

Leopard Capital Competes to Invest in Cambodia's Aceda Bank

By Netty Ismail and Quah Chin Chin

July 11 (Bloomberg) -- Leopard Capital, which is setting up a \$100 million private-equity fund to invest in Cambodia, said it's competing to buy a stake in Aceda Bank Plc, the largest Cambodian bank.

``It's the best-run bank, it's clean and it has very good margins," Thomas Hugger, executive director at Leopard Capital, said in an interview in Singapore today.

Leopard Capital is vying with other foreign investors that are seeking to invest in Cambodian companies after the economy grew at least 10 percent in the last four years. Aceda Bank, based in Phnom Penh, reported a 46 percent jump in net income to a record \$9.7 million in 2007, according to its annual report.

``We have a lot of people sniffing around, ready to buy into us," John Brinsden, vice chairman of Aceda Bank, said in an interview in Phnom Penh on June 18, declining to give details.

Aceda's assets more than doubled to \$473 million in 2007, from \$223 million the previous year, according to its annual report. Loans almost doubled to \$311 million, from \$157 million over the same period. The bank had 204 offices across Cambodia at the end of last year.

Aceda, which plans to be a regional bank, opened its first branch in neighboring Laos in July, according to its Web site. It also plans to expand in China and Vietnam.

International institutions including International Finance Corp. and Deutsche Investitions und Entwicklungsgesellschaft mbH, part of Germany's government-owned finance agency KfW Group, own 49 percent of Aceda, while the remainder is owned by Cambodian shareholders.

Hugger, who is based in Hong Kong, said Leopard Capital can allocate a maximum of \$15 million in any single investment in Cambodia.

``Cambodia is one of the most overlooked markets by foreign investors," Hugger said. ``It's very cheap and attractive for us to find investments, and that makes us very confident we can achieve very good returns in the long run."