

**FIRST COMMERCIAL BANK LIMITED,  
VIENTIANE BRANCH**



**FINANCIAL STATEMENTS**

(in accordance with the accounting policies of the Bank  
and the relevant accounting regulations and notifications  
of Bank of the Lao People's Democratic Republic)

**31 DECEMBER 2024**



FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

31 DECEMBER 2024

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## INDEPENDENT AUDITOR'S REPORT

To: The shareholders and Board of Directors of First Commercial Bank Limited, Vientiane Branch

### Our opinion

In our opinion, the financial statements of First Commercial Bank Limited, Vientiane Branch (the Bank) for the year ended 31 December 2024 are prepared, in all material respects, in accordance with the relevant regulations and notifications of the Bank of Lao People's Democratic Republic and the accounting policies described in Note 2 to the financial statements.

### What we have audited

The Bank's financial statements comprise:

- the statement of income for the year then ended;
- the statement of financial position as at 31 December 2024;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

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

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

### Independence

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

### Emphasis of Matter - Basis of accounting and restriction on distribution and use

We draw attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the Bank's accounting policies described in Note 2 to the financial statements. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for the Bank and the Bank of Lao People's Democratic Republic and should not be distributed to or used by parties other than the Bank and the Bank of Lao People's Democratic Republic. Our opinion is not modified in respect to this matter.

### **Responsibilities of the directors for the financial statements**

The General Manager and Deputy Manager are responsible for the preparation of the financial statements in accordance with the relevant accounting regulations and notifications of the Bank of Lao People's Democratic Republic and the accounting policies described in Note 2 to the financial statements, and for such internal control as the directors determine 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, the General Manager and Deputy Manager are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

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

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty 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 Bank to cease to continue as a going concern.





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

For PricewaterhouseCoopers (Lao) Sole Company Limited

By    
Partner

Vientiane Capital, Lao PDR  
Date: 27 March 2025

**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**STATEMENT OF INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 LAKm	2023 LAKm
<b>A Operating income and expenses</b>			
1 Interest and similar income	3	88,454	74,062
2 Interest and similar expenses	3	(29,506)	(26,197)
<b>I Net interest and similar income</b>		<b>58,948</b>	<b>47,865</b>
3 Fees and commission income	4	4,365	3,105
4 Fees and commission expense	4	(246)	(125)
5 Net gain/(loss) from dealing in foreign currencies	5	4,848	12,209
<b>II Net operating income</b>		<b>67,915</b>	<b>63,054</b>
<b>B Other income and expenses</b>			
6 Other operating income		48	1
<b>7 Administrative expenses</b>		<b>(16,393)</b>	<b>(14,183)</b>
7.1 Payroll and other staff cost	6	(11,539)	(9,901)
7.2 Other administrative expense	7	(4,854)	(4,282)
<b>8 Depreciation and amortisation expense</b>	11,12,13	<b>(2,107)</b>	<b>(1,880)</b>
<b>9 Other operating expenses</b>		<b>(1,087)</b>	<b>(920)</b>
9.1 General provision for the credit activities		(551)	(695)
9.2 Others		(536)	(225)
<b>10 Specific provision for the credit activities</b>		<b>(165)</b>	<b>-</b>
<b>III Profit before tax</b>		<b>48,211</b>	<b>46,072</b>
<b>11 Current profit tax</b>		<b>(8,672)</b>	<b>(6,777)</b>
<b>IV Net profit for the year</b>		<b>39,539</b>	<b>39,295</b>

Prepared by:

*Fung Yuan Fu*

Mr. Fung Yuan Fu  
Deputy Manager

Approved by:



*Shih Chun Chen*  
Mr. Chen Shih Chun  
General Manager

Vientiane Capital, Lao PDR  
Date: 27 March 2025

The accompanying notes on pages 9 to 27 form an integral part of these financial statements.

FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024

	Notes	2024 LAKm	2023 LAKm
<b>ASSETS</b>			
<b>I Cash on hand and balance with the BoL</b>		<b>325,236</b>	<b>379,214</b>
1 Cash on hand	8	6,274	6,351
2 Balances with the BOL	8	318,962	372,863
<b>II Due from other banks</b>		<b>234,758</b>	<b>48,971</b>
1 Demand deposits	9	16,103	28,971
2 Term deposits	9	218,655	20,000
<b>III Loan to customers, net of provision for non-performing loans</b>	10	<b>887,938</b>	<b>742,194</b>
<b>IV Fixed assets</b>		<b>16,087</b>	<b>4,381</b>
1 Tangible fixed assets	11	3,141	3,604
2 Intangible assets	12	59	82
3 Right-of-used assets	13	12,887	695
<b>V Other assets</b>		<b>22,186</b>	<b>23,497</b>
1 Accrued interest receivables	14	20,482	22,344
2 Other assets	15	1,704	1,153
<b>TOTAL ASSETS</b>		<b>1,486,205</b>	<b>1,198,257</b>

Prepared by:

*Fung Yuan Fu*

Mr. Fung Yuan Fu  
Deputy Manager

Approved by:



*Shih Chun Chen*

Mr. Chen Shih Chun  
General Manager

Vientiane Capital, Lao PDR  
Date: 27 March 2025

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FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024

	Notes	2024 LAKm	2023 LAKm
<b>LIABILITIES AND EQUITY</b>			
<b>I Due to other banks</b>		<b>737,017</b>	<b>631,853</b>
1 Demand deposits	16	300,897	286,060
2 Borrowings	16	436,120	345,793
<b>II Due to customers</b>		<b>321,680</b>	<b>181,438</b>
1 Demand and saving deposits	17	22,924	21,381
2 Term deposits	17	298,756	160,057
<b>III Other liabilities</b>		<b>11,152</b>	<b>8,851</b>
1 Accrued interest payables	18	5,362	3,880
2 Tax payables	19	4,352	3,797
3 Lease liabilities		-	21
4 Other liabilities	20	1,438	1,153
<b>TOTAL LIABILITIES</b>		<b>1,069,849</b>	<b>822,142</b>
<b>IV Capital and reserves</b>			
1 Share capital	21	300,000	300,000
2 Statutory reserve fund	22	20,198	16,246
3 General provision for credit activities	10.5	4,413	3,711
4 Retained earnings		91,745	56,158
<b>TOTAL EQUITY</b>		<b>416,356</b>	<b>376,115</b>
<b>TOTAL LAIBILITIES AND EQUITY</b>		<b>1,486,205</b>	<b>1,198,257</b>

Prepared by:

*Mr. Fung Yuan Fu*

Mr. Fung Yuan Fu  
Deputy Manager

Approved by:



*Mr. Chen Shih Chun*

Mr. Chen Shih Chun  
General Manager

Vientiane Capital, Lao PDR  
Date: 27 March 2025

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FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Share capital LAKm	Statutory reserve fund LAKm	General provision for credit activities LAKm	Retain earnings LAKm	Total LAKm
<b>Balance as at 1 January 2023</b>		238,669	12,316	2,635	88,938	342,558
Capital contribution		61,331	-	-	(61,331)	-
Appropriation to reserve for the year	22	-	3,930	-	(3,930)	-
Withholding dividend tax		-	-	-	(6,814)	(6,814)
Net general provision for credit activities during the year		-	-	-	-	-
Foreign exchange difference	10.5	-	-	695	-	695
Net profit for the year		-	-	381	-	381
<b>Balance as at 31 December 2023</b>		<b>300,000</b>	<b>16,246</b>	<b>3,711</b>	<b>56,158</b>	<b>376,115</b>
<b>Balance as at 1 January 2024</b>		300,000	16,246	3,711	56,158	376,115
Appropriation to reserve for the year	22	-	3,952	-	(3,952)	-
Net general provision for credit activities during the year		-	-	551	-	551
Foreign exchange difference	10.5	-	-	151	-	151
Net profit for the year		-	-	-	39,539	39,539
<b>Balance as at 31 December 2024</b>		<b>300,000</b>	<b>20,198</b>	<b>4,413</b>	<b>91,745</b>	<b>416,356</b>

Prepared by:

*Fung Yuan Fu*

Mr. Fung Yuan Fu

Deputy Manager

Approved by:



Mr. Chen Shih Chun

General Manager

Vientiane Capital, Lao PDR  
Date: 27 March 2025

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**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 LAKm	2023 LAKm
<b>OPERATING ACTIVITIES</b>			
<b>Net profit before tax</b>		48,211	46,072
Adjustments for:			
Depreciation and amortisation charges	11,12,13	2,107	1,880
Loss on disposal tangible fixed assets	11	248	327
Provision for credit loss charged for the year	10.5	716	695
Interest income	3	(88,454)	(74,062)
Interest expense	3	29,506	26,197
Un-realisation (gain)/loss on exchange rate, net		3,037	9,369
<b>Operating(loss)/profit before changes in working capital</b>		<b>(4,629)</b>	<b>10,478</b>
<b>Changes in working capital:</b>			
<i>(Increase)/Decrease in operating assets</i>			
Due from with other banks		(128,000)	114,018
Loans to other banks		(31,727)	(171,231)
Loans and advances to customers		(115,252)	(47,284)
Other assets		(577)	(470)
<i>Increase/(Decrease) in operating liabilities</i>			
Due to other banks		103,948	(859)
Customer deposits and other amounts due to customers		139,712	45,413
Other liabilities		559	(7,035)
Interest received		90,317	67,439
Interest paid		(28,024)	(25,808)
Profit tax paid during the year	19.2	(8,118)	(3,297)
<b>Net cash flows generated from/(used in) operating activities</b>		<b>18,209</b>	<b>(18,636)</b>
<b>INVESTING ACTIVITIES</b>			
Acquisitions of tangible fixed assets	11	(956)	(76)
Acquisitions of right-of-used assets	13	(13,105)	-
Disposal of tangible fixed assets	11	(248)	(327)
<b>Net cash flows used in investing activities</b>		<b>(14,309)</b>	<b>(403)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>3,900</b>	<b>(19,039)</b>
Cash and cash equivalents at the beginning of the year	23	82,888	101,583
Exchange gain on cash and cash equivalents		122	344
<b>Cash and cash equivalents at the end of the year</b>		<b>86,910</b>	<b>82,888</b>

Prepared by:

*Fung Yuan Fu*

Mr. Fung Yuan Fu  
Deputy Manager  
Vientiane Capital, Lao PDR  
Date: 27 March 2025



Approved by:

*Mr. Chen Shih Chun*

Mr. Chen Shih Chun  
General Manager

The accompanying notes on pages 9 to 27 form an integral part of these financial statements.



## FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 1. GENERAL INFORMATION

First Commercial Bank Limited, Vientiane Branch ("the Bank") is a 100% foreign invested commercial bank which was incorporated in Lao People's Democratic Republic ("Lao PDR"). The Bank operates as part of First Commercial Bank Ltd, incorporated and headquartered in Taiwan, ("the Group").

The Bank operates under Banking Business License No. 22/BOL granted by Bank of the Lao PDR ("the BOL") on 29 May 2015, renewed License No.16/BOL dated 30 August 2024.

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

The bank has the Certificate of Membership of Deposit Protection Office (DPO), Bank of Lao PDR. Therefore, the deposit from customer is guaranteed by DPO.

The Bank is located at No. 61, Phonxay, 23 Singha Road, Saysettha District, Vientiane Capital, Lao PDR

The financial information was authorised for issue by the board of directors on 27 March 2025.

#### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the financial statements are set out below.

##### 2.1 Basis of preparation

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

The preparation of financial statements requires management to make estimates and assumptions affecting the amounts reported as assets and liabilities, the disclosure of any contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The financial statements have been prepared under the historical cost convention.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.2 Recognition of interest income and expenses**

**Interest income recognition**

Interest income is recognised on an accrual basis using the nominal interest rates stipulated in loan contracts with customer except for non-performing accounts and specific consideration.

Where an account becomes non-performing, the recording of interest is suspended, and interest income already recognised is reversed. Interest income will be recognised if accrued interest on non-performing loans will be subsequently collected. Customer accounts are deemed to be non-performing where repayments are in arrears for more than three months or 90 days. This is in line with the regulations of BOL.

**Interest expense recognition**

Interest expense on deposits from customers, other banks, finance institutions and borrowing are recognised on an accrual basis using straight-line method.

**2.3 Recognition of fee and commission income**

Fees and commissions consist of fees received for fund transfer (including cheque settlement) and fee arising from loan business.

Fee and commission income are recognized in the statement of income on cash basis.

Fee income from syndicated loans is recorded at cost when the loan agreement is successfully completed. These fees are then amortized on a straight-line basis over the life of the loan. The recognition of income begins when the agreement is signed and continues until the loan matures.

The portion of the fee income that has been amortized is recorded as part of fee and commission income in the income statement. The unamortized portion is recorded as deferred income on the statement of financial position.

**2.4 Foreign currency transactions and translation**

Monetary assets and liabilities denominated in currencies other than LAK at year end are translated into LAK at the exchange rate ruling on the statement of the financial report date. Income and expenses arising in foreign currencies during the period are converted into LAK at the rates ruling on the transaction dates. Gains and losses resulting from the settlement of such transactions and from the translation of such monetary assets and liabilities are recognised in the statement of income when earned and incurred.

**2.5 Cash and cash equivalents**

Cash and cash equivalents consist of cash, highly liquid short-term investments with an original maturity of less than to 30 days that are readily convertible to known amount of cash, and accounts due from banks with original maturity of less than 30 days.

**2.6 Loans to customers**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**
**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**
**2.7 Classification of and provision for credit activities**
**Classification**

In accordance with Regulation 512/BOL dated 29 June 2018, the Bank is required to classify loans and create a provision for impairment losses. Accordingly, loans are classified into performing or non-performing loans based on their payment arrears status and other qualitative factors.

Loans classified as normal/pass (Group A) and watch/special mention (Group B) are considered performing loans. Loans classified as substandard (Group C), doubtful (Group D) and loss (Group E) are considered non-performing loans.

**Provision**

Under Regulation 512/BOL dated 29 June 2018, to calculate provisions, banks can account for collateral value with the percentage prescribed in the Regulation to deduct it from the loan outstanding before applying the provision rates.

Provisions are categorised as general and specific based on the loan classification. Below is a summary of provision rates applicable for each loan classification as at the balance sheet date.

Group	Category	Accounting for provision balance	Provision rate
<b>Performing (general)</b>			
A	Normal or pass	In equity and reserves	0.5%
B	Watch or special mention	Deducted to loan balance	3%
<b>Non-Performing (Specific)</b>			
C	Substandard	Deducted to loan balance	20%
D	Doubtful	Deducted to loan balance	50%
E	Loss	Deducted to loan balance	100%

- (i) Provision amount is calculated by the following formulas:
  - a. General provision = Provision rate x Loan outstanding balance
  - b. Specific provision = Provision rate x (Loan outstanding balance – undiscounted value of collateral)
- (ii) The performing-loan provision balance group A is recorded in the statement of financial position in 'Provision for performing loans' under equity and reserve. The accumulated balance of the non-performing loan provision and the performing-loan provision balance group B are recorded to the statement of financial position in 'Loans to customers, net of provision for NPLs'.
- (iii) Changes in the performing-loan provision is recorded in the statement of income as 'Other operating expenses' for provision expenses, and 'Other operating income' for reversals of provision expenses. Changes in the non-performing loan provision are recorded in the income statement as 'Net provision for NPLs changed to/ (reversed out of) expenses'.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 Leases

The Bank recognised right-of-use assets and lease liabilities for those leases previously classified as finance lease or operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of the average rate of term deposit at the date of initial application. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the average rate of term deposit at the date of initial application.

Right-of-use assets

The Bank recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The lease term includes periods covered by an option to extend if the Group is reasonably certain to exercise that option. Unless the Bank is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment assessment.

Lease liabilities

At the commencement date of the lease, the Bank recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Bank and payments of penalties for terminating a lease, if the lease term reflects the Bank exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Bank uses the average rate of term deposit at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying assets.



## FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### 2.9 Fixed assets

###### 2.9.1 Intangible fixed assets

Intangible fixed assets consist of software. Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives as follow

Software	20%
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Cost associated with maintaining computer software are recognised as an expense as incurred.

###### 2.9.2 Tangible fixed assets

Tangible fixed assets consist of buildings improvement, furniture and fixtures, computer and equipment and vehicles.

Fixed assets are stated at cost less accumulated depreciation, if any. The cost of an asset comprises its purchase price plus any costs directly attributable to the bringing of the asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are capitalized and expenditures for maintenance and repairs are charged to the statement of income, if any.

When assets are sold or disposed, their cost and accumulated depreciation or amortization are removed from the statement of financial position and any gains or losses resulting from their disposal are posted to the statement of income.

##### 2.10 Depreciation

Depreciation and amortization of fixed assets are provided on the straight-line basis at prescribed rates over their estimated useful life in accordance with the Tax Law No. 67 date 18 Jun 2019 effective for accounting periods starting on 1 January 2020. The following are the annual rates used:

Building improvement	10%
Furniture and fixtures	20%
Computer and equipment	20%
Vehicles and others	20%

##### 2.11 Taxation

###### Current tax

The Bank is obliged to pay profit tax at rate of 20% of total profit before tax in accordance with the Income Tax Law, effective for accounting periods starting on 1 January 2020.

The Bank's tax returns are subject to examination by the tax authorities. Because the application of Income tax laws and regulations in many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.11 Taxation (continued)

Deferred tax

Deferred tax is provided on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Current and deferred taxes are recognised as income tax benefits or expenses in the statement of income.

The Branch only off-sets its deferred tax assets against liabilities when there is both a legal right to offset and it is the Bank's intention to settle on a net basis.

2.12 Employee benefits

Post-employment benefits

Post-employment benefits are paid to retired employees of the Bank at the time of retirement by the Social Security Fund Department which belongs to the Ministry of Labor and Social Welfare. the Bank is required to contribute to the Social Security Organisation at the rate of 6% of employee's basic salary monthly. The bank has no further obligation concerning post-employment benefit other than this.

Termination benefits

In accordance with Article 82 of the Amended Labour Law No. 43/NA dated 24 December 2013 and the Decree of the President of the Lao People's Democratic republic on the Promulgation of the Labour Law (amended) No. 068/P dated 28 January 2014, the Bank has the obligation to pay allowance for employees who are terminated by dismissal in the following cases:

- The employee lacks specialised skills or is not in good health and therefore cannot continue to work.
- The employer considers it necessary to reduce the number of workers in order to improve the work within the labour unit.

For the termination of an employment contract on any of the above-mentioned grounds, the employer must pay a termination allowance which is calculated based on 10% of the basic monthly salary earned before the termination of work.

As at 31 December 2024, there is no employees of the Bank who were dismissed under the above-mentioned grounds, therefore the Bank has not made a provision for termination allowance in the financial statements.



**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**3. NET INTEREST AND SIMILAR INCOMES**

	2024 LAKm	2023 LAKm
<b>Interest and similar income from:</b>		
Interbank transactions	24,079	24,315
Loans to customers	64,375	49,747
	<b>88,454</b>	<b>74,062</b>
<b>Interest and similar expenses for:</b>		
Interbank transactions	(22,322)	(21,331)
Customers' deposits	(7,184)	(4,866)
	<b>(29,506)</b>	<b>(26,197)</b>
<b>Net interest and similar income</b>	<b>58,948</b>	<b>47,865</b>

**4. FEE AND COMMISSION**

	2024 LAKm	2023 LAKm
<b>Fee and commission income from:</b>		
Remittance and credit activities	4,365	3,105
<b>Fee and commission expenses for:</b>		
Settlement activities	(246)	(125)
<b>Net fee and commission income</b>	<b>4,119</b>	<b>2,980</b>

**5. NET GAIN/(LOSS) FROM TRANSLATION IN FOREIGN CURRENCIES**

	2024 LAKm	2023 LAKm
Gain from translation in foreign currencies	282,474	196,674
Loss from translation in foreign currencies	(277,626)	(184,465)
	<b>4,848</b>	<b>12,209</b>

**6. PAYROLL AND OTHER STAFF COST**

	2024 LAKm	2023 LAKm
Salaries and allowances	10,603	9,400
Other staff cost	936	501
	<b>11,539</b>	<b>9,901</b>



**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**7. OTHER ADMINISTRATIVE EXPENSES**

	2024 LAKm	2023 LAKm
Office rental	2,138	1,658
Fuel	88	78
Office stationeries	81	102
Telecommunication	102	101
Repair and maintenance	514	661
Electricity and water supply	153	129
Insurance fee	180	176
Official trips	326	336
Audit fee	508	442
Professional fee	104	51
Others	660	548
	<b>4,854</b>	<b>4,282</b>

**8. CASH AND ACCOUNTS WITH THE BANK OF LAO PDR ('The BOL')**

	2024 LAKm	2023 LAKm
<b>Cash on hand</b>		
Cash on hand in LAK	974	1,618
Cash on hand in foreign currencies	5,300	4,733
	<b>6,274</b>	<b>6,351</b>
<b>Accounts with BOL</b>		
Demand deposits	64,533	47,566
Compulsory deposit (*)	36,364	18,602
Registered capital deposits (**)	5	5
Term deposit	218,060	306,690
	<b>318,962</b>	<b>372,863</b>
	<b>325,236</b>	<b>379,214</b>

Accounts with the Bank of Laos (BOL) include settlement and compulsory balance which do not earn interest.

(\*) Under BOL regulations, the Bank is required to maintain certain reserves with the BOL in the form of compulsory deposits. These deposits are calculated at 8% for LAK and 11% for foreign currencies, on a bi-weekly basis, (2023: 8% and 10%, respectively) of customer deposits with original maturities of less than 12 months. During the year, the Bank maintained its compulsory deposits in compliance with the BOL's requirement.

(\*\*) According to Decree No. 02/PR of the BOL, foreign bank branches are required to maintain a minimum balance of special deposit at the BOL which is equivalent to 25% of their paid-up capital to secure for their operational continuance. The Branch was then approved by the BOL in official Letter No. 933/BSD dated 03 November 2023 to withdraw from this deposit account to supplement its working capital.

**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**9. DUE FROM OTHER BANKS**

	<b>2024</b> <b>LAKm</b>	<b>2023</b> <b>LAKm</b>
<b>Demand deposits</b>		
Domestic banks	2,072	8,030
Parent Company (Note 24)	14,031	20,941
	<b>16,103</b>	<b>28,971</b>
 <b>Term deposits at other banks</b>		
Domestic banks	218,655	20,000
	<b>218,655</b>	<b>20,000</b>
	<b>234,758</b>	<b>48,971</b>

Interest rates for amounts due from other banks during the year are as follows:

	<b>2024</b> <b>% Per annum</b>	<b>2023</b> <b>% Per annum</b>
Demand deposits	No interest	No interest
Term deposits	3.00% - 13.00%	7.50%

**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**10. LOANS TO CUSTOMERS, NET OF SPECIFIC PROVISION FOR CREDIT ACTIVITIES**

	2024 LAKm	2023 LAKm
Loans to government agencies	258,946	306,690
Loans to other customers	336,097	174,171
Loans to other banks	293,060	261,333
	<b>888,103</b>	<b>742,194</b>
Less Provision for non-performing loans	-	-
Less Provision for special mention loans	(165)	-
	<b>887,938</b>	<b>742,194</b>

Interest rates for loans during the year are as follows:

	2024 Interest rates % Per annum	2023 Interest rates % Per annum
Loans denominated in LAK	6.00% - 9.00%	6.00% - 8.50%
Loans denominated in USD	3.25% - 9.84%	6.50% - 10.60%

**10.1 Analysis of loan portfolio by currency**

	2024 LAKm	2023 LAKm
Loans denominated in LAK	240,187	255,897
Loans denominated in USD	647,916	486,297
	<b>888,103</b>	<b>742,194</b>

**10.2 Analysis of loan portfolio by quality**

	2024 LAKm	2023 LAKm
Normal or Pass	882,605	742,194
Watch or Special Mention	5,498	-
Substandard	-	-
Doubtful	-	-
Loss	-	-
	<b>888,103</b>	<b>742,194</b>

**10.3 Analysis of loan portfolio by original term**

	2024 LAKm	2023 LAKm
Short-term loans	323,137	248,375
Medium-term loans	356,848	455,564
Long-term loans	208,118	38,255
	<b>888,103</b>	<b>742,194</b>



**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**10. LOANS TO CUSTOMERS, NET OF SPECIFIC PROVISION FOR CREDIT ACTIVITIES  
(CONTINUED)**

**10.4 Analysis of loan portfolio by type of industrial sectors**

	2024 LAKm	2023 LAKm
Agricultural and forestry	7,500	6,500
Trading companies	12,600	20,542
Services companies	97,380	52,572
Financial service organizations	293,060	261,333
Industrial services companies	141,916	7,661
Others	335,647	393,586
	<b>888,103</b>	<b>742,194</b>

**10.5 Changes in provision for credit losses of loans**

Changes in provision for credit losses during the year 2024 and 2023 are as follows:

	Specific provision for special mention loans LAKm	General provision for normal loans LAKm	Total LAKm
Balance as at 1 January 2024	-	3,711	3,711
Provision charged for the year	165	551	716
Foreign exchange difference	-	151	151
<b>Balance as at 31 December 2024</b>	<b>165</b>	<b>4,413</b>	<b>4,578</b>

	Specific provision for special mention loans LAKm	General provision for normal loans LAKm	Total LAKm
Balance as at 1 January 2023	-	2,635	2,635
Provision charged for the year	-	695	695
Foreign exchange difference	-	381	381
<b>Balance as at 31 December 2023</b>	<b>-</b>	<b>3,711</b>	<b>3,711</b>

FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

10. LOANS TO CUSTOMERS, NET OF SPECIFIC PROVISION FOR CREDIT ACTIVITIES  
(CONTINUED)

10.5 Changes in provision for credit losses of loans (continued)

The breakdown of loan classification and provision as required by the BOL as at 31 December 2024 is as follows:

Classification	Loan balance LAKm	Specific provision for special mention loans LAKm	General provision LAKm
<b>Performing loans</b>	<b>888,103</b>	<b>165</b>	<b>4,413</b>
- Normal or Pass	882,605	-	4,413
- Watch or Special Mention	5,498	165	-
<b>Non-performing loans</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Substandard	-	-	-
- Doubtful	-	-	-
- Loss	-	-	-
<b>Total</b>	<b>888,103</b>	<b>165</b>	<b>4,413</b>

The breakdown of loan classification and provision as required by the BOL as at 31 December 2023 is as follows:

Classification	Loan balance LAKm	Specific provision for special mention loans LAKm	General Provision LAKm
<b>Performing loans</b>	<b>742,194</b>	<b>-</b>	<b>3,711</b>
- Normal or Pass	742,194	-	3,711
- Watch or Special Mention	-	-	-
<b>Non-performing loans</b>	<b>-</b>	<b>-</b>	<b>-</b>
- Substandard	-	-	-
- Doubtful	-	-	-
- Loss	-	-	-
<b>Total</b>	<b>742,194</b>	<b>-</b>	<b>3,711</b>



**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**11. TANGIBLE FIXED ASSETS**

<b>At 1 January 2024</b>					
Cost	7,743	3,546	2,602	2,607	16,498
Less: Accumulated depreciation	(6,217)	(2,740)	(1,970)	(1,967)	(12,894)
<b>Net book amount as at 1 January 2024</b>	<b>1,526</b>	<b>806</b>	<b>632</b>	<b>640</b>	<b>3,604</b>
<b>For the year ended 31 December 2024</b>					
Opening net book amount	1,526	806	632	640	3,604
Additions	-	23	101	832	956
Depreciation	(704)	(75)	(187)	(205)	(1,171)
Transferred in/(out) - Cost	-	-	1,781	(1,781)	-
Transferred in/(out) - Depreciation	-	-	(1,369)	1,369	-
Disposal - Cost	-	(346)	(727)	(550)	(1,623)
Disposal - Accumulated depreciation	-	289	606	480	1,375
<b>Closing net book amount</b>	<b>822</b>	<b>697</b>	<b>837</b>	<b>785</b>	<b>3,141</b>
<b>At 31 December 2024</b>					
Cost	7,743	3,223	3,756	1,107	15,829
Less: Accumulated depreciation	(6,921)	(2,526)	(2,919)	(322)	(12,688)
<b>Net book amount as at 31 December 2024</b>	<b>822</b>	<b>697</b>	<b>837</b>	<b>785</b>	<b>3,141</b>

**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**12. INTANGIBLE FIXED ASSETS**

	<b>Software LAKm</b>
<b>At 1 January 2024</b>	
Cost	246
Less: Accumulated amortization	(164)
<b>Net book amount as at 1 January 2024</b>	<b>82</b>
<b>For the year ended 31 December 2024</b>	
Opening net book amount	82
Amortisation charge	(23)
<b>Closing net book amount</b>	<b>59</b>
<b>At 31 December 2024</b>	
Cost	246
Less: Accumulated amortization	(187)
<b>Net book amount as at 31 December 2024</b>	<b>59</b>

**13. RIGHT-OF-USE ASSETS**

	<b>Land and building LAKm</b>	<b>Parking lot LAKm</b>	<b>LAKm</b>
<b>At 1 January 2024</b>			
Cost	3,540	185	3,725
Less: Accumulated amortisation	(2,880)	(150)	(3,030)
<b>Net book amount as at 1 January 2024</b>	<b>660</b>	<b>35</b>	<b>695</b>
<b>For the year ended 31 December 2024</b>			
Opening net book amount	660	35	695
Additions	13,105	-	13,105
Amortisation charge	(878)	(35)	(913)
Disposal - Cost	(3,540)	(185)	(3,725)
Disposal - Accumulated amortisation	3,540	185	3,725
<b>Closing net book amount</b>	<b>12,887</b>	<b>-</b>	<b>12,887</b>
<b>At 31 December 2024</b>			
Cost	13,105	-	13,105
Less: Accumulated amortisation	(218)	-	(218)
<b>Net book amount as at 31 December 2024</b>	<b>12,887</b>	<b>-</b>	<b>12,887</b>



FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024

14. ACCRUED INTEREST RECEIVABLE

	2024 LAKm	2023 LAKm
<b>Accrued interest receivables from:</b>		
Term deposits	14,511	18,262
Loans to customers	5,971	4,082
	<b>20,482</b>	<b>22,344</b>

15. OTHER ASSETS

	2024 LAKm	2023 LAKm
Prepayment	1,704	1,153

16. DUE TO OTHER BANKS AND FINANCIAL INSTITUTIONS

	2024 LAKm	2023 LAKm
<b>Demand deposits</b>		
Domestic banks and financial institutions	554	4,449
Parent Company (Note 24)	300,343	281,611
	<b>300,897</b>	<b>286,060</b>
<b>Borrowings</b>		
Oversea banks	-	194,237
Parent Company (Note 24)	436,120	151,556
	<b>436,120</b>	<b>345,793</b>
	<b>737,017</b>	<b>631,853</b>

Interest rates for deposits from other banks and financial institutions during the year are as follows:

	2024 % Per annum	2023 % Per annum
Demand deposits	No interest	No interest

**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**16. DUE TO OTHER BANKS AND FINANCIAL INSTITUTIONS (CONTINUED)**

Borrowings from the bank and other financial institution as at 31 December 2024 and 2023 include:

				2024	2024
Financial institution	Start date	Maturity date	Interest rate per p.a	Original balance in USD	Equivalent to LAKm
First Commercial Bank Head Office	29/10/2024	04/02/2025	5.29%	4,500,000	98,127
First Commercial Bank Head Office	24/12/2024	24/03/2025	5.14%	5,000,000	109,030
First Commercial Bank Head Office	27/11/2024	27/02/2025	5.32%	10,000,000	218,060
First Commercial Bank Head Office	30/12/2024	04/02/2025	5.11%	500,000	10,903
				<b>20,000,000</b>	<b>436,120</b>

				2023	2023
Financial institution	Start date	Maturity date	Interest rate p.a	Original balance in USD	Equivalent to LAKm
Bank Rakyat Indonesia	30/10/2023	30/01/2024	6.08%	4,500,000	92,007
Bank Rakyat Indonesia	27/12/2023	27/03/2024	6.05%	5,000,000	102,230
				<b>9,500,000</b>	<b>194,237</b>

First Commercial Bank Head Office	28/12/2023	28/03/2024	6.03%	1,912,500	39,103
First Commercial Bank Head Office	27/12/2023	27/03/2024	6.04%	5,500,000	112,453
				<b>7,412,500</b>	<b>151,556</b>
				<b>16,912,500</b>	<b>345,793</b>

Movement for borrowing for the year ended 31 December is as below:

	2024 LAKm	2023 LAKm
Balance as at 1 January	345,793	388,482
Addition	431,056	193,895
Repayment	(362,114)	(301,019)
Un-realisation loss on exchange rate	21,385	64,435
As at 31 December	<b>436,120</b>	<b>345,793</b>



**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**17. DUE TO CUSTOMERS**

	2024 LAKm	2023 LAKm
<b>Demand deposits</b>		
Demand deposits in LAK	3	195
Demand deposits in foreign currency	3,238	3,210
	<b>3,241</b>	<b>3,405</b>
<b>Saving deposits</b>		
Saving deposits in LAK	1,349	2,214
Saving deposits in foreign currency	18,326	15,758
	<b>19,675</b>	<b>17,972</b>
<b>Dormant accounts</b>		
Dormant accounts in foreign currency	8	4
	<b>8</b>	<b>4</b>
<b>Term deposits</b>		
Fixed term deposits in foreign currency	298,756	160,057
	<b>298,756</b>	<b>160,057</b>
	<b>321,680</b>	<b>181,438</b>

The interest rates during the year for these deposits are as follows:

	2024 % Per annum	2023 % Per annum
Demand deposits in LAK	No interest	No interest
Demand deposits in foreign currency	No interest	No interest
Saving deposits in LAK	1.50%	1.50%
Saving deposits in USD	0.50%	0.50%
Saving deposits in THB	0.50%	0.50%
Term deposits in LAK	1.70% - 2.50%	-
Term deposits in USD	1.80% - 4.05%	1.50%
Term deposits in THB	0.80% - 2.00%	1.50% - 3.70%

**18. ACCRUED INTEREST PAYABLE**

	2024 LAKm	2023 LAKm
<b>Accrued interest payable for:</b>		
Customer deposits	3,184	2,648
Borrowing	2,178	1,232
	<b>5,362</b>	<b>3,880</b>

**FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**19. TAXATION**

**19.1 Current tax liabilities**

	<b>2024</b> <b>LAKm</b>	<b>2023</b> <b>LAKm</b>
Profit tax payable (Note 19.2)	4,352	3,797

**19.2 Profit tax expense**

Current profit tax expense

Provision is made for profit tax on the current period's profits, based on the Tax Law. The Bank is obliged to pay tax at rate of 20% (2023: 20%) on total taxable profit before profit tax.

	<b>2024</b> <b>LAKm</b>	<b>2023</b> <b>LAKm</b>
<b>Profit before tax</b>	<b>48,211</b>	<b>46,072</b>
Non-taxable income (i)	(282,474)	(12,209)
Non-deductible expenses (i)	277,626	20
<b>Total tax charge</b>	<b>43,363</b>	<b>33,883</b>
<b>Tax calculation at a tax rate 20%</b>	<b>8,672</b>	<b>6,777</b>
Payable at the beginning of the year	3,797	317
Tax paid during the year	(8,118)	(3,297)
<b>Payable at the end of the year</b>	<b>4,352</b>	<b>3,797</b>

The Bank's tax returns are subject to examination by the tax authorities. Due to the potential for varying interpretations in the application of tax laws and regulations to many types of transactions, the amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

(i) Mostly represented unrealise gain/(loss) from translation on exchange rate of assets and liabilities.

**20. OTHER LIABILITIES**

	<b>2024</b> <b>LAKm</b>	<b>2023</b> <b>LAKm</b>
Deferred income	775	543
Payable to suppliers	245	258
Payable to employees	371	327
Others	47	25
	<b>1,438</b>	<b>1,153</b>

**21. SHARE CAPITAL**

	<b>2024</b> <b>LAKm</b>	<b>2023</b> <b>LAKm</b>
At 1 January	300,000	238,669
Addition	-	61,331
At 31 December	<b>300,000</b>	<b>300,000</b>



# FIRST COMMERCIAL BANK LIMITED, VIENTIANE BRANCH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 22. REGULATORY RESERVE FUND

	2024 LAKm	2023 LAKm
At 1 January	16,246	12,316
Appropriation during the year	3,952	3,930
At 31 December	<b>20,198</b>	<b>16,246</b>

Under the Law on Commercial Banks date 7 December 2018, commercial banks are required to allocate net profit to a regulatory reserve fund, business expansion fund, and others. In accordance with the Enterprise Law, the Bank is required to appropriate 10% of profit after tax each year into Regulatory reserve fund. When this reserve fund reaches 50% of the registered capital, the Bank may suspend such provision, unless otherwise provided by the laws.

### 23. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flow comprise the following statement of financial position amounts:

	2024 LAKm	2023 LAKm
Cash on hand (Note 8)	6,274	6,351
Demand deposits with the BOL (Note 8)	64,533	47,566
Current accounts with other banks (Note 9)	16,103	28,971
	<b>86,910</b>	<b>82,888</b>

### 24. TRANSACTIONS WITH RELATED PARTIES

The Bank is 100% foreign invested commercial bank, part of the First Commercial Bank Ltd ("the Group"), which is the Bank's ultimate controlling party.

Significant transactions with related parties as of 31 December:

	2024 LAKm	2023 LAKm
<b>Affiliate</b>		
Interest expense	18,955	18,671
Management compensation	7,913	4,765
	<b>26,868</b>	<b>23,436</b>

Balances with related parties as of 31 December:

	2024 LAKm	2023 LAKm
<b>Affiliate</b>		
Due from (Note 9)	14,031	20,941
Due to (*)	(736,463)	(433,167)
	<b>(722,432)</b>	<b>(412,226)</b>

(\*) This is including the amount due to from demand deposit from the First Commercial Bank Head Office amount to LAKm 300,343 (Note 16) (2023: LAKm 281,611) and borrowing amount to USD 20,000,000 or equivalent to LAKm 436,120 (2023: USD 7,412,500 equivalent to LAKm 151,556) (Note 16).

### 25. EVENTS AFTER THE REPORTING DATE

There have been no post-balance sheet events that would significantly impact the figures in the Bank's financial statements.