

ທະນາຄານ ບູຢອງ ລາວ ຈຳກັດ  
BOOYOUNG LAO BANK Co.,LTD



ບົດລາຍງານປະຈຳປີ 2019  
Annual Report 2019

## Opinion of Executive

On behalf of the board of executive of Booyoung Lao Bank would like to express the highly sincere appreciation to the leader, especially to the Bank of the Lao PDR for providing closely direction for development of Booyoung Lao Bank to modernize gradually.

For the past 10 years the bank has bypassed every obstacle and developed itself for strengthen financially, create the loyalty for customers and has good policies which make the bank enable establishment one branch in Vientiane Capital, combined with the head office to be two branches. The bank will create a good relationship with its customers, domestic banks, private sectors and state organization for creation a more colorful and stable business experience. Have a good relationship as well as a good immunity in business along with working with various parties which will be effective for solving and the challenges that faces it, especially Coronavirus disease (COVID-19).

For the past one year 2019, All staffs have performed their duties together with enthusiasm, diligence and patience which bank can run the banking business operation aggressively and growing satisfaction and profitable continuously. From such result, we are proud to be a part of contribution into the socio-economic development of Lao PDR. And become a premium financial services providers by creating synergy effects through harmonization between affiliated companies such as Booyoung Lao Bank Head Office, Booyoung Lao Bank Donnoun Branch, Booyoung Lao Co.,Ltd and SEA Game Golf Club.

Finally, I, on behalf of the board of executive of the bank expresses to thank to customers, shareholders, leaders, government and all the staffs for giving the beliefs, confidences and supports to our bank. These beliefs, confidences and supports have become more important power to take the boards of executive, staffs to lead the bank to grow up and progress.

On this time, I would like to wish to the customers, shareholders, leaders, government and all the staffs have the best health and successful in your duties.



Mr. Woo Dong Kyun  
General Manager

## ***General Information***

### ***The Bank***

Booyoung Lao Bank Co.,Ltd (“The Bank”) is a 100% foreign owned commercial bank. Its owner is Booyoung Housing Co.,Ltd, a construction company located in Seoul, South Korea.

The Bank was established in Lao People’s Democratic Republic(“Lao PDR”) under foreign investment license No. 267-11/PI4, dated 10 November 2011 granted by Ministry of Planning and Investment and operated under Banking Business License No.26/BOL, granted by Bank of the Lao PDR (“the BOL”) on 14 September 2009.

The initial charter capital of the Bank was LAK100,000,000,000. The actual paid-up capital as at 31 December 2019 is LAK307,412,020,764 (31 December 2018: LAK307,412,020,764).

The Bank is in the progress to obtain its updated Banking Business License for the new charter capital.

The principal activities of the Bank are to provide comprehensive banking and related financial services.

**Bank’s Location** : Unit 02, Kaisone Phomvihane Rd., Phonxay Village, Saysettha Dist., Vientiane Capital, Lao PDR.  
Tel: : (856 21) 454500; 454502.  
Fax : (856 21) 454501.  
Email : [blbbank@etllao.com](mailto:blbbank@etllao.com)  
Website : booyoungbank.com

### **Board of Directors**

Members of the Board of Directors during the year ended 31 December 2019 and at the date of this report are as follows:

<b><u>Name</u></b>	<b><u>Position</u></b>
Mr. LEE, Joong Keun	Chairman
Mr. LEE, Sung Hoon	Vice Chairman
Mr. LEE, Se Hwi	Member
Mr. KIM, Suk Jin	Member
Mr. Khamphay PRASEUTH	Member

## **Board of Management**

Members of the Board of Management during the year ended 31 December 2019 and at the date of this report are as follows:

<b><u>Name</u></b>	<b><u>Position</u></b>	<b><u>Date of Appointment</u></b>
Mr. KIM, Suk Jin	General Director	07 September 2014
Mr. Woo Dong Kyun	General Manager	09 April 2013
Mr. Khantikone PHONSAVATH	Senior Manager	27 June 2018
Mr. Sengaloun CHANTHANASINH	Credit Manager	07 May 2013
Mr. Chanthone HANSANA	HR Manager	01 September 2009

## **Legal Representative**

The legal representative of the bank during the year ended 31 December 2019 and at the date of this report is Mr. Woo Dong Kyun - General Manager.

## **Auditors**

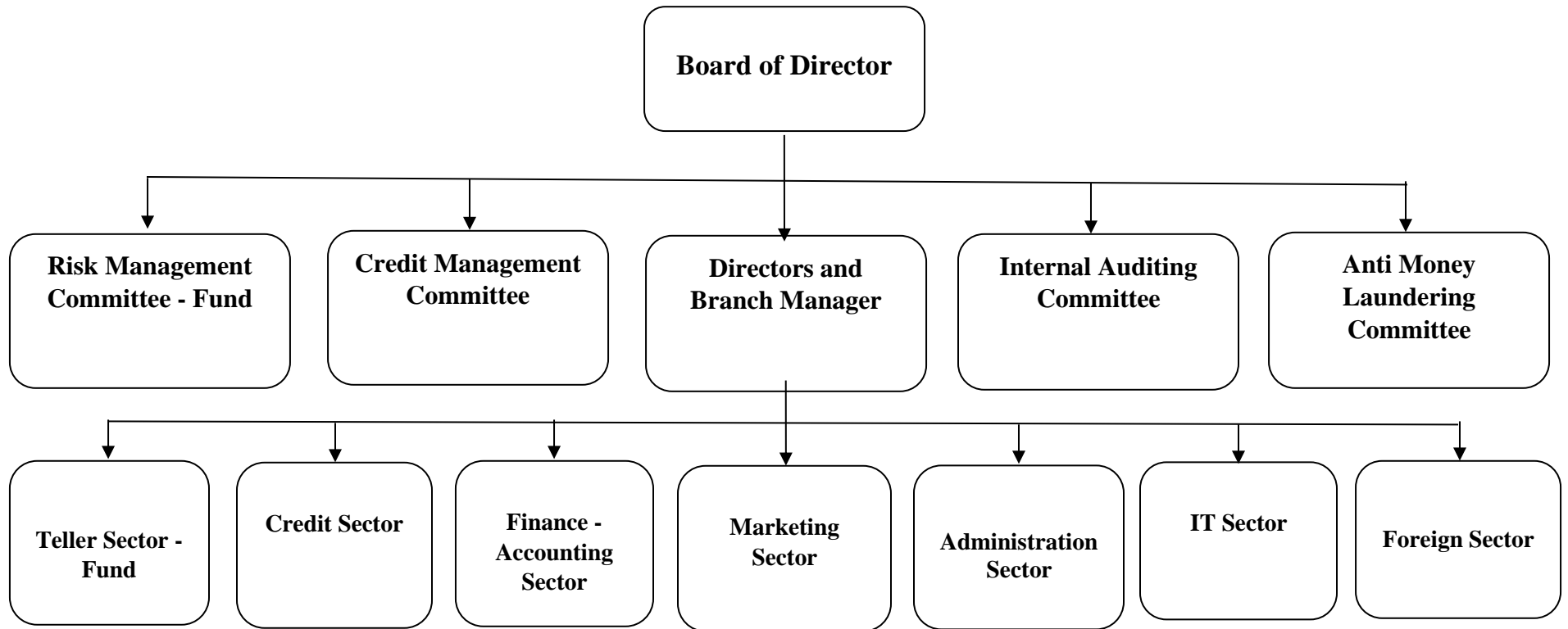
The auditors of the Bank is Ernst & Young Lao Co.,Ltd

## **Management**

Booyoung Lao Bank Co.,Ltd has 27 staffs (including staff of Branch), 12 females, In here there are 2 foreigners, a general director and a general manager.

The management of bank divide to 7 sectors: Teller Sector, Credit Sector, Finance- Accounting Sector, Marketing Sector, Administrator Sector, Information-Technology (IT) Sector, Foreign Sector and Risk Management Committee has 4: Risk Management – Fund Committee, Credit Management Committee, Internal Audit Committee and Anti Money Laundering Committee. The bank has determined the role, right and duty to each committee for practice in suitable with the policy, management, following and monitoring (the details are as the organization structure).

## Organization Structure of Booyoung Lao Bank



## **Booyoung Lao Bank Co.,Ltd**

### **REPORT OF MANAGEMENT**

Management of Booyoung Lao Bank Co.,Ltd (“the Bank”) is pleased to present this report and the Bank’s financial statements for the year ended 31 December 2019.

#### **MANAGEMENT’S REPOSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS**

The Bank’s Management is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Bank and of the result of its operations and its cash flows for the year. In preparing those financial statements, Management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time. The financial position of the Bank and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying financial statements.

## STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2018, and of the results of its operations and cash flows for the year then ended in accordance with the Accounting Law of Lao PDR and the regulations stipulated by Bank of the Lao PDR relevant to preparation and presentation of financial statements.

For and on behalf of Management:



---

Mr. Woo Dong Kyun

General Manager

Vientiane, Lao PDR

26 May 2020



## **INDEPENDENT AUDITORS' REPORT**

**To: the Owner of Booyoung Lao Bank Co.,Ltd**

### ***Opinion***

We have audited the financial statements of Booyoung Lao Bank Co.,Ltd (“the Bank”), which comprise the balance sheet as at 31 December 2019 and the income statement, statement of changes in equity and cash flow statement 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 of the Bank are prepared, in all material respects, in accordance with the Accounting Law of Lao PDR and the regulations stipulated by Bank of the Lao PDR relevant to preparation and presentation of 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 ***Auditors Responsibilities for the Auditing of the Financial Statements*** section of our report. We are independent of the Bank in accordance with the international Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in Lao PDR, and we have fulfilled our other ethical responsibilities in accordance these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Emphasis of Matter***

We draw attention to Note 2 to the financial statements, which describes the accounting policies adopted by the Bank. These accounting policies are not intended to present the financial position, the results of operations and cash flows of the Bank in accordance with international generally accepted accounting principles.

We also draw attention to Note 19.3 to the financial statements which describes the request of the Ministry of Finance for commercial banks to recalculate profit tax for the year from 2016 to 2019 and the potential impact to deductible expenses for profit tax calculation during these period subject to pending clarification and detailed implementation guidance from authorized agencies.

Our opinion is not modified in respect of these matters.

### ***Responsibilities of the Bank's Management for the Financial Statements***

The Bank's management is responsible for the preparation of the financial statements in accordance with the Accounting Law of Lao PDR and the regulations stipulated by Bank of the Lao PDR relevant to preparation and presentation of financial statements, and for

such internal control as management determines is necessary to enable the preparation of the 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 Bank'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 Bank or to cease operations, or has no realistic alternative but to do so.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objective 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.

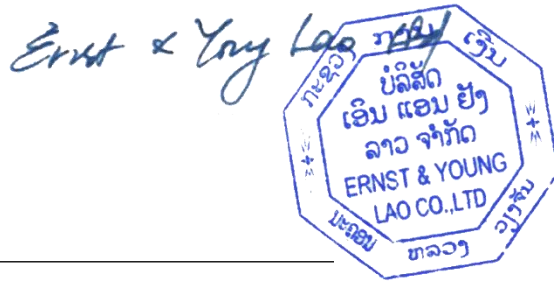
As part of an audit in accordance with IASs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ 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 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 Bank's internal control.
- ▶ 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 Bank's ability to continue as a going concern, If we conclude that a material uncertainty exist, 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 Bank to cease to continue as a going concern.

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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.

Ernst & Young Lao Co.,Ltd



Saman Wijaya Bandara

Partner

Audit Practising Registration Certificate No.035/LCPAA

Vientiane, Lao PDR

26 May 2020

INCOME STATEMENT  
For the year ended 31 December 2019

Code	ITEMS	Notes	2019 LAK	2018 LAK
<b>A.</b>	<b>OPERATING INCOME AND EXPENSES</b>			
1.	Interest and similar income	4	19,108,423,782	18,465,515,310
2.	Interest and similar expenses	4	(2,257,744,031)	(1,378,958,713)
I.	<b>NET INTEREST AND SIMILAR INCOME</b>		16,850,679,751	17,086,556,597
3	Fee and commission income	5	447,486,600	531,297,290
4	Fee and commission expenses	5	(88,955,050)	(82,661,500)
5	Net gain from dealing in foreign currencies	6	1,659,464,210	1,288,625,705
II.	<b>NET OPERATING INCOME</b>		18,868,675,511	18,823,818,092
<b>B</b>	<b>OTHER INCOME AND EXPENSES</b>			
6	Other operating income		-	559,083,425
7	General and administration expenses		(5,226,023,197)	(5,705,205,757)
7.1	Payroll and other staff costs	7	(2,076,628,340)	(2,398,222,252)
7.2	General administration expenses	8	(3,149,394,857)	(3,306,983,505)
8	Depreciation and amortization charges		(2,339,835,457)	(2,295,967,811)
9	Other operating expenses	9	(174,168,709)	(35,000,660)
10	Net provision for non-performing loans		(14,276,420,947)	(36,976,089,178)
III.	<b>TOTAL PROFIT BEFORE TAX</b>		(3,147,772,799)	(25,629,361,889)
11	Current profit tax	19.1	-	-
IV.	<b>NET PROFIT AFTER TAX</b>		(3,147,772,799)	(25,629,361,889)

Prepared by:



Mr. Khantikone PHONSAVATH  
Senior Manager  
Vientiane, Lao PDR  
26 May 2020

Approved by:



Mr. Woo Dong Kyun  
General Manager

BALANCE SHEET  
As at 31 December 2019

<i>Code</i>	<i>ASSETS</i>	<i>Notes</i>	<i>31/12/2019 LAK</i>	<i>31/12/2018 LAK</i>
<b>I</b>	<b>Cash and balances with the BOL</b>		<b>122,711,445,534</b>	<b>56,494,384,450</b>
1	Cash on hand	10	1,495,186,821	2,097,590,882
2	Balances with the BOL	11	121,216,258,713	54,396,793,568
<b>II</b>	<b>Due from other banks</b>		<b>17,680,000,000</b>	<b>17,020,000,000</b>
1	Term deposits	12	17,680,000,000	17,020,000,000
<b>III</b>	<b>Loans to customers, net of provision for non-performing loans</b>	<b>13</b>	<b>220,824,934,901</b>	<b>229,101,572,069</b>
<b>IV</b>	<b>Fixed assets</b>		<b>51,019,826,598</b>	<b>53,024,810,925</b>
1	Intangible fixed assets	14.1	21,813,424,521	21,894,920,279
2	Tangible fixed assets	14.2	29,206,402,077	31,129,890,646
<b>V</b>	<b>Other assets</b>		<b>13,329,910,284</b>	<b>8,176,593,884</b>
1	Accrued interest receivables	15	1,586,951,301	1,380,919,934
2	Other assets	16	11,742,958,983	6,795,673,950
	<b>TOTAL ASSETS</b>		<b>425,566,117,317</b>	<b>363,817,361,328</b>

BALANCE SHEET (Continued)

As at 31 December 2019

<i>Code</i>	<i>LIABILITIES AND CAPITAL</i>	<i>Notes</i>	<i>31/12/2019</i> <i>LAK</i>	<i>31/12/2018</i> <i>LAK</i>
<b>I</b>	<b>Due to banks</b>	<b>17</b>	<b>34,832,000,000</b>	<b>33,620,000,000</b>
1	Term deposits		34,832,000,000	33,620,000,000
<b>II</b>	<b>Due to customers</b>	<b>18</b>	<b>44,721,717,748</b>	<b>25,402,206,228</b>
1	Demand deposits		7,807,822,778	2,593,319,233
2	Saving deposits		15,570,777,239	13,371,463,902
3	Term deposits		21,343,117,731	9,437,423,093
<b>III</b>	<b>Other liabilities</b>		<b>46,194,176,284</b>	<b>1,488,333,309</b>
1	Accrued interest payables		1,754,546,205	1,190,349,609
2	Tax Payables		61,540,932	-
3	Other liabilities	20	44,378,089,147	297,983,700
	<b>TOTAL LIABILITIES</b>		<b>125,747,894,032</b>	<b>60,510,539,537</b>
<b>IV</b>	<b>Capital and reserves</b>			
1	Paid-up capital		307,412,020,764	307,412,020,764
2	Statutory reserve		2,596,302,308	2,596,302,308
3	General provision	13.2	993,791,003	1,334,616,710
4	Accumulated Losses		(11,183,890,790)	(8,036,117,991)
	<b>TOTAL CAPITAL</b>		<b>299,818,223,285</b>	<b>303,306,821,791</b>
	<b>TOTAL LIABILITES AND CAPITAL</b>		<b>425,566,117,317</b>	<b>363,817,361,328</b>

BALANCE SHEET (Continued)

As at 31 December 2019

Code	OFF BALANCE SHEET ITEMS	Notes	31/12/2019 LAK	31/12/2018 LAK
<b>I</b>	<b>Collaterals and Mortgages</b>			
<b>A</b>	<b>Collaterals and Mortgages for loans</b>			
1	Collaterals and Mortgages for loans to customers		1,733,837,140,980	1,870,819,946,595
	<b>COLLATERALS AND MORTGAGES</b>		<b>1,733,837,140,980</b>	<b>1,870,819,946,595</b>

Prepared by:



Mr. Khantikone PHONSAVATH  
Senior Manager

Approved by:



Mr. Woo Dong Kyun  
General Manager

Vientiane, Lao PDR  
26 May 2020

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2019

<i>ITEMS</i>	<i>Paid-up capital LAK</i>	<i>Statutory reserve LAK</i>	<i>Provision for performing loans LAK</i>	<i>Retained earnings LAK</i>	<i>Total LAK</i>
<b>Balances at 01/01/2018</b>	<b>307,412,020,764</b>	<b>2,596,302,308</b>	<b>1,739,364,744</b>	<b>17,593,243,898</b>	<b>329,340,931,714</b>
Net profit for the year	-	-	-	(25,629,361,889)	(25,629,361,889)
Net Provision for performing loans	-	-	8,240,911	-	8,240,911
Foreign exchange difference	-	-	(412,988,945)	-	(412,988,945)
<b>Balances at 31/12/2019</b>	<b>307,412,020,764</b>	<b>2,596,302,308</b>	<b>1,334,616,710</b>	<b>(8,036,117,991)</b>	<b>303,306,821,791</b>
Net loss for the year	-	-	-	(3,147,772,799)	(3,147,772,799)
Net provision for current loans	-	-	(54,036,599)	-	(54,036,599)
Reclassification from general provision to Specific provision for special mention loans in accordance with BOL 334	-	-	(298,500,000)	-	(298,500,000)
Foreign exchange difference	-	-	11,710,892	-	11,710,892
<b>Balances at 31/12/2019</b>	<b>307,412,020,764</b>	<b>2,596,302,308</b>	<b>993,791,003</b>	<b>(11,183,890,790)</b>	<b>299,818,223,285</b>

Prepared by:



Mr. Khantikone PHONSAVATH  
Senior Manager  
Vientiane, Lao PDR  
26 May 2020

Approved by:



Mr. Woo Dong Kyun  
General Manager



CASH FLOW STATEMENT  
For the year ended 31 December 2019

<i>ITEMS</i>	<i>Notes</i>	<i>2019 LAK</i>	<i>2018 LAK</i>
<b>OPERATING ACTIVITIES</b>			
<b>Net (loss)/profit before tax</b>		<b>(3,147,772,799)</b>	<b>(25,629,361,889)</b>
<i>Adjustments for:</i>			
Depreciation and amortization charges		2,339,835,457	2,295,967,811
Net provision expense for credit losses	13.2	14,413,187,891	36,563,100,233
Interest income		(19,086,914,883)	(18,465,515,310)
Interest expense		2,257,744,031	1,378,958,713
<b>Cash flows used in operating activities before changes in operating assets and liabilities</b>		<b>(3,223,920,303)</b>	<b>(3,856,850,442)</b>
<i>(Increase)/decrease in operating assets</i>			
Due from Banks		(1,644,156,470)	(10,151,064,200)
Loans to customers		(6,190,587,322)	(28,440,876,197)
Other assets		(1,929,501)	(4,356,323,148)
<i>Increase/(decrease) in operating liabilities</i>			
Due to banks		1,212,000,000	33,620,000,000
Due to customers		19,319,511,520	2,211,419,494
Other liabilities		43,854,857,271	4,098,501,032
Interest received		18,880,883,516	18,899,873,964
Interest paid		(1,693,547,435)	(396,759,252)
Profit tax paid during the year	19.1	(4,945,355,532)	(4,369,926,037)
<b>Net cash flows from/(used in) operating activities</b>		<b>65,567,755,744</b>	<b>7,257,995,214</b>
<b>INVESTING ACTIVITIES</b>			
Payments to acquire fixed assets	14	(334,851,130)	(240,165,035)
<b>Net cash flows used in investing activities</b>		<b>(334,851,130)</b>	<b>(240,165,035)</b>

CASH FLOW STATEMENT (Continued)  
For the year ended 31 December 2019

ITEMS	Notes	2019 LAK	2018 LAK
<b>FINANCING ACTIVITIES</b>			
Net cash flows from financing activities		-	-
Net change in cash and cash equivalents		65,232,904,614	7,017,830,179
Cash and cash equivalents at the beginning of the year		35,672,715,760	28,654,885,581
Cash and cash equivalents at the end of the year	21	100,905,620,374	35,672,715,760

Prepared by:



Mr. Khantikone PHONSAVATH  
Senior Manager

Approved by:



Mr. Woo Dong Kyun  
General Manager

Vientiane, Lao PDR  
26 May 2020

## **Business Operation Situation 2019**

The world's situation is also volatile and complicated, with economic disputes, especially the cross-border tariffs between United State of America and Republic of China directly, and/or with some counties in Europe.

Apart from this, there is also climate change that is causing severe natural disasters which occur within country, regionally and globally such as incendiary, hydrology, earthquake and volcano erupts especially the outbreak of Coronavirus Disease (COVID-19) that has spread the worldwide including Lao PDR. The disasters have impacted the global economic system directly, and leading to the global economy is slowdown. Lao PDR is also affected by the global situation and is also affected by natural disasters such as flooded in many areas. Many houses have been destroyed and animals have been swept away and died. All of incidents have affected to the economic growth of Lao PDR slowdown too. The business operation of bank's customers have been difficulty on finance which make the business operation result of many banks were not going on as plan, many banks have the non-performing loans (NPLs) increased. Some banks have lacked of the liquidity on business operation. Cause of many factors Due to several factors the government of Lao PDR has amended many laws to suits the current situation especially the law on commercial bank (amendment) No.56/NA, dated 7 December 2018 in article 12 (amendment) registered capital or minimum investment which increase from 300 billion kip to be 500 billion kip for commercial banks and increase from 100 billion kip to 300 billion kip for the branches of foreign commercial bank.

**★ Through the banking business operation 2019 the bank enable summary the increasing or decreasing of Assets, Liabilities, Capital, Income and Expenses as follows:**

### **The deposit mobilization**

Booyoung Lao Bank has used the strategy and tactics in many ways such as distribute the brochures and search for phone number on golden page book to call for asking the customers in some stores that has an interesting to do the transaction with bank in 4 main districts in Vientiane Capital., improve the service system and distribute the gifts. But because of that the bank has established in the Vientiane Capital which there are the bank of long-standing state, private and branches of foreign bank and a high rang of business experience. So, there is a competition for interest rate of deposits and timeframes. Booyoung Lao Bank is a small bank and has not much products. So, we can not mobilize the deposit as a target issued.

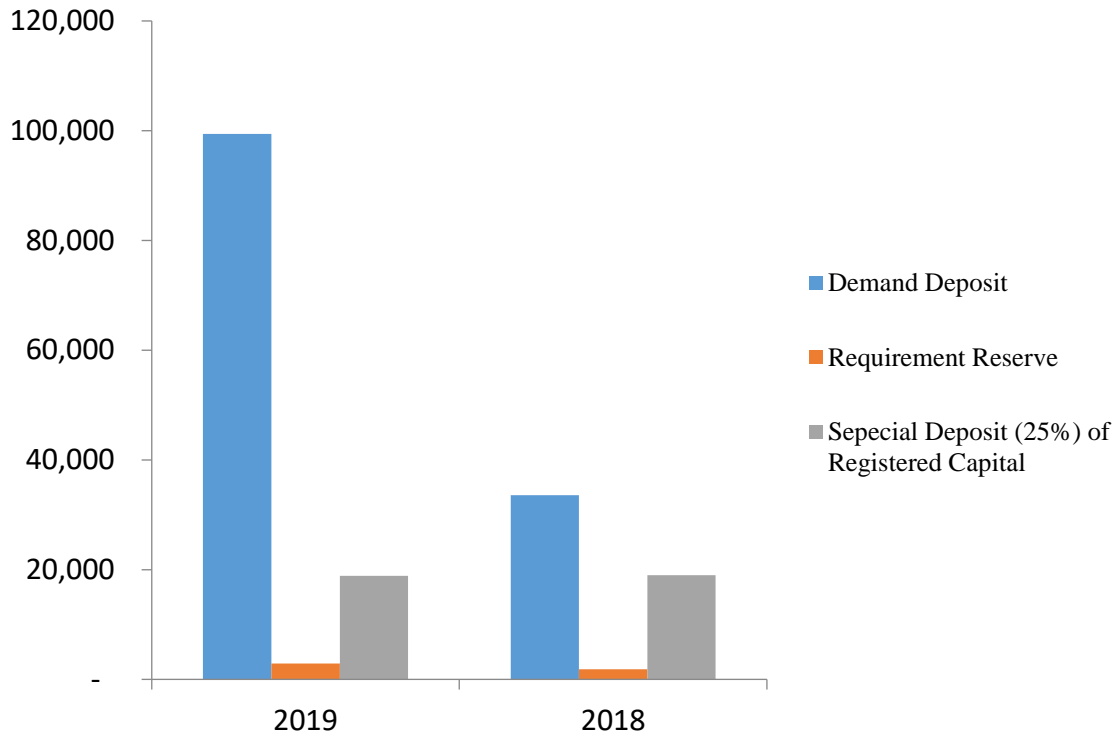
#### **1. Deposit with Bank of the Lao PDR**

In 2019 Booyoung Lao Bank Co.,Ltd has extended the borrowing fund contract from Booyoung Khmer Bank, Cambodia which get the approval from Bank Supervision Department No 181/BSD, dated 12 March 2019 in amount USD2 million and make the

transaction (SWAP) with BCEL for taking the Lao Kip to give the loan to general customers. So the balance of demand deposit increased as follows:

Descriptions	Unit : Million Kip	
	2019	2018
Demand Deposits	99,410	33,575
Requirement Reserve	2,905	1,839
Special deposit (25%) of Registered Capital	18,901	18,983
<b>Total</b>	<b>121,216</b>	<b>54,397</b>

**Deposit at Bank of the Lao PDR**



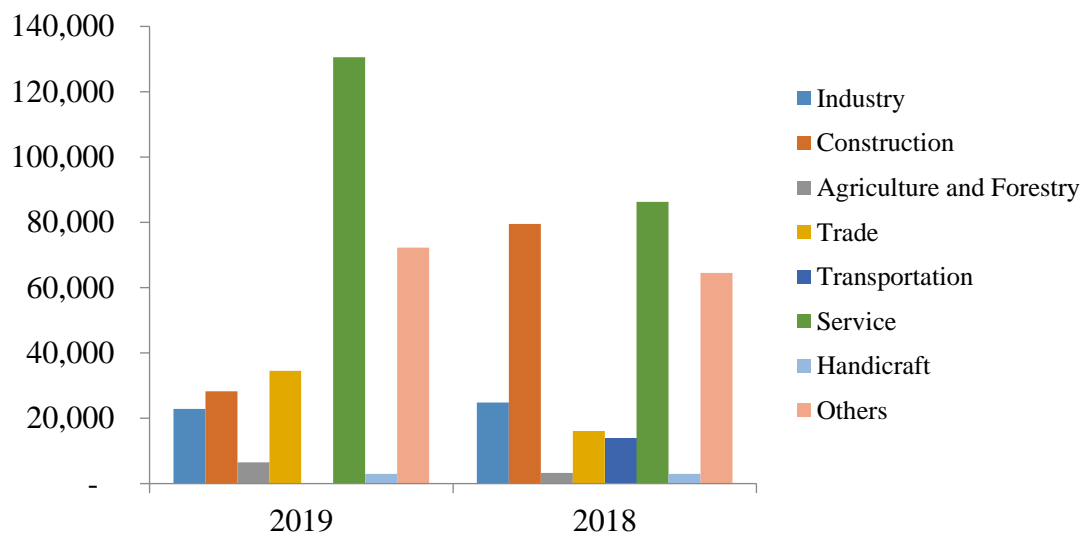
## 2. Loans to Customers

Booyoung Lao Bank is one of the banks involved in the socio-economic development of Lao PDR according to the strategy plan issued such as the bank will provide the loan to family business (Individual), small and medium business to improve the livelihoods and develop the family business in effective and high revenue. According to the limit of loans and depends on the value of collaterals.

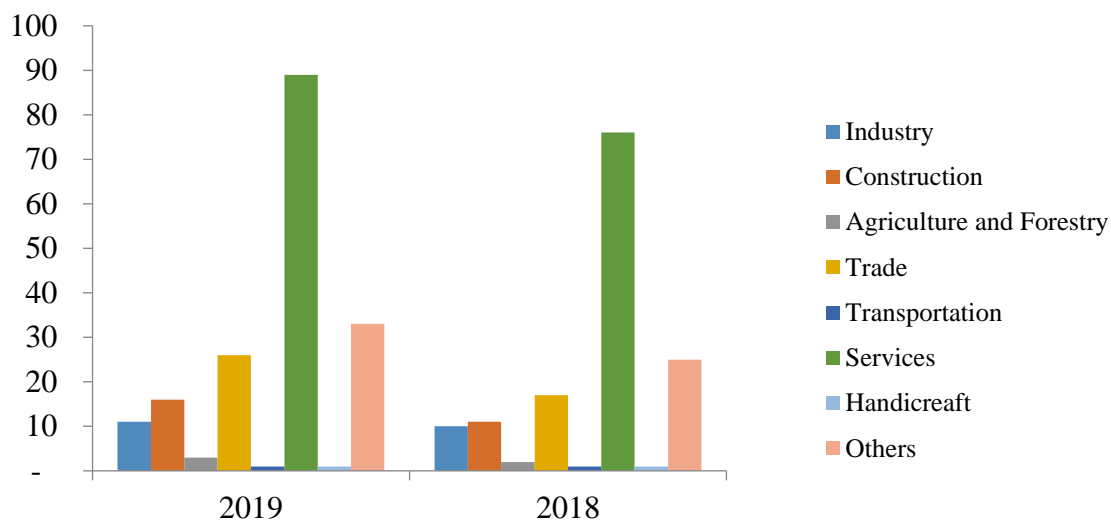
The giving loans to customers in the year 2019 has increased by amount and number of customers of some sectors when compare with the year 2018 which did not deduct the provision for bad debt as follows:.

Descriptions	Number of Customers		Unit: Million Kip	
	2019	2018	2019	2018
Industry Sector	11	10	22,898	24,792
Construction Sector	16	11	28,249	79,472
Agriculture and Forestry	3	2	6,500	3,300
Trade Sector	26	17	34,545	16,150
Transportation and Post Office	1	1	-	13,998
Services Sector	89	76	130,523	86,244
Handicraft Sector	1	1	3,000	3,000
Others	33	25	72,228	64,497
<b>Total</b>	<b>180</b>	<b>148</b>	<b>297,943</b>	<b>291,453</b>

**Amount of Loan**



### Number of Loan Customers

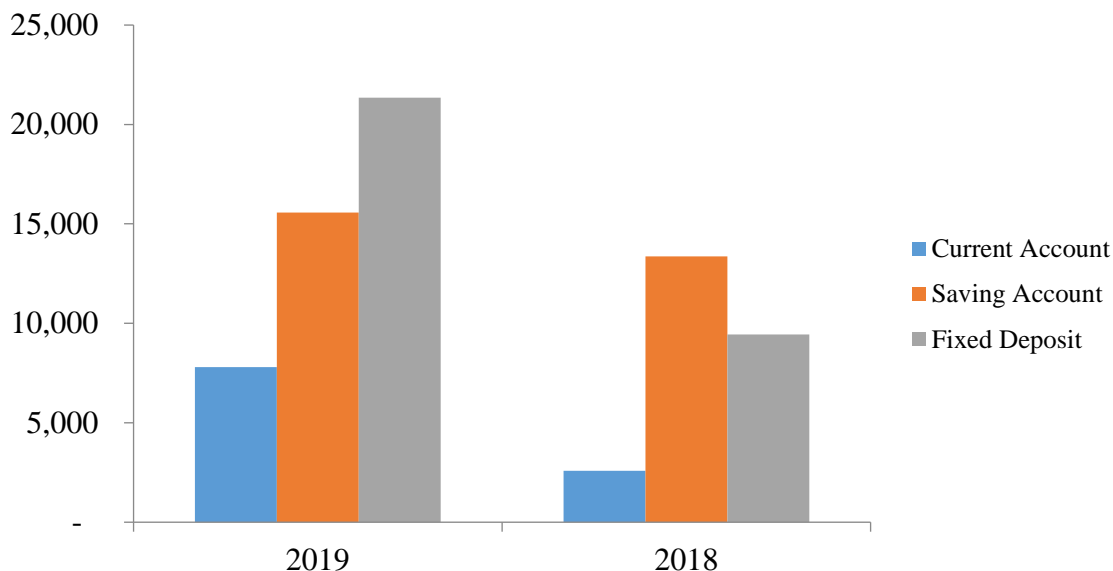


### 3. Deposits of Customers

Balance of deposit of customers in the year 2019 has increased a little when compare with the year 2018 because of bank has extended the borrowing fund contract with Booyoung Khmer Bank, Cambodia which has approved by Bank Supervision Department No. 181/BSD, dated 12 March 2019 in amount USD2 million and make the transaction (SWAP) with BCEL for taking the Lao Kip to give the loan to general customers and when customers have the loan they has to open the fixed installment deposit with bank.

Descriptions	Unit : Million Kip	
	2019	2018
Current Account	7,807	2,593
Saving Account	15,571	13,371
Fixed Deposits	21,343	9,437
<b>Total</b>	<b>44,721</b>	<b>25,401</b>

### Deposit of Customers



#### 4. Registered Capital

According to the agreement No. 141/NA, dated 24 September 2009, the commercial bank in Lao PDR has to increase the registered capital and Booyoung Lao Bank Co.,Ltd has increased full amount of registered capital on 31 December 2014. Now the bank has enough the registered capital for banking business operation. It expresses the ratio of tier 1 to total of risk weighted asset is 98.90% and the ratio of total capital to total of risk weighted asset is 103.61%. The Bank has a plan for increase the registered capital in the next 5 years from 2019 ~ 2023 in accordance with the law on commercial bank (amendment) No. 56/NA, dated 7 December 2018.

***In article 12 (amendment) the registered capital and minimum investment “***

***The commercial bank which was approved to business operation in accordance with this law has to increase the minimum registered capital LAK500 billion and the foreign commercial bank which has established its branch in Lao PDR has to increase the minimum investment LAK300 billion”.***

In the end of 2019, Bank has increased the registered capital in 1<sup>st</sup> period amount USD 5 million equivalent to LAK44.42 billion according to the exchange rate of Banking Operation Department, Bank of the Lao PDR on dated 14/01/2020 is 8,884

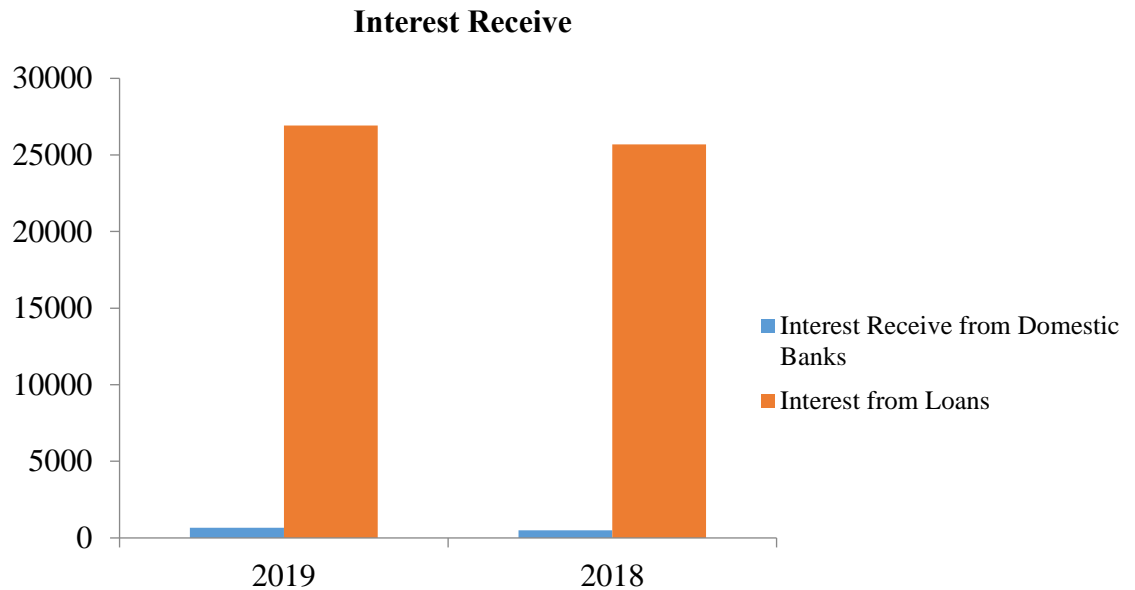
Kip/ 1 USD and according to the approval from Bank Supervision Department No 36/BSD, Dated 20 January 2020.

## 5. Interest Received and Interest paid to customers

### 5.1 Interest Receive

The bank has the interest receive from domestic banks and interest receive from loans. It increases a little in the year 2019 when compare with the year 2018. But it did not deduct the provision for bad debt.

Descriptions	Unit : Million Kip	
	2019	2018
Interest receive from domestic banks	673	502
Interest receive from loans	26,927	25,681
<b>Total</b>	<b>27,600</b>	<b>26,183</b>





## 5.2 Interest Paid to Customers

The interest paid to customers of year 2019 has increased when compare with the year 2018 because of bank has mobilized the deposit which the new loan customer has to open the fixed installment deposit with bank by ratio of the loan limit.

Description	Unit : Million Kip	
	2019	2018
Interest paid to Domestic Banks	817	438
Interest paid to Foreign Bank	603	481
Interest paid to Customers	889	496
<b>Total</b>	<b>2,309</b>	<b>1,415</b>

