



ANNUAL REPORT 2024



Our Vision

To be Cambodia's leading and the most trusted securities firm serving all segments of the community.

Our Mission

ACLEDA Securities Plc.'s mission is to provide customers, investors and public with the best investments opportunities on the securities and fund products to improve the quality of their lives and comply with the business ethics and the rules of laws, social, environment and governance.

Our Slogan

The securities firm you can trust, the securities for the people.

This report has been prepared and issued by ACLEDA Securities Plc., to whom any comments or requests for further information should be sent.

Headquarters: 5th floor, ACLEDA Building #61, Preah Monivong Blvd., Sangkat Srah Chork Khan Daun Penh, Phnom Penh, Kingdom of Cambodia.

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Website: www.acledasecurities.com.kh

FINANCIAL RESULTS

	31/12/2024 Audited		31/12/2023 Audited	
	USD	000'KHR	USD	000'KHR
Balance Sheet				
Total Assets	2,584,763	10,403,671	2,714,968	11,090,643
Total Liabilities	152,512	613,861	139,318	569,112
Total Equities	2,432,251	9,789,810	2,575,650	10,521,531
Income Statement				
Total Revenue	373,119	1,518,967	542,126	2,228,138
Profit before income tax	-139,910	-569,575	88,919	365,455
Profit for the year	-143,399	-583,779	33,796	138,899

PERFORMANCE

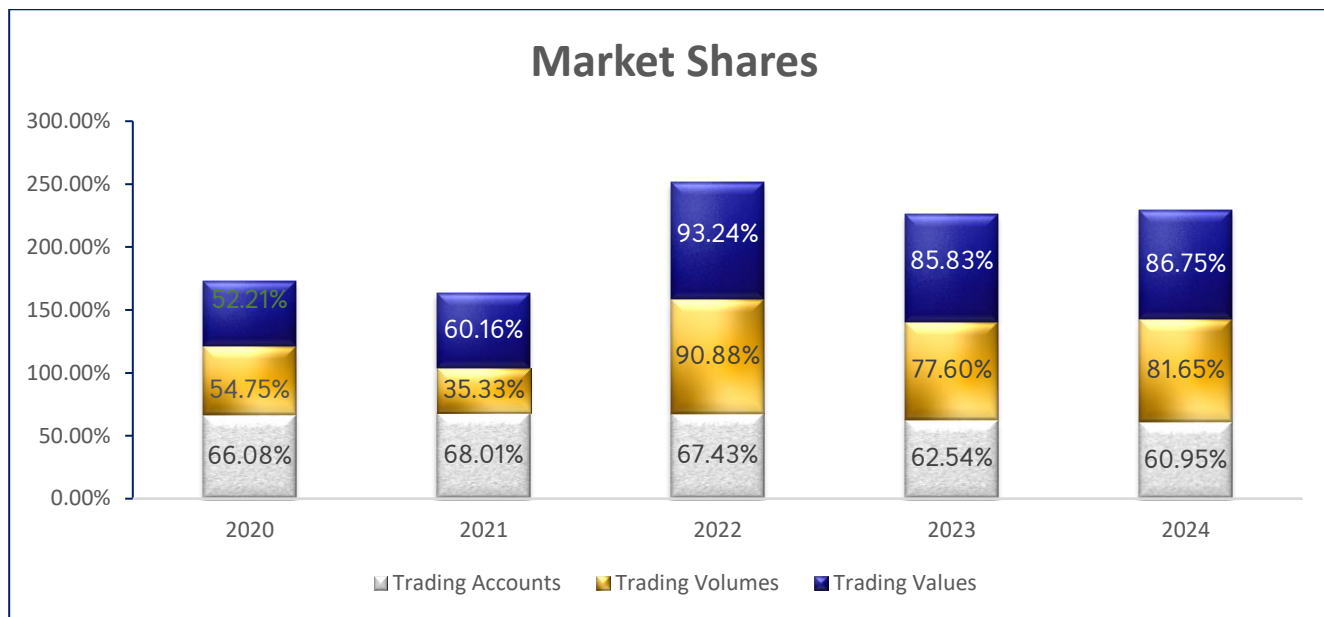


Trading Volumes



Trading Values (US\$)





Agreement signing ceremony "of the fund distribution agreement
 and launch event of Net Asset Value (NAV) initiative BAMC Asia Equity Fund"
 Between ACLEDA Securities Plc., and Banjaran Asset Management Cambodia.



“Cambodia Stock Market Exhibition 2024” program



“Cambodia’s First Fund Subscription Roadshow” through a brilliant presentation

Of “BAMC Asia Equity Fund (BAEF)”

at ACLEDA Bank Plc., Vimean Chaktokmuk Branch



Celebrating the groundbreaking ceremony of the
“Funan Techo Canal”



Training course on “Smart Investment”
At Build Bright University at Tboung Khmum Province



Training course on “Smart Investment”
At Preah Sihamoniraja Buddhist University

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CHAIRWOMAN'S REPORT



Mrs. MAR Amara

Chairwoman

“On behalf of ACLEDA Securities Plc.’s board of directors, a securities brokerage firm, I am really honored and pleased to present ACLEDA Securities Plc.’s 2024 annual report to all stakeholders.

The Cambodia Economy

Cambodia’s economy has maintained strong growth, despite global economic challenges, with the Ministry of Economy and Finance estimating a 6% growth in 2024, up from 5% in 2023. This growth is driven by strong domestic consumption, a healthy labor market, stable inflation and exchange rates, and a strong recovery in the services sector, particularly tourism. Additionally, new investment flows and the export of garments, non-garment products, and agricultural products have supported this expansion. However, the real estate and construction sectors continue to experience slow growth, despite ongoing public construction projects providing some support.

Cambodia Securities Sector

Under supporting from the Royal Government on a tax incentive policy for both equity and debt listed companies, by obtaining up to 50 percent reduction over tax on profit within 3 years (2022-2024) or can get tax incentives on tax liabilities for companies/enterprise that fully comply for listing in main board or growth board. Any equity and debt securities public offering on CSX in green and sustainable finance scheme or financing any priority sector can receive additional special tax incentives. As at 2024, there are 23 listed companies have been listed on the Cambodia Securities Exchange (CSX) of which there were 11 companies have been issued the equity securities while other 12 companies have been issued the debt securities. The number of listing companies are expecting to continuously increase in 2025.

The Outlook for 2025

Cambodia's economy is expected to grow at an average rate of 6.5% during the medium-term period from 2025 to 2027. In 2025, the economy is forecast to grow by 6.3%, under the expectation by a strong global demand and increased foreign investor confidence, while global financial conditions may increase, according to the report on the medium-term public finance framework 2025-2027 of the Ministry of Economy and Finance.

The industrial sector is expected to grow at an average of 8.9% during the period 2025-2027, with a forecast growth of 8.6% in 2025, supported by maintaining balance between garment and non-garment manufacturing sectors, while the construction sector is expected to grow slowly compared to (before Covid-19 crisis). The garment sector is expected to maintain growth similar to the before Covid-19 crisis due to stronger global demand and the implementation of the "Cambodia Garment, Footwear, and Bag sectors Development Strategy 2022-2027," which aims to boost investment, competitiveness, and increase labor productivity. Meanwhile, non-garment manufacturing is also expected to maintain strong growth due to expectation of continued strong external demand, which will continue to support exports, while industries serving the domestic industries are expected to grow as well, with government aimed at promoting small and medium enterprises (SMEs) in priority sectors. The food and beverage manufacturing sector is also forecast to continue growing well.

ACLEDA Securities Plc.

In 2024, ACLEDA Securities Plc. continues implementing its foremost goal, outlined in its five-years strategies to be a leading securities brokerage firm with its competitive advantages in competitive securities market. ACLEDA Securities Plc. continues strengthening its business model and facilitates the delivery of enhanced securities trading services to its clients in Cambodia securities market to earn sustaining revenue streams and ultimately benefits to its shareholders.

Incomes of ACLEDA Securities Plc. in 2024 decreased by USD 169,007 or 31.17% compared to 2023 led ACLEDA Securities Plc lost by USD 143,399. Return on Average Assets (ROAA) declined from 1.23% in 2023 to (5.43%) in 2024 and Return on Average Equity (ROAE) went down from 1.31% in 2023 to (5.75%) in 2024, while the operating efficiency ratio increased from 85.32% in 2023 to 144.55% in 2024.

This year and in years to come, ACLEDA Securities Plc. will continue to enhance securities trading services and provide quality and convenience services for its customers.

Acknowledgement

On behalf of the Board of Directors, I would like to thank our shareholders, directors, management, customers, and all staffs of ACLEDA Securities Plc. especially all the relevant authorities for their constant support and cooperation in achieving its goals and plans.

We reaffirm our commitment to all our customers and shareholders that in 2025 we will continue to pay attention and dedicate all our efforts to achieving a strong and sustainable growth rate, and to deliver on our strategic goals to enhance future returns as well as strengthening the position of ACLEDA Securities Plc. to be the leading securities firm in the Kingdom of Cambodia.



Mrs. MAR Amara

Chairwoman

ACLEDA Securities Plc.

Dated: 28 March 2025



“Cambodia’s First Fund Subscription Roadshow” through a brilliant presentation

Of “BAMC Asia Equity Fund (BAEF)”

At ACLEDA Bank Plc., Chamkar Doung Branch

PRESIDENT & CEO REPORT



Dr. PROM Visoth
President & CEO

“Maintaining the market leading position still the strategic goal of ACLEDA Securities Plc. in 2025 and the years to come.

Performance in 2024

Competitive Environment

Investments in the securities sector has played an important role in boosting the economic growth of the country and is a good choice for institutional and individual investors to diversify its investment portfolios and generate its additional revenue. Therefore, ACLEDA Securities Plc. has strengthened the quality of its securities services by continuously improving its customer service through electronic means to complement and respond to the evolution of information technology and the needs of investors from all segments of the community, as well as to develop a strong position and lead in the securities market.

Operational Highlights in 2024

- ❖ ACLEDA Securities Plc. has signed agreement as “Fund Distribution Company” with Banjaran Asset Management Cambodia.
- ❖ ACLEDA Securities Plc. has been awarded as the Best Securities Broker in the 1st, 2nd, 3rd and 4th quarter of 2024 in a program which is initiated by Cambodia Securities Exchange (CSX).
- ❖ ACLEDA Securities Plc. got loss for the year by USD 143,399 which decreased 524.31% compare to 2023.
- ❖ Incomes from securities broker declined by 40.05% or USD 102,664.
- ❖ Income from Fund Selling agent was USD 219.97.
- ❖ Shareholders’ Equity went down by 5.57% from USD 2,575,650 to USD 2,432,251
- ❖ ACLEDA Securities Plc. held 60.95% market share on trading account, 81.65% on trading volumn and 86.75% on trading value.
- ❖ ACLEDA Securities Plc. has been acting as a bondholders representative of 6 listed companies which has total of 2,800,436 outstanding bonds listed in CSX.
- ❖ ACLEDA Securities Plc. provided training and knowledge related to securities sectors and trading in CSX for investors and public in total 43 courses that got 5,225 participants and 2,040 trading account.

Securities Brokerage Service

ACLEDA Securities Plc. hold 35,590 trading accounts, which has increased by 18.09% or 5,453 accounts if comparing to the total trading accounts in Cambodia Securities Exchange (CSX), the company hold 60.95% of the whole market. If comparing to 2023, there are only 30,137 accounts. The number of active investors with cash and shares balance with ACLEDA Securities Plc. decreased by 0.35%.

In 2024, The trading volumes of ACLEDA Securities Plc. decreased by 19.85% or 9,738,415 shares and trading value also declined by 37.63% equivalent to USD 33,439,218.

ACLEDA Securities Plc. has cooperate with SERC, CSX, all Institutions and Universities in Cambodia to organize a lots of training courses for students and investors to understand about securities sectors and the advantages of investment in this sectors wider and deeper.

Bondholders Representative Service

Bondholders representative services started in the middle of 2018. As at 2023, ACLEDA Securities Plc. acting as bondholders representative for 6 listed companies which acting as bondholders representative for 25 individual and entities equivalent to 2,800,436 outstanding bonds. In addition, ACLEDA Securities Plc. continues strengthening its duty of care and diligence as bondholders representative to provide the best service for issuers and bondholders as well.

Securities Selling Agent Service

Securities selling agent service started in the middle of 2019 and acted as selling agent for underwriter which is the total sale of 9,994,399 equities securities to 5,083 investors and the total sale of 16,574 debt securities to 26 investors.

Fund Distribution Company

Fund Distribution Company started in the middle of 2024 and received the fund investment account of 46 accounts and sold BAMC Asia Equity Fund unit of Banjaran Asset Management Cambodia's First Fund Subscription of 64.30 units and buy-back of 1.72 units.



Strategic Priority for 2025

- ❖ Continue to improve customer service by providing convenient, quick, and multi services
- ❖ Continuously develop electronic securities service in order to offer convenience for customers
- ❖ Build a good relationship with the issuers, underwriters and investors to develop and expand the service of the company on Cambodia Securities Market
- ❖ Increase product diversity and variety for investor's choices of investment
- ❖ Diversification sources of income from both primary and secondary markets
- ❖ Continue to offer more training courses for the public to understand deeper about the securities market in the purpose to boost the trading transactions and more active in Cambodia Securities Market.

The Challenges for 2024

Global economic situation is not going well suffering from COVID-19, Russia-Ukraine war and competition for geopolitical influence of superpowers including increase global interest rates caused a negative impact on all sectors which a key factor that could put Cambodia's economic situation in uncertainty.

In fact, in the securities sector, we see that there is an impact on the momentum of new issuers and the participation of local and foreign investors that can bring an impact on the volume of trading operations on the Cambodian securities Exchange. In particular, ACLEDA Securities Plc. will also be able to face its revenue challenges due to these factors.



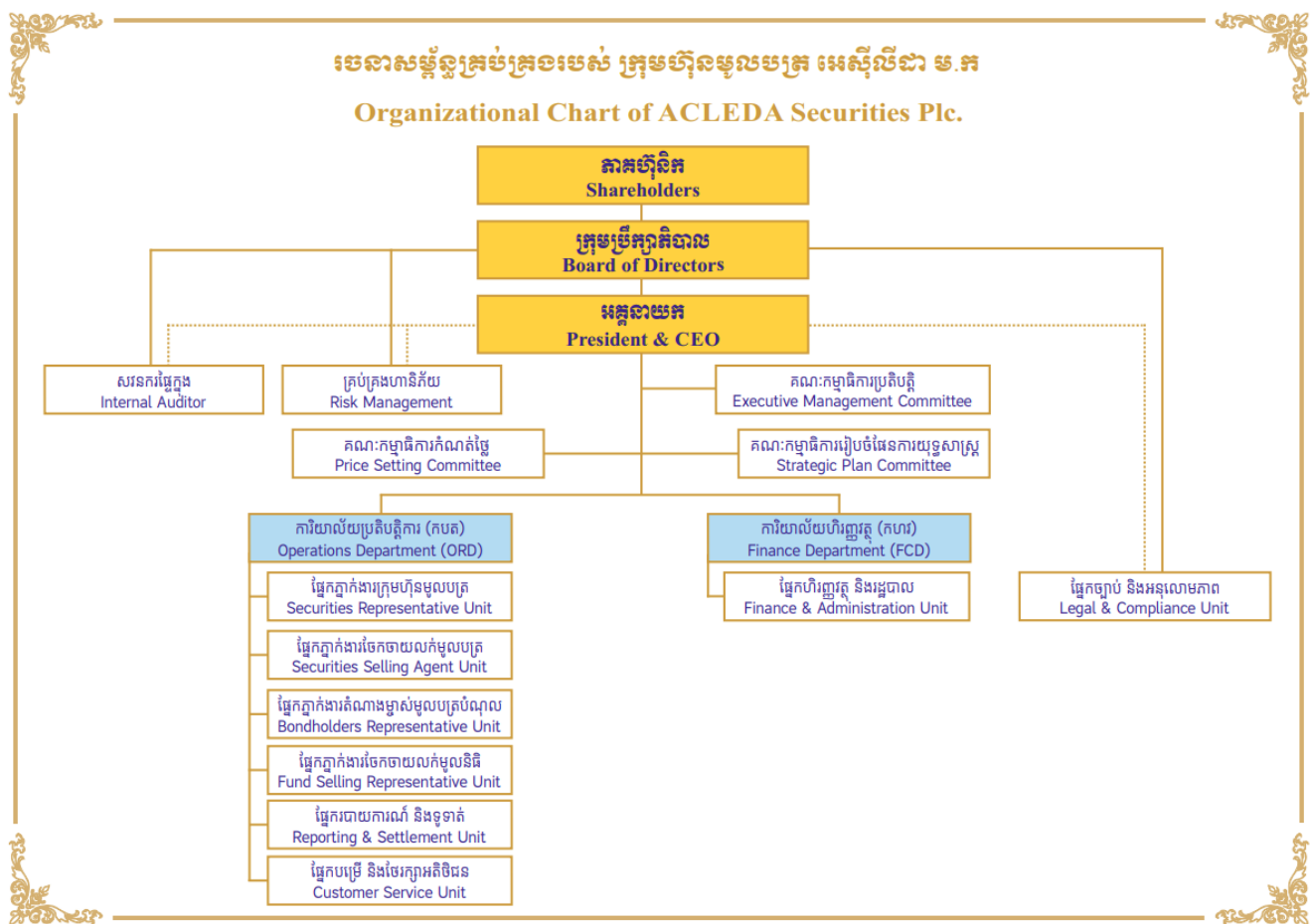
Dr. PROM Visoth

President & CEO

ACLEDA Securities Plc.

Dated: 28 March 2025

ORGANIZATIONAL CHART



CORPORATE GOVERNANCE

ACLEDA Securities Plc. recognizes the critical importance of corporate governance in supporting the company’s sustainable growth, enhancing the efficiency of the company, value and securing trust for shareholders, customers, staffs and the general public. The Board of Directors supports and encourages the adoption and implementation of good corporate governance policies, together with a code of conduct and business ethics.

SHAREHOLDERS

ACLEDA Bank Plc. is a shareholder of ACLEDA Securities Plc., which owns 100% equities. Shareholders have the right for approving certain critical strategic matters, but the Shareholders have no direct powers to manage ACLEDA Securities Plc. in any way. However shareholders delegate this responsibility to the Board of Directors through the Articles of Association.

BOARD OF DIRECTORS

The Directors are appointed by the shareholders for three-year terms to act on their behalf. The articles provide that the Board shall consist of 3 directors that:

- The Board of Directors is responsible for developing the strategic of the company and conduct supervisory role to make sure that management implement within the strategic.
- The powers of the Board of Directors are to be exercised collectively and no individual Director shall have any power to give directions to the officers or employees of the company, to sign any contracts, or to otherwise direct the operations of the company unless specifically empowered to do so by a resolution of the Board of Directors.
- Each Director shall have unlimited access to the books and records of the company during ordinary business hours.

The Board consists of 3 Directors, 2 of whom are non-executive directors and 1 of whom is executive director. In 2024, there were no changes in the composition of the board.

The Board of Directors shall elect, by majority vote, one of its members to serve as Chairman who shall preside over meetings of the Board of Directors.

According to the Memorandum and Articles Of Association, Board of Directors have to meeting at least every 3 months in order to review the performance of committee and effective review on operation of ACLEDA Securities Plc., The Board of Directors assumes responsibility for corporate governance and for promoting the success of the company by directing and supervising its business operations and affairs. It appoints and may select the President & CEO. It also ensures that the necessary human resources are in place, establishes with management the strategies and financial objectives to be implemented by management, and monitors the performance of management both directly.

(L to R) Dr. PROM Visoth, Mrs. MAR Amara, Dr. LOEUNG Sopheap





Mrs. MAR Amara

Chairwoman

Cambodian. Born in September 1967 and joined ACLEDA in June 1993. As Senior Group Chief Financial Officer, she is a member of the Bank's Executive Committee, which is responsible for the overall strategic planning and running the day-to-day business of the Bank as well as the implementation of the business plan. She is a chairwoman of the Assets and Liabilities Committee, and she is a member of Annual Appraisal Commission. She also leads the work of the Basel Team.

She is responsible for the Finance Division, Budgeting & Control Division, Public Investment Division, and Management Accounting Department. She is directly accountable to the President and Group Managing Director.

Others responsibility of her besides being a Board Chairwoman of ACLEDA Securities Plc., she is also a Vice Chair of ACLEDA Financial Trust and member of Board of Directors of ACLEDA University of Business.

She is successfully graduated leadership of organization from Harvard Business School from United States of America in August, 2022, operation of green bond and sustainable financial course from Stockholm City, Sweden in October, 2022 and Company directors from the Australian Institute of Company Directors (GAICD) in 2018, and also graduated from the National University of Management in Phnom Penh in 2006 with a Master's Degree in Management administration and Finance, having previously obtained a Bachelor's Degree in Management in 2003. She attended courses on Management Accounting, Financial Accounting and Auditing among others at Regent College from 1996 to 1998 in Phnom Penh.



Dr. PROM Visoth

Director

Cambodian. Born January 1975. Dr. Visoth joined ACLEDA in June 1998. As Accountant, Head of Credit Control Unit, Branch Manager, Legal Team Leader and Company Secretary, Senior Vice President & Head of Legal Division and Company Secretary and last position as Executive Vice President & Group Chief Legal Officer and Company Secretary.

He is nominated as the Board of Directors of ACLEDA Securities Plc. since 2010 and as the President & CEO of ACLEDA Securities Plc. since November, 2017.

Dr. Prom Visoth obtained Doctorate of Business Administration (DBA) from Asia Euro University, Phnom Penh, Cambodia in 2021. He is graduated company director's course from Australian Institute of Company Directors (GAICD), and also graduated company secretary's course from International Finance Corporation (IFC) in 2017. He hold a Master of Business Administration majoring in Finance from the Charles Sturt University, Australia in 2006.



Dr. LOEUNG Sopheap

Director

Cambodian. Born March 1967. Dr. Sopheap started working for ACLEDA in December 1997 as accountant. Since then he held several positions, and currently as Group Chief Risk Officer. He is responsible for credit risk and other risks for the entire ACLEDA group. He was appointed as a member of the Board of Directors of ACLEDA Securities Plc. in July 2017.

He obtained his Doctorate of Business Administration (DBA) from Preston University, Phnom Penh, Cambodia in 2012.

EXECUTIVE MANAGEMENT

President & CEO is appointed by the Board of Directors with full responsibility and authority to manage the day-to-day affairs of ACLEDA Securities Plc. within the framework of the policies and strategic guidelines approved by the Board.

President & CEO appoints and chairs an Executive Committee comprising members of senior management as he deems appropriate. The Terms of Reference and proceedings of the Executive Committee shall be determined by the President & CEO at his discretion under the general headings of:

- ❖ Strategic direction – develop policies, goals, strategies and targets for Board approval.
- ❖ Performance – assemble and mobilise resources to implement agreed strategies and performance targets.
- ❖ Risk – identify and evaluate risk in the Company’s strategies and manage exposures.
- ❖ Compliance – ensure that the Company conforms to all corporate, legal and regulatory requirements.

(L to R) Mr. Keo Vuthy, Mr. Touch Somchanphall, Dr. Prom Visoth, Mrs. Mao Phirak, Ms. Uk Sreyrath





Dr. Prom Visoth

President & CEO

Cambodian. Born January 1975. Dr. Visoth joined ACLEDA in June 1998. As Accountant, Head of Credit Control Unit, Branch Manager, Legal Team Leader and Company Secretary, Senior Vice President & Head of Legal Division and Company Secretary and last position as Executive Vice President & Group Chief Legal Officer and Company Secretary.

He is nominated as the Board of Directors of ACLEDA Securities Plc. since 2010 and as the President & CEO of ACLEDA Securities Plc. since November, 2017.

Dr. Prom Visoth obtained Doctorate of Business Administration (DBA) from Asia Euro University, Phnom Penh, Cambodia in 2021. He is graduated company director's course from Australian Institute of Company Directors (GAICD) and also graduated company secretary's course from International Finance Corporation (IFC) in 2017. He hold a Master of Business Administration majoring in Finance from the Charles Sturt University, Australia in 2006.



Mrs. Mao Phirak

Head of Operations Department

Cambodian. Born in 1981. In position of Head of Operations Department, she is also a member of an Executive Committee and is responsible for leading a group of operations which consists of six units including Securities Representative Unit, Securities Selling Agent Unit, Reporting and Settlement Unit, Bondholders Representative Unit, Fund Selling Representative Unit and Customer Service Unit. She is chairwoman of the Business Strategic Planning Committee and Interest & Price Setting Committee. She is directly accountable to the President & CEO.

Mrs. Phirak obtained a Master Degree of Business Administration majoring in Finance from National University of Management, Phnom Penh, in November 2011. She graduated with Bachelor Degree of Business Administration majoring in Finance and Banking at National University of Management in 2003.



Mr. Touch Somchanphall

Head of Finance Department

Cambodian. Born in September 1989. Mr. Somchanphall joined ACLEDA in April 2012. As Head of Finance Department, he is also a member of an Executive Committee and Business Strategic Planning Committee and Business Operation on short, medium and long term plans of ACLEDA Securities Plc. He is responsible for Finance Department including Finance and Administration Unit. He is directly accountable to the President & CEO.

Mr. Somchanphall obtained a Bachelor Degree of Business majoring in Finance and Banking at National University of Management, Phnom Penh in 2011. He finished high school at Tep Pronorm High School, Kandal in 2007.



Mr. Keo Vuthy

Legal and Compliance Officer

Cambodian. Born in August 1994 and joined ACLEDA Securities Plc., from July 2023 as Legal & Compliance Officer. As Legal & Compliance Officer, he is directly accountable to the Board of Directors and President & CEO of ACLEDA Securities Plc. In addition to his role as Legal & Compliance Officer, he is also a member of an Executive Committee and Business Strategic Planning Committee and Business Operation on short, medium and long term plans and also Risk Management of ACLEDA Securities Plc.

Regarding education, he graduated from the Royal University of Law and Economics with a Bachelor's degree in Law in July 2019 and is currently pursuing a Master's degree in Private Law at Preah Sihamoniraja Buddhist University in Phnom Penh.



Ms. Uk Sreyrath

Internal Auditor

Cambodian. Born in January 1999 and joined ACLEDA in May 2020. As Cleaner, and she got appointed as Internal Auditor of ACLEDA Securities Plc., in 2024. She is responsible for preparing audit plans for ACLEDA Securities Plc., products and services according to each step of the audit procedure, by determining the audit time compared to the amount of work correctly and on time. Find gaps in the implementation or ineffectiveness of the principles, procedures, regulations, and instructions of ACLEDA Securities Plc., that have been officially issue. Review and monitor the implementation of the audit plan compared to the implementation and encourage the audit work to be completed according to the set plan. Review and study the audit report to extract high-risk points, opportunities and threats, and random factors that are dangerous to current or future operations and report them to the management in a timely manner for recommendations and solutions.

She graduated with a Bachelor's degree in Banking and Finance from Asia Europe University in Phnom Penh in 2023. She completed her diploma from Samdach Hun Sen Angsdok High School in 2019.

External Auditor

The appointment or removal of external audit shall be approved by the Board with the recommendation of the Board Audit committee. External Audit of ACLEDA Securities Plc. for 2024 By Grant Thornton (Cambodia) limited.

No	Name of Audit Firms	Appointment Date	Auditing Fee
1	Grant Thornton	21-Sep-23	USD 6,800

CODE OF CONDUCT

All employees of ACLEDA Securities Plc. are governed by a strict Code of Ethics which is incorporated into the Collective Labor Agreement and which covers such matters as: personal behavior; relationships with colleagues, customers and regulators; confidentiality; conflicts of interest; acceptance of gifts; money laundering and "whistle blowing". This document is regularly reviewed by parent company to ensure that it remains relevant and up-to-date.

ENVIRONMENTAL AND SOCIAL SUSTAINABILITY

Environmental and social sustainability (ESS) mission statement

ACLEDA Securities Plc. is committed to achieving strong, sustainable financial returns, while respecting the environment and community within which we live by subscribe to the concept of triple bottom line ('people, planet, profit').

ACLEDA SECURITIES PLC.

Financial Statements

**As at 31 December 2024 and for the year then ended
and**

Independent Auditor's Report

Corporate Information

Company	ACLEDA Securities Plc.	
Registration No.	00002713	
Registered office	5th floor ACLEDA Building #61, Preah Monivong Blvd. Sangkat Srah Chork, Khan Daun Penh Phnom Penh, Kingdom of Cambodia	
Shareholder	ACLEDA Bank Plc.	
Board of Directors	Mrs. Mar Amara Dr. Prom Visoth Dr. Loeung Sopheap	Chairwoman Director Director
Principal banker	ACLEDA Bank Plc.	
Auditor	Grant Thornton (Cambodia) Limited	

ACLEDA Securities Plc.

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Report of the Board of Directors

The Board of Directors ("the Directors") hereby submits their report together with the audited financial statements of ACLEDA Securities Plc. ("the Company") as at 31 December 2024 and for the year then ended.

The Company

The Company is established as a public limited company in the Kingdom of Cambodia with registration No. 00002713, dated 1 March 2010. The Company is wholly owned by ACLEDA Bank Plc., a commercial bank incorporated in the Kingdom of Cambodia.

Principal activities

The principal activities of the Company are providing services as a securities broker, bondholder representative, securities selling agent, fund selling representative and other services approved by the Securities and Exchange Regulator of Cambodia.

Financial results

The financial results of the Company for the year ended 31 December 2024 were as follows:

	2024		2023	
	US\$	KHR'000	US\$	KHR'000
(Loss)/profit before income tax	(139,910)	(569,575)	88,919	365,455
Income tax	(3,489)	(14,204)	(55,123)	(226,556)
(Loss)/profit for the year	<u>(143,399)</u>	<u>(583,779)</u>	<u>33,796</u>	<u>138,899</u>

Dividends

No dividend was declared or paid and the Directors do not recommend any dividends to be paid during the year.

Share capital

There was no change in the registered and issued share capital during the year.

ACLEDA Securities Plc.

Assets

Before the financial statements of the Company were prepared, the Directors took reasonable steps to ensure that any assets which were unlikely to be realized in the ordinary course of business at their value as shown in the accounting records of the Company have been written down to an amount which they might be expected to realize.

Valuation methods

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets and liabilities in the financial statements of the Company misleading or inappropriate.

Contingent and other liabilities

At the date of this report, there is:

- (a) no charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person, and
- (b) no contingent liability in respect of the Company that has arisen since the end of the financial year.

No contingent or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall 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 financial statements of the Company, which would render any amount stated in the financial statements misleading in any material respect.

Items of unusual nature

The results of the operations of the Company for the financial year were not, in the opinion of the Directors, substantially 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 year and the date of this report, any item, transaction or event of a material and unusual nature that is likely, in the opinion of the Directors, to substantially affect the results of the operations of the Company for the financial year in which this report is made.

The Board of Directors

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

Mrs. Mar Amara	Chairwoman
Dr. Prom Visoth	Director
Dr. Loeung Sopheap	Director

ACLEDA Securities Plc.

Directors' interests

None of the Directors held or dealt directly in the shares of the Company during the financial year.

During and at the end of the financial year, no arrangements existed to which the Company is a party with the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other corporate bodies.

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments receivable by the Directors as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in the financial statements.

Directors' responsibility in respect of the financial statements

The Board of Directors is responsible for ascertaining that the financial statements are properly drawn up so as to present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with CIFRS Accounting Standards. In preparing these financial statements, the Board of Directors is 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 CIFRS Accounting Standards as adopted by the Accounting and Auditing Regulator of Cambodia, based on IFRS Accounting Standards as issued by International Accounting Standards Board or, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements;
- (iii) oversee the Company's financial reporting process and maintain adequate accounting records and an effective system of internal controls;
- (iv) assess the Company'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 it is inappropriate to assume that the Company will continue operations in the foreseeable future;
- (v) effectively control and direct the Company in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the financial statements; and,
- (vi) safeguard the assets of the Company and hence take reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirms they have complied with the above requirements in preparing the financial statements.

ACLEDA Securities Plc.

Approval of the financial statements

I, hereby approve the accompanying financial statements of ACLEDA Securities Plc., which comprise the statement of financial position as at 31 December 2024, statements of profit or loss and other comprehensive income, changes in equity, and cash flows for the year then ended together with the notes thereto as set out from pages 8 to 35 have been prepared, in all material respects, in accordance with CIFRS Accounting Standards.

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



Mrs. Mar Amara
Chairwoman

Phnom Penh, Kingdom of Cambodia

25 March 2025

Independent auditor's report

**To the Shareholder of
ACLEDA Securities Plc.**

Opinion

We have audited the financial statements of ACLEDA Securities Plc. ("the Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including, material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and of its financial performance and cash flows for the year then ended, in accordance with CIFRS Accounting Standards as adopted by the Accounting and Auditing Regulator of Cambodia, based on IFRS Accounting Standards as issued by the International Accounting Standards Board.

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 financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with the ethical requirements that are relevant to our audit of financial statements in the Kingdom of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors but does not include the financial statements and our auditor's report thereon, and the annual report, which is expected to be made available to us after that date.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors, and respond to that matter in accordance with the requirements of CISA 720 (revised).

Responsibilities of the Board of Directors and Management for the financial statements

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

In preparing the financial statements, Management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors 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.

Grant Thornton
GRANT THORNTON (CAMBODIA) LIMITED
 Certified Public Accountants
 Registered Auditors




Ronald C. Almera
 Partner – Audit and assurance

Phnom Penh, Kingdom of Cambodia
 25 March 2025

ACLEDA Securities Plc.

Statement of financial position

As at 31 December 2024

		31 December 2024		31 December 2023	
	Note	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
ASSETS					
Non-current assets					
Statutory deposits	6	285,714	1,150,000	281,518	1,150,000
Intangible assets	7	15,140	60,939	4,787	19,555
Property and equipment	8	158,411	637,604	106,874	436,580
Deferred tax assets	9(c)	23,686	95,336	25,087	102,480
Total non-current assets		482,951	1,943,879	418,266	1,708,615
Current assets					
Term deposits	10	2,047,520	8,241,267	2,019,285	8,248,779
Other assets	11	45,964	185,005	31,129	127,162
Cash and cash equivalents	12	8,328	33,520	246,288	1,006,087
Total current assets		2,101,812	8,459,792	2,296,702	9,382,028
TOTAL ASSETS		2,584,763	10,403,671	2,714,968	11,090,643
EQUITY AND LIABILITIES					
Equity					
Share capital	13	2,010,000	8,040,000	2,010,000	8,040,000
Retained earnings		422,251	1,722,544	565,650	2,306,323
Other reserves		-	27,266	-	175,208
Total equity		2,432,251	9,789,810	2,575,650	10,521,531
Liabilities					
Non-current liability					
Employee benefits	14	10,931	43,997	13,129	53,632
Current liabilities					
Accruals and other payables	15	131,877	530,805	125,815	513,954
Employee benefits – current	14	9,399	37,831	54	221
Current income tax liabilities	9(a)	305	1,228	320	1,305
Total current liabilities		141,581	569,864	126,189	515,480
Total liabilities		152,512	613,861	139,318	569,112
Total equity and liabilities		2,584,763	10,403,671	2,714,968	11,090,643

The accompanying notes form an integral part of these financial statements.

ACLEDA Securities Plc.

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2024

		2024		2023	
	Note	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Revenue					
Fees and commission income		208,541	848,970	338,044	1,389,361
Interest income	16(a)	149,049	606,778	164,201	674,866
Other losses – net		15,529	63,219	39,881	163,911
		<u>373,119</u>	<u>1,518,967</u>	<u>542,126</u>	<u>2,228,138</u>
Expenses					
Salaries and wages		366,981	1,493,980	339,769	1,396,451
Other benefits		45,925	186,961	21,669	89,061
Depreciation charge	8	28,701	116,842	10,135	41,655
Membership and registration fees		17,961	73,119	18,665	76,713
Communications		8,747	35,609	8,921	36,665
Legal and professional fees		6,889	28,045	6,424	26,403
Utilities		6,930	28,212	6,435	26,448
Amortisation charges	7	4,965	20,213	5,884	24,183
Building rental		2,958	12,042	2,958	12,157
Other expenses		22,972	93,519	32,347	132,947
		<u>513,029</u>	<u>2,088,542</u>	<u>453,207</u>	<u>1,862,683</u>
(Loss)/profit before income tax		(139,910)	(569,575)	88,919	365,455
Income tax expense	9(b)	(3,489)	(14,204)	(55,123)	(226,556)
(Loss)/profit for the year		<u>(143,399)</u>	<u>(583,779)</u>	<u>33,796</u>	<u>138,899</u>
Other comprehensive loss:					
<i>Items that may not be reclassified to profit or loss:</i>					
Currency translation difference		-	(147,942)	-	(82,182)
Other comprehensive loss for the year		-	<u>(147,942)</u>	-	<u>(82,182)</u>
Total comprehensive (loss)/profit for the year		(143,399)	(731,721)	33,796	56,717

The accompanying notes form an integral part of these financial statements.

ACLEDA Securities Plc.

Statement of changes in equity

For the year ended 31 December 2024

	Share capital		Retained earnings		Other reserves	Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Balance as at 1 January 2024	2,010,000	8,040,000	565,650	2,306,323	175,208	2,575,650	10,521,531
<i>Comprehensive loss:</i>							
Loss for the year	-	-	(143,399)	(583,779)	-	(143,399)	(583,779)
Other comprehensive loss - currency translation difference	-	-	-	-	(147,942)	-	(147,942)
Total comprehensive loss for the year	-	-	(143,399)	(583,779)	(147,942)	(143,399)	(731,721)
Balance as at 31 December 2024	2,010,000	8,040,000	422,251	1,722,544	27,266	2,432,251	9,789,810
Balance as at 1 January 2023	2,010,000	8,040,000	531,854	2,167,424	257,390	2,541,854	10,464,814
<i>Comprehensive income:</i>							
Profit for the year	-	-	33,796	138,899	-	33,796	138,899
Other comprehensive loss - currency translation difference	-	-	-	-	(82,182)	-	(82,182)
Total comprehensive income for the year	-	-	33,796	138,899	(82,182)	33,796	56,717
Balance as at 31 December 2023	2,010,000	8,040,000	565,650	2,306,323	175,208	2,575,650	10,521,531

The accompanying notes form an integral part of these financial statements.

ACLEDA Securities Plc.

Statement of cash flows

For the year ended 31 December 2024

		2024		2023	
	Note	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Cash flows from operating activities					
(Loss)/profit for the year		(143,399)	(583,777)	33,796	138,899
<i>Adjustments for:</i>					
Income tax expense	9(b)	3,489	14,204	55,123	226,556
Seniority indemnity	14(a)	22,909	93,263	23,179	95,266
Depreciation of property and equipment	8	28,701	116,842	10,135	41,655
Amortisation of intangible assets	7	4,965	20,213	5,884	24,183
Career developments benefits	14(b)	4,823	19,634	4,519	18,573
Unrealised foreign exchange loss		5,042	20,527	164	674
Reversal of allowance for impairment losses on financial assets		(5,277)	(21,484)	(3,536)	(14,533)
Reversal of provision for employee benefits expense		-	-	(33,768)	(138,786)
Interest income		(149,049)	(606,778)	(164,201)	(674,866)
Operations loss before changes in working capital		(227,796)	(927,358)	(68,705)	(282,378)
<i>Changes in:</i>					
Other assets		(14,835)	(60,393)	32,824	134,907
Accruals and other payables		6,062	24,678	(27,270)	(112,080)
Statutory deposits		(4,196)	(17,082)	(38,623)	(158,741)
Cash flows used in operations		(240,765)	(980,155)	(101,774)	(418,292)
Seniority benefits paid	14(a)	(20,585)	(83,802)	(22,193)	(91,213)
Retirement benefits paid		-	-	(45,613)	(187,469)
Income tax paid	9(a)	(2,103)	(8,561)	(105,270)	(432,660)
Net cash used in operating activities		(263,453)	(1,072,518)	(274,850)	(1,129,634)
Cash flows from investing activities					
Net (increase)/decrease in term deposits		(29,852)	(121,527)	214,862	883,083
Interest received		150,901	614,318	159,312	654,772
Proceeds from disposals of property and equipment		192	782	108	443
Purchases of intangible assets	7	(15,318)	(62,360)	-	-
Purchases of property and equipment	8	(80,430)	(327,431)	(106,493)	(437,686)
Net cash from investing activities		25,493	103,782	267,789	1,100,612
Net change in cash and cash equivalents		(237,960)	(968,736)	(7,061)	(29,022)
Cash and cash equivalents at beginning of the year		246,288	1,006,087	253,349	1,043,038
Currency translation difference		-	(3,831)	-	(7,929)
Cash and cash equivalents at end of the year	12	8,328	33,520	246,288	1,006,087

The accompanying notes form an integral part of these financial statements.

ACLEDA Securities Plc.

Notes to the financial statements

As at 31 December 2024 and for the year then ended

1. Reporting entity

ACLEDA Securities Plc. ("the Company") was established as a public limited company in the Kingdom of Cambodia on 1 March 2010, with registration no.00002713. The Company is wholly owned by ACLEDA Bank Plc. ("the parent company"), a commercial bank incorporated in the Kingdom of Cambodia.

The Company obtained a license to operate as a securities broker in the Kingdom of Cambodia from the Securities and Exchange Regulator of Cambodia ("SERC") on 20 October 2010.

The principal activities of the Company are providing services as a securities broker, bondholders representative, securities selling agent, fund selling representative and other services approved by the SERC.

The registered office of the Company is at 5th floor Building #61, Preah Monivong Blvd, Sangkat Srah Chork, Khan Daun Penh, Phnom Penh, the Kingdom of Cambodia.

As at 31 December 2024, the Company had 19 employees (2023: 18 employees).

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with the CIFRS Accounting Standards as adopted by the Accounting and Auditing Regulator of Cambodia, based on IFRS Accounting Standards as issued by the International Accounting Standards Board.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in United States Dollar (US\$), which is the functional currency. The translations of US\$ amounts into Khmer Riel ("KHR") are included solely for meeting the presentation requirements pursuant to the Law on Accounting and Auditing of Cambodia.

Transactions in currencies other than US\$ are translated into US\$ at the exchange rate ruling at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than US\$ at the reporting date are translated into US\$ at the rates of exchange ruling at that date. Exchange differences arising on translation are recognized in other comprehensive income. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

2. Basis of preparation (continued)

(d) Use of estimates and judgements

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then Management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of CIFRSs, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Information about the assumptions made in measuring fair values is included in Note 17, Financial Instruments – fair values and risk management.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

(a) Financial assets and financial liabilities

(i) Recognition and initial measurement

Trade and other receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at transaction price.

(ii) Classification and subsequent measurement

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

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and,
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and,
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI, as at FVTPL, if doing so, eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information (continued)

(a) Financial assets and financial liabilities (continued)

(ii) Classification and subsequent measurement (continued)

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

- the stated policies and objectives for the portfolio and the operation of those policies in practice;
- how the performance of the portfolio is evaluated and reported to the Company's Management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and 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 of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as 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 a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers 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 this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual rate, including variable-rate features;
- prepayment and extension features; and,
- terms that limit the Company's claim to cash flows from specified assets (e.g., non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information (continued)

(a) Financial assets and financial liabilities (continued)

(iii) Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, 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 it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, there is a legally enforceable right to set off and an intention to settle them on a net basis or to realize the assets and settle the liabilities simultaneously. Income and expenses are presented on a net basis only when permitted under CIFRS Accounting Standards, or for gains and losses arising from similar transactions.

(b) Share capital – ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares, net of any tax, are recognized as a deduction from equity.

(c) Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of property and equipment. Purchase of software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information (continued)

(c) Property and equipment (continued)

(iii) Depreciation

Property and equipment are depreciated on a straight-line basis to write off these assets to their estimated residual values over their estimated useful lives as follows:

Furniture, fixture and office equipment	3 to 7 years
Computer equipment	3 to 7 years
Motor vehicle	8 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(d) Intangible assets

Intangible assets represent computer software, license granted by the SERC and other related costs which are shown at historical cost. Computer software has a finite useful life and is carried at cost less accumulated amortization. Amortization is calculated using the straight-line method to allocate the cost of computer software over the period of seven years. Intangible assets under development are not amortized.

License granted by the SERC is considered as the right to operate brokerage service business in the Cambodia Stock Exchange market. Costs incurred and paid to the SERC for the license are amortized over the license period of three years.

(e) Impairment

(i) Financial asset

The Company recognizes loss allowances for expected credit loss ("ECL") on financial assets measured at amortized cost.

The Company measures loss allowances at an amount equal to lifetime ECL, except for cash and cash equivalents for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which is measured at 12-month ECL. Loss allowance for trade and other receivables are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information (continued)

(e) Impairment (continued)

(i) Financial assets (continued)

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or,
- the financial asset is more than 90 days past due.

Lifetime ECL is the ECL that result from all possible default events over the expected life of a financial instrument. 12-month ECL is the portion of ECL that result from default events that are possible within the 12 months after the reporting date (or shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECL is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECL

ECL is a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

ECL is discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit-impaired. 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.

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

- significant financial difficulty of the borrower;
- a breach of contract such as default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or,
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information (continued)

(e) Impairment (continued)

(i) Financial assets (continued)

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subjected to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If such indication exists, then the asset's recoverable amount is estimated.

For the impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units ("CGUs").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

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 and amortization, if no impairment loss had been recognized.

(f) Statutory deposits

The Company is required to reserve a capital guarantee deposit with the National Bank of Cambodia ("the NBC") pursuant to SERC Prakas No.001/18 SECC/PR.K dated March 20, 2018, on the licensing and supervision of securities, and SERC Prakas No.003/18 SECC/PR.K dated 29 May 2018, on the licensing and supervision of collective investment scheme business to be able to operate its business in Cambodia.

The deposits are non-interest bearing, not available for use in the Company's day-to-day operations, and refundable should the Company voluntarily ceases its operations in Cambodia.

Statutory deposits are stated at cost less allowance for impairment, if any.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information (continued)

(g) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses, and other short-term benefits are accrued in the year in which the associated services are rendered by the employees of the Company.

(ii) Pension fund scheme

The Company 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 Company 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 Company'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 KHR 400,000 to KHR 1,200,000), which is paid both by the Company and its employees at 2% each.

(iii) Long term employment benefits

Career development benefits

The Company provides career development benefits to their employees ranging from US\$1,000 to US\$5,000 based on the management position level.

Management position level employees are eligible to receive benefits provided they been working since their date of appointment in a management position for two years continuously and their performance evaluation has been high (i.e., evaluation score equal to or higher than 700 and no warning letter). They will automatically be entitled to the benefit on the first day of their third year.

The liability is recognized in the 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 the parent company's three-year fixed deposit interest rate, as the period of the benefit entitlement is three years.

Seniority indemnity

In accordance with Prakas No. 443 MoLVT dated 21 September 2018 issued by the Ministry of Labour and Vocational Training, the Company is required to pay seniority indemnity to its employees as follows:

- **Current Seniority Indemnity:** Employees who have worked from 1 month to 6 months (excluding probation period) will receive payment of seniority indemnity equal to 7.5 days in June or December of each year.
- **Back Pay Seniority Indemnity:** Employees who have worked under permanent contract from 1 month to 6 months in applicable fiscal year will receive payment of seniority indemnity equal to 3 days, in case over 3 months will receive seniority indemnity equal to 15 days. The maximum seniority to be paid shall not exceed 6 days of the average base salary of each year that shall be paid from 2008 to 2018 but shall not exceed 156 days. The payment will be made in June and December of each year.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information (continued)

(g) Employee benefits (continued)

(iii) Long term employment benefits (continued)

Seniority indemnity (continued)

The liability was recognized at the present value of defined obligation from the back-pay seniority indemnity at the reporting period using the projected unit credit method to better estimate the ultimate cost to the Company of the benefit that employees have earned in return for their service in the periods from 2008 to 2018. The Company attributes benefit to periods in which the obligation to provide back pay seniority indemnity. That obligation arises as employees render services in return for back pay seniority indemnity that the Company expects 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 parent company's five-year fixed deposit interest rate.

(h) Provisions

Provisions are recognized when the Company has 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 can be reliably estimated.

When 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 recognized 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 provision due to the passage of time is recognized as interest expense.

(i) Revenue

Revenue recognition under CIFRS 15, Revenue from Contracts with Customers

Revenue is recognized when the service is performed and has been acknowledged by the customers for completion. Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over a good or service to a customer.

Nature and timing of satisfaction of performance obligations, including significant payment terms

The Company provides securities brokerage to its customers. The fee will be charged upon the completion of the transactions. The payment should be made within 2 business days (T+2) from the trading date.

(j) Interest income

Interest income is recognized using effective interest method.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

3. Material accounting policies information (continued)

(k) Leases

At inception of a contract, the Company assesses 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.

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

(l) Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except for items recognized directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

A deferred tax assets are recognized for unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profit improves.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Differed tax assets and liabilities are offset only if certain criteria are met.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

4. New or revised Standards or interpretation

(a) New standards and amendments adopted as at 1 January 2024

The following amendments are effective for the period beginning from 1 January 2024:

- Classification of Liabilities as Current or Non-current (Amendments to CIAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to CIFRS 16)
- Supplier Finance Arrangements (Amendments to CIAS 7 and CIFRS 7)
- Non-current Liabilities with Covenants (Amendments to CIAS 1)

These amendments to various CIFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2024.

These amendments do not have a significant impact on the Company's financial statements.

(b) Standards, amendments and interpretations to existing standards that are not yet effective

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB.

Other Standards and amendments that are not yet effective and have not been adopted early by the Company include:

- Lack of Exchangeability (Amendments to CIAS 21)
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to CIFRS 9 and 7)
- CIFRS 18 Presentation and Disclosure in Financial Statements
- CIFRS 19 Subsidiaries without Public Accountability: Disclosures

These amendments are not expected to have a significant impact on the Company's financial statements in the period of initial application.

5. Translation of United States Dollar into Khmer Riel

The financial statements are expressed in US\$. Assets and liabilities are translated at the closing rate as at the reporting date. The statement of profit or loss and other comprehensive income and statement of cash flows are translated into KHR using the average rate for the reporting period. Exchange differences arising from the translation are recognised as "Currency translation differences" in other comprehensive income.

The Company uses the following official exchange rates:

			Closing rate	Average rate
31 December 2024	US\$1	=	KHR 4,025	KHR 4,071
31 December 2023	US\$1	=	KHR 4,085	KHR 4,110

These translations should not be construed as representations that the US\$ amounts have been, could have been, or could in the future be, converted into KHR at this or any other rate of exchange.

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

6. Statutory deposits

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, the Company is required to reserve a guarantee capital of KHR 1,000,000,000 in the SERC's bank account at the NBC to operate as a securities broker in the Kingdom of Cambodia.

On 24 November 2023, the Company reserved the additional guarantee capital of KHR 150,000,000, which is equal to 15% of its minimum capital of KHR 1,000,000,000 in the SERC's bank account at the NBC to fulfill 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. On 6 February 2024, the Company obtained official approval from the SERC to be a fund distribution company.

As at 31 December 2024, the capital guarantee deposit maintained with the NBC amounts to KHR 1,150,000,000. The statutory deposits do not bear interest.

7. Intangible assets

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
SERC license				
Cost				
As at 1 January	15,233	62,227	15,233	62,714
Additions	15,318	62,360	-	-
Written off	(15,233)	(62,014)	-	-
Currency translation difference	-	(918)	-	(487)
As at 31 December	<u>15,318</u>	<u>61,655</u>	<u>15,233</u>	<u>62,227</u>
Less accumulated amortisation				
As at 1 January	10,446	42,672	4,562	18,781
Amortisation for the year	4,965	20,213	5,884	24,183
Written off	(15,233)	(62,014)	-	-
Currency translation difference	-	(155)	-	(292)
As at 31 December	<u>178</u>	<u>716</u>	<u>10,446</u>	<u>42,672</u>
Carrying amounts				
As at 31 December	<u>15,140</u>	<u>60,939</u>	<u>4,787</u>	<u>19,555</u>

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

8. Property and equipment

	Furniture, fixture and office equipment	Computer equipment	Motor vehicle	Total	
2024	US\$	US\$	US\$	US\$	KHR'000
					(Note 5)
Cost					
At 1 January	15,074	158,615	-	173,689	709,520
Additions	3,100	2,830	74,500	80,430	327,431
Disposals/written off	(5,758)	(1,233)	-	(6,991)	(28,460)
Currency translation difference	-	-	-	-	(13,801)
At 31 December	12,416	160,212	74,500	247,128	994,690
Less accumulated depreciation					
At 1 January	10,440	56,375	-	66,815	272,940
Depreciation for the year	2,941	17,066	8,694	28,701	116,842
Disposals/written off	(5,566)	(1,233)	-	(6,799)	(27,679)
Currency translation difference	-	-	-	-	(5,017)
At 31 December	7,815	72,208	8,694	88,717	357,086
Carrying amounts					
At 31 December	4,601	88,004	65,806	158,411	637,604

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

8. Property and equipment (continued)

	Furniture, fixture and office equipment	Computer equipment	Motor vehicle	Total	
	US\$	US\$	US\$	US\$	KHR'000
					(Note 5)
2023					
Cost					
At 1 January	13,844	53,747	-	67,591	278,272
Additions	1,625	104,868	-	106,493	437,686
Disposal/written off	(395)	-	-	(395)	(1,623)
Currency translation difference	-	-	-	-	(4,815)
At 31 December	15,074	158,615	-	173,689	709,520
Less accumulated depreciation					
At 1 January	8,298	48,669	-	56,967	234,532
Depreciation for the year	2,429	7,706	-	10,135	41,655
Disposal/written off	(287)	-	-	(287)	(1,180)
Currency translation difference	-	-	-	-	(2,067)
At 31 December	10,440	56,375	-	66,815	272,940
Carrying amounts					
At 31 December	4,634	102,240	-	106,874	436,580

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

9. Income tax

(a) Current income tax liability

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
As at 1 January	320	1,305	68,643	282,603
Current income tax expense	2,088	8,500	36,947	151,852
Income tax paid	(2,103)	(8,561)	(105,270)	(432,660)
Currency translation difference	-	(16)	-	(490)
As at 31 December	305	1,228	320	1,305

(b) Income tax expense

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Current income tax	2,088	8,500	36,947	151,852
Deferred tax	1,401	5,704	18,176	74,704
	3,489	14,204	55,123	226,556

A reconciliation of income tax computed at the statutory tax rate to the income tax expense as shown in the profit or loss is as follows:

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
(Loss)/profit before income tax	(139,910)	(569,575)	88,919	365,455
Income tax using applicable income tax rate	-	-	17,784	73,092
Effect of net non-deductible items	1,401	5,704	32,671	134,278
Minimum tax	2,088	8,500	4,668	19,186
	3,489	14,204	55,123	226,556

The calculation of income tax expense is subject to review and final approval of the tax authorities.

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

9. Income tax (continued)

(c) Deferred tax assets

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Deferred tax assets – net	<u>23,686</u>	<u>95,336</u>	<u>25,087</u>	<u>102,480</u>

The movements in net deferred tax assets during the year are as follows:

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
As at 1 January	25,087	102,480	43,263	178,114
Charged to profit or loss	(1,401)	(5,704)	(18,176)	(74,704)
Currency translation difference	-	(1,440)	-	(930)
As at 31 December	<u>23,686</u>	<u>95,336</u>	<u>25,087</u>	<u>102,480</u>

Deferred tax assets

Deferred tax assets/liabilities are attributable to the following:

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Provision for unused annual leave	16,133	64,935	15,014	61,332
Impairment losses on financial assets	8,109	32,639	9,123	37,267
Unearned income	7,926	31,902	8,039	32,838
Provision for employment benefits	2,198	8,847	1,733	7,080
Provision for career development benefits	1,868	7,519	904	3,693
Unrealised foreign exchange (gain)/ losses	1,015	4,085	(1,898)	(7,753)
Depreciation	(13,563)	(54,591)	(7,828)	(31,977)
	<u>23,686</u>	<u>95,336</u>	<u>25,087</u>	<u>102,480</u>

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

10. Term deposits

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Term deposits	2,070,807	8,334,998	2,040,955	8,337,301
Interest receivables	17,093	68,799	18,945	77,390
	2,087,900	8,403,797	2,059,900	8,414,691
Less impairment loss allowance	(40,380)	(162,530)	(40,615)	(165,912)
	2,047,520	8,241,267	2,019,285	8,248,779

The Company placed term deposits with the parent company. The deposits earn interest rates ranging between 5.40% to 7.50% per annum (2023: 4.50% to 7.50% per annum).

11. Other assets

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Prepayments	23,274	93,678	18,867	77,072
Other receivables	21,238	85,483	10,810	44,159
Deposits	1,452	5,844	1,452	5,931
	45,964	185,005	31,129	127,162

12. Cash and cash equivalents

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Cash at bank - saving accounts	8,493	34,184	251,289	1,026,516
Less impairment loss allowance	(165)	(664)	(5,001)	(20,429)
	8,328	33,520	246,288	1,006,087

Savings accounts earn interest rate of 0.20% to 1% per annum (2023: 0.75% per annum).

The Company also maintains a "Client Money Account" bank account at its parent company which is used for receiving deposits from customers who wish to trade in the Cambodia Securities Exchange. However, this account is not recorded on the financial statements of the Company on the ground that the account is opened purely for customers trading purposes and therefore does not belong to the Company. As at 31 December 2024, the balance of the Client Money Account in KHR is KHR 12,718,738,815 equivalent to US\$3,159,935 (2023: KHR 16,709,713,884 equivalent to US\$ 4,090,505), and the balance of the Client Money Account in US\$ is US\$ 120,443 equivalent to KHR 484,783,075 (2023: US\$ 28,555 equivalent to KHR 116,647,175).

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

13. Share capital

The Company's registered share capital amounts to KHR 8,240,000,000 (equivalent to US\$ 2,010,000), divided into 2,060,000 shares with a par value of KHR 4,000 (equivalent to US\$1) per share. The registered share capital has been fully paid by the parent company.

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Share capital	<u>2,010,000</u>	<u>8,040,000</u>	<u>2,010,000</u>	<u>8,040,000</u>

There were no changes in the shareholder and the shareholding structure of the Company during the year.

14. Employee benefits

The amounts recognised in the statement of financial position are determined as follows:

		31 December 2024		31 December 2023	
		US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Seniority indemnity	(a)	10,988	44,227	8,664	35,392
Career developments benefits	(b)	9,342	37,601	4,519	18,461
		<u>20,330</u>	<u>81,828</u>	<u>13,183</u>	<u>53,853</u>

		31 December 2024		31 December 2023	
		US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Current		9,399	37,831	54	221
Non-current		10,931	43,997	13,129	53,632
		<u>20,330</u>	<u>81,828</u>	<u>13,183</u>	<u>53,853</u>

(a) Seniority indemnity benefits

The movements in the seniority indemnity during the year are as follows:

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
At 1 January	8,664	35,392	7,678	31,610
Additions	22,909	93,263	23,179	95,266
Benefits paid	(20,585)	(83,802)	(22,193)	(91,213)
Currency translation difference	-	(626)	-	(271)
At 31 December	<u>10,988</u>	<u>44,227</u>	<u>8,664</u>	<u>35,392</u>

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

14. Employee benefits (continued)

(b) Career development benefits

On 17 December 2024, the Company approved the payment of career development benefits to employees, with disbursement scheduled in February 2025.

The movements in the career development benefits during the year are as follows:

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
At 1 January	4,519	18,461	-	-
Additions	4,823	19,634	4,519	18,573
Currency translation difference	-	(494)	-	(112)
At 31 December	9,342	37,601	4,519	18,461

15. Accruals and other payables

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Accrued annual leave	80,663	324,669	75,070	306,661
Unearned income	39,631	159,515	40,195	164,197
Other accruals	7,431	29,909	6,785	27,716
Tax payable	4,152	16,712	3,765	15,380
	131,877	530,805	125,815	513,954

16. Related party transactions and balances

Related parties	Relationship
ACLEDA Bank Plc.	Parent company
Related companies	All entities under the same parent company
Key management personnel	The key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel of the Company include all the Directors and the President & CEO of the Company.

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

16. Related party transactions and balances (continued)

The following transactions are carried out with related parties:

(a) Interest income from parent company

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Interest income	<u>149,049</u>	<u>606,778</u>	<u>164,201</u>	<u>674,866</u>

(b) Fee and expenses to parent company

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Board of Directors' fees	<u>4,700</u>	<u>19,317</u>	<u>3,200</u>	<u>13,152</u>
Bank charges	<u>967</u>	<u>3,974</u>	<u>522</u>	<u>2,145</u>
	<u>5,667</u>	<u>23,291</u>	<u>3,722</u>	<u>15,297</u>

(c) Key management compensation

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Short-term employee benefits	<u>176,610</u>	<u>718,979</u>	<u>178,643</u>	<u>734,223</u>
Long-term benefits	<u>46,315</u>	<u>188,548</u>	<u>43,675</u>	<u>179,504</u>
	<u>222,925</u>	<u>907,527</u>	<u>222,318</u>	<u>913,727</u>

(d) Related party balances

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Savings accounts (Note 12)	<u>8,493</u>	<u>34,184</u>	<u>251,289</u>	<u>1,026,516</u>
Term deposits (Note 10)	<u>2,070,807</u>	<u>8,334,998</u>	<u>2,040,955</u>	<u>8,337,301</u>
Interest receivables (Note 10)	<u>17,093</u>	<u>68,799</u>	<u>18,945</u>	<u>77,390</u>
	<u>2,096,393</u>	<u>8,437,981</u>	<u>2,311,189</u>	<u>9,441,207</u>

17. Financial instruments – fair values and risk management

(a) Accounting classifications and fair values

The Company has not disclosed the fair value information for its financial assets and financial liabilities because their carrying amounts are a reasonable approximation of their fair values.

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

17. Financial instruments – fair values and risk management (continued)

(b) Financial risk management

(i) Overview

The Company has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk; and,
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's capital management.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Management has a credit policy in place and the Company's exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Company does not require collateral in respect of financial assets.

There were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Exposure to liquidity risk

The following are the remaining contractual maturities of the non-derivative financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

	Carrying amount	Contractual cash flows	Less than 6 months	6 to 12 months
	US\$	US\$	US\$	US\$
2024				
Accruals and other payables	88,094	88,094	7,207	80,887
KHR'000 (Note 5)	354,578	354,578	29,008	325,570
2023				
Accruals and other payables	81,855	81,855	6,575	75,280
KHR'000 (Note 5)	334,377	334,377	26,859	307,519

ACLEDA Securities Plc.

Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

17. Financial instruments – fair values and risk management (continued)

(b) Financial risk management (continued)

(iv) Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising returns.

Foreign currency risk

The foreign currency exchange risk of the Company arises from the transactions denominated in foreign currencies. The Company's exposure to risk normally from changes in foreign currency exchange rates is minimal as most of its transactions are conducted in US\$.

Interest rate risk

The Company's exposure to interest rate risk relates to interest-bearing financial assets and liabilities.

Interest-bearing financial assets and liabilities

Interest-bearing financial assets include cash at bank. The interest rates and deposit terms of term deposits and cash at bank are disclosed in Notes 10 and 12, respectively. There are no interest-bearing financial liabilities as at the reporting date.

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Financial assets (includes interest and net of allowance for impairment loss)	<u>2,055,848</u>	<u>8,274,787</u>	<u>2,265,573</u>	<u>9,254,866</u>

Cash flow sensitivity analysis for variable-rate instruments

The Company does not have significant variable rate instruments. Therefore, no cash flow sensitivity analysis was prepared.

(c) Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

As at 31 December 2024, the Company has a capital of KHR 8,240,000,000 (equivalent to US\$ 2,010,000), does not have any debt from other parties and has met the minimum capital requirement of KHR 6,000,000,000 (equivalent to US\$ 1,500,000).

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Notes to the financial statements (continued)

As at 31 December 2024 and for the year then ended

17. Financial instruments – fair values and risk management (continued)

(c) Capital risk management (continued)

In addition, under the SERC's regulation, the Company is required to maintain a net capital ratio of 150%. The Company's net capital and net capital ratio as at 31 December 2024 are shown in the table below.

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Net capital				
Total current assets (*)	2,365,014	9,519,181	2,573,762	10,513,817
Total liabilities	(152,512)	(613,861)	(139,318)	(569,112)
	2,212,502	8,905,320	2,434,444	9,944,705
Prescribed level of capital (higher of A and B)				
5% of shareholders' equity (A)	121,613	489,491	128,783	526,077
10% of total external liabilities (B)	15,251	61,386	13,932	56,911
Prescribed level of capital	121,613	489,491	128,783	526,077
Net capital ratio	1,819%	1,819%	1,890%	1,890%

(*) Includes cash and cash equivalents, term deposits (excluding interest receivable and allowance for impairment loss) and statutory deposits.

18. Taxation contingencies

Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. The application of tax laws and regulations to many types of transactions is susceptible to varying interpretations.

These facts may create tax risks in Cambodia substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislations. However, the relevant authorities may have differing interpretations and the effects since the incorporation of the Company could be significant.

19. Events after the reporting date

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorization of these financial statements which would require adjustments or disclosures to be made in the financial statements.

20. Authorisation of the financial statements

The financial statements as at 31 December 2024 and for the year then ended were approved for issue by the Board of Directors of the Company on 25 March 2025.



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