

**ACLEDA BANK PLC.**

**CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024 AND  
INDEPENDENT AUDITOR'S REPORT ON INTERIM FINANCIAL STATEMENTS**

**ACLEDA BANK PLC.**

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AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

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## REPORT OF THE BOARD OF DIRECTORS

The Board of Directors (“the Board” or “the Directors”) hereby submits their report together with the consolidated interim financial statements of ACLEDA Bank Plc. (“the Bank”) and its subsidiaries (collectively referred to as “the Group”) and the separate interim financial statements of the Bank as at and for the periods ended 30 September 2024 (hereafter collectively referred to as “the interim financial statements”).

## THE GROUP AND THE BANK

Prior to 1 December 2003, the Bank was a public limited company formed under the laws of the Kingdom of Cambodia to operate as a specialised bank with its Head Office located in Phnom Penh and 14 branches in the Kingdom of Cambodia. On 1 December 2003, the National Bank of Cambodia (“NBC”) issued a license for the Bank to become a private commercial bank for a period of three years commencing 1 December 2003. The Bank’s license was renewed for an indefinite period on 28 November 2006. The registered office of the Bank is located at Building N° 61, Preah Monivong Blvd., Sangkat Srah Chak, Khan Doun Penh, Phnom Penh. The Bank may open additional offices in Cambodia and in other countries, and may change the location of its main registered office upon registering the change with the Ministry of Commerce (“MOC”) and receiving approval from the NBC.

On 25 May 2020, the Bank was successfully listed in the Cambodia Securities Exchange (“CSX”). The number of new issued shares were 4,344,865 shares with a par value of KHR4,000 (US\$0.98) per share, at an offering price of KHR16,200 (US\$3.97) per share. The Bank received the proceeds from the initial public offering (“IPO”) amounting to US\$17,082,105 and incurred IPO costs of US\$1,031,025, resulting in share premium of US\$11,706,215 (KHR48,235,459 thousand).

On 23 November 2020, the shareholders approved the amendment to the Memorandum and Articles of Association (“MAA”) relating to the capital increase from the IPO. On 18 February 2021, the Bank submitted a letter to the NBC requesting for its approval on the capital increase, which was approved on 29 March 2021. Accordingly, the Bank’s amended MAA was approved by the MOC on 12 May 2021.

The Bank and its subsidiaries, ACLEDA Bank Lao Ltd. (“ABL”) and ACLEDA MFI Myanmar Co., Ltd. (“AMM”), are all in the financial industry sector and have operations across 264 offices covering all provinces and cities in the Kingdom of Cambodia, 37 offices in the Lao People’s Democratic Republic (“PDR”), and 17 offices in the Republic of the Union of Myanmar. The Bank’s other subsidiaries, ACLEDA Securities Plc. (“ACS”) is in the securities sector and ACLEDA University of Business Co., Ltd. (“AUB”) is in the education sector.

On 7 December 2022, the Securities and Exchange Regulator of Cambodia (“SERC”) approved the Bank’s request for its nominated Cash Settlement Agent, Registrar Agent, and Transfer Agent, and ACS as the Bond Agent when the Bank issues the green bonds in the CSX.

## **PRINCIPAL ACTIVITIES**

The Bank operates under the regulations of the NBC with special focus on providing lending and other financial services to the citizenry and small and medium-sized enterprises and to engage in all other activities, which the Directors believe support these objectives.

ABL is 99.90% owned by the Bank and its principal business is providing banking and related financial services in Lao PDR.

ACS is wholly-owned by the Bank and its principal business is providing securities brokerage and other services approved by Securities and Exchange Commission of Cambodia ("SECC") (currently, the SERC).

AUB is 76.609% owned by the Bank. AUB provides training and education for Associate's degree, Bachelor's degree, and Master's degree in Business Administration, Major in Banking and Finance.

AMM is wholly-owned by the Bank and is permitted to operate as a deposit-taking microfinance institution providing microfinance services to lower income segments of the Myanmar market and other activities allowed by the Microfinance Supervisory Authority in Myanmar.

## **INTERIM FINANCIAL PERFORMANCE**

The audited interim financial performance of the Group and the Bank for the periods ended 30 September 2024 are set out in the consolidated interim statements of profit or loss and other comprehensive income and separate interim statements of profit or loss and other comprehensive income on pages 12 – 13 and 18, respectively.

Dividends declared and paid for during the period covering 1 January 2024 to 30 September 2024 for the Group and the Bank were US\$14,805,480 (1 January 2023 to 30 September 2023 for the Group and the Bank: US\$72,695,343).

## **SHARE CAPITAL AND SHARE PREMIUM**

Share capital and share premium are classified as equity. Incremental costs directly attributable to the issuance of new share capital are shown in equity as a deduction from the proceeds, net of tax.

## **RESERVES AND PROVISIONS**

There were no material movements to or from reserves and provisions during the periods other than those disclosed in the interim financial statements.

## **BAD AND DOUBTFUL LOANS**

Before the interim financial statements of the Group and the Bank were drawn up, the Directors took reasonable steps to ascertain that action had been taken in relation to the write-off of bad loans and advances or in making provisions for doubtful loans and advances, and satisfied themselves that all known bad loans and advances had been written off and that adequate provisions have been made for bad and doubtful loans and advances.

At the date of this report and based on the best of knowledge, the Directors are not aware of any circumstances which would render the amount written off for bad loans and advances or the amount of the provisions for bad and doubtful loans and advances in the interim financial statements of the Group and the Bank inadequate to any material extent.

## ASSETS

Before the interim financial statements of the Group and the Bank were drawn up, the Directors took reasonable steps to ensure that any assets which were unlikely to be realised in the ordinary course of business at their values as shown in the accounting records of the Group and the Bank have been written down to an amount which they might be expected to realise.

At the date of this report and based on the best of knowledge, the Directors are not aware of any circumstances which would render the values attributed to the assets in the interim financial statements of the Group and the Bank misleading in any material respect.

## CONTINGENT AND OTHER LIABILITIES

At the date of this report, there is:

- (a) no charge on the assets of the Group and the Bank which has arisen since the end of the financial period which secures the liabilities of any other person, and
- (b) no contingent liability in respect of the Group and the Bank that has arisen since the end of the financial period other than in the ordinary course of banking business.

No contingent or other liability of the Group and the Bank has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the Directors, will or may have a material effect on the ability of the Group or the Bank to meet its obligations as and when they become due.

## CHANGE OF CIRCUMSTANCES

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the interim financial statements of the Group and the Bank, which would render any amount stated in the interim financial statements misleading in any material respect.

## ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and the Bank for the financial period were not, in the opinion of the Directors, materially affected by any items, transactions or events of a material and unusual nature.

There has not arisen, in the interval between the end of the financial period and the date of this report, any items, transactions or events of a material and unusual nature that are likely, in the opinion of the Directors, to substantially affect the results of the operations of the Group and the Bank for the financial period in which this report is made.

## THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE

The members of the Board of Directors during the period and as at the date of this report are:

- Mr. Chhay Soeun Chairman (Non-executive Director)
- Dr. In Channy Member (Executive Director)
- Mr. Kyosuke Hattori Member (Non-executive Director)
- Dr. Albertus Bruggink Member (Non-executive Director)
- Mr. Stéphane Mangiavacca Member (Non-executive Director)
- Mr. Kay Lot Member (Independent Director) (Effective on 7 May 2024, previously served as Non-executive Director)
- Drs. Pieter Kooi Member (Independent Director)
- Dr. Heng Dyna Member (Independent Director)
- Ms. Phurik Ratana Member (Independent Director)

## THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE (continued)

The members of the Executive Committee during the period and at the date of this report are:

- |                      |  |
|----------------------|--|
| ▪ Dr. In Channy      | President & Group Managing Director                      |
| ▪ Mrs. Mar Amara     | Senior Group Chief Financial Officer                     |
| ▪ Mr. Ly Thay        | Senior Group Chief Administrative Officer                |
| ▪ Mrs. Buth Bunseyha | Senior Group Chief Legal Officer and Corporate Secretary |
| ▪ Mr. Mach Theary    | Senior Group Chief Information Officer                   |
| ▪ Dr. Loeung Sopheap | Group Chief Risk Officer                                 |
| ▪ Mr. Yin Virak      | Group Chief Treasury Officer                             |
| ▪ Mrs. Sok Sophea    | Group Chief Operations Officer                           |

## THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE INTERIM FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the interim financial statements are properly drawn up so as to present fairly, in all material respects, the interim financial position as at 30 September 2024, the interim financial performance for the three-month and the nine-month periods then ended, and the interim cash flows for the nine-month period then ended of the Group and the Bank in accordance with Cambodian International Financial Reporting Standards ("CIFRS").


In preparing these interim financial statements, the Directors are required to:

- i) adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- ii) comply with the disclosure requirements of CIFRS, or if there have been any departures in the interest of true and fair presentation, these have been appropriately disclosed, explained, and quantified in the interim financial statements;
- iii) maintain adequate accounting records and an effective system of internal controls;
- iv) prepare the interim financial statements on a going concern basis unless it is inappropriate to assume that the Group and the Bank will continue operations in the foreseeable future;
- v) effectively control and direct the Group and the Bank in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the interim financial statements; and,
- vi) safeguard the assets of the Group and the Bank and hence take reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that the Group and the Bank have complied with the above requirements in preparing the interim financial statements.



Mrs. Mar Amara  
Senior Group Chief Financial Officer



Dr. In Channy  
President & Group Managing Director

Phnom Penh, Kingdom of Cambodia  
6 November 2024



## APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The accompanying interim financial statements, together with the notes thereto set out on pages 22 to 205, present fairly, in all material respects, the interim financial position as at 30 September 2024, the interim financial performance for the three-month and nine-month periods then ended, and the interim cash flows for the nine-month period then ended of the Group and the Bank in accordance with CIFRS, were approved by the Board of Directors.

Signed in accordance with a resolution of the Board of Directors.



Mr. Chhay Soeun  
Chairman

Phnom Penh, Kingdom of Cambodia  
6 November 2024



## Independent auditor's report

To the Shareholders of ACLEDA Bank Plc.

Report on the audit of the consolidated and separate interim financial statements (interim financial statements)

### Our opinion

In our opinion, the consolidated interim financial statements and the separate interim financial statements present fairly, in all material respects, the consolidated interim financial position of ACLEDA Bank Plc. (the Bank) and its subsidiaries (the Group) and the separate interim financial position of the Bank as at 30 September 2024, and its consolidated and separate interim financial performance and its consolidated and separate interim cash flows for the period then ended in accordance with Cambodian International Financial Reporting Standards (CIFRS).

#### *What we have audited*

ACLEDA Bank Plc.'s interim financial statements comprise:

- the consolidated interim statement of financial position as at 30 September 2024;
- the consolidated interim statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2024;
- the consolidated interim statement of changes in equity for the nine-month period ended 30 September 2024;
- the consolidated interim statement of cash flows for the nine-month period ended 30 September 2024;
- the separate interim statement of financial position as at 30 September 2024;
- the separate interim statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2024;
- the separate interim statement of changes in equity for the nine-month period ended 30 September 2024;
- the separate interim statement of cash flows for the nine-month period ended 30 September 2024; and
- the notes to the consolidated and separate interim financial statements, which include material accounting policy information and other explanatory information.

### Basis for opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (CISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated and separate interim financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





*Independence*

We are independent of the Group and the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of the Kampuchea Institute of Certified Public Accountants and Auditors' Code of Ethics for Certified Public Accountants and Auditors (KICPAA Code) that are relevant to our audit of the consolidated and separate interim financial statements in Cambodia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the KICPAA Code.

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate interim financial statements of the current period. We determine one key audit matter: Allowance for impairment losses on loans and advances. This matter was addressed in the context of our audit of the consolidated and separate interim financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matter	How our audit addressed the key audit matter
<p><b>Allowance for impairment losses on loans and advances</b></p> <p>Loans and advances constitute approximately 64.21% and 63.70% of the Group's and the Bank's total assets, respectively, as at 30 September 2024. The Group's and the Bank's loan portfolio mainly comprises loans and advances to customers (both corporates and individuals) in wholesales and retails, services and agriculture. Refer to Note 39.1(d)(ii) for details.</p> <p>The Group's and the Bank's expected credit loss (ECL) models are significant to our audit as this requires the use of complex models and significant assumptions about future economic conditions and credit behaviors. The ECL models require considerable judgement and interpretation in its implementation of the requirements of CIFRS 9, Financial Instruments, which brings about a high degree of estimation uncertainty.</p> <p>The significant judgements in applying the accounting requirements for measuring ECL include the following:</p> <ul style="list-style-type: none"> <li>• grouping financial assets sharing similar credit risk characteristics for the purposes of measuring ECL;</li> <li>• choosing appropriate models and assumptions to measure ECL;</li> </ul>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We updated our understanding, evaluated the design and implementation, and tested the operating effectiveness of the key controls over the allowance for impairment losses. These controls, among others, included: <ul style="list-style-type: none"> <li>- Loan applications and credit reviews;</li> <li>- Identification of significant increase in credit risk;</li> <li>- Review of the credit worthiness of the borrowers;</li> <li>- Review on frequent refreshment of collateral value; and,</li> <li>- Accuracy of data inputs.</li> </ul> </li> <li>• We assessed whether the methodology and assumptions used in the ECL models are consistent with the requirements of CIFRS 9.</li> <li>• We examined samples of loans for the appropriateness of the loan credit risk grading and staging, assessed Management's evaluations and conclusions on the credit worthiness and classification of the selected loans.</li> </ul>



Key audit matter	How our audit addressed the key audit matter
<p><b>Allowance for impairment losses on loans and advances</b> (continued)</p> <ul style="list-style-type: none"> <li>• Determining criteria for identifying loans to customers that have experienced a significant increase in credit risk (SICR); and,</li> <li>• applying assumptions and analysis on expected future cash flows and forward-looking information;</li> </ul> <p>The details of the accounting policies, critical accounting judgements and estimation uncertainty, and credit risk management used by the Group and the Bank have been disclosed in Notes 2(e)(vii), 4 and 39.1 to the interim financial statements, respectively.</p>	<ul style="list-style-type: none"> <li>• We evaluated the processes used by Management to develop forward-looking information used in the ECL models and validated their reasonableness against publicly available information and our understanding of the Group's and the Bank's loan portfolios and industry where the Group and the Bank operate. In addition, we assessed the level of significant of correlation of selected macro-economic factors to the default rates as well as the impact of these variables to the ECL.</li> <li>• We tested the accuracy of key inputs into the ECL models by comparing them against source systems and documents.</li> <li>• We recomputed on the sample basis the ECL to test the mathematical accuracy of the ECL models.</li> <li>• We assessed the adequacy of disclosures to ensure compliance with CIFRS 9.</li> </ul> <p>From the results of these procedures, we determined that the key assumptions of management's estimate were reasonable based on available evidence.</p>

**Other information**

Management is responsible for the other information. The other information comprises the report of the Board of Directors and the supplementary financial information required by the National Bank of Cambodia, but does not include the consolidated and separate interim financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate interim financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate interim financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate interim financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **Responsibilities of management and those charged with governance for the interim financial statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate interim financial statements in accordance with CIFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate interim financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate interim financial statements, management is responsible for assessing the Group's and 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 Group and the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Bank's financial reporting process.

## **Auditor's responsibilities for the audit of the interim financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate interim 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 CISAs 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 consolidated and separate interim financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate interim 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 Group's and the Bank'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 Group's and Bank'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 consolidated and separate interim 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 Group and the Bank to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated and separate interim financial statements, including the disclosures, and whether the consolidated and separate interim financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the interim financial information of the entities or business activities within the Group to express an opinion on the consolidated interim financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate interim financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For PricewaterhouseCoopers (Cambodia) Ltd.

By Kuy Lim  
Partner

Phnom Penh, Kingdom of Cambodia  
6 November 2024

**ACLEDA BANK PLC.**

**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2024**

		<b>30 September 2024 US\$</b>	<b>31 December 2023 US\$</b>	<b>30 September 2024 KHR'000 (Note 5)</b>	<b>31 December 2023 KHR'000 (Notes 5)</b>
	<b>Notes</b>				
<b>ASSETS</b>					
Cash on hand	7	603,214,048	495,793,568	2,449,652,249	2,025,316,725
Deposits and placements with other banks, net	8	1,813,199,200	1,509,543,178	7,363,401,951	6,166,483,882
Financial investments, net	9	534,556,285	357,544,384	2,170,833,073	1,460,568,809
Loans and advances, net	10	6,775,408,578	6,601,665,231	27,514,934,235	26,967,802,469
Other assets	11	30,469,156	32,839,518	123,735,243	134,149,431
Statutory deposits	12	592,104,788	548,627,109	2,404,537,544	2,241,141,740
Property and equipment, net	14	146,730,528	147,746,865	595,872,674	603,545,944
Intangible assets, net	15	16,987,980	10,771,018	68,988,187	43,999,609
Right-of-use assets, net	16	35,195,346	32,410,303	142,928,300	132,396,088
Deferred tax assets	17	892,693	1,352,626	3,625,226	5,525,477
Derivative financial instruments	23	3,301,853	5,746,686	13,408,825	23,475,212
<b>TOTAL ASSETS</b>		<u>10,552,060,455</u>	<u>9,744,040,486</u>	<u>42,851,917,507</u>	<u>39,804,405,386</u>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
Deposits and placements of other banks and financial institutions	18	387,502,035	419,792,620	1,573,645,764	1,714,852,853
Deposits from customers	19	7,728,710,963	6,808,020,419	31,386,295,221	27,810,763,412
Other liabilities	20	91,031,496	85,845,344	369,678,905	350,678,230
Borrowings	21	648,259,944	859,813,550	2,632,583,633	3,512,338,352
Subordinated debts	22	174,117,291	117,053,882	707,090,319	478,165,108
Lease liabilities	24	35,252,941	32,527,687	143,162,193	132,875,601
Employee benefits	25	12,397,381	8,392,621	50,345,764	34,283,857
Current income tax liabilities	32(a)	8,291,968	3,791,516	33,673,682	15,488,343
Deferred tax liabilities	17	30,752,860	26,782,045	124,887,364	109,404,654
<b>TOTAL LIABILITIES</b>		<u>9,116,316,879</u>	<u>8,362,019,684</u>	<u>37,021,362,845</u>	<u>34,158,850,410</u>
<b>EQUITY</b>					
Share capital	26	433,163,019	433,163,019	1,732,652,076	1,732,652,076
Share premium	26	11,706,215	11,706,215	48,235,459	48,235,459
Reserves	37	771,861,707	722,627,638	3,172,857,124	3,005,581,984
Retained earnings		212,954,893	208,502,399	852,209,513	834,487,503
Attributable to owners of the Bank		1,429,685,834	1,375,999,271	5,805,954,172	5,620,957,022
Non-controlling interests		6,057,742	6,021,531	24,600,490	24,597,954
<b>TOTAL EQUITY</b>		<u>1,435,743,576</u>	<u>1,382,020,802</u>	<u>5,830,554,662</u>	<u>5,645,554,976</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>10,552,060,455</u>	<u>9,744,040,486</u>	<u>42,851,917,507</u>	<u>39,804,405,386</u>

The accompanying notes on pages 22 to 205 form an integral part of these interim financial statements.

ACLEDA BANK PLC.

CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024

	Notes	For the nine-month period ended				For the three-month period ended			
		30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Interest income	27	594,323,330	561,178,478	2,424,839,186	2,304,760,009	199,451,980	189,214,369	815,359,694	781,833,773
Interest expense	28	(260,450,503)	(241,930,949)	(1,062,638,052)	(993,610,408)	(87,072,367)	(83,505,366)	(355,951,836)	(345,044,172)
<b>Net interest income</b>		<b>333,872,827</b>	<b>319,247,529</b>	<b>1,362,201,134</b>	<b>1,311,149,601</b>	<b>112,379,613</b>	<b>105,709,003</b>	<b>459,407,858</b>	<b>436,789,601</b>
Fee and commission income	29	32,395,556	35,049,012	132,173,868	143,946,292	12,202,303	11,974,767	49,883,015	49,479,737
Fee and commission expense		(3,936,299)	(3,017,179)	(16,060,100)	(12,391,554)	(1,504,301)	(1,289,179)	(6,149,582)	(5,326,888)
<b>Net fee and commission income</b>		<b>28,459,257</b>	<b>32,031,833</b>	<b>116,113,768</b>	<b>131,554,738</b>	<b>10,698,002</b>	<b>10,685,588</b>	<b>43,733,433</b>	<b>44,152,849</b>
Allowance for impairment losses on loans and advances, deposits and placements with other banks, other receivables, and investment securities	10	(74,077,690)	(30,046,669)	(302,236,975)	(123,401,670)	(36,617,829)	(6,696,531)	(149,693,685)	(27,670,066)
Allowance for impairment losses on off-balance sheet commitments	10	(38,274)	(1,680)	(156,158)	(6,900)	(13,355)	(491)	(54,595)	(2,029)
<b>Net impairment losses</b>		<b>(74,115,964)</b>	<b>(30,048,349)</b>	<b>(302,393,133)</b>	<b>(123,408,570)</b>	<b>(36,631,184)</b>	<b>(6,697,022)</b>	<b>(149,748,280)</b>	<b>(27,672,095)</b>
<b>Income after impairment losses</b>		<b>288,216,120</b>	<b>321,231,013</b>	<b>1,175,921,769</b>	<b>1,319,295,769</b>	<b>86,446,431</b>	<b>109,697,569</b>	<b>353,393,011</b>	<b>453,270,355</b>
Other income, net	30	16,648,289	19,568,288	67,925,019	80,366,959	5,484,322	6,406,763	22,419,908	26,472,745
Other operating expenses	31	(212,513,918)	(201,744,400)	(867,056,785)	(828,564,251)	(68,979,533)	(66,189,281)	(281,988,331)	(273,494,109)
<b>Profit before income tax</b>		<b>92,350,491</b>	<b>139,054,901</b>	<b>376,790,003</b>	<b>571,098,477</b>	<b>22,951,220</b>	<b>49,915,051</b>	<b>93,824,588</b>	<b>206,248,991</b>
Income tax expense	32(b)	(18,709,576)	(27,601,588)	(76,335,070)	(113,359,722)	(4,361,633)	(10,051,062)	(17,830,356)	(41,530,988)
<b>Profit for the period (carried forward to next page)</b>		<b>73,640,915</b>	<b>111,453,313</b>	<b>300,454,933</b>	<b>457,738,755</b>	<b>18,589,587</b>	<b>39,863,989</b>	<b>75,994,232</b>	<b>164,718,003</b>

ACLEDA BANK PLC.

CONSOLIDATED INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024

	For the nine-month period ended				For the three-month period ended				
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	
<b>Profit for the period (brought forward from previous page)</b>	<u>73,640,915</u>	<u>111,453,313</u>	<u>300,454,933</u>	<u>457,738,755</u>	<u>18,589,587</u>	<u>39,863,989</u>	<u>75,994,232</u>	<u>164,718,003</u>	
<b>Other comprehensive income:</b>									
<b>Items that will not be reclassified to profit or loss:</b>									
Exchange differences	-	-	(33,745,066)	5,590,849	-	-	(69,997,558)	(10,756,405)	
<b>Items that are or may be reclassified subsequently to profit or loss:</b>									
Currency translation differences - foreign subsidiaries	(2,337,609)	(6,880,545)	(9,537,445)	(28,258,398)	839,830	(2,040,872)	3,433,225	(8,432,883)	
Remeasurement of the effective portion of derivatives arising from cash flow hedge	(2,444,833)	(879,037)	(9,974,919)	(3,610,205)	(832,802)	175,258	(3,404,495)	724,166	
Other comprehensive (loss)/income for the period	<u>(4,782,442)</u>	<u>(7,759,582)</u>	<u>(53,257,430)</u>	<u>(26,277,754)</u>	<u>7,028</u>	<u>(1,865,614)</u>	<u>(69,968,828)</u>	<u>(18,465,122)</u>	
<b>Total comprehensive income for the period</b>	<u>68,858,473</u>	<u>103,693,731</u>	<u>247,197,503</u>	<u>431,461,001</u>	<u>18,596,615</u>	<u>37,998,375</u>	<u>6,025,404</u>	<u>146,252,881</u>	
<b>Profit for the period attributable to:</b>									
Owners of the Bank	73,603,603	111,511,768	300,302,700	457,978,830	18,544,595	39,936,717	75,810,305	165,018,515	
Non-controlling interests	37,312	(58,455)	152,233	(240,075)	44,992	(72,728)	183,927	(300,512)	
	<u>73,640,915</u>	<u>111,453,313</u>	<u>300,454,933</u>	<u>457,738,755</u>	<u>18,589,587</u>	<u>39,863,989</u>	<u>75,994,232</u>	<u>164,718,003</u>	
<b>Total other comprehensive income attributable to:</b>									
Owners of the Bank	68,821,707	103,753,796	247,047,498	431,707,688	18,551,426	38,071,580	5,840,671	146,555,364	
Non-controlling interests	36,766	(60,065)	150,005	(246,687)	45,189	(73,205)	184,733	(302,483)	
	<u>68,858,473</u>	<u>103,693,731</u>	<u>247,197,503</u>	<u>431,461,001</u>	<u>18,596,615</u>	<u>37,998,375</u>	<u>6,025,404</u>	<u>146,252,881</u>	
The earnings per share attributable to shareholders of the Bank during the period:									
Basic earnings per share	33	0.17	0.26	0.69	1.06	0.04	0.09	0.18	0.38
Diluted earnings per share	33	0.17	0.26	0.69	1.06	0.04	0.09	0.18	0.38

The accompanying notes on pages 22 to 205 form an integral part of these interim financial statements.

ACLEDA BANK PLC.

CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024

	Attributable to owners of the Bank										Non-controlling interest		Total equity	
	Share capital		Share premium		Reserves		Retained earnings		Total					
	US\$	KHR'000 (Notes 5)	US\$	KHR'000 (Notes 5)	US\$	KHR'000 (Notes 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2024</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	722,627,638	3,005,581,984	208,502,399	834,487,503	1,375,999,271	5,620,957,022	6,021,531	24,597,954	1,382,020,802	5,645,554,976
Profit for the period	-	-	-	-	-	-	73,603,603	300,302,700	73,603,603	300,302,700	37,312	152,233	73,640,915	300,454,933
Other comprehensive income:														
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	-	-	(2,444,833)	(9,974,919)	-	-	(2,444,833)	(9,974,919)	-	-	(2,444,833)	(9,974,919)
Currency translation differences - foreign subsidiaries	-	-	-	-	(2,337,063)	(9,535,217)	-	-	(2,337,063)	(9,535,217)	(546)	(2,228)	(2,337,609)	(9,537,445)
<b>Total comprehensive (loss)/income for the period</b>	-	-	-	-	(4,781,896)	(19,510,136)	73,603,603	300,302,700	68,821,707	280,792,564	36,766	150,005	68,858,473	280,942,569
<b>Transactions with owners:</b>														
Additional tax on capital conversion – ABL	-	-	-	-	-	-	(203,380)	(829,790)	(203,380)	(829,790)	(525)	(2,142)	(203,905)	(831,932)
Dividend paid	-	-	-	-	-	-	(14,805,480)	(60,850,524)	(14,805,480)	(60,850,524)	-	-	(14,805,480)	(60,850,524)
Transfer from retained earnings to regulatory reserves	-	-	-	-	54,015,965	220,385,137	(54,015,965)	(220,385,137)	-	-	-	-	-	-
Additional reassessment tax – ABL	-	-	-	-	-	-	(126,284)	(515,239)	(126,284)	(515,239)	(30)	(122)	(126,314)	(515,361)
Exchange differences	-	-	-	-	-	(33,599,861)	-	-	-	(33,599,861)	-	(145,205)	-	(33,745,066)
<b>Total transactions with owners</b>	-	-	-	-	54,015,965	186,785,276	(69,151,109)	(282,580,690)	(15,135,144)	(95,795,414)	(555)	(147,469)	(15,135,699)	(95,942,883)
<b>As at 30 September 2024</b>	<b>433,163,019</b>	<b>1,732,652,076</b>	<b>11,706,215</b>	<b>48,235,459</b>	<b>771,861,707</b>	<b>3,172,857,124</b>	<b>212,954,893</b>	<b>852,209,513</b>	<b>1,429,685,834</b>	<b>5,805,954,172</b>	<b>6,057,742</b>	<b>24,600,490</b>	<b>1,435,743,576</b>	<b>5,830,554,662</b>

	Attributable to owners of the Bank										Non-controlling interest		Total equity	
	Share capital		Share premium		Reserves		Retained earnings		Total					
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2023</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	638,862,248	2,706,552,320	226,856,479	908,250,779	1,310,587,961	5,395,690,634	6,059,859	24,948,440	1,316,647,820	5,420,639,074
Profit for the period	-	-	-	-	-	-	111,511,768	457,978,830	111,511,768	457,978,830	(58,455)	(240,075)	111,453,313	457,738,755
Other comprehensive income:														
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	-	-	(879,037)	(3,610,205)	-	-	(879,037)	(3,610,205)	-	-	(879,037)	(3,610,205)
Currency translation differences - foreign subsidiaries	-	-	-	-	(6,878,935)	(28,251,786)	-	-	(6,878,935)	(28,251,786)	(1,610)	(6,612)	(6,880,545)	(28,258,398)
<b>Total comprehensive (loss)/income for the period</b>	-	-	-	-	(7,757,972)	(31,861,991)	111,511,768	457,978,830	103,753,796	426,116,839	(60,065)	(246,687)	103,693,731	425,870,152
<b>Transactions with owners:</b>														
Additional tax on capital conversion – ABL	-	-	-	-	-	-	(230,017)	(944,680)	(230,017)	(944,680)	(597)	(2,452)	(230,614)	(947,132)
Dividend paid	-	-	-	-	-	-	(72,695,343)	(297,105,865)	(72,695,343)	(297,105,865)	-	-	(72,695,343)	(297,105,865)
Transfer from retained earnings to regulatory reserves	-	-	-	-	68,791,533	282,526,826	(68,791,533)	(282,526,826)	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	5,561,460	-	-	-	5,561,460	-	29,389	-	5,590,849
<b>Total transactions with owners</b>	-	-	-	-	68,791,533	288,088,286	(141,716,893)	(580,577,371)	(72,925,360)	(292,489,085)	(597)	26,937	(72,925,957)	(292,462,148)
<b>As at 30 September 2023</b>	<b>433,163,019</b>	<b>1,732,652,076</b>	<b>11,706,215</b>	<b>48,235,459</b>	<b>699,895,809</b>	<b>2,962,778,615</b>	<b>196,651,354</b>	<b>785,652,238</b>	<b>1,341,416,397</b>	<b>5,529,318,388</b>	<b>5,999,197</b>	<b>24,728,690</b>	<b>1,347,415,594</b>	<b>5,554,047,078</b>

The accompanying notes on pages 22 to 205 form an integral part of these interim financial statements.



ACLEDA BANK PLC.

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024

		30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
	Notes				
<b>Cash flows from operating activities</b>					
Profit for the period before income tax		92,350,491	139,054,901	376,790,003	571,098,477
<i>Adjustments for:</i>					
Net impairment losses	10	74,115,964	30,048,349	302,393,133	123,408,570
Depreciation of property and equipment	31	18,977,294	17,504,583	77,427,360	71,891,322
Depreciation of right-of-use assets	16	9,618,018	9,067,012	39,241,513	37,238,218
Seniority indemnity benefits	25(a)	8,448,125	7,703,738	34,468,350	31,639,252
Amortisation of intangible assets	15	3,139,442	2,029,970	12,808,923	8,337,087
Career development expense	25(b)	1,266,384	1,257,694	5,166,847	5,165,349
Pension fund		651,218	503,140	2,656,969	2,066,396
Adjustment in intangible assets		83,830	97,600	342,026	400,843
Adjustment in property and equipment		41,134	364,663	167,827	1,497,671
Reversal of retirement benefits	25	-	(121,300)	-	(498,179)
Dividend income	30	(289,773)	(407,629)	(1,182,274)	(1,674,132)
Gain on disposals of property and equipment and lease	30	(502,595)	(247,376)	(2,050,588)	(1,015,973)
Unrealised foreign exchange gains		(528,133)	(73,446)	(2,154,783)	(301,643)
Currency translation reserves		(2,337,609)	(6,880,545)	(9,537,445)	(28,258,398)
Net interest income		(333,872,827)	(319,247,529)	(1,362,201,134)	(1,311,149,601)
<b>Operating loss before changes in working capital</b>		<b>(128,839,037)</b>	<b>(119,346,175)</b>	<b>(525,663,273)</b>	<b>(490,154,741)</b>
<i>Changes in:</i>					
Deposits from customers		920,690,544	525,576,900	3,756,417,420	2,158,544,328
Other assets		2,586,347	(341,226)	10,552,296	(1,401,415)
Deposits and placements with other banks		494,982	11,535,158	2,019,527	47,374,894
Other liabilities		(16,504,238)	(42,751,917)	(67,337,291)	(175,582,123)
Deposits and placements from other banks and financial institutions		(32,290,585)	1,067,557	(131,745,587)	4,384,457
Reserve requirement		(43,477,679)	(173,280,421)	(177,388,930)	(711,662,689)
Loans and advances		(248,057,297)	(166,758,056)	(1,012,073,772)	(684,875,336)
<b>Cash flows from operations</b>		<b>454,603,037</b>	<b>35,701,820</b>	<b>1,854,780,390</b>	<b>146,627,375</b>
Interest received		591,730,362	557,828,533	2,414,259,877	2,291,001,785
Retirement benefits paid		-	(22,464,315)	-	(92,260,942)
Payment for additional reassessment tax for ABL		(126,314)	-	(515,361)	-
Pension fund paid		(650,584)	(503,072)	(2,654,383)	(2,066,117)
Career development benefits paid	25(b)	(763,196)	(3,872,526)	(3,113,840)	(15,904,464)
Seniority benefits paid	25(a)	(4,929,058)	(5,281,843)	(20,110,557)	(21,692,529)
Income tax paid	32(a)	(9,746,754)	(40,843,915)	(39,766,756)	(167,745,959)
Interest paid		(188,391,777)	(149,003,692)	(768,638,450)	(611,958,163)
<b>Net cash generated from operating activities (carried forward to next page)</b>		<b>841,725,716</b>	<b>371,560,990</b>	<b>3,434,240,920</b>	<b>1,526,000,986</b>

**ACLEDA BANK PLC.**

**CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>Net cash generated from operating activities (brought forward from previous page)</b>	841,725,716	371,560,990	3,434,240,920	1,526,000,986
<b>Cash flows from investing activities</b>				
Proceeds from matured investments	29,810,208	69,862,124	121,625,649	286,923,743
Interest received from investments	2,592,967	3,349,946	10,579,305	13,758,228
Proceeds from disposals of property and equipment	520,834	199,706	2,125,003	820,193
Dividends received	289,773	407,629	1,182,274	1,674,132
Purchases of intangible assets	15 (4,882,261)	(2,342,392)	(19,919,625)	(9,620,204)
Purchases of property and equipment	14 (16,603,752)	(28,031,994)	(67,743,308)	(115,127,399)
Purchases of financial investments	(68,704,841)	-	(280,315,751)	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(56,977,072)</b>	<b>43,445,019</b>	<b>(232,466,453)</b>	<b>178,428,693</b>
<b>Cash flows from financing activities</b>				
Proceeds from subordinated debts	68,994,131	14,972,500	281,496,054	61,492,058
Proceeds from borrowings	12,792,206	90,722,260	52,192,200	372,596,322
Payment tax on ABL's capital increase	(203,905)	(230,614)	(831,932)	(947,132)
Payments of lease liabilities (principal)	24 (9,564,426)	(8,855,820)	(39,022,858)	(36,370,853)
Payments of dividends	(14,805,480)	(72,695,343)	(60,850,524)	(297,105,865)
Repayments of subordinated debts	(15,841,387)	(15,000,000)	(64,632,859)	(61,605,000)
Interest paid	(56,761,589)	(57,565,066)	(231,587,283)	(236,419,726)
Repayments of borrowings	(219,984,174)	(240,321,650)	(897,535,430)	(987,001,017)
<b>Net cash used in financing activities</b>	<b>(235,374,624)</b>	<b>(288,973,733)</b>	<b>(960,772,632)</b>	<b>(1,185,361,213)</b>
<b>Net increase in cash and cash equivalents</b>	<b>549,374,020</b>	<b>126,032,276</b>	<b>2,241,001,835</b>	<b>519,068,466</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,279,718,573</b>	<b>1,748,443,669</b>	<b>9,312,650,371</b>	<b>7,198,342,585</b>
Exchange differences	-	-	(64,707,186)	9,178,794
<b>Cash and cash equivalents at the end of the period</b>	<b>34 2,829,092,593</b>	<b>1,874,475,945</b>	<b>11,488,945,020</b>	<b>7,726,589,845</b>

**Non-cash investing activities**

Non-cash investing activities disclosed in other note is the purchases of property and equipment (Note 14) and the purchases of intangible assets (Note 15).

**Non-cash financing activities**

During the nine-month period ended 30 September 2024, the Group entered into new lease agreements and recognised right-of-use assets amounting to US\$13,850,692 (30 September 2023: US\$12,999,364), and pre-terminated right-of-use assets and lease liabilities amounting to US\$1,631,785 and US\$1,763,097 (30 September 2023: US\$633,224 and US\$693,743), respectively, and recognised a gain from pretermination amounting to US\$131,334 (30 September 2023: US\$90,617), which is a non-cash transaction.

The accompanying notes on pages 22 to 205 form an integral part of these interim financial statements.

**ACLEDA BANK PLC.**

**SEPARATE INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2024**

		<b>30 September 2024 US\$</b>	<b>31 December 2023 US\$</b>	<b>30 September 2024 KHR'000 (Note 5)</b>	<b>31 December 2023 KHR'000 (Notes 5)</b>
	<b>Notes</b>				
<b>ASSETS</b>					
Cash on hand	7	593,183,234	486,584,317	2,408,917,113	1,987,696,935
Deposits and placements with other banks, net	8	1,777,477,254	1,478,882,021	7,218,335,128	6,041,233,056
Financial investments, net	9	534,556,285	357,544,384	2,170,833,073	1,460,568,809
Loans and advances, net	10	6,623,826,600	6,457,043,288	26,899,359,823	26,377,021,831
Other assets	11	29,657,282	31,035,271	120,438,223	126,779,083
Statutory deposits	12	585,376,816	543,302,104	2,377,215,250	2,219,389,095
Investments in subsidiaries	13	91,117,716	91,117,716	370,029,045	372,215,870
Property and equipment, net	14	111,263,881	113,709,160	451,842,621	464,501,919
Intangible assets, net	15	15,562,823	9,829,455	63,200,624	40,153,324
Right-of-use assets, net	16	33,350,769	30,852,413	135,437,473	126,032,107
Derivative financial instruments	23	3,301,853	5,746,686	13,408,825	23,475,212
<b>TOTAL ASSETS</b>		<u>10,398,674,513</u>	<u>9,605,646,815</u>	<u>42,229,017,198</u>	<u>39,239,067,241</u>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
Deposits and placements of other banks and financial institutions	18	354,436,815	386,405,927	1,439,367,906	1,578,468,212
Deposits from customers	19	7,621,415,491	6,715,289,025	30,950,568,309	27,431,955,667
Other liabilities	20	87,492,818	82,983,974	355,308,334	338,989,534
Borrowings	21	635,152,951	843,418,591	2,579,356,134	3,445,364,944
Subordinated debts	22	174,117,291	117,053,882	707,090,319	478,165,108
Lease liabilities	24	33,138,005	30,547,348	134,573,438	124,785,917
Employee benefits	25	12,202,605	8,200,636	49,554,779	33,499,598
Current income tax liabilities	32(a)	7,724,644	2,319,080	31,369,779	9,473,442
Deferred tax liabilities	17	30,752,860	26,782,045	124,887,364	109,404,654
<b>TOTAL LIABILITIES</b>		<u>8,956,433,480</u>	<u>8,213,000,508</u>	<u>36,372,076,362</u>	<u>33,550,107,076</u>
<b>EQUITY</b>					
Share capital	26	433,163,019	433,163,019	1,732,652,076	1,732,652,076
Share premium	26	11,706,215	11,706,215	48,235,459	48,235,459
Reserves	37	816,149,966	765,115,248	3,353,252,566	3,178,952,563
Retained earnings		181,221,833	182,661,825	722,800,735	729,120,067
<b>TOTAL EQUITY</b>		<u>1,442,241,033</u>	<u>1,392,646,307</u>	<u>5,856,940,836</u>	<u>5,688,960,165</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>10,398,674,513</u>	<u>9,605,646,815</u>	<u>42,229,017,198</u>	<u>39,239,067,241</u>

The accompanying notes on pages 22 to 205 form an integral part of these interim financial statements.

ACLEDA BANK PLC.

SEPARATE INTERIM STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2024

	Notes	For the nine-month period ended				For the three-month period ended			
		30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023	30 September 2024	30 September 2023
		US\$	US\$	KHR'000	KHR'000	US\$	US\$	KHR'000	KHR'000
			(Note 5)	(Note 5)			(Note 5)	(Note 5)	
Interest income	27	569,984,294	539,532,562	2,325,535,920	2,215,860,232	191,366,741	182,308,276	782,307,237	753,297,796
Interest expense	28	(253,821,566)	(236,450,305)	(1,035,591,989)	(971,101,403)	(84,714,746)	(81,582,077)	(346,313,882)	(337,097,142)
<b>Net interest income</b>		<u>316,162,728</u>	<u>303,082,257</u>	<u>1,289,943,931</u>	<u>1,244,758,829</u>	<u>106,651,995</u>	<u>100,726,199</u>	<u>435,993,355</u>	<u>416,200,654</u>
Fee and commission income	29	28,335,788	31,503,777	115,610,015	129,386,012	10,706,665	10,797,886	43,768,847	44,616,865
Fee and commission expense		(3,911,824)	(2,934,988)	(15,960,242)	(12,053,996)	(1,500,308)	(1,261,489)	(6,133,259)	(5,212,473)
<b>Net fee and commission income</b>		<u>24,423,964</u>	<u>28,568,789</u>	<u>99,649,773</u>	<u>117,332,016</u>	<u>9,206,357</u>	<u>9,536,397</u>	<u>37,635,588</u>	<u>39,404,392</u>
Allowance for impairment losses on loans and advances, deposits and placements with other banks, other receivables, and investment securities	10	(73,191,290)	(26,864,294)	(298,620,463)	(110,331,655)	(36,254,187)	(6,565,912)	(148,207,116)	(27,130,348)
(Allowance for)/reversal of impairment losses on off- balance sheet commitments	10	(32,331)	12,061	(131,910)	49,535	(8,463)	2,750	(34,597)	11,363
<b>Net impairment losses</b>		<u>(73,223,621)</u>	<u>(26,852,233)</u>	<u>(298,752,373)</u>	<u>(110,282,120)</u>	<u>(36,262,650)</u>	<u>(6,563,162)</u>	<u>(148,241,713)</u>	<u>(27,118,985)</u>
<b>Income after impairment losses</b>		<u>267,363,071</u>	<u>304,798,813</u>	<u>1,090,841,331</u>	<u>1,251,808,725</u>	<u>79,595,702</u>	<u>103,699,434</u>	<u>325,387,230</u>	<u>428,486,061</u>
Other income, net	30	15,924,292	17,685,790	64,971,111	72,635,540	5,195,106	5,825,447	21,237,593	24,070,747
Other operating expenses	31	(199,437,505)	(191,852,207)	(813,705,020)	(787,937,014)	(64,763,563)	(62,674,951)	(264,753,446)	(258,972,898)
<b>Profit before income tax</b>		<u>83,849,858</u>	<u>130,632,396</u>	<u>342,107,422</u>	<u>536,507,251</u>	<u>20,027,245</u>	<u>46,849,930</u>	<u>81,871,377</u>	<u>193,583,910</u>
Income tax expense	32(b)	(17,004,819)	(25,680,483)	(69,379,662)	(105,469,744)	(3,907,085)	(9,298,170)	(15,972,163)	(38,420,038)
<b>Profit for the period</b>		<u>66,845,039</u>	<u>104,951,913</u>	<u>272,727,760</u>	<u>431,037,507</u>	<u>16,120,160</u>	<u>37,551,760</u>	<u>65,899,214</u>	<u>155,163,872</u>
<b>Other comprehensive income:</b>									
<i>Items that will not be reclassified to profit or loss:</i>									
Exchange differences		-	-	(33,921,646)	5,672,181	-	-	(50,488,315)	9,813,006
<i>Item that is or may be reclassified subsequently to profit or loss:</i>									
Remeasurement of the effective portion of derivatives arising from cash flow hedge		(2,444,833)	(879,037)	(9,974,919)	(3,610,205)	(832,802)	175,258	(3,404,495)	724,166
<b>Other comprehensive (loss)/income during the period</b>		<u>(2,444,833)</u>	<u>(879,037)</u>	<u>(43,896,565)</u>	<u>2,061,976</u>	<u>(832,802)</u>	<u>175,258</u>	<u>(53,892,810)</u>	<u>10,537,172</u>
<b>Total comprehensive income for the period</b>		<u>64,400,206</u>	<u>104,072,876</u>	<u>228,831,195</u>	<u>433,099,483</u>	<u>15,287,358</u>	<u>37,727,018</u>	<u>12,006,404</u>	<u>165,701,044</u>

The accompanying notes on pages 22 to 205 form an integral part of these interim financial statements.

ACLEDA BANK PLC.

SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024

	The Bank									
	Share capital		Share premium		Reserves		Retained earnings		Total equity	
	US\$	KHR'000 (Notes 5)	US\$	KHR'000 (Notes 5)	US\$	KHR'000 (Notes 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2024</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	765,115,248	3,178,952,563	182,661,825	729,120,067	1,392,646,307	5,688,960,165
Profit for the period	-	-	-	-	-	-	66,845,039	272,727,760	66,845,039	272,727,760
<i>Other comprehensive income:</i>										
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	-	-	(2,444,833)	(9,974,919)	-	-	(2,444,833)	(9,974,919)
<b>Total comprehensive income for the period</b>	-	-	-	-	(2,444,833)	(9,974,919)	66,845,039	272,727,760	64,400,206	262,752,841
<b>Transactions with owners:</b>										
Dividend paid	-	-	-	-	-	-	(14,805,480)	(60,850,524)	(14,805,480)	(60,850,524)
Transfer from retained earnings to regulatory reserves	-	-	-	-	53,479,551	218,196,568	(53,479,551)	(218,196,568)	-	-
Exchange differences	-	-	-	-	-	(33,921,646)	-	-	-	(33,921,646)
<b>Total transactions with owners</b>	-	-	-	-	53,479,551	184,274,922	(68,285,031)	(279,047,092)	(14,805,480)	(94,772,170)
<b>As at 30 September 2024</b>	<u>433,163,019</u>	<u>1,732,652,076</u>	<u>11,706,215</u>	<u>48,235,459</u>	<u>816,149,966</u>	<u>3,353,252,566</u>	<u>181,221,833</u>	<u>722,800,735</u>	<u>1,442,241,033</u>	<u>5,856,940,836</u>

	The Bank									
	Share capital		Share premium		Reserves		Retained earnings		Total equity	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2023</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	676,078,984	2,858,819,277	210,138,062	840,375,407	1,331,086,280	5,480,082,219
Profit for the period	-	-	-	-	-	-	104,951,913	431,037,507	104,951,913	431,037,507
<i>Other comprehensive income:</i>										
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	-	-	(879,037)	(3,610,205)	-	-	(879,037)	(3,610,205)
<b>Total comprehensive income for the period</b>	-	-	-	-	(879,037)	(3,610,205)	104,951,913	431,037,507	104,072,876	427,427,302
<b>Transactions with owners:</b>										
Dividend paid	-	-	-	-	-	-	(72,695,343)	(297,105,865)	(72,695,343)	(297,105,865)
Transfer from retained earnings to regulatory reserves	-	-	-	-	68,525,484	281,434,163	(68,525,484)	(281,434,163)	-	-
Exchange differences	-	-	-	-	-	5,672,181	-	-	-	5,672,181
<b>Total transactions with owners</b>	-	-	-	-	68,525,484	287,106,344	(141,220,827)	(578,540,028)	(72,695,343)	(291,433,684)
<b>As at 30 September 2023</b>	<u>433,163,019</u>	<u>1,732,652,076</u>	<u>11,706,215</u>	<u>48,235,459</u>	<u>743,725,431</u>	<u>3,142,315,416</u>	<u>173,869,148</u>	<u>692,872,886</u>	<u>1,362,463,813</u>	<u>5,616,075,837</u>

The accompanying notes on pages 22 to 205 form an integral part of these interim financial statements.

**ACLEDA BANK PLC.**

**SEPARATE INTERIM STATEMENT OF CASH FLOWS  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

		30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
	Notes				
<b>Cash flows from operating activities</b>					
Profit for the period before income tax		83,849,858	130,632,396	342,107,422	536,507,251
<i>Adjustments for:</i>					
Net impairment losses	10	73,223,621	26,852,233	298,752,373	110,282,120
Depreciation of property and equipment	31	17,619,363	16,382,562	71,887,001	67,283,182
Depreciation of right-of-use assets	16	9,277,583	8,714,759	37,852,539	35,791,515
Seniority indemnity benefits	25(a)	8,301,937	7,578,235	33,871,903	31,123,811
Amortisation of intangible assets	15	2,988,273	1,876,342	12,192,154	7,706,137
Career development expense	25(b)	1,229,429	1,193,007	5,016,070	4,899,680
Pension fund		639,471	494,815	2,609,042	2,032,205
Unrealised foreign exchange losses		207,514	6,240	846,657	25,628
Adjustment in intangible assets		83,830	97,600	342,026	400,843
Adjustment in property and equipment		41,926	364,663	171,058	1,497,671
Reversal of retirement benefits	25	-	(49,526)	-	(203,403)
Dividend income	30	(289,773)	(407,629)	(1,182,274)	(1,674,132)
Gain on disposals of property and equipment and lease	30	(499,626)	(246,823)	(2,038,474)	(1,013,702)
Net interest income		<u>(316,162,728)</u>	<u>(303,082,257)</u>	<u>(1,289,943,931)</u>	<u>(1,244,758,829)</u>
<b>Operating loss before changes in working capital</b>		<u>(119,489,322)</u>	<u>(109,593,383)</u>	<u>(487,516,434)</u>	<u>(450,100,023)</u>
<i>Changes in:</i>					
Deposits from customers		906,126,466	523,258,119	3,696,995,981	2,149,021,095
Other assets		1,386,152	(577,672)	5,655,500	(2,372,499)
Deposits and placements with other banks		(65)	12,468,596	(265)	51,208,524
Other liabilities		(13,653,132)	(42,023,110)	(55,704,779)	(172,588,913)
Deposits and placements of other banks and financial institutions		(31,969,112)	(2,572,528)	(130,433,977)	(10,565,372)
Reserve requirement		(42,074,712)	(170,979,892)	(171,664,825)	(702,214,416)
Loans and advances		<u>(240,328,363)</u>	<u>(163,798,109)</u>	<u>(980,539,721)</u>	<u>(672,718,834)</u>
<b>Cash flows from operations</b>		<u>459,997,912</u>	<u>46,182,021</u>	<u>1,876,791,480</u>	<u>189,669,562</u>
Interest received		567,391,327	536,182,616	2,314,956,614	2,202,102,004
Retirement benefits paid		-	(21,920,036)	-	(90,025,588)
Pension fund paid		(638,947)	(494,882)	(2,606,904)	(2,032,480)
Career development benefits paid	25(b)	(677,474)	(3,872,526)	(2,764,094)	(15,904,464)
Seniority benefits paid	25(a)	(4,844,215)	(5,202,198)	(19,764,397)	(21,365,427)
Income tax paid	32(a)	(7,628,440)	(39,286,539)	(31,124,035)	(161,349,816)
Interest paid		<u>(184,385,725)</u>	<u>(145,482,294)</u>	<u>(752,293,758)</u>	<u>(597,495,781)</u>
<b>Net cash generated from operating activities (carried forward to next page)</b>		<u>829,214,438</u>	<u>366,106,162</u>	<u>3,383,194,906</u>	<u>1,503,598,010</u>

**ACLEDA BANK PLC.**

**SEPARATE INTERIM STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2024**

	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>Net cash generated from operating activities (brought forward from previous page)</b>	829,214,438	366,106,162	3,383,194,906	1,503,598,010
<b>Cash flows from investing activities</b>				
Proceeds from matured investments	29,810,208	69,862,124	121,625,649	286,923,743
Interest received from investments	2,592,967	3,349,946	10,579,305	13,758,228
Proceeds from disposals of property and equipment	515,049	268,361	2,101,400	1,102,159
Dividend received	289,773	407,629	1,182,274	1,674,132
Purchases of intangible assets	15 (4,364,342)	(1,771,361)	(17,806,515)	(7,274,980)
Purchases of property and equipment	14 (15,308,820)	(26,370,496)	(62,459,986)	(108,303,627)
Purchases of financial investments	(68,704,841)	-	(280,315,751)	-
<b>Net cash (used in)/generated from investing activities</b>	<u>(55,170,006)</u>	<u>45,746,203</u>	<u>(225,093,624)</u>	<u>187,879,655</u>
<b>Cash flows from financing activities</b>				
Proceeds from subordinated debts	68,994,131	14,972,500	281,496,054	61,492,058
Proceeds from borrowings	10,000,000	83,632,503	40,800,000	343,478,690
Payments of lease liabilities (principal)	24 (9,035,443)	(8,482,517)	(36,864,607)	(34,837,698)
Payments of dividends	(14,805,480)	(72,695,343)	(60,850,524)	(297,105,865)
Repayments of subordinated debts	(15,841,387)	(15,000,000)	(64,632,859)	(61,605,000)
Interest paid	(56,060,952)	(56,905,398)	(228,728,684)	(233,710,469)
Repayments of borrowings	<u>(214,289,233)</u>	<u>(235,869,035)</u>	<u>(874,300,071)</u>	<u>(968,714,127)</u>
<b>Net cash used in financing activities</b>	<u>(231,038,364)</u>	<u>(290,347,290)</u>	<u>(943,080,691)</u>	<u>(1,191,002,411)</u>
<b>Net increase in cash and cash equivalents</b>	543,006,068	121,505,075	2,215,020,591	500,475,254
<b>Cash and cash equivalents at the beginning of the period</b>	2,240,749,214	1,719,370,446	9,153,460,539	7,078,648,126
Exchange differences	-	-	(63,650,930)	8,965,518
<b>Cash and cash equivalents at the end of the period</b>	<u>34 2,783,755,282</u>	<u>1,840,875,521</u>	<u>11,304,830,200</u>	<u>7,588,088,898</u>

**Non-cash investing activities**

Non-cash investing activities disclosed in other note is the purchases of property and equipment (Note 14) and the purchases of intangible assets (Note 15).

**Non-cash financing activities**

During the nine-month period ended 30 September 2024, the Bank entered into new lease agreements and recognised right-of-use assets amounting to US\$13,383,914 (30 September 2023: US\$12,559,585), and pre-terminated right-of-use assets and lease liabilities amounting to US\$1,633,217 and US\$1,755,926 (30 September 2023: US\$632,712 and US\$706,401), respectively, and recognised gain from pretermination amounting to US\$122,709 (30 September 2023: US\$71,169), which is a non-cash transaction.

The accompanying notes on pages 22 to 205 form an integral part of these interim financial statements.

## **ACLEDA BANK PLC.**

### **NOTES TO THE INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

#### **1. BACKGROUND INFORMATION**

Prior to 1 December 2003, ACLEDA Bank Plc. (“ABC” or “the Bank”) was a public limited company formed under the Laws of the Kingdom of Cambodia to operate as a specialised bank with a Head Office located in Phnom Penh and 14 branches in the Kingdom of Cambodia. On 1 December 2003, the National Bank of Cambodia (“NBC”) issued a license for the Bank to become a private commercial bank for a period of three years commencing 1 December 2003. The Bank’s license was renewed for an indefinite period on 28 November 2006. On 25 May 2020, the Bank was successfully listed on the Cambodia Securities Exchange (“CSX”).

On 7 December 2022, the Securities and Exchange Regulator of Cambodia (“SERC”) approved the Bank’s request for its nominated Cash Settlement Agent, Registrar Agent, Transfer Agent, and ACLEDA Securities Plc. (“ACS”), a wholly-owned subsidiary of the Bank, as the Bond Agent when the Bank issues the green bonds in the CSX.

The registered office of the Bank is located at Building N° 61, Preah Monivong Blvd., Sangkat Srah Chak, Khan Doun Penh, Phnom Penh.

The Bank operates under the supervision of the NBC with special focus on providing lending and other financial services to the citizenry and small and medium-sized enterprises and to engage in all other activities, which the Board of Directors believes support these objectives.

The Bank and its four subsidiaries (collectively referred to as “the Group”) are operating in the Kingdom of Cambodia, Lao People’s Democratic Republic (“PDR”) and the Republic of the Union of Myanmar. The principal activities of the subsidiaries are disclosed in Note 13 to the interim financial statements. Currently, the Group has 264 offices covering all provinces and cities in the Kingdom of Cambodia, 37 offices in the Lao PDR, and 17 offices in the Republic of the Union of Myanmar.

As at 30 September 2024, the Group and the Bank have 13,525 and 12,035 employees, respectively (31 December 2023: 13,503 and 12,045 employees, respectively).

The consolidated and separate interim financial statements as at and for the periods ended 30 September 2024 were approved and authorised for issue by the Board of Directors on 6 November 2024.

#### **2. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

The material accounting policies adopted in the preparation of the interim financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### **(a) Basis of preparation and presentation**

The interim financial statements of the Group and the Bank have been prepared in accordance with Cambodian International Financial Reporting Standards (“CIFRS”). The consolidated and separate interim financial statements have been prepared on a historical cost basis, except for items which are not prepared under the historical cost basis such as:

- Financial instruments, including derivatives, which are valued at fair value.

The preparation of interim financial statements in conformity with CIFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise judgment in the process of applying the Group’s and the Bank’s accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the interim financial statements are disclosed in Note 4.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(a) Basis of preparation and presentation (continued)**

The Group and the Bank present the interim statement of financial position based on liquidity. Generally, assets and liabilities expected to be recovered or settled over 12 months after the reporting period are considered as non-current assets and non-current liabilities, respectively.

An English version of the interim financial statements have been prepared from the interim financial statements that are in the Khmer language. In the event of a conflict or a difference in interpretation between the two languages, the Khmer language financial statements shall prevail.

**(b) Adoption of amended accounting standards**

*(i) Amended accounting standards effective during the period*

The Group and the Bank adopted all accounting standards and interpretations as at 30 September 2024. The amended accounting standards assessed to be applicable and have no material impact to the Group's and the Bank's interim financial statements are as follow:

- Classification of Liabilities as Current or Non-current (Amendments to CIAS 1)

The amendments in Classification of Liabilities as Current or Non-current (Amendments to CIAS 1) affect only the presentation of liabilities in the statement of financial position — not the amount or timing of recognition of any asset, liability, income or expenses, or the information that entities disclose about those items.

The classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the “right” to defer settlement by at least twelve months and make explicit that only rights in place “at the end of the reporting period” should affect the classification of a liability; clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

- Non-current Liabilities with Covenants (Amendments to CIAS 1)

Modify the requirements introduced by Classification of Liabilities as Current or Non-current on how an entity classifies debt and other financial liabilities as current or non-current in particular circumstances: Only covenants with which an entity is required to comply on or before the reporting date affect the classification of a liability as current or non-current. In addition, an entity has to disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with covenants could become repayable within twelve months.

*(ii) Amended accounting standards, which are not yet effective and not early adopted*

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 30 September 2024 reporting periods and have not been early adopted by the Group and the Bank.

- Amendments to CIAS 21 – Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to CIFRS 9 and CIFRS 7 (effective for annual periods beginning on or after 1 January 2026)
- CIFRS 18 — Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)
- CIFRS 19 — Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(b) Adoption of amended accounting standards (continued)**

*(ii) Amended accounting standards, which are not yet effective and not early adopted (continued)*

The Group and the Bank do not expect that the adoption of the amendments to the accounting standards listed above will have a material impact on the interim financial statements of the Group and the Bank in future periods.

**(c) Consolidation**

*(i) Subsidiaries*

Subsidiaries are all entities over which the Bank has control. The Bank controls an entity when the Bank is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct relevant activities of the entity.

The consolidated interim financial statements include the interim financial statements of the Bank and all its subsidiaries made up to the end of the financial period.

Subsidiaries are consolidated from the date on which control is transferred to the Bank and deconsolidated from the date that control ceases.

All material transactions and balances between each of the Group's entities are eliminated and the consolidated interim financial statements reflect external transactions only. Where necessary, the accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

*(ii) Investments in subsidiaries*

In the Bank's separate interim financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of investments are recognised in the interim separate statement of profit or loss and other comprehensive income.

The amounts due from subsidiaries of which the Bank does not expect repayment in foreseeable future are considered as part of the Bank's investments in subsidiaries.

*(iii) Changes in ownership interests in subsidiaries without change of control*

Transactions with non-controlling interests ("NCI") that do not result in loss in control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. For purchases from NCI, the difference between any consideration paid and the relevant share in the carrying value of net assets of the subsidiary acquired is deducted from equity. For disposals to NCI, the difference between any proceeds received and the relevant share in NCI are also recognised in equity.

*(iv) Non-controlling interests*

NCI is measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(c) Consolidation (continued)**

*(iv) Non-controlling interests (continued)*

An entity has a choice on a combination-by-combination basis to measure any NCI in the acquiree at either the proportionate share of the acquiree's identifiable net assets or fair value. The Group has elected to maintain the former approach.

NCI in subsidiaries is identified separately from the Group's equity therein. Subsequent to acquisition, the carrying amount of NCI is the amount of those interests at initial recognition plus the NCI's share of subsequent changes in equity.

**(d) Foreign currency translation**

*(i) Functional and presentation currency*

Items included in the interim financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The interim financial statements are presented in United States Dollar ("US\$"), which is the Group's and the Bank's functional and presentation currency.

*(ii) Transactions and balances*

Transactions in currencies other than US\$ are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than US\$ are recognised in the interim statement of profit or loss and other comprehensive income.

*(iii) Group's companies*

The interim results and interim financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the Bank's presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each interim statement of financial position presented are translated using the closing rate at the end of the reporting period;
- b) income and expenses for each interim statement of profit or loss and other comprehensive income presented are translated using the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the rate on the dates of the transactions); and,
- c) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of any net investment in foreign operations are recognised in other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences are reclassified to the interim statement of profit or loss and other comprehensive income as gain or loss on sale.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities**

*(i) Recognition and initial measurement*

The Group and the Bank initially recognise loans and advances, deposits and placements with other banks, borrowings and subordinated debts on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date the Group and the Bank become a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit and loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

*(ii) Classification*

On initial recognition, a financial asset is classified as: amortised cost, FVTPL or fair value through other comprehensive income ("FVOCI").

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and,
- the contractual terms of the financial asset give rise on specified dates to cash flows that are 'solely payments of principal and interest' ("SPPI").

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and,
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the Group and the Bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis. However, the Group and the Bank have not made such election.

All other financial assets are classified as FVTPL. As at the reporting date, the Group and the Bank do not have financial assets classified as FVTPL.

In addition, on initial recognition, the Group and the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost, FVOCI, or FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Business model assessment**

The Group and the Bank make an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the Management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Financial assets and financial liabilities (continued)

(ii) Classification (continued)

**Business model assessment (continued)**

- how the performance of the portfolio is evaluated and reported to the Group's and the Bank's Management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy on how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and,
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's and the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell the financial assets.

**Assessment of whether contractual cash flows are SPPI**

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as the consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group and the Bank consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

In making the assessment, the Group and the Bank consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's and the Bank's claim to cash flows from specified assets (e.g. non-recourse loans); and,
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

The Group and the Bank hold a portfolio of long-term fixed-rate loans for which the Group and the Bank have the option to propose to revise the interest rate at periodic reset dates. These reset rights are limited to the market rate at the time of revision in which the Group and the Bank have an option to either accept the revised rate or redeem the loan at par without penalty. The Group and the Bank have determined that the contractual cash flows of these loans are SPPI because the option varies with the interest rate in consideration for the time value of money, credit risk, and other basic lending risks and costs associated with the principal amount outstanding.

**Non-recourse loans**

In some cases, loans made by the Group and the Bank that are secured by collateral from the borrower limit the Group's and the Bank's claim to cash flows of the underlying collateral (non-recourse loans). The Group and the Bank apply judgment in assessing whether the non-recourse loans meet the SPPI criterion. The Group and the Bank typically consider the following information when making this judgement:

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Financial assets and financial liabilities (continued)

(ii) Classification (continued)

**Non-recourse loans (continued)**

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the Group's and the Bank's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and,
- whether the Group and the Bank will benefit from any upside from the underlying assets.

**Reclassifications**

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group and the Bank change its business model for managing financial assets.

**Financial liabilities**

The Group and the Bank classify its financial liabilities, other than financial guarantees and loan commitments, either at amortised cost or FVTPL. As at the reporting date, the Group and the Bank do not have financial liabilities classified as FVTPL.

(iii) Derecognition

**Financial assets**

The Group and the Bank derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire [see also Note 2 (e) (iv)], or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group and the Bank neither transfer nor retain substantially all of the risks and rewards of ownership and do not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Any cumulative gain/loss recognised in other comprehensive income in respect of equity investment securities designated as FVOCI is not recognised in profit or loss on derecognition of such securities. Any interests in transferred financial assets that qualify for derecognition that is created or retained by the Group and the Bank are recognised as a separate asset or liability.

**Financial liabilities**

The Group and the Bank derecognise a financial liability when its contractual obligations are discharged, cancelled, or expired.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Financial assets and financial liabilities (continued)

(iv) *Modifications of financial assets and financial liabilities*

**Financial assets**

If the terms of a financial asset are modified, then the Group and the Bank evaluate whether the cash flows of the modified asset are substantially different. The Group and the Bank consider, among others:

- if the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay;
- whether any substantial new terms are introduced that will affect the risk profile of the loan;
- significant extension of the loan term when the borrower is not in financial difficulty;
- significant change in the interest rate;
- change in the currency the loan is denominated in; and/or,
- insertion of collateral, other security or credit enhancements that will significantly affect the credit risk associated with the loan.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised [see Note 2 (e) (iii)] and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and,
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group or the Bank plan to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place [see Note 2 (e) (vii) for write-off policy]. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Group and the Bank first recalculate the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognise the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulty of the borrower [see Note 2(e) (vii)] then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest method [see Note 2(t)].

**Financial liabilities**

The Group and the Bank derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. Consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities** (continued)

*(iv) Modifications of financial assets and financial liabilities (continued)*

**Financial liabilities** (continued)

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss.

For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability.

*(v) Offsetting*

Financial assets and financial liabilities are offset and the net amount is presented in the interim statement of financial position when, and only when, the Group or the Bank currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under CIFRS, or for gains and losses arising from a group of similar transactions such as in the Group's and the Bank's trading activity.

*(vi) Fair value measurement*

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group and the Bank have access at that date. The fair value of a liability reflects its non-performance risk.

The fair value of a financial liability with a demand feature (e.g. demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Group and the Bank recognise transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

*(vii) Impairment*

The Group and the Bank recognise loss allowances for the expected credit loss ("ECL") on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- loans and advances;
- financial guarantee contracts issued; and,
- loan commitments issued.

The Group and the Bank measure loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and,
- other financial instruments (other than loans and advances) on which credit risk has not increased significantly since their initial recognition.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities** (continued)

*(vii) Impairment (continued)*

Loss allowances for loans and advances are 12-month ECL will be computed for stage 1, while lifetime ECL will be computed for stage 2 and stage 3.

The Group and the Bank consider a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group and the Bank do not apply the low credit risk exemption to any other financial instruments.

12-month ECL is the portion of ECL that results from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL is recognised are referred to as 'Stage 1 financial instruments'.

Life-time ECL is the ECL that results from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL is recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

**Measurement of ECL**

ECL is a probability-weighted estimate of credit losses. It is measured as follows:

- financial assets that are not credit-impaired at the reporting date: at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group and the Bank expect to receive);
- financial assets that are credit-impaired at the reporting date: at the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: at the present value of the difference between the contractual cash flows that are due to the Group and the Bank if the commitment is drawn down and the cash flows that the Group and the Bank expect to receive; and,
- financial guarantee contracts: at the expected payments to reimburse the holder less any amounts that the Group and the Bank expect to recover.

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default ("PD");
- Loss given default ("LGD"); and,
- Exposure at default ("EAD").

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

The assumptions underlying the ECL calculation are monitored and reviewed monthly and quarterly. There have been no significant changes in the estimation techniques or significant assumptions made during the reporting period.

PD provides an estimate of the likelihood that a customer will be unable to meet its debt obligation or default over a particular time horizon. Financial assets under the general approach requires staging for both 12-month PD and lifetime PD estimation according to historical data using the migration approach or external credit rating approach.

LGD is the magnitude of the likely loss if there is a default. LGD is defined as the percentage of exposure the Group and the Bank might lose in case the customer defaults. These losses are usually shown as a percentage of EAD, and depend, amongst others, on the type and amount of collaterals as well as the type of customers and the expected recovery from the customers.

2. **SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

(e) **Financial assets and financial liabilities** (continued)

(vii) *Impairment (continued)*

**Measurement of ECL** (continued)

With updates of collateral value from time to time, the Group and the Bank take collateral value into LGD calculation for ECL computation. In the event of over-collateralised, a floor LGD shall be applied for ECL calculation.

EAD is simply the amount outstanding at the point of default. However, EAD is different following the natures of products:

- Amortised facilities: the current amount allowed under the contract and arising from amortisation
- Revolving facilities: utilisation rate
- Off-balance sheet: credit conversion factors

As described above and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Group and the Bank measure ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Group and the Bank consider a longer period. The maximum contractual period extends to the date at which the Group and the Bank have the right to require repayment or terminate a commitment or guarantee.

However, for credit card facilities that include both a loan and an undrawn commitment component, the Group and the Bank measure ECL over a period longer than the maximum contractual period if the Group's and the Bank's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group's and the Bank's exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Group and the Bank can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Group and the Bank become aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Group and the Bank expect to take to mitigate ECL. These include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms.

**Restructured financial assets**

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised [see Note 2 (e) (iv)] and ECL is measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

**Credit-impaired financial assets**

At each reporting date, the Group and the Bank assess whether financial assets carried at amortised cost (and debt financial assets carried at FVOCI, if any) are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

2. **SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

(e) **Financial assets and financial liabilities** (continued)

(vii) *Impairment (continued)*

**Credit-impaired financial assets** (continued)

Evidence that a financial asset is credit-impaired includes the following observable data:

- material financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group and the Bank on terms that the Group and the Bank would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or,
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

**Presentation of allowance for ECL in the interim statement of financial position**

The Group and the Bank present loss allowances for ECL in the interim statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Group and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group and the Bank present a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and,
- debt instruments measured at FVOCI: no loss allowance is recognised in the interim statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

**Write-off**

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group and the Bank determine that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in the interim statement of profit or loss and other comprehensive income.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Bank's procedures for recovery of amounts due.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Financial assets and financial liabilities (continued)

(vii) *Impairment (continued)*

**Non-integral financial guarantee contracts**

The Group and the Bank assess whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group and the Bank consider when making this assessment include whether:

- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument;
- the guarantee is entered into at the same time as and in contemplation of the debt instrument; or,
- the guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Group and the Bank determine that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group and the Bank consider the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Group or the Bank determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure is neither credit-impaired nor has undergone a significant increase in credit risk ("SICR") when the guarantee is acquired. These assets are recognised in 'Other assets'. The Group and the Bank present gains or losses on the compensation outright in profit or loss as 'Impairment losses on financial instruments'.

(viii) *Derivative financial instruments*

The Group and the Bank enter into a variety of derivative financial instruments to manage its exposure to interest rate through interest rate swaps. The use of financial derivatives is governed by the Group's and the Bank's policies approved by the Board of Directors, which provide written principles on the use of financial derivatives.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the interim financial statements unless the Group and the Bank have both the legal right and the intention to offset.

(ix) *Hedge accounting*

The Group and the Bank designate certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of interest rate risk on firm commitments are accounted for as cash flow hedges. The Group and the Bank do not apply fair value hedge accounting on portfolio hedges of interest rate risk.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(e) Financial assets and financial liabilities (continued)**

*(ix) Hedge accounting (continued)*

At the inception of the hedge relationship, the Group and the Bank document the relationship between the hedging instrument and the hedged item, along with the risk management objectives and strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group and the Bank document whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationship meets all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and,
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group and the Bank actually hedge and the quantity of the hedging instrument that the Group and the Bank actually use to hedge that quantity of hedged item.

The Group and the Bank rebalance a hedging relationship in order to comply with the hedge ratio requirements, when necessary.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group and the Bank adjust the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

As at the reporting date, the Group and the Bank only have cash flow hedges for its interest rate swap agreements.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in the Group's and the Bank's retained earnings, but limited to the cumulative change in fair value of the hedged item from the inception of the hedge less any amounts recycled to profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the period when the hedged item affects profit or loss and in the same line as the recognised hedged item. If the Group and the Bank no longer expect the transaction to occur, that amount is immediately reclassified to profit or loss.

The Group and the Bank discontinue hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised, or where the occurrence of the designated hedged forecast transaction is no longer considered to be highly probable. The discontinuation is accounted for prospectively. Any gain/loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain/loss accumulated in equity is reclassified and recognised immediately in profit or loss.

**(f) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and deposits and placements with other banks with original terms of three months or less when purchased, and that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

Cash and cash equivalents are carried at amortised cost in the interim statement of financial position.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(g) Financial investments**

The 'Financial investments' caption in the interim statement of financial position may include:

- debt investment securities measured at amortised cost; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method; and
- equity investment securities designated as FVOCI.

For debt securities measured at FVOCI, gains and losses are recognised in other comprehensive income, except for the following, which are recognised in profit or loss in the same manner as with the financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- ECL and reversals; and,
- foreign exchange gains and losses.

When debt security measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

The Group and the Bank elect to present in other comprehensive income the changes in the fair value of certain investments in equity instruments that are not held for trading. The election is made on an instrument-by-instrument basis on initial recognition and is irrevocable.

Gains and losses on such equity instruments are never reclassified to profit or loss and no impairment is recognised in profit or loss. Dividends are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in other comprehensive income. Cumulative gains and losses recognised in other comprehensive income are transferred to retained earnings on disposal of an investment.

**(h) Share capital and share premium**

Share capital and share premium are classified as equity.

Share capital represents the nominal (par) value of shares that have been issued. Other shares, if any, are classified as equity and/or liability according to the economic substance of the particular instrument. Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

Share premium includes any premiums received on the issuance of share capital. Incremental costs directly attributable to the issuance of new share capital are shown in equity as a deduction from the proceeds, net of tax.

**(i) Earnings per share**

Basic earnings per share ("EPS") is determined by dividing the adjusted net profit for the period attributable to common shareholders by the weighted average number of common stocks outstanding during the period, after giving retroactive effect to any stock dividends declared in the current period.

Diluted EPS is also computed by dividing net profit by the weighted average number of common stocks subscribed and issued during the period. However, net profit attributable to common stocks and the weighted average number of common stocks outstanding are adjusted to reflect the effects of all the dilutive potential common stocks into common stocks. Currently, there are no potentially dilutive common stocks.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(j) Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of items of property and equipment. The cost of an item of property and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and,
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the Management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Bank and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance costs are charged to the interim statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

The cost of any self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

Land is not depreciated. The other items of property and equipment are depreciated on a straight-line basis to write off the cost of these assets to their residual values over their estimated useful lives as follows:

Classes	Years
Land improvements	3 to 20
Building and improvements	3 to 20
Leasehold improvements*	3 to 5
Office equipment	3 to 15
Computer equipment	3 to 7
Motor vehicles	3 to 8

\* *Leasehold improvements are depreciated over the shorter of its economic useful life (3 to 5 years) or the term of the relevant lease.*

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on assets under construction commences when the assets are ready for their intended use.

Items of property and equipment are reviewed for indication of impairment at each reporting date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in profit or loss in the line item 'Other income, net'.

**(k) Intangible assets**

Intangible assets include acquired computer software licenses and related costs. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group and the Bank.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(k) Intangible assets** (continued)

Intangible assets are stated at historical cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised using the straight-line method over their estimated useful lives. The useful life of computer software is from three to seven years except for the license of core banking system which has useful life of ten years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised. Costs associated with maintaining computer software are recognised as expenses when incurred.

**(l) Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses are recognised in the interim statement of profit or loss and other comprehensive income.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal of an impairment loss is recognised as income.

**(m) Reserves**

Reserves comprise of general reserves, regulatory reserves, hedging reserve and other reserves.

The general reserves are set up for any overall financial risk. The Board of Directors exercises its discretion for the use and maintenance of the general reserves. The transfer from retained earnings to general reserves is subject to the approval of Board of Directors of each entity within the Group.

Regulatory reserves are set up for the variance of provision between impairment in accordance with CIFRS (on loans and advances, deposits and placements with other banks, other receivables, investments in debt securities and off-balance sheet commitments) and regulatory provision (on loans and advances, deposits and placements with other banks, other receivables and off-balance sheet commitments based on the prescribed credit grading rates from the NBC). It is transferred between retained earnings and regulatory reserves.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss.

Other reserves are for currency translation differences of the net investment in foreign operations.



**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(n) Current and deferred income tax**

The tax expense for the period comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax expense is determined according to the tax laws of each jurisdiction where each entity of the Group operates and generates taxable income and includes all taxes based upon the taxable profits.

Deferred income tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the interim financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences and unused tax losses or unused tax credits can be utilised.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset tax assets against tax liabilities and when the deferred taxes relate to the same fiscal authority.

**(o) Employee benefits**

*(i) Short-term employee benefits*

The Group and the Bank recognise a liability and an expense for short-term employee benefits. The Group and the Bank recognise a provision where it is contractually obliged or where there is a past practice that has created a constructive obligation.

Wages, salaries, bonuses, and other short-term benefits are recognised as an expense in the period in which the associated services are rendered by the employees of the Group and the Bank.

*(iii) Pension fund scheme*

The Bank pays monthly contributions for the compulsory pension scheme to National Social Security Fund (NSSF), a publicly administered social security scheme for pension in Cambodia. The Bank has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

Pension fund is both the Bank's and employee's obligation. Contributions were made effective 1 October 2022 and these are paid every month to the National Social Security Fund. For the first five years, contribution to the fund is set at 4% (from KHR400,000 to KHR1,200,000 equivalent US\$97 to US\$291, respectively), which is paid both by the Bank and its employees at 2% each (see Note 25).

*(iii) Long term employment benefits*

The Group and the Bank have various long term employment benefit schemes as summarised below:

**Seniority benefits**

In accordance with Prakas No. 443 MoLVT dated 21 September 2018 and Notification Letter No. 042/19 K.B/S.N.N.Kh.L dated 22 March 2019 issued by the Ministry of Labour and Vocational Training ("MoLVT"), the Bank and its subsidiaries, except for ACLEDA Bank Lao Ltd. ("ABL") and ACLEDA MFI Myanmar Co., Ltd. ("AMM"), are required to pay seniority indemnity to its employees, as follows:

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(o) Employee benefits (continued)**

*(iv) Long term employment benefits (continued)*

**Seniority benefits (continued)**

- Current Seniority Indemnity: effective January 2019, 15 days of their average monthly salary and benefits each year payable every six month on June and December (7.5 days each payment).
- Back Pay Seniority Indemnity: employees are entitled to 15 days of their salary per year of service since the commencement of employment up to 31 December 2018 and still continue working with the Group and the Bank. The back pay seniority indemnity depends on each staff's past services and shall not exceed six months of average basic salaries. On 22 March 2019, the Ministry of Labour and Vocational Training issued guideline number 042/19 K.B/S.N.N.Kh.L, to delay the payment of the past years of seniority service which will be payable three days each in June and in December starting December 2021.

The current seniority indemnity is considered as short-term employee benefits. These are accrued in the year in which the associated services are rendered by the employees of the Group and the Bank.

The back pay seniority indemnity is classified as long-term employee benefits, except for the amount payable within 12 months. The liability was recognised at the present value at the reporting period that employees have earned in return for their service from 2008 to 2018 that the Group and the Bank expect to pay in future reporting periods.

The present value of the back pay seniority indemnity is determined by discounting the estimated future payments by reference to the Bank's the longest term deposit interest rate.

**Career development benefits**

The Bank and its subsidiaries provide career development benefits to their employees ranging from US\$1,250 to US\$6,250 based on the management position level except for ABL which provides career development benefits to its employees ranging from LAK7,947,000 (equivalent to US\$417) to LAK23,372,500 (equivalent to US\$1,226) based on the management position level.

Employees in management positions become eligible for the career development incentive fund after two consecutive years in management roles, and have achieved at least very good performance results. They will automatically qualify for the management career development incentive fund starting on January 1st of the third year (date of eligibility). To receive the fund, employees must have worked in their position and maintained from very good performance for three years from the date of eligibility. The first career development incentive fund payment will be made in March of the year following the completion of the three-year criteria, and subsequently every three years thereafter.

The liability is recognised in the interim statement of financial position at the present value of employee benefit obligation at the end of each reporting period using the projected unit credit method. The present value is determined by discounting the estimated future payments by reference to three-year fixed deposit interest rate, as the period of the benefit entitlement is three years.

**(p) Provisions**

Provisions are recognised when the Group and the Bank have a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of obligation can be reliably estimated.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(p) Provisions** (continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provisions due to the passage of time is recognised as interest expense.

**(q) Interest**

**Effective interest rate**

Interest income and interest expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or,
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Group and the Bank estimate future cash flows considering all the contractual terms of the financial instrument, but not the ECL. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using the estimated future cash flows, including the ECL.

The calculation of the effective interest rate includes transaction costs and fees paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

**Amortised cost and gross carrying amount**

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on the initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any ECL.

The 'gross carrying amount' of a financial asset is the amortised cost of a financial asset before adjusting for any ECL allowance.

**Interest income and interest expense**

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and interest expense, the effective interest rate is applied to the gross carrying amount of the financial asset (when the asset is not credit-impaired) or to the amortised cost of the financial liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating-rate instruments to reflect movements in market rates of interest. The effective interest rate is also revised for fair value hedge adjustments at the date the amortisation of the hedge adjustment begins.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to gross basis.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(q) Interest (continued)**

**Interest income and interest expense (continued)**

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset. The calculation of interest income does not revert to gross basis, even if the credit risk of the asset improves.

**Presentation**

Interest income calculated using the effective interest method presented in the interim statement of profit or loss and other comprehensive income may include:

- interest on financial assets and financial liabilities measured at amortised cost;
- interest on debt instruments measured at FVOCI;
- the effective portion of fair value changes in qualifying hedging derivatives designated as cash flow hedges of variability in interest cash flows, in the same period as the hedged cash flows affect interest income/expense; and,
- the effective portion of fair value changes in qualifying hedging derivatives designated as fair value hedges of interest rate risk.

Interest expense presented in the interim statement of profit or loss and other comprehensive income may include:

- financial liabilities measured at amortised cost; and,
- the effective portion of fair value changes in qualifying hedging derivatives designated in cash flow hedges of variability in interest cash flows, in the same period as the hedged cash flows affect interest income/expense.

Interest income and interest expense on any financial assets and financial liabilities at FVTPL are presented in the interim statement of profit or loss and other comprehensive income.

**(r) Fee and commission**

Fee and commission income – including account servicing fees, investment management fees, sales commission, placement fees and syndication fees – are recognised as the related services are performed.

If a loan commitment is not expected to result in the drawdown of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period.

A contract with a customer that results in a recognised financial instrument in the Group's and the Bank's interim financial statements may be partially in the scope of CIFRS 9, *Financial Instruments*, and partially in the scope of CIFRS 15, *Revenue from Contracts with Customers*. If this is the case, then the Group and the Bank first apply CIFRS 9 to separate and measure the part of the contract that is in the scope of CIFRS 9 and then apply CIFRS 15 to the residual.

**(s) Recognition of fee and other income**

**(i) Dividends**

Income from dividends is recognised when the right to receive payment is established. Usually, this is the ex-dividend date for quoted equity securities.

Any dividends on equity instruments designated as FVOCI that clearly represent a recovery of part of the cost of the investment are presented in other comprehensive income.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(s) Recognition of fee and other income** (continued)

*(ii) Training and consultancy services*

The Group and the Bank recognise service revenue when it is probable that economic benefits will flow to the Group and the Bank and the amount of revenue can be reliably measured. Revenue from training and consultancy services are recognised when the services are delivered.

**(t) Leases**

At inception of a contract, the Group and the Bank assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**As a lessee**

At commencement or on modification of a contract that contains a lease component, the Group and the Bank allocate the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group and the Bank recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group and the Bank by the end of the lease term or the cost of the right-of-use asset reflects that the Group and the Bank will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group and the Bank use an incremental borrowing rate. Practically, the Group and the Bank used the incremental borrowing rate as the discount rate to measure its right-of-use assets and lease liabilities.

Lease payments included in the measurement of the lease liability comprise of the following:

- fixed payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and,
- the exercise price under a purchase option that the Group and the Bank are reasonably certain to exercise, lease payments in an optional renewal period if the Group and the Bank are reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and the Bank are reasonably certain not to terminate early.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(t) Leases (continued)**

**As a lessee (continued)**

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate; if there is a change in the Group's and the Bank's estimate of the amount expected to be payable under a residual value guarantee; if the Group and the Bank change its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment; or a lease contract is modified and the lease modification is not accounted for as a separate lease. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**Short-term leases and leases of low-value assets**

A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease.

A lease of an underlying asset does not qualify as a lease of a low-value asset if the nature of the asset is such that, when new, the asset is typically not of low value. For example, leases of cars would not qualify as leases of low-value assets because a new car would typically not be of low value.

The Group and the Bank have elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group and the Bank recognise the lease payments associated with these leases as expense on a straight-line basis over the lease term.

**(u) Contingent assets and contingent liabilities**

Contingent assets arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Group and the Bank. As this may result in the recognition of income that may never be realised, contingent assets are not recognised in the Group's and the Bank's interim financial statements. Contingent assets should be disclosed where an inflow of economic benefits is probable.

Contingent liabilities, which include certain guarantees and letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events not wholly within the control of the Group and the Bank; or are present obligations that have arisen from past events but are not recognised because it is not probable that settlement will require the outflow of economic benefits, or because the amount of the obligations cannot be reliably measured.

Contingent liabilities are not recognised in the interim financial statements but are disclosed unless the probability of settlement is remote.

**(v) Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

The Group reports separately information about an operating segment that meets any of the following quantitative thresholds:

**ACLEDA BANK PLC.****NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024****2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)****(v) Segment reporting (continued)**

- the absolute amount of its reported profit or loss is 10% or more of the greater, in absolute amount, of the combined reported profit of all operating segments that did not report a loss and the combined reported loss of all operating segments that reported a loss; or,
- its assets are 10% or more of the combined assets of all operating segments.

Operating segments that do not meet any of these quantitative thresholds may be considered reportable, and separately disclosed, if the Management believes that information about the segment would be useful to users of the consolidated interim financial statements.

For Management purposes, the Group is currently organised into two main business segments: Lending and Other financial services. These divisions are the basis on which the Group reports its primary segment information.

Financial information on segment reporting is presented in Note 6.

**(w) Rounding of amounts**

All amounts in US\$ disclosed in the interim financial statements and notes are in whole US\$ currency unit. All Khmer Riel amounts disclosed in the interim financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

**3. COMPOSITION OF THE GROUP**

Details of the Bank's subsidiaries as at 30 September 2024 and 31 December 2023 are presented in Note 13.

The significant financial information on the interim financial statements of non-wholly owned subsidiary interests of the Bank that has material non-controlling interest are shown below and in the succeeding page. The summarised financial information represents amounts before intragroup eliminations.

ACLEDA University of Business Co., Ltd.

	<b>30 September 2024 US\$</b>	<b>31 December 2023 US\$</b>	<b>30 September 2024 KHR'000 (Note 5)</b>	<b>31 December 2023 KHR'000 (Note 5)</b>
<u>Financial position:</u>				
Current assets	522,590	296,691	2,122,238	1,211,983
Non-current assets	30,900,141	31,433,019	125,485,473	128,403,883
Total assets	<u>31,422,731</u>	<u>31,729,710</u>	<u>127,607,711</u>	<u>129,615,866</u>
Current liabilities	3,177,281	2,793,262	12,902,938	11,410,475
Non-current liabilities	2,332,967	3,179,093	9,474,179	12,986,596
Total liabilities	<u>5,510,248</u>	<u>5,972,355</u>	<u>22,377,117</u>	<u>24,397,071</u>
Equity	25,912,483	25,757,355	105,230,594	105,218,795
Total liabilities and equity	<u>31,422,731</u>	<u>31,729,710</u>	<u>127,607,711</u>	<u>129,615,866</u>
Ownership and voting interest held by non-controlling interest	23.391%	23.391%	23.391%	23.391%
<u>Equity attributable to:</u>				
Owners of the Parent	19,851,294	19,732,452	80,616,105	80,607,067
Non-controlling interest	<u>6,061,189</u>	<u>6,024,903</u>	<u>24,614,489</u>	<u>24,611,728</u>

**ACLEDA BANK PLC.**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**3. COMPOSITION OF THE GROUP (continued)**

ACLEDA University of Business Co., Ltd. (continued)

	<b>For the nine-month period ended</b>			
	<b>30 September 2024 US\$</b>	<b>30 September 2023 US\$</b>	<b>30 September 2024 KHR'000 (Note 5)</b>	<b>30 September 2023 KHR'000 (Note 5)</b>
<b>Results of operations:</b>				
Revenue	4,674,130	3,793,075	19,070,450	15,578,159
Costs and expenses	(4,519,002)	(4,049,022)	(18,437,528)	(16,629,333)
Profit for the period	<u>155,128</u>	<u>(255,947)</u>	<u>632,922</u>	<u>(1,051,174)</u>
Total comprehensive income for the period	<u>155,128</u>	<u>(255,947)</u>	<u>632,922</u>	<u>(1,051,174)</u>
<b>Profit attributable to:</b>				
Owners of the Parent	118,842	(196,078)	484,875	(805,292)
Non-controlling interest	36,286	(59,869)	148,047	(245,882)
Total	<u>155,128</u>	<u>(255,947)</u>	<u>632,922</u>	<u>(1,051,174)</u>
<b>Total comprehensive income for the period attributable to:</b>				
Owners of the Parent	118,842	(196,078)	484,875	(805,292)
Non-controlling interest	36,286	(59,869)	148,047	(245,882)
Total	<u>155,128</u>	<u>(255,947)</u>	<u>632,922</u>	<u>(1,051,174)</u>
<b>Cash flows:</b>				
Net cash inflows from operating activities	1,169,287	694,474	4,770,691	2,852,205
Net cash outflows from investing activities	(131,230)	(62,821)	(535,418)	(258,006)
Net cash outflows from financing activities	(946,933)	(951,247)	(3,863,487)	(3,906,771)
Net cash inflows/(outflows)	<u>91,124</u>	<u>(319,594)</u>	<u>371,786</u>	<u>(1,312,572)</u>

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

The Group and the Bank make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's and the Bank's interim results and interim financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial period are outlined below.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period:

**Measurement of the expected credit loss allowance**

The expected credit loss allowance (ECL) for financial assets measured at amortised cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- grouping financial assets sharing similar credit risk characteristics for the purposes of measuring ECL
- choosing appropriate models and assumptions to measure ECL
- determining criteria for identifying loans to customers that have experienced a significant increase in credit risk (SICR)



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (continued)**

**Measurement of the expected credit loss allowance (continued)**

- applying assumptions and analysis on expected future cash flows and forward-looking information.
- the Bank raised the LGD floor to 10% for ECL calculation in the event of over-collateralization for loans that can be secured by different types of collateral, particularly when the pledged collaterals are concentrated on land and buildings, following an analysis of historical loss data and in response to recent developments in the Bank's loan portfolios, as well as prevailing market and economic conditions.

Please refer to Note 39.1(f) for guidance on assessment of impairment of financial instruments under ECL model. This includes the determination of inputs used in the ECL measurement and incorporation of forward-looking information.

**Employee benefits**

The present value of back pay seniority indemnity and career development incentive fund obligation depends on a number of factors that are determined by the Management using a number of assumptions. The assumptions used in determining the net cost for employee benefits include discount rate and turnover rate. Any changes in these assumptions will impact the value of employee benefits.

In the absence of US dollar bond market and US dollar government bonds in Cambodia, the Management used the longest term deposit rate and three-year fixed deposit interest rate as the discount rate to determine the present value of the estimated future cash outflows expected to be required to settle the back pay seniority indemnity and career development benefit obligations, respectively, which are in US dollar.

**Estimating cost of right-of-use assets and lease liabilities**

Lease liabilities are measured at the present value of lease payments to be made over the lease term. In calculating the lease liabilities, the Group and the Bank use its average incremental borrowing rate which is based on average borrowing interest rate at the time of the commencement of the lease term.

**5. TRANSLATION OF UNITED STATES DOLLAR INTO KHMER RIEL**

In compliance with the Law on Accounting and Auditing, the financial statements shall be expressed in Khmer Riel ("KHR"). Assets and liabilities of each interim statement of financial position presented and reserves are translated using the closing rate as at the reporting date. Shareholders' capital and share premium are translated at the rate at the date of transaction. The interim statement of profit or loss and other comprehensive income and the interim statement of cash flows are translated into KHR using the applicable average rates for the three-month and nine-month periods. All exchange differences arising from the translation are recognised as "currency translation differences" in the other comprehensive income.

The Group and the Bank have used the official rates of exchange published by the NBC as following:

		<b>Closing Rate</b>	<b>Average rate (nine-month)</b>	<b>Average rate (three-month)</b>
30 September 2024	US\$1 =	KHR4,061	KHR4,080	KHR4,088
30 September 2023	US\$1 =	KHR4,122	KHR4,107	KHR4,132
31 December 2023	US\$1 =	KHR4,085		

## 6. SEGMENT INFORMATION

The Group's operations are mainly in the financial industry sector from which the Group's reporting segments are identified.

### (a) Business segments

The Group's operating businesses are managed separately according to the nature of services provided (primary segments) and the different geographical markets served (secondary segments) with a segment representing a strategic business unit. The Group's business segments are as follows:

- *Lending* - provides loans to individual, group, and corporate as well as financial institutions. Products offered depend on the purpose, feature and size, such as group loan, small loan, medium loan, housing loan, car loan, motor loan, overdraft loan, revolving loan, financial lease, trade finance loan, etc.
- *Other financial services* - provides other services such as foreign exchange transaction, debit & credit card issuing and acquiring service, fund transfer (local & overseas), and cash management services (such as payroll, cash collection, bills payment, top-up and standing order). These services are leaning toward modernising the digital banking services via mobile application, internet banking and e-commerce as well as other digital ways.

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at estimated market rates on an arm's length basis.

Segment revenues and expenses that are directly attributable to primary business segment and the relevant portions of the Group's revenues and expenses that can be allocated to that business segment are accordingly reflected as revenues and expenses of that business segment.

For secondary segments, revenues and expenses are attributed to geographic areas based on the location of the resources producing the revenues, and on the location where the expenses are incurred.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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6. SEGMENT INFORMATION (continued)

(b) Analysis of primary segment information

Primary segment information by business segment on a consolidated basis follows:

	For the nine-month period ended 30 September 2024						For the nine-month period ended 30 September 2023					
	Lending		Other financial services		Total		Lending		Other financial services		Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>Revenues</b>												
Interest income	594,323,330	2,424,839,186	-	-	594,323,330	2,424,839,186	561,178,478	2,304,760,009	-	-	561,178,478	2,304,760,009
Interest expense	(260,450,503)	(1,062,638,052)	-	-	(260,450,503)	(1,062,638,052)	(241,930,949)	(993,610,408)	-	-	(241,930,949)	(993,610,408)
<b>Net interest income</b>	333,872,827	1,362,201,134	-	-	333,872,827	1,362,201,134	319,247,529	1,311,149,601	-	-	319,247,529	1,311,149,601
Non-interest income	-	-	49,043,845	200,098,887	49,043,845	200,098,887	-	-	54,617,300	224,313,251	54,617,300	224,313,251
<b>Total net revenues</b>	<u>333,872,827</u>	<u>1,362,201,134</u>	<u>49,043,845</u>	<u>200,098,887</u>	<u>382,916,672</u>	<u>1,562,300,021</u>	<u>319,247,529</u>	<u>1,311,149,601</u>	<u>54,617,300</u>	<u>224,313,251</u>	<u>373,864,829</u>	<u>1,535,462,852</u>
	For the three-month period ended 30 September 2024						For the three-month period ended 30 September 2023					
	Lending		Other financial services		Total		Lending		Other financial services		Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>Revenues</b>												
Interest income	199,451,980	815,359,694	-	-	199,451,980	815,359,694	189,214,369	781,833,773	-	-	189,214,369	781,833,773
Interest expense	(87,072,367)	(355,951,836)	-	-	(87,072,367)	(355,951,836)	(83,505,366)	(345,044,172)	-	-	(83,505,366)	(345,044,172)
<b>Net interest income</b>	112,379,613	459,407,858	-	-	112,379,613	459,407,858	105,709,003	436,789,601	-	-	105,709,003	436,789,601
Non-interest income	-	-	17,686,625	72,302,923	17,686,625	72,302,923	-	-	18,381,530	75,952,482	18,381,530	75,952,482
<b>Total net revenues</b>	<u>112,379,613</u>	<u>459,407,858</u>	<u>17,686,625</u>	<u>72,302,923</u>	<u>130,066,238</u>	<u>531,710,781</u>	<u>105,709,003</u>	<u>436,789,601</u>	<u>18,381,530</u>	<u>75,952,482</u>	<u>124,090,533</u>	<u>512,742,083</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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6. SEGMENT INFORMATION (continued)

(c) Analysis of secondary segment information

Secondary information (by geographical locations) follows:

	For the nine-month period ended								For the nine-month period ended							
	30 September 2024								30 September 2023							
	Kingdom of Cambodia		Lao PDR		Republic Union of Myanmar		Total		Kingdom of Cambodia		Lao PDR		Republic Union of Myanmar		Total	
US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	
	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	
<b>Profit or loss</b>																
Total income	619,194,091	2,526,311,891	20,374,049	83,126,120	4,997,170	20,388,454	644,565,310	2,629,826,465	592,954,106	2,435,262,513	19,926,622	81,838,637	4,726,467	19,411,603	617,607,195	2,536,512,753
Total expense	(552,314,457)	(2,253,442,985)	(15,988,265)	(65,232,121)	(2,575,398)	(10,507,625)	(570,878,120)	(2,329,182,731)	(488,207,210)	(2,005,067,011)	(13,884,343)	(57,022,997)	(4,013,344)	(16,482,806)	(506,104,897)	(2,078,572,814)
<b>Net profit</b>	<u>66,879,634</u>	<u>272,868,906</u>	<u>4,385,784</u>	<u>17,893,999</u>	<u>2,421,772</u>	<u>9,880,829</u>	<u>73,687,190</u>	<u>300,643,734</u>	<u>104,746,896</u>	<u>430,195,502</u>	<u>6,042,279</u>	<u>24,815,640</u>	<u>713,123</u>	<u>2,928,797</u>	<u>111,502,298</u>	<u>457,939,939</u>
<b>Other segment information</b>																
Depreciation and amortisation	30,561,106	124,689,312	1,038,238	4,236,011	143,729	586,414	31,743,073	129,511,737	27,628,878	113,471,802	830,797	3,412,083	155,669	639,333	28,615,344	117,523,218

	For the three-month period ended								For the three-month period ended							
	30 September 2024								30 September 2023							
	Kingdom of Cambodia		Lao PDR		Republic Union of Myanmar		Total		Kingdom of Cambodia		Lao PDR		Republic Union of Myanmar		Total	
US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	
	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	
<b>Profit or loss</b>																
Total income	209,003,884	854,407,878	7,077,107	28,931,213	1,515,946	6,197,187	217,596,937	889,536,278	200,095,040	826,792,705	6,546,939	27,051,952	1,296,767	5,358,241	207,938,746	859,202,898
Total expense	(192,716,617)	(787,825,530)	(5,449,332)	(22,276,869)	(816,887)	(3,339,434)	(198,982,836)	(813,441,833)	(162,819,291)	(672,769,310)	(4,534,489)	(18,736,509)	(701,158)	(2,897,185)	(168,054,938)	(694,403,004)
<b>Net profit</b>	<u>16,287,267</u>	<u>66,582,348</u>	<u>1,627,775</u>	<u>6,654,344</u>	<u>699,059</u>	<u>2,857,753</u>	<u>18,614,101</u>	<u>76,094,445</u>	<u>37,275,749</u>	<u>154,023,395</u>	<u>2,012,450</u>	<u>8,315,443</u>	<u>595,609</u>	<u>2,461,056</u>	<u>39,883,808</u>	<u>164,799,894</u>
<b>Other segment information</b>																
Depreciation and amortisation	11,129,781	45,498,545	369,274	1,509,592	47,610	194,630	11,546,665	47,202,767	9,596,991	39,654,767	264,053	1,091,067	50,785	209,844	9,911,829	40,955,678

	30 September 2024								31 December 2023							
	Kingdom of Cambodia		Lao PDR		Republic Union of Myanmar		Total		Kingdom of Cambodia		Lao PDR		Republic Union of Myanmar		Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)
<b>Financial position</b>																
Total assets	10,432,690,276	42,367,155,211	193,022,367	783,863,832	22,651,282	91,986,856	10,648,363,925	43,243,005,899	9,640,091,494	39,379,773,753	181,744,965	742,428,182	19,972,177	81,586,343	9,841,808,636	40,203,788,278
Total liabilities	8,962,081,643	36,395,013,552	155,002,540	629,465,315	4,511,403	18,320,809	9,121,595,586	37,042,799,676	8,219,112,182	33,575,073,263	145,443,101	594,135,068	4,254,070	17,377,877	8,368,809,353	34,186,586,208

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

6. SEGMENT INFORMATION (continued)

(d) Reconciliation

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its consolidated interim financial statements.

	For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>Revenues</b>				
Total segment revenues	644,565,310	617,607,195	2,629,826,465	2,536,512,753
Elimination of intersegment revenues	(1,198,135)	(1,811,417)	(4,888,392)	(7,439,493)
<b>Group net revenues as reported in profit or loss</b>	<b>643,367,175</b>	<b>615,795,778</b>	<b>2,624,938,073</b>	<b>2,529,073,260</b>
<b>Profit or loss</b>				
Total segment profit	73,687,190	111,502,298	300,643,734	457,939,939
Elimination of intersegment profit	(46,275)	(48,985)	(188,801)	(201,184)
<b>Group net profit as reported in profit or loss</b>	<b>73,640,915</b>	<b>111,453,313</b>	<b>300,454,933</b>	<b>457,738,755</b>
	For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>Revenues</b>				
Total segment revenues	217,596,937	207,938,746	889,536,278	859,202,898
Elimination of intersegment revenues	(458,332)	(342,847)	(1,873,661)	(1,416,643)
<b>Group net revenues as reported in profit or loss</b>	<b>217,138,605</b>	<b>207,595,899</b>	<b>887,662,617</b>	<b>857,786,255</b>
<b>Profit or loss</b>				
Total segment profit	18,614,101	39,883,808	76,094,445	164,799,895
Elimination of intersegment profit	(24,514)	(19,819)	(100,213)	(81,892)
<b>Group net profit as reported in profit or loss</b>	<b>18,589,587</b>	<b>39,863,989</b>	<b>75,994,232</b>	<b>164,718,003</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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6. SEGMENT INFORMATION (continued)

(d) Reconciliation (continued)

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its consolidated interim financial statements.

	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Assets</b>				
Total segment assets	10,648,363,925	9,841,808,636	43,243,005,899	40,203,788,278
Elimination of intersegment assets	(96,303,470)	(97,768,150)	(391,088,392)	(399,382,892)
<b>Total assets</b>	<b>10,552,060,455</b>	<b>9,744,040,486</b>	<b>42,851,917,507</b>	<b>39,804,405,386</b>
<b>Liabilities</b>				
Total segment liabilities	9,121,595,586	8,368,809,353	37,042,799,676	34,186,586,208
Elimination of intersegment liabilities	(5,278,707)	(6,789,669)	(21,436,831)	(27,735,798)
<b>Total liabilities</b>	<b>9,116,316,879</b>	<b>8,362,019,684</b>	<b>37,021,362,845</b>	<b>34,158,850,410</b>
<b>For the nine-month period ended</b>				
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>Other segment information</b>				
Total segment depreciation and amortisation	31,743,073	28,615,344	129,511,738	117,523,218
Elimination of intersegment depreciation and amortisation	(8,319)	(13,779)	(33,942)	(56,591)
<b>Total depreciation and amortisation</b>	<b>31,734,754</b>	<b>28,601,565</b>	<b>129,477,796</b>	<b>117,466,627</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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6. SEGMENT INFORMATION (continued)

(d) Reconciliation (continued)

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its consolidated interim financial statements.

	For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>Other segment information</b>				
Total segment depreciation and amortisation	11,546,665	9,911,829	47,202,767	40,955,677
Elimination of intersegment depreciation and amortisation	(3,850)	(4,644)	(15,739)	(19,188)
<b>Total depreciation and amortisation</b>	<b>11,542,815</b>	<b>9,907,185</b>	<b>47,187,028</b>	<b>40,936,489</b>

7. CASH ON HAND

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Current</b>								
<b>By currency:</b>								
In US\$	379,341,056	303,036,520	1,540,504,028	1,237,904,184	377,467,748	301,587,525	1,532,896,525	1,231,985,040
In KHR	171,877,368	151,910,894	697,993,991	620,556,002	171,857,802	151,904,672	697,914,534	620,530,585
In THB	41,417,210	32,204,150	168,195,290	131,553,953	39,743,390	30,583,206	161,397,907	124,932,397
In Euro	1,909,497	576,681	7,754,467	2,355,742	1,908,528	572,521	7,750,532	2,338,748
In other currencies	8,668,917	8,065,323	35,204,473	32,946,844	2,205,766	1,936,393	8,957,615	7,910,165
	<b>603,214,048</b>	<b>495,793,568</b>	<b>2,449,652,249</b>	<b>2,025,316,725</b>	<b>593,183,234</b>	<b>486,584,317</b>	<b>2,408,917,113</b>	<b>1,987,696,935</b>

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8. DEPOSITS AND PLACEMENTS WITH OTHER BANKS, NET

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Balances with local banks:</b>								
National Bank of Cambodia	1,221,045,069	1,389,931,664	4,958,664,025	5,677,870,847	1,221,045,069	1,389,931,664	4,958,664,025	5,677,870,847
Other banks	84,940,680	248,726	344,944,101	1,016,046	84,940,680	248,726	344,944,101	1,016,046
	<u>1,305,985,749</u>	<u>1,390,180,390</u>	<u>5,303,608,126</u>	<u>5,678,886,893</u>	<u>1,305,985,749</u>	<u>1,390,180,390</u>	<u>5,303,608,126</u>	<u>5,678,886,893</u>
<b>Balances with overseas banks:</b>								
Bank of Lao PDR	32,439,647	27,299,355	131,737,406	111,517,865	-	-	-	-
Other banks	474,996,347	92,179,627	1,928,960,165	376,553,777	471,621,904	88,714,056	1,915,256,552	362,396,919
	<u>507,435,994</u>	<u>119,478,982</u>	<u>2,060,697,571</u>	<u>488,071,642</u>	<u>471,621,904</u>	<u>88,714,056</u>	<u>1,915,256,552</u>	<u>362,396,919</u>
Total balances with local and overseas banks	1,813,421,743	1,509,659,372	7,364,305,697	6,166,958,535	1,777,607,653	1,478,894,446	7,218,864,678	6,041,283,812
Allowance for impairment losses	(222,543)	(116,194)	(903,746)	(474,653)	(130,399)	(12,425)	(529,550)	(50,756)
	<u>1,813,199,200</u>	<u>1,509,543,178</u>	<u>7,363,401,951</u>	<u>6,166,483,882</u>	<u>1,777,477,254</u>	<u>1,478,882,021</u>	<u>7,218,335,128</u>	<u>6,041,233,056</u>
Current	1,813,199,200	1,509,543,178	7,363,401,951	6,166,483,882	1,777,477,254	1,478,882,021	7,218,335,128	6,041,233,056
Non-current	-	-	-	-	-	-	-	-
	<u>1,813,199,200</u>	<u>1,509,543,178</u>	<u>7,363,401,951</u>	<u>6,166,483,882</u>	<u>1,777,477,254</u>	<u>1,478,882,021</u>	<u>7,218,335,128</u>	<u>6,041,233,056</u>



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

8. DEPOSITS AND PLACEMENTS WITH OTHER BANKS, NET (continued)

a) By account types

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Balances with local banks:</b>								
Current accounts	1,221,153,006	1,390,180,390	4,959,102,357	5,678,886,893	1,221,153,006	1,390,180,390	4,959,102,357	5,678,886,893
Fixed deposits	84,832,743	-	344,505,769	-	84,832,743	-	344,505,769	-
	<u>1,305,985,749</u>	<u>1,390,180,390</u>	<u>5,303,608,126</u>	<u>5,678,886,893</u>	<u>1,305,985,749</u>	<u>1,390,180,390</u>	<u>5,303,608,126</u>	<u>5,678,886,893</u>
<b>Balances with overseas banks:</b>								
Current accounts	336,773,617	118,474,163	1,367,637,658	483,966,956	301,467,121	88,714,056	1,224,257,978	362,396,919
Fixed deposits	170,662,377	1,004,819	693,059,913	4,104,686	170,154,783	-	690,998,574	-
	<u>507,435,994</u>	<u>119,478,982</u>	<u>2,060,697,571</u>	<u>488,071,642</u>	<u>471,621,904</u>	<u>88,714,056</u>	<u>1,915,256,552</u>	<u>362,396,919</u>
Total balances with local and overseas banks	1,813,421,743	1,509,659,372	7,364,305,697	6,166,958,535	1,777,607,653	1,478,894,446	7,218,864,678	6,041,283,812
Allowance for impairment losses	(222,543)	(116,194)	(903,746)	(474,653)	(130,399)	(12,425)	(529,550)	(50,756)
	<u>1,813,199,200</u>	<u>1,509,543,178</u>	<u>7,363,401,951</u>	<u>6,166,483,882</u>	<u>1,777,477,254</u>	<u>1,478,882,021</u>	<u>7,218,335,128</u>	<u>6,041,233,056</u>

b) By interest rate (per annum)

	The Group		The Bank	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Current accounts	Nil	Nil	Nil	Nil
Fixed deposits	0.74% - 5.50%	0.74% - 7.50%	3.30% - 5.50%	4.34% - 6.95%

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

8. DEPOSITS AND PLACEMENTS WITH OTHER BANKS, NET (continued)

c) By maturity

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
On demand	1,557,926,623	1,508,602,147	6,326,740,015	6,162,639,772	1,522,620,128	1,478,894,446	6,183,360,340	6,041,283,812
Within 1 month	170,154,785	52,405	690,998,582	214,074	170,154,784	-	690,998,578	-
Between 2 to 3 months	85,340,335	502,910	346,567,100	2,054,387	84,832,741	-	344,505,760	-
Between 4 to 6 months	-	501,910	-	2,050,302	-	-	-	-
	<u>1,813,421,743</u>	<u>1,509,659,372</u>	<u>7,364,305,697</u>	<u>6,166,958,535</u>	<u>1,777,607,653</u>	<u>1,478,894,446</u>	<u>7,218,864,678</u>	<u>6,041,283,812</u>

9. FINANCIAL INVESTMENTS, NET

	Notes	The Group				The Bank			
		30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Unlisted equity securities at FVOCI</b>									
Credit Bureau Holding (Cambodia) Ltd.		153,529	153,529	623,481	627,166	153,529	153,529	623,481	627,166
SWIFT		36,141	36,141	146,769	147,636	36,141	36,141	146,769	147,636
<b>Total financial investments at FVOCI</b>	(a)	<u>189,670</u>	<u>189,670</u>	<u>770,250</u>	<u>774,802</u>	<u>189,670</u>	<u>189,670</u>	<u>770,250</u>	<u>774,802</u>
<b>Unquoted financial investments at amortised cost</b>									
Negotiable certificate of deposits with the NBC	(b)	432,980,877	284,890,089	1,758,335,341	1,163,776,014	432,980,877	284,890,089	1,758,335,341	1,163,776,014
Debt securities	(c)	101,591,676	73,093,885	412,563,796	298,588,520	101,591,676	73,093,885	412,563,796	298,588,520
		534,572,553	357,983,974	2,170,899,137	1,462,364,534	534,572,553	357,983,974	2,170,899,137	1,462,364,534
ECL allowance		(205,938)	(629,260)	(836,314)	(2,570,527)	(205,938)	(629,260)	(836,314)	(2,570,527)
<b>Total financial investments at amortised cost</b>		<u>534,366,615</u>	<u>357,354,714</u>	<u>2,170,062,823</u>	<u>1,459,794,007</u>	<u>534,366,615</u>	<u>357,354,714</u>	<u>2,170,062,823</u>	<u>1,459,794,007</u>
<b>Total financial investments</b>		<u>534,556,285</u>	<u>357,544,384</u>	<u>2,170,833,073</u>	<u>1,460,568,809</u>	<u>534,556,285</u>	<u>357,544,384</u>	<u>2,170,833,073</u>	<u>1,460,568,809</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

9. FINANCIAL INVESTMENTS, NET (continued)

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Current	493,967,696	301,690,138	2,006,002,814	1,232,404,214	493,967,696	301,690,138	2,006,002,814	1,232,404,214
Non-current	40,604,857	56,293,836	164,896,323	229,960,320	40,604,857	56,293,836	164,896,323	229,960,320
	<u>534,572,553</u>	<u>357,983,974</u>	<u>2,170,899,137</u>	<u>1,462,364,534</u>	<u>534,572,553</u>	<u>357,983,974</u>	<u>2,170,899,137</u>	<u>1,462,364,534</u>

Analysis of maturity of financial investments at amortised cost

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Within 1 month	437,571,784	288,443,092	1,776,979,015	1,178,290,030	437,571,784	288,443,092	1,776,979,015	1,178,290,030
Between 2 to 3 months	462,538	3,414,265	1,878,367	13,947,273	462,538	3,414,265	1,878,367	13,947,273
Between 4 to 6 months	51,036,506	71,316	207,259,251	291,326	51,036,506	71,316	207,259,251	291,326
Between 7 to 12 months	4,896,868	9,761,465	19,886,181	39,875,585	4,896,868	9,761,465	19,886,181	39,875,585
More than 12 months	40,604,857	56,293,836	164,896,323	229,960,320	40,604,857	56,293,836	164,896,323	229,960,320
	<u>534,572,553</u>	<u>357,983,974</u>	<u>2,170,899,137</u>	<u>1,462,364,534</u>	<u>534,572,553</u>	<u>357,983,974</u>	<u>2,170,899,137</u>	<u>1,462,364,534</u>

- (a) This represents the Bank's equity investment in Credit Bureau Holding (Cambodia) Ltd. ("CBC"), directly owned at 5% and indirectly owned at 1% through the Association of Banks in Cambodia. As at 30 September 2024, the Bank's investment in CBC is valued at cost amounting to US\$153,529 (31 December 2023: US\$153,529) and the Bank's investment in Society for Worldwide Interbank Financial Telecommunications ("SWIFT") is valued at cost amounting to US\$36,141 (31 December 2023: US\$36,141) as the Management believes the cost of these investments approximates its fair value. Dividend income received from CBC during the nine-month period ended 30 September 2024 amounted to KHR1,187,524,800 (equivalent to US\$289,773) (30 September 2023: KHR1,662,534,720 (equivalent to US\$407,629)).
- (b) As at 30 September 2024, the Bank had pledged negotiable certificate of deposits ("NCD") amounting to nil (31 December 2023: US\$3,038,699) with the NBC as collateral for settlement clearing facility. As at 30 September 2024, the other NCD amounting to US\$432,980,877 (31 December 2023: US\$281,851,390) with the NBC is made for the purpose of earning interest. The terms of the NCD are for a period of less than or equal to twelve months. As at 30 September 2024, the Bank is yet to utilise the overdraft on the settlement clearing facility.

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**9. FINANCIAL INVESTMENTS, NET** (continued)

- (c) On 12 January 2022, the Bank invested in a corporate debt security with a face value of US\$30,000,000 guaranteed by Overseas Cambodian Investment Corporation Ltd, a third party. The debt security earns an interest at the rate of 5.5% per annum and will mature on 11 January 2025. As at 30 September 2024, the carrying amount of this investment is US\$31,193,424(31 December 2023: US\$31,604,794).

As at 30 September 2024, the amortised cost of the investments in government bonds is KHR285,887,297,921(equivalent to US\$70,398,251) (31 December 2023: KHR169,482,933,554 (equivalent to US\$41,489,090)) and its face value is KHR288,000,000,000 (equivalent to US\$70,918,493) (31 December 2023: KHR168,000,000,000 (equivalent to US\$41,126,068)). As at 30 September 2024, the Bank has pledged the government bonds amounting KHR125,300,000,000 (equivalent to US\$30,854,469) (31 December 2023: KHR70,348,000,000 (equivalent to US\$17,221,053)) with the NBC as collaterals for settlement clearing facility.

The Bank bought the government bonds from the Ministry of Economy and Finance with information below:

No.	Value date	Quantity (sheets)	Interest per annum	Yield to maturity	Tenure (years)	Maturity date	Face value (KHR) per sheet	Issuance size	
								KHR'000	US\$
1	24/02/2023	60,000	4.00%	4.10%	2	24/02/2025	1,000,000	60,000,000	14,774,686
2	18/08/2023	20,000	4.00%	4.30%	2	18/08/2025	1,000,000	20,000,000	4,924,895
3	22/09/2023	8,000	4.50%	5.20%	3	22/09/2026	1,000,000	8,000,000	1,969,958
4	20/10/2023	10,000	3.48%	3.90%	1	20/10/2024	1,000,000	10,000,000	2,462,448
5	20/10/2023	10,000	3.48%	3.80%	1	20/10/2024	1,000,000	10,000,000	2,462,448
6	24/11/2023	10,000	4.00%	4.50%	2	24/11/2025	1,000,000	10,000,000	2,462,448
7	24/11/2023	10,000	4.00%	4.60%	2	24/11/2025	1,000,000	10,000,000	2,462,448
8	26/01/2024	10,000	3.50%	3.95%	1	26/01/2025	1,000,000	10,000,000	2,462,448
9	26/01/2024	10,000	3.50%	3.85%	1	26/01/2025	1,000,000	10,000,000	2,462,448
10	23/02/2024	10,000	4.00%	4.75%	2	23/02/2026	1,000,000	10,000,000	2,462,448
11	23/02/2024	10,000	4.00%	4.70%	2	23/02/2026	1,000,000	10,000,000	2,462,448
12	22/03/2024	120,000	4.50%	5.25%	3	22/03/2027	1,000,000	120,000,000	29,549,372
<b>Total</b>		<b>288,000</b>					<b>12,000,000</b>	<b>288,000,000</b>	<b>70,918,495</b>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

10. LOANS AND ADVANCES, NET

	The Group											
	30 September 2024			31 December 2023			30 September 2024			31 December 2023		
	Gross carrying amount US\$	ECL allowance US\$	Carrying amount US\$	Gross carrying amount US\$	ECL allowance US\$	Carrying amount US\$	Gross carrying amount KHR'000 (Note 5)	ECL allowance KHR'000 (Note 5)	Carrying amount KHR'000 (Note 5)	Gross carrying amount KHR'000 (Note 5)	ECL allowance KHR'000 (Note 5)	Carrying amount KHR'000 (Note 5)
Small Loan	3,110,458,082	45,885,524	3,064,572,558	3,010,956,957	27,770,215	2,983,186,742	12,631,570,271	186,341,113	12,445,229,158	12,299,759,169	113,441,328	12,186,317,841
Medium Loan	2,417,040,668	41,162,566	2,375,878,102	2,363,039,566	18,938,304	2,344,101,262	9,815,602,153	167,161,181	9,648,440,972	9,653,016,627	77,362,972	9,575,653,655
Personal & Others Loan	576,674,543	6,686,403	569,988,140	483,524,761	3,643,801	479,880,960	2,341,875,320	27,153,482	2,314,721,838	1,975,198,650	14,884,929	1,960,313,721
Staff Loan	298,612,413	443,258	298,169,155	297,515,093	59,271	297,455,822	1,212,665,009	1,800,071	1,210,864,938	1,215,349,155	242,122	1,215,107,033
Overdraft Loan	146,226,806	1,199,692	145,027,114	159,816,406	689,036	159,127,370	593,827,059	4,871,949	588,955,110	652,850,019	2,814,712	650,035,307
Public Housing Loan	137,647,393	1,479,873	136,167,520	154,400,982	990,876	153,410,106	558,986,063	6,009,764	552,976,299	630,728,011	4,047,728	626,680,283
Credit Card Loan	109,883,006	4,109,432	105,773,574	88,962,172	2,502,209	86,459,963	446,234,887	16,688,403	429,546,484	363,410,473	10,221,524	353,188,949
Staff Housing Loan	31,231,365	103,000	31,128,365	31,007,135	26,261	30,980,874	126,830,573	418,283	126,412,290	126,664,146	107,276	126,556,870
Revolving Loan	16,981,479	125,554	16,855,925	29,992,751	97,276	29,895,475	68,961,786	509,875	68,451,911	122,520,388	397,372	122,123,016
Home Improvement Loan	15,768,937	404,879	15,364,058	21,134,005	913,194	20,220,811	64,037,653	1,644,214	62,393,439	86,332,410	3,730,397	82,602,013
Trade Loan	16,555,970	71,903	16,484,067	16,962,181	16,335	16,945,846	67,233,794	291,998	66,941,796	69,290,509	66,728	69,223,781
	<u>6,877,080,662</u>	<u>101,672,084</u>	<u>6,775,408,578</u>	<u>6,657,312,009</u>	<u>55,646,778</u>	<u>6,601,665,231</u>	<u>27,927,824,568</u>	<u>412,890,333</u>	<u>27,514,934,235</u>	<u>27,195,119,557</u>	<u>227,317,088</u>	<u>26,967,802,469</u>
	<b>The Bank</b>											
	30 September 2024			31 December 2023			30 September 2024			31 December 2023		
	Gross carrying amount US\$	ECL allowance US\$	Carrying amount US\$	Gross carrying amount US\$	ECL allowance US\$	Carrying amount US\$	Gross carrying amount KHR'000 (Note 5)	ECL allowance KHR'000 (Note 5)	Carrying amount KHR'000 (Note 5)	Gross carrying amount KHR'000 (Note 5)	ECL allowance KHR'000 (Note 5)	Carrying amount KHR'000 (Note 5)
	Small Loan	2,981,591,714	30,018,737	2,951,572,977	2,884,157,048	12,673,382	2,871,483,666	12,108,243,951	121,906,091	11,986,337,860	11,781,781,541	51,770,765
Medium Loan	2,398,487,332	41,030,165	2,357,457,167	2,349,484,724	18,865,068	2,330,619,656	9,740,257,055	166,623,500	9,573,633,555	9,597,645,098	77,063,803	9,520,581,295
Personal & Others Loan	573,261,702	6,631,934	566,629,768	480,498,163	3,612,266	476,885,897	2,328,015,772	26,932,283	2,301,083,489	1,962,834,995	14,756,107	1,948,078,888
Staff Loan	293,939,829	428,813	293,511,016	293,163,708	44,899	293,118,809	1,193,689,646	1,741,410	1,191,948,236	1,197,573,747	183,412	1,197,390,335
Overdraft Loan	143,930,733	1,182,953	142,747,780	158,920,550	684,232	158,236,318	584,502,707	4,803,972	579,698,735	649,190,447	2,795,088	646,395,359
Public Housing Loan	135,554,174	1,465,159	134,089,015	151,945,600	982,034	150,963,566	550,485,501	5,950,011	544,535,490	620,697,776	4,011,609	616,686,167
Credit Card Loan	109,883,006	4,109,432	105,773,574	88,962,172	2,502,209	86,459,963	446,234,887	16,688,403	429,546,484	363,410,473	10,221,524	353,188,949
Staff Housing Loan	31,160,655	102,882	31,057,773	30,933,591	26,254	30,907,337	126,543,420	417,804	126,125,616	126,363,719	107,248	126,256,471
Revolving Loan	16,981,479	125,554	16,855,925	29,992,751	97,276	29,895,475	68,961,786	509,875	68,451,911	122,520,388	397,372	122,123,016
Trade Loan	16,555,970	71,903	16,484,067	16,962,181	16,335	16,945,846	67,233,794	291,998	66,941,796	69,290,509	66,728	69,223,781
Home Improvement Loan	7,765,646	118,108	7,647,538	11,622,338	95,583	11,526,755	31,536,288	479,637	31,056,651	47,477,251	390,457	47,086,794
	<u>6,709,112,240</u>	<u>85,285,640</u>	<u>6,623,826,600</u>	<u>6,496,642,826</u>	<u>39,599,538</u>	<u>6,457,043,288</u>	<u>27,245,704,807</u>	<u>346,344,984</u>	<u>26,899,359,823</u>	<u>26,538,785,944</u>	<u>161,764,113</u>	<u>26,377,021,831</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

10. LOANS AND ADVANCES, NET (continued)

(a) Loans and advances in gross amount by maturity

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Within 1 year	1,562,108,331	1,600,707,057	6,343,721,932	6,538,888,329	1,497,562,222	1,543,246,088	6,081,600,184	6,304,160,270
Later than 1 year but not later than 3 years	2,201,234,823	2,224,498,064	8,939,214,616	9,087,074,591	2,145,968,119	2,170,793,786	8,714,776,531	8,867,692,616
Later than 3 years but not later than 5 years	1,487,884,050	1,505,478,580	6,042,297,127	6,149,879,999	1,460,031,572	1,476,912,594	5,929,188,214	6,033,187,946
Later than 5 years	1,625,853,458	1,326,628,308	6,602,590,893	5,419,276,638	1,605,550,327	1,305,690,358	6,520,139,878	5,333,745,112
	<u>6,877,080,662</u>	<u>6,657,312,009</u>	<u>27,927,824,568</u>	<u>27,195,119,557</u>	<u>6,709,112,240</u>	<u>6,496,642,826</u>	<u>27,245,704,807</u>	<u>26,538,785,944</u>

During the period, the Group and the Bank recognised the allowance for impairment losses as follows:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Allowance for/(reversal of) impairment losses on:								
Loans and advances	81,119,046	30,301,148	330,965,708	124,446,815	79,361,504	27,076,861	323,794,936	111,204,668
Deposits and placements with other banks	108,593	(228,908)	443,058	(940,125)	118,039	(198,545)	481,600	(815,425)
Other receivables	(2,279)	(38,625)	(9,298)	(158,633)	(10,496)	(27,076)	(42,824)	(111,201)
Investments in debt securities	(423,322)	13,054	(1,727,154)	53,613	(423,322)	13,054	(1,727,154)	53,613
Recovery on loans write off	(6,724,348)	-	(27,435,339)	-	(5,854,435)	-	(23,886,095)	-
	<u>74,077,690</u>	<u>30,046,669</u>	<u>302,236,975</u>	<u>123,401,670</u>	<u>73,191,290</u>	<u>26,864,294</u>	<u>298,620,463</u>	<u>110,331,655</u>
Off-balance sheet commitments	38,274	1,680	156,158	6,900	32,331	(12,061)	131,910	(49,535)
	<u>74,115,964</u>	<u>30,048,349</u>	<u>302,393,133</u>	<u>123,408,570</u>	<u>73,223,621</u>	<u>26,852,233</u>	<u>298,752,373</u>	<u>110,282,120</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

10. LOANS AND ADVANCES, NET (continued)

(a) Loans and advances in gross amount by maturity (continued)

During the period, the Group and the Bank recognised the allowance for impairment losses as follows:

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Allowance for/(reversal of) impairment losses on:								
Loans and advances	38,545,419	7,219,500	157,573,673	29,830,973	37,903,989	7,012,475	154,951,507	28,975,547
Deposits and placements with other banks	30,446	(520,299)	124,463	(2,149,875)	78,864	(445,513)	322,395	(1,840,860)
Other receivables	8,707	(2,670)	35,594	(11,032)	1,285	(1,050)	5,253	(4,339)
Investments in debt securities	(150,654)	-	(615,874)	-	(150,654)	-	(615,874)	-
Recovery on loans write off	(1,816,089)	-	(7,424,171)	-	(1,579,297)	-	(6,456,165)	-
	36,617,829	6,696,531	149,693,685	27,670,066	36,254,187	6,565,912	148,207,116	27,130,348
Off-balance sheet commitments	13,355	491	54,595	2,029	8,463	(2,750)	34,597	(11,363)
	36,631,184	6,697,022	149,748,280	27,672,095	36,262,650	6,563,162	148,241,713	27,118,985

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

10. LOANS AND ADVANCES, NET (continued)

(a) Loans and advances in gross amount by maturity (continued)

During the period, the movements of impairment loss allowance on loans and advances of the Group and the Bank were as follows:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
At the beginning of the period	55,646,778	42,242,662	227,317,088	173,913,039	39,599,538	28,156,968	161,764,113	115,922,237
Allowance for impairment losses during the period	81,119,046	30,301,148	330,965,708	124,446,815	79,361,504	27,076,861	323,794,936	111,204,668
Written off during the period	(35,012,990)	(18,942,780)	(142,852,999)	(77,797,997)	(33,713,384)	(18,251,261)	(137,550,607)	(74,957,929)
Currency translation differences	(80,750)	(315,026)	(329,460)	(1,293,812)	37,982	(1,351)	154,967	(5,549)
Exchange differences	-	-	(2,210,004)	376,864	-	-	(1,818,425)	273,150
At the end of the period	101,672,084	53,286,004	412,890,333	219,644,909	85,285,640	36,981,217	346,344,984	152,436,577

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
At the beginning of the period	80,796,107	54,712,204	332,072,000	225,961,402	64,592,677	38,202,283	265,475,902	157,775,429
Allowance for impairment losses during the period	38,545,419	7,219,500	157,573,673	29,830,974	37,903,989	7,012,475	154,951,507	28,975,547
Written off during the period	(17,790,554)	(8,555,673)	(72,727,785)	(35,352,041)	(17,310,189)	(8,274,067)	(70,764,053)	(34,188,445)
Currency translation differences	121,112	(90,027)	495,106	(371,992)	99,163	40,526	405,378	167,453
Exchange differences	-	-	(4,522,661)	(423,434)	-	-	(3,723,750)	(293,407)
At the end of the period	101,672,084	53,286,004	412,890,333	219,644,909	85,285,640	36,981,217	346,344,984	152,436,577



ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

11. OTHER ASSETS

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Prepayments and advances	10,459,395	13,351,052	42,475,603	54,539,048	9,791,088	12,223,566	39,761,608	49,933,267
Withholding tax receivable	5,880,751	4,638,694	23,881,730	18,949,065	5,817,506	4,582,366	23,624,892	18,718,965
Stationery supplies	5,105,182	5,335,702	20,732,144	21,796,343	4,878,762	5,097,968	19,812,652	20,825,199
Receivable from Western Union and VISA	5,075,881	4,226,939	20,613,153	17,267,046	5,051,225	4,196,511	20,513,025	17,142,747
Receivable bakong KHQR	126,908	277,194	515,373	1,132,337	126,908	277,194	515,373	1,132,337
Others	3,835,422	5,026,633	15,575,648	20,533,796	3,995,064	4,671,452	16,223,956	19,082,884
	<u>30,483,539</u>	<u>32,856,214</u>	<u>123,793,651</u>	<u>134,217,635</u>	<u>29,660,553</u>	<u>31,049,057</u>	<u>120,451,506</u>	<u>126,835,399</u>
ECL allowance	(14,383)	(16,696)	(58,408)	(68,204)	(3,271)	(13,786)	(13,283)	(56,316)
Total	<u>30,469,156</u>	<u>32,839,518</u>	<u>123,735,243</u>	<u>134,149,431</u>	<u>29,657,282</u>	<u>31,035,271</u>	<u>120,438,223</u>	<u>126,779,083</u>
Current	16,376,545	17,351,501	66,505,150	70,880,882	15,588,890	15,966,836	63,306,483	65,224,526
Non-current	14,092,611	15,488,017	57,230,093	63,268,549	14,068,392	15,068,435	57,131,740	61,554,557
	<u>30,469,156</u>	<u>32,839,518</u>	<u>123,735,243</u>	<u>134,149,431</u>	<u>29,657,282</u>	<u>31,035,271</u>	<u>120,438,223</u>	<u>126,779,083</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

12. STATUTORY DEPOSITS

	Note	The Group				The Bank			
		30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
With the central bank	(a)	585,376,816	543,302,104	2,377,215,250	2,219,389,095	585,376,816	543,302,104	2,377,215,250	2,219,389,095
With other central bank	(b)	6,444,791	5,043,487	26,172,294	20,602,645	-	-	-	-
Others	(c)	283,181	281,518	1,150,000	1,150,000	-	-	-	-
		<u>592,104,788</u>	<u>548,627,109</u>	<u>2,404,537,544</u>	<u>2,241,141,740</u>	<u>585,376,816</u>	<u>543,302,104</u>	<u>2,377,215,250</u>	<u>2,219,389,095</u>
Current		-	-	-	-	-	-	-	-
Non-current		592,104,788	548,627,109	2,404,537,544	2,241,141,740	585,376,816	543,302,104	2,377,215,250	2,219,389,095
		<u>592,104,788</u>	<u>548,627,109</u>	<u>2,404,537,544</u>	<u>2,241,141,740</u>	<u>585,376,816</u>	<u>543,302,104</u>	<u>2,377,215,250</u>	<u>2,219,389,095</u>

(a) With the central bank

(i) Reserve requirement

Pursuant to the NBC's Prakas No. B7-023-005 on the maintenance of reserve requirement against banking and financial institutions' deposits and borrowings dated 9 January 2023, the institution shall maintain reserve requirement against deposits and borrowings in accordance with dates and rates as follows:

- From 1 January 2023 to 31 December 2023, reserve requirement in foreign currencies shall be at the rate of 9%. From 1 January 2024 onwards, reserve requirement in foreign currencies shall be at the rate of 12.5%.
- The institution shall maintain the reserve requirement in local currency (KHR) at the rate of 7%.

However, in the NBC Letter No. B7-023-2621 Chhor.Tor dated 23 November 2023, the reserve requirement against deposits and borrowings in foreign currencies was changed at the rate of 7% until 31 December 2024.

Pursuant to the NBC's Prakas No. B7-018-282 on the maintenance of reserve requirement against commercial banks' deposits and borrowings, reserve requirements for both KHR and other currencies bear no interest since 29 August 2018.

The reserve requirement with NBC amounted to US\$541,915,932 as at 30 September 2024 (31 December 2023: US\$499,985,802).

**ACLEDA BANK PLC.**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**12. STATUTORY DEPOSITS** (continued)

**(a) With the central bank** (continued)

*(ii) Capital guarantee*

Pursuant to the NBC's Prakas No. B7-01-136 on Bank's Capital Guarantee dated 15 October 2001, the banks are required to maintain 10% of its registered capital as a statutory deposit with the NBC. The deposit, which is not available for use in the bank's day-to-day operations, is refundable should the bank voluntarily ceases its operations in Cambodia. As at 30 September 2024, capital guarantee deposit with NBC amounted to US\$43,316,302 with accrued interest amounted US\$144,582 (31 December 2023: US\$43,316,302 with nil accrued interest). The capital guarantee deposit is earning at an interest and receives interest on a 6-month basis.

**(b) With other central bank**

ABL maintained its compulsory deposits in compliance with the requirements of the Bank of Lao PDR ("BOL"). Statutory deposits with other central bank include compulsory reserve and registered capital reserve. These balances earn no interest. Under regulations of the BOL, banks are required to maintain certain cash reserves with the BOL in the form of compulsory deposits, which are computed at 5.5% for the Lao Kip ("LAK") and 8% for foreign currency (previously, 5% and 5%, respectively), on a bi-monthly basis, of customers' deposits having original maturities of less than 12 months.

**(c) Others**

In compliance with Article 23 of SERC's Prakas No. 001/18 SECC/PR.K dated 20 March 2018 on licensing and supervision of securities business, ACS is required to reserve the guarantee capital of KHR1,000,000,000 (which is equivalent to US\$283,181 and US\$281,518 as at 30 September 2024 and 31 December 2023, respectively) in the SERC's bank account at the NBC to operate as a securities broker in the Kingdom of Cambodia. On 24 November 2023, ACS added KHR150,000,000 (which is equivalent to US\$36,720) in the SERC's bank account at the NBC to fulfil the requirements as stated in Prakas No. 003/18 SECC/PR.K dated 29 May 2018 on the licensing and supervision of collective investment scheme business. This statutory deposit does not bear interest.

On 06 February 2024, the ACS obtained official approval from SERC as distribution company which is tasked with opening investment fund accounts for investors, supporting subscribe unit funds for investors and facilitating redeem of fund units upon holding unit investors' redemption requests.

**13. INVESTMENTS IN SUBSIDIARIES**

	Notes	The Bank			
		30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Unquoted ordinary shares, at cost</b>					
ACLEDA Bank Lao Ltd.	(a)	49,389,566	49,389,566	200,571,028	201,756,377
ACLEDA Securities Plc.	(b)	2,010,000	2,010,000	8,162,610	8,210,850
ACLEDA University of Business Co., Ltd.	(c)	19,805,000	19,805,000	80,428,105	80,903,425
ACLEDA MFI Myanmar Co., Ltd.	(d)	19,913,150	19,913,150	80,867,302	81,345,218
		<u>91,117,716</u>	<u>91,117,716</u>	<u>370,029,045</u>	<u>372,215,870</u>

**ACLEDA BANK PLC.****NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024****13. INVESTMENTS IN SUBSIDIARIES (continued)**

Details of the Bank's subsidiaries are as follows:

Name of Subsidiaries	Notes	Ownership and Voting Interest	
		30 September 2024	31 December 2023
ACLEDA Bank Lao Ltd.	(a)	99.90%	99.90%
ACLEDA Securities Plc.	(b)	100%	100%
ACLEDA University of Business Co., Ltd.	(c)	76.609%	76.609%
ACLEDA MFI Myanmar Co., Ltd.	(d)	100%	100%

**(a) ACLEDA Bank Lao Ltd.**

ABL was established in Lao PDR on 13 December 2007 under a preliminary license from the BOL. ABL's principal business is providing banking and related financial services in Lao PDR. The Bank owned 99.90% of ABL's shares. The Bank's initial investment in 2008 in ABL is US\$5,477,399. In 2009, the Bank sold shares to International Finance Corporation ("IFC") amounting to US\$876,384 which decreased the Bank's investments in ABL to US\$4,601,015. In 2010, the Bank injected capital to ABL amounting to US\$5,966,969, thereby increasing its investments to US\$10,567,984.

In 2014, the Bank bought shares from FMO, Stichting Triodos Doen, Triodos Fair Share Fund and IFC amounting to US\$28,875,098 and injected capital to ABL amounting to US\$9,946,484, increasing its investments in ABL to US\$49,389,566. As at 30 September 2024, the Bank's investments in ABL remain the same.

**(b) ACLEDA Securities Plc.**

On 1 March 2010, ACS was established in the Kingdom of Cambodia and registered with the Ministry of Commerce ("MOC") under the Registration No. Co.0448KH/2010. On 20 October 2010, the SERC (previously known as SECC) granted a brokerage license to ACS. The registered share capital of ACS is US\$2,010,000 (equivalent to KHR8,240,000,000), divided into 2,060,000 shares with par value of KHR4,000 each. ACS' principal business is providing securities brokerage and other services approved by the SERC. ACS is wholly-owned by the Bank.

**(c) ACLEDA University of Business Co., Ltd.**

AUB (previously known as ACLEDA Training Center Ltd. and ACLEDA Institute of Business Co., Ltd) was established in the Kingdom of Cambodia under a primary license from the MOC under the Registration No. Co.1332KH/2011 dated 8 June 2011. The registered share capital of AUB is US\$17,805,000, divided into 17,805,000 shares with par value of US\$1 each. In 2018, AUB increased its share capital by US\$2,000,000 to US\$19,805,000. The revised Memorandum and Articles of Association ("MAA") was endorsed by the MOC on 14 December 2018.

AUB is recognised as an establishment of a private higher education institution under the Sub-Decree No. 13 ANKr. BK dated 25 January 2016 from the Royal Government of Cambodia. AUB provides training and education for Associate's degree, Bachelor's degree, and Master's degree in Business Administration, Major in Banking and Finance. AUB can open branches, new colleges, new departments, new specialties, new levels or classes, new types of education and training, change to a new name and location by submitting relevant documents and by requesting approval from the Ministry of Education, Youth and Sport ("MoEYS").

## ACLEDA BANK PLC.

### NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED) AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

#### 13. INVESTMENTS IN SUBSIDIARIES (continued)

##### (c) ACLEDA University of Business Co., Ltd. (continued)

On 10 February 2021, the NBC approved, on request of the Bank, an increase in the capital of AUB as invested by ACLEDA Financial Trust ("AFT"), amounting to US\$10,000,000, which represents 23.3910% of the total shares registered, equal to 6,047,046 shares at the price of US\$1.6537 per share through a Share Investment Agreement made on 26 February 2021 between the Bank, AUB, and AFT. Consequently, AUB share capital increased to US\$25,852,046 and reduced the Bank's ownership to 76.6090%, which is equal to US\$19,805,000.

On 29 March 2021, AUB submitted a letter to the MOC requesting for its approval on the amendment of its MAA relating to the capital increase and on 2 December 2022, AUB obtained the approval from the MOC.

On 12 February 2024, AUB is recognised as transformation ACLEDA Institute of Business to be ACLEDA University of Business under the Sub-Decree No. 27 RNK. BK from the Royal Government of Cambodia. The Ministry of Education, Youth and Sport ("MoEYS") approved recognised transformation of ACLEDA Institute of Business to be ACLEDA University of Business.

##### (d) ACLEDA MFI Myanmar Co., Ltd.

AMM was incorporated in the Republic of the Union of Myanmar under the Republic of the Union of Myanmar Companies Law on 6 September 2012 to provide services per Registration No. 143715094 and started its operations on 18 February 2013. The financial year of the statutory financial statements of AMM is from 1 October to 30 September until year 2021 and from 1 April to 31 March from year 2022 onwards in accordance with the Letter N<sup>o</sup>: NgaKaSa/AhMaKha (105/2021) issued on 13 September 2021 on changing the fiscal year of Myanmar.

AMM is permitted to operate as a deposit-taking microfinance institution providing microfinance services to lower income segments of the Myanmar market and other activities allowed by the Microfinance Supervisory Authority at 45 townships in Yangon Region, 28 townships in Bago Region, 3 townships in Mon State and 25 townships in Magway Region.

The Bank's initial investment in 2013 in AMM is US\$9,411,765. In 2014, the Bank sold shares to IFC, COFIBRED S.A and Kredittanstalt Fur Wiederaufbau ("KfW") amounting to US\$3,659,371, which decreased its investments in AMM to US\$5,752,394.

The Bank acquired 3,600,000 ordinary shares (45% of the total shareholdings) of AMM from KfW, COFIBRED S.A, and IFC for a consideration of US\$6,193,321 as approved by the Board of Directors of AMM on 25 April 2018. The share transfers, appointment of representative of shareholders, and changing the Board members were approved on 27 September 2018 by the Secretary of Microfinance Business Supervisory Committee, The Republic of the Union of Myanmar Government.

On 23 September 2019, the Bank injected capital amounting to US\$3,969,923 (equivalent to Myanmar Kyat ("MMK") of 6,099,390,000) and additional capital of US\$3,995,367 (equivalent to MMK6,039,396,000), on 3 December 2019, increasing its ownership to 99.99%, with the remaining interest owned by AUB.

On 12 May 2021, the Bank settled US\$2,145 to AUB to hold 100% of common stock of AMM shares amounting to MMK20,140,000,000 (2019: 99.99% of MMK8,000,000,000). On 5 April 2021, AMM submitted a request to the regulator for the approval of its amended MAA resulting from the change in ownership. Microfinance Business Supervisory Committee has approved AMM's request with Letter No. KaKa-1/6 (467/2021) dated 23 December 2021.

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

14. PROPERTY AND EQUIPMENT, NET

	The Group								
	Land US\$	Land improvement US\$	Building and improvement US\$	Leasehold improvement US\$	Office equipment US\$	Computer equipment US\$	Motor vehicles US\$	Construction in progress US\$	Total US\$
<b>Cost</b>									
<b>As at 1 January 2024</b>	14,542,280	1,759,381	99,132,875	11,400,491	96,992,721	98,783,454	24,687,205	2,219,363	349,517,770
Additions	-	17,957	-	800,443	2,096,858	8,318,862	2,590,357	4,365,168	18,189,645
Disposals/write-offs	-	-	(455)	(89,271)	(1,379,036)	(4,207,216)	(648,980)	-	(6,324,958)
Transfers	-	-	-	445,484	66,744	1,462,498	70,334	(2,045,060)	-
Currency translation differences	-	-	-	(23,683)	(62,509)	(342,180)	(50,863)	(63,489)	(542,724)
Adjustments	-	-	-	-	4,409	1,413	(6,598)	(41,150)	(41,926)
<b>As at 30 September 2024</b>	<u>14,542,280</u>	<u>1,777,338</u>	<u>99,132,420</u>	<u>12,533,464</u>	<u>97,719,187</u>	<u>104,016,831</u>	<u>26,641,455</u>	<u>4,434,832</u>	<u>360,797,807</u>
<b>Less: Accumulated depreciation</b>									
<b>As at 1 January 2024</b>	-	962,313	35,943,579	6,514,768	68,126,579	74,455,536	15,768,130	-	201,770,905
Charge for the period	-	52,647	3,475,133	1,384,278	7,336,640	5,217,996	1,510,600	-	18,977,294
Disposals/write-offs	-	-	(455)	(87,111)	(1,364,949)	(4,205,224)	(648,980)	-	(6,306,719)
Currency translation differences	-	(7)	(2,877)	(20,847)	(56,441)	(259,111)	(34,918)	-	(374,201)
<b>As at 30 September 2024</b>	<u>-</u>	<u>1,014,953</u>	<u>39,415,380</u>	<u>7,791,088</u>	<u>74,041,829</u>	<u>75,209,197</u>	<u>16,594,832</u>	<u>-</u>	<u>214,067,279</u>
<b>Carrying value</b>	<u>14,542,280</u>	<u>762,385</u>	<u>59,717,040</u>	<u>4,742,376</u>	<u>23,677,358</u>	<u>28,807,634</u>	<u>10,046,623</u>	<u>4,434,832</u>	<u>146,730,528</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>59,056,199</u>	<u>3,096,045</u>	<u>242,510,899</u>	<u>19,258,789</u>	<u>96,153,751</u>	<u>116,987,802</u>	<u>40,799,336</u>	<u>18,009,853</u>	<u>595,872,674</u>

As at 30 September 2024, fully depreciated property and equipment with total historical cost of US\$125,530,434 (31 December 2023: US\$130,332,368) are still in active use.

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

14. PROPERTY AND EQUIPMENT, NET (continued)

	The Group								Total US\$
	Land US\$	Land improvement US\$	Building and improvement US\$	Leasehold improvement US\$	Office equipment US\$	Computer equipment US\$	Motor vehicles US\$	Construction in progress US\$	
<b>Cost</b>									
<b>As at 1 January 2023</b>	14,542,280	1,759,381	99,042,570	9,653,057	83,813,313	90,372,687	21,880,815	2,647,259	323,711,362
Additions	-	-	36,963	790,229	13,489,728	8,383,758	3,589,984	1,741,332	28,031,994
Disposals/write-offs	-	-	(359)	(149,857)	(1,172,650)	(1,177,014)	(669,923)	-	(3,169,803)
Transfers	-	-	50,000	593,243	91,950	859,830	9,636	(1,604,659)	-
Currency translation differences	-	-	-	(58,812)	(137,436)	(762,982)	(98,317)	(23,476)	(1,081,023)
Adjustments	-	-	-	-	12,594	5	-	(377,262)	(364,663)
<b>As at 30 September 2023</b>	<u>14,542,280</u>	<u>1,759,381</u>	<u>99,129,174</u>	<u>10,827,860</u>	<u>96,097,499</u>	<u>97,676,284</u>	<u>24,712,195</u>	<u>2,383,194</u>	<u>347,127,867</u>
<b>Less: Accumulated depreciation</b>									
<b>As at 1 January 2023</b>	-	896,603	31,315,844	5,206,404	61,047,802	69,885,318	15,138,682	-	183,490,653
Charge for the period	-	49,154	3,463,850	1,155,015	6,401,703	5,045,770	1,389,091	-	17,504,583
Disposals/write-offs	-	-	(359)	(143,579)	(1,156,122)	(1,175,881)	(667,115)	-	(3,143,056)
Currency translation differences	-	(7)	(3,105)	(50,552)	(129,123)	(586,097)	(92,773)	-	(861,657)
<b>As at 30 September 2023</b>	<u>-</u>	<u>945,750</u>	<u>34,776,230</u>	<u>6,167,288</u>	<u>66,164,260</u>	<u>73,169,110</u>	<u>15,767,885</u>	<u>-</u>	<u>196,990,523</u>
<b>Carrying value</b>	<u>14,542,280</u>	<u>813,631</u>	<u>64,352,944</u>	<u>4,660,572</u>	<u>29,933,239</u>	<u>24,507,174</u>	<u>8,944,310</u>	<u>2,383,194</u>	<u>150,137,344</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>59,943,278</u>	<u>3,353,787</u>	<u>265,262,835</u>	<u>19,210,878</u>	<u>123,384,811</u>	<u>101,018,571</u>	<u>36,868,446</u>	<u>9,823,526</u>	<u>618,866,132</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

14. PROPERTY AND EQUIPMENT, NET (continued)

	The Bank								
	Land US\$	Land improvement US\$	Building and improvement US\$	Leasehold improvement US\$	Office equipment US\$	Computer equipment US\$	Motor vehicles US\$	Construction in progress US\$	Total US\$
<b>Cost</b>									
<b>As at 1 January 2024</b>	2,328,344	282,726	77,196,411	10,932,179	94,915,864	93,025,844	23,741,433	1,316,041	303,738,842
Additions	-	-	-	764,047	2,025,330	6,779,412	2,345,939	3,300,987	15,215,715
Disposals/write-offs	-	-	(455)	(78,554)	(1,351,683)	(4,196,319)	(648,980)	-	(6,275,991)
Transfers	-	-	-	445,484	66,744	622,665	70,334	(1,205,227)	-
Adjustments	-	-	-	-	4,409	1,413	(6,598)	(41,150)	(41,926)
<b>As at 30 September 2024</b>	<u>2,328,344</u>	<u>282,726</u>	<u>77,195,956</u>	<u>12,063,156</u>	<u>95,660,664</u>	<u>96,233,015</u>	<u>25,502,128</u>	<u>3,370,651</u>	<u>312,636,640</u>
<b>Less: Accumulated depreciation</b>									
<b>As at 1 January 2024</b>	-	175,072	32,148,838	6,104,026	66,361,651	70,153,324	15,086,771	-	190,029,682
Charge for the period	-	6,918	2,923,813	1,370,042	7,265,694	4,609,347	1,443,549	-	17,619,363
Disposals/write-offs	-	-	(455)	(76,394)	(1,339,825)	(4,194,914)	(648,980)	-	(6,260,568)
Currency translation differences	-	(7)	(2,877)	(1,107)	(6,115)	(4,389)	(1,223)	-	(15,718)
<b>As at 30 September 2024</b>	<u>-</u>	<u>181,983</u>	<u>35,069,319</u>	<u>7,396,567</u>	<u>72,281,405</u>	<u>70,563,368</u>	<u>15,880,117</u>	<u>-</u>	<u>201,372,759</u>
<b>Carrying value</b>	<u>2,328,344</u>	<u>100,743</u>	<u>42,126,637</u>	<u>4,666,589</u>	<u>23,379,259</u>	<u>25,669,647</u>	<u>9,622,011</u>	<u>3,370,651</u>	<u>111,263,881</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>9,455,405</u>	<u>409,117</u>	<u>171,076,273</u>	<u>18,951,018</u>	<u>94,943,171</u>	<u>104,244,436</u>	<u>39,074,987</u>	<u>13,688,214</u>	<u>451,842,621</u>

As at 30 September 2024, fully depreciated property and equipment with total historical cost of US\$120,677,873 (31 December 2023: US\$124,117,271) are still in active use.



ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

14. PROPERTY AND EQUIPMENT, NET (continued)

	The Bank								
	Land US\$	Land improvement US\$	Building and improvement US\$	Leasehold improvement US\$	Office equipment US\$	Computer equipment US\$	Motor vehicles US\$	Construction in progress US\$	Total US\$
<b>Cost</b>									
<b>As at 1 January 2023</b>	2,328,344	282,726	77,116,208	9,134,971	81,747,217	84,601,903	21,010,084	2,492,887	278,714,340
Additions	-	-	30,276	779,403	13,373,931	8,130,161	3,372,437	684,288	26,370,496
Disposals/write-offs	-	-	(359)	(134,853)	(1,153,584)	(1,169,656)	(593,923)	-	(3,052,375)
Transfers	-	-	50,000	591,271	79,659	772,902	-	(1,493,832)	-
Adjustments	-	-	-	-	12,594	5	-	(377,262)	(364,663)
<b>As at 30 September 2023</b>	<u>2,328,344</u>	<u>282,726</u>	<u>77,196,125</u>	<u>10,370,792</u>	<u>94,059,817</u>	<u>92,335,315</u>	<u>23,788,598</u>	<u>1,306,081</u>	<u>301,667,798</u>
<b>Less: Accumulated depreciation</b>									
<b>As at 1 January 2023</b>	-	165,865	28,256,258	4,761,986	59,270,750	65,604,513	14,368,937	-	172,428,309
Charge for the period	-	6,893	2,914,264	1,138,715	6,317,068	4,665,058	1,340,564	-	16,382,562
Disposals/write-offs	-	-	(359)	(129,411)	(1,140,432)	(1,168,710)	(591,925)	-	(3,030,837)
Currency translation differences	-	(7)	(3,105)	(982)	(6,307)	(3,981)	(1,205)	-	(15,587)
<b>As at 30 September 2023</b>	<u>-</u>	<u>172,751</u>	<u>31,167,058</u>	<u>5,770,308</u>	<u>64,441,079</u>	<u>69,096,880</u>	<u>15,116,371</u>	<u>-</u>	<u>185,764,447</u>
<b>Carrying value</b>	<u>2,328,344</u>	<u>109,975</u>	<u>46,029,067</u>	<u>4,600,484</u>	<u>29,618,738</u>	<u>23,238,435</u>	<u>8,672,227</u>	<u>1,306,081</u>	<u>115,903,351</u>
<i>In KHR'000 equivalent (Note 5)</i>	<u>9,597,434</u>	<u>453,317</u>	<u>189,731,814</u>	<u>18,963,195</u>	<u>122,088,438</u>	<u>95,788,829</u>	<u>35,746,920</u>	<u>5,383,666</u>	<u>477,753,613</u>

Movement for cash used for purchase of property and equipment

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Additions	18,189,645	28,031,994	74,213,752	115,127,399	15,215,715	26,370,496	62,080,117	108,303,627
Decrease/(increase) in accounts payables for capital expenditure	(1,585,893)	139,222	(6,470,444)	571,785	93,105	129,316	379,869	531,101
Cash used for purchase of property and equipment	<u>16,603,752</u>	<u>28,171,216</u>	<u>67,743,308</u>	<u>115,699,184</u>	<u>15,308,820</u>	<u>26,499,812</u>	<u>62,459,986</u>	<u>108,834,728</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

15. INTANGIBLE ASSETS, NET

	The Group			The Bank		
	Computer software US\$	Work in progress US\$	Total US\$	Computer software US\$	Work in progress US\$	Total US\$
<b>Cost</b>						
<b>As at 1 January 2024</b>	40,498,585	2,730,718	43,229,303	38,153,750	2,288,017	40,441,767
Additions	8,279,234	1,223,974	9,503,208	8,097,638	706,055	8,803,693
Disposals/write-offs	(2,556)	-	(2,556)	(2,556)	-	(2,556)
Transfers	1,294,440	(1,294,440)	-	365,440	(365,440)	-
Currency translation differences	(160,997)	(31,115)	(192,112)	-	-	-
Adjustments	-	(622,563)	(622,563)	-	(622,563)	(622,563)
<b>As at 30 September 2024</b>	<b>49,908,706</b>	<b>2,006,574</b>	<b>51,915,280</b>	<b>46,614,272</b>	<b>2,006,069</b>	<b>48,620,341</b>
<b>Less: Accumulated amortisation</b>						
<b>As at 1 January 2024</b>	32,458,285	-	32,458,285	30,612,312	-	30,612,312
Charge for the period	3,139,442	-	3,139,442	2,988,273	-	2,988,273
Disposals/write-offs	(2,556)	-	(2,556)	(2,556)	-	(2,556)
Currency translation differences	(129,138)	-	(129,138)	(1,778)	-	(1,778)
Adjustments	(538,733)	-	(538,733)	(538,733)	-	(538,733)
<b>As at 30 September 2024</b>	<b>34,927,300</b>	<b>-</b>	<b>34,927,300</b>	<b>33,057,518</b>	<b>-</b>	<b>33,057,518</b>
<b>Carrying value</b>	<b>14,981,406</b>	<b>2,006,574</b>	<b>16,987,980</b>	<b>13,556,754</b>	<b>2,006,069</b>	<b>15,562,823</b>
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>60,839,490</b>	<b>8,148,697</b>	<b>68,988,187</b>	<b>55,053,978</b>	<b>8,146,646</b>	<b>63,200,624</b>

As at 30 September 2024, the Group's and the Bank's fully amortised intangible assets with historical cost of US\$25,655,874 and US\$24,194,961, respectively (31 December 2023: US\$25,101,546 and US\$23,639,872, respectively), are still used actively.

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

15. INTANGIBLE ASSETS, NET (continued)

	The Group			The Bank		
	Computer software US\$	Work in progress US\$	Total US\$	Computer software US\$	Work in progress US\$	Total US\$
<b>Cost</b>						
<b>As at 1 January 2023</b>	39,382,953	2,484,354	41,867,307	37,140,474	2,261,329	39,401,803
Additions	1,081,942	1,260,450	2,342,392	877,385	893,976	1,771,361
Disposals	(50,447)	-	(50,447)	(50,447)	-	(50,447)
Transfers	999,380	(999,380)	-	863,772	(863,772)	-
Currency translation differences	(332,776)	(33,916)	(366,692)	-	-	-
Adjustments	-	(97,600)	(97,600)	-	(97,600)	(97,600)
<b>As at 30 September 2023</b>	<u>41,081,052</u>	<u>2,613,908</u>	<u>43,694,960</u>	<u>38,831,184</u>	<u>2,193,933</u>	<u>41,025,117</u>
<b>Less: Accumulated amortisation</b>						
<b>As at 1 January 2023</b>	30,970,766	-	30,970,766	29,083,379	-	29,083,379
Charge for the period	2,029,970	-	2,029,970	1,876,342	-	1,876,342
Disposals	(50,447)	-	(50,447)	(50,447)	-	(50,447)
Currency translation differences	(299,648)	-	(299,648)	(2,020)	-	(2,020)
Adjustments	-	-	-	-	-	-
<b>As at 30 September 2023</b>	<u>32,650,641</u>	<u>-</u>	<u>32,650,641</u>	<u>30,907,254</u>	<u>-</u>	<u>30,907,254</u>
<b>Carrying value</b>	<u>8,430,411</u>	<u>2,613,908</u>	<u>11,044,319</u>	<u>7,923,930</u>	<u>2,193,933</u>	<u>10,117,863</u>
<i>In KHR'000 equivalent (Note 5)</i>	<u>34,750,154</u>	<u>10,774,529</u>	<u>45,524,683</u>	<u>32,662,439</u>	<u>9,043,392</u>	<u>41,705,831</u>

Movement for cash used for purchase of intangible assets

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Additions	9,503,208	2,342,392	38,773,089	9,620,204	8,803,693	1,771,361	35,919,067	7,274,980
Decrease/(increase) in accounts payables for intangible assets	(4,620,947)	-	(18,853,464)	-	(4,439,351)	-	(18,112,552)	-
Cash used for purchase of intangible assets	<u>4,882,261</u>	<u>2,342,392</u>	<u>19,919,625</u>	<u>9,620,204</u>	<u>4,364,342</u>	<u>1,771,361</u>	<u>17,806,515</u>	<u>7,274,980</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

16. RIGHT-OF-USE ASSETS, NET

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Right-of-use assets	35,195,346	32,410,303	142,928,300	132,396,088	33,350,769	30,852,413	135,437,473	126,032,107

The Group and the Bank lease office buildings and cars for its operations. Information about leases for which the Group or the Bank is a lessee is presented below:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	32,410,303	28,785,805	132,396,088	118,511,159	30,852,413	26,525,687	126,032,107	109,206,253
Additions during the period	13,850,692	12,999,364	56,510,823	53,388,388	13,383,914	12,559,585	54,606,369	51,582,216
Depreciation for the period	(9,618,018)	(9,067,012)	(39,241,513)	(37,238,218)	(9,277,583)	(8,714,759)	(37,852,539)	(35,791,515)
Lease termination during the period	(1,631,785)	(633,224)	(6,657,683)	(2,600,651)	(1,633,217)	(632,712)	(6,663,525)	(2,598,548)
Currency translation differences	184,154	(842,973)	751,348	(3,462,090)	25,242	(7,659)	102,987	(31,456)
Exchange differences	-	-	(830,763)	180,771	-	-	(787,926)	180,695
<b>At the end of the period</b>	<b>35,195,346</b>	<b>31,241,960</b>	<b>142,928,300</b>	<b>128,779,359</b>	<b>33,350,769</b>	<b>29,730,142</b>	<b>135,437,473</b>	<b>122,547,645</b>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

16. RIGHT-OF-USE ASSETS, NET (continued)

The Group and the Bank lease office buildings and cars for its operations. Information about leases for which the Group or the Bank is a lessee is presented below:

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	34,796,369	28,523,218	143,013,077	117,800,890	33,235,313	27,129,844	136,597,136	112,046,256
Additions during the period	3,633,407	5,918,583	14,853,368	24,455,585	3,256,584	5,598,068	13,312,915	23,131,217
Depreciation for the period	(3,253,228)	(3,097,793)	(13,299,196)	(12,800,081)	(3,139,750)	(2,982,424)	(12,835,298)	(12,323,376)
Lease termination during the period	(14,028)	(17,010)	(57,346)	(70,285)	(14,028)	(17,043)	(57,346)	(70,422)
Currency translation differences	32,826	(85,038)	134,193	(351,377)	12,650	1,697	51,713	7,012
Exchange differences	-	-	(1,715,796)	(255,373)	-	-	(1,631,647)	(243,042)
<b>At the end of the period</b>	<b>35,195,346</b>	<b>31,241,960</b>	<b>142,928,300</b>	<b>128,779,359</b>	<b>33,350,769</b>	<b>29,730,142</b>	<b>135,437,473</b>	<b>122,547,645</b>

For the nine-month period ended 30 September 2024, the Group and the Bank have recognised the expense relating to short-term lease payments amounting to US\$1,990 and nil, respectively (30 September 2023: the Group and the Bank have recognised expense relating to variable lease and short-term lease payments amounting to US\$16,792 and US\$373 respectively).

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

16. RIGHT-OF-USE ASSETS, NET (continued)

Amounts recognised in the interim statement of profit or loss and other comprehensive income:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Depreciation expense	9,618,018	9,067,012	39,241,513	37,238,218	9,277,583	8,714,759	37,852,539	35,791,515
Interest on lease liabilities	1,561,261	1,400,635	6,369,945	5,752,408	1,453,982	1,294,947	5,932,247	5,318,347
Gain on pre-termination of leases	(131,334)	(90,617)	(535,843)	(372,164)	(122,709)	(71,169)	(500,653)	(292,291)
	<u>11,047,945</u>	<u>10,377,030</u>	<u>45,075,615</u>	<u>42,618,462</u>	<u>10,608,856</u>	<u>9,938,537</u>	<u>43,284,133</u>	<u>40,817,571</u>

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Depreciation expense	3,253,228	3,097,793	13,299,196	12,800,081	3,139,750	2,982,424	12,835,298	12,323,376
Interest on lease liabilities	533,790	489,178	2,182,134	2,021,283	496,752	453,345	2,030,722	1,873,222
Gain on pre-termination of leases	(9,977)	(14,068)	(40,786)	(58,129)	(9,977)	(7,868)	(40,786)	(32,511)
	<u>3,777,041</u>	<u>3,572,903</u>	<u>15,440,544</u>	<u>14,763,235</u>	<u>3,626,525</u>	<u>3,427,901</u>	<u>14,825,234</u>	<u>14,164,087</u>

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17. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Deferred tax assets	4,088,998	4,069,380	16,605,421	16,623,417	-	-	-	-
Deferred tax liabilities	(3,196,305)	(2,716,754)	(12,980,195)	(11,097,940)	-	-	-	-
<b>Net deferred tax assets</b>	<b>892,693</b>	<b>1,352,626</b>	<b>3,625,226</b>	<b>5,525,477</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deferred tax assets	18,580,839	34,793,939	75,456,787	142,133,241	18,580,839	34,793,939	75,456,787	142,133,241
Deferred tax liabilities	(49,333,699)	(61,575,984)	(200,344,151)	(251,537,895)	(49,333,699)	(61,575,984)	(200,344,151)	(251,537,895)
<b>Net deferred tax liabilities</b>	<b>(30,752,860)</b>	<b>(26,782,045)</b>	<b>(124,887,364)</b>	<b>(109,404,654)</b>	<b>(30,752,860)</b>	<b>(26,782,045)</b>	<b>(124,887,364)</b>	<b>(109,404,654)</b>
Total deferred tax assets	22,669,837	38,863,319	92,062,208	158,756,658	18,580,839	34,793,939	75,456,787	142,133,241
Total deferred tax liabilities	(52,530,004)	(64,292,738)	(213,324,346)	(262,635,835)	(49,333,699)	(61,575,984)	(200,344,151)	(251,537,895)
<b>Total net deferred tax liabilities</b>	<b>(29,860,167)</b>	<b>(25,429,419)</b>	<b>(121,262,138)</b>	<b>(103,879,177)</b>	<b>(30,752,860)</b>	<b>(26,782,045)</b>	<b>(124,887,364)</b>	<b>(109,404,654)</b>

The movements in net deferred tax assets/(deferred tax liabilities) during the period are presented as follows:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	(25,429,419)	(1,137,857)	(103,879,177)	(4,684,557)	(26,782,045)	(2,258,353)	(109,404,654)	(9,297,639)
Charged to profit or loss	(4,462,370)	(17,811,536)	(18,206,470)	(73,151,978)	(3,970,815)	(17,717,544)	(16,200,926)	(72,765,953)
Currency translation differences	31,622	(133,758)	129,018	(549,344)	-	-	-	-
Exchange differences	-	-	694,491	(274,870)	-	-	718,216	(277,055)
<b>At the end of the period</b>	<b>(29,860,167)</b>	<b>(19,083,151)</b>	<b>(121,262,138)</b>	<b>(78,660,749)</b>	<b>(30,752,860)</b>	<b>(19,975,897)</b>	<b>(124,887,364)</b>	<b>(82,340,647)</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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17. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES (continued)

The movements in net deferred tax assets/(deferred tax liabilities) during the period are presented as follows:

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	(30,971,245)	(10,261,412)	(127,291,817)	(42,379,632)	(31,960,051)	(11,320,344)	(131,355,810)	(46,753,021)
Credited/(charged) to profit or loss	1,064,200	(8,775,692)	4,350,450	(36,261,159)	1,207,191	(8,655,553)	4,934,997	(35,764,745)
Currency translation differences	46,878	(46,047)	191,637	(190,266)	-	-	-	-
Exchange differences	-	-	1,487,592	170,308	-	-	1,533,449	177,119
<b>At the end of the period</b>	<b>(29,860,167)</b>	<b>(19,083,151)</b>	<b>(121,262,138)</b>	<b>(78,660,749)</b>	<b>(30,752,860)</b>	<b>(19,975,897)</b>	<b>(124,887,364)</b>	<b>(82,340,647)</b>

The components of and movements in deferred tax assets and deferred tax liabilities during the period presented are as follows:

Deferred tax assets of the Group:

	Unamortised loan fees US\$	Unearned revenue US\$	Provision for expected credit losses US\$	Other provision US\$	Staff bonus US\$	Unrealised exchange US\$	Accelerated depreciation US\$	Lease liabilities US\$	Others US\$	Total US\$
<b>As at 1 January 2024</b>	710,701	54,593	3,209,220	5,564,566	1,635,771	2,731,546	4,768	352,122	2,699,396	16,962,683
(Charged)/credited to profit or loss	(104,360)	(9,466)	47,103	363,256	799,788	510,893	(4,768)	6,275,572	(2,170,864)	5,707,154
<b>As at 30 September 2024</b>	<b>606,341</b>	<b>45,127</b>	<b>3,256,323</b>	<b>5,927,822</b>	<b>2,435,559</b>	<b>3,242,439</b>	<b>-</b>	<b>6,627,694</b>	<b>528,532</b>	<b>22,669,837</b>
<i>In KHR'000 equivalent (Note 5)</i>	<i>2,462,351</i>	<i>183,261</i>	<i>13,223,928</i>	<i>24,072,885</i>	<i>9,890,805</i>	<i>13,167,545</i>	<i>-</i>	<i>26,915,065</i>	<i>2,146,368</i>	<i>92,062,208</i>
<b>As at 1 January 2023</b>	4,284,530	44,281	2,817,008	9,554,050	2,117,163	1,683,243	473	362,157	1,822,821	22,685,726
(Charged)/credited to profit or loss	(3,089,343)	5,285	410,266	(4,057,578)	(61,722)	690,784	(473)	263,309	882,925	(4,956,547)
<b>As at 30 September 2023</b>	<b>1,195,187</b>	<b>49,566</b>	<b>3,227,274</b>	<b>5,496,472</b>	<b>2,055,441</b>	<b>2,374,027</b>	<b>-</b>	<b>625,466</b>	<b>2,705,746</b>	<b>17,729,179</b>
<i>In KHR'000 equivalent (Note 5)</i>	<i>4,926,561</i>	<i>204,311</i>	<i>13,302,823</i>	<i>22,656,458</i>	<i>8,472,528</i>	<i>9,785,739</i>	<i>-</i>	<i>2,578,172</i>	<i>11,153,085</i>	<i>73,079,677</i>



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17. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES (continued)

Deferred tax assets of the Bank:

	Unamortised loan fees US\$	Other provision US\$	Staff bonus US\$	Unrealised exchange US\$	Lease liabilities US\$	Others US\$	Total US\$
<b>As at 1 January 2024</b>	-	5,505,303	1,625,989	2,730,883	350,912	2,694,285	12,907,372
Credited/(charged) to profit or loss	-	358,963	800,289	406,228	6,276,689	(2,168,702)	5,673,467
<b>As at 30 September 2024</b>	-	5,864,266	2,426,278	3,137,111	6,627,601	525,583	18,580,839
<i>In KHR'000 equivalent (Note 5)</i>	-	23,814,784	9,853,115	12,739,808	26,914,688	2,134,392	75,456,787
<b>As at 1 January 2023</b>	3,648,149	9,392,387	2,117,163	1,682,562	359,397	1,798,711	18,998,369
(Charged)/credited to profit or loss	(3,111,370)	(3,994,363)	(61,722)	690,745	258,990	897,381	(5,320,339)
<b>As at 30 September 2023</b>	536,779	5,398,024	2,055,441	2,373,307	618,387	2,696,092	13,678,030
<i>In KHR'000 equivalent (Note 5)</i>	2,212,603	22,250,655	8,472,528	9,782,771	2,548,991	11,113,291	56,380,839

Deferred tax liabilities of the Group:

	Unamortised loan fees US\$	Provision for expected credit losses US\$	Unrealised exchange US\$	Accelerated depreciation US\$	Right of use assets US\$	Others US\$	Total US\$
<b>As at 1 January 2024</b>	3,379,139	36,610,954	1,899	2,383,244	13,112	3,754	42,392,102
Charged/(credited) to profit or loss	86,421	3,605,184	(1,194)	166,244	6,283,141	(1,894)	10,137,902
<b>As at 30 September 2024</b>	3,465,560	40,216,138	705	2,549,488	6,296,253	1,860	52,530,004
<i>In KHR'000 equivalent (Note 5)</i>	14,073,639	163,317,736	2,863	10,353,471	25,569,083	7,554	213,324,346
<b>As at 1 January 2023</b>	2,088,004	19,993,261	3,243	1,728,360	-	10,715	23,823,583
Charged/(credited) to profit or loss	516,162	11,304,546	425	884,221	285,317	(1,924)	12,988,747
<b>As at 30 September 2023</b>	2,604,166	31,297,807	3,668	2,612,581	285,317	8,791	36,812,330
<i>In KHR'000 equivalent (Note 5)</i>	10,734,372	129,009,560	15,119	10,769,059	1,176,077	36,239	151,740,426

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

17. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES (continued)

Deferred tax liabilities of the Bank:

	Unamortised loan fees US\$	Provision for expected credit losses US\$	Accelerated depreciation US\$	Right of use assets US\$	Total US\$
<b>As at 1 January 2024</b>	689,933	36,610,954	2,375,418	13,112	39,689,417
(Credited)/charged to profit or loss	(354,127)	3,556,005	159,263	6,283,141	9,644,282
<b>As at 30 September 2024</b>	<u>335,806</u>	<u>40,166,959</u>	<u>2,534,681</u>	<u>6,296,253</u>	<u>49,333,699</u>
<i>In KHR'000 equivalent (Note 5)</i>	<u>1,363,708</u>	<u>163,118,020</u>	<u>10,293,340</u>	<u>25,569,083</u>	<u>200,344,151</u>
<b>As at 1 January 2023</b>	-	19,993,261	1,263,461	-	21,256,722
Charged to profit or loss	-	11,304,546	811,999	280,660	12,397,205
<b>As at 30 September 2023</b>	<u>-</u>	<u>31,297,807</u>	<u>2,075,460</u>	<u>280,660</u>	<u>33,653,927</u>
<i>In KHR'000 equivalent (Note 5)</i>	<u>-</u>	<u>129,009,559</u>	<u>8,555,046</u>	<u>1,156,881</u>	<u>138,721,486</u>

18. DEPOSITS AND PLACEMENTS OF OTHER BANKS AND FINANCIAL INSTITUTIONS

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Current accounts	104,144,266	83,966,188	422,929,864	343,001,878	106,013,088	87,716,198	430,519,150	358,320,669
Savings deposits	31,873,985	34,860,003	129,440,253	142,403,112	31,570,668	34,103,292	128,208,483	139,311,948
Fixed deposits	251,483,784	300,966,429	1,021,275,647	1,229,447,863	216,853,059	264,586,437	880,640,273	1,080,835,595
	<u>387,502,035</u>	<u>419,792,620</u>	<u>1,573,645,764</u>	<u>1,714,852,853</u>	<u>354,436,815</u>	<u>386,405,927</u>	<u>1,439,367,906</u>	<u>1,578,468,212</u>
Current	265,891,447	295,437,098	1,079,785,166	1,206,860,546	233,181,763	263,321,140	946,951,140	1,075,666,857
Non-current	121,610,588	124,355,522	493,860,598	507,992,307	121,255,052	123,084,787	492,416,766	502,801,355
	<u>387,502,035</u>	<u>419,792,620</u>	<u>1,573,645,764</u>	<u>1,714,852,853</u>	<u>354,436,815</u>	<u>386,405,927</u>	<u>1,439,367,906</u>	<u>1,578,468,212</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

18. DEPOSITS AND PLACEMENTS OF OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

The deposits and placements of other banks and financial institutions are analysed as follows:

a) By maturity

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Within 6 months	255,428,649	262,331,052	1,037,295,743	1,071,622,348	226,326,390	245,963,272	919,111,470	1,004,759,966
Later than 6 months but not later than 1 year	10,462,798	33,106,046	42,489,423	135,238,198	6,855,373	17,357,868	27,839,670	70,906,891
Later than 1 year but not later than 3 years	33,680,588	38,325,522	136,776,868	156,559,757	33,325,052	37,054,787	135,333,036	151,368,805
Later than 3 years	87,930,000	86,030,000	357,083,730	351,432,550	87,930,000	86,030,000	357,083,730	351,432,550
	<u>387,502,035</u>	<u>419,792,620</u>	<u>1,573,645,764</u>	<u>1,714,852,853</u>	<u>354,436,815</u>	<u>386,405,927</u>	<u>1,439,367,906</u>	<u>1,578,468,212</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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18. DEPOSITS AND PLACEMENTS OF OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

b) By relationship

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Related parties	75,960	51,611	308,473	210,831	1,976,295	3,840,265	8,025,734	15,687,483
Non-related parties	387,426,075	419,741,009	1,573,337,291	1,714,642,022	352,460,520	382,565,662	1,431,342,172	1,562,780,729
	<u>387,502,035</u>	<u>419,792,620</u>	<u>1,573,645,764</u>	<u>1,714,852,853</u>	<u>354,436,815</u>	<u>386,405,927</u>	<u>1,439,367,906</u>	<u>1,578,468,212</u>

c) By interest (per annum)

	The Group		The Bank	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Current accounts	0.00% - 2.00%	0.00% - 1.50%	0.00% - 0.75%	0.00% - 0.75%
Savings deposits	0.00% - 3.00%	0.00% - 2.00%	0.00% - 1.00%	0.05% - 1.00%
Fixed deposits	1.50% - 12.50%	0.25% - 8.45%	1.50% - 9.50%	0.25% - 8.45%

19. DEPOSITS FROM CUSTOMERS

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Current accounts	1,231,321,862	950,009,201	5,000,398,082	3,880,787,587	1,215,659,808	937,729,648	4,936,794,480	3,830,625,612
Savings deposits	2,684,051,089	2,297,291,732	10,899,931,472	9,384,436,725	2,658,142,874	2,272,724,032	10,794,718,211	9,284,077,671
Margin deposits	37,369,717	17,263,637	151,758,421	70,521,957	37,334,745	17,163,400	151,616,400	70,112,489
Fixed deposits	3,775,968,295	3,543,455,849	15,334,207,246	14,475,017,143	3,710,278,064	3,487,671,945	15,067,439,218	14,247,139,895
	<u>7,728,710,963</u>	<u>6,808,020,419</u>	<u>31,386,295,221</u>	<u>27,810,763,412</u>	<u>7,621,415,491</u>	<u>6,715,289,025</u>	<u>30,950,568,309</u>	<u>27,431,955,667</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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19. DEPOSITS FROM CUSTOMERS (continued)

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Current	6,839,229,869	5,793,320,150	27,774,112,499	23,665,712,814	6,751,087,674	5,723,328,073	27,416,167,045	23,379,795,178
Non-current	889,481,094	1,014,700,269	3,612,182,722	4,145,050,598	870,327,817	991,960,952	3,534,401,264	4,052,160,489
	<u>7,728,710,963</u>	<u>6,808,020,419</u>	<u>31,386,295,221</u>	<u>27,810,763,412</u>	<u>7,621,415,491</u>	<u>6,715,289,025</u>	<u>30,950,568,309</u>	<u>27,431,955,667</u>

The deposits from customers are analysed as follows:

a) By maturity

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Within 6 months	5,799,581,882	4,696,431,675	23,552,102,024	19,184,923,394	5,736,129,240	4,641,685,771	23,294,420,845	18,961,286,374
Later than 6 months but not later than 1 year	1,039,647,987	1,096,888,475	4,222,010,475	4,480,789,420	1,014,958,434	1,081,642,302	4,121,746,200	4,418,508,804
Later than 1 year but not later than 3 years	596,373,367	688,857,452	2,421,872,243	2,813,982,691	586,668,695	675,049,102	2,382,461,570	2,757,575,582
Later than 3 years	293,107,727	325,842,817	1,190,310,479	1,331,067,907	283,659,122	316,911,850	1,151,939,694	1,294,584,907
	<u>7,728,710,963</u>	<u>6,808,020,419</u>	<u>31,386,295,221</u>	<u>27,810,763,412</u>	<u>7,621,415,491</u>	<u>6,715,289,025</u>	<u>30,950,568,309</u>	<u>27,431,955,667</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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19. DEPOSITS FROM CUSTOMERS (continued)

The deposits from customers are analysed as follows: (continued)

b) By relationship

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Related parties	15,446,588	13,291,477	62,728,595	54,295,684	16,856,065	14,597,942	68,452,480	59,632,595
Non-related parties	7,713,264,375	6,794,728,942	31,323,566,626	27,756,467,728	7,604,559,426	6,700,691,083	30,882,115,829	27,372,323,072
	<u>7,728,710,963</u>	<u>6,808,020,419</u>	<u>31,386,295,221</u>	<u>27,810,763,412</u>	<u>7,621,415,491</u>	<u>6,715,289,025</u>	<u>30,950,568,309</u>	<u>27,431,955,667</u>

c) By interest rate

	The Group		The Bank	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Current accounts	0.00% - 2.00%	0.00% - 1.50%	0.00% - 0.75%	0.00% - 0.75%
Margin deposits	Nil	Nil	Nil	Nil
Savings deposits	0.00% - 15.00%	0.00% - 15.00%	0.00% - 1.00%	0.05% - 1.00%
Fixed deposits	0.03% - 12.00%	0.25% - 9.50%	0.03% - 10.60%	0.25% - 8.45%

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20. OTHER LIABILITIES

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Accrued annual leave	29,812,312	27,977,024	121,067,799	114,286,143	29,321,327	27,526,513	119,073,909	112,445,806
Fund transfers	23,080,870	22,829,011	93,731,413	93,256,510	23,079,472	22,578,216	93,725,736	92,232,012
Tax payables	3,502,080	2,628,107	14,221,947	10,735,817	3,449,456	2,600,510	14,008,241	10,623,083
Accrued bonuses	1,724,198	5,271,250	7,001,968	21,533,056	-	4,700,000	-	19,199,500
Bakong interbank payable	1,016,792	2,110,321	4,129,192	8,620,661	673,229	1,450,509	2,733,983	5,925,329
Others	31,895,244	25,029,631	129,526,586	102,246,043	30,969,334	24,128,226	125,766,465	98,563,804
	<u>91,031,496</u>	<u>85,845,344</u>	<u>369,678,905</u>	<u>350,678,230</u>	<u>87,492,818</u>	<u>82,983,974</u>	<u>355,308,334</u>	<u>338,989,534</u>
Current	48,159,067	47,206,915	195,573,971	192,840,248	45,088,244	44,788,709	183,103,359	182,961,876
Non-current	42,872,429	38,638,429	174,104,934	157,837,982	42,404,574	38,195,265	172,204,975	156,027,658
	<u>91,031,496</u>	<u>85,845,344</u>	<u>369,678,905</u>	<u>350,678,230</u>	<u>87,492,818</u>	<u>82,983,974</u>	<u>355,308,334</u>	<u>338,989,534</u>

21. BORROWINGS

The Group and the Bank have entered into borrowing agreements with various lenders. The repayments of principal and interest are made either on quarterly, semi-annual, or annual basis based on the repayment schedule of each of the borrowing agreements. The Group and the Bank did not pledge any collaterals for these borrowings.

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Current	454,144,963	160,899,380	1,844,282,695	657,273,968	444,975,770	150,401,659	1,807,046,602	614,390,777
Non-current	194,114,981	698,914,170	788,300,938	2,855,064,384	190,177,181	693,016,932	772,309,532	2,830,974,167
	<u>648,259,944</u>	<u>859,813,550</u>	<u>2,632,583,633</u>	<u>3,512,338,352</u>	<u>635,152,951</u>	<u>843,418,591</u>	<u>2,579,356,134</u>	<u>3,445,364,944</u>

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21. BORROWINGS (continued)

Changes in liabilities arising from financing activities – borrowings

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	859,813,550	957,335,868	3,512,338,352	3,941,351,769	843,418,591	944,275,857	3,445,364,944	3,887,583,704
Additions	12,774,727	91,022,529	52,120,886	373,829,527	10,000,000	83,908,952	40,800,000	344,614,066
Charge during the period	47,380,399	53,842,976	193,312,028	221,133,102	46,526,671	53,036,438	189,828,818	217,820,651
Repayments	(271,089,919)	(292,551,802)	(1,106,046,869)	(1,201,510,251)	(264,819,098)	(287,521,386)	(1,080,461,920)	(1,180,850,333)
Withholding tax accrued	(244,672)	(3,512,772)	(998,262)	(14,426,955)	(244,672)	(3,512,772)	(998,262)	(14,426,955)
Currency translation difference	(374,141)	(1,129,131)	(1,526,496)	(4,637,341)	271,459	(53,110)	1,107,552	(218,123)
Exchange differences	-	-	(16,616,006)	2,501,756	-	-	(16,284,998)	2,409,251
<b>At the end of the period</b>	<b>648,259,944</b>	<b>805,007,668</b>	<b>2,632,583,633</b>	<b>3,318,241,607</b>	<b>635,152,951</b>	<b>790,133,979</b>	<b>2,579,356,134</b>	<b>3,256,932,261</b>

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	690,257,355	941,570,182	2,836,957,729	3,888,684,852	678,082,701	928,241,300	2,786,919,901	3,833,636,569
Additions	11,402,887	6,031,237	46,615,002	24,921,071	10,000,000	4,142,370	40,880,000	17,116,273
Charge during the period	14,858,352	17,165,216	60,740,943	70,926,673	14,577,290	16,830,126	59,591,962	69,542,081
Repayments	(69,028,814)	(158,271,650)	(282,189,792)	(653,978,458)	(68,134,214)	(157,982,653)	(278,532,667)	(652,784,322)
Withholding tax accrued	-	(1,214,761)	-	(5,019,392)	-	(1,214,761)	-	(5,019,392)
Currency translation difference	770,164	(272,556)	3,148,430	(1,126,201)	627,174	117,597	2,563,887	485,911
Exchange differences	-	-	(32,688,679)	(6,166,938)	-	-	(32,066,949)	(6,044,859)
<b>At the end of the period</b>	<b>648,259,944</b>	<b>805,007,668</b>	<b>2,632,583,633</b>	<b>3,318,241,607</b>	<b>635,152,951</b>	<b>790,133,979</b>	<b>2,579,356,134</b>	<b>3,256,932,261</b>



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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21. **BORROWINGS** (continued)

The borrowings are analysed as follows:

a) **By relationship**

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Related parties	33,341,107	49,491,659	135,398,236	202,173,427	33,341,107	49,491,659	135,398,236	202,173,427
Non-related parties	614,918,837	810,321,891	2,497,185,397	3,310,164,925	601,811,844	793,926,932	2,443,957,898	3,243,191,517
	<u>648,259,944</u>	<u>859,813,550</u>	<u>2,632,583,633</u>	<u>3,512,338,352</u>	<u>635,152,951</u>	<u>843,418,591</u>	<u>2,579,356,134</u>	<u>3,445,364,944</u>

b) **By interest rate**

	The Group		The Bank	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Annual interest rates	2.00% - 15.00%	2.00% - 13.00%	2.00% - 9.80%	2.00% - 9.80%

As of 30 September 2024, the Bank's financial covenant ratios were not in line with covenants on borrowings with two lenders amounting to US\$331,852,367. As a result, the non-current portion of the borrowings amounting to US\$222,785,930 has been reclassified from non-current liabilities to current liabilities as of 30 September 2024. Subsequently on 17 October 2024, the Bank obtained waiver approval for financial covenant ratios from a lender covering for the period from 1 April 2024 to 31 December 2024 with the borrowing amounting to US\$119,833,413 as at 30 September 2024.

As of the reporting date, the lenders are in the process of approving the waivers of the covenant. On the other hand, management is working to enhance the ratio to be in line with the Bank's strategies and objectives.

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22. SUBORDINATED DEBTS

These are subordinated debts approved by the NBC to be treated as part of complementary capital and represent the outstanding principal and accrued interest payable amount. The Group and the Bank did not pledge any collaterals for these subordinated debts.

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Current	58,750,209	26,160,421	238,584,599	106,865,320	58,750,209	26,160,421	238,584,599	106,865,320
Non-current	115,367,082	90,893,461	468,505,720	371,299,788	115,367,082	90,893,461	468,505,720	371,299,788
	<u>174,117,291</u>	<u>117,053,882</u>	<u>707,090,319</u>	<u>478,165,108</u>	<u>174,117,291</u>	<u>117,053,882</u>	<u>707,090,319</u>	<u>478,165,108</u>

Changes in liabilities arising from financing activities – subordinated debts

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	117,053,882	127,762,328	478,165,108	525,997,504	117,053,882	127,762,328	478,165,108	525,997,504
Additions	68,152,744	14,972,500	278,063,196	61,492,058	68,152,744	14,972,500	278,063,196	61,492,058
Charge during the period	7,899,836	6,737,314	32,231,331	27,670,149	7,899,836	6,737,314	32,231,331	27,670,149
Repayments	(19,077,105)	(19,087,053)	(77,834,588)	(78,390,527)	(19,077,105)	(19,087,053)	(77,834,588)	(78,390,527)
Withholding tax accrued	16,625	(316,810)	67,830	(1,301,139)	16,625	(316,810)	67,830	(1,301,139)
Currency translation difference	71,309	2,210	290,940	9,076	71,309	2,210	290,940	9,076
Exchange differences	-	-	(3,893,498)	673,435	-	-	(3,893,498)	673,435
<b>As the ending of the period</b>	<u>174,117,291</u>	<u>130,070,489</u>	<u>707,090,319</u>	<u>536,150,556</u>	<u>174,117,291</u>	<u>130,070,489</u>	<u>707,090,319</u>	<u>536,150,556</u>

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22. SUBORDINATED DEBTS (continued)

Changes in liabilities arising from financing activities – subordinated debts (continued)

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	117,227,977	127,932,692	481,806,985	528,362,018	117,227,977	127,932,692	481,806,985	528,362,018
Additions	53,332,705	(27,500)	218,024,098	(113,630)	53,332,705	(27,500)	218,024,098	(113,630)
Charge during the period	3,492,090	2,262,438	14,275,664	9,348,394	3,492,090	2,262,438	14,275,664	9,348,394
Repayments	(64,439)	-	(263,427)	-	(64,439)	-	(263,427)	-
Withholding tax accrued	-	(127,187)	-	(525,537)	-	(127,187)	-	(525,537)
Currency translation difference	128,958	30,046	527,180	124,150	128,958	30,046	527,180	124,150
Exchange differences	-	-	(7,280,181)	(1,044,839)	-	-	(7,280,181)	(1,044,839)
<b>At the end of the period</b>	<b>174,117,291</b>	<b>130,070,489</b>	<b>707,090,319</b>	<b>536,150,556</b>	<b>174,117,291</b>	<b>130,070,489</b>	<b>707,090,319</b>	<b>536,150,556</b>

The subordinated debts are analysed as follows:

a) By relationship

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
	Related parties	15,379,167	15,094,208	62,454,797	61,659,840	15,379,167	15,094,208	62,454,797
Non-related parties	158,738,124	101,959,674	644,635,522	416,505,268	158,738,124	101,959,674	644,635,522	416,505,268
	<b>174,117,291</b>	<b>117,053,882</b>	<b>707,090,319</b>	<b>478,165,108</b>	<b>174,117,291</b>	<b>117,053,882</b>	<b>707,090,319</b>	<b>478,165,108</b>

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**22. SUBORDINATED DEBTS** (continued)

The subordinated debts are analysed as follows:

**b) By interest rate**

	<u>The Group</u>		<u>The Bank</u>	
	<u>30 September</u>	<u>31 December</u>	<u>30 September</u>	<u>31 December</u>
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Annual interest rates	6.19% - 11.50%	5.76% - 7.75%	6.19% - 11.50%	5.76% - 7.75%

As of 30 September 2024, the Bank's financial covenant ratio was not in line with a subordinated debt covenant amounting to US\$51,664,778. As a result, the non-current portion of the subordinated debt amounting to US\$28,897,459 has been reclassified from non-current liabilities to current liabilities as of 30 September 2024.

As of the reporting date, the lender is in the process of approving the waivers of the covenant. On the other hand, management is working to enhance the ratio to be in line with the Bank's strategies and objectives.

**23. DERIVATIVE FINANCIAL INSTRUMENTS**

Under existing interest rate swap contracts, the Group and the Bank agree with other financial institutions and commercial banks to exchange the differences between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group and the Bank to mitigate the risk of changing interest rates on the fair value of issued fixed-rate debt and the cash flow exposures on the issued variable-rate debt. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contract, and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

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23. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

The following tables detail the notional principal amounts and the remaining terms of interest rate swap contracts outstanding at the end of the reporting period:

Cash flow hedges

Outstanding Contracts	Average Contracted Rate Fixed Interest		Notional Principal Amount				Fair Value			
	30 September 2024	31 December 2023	30 September 2024	31 December 2023	30 September 2024	31 December 2023	30 September 2024	31 December 2023	30 September 2024	31 December 2023
			US\$	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)	US\$	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)
Less than 1 year	0.60%	1.709%	20,000,000	3,750,000	81,220,000	15,318,750	468,000	52,811	1,900,548	215,733
1 to 2 years	0.56%	3.036%	30,000,000	99,000,000	121,830,000	404,415,000	1,684,973	1,463,462	6,842,675	5,978,242
More than 2 to 5 years	0.57%	0.565%	21,000,000	66,000,000	85,281,000	269,610,000	1,148,880	4,230,413	4,665,602	17,281,237
			<u>71,000,000</u>	<u>168,750,000</u>	<u>288,331,000</u>	<u>689,343,750</u>	<u>3,301,853</u>	<u>5,746,686</u>	<u>13,408,825</u>	<u>23,475,212</u>

Outstanding Contracts	Average Contracted Rate Fixed Interest		Notional Principal Amount				Fair Value			
	30 September 2024	31 December 2023	30 September 2024	31 December 2023	30 September 2024	31 December 2023	30 September 2024	31 December 2023	30 September 2024	31 December 2023
			US\$	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)	US\$	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)
Less than 1 year	0.60%	1.709%	20,000,000	3,750,000	81,220,000	15,318,750	468,000	52,811	1,900,548	215,733
1 to 2 years	0.56%	3.036%	30,000,000	99,000,000	121,830,000	404,415,000	1,684,973	1,463,462	6,842,675	5,978,242
More than 2 to 5 years	0.57%	0.565%	21,000,000	66,000,000	85,281,000	269,610,000	1,148,880	4,230,413	4,665,602	17,281,237
			<u>71,000,000</u>	<u>168,750,000</u>	<u>288,331,000</u>	<u>689,343,750</u>	<u>3,301,853</u>	<u>5,746,686</u>	<u>13,408,825</u>	<u>23,475,212</u>

The interest rate swaps are settled concurrent with the due date of the hedged item. The Group and the Bank will settle the differences between the fixed and floating interest rate on a net basis.

All interest rate swap contracts that exchange floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Group's and the Bank's cash flow exposure resulting from variable interest rates on borrowings. The interest rate swaps and the interest payments on the loan occur simultaneously and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on the debt affect profit or loss.

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24. LEASE LIABILITIES

Analysis of the Group's and the Bank's lease liabilities follows:

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Undiscounted lease liabilities</b>								
Less than 1 year	12,652,024	12,490,697	51,379,869	51,024,497	12,426,370	12,070,202	50,463,489	49,306,775
1 to 5 years	23,862,576	22,340,588	96,905,921	91,261,302	22,728,469	21,400,227	92,300,313	87,419,927
More than 5 years	4,857,920	3,055,579	19,728,013	12,482,040	1,820,846	228,533	7,394,456	933,557
<b>Total undiscounted lease liabilities</b>	<b>41,372,520</b>	<b>37,886,864</b>	<b>168,013,803</b>	<b>154,767,839</b>	<b>36,975,685</b>	<b>33,698,962</b>	<b>150,158,258</b>	<b>137,660,259</b>
<b>Present value of lease liabilities</b>								
Current	12,254,457	12,094,930	49,765,350	49,407,789	12,044,794	11,688,565	48,913,908	47,747,788
Non-current	22,998,484	20,432,757	93,396,843	83,467,812	21,093,211	18,858,783	85,659,530	77,038,129
<b>Total present value of lease liabilities</b>	<b>35,252,941</b>	<b>32,527,687</b>	<b>143,162,193</b>	<b>132,875,601</b>	<b>33,138,005</b>	<b>30,547,348</b>	<b>134,573,438</b>	<b>124,785,917</b>

The Group and the Bank lease office building and cars for its operations. Information about leases for which the Group and the Bank are a lessee is presented below:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	32,527,687	28,448,770	132,875,601	117,123,586	30,547,348	26,457,635	124,785,917	108,926,083
Additions during the period	14,064,397	12,844,986	57,382,740	52,754,358	13,381,581	12,422,921	54,596,850	51,020,937
Payments for the period	(11,125,687)	(10,256,455)	(45,392,803)	(42,123,261)	(10,489,425)	(9,777,464)	(42,796,854)	(40,156,045)
Lease terminations during the period	(1,763,097)	(693,743)	(7,193,436)	(2,849,203)	(1,755,926)	(706,401)	(7,164,178)	(2,901,189)
Interest charged during the period	1,561,261	1,400,635	6,369,945	5,752,408	1,453,982	1,294,947	5,932,247	5,318,347
Adjustment	(792)	-	(3,231)	-	-	-	-	-
Currency translation differences	(10,828)	(22,170)	(44,178)	(91,052)	445	-	1,816	-
Exchange differences	-	-	(832,445)	191,343	-	-	(782,360)	180,799
<b>At the end of the period</b>	<b>35,252,941</b>	<b>31,722,023</b>	<b>143,162,193</b>	<b>130,758,179</b>	<b>33,138,005</b>	<b>29,691,638</b>	<b>134,573,438</b>	<b>122,388,932</b>

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24. LEASE LIABILITIES (continued)

The Group and the Bank lease office building and cars for its operations. Information about leases for which the Group and the Bank are a lessee is presented below:

	The Group				The Bank			
	For the three-month period ended		For the three-month period ended		For the three-month period ended		For the three-month period ended	
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	34,913,057	28,923,293	143,492,664	119,453,200	32,913,757	26,959,086	135,275,541	111,341,025
Additions during the period	3,607,622	5,836,382	14,747,959	24,115,930	3,254,251	5,515,868	13,303,378	22,791,567
Payments for the period	(3,781,361)	(3,498,470)	(15,458,204)	(14,455,678)	(3,504,209)	(3,211,750)	(14,325,206)	(13,270,951)
Lease terminations during the period	(23,957)	(20,193)	(97,936)	(83,437)	(24,006)	(24,911)	(98,137)	(102,932)
Interest charged during the period	533,790	489,178	2,182,134	2,021,283	496,752	453,345	2,030,722	1,873,222
Currency translation differences	3,790	(8,167)	15,494	(33,746)	1,460	-	5,968	-
Exchange differences	-	-	(1,719,918)	(259,373)	-	-	(1,618,828)	(242,999)
<b>At the end of the period</b>	<b>35,252,941</b>	<b>31,722,023</b>	<b>143,162,193</b>	<b>130,758,179</b>	<b>33,138,005</b>	<b>29,691,638</b>	<b>134,573,438</b>	<b>122,388,932</b>

Amounts recognised in the interim statement of cash flows is as follow:

	The Group				The Bank			
	For the nine-month period ended		For the nine-month period ended		For the nine-month period ended		For the nine-month period ended	
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Expenses relating to short-term leases	1,990	373	8,119	1,532	-	-	-	-
Expense relating to variable leases	-	16,792	-	68,965	-	16,792	-	68,965
	<b>1,990</b>	<b>17,165</b>	<b>8,119</b>	<b>70,497</b>	<b>-</b>	<b>16,792</b>	<b>-</b>	<b>68,965</b>

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24. LEASE LIABILITIES (continued)

Amounts recognised in the interim statement of cash flows is as follow:

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Expenses relating to short-term leases	761	373	3,111	1,541	-	-	-	-

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Total cash outflows for lease payments	11,125,687	10,256,455	45,392,803	42,123,261	10,489,425	9,777,464	42,796,854	40,156,045

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Total cash outflows for lease payments	3,781,361	3,498,470	15,458,204	14,455,678	3,504,209	3,211,750	14,325,206	13,270,951



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AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

25. EMPLOYEE BENEFITS

		The Group				The Bank			
		30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Seniority indemnity benefit	(a)	9,472,941	5,961,627	38,469,613	24,353,246	9,362,368	5,912,112	38,020,577	24,150,977
Career development benefits	(b)	2,851,881	2,359,069	11,581,489	9,636,797	2,769,023	2,217,834	11,245,002	9,059,852
Pension fund		72,559	71,925	294,662	293,814	71,214	70,690	289,200	288,769
Retirement benefits	(*)	-	-	-	-	-	-	-	-
		<u>12,397,381</u>	<u>8,392,621</u>	<u>50,345,764</u>	<u>34,283,857</u>	<u>12,202,605</u>	<u>8,200,636</u>	<u>49,554,779</u>	<u>33,499,598</u>
Current		3,381,259	1,591,924	13,731,293	6,503,010	3,295,299	1,493,652	13,382,208	6,101,568
Non-current		9,016,122	6,800,697	36,614,471	27,780,847	8,907,306	6,706,984	36,172,571	27,398,030
		<u>12,397,381</u>	<u>8,392,621</u>	<u>50,345,764</u>	<u>34,283,857</u>	<u>12,202,605</u>	<u>8,200,636</u>	<u>49,554,779</u>	<u>33,499,598</u>
		The Group				The Bank			
		30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Within 1 month		72,559	74,705	294,662	305,170	71,214	73,470	289,199	300,125
Between 2 to 3 months		2,642,321	918,568	10,730,466	3,752,350	2,595,841	824,722	10,541,710	3,368,989
Between 4 to 6 months		300,592	300,959	1,220,704	1,229,418	263,021	300,381	1,068,128	1,227,056
Between 7 to 12 months		365,787	297,692	1,485,461	1,216,072	365,223	295,079	1,483,171	1,205,398
More than 12 months		9,016,122	6,800,697	36,614,471	27,780,847	8,907,306	6,706,984	36,172,571	27,398,030
		<u>12,397,381</u>	<u>8,392,621</u>	<u>50,345,764</u>	<u>34,283,857</u>	<u>12,202,605</u>	<u>8,200,636</u>	<u>49,554,779</u>	<u>33,499,598</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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25. EMPLOYEE BENEFITS (continued)

(\*) Retirement benefits

(i) The movements in the retirement benefit obligation during the period are as follows:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	-	22,581,539	-	92,968,196	-	21,969,800	-	90,449,666
Current service cost	-	164,944	-	677,425	-	132,997	-	546,219
Interest cost	-	145,339	-	596,907	-	132,415	-	543,828
Benefits paid	-	(22,464,315)	-	(92,260,942)	-	(21,920,036)	-	(90,025,588)
Settlement gain	-	(431,583)	-	(1,772,511)	-	(314,938)	-	(1,293,450)
Currency translation differences	-	4,076	-	16,740	-	(238)	-	(977)
Exchange differences	-	-	-	(225,815)	-	-	-	(219,698)
<b>At the end of the period</b>	-	-	-	-	-	-	-	-

(ii) The amounts recognised in the interim statement of profit or loss and other comprehensive income are as follows:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Current service cost	-	164,944	-	677,425	-	132,997	-	546,219
Interest cost	-	145,339	-	596,907	-	132,415	-	543,828
Settlement gain	-	(431,583)	-	(1,772,511)	-	(314,938)	-	(1,293,450)
	-	(121,300)	-	(498,179)	-	(49,526)	-	(203,403)

During the nine-month period ended 30 September 2023, the Group and the Bank amended the Employee Retirement Operating Manual and decided to terminate the retirement benefit plan due to the Group and the Bank have legal obligation required by the Royal Government of Cambodia to pay the seniority benefits and provident fund; thus, the Group and the Bank have settled the outstanding amounts accrued for the retirement benefits amounting to US\$22,464,315 and US\$21,920,036, respectively; with the remaining balance after the settlement of US\$350,852 and US\$226,845 credited to profit or loss, respectively.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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25. EMPLOYEE BENEFITS (continued)

(a) Seniority indemnity benefits

Movements in seniority indemnity benefits follow:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	5,961,627	6,123,116	24,353,246	25,208,868	5,912,112	6,078,067	24,150,977	25,023,402
Additions (Note 31)	8,448,125	7,703,738	34,468,350	31,639,252	8,301,937	7,578,235	33,871,903	31,123,811
Benefits paid	(4,929,058)	(5,281,843)	(20,110,557)	(21,692,529)	(4,844,215)	(5,202,198)	(19,764,397)	(21,365,427)
Currency translation differences	(7,753)	(4,450)	(31,632)	(18,276)	(7,466)	(4,407)	(30,461)	(18,100)
Exchange differences	-	-	(209,794)	66,877	-	-	(207,445)	65,965
<b>At the end of the period</b>	<b>9,472,941</b>	<b>8,540,561</b>	<b>38,469,613</b>	<b>35,204,192</b>	<b>9,362,368</b>	<b>8,449,697</b>	<b>38,020,577</b>	<b>34,829,651</b>

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	6,311,073	6,165,064	25,938,510	25,461,714	6,254,974	6,117,011	25,707,942	25,263,255
Additions (Note 31)	3,211,337	2,376,007	13,127,946	9,817,661	3,154,591	2,333,171	12,895,968	9,640,663
Benefits paid	(45,236)	-	(184,925)	-	(43,092)	-	(176,160)	-
Currency translation differences	(4,233)	(510)	(17,305)	(2,107)	(4,105)	(485)	(16,781)	(2,004)
Exchange differences	-	-	(394,613)	(73,076)	-	-	(390,392)	(72,263)
<b>At the end of the period</b>	<b>9,472,941</b>	<b>8,540,561</b>	<b>38,469,613</b>	<b>35,204,192</b>	<b>9,362,368</b>	<b>8,449,697</b>	<b>38,020,577</b>	<b>34,829,651</b>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

25. EMPLOYEE BENEFITS (continued)

(b) Career development benefits

Movements in career development benefits follow:

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	2,359,069	4,598,006	9,636,797	18,929,991	2,217,834	4,507,750	9,059,852	18,558,407
Additions (Note 31)	1,266,384	1,257,694	5,166,847	5,165,349	1,229,429	1,193,007	5,016,070	4,899,680
Benefits paid	(763,196)	(3,872,526)	(3,113,840)	(15,904,464)	(677,474)	(3,872,526)	(2,764,094)	(15,904,464)
Currency translation differences	(10,376)	(33,489)	(42,334)	(137,539)	(766)	(722)	(3,125)	(2,965)
Exchange differences	-	-	(65,981)	(16,735)	-	-	(63,701)	(17,666)
<b>At the end of the period</b>	<b>2,851,881</b>	<b>1,949,685</b>	<b>11,581,489</b>	<b>8,036,602</b>	<b>2,769,023</b>	<b>1,827,509</b>	<b>11,245,002</b>	<b>7,532,992</b>

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	2,392,338	1,528,432	9,832,509	6,312,424	2,324,069	1,416,887	9,551,924	5,851,743
Additions (Note 31)	463,936	428,104	1,896,570	1,768,926	450,316	410,695	1,840,892	1,696,992
Benefits paid	(4,867)	-	(19,896)	-	(4,867)	-	(19,896)	-
Currency translation differences	474	(6,851)	1,938	(28,308)	(495)	(73)	(2,024)	(302)
Exchange differences	-	-	(129,632)	(16,440)	-	-	(125,894)	(15,441)
<b>At the end of the period</b>	<b>2,851,881</b>	<b>1,949,685</b>	<b>11,581,489</b>	<b>8,036,602</b>	<b>2,769,023</b>	<b>1,827,509</b>	<b>11,245,002</b>	<b>7,532,992</b>

**ACLEDA BANK PLC.**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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**26. SHARE CAPITAL AND SHARE PREMIUM**

As at 30 September 2024, the authorised share capital comprised of 433,163,019 ordinary shares with par value of US\$1 each. All issued shares are fully paid by the following shareholders and their respective interest in the Bank are:

**Share capital**

	As at 30 September 2024			As at 31 December 2023		
	Number of shares	US\$	% of shareholding	Number of shares	US\$	% of shareholding
ACLEDA Financial Trust	122,602,119	122,602,119	28.3039%	121,477,368	121,477,368	28.0443%
SMBC	78,259,310	78,259,310	18.0669%	78,259,310	78,259,310	18.0669%
COFIBRED S.A	52,530,223	52,530,223	12.1271%	52,530,223	52,530,223	12.1271%
ORIX Corporation	52,530,223	52,530,223	12.1271%	52,530,223	52,530,223	12.1271%
NHTPE Rumdul	15,160,706	15,160,706	3.5000%	15,160,706	15,160,706	3.5000%
Triodos Microfinance Fund	6,274,582	6,274,582	1.4485%	6,274,582	6,274,582	1.4485%
Triodos Fair Share Fund	5,365,844	5,365,844	1.2388%	5,365,844	5,365,844	1.2388%
Shareholders Legalised from ASA, Plc.	24,916,808	24,916,808	5.7524%	24,916,808	24,916,808	5.7524%
Public Shareholders	75,523,204	75,523,204	17.4353%	76,647,955	76,647,955	17.6949%
	<b>433,163,019</b>	<b>433,163,019</b>	<b>100%</b>	<b>433,163,019</b>	<b>433,163,019</b>	<b>100%</b>
<i>In KHR'000 equivalent (Note 5)</i>		<u>1,732,652,076</u>			<u>1,732,652,076</u>	

On 15 June 2021, 11,488 actual shareholders of ASA, Plc., one of the institutional shareholders of the Bank, has legalised all its shareholdings of 107,204,547 shares or 24.7492% of the Bank's outstanding shares in accordance with the relevant measures, laws and regulations of the SERC. After legalisation, 4% of the Bank's share capital or 17,326,521 shares were floated on the CSX. On 5 April 2022, ASA, Plc. added 64,915,190 floating shares legalised on the CSX equal to 14.9863%.

**Share premium**

The share premium mainly represents the excess amount received by the Bank over the par value of its shares pursuant to the issuance of shares, net of transaction costs directly distributable to the issuance.

On 25 May 2020, the Bank was successfully listed on the CSX. The number of new issued shares is 4,344,865 shares with a par value of KHR4,000 (US\$0.98) per share, at an offering price of KHR16,200 (US\$3.97) per share. The Bank received the proceeds from the initial public offering ("IPO") amounting to US\$17,082,105 and incurred IPO costs of US\$1,031,025, resulting in share premium of US\$11,706,215 (KHR48,235,459 thousand). On 23 November 2020, the shareholders approved the amendment to the MAA relating to the capital increase from IPO. The MAA was subsequently approved by the NBC and the MOC on 29 March 2021 and 12 May 2021, respectively.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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26. SHARE CAPITAL AND SHARE PREMIUM (continued)

Dividend

During the period, the following dividends have been declared and paid by the Bank to its owners:

	For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
- In respect of the year ended 31 December 2023: KHR140.4795 per ordinary share declared on 07 May 2024 and paid on 17 May 2024	14,805,480	-	60,850,524	-
- In respect of the year ended 31 December 2022: KHR685.8985 per ordinary share declared on 10 May 2023 and paid on 19 May 2023	-	72,695,343	-	297,105,865

27. INTEREST INCOME

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Loans and advances	572,590,999	540,581,994	2,336,171,276	2,220,170,249	548,330,878	518,953,091	2,237,189,982	2,131,340,345
Financial investments	6,265,900	4,169,443	25,564,872	17,123,902	6,265,900	4,169,443	25,564,872	17,123,902
Deposits and placements with other banks:								
Banks inside Cambodia	1,003,635	3,557,588	4,094,831	14,611,015	976,194	3,540,575	3,982,871	14,541,141
Banks outside Cambodia	13,989,003	12,467,057	57,075,132	51,202,203	13,989,003	12,467,057	57,075,133	51,202,204
National Bank of Cambodia	473,793	402,396	1,933,075	1,652,640	422,319	402,396	1,723,062	1,652,640
	<u>594,323,330</u>	<u>561,178,478</u>	<u>2,424,839,186</u>	<u>2,304,760,009</u>	<u>569,984,294</u>	<u>539,532,562</u>	<u>2,325,535,920</u>	<u>2,215,860,232</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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27. INTEREST INCOME (continued)

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Loans and advances	191,253,722	183,813,517	781,845,216	759,517,452	183,227,508	176,912,456	749,034,053	731,002,268
Financial investments	2,373,615	1,059,749	9,703,338	4,378,883	2,373,615	1,059,749	9,703,338	4,378,883
Deposits and placements with other banks:								
Banks inside Cambodia	720,731	496,814	2,946,348	2,052,836	712,357	491,782	2,912,116	2,032,043
Banks outside Cambodia	4,910,460	3,699,005	20,073,960	15,284,289	4,910,460	3,699,005	20,073,960	15,284,289
National Bank of Cambodia	193,452	145,284	790,832	600,313	142,801	145,284	583,770	600,313
	<u>199,451,980</u>	<u>189,214,369</u>	<u>815,359,694</u>	<u>781,833,773</u>	<u>191,366,741</u>	<u>182,308,276</u>	<u>782,307,237</u>	<u>753,297,796</u>

28. INTEREST EXPENSE

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Deposits and placements of other banks and financial institutions:								
Fixed deposits	12,305,520	12,998,089	50,206,522	53,383,152	10,292,070	11,463,400	41,991,646	47,080,184
Savings deposits	92,276	73,735	376,486	302,830	81,860	60,098	333,989	246,822
Current accounts	28,227	163,775	115,166	672,624	28,227	163,775	115,166	672,624
Deposits from customers:								
Fixed deposits	165,294,373	145,582,437	674,401,042	597,907,069	162,177,743	143,039,837	661,685,191	587,464,611
Savings deposits	18,394,211	15,414,844	75,048,381	63,308,764	17,867,980	14,938,462	72,901,358	61,352,263
Current accounts	7,494,402	5,717,143	30,577,160	23,480,306	7,493,198	5,716,034	30,572,248	23,475,752
Borrowings	47,380,399	53,842,977	193,312,028	221,133,106	46,526,671	53,036,438	189,828,818	217,820,651
Subordinated debts	7,899,834	6,737,314	32,231,322	27,670,149	7,899,835	6,737,314	32,231,326	27,670,149
Interest expenses on lease	1,561,261	1,400,635	6,369,945	5,752,408	1,453,982	1,294,947	5,932,247	5,318,347
	<u>260,450,503</u>	<u>241,930,949</u>	<u>1,062,638,052</u>	<u>993,610,408</u>	<u>253,821,566</u>	<u>236,450,305</u>	<u>1,035,591,989</u>	<u>971,101,403</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

28. INTEREST EXPENSE (continued)

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Deposits and placements of other banks and financial institutions:								
Fixed deposits	3,861,545	4,592,008	15,785,996	18,974,177	3,169,965	4,045,816	12,958,817	16,717,312
Savings deposits	33,127	27,974	135,423	115,589	30,179	21,851	123,372	90,288
Current accounts	9,201	54,407	37,614	224,810	9,201	54,407	37,614	224,810
Deposits from customers:								
Fixed deposits	55,062,214	52,074,830	225,094,331	215,173,198	53,903,028	51,189,782	220,355,578	211,516,179
Savings deposits	6,498,470	4,851,795	26,565,745	20,047,617	6,313,119	4,685,450	25,808,030	19,360,279
Current accounts	2,723,579	2,039,288	11,133,991	8,426,337	2,723,123	2,038,864	11,132,128	8,424,585
Borrowings	14,858,353	17,113,449	60,740,947	70,712,771	14,577,290	16,830,125	59,591,962	69,542,077
Subordinated debts	3,492,088	2,262,437	14,275,656	9,348,390	3,492,089	2,262,437	14,275,660	9,348,390
Interest expenses on lease	533,790	489,178	2,182,133	2,021,283	496,752	453,345	2,030,721	1,873,222
	<u>87,072,367</u>	<u>83,505,366</u>	<u>355,951,836</u>	<u>345,044,172</u>	<u>84,714,746</u>	<u>81,582,077</u>	<u>346,313,882</u>	<u>337,097,142</u>



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

29. FEE AND COMMISSION INCOME

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
ATM fee	9,509,189	8,160,186	38,797,491	33,513,884	9,470,300	8,125,244	38,638,824	33,370,377
Commission fees	8,236,859	8,892,000	33,606,385	36,519,444	8,133,222	8,811,983	33,183,546	36,190,814
Commission fee collected for assurance agency	4,761,533	4,724,999	19,427,055	19,405,571	4,708,873	4,647,900	19,212,202	19,088,925
Training fees	3,439,508	2,007,792	14,033,193	8,246,002	45,039	26,988	183,759	110,840
Early loan redemption fees	-	6,315,322	-	25,937,027	-	5,354,603	-	21,991,355
Deposit fee charged	384,788	356,003	1,569,935	1,462,104	289,489	248,961	1,181,115	1,022,483
Fee income from guarantee	654,530	706,001	2,670,482	2,899,546	652,824	705,606	2,663,522	2,897,924
Others	5,409,149	3,886,709	22,069,327	15,962,714	5,036,041	3,582,492	20,547,047	14,713,294
	<u>32,395,556</u>	<u>35,049,012</u>	<u>132,173,868</u>	<u>143,946,292</u>	<u>28,335,788</u>	<u>31,503,777</u>	<u>115,610,015</u>	<u>129,386,012</u>

Settlement fees amounting to KHR8,507,400 (equivalent to US\$2,085) and US\$10,772 for the operations of cash settlement agents were recognised for the nine-month period ended 30 September 2024 (30 September 2023: KHR20,592,000 (equivalent to US\$5,014) and US\$53,676, respectively).

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

29. FEE AND COMMISSION INCOME (continued)

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
ATM fee	3,131,052	2,930,854	12,799,741	12,110,289	3,116,248	2,919,513	12,739,222	12,063,428
Commission fees	2,699,133	2,700,601	11,034,056	11,158,883	2,665,031	2,674,159	10,894,647	11,049,625
Commission fee collected for assurance agency	1,625,196	1,612,152	6,643,801	6,661,412	1,611,128	1,587,630	6,586,291	6,560,087
Training fees	1,185,314	687,008	4,845,564	2,838,717	15,032	11,996	61,451	49,567
Early loan redemption fees	-	2,210,239	-	9,132,708	-	1,911,606	-	7,898,756
Deposit fee charged	84,849	91,658	346,863	378,731	58,572	63,217	239,442	261,213
Fee income from guarantee	205,153	151,927	838,665	627,762	205,153	151,927	838,665	627,762
Others	3,271,606	1,590,328	13,374,325	6,571,235	3,035,501	1,477,838	12,409,129	6,106,427
	<u>12,202,303</u>	<u>11,974,767</u>	<u>49,883,015</u>	<u>49,479,737</u>	<u>10,706,665</u>	<u>10,797,886</u>	<u>43,768,847</u>	<u>44,616,865</u>

Settlement fees amounting to KHR1,762,900 (equivalent to US\$431) and US\$1,711 for the operations of cash settlement agents were recognised for the three-month period ended 30 September 2024 (30 September 2023: KHR1,648,000 (equivalent to US\$399) and US\$1,183, respectively)

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

30. OTHER INCOME, NET

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Foreign exchange gain, net	15,031,197	13,157,622	61,327,284	54,038,354	14,835,715	13,143,845	60,529,717	53,981,771
Gain on disposals of property and equipment and lease	502,595	247,376	2,050,588	1,015,973	499,626	246,823	2,038,474	1,013,702
Dividend income	289,773	407,629	1,182,274	1,674,132	289,773	407,629	1,182,274	1,674,132
Recovery from loans and advances written off	-	4,643,725	-	19,071,779	-	3,562,268	-	14,630,235
Others	824,724	1,111,936	3,364,873	4,566,721	299,178	325,225	1,220,646	1,335,700
	<u>16,648,289</u>	<u>19,568,288</u>	<u>67,925,019</u>	<u>80,366,959</u>	<u>15,924,292</u>	<u>17,685,790</u>	<u>64,971,111</u>	<u>72,635,540</u>

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Foreign exchange gain, net	4,866,581	4,060,968	19,894,583	16,779,920	4,728,445	4,045,043	19,329,883	16,714,118
Gain on disposals of property and equipment and lease	119,609	63,192	488,962	261,109	119,771	63,006	489,624	260,341
Dividend income	289,308	202,167	1,182,691	835,354	289,308	202,167	1,182,691	835,354
Recovery from loans and advances written off	-	1,764,326	-	7,290,195	-	1,416,777	-	5,854,123
Others	208,824	316,110	853,672	1,306,167	57,582	98,454	235,395	406,811
	<u>5,484,322</u>	<u>6,406,763</u>	<u>22,419,908</u>	<u>26,472,745</u>	<u>5,195,106</u>	<u>5,825,447</u>	<u>21,237,593</u>	<u>24,070,747</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

31. OTHER OPERATING EXPENSES

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Salaries and wages	118,093,232	112,445,421	481,820,387	461,813,344	112,468,948	107,164,667	458,873,308	440,125,287
Depreciation of property and equipment (Note 14)	18,977,294	17,504,583	77,427,360	71,891,322	17,619,363	16,382,562	71,887,001	67,283,182
Other employee expense	10,878,470	9,729,906	44,384,158	39,960,724	10,066,610	10,218,203	41,071,769	41,966,160
Repair and maintenance	10,329,315	11,692,643	42,143,605	48,021,685	9,975,213	11,395,984	40,698,869	46,803,306
Depreciation of right-of-use assets (Note 16)	9,618,018	9,067,012	39,241,513	37,238,218	9,277,583	8,714,759	37,852,539	35,791,515
Seniority indemnity (Note 25(a))	8,448,125	7,703,738	34,468,350	31,639,252	8,301,937	7,578,235	33,871,903	31,123,811
Utilities	4,926,514	4,594,443	20,100,177	18,869,377	4,592,139	4,290,730	18,735,927	17,622,028
Office supplies	4,451,799	4,109,845	18,163,340	16,879,133	4,120,770	3,812,892	16,812,742	15,659,547
Communication	3,786,992	4,002,254	15,450,927	16,437,257	2,814,218	3,212,338	11,482,009	13,193,072
Amortisation charges (Note 15)	3,139,442	2,029,970	12,808,923	8,337,087	2,988,273	1,876,342	12,192,154	7,706,137
Travelling expenses	2,092,803	2,120,535	8,538,636	8,709,037	1,799,725	1,843,870	7,342,878	7,572,774
Career development expense (Note 25(b))	1,266,384	1,257,694	5,166,847	5,165,349	1,229,429	1,193,007	5,016,070	4,899,680
License fees	902,886	885,009	3,683,775	3,634,732	882,060	863,485	3,598,805	3,546,333
Others (*)	15,602,644	14,601,347	63,658,787	59,967,734	13,301,237	13,305,133	54,269,046	54,644,182
	<u>212,513,918</u>	<u>201,744,400</u>	<u>867,056,785</u>	<u>828,564,251</u>	<u>199,437,505</u>	<u>191,852,207</u>	<u>813,705,020</u>	<u>787,937,014</u>

For the nine-month period ended 30 September 2024, the salaries and wages of the Bank's staff, who are responsible for the operations of cash settlement agents, amounted to US\$38,767 (30 September 2023: US\$35,442). The above expenses include costs incurred for the operations of cash settlement agents, which consist office supplies amounting to US\$434, furniture and fixtures amounting to US\$1,331, and membership fees amounting to US\$9,498 (KHR38,750,000) (30 September 2023: office supplies amounting to US\$420, expendable costs amounting to US\$94, furniture and fixtures amounting to US\$1,124, and membership fees amounting to US\$9,435 (KHR38,750,000)).

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

31. OTHER OPERATING EXPENSES (continued)

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Salaries and wages	37,209,883	35,315,766	152,114,002	145,924,745	35,410,182	33,679,672	144,756,824	139,164,405
Depreciation of property and equipment	6,521,372	6,131,120	26,659,369	25,333,788	6,056,144	5,758,416	24,757,517	23,793,775
Other employee expense	3,830,109	3,612,948	15,657,486	14,928,701	3,574,013	3,626,395	14,610,565	14,984,264
Depreciation of right-of-use assets (Note 16)	3,253,228	3,097,793	13,299,196	12,800,081	3,139,750	2,982,424	12,835,298	12,323,376
Seniority indemnity (Note 25(a))	3,211,337	2,376,007	13,127,946	9,817,661	3,154,591	2,333,171	12,895,968	9,640,663
Repair and maintenance	3,108,564	4,149,008	12,707,810	17,143,701	2,968,041	4,035,856	12,133,352	16,676,157
Amortisation charges	1,768,215	678,272	7,228,463	2,802,620	1,706,606	634,126	6,976,605	2,620,209
Utilities	1,615,809	1,627,199	6,605,427	6,723,586	1,506,628	1,524,226	6,159,095	6,298,102
Office supplies	1,538,367	1,332,406	6,288,844	5,505,502	1,421,435	1,229,446	5,810,826	5,080,071
Communication	1,293,836	1,085,656	5,289,202	4,485,931	965,350	851,436	3,946,351	3,518,134
Travelling expenses	695,113	685,459	2,841,622	2,832,317	589,829	594,148	2,411,221	2,455,020
Career development expense (Note 25(b))	463,936	428,104	1,896,570	1,768,926	450,316	410,695	1,840,892	1,696,992
License fees	304,443	296,205	1,244,563	1,223,919	297,386	287,667	1,215,714	1,188,640
Others (*)	4,165,321	5,373,338	17,027,831	22,202,631	3,523,292	4,727,273	14,403,218	19,533,090
	<u>68,979,533</u>	<u>66,189,281</u>	<u>281,988,331</u>	<u>273,494,109</u>	<u>64,763,563</u>	<u>62,674,951</u>	<u>264,753,446</u>	<u>258,972,898</u>

For the three-month period ended 30 September 2024, the salaries and wages of the Bank's staff, who are responsible for the operations of cash settlement agents, amounted to US\$13,018 (30 September 2023: US\$12,474). The above expenses include costs incurred for the operations of cash settlement agents, which consist office supplies amounting to US\$105, furniture and fixtures amounting to US\$591, and membership fees amounting to US\$3,160 (KHR12,916,667) (30 September 2023: office supplies amounting to US\$151, expendable costs amounting to US\$30, furniture and fixtures amounting to US\$362, and membership fees amounting to US\$3,125 (KHR12,916,667)).

(\*) This includes following fees which were paid or are payable to PricewaterhouseCoopers (Cambodia) Ltd. and PricewaterhouseCoopers (Lao) Sole Company Limited. PricewaterhouseCoopers (Cambodia) Ltd. and PricewaterhouseCoopers (Lao) Sole Company Limited. were not the auditor of the Group and the Bank in 2023:

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

31. OTHER OPERATING EXPENSES (continued)

	The Group		The Bank		The Group		The Bank	
	For the nine-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2024 KHR'000 (Note 5)
Statutory audit	209,900	856,392	189,000	771,120	67,200	274,714	63,000	257,544
Assurance engagements	-	-	-	-	-	-	-	-
Tax services	-	-	-	-	-	-	-	-
Other services	-	-	-	-	-	-	-	-
<b>Total</b>	<b>209,900</b>	<b>856,392</b>	<b>189,000</b>	<b>771,120</b>	<b>67,200</b>	<b>274,714</b>	<b>63,000</b>	<b>257,544</b>

32. TAXATION

(a) Current income tax liabilities

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Current income tax liabilities	8,291,968	3,791,516	33,673,682	15,488,343	7,724,644	2,319,080	31,369,779	9,473,442

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
At the beginning of the period	3,791,516	34,428,462	15,488,343	141,741,978	2,319,080	33,911,933	9,473,442	139,615,428
Current income tax	14,247,206	9,790,052	58,128,600	40,207,744	13,034,004	7,962,939	53,178,736	32,703,790
Income tax paid	(9,746,754)	(40,843,915)	(39,766,756)	(167,745,959)	(7,628,440)	(39,286,539)	(31,124,035)	(161,349,816)
Exchange differences	-	-	(176,505)	(293,666)	-	-	(158,364)	(300,293)
At the end of the period	<b>8,291,968</b>	<b>3,374,599</b>	<b>33,673,682</b>	<b>13,910,097</b>	<b>7,724,644</b>	<b>2,588,333</b>	<b>31,369,779</b>	<b>10,669,109</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

32. TAXATION (continued)

(a) Current income tax liabilities (continued)

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
At the beginning of the period	5,774,279	4,945,243	23,732,287	20,423,854	4,520,773	3,815,976	18,580,377	15,759,981
Current income tax	5,425,833	1,275,370	22,180,805	5,269,829	5,114,276	642,617	20,907,160	2,655,293
Income tax paid	(2,908,144)	(2,846,014)	(11,888,493)	(11,759,730)	(1,910,405)	(1,870,260)	(7,809,736)	(7,727,914)
Exchange differences	-	-	(350,917)	(23,856)	-	-	(308,022)	(18,251)
At the end of the period	8,291,968	3,374,599	33,673,682	13,910,097	7,724,644	2,588,333	31,369,779	10,669,109

(b) Income tax expense

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Current income tax	14,247,206	9,790,052	58,128,600	40,207,744	13,034,004	7,962,939	53,178,736	32,703,790
Deferred tax	4,462,370	17,811,536	18,206,470	73,151,978	3,970,815	17,717,544	16,200,926	72,765,954
	18,709,576	27,601,588	76,335,070	113,359,722	17,004,819	25,680,483	69,379,662	105,469,744

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Current income tax	5,425,833	1,275,370	22,180,805	5,269,829	5,114,276	642,617	20,907,160	2,655,293
Deferred tax	(1,064,200)	8,775,692	(4,350,449)	36,261,159	(1,207,191)	8,655,553	(4,934,997)	35,764,745
	4,361,633	10,051,062	17,830,356	41,530,988	3,907,085	9,298,170	15,972,163	38,420,038

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32. TAXATION (continued)

(c) Reconciliation between income tax expense and accounting profit

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Profit before income tax	92,350,491	139,054,901	376,790,003	571,098,477	83,849,858	130,632,396	342,107,422	536,507,251
Tax calculated at domestic tax rates applicable to taxable profits in the respective countries	18,528,881	27,869,511	75,597,834	114,460,082	16,769,972	26,126,479	68,421,486	107,301,449
Tax effect of non-deductible expenses	213,026	270,256	869,146	1,109,941	209,906	65,282	856,416	268,113
Recognition of previously unrecognised deferred tax	55,631	(1,122,120)	226,974	(4,608,547)	10,793	(905,168)	44,036	(3,717,525)
Adjustments for current tax of prior period	(89,386)	560,999	(364,695)	2,304,023	14,148	393,890	57,724	1,617,707
Unrecognised tax losses	1,424	22,942	5,811	94,223	-	-	-	-
	<u>18,709,576</u>	<u>27,601,588</u>	<u>76,335,070</u>	<u>113,359,722</u>	<u>17,004,819</u>	<u>25,680,483</u>	<u>69,379,662</u>	<u>105,469,744</u>

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Profit before income tax	22,951,220	49,915,051	93,824,588	206,248,991	20,027,245	46,849,930	81,871,377	193,583,910
Tax calculated at domestic tax rates applicable to taxable profits in the respective countries	4,577,410	10,058,869	18,712,451	41,563,247	4,005,449	9,369,986	16,374,276	38,716,782
Tax effect of non-deductible expenses	70,392	150,838	287,762	623,263	69,736	(3,531)	285,081	(14,590)
Recognition of previously unrecognised deferred tax	(171,059)	(454,899)	(699,289)	(1,879,643)	(168,268)	(69,049)	(687,880)	(285,310)
Adjustments for current tax of prior period	(115,612)	273,312	(472,622)	1,129,325	168	764	686	3,156
Unrecognised tax losses	502	22,942	2,054	94,796	-	-	-	-
	<u>4,361,633</u>	<u>10,051,062</u>	<u>17,830,356</u>	<u>41,530,988</u>	<u>3,907,085</u>	<u>9,298,170</u>	<u>15,972,163</u>	<u>38,420,038</u>



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**32. TAXATION** (continued)

**(d) Assumptions and estimation uncertainties taxes**

Taxes are calculated on the basis of current interpretation of the tax regulations enacted as the reporting date. The Management periodically evaluates position taken in the tax returns with respect to situations in which the applicable tax regulation is subjected to interpretation. It establishes provisions where appropriated on the basis of amounts expected to be paid to the tax authorities.

However, these regulations are subject to periodic variation and the ultimate determination of the tax liabilities will be made following inspection by the tax authorities. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the tax liabilities and balances in the period in which the determination is made.

**33. EARNINGS PER SHARE**

The following table shows the Bank's profit used in the basic and diluted EPS computations for the period presented:

	For the nine-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Profit attributable to the shareholders of the Bank	73,603,603	111,511,768	300,302,700	457,978,830	18,544,595	39,936,717	75,810,305	165,018,515
Weighted average numbers of shares	433,163,019	433,163,019	433,163,019	433,163,019	433,163,019	433,163,019	433,163,019	433,163,019
Basic EPS	0.17	0.26	0.69	1.06	0.04	0.09	0.18	0.38
Diluted EPS	0.17	0.26	0.69	1.06	0.04	0.09	0.18	0.38

The Bank has no potentially dilutive ordinary shares as at the reporting date. As such, the diluted EPS is equal to the basic EPS.

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34. CASH AND CASH EQUIVALENTS

	The Group				The Bank			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Cash on hand	603,214,048	515,969,414	2,449,652,249	2,126,825,925	593,183,234	507,543,715	2,408,917,113	2,092,095,193
Deposits and placements with other banks:								
<i>Balances with the National Bank of Cambodia:</i>								
Current accounts	1,221,045,069	610,240,397	4,958,664,025	2,515,410,916	1,221,045,069	610,240,397	4,958,664,025	2,515,410,916
Negotiable certificate of deposits, term of three months or less	412,964,395	296,658,377	1,677,048,408	1,222,825,830	412,964,395	296,658,377	1,677,048,408	1,222,825,830
<i>Balances with other banks:</i>								
Current accounts	336,881,554	315,540,337	1,368,075,991	1,300,657,269	301,575,058	290,365,612	1,224,696,311	1,196,887,053
Fixed deposits, term of three months or less	254,987,527	136,067,420	1,035,504,347	560,869,905	254,987,526	136,067,420	1,035,504,343	560,869,906
	<u>2,829,092,593</u>	<u>1,874,475,945</u>	<u>11,488,945,020</u>	<u>7,726,589,845</u>	<u>2,783,755,282</u>	<u>1,840,875,521</u>	<u>11,304,830,200</u>	<u>7,588,088,898</u>

35. NET DEBT RECONCILIATION

This section sets out an analysis of net debt and the movements in net debt for each of the period.

	The Group				The Bank			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Cash and cash equivalents	2,829,092,593	1,874,475,945	11,488,945,020	7,726,589,845	2,783,755,282	1,840,875,521	11,304,830,200	7,588,088,898
Borrowing	(648,259,944)	(805,007,668)	(2,632,583,633)	(3,318,241,607)	(635,152,951)	(790,133,979)	(2,579,356,134)	(3,256,932,261)
Subordinate debts	(174,117,291)	(130,070,489)	(707,090,319)	(536,150,556)	(174,117,291)	(130,070,489)	(707,090,319)	(536,150,556)
Lease liabilities	(35,252,941)	(31,722,023)	(143,162,193)	(130,758,179)	(33,138,005)	(29,691,638)	(134,573,438)	(122,388,932)
Net debt	<u>1,971,462,417</u>	<u>907,675,765</u>	<u>8,006,108,875</u>	<u>3,741,439,503</u>	<u>1,941,347,035</u>	<u>890,979,415</u>	<u>7,883,810,309</u>	<u>3,672,617,149</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

35. NET DEBT RECONCILIATION (continued)

This section sets out an analysis of net debt and the movements in net debt for each of the period. (continued)

	The Group				The Bank			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Cash and cash equivalents	2,829,092,593	1,874,475,945	11,488,945,020	7,726,589,845	2,783,755,282	1,840,875,521	11,304,830,200	7,588,088,898
Gross debt-fixed interest rates	(292,818,010)	(283,957,117)	(1,189,133,938)	(1,170,471,237)	(277,596,082)	(267,053,042)	(1,127,317,688)	(1,100,792,639)
Gross debt-floating interest rates	(564,812,166)	(682,843,063)	(2,293,702,207)	(2,814,679,105)	(564,812,165)	(682,843,064)	(2,293,702,203)	(2,814,679,110)
Net debt	<u>1,971,462,417</u>	<u>907,675,765</u>	<u>8,006,108,875</u>	<u>3,741,439,503</u>	<u>1,941,347,035</u>	<u>890,979,415</u>	<u>7,883,810,309</u>	<u>3,672,617,149</u>

	The Group					The Bank						
	Liabilities from financing activities				Other assets	Total	Liabilities from financing activities				Other assets	Total
	Borrowing US\$	Subordinate debts US\$	Lease liabilities US\$	Sub-total US\$	Cash and cash equivalents US\$	US\$	Borrowing US\$	Subordinate debts US\$	Lease liabilities US\$	Sub-total US\$	Cash and cash equivalents US\$	US\$
Net debt at 1 January 2024	(859,813,550)	(117,053,882)	(32,527,687)	(1,009,395,119)	2,279,718,573	1,270,323,454	(843,418,591)	(117,053,882)	(30,547,348)	(991,019,821)	2,240,749,214	1,249,729,393
Cash flows	207,191,968	(53,152,744)	11,125,687	165,164,911	549,374,020	714,538,931	204,289,233	(53,152,744)	10,489,425	161,625,914	543,006,068	704,631,982
New leases	-	-	(14,064,397)	(14,064,397)	-	(14,064,397)	-	-	(13,381,581)	(13,381,581)	-	(13,381,581)
Foreign exchange adjustments	374,141	(71,310)	10,828	313,659	-	313,659	(271,458)	(71,310)	(445)	(343,213)	-	(343,213)
Other change (i)	3,987,497	(3,839,355)	202,628	350,770	-	350,770	4,247,865	(3,839,355)	301,944	710,454	-	710,454
Net debt as at 30 September 2024	<u>(648,259,944)</u>	<u>(174,117,291)</u>	<u>(35,252,941)</u>	<u>(857,630,176)</u>	<u>2,829,092,593</u>	<u>1,971,462,417</u>	<u>(635,152,951)</u>	<u>(174,117,291)</u>	<u>(33,138,005)</u>	<u>(842,408,247)</u>	<u>2,783,755,282</u>	<u>1,941,347,035</u>
<i>In KHR'000 equivalent</i>	<u>(2,632,583,633)</u>	<u>(707,090,319)</u>	<u>(143,162,193)</u>	<u>(3,482,836,145)</u>	<u>11,488,945,020</u>	<u>8,006,108,875</u>	<u>(2,579,356,134)</u>	<u>(707,090,319)</u>	<u>(134,573,438)</u>	<u>(3,421,019,891)</u>	<u>11,304,830,200</u>	<u>7,883,810,309</u>
Net debt at 1 January 2023	(957,335,868)	(127,762,328)	(28,448,770)	(1,113,546,966)	1,748,443,669	634,896,703	(944,275,857)	(127,762,328)	(26,457,635)	(1,098,495,820)	1,719,370,446	620,874,626
Cash flows	149,599,390	27,500	10,256,455	159,883,345	126,032,276	285,915,621	152,236,532	27,500	9,777,464	162,041,496	121,505,075	283,546,571
New leases	-	-	(12,844,986)	(12,844,986)	-	(12,844,986)	-	-	(12,422,921)	(12,422,921)	-	(12,422,921)
Foreign exchange adjustments	981,635	(2,210)	22,170	1,001,595	-	1,001,595	(94,387)	(2,210)	-	(96,597)	-	(96,597)
Other change (i)	1,747,175	(2,333,451)	(706,892)	(1,293,168)	-	(1,293,168)	1,999,733	(2,333,451)	(588,546)	(922,264)	-	(922,264)
Net debt as at 30 September 2023	<u>(805,007,668)</u>	<u>(130,070,489)</u>	<u>(31,722,023)</u>	<u>(966,800,180)</u>	<u>1,874,475,945</u>	<u>907,675,765</u>	<u>(790,133,979)</u>	<u>(130,070,489)</u>	<u>(29,691,638)</u>	<u>(949,896,106)</u>	<u>1,840,875,521</u>	<u>890,979,415</u>
<i>In KHR'000 equivalent</i>	<u>(3,318,241,607)</u>	<u>(536,150,556)</u>	<u>(130,758,179)</u>	<u>(3,985,150,342)</u>	<u>7,726,589,845</u>	<u>3,741,439,503</u>	<u>(3,256,932,261)</u>	<u>(536,150,556)</u>	<u>(122,388,932)</u>	<u>(3,915,471,749)</u>	<u>7,588,088,898</u>	<u>3,672,617,149</u>

- (i) Other changes include non-cash movements, including accrued interest expense which will be presented as financing cash flows in the statement of cash flows when paid.

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36. COMMITMENTS AND CONTINGENCIES

The Group and the Bank had the contractual amounts of the Group's and the Bank's off-balance sheet financial instruments that commit it to extend credit to customers, guarantees, and other facilities as follows:

(a) Loan commitments, guarantees, and other financial liabilities

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Unused portion of overdrafts	293,379,741	209,854,669	1,191,415,128	857,256,323	292,528,968	209,405,052	1,187,960,139	855,419,637
Bank guarantees	71,394,019	67,014,005	289,931,111	273,752,210	71,195,271	66,880,923	289,123,996	273,208,570
Letters of credit	15,918,840	2,303,062	64,646,409	9,408,008	15,918,840	2,303,062	64,646,409	9,408,008
Spot foreign exchanges	103,830	-	421,654	-	103,830	-	421,654	-
	<u>380,796,430</u>	<u>279,171,736</u>	<u>1,546,414,302</u>	<u>1,140,416,541</u>	<u>379,746,909</u>	<u>278,589,037</u>	<u>1,542,152,198</u>	<u>1,138,036,215</u>

No material losses are anticipated as a result of these transactions.

(b) Capital expenditure commitments

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Not later than 1 year	9,689,514	8,609,249	39,349,116	35,168,782	8,781,096	4,439,957	35,660,031	18,137,224
Later than 1 but not later than 5 years	7,827	115,744	31,785	472,814	-	-	-	-
	<u>9,697,341</u>	<u>8,724,993</u>	<u>39,380,901</u>	<u>35,641,596</u>	<u>8,781,096</u>	<u>4,439,957</u>	<u>35,660,031</u>	<u>18,137,224</u>

As at 30 September 2024 and as at 31 December 2023, the balances of these commitments are related to the Bank's and its subsidiary's purchases of property and equipment and intangible and other equipment.

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36. COMMITMENTS AND CONTINGENCIES (continued)

(c) Commitments to be received from other banks and other financial institutions (“OFI”) and other financial assets

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
Commitment to be received from other banks	77,924,708	146,367,075	316,452,239	597,909,501	77,924,708	146,367,075	316,452,239	597,909,501
Foreign exchange spot transactions	103,829	-	421,650	-	103,829	-	421,650	-
Other non-performing commitments	-	748,800	-	3,058,848	-	-	-	-
	<u>78,028,537</u>	<u>147,115,875</u>	<u>316,873,889</u>	<u>600,968,349</u>	<u>78,028,537</u>	<u>146,367,075</u>	<u>316,873,889</u>	<u>597,909,501</u>

(d) Other commitments

On 30 May 2016, the Bank guaranteed to IFC to secure the borrowing obtained by its subsidiary, AUB, amounting to US\$13,000,000 maturing on 15 June 2026. As at 30 September 2024, the borrowing has been fully drawn and the outstanding balance of the borrowing is US\$3,830,905 (31 December 2023: US\$4,694,475). The Bank has made allowance for impairment losses of US\$41,733 (31 December 2023: US\$47,542) with respect to this guarantee.

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37. RESERVES

	The Group												
	General reserves		Hedging reserve		Regulatory reserves		Currency translation reserves		Transactions with non-controlling interest		Other reserves	Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2024</b>	524,311,587	2,141,812,833	5,746,686	23,475,212	249,190,346	1,017,942,563	(59,649,300)	(243,667,390)	3,028,319	12,370,683	53,648,083	722,627,638	3,005,581,984
<b>Other comprehensive income:</b>													
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	(2,444,833)	(9,974,919)	-	-	-	-	-	-	-	(2,444,833)	(9,974,919)
Currency translation differences - foreign subsidiaries	-	-	-	-	-	-	(2,337,063)	(9,535,217)	-	-	-	(2,337,063)	(9,535,217)
<b>Total other comprehensive loss for the period</b>	-	-	(2,444,833)	(9,974,919)	-	-	(2,337,063)	(9,535,217)	-	-	-	(4,781,896)	(19,510,136)
<b>Transactions with owners:</b>													
Transfer from retained earnings to regulatory reserves	-	-	-	-	54,015,965	220,385,137	-	-	-	-	-	54,015,965	220,385,137
Exchange differences	-	(12,583,478)	-	(91,468)	-	(7,006,871)	-	1,475,988	-	(72,680)	(15,321,352)	-	(33,599,861)
<b>Total transactions with owners</b>	-	(12,583,478)	-	(91,468)	54,015,965	213,378,266	-	1,475,988	-	(72,680)	(15,321,352)	54,015,965	186,785,276
<b>As at 30 September 2024</b>	<u>524,311,587</u>	<u>2,129,229,355</u>	<u>3,301,853</u>	<u>13,408,825</u>	<u>303,206,311</u>	<u>1,231,320,829</u>	<u>(61,986,363)</u>	<u>(251,726,619)</u>	<u>3,028,319</u>	<u>12,298,003</u>	<u>38,326,731</u>	<u>771,861,707</u>	<u>3,172,857,124</u>

	The Group												
	General reserves		Hedging Reserve		Regulatory reserves		Currency translation reserves		Transactions with non-controlling interest		Other reserves	Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2023</b>	524,311,587	2,158,590,804	9,630,593	39,649,149	155,706,835	641,045,041	(53,815,086)	(221,556,709)	3,028,319	12,467,589	76,356,446	638,862,248	2,706,552,320
<b>Comprehensive income:</b>													
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	(879,037)	(3,610,205)	-	-	-	-	-	-	-	(879,037)	(3,610,205)
Currency translation differences - foreign subsidiaries	-	-	-	-	-	-	(6,878,935)	(28,251,786)	-	-	-	(6,878,935)	(28,251,786)
<b>Total other comprehensive loss for the period</b>	-	-	(879,037)	(3,610,205)	-	-	(6,878,935)	(28,251,786)	-	-	-	(7,757,972)	(31,861,991)
<b>Transactions with owners:</b>													
Transfer from retained earnings to regulatory reserves	-	-	-	-	68,791,533	282,526,826	-	-	-	-	-	68,791,533	282,526,826
Exchange differences	-	2,621,558	-	34,971	-	1,810,406	-	(372,261)	-	15,142	1,451,644	-	5,561,460
<b>Total transactions with owners</b>	-	2,621,558	-	34,971	68,791,533	284,337,232	-	(372,261)	-	15,142	1,451,644	68,791,533	288,088,286
<b>As at 30 September 2023</b>	<u>524,311,587</u>	<u>2,161,212,362</u>	<u>8,751,556</u>	<u>36,073,915</u>	<u>224,498,368</u>	<u>925,382,273</u>	<u>(60,694,021)</u>	<u>(250,180,756)</u>	<u>3,028,319</u>	<u>12,482,731</u>	<u>77,808,090</u>	<u>699,895,809</u>	<u>2,962,778,615</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

37. RESERVES (continued)

	The Bank								
	General reserves		Hedging reserve		Regulatory reserves		Other reserves	Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>Balance at 1 January 2024</b>	510,741,556	2,086,379,256	5,746,686	23,475,212	248,627,006	1,015,641,321	53,456,774	765,115,248	3,178,952,563
<b>Other comprehensive income:</b>									
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	(2,444,833)	(9,974,919)	-	-	-	(2,444,833)	(9,974,919)
<b>Total other comprehensive loss for the period</b>	-	-	(2,444,833)	(9,974,919)	-	-	-	(2,444,833)	(9,974,919)
<b>Transactions with owners:</b>									
Transfer from retained earnings to regulatory reserves	-	-	-	-	53,479,551	218,196,568	-	53,479,551	218,196,568
Exchange differences	-	(12,257,797)	-	(91,468)	-	(6,983,160)	(14,589,221)	-	(33,921,646)
<b>Total transactions with owners</b>	-	(12,257,797)	-	(91,468)	53,479,551	211,213,408	(14,589,221)	53,479,551	184,274,922
<b>As at 30 September 2024</b>	<u>510,741,556</u>	<u>2,074,121,459</u>	<u>3,301,853</u>	<u>13,408,825</u>	<u>302,106,557</u>	<u>1,226,854,729</u>	<u>38,867,553</u>	<u>816,149,966</u>	<u>3,353,252,566</u>

	The Bank								
	General reserves		Hedging reserve		Regulatory reserves		Other reserves	Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>Balance at 1 January 2023</b>	510,741,556	2,102,722,986	9,630,593	39,649,156	155,706,835	641,045,040	75,402,095	676,078,984	2,858,819,277
<b>Other comprehensive income:</b>									
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	(879,037)	(3,610,205)	-	-	-	(879,037)	(3,610,205)
<b>Total other comprehensive loss for the period</b>	-	-	(879,037)	(3,610,205)	-	-	-	(879,037)	(3,610,205)
<b>Transactions with owners:</b>									
Transfer from retained earnings to regulatory reserves	-	-	-	-	68,525,484	281,434,163	-	68,525,484	281,434,163
Exchange differences	-	2,553,708	-	34,963	-	1,806,416	1,277,094	-	5,672,181
<b>Total transactions with owners</b>	-	2,553,708	-	34,963	68,525,484	283,240,579	1,277,094	68,525,484	287,106,344
<b>As at 30 September 2023</b>	<u>510,741,556</u>	<u>2,105,276,694</u>	<u>8,751,556</u>	<u>36,073,914</u>	<u>224,232,319</u>	<u>924,285,619</u>	<u>76,679,189</u>	<u>743,725,431</u>	<u>3,142,315,416</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

38. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Related parties and relationships

The related parties of, and their relationship with, the Bank are as follows:

Related parties	Relationship
Subsidiaries of the Bank as disclosed in Note 13	Subsidiaries
Shareholders as disclosed in Note 26	Shareholders
Key management personnel	The key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Bank either directly or indirectly. The key management personnel of the Group and the Bank include all the Directors and members of senior management of the Group and the Bank.

(b) Related parties balances

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>i) Loans and advances</b>								
Key management personnel	14,171,418	13,539,928	57,550,128	55,310,606	13,657,278	13,074,333	55,462,206	53,408,650

Loans and advances to key management personnel are both secured and unsecured and earned annual interest at rates ranging from 0.00% to 18.00% for the Group and the Bank (2023: 6.50% to 18.00% for the Group and the Bank). Allowances for expected credit losses for loans to key management personnel were US\$31,105 and US\$30,165 for the Group and the Bank respectively (2023: US\$28,722 and US\$26,727 for the Group and the Bank respectively).



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

38. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related parties balances (continued)

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>ii) Balances with related parties</b>								
Shareholders	1,140,150	655,991	4,630,149	2,679,723	1,140,150	655,991	4,630,149	2,679,723
Subsidiaries	-	-	-	-	18,494	15,871	75,104	64,833
	<u>1,140,150</u>	<u>655,991</u>	<u>4,630,149</u>	<u>2,679,723</u>	<u>1,158,644</u>	<u>671,862</u>	<u>4,705,253</u>	<u>2,744,556</u>

Allowances for expected credit losses for deposits and placements with related parties were US\$1,374 for the Group and the Bank (2023: US\$890 for the Group and the Bank). Those balance are bear no interest.

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>iii) Receivables from/(payables to) related parties</b>								
Subsidiaries								
Other receivables	-	-	-	-	968,532	449,377	3,933,208	1,835,705
Other payables	-	-	-	-	420	-	1,706	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>968,952</u>	<u>449,377</u>	<u>3,934,914</u>	<u>1,835,705</u>

The receivables from related parties are from payment on behalf of related parties amount US\$968,532. The receivables have no fixed terms of repayment, are unsecured in nature, bear no interest and they are short term.

The payables to related parties are relating to accrued training provided by subsidiary amounted US\$420. The payables have no fixed terms of repayment, are unsecured in nature, and bear no interest.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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38. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related parties balances (continued)

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>iv) Deposits from related parties</b>								
Key management personnel	9,533,300	8,445,599	38,714,731	34,500,272	9,121,713	7,969,500	37,043,276	32,555,408
Shareholders								
Current accounts	1,528,205	3,328,035	6,206,041	13,595,023	1,043,134	2,688,728	4,236,168	10,983,454
Savings deposits	68,031	68,031	276,274	277,907	68,031	68,031	276,274	277,907
Fixed deposits	4,393,012	1,501,423	17,840,022	6,133,313	4,393,012	1,501,423	17,840,022	6,133,313
Subsidiaries								
Current accounts	-	-	-	-	2,072,981	3,841,059	8,418,375	15,690,726
Savings deposits	-	-	-	-	55,298	251,289	224,565	1,026,516
Fixed deposits	-	-	-	-	2,078,191	2,118,177	8,439,534	8,652,754
	<u>15,522,548</u>	<u>13,343,088</u>	<u>63,037,068</u>	<u>54,506,515</u>	<u>18,832,360</u>	<u>18,438,207</u>	<u>76,478,214</u>	<u>75,320,078</u>

Annual interest rate during the year are as follows:

	The Group		The Bank	
	2024	2023	2024	2023
Key management personnel (current accounts)	10.00% - 14.00%	10.00% - 14.00%	Nil	Nil
Key management personnel (saving deposits)	0.75% - 3.50%	0.75% - 4.00%	0.75% - 3.50%	0.75% - 4.00%
Key management personnel (fixed deposits)	1.45% - 11.55%	1.65% - 9.50%	1.45% - 9.50%	1.65% - 9.50%
Shareholders (fixed deposits)	2.25% - 5.20%	5.25% - 6.35%	2.25% - 5.20%	5.25% - 6.35%
Subsidiaries (saving deposits)			0.00% - 0.75%	0.00% - 0.75%
Subsidiaries (fixed deposits)			5.40% - 7.50%	2.30% - 7.50%

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

38. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related parties balances (continued)

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>v) Borrowings from related parties</b>								
Shareholder	33,341,107	50,300,057	135,398,236	207,336,835	33,341,107	50,300,057	135,398,236	207,336,835

Borrowings from related parties are not collateralised and have annual interest at rates 9.60% for the Group and the Bank (2023: 9.56% for the Group and the Bank).

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	49,491,659	48,847,528	202,173,427	201,105,273	49,491,659	48,847,528	202,173,427	201,105,273
Charge during the period	3,871,718	3,849,428	15,796,609	15,809,601	3,871,718	3,849,428	15,796,609	15,809,601
Repayments	(19,797,388)	(1,894,559)	(80,773,343)	(7,780,954)	(19,797,388)	(1,894,559)	(80,773,343)	(7,780,954)
Withholding tax accrued	(224,882)	(502,340)	(917,519)	(2,063,110)	(224,882)	(502,340)	(917,519)	(2,063,110)
Exchange differences	-	-	(880,938)	266,025	-	-	(880,938)	266,025
<b>At the end of the period</b>	<b>33,341,107</b>	<b>50,300,057</b>	<b>135,398,236</b>	<b>207,336,835</b>	<b>33,341,107</b>	<b>50,300,057</b>	<b>135,398,236</b>	<b>207,336,835</b>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

38. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related parties balances (continued)

v) Borrowings from related parties (continued)

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	49,894,301	49,127,291	205,065,577	202,895,712	49,894,301	49,127,291	205,065,577	202,895,712
Charge during the period	1,073,102	1,354,269	4,386,841	5,595,840	1,073,102	1,354,269	4,386,841	5,595,840
Repayments	(17,626,296)	-	(72,056,298)	-	(17,626,296)	-	(72,056,298)	-
Withholding tax accrued	-	(181,503)	-	(749,970)	-	(181,503)	-	(749,970)
Exchange differences	-	-	(1,997,884)	(404,747)	-	-	(1,997,884)	(404,747)
<b>At the end of the period</b>	<b>33,341,107</b>	<b>50,300,057</b>	<b>135,398,236</b>	<b>207,336,835</b>	<b>33,341,107</b>	<b>50,300,057</b>	<b>135,398,236</b>	<b>207,336,835</b>

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
	<b>Subordinated debts from related parties</b>							
Shareholder	15,379,167	15,317,333	62,454,797	63,138,047	15,379,167	15,317,333	62,454,797	63,138,047

Subordinated debts from related parties are not collateralised and have annual interest at rates 7.00% for the Group and the Bank (2023: 7.00% for the Group and for the Bank).

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

38. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related parties balances (continued)

vi) Subordinated debts from related parties (continued)

	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	15,094,208	-	61,659,840	-	15,094,208	-	61,659,840	-
Additions	-	15,000,000	-	61,605,000	-	15,000,000	-	61,605,000
Charge during the period	799,167	373,333	3,260,601	1,533,279	799,167	373,333	3,260,601	1,533,279
Repayments	(451,208)	-	(1,840,929)	-	(451,208)	-	(1,840,929)	-
Withholding tax accrued	(63,000)	(56,000)	(257,040)	(229,992)	(63,000)	(56,000)	(257,040)	(229,992)
Exchange differences	-	-	(367,675)	229,760	-	-	(367,675)	229,760
<b>At the end of the period</b>	<b>15,379,167</b>	<b>15,317,333</b>	<b>62,454,797</b>	<b>63,138,047</b>	<b>15,379,167</b>	<b>15,317,333</b>	<b>62,454,797</b>	<b>63,138,047</b>

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>At the beginning of the period</b>	15,110,833	15,089,250	62,105,524	62,318,603	15,110,833	15,089,250	62,105,524	62,318,603
Charge during the period	268,334	268,333	1,096,949	1,108,752	268,334	268,333	1,096,949	1,108,752
Withholding tax accrued	-	(40,250)	-	(166,313)	-	(40,250)	-	(166,313)
Exchange differences	-	-	(747,676)	(122,995)	-	-	(747,676)	(122,995)
<b>At the end of the period</b>	<b>15,379,167</b>	<b>15,317,333</b>	<b>62,454,797</b>	<b>63,138,047</b>	<b>15,379,167</b>	<b>15,317,333</b>	<b>62,454,797</b>	<b>63,138,047</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

38. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Related parties transactions

	The Group				The Bank			
	For nine-month period ended		For nine-month period ended		For nine-month period ended		For nine-month period ended	
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>i) Interest income from related parties</b>								
Loans and advances to key management personnel	697,048	782,016	2,843,956	3,211,740	695,717	781,953	2,838,525	3,211,481
<b>ii) Fee and commission income from related parties</b>								
Shareholders	384	30,725	1,567	126,188	384	30,725	1,567	126,188
Subsidiaries	-	-	-	-	23,189	14,579	94,611	59,876
	<u>384</u>	<u>30,725</u>	<u>1,567</u>	<u>126,188</u>	<u>23,573</u>	<u>45,304</u>	<u>96,178</u>	<u>186,064</u>
<b>iii) Interest expenses to related parties</b>								
Deposits of key management personnel	104,761	109,006	427,425	447,688	92,612	87,379	377,857	358,866
Borrowings from shareholders	4,670,885	4,222,761	19,057,210	17,342,880	4,670,885	4,222,761	19,057,210	17,342,880
Deposits of shareholders	95,025	122,469	387,702	502,980	95,025	122,469	387,702	502,980
Deposits of subsidiaries	-	-	-	-	115,383	161,733	470,763	664,238
	<u>4,870,671</u>	<u>4,454,236</u>	<u>19,872,337</u>	<u>18,293,548</u>	<u>4,973,905</u>	<u>4,594,342</u>	<u>20,293,532</u>	<u>18,868,964</u>
<b>iv) Fee and remuneration expenses to related parties</b>								
Board of Directors								
Directors' fees	450,159	573,829	1,836,649	2,356,716	357,759	402,623	1,459,657	1,653,573
Key management personnel								
Short-term employee benefits	6,894,884	10,186,803	28,131,127	41,837,200	5,858,746	9,225,773	23,903,684	37,890,250
Long-term benefits	333,037	810,193	1,358,791	3,327,463	172,413	662,650	703,445	2,721,503
Subsidiaries								
Training fees	-	-	-	-	1,047,405	1,619,770	4,273,412	6,652,395
Others	-	-	-	-	15,431	15,336	62,958	62,985
	<u>7,678,080</u>	<u>11,570,825</u>	<u>31,326,567</u>	<u>47,521,379</u>	<u>7,451,754</u>	<u>11,926,152</u>	<u>30,403,156</u>	<u>48,980,706</u>
<b>v) Other commitments</b>								
ECL on financial guarantee on AUB's debt from IFC (Note 36 (d))	-	-	-	-	(5,810)	(13,701)	(23,705)	(56,270)

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38. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Related parties transactions (continued)

	The Group				The Bank			
	For three-month period ended		For three-month period ended		For three-month period ended		For three-month period ended	
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
<b>i) Interest income from related parties</b>								
Loans and advances to key management personnel	235,309	216,440	961,943	894,330	235,489	216,131	962,679	893,053
<b>ii) Fee and commission income from related parties</b>								
Shareholders	27	9,969	110	41,192	27	9,969	110	41,192
Subsidiaries	-	-	-	-	8,297	5,653	33,919	23,358
	27	9,969	110	41,192	8,324	15,622	34,029	64,550
<b>iii) Interest expenses to related parties</b>								
Deposits of key management personnel	40,955	32,968	167,424	136,224	31,906	29,952	130,432	123,762
Borrowings from shareholders	1,341,436	1,622,602	5,483,790	6,704,591	1,341,436	1,622,602	5,483,790	6,704,591
Deposits of shareholders	47,419	51,880	193,849	214,368	47,419	51,880	193,849	214,368
Deposits of subsidiaries	-	-	-	-	37,584	49,227	153,643	203,406
	1,429,810	1,707,450	5,845,063	7,055,183	1,458,345	1,753,661	5,961,714	7,246,127
<b>iv) Fee and remuneration expenses to related parties</b>								
Board of Directors								
Directors' fees	156,718	186,234	640,663	769,519	125,758	140,025	514,099	578,583
Key management personnel								
Short-term employee benefits	2,071,778	2,013,648	8,469,428	8,320,394	1,718,577	1,760,749	7,025,543	7,275,414
Long-term benefits	72,497	2,752	296,368	11,372	68,471	(4,882)	279,910	(20,172)
Subsidiaries								
Training fees	-	-	-	-	407,846	282,583	1,667,274	1,167,633
Others	-	-	-	-	4,606	5,383	18,829	22,243
	2,300,993	2,202,634	9,406,459	9,101,285	2,325,258	2,183,858	9,505,655	9,023,701
<b>v) Other commitments</b>								
ECL on financial guarantee on AUB's debt from IFC (Note 36 (d))	-	-	-	-	(4,945)	(3,293)	(20,215)	(13,607)

### 39. FINANCIAL RISK MANAGEMENT

#### (a) Introduction and overview

The Bank is the leading and first listed bank in Cambodia and currently has the largest branch network and self-service banking which offers multiple products and services to its customers such as credits, deposits, fund transfers, cash management, trade finance, ACLEDA card, credit and debit cards, and digital services, including internet banking, ACLEDA mobile (mobile banking app), e-commerce payment gateway, ACLEDA ATM/POS, and term deposit machine. As disclosed in Note 13, the Bank's four subsidiaries are as follows:

- a. ACLEDA Bank Lao Ltd.,
- b. ACLEDA Securities Plc.,
- c. ACLEDA University of Business Co., Ltd.
- d. ACLEDA MFI Myanmar Co., Ltd.

In the competitive business environment along with the rapid evolution and development of technology and difference or change in laws and jurisdictions, the Group and the Bank need to have an effective risk management in place in order to manage and ensure all risks are within the risk appetite and tolerance. This also provides reasonable assurance regarding the achievement of the Group's and the Bank's objectives.

The established risk management framework comprises of core components such as (1) effective governance and oversight by the Board of Directors and senior management; (2) effective implementation of risk appetite and tolerance; (3) effective implementation of risk management processes; and (4) effective technology and data infrastructure. It must be integrated into the day-to-day management of the business and operations to provide transparent and consistent management of risks across the Group and the Bank.

The Group and the Bank instil proactive risk management by embedding accountability and risk ownership culture in managing risks for all levels, which includes the Group's and the Bank's Board of Directors, senior management, and employees. This culture is supported by (1) the Bank's employee's policies (ethics and human resource management, code of conduct, conflict of interest, remuneration and nomination, whistle blower's protection, managing misconduct, etc.); (2) alignment of compensation policies with the Bank's risk appetite and tolerance limits; and (3) availability of risk management training throughout the Group and the Bank.

Risk management within the Group and the Bank is managed by a Three Lines Model, supported by sufficient numbers of skilled personnel in the management of risks within all areas across the model.

#### (b) Objectives and principles

The objectives of the Group's and the Bank's risk management are:

- To ensure risks are within the risk appetite and tolerance and to provide reasonable assurance regarding the achievement of objectives.
- To manage risk effectively and to identify the risk before it occurs and minimise the potential risk properly and timely.
- To manage risk in a way that optimally balances managing risk while adding value to the Group and the Bank.

Risk appetite is defined as the amount and type of risk, on a broad level, the Group and the Bank are willing to accept in pursuit of long-term shareholder value. Risk tolerance refers to the variation amount of maximum risks which can be accepted, taking into account the appropriate measure to reduce the risk.



**39. FINANCIAL RISK MANAGEMENT** (continued)

**(b) Objectives and principles** (continued)

The Group's and the Bank's risk appetite and tolerance statement is prepared in accordance with its business strategy and the role of the Bank in the financial system.

The Board of Directors reviews and approves the Group's and the Bank's risk appetite and tolerance statement considering the most significant risks that specify the nature, types, and levels which the Group and the Bank are willing to assume, and provides an outline of the approach to manage these risks.

The risk management policy defines risk categories in line with the categories identified by the Basel Committee on Banking Supervision and the nature of the Group's and the Bank's business context. The policy sets risk tolerance/internal targets per individual risk category.

At all times, the Group and the Bank shall adhere to the prudential ratios and requirements as stipulated by the superintendent.

Unless specifically mentioned otherwise, the Group and the Bank shall adhere at all times to the risk appetite and tolerance/internal targets, as set by the Board of Directors in the risk management policy, in order to limit potential loss.

The Group's and the Bank's activities expose it to a variety of financial risks: credit risk, market risk (including foreign exchange rate risk and interest rate risk), and liquidity risk. Equity risk and commodity risk are not applicable given that the Group and the Bank do not hold any equity and commodity position.

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39. FINANCIAL RISK MANAGEMENT (continued)

(b) Objectives and principles (continued)

The Group and the Bank hold the following financial assets and financial liabilities:

a. Financial assets and financial liabilities measured at amortised cost

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Financial assets</b>								
Cash on hand	603,214,048	495,793,568	2,449,652,249	2,025,316,725	593,183,234	486,584,317	2,408,917,113	1,987,696,935
Deposits and placements with other banks, net	1,813,199,200	1,509,543,178	7,363,401,951	6,166,483,882	1,777,477,254	1,478,882,021	7,218,335,128	6,041,233,056
Financial investments	534,366,615	357,354,714	2,170,062,823	1,459,794,007	534,366,615	357,354,714	2,170,062,823	1,459,794,007
Loans and advances, net	6,775,408,578	6,601,665,231	27,514,934,235	26,967,802,469	6,623,826,600	6,457,043,288	26,899,359,823	26,377,021,831
Other financial assets	10,376,810	8,550,649	42,140,225	34,929,401	10,521,038	8,160,591	42,725,935	33,336,014
<b>Total financial assets</b>	<b>9,736,565,251</b>	<b>8,972,907,340</b>	<b>39,540,191,483</b>	<b>36,654,326,484</b>	<b>9,539,374,741</b>	<b>8,788,024,931</b>	<b>38,739,400,822</b>	<b>35,899,081,843</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	387,502,035	419,792,620	1,573,645,764	1,714,852,853	354,436,815	386,405,927	1,439,367,906	1,578,468,212
Deposits from customers	7,728,710,963	6,808,020,419	31,386,295,221	27,810,763,412	7,621,415,491	6,715,289,025	30,950,568,309	27,431,955,667
Lease liabilities	35,252,941	32,527,687	143,162,193	132,875,601	33,138,005	30,547,348	134,573,438	124,785,917
Borrowings	648,259,944	859,813,550	2,632,583,633	3,512,338,352	635,152,951	843,418,591	2,579,356,134	3,445,364,944
Subordinated debts	174,117,291	117,053,882	707,090,319	478,165,108	174,117,291	117,053,882	707,090,319	478,165,108
Other financial liabilities	53,169,566	43,591,008	215,921,608	178,069,268	52,278,154	42,489,918	212,301,583	173,571,315
<b>Total financial liabilities</b>	<b>9,027,012,740</b>	<b>8,280,799,166</b>	<b>36,658,698,738</b>	<b>33,827,064,594</b>	<b>8,870,538,707</b>	<b>8,135,204,691</b>	<b>36,023,257,689</b>	<b>33,232,311,163</b>
<b>Net financial instruments</b>	<b>709,552,511</b>	<b>692,108,174</b>	<b>2,881,492,745</b>	<b>2,827,261,890</b>	<b>668,836,034</b>	<b>652,820,240</b>	<b>2,716,143,133</b>	<b>2,666,770,680</b>

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39. FINANCIAL RISK MANAGEMENT (continued)

(b) Objectives and principles (continued)

b. Financial assets and financial liabilities measured at fair value

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Financial assets</b>								
Financial investments	189,670	189,670	770,250	774,802	189,670	189,670	770,250	774,802
Derivative financial instruments	3,301,853	5,746,686	13,408,825	23,475,212	3,301,853	5,746,686	13,408,825	23,475,212
<b>Total financial assets</b>	<b>3,491,523</b>	<b>5,936,356</b>	<b>14,179,075</b>	<b>24,250,014</b>	<b>3,491,523</b>	<b>5,936,356</b>	<b>14,179,075</b>	<b>24,250,014</b>
<b>Net financial instruments</b>	<b>3,491,523</b>	<b>5,936,356</b>	<b>14,179,075</b>	<b>24,250,014</b>	<b>3,491,523</b>	<b>5,936,356</b>	<b>14,179,075</b>	<b>24,250,014</b>

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk**

Credit risk is the potential risk that a counterparty would fail to meet its repayment obligations in accordance with agreed terms. While loans are the most obvious source of credit risk, other sources of credit risk exist throughout the activities of an institution, including in the banking book and the trading book, in both on and off-balance sheets. Institutions are facing credit risks in various financial instruments other than loans, including acceptance, trade financing, commitment and guarantee, interbank transaction, settlement of transactions, foreign exchange transactions, bonds, equities, and financial derivative instruments.

*Principles of the credit risk:*

- The Board of Directors recognises that the loan book is the main sources of income for the Group and the Bank and, conversely, also constitutes the greatest risk of losses.
- The Board of Directors considers that lending to the lower segments of the market of small business loans, provided the existing policies are implemented properly, carries a credit risk which is smaller than for larger loans as history has shown that losses due to default on these loans have been minimal. The Board of Directors considers the risk return equation favourable for loans provided to the lower segments in the market and considers these loans as the core product of the Group and the Bank.
- The Board of Directors considers that the Management has freedom to adjust, adapt or develop existing products and product lines but requires that new product lines need to be approved by the Board of Directors.
- The day-to-day responsibility for the credit risk lies with the senior management of the Credit Sale Management Division and of the branches.
- The credit risk is regularly measured by calculating the ECL taking probability of customer defaults, exposure in the event of default, and severity of LGD of the customer base where credit scoring is applied for.
- The Board of Directors requires that credit risk is spread across different sectors (like trade, agriculture, services, industrial, infrastructure, etc.) and products to avoid undue overexposure to one particular sector or industry.
- Systemic risk is the risk of system-wide breakdown of the financial sectors. The Board of Directors requires that credit risk on counterparty financial institutions should be subject to the same principles of the prudential assessment and controls as with the other forms of lending and prudential position limits that should be set to sufficiently protect the Group and the Bank from systemic risk.

*Internal targets on the credit risk:*

The internal targets on credit products should be set by the Board Risk Management and IT Committee ("BRIC") and approved by the Board of Directors. The internal targets will be in line with the risk appetite of the Board of Directors.

The Risk Management Division regularly reviews all internal targets as set and approved by the Board of Directors and advises on any change deemed appropriate.

In order to maintain the credit growth in a prudent and reasonable way and to ensure the maintenance of portfolio quality, various control limits have been imposed to credit products, which must be strictly complied with:

- Loan exposure ratio: defined as the aggregate amount of loan assets in arrears > 30 days minus loan loss reserves divided by the net worth; should be less than 25%.
- Ceilings on lending to sectors and by product to put limits on concentration risk.
- The maximum exposure to a single client or group of clients is up to 5% of the net worth.
- Counterparty financial institutions.

**39. FINANCIAL RISK MANAGEMENT (continued)**

**39.1 Credit risk (continued)**

(a) Credit risk management

The Board of Directors has delegated responsibility for oversight of credit risk to its BRIC. Credit Division is responsible for management of the credit risk based on the following:

- Separation of roles between the persons involved in dealing with the clients who are responsible for the credit application and the persons involved in the authorisation of the credits.
- Separation of roles between the persons involved in dealing directly with clients and the credit administration.
- Principle of double authorisation to ensure a good balance of the interests of the clients and objectivity in the risk assessment process.
- Timely and full documentation of the agreements made with the client together with all the needed information, which is relevant in the assessment and control phase of the credit process.
- Careful credit control systems, with periodical reviews, through which timely signals can be derived for relevant information regarding risk management.
- Independent control to ensure conformity with approved procedures and regulations in the credit process (formal control) but also monitoring of the quality of risk aspects and credit control (material control).
- The Group and the Bank will maintain a diversified loan assets portfolio in terms of industry sector, geographical area, and currency and loan size.
- Loan analysis will strongly focus on the client's ability and willingness to repay the loan through character and cash flow-based assessment and in applying green-lining methodology.

The Group's and the Bank's total exposure to a single client or group of clients (one obligor principle) acting in concert shall not exceed 5% of the Bank's net worth. "Exposure" includes the aggregate of (i) the face amount of the assets of the Borrower with respect to which such Person is the obligor and (ii) any claim of such Person against the Borrower comprising any commitment to provide funds or credit to, or on behalf of such Person including, but not limited to, loan guarantees, letters of credit, and derivatives.

(b) Internal targets and mitigation policies

The Group and the Bank operate and provide loans and advances to individuals or enterprises within the Kingdom of Cambodia, Lao PDR, and the Republic of the Union of Myanmar. The Group and the Bank manage limits and controls concentration of credit risk whenever they are identified. Large exposure is defined by the NBC as overall exposure to any individual beneficiary which exceeds 10% of the net worth.

The Bank is required, under the conditions of Prakas No. B7-06-226 of the NBC, to maintain at all times a maximum ratio of 20% between its overall credit exposure to any individual beneficiary and the Bank's net worth. The aggregation of large credit exposure must not exceed 300% of the Bank's net worth.

ABL is required, based on the Letter No. 296 of the BOL, to maintain at all times a maximum ratio of 25% between its overall credit exposure to any individual beneficiary and its net worth. The aggregation of large credit exposure must not exceed 500% of its net worth. However, for AMM, there is no requirement by the Financial Regulatory Department of Myanmar.

The Group and the Bank employ a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security in the form of collateral for loans and advances, which is the common practice. The Group and the Bank implement guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types to secure for loans and advances are:

- Mortgages over residential properties (land, building, and other properties);
- Charges over business assets such as land and buildings; and,
- Cash in the form of margin deposits.

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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(c) Maximum exposure to credit risk before collateral held or other credit enhancements

For financial assets reflected in the interim statement of financial position, the exposure to credit risk equals their carrying amount. For financial guarantees and similar contracts granted, it is the maximum amount that the Group and the Bank would have to pay if the guarantees were called upon. For credit-related commitments and contingents that are irrevocable over the life of the respective facilities, it is generally the full amount of the committed facilities.

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Credit exposure for on-balance sheet financial assets:</b>								
Deposits and placements with other banks, net	1,813,199,200	1,509,543,178	7,363,401,951	6,166,483,882	1,777,477,254	1,478,882,021	7,218,335,128	6,041,233,056
Financial investments	534,556,285	357,544,384	2,170,833,073	1,460,568,809	534,556,285	357,544,384	2,170,833,073	1,460,568,809
Loans and advances, net	6,775,408,578	6,601,665,231	27,514,934,235	26,967,802,469	6,623,826,600	6,457,043,288	26,899,359,823	26,377,021,831
Derivative financial instruments	3,301,853	5,746,686	13,408,825	23,475,212	3,301,853	5,746,686	13,408,825	23,475,212
Other financial assets	10,376,810	8,550,649	42,140,225	34,929,401	10,521,038	8,160,591	42,725,935	33,336,014
	<u>9,136,842,726</u>	<u>8,483,050,128</u>	<u>37,104,718,309</u>	<u>34,653,259,773</u>	<u>8,949,683,030</u>	<u>8,307,376,970</u>	<u>36,344,662,784</u>	<u>33,935,634,922</u>
<b>Credit exposure for off-balance sheet items:</b>								
Unused portion of loan commitments	293,379,741	209,854,669	1,191,415,128	857,256,323	292,528,968	209,405,052	1,187,960,139	855,419,637
Bank guarantees	26,014,916	31,910,289	105,646,574	130,353,531	25,839,865	31,777,207	104,935,692	129,809,891
Letters of credit	15,918,840	2,303,062	64,646,409	9,408,008	15,918,840	2,303,062	64,646,409	9,408,008
	<u>335,313,497</u>	<u>244,068,020</u>	<u>1,361,708,111</u>	<u>997,017,862</u>	<u>334,287,673</u>	<u>243,485,321</u>	<u>1,357,542,240</u>	<u>994,637,536</u>
<b>Total maximum credit risk exposure</b>	<u>9,472,156,223</u>	<u>8,727,118,148</u>	<u>38,466,426,420</u>	<u>35,650,277,635</u>	<u>9,283,970,703</u>	<u>8,550,862,291</u>	<u>37,702,205,024</u>	<u>34,930,272,458</u>

The above table represents a worst-case scenario of credit risk exposure to the Group and the Bank as at 30 September 2024 and 31 December 2023, without taking into account any collateral held or other credit enhancements attached. For on-balance financial sheet assets, the exposures set out above are based on net carrying amounts.

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(c) Maximum exposure to credit risk before collateral held or other credit enhancements (continued)

As shown in the table in the previous page, as at 30 September 2024, 71.53% for the Group and 71.35% for the Bank of total maximum exposure is derived from loans and advances (31 December 2023: 75.65% and 75.51% for the Group and for the Bank, respectively).

The Management is confident in its ability to continue to control and sustain minimal exposure of credit risk to the Group and the Bank resulting from its loans and advances. Significant credit risk exposure is arising from loans and advances. In order to mitigate the exposure of credit risk arising from loans and advances, all loan size limits must not exceed 75% of estimated saleable value of the pledged collateral, except for other loans authorised by the Management Credit Committee wherein the loan to collateral value exceeds the 75% threshold. As at 30 September 2024, approximately 91.72% for the Group and 91.59% for the Bank of these loans and advances are collateralised (31 December 2023: 94.22% for the Group and 94.16% for the Bank) respectively.

(d) Concentration of financial assets with credit risk exposure

A concentration of credit risk exists when a number of counterparties are engaged in similar activities and have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Group and the Bank analysed the concentration of credit risk by geographic purpose and industry sector on the succeeding pages.

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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(i) *Geographical sector*

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) based on the location of the counterparty as at 30 September 2024 and 31 December 2023 are as follows:

	The Group								
	Cambodia US\$	France US\$	Germany US\$	Laos US\$	Singapore US\$	USA US\$	Myanmar US\$	Others US\$	Total US\$
<b>As at 30 September 2024</b>									
<b>Credit exposure for on-balance sheet financial assets:</b>									
Deposits and placements with other banks, net	1,306,076,173	41,638,960	30,205,829	33,865,796	210,891,356	180,842,686	168,906	9,509,494	1,813,199,200
Financial investments	534,556,285	-	-	-	-	-	-	-	534,556,285
Loans and advances, net	6,623,826,599	-	-	130,511,125	-	-	21,070,854	-	6,775,408,578
Derivative financial instruments	468,000	-	-	-	-	-	-	2,833,853	3,301,853
Other financial assets	9,703,039	-	-	673,771	-	-	-	-	10,376,810
	<u>8,474,630,096</u>	<u>41,638,960</u>	<u>30,205,829</u>	<u>165,050,692</u>	<u>210,891,356</u>	<u>180,842,686</u>	<u>21,239,760</u>	<u>12,343,347</u>	<u>9,136,842,726</u>
<b>Credit exposure for off-balance sheet items:</b>									
Unused portion of loan commitments	292,528,968	-	-	850,773	-	-	-	-	293,379,741
Bank guarantees	25,839,865	-	-	175,051	-	-	-	-	26,014,916
Letters of credit	15,918,840	-	-	-	-	-	-	-	15,918,840
	<u>334,287,673</u>	<u>-</u>	<u>-</u>	<u>1,025,824</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>335,313,497</u>
<b>Total maximum credit risk exposure</b>	<u>8,808,917,769</u>	<u>41,638,960</u>	<u>30,205,829</u>	<u>166,076,516</u>	<u>210,891,356</u>	<u>180,842,686</u>	<u>21,239,760</u>	<u>12,343,347</u>	<u>9,472,156,223</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>35,773,015,060</u>	<u>169,095,818</u>	<u>122,665,872</u>	<u>674,436,731</u>	<u>856,429,797</u>	<u>734,402,148</u>	<u>86,254,665</u>	<u>50,126,332</u>	<u>38,466,426,423</u>



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(i) Geographical sector (continued)

	The Group								
	Cambodia US\$	France US\$	Germany US\$	Laos US\$	Singapore US\$	USA US\$	Myanmar US\$	Others US\$	Total US\$
<b>As at 31 December 2023</b>									
<b>Credit exposure for on-balance sheet financial assets:</b>									
Deposits and placements with other banks, net	1,390,225,085	1,886,342	142,614	28,994,985	661,541	79,154,370	71,128	8,407,113	1,509,543,178
Financial investments	357,544,384	-	-	-	-	-	-	-	357,544,384
Loans and advances, net	6,457,043,288	-	-	126,422,018	-	-	18,199,925	-	6,601,665,231
Derivative financial instruments	1,101,000	-	-	-	-	52,811	-	4,592,875	5,746,686
Other financial assets	7,761,342	-	-	789,307	-	-	-	-	8,550,649
	<u>8,213,675,099</u>	<u>1,886,342</u>	<u>142,614</u>	<u>156,206,310</u>	<u>661,541</u>	<u>79,207,181</u>	<u>18,271,053</u>	<u>12,999,988</u>	<u>8,483,050,128</u>
<b>Credit exposure for off-balance sheet items:</b>									
Unused portion of loan commitments	209,405,052	-	-	449,617	-	-	-	-	209,854,669
Bank guarantees	31,777,207	-	-	133,082	-	-	-	-	31,910,289
Letters of credit	2,303,062	-	-	-	-	-	-	-	2,303,062
	<u>243,485,321</u>	<u>-</u>	<u>-</u>	<u>582,699</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>244,068,020</u>
<b>Total maximum credit risk exposure</b>	<u>8,457,160,420</u>	<u>1,886,342</u>	<u>142,614</u>	<u>156,789,009</u>	<u>661,541</u>	<u>79,207,181</u>	<u>18,271,053</u>	<u>12,999,988</u>	<u>8,727,118,148</u>
<i>In KHR'000 equivalent (Note 5)</i>	<u>34,547,500,315</u>	<u>7,705,707</u>	<u>582,578</u>	<u>640,483,102</u>	<u>2,702,395</u>	<u>323,561,334</u>	<u>74,637,252</u>	<u>53,104,951</u>	<u>35,650,277,634</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(i) Geographical sector (continued)

	The Bank								Total US\$
	Cambodia US\$	France US\$	Germany US\$	Laos US\$	Singapore US\$	USA US\$	Myanmar US\$	Others US\$	
<b>As at 30 September 2024</b>									
<b>Credit exposure for on-balance sheet financial assets:</b>									
Deposits and placements with other banks, net	1,306,044,716	41,638,960	30,205,829	18,493	210,891,356	180,842,686	46,557	7,788,657	1,777,477,254
Financial investments	534,556,285	-	-	-	-	-	-	-	534,556,285
Loans and advances, net	6,623,826,600	-	-	-	-	-	-	-	6,623,826,600
Derivative financial instruments	468,000	-	-	-	-	-	-	2,833,853	3,301,853
Other financial assets	10,265,624	-	-	-	-	-	255,414	-	10,521,038
	<u>8,475,161,225</u>	<u>41,638,960</u>	<u>30,205,829</u>	<u>18,493</u>	<u>210,891,356</u>	<u>180,842,686</u>	<u>301,971</u>	<u>10,622,510</u>	<u>8,949,683,030</u>
<b>Credit exposure for off-balance sheet items:</b>									
Unused portion of loan commitments	292,528,968	-	-	-	-	-	-	-	292,528,968
Bank guarantees	25,839,865	-	-	-	-	-	-	-	25,839,865
Letters of credit	15,918,840	-	-	-	-	-	-	-	15,918,840
	<u>334,287,673</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>334,287,673</u>
<b>Total maximum credit risk exposure</b>	<u>8,809,448,898</u>	<u>41,638,960</u>	<u>30,205,829</u>	<u>18,493</u>	<u>210,891,356</u>	<u>180,842,686</u>	<u>301,971</u>	<u>10,622,510</u>	<u>9,283,970,703</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>35,775,171,973</u>	<u>169,095,817</u>	<u>122,665,872</u>	<u>75,100</u>	<u>856,429,797</u>	<u>734,402,148</u>	<u>1,226,304</u>	<u>43,138,013</u>	<u>37,702,205,024</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(i) Geographical sector (continued)

	The Bank								Total US\$
	Cambodia US\$	France US\$	Germany US\$	Laos US\$	Singapore US\$	USA US\$	Myanmar US\$	Others US\$	
<b>As at 31 December 2023</b>									
<b>Credit exposure for on-balance sheet financial assets:</b>									
Deposits and placements with other banks, net	1,390,168,709	1,886,342	142,614	15,871	661,541	79,154,370	46,936	6,805,638	1,478,882,021
Financial investments	357,544,384	-	-	-	-	-	-	-	357,544,384
Loans and advances, net	6,457,043,288	-	-	-	-	-	-	-	6,457,043,288
Derivative financial instruments	1,101,000	-	-	-	-	52,811	-	4,592,875	5,746,686
Other financial assets	7,914,050	-	-	-	-	-	246,541	-	8,160,591
	<u>8,213,771,431</u>	<u>1,886,342</u>	<u>142,614</u>	<u>15,871</u>	<u>661,541</u>	<u>79,207,181</u>	<u>293,477</u>	<u>11,398,513</u>	<u>8,307,376,970</u>
<b>Credit exposure for off-balance sheet items:</b>									
Unused portion of loan commitments	209,405,052	-	-	-	-	-	-	-	209,405,052
Bank guarantees	31,777,207	-	-	-	-	-	-	-	31,777,207
Letters of credit	2,303,062	-	-	-	-	-	-	-	2,303,062
	<u>243,485,321</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>243,485,321</u>
<b>Total maximum credit risk exposure</b>	<u>8,457,256,752</u>	<u>1,886,342</u>	<u>142,614</u>	<u>15,871</u>	<u>661,541</u>	<u>79,207,181</u>	<u>293,477</u>	<u>11,398,513</u>	<u>8,550,862,291</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>34,547,893,832</u>	<u>7,705,707</u>	<u>582,578</u>	<u>64,833</u>	<u>2,702,395</u>	<u>323,561,334</u>	<u>1,198,854</u>	<u>46,562,926</u>	<u>34,930,272,459</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(ii) Industry sectors

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) at carrying amount as at 30 September 2024 and 31 December 2023 based on the industry sectors of the counterparty are as follows:

	The Group							Total US\$
	Financial institutions US\$	Wholesale and retail US\$	Services US\$	Housing US\$	Manufacturing US\$	Agriculture US\$	Others US\$	
<b>As at 30 September 2024</b>								
<b>Credit exposure for on-balance sheet financial assets:</b>								
Deposits and placements with other banks, net	1,813,199,200	-	-	-	-	-	-	1,813,199,200
Financial investments	-	-	-	-	-	-	534,556,285	534,556,285
Loans and advances, net	1,521,473	2,230,069,065	1,642,810,768	182,659,944	230,102,144	1,416,321,899	1,071,923,285	6,775,408,578
Derivative financial instruments	3,301,853	-	-	-	-	-	-	3,301,853
Other financial assets	5,211,770	-	-	-	-	-	5,165,040	10,376,810
	<u>1,823,234,296</u>	<u>2,230,069,065</u>	<u>1,642,810,768</u>	<u>182,659,944</u>	<u>230,102,144</u>	<u>1,416,321,899</u>	<u>1,611,644,610</u>	<u>9,136,842,726</u>
<b>Credit exposure for off-balance sheet items:</b>								
Unused portion of loan commitments	-	-	-	-	-	-	293,379,741	293,379,741
Bank guarantees	-	-	-	-	-	-	26,014,916	26,014,916
Letters of credit	-	-	-	-	-	-	15,918,840	15,918,840
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>335,313,497</u>	<u>335,313,497</u>
<b>Total maximum credit risk exposure</b>	<u>1,823,234,296</u>	<u>2,230,069,065</u>	<u>1,642,810,768</u>	<u>182,659,944</u>	<u>230,102,144</u>	<u>1,416,321,899</u>	<u>1,946,958,107</u>	<u>9,472,156,223</u>
<i>In KHR'000 equivalent (Note 5)</i>	<u>7,404,154,476</u>	<u>9,056,310,473</u>	<u>6,671,454,529</u>	<u>741,782,033</u>	<u>934,444,807</u>	<u>5,751,683,232</u>	<u>7,906,596,873</u>	<u>38,466,426,423</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(ii) Industry sectors (continued)

	The Group							
	Financial institutions US\$	Wholesale and retail US\$	Services US\$	Housing US\$	Manufacturing US\$	Agriculture US\$	Others US\$	Total US\$
<b>As at 31 December 2023</b>								
<b>Credit exposure for on-balance sheet financial assets:</b>								
Deposits and placements with other banks, net	1,509,543,178	-	-	-	-	-	-	1,509,543,178
Financial investments	-	-	-	-	-	-	357,544,384	357,544,384
Loans and advances, net	6,394,966	2,152,440,783	1,597,211,053	204,611,792	235,720,790	1,402,560,696	1,002,725,151	6,601,665,231
Derivative financial instruments	5,746,686	-	-	-	-	-	-	5,746,686
Other financial assets	4,231,725	-	-	-	-	-	4,318,924	8,550,649
	<u>1,525,916,555</u>	<u>2,152,440,783</u>	<u>1,597,211,053</u>	<u>204,611,792</u>	<u>235,720,790</u>	<u>1,402,560,696</u>	<u>1,364,588,459</u>	<u>8,483,050,128</u>
<b>Credit exposure for off-balance sheet items:</b>								
Unused portion of loan commitments	-	-	-	-	-	-	209,854,669	209,854,669
Bank guarantees	-	-	-	-	-	-	31,910,289	31,910,289
Letters of credit	-	-	-	-	-	-	2,303,062	2,303,062
	-	-	-	-	-	-	244,068,020	244,068,020
<b>Total maximum credit risk exposure</b>	<u>1,525,916,555</u>	<u>2,152,440,783</u>	<u>1,597,211,053</u>	<u>204,611,792</u>	<u>235,720,790</u>	<u>1,402,560,696</u>	<u>1,608,656,479</u>	<u>8,727,118,148</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>6,233,369,126</u>	<u>8,792,720,599</u>	<u>6,524,607,152</u>	<u>835,839,170</u>	<u>962,919,427</u>	<u>5,729,460,443</u>	<u>6,571,361,717</u>	<u>35,650,277,634</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(ii) Industry sectors (continued)

	The Bank							Total US\$
	Financial institutions US\$	Wholesale and retail US\$	Services US\$	Housing US\$	Manufacturing US\$	Agriculture US\$	Others US\$	
<b>As at 30 September 2024</b>								
<b>Credit exposure for on-balance sheet financial assets:</b>								
Deposits and placements with other banks, net	1,777,477,254	-	-	-	-	-	-	1,777,477,254
Financial investments	-	-	-	-	-	-	534,556,285	534,556,285
Loans and advances, net	1,521,475	2,171,537,395	1,610,185,672	172,794,326	225,374,326	1,378,897,317	1,063,516,089	6,623,826,600
Derivative financial instruments	3,301,853	-	-	-	-	-	-	3,301,853
Other financial assets	6,155,245	-	-	-	-	-	4,365,793	10,521,038
	<u>1,788,455,827</u>	<u>2,171,537,395</u>	<u>1,610,185,672</u>	<u>172,794,326</u>	<u>225,374,326</u>	<u>1,378,897,317</u>	<u>1,602,438,167</u>	<u>8,949,683,030</u>
<b>Credit exposure for off-balance sheet items:</b>								
Unused portion of loan commitments	-	-	-	-	-	-	292,528,968	292,528,968
Bank guarantees	-	-	-	-	-	-	25,839,865	25,839,865
Letters of credit	-	-	-	-	-	-	15,918,840	15,918,840
	-	-	-	-	-	-	334,287,673	334,287,673
<b>Total maximum credit risk exposure</b>	<u>1,788,455,827</u>	<u>2,171,537,395</u>	<u>1,610,185,672</u>	<u>172,794,326</u>	<u>225,374,326</u>	<u>1,378,897,317</u>	<u>1,936,725,840</u>	<u>9,283,970,703</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>7,262,919,113</u>	<u>8,818,613,361</u>	<u>6,538,964,014</u>	<u>701,717,758</u>	<u>915,245,138</u>	<u>5,599,702,004</u>	<u>7,865,043,636</u>	<u>37,702,205,024</u>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(ii) Industry sectors (continued)

	The Bank							Total US\$
	Financial institutions US\$	Wholesale and retail US\$	Services US\$	Housing US\$	Manufacturing US\$	Agriculture US\$	Others US\$	
<b>As at 31 December 2023</b>								
<b>Credit exposure for on-balance sheet financial assets:</b>								
Deposits and placements with other banks, net	1,478,882,021	-	-	-	-	-	-	1,478,882,021
Financial investments	-	-	-	-	-	-	357,544,384	357,544,384
Loans and advances, net	6,394,967	2,094,550,796	1,567,087,673	193,397,658	230,816,360	1,369,801,023	994,994,811	6,457,043,288
Derivative financial instruments	5,746,686	-	-	-	-	-	-	5,746,686
Other financial assets	4,645,888	-	-	-	-	-	3,514,703	8,160,591
	<u>1,495,669,562</u>	<u>2,094,550,796</u>	<u>1,567,087,673</u>	<u>193,397,658</u>	<u>230,816,360</u>	<u>1,369,801,023</u>	<u>1,356,053,898</u>	<u>8,307,376,970</u>
<b>Credit exposure for off-balance sheet items:</b>								
Unused portion of loan commitment	-	-	-	-	-	-	209,405,052	209,405,052
Bank guarantees	-	-	-	-	-	-	31,777,207	31,777,207
Letters of credit	-	-	-	-	-	-	2,303,062	2,303,062
	-	-	-	-	-	-	243,485,321	243,485,321
<b>Total maximum credit risk exposure</b>	<u>1,495,669,562</u>	<u>2,094,550,796</u>	<u>1,567,087,673</u>	<u>193,397,658</u>	<u>230,816,360</u>	<u>1,369,801,023</u>	<u>1,599,539,219</u>	<u>8,550,862,291</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>6,109,810,160</u>	<u>8,556,240,002</u>	<u>6,401,553,144</u>	<u>790,029,433</u>	<u>942,884,831</u>	<u>5,595,637,179</u>	<u>6,534,117,710</u>	<u>34,930,272,459</u>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(e) Write-off policy

Financial instruments can be written off under the judgment of the Management Credit Committee when the Group and the Bank lose control on its contractual rights over that facility or when all or part of the facility is deemed uncollectible; this is particularly the case when there is no realistic prospect of recovery from the counterparty or when the Group and the Bank have lost control over its contractual rights on the facility due to any decision of a court of law. Circumstances where a facility should be written off also include, but are not limited to:

- a) All forms of securities or collateral have been called and realised but proceeds failed to cover the entire outstanding amount of the facility.
- b) The Group and the Bank are unable to collect or there is no longer reasonable assurance that the Group and the Bank will collect all amounts due according to the contractual terms of the facility agreement.
- c) The counterparty has become bankrupt or is undergoing other forms of financial restructuring, and as a consequence, it will unlikely to service the facility.
- d) The facility has been classified under loss category.

(f) Credit quality of financial assets

CIFRS 9 provides ECL of which the Group and the Bank expect to experience on an account over either a 12-month horizon (Stage 1) or a lifetime horizon (Stage 2 and Stage 3). The change in approach to provisioning introduced by CIFRS 9 is designed to:

- Ensure a timely recognition of credit losses, which is more reflective than the previous Incurred Loss Model;
- Distinguish between financial instruments that have significantly deteriorated in credit quality and those that have not; and
- Provide a better estimate of ECL given the macroeconomic environment.

The Group and the Bank apply a three-stage approach based on the change in credit quality since initial recognition:

<b>3-Stage approach</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>
	<b>Performing</b>	<b>Underperforming</b>	<b>Nonperforming</b>
Recognition of ECL	12-month ECL	Lifetime ECL	Lifetime ECL
Criterion	No significant increase in credit risk	Credit risk increased significantly	Credit-impaired assets
Basis of calculation of profit revenue	On gross carrying amount	On gross carrying amount	On net carrying amount



**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Recognition of ECL*

Financial assets that are measured at amortised cost or through other comprehensive income will be subjected to impairment assessment.

The Group and the Bank measured ECL by using the general approach and the simplified approach. The general approach consists of segregating the customers into three different stages according to the staging criteria by assessing the credit risk. 12-month ECL will be computed for Stage 1, while lifetime ECL will be computed for Stage 2 and Stage 3. At each reporting date, the Group and the Bank will assess credit risk of each account as compared to the risk level at origination date.

As for financial assets that are short-term in nature, a simplified approach will be adopted where it will be either performing (Stage1) or non-performing loan (“NPL”) (Stage 3) based on the default indicator.

Below is a table showing a summary of credit risk status and period for ECL calculation by stages:

ACLEDA Bank Plc.

Staging	Risk Level / Rating Grade	Days Past Due	NBC’s Classification	Indicator	Default Indicator
1	1	LT*: $0 \leq \text{DPD} \leq 29$ ST**: $0 \leq \text{DPD} \leq 14$	Normal	-	Not in Default / Performing
	2				
	3				
	4				
	5				
2	6	LT*: $30 \leq \text{DPD} \leq 89$ ST**: $15 \leq \text{DPD} \leq 30$	Special Mention	Hit SICR triggers	
	7				
3	8	LT*: $90 \leq \text{DPD} \leq 179$ ST**: $31 \leq \text{DPD} \leq 60$	Substandard	Hit NPL triggers	Default / Non-Performing
	9		Doubtful		
	10		Loss		
		LT*: $\text{DPD} \geq 360$ ST**: $\text{DPD} \geq 91$			

\*Long-term facilities; \*\*Short-term facilities

**ACLEDA BANK PLC.**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Recognition of ECL* (continued)

ACLEDA Bank Lao Ltd.

Staging	Days Past Due	BOL's Classification	Indicator	Default Indicator
1	0 ≤ DPD ≤ 29	Normal	-	Not in Default / Performing
2	30 ≤ DPD ≤ 89	Special Mention	Hit SICR triggers	
3	90 ≤ DPD ≤ 179	Substandard	Hit NPL triggers	Default / Non-performing
	180 ≤ DPD ≤ 359	Doubtful		
	DPD ≥ 360	Loss		

ACLEDA MFI Myanmar Co., Ltd.

Staging	Days Past Due	Financial Regulatory Department's Classification	Indicator	Default Indicator
1	On time	Normal	-	Not in Default / Performing
2	0 ≤ DPD ≤ 29	Substandard	Hit SICR triggers	
3	30 ≤ DPD ≤ 60	Watch	Hit NPL triggers	Default / Non-performing
	61 ≤ DPD ≤ 90	Doubtful		
	DPD ≥ 91	Loss		

*Credit classification for financial assets*

The Bank follows the mandatory loan classification and provisioning as required by the NBC's Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 Sor Ror Chor Nor dated 16 February 2018 on Credit Risk Grading and Impairment Provisioning. Loans and advances and other financial assets are classified into five classifications as described below:

CLASSES/CRITERIA	PAYMENT EXPERIENCED	
	As for facilities, which have an original term of more than one year	As for facilities that have an original term of one year or less
<b>1 - NORMAL</b> Timely repayment of an outstanding facility classified in this class is not in doubt. Repayment is steadily made according to the contractual terms and the facility does not exhibit any potential weakness in repayment capacity, business, cash flow, and financial position of the counterparty.	Punctual	Punctual

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

CLASSES/ CRITERIA	PAYMENT EXPERIENCED	
	As for facilities, which have an original term of more than one year	As for facilities that have an original term of one year or less
<p><b>2 - SPECIAL MENTION</b></p> <p>A facility in this class is currently protected and may not be past due but it exhibits potential weaknesses that, if not corrected in a timely manner, may adversely affect repayment by the counterparty at a future date, and warrant close attention by the Bank. Examples of such weaknesses include, but are not limited to, a declining trend in the operations of the counterparty or in its financial position, adverse economic and market conditions that might all affect its profitability and its future repayment capacity, or deteriorating conditions on the collateral. This class has clearly its own rational and should not be used as a compromise between Normal and Substandard.</p>	<ul style="list-style-type: none"> <li>- When any facility is past due from 30 days to 89 days.</li> <li>- When interest payments for 30 to 89 days have been capitalised, refinanced, or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due for a maximum of 30 days.</li> <li>- When interest payments for a maximum of 30 days have been capitalised, refinanced, or rolled over into a new facility.</li> <li>- In case of overdrafts, excess of the approval limit is for a maximum of 30 days, or the current account has been inactive for a maximum of 30 days, or the net inflows on the current account have not been enough to cover capitalised interests for a maximum of 30 days.</li> </ul>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

CLASSES/CRITERIA	PAYMENT EXPERIENCED	
	As for facilities, which have an original term of more than one year	As for facilities that have an original term of one year or less
<p><b>3 - SUBSTANDARD</b></p> <p>A facility in this class exhibits noticeable weakness and is not adequately protected by the current business, financial position, or repayment capacity of the counterparty. In essence, the primary source of repayment is not sufficient to service the debt and the Bank must look to secondary sources, such as the realisation of the collateral, in relation with the counterparty. Factors leading to a Substandard classification include:</p> <ul style="list-style-type: none"> <li>▪ Inability of the counterparty to meet the contractual repayments' terms.</li> <li>▪ Unfavourable economic and market conditions that would affect the business and profitability of the counterparty in the future.</li> <li>▪ Weakened financial condition and/or inability of the counterparty to generate enough cash flow to service the payments.</li> <li>▪ Difficulties experienced by the counterparty in repaying other facilities granted by the Bank or by other institutions when the information is available.</li> <li>▪ Breach of financial covenants by the counterparty.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due from 90 days to 179 days.</li> <li>- When interest payments for 90 to 179 days have been capitalised, refinanced, or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due for a maximum of 60 days.</li> <li>- When interest payments for a maximum of 60 days have been capitalised, refinanced, or rolled over into a new facility.</li> <li>- In case of overdrafts, excess of the approval limit is for a maximum of 60 days, or the current account has been inactive for a maximum of 60 days.</li> <li>- The overdraft that had no net inflow for 60 days must be modified into a term loan.</li> </ul>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets* (continued)

CLASSES/CRITERIA	PAYMENT EXPERIENCED	
	As for facilities, which have an original term of more than one year	As for facilities that have an original term of one year or less
<p><b>4 - DOUBTFUL</b> A facility classified in this category faces similar but more severe weaknesses than one classified as Substandard such that its full collection on the basis of existing facts, conditions, or collateral value is highly questionable or improbable. The prospect of loss is high, even if the exact amount remains undetermined for now.</p>	<ul style="list-style-type: none"> <li>- When any facility is past due from 180 days to 359 days.</li> <li>- When interest payment for 180 to 359 days has been capitalised or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due for a maximum of 90 days.</li> <li>- When interest payment for a maximum of 90 days have been capitalised or rolled over into a new facility.</li> <li>- In case of overdrafts, excess of the approval limit is for a maximum of 90 days, or the current account has been inactive for a maximum of 90 days.</li> </ul>
<p><b>5 - LOSS</b> A facility is classified as Loss when it is not collectible, and little or nothing can be done to recover the outstanding amount from the counterparty.</p>	<ul style="list-style-type: none"> <li>- When any facility is past due from 360 days.</li> <li>- When interest payment for 360 days or more have been capitalised or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due for a maximum of 180 days.</li> <li>- When interest payment for a maximum of 180 days have been capitalised or rolled over into a new facility.</li> <li>- In case of overdrafts, excess of the approval limit is for a maximum of 180 days, or the current account has been inactive for a maximum of 180 days.</li> </ul>

With regard to facilities with repayments on a quarterly, semi-annual, or longer basis, facilities must be classified as Substandard or worse depending on the situation of the counterparty as soon as a default occurs. For the purpose of the table above, the default will be considered as having occurred 5 working days after the payment due date. The classification as Substandard will be allowed only in case where the counterparty has clearly demonstrated that its inability to pay in due time is only temporary.

**ACLEDA BANK PLC.**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Facilities that are classified Substandard, Doubtful or Loss will be considered as "Non-performing" facilities. Other facilities will be considered as "Performing". In addition to the classification according to days past due information and risk level, the Group and the Bank also perform manual classification when there is a sign of deterioration in the credit profile. The Group and the Bank might classify the loans under "Normal" and "Special Mention" classification into Stage3 when there are other credit impaired indicator.

The credit quality of financial instruments other than loans, and advance and financing are determined based on the ratings of counterparties as defined equivalent ratings of other international rating agencies as defined below.

<b>Credit Quality</b>	<b>Description</b>
Sovereign	Refer to financial assets issued by central banks or guarantees by central bank.
Investment grade	Refer to the credit quality of the financial asset that the issuer is able to meet payment obligation and exposure bondholder to low credit risk of default.
Non-investment grade	Refer to low credit quality of the financial asset that is highly exposed to default risk.
No rating	Refer to financial assets which are currently not assigned with ratings due to unavailability of ratings models.
Credit impaired	Refers to the asset that is being impaired.

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

Loans and advances at amortised cost	30 September 2024				31 December 2023			
	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$
<b>The Group</b>								
Normal	6,353,977,550	71,244	1,783,190	6,355,831,984	6,171,625,804	11,147,342	-	6,182,773,146
Special mention	78,918	60,976,434	-	61,055,352	803,987	48,054,541	-	48,858,528
Substandard	-	-	82,798,525	82,798,525	-	-	101,891,769	101,891,769
Doubtful	-	-	87,743,398	87,743,398	-	-	143,881,455	143,881,455
Loss	-	-	289,651,403	289,651,403	-	-	179,907,111	179,907,111
Total gross carrying amount	6,354,056,468	61,047,678	461,976,516	6,877,080,662	6,172,429,791	59,201,883	425,680,335	6,657,312,009
ECL allowance	(27,936,159)	(7,942,287)	(65,793,638)	(101,672,084)	(8,966,649)	(5,322,333)	(41,357,796)	(55,646,778)
Carrying amount	6,326,120,309	53,105,391	396,182,878	6,775,408,578	6,163,463,142	53,879,550	384,322,539	6,601,665,231
<b>In KHR'000 equivalent (Note 5)</b>	<u>25,690,374,574</u>	<u>215,660,993</u>	<u>1,608,898,668</u>	<u>27,514,934,235</u>	<u>25,177,746,935</u>	<u>220,097,962</u>	<u>1,569,957,572</u>	<u>26,967,802,469</u>
<b>The Bank</b>								
Normal	6,213,621,771	71,244	1,783,190	6,215,476,205	6,047,155,346	4,187	-	6,047,159,533
Special mention	-	59,441,390	-	59,441,390	799,286	46,778,284	-	47,577,570
Substandard	-	-	81,600,959	81,600,959	-	-	100,870,267	100,870,267
Doubtful	-	-	86,256,858	86,256,858	-	-	142,676,471	142,676,471
Loss	-	-	266,336,828	266,336,828	-	-	158,358,985	158,358,985
Total gross carrying amount	6,213,621,771	59,512,634	435,977,835	6,709,112,240	6,047,954,632	46,782,471	401,905,723	6,496,642,826
ECL allowance	(25,479,779)	(7,792,730)	(52,013,131)	(85,285,640)	(7,828,861)	(3,268,573)	(28,502,104)	(39,599,538)
Carrying amount	6,188,141,992	51,719,904	383,964,704	6,623,826,600	6,040,125,771	43,513,898	373,403,619	6,457,043,288
<b>In KHR'000 equivalent (Note 5)</b>	<u>25,130,044,630</u>	<u>210,034,530</u>	<u>1,559,280,663</u>	<u>26,899,359,823</u>	<u>24,673,913,774</u>	<u>177,754,273</u>	<u>1,525,353,784</u>	<u>26,377,021,831</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Financial investments at amortised cost	30 September 2024				31 December 2023			
	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$
<b>The Group</b>								
Unlisted Corporate Bond (Cambodian Airport)	31,193,424	-	-	31,193,424	31,604,794	-	-	31,604,794
Listed Government Bond (NBC)	70,398,252	-	-	70,398,252	41,489,090	-	-	41,489,090
Negotiable Certificate of Deposits (NBC)	432,980,877	-	-	432,980,877	284,890,090	-	-	284,890,090
Total gross carrying amount	534,572,553	-	-	534,572,553	357,983,974	-	-	357,983,974
ECL allowance	(205,938)	-	-	(205,938)	(629,260)	-	-	(629,260)
Carrying amount	534,366,615	-	-	534,366,615	357,354,714	-	-	357,354,714
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b><i>2,170,062,823</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>2,170,062,823</i></b>	<b><i>1,459,794,007</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>1,459,794,007</i></b>
<b>The Bank</b>								
Unlisted Corporate Bond (Cambodian Airport)	31,193,424	-	-	31,193,424	31,604,794	-	-	31,604,794
Listed Government Bond (NBC)	70,398,252	-	-	70,398,252	41,489,090	-	-	41,489,090
Negotiable Certificate of Deposits (NBC)	432,980,877	-	-	432,980,877	284,890,090	-	-	284,890,090
Total gross carrying amount	534,572,553	-	-	534,572,553	357,983,974	-	-	357,983,974
ECL allowance	(205,938)	-	-	(205,938)	(629,260)	-	-	(629,260)
Carrying amount	534,366,615	-	-	534,366,615	357,354,714	-	-	357,354,714
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b><i>2,170,062,823</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>2,170,062,823</i></b>	<b><i>1,459,794,007</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>1,459,794,007</i></b>



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Deposits and placements with other  
banks, net

	30 September 2024				31 December 2023			
	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$
<b>The Group</b>								
Investment Grade	557,583,075	-	-	557,583,075	89,693,482	-	-	89,693,482
Non-Investment Grade	1,254,179,812	-	-	1,254,179,812	1,418,099,065	-	-	1,418,099,065
No Rating	1,658,856	-	-	1,658,856	1,866,825	-	-	1,866,825
Total gross carrying amount	1,813,421,743	-	-	1,813,421,743	1,509,659,372	-	-	1,509,659,372
ECL allowance	(222,542)	-	-	(222,542)	(116,194)	-	-	(116,194)
Carrying amount	1,813,199,201	-	-	1,813,199,201	1,509,543,178	-	-	1,509,543,178
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b><u>7,363,401,955</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>7,363,401,955</u></b>	<b><u>6,166,483,882</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>6,166,483,882</u></b>
<b>The Bank</b>								
Investment Grade	555,856,590	-	-	555,856,590	88,083,684	-	-	88,083,684
Non-Investment Grade	1,221,732,569	-	-	1,221,732,569	1,390,794,891	-	-	1,390,794,891
No Rating	18,494	-	-	18,494	15,871	-	-	15,871
Total gross carrying amount	1,777,607,653	-	-	1,777,607,653	1,478,894,446	-	-	1,478,894,446
ECL allowance	(130,399)	-	-	(130,399)	(12,425)	-	-	(12,425)
Carrying amount	1,777,477,254	-	-	1,777,477,254	1,478,882,021	-	-	1,478,882,021
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b><u>7,218,335,128</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>7,218,335,128</u></b>	<b><u>6,041,233,056</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>6,041,233,056</u></b>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Other financial assets	30 September 2024				31 December 2023			
	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$
<b>The Group</b>								
Investment Grade	758,000	-	-	758,000	758,000	-	-	758,000
Non-Investment Grade	-	-	-	-	-	-	-	-
No Rating	9,633,192	-	-	9,633,192	7,809,345	-	-	7,809,345
Total gross carrying amount	10,391,192	-	-	10,391,192	8,567,345	-	-	8,567,345
ECL allowance	(14,382)	-	-	(14,382)	(16,696)	-	-	(16,696)
Carrying amount	10,376,810	-	-	10,376,810	8,550,649	-	-	8,550,649
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b><i>42,140,225</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>42,140,225</i></b>	<b><i>34,929,401</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>34,929,401</i></b>
<b>The Bank</b>								
Investment Grade	758,000	-	-	758,000	758,000	-	-	758,000
Non-Investment Grade	-	-	-	-	-	-	-	-
No Rating	9,766,309	-	-	9,766,309	7,416,377	-	-	7,416,377
Total gross carrying amount	10,524,309	-	-	10,524,309	8,174,377	-	-	8,174,377
ECL allowance	(3,271)	-	-	(3,271)	(13,786)	-	-	(13,786)
Carrying amount	10,521,038	-	-	10,521,038	8,160,591	-	-	8,160,591
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b><i>42,725,935</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>42,725,935</i></b>	<b><i>33,336,014</i></b>	<b><i>-</i></b>	<b><i>-</i></b>	<b><i>33,336,014</i></b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Financial guarantee contracts	30 September 2024				31 December 2023			
	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$
<b>The Group</b>								
Investment Grade	-	-	-	-	-	-	-	-
Non-Investment Grade	-	-	-	-	-	-	-	-
No Rating	71,394,019	-	-	71,394,019	67,014,005	-	-	67,014,005
Total gross carrying amount	71,394,019	-	-	71,394,019	67,014,005	-	-	67,014,005
ELC allowance	(53,155)	-	-	(53,155)	(14,782)	-	-	(14,782)
Carrying amount	71,340,864	-	-	71,340,864	66,999,223	-	-	66,999,223
<b>In KHR'000 equivalent (Note 5)</b>	<b>289,715,249</b>	<b>-</b>	<b>-</b>	<b>289,715,249</b>	<b>273,691,826</b>	<b>-</b>	<b>-</b>	<b>273,691,826</b>
<b>The Bank</b>								
Investment Grade	-	-	-	-	-	-	-	-
Non-Investment Grade	-	-	-	-	-	-	-	-
No Rating	84,195,271	-	-	84,195,271	79,880,923	-	-	79,880,923
Total gross carrying amount	84,195,271	-	-	84,195,271	79,880,923	-	-	79,880,923
ECL allowance	(94,742)	-	-	(94,742)	(62,307)	-	-	(62,307)
Carrying amount	84,100,529	-	-	84,100,529	79,818,616	-	-	79,818,616
<b>In KHR'000 equivalent (Note 5)</b>	<b>341,532,248</b>	<b>-</b>	<b>-</b>	<b>341,532,248</b>	<b>326,059,046</b>	<b>-</b>	<b>-</b>	<b>326,059,046</b>

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(g) Amounts arising from ECL

*Significant increase in credit risk*

The Group and the Bank consider that a significant increase in credit risk occurs no later than when an asset is more than or equal to 30 days past due for long-term facilities or more than or equal to 15 days past due for short-term facilities. Days past due is determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the Borrower.

The Group and the Bank use the days past due (“DPD”) information, qualitative assessment in compliance with the central banks’ classification, and credit scoring/rating at origination for staging criteria.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Group and the Bank determine a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Group and the Bank monitor the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increases in credit risk before an exposure is in default;
- the criteria do not align with the point in time when an asset becomes past due;
- exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and,
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2).

**ACLEDA BANK PLC.**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(g) Amounts arising from ECL (continued)

*Definition of default*

The Group and the Bank consider a financial asset to be in default, as aligned with the NBC Prakas on Credit Risk Grading and Impairment Provisioning as stated in Article 17 and Article 19, when:

- 1) The default definition / non-performing facilities' definition for short-term and long-term facilities where original tenure is more than a year is as follows:

ACLEDA Bank Plc.

Staging	Risk Level / Rating Grade	Days Past Due	Classification	Default Indicator
3	8 9 10	LT*: $90 \leq \text{DPD} < 180$ ST**: $31 \leq \text{DPD} \leq 60$	Substandard	Default / Non-performing
		LT*: $180 \leq \text{DPD} < 360$ ST**: $61 \leq \text{DPD} \leq 90$	Doubtful	
		LT*: $\text{DPD} \geq 360$ ST**: $\text{DPD} \geq 91$	Loss	

\*Long-term facilities; \*\*Short-term facilities

ACLEDA Bank Lao Ltd.

Staging	Days Past Due	Classification	Default Indicator
3	$90 \leq \text{DPD} < 180$	Substandard	Default / Non-performing
	$180 \leq \text{DPD} < 360$	Doubtful	
	$\text{DPD} \geq 360$	Loss	

ACLEDA MFI Myanmar Co., Ltd.

Staging	Days Past Due	Classification	Default Indicator
3	$30 \leq \text{DPD} \leq 60$	Watch	Default / Non-performing
	$61 \leq \text{DPD} \leq 90$	Doubtful	
	$\text{DPD} \geq 91$	Loss	

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(g) Amounts arising from ECL (continued)

*Definition of default (continued)*

2) In addition to the classification according to days past due information, the Group and the Bank also perform manual classification when there is a sign of deterioration in the credit profile. The Group and the Bank might classify the loan into Substandard, Doubtful, or Loss even though the days past due is not falling within the default criteria.

*Grouping of instruments for losses measured on a collective basis*

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

Until 31 December 2023, the Bank grouped loans for losses measured on modelling of ECL calculation based on products. For the period ended 30 September 2024, the Bank assessed that grouping loans for losses measured on modelling of ECL calculation based on industry better reflected the shared risk characteristics from its most recent observations and involvement of the current economic condition. Likewise, the forward-looking information were updated based on the change to grouping by industry.

*Incorporation of forward-looking information*

The Group and the Bank incorporate forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and in the measurement of ECL.

The Group and the Bank formulate three economic scenarios to reflect macro-economic conditions and the business environment starting with baseline, upside, and downside. According to the decision of the Group's and the Bank's senior management in December 2023, the probability-weighted of each scenario was determined based on specific drivers of credit risk by the economic sector as below:

No.	Business/Sub-Sector	Probabilities Weighted Outcome		
		Baseline	Upside	Downside
<b>Agriculture</b>				
1	Agriculture, forestry and fishing	60%	20%	20%
<b>Industry</b>				
2	Mining and quarrying	60%	20%	20%
3	Manufacturing	60%	20%	20%
4	Construction	55%	20%	25%
<b>Service</b>				
5	Utilities	60%	20%	20%
6	Wholesale trade	60%	20%	20%
7	Retail trade	60%	20%	20%
8	Accommodation and food service activities	55%	20%	25%
9	Arts, entertainment and recreation	60%	20%	20%
10	Financial and insurance activities	60%	20%	20%
11	Transport and storage	60%	20%	20%
12	Information and communications	60%	20%	20%
13	Rental and operational leasing activities, excluded real estate leasing and rentals	55%	20%	25%
14	Real estate activities	55%	20%	25%
15	Education	60%	20%	20%
16	Human health and social work activities	60%	20%	20%
17	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	60%	20%	20%
18	Other lending	60%	20%	20%

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(g) Amounts arising from ECL (continued)

*Incorporation of forward-looking information (continued)*

For sub-sectors which were determined to have a probability 60% for baseline, 20% for upside, and 20% for down side due to the expectation of these sub-sector returning to pre-pandemic growth levels and the effective credit management practices of the Bank.

For sub-sectors which were determined to have a probability 55% for baseline, 20% for upside, and 25% for down side based on the anticipation that these sub-sectors will continue to grow, albeit at a slower pace.

This strategic approach allows the Group and the Bank to assess and manage credit risk across different sectors within varying economic scenarios, supporting informed decision-making and risk management practices.

External information considerations include economic data and forecasts published by governmental bodies and monetary authorities in the countries where the Group and the Bank operate, supranational organisations, such as the International Monetary Fund and selected private-sector and academic forecasters.

The Group and the Bank have identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments in accordance with each country and, by using an analysis of historical data, have estimated relationships between macroeconomic variables (“MEVs”) and credit risk and credit losses. The macroeconomic variables (“MEVs”) of Cambodia is the key driver of the ECL of the Group. The Bank’s ECL is covered over 97.82% of the Group’s ECL.

The economic scenarios of the Bank’s portfolio used included the following key indicators for Cambodia from years 2024 to 2028:

<b>Exposure</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>1 - Agriculture, Forestry and Fishing</b>					
- Goods and services credits/GDP					
Base	2.58%	2.90%	2.87%	0.52%	0.52%
Upside	-10.11%	-9.79%	-9.82%	-12.17%	-12.17%
Downside	15.26%	15.59%	15.56%	13.21%	13.21%
- Cambodia Foreign Reserves (millions US\$)					
Base	-3.50%	-2.24%	-1.64%	-16.68%	-16.68%
Upside	21.35%	22.60%	23.20%	41.53%	41.53%
Downside	-28.34%	-27.09%	-26.49%	-8.16%	-8.16%
<b>2 - Manufacturing</b>					
- Cambodia Foreign Reserves (millions US\$)					
Base	-4.97%	-5.95%	-6.23%	17.62%	17.62%
Upside	18.82%	17.85%	17.56%	41.42%	41.42%
Downside	-28.77%	-29.74%	-30.03%	-6.17%	-6.17%
- Nominal GDP (in KHR billions)					
Base	5.49%	5.56%	6.21%	6.99%	6.99%
Upside	17.72%	17.79%	18.44%	19.23%	19.23%
Downside	-6.74%	-6.67%	-6.02%	-5.24%	-5.24%
<b>3 - Utilities</b>					
- US 1 Year Treasury Yield Curve Rates					
Base	5.08	5.05	5.03	1.42	1.42
Upside	2.79	2.76	2.74	(0.87)	(0.87)
Downside	7.37	7.34	7.32	3.71	3.71

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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**39. FINANCIAL RISK MANAGEMENT (continued)**

**39.1 Credit risk (continued)**

(g) Amounts arising from ECL (continued)

*Incorporation of forward-looking information (continued)*

<b>Exposure</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>4- Retail Trade</b>					
- Cambodia Foreign Reserves (millions US\$)					
Base	-4.97%	-5.95%	-6.23%	17.62%	17.62%
Upside	18.82%	17.85%	17.56%	41.42%	41.42%
Downside	-28.77%	-29.74%	-30.03%	-6.17%	-6.17%
- Cambodia GDP at Constant 2000 Price (in KHR billions)					
Base	3.05%	3.01%	3.45%	4.45%	4.45%
Upside	12.02%	11.98%	12.42%	13.42%	13.42%
Downside	-5.92%	-5.95%	-5.52%	-4.52%	-4.52%
- Goods and services credits/GDP					
Base	65.93%	65.82%	65.78%	74.35%	74.35%
Upside	50.37%	50.26%	50.22%	58.79%	58.79%
Downside	81.50%	81.38%	81.34%	89.91%	89.91%
- USDKHR					
Base	-0.44%	-0.46%	-0.45%	0.17%	0.17%
Upside	-1.78%	-1.81%	-1.79%	-1.18%	-1.18%
Downside	0.91%	0.88%	0.90%	1.51%	1.51%
- Domestic credit to private sector (% of GDP)					
Base	170.58%	172.88%	173.01%	122.13%	122.13%
Upside	106.85%	109.15%	109.28%	58.40%	58.40%
Downside	234.31%	236.61%	236.74%	185.86%	185.86%
<b>5- Real Estate Activities</b>					
- Cambodia Foreign Reserves (millions US\$)					
Base	5.88%	7.70%	8.61%	15.42%	15.42%
Upside	32.38%	34.20%	35.11%	41.92%	41.92%
Downside	-20.62%	-18.80%	-17.89%	-11.08%	-11.08%
- USDKHR					
Base	(0.0044)	(0.0046)	(0.0045)	0.0017	0.0017
Upside	(0.0178)	(0.0181)	(0.0179)	(0.0118)	(0.0118)
Downside	0.0091	0.0088	0.0090	0.0151	0.0151
- Goods and services credits/GDP					
Base	0.0258	0.0290	0.0287	0.0052	0.0052
Upside	(0.1011)	(0.0979)	(0.0982)	(0.1217)	(0.1217)
Downside	0.1526	0.1559	0.1556	0.1321	0.1321
<b>6- Other Lending</b>					
- Cambodia GDP at Constant 2000 Price (in KHR billions)					
Base	0.0305	0.0301	0.0345	0.0445	0.0445
Upside	0.1202	0.1198	0.1242	0.1342	0.1342
Downside	(0.0592)	(0.0595)	(0.0552)	(0.0452)	(0.0452)
- Cambodia Foreign Reserves (millions US\$)					
Base	(0.0497)	(0.0595)	(0.0623)	0.1762	0.1762
Upside	0.1882	0.1785	0.1756	0.4142	0.4142
Downside	(0.2877)	(0.2974)	(0.3003)	(0.0617)	(0.0617)



**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.1 Credit risk** (continued)

(g) Amounts arising from ECL (continued)

*Incorporation of forward-looking information (continued)*

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing available historical data over the past 7 years.

*Modified financial assets*

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention, and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy set out in Note 2(e)(iv).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- the remaining lifetime PD at the reporting date based on the modified terms; and,
- the remaining lifetime PD estimated based on data on initial recognition and the original contractual terms.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Modified financial assets (continued)*

When modification results in derecognition, a new loan is recognised and allocated to Stage 1 (assuming it is not credit-impaired at that time).

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants.

*Loss allowance*

During the period, the allowance for/(reversal of) impairment losses recognised in the interim statement of profit or loss and other comprehensive income are as follows:

Financial Instruments	The Group				The Bank			
	For the nine-month period ended				For the nine-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Deposits and placements with other banks	108,593	(228,908)	443,059	(940,125)	118,039	(198,545)	481,600	(815,424)
Loans and advances	81,119,046	30,301,148	330,965,708	124,446,815	79,361,504	27,076,861	323,794,936	111,204,668
Investments in debt securities	(423,322)	13,054	(1,727,154)	53,613	(423,322)	13,054	(1,727,154)	53,613
Other assets	(2,279)	(38,625)	(9,298)	(158,633)	(10,496)	(27,076)	(42,824)	(111,201)
	<u>80,802,038</u>	<u>30,046,669</u>	<u>329,672,315</u>	<u>123,401,670</u>	<u>79,045,725</u>	<u>26,864,294</u>	<u>322,506,558</u>	<u>110,331,656</u>
Financial guarantee contracts	38,274	1,680	156,158	6,900	32,331	(12,061)	131,910	(49,535)
<b>Total</b>	<u>80,840,312</u>	<u>30,048,349</u>	<u>329,828,473</u>	<u>123,408,570</u>	<u>79,078,056</u>	<u>26,852,233</u>	<u>322,638,468</u>	<u>110,282,121</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Modified financial assets (continued)*

*Loss allowance (continued)*

	The Group				The Bank			
	For the three-month period ended				For the three-month period ended			
	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)	30 September 2024 US\$	30 September 2023 US\$	30 September 2024 KHR'000 (Note 5)	30 September 2023 KHR'000 (Note 5)
Financial Instruments								
Deposits and placements with other banks	30,446	(520,299)	124,463	(2,149,875)	78,864	(445,513)	322,395	(1,840,860)
Loans and advances	38,545,419	7,219,500	157,573,673	29,830,973	37,903,989	7,012,475	154,951,507	28,975,547
Investments in debt securities	(150,654)	-	(615,874)	-	(150,654)	-	(615,874)	-
Other assets	8,707	(2,670)	35,594	(11,032)	1,285	(1,050)	5,253	(4,339)
	<u>38,433,918</u>	<u>6,696,531</u>	<u>157,117,856</u>	<u>27,670,066</u>	<u>37,833,484</u>	<u>6,565,912</u>	<u>154,663,281</u>	<u>27,130,348</u>
Financial guarantee contracts	13,355	491	54,595	2,029	8,463	(2,750)	34,597	(11,363)
<b>Total</b>	<u>38,447,273</u>	<u>6,697,022</u>	<u>157,172,451</u>	<u>27,672,095</u>	<u>37,841,947</u>	<u>6,563,162</u>	<u>154,697,878</u>	<u>27,118,985</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

The following tables show balance of the loss allowance by class of financial instrument:

Loans and advances at amortised cost	30 September 2024				30 September 2023			
	For the nine-month period ended				For the nine-month period ended			
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Total US\$	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Total US\$
<b>The Group</b>								
Beginning of the period	8,966,649	5,322,333	41,357,796	55,646,778	20,472,766	3,980,711	17,789,185	42,242,662
Transfers to/(deduction from):								
Stage 1	(388,760)	70,420	318,340	-	(11,982,306)	775,538	11,206,768	-
Stage 2	1,614,654	(3,356,816)	1,742,162	-	1,187,118	(2,907,188)	1,720,070	-
Stage 3	159,086	542,054	(701,140)	-	107,927	107,285	(215,212)	-
Net remeasurement of loss allowance	6,236,836	2,499,895	53,875,077	62,611,808	(1,036,812)	3,024,670	24,875,484	26,863,342
New financial assets originated	13,720,965	5,103,434	10,458,721	29,283,120	3,604,049	2,232,901	998,237	6,835,187
Derecognition of financial assets	(2,311,773)	(2,232,260)	(6,231,849)	(10,775,882)	(1,937,368)	(508,899)	(951,114)	(3,397,381)
Write-offs	(1,948)	-	(35,011,042)	(35,012,990)	(3,366)	-	(18,939,414)	(18,942,780)
Currency translation differences	(59,550)	(6,773)	(14,427)	(80,750)	(238,681)	(21,301)	(55,044)	(315,026)
As at the end of the period	<u>27,936,159</u>	<u>7,942,287</u>	<u>65,793,638</u>	<u>101,672,084</u>	<u>10,173,327</u>	<u>6,683,717</u>	<u>36,428,960</u>	<u>53,286,004</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>113,448,742</u>	<u>32,253,628</u>	<u>267,187,964</u>	<u>412,890,334</u>	<u>41,934,454</u>	<u>27,550,281</u>	<u>150,160,174</u>	<u>219,644,909</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

Loans and advances at amortised cost	30 September 2024				30 September 2023			
	For the nine-month period ended				For the nine-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>The Bank</b>								
Beginning of the period	7,828,861	3,268,573	28,502,104	39,599,538	6,861,363	3,832,274	17,463,331	28,156,968
Transfers to/(deduction from):								
Stage 1	(354,144)	55,617	298,527	-	(596,442)	89,462	506,980	-
Stage 2	254,246	(1,923,545)	1,669,299	-	1,169,230	(2,779,148)	1,609,918	-
Stage 3	142,588	534,286	(676,874)	-	73,269	101,074	(174,343)	-
Net remeasurement of loss allowance	7,560,599	2,426,317	51,260,240	61,247,156	(831,062)	3,301,222	22,234,439	24,704,599
New financial assets originated	12,013,759	5,069,002	10,431,664	27,514,425	3,133,725	503,848	959,601	4,597,174
Derecognition of financial assets	(1,985,040)	(1,635,222)	(5,779,815)	(9,400,077)	(959,311)	(422,576)	(843,025)	(2,224,912)
Write-offs	(1,948)	-	(33,711,436)	(33,713,384)	(3,366)	-	(18,247,895)	(18,251,261)
Currency translation differences	20,858	(2,298)	19,422	37,982	(6,418)	(77)	5,144	(1,351)
As at the end of the period	<u>25,479,779</u>	<u>7,792,730</u>	<u>52,013,131</u>	<u>85,285,640</u>	<u>8,840,988</u>	<u>4,626,079</u>	<u>23,514,150</u>	<u>36,981,217</u>
<i>In KHR'000 equivalent (Note 5)</i>	<u>103,473,383</u>	<u>31,646,277</u>	<u>211,225,324</u>	<u>346,344,984</u>	<u>36,442,553</u>	<u>19,068,698</u>	<u>96,925,326</u>	<u>152,436,577</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

Loss allowance (continued)

Loans and advances at amortised cost	30 September 2024				30 September 2023			
	For the three-month period ended				For the three-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>The Group</b>								
Beginning of the period	20,508,619	7,072,262	53,215,226	80,796,107	11,046,941	6,448,147	37,217,116	54,712,204
Transfers to/(deduction from):								
Stage 1	(43,909)	(24,193)	68,102	-	246,547	(178,365)	(68,182)	-
Stage 2	(273,844)	260,054	13,790	-	30,186	(178,580)	148,394	-
Stage 3	6,958	1,582	(8,540)	-	61,619	(14,073)	(47,546)	-
Net remeasurement of loss allowance	2,681,026	(920,025)	26,174,805	27,935,806	(1,275,220)	368,157	7,103,163	6,196,100
New financial assets originated	5,926,872	2,383,397	5,094,505	13,404,774	963,040	383,127	903,973	2,250,140
Derecognition of financial assets	(938,868)	(840,745)	(1,015,548)	(2,795,161)	(821,476)	(140,852)	(264,412)	(1,226,740)
Write-offs	2	-	(17,790,556)	(17,790,554)	(3,366)	-	(8,552,307)	(8,555,673)
Currency translation differences	69,303	9,955	41,854	121,112	(74,944)	(3,844)	(11,239)	(90,027)
As at the end of the period	<u>27,936,159</u>	<u>7,942,287</u>	<u>65,793,638</u>	<u>101,672,084</u>	<u>10,173,327</u>	<u>6,683,717</u>	<u>36,428,960</u>	<u>53,286,004</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>113,448,742</u>	<u>32,253,628</u>	<u>267,187,964</u>	<u>412,890,334</u>	<u>41,934,454</u>	<u>27,550,281</u>	<u>150,160,174</u>	<u>219,644,909</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

Loans and advances at amortised cost	30 September 2024				30 September 2023			
	For the three-month period ended				For the three-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>The Bank</b>								
Beginning of the period	18,054,004	6,895,974	39,642,699	64,592,677	9,488,873	4,486,294	24,227,116	38,202,283
Transfers to/(deduction from):								
Stage 1	(42,696)	(23,013)	65,709	-	(109,915)	525	109,390	-
Stage 2	2,069	(20,465)	18,396	-	28,837	(179,691)	150,854	-
Stage 3	45,043	765	(45,808)	-	54,195	(7,054)	(47,141)	-
Net remeasurement of loss allowance	2,577,206	(887,376)	25,343,906	27,033,736	(1,067,882)	401,199	6,707,749	6,041,066
New financial assets originated	5,564,542	2,365,447	5,070,215	13,000,204	836,484	28,138	867,717	1,732,339
Derecognition of financial assets	(774,185)	(544,191)	(811,575)	(2,129,951)	(391,927)	(110,628)	(258,375)	(760,930)
Write-offs	2	-	(17,310,191)	(17,310,189)	(3,366)	-	(8,270,701)	(8,274,067)
Currency translation differences	53,794	5,589	39,780	99,163	5,689	7,296	27,541	40,526
As at the end of the period	<u>25,479,779</u>	<u>7,792,730</u>	<u>52,013,131</u>	<u>85,285,640</u>	<u>8,840,988</u>	<u>4,626,079</u>	<u>23,514,150</u>	<u>36,981,217</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>103,473,383</u>	<u>31,646,277</u>	<u>211,225,324</u>	<u>346,344,984</u>	<u>36,442,553</u>	<u>19,068,698</u>	<u>96,925,326</u>	<u>152,436,577</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

	30 September 2024				30 September 2023			
	For the nine-month period ended				For the nine-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>Deposits and placements with other banks, net</b>								
<b>The Group</b>								
Beginning of the period	116,195	-	-	116,195	308,269	-	-	308,269
Allowance for/(reversal of) impairment losses during the period	108,593	-	-	108,593	(228,908)	-	-	(228,908)
Currency translation differences	(2,245)	-	-	(2,245)	(17,171)	-	-	(17,171)
As at the end of the period	222,543	-	-	222,543	62,190	-	-	62,190
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>903,746</b>	<b>-</b>	<b>-</b>	<b>903,746</b>	<b>256,347</b>	<b>-</b>	<b>-</b>	<b>256,347</b>
<b>The Bank</b>								
Beginning of the period	12,425	-	-	12,425	223,245	-	-	223,245
Allowance for/(reversal of) impairment losses during the period	118,039	-	-	118,039	(198,545)	-	-	(198,545)
Currency translation differences	(65)	-	-	(65)	(11,472)	-	-	(11,472)
As at the end of the period	130,399	-	-	130,399	13,228	-	-	13,228
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>529,550</b>	<b>-</b>	<b>-</b>	<b>529,550</b>	<b>54,525</b>	<b>-</b>	<b>-</b>	<b>54,525</b>



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

	30 September 2024				30 September 2023			
	For the three-month period ended				For the three-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>Deposits and placements with other banks, net</b>								
<b>The Group</b>								
Beginning of the period	188,390	-	-	188,390	583,125	-	-	583,125
Allowance for/(reversal of) impairment losses during the period	30,446	-	-	30,446	(520,299)	-	-	(520,299)
Currency translation differences	3,707	-	-	3,707	(636)	-	-	(636)
As at the end of the period	222,543	-	-	222,543	62,190	-	-	62,190
<i>In KHR'000 equivalent (Note 5)</i>	903,746	-	-	903,746	256,347	-	-	256,347
<b>The Bank</b>								
Beginning of the period	51,249	-	-	51,249	459,337	-	-	459,337
Allowance for/(reversal of) impairment losses during the period	78,864	-	-	78,864	(445,513)	-	-	(445,513)
Currency translation differences	286	-	-	286	(596)	-	-	(596)
As at the end of the period	130,399	-	-	130,399	13,228	-	-	13,228
<i>In KHR'000 equivalent (Note 5)</i>	529,550	-	-	529,550	54,525	-	-	54,525

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

Other financial assets	30 September 2024				30 September 2023			
	For the nine-month period ended				For the nine-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>The Group</b>								
Beginning of the period	16,696	-	-	16,696	51,597	-	-	51,597
Reversal of impairment losses during the period	(2,279)	-	-	(2,279)	(38,625)	-	-	(38,625)
Currency translation differences	(34)	-	-	(34)	117	-	-	117
As at the end of the period	14,383	-	-	14,383	13,089	-	-	13,089
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>58,409</b>	<b>-</b>	<b>-</b>	<b>58,409</b>	<b>53,953</b>	<b>-</b>	<b>-</b>	<b>53,953</b>
<b>The Bank</b>								
Beginning of the period	13,786	-	-	13,786	36,902	-	-	36,902
Reversal of impairment losses during the period	(10,496)	-	-	(10,496)	(27,076)	-	-	(27,076)
Currency translation differences	(19)	-	-	(19)	117	-	-	117
As at the end of the period	3,271	-	-	3,271	9,943	-	-	9,943
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>13,284</b>	<b>-</b>	<b>-</b>	<b>13,284</b>	<b>40,985</b>	<b>-</b>	<b>-</b>	<b>40,985</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

	30 September 2024				30 September 2023			
	For the three-month period ended				For the three-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>Other financial assets</b>								
<b>The Group</b>								
Beginning of the period	5,680	-	-	5,680	15,754	-	-	15,754
Allowance for/(reversal of) impairment losses during the period	8,707	-	-	8,707	(2,670)	-	-	(2,670)
Currency translation differences	(4)	-	-	(4)	5	-	-	5
As at the end of the period	14,383	-	-	14,383	13,089	-	-	13,089
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>58,409</b>	<b>-</b>	<b>-</b>	<b>58,409</b>	<b>53,953</b>	<b>-</b>	<b>-</b>	<b>53,953</b>
<b>The Bank</b>								
Beginning of the period	1,975	-	-	1,975	10,988	-	-	10,988
Allowance for/(reversal of) impairment losses during the period	1,285	-	-	1,285	(1,050)	-	-	(1,050)
Currency translation differences	11	-	-	11	5	-	-	5
As at the end of the period	3,271	-	-	3,271	9,943	-	-	9,943
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>13,284</b>	<b>-</b>	<b>-</b>	<b>13,284</b>	<b>40,985</b>	<b>-</b>	<b>-</b>	<b>40,985</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

Investments in debt securities	30 September 2024				30 September 2023			
	For the nine-month period ended				For the nine-month period ended			
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Total US\$	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Total US\$
<b>The Group</b>								
Beginning of the period	629,260	-	-	629,260	616,205	-	-	616,205
(Reversal of)/allowance for impairment losses during the period	(423,322)	-	-	(423,322)	13,054	-	-	13,054
Currency translation differences	-	-	-	-	1	-	-	1
As at the end of the period	<u>205,938</u>	-	-	<u>205,938</u>	<u>629,260</u>	-	-	<u>629,260</u>
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b><u>836,314</u></b>	<b>-</b>	<b>-</b>	<b><u>836,314</u></b>	<b><u>2,593,810</u></b>	<b>-</b>	<b>-</b>	<b><u>2,593,810</u></b>
<b>The Bank</b>								
Beginning of the period	629,260	-	-	629,260	616,205	-	-	616,205
(Reversal of)/allowance for impairment losses during the period	(423,322)	-	-	(423,322)	13,054	-	-	13,054
Currency translation differences	-	-	-	-	1	-	-	1
As at the end of the period	<u>205,938</u>	-	-	<u>205,938</u>	<u>629,260</u>	-	-	<u>629,260</u>
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b><u>836,314</u></b>	<b>-</b>	<b>-</b>	<b><u>836,314</u></b>	<b><u>2,593,810</u></b>	<b>-</b>	<b>-</b>	<b><u>2,593,810</u></b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

Investments in debt securities	30 September 2024				30 September 2023			
	For the three-month period ended				For the three-month period ended			
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Total US\$	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Total US\$
<b>The Group</b>								
Beginning of the period	356,592	-	-	356,592	629,260	-	-	629,260
Reversal of impairment losses during the period	(150,654)	-	-	(150,654)	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-
As at the end of the period	205,938	-	-	205,938	629,260	-	-	629,260
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>836,314</b>	<b>-</b>	<b>-</b>	<b>836,314</b>	<b>2,593,810</b>	<b>-</b>	<b>-</b>	<b>2,593,810</b>
<b>The Bank</b>								
Beginning of the period	356,592	-	-	356,592	629,260	-	-	629,260
Reversal of impairment losses during the period	(150,654)	-	-	(150,654)	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-
As at the end of the period	205,938	-	-	205,938	629,260	-	-	629,260
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>836,314</b>	<b>-</b>	<b>-</b>	<b>836,314</b>	<b>2,593,810</b>	<b>-</b>	<b>-</b>	<b>2,593,810</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

Financial guarantee contracts	30 September 2024				30 September 2023			
	For the nine-month period ended				For the nine-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>The Group</b>								
Beginning of the period	14,782	-	-	14,782	12,629	-	-	12,629
Allowance for impairment losses during the period	38,274	-	-	38,274	1,680	-	-	1,680
Currency translation differences	99	-	-	99	(73)	-	-	(73)
As at the end of the period	53,155	-	-	53,155	14,236	-	-	14,236
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>215,862</b>	<b>-</b>	<b>-</b>	<b>215,862</b>	<b>58,681</b>	<b>-</b>	<b>-</b>	<b>58,681</b>
<b>The Bank</b>								
Beginning of the period	62,307	-	-	62,307	77,815	-	-	77,815
Allowance for/(reversal of) impairment losses during the period	32,331	-	-	32,331	(12,061)	-	-	(12,061)
Currency translation differences	104	-	-	104	(35)	-	-	(35)
As at the end of the period	94,742	-	-	94,742	65,719	-	-	65,719
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>384,747</b>	<b>-</b>	<b>-</b>	<b>384,747</b>	<b>270,894</b>	<b>-</b>	<b>-</b>	<b>270,894</b>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

Financial guarantee contracts	30 September 2024				30 September 2023			
	For the three-month period ended				For the three-month period ended			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>The Group</b>								
Beginning of the period	39,578	-	-	39,578	13,768	-	-	13,768
Allowance for impairment losses during the period	13,355	-	-	13,355	491	-	-	491
Currency translation differences	222	-	-	222	(23)	-	-	(23)
As at the end of the period	53,155	-	-	53,155	14,236	-	-	14,236
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>215,862</b>	<b>-</b>	<b>-</b>	<b>215,862</b>	<b>58,681</b>	<b>-</b>	<b>-</b>	<b>58,681</b>
<b>The Bank</b>								
Beginning of the period	86,060	-	-	86,060	68,487	-	-	68,487
Allowance for/(reversal of) impairment losses during the period	8,463	-	-	8,463	(2,750)	-	-	(2,750)
Currency translation differences	219	-	-	219	(18)	-	-	(18)
As at the end of the period	94,742	-	-	94,742	65,719	-	-	65,719
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<b>384,747</b>	<b>-</b>	<b>-</b>	<b>384,747</b>	<b>270,894</b>	<b>-</b>	<b>-</b>	<b>270,894</b>

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**39. FINANCIAL RISK MANAGEMENT (continued)**

**39.1 Credit risk (continued)**

(h) Sensitivity Analysis on ECL Measurement

Set out below is the Bank's ECL measurement as at 30 September 2024 and 30 September 2023 that would result from reasonably possible changes in the parameters from the actual assumptions used by the Bank in its economic variable assumptions.

	Change in MEVs		Impact on ECL			
	Upside Scenario	Downside Scenario	Upside Scenario US\$	Downside Scenario US\$	Downside Scenario KHR'000	Downside Scenario KHR'000
<b>30 September 2024</b>						
<b>1 - Agriculture, Forestry and Fishing</b>			(271,773)	287,749	(1,103,669)	1,168,549
- Goods and services credits/GDP	-12.69%	12.69%				
- Cambodia Foreign Reserves (millions US\$)	0.25	(0.25)				
<b>2 - Manufacturing</b>			(1,198,411)	1,536,922	(4,866,748)	6,241,439
- Cambodia Foreign Reserves (millions US\$)	23.79%	-23.79%				
- Nominal GDP (in KHR billions)	12.23%	-12.23%				
<b>3 - Utilities</b>			(30,684)	53,503	(124,610)	217,275
- US 1 Year Treasury Yield Curve Rates	(2.29)	2.29				
<b>4 - Retail Trade</b>			(6,454,512)	12,136,581	(26,211,774)	49,286,655
- Cambodia Foreign Reserves (millions US\$)	23.79%	-23.79%				
- Cambodia GDP at Constant 2000 Price (in KHR billions)	8.97%	0.00%				
- Goods and services credits/GDP	-15.56%	15.56%				
- USDKHR	-1.34%	1.34%				
- Domestic credit to private sector (% of GDP)	-63.73%	63.73%				
<b>5 - Real Estate Activities</b>			(112,134)	95,282	(455,376)	386,940
- Cambodia Foreign Reserves (millions US\$)	26.50%	-26.50%				
- USDKHR	(0.01)	0.01				
- Goods and services credits/GDP	(0.13)	0.13				
<b>6 - Other Lending</b>			(2,314,282)	4,856,351	(9,398,299)	12,721,643
- Cambodia GDP at Constant 2000 Price (in KHR billions)	0.09	(0.09)				
- Cambodia Foreign Reserves (millions US\$)	0.24	(0.24)				

	Change in MEVs		Impact on ECL			
	Upside Scenario	Downside Scenario	Upside Scenario US\$	Downside Scenario US\$	Downside Scenario KHR'000	Downside Scenario KHR'000
<b>30 September 2023</b>						
<b>1 - Small</b>			(2,424,187)	4,443,040	(9,992,500)	18,314,210
- Domestic credit to private sector (% of GDP)	-51.29%	51.29%				
- Cambodia CPI All Items 2006=100	-23.51	23.51				
<b>2 - Public Housing Loan</b>			(192,093)	571,105	(791,807)	2,354,093
- US 1 year Treasury Yield Curve Rates	-167.24%	167.24%				
- GDP at Current Price, Industry (YOY, %)	12.17%	-12.17%				
<b>3 - Overdraft Loan</b>			(276,536)	504,384	(1,139,881)	2,079,072
- Domestic credit to private sector (% of GDP)	-71.97%	71.97%				



**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.2 Market risk**

The Group and the Bank are exposed to market risk, which is the risk of losses in on and off-balance sheet positions arising from movements in the market prices, such as interest rates, equity, foreign currency exchange rates, derivatives, and options, that could adversely affect the Group's and the Bank's future earnings, capital, or ability to meet business objectives.

The primary categories of market risk for the Group and the Bank are:

- (i) Interest rate risk: can lead to losses when there is an imbalance between assets and liabilities on which interest rates change periodically or at different intervals; and,
- (ii) Foreign exchange risk: can lead to losses when there is an imbalance between assets and liabilities in any particular currency.

Commodity risk and equity risk are not applicable at the moment given that the Group and the Bank do not hold any commodity or equity position.

The Board Risk Management and IT Committee is established by the Board of Directors to assist in the effective discharge of its responsibilities for risk management and to regularly review the Management's ability to assess and manage the Group's and the Bank's risks.

Market risks are managed based on the following principles and internal targets:

*Principles of the market risk:*

- In line with sound banking principles, the Group and the Bank actively manage currencies and interest rate risk positions to hedge positions by matching assets and liabilities.
- The Group and the Bank shall not engage in activities to derive income from proprietary trading or speculation on the movements in exchange rates, interest rates, or value of securities.
- The position limits as set by the central banks are meant to limit the adverse impact of market risk and are not meant to create an opportunity for proprietary trading.
- The day-to-day responsibility for market risk lies with the senior management of the Treasury Department.

*Internal targets on the market risk:*

- The regulatory limits on foreign exchange currency mismatch per currency and cumulative mismatch for all foreign currencies should be observed at all times.
- The Group and the Bank will have, at all times, internal targets that are lower than the regulatory limits to allow for a safety margin to ensure permanent full compliance with regulatory limits.
- Relevant divisions and departments should regularly assess and monitor the perceived risks of non-compliance with the targets. Any breaches of internal targets should be reported to the ALCO and President & Group Managing Director.
- At all times, the Group and the Bank will have a contingency plan to be executed when it is perceived by the President & Group Managing Director that the safety margin may not be sufficient and there is a risk that the regulatory limit on foreign exchange currency mismatch could be reached. Such contingency plan should be sufficient to ensure that the regulatory limits on foreign exchange currency mismatch will not be breached.

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.2 Market risk** (continued)

(i) *Interest rate risk*

As at 30 September 2024 and 31 December 2023, the Group's and the Bank's derivative financial instruments and financial investments designated as FVOCI are valued at fair value in accordance with the methods as disclosed in Note 39. The Group and the Bank use derivative financial instruments, such as foreign exchange contract and interest rate swaps to hold its risk exposures.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of the changes in the market interest rates. Interest margins may increase as a result of changes but may reduce losses in the event that unexpected movements arise.

The Group's and the Bank's interest rate risk arise from borrowings and subordinated debts. Borrowings issued at variable rates expose the Group and the Bank to cash flow interest rate risk. The Group and the Bank manage cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates and recognising the interest expense based on that fixed interest rate. The Group and the Bank raise borrowings at floating rates and swaps them into fixed rate that are lower than those available if the Group and the Bank borrowed at fixed rates directly. Under the interest rate swaps, the Group and the Bank agree with other parties to exchange, at specified intervals (primarily semi-annually), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional amounts.

The tables on the next pages summarise the Group's and the Bank's exposure to interest rate risks. It includes the financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (CONTINUED)

39.2 Market risk (continued)

(i) Interest rate risk (continued)

	The Group						Total US\$
	Up to 1 month US\$	1 - 3 months US\$	3 - 12 months US\$	1 - 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	
<b>As at 30 September 2024</b>							
<b>Financial assets</b>							
Cash on hand	-	-	-	-	-	603,214,048	603,214,048
Deposits and placements with other banks, net	343,627,017	85,311,593	-	-	-	1,384,260,590	1,813,199,200
Financial investments	127,065,176	290,969,146	75,727,436	40,604,857	-	189,670	534,556,285
Loans and advances, net	265,592,782	272,121,485	1,075,719,552	4,197,883,257	964,091,502	-	6,775,408,578
Derivative financial instruments	-	-	-	-	-	3,301,853	3,301,853
Other financial assets	-	-	-	-	-	10,376,810	10,376,810
<b>Total financial assets</b>	<b>736,284,975</b>	<b>648,402,224</b>	<b>1,151,446,988</b>	<b>4,238,488,114</b>	<b>964,091,502</b>	<b>2,001,342,971</b>	<b>9,740,056,774</b>
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	39,137,443	28,585,963	96,250,238	36,660,589	84,950,000	101,917,802	387,502,035
Deposits from customers	3,397,577,919	643,960,388	1,943,115,917	835,138,602	48,032,527	860,885,610	7,728,710,963
Lease liabilities	1,268,786	2,293,578	8,692,092	20,790,531	2,207,954	-	35,252,941
Borrowings	1,035,548	177,288,597	393,916,720	75,120,335	898,744	-	648,259,944
Subordinated debts	-	12,416,702	46,333,507	57,938,051	57,429,031	-	174,117,291
Other financial liabilities	-	-	-	-	-	53,169,566	53,169,566
<b>Total financial liabilities</b>	<b>3,439,019,696</b>	<b>864,545,228</b>	<b>2,488,308,474</b>	<b>1,025,648,108</b>	<b>193,518,256</b>	<b>1,015,972,978</b>	<b>9,027,012,740</b>
Net interest sensitivity gap	(2,702,734,721)	(216,143,004)	(1,336,861,486)	3,212,840,006	770,573,246	985,369,993	713,044,034
<b>In KHR'000 equivalent (Note 5)</b>	<b>(10,975,805,704)</b>	<b>(877,756,739)</b>	<b>(5,428,994,495)</b>	<b>13,047,343,264</b>	<b>3,129,297,952</b>	<b>4,001,587,542</b>	<b>2,895,671,820</b>
Unused portion of overdrafts	-	-	-	-	-	293,379,741	293,379,741
Guarantees, acceptances, and other financial facilities	-	-	-	-	-	87,312,859	87,312,859
Spot foreign exchange	-	-	-	-	-	103,830	103,830
<b>Net interest sensitivity gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>380,796,430</b>	<b>380,796,430</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,546,414,302</b>	<b>1,546,414,302</b>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(i) Interest rate risk (continued)

	The Group						Total US\$
	Up to 1 month US\$	1 - 3 months US\$	3 - 12 months US\$	1 - 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	
<b>As at 31 December 2023</b>							
<b>Financial assets</b>							
Cash on hand	-	-	-	-	-	495,793,568	495,793,568
Deposits and placements with other banks, net	72,437,235	502,909	501,910	-	-	1,436,101,124	1,509,543,178
Financial investments	240,196,361	48,184,822	10,936,496	56,293,836	-	1,932,869	357,544,384
Loans and advances, net	234,512,353	289,655,828	1,136,605,958	3,944,645,125	996,245,967	-	6,601,665,231
Derivative financial instruments	-	-	-	-	-	5,746,686	5,746,686
Other financial assets	-	-	-	-	-	8,550,649	8,550,649
<b>Total financial assets</b>	<b>547,145,949</b>	<b>338,343,559</b>	<b>1,148,044,364</b>	<b>4,000,938,961</b>	<b>996,245,967</b>	<b>1,948,124,896</b>	<b>8,978,843,696</b>
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	80,320,726	64,527,997	70,848,076	42,905,522	81,450,000	79,740,299	419,792,620
Deposits from customers	2,911,871,904	613,651,394	1,619,594,478	955,055,879	55,152,891	652,693,873	6,808,020,419
Lease liabilities	1,259,020	1,793,196	9,047,822	19,465,950	961,699	-	32,527,687
Borrowings	104,368,176	324,790,361	207,733,011	218,326,470	4,595,532	-	859,813,550
Subordinated debts	-	-	26,160,421	56,194,474	34,698,987	-	117,053,882
Other financial liabilities	-	-	-	-	-	43,591,008	43,591,008
<b>Total financial liabilities</b>	<b>3,097,819,826</b>	<b>1,004,762,948</b>	<b>1,933,383,808</b>	<b>1,291,948,295</b>	<b>176,859,109</b>	<b>776,025,180</b>	<b>8,280,799,166</b>
<b>Net interest sensitivity gap</b>	<b>(2,550,673,877)</b>	<b>(666,419,389)</b>	<b>(785,339,444)</b>	<b>2,708,990,666</b>	<b>819,386,858</b>	<b>1,172,099,716</b>	<b>698,044,530</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(10,419,502,789)</b>	<b>(2,722,323,204)</b>	<b>(3,208,111,629)</b>	<b>11,066,226,871</b>	<b>3,347,195,315</b>	<b>4,788,027,340</b>	<b>2,851,511,904</b>
Unused portion of overdrafts	-	-	-	-	-	209,854,669	209,854,669
Guarantees, acceptances, and other financial facilities	-	-	-	-	-	69,317,067	69,317,067
<b>Net interest sensitivity gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>279,171,736</b>	<b>279,171,736</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,140,416,541</b>	<b>1,140,416,541</b>

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(i) Interest rate risk (continued)

	The Bank						
	Up to 1 month US\$	1 - 3 months US\$	3 - 12 months US\$	1 - 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	Total US\$
<b>As at 30 September 2024</b>							
<b>Financial assets</b>							
Cash on hand	-	-	-	-	-	593,183,234	593,183,234
Deposits and placements with other banks, net	343,588,869	84,805,635	-	-	-	1,349,082,750	1,777,477,254
Financial investments	127,065,176	290,969,146	75,727,436	40,604,857	-	189,670	534,556,285
Loans and advances, net	249,347,702	265,310,634	1,041,238,612	4,109,751,025	958,178,627	-	6,623,826,600
Derivative financial instruments	-	-	-	-	-	3,301,853	3,301,853
Other financial assets	-	-	-	-	-	10,521,038	10,521,038
<b>Total financial assets</b>	<b>720,001,747</b>	<b>641,085,415</b>	<b>1,116,966,048</b>	<b>4,150,355,882</b>	<b>958,178,627</b>	<b>1,956,278,545</b>	<b>9,542,866,264</b>
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	35,191,057	13,361,641	80,842,440	36,305,052	84,950,000	103,786,625	354,436,815
Deposits from customers	3,369,965,767	636,819,579	1,905,296,229	818,695,939	45,346,985	845,290,992	7,621,415,491
Lease liabilities	1,240,602	2,246,914	8,557,277	19,854,112	1,239,100	-	33,138,005
Borrowings	994,532	172,875,800	389,201,340	71,182,535	898,744	-	635,152,951
Subordinated debts	-	12,416,702	46,333,507	57,938,051	57,429,031	-	174,117,291
Other financial liabilities	-	-	-	-	-	52,278,154	52,278,154
<b>Total financial liabilities</b>	<b>3,407,391,958</b>	<b>837,720,636</b>	<b>2,430,230,793</b>	<b>1,003,975,689</b>	<b>189,863,860</b>	<b>1,001,355,771</b>	<b>8,870,538,707</b>
<b>Net interest sensitivity gap</b>	<b>(2,687,390,211)</b>	<b>(196,635,221)</b>	<b>(1,313,264,745)</b>	<b>3,146,380,193</b>	<b>768,314,767</b>	<b>954,922,774</b>	<b>672,327,557</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(10,913,491,649)</b>	<b>(798,535,632)</b>	<b>(5,333,168,129)</b>	<b>12,777,449,964</b>	<b>3,120,126,269</b>	<b>3,877,941,385</b>	<b>2,730,322,208</b>
Unused portion of overdrafts	-	-	-	-	-	292,528,968	292,528,968
Guarantees, acceptances, and other financial facilities	-	-	-	-	-	87,114,111	87,114,111
Spot foreign exchange	-	-	-	-	-	103,830	103,830
<b>Net interest sensitivity gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>379,746,909</b>	<b>379,746,909</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,542,152,198</b>	<b>1,542,152,198</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(i) Interest rate risk (continued)

	The Bank						Total US\$
	Up to 1 month US\$	1 - 3 months US\$	3 - 12 months US\$	1 - 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	
<b>As at 31 December 2023</b>							
<b>Financial assets</b>							
Cash on hand	-	-	-	-	-	486,584,317	486,584,317
Deposits and placements with other banks, net	72,437,235	-	-	-	-	1,406,444,786	1,478,882,021
Financial investments	240,196,361	48,184,822	10,936,496	56,293,836	-	1,932,869	357,544,384
Loans and advances, net	224,145,748	281,030,750	1,106,204,470	3,856,064,676	989,597,644	-	6,457,043,288
Derivative financial instruments	-	-	-	-	-	5,746,686	5,746,686
Other financial assets	-	-	-	-	-	8,160,591	8,160,591
<b>Total financial assets</b>	<b>536,779,344</b>	<b>329,215,572</b>	<b>1,117,140,966</b>	<b>3,912,358,512</b>	<b>989,597,644</b>	<b>1,908,869,249</b>	<b>8,793,961,287</b>
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	74,783,920	58,688,495	46,358,416	41,634,787	81,450,000	83,490,309	386,405,927
Deposits from customers	2,885,457,817	606,805,061	1,595,131,493	935,972,333	51,522,192	640,400,129	6,715,289,025
Lease liabilities	1,212,506	1,752,559	8,723,500	18,705,240	153,543	-	30,547,348
Borrowings	104,368,176	321,117,073	200,908,577	212,938,995	4,085,770	-	843,418,591
Subordinated debts	-	-	26,160,421	56,194,474	34,698,987	-	117,053,882
Other financial liabilities	-	-	-	-	-	42,489,918	42,489,918
<b>Total financial liabilities</b>	<b>3,065,822,419</b>	<b>988,363,188</b>	<b>1,877,282,407</b>	<b>1,265,445,829</b>	<b>171,910,492</b>	<b>766,380,356</b>	<b>8,135,204,691</b>
<b>Net interest sensitivity gap</b>	<b>(2,529,043,075)</b>	<b>(659,147,616)</b>	<b>(760,141,441)</b>	<b>2,646,912,683</b>	<b>817,687,152</b>	<b>1,142,488,893</b>	<b>658,756,596</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(10,331,140,961)</b>	<b>(2,692,618,011)</b>	<b>(3,105,177,786)</b>	<b>10,812,638,310</b>	<b>3,340,252,016</b>	<b>4,667,067,126</b>	<b>2,691,020,694</b>
Unused portion of overdrafts	-	-	-	-	-	209,405,052	209,405,052
Guarantees, acceptances, and other financial facilities	-	-	-	-	-	69,183,985	69,183,985
<b>Net interest sensitivity gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>278,589,037</b>	<b>278,589,037</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,138,036,215</b>	<b>1,138,036,215</b>

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(i) Interest rate risk (continued)

**Fair value sensitivity analysis for fixed-rate instruments**

The Group and the Bank do not account for any fixed-rate financial assets or financial liabilities at FVTPL. Therefore, a change in interest rates at the reporting date would not affect the interim statement of profit or loss and other comprehensive income.

**Cash flow sensitivity analysis for variable-rate instruments**

Interim statement of profit or loss and other comprehensive income is sensitive to higher/lower interest expenses from borrowings and subordinated debts as a result of changes in interest rates. The change of 25 basis points ("bp") in interest rates of borrowings and subordinated debts at the reporting date would not have a material effect on the interim statement of profit or loss and other comprehensive income of the Group and the Bank.

The Group's and the Bank's exposure to interest rate risk relates to borrowing of funds at both fixed and floating interest rates. This risk is managed by maintaining an appropriate mix between fixed and floating-rate borrowings and by the use of interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring optimal hedging strategies are applied, by either positioning the interim statement of financial position or protecting interest expense through different interest rate cycles.

**Sensitivity analysis**

Profit or loss is sensitive to higher/lower interest expense as a result of changes in interest rates. The table below outlines the impact on post tax profit on the changes in interest rates of subordinated debts:

	<b>The Group</b>		<b>The Bank</b>	
	<b>For the nine-month period ended</b>		<b>For the nine-month period ended</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
		<b>(Note 5)</b>		<b>(Note 5)</b>
<b>30 September 2024</b>				
Interest rate increased by 25 bp	(728,553)	(2,958,654)	(728,553)	(2,958,654)
Interest rate decreased by 25 bp	728,553	2,958,654	728,553	2,958,654

	<b>The Group</b>		<b>The Bank</b>	
	<b>For the nine-month period ended</b>		<b>For the nine-month period ended</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
		<b>(Note 5)</b>		<b>(Note 5)</b>
<b>30 September 2023</b>				
Interest rate increased by 25 bp	(746,264)	(3,048,489)	(746,264)	(3,048,489)
Interest rate decreased by 25 bp	746,264	3,048,489	746,264	3,048,489

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(i) Interest rate risk (continued)

Sensitivity analysis (continued)

	The Group		The Bank	
	For the three-month period ended		For the three-month period ended	
	US\$	KHR'000	US\$	KHR'000
		(Note 5)		(Note 5)
<b>30 September 2024</b>				
Interest rate increased by 25 bp	(207,621)	(843,149)	(207,621)	(843,149)
Interest rate decreased by 25 bp	207,621	843,149	207,621	843,149
	The Group		The Bank	
	For the three-month period ended		For the three-month period ended	
	US\$	KHR'000	US\$	KHR'000
		(Note 5)		(Note 5)
<b>30 September 2023</b>				
Interest rate increased by 25 bp	(248,754)	(1,016,161)	(248,754)	(1,016,161)
Interest rate decreased by 25 bp	248,754	1,016,161	248,754	1,016,161

(ii) Foreign exchange risk

The Group operates in Cambodia, Lao PDR, and the Republic of the Union of Myanmar and transacts in many currencies. It is exposed to various currency risks, primarily with respect to KHR, Euro ("EUR"), THB, LAK, Japanese Yen, Australian Dollar ("AUD"), Vietnamese Dong, Canadian Dollar, MMK, and others.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is neither the Group's nor the Bank's functional currency.

The Management measures, closely monitors, and manages foreign exchange risk on a daily basis and takes action on time as necessary. Enough net open currency position is maintained which follows the regulatory requirements and internal risk policies.

The tables in the next pages summarise the Group's and the Bank's exposure to foreign currency exchange rate risk. Included in the tables are the financial instruments at carrying amount by currency.



ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

	The Group							Total
	In US\$ equivalent							
	KHR	US\$	THB	EUR	AUD	LAK	Others	
<b>As at 30 September 2024</b>								
<b>Financial assets</b>								
Cash on hand	171,877,369	379,341,056	41,417,210	1,909,497	953,433	5,341,436	2,374,047	603,214,048
Deposits and placements with other banks, net	229,633,737	1,544,580,957	11,151,745	1,849,505	983,161	22,562,373	2,437,722	1,813,199,200
Financial investments	318,426,537	216,129,748	-	-	-	-	-	534,556,285
Loans and advances, net	1,197,398,720	5,398,205,919	28,221,959	-	-	130,511,125	21,070,855	6,775,408,578
Derivative financial instruments	-	3,301,853	-	-	-	-	-	3,301,853
Other financial assets	470,996	9,246,744	6	-	-	659,064	-	10,376,810
<b>Total financial assets</b>	<b>1,917,807,359</b>	<b>7,550,806,277</b>	<b>80,790,920</b>	<b>3,759,002</b>	<b>1,936,594</b>	<b>159,073,998</b>	<b>25,882,624</b>	<b>9,740,056,774</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	47,122,523	307,048,156	200,696	-	-	33,130,660	-	387,502,035
Deposits from customers	1,858,353,162	5,705,865,422	73,922,835	1,724,359	3,590	85,641,015	3,200,580	7,728,710,963
Lease liabilities	109,020	34,663,508	196,967	-	-	257,755	25,691	35,252,941
Borrowings	56,162,386	582,803,052	-	-	-	8,588,669	705,837	648,259,944
Subordinated debts	12,510,749	161,606,542	-	-	-	-	-	174,117,291
Other financial liabilities	1,884,973	49,782,911	133,697	122,641	107,682	680,750	456,912	53,169,566
<b>Total financial liabilities</b>	<b>1,976,142,813</b>	<b>6,841,769,591</b>	<b>74,454,195</b>	<b>1,847,000</b>	<b>111,272</b>	<b>128,298,849</b>	<b>4,389,020</b>	<b>9,027,012,740</b>
<b>Net on-balance sheet position</b>	<b>(58,335,454)</b>	<b>709,036,686</b>	<b>6,336,725</b>	<b>1,912,002</b>	<b>1,825,322</b>	<b>30,775,149</b>	<b>21,493,604</b>	<b>713,044,034</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(236,900,281)</b>	<b>2,879,397,982</b>	<b>25,733,440</b>	<b>7,764,640</b>	<b>7,412,633</b>	<b>124,977,880</b>	<b>87,285,526</b>	<b>2,895,671,820</b>
Unused portion of overdrafts	28,337,916	261,540,303	2,650,749	-	-	850,773	-	293,379,741
Guarantees, acceptances, and other financial facilities	12,308,746	74,647,069	9,972	-	-	198,748	148,324	87,312,859
Spot foreign exchange	-	-	-	-	103,830	-	-	103,830
<b>Credit commitment</b>	<b>40,646,662</b>	<b>336,187,372</b>	<b>2,660,721</b>	<b>-</b>	<b>103,830</b>	<b>1,049,521</b>	<b>148,324</b>	<b>380,796,430</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>165,066,093</b>	<b>1,365,256,918</b>	<b>10,805,188</b>	<b>-</b>	<b>421,654</b>	<b>4,262,105</b>	<b>602,344</b>	<b>1,546,414,302</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

	The Group							Total
	In US\$ equivalent							
	KHR	US\$	THB	EUR	AUD	LAK	Others	
<b>As at 31 December 2023</b>								
<b>Financial assets</b>								
Cash on hand	151,910,893	303,036,520	32,204,150	576,681	632,161	5,425,995	2,007,168	495,793,568
Deposits and placements with other banks, net	203,904,887	1,274,696,262	6,902,069	2,028,973	661,619	19,622,074	1,727,294	1,509,543,178
Financial investments	293,036,815	64,507,569	-	-	-	-	-	357,544,384
Loans and advances, net	1,063,884,145	5,365,456,901	27,719,187	-	-	126,405,072	18,199,926	6,601,665,231
Derivative financial instruments	-	5,746,686	-	-	-	-	-	5,746,686
Other financial assets	276,638	7,498,556	6	-	-	775,449	-	8,550,649
<b>Total financial assets</b>	<b>1,713,013,378</b>	<b>7,020,942,494</b>	<b>66,825,412</b>	<b>2,605,654</b>	<b>1,293,780</b>	<b>152,228,590</b>	<b>21,934,388</b>	<b>8,978,843,696</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	35,361,297	350,660,131	236,472	-	-	33,534,720	-	419,792,620
Deposits from customers	1,676,184,538	4,985,357,773	66,912,556	1,636,186	108	75,311,174	2,618,084	6,808,020,419
Lease liabilities	105,268	32,229,439	1,455	-	-	158,988	32,537	32,527,687
Borrowings	56,947,268	791,134,745	-	-	-	10,795,877	935,660	859,813,550
Subordinated debts	-	117,053,882	-	-	-	-	-	117,053,882
Other financial liabilities	3,050,671	39,244,912	261,341	42,602	9,212	756,382	225,888	43,591,008
<b>Total financial liabilities</b>	<b>1,771,649,042</b>	<b>6,315,680,882</b>	<b>67,411,824</b>	<b>1,678,788</b>	<b>9,320</b>	<b>120,557,141</b>	<b>3,812,169</b>	<b>8,280,799,166</b>
<b>Net on-balance sheet position</b>	<b>(58,635,664)</b>	<b>705,261,612</b>	<b>(586,412)</b>	<b>926,866</b>	<b>1,284,460</b>	<b>31,671,449</b>	<b>18,122,219</b>	<b>698,044,530</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(239,526,689)</b>	<b>2,880,993,685</b>	<b>(2,395,493)</b>	<b>3,786,248</b>	<b>5,247,019</b>	<b>129,377,869</b>	<b>74,029,265</b>	<b>2,851,511,904</b>
Unused portion of overdrafts	7,774,042	200,751,086	879,924	-	-	449,617	-	209,854,669
Guarantees, acceptances, and other financial facilities	9,924,693	59,259,292	-	-	-	133,082	-	69,317,067
<b>Credit commitment</b>	<b>17,698,735</b>	<b>260,010,378</b>	<b>879,924</b>	<b>-</b>	<b>-</b>	<b>582,699</b>	<b>-</b>	<b>279,171,736</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>72,299,332</b>	<b>1,062,142,394</b>	<b>3,594,490</b>	<b>-</b>	<b>-</b>	<b>2,380,325</b>	<b>-</b>	<b>1,140,416,541</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

	The Bank							Total
	In US\$ equivalent							
	KHR	US\$	THB	EUR	AUD	LAK	Others	
<b>As at 30 September 2024</b>								
<b>Financial assets</b>								
Cash on hand	171,857,802	377,467,748	39,743,390	1,908,528	953,051	37,816	1,214,899	593,183,234
Deposits and placements with other banks, net	229,633,737	1,541,300,141	1,377,427	1,849,505	983,161	17,462	2,315,821	1,777,477,254
Financial investments	318,426,537	216,129,748	-	-	-	-	-	534,556,285
Loans and advances, net	1,197,398,722	5,398,205,919	28,221,959	-	-	-	-	6,623,826,600
Derivative financial instruments	-	3,301,853	-	-	-	-	-	3,301,853
Other financial assets	470,870	10,050,162	6	-	-	-	-	10,521,038
<b>Total financial assets</b>	<b>1,917,787,668</b>	<b>7,546,455,571</b>	<b>69,342,782</b>	<b>3,758,033</b>	<b>1,936,212</b>	<b>55,278</b>	<b>3,530,720</b>	<b>9,542,866,264</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	47,129,202	307,071,369	236,244	-	-	-	-	354,436,815
Deposits from customers	1,859,068,843	5,699,464,365	61,154,334	1,724,359	3,590	-	-	7,621,415,491
Lease liabilities	109,021	33,028,984	-	-	-	-	-	33,138,005
Borrowings	56,162,385	578,990,566	-	-	-	-	-	635,152,951
Subordinated debts	12,510,749	161,606,542	-	-	-	-	-	174,117,291
Other financial liabilities	1,879,870	49,648,182	70,883	122,641	107,682	544	448,352	52,278,154
<b>Total financial liabilities</b>	<b>1,976,860,070</b>	<b>6,829,810,008</b>	<b>61,461,461</b>	<b>1,847,000</b>	<b>111,272</b>	<b>544</b>	<b>448,352</b>	<b>8,870,538,707</b>
<b>Net on-balance sheet position</b>	<b>(59,072,402)</b>	<b>716,645,563</b>	<b>7,881,321</b>	<b>1,911,033</b>	<b>1,824,940</b>	<b>54,734</b>	<b>3,082,368</b>	<b>672,327,557</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(239,893,025)</b>	<b>2,910,297,631</b>	<b>32,006,045</b>	<b>7,760,705</b>	<b>7,411,081</b>	<b>222,275</b>	<b>12,517,496</b>	<b>2,730,322,208</b>
Unused portion of overdrafts	28,337,916	261,540,303	2,650,749	-	-	-	-	292,528,968
Guarantees, acceptances, and other financial facilities	12,308,746	74,647,069	9,972	-	-	-	148,324	87,114,111
Spot Exchange contracts	-	-	-	-	103,830	-	-	103,830
<b>Credit commitment</b>	<b>40,646,662</b>	<b>336,187,372</b>	<b>2,660,721</b>	<b>-</b>	<b>103,830</b>	<b>-</b>	<b>148,324</b>	<b>379,746,909</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>165,066,094</b>	<b>1,365,256,918</b>	<b>10,805,188</b>	<b>-</b>	<b>421,654</b>	<b>-</b>	<b>602,344</b>	<b>1,542,152,198</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

	The Bank							Total
	In US\$ equivalent							
	KHR	US\$	THB	EUR	AUD	LAK	Others	
<b>As at 31 December 2023</b>								
<b>Financial assets</b>								
Cash on hand	151,904,672	301,587,525	30,583,206	572,521	631,706	3,910	1,300,777	486,584,317
Deposits and placements with other banks, net	203,904,887	1,268,560,627	2,005,438	2,028,973	661,619	14,981	1,705,496	1,478,882,021
Financial investments	293,036,815	64,507,569	-	-	-	-	-	357,544,384
Loans and advances, net	1,063,884,147	5,365,439,954	27,719,187	-	-	-	-	6,457,043,288
Derivative financial instruments	-	5,746,686	-	-	-	-	-	5,746,686
Other financial assets	275,657	7,884,928	6	-	-	-	-	8,160,591
<b>Total financial assets</b>	<b>1,713,006,178</b>	<b>7,013,727,289</b>	<b>60,307,837</b>	<b>2,601,494</b>	<b>1,293,325</b>	<b>18,891</b>	<b>3,006,273</b>	<b>8,793,961,287</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	35,361,408	349,098,778	1,945,741	-	-	-	-	386,405,927
Deposits from customers	1,676,954,988	4,979,022,761	57,674,982	1,636,186	108	-	-	6,715,289,025
Lease liabilities	105,268	30,442,080	-	-	-	-	-	30,547,348
Borrowings	56,947,268	786,471,323	-	-	-	-	-	843,418,591
Subordinated debts	-	117,053,882	-	-	-	-	-	117,053,882
Other financial liabilities	3,045,878	38,940,135	235,814	42,602	9,212	76	216,201	42,489,918
<b>Total financial liabilities</b>	<b>1,772,414,810</b>	<b>6,301,028,959</b>	<b>59,856,537</b>	<b>1,678,788</b>	<b>9,320</b>	<b>76</b>	<b>216,201</b>	<b>8,135,204,691</b>
<b>Net on-balance sheet position</b>	<b>(59,408,632)</b>	<b>712,698,330</b>	<b>451,300</b>	<b>922,706</b>	<b>1,284,005</b>	<b>18,815</b>	<b>2,790,072</b>	<b>658,756,596</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(242,684,262)</b>	<b>2,911,372,678</b>	<b>1,843,561</b>	<b>3,769,254</b>	<b>5,245,160</b>	<b>76,859</b>	<b>11,397,444</b>	<b>2,691,020,694</b>
Unused portion of overdrafts	7,774,042	200,751,086	879,924	-	-	-	-	209,405,052
Guarantees, acceptances, and other financial facilities	9,924,693	59,259,292	-	-	-	-	-	69,183,985
<b>Credit commitment</b>	<b>17,698,735</b>	<b>260,010,378</b>	<b>879,924</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>278,589,037</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>72,299,331</b>	<b>1,062,142,394</b>	<b>3,594,490</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,138,036,215</b>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

Sensitivity analysis

The Group and the Bank take on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on their financial position and cash flows. The table below sets out the principal structure of foreign exchange exposures of the Group and the Bank:

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Assets/(Liabilities)</b>								
Khmer Riel (KHR)	(58,335,454)	(58,635,664)	(236,900,281)	(239,526,689)	(59,072,402)	(59,408,632)	(239,893,025)	(242,684,262)
Thai Baht (THB)	6,336,725	(586,412)	25,733,440	(2,395,493)	7,881,321	451,300	32,006,045	1,843,561
Euro (EUR)	1,912,002	926,866	7,764,640	3,786,248	1,911,033	922,706	7,760,705	3,769,254
Australian Dollar (AUD)	1,825,322	1,284,460	7,412,633	5,247,019	1,824,940	1,284,005	7,411,081	5,245,160
Lao Kip (LAK)	30,775,149	31,671,449	124,977,880	129,377,869	54,734	18,815	222,275	76,859
Others	21,493,604	18,122,219	87,285,526	74,029,265	3,082,368	2,790,072	12,517,496	11,397,444
	<u>4,007,348</u>	<u>(7,217,082)</u>	<u>16,273,838</u>	<u>(29,481,781)</u>	<u>(44,318,006)</u>	<u>(53,941,734)</u>	<u>(179,975,423)</u>	<u>(220,351,984)</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

Sensitivity analysis (continued)

As shown in the table above, the Group and the Bank are primarily exposed to changes in US\$/KHR, US\$/THB, US\$/EUR, US\$/AUD, and US\$/LAK exchange rates. The sensitivity of profit or loss to changes in exchange rates arises mainly from KHR, THB, EUR, AUD, and LAK denominated financial instruments.

The analysis below is based on the assumption that the exchange rate had increased or decreased which is set based on the 3-year moving average of exchange rate from 2021 to 2023.

An analysis of the exposures to assess the impact of the percentages change in the foreign currency exchange rates to the profit after tax are as follows:

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Increase/(Decrease)</b>								
Khmer Riel (KHR) - Increased by 1%	462,063	464,441	1,876,438	1,897,241	467,900	470,563	1,900,142	1,922,250
Thai Baht (THB) - Increased by 5%	(241,399)	22,340	(980,321)	91,259	(300,241)	(17,192)	(1,219,279)	(70,229)
Euro (EUR) - Increased by 4%	(58,831)	(14,539)	(238,913)	(59,392)	(58,801)	(14,474)	(238,791)	(59,126)
Australian Dollar (AUD) - Increased by 4%	(56,164)	(20,148)	(228,082)	(82,305)	(56,152)	(20,141)	(228,033)	(82,276)
Lao Kip (LAK) - Increased by 10%	(2,238,193)	(2,303,378)	(9,089,302)	(9,409,299)	(3,981)	(1,368)	(16,167)	(5,588)
Others - Increased by 1%	(170,246)	(143,542)	(691,369)	(586,369)	(24,415)	(22,100)	(99,149)	(90,279)
	<u>(2,302,770)</u>	<u>(1,994,826)</u>	<u>(9,351,549)</u>	<u>(8,148,865)</u>	<u>24,310</u>	<u>395,288</u>	<u>98,723</u>	<u>1,614,752</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

Sensitivity analysis (continued)

	The Group				The Bank			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Increase/(Decrease)</b>								
Khmer Riel (KHR) - Decreased by 1%	(471,398)	(473,824)	(1,914,347)	(1,935,571)	(477,353)	(480,070)	(1,938,531)	(1,961,086)
Thai Baht (THB) - Decreased by 5%	266,809	(24,691)	1,083,511	(100,863)	331,845	19,002	1,347,623	77,623
Euro (EUR) - Decreased by 4%	63,733	15,133	258,820	61,818	63,701	15,065	258,690	61,541
Australian Dollar (AUD) - Decreased by 4%	60,844	20,971	247,087	85,667	60,831	20,963	247,035	85,634
Lao Kip (LAK) - Decreased by 10%	2,735,569	2,815,240	11,109,146	11,500,255	4,865	1,672	19,757	6,830
Others - Decreased by 1%	173,686	146,442	705,339	598,216	24,908	22,546	101,151	92,100
	<u>2,829,243</u>	<u>2,499,271</u>	<u>11,489,556</u>	<u>10,209,522</u>	<u>8,797</u>	<u>(400,822)</u>	<u>35,725</u>	<u>(1,637,358)</u>

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.3 Liquidity risk**

In a given economic and financial context and specific market situation. Typically, it is the risk of loss arising from situation where 1) the Group and the Bank do not have enough cash and cash equivalents to meet the needs of depositors, borrowers, and contingent liabilities, 2) the sale of non-liquid assets are lower than market price, and 3) non-liquid assets would not be sold at the desired time due to the lack of buyers.

The objective of the Group's and the Bank's liquidity risk management is to ensure that the Group and the Bank can meet its cash obligations in a timely and cost-effective manner. Up to the date of this report, the Group's and the Bank's liquidity and funding management policy is to maintain high quality and well-diversified portfolios of liquid assets and sources of funds under both normal business and stress conditions. Due to its large distribution network and strategic marketing focus, the Group and the Bank are able to maintain a diversified core deposit base comprising of savings, demand, and fixed deposits. This provides the Group and the Bank a large stable funding base.

(a) Liquidity risk management process

The day-to-day responsibility for liquidity risk management and control is delegated to the ALCO which reports monthly to the Executive Committee.

For day-to-day liquidity management, the Treasury Department will ensure sufficient funding to meet its payments and settlement obligations on a timely basis.

*Principles of the liquidity risk:*

- At all times, the related senior management of the Treasury Department shall ensure that the Group's and the Bank's operations can meet its current and future funding needs. The Treasury Department shall stress-test its liquidity position on a daily basis.
- The related senior management of Treasury Department has established a risk control framework and procedures to ensure it maintains sufficient liquidity at all times, including the holding of unencumbered eligible assets, to withstand a range of stress events, including the loss of funding sources, such as deposits, borrowings, and capital raising, and that the liquidity risk is managed in accordance with the requirements of the Board of Directors.
- Stress testing is performed regularly to assess various scenarios, which include short, medium and long-term, institution-specific and market-wide stress which may put the Group's and the Bank's liquidity at risk.
- The Treasury Department identifies, monitors, manages, and controls the risk associated with the daily liquidity as well as short, medium and long-term liquidity as these are key periods for liquidity management. The Treasury Department develops and implements stress tests on the projected cash flows. The outputs are used to inform the Group's and the Bank's contingency funding plan.
- The Group and the Bank incorporate liquidity cost, benefits, and risks in the internal pricing, performance measurement, and new products/services approval process for all significant business activities (both on and off-balance sheet) in order to align with the benefits from accepting risks of each business unit and liquidity risks affecting its business activities.



**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.3 Liquidity risk** (continued)

(a) Liquidity risk management process (continued)

*Internal targets on the liquidity risk: (continued)*

- The regulatory limit on the Liquidity Coverage Ratio (“LCR”) should be observed at all times.
- The Group and the Bank will have, at all times, an internal target that is higher than the regulatory limit to allow for a safety margin to ensure permanent full compliance with regulatory limit.
- Setting the level of the internal targets is at the discretion of the ALCO and needs to be both 1) stated and motivated in the ALCO minutes and 2) formally approved by the President & Group Managing Director.
- The risk tolerance/internal targets must be reviewed at least once a year to reflect the financial condition and the funding mobilisation capacity.
- Relevant divisions and departments should regularly assess and monitor the perceived risks of non-compliance with the targets. Any breaches of internal targets should be reported to the ALCO for remedial actions and President & Group Managing Director for approval.
- At all times, the Group and the Bank will have a contingency plan to be executed when it is perceived by the Management that the safety margin may not be sufficient and there is a risk that the regulatory limit on liquidity could be breached. Such contingency plan should be sufficient to ensure that the regulatory limits on liquidity will not be breached.
- In case the Group and the Bank experience a severe liquidity, the Bank must immediately notify the NBC and advise the action that is being taken to address the situation.

The Bank has put in place a robust and comprehensive liquidity risk management framework in accordance with the NBC's Prakas No. B7-017-301 dated 27 September 2017 on Liquidity Risk Management Framework, which consists of risk appetite, risk tolerance, policies, early warning indicators, and monitoring mechanism which are reviewed and endorsed by the BRIC and approved by the Board of Directors. The key elements of the framework are to ensure that the Bank maintains sufficient liquidity at all times, including the holding of unencumbered eligible assets, to withstand a range of stress events, including the loss of funding sources, either internally (as with deposits) or externally (as with borrowings or raising additional capital), and other issues. The Bank ensures that the business activities are mainly funded with stable sources of funding on an ongoing basis.

The Management designs a set of early warning indicators to aid its daily liquidity risk management processes in identifying the emergence of increased risk or vulnerabilities in its liquidity risk position or potential funding needs.

The Group's and the Bank's contingency funding plan is in place to alert and to enable the Management to act effectively and efficiently during a liquidity crisis and under adverse market conditions. The objective of contingency funding plan is to ensure that the Group and the Bank have a framework for managing the liquidity sufficiently and robustly in the event of liquidity crisis based on the result of liquidity stress testing.

The Group and the Bank are measuring, monitoring, and managing its liquidity positions to comply with the LCR.

The purpose of the LCR aims at promoting short-term resilience of each institution's liquidity risk profile, ensuring that each institution has an adequate stock of unencumbered liquid assets that can be converted into cash at no or little loss of value in markets, to meet its liquidity needs for a 30-day liquidity stress scenario, and ensuring that prompt corrective actions are taken by the Management when the LCR potentially falls below the minimum requirement.

**39. FINANCIAL RISK MANAGEMENT** (continued)

**39.3 Liquidity risk** (continued)

(a) Liquidity risk management process (continued)

The Group and the Bank also use a range of tools such as liquidity ratio, liquidity gap analysis, safety margin, and monthly cash flow projection to measure, monitor, and manage its liquidity position. In addition, The Group and the Bank also perform daily and monthly liquidity stress test in order to identify and quantify its exposures to possible future liquidity stresses and in analysing possible impacts on the cash flows, liquidity position, profitability, and solvency.

(b) Funding approach

The Group's and the Bank's main sources of liquidity arise from shareholder's paid-up capital, borrowings, subordinated debts, deposits and placements of other banks and financial institutions, and deposits from customers. The sources of liquidity are regularly reviewed via Management's daily review of maturity of fixed deposits and key depositors. The Group's and the Bank's borrowings and subordinated debts are also regularly reviewed via Management's daily review of interest and principal repayments and maturity.

(c) Non-derivative cash flows

The tables in the succeeding pages present the cash flows payable under non-derivative financial liabilities and the assets held for managing liquidity risk grouped using their remaining contractual maturities as at the end of the reporting period. The amounts disclosed in the tables are the contractual undiscounted cash flows, wherein the Group and the Bank manage the inherent liquidity risk based on contractual undiscounted cash flows.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (CONTINUED)

39.3 Liquidity risk (continued)

c) Non-derivative cash flows (continued)

	The Group						Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 6 months US\$	6 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>As at 30 September 2024</b>							
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	141,276,703	29,817,208	89,181,778	14,782,899	61,496,175	107,154,428	443,709,191
Deposits from customers	4,226,527,663	673,613,366	946,923,733	1,095,806,996	938,231,494	66,291,767	7,947,395,019
Lease liabilities	1,269,727	2,294,646	3,041,822	6,045,829	23,862,576	4,857,920	41,372,520
Borrowings*	1,073,362	16,413,794	84,855,867	394,597,006	243,891,705	898,744	741,730,478
Subordinated debts*	-	14,712,864	1,242,297	55,743,935	101,605,368	65,722,491	239,026,955
Other financial liabilities	52,723,988	12,036	166,083	177,732	89,727	-	53,169,566
<b>Total financial liabilities</b> (contractual maturity dates)	<b>4,422,871,443</b>	<b>736,863,914</b>	<b>1,125,411,580</b>	<b>1,567,154,397</b>	<b>1,369,177,045</b>	<b>244,925,350</b>	<b>9,466,403,729</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>17,961,280,930</b>	<b>2,992,404,355</b>	<b>4,570,296,426</b>	<b>6,364,214,006</b>	<b>5,560,227,980</b>	<b>994,641,846</b>	<b>38,443,065,543</b>
<b>Assets held for managing liquidity risk</b> (contractual maturity dates)	<b>3,093,232,407</b>	<b>455,392,647</b>	<b>568,509,191</b>	<b>956,722,944</b>	<b>4,846,410,963</b>	<b>1,830,034,530</b>	<b>11,750,302,682</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>12,561,616,807</b>	<b>1,849,349,539</b>	<b>2,308,715,825</b>	<b>3,885,251,876</b>	<b>19,681,274,921</b>	<b>7,431,770,226</b>	<b>47,717,979,194</b>
<b>As at 31 December 2023</b>							
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	160,371,721	66,105,277	40,517,345	38,733,466	68,741,670	105,647,885	480,117,364
Deposits from customers	3,555,435,489	629,423,161	554,245,546	1,172,869,911	1,077,210,062	74,239,775	7,063,423,944
Lease liabilities	1,286,316	1,850,608	3,345,708	6,008,065	22,340,588	3,055,579	37,886,864
Borrowings*	6,167,614	93,830,239	18,914,511	91,389,063	770,431,952	24,699,577	1,005,432,956
Subordinated debts*	-	-	19,568,754	15,943,334	76,842,435	40,848,062	153,202,585
Other financial liabilities	43,044,777	284,426	5,357	256,448	-	-	43,591,008
<b>Total financial liabilities</b> (contractual maturity dates)	<b>3,766,305,917</b>	<b>791,493,711</b>	<b>636,597,221</b>	<b>1,325,200,287</b>	<b>2,015,566,707</b>	<b>248,490,878</b>	<b>8,783,654,721</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>15,385,359,671</b>	<b>3,233,251,809</b>	<b>2,600,499,648</b>	<b>5,413,443,172</b>	<b>8,233,589,998</b>	<b>1,015,085,237</b>	<b>35,881,229,535</b>
<b>Assets held for managing liquidity risk</b> (contractual maturity dates)	<b>2,590,051,852</b>	<b>387,106,029</b>	<b>510,138,284</b>	<b>1,007,148,263</b>	<b>4,806,873,731</b>	<b>1,499,995,677</b>	<b>10,801,313,836</b>
<b>in KHR'000 equivalent (Note 5)</b>	<b>10,580,361,817</b>	<b>1,581,328,128</b>	<b>2,083,914,890</b>	<b>4,114,200,654</b>	<b>19,636,079,191</b>	<b>6,127,482,341</b>	<b>44,123,367,021</b>

\* The amounts for variable interest rate instruments are subject to change depending on the variable interest rates determined at the end of the reporting period.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.3 Liquidity risk (continued)

c) Non-derivative cash flows (continued)

	The Bank						Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 6 months US\$	6 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>As at 30 September 2024</b>							
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	139,185,587	14,396,416	76,991,825	10,961,269	61,119,168	107,154,428	409,808,693
Deposits from customers	4,183,287,365	666,172,714	933,189,753	1,069,090,708	918,297,220	62,479,963	7,832,517,723
Lease liabilities	1,241,543	2,247,574	2,992,371	5,944,882	22,728,469	1,820,846	36,975,685
Borrowings*	994,530	11,919,658	83,827,910	390,246,971	239,522,632	898,744	727,410,445
Subordinated debts*	-	14,712,864	1,242,297	55,743,935	101,605,368	65,722,491	239,026,955
Other financial liabilities	52,130,194	-	143,010	4,950	-	-	52,278,154
<b>Total financial liabilities</b> (contractual maturity dates)	<b>4,376,839,219</b>	<b>709,449,226</b>	<b>1,098,387,166</b>	<b>1,531,992,715</b>	<b>1,343,272,857</b>	<b>238,076,472</b>	<b>9,298,017,655</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>17,774,344,068</b>	<b>2,881,073,307</b>	<b>4,460,550,281</b>	<b>6,221,422,416</b>	<b>5,455,031,072</b>	<b>966,828,553</b>	<b>37,759,249,697</b>
<b>Assets held for managing liquidity risk</b> (contractual maturity dates)	<b>3,029,118,350</b>	<b>442,645,846</b>	<b>548,327,284</b>	<b>924,372,582</b>	<b>4,738,695,063</b>	<b>1,824,383,308</b>	<b>11,507,542,433</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>12,301,249,619</b>	<b>1,797,584,781</b>	<b>2,226,757,100</b>	<b>3,753,877,056</b>	<b>19,243,840,651</b>	<b>7,408,820,614</b>	<b>46,732,129,821</b>
<b>As at 31 December 2023</b>							
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	158,567,437	60,207,937	31,571,579	22,055,432	67,351,603	105,647,885	445,401,873
Deposits from customers	3,516,772,679	622,263,484	544,560,867	1,156,437,784	1,054,409,436	69,343,309	6,963,787,559
Lease liabilities	1,239,754	1,809,456	3,174,337	5,846,655	21,400,227	228,533	33,698,962
Borrowings*	6,167,613	90,057,010	16,931,147	85,781,334	764,278,442	24,157,092	987,372,638
Subordinated debts*	-	-	19,568,754	15,943,334	76,842,435	40,848,062	153,202,585
Other financial liabilities	42,238,852	251,066	-	-	-	-	42,489,918
<b>Total financial liabilities</b> (contractual maturity dates)	<b>3,724,986,335</b>	<b>774,588,953</b>	<b>615,806,684</b>	<b>1,286,064,539</b>	<b>1,984,282,143</b>	<b>240,224,881</b>	<b>8,625,953,535</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>15,216,569,178</b>	<b>3,164,195,873</b>	<b>2,515,570,304</b>	<b>5,253,573,642</b>	<b>8,105,792,554</b>	<b>981,318,639</b>	<b>35,237,020,190</b>
<b>Assets held for managing liquidity risk</b> (contractual maturity dates)	<b>2,533,749,275</b>	<b>373,217,124</b>	<b>491,500,359</b>	<b>979,111,143</b>	<b>4,699,212,093</b>	<b>1,493,460,967</b>	<b>10,570,250,961</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>10,350,365,788</b>	<b>1,524,591,952</b>	<b>2,007,778,967</b>	<b>3,999,669,019</b>	<b>19,196,281,400</b>	<b>6,100,788,050</b>	<b>43,179,475,176</b>

\* The amounts for variable interest rate instruments are subject to change depending on the variable interest rates determined at the end of the reporting period.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.3 Liquidity risk (continued)

(d) Derivative financial instruments

The following tables detail the Group's and the Bank's liquidity analysis for derivative financial instruments. The table has been drawn up based on the undiscounted net cash inflows or outflows from the derivative financial instruments that settle on a net basis and the undiscounted gross inflows or outflows from those derivatives that require gross settlement. The amount payable or receivable is not fixed; the amount disclosed has been determined with reference to the projected interest rates as illustrated by the yield curves existing as at the end of each reporting period.

	The Group					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
	<b>At 30 September 2024</b>					
Interest rate swap - cash flow hedges						
- (inflow)	-	(982,754)	(1,901,835)	(1,989,890)	-	(4,874,479)
- outflow	-	97,957	188,338	193,239	-	479,534
<b>Net settlement</b>	-	(884,797)	(1,713,497)	(1,796,651)	-	(4,394,945)
<i>In KHR'000 equivalent (Note 5)</i>	-	(3,593,161)	(6,958,511)	(7,296,200)	-	(17,847,872)

	The Group					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
	<b>At 31 December 2023</b>					
Interest rate swap - cash flow hedges						
- (inflow)	-	(345,647)	(9,118,378)	(3,585,672)	-	(13,049,697)
- outflow	-	85,190	4,107,172	381,578	-	4,573,940
<b>Net settlement</b>	-	(260,457)	(5,011,206)	(3,204,094)	-	(8,475,757)
<i>In KHR'000 equivalent (Note 5)</i>	-	(1,063,967)	(20,470,777)	(13,088,724)	-	(34,623,468)

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.3 Liquidity risk (continued)

(d) Derivative financial instruments (continued)

	The Bank					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 30 September 2024</b>						
Interest rate swap - cash flow hedges						
- (inflow)	-	(982,754)	(1,901,835)	(1,989,890)	-	(4,874,479)
- outflow	-	97,957	188,338	193,239	-	479,534
<b>Net settlement</b>	-	(884,797)	(1,713,497)	(1,796,651)	-	(4,394,945)
<i>In KHR'000 equivalent (Note 5)</i>	-	(3,593,161)	(6,958,511)	(7,296,200)	-	(17,847,872)

	The Bank					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2023</b>						
Interest rate swap - cash flow hedges						
- (inflow)	-	(345,647)	(9,118,378)	(3,585,672)	-	(13,049,697)
- outflow	-	85,190	4,107,172	381,578	-	4,573,940
<b>Net settlement</b>	-	(260,457)	(5,011,206)	(3,204,094)	-	(8,475,757)
<i>In KHR'000 equivalent (Note 5)</i>	-	(1,063,967)	(20,470,777)	(13,088,724)	-	(34,623,468)

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
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39. FINANCIAL RISK MANAGEMENT (continued)

39.3 Liquidity risk (continued)

(e) Off-balance sheet items

(i) *Loan commitments and guarantees*

The dates of the contractual amounts of the Group's and the Bank's off-balance sheet financial instruments that are committed to extend as credit to customers and other facilities are summarised in tables below:

	The Group					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 30 September 2024</b>						
Unused portion of overdrafts	293,379,741	-	-	-	-	293,379,741
Bank guarantees	14,303,614	5,628,300	39,813,485	11,646,899	1,721	71,394,019
Letters of credit	1,591,940	3,482,002	10,844,898	-	-	15,918,840
Gross settled (Foreign exchange spot transactions - cash flow hedges)						
- (inflow)	(103,829)	-	-	-	-	(103,829)
- outflow	103,830	-	-	-	-	103,830
Net	1	-	-	-	-	1
<b>Total</b>	<b>309,275,296</b>	<b>9,110,302</b>	<b>50,658,383</b>	<b>11,646,899</b>	<b>1,721</b>	<b>380,692,601</b>
<i>In KHR'000 equivalent (Note 5)</i>	<i>1,255,966,977</i>	<i>36,996,936</i>	<i>205,723,693</i>	<i>47,298,057</i>	<i>6,989</i>	<i>1,545,992,652</i>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.3 Liquidity risk (continued)

(e) Off-balance sheet items (continued)

(i) *Loan commitments and guarantees (continued)*

	The Group					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2023</b>						
Unused portion of overdrafts	209,854,669	-	-	-	-	209,854,669
Bank guarantees	10,430,022	10,361,292	30,864,065	15,358,626	-	67,014,005
Letters of credit	359,681	1,340,203	603,178	-	-	2,303,062
Gross settled (Foreign exchange spot transactions - cash flow hedges)						
- (inflow)	-	-	-	-	-	-
- outflow	-	-	-	-	-	-
Net	-	-	-	-	-	-
<b>Total</b>	<u>220,644,372</u>	<u>11,701,495</u>	<u>31,467,243</u>	<u>15,358,626</u>	<u>-</u>	<u>279,171,736</u>
<i>In KHR'000 equivalent (Note 5)</i>	<u>901,332,260</u>	<u>47,800,607</u>	<u>128,543,688</u>	<u>62,739,987</u>	<u>-</u>	<u>1,140,416,542</u>



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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.3 Liquidity risk (continued)

(e) Off-balance sheet items (continued)

(i) *Loan commitments and guarantees (continued)*

	The Bank					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 30 September 2024</b>						
Unused portion of overdrafts	292,528,968	-	-	-	-	292,528,968
Bank guarantees	14,303,614	5,628,300	39,614,737	11,646,899	1,721	71,195,271
Letters of credit	1,591,940	3,482,002	10,844,898	-	-	15,918,840
Gross settled (Foreign exchange spot transactions - cash flow hedges)						
- (inflow)	(103,829)	-	-	-	-	(103,829)
- outflow	103,830	-	-	-	-	103,830
Net	1	-	-	-	-	1
<b>Total</b>	<b>308,424,523</b>	<b>9,110,302</b>	<b>50,459,635</b>	<b>11,646,899</b>	<b>1,721</b>	<b>379,643,080</b>
<i>In KHR'000 equivalent (Note 5)</i>	<i>1,252,511,988</i>	<i>36,996,936</i>	<i>204,916,578</i>	<i>47,298,057</i>	<i>6,989</i>	<i>1,541,730,548</i>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

39. FINANCIAL RISK MANAGEMENT (continued)

39.3 Liquidity risk (continued)

(e) Off-balance sheet items (continued)

(i) *Loan commitments and guarantees* (continued)

	The Bank					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2023</b>						
Unused portion of overdrafts	209,405,052	-	-	-	-	209,405,052
Bank guarantees	10,430,022	10,361,292	30,730,983	15,358,626	-	66,880,923
Letters of credit	359,681	1,340,203	603,178	-	-	2,303,062
Gross settled (Foreign exchange spot transactions - cash flow hedges)						
- (inflow)	-	-	-	-	-	-
- outflow	-	-	-	-	-	-
Net	-	-	-	-	-	-
<b>Total</b>	<u>220,194,755</u>	<u>11,701,495</u>	<u>31,334,161</u>	<u>15,358,626</u>	<u>-</u>	<u>278,589,037</u>
<b><i>In KHR'000 equivalent (Note 5)</i></b>	<u>899,495,574</u>	<u>47,800,607</u>	<u>128,000,048</u>	<u>62,739,987</u>	<u>-</u>	<u>1,138,036,216</u>

(ii) *Other financial facilities*

Other financial facilities are also included above based on the earliest contractual date as disclosed in Note 36(d).

#### **40. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Financial instruments comprise of financial assets and financial liabilities as disclosed in Note 39. The Group and the Bank have an established framework and policies which provide guidance concerning the practical considerations, principles, and analytical approaches for the establishment of prudent valuation for financial instruments measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The valuation of financial instruments is determined by reference to quoted prices in active markets or by using valuation techniques based on observable inputs or unobservable inputs. The Management's judgment is exercised in the selection and application of appropriate parameters, assumptions, and modelling techniques where some or all of the parameter inputs are not observable in deriving fair value.

Valuation adjustment is also an integral part of the valuation process. Valuation adjustment is to reflect the uncertainty in valuations generally for products that are less standardised, less frequently traded, and more complex in nature. In making a valuation adjustment, the Group and the Bank follow methodologies that consider factors, such as liquidity, bid-offer spread, and unobservable prices and inputs in the market and uncertainties in the assumptions and parameters.

The Group and the Bank continuously enhance the design, validation methodologies, and processes to ensure reasonable determination of the fair values.

##### **Determination of fair value**

The Group and the Bank classify its financial instruments measured at fair value according to the following hierarchy, reflecting the significance of the inputs in making the fair value measurements:

- Level 1 Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include:
  - Quoted prices for similar assets and liabilities in active markets; or
  - Quoted prices for identical or similar assets and liabilities in non-active markets; or
  - Inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 One or more inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Financial assets and financial liabilities are classified as Level 1 when the valuation is based on quoted prices for identical assets or liabilities in active markets.

Financial assets and financial liabilities are regarded as being quoted in an active market if the prices are readily available from a published and reliable source and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When fair value is determined using quoted prices of similar assets and liabilities in active markets or quoted prices of identical or similar assets and liabilities in non-active markets, such assets and liabilities are classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank determine the fair value based on valuation techniques that use market parameters as inputs. Most valuation techniques employ observable market data, including but not limited to, yield curves, equity prices, volatilities, and foreign exchange rates.

Financial assets and financial liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data. Such inputs are determined based on observable inputs of a similar nature, historical observations, or other analytical techniques.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

40. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Determination of fair value (continued)

If prices or quotes are not available for an instrument or a similar instrument, fair value will be established by using valuation techniques or Mark-to-Model. Judgment may be required to assess the need for valuation adjustments to appropriately reflect unobservable parameters. The valuation models shall also consider relevant transaction data, such as maturity. The inputs are then benchmarked and extrapolated to derive the fair value.

The following table shows the fair value of financial assets and liabilities analysed by various levels within the fair value hierarchy as at 30 September 2024 and 31 December 2023:

(a) Financial instruments measured at fair value

	The Group				The Bank			
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>30 September 2024</b>								
<b>Financial assets</b>								
Financial investments	-	-	189,670	189,670	-	-	189,670	189,670
Derivative financial instruments	-	3,301,853	-	3,301,853	-	3,301,853	-	3,301,853
<b>Total financial assets</b>	-	3,301,853	189,670	3,491,523	-	3,301,853	189,670	3,491,523
<i>In KHR'000 equivalent (Note 5)</i>	-	13,408,826	770,250	14,179,076	-	13,408,826	770,250	14,179,076
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>31 December 2023</b>								
<b>Financial assets</b>								
Financial investments	-	-	189,670	189,670	-	-	189,670	189,670
Derivative financial instruments	-	5,746,686	-	5,746,686	-	5,746,686	-	5,746,686
<b>Total financial assets</b>	-	5,746,686	189,670	5,936,356	-	5,746,686	189,670	5,936,356
<i>In KHR'000 equivalent (Note 5)</i>	-	23,475,212	774,802	24,250,014	-	23,475,212	774,802	24,250,014

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers in and out of Level 3 fair value measurement during the nine-month period ended 30 September 2024 (31 December 2023: Nil).

**40. FAIR VALUE OF FINANCIAL INSTRUMENTS** (continued)

**Determination of fair value** (continued)

(a) Financial instruments measured at fair value (continued)

(i) *Derivative financial instruments*

As at the reporting date, the Group's and the Bank's derivative financial instruments are valued using the discounted cash flow method and are verified with the interest rate swap providers. Under the discounted cash flow method, future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.

(ii) *Financial investments*

Financial investments at FVOCI consist of the Bank's investment in CBC with 5% as equity cash investment and 1% through the Association of Banks in Cambodia amounting to US\$153,529 and in SWIFT required by the SWIFT SCRL from all its members amounting to US\$36,141 as at 30 September 2024 (31 December 2023: US\$153,529 and US\$36,141, respectively). There is no gain/loss recognised in other comprehensive income due to fair value approximate the carrying amount. These investments are neither redeemable nor transferable and there is no market for them. The Group and the Bank do not intend to dispose these investments.

(b) Financial instruments not measured at fair value

As at the reporting date, the fair values of the financial instruments of the Group and the Bank approximate their carrying amounts.

The estimated fair values are based on the following methodologies and assumptions:

(i) *Deposits and placements with other banks*

Deposits and placements with other banks include current accounts which are non-interest bearing, savings deposits, and short-term deposits. The fair value of deposits and placements with other banks approximates their carrying values as at the reporting date due to the relatively short-term maturity of these instruments.

(ii) *Financial investments*

Financial investments at amortised cost include NCD with the NBC with maturities of less than one year. The fair value of financial investments approximates their carrying values at the reporting date due to the relatively short-term maturity of these instruments. Debt securities include corporate and government bonds which were valued at amortised cost, and were purchased for the purpose of holding them until maturity and for earning interest.

(iii) *Loans and advances*

The fair value of loans and advances is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Inputs into the valuation techniques include expected lifetime credit losses, interest rates, prepayment rates, and primary origination or secondary market spreads. For collateral-dependent impaired loans, the fair value is measured based on the value of the underlying collateral.

Inputs into the models may include data from third party and information obtained from other market participants, which include observed primary and secondary transactions. Its carrying value approximates fair value as at the reporting date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024**

**40. FAIR VALUE OF FINANCIAL INSTRUMENTS** (continued)

**Determination of fair value** (continued)

(b) Financial instruments not measured at fair value (continued)

(iv) *Deposits and placements of other banks and financial institutions and deposits from customers*

The fair value of deposits and placements of other banks and financial institutions and deposits from customers with maturities of less than one year approximates their carrying amount due to the relatively short-term maturity of these instruments. While the fair value of deposits and placements of other banks and financial institutions and deposits from customers with remaining maturities of more than one year are expected to approximate their carrying amount since the Group and the Bank offer similar interest rate on the instrument with similar maturities and terms.

The estimated fair value of the deposits and placements with no stated maturities, which includes non-interest bearing deposits, and deposits payable on demand is the amount payable as at the reporting date.

(v) *Other financial assets and other financial liabilities*

The carrying amounts of other financial assets and other financial liabilities are assumed to approximate their fair values as these items are not materially sensitive to the shift in market interest rates.

(vi) *Borrowings, subordinated debts, and lease liabilities*

The fair value of borrowings, subordinated debts, and lease liabilities are estimated by discounting the expected future cash flows using the applicable prevailing market interest rates for borrowings with similar risk profiles. However, only the contractual interest rates, which are confirmed and provided by all lenders, are available as at the reporting date instead of the applicable prevailing market interest rates. The Group and the Bank believe that the effective interest rates were not significantly different with the prevailing market interest rates on the ground that there was no change in interest rates following the lenders' consideration of the Group's and the Bank's credit risk profile as at the reporting date. On this basis, the fair value of borrowings, subordinated debts, and lease liabilities approximates their carrying values as at the reporting date.

**41. CAPITAL RISK MANAGEMENT**

The Group's and the Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of the interim statement of financial position, are:

- To comply with the capital requirement set by the NBC;
- To safeguard the Group's and the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and,
- To maintain a strong capital base to support the development of business.

The NBC requires all commercial banks to i) hold minimum capital requirement, ii) maintain the Bank's net worth of at least equal to the minimum capital, and iii) comply with solvency ratios, LCRs and other prudential ratios.

The tables in the succeeding page summarise the composition of regulatory capital which follows the requirements of the NBC. These amounts are based on the consolidated and separate interim financial statements as at 30 September 2024 and 31 December 2023. The Group in the table below consists of three entities such as ABC ABL and AMM as per the requirement of NBC.

ACLEDA BANK PLC.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE PERIODS ENDED 30 SEPTEMBER 2024

41. CAPITAL RISK MANAGEMENT (continued)

	The Group			
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Tier 1 capital</b>				
Share capital	433,163,019	433,163,019	1,759,075,020	1,769,470,933
Share premium	11,706,215	11,706,215	47,538,939	47,819,888
Retained earnings	215,132,817	210,670,372	873,654,370	860,588,470
General reserves based on the NBC Prakas	524,576,552	524,576,552	2,130,305,378	2,142,895,215
Less: Intangible assets	(16,984,836)	(10,761,308)	(68,975,419)	(43,959,943)
Less: Loans to related parties	(14,171,418)	(13,539,928)	(57,550,128)	(55,310,606)
Less: Other losses	(61,986,410)	(59,649,230)	(251,726,811)	(243,667,105)
	<u>1,091,435,939</u>	<u>1,096,165,692</u>	<u>4,432,321,349</u>	<u>4,477,836,852</u>
<b>Tier 2 complementary capital</b>				
General provision based on the NBC Prakas	69,240,605	62,841,294	281,186,097	256,706,686
Subordinated debts (*)	170,124,607	116,749,256	690,876,029	476,920,711
Less: Equity participation in banking or financial institutions	(2,010,000)	(2,010,000)	(8,162,610)	(8,210,850)
	<u>237,355,212</u>	<u>177,580,550</u>	<u>963,899,516</u>	<u>725,416,547</u>
	<u>1,328,791,151</u>	<u>1,273,746,242</u>	<u>5,396,220,865</u>	<u>5,203,253,399</u>
			The Bank	
	30 September 2024 US\$	31 December 2023 US\$	30 September 2024 KHR'000 (Note 5)	31 December 2023 KHR'000 (Note 5)
<b>Tier 1 capital</b>				
Share capital	433,163,019	433,163,019	1,759,075,020	1,769,470,933
Share premium	11,706,215	11,706,215	47,538,939	47,819,888
Retained earnings	181,221,833	182,661,825	735,941,864	746,173,555
General reserves based on the NBC Prakas	510,741,556	510,741,556	2,074,121,459	2,086,379,256
Less: Intangible assets	(15,562,823)	(9,829,455)	(63,200,624)	(40,153,324)
Less: Loans to related parties	(13,657,278)	(13,074,333)	(55,462,206)	(53,408,650)
	<u>1,107,612,522</u>	<u>1,115,368,827</u>	<u>4,498,014,452</u>	<u>4,556,281,658</u>
<b>Tier 2 complementary capital</b>				
General provision based on the NBC Prakas	67,771,821	61,416,504	275,221,365	250,886,419
Subordinated debts (*)	170,124,607	116,749,256	690,876,029	476,920,711
Less: Equity participation in banking or financial institutions	(71,312,716)	(71,312,716)	(289,600,940)	(291,312,445)
	<u>166,583,712</u>	<u>106,853,044</u>	<u>676,496,454</u>	<u>436,494,685</u>
	<u>1,274,196,234</u>	<u>1,222,221,871</u>	<u>5,174,510,906</u>	<u>4,992,776,343</u>

(\*) This represents subordinated debts approved by the NBC to be treated as part of complementary capital and only represent the outstanding principal amount.