000,000,000)	140,000,000,000
Statutory deposits		(743,751,809)	(24,693,041,097)
Due from Head Office and other branches		(61,691,840,407)	(191,503,318,913)
Due from other banks - loans and advance		257,748,000,000	18,543,000,000
Loans to customers		80,412,977,313	35,021,897,110
Other assets		(33,105,430)	62,153,883
Increase (decrease) in operating liabilities:			
Due to other banks		(12,330,276,992)	(102,903,884,188)
Due to Head Office and other branches		(257,748,000,000)	(18,543,000,000)
Due to customers		20,299,253,905	18,250,468,228
Other liabilities		633,548,058	(324,888,509)
Net cash used in operating activities		<u>(336,802,727)</u>	<u>(50,561,053,926)</u>

BANGKOK BANK PUBLIC COMPANY LIMITED - VIENTIANE BRANCH
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2025

UNIT : LAK

	Notes	2025	2024
Cash flows from investing activities			
Cash paid for purchase of tangible assets	4.2	(149,633,000)	(314,335,020)
Proceeds from disposal assets		-	888,880,000
Net cash provided by (used in) investing activities		<u>(149,633,000)</u>	<u>574,544,980</u>
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Net decrease in cash and cash equivalents		(486,435,727)	(49,986,508,946)
Cash and cash equivalents at beginning of the years		<u>523,684,573,980</u>	<u>573,671,082,926</u>
Cash and cash equivalents at end of the years		<u><u>523,198,138,253</u></u>	<u><u>523,684,573,980</u></u>
Cash and cash equivalents			
Cash on hand	4.1	24,720,866,196	25,409,429,580
Demand deposits with Central Bank	5	464,604,808,137	471,045,489,253
Demand deposits with other banks	6	<u>33,872,463,920</u>	<u>27,229,655,147</u>
		<u><u>523,198,138,253</u></u>	<u><u>523,684,573,980</u></u>

Notes to the financial statements form an integral part of these statements

BANGKOK BANK PUBLIC COMPANY LIMITED - VIENTIANE BRANCH
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

1. THE BRANCH'S OPERATIONS AND GENERAL INFORMATION

Bangkok Bank Public Company Limited (the "Bank") is incorporated in Thailand. The Vientiane Branch (the "Branch") is a branch office of the Bank that operates in the Lao People's Democratic Republic ("Lao PDR") under a banking license (License No. 04/93/BoL) granted by Bank of the Lao PDR ("BoL") on February 25, 1993. The Branch's main business is commercial banking in the Lao PDR.

These financial statements were approved for issuance by the Branch's management on March 31, 2026.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

The Branch is not a separate legal entity. The financial statements have been prepared from the records of the Branch and reflected only transactions recorded locally.

The financial statements have been prepared in accordance with regulations of Bank of the Lao PDR and the Branch's principal accounting policies as described in respective notes to financial statements. The accounting principles applied may differ from generally accepted accounting principles adopted in other countries and jurisdictions. The accompanying financial statements are not intended to present the financial position and financial performance in accordance with other jurisdictions. Consequently, these financial statements are addressed only to those who are informed about the Branch's accounting principles, procedures and practices.

The financial statements have been prepared on an accrual basis under the measurement basis of historical cost as disclosed in the significant accounting policies (see Note 3).

The preparation of financial statements in conformity with the Branch's accounting policies requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as at the reporting date and the amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Recognition of income

The Branch recognizes interest and fee income on an accrual basis, except for interest from customers which was accrued over three months, such interest is recognized when received. The Branch reverses all accrued interest income for items which are no longer on an accrual basis.

3.2 Recognition of expenses

The Branch recognizes expenses on an accrual basis.

3.3 Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, balances with Central Bank, deposits with other banks and other short-term highly liquid investments with original maturities of three months or less.

3.4 Loans to customers

Loans to customers are recognized at cost and presented at outstanding balance less specific provision.

The Branch recognizes loans to customers at cost when cash is advanced to a borrower and derecognizes when getting repayment or writing off.

Overdraft are carried at the drawn amounts including interest. Other loans to customers are carried at the principal amounts.

3.5 Allowance for doubtful accounts

Loan classification and provision for losses are made in accordance with BoL regulations No.512/BoL dated June 29, 2018 on Article 9. These classifications are applied as guidance to assist the Branch to better estimate its loan loss provision as follows:

Classification	Number of days past due	Provision Type	Provision rate (No. 512/BoL)	Provision rate (The Branch)
Performing loans				
Normal	1 to 30 days	General	0.50%	1.20%*
Special mentioned	31 to 90 days	Specific	3.00%	3.00%
Non-performing loans ("NPL")				
Substandard	91 to 180 days	Specific	20.00%	36.00%**
Doubtful	181 to 360 days	Specific	50.00%	50.00%
Loss	Over 360 days	Specific	100.00%	100.00%

* The Branch used the Head Office's provision rate of 1.20%, which has been approved by the BoL in accordance with the Official Letter No. 37/BoL, dated January 30, 2014.

** The Branch used the Head Office's provision rate of 36.00%, which has been approved by the BoL in accordance with the Official Letter No. 304/BoL, dated September 11, 2014.

Change in provision for special mentioned loans and non-performing loans are recorded to the statement of income as charge of specific provision or reversal of specific provision. Specific provision is recorded in the statement of financial position in specific provision as a contra account of loans to customers.

In accordance with BoL No. 512, the Branch is required to create a general provision for loan losses at the rate 0.50% of the total balance of normal loans as at the reporting date and is recorded in the statement of financial position in general provision for credit activities.

In accordance with the relevant accounting regulation by the BoL, changes in general provision for credit activities are recorded to the statement of income as other operating expense for general provision for credit activities and other operating income for reversal of general provision for credit activities. General provision reserve is recorded in the statement in financial position in general provision for credit activities under Head Office account.

3.6 Fixed assets

Fixed assets consist of intangible assets and tangible assets.

3.6.1 Intangible assets are stated at cost net of accumulated amortization and allowance for impairment (if any).

Amortization is calculated by the straight-line method, based on the legal rates applicable.

Computer software	5 years
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When intangible assets become impaired, the allowance for impairment is recorded to recognize loss on impairment as other operating expense.

Gains or losses on disposal of intangible assets are recognized as other operating income or expenses upon disposal.

3.6.2 Tangible assets are stated at cost net of accumulated depreciation and allowance for impairment (if any).

Depreciation is calculated by the straight-line method, based on the Branch's policies and legal rates where applicable.

Leasehold improvements	5 - 30 years
Furniture and fixtures	5 years
Computer equipment	5 years
Motor vehicles	5 years

When tangible assets become impaired, the allowance for impairment is recorded to recognize loss on impairment as other operating expense.

Gain or loss on disposal of tangible assets are recognized as other operating income or expenses upon disposal.

3.7 Leases

The Branch as tenants recognizes liabilities under rental contracts at the present value of the obligations under the lease agreements, and recognizes right-of-use assets with the value of lease liabilities plus the initial direct costs and the right-of-use assets is amortized over the straight-line method throughout the lease term. Right-of-use assets is recorded in the statement of financial position under tangible assets and lease liabilities is recorded in the statement of financial position under other liabilities.

3.8 Foreign currency translation

Items included in the financial statements are measured using Lao Kip (“LAK”).

Foreign currency transactions are translated into Lao Kip using the exchange rates prevailing at the date of the transactions. According to the Article 10 Instruction on the Implementation of the Accounting Law, foreign currency assets and liabilities outstanding at the statement of financial position date and each income and expenses for statement of income presented are translated into Lao Kip using the reference rates of exchange of the Branch ruling at year end date.

Foreign currency assets and liabilities outstanding at the statement of financial positions date and income and expenses for each statement of income presented are translated into Lao Kip using the reference rates of exchange of the Branch ruling at that date.

Gains and losses resulting from the settlement of such transactions when incurred and from the foreign exchange translation are recognized in the statement of income.

3.9 Income tax expenses

Income tax expenses on the profit or loss for the year is current tax.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the statement of financial position date.

3.10 Use of management’s judgments

The preparation of financial statements in conformity with the regulations of BoL and accounting policies set out in Note 3 to the financial statements requires the Branch’s management to exercise judgment in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as at the reporting date and the reported amounts of revenue and expense during the reporting period. Although these estimates are based on management’s reasonable consideration of current events, actual results may differ from these estimates.

4. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash on hand

Cash on hand as at December 31, consist of the following:

	2025	2024
	LAK	LAK
Lao Kip	3,589,452,000	4,860,524,500
Foreign currencies	<u>21,131,414,196</u>	<u>20,548,905,080</u>
	<u>24,720,866,196</u>	<u>25,409,429,580</u>

4.2 Non-cash items

Non-cash items for the years ended December 31, consist of the following:

	2025	2024
	LAK	LAK
Fixed asset payables at beginning of the years	-	-
<u>Add: Purchases of tangible assets</u>	149,633,000	314,335,020
<u>Less: Cash payments for tangible assets</u>	<u>(149,633,000)</u>	<u>(314,335,020)</u>
Fixed asset payables at ending of the years	<u>-</u>	<u>-</u>

Changes in liabilities from financing activities for the years ended December 31, are as follows:

	Balance as at January 1, 2025 LAK	Cash flow from financing activities		Non-cash changes LAK	Balance as at December 31, 2025 LAK
		Cash received LAK	Cash paid LAK		
Lease liabilities	20,297,655,000	-	-	(78,435,000)	20,219,220,000
Total	<u>20,297,655,000</u>	<u>-</u>	<u>-</u>	<u>(78,435,000)</u>	<u>20,219,220,000</u>

	Balance as at January 1, 2024 LAK	Cash flow from financing activities		Non-cash changes LAK	Balance as at December 31, 2024 LAK
		Cash received LAK	Cash paid LAK		
Lease liabilities	19,340,370,000	-	-	957,285,000	20,297,655,000
Total	<u>19,340,370,000</u>	<u>-</u>	<u>-</u>	<u>957,285,000</u>	<u>20,297,655,000</u>

5. DEPOSITS WITH CENTRAL BANK

Deposits with Central Bank as at December 31, consist of the following:

	2025	2024
	LAK	LAK
Demand deposits	464,604,808,137	471,045,489,253
Customer deposits	111,980,679,347	111,250,522,711
Customer deposits - Dormant accounts	614,560,382	600,965,209
Branch capital	5,000,000	5,000,000
	<u>577,205,047,866</u>	<u>582,901,977,173</u>

Customers deposits with the BoL are maintained in compliance with applicable BoL regulations, the amounts of which are determined as a defined percentage of customers' deposits with the Branch, i.e. 8% on deposits of Lao Kip and 11% on deposits of foreign currencies. These deposits do not earn interest.

For dormant customer deposits which are inactive more than 6 years continuously, those accounts must be closed and transferred to maintain at BoL as following the guidance stipulated in Official Letter No. 525/Kor Kor Tor dated September 11, 2020.

Branch capital is maintained with the BoL in compliance with BoL regulations. These deposits do not earn interest.

6. DUE FROM OTHER BANKS

Due from other banks as at December 31, consist of the following:

	2025	2024
	LAK	LAK
Demand deposits - other banks		
Domestic banks	13,487,048,779	13,177,253,948
Foreign banks	20,385,415,141	14,052,401,199
Total	<u>33,872,463,920</u>	<u>27,229,655,147</u>
Time deposits - other banks		
Domestic banks	65,000,000,000	-
Total	<u>65,000,000,000</u>	<u>-</u>
Loans and advance - other banks		
Domestic banks	-	257,748,000,000
Less: Allowance for doubtful accounts	-	(3,092,976,000)
Total	<u>-</u>	<u>254,655,024,000</u>
	<u>98,872,463,920</u>	<u>281,884,679,147</u>

7. LOANS TO CUSTOMERS, NET

Loans to customers, net as at December 31, consist of the following:

	2025 LAK	2024 LAK
Loans to customers	257,297,402,296	337,710,379,609
<u>Less: Specific provision</u>	<u>-</u>	<u>-</u>
	<u>257,297,402,296</u>	<u>337,710,379,609</u>

7.1 Loan to customers are classified as follows:

7.1.1 Classified by product type as at December 31, are as follows:

	2025 LAK	2024 LAK
Overdrafts	-	3,983,390,126
Loans	257,297,402,296	333,726,989,483
	<u>257,297,402,296</u>	<u>337,710,379,609</u>

7.1.2 Classified by currency as at December 31, are as follows:

	2025 LAK	2024 LAK
LAK	229,444,858,858	256,485,916,372
USD	17,638,743,438	71,880,213,237
THB	10,213,800,000	9,344,250,000
	<u>257,297,402,296</u>	<u>337,710,379,609</u>

7.1.3 Classified by performance as at December 31, are as follows:

	2025 LAK	2024 LAK
Performing loans	257,297,402,296	337,710,379,609
Non-performing loans ("NPL")	-	-
	<u>257,297,402,296</u>	<u>337,710,379,609</u>

7.2 Allowance for doubtful accounts

Allowance for doubtful accounts as at December 31, consist of the following:

	2025		Total
	Specific provision LAK	General provision for credit activities LAK	
Beginning balance	-	4,052,524,485	4,052,524,485
Add: Doubtful accounts during the year	-	298,637,323	298,637,323
Less: Doubtful accounts reversal during the year	-	(1,270,694,503)	(1,270,694,503)
Foreign exchange translation difference	-	7,101,452	7,101,452
Ending balance	-	3,087,568,757	3,087,568,757

	2024		Total
	Specific provision LAK	General provision for credit activities LAK	
Beginning balance	-	4,472,787,254	4,472,787,254
Add: Doubtful accounts during the year	-	475,039,856	475,039,856
Less: Doubtful accounts reversal during the year	-	(939,567,278)	(939,567,278)
Foreign exchange translation difference	-	44,264,653	44,264,653
Ending balance	-	4,052,524,485	4,052,524,485

The breakdown of loan classification and provision required by BoL as at December 31, are as follows:

	2025			Total allowance for doubtful accounts LAK
	Loan balance LAK	Specific provision LAK	General provision for credit activities LAK	
Performing loans				
Normal	257,297,402,296	-	3,087,568,757	3,087,568,757
Special mentioned	-	-	-	-
Total	<u>257,297,402,296</u>	<u>-</u>	<u>3,087,568,757</u>	<u>3,087,568,757</u>
Non-performing loans				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>257,297,402,296</u>	<u>-</u>	<u>3,087,568,757</u>	<u>3,087,568,757</u>

	2024			Total allowance for doubtful accounts LAK
	Loan balance LAK	Specific provision LAK	General provision for credit activities LAK	
Performing loans				
Normal	337,710,379,609	-	4,052,524,485	4,052,524,485
Special mentioned	-	-	-	-
Total	<u>337,710,379,609</u>	<u>-</u>	<u>4,052,524,485</u>	<u>4,052,524,485</u>
Non-performing loans				
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	-	-	-	-
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>337,710,379,609</u>	<u>-</u>	<u>4,052,524,485</u>	<u>4,052,524,485</u>

8. INTANGIBLE ASSETS

Intangible assets as at December 31, consist of the following:

As at December 31, 2025

	Balances as at January 1, 2025 LAK	Additions LAK	Disposals LAK	Balances as at December 31, 2025 LAK
Cost:				
Computer software	114,584,972	-	-	114,584,972
Total cost	<u>114,584,972</u>	<u>-</u>	<u>-</u>	<u>114,584,972</u>
Accumulated amortization:				
Computer software	(89,230,470)	(10,169,662)	-	(99,400,132)
Total accumulated amortization	<u>(89,230,470)</u>	<u>(10,169,662)</u>	<u>-</u>	<u>(99,400,132)</u>
Intangible assets	<u>25,354,502</u>			<u>15,184,840</u>

As at December 31, 2024

	Balances as at January 1, 2024 LAK	Additions LAK	Disposals LAK	Balances as at December 31, 2024 LAK
Cost:				
Computer software	114,584,972	-	-	114,584,972
Total cost	<u>114,584,972</u>	<u>-</u>	<u>-</u>	<u>114,584,972</u>
Accumulated amortization:				
Computer software	(79,032,946)	(10,197,524)	-	(89,230,470)
Total accumulated amortization	<u>(79,032,946)</u>	<u>(10,197,524)</u>	<u>-</u>	<u>(89,230,470)</u>
Intangible assets	<u>35,552,026</u>			<u>25,354,502</u>

Amortization for the years ended December 31,

2025	LAK	<u>10,169,662</u>
2024	LAK	<u>10,197,524</u>

9. TANGIBLE ASSETS

Tangible assets as at December 31, consist of the following:

As at December 31, 2025

	Balances as at January 1, 2025 LAK	Additions LAK	Disposals LAK	Balances as at December 31, 2025 LAK
Cost:				
Leasehold improvements	9,540,648,957	-	-	9,540,648,957
Right-of-use assets	20,979,642,196	130,284,000	(131,982,000)	20,977,944,196
Furniture and fixtures	1,545,910,344	-	-	1,545,910,344
Computer equipment	2,696,507,957	19,349,000	-	2,715,856,957
Motor vehicles	1,270,696,236	-	-	1,270,696,236
Total cost	<u>36,033,405,690</u>	<u>149,633,000</u>	<u>(131,982,000)</u>	<u>36,051,056,690</u>
Accumulated depreciation:				
Leasehold improvements	(3,664,119,138)	(455,667,206)	-	(4,119,786,344)
Right-of-use assets	(4,565,486,006)	(1,031,032,002)	131,982,000	(5,464,536,008)
Furniture and fixtures	(1,198,739,226)	(104,371,996)	-	(1,303,111,222)
Computer equipment	(2,363,480,174)	(197,636,876)	-	(2,561,117,050)
Motor vehicles	(1,270,696,231)	-	-	(1,270,696,231)
Total accumulated depreciation	<u>(13,062,520,775)</u>	<u>(1,788,708,080)</u>	<u>131,982,000</u>	<u>(14,719,246,855)</u>
Tangible assets	<u>22,970,884,915</u>			<u>21,331,809,835</u>

As at December 31, 2024

	Balances as at January 1, 2024 LAK	Additions LAK	Disposals LAK	Balances as at December 31, 2024 LAK
Cost:				
Leasehold improvements	9,540,648,957	-	-	9,540,648,957
Right-of-use assets	22,182,117,902	131,982,000	(1,334,457,706)	20,979,642,196
Furniture and fixtures	1,363,557,324	182,353,020	-	1,545,910,344
Computer equipment	2,696,507,957	-	-	2,696,507,957
Motor vehicles	1,270,696,236	-	-	1,270,696,236
Total cost	<u>37,053,528,376</u>	<u>314,335,020</u>	<u>(1,334,457,706)</u>	<u>36,033,405,690</u>
Accumulated depreciation:				
Leasehold improvements	(3,207,203,527)	(456,915,611)	-	(3,664,119,138)
Right-of-use assets	(4,234,713,076)	(1,247,777,474)	917,004,544	(4,565,486,006)
Furniture and fixtures	(1,116,039,420)	(82,699,806)	-	(1,198,739,226)
Computer equipment	(2,059,727,299)	(303,752,875)	-	(2,363,480,174)
Motor vehicles	(1,270,696,231)	-	-	(1,270,696,231)
Total accumulated depreciation	<u>(11,888,379,553)</u>	<u>(2,091,145,766)</u>	<u>917,004,544</u>	<u>(13,062,520,775)</u>
Tangible assets	<u>25,165,148,823</u>			<u>22,970,884,915</u>

Depreciation for the years ended December 31,

2025

LAK 1,788,708,080

2024

LAK 2,091,145,766

10. ACCRUED INTEREST RECEIVABLES

Accrued interest receivables as at December 31, consist of the following:

	2025 LAK	2024 LAK
Accrued interest receivables - due from other banks	3,530,833,333	4,497,988,915
Accrued interest receivables - due from other branches	2,368,784,912	2,233,182,774
Accrued interest receivables - loans to customers	487,094,980	526,459,731
	<u>6,386,713,225</u>	<u>7,257,631,420</u>

11. OTHER ASSETS.

Other assets as at December 31, consist of the following:

	2025 LAK	2024 LAK
Prepaid expenses	150,538,220	151,478,790
Other assets	34,046,000	-
	<u>184,584,220</u>	<u>151,478,790</u>

12. DUE TO OTHER BANKS

Due to other banks as at December 31, consist of the following:

	2025 LAK	2024 LAK
Demand deposits - other banks		
Domestic banks	20,902,818,428	20,275,095,420
Total	<u>20,902,818,428</u>	<u>20,275,095,420</u>
Time deposits - other banks		
Domestic banks	30,000,000,000	42,958,000,000
Total	<u>30,000,000,000</u>	<u>42,958,000,000</u>
	<u>50,902,818,428</u>	<u>63,233,095,420</u>

13. DUE TO CUSTOMERS

Due to customers as at December 31, consist of the following:

	2025	2024
	LAK	LAK
Demand deposits		
Current deposits	358,802,668,725	221,715,455,961
Savings deposits	<u>305,051,432,534</u>	<u>394,832,531,027</u>
Total	663,854,101,259	616,547,986,988
Time deposits		
Time deposits	<u>320,897,326,510</u>	<u>347,575,069,416</u>
Total	320,897,326,510	347,575,069,416
Other liabilities	<u>7,494,590,924</u>	<u>7,823,708,384</u>
	<u>992,246,018,693</u>	<u>971,946,764,788</u>

Due to customers is classified by currency as at December 31, are as follows:

	2025	2024
	LAK	LAK
LAK	149,045,506,979	107,177,256,608
USD	527,204,115,552	512,566,587,874
THB	<u>315,996,396,162</u>	<u>352,202,920,306</u>
	<u>992,246,018,693</u>	<u>971,946,764,788</u>

14. TAX PAYABLE AND INCOME TAX EXPENSES

Tax payable as at December 31, and income tax expenses for the years ended December 31, consist of the following:

	2025	2024
	LAK	LAK
Tax payable at the beginning of the years	8,495,897,256	7,971,350,644
Income tax expenses for the years	13,011,494,187	17,472,755,547
Income tax paid during the years	<u>(14,746,178,386)</u>	<u>(16,948,208,935)</u>
Tax payable at the end of the years	<u>6,761,213,057</u>	<u>8,495,897,256</u>

Reconciliation of effective tax rate

	2025 LAK	2024 LAK
Profit before income tax expenses	56,755,073,540	85,243,338,644
Income tax at the domestic tax rate (20%)	11,351,014,708	17,048,667,729
Tax effect of income and expenses that are not taxable and not deductible for tax purposes	1,660,479,479	424,087,818
Income tax as per statements of income*	<u>13,011,494,187</u>	<u>17,472,755,547</u>
Effective tax rate*	22.93%	20.50%

* Income tax expense for the year 2025 was included tax adjustment of LAK 1.64 billion from tax audit by the Lao tax authorities for the fiscal years 2013-2014 in the current period. Effective tax rate before tax adjustment was 20.04%.

15. ACCRUED INTEREST PAYABLES

Accrued interest payables as at December 31, consist of the following:

	2025 LAK	2024 LAK
Accrued interest payables - other banks	1,620,616,438	3,239,635,686
Accrued interest payables - customers	3,780,624,588	4,587,537,068
	<u>5,401,241,026</u>	<u>7,827,172,754</u>

16. OTHER LIABILITIES

Other liabilities as at December 31, consist of the following:

	2025 LAK	2024 LAK
Accrued expenses	1,240,587,483	679,288,426
Lease liabilities	20,219,220,000	20,297,655,000
Other liabilities	105,892,867	33,643,866
	<u>21,565,700,350</u>	<u>21,010,587,292</u>

Lease liabilities as at December 31, consist of the following:

	2025 LAK Payment	2024 LAK Payment
Within one year	-	-
One year to five years	-	-
Over five years	20,219,220,000	20,297,655,000
	<u>20,219,220,000</u>	<u>20,297,655,000</u>

17. BRANCH CAPITAL

The Branch has an initial registered branch capital in amount of USD 5 million. In accordance with the Agreement on Increasing Minimum Registered Capital and Investment Capital of Commercial Bank No.141/PM dated September 24, 2009 by the BoL, the branch of foreign bank in the Lao PDR should maintain the minimum registered capital of LAK 100 billion by 2012.

According to Amended Law on Commercial Bank No. 56/NA dated on December 7, 2018 which was published in Lao Official Gazette on June 7, 2019 and in effective on June 21, 2019, the branch of foreign commercial bank in the Lao PDR should maintain the minimum registered capital of LAK 300 billion. The BoL allowed the Branch to increase capital either on a one-time basis or in phases over the five-year period, and the Branch considered to increase capital over the five-year period.

On January 2, 2020, the Branch injected the first capital injection to increase the registered branch capital in the amount of LAK 40 billion to LAK 140 billion by utilizing the Branch's retained earnings.

On July 26, 2021, the Branch injected the second capital injection to increase the registered branch capital in the amount of LAK 30 billion to LAK 170 billion by utilizing the Branch's retained earnings.

On April 18, 2022, the Branch injected the third capital injection to increase the registered branch capital in the amount of LAK 20 billion to LAK 190 billion by utilizing the Branch's retained earnings.

On March 27, 2023, the Branch injected the fourth capital injection to increase the registered branch capital in the amount of LAK 20 billion to LAK 210 billion by utilizing the Branch's retained earnings.

On October 27, 2023, the Branch injected the fifth capital injection to increase the registered branch capital in the amount of LAK 104 billion to LAK 314 billion by utilizing the Pakse branch's capital.

As at December 31, 2025 and 2024, the Branch has registered branch capital of LAK 314 billion.

18. LEGAL RESERVE

A legal reserve shall be maintained in accordance with the BoL regulations, comprising annual appropriations of 10% of net profit.

As at December 31, 2025 and 2024, the Branch has legal reserve of LAK 36 billion and LAK 32 billion, respectively.

19. CONTINGENT LIABILITIES

Contingent liabilities as at December 31, consist of the following:

	2025 LAK	2024 LAK
Undrawn loan commitments	3,733,674,562	20,044,399,697
Letters of guarantee	1,042,672,446,644	1,094,450,379,237
Bills for collection	4,030,298,834	11,570,034,722
	<u>1,050,436,420,040</u>	<u>1,126,064,813,656</u>

In addition, in 2026, the Branch was subject to a tax audit by the Lao tax authorities for the fiscal years 2015 and subsequently is in the process of assessment whereas management has assessed that the impact will be immaterial.

20. RELATED PARTY BALANCES AND TRANSACTIONS

Related party balances as at December 31, consist of the following:

	2025 LAK	2024 LAK
Due from Head Office and other branches Deposits	633,899,311,988	572,207,471,581
Due from Head Office and other branches Head Office	158,069,514,700	60,441,109,612
Other branches	475,829,797,288	511,766,361,969
	<u>633,899,311,988</u>	<u>572,207,471,581</u>

	2025 LAK	2024 LAK
Due to Head Office and other branches Borrowings	-	257,748,000,000
	<u>-</u>	<u>257,748,000,000</u>
Due to Head Office and other branches Head Office	-	257,748,000,000
	<u>-</u>	<u>257,748,000,000</u>

Due from Head Office and other branches as at December 31, are classified as follows:

	2025	2024
	LAK	LAK
a) By type:		
Demand deposits	309,040,111,988	224,229,971,581
Time deposits	<u>324,859,200,000</u>	<u>347,977,500,000</u>
	<u>633,899,311,988</u>	<u>572,207,471,581</u>
b) By currencies:		
USD	438,226,855,873	190,787,739,869
THB	195,657,850,034	381,344,523,363
EUR	<u>14,606,081</u>	<u>75,208,349</u>
	<u>633,899,311,988</u>	<u>572,207,471,581</u>

Interest rates on time deposits due from Head Office and other branches for the years ended December 31, 2025 and 2024 are 0.40% - 5.40% per annum and 0.40% - 5.45% per annum, respectively.

Due to Head Office and other branches as at December 31, are classified as follows:

	2025	2024
	LAK	LAK
a) By Type:		
Borrowings	<u>-</u>	<u>257,748,000,000</u>
	<u>-</u>	<u>257,748,000,000</u>
b) By currencies:		
USD	<u>-</u>	<u>257,748,000,000</u>
	<u>-</u>	<u>257,748,000,000</u>

Interest rates on borrowings due to Head Office for the year ended December 31, 2024 is 3 months CME term SOFR + 2.05% per annum.

Significant transactions with related parties during the years ended December 31, are conducted on normal commercial terms as follows:

	2025	2024
	LAK	LAK
Interest income		
Other branches	13,530,207,822	14,278,205,425
Interest expense		
Head Office	1,180,302,423	19,846,934,294

21. FINANCIAL RISK MANAGEMENT

The guidelines and policies adopted by the Branch to manage the risks that arise in the conduct of its business activities are as follows:

21.1 Credit risk

Credit risk is the potential loss of revenue and principal in the form of specific provisions as a result of defaults by the borrowers or counterparties through its lending, hedging and investing activities.

The primary exposure to credit risk arises through its loans and advances. The amount of credit exposure in this regard is represented by the carrying amounts of the assets on the statements of financial position. The Branch's lending activities are guided by the Bank's credit policy to ensure that the overall objectives in the area of lending are achieved i.e., the Branch's overall loan portfolio is strong and healthy and credit risks are well diversified. The credit policy documents the lending policy, collateral policy and credit approval processes.

The credit exposure arising from off the statement of financial position activities, i.e. contingent liabilities, is disclosed in Note 19.

21.2 Market risk

Market risk is the risk of loss arising from adverse movement in the level of market prices or rates, the two key components being foreign currency exchange risk and interest rate risk.

(i) Foreign currency exchange risk

Foreign currency exchange risk refers to the adverse exchange rate movements on foreign currency exchange positions taken from time to time. The Branch maintains the Bank's policy of not exposing itself to large foreign exchange positions. Any foreign currency exchange open positions are monitored against the operating requirements and predetermined position limits.

(ii) Interest rate risk

Interest rate risk refers to the volatility in net interest income as a result of changes in the levels of interest rate and shifts in the composition of the assets and liabilities. Interest rate risk is managed through close monitoring of returns on investment, market pricing, and cost of funds and through re-pricing gap by the Bank's Risk Management Group.

21.3 Liquidity risk

Liquidity risk relates to the ability to maintain sufficient liquid assets to meet its financial commitments and obligations when they fall due at a reasonable cost.

The Bank fully supports the Branch's liquidity position. The Bank's Risk Management Group closely monitors all inflows and outflows and maturity gaps through periodical reporting. Movements in loans and customers' deposits are monitored and liquidity requirements adjusted to ensure sufficient liquid assets to meet its financial commitments and obligations when they fall due.