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Cathay United Bank 國泰世華銀行

ANNUAL REPORT

BETTER TOGETHER

2024

Cathay United Bank (Cambodia) Corporation Limited

ធនាគារ កាថេ យូណៃធីត

Cathay United Bank 國泰世華銀行

Enrich Your Life

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CORPORATE INFORMATION

Name	Cathay United Bank (Cambodia) Corporation Limited
Registration Number	00005929
Registered Office	Building No. 48, Samdach Pan Street (St. 214), Sangkat Boeng Reang, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia
Shareholders	Cathay United Bank Co., Ltd. (Incorporated in Taiwan)

Board of Directors

Mr. Teng, Chung-Yi	Chairman
Mr. Yeh, Chan-Hao	Director and President
Mr. Sun, David Paul	Director
Mr. Miao, Hua-Ben	Director
Mr. Wang, Chih-Fong	Director
Mr. Hsia, Chang-Chuan	Independent Director
Mr. Cheng, Wu-Shui	Independent Director (appointed on 19 June 2024)
Mr. Hsieh, Po-Tsang	Independent Director (ended term on 18 June 2024)

Senior Management	Mr. Yeh, Chan-Hao, Kevin, President Ms. Tseng, Pi-Chen, Becky, First Vice President Mr. Yang, Ching-Chi, Eric, Chief Risk Officer Mr. Liu, Yen-Fu, Tonny, Chief Consumer Officer
Auditors	Ernst & Young (Cambodia) Ltd.

CUBC CORE VALUES

INTEGRITY

To build up the trust with customers, supervisors, and peers

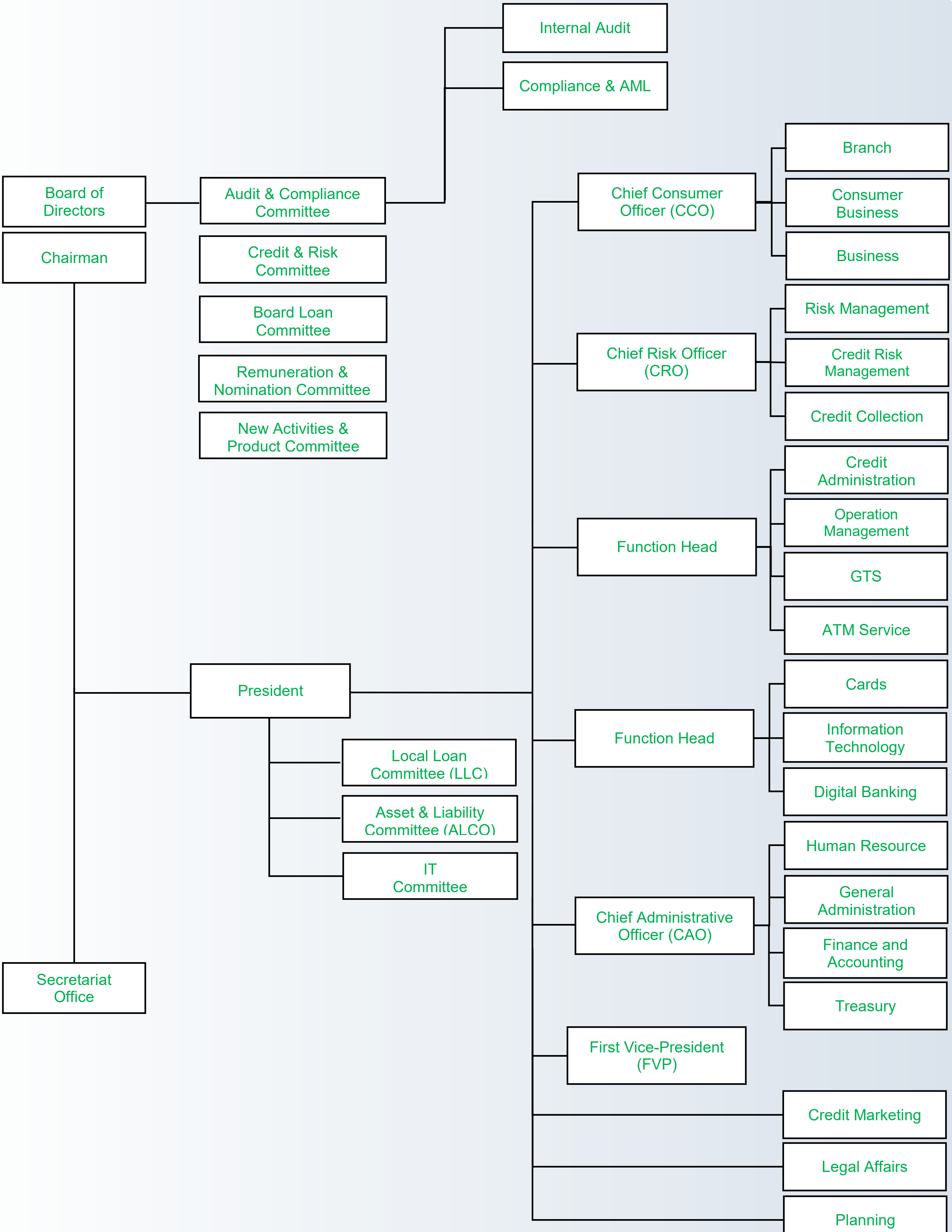
ACCOUNTABILITY

OWNERSHIP
To pursue more and better

INNOVATION

To enhance the status quo for the better, faster, and efficient

ORGANIZATION STRUCTURE



MESSAGE FROM THE CHAIRMAN

It is my esteemed privilege to present the 2024 Annual Report on behalf of Cathay United Bank (Cambodia) Corporation Limited ("CUBC" or "the Bank") and the Board of Directors.

According to the International Monetary Fund ("IMF"), global gross domestic product ("GDP") experienced a real growth rate of 3.2% in 2023, with similar growth projected for 2024. Meanwhile, global inflation declined from 6.8% to 5.9%, a testament to the effectiveness of tighter monetary policies and improvements in global supply chains. However, persistently high interest rates—particularly in the U.S. and Europe—continue to suppress investment and consumer spending. Geopolitical tensions, including the ongoing conflict between Russia and Ukraine and instability in the Middle East, have further strained energy markets and disrupted global trade. Additionally, China's slower-than-expected recovery has impacted regional demand and global supply chains. While inflationary pressure has eased somewhat, financial conditions remain challenging—especially for developing economies reliant on external financing. Overall, the global economic outlook remains cautious, characterized by regional resilience and growth in the service sector.

In contrast, Cambodia's economy has shown solid growth in the range of 5.3% to 6.0%, driven largely by strong performance in garment exports and tourism. However, the real estate and construction sectors face considerable headwinds, including declining investor confidence, weak demand, and reduced new project activity. These conditions have impacted credit growth and led to an increase in non-performing loans ("NPLs") across the banking sector. Despite these challenges, CUBC remains steadfast in supporting customers across various sectors—providing financing, consulting services, and investment facilitation.

In alignment with the Prakas on Market Risk for Capital Adequacy Ratios issued by the National Bank of Cambodia ("NBC"), CUBC is well-positioned to assess and manage risks related to interest rates, foreign exchange, and equity price fluctuations. These capabilities are vital to maintaining financial stability. Additionally, NBC has issued further guidance before the end of 2024 regarding Capital Adequacy Ratios for Deposit-Taking Institutions, requiring banks to hold sufficient capital buffers. These regulatory developments are expected to significantly improve risk assessment accuracy, enhance depositor protection, and promote transparency in risk-weighted asset calculation—ultimately strengthening the sector's resilience and innovation capacity.

Financial Summary

CUBC continues to build on a strong foundation of trust, confidence, and innovation, contributing meaningfully to Cambodia's financial sector and broader economic growth.

Total assets stood at USD 651M at year-end 2024, a slight decline of 0.26% from 2023. Loan portfolio grew modestly by 0.86%, reaching USD 508M, amid regional economic uncertainties. Customer deposits surged by nearly 33%, totaling USD 527M—a strong indicator of public confidence.

However, the Bank recorded a net loss of USD 7.7M in 2024, compared to a net profit of USD 930K in 2023, mainly due to loan write-offs and rising NPLs in December. Consequently, equity declined by 6.5% to USD 110M, while the NPL ratio rose to 4.1%. In response, we have intensified our credit risk management efforts, focusing on early identification and mitigation of potential risks to maintain asset quality and financial stability.

Financial Summary (continued)

Despite these setbacks, CUBC maintained a Capital Adequacy Ratio ("CAR") of 17.92%, well above the NBC's 15% requirement. In line with NBC's regulation for lending in KHR currency, 13.18% of total loans were in Khmer Riel, exceeding the 10% minimum threshold.

The Liquidity Coverage Ratio ("LCR") stood at a robust 132%, underscoring our financial strength and resilience. CUBC remains fully committed to fulfilling our regulatory obligations, preserving liquidity, managing risks prudently, and ensuring the continued trust of our customers.

Business Achievements and Future Plans

In 2024, CUBC achieved several strategic milestones:

- In first half of 2024, we signed a cooperation agreement with the Credit Guarantee Corporation of Cambodia, aimed at promoting access to guaranteed loans for SMEs. This supports financial inclusion and entrepreneurship while enhancing capital efficiency and reducing lending risks.

- In December 2024, we launched our Bancassurance business in partnership with Fortune Life Insurance Plc, offering free life insurance consultations at our headquarters and across 10 Phnom Penh branches.

- On December 2nd, 2024, CUBC has granted license as Escrow Services in Trust Sector. We believe that we could assist buyer and seller in real estate transaction smoothly. We hope that the service will grow our customer satisfaction, gain more valued clients and retain our deposit portfolio from time to time.

We also introduced significant digital banking upgrades:

- Enhanced mBanking app, allowing free reactivation of dormant accounts.

- A redesigned credit card interface for easier management and bill payments.

These enhancements align with our goal of delivering a modern, frictionless digital experience.

Looking ahead:

- In Q2 2025, we will launch an online credit card application feature via our website, improving customer access to financial services.

- We are preparing to roll out "Payment Link", an acquiring solution that allows merchants to accept online payments without a website, app, or technical integration—delivering a simple, accessible payment method by generate link.

We remain committed to digital innovation, service expansion, and delivering tailored solutions that meet the evolving needs of our customers.

MESSAGE FROM THE CHAIRMAN (continued)

On behalf of our Shareholder and the Board of Directors, I extend heartfelt appreciation to our valued customers for their unwavering trust, loyalty, and support. Your confidence drives us to continuously deliver superior banking solutions.

We are equally grateful for the steadfast guidance and support from the National Bank of Cambodia and other government stakeholders. Most importantly, I wish to express my sincere thanks to our dedicated team, whose hard work, resilience, and commitment have powered every milestone.

CUBC stands strong in its core values of integrity, accountability, and innovation. With continued support from our Shareholder and the strength of our people, we are well-prepared to face future challenges and strengthen our leadership in Cambodia's banking sector.

Yours sincerely,

Mr. Teng, Chung-Yi, Daniel

Chairman of the Board of Directors

BOARD OF DIRECTORS

Mr. Teng, Chung-Yi, Daniel

Chairman

Mr. Teng, Chung-Yi was appointed as Chairman of Cathay United (Cambodia) Corporation Limited on June 19, 2017 and a member to Remuneration & Nomination Committee as well.

Mr. Teng also sits on the Board position in Taiwan Real-Estate Management Corp. and Cathay United Bank (China) Co., Ltd. Currently, he is the Senior Executive Vice President in Cathay Financial Holdings Co., Ltd. and Cathay United Bank Co., Ltd. (Taiwan) and, where he is involved in a variety of strategic planning and business development activities. Prior to joining Cathay Financial Holdings, Mr. Teng worked in the Cathay Life Insurance as a Senior Executive Vice President from 1994 to 2013. Mr. Teng holds M.B.A from Massachusetts Institute of Technology, USA and also holds Master of Science from Institute of Statistics of National Tsing Hua University, Taiwan.

Mr. Yeh, Chan-Hao, Kevin

Director & President

Mr. Yeh, Chan-Hao was appointed as the President and Director of the Bank in June 2023. He is also a member of Loan Committee, Credit & Risk Committee, and New Activities & Products Committee.

Mr. Yeh also Director of CUBC Investment Co., Ltd. Before joining Cathay United Bank (Cambodia) Corporation Limited, Mr. Yeh had been experienced with banking sector for more than 25 years in Taiwan and worked as Executive Vice President of Cathay United Bank (Taiwan) involved with bank strategic planning. Presently, Mr. Yeh is responsible for the supervision of Bank's daily business and operation as well as developing strategic plan. Mr. Yeh holds several professional certificate including Bank Internal Control and Audit and holds Master of Business Administration from National Chengchi University.

Mr. Hsia, Chang-Chuan, Joseph

Independent Director

Mr. Hsia, Chang-Chuan is an Independent Director of the Bank. He is also the Chairman of the Credit & Risk Committee and New Activities & Products Committee, and a member of the Audit & Compliance Committee and Loan Committee. Mr. Hsia had been with banking business for more than 30 years before he retired from Cathay United Bank in Taiwan as an Executive Vice President in 2006. During his banking career, he had been worked with Chase Manhattan Bank, City Bank of Taipei and Bank of Kaohsiung. Currently he is a board member and CEO of a Charity foundation in Taiwan. Mr. Hsia has graduated from Tamkang University in Taiwan and he also holds a Master of Arts degree from the University of Minnesota, USA.

Mr. Cheng, Wu-Shui, Walter
Independent Director

Mr. Cheng, Wu-Shui is an Independent Director of the Bank. He is also a Chairman of the Audit & Compliance Committee as well as the Remuneration & Nomination Committee. Mr. Cheng is also an Independent Director of Goldtek Technology Co., Ltd. Mr. Cheng is a Certified Public Accountant in Taiwan and a member of the Taipei Certified Public Accountant Association. In addition, he holds a Master of Business Administration degree from Chinese Culture University and Ph.D program of Accounting from Shanghai University of Finance and Economics. He has vast experience and exposure in the field of accounting, finance, securities and consulting in various industries.

Mr. Sun, David Paul
Director

Mr. Sun, David Paul is a Director of the Bank, and he is also a member of Audit & Compliance Committee. Moreover, Mr. Sun is a Senior Executive Vice President of Cathay Financial Holdings Co., Ltd. and Cathay Life Insurance Co., Ltd. He also sits on the Board of several companies such as Quantifeed Holdings Limited, Symphox Information Co., Ltd. and Generali Investments Holding. In this capacity, Mr. Sun is responsible for a variety of business planning activities and strategic projects. Mr. Sun joined Cathay Financial Holdings in September 2003 as a Senior VP and led the Corporate Planning Division from 2009 to 2013 where he was involved in a variety of strategic planning and business development activities and M&A transactions.

Prior to joining Cathay Financial Holdings, from 1994 to 2003, Mr. Sun worked in the Investment Banking Division of Morgan Stanley based in New York where he was involved in the execution of a broad range of public and private financing and M&A transactions. Mr. Sun received an MBA from Harvard Business School, an MA from Harvard Graduate School of Design and an AB from Harvard College.

Mr. Wang, Chih-Fong, Chris
Director

Mr. Wang, Chih-Fong is a Director of the Bank, and he is also a member of New Activity & Product Committee. Mr. Wang has experienced in finance industry for more than 15 years. During his career, he had been worked as the Vice President, Senior Vice President and Executive Vice President of Cathay Life Insurance, Taiwan. Presently, Mr. Wang works as Executive Vice President of Cathay United Bank, Taiwan. Mr. Wang holds the MBA from Tsinghua University, Beijing China in year 2010.

Mr. Miao, Hua-Ben, Benny
Director

Mr. Miao, Hua-Ben is a Director of the Bank, and he is also a member of Credit & Risk Committee, Remuneration & Nomination Committee, and the Chairman of Loan Committee. Mr. Miao has over than 15 years of experience in the banking industry. During his banking career, he had been worked as a Director in China-ASEAN Fund and in Asia Pacific Investment Advisors Limited Hong Kong as a Senior Portfolio Manager. Presently, Mr. Miao works as Executive Vice President of Cathay Financial Holdings and Cathay United Bank, Taiwan. Mr. Miao holds the MBA from Pennsylvania Sate, USA in year 2003.

AUDIT & COMPLIANCE COMMITTEE

Committee Members	Designation in Committee	Designation in Bank
Cheng, Wu-Shui	Chairman	Independent Director
Sun, David Paul	Member	Director
Hsia, Chang-Chuan	Member	Independent Director

Purpose

The Audit and Compliance Committee shall provide assistance to the Board in fulfilling its Corporate Governance and oversight responsibilities in relation to the bank's financial reporting, internal accounting, internal controls, risk management systems, the internal and external audit functions, and legal compliance function of the bank.

Term of Reference

The functions of the Audit & Compliance Committee shall be to:

i. Monitor the integrity of the financial reporting process and systems of internal controls of the bank;
ii. Assess the appropriateness of the bank's accounting policies and principles and disclosures and any changes to them;
iii. Review effectiveness of the bank's legal compliance management and to review the bank's code of ethics and code practice;
iv. Approve and monitor the appropriateness of internal audit plan of the bank;
v. Evaluate the Audit and Compliance department's performance annually;
vi. Review and update internal audit policy annually;
vii. Review the scope and results of the internal audit procedures; and ensure that internal audit undertake audit of the effectiveness and compliance with Anti-money laundering (AML) and Combating the Financing of Terrorism (CFT);
viii. Ensure adequacy of review procedures of the financial statements and other financial information released by the bank;
ix. Make recommendations to the Board about the appointment, re-appointment or replacement of the external auditor, the Head of Internal Auditor, Compliance Officer and complaint handling officer.
x. Ensure that the roles and job responsibilities of internal auditor are clearly defined and documented in accordance and at least include
   - testing the effectiveness of the policies, procedures and control for AML/CPT measures;
   - ensuring the effectiveness of AMI/CFT control mechanisms including staff training and awareness programs, employee screening mechanisms and AML/CFT internal manual; and
   - ensuring that measurement put in place is in line with current developments and change of the relevant AML/CFT requirement;
xi. Ensure the bank has, at the minimum, policies on AML/CFT procedures and controls which policies are in line with the risks associated with the nature of business, and complexity and volume of the transactions undertaken by the bank;
xii. Ensure the bank has an effective internal control system for AML/CFT compliant legal and regulatory requirements;
xiii. Assess the implementation of approved AML/CFT and other compliance policies via periodic reports;
xiv. Ensure effectiveness of Customer Complaint Handling Procedure including regular training to management and staff involve in customer complaint handling procedure;

xv. Reviews annually on the effectiveness and result of customer complaint handling procedure;

xvi. Other functions as may be agreed by the board of directors.

Member

The committee shall be comprised of members representing a balance of views, knowledge and experience and other attributes as determined by the Board and there shall be at least three (3) members. The chairperson and members of the committee shall be appointed by the Board. The committee shall be chaired by an independent board member and shall include at least an independent person with expertise in finance and accounting, and an independent person with expertise in legal issues and banking. The committee members must be able to read and understand financial statements and at least one member of the committee shall have financial expertise.

CREDIT & RISK COMMITTEE

Committee Members	Designation in Committee	Designation in Bank
Hsia, Chang-Chuan	Chairman	Independent Director
Miao, Hua-Ben	Member	Director
Yeh, Chan-Hao	Member	President

Purpose

The committee shall monitor the management of bank wide risk and in so doing shall provide assistance to the Board in fulfilling the risk management component of its Corporate Governance responsibilities.

Term of Reference

The functions of the Credit & Risk Committee shall be to:

i. Review and endorse Risk Management Policy, including the risk management strategy, and significant variations to it;
ii. Responsible for monitoring the implementation of risk management policies as defined by the Board and the performance of Risk Management department and Credit Risk Management department;
iii. Review and endorse on risk appetite, risk tolerance and approach to conduct risk management in each material risk area, including market, liquidity, strategy, solvency, credit, legal, operational, and others;
iv. Review limit and policy and delegation of authority (other than those matters which require Board approval) breaches to the extent that there are implications for the Risk Management Policy;
v. Provide oversight of senior management's implementation of the risk management strategy, and constructively challenge senior management's proposals and decisions on risk management arising from the bank's activities;
vi. Review any other matters that may be delegated to the committee by the Board.

Member

The committee shall be comprised of members representing a balance of views, knowledge and experience and other attributes as determined by the Board and there shall be at least three (3) members. The chairperson and members of the committee shall be appointed by the Board. The Committee shall be chaired by a person with expertise in finance and risk management and that person shall be independent from day-to-day operations.

REMUNERATION & NOMINATION COMMITTEE

Committee Members	Designation in Committee	Designation in Bank
Cheng, Wu-Shui	Chairman	Independent Director
Teng, Chung-Yi	Member	Director
Miao, Hua-Ben	Member	Director

Purpose

The Remuneration & Nomination Committee ("R&N Committee" or "Committee") shall remunerate fairly and responsibly by ensuring that the level and composition of remuneration and nomination are sufficient and reasonable.

Term of Reference

The functions of the Remuneration & Nomination Committee shall be to:

i. Oversee and review bank’s policy/procedure/structure on remuneration, nomination, and performance valuation which is consistent with the long-term objectives and corporate values of the Bank;
ii. Assess and review bank's implementation on remuneration and performance valuation
iii. Review and recommend nominee, as member of the Board and all committees on Board level, to the Board;
iv. Review and recommend nominee, as management team, to the Board;
v. Perform other oversight functions as delegated and or requested by the Board.

Member

The Committee shall be comprised of members representing a balance of views, knowledge and experience and other attributes as determined by the Board and there shall be at least three (3) members. The members of the Committee shall meet the requirements of the NBC corporate governance rules and all other applicable laws, rules and regulations governing director independence, as determined by the Board and that the committee shall be chaired by an independent board member and it shall include at least one independent person with expertise in legal issues and banking. Members of the committee and the committee Chair shall be appointed by and may be removed by the Board. Membership period follows director's period if not additionally specified.

NEW ACTIVITIES & PRODUCTS COMMITTEE

Committee Members	Designation in Committee	Designation in Bank
Hsia, Chang-Chuan	Chairman	Independent Director
Wang, Chih-Fong	Member	Director
Yeh, Chan-Hao	Member	President

Purpose

The committee has been established pursuant to Prakas on Internal Control of Bank and Financial Institutions (B7 010-172 Prokor) for reviewing the new products/activities proposals, discuss and provide corresponding recommendations to the Board.

Term of Reference

The functions of the Remuneration & Nomination Committee shall be to:

i. Ensure proper identification, analysis and control of various risks that arise in relation to the launch of new products, activities, services, change of procedures, and approval of new systems, while minimizing losses which may occur;
ii. Review the new products/activities proposals in accordance with the Bank's relevant policies, including but not limited to Operational Risk Management Policy, AML and CFT Compliance Policy, Internal Control Policy and Interest Rate Risk Management in the Banking Book (IRRBB) Policy, as well as discuss and provide corresponding recommendations to the Board;
iii. Review any other matters that may be delegated to the committee by the Board.

Member

The meeting shall meet on an ad-hoc basis as whichever unit that develops the new product/service submits a new product/activity proposal. A quorum for a meeting of the committee shall be at least three (3) members. The committee may invite expertise and management team to attend meetings of the committee.

LOAN COMMITTEE

Committee Members	Designation in Committee	Designation in Bank
Miao, Hua-Ben	Chairman	Director
Hsia, Chang-Chuan	Member	Independent Director
Yeh, Chan-Hao	Member	President

Purpose

The purpose of the Loan Committee ("Committee") is mainly to approve loan/credit transactions exceeding President's authority; AND to enhance portfolio quality.

Term of Reference

The functions of the Loan Committee shall be to:

i. To approve loan/credit transactions exceeding President's authority, with prudent and fair views.
ii. To review loan/credit portfolio monitoring report (including quality, performance, sector concentration) prepared by management team.
iii. To review bank's implementation on loan/credit portfolio to meet NBC regulation.
iv. To review other matters delegated to the Committee by the Board.

Member

The Committee shall consist of 3 members or more. Members of the Committee shall be appointed by the Board. Chairman of the Committee shall be appointed by the Board or be elected with majority votes by members of the Committee.

CORPORATE GOVERNANCE GUIDELINES

1. Objective:

This Corporate Governance Guidelines (hereinafter referred to "**CG Guidelines**") aims to strengthen governance and enable good corporate governance within CUBC to achieve the goals, control risks and assure regulatory compliance in line with the implementation of CUBC's core value "**Integrity**, **Accountability**, **Innovation**" (hereinafter referred to "**Core Value**").

2. Scope:

The scope of this CG Guidelines applies to different levels of management including the Board of Directors, Board Committees, and Senior Management of CUBC in order to provide clear guidance rules to CUBC's stakeholders and to define the relationship between the Board, management, all levels employees, and the rest of the institution for the purpose of transparency, interest protection, jobs efficiency enhancement and risks mitigation among CUBC.

3. Definitions:

i) Corporate Governance: refers to the development of clear structure & systems of rules and practices by which CUBC is governed and directed.

ii) Board of Directors or Board: refer to the decision-making body or the collegiate body that is responsible for supervising the management and situation of CUBC on behalf of Shareholder.

iii) Board Committees: refer to Board level's committees that may be set up by the Board of Directors. The Board of Directors shall determine its composition, duties and responsibilities, as well as operating procedure. CUBC's Board Committees consists of Audit & Compliance Committee, Credit & Risk Committee, Board Loan Committee, Remuneration & Nomination Committee, New Activities & Products Committee and other specialized committees as it deems necessary.

iv) Senior Management: refers to a group of key executives overseeing day to day management of the institution that is required approval from NBC, and that comprise of President, First-Vice President, and Vice President who has sufficient back up duty for First-Vice President and President.

v) Related Party: refers to any person holding directly or indirectly at least 10% of the capital or voting rights; any company of which the covered entity directly or indirectly holds at least 10% of the capital or voting rights; any individual who participates in the administration, direction, management, or internal control; and appointed external auditor.

4. Good Corporate Governance

In line with the growth of the Bank and market developments, CUBC aspires to the highest standards of ethical conduct and adhering to international best practices for Corporate Governance.

Good Corporate Governance is an integral part of our daily operations at CUBC. CUBC believes that we must follow sound commercial principles, supported by strong Corporate Governance practices in each of the activities of the Bank. We are fostering a culture that instills this good corporate governance and internalizes the goals of improved transparency, disclosure, independence and accountability through a variety of formalized and widely disseminated communications and programs. These include our Vision and Mission Statements, Management of Ethical Conduct, Standards of Conduct and annual disclosure required by regulatory compliance and our active committee system.

4. Good Corporate Governance (continued)

Our Procedures and Guidelines Conduct for Ethical Management and Code of Conduct section of Human Resources Policy stipulates the onerous responsibilities of CUBC's employees to safeguard the Bank's integrity and credibility. It also codifies the ethical standards of conduct expected of CUBC's employees. At the same time, CUBC is taking steps to strengthen corporate governance towards boosting public confidence in the Cambodia banking industry.

5. Board Matters

Board of Directors

The Board of Directors' primary responsibility is to provide effective governance over the Bank's affairs for the benefit of its shareholders, and to maintain the interests of its customers, employees, suppliers and local communities. In all actions taken by the Board, the Directors are expected to exercise their business judgment in what they reasonably believe to be the best interests of the Bank and avoid conflicts of interest. In discharging that obligation, Directors may rely on the honesty and integrity of the Bank's Senior Managements and its outside advisors and auditors.

Number and Selection of Board Members

There are seven (7) Directors including Independent Directors supervising the Bank. Directors shall be appointed by the majority votes of Shareholders through ordinary resolution, Service terms of Directors is mandated for 2 years and it is eligible to be renewed after two (2) years. Appointments of these Directors will be notified to NBC for an approval.

The Board of Directors shall include 2 independent directors. The 2 independent directors shall be capable of exercising judgment independent of the managements' views, political interests or inappropriate outside interests.

The Board may also appoint honorary directors. Honorary directors are invited to Board meetings, but do not vote on issues presented to the Board.

Candidates for the Board shall be recommended to Shareholders for approval, taking into consideration the overall composition and diversity of the Board and areas of expertise that new Board members might be able to offer.

Qualifications for Director Candidates

The Directors shall be appointed by the Shareholders and then the Secretariat Office will submit the proposal to Board meeting based on Shareholder's instruction. The factors considered in its review of potential candidates include:

i) Whether the candidate has exhibited behavior that indicates he or she is committed to the highest ethical standards and the values of the Bank;

ii) Whether the candidate has had broad business, governmental, non-profit or professional experience that indicates that the candidate will be able to make a significant and immediate contribution to the Board's discussion and decision-making in the array of complex issues facing a financial services business;

iii) Whether the candidate has special skills, expertise and background that add to and complement the range of skills, expertise and background of the existing Directors in order to follow up current market conditions and be knowledgeable of the competitive environment of the Bank;

iv) Whether the candidate has had a successful career that demonstrates the ability to make the kind of important and sensitive judgments that the Board is called upon to make;

5. Board Matters (continued)

Qualifications for Director Candidates (continued)

v) Whether the candidate will effectively, consistently and appropriately take into account and balance the legitimate interests and concerns of all of the Bank's shareholders in reaching decisions;

vi) Whether the candidate will be able to devote sufficient time and energy to the performance of his other duties as a director;

vii) Whether the candidate will understand the overall regulatory environment in order to be knowledgeable of regulatory issue that could arise;

viii) Whether the candidate will undergo the fit and proper testing process at the NBC which is part of the licensing processes;

ix) Whether the candidate is to understand their role, including the institution's risk profile;

x) Whether the candidate is to be trained if necessary so as to maintain a collective expertise;

xi) Whether the candidate is to understand their duties to shareholders, to the institution, and to stakeholders;

xii) Whether the candidate have time and energy to be able to act efficiently.

The Board shall exercise their judgment on the application of the above factors.

Independent Director

An Independent Director is a Non-Executive Director who is free from any business or other association - including those arising out of a substantial shareholding, involvement in past management or as a supplier, customer or adviser - that could materially interfere with the exercise of their independent judgment. The circumstances that will not meet this test of independence include, but are not limited to, those set out below.

A Director is not independent if the director:

i) is a substantial shareholder of the Bank or an officer of, or otherwise associated directly with, a substantial shareholder of the Bank ("substantial shareholder" is consider as a person with a substantial holding that has 5% or more of the total number of votes attached to voting shares);

ii) is employed, or has previously been employed in an executive capacity by the Bank, and there has not been a period of at least three years between ceasing such employment and serving on the Board;

iii) has within the last three years been a principal of a material professional adviser or a material consultant to the Bank, or an employee materially associated with the service provided;

iv) is a material supplier or customer of the Bank, or an officer of or otherwise associated directly or indirectly with a material supplier or customer;

v) has a material contractual relationship with the Bank other than as a Director.

5. Board Matters (continued)

Training and Development to the Board:

The Bank will provide continuing education opportunities for all members of the Board if necessary.

Board Meeting & Attendance

Directors are expected to attend the Bank's Annual General Meeting, Board meetings and meetings of Board Committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities

Information and materials that are important to the Board's understanding of the business to be conducted at a Board or Board Committee meeting should be distributed to the Directors prior to the meeting, in order to provide time for review.

The Chairman will establish a calendar of standard agenda items to be discussed at each meeting scheduled to be held over the course of the ensuing year, and shall also establish the agenda for each Board meeting. Each Board member is free to suggest items for inclusion on the agenda or to raise subjects that are not on the agenda for that meeting.

The Board holds regular and irregular meeting, if needed, where all decisions are made in this meeting. The Board shall meet at least 4 times a year. Directors shall be dismissed if he/she misses to attend ½ of total Board meeting or does not attend 3 consecutive Board meetings without an appropriate reason.

Annual Strategic Review

The Board reviews the Bank's long-term strategic plans and the principal issues that it expects the Bank may face in the future during at least 1 Board meeting each year.

Communications

The Board believes that Senior Management speaks for the Bank. Individual Board members may, from time to time, meet or otherwise communicate with various constituencies that are involved with the Bank, subject to prior consultation with the Chairman or the President.

Effective Board & Control

In addition to the formal Board meetings, directors shall regularly interact and direct questions with the Bank's management and internal auditors.

The key functions of the Board are:

i) Guiding of the Bank's strategies and principal issues;

ii) Approving annual budgets and targets;

iii) Monitoring the performance and proper conduct of the Bank's business;

iv) Overseeing the processes for evaluating the adequacy of internal controls, risk management, financial reporting and compliance; and

v) Appointing Senior Management to Board Committees and receiving reports of Board Committees

vi) Regularly assess their practices

vii) Ensuring that Senior Management follows clear policies to implement the operations when facing non-transparent structures or jurisdictions

viii) Ensuring that internal audit does not leave these structures or activities out of their regular reviews

ix) Ensuring that outsourced key activities remain under sufficient control and that the corresponding risks are adequately identified and monitored

5. Board Matters (continued)

Training and Development to the Board: (continued)

Board Committees

The standing committees of the Board are the Audit & Compliance Committee, Credit & Risk Management Committee, Board Loan Committee, Remuneration & Nomination Committee and New Activities & Products Committee.

Board Committee members shall be appointed by the Board. Each Board Committee shall have its own written charter. The charters shall set forth the mission and responsibilities of the Board Committees as well as qualifications for Board Committee membership, procedures for Board Committee member appointment and removal, Board Committee structure and operations and reporting to the Board.

The Chair of each Board Committee, in consultation with the appropriate members of the Board Committee and Senior Management, shall develop the Board Committee's agenda. The Board may, from time to time, establish or maintain additional Board Committees as necessary or appropriate.

6. Strategic Objectives & Corporate Values

Strategies & Values

The Bank has developed strategies, values, and major plans of action that are necessary to conduct the activities of the Bank. The Board is responsible for reviewing and guiding them by actively involving themselves in the process and also contribution to be made by the Senior Management.

The Board through the Senior Management nurtures the Bank culture in ensuring its employees understand and comply with its strategic objectives and values, including those regarding ethics and compliance rules. The members of the Boards act as role models for Senior Management and employees in implementing its said objectives and values. The Board will constantly check if the objectives and values are actually prevailing throughout the Bank by analyzing major incidents in which employees failed to meet the objectives and values. The Board shall ascertain that credit risk assessment, controls, and procedures are appropriate to nature, complexity and size of the Bank's activities.

High Standards of Professional Conduct in Addressing Conflicts of Interest and Unethical Behavior

Monitoring related parties' transactions is an important policy goal to the Bank so as to ensure sound banking.

The Board has put in place the policies and procedures on related parties' transactions. The Board shall approve or disapprove materially important transactions respectively while requiring management to clearly prove that they are on market terms and conditions.

The Audit & Compliance Committee and Credit & Risk Committee monitor to ensure that any related parties transactions or lending to its officers and employees comply with its policy and procedures in order to prevent conflicts of interest.

Loans to related parties will be disclosed and reported to NBC.

7. Clear Lines of Responsibility

Responsibility & Accountability

The Board has clearly defined the authorities and key responsibilities for themselves and for the Senior Management and they have ultimate responsibilities in overseeing the Senior Management's actions.

Integrity & Fairness

The Board believes in conducting business with integrity and fairness in an honest and ethical manner. All transactions and decisions should be made in good faith in the best interest of the Bank so as to minimize inequalities of power. Also, all statements and actions should be made honestly and accurately so that they may be relied upon. Selective presentation of information or suppression of relevant information is not allowed since such action contributes to an act of dishonesty, or that may be construed to be views and judgments that are not balanced and diluting the integrity standards espoused at all times by the Board and the Bank's Senior Management.

Director Access to Senior Management

Directors have full and free access to Senior Management and other employees of the Bank. Any meetings or contacts that a Director wishes to initiate may be arranged through the President or directly by the Director. The Board welcomes regular attendance at each Board meeting by Senior Management of the Bank. If the President wishes to have additional Bank personnel attendees on a regular basis, this suggestion will be brought to the Board for approval.

Senior Management

The Senior Management is responsible for the day-to-day operations of the Bank, serving as a link between the Board and employee. The Senior Management is responsible for:

i) Setting, developing and implementing the Bank's strategic and operational plan to ensure the Bank's profitable growth and success;

ii) Keeping Directors adequately informed about the performance of the institution through financial and management reports and the reports prepared by internal auditors, external auditors and the compliance officer;

iii) Advising the Board on the appropriate organizational structure, and ensuring that the quantity and quality of employee resources are available to carry out all tasks, including internal audit and compliance;

iv) Developing and motivating HoDs or above to ensure the leadership team is effective by setting agendas, delegating authority and responsibility for individual tasks and strategic initiatives, and providing overall management;

v) Ensuring succession plans are in place to provide the continuity of leadership required by the Bank for the future;

vi) Acting as a final decision-maker as per the Board's Delegation of Authority and ensure all operations are conducted in full compliance with laws, regulations and the Bank's Procedures and Guideline of Conduct for Ethical Management.

vii) Implementing and maintaining risk management systems appropriate to the scale, nature and complexity of the institution;

viii) Delineating and documenting the areas of responsibility for each employee member. Reporting lines must be clear and appropriate in the context of the scale, nature and complexity of the Bank;

ix) Communicating the Bank's strategic direction, reporting lines and risk tolerances throughout the organization; and

7. Clear Lines of Responsibility (continued)

Senior Management (continued)

x) Overseeing management information systems to enable timely and accurate dissemination of information to the Board and regulators.

8. Promotion of Quality & Efficiency of Audit

Internal Control

The Board has overall responsibility for maintaining a system of internal controls which shall cover all of the Bank's business activities, such as financial and operational controls and risk management, under which suitable policies and internal procedures shall be stipulated in accordance with the organization rules, articles of incorporation, business guidelines, and handling manuals; Senior Management shall establish such a system by receiving instructions and supervision from the Board of Directors, complying with resolutions made in the Board of Directors such as business strategies, risk preferences and other strategies, developing risk-related procedures that are adequate to identify, measure, monitor, and control the Bank's risks. This system provides reasonable but not absolute assurance against materials misstatements, losses and fraud.

The Audit & Compliance Committee is entrusted with the responsibility of identifying and communicating to the Board on the critical risks that may be faced by the Bank, changes to the Bank's risk profile and management's action plans to manage the risks.

Internal Audit

The Audit & Compliance Committee assigns the task of monitoring the appropriateness and effectiveness of its systems and controls to the Internal Audit Department. The internal auditors report regularly to the Audit & Compliance Committee.

The Audit & Compliance Committee will:

i) To monitor the integrity of the financial reporting process and systems of internal controls of the Bank;

ii) To assess the appropriateness of the Bank's accounting policies and principles and disclosures and any changes to them;

iii) To review effectiveness of the Bank's legal compliance management and to review the Bank's code of ethics and code of practice;

iv) To review and evaluate the appropriateness of internal audit plan of the Bank;

v) To review the scope and results of the internal audit procedures; and ensure that internal audit undertake audit of the effectiveness and compliance with Anti-money laundering (AML) and Combating the Financing of Terrorism (CFT);

vi) To ensure adequacy of review procedures of the financial statements and other financial information released by the Bank;

vii) To make recommendations to the Board about the appointment, re-appointment or replacement of the external auditor, the Head of Internal Auditor, and Compliance Officer;

viii) To ensure that the roles and job responsibilities of internal auditor are clearly defined and documented in accordance Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT);

ix) To ensure the Bank has, at the minimum, policies on AML / CFT procedures and controls which policies are in line with the risks associated with the nature of business, and complexity and volume of the transactions undertaken by the Bank;

8. Promotion of Quality & Efficiency of Audit (continued)

Internal Audit (continued)

x) To ensure the Bank has an effective internal control system for AML/CFT compliant with legal and regulatory requirements;

xi) To assess the implementation of approved AML/CFT and other compliance policies via periodic reports;

xii) Other functions as may be agreed by the board of directors.

Internal Auditor is to:

i) assure the effectiveness of risk identification, measurement, monitoring, management, limitation and, where applicable, mitigation procedures and processes; and

ii) assure the effectiveness of the internal control procedures and processes and appropriateness of processes established to prevent from conflict of interest situations or, when applicable, to resolve them in a prudent manner; and

iii) assure the adequacy and effectiveness of compliance controls and the full adherence to the policies issued by the Board of Directors; and

iv) Test the effectiveness of Anti-Money Laundering (AML) and Combating the Financing of Terrorism.

9. Compensation Policies

Director's Remuneration

The form and amount of the Director's remuneration is determined by the Board based upon the recommendations of the Remuneration & Nomination Committee. The Remuneration & Nomination Committee shall conduct an annual review of the Director's remuneration.

Remuneration of CUBC's Employee

As part of the Bank's value strategy, the objective of the Bank's compensation program is to attract, retain and motivate high performing employee to create sustainable shareholder value over the long term. To achieve this objective, the Bank's compensation program is based on the following principles:

i) offer competitive compensation;

ii) link compensation with individual performance, the achievement of specific strategic business objectives and the Bank's performance as a whole;

iii) strive to ensure the Bank is a market leader on governance issues;

iv) align employee compensation with current best practices;

v) provide flexible, simple and accessible programs for employee.

10. Transparency

Disclosure of Information

The Bank ensures that reporting of financial and non-financial information to be accurate and such information is made available on a timely basis. The Bank's general web site which provides substantial information about the Bank and its programs and services, including financial statements and press releases are easily accessible by the public. Such information, along with other information made available periodically by the Bank through press releases and other media, provides transparency with respect to the operations and financial performance of the Bank.

10. Transparency (continued)

Disclosure of Information (continued)

The Bank is committed to providing disclosure to the public. By taking into account the requirements of NBC regulations and the unique structure of the Bank, the Bank issues reports that are consistent with the requirements. As a result, the Bank's disclosure produces transparency regarding its operating and financial performance and confirms the effectiveness of its corporate governance system.

Standards of Conduct & Management of Ethical Conduct

The Bank has adopted the Code of Conduct section in HR Policy and Procedure and Guideline of Conduct for Ethical Management, and other internal policies and guidelines designed to support the mission statement set forth above and to comply with the laws, rules and regulations that govern the Bank's business operations. The Code of Conduct determined in HR Policy and Procedure and Guideline of Conduct for Ethical Management apply to all employees of the Bank, including the directors of the Bank.

Transactions with Directors

To the extent transactions, including banking services and other financial services, between the Bank and any Director or family member of a Director are not otherwise specifically prohibited under these Corporate Governance Guidelines or other policies of the Bank. Such transactions shall be made in the ordinary course of business.

Loan Related Parties

The Bank may grant credit facilities to related parties either by referring to employee loan policy or credit policy.

11. Understanding of Institution's Structure

Risk Management

The Board is responsible for overseeing the establishment, implementation, review and monitoring of risk management systems and policies. The Bank has established an integrated framework of committee policies and controls to identify, assess, monitor and manage risk. The Senior Management is responsible for implementing the policies and controls.

Credit & Risk Committee shall be chaired by a person who is independent from day to day operations and expertise in finance and risk management and fully understand and assist to monitoring the implementation of risk management policies.

Financial Safeguards

The Board has established an Audit & Compliance Committee, with a charter setting out the responsibilities of the Committee. The Audit & Compliance Committee has oversight responsibility for the internal audit function, Compliance & AML function, and approves other relevant policies.

The Audit & Compliance Committee also has oversight responsibility in relation to the external auditor. Among other things it recommends to the Board the policy in relation to auditor independence and approves the annual audit engagement terms. It also conducts the annual fit and proper assessment of the auditor.

The Chairman and President both provide annual signoffs to the Board in relation to financial matters, as mentioned in the annual report.

12. Amendments

The Board may amend these Corporate Governance Guidelines, or grant waivers in exceptional circumstances, provided that any such modification or waiver may not be a violation of any regulations of NBC or any other applicable law or rule provided that any such modification or waiver is appropriately disclosed.

13. Conclusion

The Bank's Corporate Governance Guidelines fully comply with all the requirements of NBC regarding Corporate Governance. The Bank has implemented many of the recognized best practices, standards, and procedures so that its Corporate Governance structure operates to ensure the prudent and effective management of the Bank in the interest of its members and the public.

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors ("BOD") of Cathay United Bank (Cambodia) Corporation Limited ("the Bank") presents its report together with the consolidated financial statements of the Bank and its subsidiaries (together referred to as "the Group") and the separate financial statements of the Bank (collectively referred to as "the financial statements") as at 31 December 2024 and for the year ended.

THE GROUP

The Bank

The Bank is a commercial bank operating under the Cambodian Law on Commercial Enterprises and the supervision of the National Bank of Cambodia ("NBC"), pursuant to the Law on Banking and Financial Institutions of Cambodia and in accordance with Banking License No. 12 issued by the NBC. The Bank was incorporated in April 1996 under Registration No. Co. 079 E/1996, which was updated to 00005929 issued by the Ministry of Commerce on 11 June 2016. On 25 December 2009, the Bank was granted an indefinite banking license from the NBC.

The Bank is wholly-owned subsidiary of Cathay United Bank Limited ("the parent company"), a commercial bank in Taiwan. Its ultimate parent company is Cathay Financial Holdings.

The Bank is principally engaged in the operation of core banking business and the provision of related financial services in the Kingdom of Cambodia, through the Bank's head office at Phnom Penh and its provincial branches.

The Bank's registered address is at No. 48, Samdech Pan Street (St. 214), Phnom Penh, Kingdom of Cambodia.

The Subsidiary

CUBC Investment Co., Ltd ("the Subsidiary") was incorporated on 14 August 2012 by the Bank and Printemps Co., Ltd., a Cambodian company.

The principal activity of the Subsidiary is to hold parcels of land for the Bank's use.

FINANCIAL PERFORMANCE

The Group's and the Bank's financial performance for the year ended 31 December 2024 are set out in the consolidated and separate statement of comprehensive income.

DIVIDENDS

No dividend was declared or paid, and the Directors do not recommend any dividend to be paid for the year under audit.

SHARE CAPITAL

There were no movements in the share capital of the Group and the Bank during the year.

RESERVES AND PROVISIONS

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

ALLOWANCE FOR EXPECTED CREDIT LOSSES ON LOANS AND ADVANCES

Before the financial statements of the Group and the Bank were drawn up, the Directors took reasonable steps to ascertain that action had been taken in relation to writing off bad loans and advances or in recognising provision for expected credit losses on loans and advances, and satisfied themselves that all known bad loans and advances had been written off and that reasonable allowance had been made for expected credit losses.

ALLOWANCE FOR EXPECTED CREDIT LOSSES ON LOANS AND ADVANCES (continued)

At the date of this report, the Directors are not aware of any circumstances which would render the amount written off for bad loans and advances or the amount of allowance for expected credit losses on loans and advances in the financial statements of the Group and the Bank inadequate in any material respect.

ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there is:

- no charge on the assets of the Group and the Bank which has arisen since the end of the financial year which secures the liabilities of any other person; and
- no contingent liability in respect of the Group and the Bank that has arisen since the end of the financial year other than in the ordinary course of business.

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the BOD is not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and the Bank, 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 Group and the Bank for the year were not, in the opinion of the Directors, materially affected by any items, transactions or events of a material and unusual nature.

There has not arisen in the interval between the end of the year and the date of this report any items, transactions or events of a material and unusual nature likely, in the opinion of the BOD, to substantially affect the results of the operations of the Bank for the year in which this report is made other than those already disclosed in the accompanying notes to the financial statements.

EVENTS AFTER REPORTING DATE

No significant events occurred after the reporting date that require disclosure or adjustment to the financial statements.

THE BOARD OF DIRECTORS

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

Mr. Chung Yi Teng	Chairman
Mr. Chan Hao Yeh	Director and President
Mr. David Paul Sun	Director
Mr. Hua Ben Miao	Director
Mr. Chih Fong Wang	Director
Mr. Chang Chuan Hsia	Independent Director
Mr. Wu Shui Cheng	Independent Director *(appointed on 19 June 2024)*
Mr. Po Tsang Hsieh	Independent Director *(resigned on 18 June 2024)*

AUDITOR

Ernst & Young (Cambodia) Ltd. Is the auditor of the Group and the Bank.

DIRECTORS' INTERESTS

No members of the Board of Directors have any interest in the shares of the Group and of the Bank.

DIRECTORS' BENEFITS

During and at the end of the year, no arrangement existed, to which the Group and the Bank was a party, whose object was to enable the Directors of the Group and the Bank to acquire benefits by means of the acquisition of shares in or debentures of the Group and the Bank or any other corporate body.

No Director of the Group or the Bank has received or become entitled to receive any benefit by reason of a contract made by the Group or the Bank or with a firm of which the Director is a member, or with a company in which the Director has a material financial interest other than those disclosed in the financial statements.

STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Directors is responsible for ensuring that the financial statements give a true and fair view of the respective financial position of the Group and the Bank as at 31 December 2024, and their financial performance and cash flows for the year ended in accordance with Cambodian International Financial Reporting Standards ("CIFRSs"). The Board of Directors oversees preparation of these financial statements by management who 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 CIFRSs or, if there have been any departures in the interest of fair presentation, these have been appropriately disclosed, explained and quantified in the financial statements;

iii) maintain adequate accounting records and an effective system of internal controls;

iv) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Group and the Bank will continue operations in the foreseeable future; and

v) effectively control and direct the Group and the Bank in all material decisions affecting the operations and performance and ascertain that these have been properly reflected in the financial statements.

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

STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS (continued)

The Board of Directors confirms that the Group and the Bank have complied with the above requirements in preparing the financial statements.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements which give a true and fair view of the respective financial position of the Group and the Bank as at 31 December 2024, and of their respective financial performance and cash flows for the year ended in accordance with CIFRSs.

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

Chung Yi Teng
Chairman

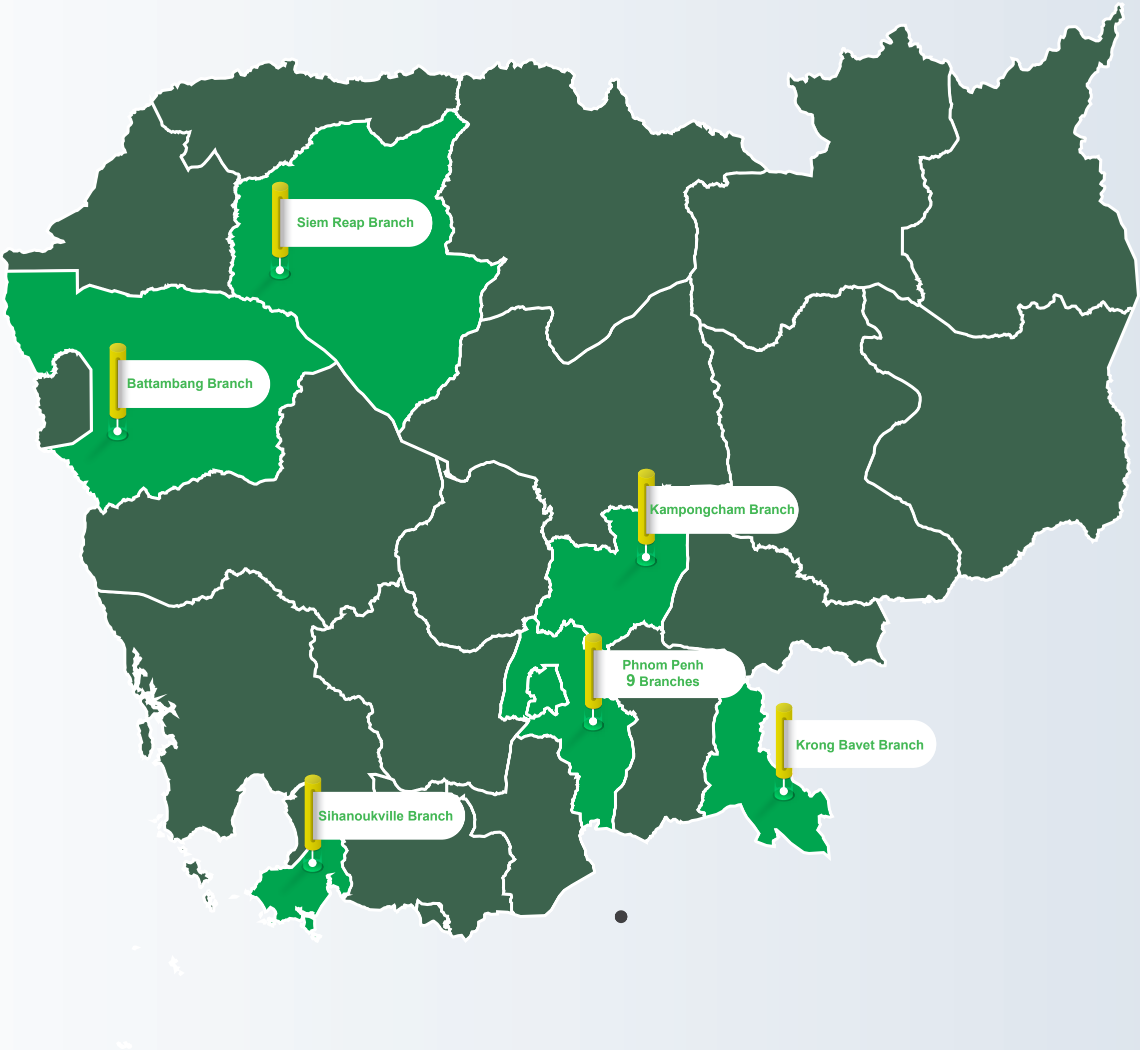
Chan Hao Yeh
President

C.U.B.C
Cathay United Bank (Cambodia)
KINGDOM OF CAMBODIA

Phnom Penh, Kingdom of Cambodia

6 March 2025

SERVICE NETWORK



Cathay United Bank (Cambodia) Corporation Limited

Head Office

No. 48, Samdach Pan Street, Phum 5, Sangkat
Boeng Reang, Khan Daun Penh, Phnom Penh
Tel: (855) 23 -21 12 11
Swift: CSBC KHPP

Phnom Penh Branches

Mao Tse Tung Branch

No 183A & 183B, Group 42, Phum 5, Mao Tse Toung Blvd., Sangkat Tuol Svay Prey Ti Muoy, Khan Boeng Keng Kang, Phnom Penh.

Tel: (855) 23 - 22 30 95

Phsar Hengly Branch

No 2E0 - E2, Street 271 corner of 2002, Sangkat Tuek Thla, Khan SaenSokh, Phnom Penh.

Tel: (855) 23 - 88 77 55

Chbar Ampov Branch

No 586, 587A &587B, National Road Nº 1, Sangkat Chbar Ampov Ti Pir, Khan Chbar Ampov, Phnom Penh.

Tel: (855) 23 - 72 01 72 / 23 – 72 01 82

Stueng Mean Chey Branch

Lot Nº 3 & 4, Preah Monireth Blvd., Phum Damnak Thum Muoy, Sangkat Stueng Mean Chey 2, Khan Mean Chey, Phnom Penh.

Tel: (855) 23 - 42 46 61/ 23 42 46 62

Saensokh Branch

Lot Nº1212, Street N0 1019, Phum Roung Chakr 1, Sangkat Kouk Khleang, Khan Saensokh, Phnom Penh.

Tel: (855) 23 - 99 06 88, (855) 23 - 99 08 08

Nehru Branch

No 168GE0, Jawaharlal Nehru Blvd., Sangkat Veal Vong, Khan Prampir Meakkakra, Phnom Penh.

Tel: (855) 23 - 88 13 22

Toul Tumpoung II Branch

N0 94, Street N0 271, Sangkat Tuol Tumpung Ti Pir, Khan Chamkar Mon, Phnom Penh.

Tel: (855) 23 - 22 02 38

Stat Chas Branch

Nº A03, Street N0 70 & N0 A05, Street No. 90, Sangkat Srah Chak, Khan Doun Penh, Phnom Penh.

Tel: (855) 23 - 90 16 08

Chaom Chau Branch

No. 8C & 9C (Eo+E1), Russian Federation Blvd. Corner of New Road, Group 3, Phum Kbal Damrei 2, Sangkat Kakab 2, Khan Pur Senchey, Phnom Penh

Tel: (855) 23 – 23 13 20/ 23 – 23 13 21

Provincial Branches

Kampong Cham Branch

N0 100, National Road N0 7, Phum Ti Prammuoy, Sangkat Veal Vong, Krong Kampong Cham, Kampong Cham Province.

Tel: (855) 42 - 94 14 08

Sihanoukville Branch

No 255, Ekareach Street, Group 14, Phum Pir, Sangkat Pir, Krong Preah Sihanouk, Preah Sihanouk Province.

Tel: (855) 34 - 93 42 28

Krong Bavet Branch

Manhattan Special Economic Zone, National Road N0 1, Phum Ta Pov, Sangkat Bavet, Krong Bavet, Svay Rieng Province.

Tel: (855) 44 - 94 63 03

Siem Reap Branch

No 16A, 17A &18A, Sivutha Street, Phum Mondol 1, Sangkat Svay Dankum, Krong Siem Reap, Siemreap Province.

Tel: (855) 63 - 96 38 38 / 63 -96 53 62

Battambang Provincial Branch

No 034 & 035, Phum Prek Moha Tep, Sangkat Svay Por, Krong Battambang, Battambang Province.

Tel: (855) 53 - 95 33 39

PRODUCTS AND SERVICES

Business Banking

Deposit Accounts
- Current Account
- Saving Account
- Fixed Deposit

Remittances
- Remittances

Credit Facilities
- Commercial Loan
- Syndicated Loan

Online Banking
- Global MyB2B

Payroll Service
- Payroll Service

Escrow Service
- Escrow Service

Merchant Service
- Merchant Services

International Trade
- International Trade

Personal Banking

Deposit Accounts
- Current Account
- Saving Account
- Fixed Deposit

Remittances
- Inward & Outward Remittances
- Payment & Transfer

Borrowing Solutions
- Individual Loan

Online Banking
- iBanking
- mBanking
- mBanking notification Services

ATM
- ATM Services

Personal Cards
- Credit Card
- Debit Card

CORPORATE SOCIAL RESPONSIBILITY

Blood Donation Event

organized by National Blood Transfusion Centre held on 08 February 2024

Cathay United Bank (Cambodia) Corporation Limited ("CUBC") Makes a Difference with Blood Donation Drive! CUBC is proud of our employees! Over 40 CUBC team members volunteered at blood donation events organized by National Blood Transfusion Centre and Association Bank of Cambodia in early of 2024.

We believes that supporting good cause like blood donation not only directly help those in need, but also inspire others to join the effort of giving back to the community. Together, we can make a positive impact!

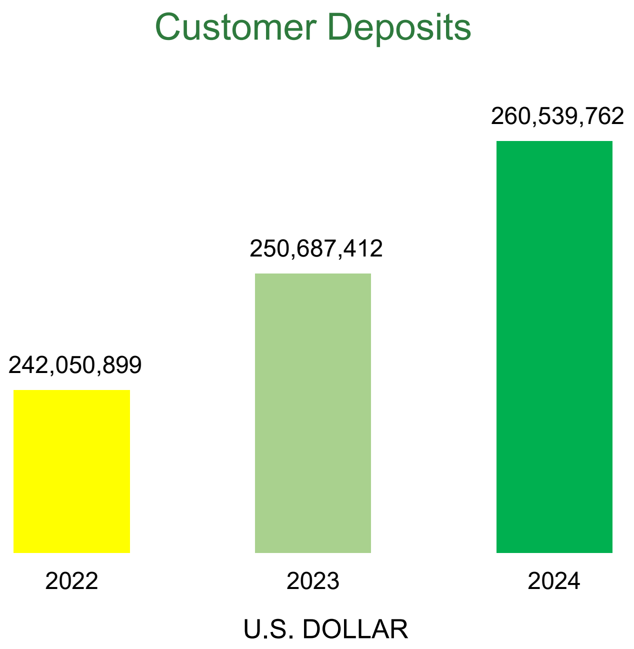
Blood Donation Event

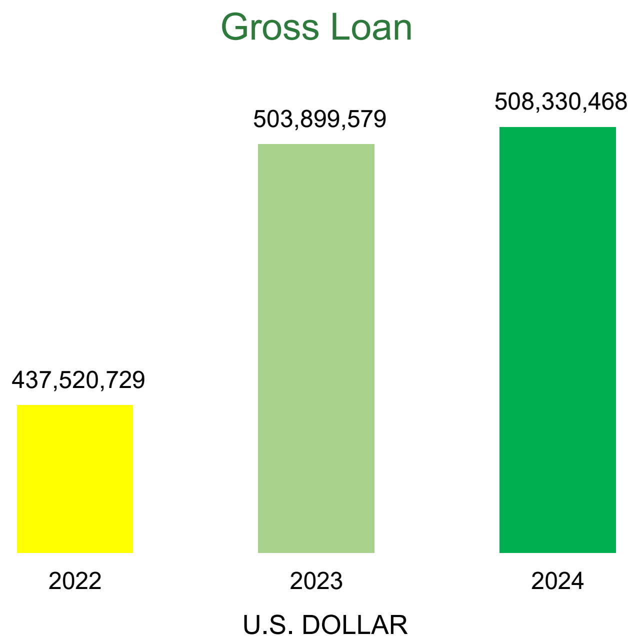
organized by Association Bank of Cambodia held on 07 March 2024

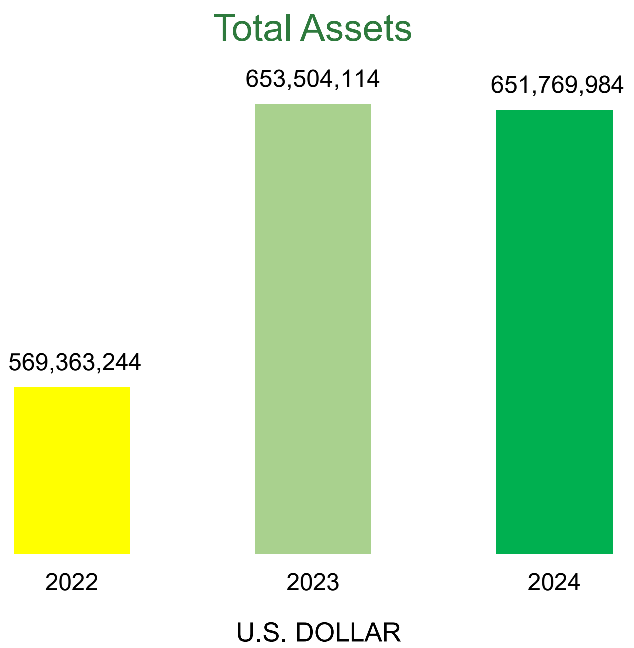
CORPORATE SOCIAL RESPONSIBILITY

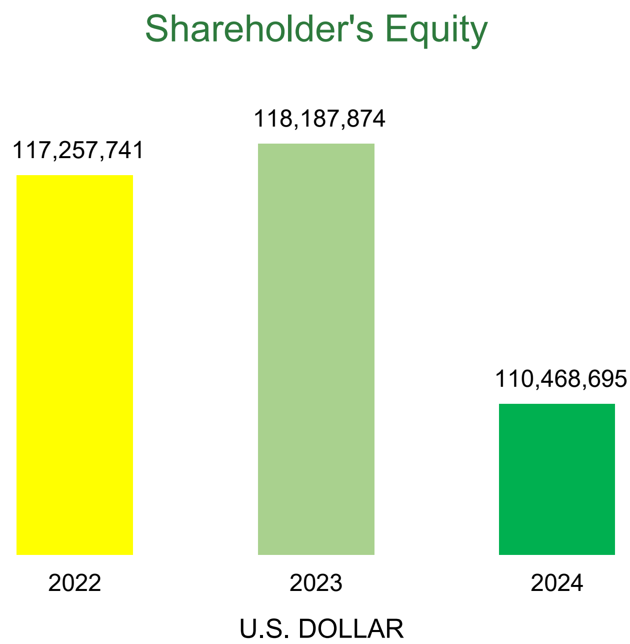
On July 12th, 2024, Cathay United Bank (Cambodia) Corporation Limited (“CUBC”) is proud to support Passerelles Numériques Cambodia (PNC), a non-profit empowering underprivileged youth. CUBC's donation of office furniture empowers PNC to serve more students and bridge the digital divide in Cambodia. We believes in the transformative power of education. By supporting PNC, we're helping young people gain the skills they need to succeed in the digital economy.

FINANCIAL HIGHLIGHTS









INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the consolidated financial statements of Cathay United Bank (Cambodia) Corporation Limited ("the Bank") and its subsidiaries (together referred to as "the Group") and the separate financial statements of the Bank which comprise the consolidated and separate statements of financial position as at 31 December 2024, and the consolidated and separate statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information (collectively referred to as "the financial statements").

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Bank as at 31 December 2024, and of their consolidated and separate financial performance and their cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards ("CIFRSs").

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 Group and the Bank in accordance with the Code of Ethics for Professional Accountants and Auditors issued by the Ministry of Economy and Finance of Cambodia, together with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The other information obtained at the date of the auditor's report is the Report of the Board of Directors. Management is responsible for the other information.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with CIFRSs, 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 Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 Group's and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 Group and the Bank 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Hong Khav
Partner

Ernst & Young (Cambodia) Ltd.
Certified Public Accountants
Registered Auditors

Phnom Penh, Kingdom of Cambodia
6 March 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024

	Notes	2024		2023	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
ASSETS					
Cash on hand	3	14,029,649	56,469,337	16,909,877	69,076,848
Balances with the National Bank of Cambodia ("NBC")	4	70,987,435	285,724,426	76,929,229	314,255,900
Balances with other financial institutions	5	41,612,422	167,489,999	38,403,533	156,878,432
Loans and advances to customers	6	506,505,025	2,038,682,726	501,193,533	2,047,375,582
Investment in securities	7	4,967,804	19,995,411	5,896,072	24,085,454
Property and equipment	9	5,870,864	23,630,228	6,897,650	28,176,900
Right-of-use assets	10	2,141,250	8,618,531	2,424,940	9,905,880
Software costs	11	1,160,639	4,671,572	1,320,670	5,394,937
Deferred tax assets, net	12.3	869,189	3,498,486	-	-
Other assets	13	3,625,707	14,593,471	3,528,610	14,414,372
TOTAL ASSETS		**651,769,984**	**2,623,374,187**	**653,504,114**	**2,669,564,305**
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other financial institutions	14	264,290,782	1,063,770,398	101,236,623	413,551,605
Deposits from customers	15	262,960,555	1,058,416,234	252,931,264	1,033,224,213
Borrowings	16	9,198,094	37,022,328	175,359,353	716,342,957
Lease liabilities	17	2,173,941	8,750,113	2,624,087	10,719,395
Deferred tax liabilities, net	12.3	-	-	342,735	1,400,072
Income tax payable	12.2	31,095	125,157	39,797	162,571
Provision for off-balance sheet items	18	59,340	238,844	61,374	250,713
Other liabilities	19	2,587,482	10,414,616	2,721,007	11,115,314
TOTAL LIABILITIES		**541,301,289**	**2,178,737,690**	**535,316,240**	**2,186,766,840**
EQUITY					
Share capital	20	100,000,000	407,500,000	100,000,000	407,500,000
Regulatory reserve	21	9,372,904	38,323,013	8,722,786	35,676,383
Retained earnings		1,095,791	4,143,200	9,465,088	38,214,608
Cumulative exchange differences on translation		-	(5,329,716)	-	1,406,474
TOTAL EQUITY		**110,468,695**	**444,636,497**	**118,187,874**	**482,797,465**
TOTAL LIABILITIES AND EQUITY		**651,769,984**	**2,623,374,187**	**653,504,114**	**2,669,564,305**

The accompany notes on pages 48 to 154 from an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Notes	2024		2023	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
				(As reclassified – Note 35)	
Interest income	22	46,823,799	190,619,686	43,594,880	179,174,957
Interest expense	23	(22,712,023)	(92,460,646)	(21,091,378)	(86,685,564)
Net interest income		**24,111,776**	**98,159,040**	**22,503,502**	**92,489,393**
Fee and commission income	24	1,677,716	6,829,982	1,792,026	7,365,227
Fee and commission expense	24	(905,282)	(3,685,403)	(865,422)	(3,556,884)
Net fee and commission income	**24**	**772,434**	**3,144,579**	**926,604**	**3,808,343**
Net impairment losses on financial assets	25	(15,095,956)	(61,455,637)	(2,273,644)	(9,344,677)
Other operating income	26	582,931	2,373,112	412,971	1,697,311
Net operating income		**10,371,185**	**42,221,094**	**21,569,433**	**88,650,370**
Personnel expenses	27	(9,419,956)	(38,348,641)	(9,613,920)	(39,513,211)
Depreciation and amortization	28	(2,685,748)	(10,933,679)	(2,566,199)	(10,547,078)
Other operating expenses	29	(6,720,138)	(27,357,683)	(7,042,168)	(28,943,310)
(Loss)/profit before income tax		**(8,454,657)**	**(34,418,909)**	**2,347,146**	**9,646,771**
Income tax benefit/(expense)	12.1	735,478	2,994,131	(1,417,013)	(5,823,923)
Net (loss)/profit for the year		**(7,719,179)**	**(31,424,778)**	**930,133**	**3,822,848**
Other comprehensive loss:					
Exchange differences on translation		-	(6,736,190)	-	(3,775,503)
Total comprehensive (loss)/income for the year		**(7,719,179)**	**(38,160,968)**	**930,133**	**47,345**

The accompany notes on pages 48 to 154 from an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2024

	Share capital		Regulatory reserve		Retained earnings		Cumulative exchange differences on translation	Total	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
As at 1 January 2024	100,000,000	407,500,000	8,722,786	35,676,383	9,465,088	38,214,608	1,406,474	118,187,874	482,797,465
Net loss for the year	-	-	-	-	(7,719,179)	(31,424,778)	-	(7,719,179)	(31,424,778)
Exchange differences on translation	-	-	-	-	-	-	(6,736,190)	-	(6,736,190)
Total comprehensive loss for the year	-	-	-	-	(7,719,179)	(31,424,778)	(6,736,190)	(7,719,179)	(38,160,968)
Transfer from retained earnings to regulatory reserve	-	-	650,118	2,646,630	(650,118)	(2,646,630)	-	-	-
As at 31 December 2024	**100,000,000**	**407,500,000**	**9,372,904**	**38,323,013**	**1,095,791**	**4,143,200**	**(5,329,716)**	**110,468,695**	**444,636,497**
As at 1 January 2023	100,000,000	407,500,000	3,688,393	14,985,028	13,569,348	55,083,115	5,181,977	117,257,741	482,750,120
Net profit for the year	-	-	-	-	930,133	3,822,848	-	930,133	3,822,848
Exchange differences on translation	-	-	-	-	-	-	(3,775,503)	-	(3,775,503)
Total comprehensive income for the year	-	-	-	-	930,133	3,822,848	(3,775,503)	930,133	47,345
Transfer from retained earnings to regulatory reserve	-	-	5,034,393	20,691,355	(5,034,393)	(20,691,355)	-	-	-
As at 31 December 2023	**100,000,000**	**407,500,000**	**8,722,786**	**35,676,383**	**9,465,088**	**38,214,608**	**1,406,474**	**118,187,874**	**482,797,465**

The accompany notes on pages 48 to 154 from an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2024

	Notes	2024		2023	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Operating activities					
(Loss)/profit before income tax		(8,454,657)	(34,418,909)	2,347,146	9,646,771
Adjustments for:					
Net impairment losses on financial instruments	25	15,095,956	61,455,637	2,273,644	9,344,677
Depreciation and amortization	28	2,685,748	10,933,679	2,566,199	10,547,078
(Gain)/loss on disposals of property and equipment		(11,181)	(45,518)	80	329
Loss on write-off of property and equipment		88,649	360,890	18	74
		9,404,515	**38,285,779**	**7,187,087**	**29,538,929**
Changes in:					
Balances with the NBC		9,399,943	38,267,168	(1,209,850)	(4,972,484)
Balances with other financial institutions		(11,260,933)	(45,843,258)	(20,259,238)	(83,265,468)
Loans and advances to customers		(20,400,410)	(83,050,069)	(69,182,856)	(284,341,538)
Other assets		594,697	2,421,011	(1,131,008)	(4,648,443)
Deposits from other financial institutions		163,054,159	663,793,481	35,743,629	146,906,315
Deposits from customers		10,029,291	40,829,244	8,497,348	34,924,100
Other liabilities		5,433,380	22,119,290	9,660,914	39,706,357
Cash flows from/(used in) operations		**166,254,642**	**676,822,646**	**(30,693,974)**	**(126,152,232)**
Income tax paid	12.2	(485,148)	(1,975,038)	(2,293,310)	(9,425,504)
Net cash flows from/(used in) operating activities		**165,769,494**	**674,847,608**	**(32,987,284)**	**(135,577,736)**

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

for the year ended 31 December 2024

	Notes	2024 US$	2024 KHR'000 (Note 2.5)	2023 US$	2023 KHR'000 (Note 2.5)
Investing activities					
Acquisition of investment in securities		-	-	(978,845)	(4,023,053)
Interest received from investment in securities		292,095	1,189,119	291,823	1,199,393
Purchases of property and equipment	9	(259,517)	(1,056,494)	(1,488,813)	(6,119,021)
Purchases of software	11	(274,746)	(1,118,491)	(380,271)	(1,562,914)
Proceeds from disposals of property and equipment		11,181	45,518	114	469
Net cash flows used in investing activities		**(230,987)**	**(940,348)**	**(2,555,992)**	**(10,505,126)**
Financing activities					
Proceeds from borrowings	16	163,000,000	663,573,000	96,000,000	394,560,000
Repayments of borrowings	16	(334,728,164)	(1,362,678,356)	(65,655,750)	(269,845,133)
Payments of principal portion of lease liabilities		(1,219,773)	(4,965,696)	(1,014,273)	(4,168,662)
Net cash flows (used in)/ from financing activities		**(172,947,937)**	**(704,071,052)**	**29,329,977**	**120,546,205**
Net decrease in cash and cash equivalents		**(7,409,430)**	**(30,163,792)**	**(6,213,299)**	**(25,536,657)**
Cash and cash equivalents at beginning of year		67,707,902	276,586,779	73,921,201	304,333,585
Exchange differences on translation		-	(3,721,636)	-	(2,210,149)
Cash and cash equivalents at end of year	**3**	**60,298,472**	**242,701,351**	**67,707,902**	**276,586,779**

Additional information on operational cash flows from interest:

	US$ 2024	KHR'000 2024	US$ 2023	KHR'000 2023
Interest received	46,031,749	187,395,250	41,598,345	170,969,198
Interest paid	(25,486,221)	(103,754,406)	(16,010,013)	(65,801,153)

The accompany notes on pages 48 to 154 from an integral part of these financial statements.

SEPARATE STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

	Notes	2024		2023	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
ASSETS					
Cash on hand	3	14,029,649	56,469,337	16,909,877	69,076,848
Balances with the NBC	4	70,987,435	285,724,426	76,929,229	314,255,900
Balances with other financial institutions	5	41,612,422	167,489,999	38,403,533	156,878,432
Loans and advances to customers	6	506,505,025	2,038,682,726	501,193,533	2,047,375,582
Investment in securities	7	4,967,804	19,995,411	5,896,072	24,085,454
Investment in subsidiary	8	1,548,400	6,232,310	1,548,400	6,325,214
Property and equipment	9	4,322,744	17,399,045	5,349,530	21,852,830
Right-of-use assets	10	4,822,427	19,410,269	3,367,490	13,756,197
Software costs	11	1,160,639	4,671,572	1,320,670	5,394,937
Deferred tax assets, net	12.3	869,189	3,498,486	-	-
Other assets	13	3,625,707	14,593,471	3,526,547	14,405,943
TOTAL ASSETS		**654,451,441**	**2,634,167,052**	**654,444,881**	**2,673,407,337**
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other financial institutions	14	264,290,782	1,063,770,398	101,236,623	413,551,605
Deposits from customers	15	263,022,070	1,058,663,832	253,113,565	1,033,968,913
Borrowings	16	9,198,094	37,022,328	175,359,353	716,342,957
Lease liabilities	17	4,982,751	20,055,573	3,660,696	14,953,943
Deferred tax liabilities, net	12.3	-	-	342,735	1,400,072
Income tax payable	12.2	20,106	80,927	32,898	134,388
Provision for off-balance sheet items	18	59,340	238,844	61,374	250,713
Other liabilities	19	2,584,586	10,402,959	2,718,307	11,104,284
TOTAL LIABILITIES		**544,157,729**	**2,190,234,861**	**536,525,551**	**2,191,706,875**
EQUITY					
Share capital	20	100,000,000	407,500,000	100,000,000	407,500,000
Regulatory reserves	21	9,372,904	38,323,013	8,722,786	35,676,383
Retained earnings		920,808	3,436,888	9,196,544	37,127,408
Cumulative exchange differences on translation		-	(5,327,710)	-	1,396,671
TOTAL EQUITY		**110,293,712**	**443,932,191**	**117,919,330**	**481,700,462**
TOTAL LIABILITIES AND EQUITY		**654,451,441**	**2,634,167,052**	**654,444,881**	**2,673,407,337**

The accompany notes on pages 48 to 154 from an integral part of these financial statements.

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2024

	Notes	2024		2023	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
				(As reclassified – Note 35)	
Interest income	22	46,823,799	190,619,686	43,594,880	179,174,957
Interest expense	23	(22,856,370)	(93,048,282)	(21,139,067)	(86,881,565)
Net interest income		**23,967,429**	**97,571,404**	**22,455,813**	**92,293,392**
Fee and commission income	24	1,677,716	6,829,982	1,792,026	7,365,227
Fee and commission expense	24	(905,270)	(3,685,354)	(865,409)	(3,556,831)
Net fee and commission income	**24**	**772,446**	**3,144,628**	**926,617**	**3,808,396**
Net impairment losses on financial assets	25	(15,095,956)	(61,455,637)	(2,273,644)	(9,344,677)
Other operating income	26	592,464	2,411,921	412,971	1,697,311
Net operating income		**10,236,383**	**41,672,316**	**21,521,757**	**88,454,422**
Personnel expenses	27	(9,419,956)	(38,348,641)	(9,613,920)	(39,513,211)
Depreciation and amortisation	28	(2,743,200)	(11,167,567)	(2,589,762)	(10,643,922)
Other operating expenses	29	(6,447,001)	(26,245,741)	(6,984,998)	(28,708,342)
(Loss)/profit before income tax		**(8,373,774)**	**(34,089,633)**	**2,333,077**	**9,588,947**
Income tax benefit/(expense)	12.1	748,156	3,045,743	(1,409,596)	(5,793,440)
Net (loss)/profit for the year		**(7,625,618)**	**(31,043,890)**	**923,481**	**3,795,507**
Other comprehensive loss:					
Exchange differences on translation		-	(6,724,381)	-	(3,766,955)
Total comprehensive (loss)/income for the year		**(7,625,618)**	**(37,768,271)**	**923,481**	**28,552**

The accompany notes on pages 48 to 154 from an integral part of these financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2024

	Share capital		Regulatory reserve		Retained earnings		Cumulative exchange differences on translation	Total	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
At 1 January 2024	100,000,000	407,500,000	8,722,786	35,676,383	9,196,544	37,127,408	1,396,671	117,919,330	481,700,462
Net loss for the year	-	-	-	-	(7,625,618)	(31,043,890)	-	(7,625,618)	(31,043,890)
Exchange differences on translation	-	-	-	-	-	-	(6,724,381)	-	(6,724,381)
Total comprehensive loss for the year	-	-	-	-	(7,625,618)	(31,043,890)	(6,724,381)	(7,625,618)	(37,768,271)
Transfers from retained earnings to regulatory reserves	-	-	650,118	2,646,630	(650,118)	(2,646,630)	-	-	-
At 31 December 2024	**100,000,000**	**407,500,000**	**9,372,904**	**38,323,013**	**920,808**	**3,436,888**	**(5,327,710)**	**110,293,712**	**443,932,191**
At 1 January 2023	100,000,000	407,500,000	3,688,393	14,985,028	13,307,456	54,023,256	5,163,626	116,995,849	481,671,910
Net profit for the year	-	-	-	-	923,481	3,795,507	-	923,481	3,795,507
Exchange differences on translation	-	-	-	-	-	-	(3,766,955)	-	(3,766,955)
Total comprehensive income for the year	-	-	-	-	923,481	3,795,507	(3,766,955)	923,481	28,552
Transfers from retained earnings to regulatory reserves	-	-	5,034,393	20,691,355	(5,034,393)	(20,691,355)	-	-	-
At 31 December 2023	**100,000,000**	**407,500,000**	**8,722,786**	**35,676,383**	**9,196,544**	**37,127,408**	**1,396,671**	**117,919,330**	**481,700,462**

The accompany notes on pages 48 to 154 from an integral part of these financial statements.

SEPARATE STATEMENT OF CASH FLOWS
for the year ended 31 December 2024

	Notes	2024 US$	2024 KHR'000 (Note 2.5)	2023 US$	2023 KHR'000 (Note 2.5)
Operating activities					
(Loss)/profit before income tax		(8,373,774)	(34,089,633)	2,333,077	9,588,947
Adjustments for:					
Net impairment losses on financial instruments	25	15,095,956	61,455,637	2,273,644	9,344,677
Depreciation and amortization	28	2,743,200	11,167,567	2,589,762	10,643,922
(Gain)/Loss on disposals of property and equipment		(11,181)	(45,518)	80	329
Loss on write-off of property and equipment		88,649	360,890	18	74
Gain on lease termination	17	(9,439)	(38,426)	-	-
		9,533,411	**38,810,517**	**7,196,581**	**29,577,949**
Changes in:					
Balances with the NBC		9,399,943	38,267,168	(1,209,850)	(4,972,484)
Balances with other financial institutions		(11,260,933)	(45,843,258)	(20,259,238)	(83,265,468)
Loans and advances to customers		(20,400,410)	(83,050,069)	(69,182,856)	(284,341,538)
Other assets		592,634	2,412,612	(1,134,991)	(4,664,813)
Deposits from other financial institutions		163,054,159	663,793,481	35,743,629	146,906,315
Deposits from customers		9,908,505	40,337,523	8,493,492	34,908,252
Other liabilities		5,433,184	22,118,492	9,667,560	39,733,672
Cash flows from/(used in) operations		**166,260,493**	**676,846,466**	**(30,685,673)**	**(126,118,115)**
Income tax paid	12.2	(476,560)	(1,940,076)	(2,292,792)	(9,423,375)
Net cash flows from/(used in) operating activities		**165,783,933**	**674,906,390**	**(32,978,465)**	**(135,541,490)**

SEPARATE STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2024

	Notes	2024 US$	2024 KHR'000 (Note 2.5)	2023 US$	2023 KHR'000 (Note 2.5)
Investing activities					
Acquisition of investment in securities		-	-	(978,845)	(4,023,053)
Interest received from investment in securities		292,095	1,189,119	291,823	1,199,393
Purchases of property and equipment	9	(259,517)	(1,056,494)	(1,488,813)	(6,119,021)
Purchases of software	11	(274,746)	(1,118,491)	(380,271)	(1,562,914)
Proceeds from disposals of property and equipment		11,181	45,518	114	469
Net cash flows used in investing activities		**(230,987)**	**(940,348)**	**(2,555,992)**	**(10,505,126)**
Financing activities					
Proceeds from borrowings	16	163,000,000	663,573,000	96,000,000	394,560,000
Repayment of borrowings	16	(334,728,164)	(1,362,678,356)	(65,655,750)	(269,845,133)
Payments of principal portion of lease liabilities		(1,234,212)	(5,024,477)	(1,023,092)	(4,204,908)
Net cash flows (used in)/from financing activities		**(172,962,376)**	**(704,129,833)**	**29,321,158**	**120,509,959**
Net decrease in cash and cash equivalents		**(7,409,430)**	**(30,163,791)**	**(6,213,299)**	**(25,536,657)**
Cash and cash equivalents at beginning of year		67,707,902	276,586,779	73,921,201	304,333,585
Exchange differences on translation		-	(3,721,637)	-	(2,210,149)
Cash and cash equivalents at end of year	3	**60,298,472**	**242,701,351**	**67,707,902**	**276,586,779**

Additional information on operational cash flow from interest:

	2024 US$	2024 KHR'000	2023 US$	2023 KHR'000
Interest received	46,031,749	187,395,250	41,598,345	170,969,198
Interest paid	(25,486,221)	(103,754,406)	(16,010,013)	(65,801,153)

The accompany notes on pages 48 to 154 from an integral part of these financial statements.

1. CORPORATE INFORMATION

Cathay United Bank (Cambodia) Corporation Limited ("the Bank") is a commercial bank operating under the Cambodian Law on Commercial Enterprises and the supervision of the National Bank of Cambodia ("NBC"), pursuant to the Law on Banking and Financial Institutions of Cambodia and in accordance with Banking License No. 12 issued by the NBC. The Bank was incorporated in April 1996 under Registration No. Co. 079 E/1996, which was updated to 00005929 issued by the Ministry of Commerce on 11 June 2016. On 25 December 2009, the Bank was granted an indefinite banking license from the NBC.

The Bank is a wholly owned subsidiary of Cathay United Bank Limited ("the parent company"), a commercial bank in Taiwan. Its ultimate parent company is Cathay Financial Holdings.

The Bank is principally engaged in the operation of core banking business and the provision of related financial services in the Kingdom of Cambodia, through the Bank's head office at Phnom Penh and its provincial branches.

The Bank's registered address is at No. 48, Samdach Pan Street (St. 214), Sangkat Boeng Reang, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia.

CUBC Investment Co., Ltd. ("the Subsidiary") was incorporated on 14 August 2012 by the Bank and Printemps Co., Ltd. ("PCL"), a Cambodian company. The principal activity of the Subsidiary is to hold parcels of land for the Bank's use.

As at 31 December 2024, the Bank has a total of 620 employees (2023: 684 employees).

The consolidated and separate financial statements (referred to as "the financial statements") were authorized for issue in accordance with a resolution of the Board of Directors ("BOD") on 6 March 2025.

2. MATERIAL ACCOUNTING POLICY INFORMATION

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

2.1 Basis of preparation of the financial statements

The financial statements have been prepared on a historical cost, except for any financial assets and financial liabilities that have been measured at fair value.

The Group and the Bank have prepared its financial statements on the basis that it will continue to operate as a going concern.

Fiscal year

The Group's fiscal year starts on 1 January and ends on 31 December.

2.2 Statement of compliance

The financial statements of the Group and the Bank have been prepared in accordance with Cambodian International Financial Reporting Standards ("CIFRSs").

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Presentation of consolidated and separate financial statements

The Group and the Bank presents its consolidated and separate statement of financial position in order of liquidity based on the Group and the Bank's intention and perceived ability to recover/settle the majority of assets/liabilities of the corresponding financial statement line item. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 32.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Bank and an entity controlled by the Bank (its subsidiary) made up to 31 December each year. Control is achieved when the Bank:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Bank reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Bank has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Bank considers all relevant facts and circumstances in assessing whether or not the Bank's voting rights in an investee are sufficient to give it power, including:

- the size of the Bank's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Bank, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Bank has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Bank obtains control over the subsidiary and ceases when the Bank loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated profit or loss account from the date the Bank gains control until the date when the Bank ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiary to bring the accounting policies used into line with the Group's accounting policies.

Inter-company transactions, balances and unrealized gain or loss arising from inter-company transactions are eliminated in the consolidated financial statements reflect external transactions only. Losses resulting from intra-group transactions, which indicate an impairment loss, will be recognized in the consolidated financial statements. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The gain or loss on disposal of a subsidiary, which is the difference between net disposal proceeds and the Group's share of its net assets as of the date of disposal is recognized in the profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.5 Functional and presentational currency

The Group and the Bank transact its business and maintains its accounting records primarily in US$, management has determined that US$ is the Group's and the Bank's functional currency and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Group and the Bank. The translation of the US$ amounts into KHR is included solely for meeting the presentation requirement pursuant to the Law on Accounting and Auditing.

Monetary assets and liabilities denominated in foreign currencies in the statement of financial position are translated at the closing rate prevailing at each reporting date, whereas income and expense items for each statement of comprehensive income presented are translated at the average rate for the year then ended. All resulting exchange differences are recognised in the statement of comprehensive income. Such translation should not be construed as a representation that the US$ amounts represent, or have been or could be, converted into KHR at that or any other rate. All values in KHR are rounded to the nearest thousand ("KHR'000"), except as otherwise indicated.

The financial statements are presented in KHR based on the following applicable exchange rates per US$1:

	2024	*2023*
Closing rate	4,025	4,085
Average rate	4,071	4,110

2.6 Significant accounting judgments and estimates

The preparation of the financial statements requires the Group and the Bank to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and contingent liabilities. Future events may occur which can cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

2.6.1 Critical judgments in applying the accounting policies

The following are the critical judgments, key assumptions and significant areas of estimation that have a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year:

(i) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (see Note 2.7.1). The Group and the Bank determine the business model at a level that reflects how group of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group and the Bank monitor financial assets measured at amortised cost that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's and the Bank's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.6 Significant accounting judgments and estimates (continued)

2.6.1 Critical judgments in applying the accounting policies (continued)

(ii) Significant increase of credit risk

As explained in Note 32, ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. In assessing whether the credit risk of an asset has significantly increased, the Group and the Bank take into account qualitative and quantitative reasonable and supportable forward-looking information.

(iii) Establishing groups of assets with similar credit risk characteristics

When ECLs are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. The Group and the Bank monitor the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12-month or lifetime ECLs but the amount of ECL changes because the credit risk of the portfolios differ.

(iv) Models and assumptions used

The Group and the Bank use various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

(v) Determination of life of revolving credit facilities

The Group and the Bank measure ECL considering the risk of default over the maximum contractual period. However, for financial instruments such as credit cards and overdraft facilities that include both a loan and an undrawn commitment component, the Group's and the Bank's contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group's and the Bank's exposure to credit losses to the contractual notice period. For such financial instruments the Group and the Bank measure ECL over the period that it is exposed to credit risk and ECL would be mitigated by credit risk management actions, even if that period extends beyond the maximum contractual period.

(vi) Fair value of financial instruments

Where the fair values of financial assets and financial liabilities recorded in the statement of financial position or disclosed in the notes to financial statements cannot be derived from active markets, these are determined using internal valuation techniques which is generally accepted market valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.6 Significant accounting judgments and estimates (continued)

2.6.1 Critical judgments in applying the accounting policies (continued)

(vii) Leases

The Group and the Bank determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and the Bank has several lease contracts that include extension and termination options. The Group and the Bank apply judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors such as leasehold improvements and location that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group and the Bank reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Estimating the incremental borrowing rate ("IBR") for lease liabilities

The Group and the Bank cannot readily determine the interest rate implicit in the lease, therefore, it uses its IBR to measure lease liabilities. The IBR for lease liabilities is the rate of interest that the Group and the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the ROU asset in a similar economic environment. The Group and the Bank estimates the IBR for lease liabilities using observable inputs (by reference to prevailing risk-free rates) adjusted to take into account the entity's credit risk (i.e., credit spread).

2.6.2 Key sources of estimation uncertainty

Information about key assumptions and estimation uncertainties that have the most significant effect on the amounts recognized in financial statements includes the followings:

Forward-looking information

Establishing the number and relative weightings of forward-looking scenarios for each type of product and determining the forward-looking information relevant to each scenario: when measuring ECL the Group and the Bank use reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Probability of default (PD)

PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

Loss Given Default (LGD)

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise indicated.

2.7.1 Financial instruments

Financial assets and financial liabilities are recognized in the consolidated and separate statement of financial position when the Group and the Bank become a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(i) Financial assets

All financial assets are recognized and derecognized on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs. For all financial assets the amount presented on the statement of financial position represent all amounts receivable including interest accruals.

Classification and subsequent measurement

A financial asset is measured at amortised cost if it meets both of the following conditions:

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

Impairment of financial assets

The Group and the Bank recognize loss allowances for ECLs on the following financial instruments:

- Balances with other financial institutions;
- Loans and advances to customers;
- Loan commitments issued;
- Financial guarantee contracts issued; and
- Other financial assets.

No impairment loss is recognized on equity investments.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL. More details on the determination of a significant increase in credit risk are provided in Note 32 B.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group and the Bank under the contract and the cash flows that the Group and the Bank expect to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

2.7.1 Financial instruments (continued)

(i) Financial assets (continued)

Impairment of financial assets (continued)

- For undrawn loan commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Group and the Bank if the holder of the commitment draws down the loan and the cash flows that the Group and the Bank expect to receive if the loan is drawn down.
- For financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Group and the Bank expect to receive from the holder, the debtor or any other party.

The Group and the Bank measure ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

More information on measurement of ECL is provided in Note 32 B, including details on how instruments are grouped when they are assessed on a collective basis.

Credit impaired financial assets

A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- Significant financial difficulty of the borrower or issuer;
- A breach of contract such as default or past due event;
- The lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider; or
- The disappearance of an active market for a security because of financial difficulties.

It may not be possible to identify a single discrete event instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group and the Bank assess whether debt instruments that are financial assets measured at amortised cost are credit- impaired at each reporting date. To assess if sovereign and corporate debt instruments are credit impaired, the Group and the Bank consider factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the assets is deemed credit impaired when there is observable evidence of credit- impairment including meeting the definition of default. Please see below for definition of default.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.1 *Financial instruments* (continued)

(i) *Financial assets* (continued)

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk (see Note 32 B).

The Group and the Bank consider the following as constituting an event of default:

- the borrower is past due more than 90 days and 31days on any for long-term and short-term material credit obligation, respectively, to the Group and the Bank; or
- the borrower is unlikely to pay its credit obligations to the Group and the Bank in full.

This definition of default is used by the Group and the Bank for accounting purposes as well as for internal credit risk management purposes and is broadly aligned to the regulatory definition of default.

When assessing if the borrower is unlikely to pay its credit obligation, the Group and the Bank take into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the breach of covenants, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

The Group and the Bank use a variety of sources of information to assess default which are either developed internally or obtained from external sources. More details are provided in Note 32 B. As noted in the definition of credit impaired financial assets above, default is evidence that an asset is credit impaired. Therefore, credit impaired assets will include defaulted assets, but will also include other non-defaulted given the definition of credit impaired is broader than the definition of default.

Significant increase in credit risk

The Group and the Bank monitor all financial assets, issued loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group and the Bank will measure the loss allowance based on lifetime rather than 12-month ECL. The Group's and the Bank's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Group and the Bank monitor all financial assets, issued loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.1 *Financial instruments* (continued)

(i) *Financial assets* (continued)

Significant increase in credit risk (continued)

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group and the Bank compare the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In making this assessment, the Group and the Bank consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment including forward-looking information. See Note 32 B for more details about forward-looking information.

Forward-looking information includes the future prospects of the industries in which the Group's and the Bank's counterparties operate, obtained from International Monetary funds and the World Bank other similar organizations, as well as consideration of various internal and external sources of actual and forecast economic information. The Group and the Bank allocate its counterparties to a relevant internal credit risk grade depending on their credit quality.

The quantitative information is a primary indicator of significant increase in credit risk and is based on the change in lifetime PD by comparing:

- the remaining lifetime PD at the reporting date; with
- the remaining lifetime PD for this point in time that was estimated based on facts and circumstances at the time of initial recognition of the exposure.

The PDs used are forward-looking and the Group uses the same methodologies and data used to measure the loss Allowance for ECLs (see Note 32 B).

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the PD will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

More information about significant increase in credit risk is provided in Note 32 B.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing terms of contract of an existing loan would constitute a modification even if these new or adjusted terms of contract do not yet affect the cash flows immediately but may affect the cash flows depending on whether the term of contracts is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Group and the Bank renegotiate loans and advances to customers in financial difficulty to maximize collection and minimize the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to terms of contracts.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.1 *Financial instruments* (continued)

(i) Financial assets (continued)

Modification and derecognition of financial assets (continued)

When a financial asset is modified the Group and the Bank assess whether this modification results in derecognition. In accordance with the Group's and the Bank's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Group and the Bank consider the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI, change in currency or when rights to cash flows between the original counterparties expire because a new debtor replaces the original debtor (unless both debtors are under common control), the extent of change in interest rates, and maturity. If these do not clearly indicate a substantial modification, then;
- A quantitative assessment is performed to compare the present value of the remaining contractual cash flows under the original terms with the contractual cash flows under the revised terms, both amounts discounted at the original effective interest. If the Group and the Bank note a substantial difference based on the type of financial assets, it will be derecognized. When performing a quantitative assessment of a modification or renegotiation of a credit-impaired financial asset or a purchased or originated credit-impaired financial asset that was subject to a write-off, the Group and the Bank consider the expected (rather than the contractual) cash flows before modification or renegotiation and compares those with the contractual cash flows after modification or renegotiation.

In the case where the financial asset is derecognized the loss Allowance for ECLs is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated credit-impaired. This applies only in the case where the fair value of the new loan is recognized at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group and the Bank monitor credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

2.7.1 Financial instruments (continued)

(i) *Financial assets* (continued)

Modification and derecognition of financial assets (continued)

For financial assets modified as part of the Group's and the Bank's forbearance policy, where modification did not result in derecognition, the estimate of PD reflects the Group's and the Bank's ability to collect the modified cash flows taking into account the Group's and the Bank's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. If a forborne loan is credit impaired due to the existence of evidence of credit impairment (see above), the Group and the Bank perform an ongoing assessment to ascertain if the problems of the exposure are cured, to determine if the loan is no longer credit-impaired. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Group and the Bank calculate the modification loss by comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Modification losses for financial assets are included in the profit or loss account in 'Losses on modification of financial assets'. Then the Group and the Bank measure ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Group and the Bank derecognize a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Group and the Bank neither transfer nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Bank recognize its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Bank retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Bank continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Write-off

Loans and debt securities are written off in full when the Group and the Bank have no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group and the Bank determine that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group and the Bank may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's and the Bank's enforcement activities will result in impairment gains, which will be presented in 'net impairment loss on financial assets' in the statement of profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.1 *Financial instruments* (continued)

(i) Financial assets (continued)

Modification and derecognition of financial assets (continued)

Presentation of Allowance for ECLs in the statement of financial position:

Loss allowances for ECL are presented in the statement of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets; and
- for loan commitments and financial guarantee contracts: as a provision.

(ii) Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group and the Bank.

Financial liabilities, including deposits from other financial institutions, deposits from customers, borrowings and lease liabilities, are initially measured at fair value, net of transaction costs. These financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Modification and derecognition of financial liabilities

The Group and the Bank derecognize financial liabilities when, and only when, the Group's and the Bank's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

2.7.2 *Cash and cash equivalents*

Cash and cash equivalents include cash on hand, bank balances, current deposits and short-term highly liquid investments with original maturities of three months or less when purchased, and that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, and are used by the Group and the Bank in the management of its short term commitments.

2.7.3 *Balances with other financial institutions*

Balances with other financial institutions are stated at amortised costs less impairment for any uncollectable amounts.

2.7.4 *Statutory deposits*

Statutory deposits included in Balances with the NBC are maintained in compliance with the Cambodian Law on Banking and Financial Institutions and are determined by the defined percentage of the minimum share capital, the customers' deposits and borrowings as required by the NBC.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.5 *Loans and advances to customers*

Loans and advances to customers include loans and advances measured at amortised cost; they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method.

2.7.6 *Other assets*

Other assets are carried at cost less impairment if any.

2.7.7 *Investment in securities*

Investment in securities includes:

- equity investment in securities designated at FVOCI.
- debt investment in securities measured at amortised cost (see Note 7); these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method.

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

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

2.7.8 *Investment in subsidiary in the separate financial statements*

In the Bank's separate financial statements, investment in subsidiary is carried at cost less any accumulated impairment losses. On disposal of investment, the difference between disposal proceeds and the carrying amounts of the investment is recognized in profit or loss.

2.7.9 *Property and equipment*

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

Where an item of property and equipment comprises major components having different useful lives, the components are accounted for as separate items of property and equipment.

Subsequent expenditure is capitalized only when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group and the Bank. Ongoing repairs and maintenance are expensed as incurred.

Land is not depreciated. Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss.

The estimated useful lives of significant items of property and equipment are as follows:

	Useful lives
Buildings	20 years
Building improvements	8 years
Furniture and fittings	8 years
Motor vehicles	3 - 8 years
Equipment	5 - 8 years

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.9 Property and equipment (continued)

Work in progress is not depreciated until such time as the relevant assets are completed and put into operational use.

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

Fully depreciated items of property and equipment are retained in the statements of financial position until disposed of or written off.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

2.7.10 Software costs

Software costs consist of software and licenses and are stated at cost less accumulated amortization and accumulated impairment losses, if any.

Subsequent expenditure on software and licenses is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Software and licenses are amortised on a straight-line basis in profit or loss over its estimated useful life, from the date on which it is available for use. The estimated useful life of software for the current and comparative periods is range from 3 to 5 years.

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

2.7.11 Leases

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

As a lessee

At inception or on reassessment of a contract that contains a lease and non-lease component, the Group and the Bank allocate the consideration in the contract to each lease component and aggregate of non-lease components on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Group and the Bank have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group and the Bank recognize a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.11 Leases (continued)

The estimated useful lives for the current leases are as follows:

Building and office branches	2 - 50 years

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, to the lessee's incremental borrowing rate. Generally, the Group and the Bank use its incremental borrowing rate as the discount rate.

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

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in the lease term, a change in the assessment of the option to purchase the underlying asset, a change in future lease payments arising from a change in an index or rate, or if there is a change in the Group's and the Bank's estimate of the amount expected to be payable under a residual value guarantee.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use assets are presented as a separate line in the statement of financial position. The lease liability is presented as a separate line in the statement of financial position.

Short-term leases and leases of low-value assets

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

2.7.12 Impairment of non-financial assets

The carrying amounts of the Group's and the Bank's non-financial assets (other than deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset (or its cash-generating unit "CGU") exceeds its estimated recoverable amount.

For the purpose of 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 groups of assets (the "CGU").

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

2.7.12 Impairment of non-financial assets (continued)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are 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.

For the purpose of impairment testing, assets that cannot be tested individually 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 CGUs.

Impairment losses are recognized in profit or loss.

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

2.7.13 Deposits from other financial institutions and Deposits from customers

Deposits from other financial institutions and Deposits from customers are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at amortised cost using effective interest method.

2.7.14 Borrowings

Borrowings are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at amortised cost using effective interest method.

2.7.15 Financial guarantees and loan commitments

'Financial guarantees' are contracts that require the Group and the Bank to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument.

'Loan commitments' are firm commitments to provide credit under pre-specified terms and conditions.

Financial guarantees issued or commitments to provide a loan at a below-market interest rate are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with CIFRS 9 (see Note 2.7.1(i)) and the amount initially recognized less, when appropriate, the cumulative amount of income recognized in accordance with the principles of CIFRS 15. Other loan commitments issued are measured at the sum of (i) the loss allowance determined in accordance with CIFRS 9 (see Note 2.7.1 (i)) and (ii) the amount of any fees received, less, if the commitment is unlikely to result in a specific lending arrangement, the cumulative amount of income recognized (see Note 2.7.21). Derecognition policies in Note 2.7.1 (i)) are applied to loan commitments issued and held.

The Group and the Bank have issued no loan commitments that are measured at FVTPL. Liabilities arising from financial guarantees and loan commitments are included within provisions.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

2.7.16 Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group and the Bank have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided and recognized as personnel expenses in profit or loss. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Other long-term employee benefits

The Group's and the Bank's net obligation in respect of long-term employee benefits is the amount of the benefit that employees have earned in return for their service in the current and prior periods, including seniority payment. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

2.7.17 Provisions

Provisions are recognized when the Group and the Bank have a present obligation (legal or constructive) as a result of a past event, it is probable that the Group and the Bank will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.7.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of the ordinary share are recognized as a deduction from equity, net of any tax effects. Other shares are classified as equity and/or liability according to the economic substance of the particular instrument. Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

2.7.19 Regulatory reserves

Regulatory reserves are set up for the variance of provision between loan impairment in accordance with CIFRSs and regulatory provision in accordance with National Bank of Cambodia's Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 Sor Ror Chor Nor dated 16 February 2018 on credit risk classification and provision on impairment for banks and financial institutions. In accordance with Article 73, the entity shall compare the provision calculated in accordance with Article 49 to 71 and the provision calculated in accordance with Article 72, and then record:

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.19 Regulatory reserves (continued)

(i) In case that the regulatory provision calculated in accordance with Article 72 is lower than provision calculated in accordance with Article 49 to 71, the entity records the provision calculated in accordance with CIFRSs; and

(ii) In case that the regulatory provision calculated in accordance with Article 72 is higher than provision calculated in accordance with Article 49 to 71, the entity records the provision calculated in accordance with CIFRSs and transfer the difference from retained earnings or accumulated loss account into regulatory reserves in shareholders' equity of the statement of the financial position.

On 5 February 2025, the NBC issued a letter No. B30-025-170 Sor Chor Nor on calculation of regulatory provision. The NBC requires all banks and financial institutions to calculate regulatory provision using facilities' gross carrying amount which include accrued interest receivables ("AIR") based on applicable accounting standards multiplying its respective rates determined by regulations. This new implementation shall start from the audited financial statements for the year 2024.

The Prakas on regulatory provisioning requires banks and financial institutions to classify their loan portfolio into five classes and provide general and specific allowance based on the following loan classification:

Classification	*Number of days past due*	*Allowance rate*
Standard	0 to 14 days (short-term) 0 to 29 days (long-term)	1%
Special mention	15 days to 30 days (short-term) 30 days to 89 days (long-term)	3%
Substandard	31 days to 60 days (short-term) 90 days to 179 days (long-term)	20%
Doubtful	61 days to 90 days (short-term) 180 days to 359 days (long-term)	50%
Loss	From 91 days (short-term) 360 days or more (long-term)	100%

2.7.20 Interest income and expense

Effective interest rate

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

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

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

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

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.20 Interest income and expense (continued)

Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

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

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

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

Presentation

Interest income calculated using the effective interest method presented in the statement of profit or loss and other comprehensive income includes interest on financial assets and financial liabilities measured at amortised cost.

Interest expense presented in the statement of profit or loss and other comprehensive income includes interest on financial liabilities measured at amortised cost and lease liabilities.

2.7.21 Fee and commission

Fee and commission income and expense include fees other than those that are an integral part of EIR.

Fee and commission income, including referral fees, renewal fees, commitment fees, remittance fees, service charges, other fees and commissions on loans, and other fee income are recognized as the related services are performed.

Fee and commission expense relates mainly to transaction and service fees, and are accounted as the services received.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 *Material accounting policies* (continued)

2.7.22 Income tax

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

The Group and the Bank have determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore has accounted for them under CIAS 37 Provisions, Contingent Liabilities and Contingent Assets and has recognized the related expenses in “other operating expenses”.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income for the period using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous period.

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.

Deferred tax asset is 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 used. 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 profits 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 Group and the Bank expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

2.7.23 Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognized in the statement of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2.7.24 Contingent assets

Where it is not possible that there is an inflow of economic benefits, or the amount cannot be estimated reliably, the asset is not recognized in the statement of financial position and is disclosed as a contingent asset, unless the probability of inflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent assets unless the probability of inflow of economic benefits is remote.

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.8 Amendments to CIFRSs issued and adopted by the Group and the Bank

The Group and the Bank has applied the following amendments for their annual reporting period commencing on 1 January 2024:

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Disclosures: Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7

The amendments listed above did not have any significant impact on the amounts recognised in prior, the current or future periods.

2.9 Standards and amendments to CIFRSs issued but not yet effective

The new and amended standards that are issued, but not yet effective or early adopted by the Group and the Bank, up to the date of issuance of the financial statements of the Group and the Bank are disclosed below:

- Lack of exchangeability – Amendments to IAS 21

  In August 2023, the International Accounting Standards Board ("IASB") issued amendments to IAS 21 to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

  The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

  The amendments are not expected to have a material impact on the Group's and Bank's financial statements.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7

  The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only. The Group and the Bank is currently not intending to early adopt the Amendments.

- Annual Improvements to IFRS Accounting Standards—Volume 11

  On 18 July 2024, the IASB issued the Annual Improvements to IFRS Accounting Standards-Volume 11. It contains amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7.

  The improvements are not expected to have a material impact on the Group's and Bank's financial statements.

- Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Standards and amendments to CIFRSs issued but not yet effective (continued)

In December 2024, the IASB issued Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7). The amendments include:

- Clarifying the application of the 'own-use' requirements
- Permitting hedge accounting if these contracts are used as hedging instruments
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed.

The amendments are not expected to have a material impact on the Group's and Bank's financial statements.

- IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18, and the amendments to the other standards, are effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. The Group and the Bank is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

- IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The standard is not expected to have a material impact on the Group's and Bank's financial statements.

3. CASH ON HAND

Cash on hand comprise:

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Cash on hand	12,641,262	50,881,080	15,104,034	61,699,979
Cash in ATM	1,388,387	5,588,257	1,805,843	7,376,869
	14,029,649	**56,469,337**	**16,909,877**	**69,076,848**

3. CASH ON HAND (continued)

For the purpose of the statement of cash flows, cash and cash equivalents comprise:

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Cash on hand	14,029,649	56,469,337	16,909,877	69,076,848
Balances with the NBC *(Note 4)*	37,878,584	152,461,302	34,420,435	140,607,476
Balances with other financial institutions *(Note 5)*	8,390,239	33,770,712	16,377,590	66,902,455
	60,298,472	**242,701,351**	**67,707,902**	**276,586,779**

4. BALANCES WITH THE NBC

Balances with the NBC comprise:

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Current accounts	35,363,847	142,339,485	34,420,435	140,607,476
Reserve requirements	23,108,851	93,013,125	31,685,832	129,436,624
Capital guarantee deposits	10,000,000	40,250,000	10,000,000	40,850,000
Negotiable certificate of deposits with original term:				
less than three months	2,514,737	10,121,816	-	-
more than three months	-	-	822,962	3,361,800
	70,987,435	**285,724,426**	**76,929,229**	**314,255,900**

Reserve requirement

Under NBC Prakas No. B7-023.005 dated 9 January 2023, commercial banks are required to maintain certain cash reserves with the NBC, computed at 7.0% of customer deposits and borrowings in KHR. Reserve requirement for customer deposits and borrowings in foreign currencies are in accordance with dates and rates as follows:

- From 1 January 2023 to 31 December 2023, reserve requirement shall be at the rate of 9%
- From 1 January 2024 onward, reserve requirement shall be at the rate of 12.5%

On 23 November 2023, the NBC responded a letter to the Association of Banks in Cambodia allowing commercial banks to maintain reserve requirement in foreign currencies at rate of 7% until 31 December 2024. On 21 August 2024, the NBC issued a letter allowing banks and financial institutions to continue maintaining reserve requirement in foreign currencies at rate of 7% until 31 December 2025.

Capital guarantee

Under the NBC Prakas No. B7-01-136 dated 15 October 2001, the Bank is required to maintain a capital guarantee deposit of 10% of paid-up capital. This deposit is refundable should the Bank voluntarily cease its operations in Cambodia and it is not available for use in the Bank's day-to-day operations.

4. BALANCES WITH THE NBC (continued)

Negotiable certificate of deposits ("NCDs")

The Group and the Bank pledged NCDs with the NBC as collateral for settlement clearing facility and Liquidity-Providing Collateralized Operation ("LPCO"). The term of the NCDs pledged as collateral is for a period of 91 days.

Current accounts

Current accounts are on demand.

Interest rates

The Group and the Bank's annual interest rates on balances with the NBC are as follows:

	2024	*2023*
Current account	Nil	Nil
Reserve requirement	Nil	Nil
Capital guarantee	1.29% - 1.31%	1.19% - 1.33%
NCDs	0.52% - 1.33%	0.30% - 3.50%

5. BALANCES WITH OTHER FINANCIAL INSTITUTIONS

Balances with other financial institutions comprise of:

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Current accounts	8,390,239	33,770,712	11,469,686	46,853,667
Time deposits with original term:				
less than three months	-	-	4,907,904	20,048,788
more than three months	33,557,212	135,067,779	22,296,279	91,080,300
Carrying amount - gross	**41,947,451**	**168,838,491**	**38,673,869**	**157,982,755**
Allowance for ECLs	(335,029)	(1,348,492)	(270,336)	(1,104,323)
Carrying amount - net	**41,612,422**	**167,489,999**	**38,403,533**	**156,878,432**

Movements of allowance for ECLs on balances with other financial institutions for the Group and the Bank are as follows:

	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	270,336	1,104,323	260,427	1,072,178
Provision for the year *(Note 25)*	64,693	263,365	9,909	40,726
Exchange difference on translation	-	(19,196)	-	(8,581)
At 31 December	**335,029**	**1,348,492**	**270,336**	**1,104,323**

5. BALANCES WITH OTHER FINANCIAL INSTITUTIONS (continued)

Annual interest rates applicable to Balances with other financial institutions of the Group and the Bank are as follows:

	2024	*2023*
Current accounts	0.00% - 1.50%	0.50% - 1.00%
Time deposits	3.00% - 7.50%	3.50% - 7.50%

6. LOANS AND ADVANCES TO CUSTOMERS

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Financial institutions	53,751,111	216,348,222	53,410,290	218,181,034
Non-financial institutions	452,753,914	1,822,334,504	447,783,243	1,829,194,548
	506,505,025	**2,038,682,726**	**501,193,533**	**2,047,375,582**

Breakdown of loans and advances to customers are as follows:

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Financial institutions				
Term Loan	53,938,613	217,102,917	52,893,512	216,069,996
Overdraft	163,041	656,240	914,752	3,736,762
Non-financial institutions:				
Housing loans	356,107,870	1,433,334,177	339,171,713	1,385,516,448
Term loans	73,570,036	296,119,395	81,919,356	334,640,569
Overdrafts	16,424,953	66,110,436	19,264,511	78,695,527
Staff loans	10,553,022	42,475,914	10,535,543	43,037,693
Credit card facilities	1,816,371	7,310,893	2,230,398	9,111,176
Carrying amount - gross	**512,573,906**	**2,063,109,972**	**506,929,785**	**2,070,808,171**
Allowance for ECLs	(6,068,881)	(24,427,246)	(5,736,252)	(23,432,589)
Carrying amount - net	**506,505,025**	**2,038,682,726**	**501,193,533**	**2,047,375,582**

(i) Movements of allowance for ECLs on loans and advances to customers of the Group and the Bank are as follows:

	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	5,736,252	23,432,589	3,659,392	15,065,717
Provision for the year *(Note 25)*	16,020,990	65,221,450	2,842,445	11,682,449
Write-off	(15,688,361)	(63,867,318)	(765,585)	(3,146,554)
Exchange difference on translation	-	(359,475)	-	(169,023)
At 31 December	**6,068,881**	**24,427,246**	**5,736,252**	**23,432,589**

6. LOANS AND ADVANCES TO CUSTOMERS (continued)

(ii) The gross carrying amount of loans and advances to customers are analysed as follows:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
By maturity:				
Within 1 month	2,068,262	8,324,755	3,989,143	16,295,649
Within 1 to 3 months	6,275,084	25,257,213	4,170,245	17,035,451
Within 3 to 12 months	40,899,883	164,622,029	20,468,830	83,615,171
Within 1 to 5 years	91,870,551	369,778,968	122,348,413	499,793,267
More than 5 years	371,460,126	1,495,127,007	355,953,154	1,454,068,633
	512,573,906	**2,063,109,972**	**506,929,785**	**2,070,808,171**
By relationship:				
Staff loans	10,553,022	42,475,914	10,535,543	43,037,693
Non-related parties	502,020,884	2,020,634,058	496,394,242	2,027,770,478
	512,573,906	**2,063,109,972**	**506,929,785**	**2,070,808,171**
By currency:				
US$	445,135,466	1,791,670,251	456,050,803	1,862,967,530
KHR	67,438,440	271,439,721	50,878,982	207,840,641
	512,573,906	**2,063,109,972**	**506,929,785**	**2,070,808,171**

Ranges of annual interest rate applicable to Loans and advances to customers of the Group and the Bank are as follows:

	2024	2023
Financial institutions		
Term loans	6.50% - 8.30%	6.50% - 8.35%
Overdrafts	7.50%	7.50%
Non-financial institutions		
Term loans	7.20% - 14.50%	6.50% -13.50%
Housing loans	4.50% -12.50%	4.50% -12.50%
Overdrafts	7.50% - 9.00%	7.25% - 9.50%
Staff loans	4.50% -12.50%	4.50% -12.50%
Credit card	18.00% - 24.00%	18.00% - 24.00%

7. INVESTMENT IN SECURITIES

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Investment in securities measured at amortised cost	4,942,216	19,892,419	5,870,484	23,980,927
Investment in securities designated as FVOCI – equity investments	25,588	102,992	25,588	104,527
	4,967,804	**19,995,411**	**5,896,072**	**24,085,454**

7.1 Investment in securities measured at amortised cost

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Cambodia Airport Investment Co., Ltd *(a)*	5,057,260	20,355,471	5,056,507	20,655,831
Government bond *(b)*	-	-	985,548	4,025,964
Carrying amount – gross	**5,057,260**	**20,355,471**	**6,042,055**	**24,681,795**
Allowance for ECLs	(115,044)	(463,052)	(171,571)	(700,868)
Carrying amount - net	**4,942,216**	**19,892,419**	**5,870,484**	**23,980,927**

(a) Investment in corporate bond is classified and measured at amortised cost. On 18 October 2022, the Group and the Bank invested in corporate bond issued by the Cambodia Airport Investment Co., Ltd. This corporate bond has maturity term of 3 years with the maturity date on 17 October 2025 and earn interest at rate of 5.5% per annum.

(b) Investment in government bond is classified and measured at amortised cost. On 21 April 2023, the Group and the Bank invested in government bond issued by the Ministry of Economic and Finance. This government bond has maturity term of 1 year with the maturity date on 21 April 2024 with yield of 3.6% per annum. The government bond was matured and settled back to the Bank on 22 April 2024.

The movement of the Group's and the Bank's allowance for ECLs on investment in corporate bond and government bond is as follows:

	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	171,571	700,868	99,324	408,917
(Reversal of)/provision for the year *(Note 25)*	(56,527)	(230,121)	72,247	296,935
Exchange difference on translation	-	(7,695)	-	(4,984)
At 31 December	**115,044**	**463,052**	**171,571**	**700,868**

7. INVESTMENT IN SECURITIES (continued)

7.2 Investment in securities designated as FVOCI – equity investments

The Group and the Bank have designated investment in Credit Bureau Holding (Cambodia) Ltd ("CBC") as equity instrument at FVOCI as the Group and the Bank hold this investment for long term. The table below shows the investment as well as the dividends income recognized during the year.

Carrying amount equivalent to FV

	2024		2023	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Investment in CBC	**25,588**	**102,992**	**25,588**	**104,527**

Dividend income

	31 December 2024		31 December 2023	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Investment in CBC	**48,144**	**195,994**	**67,444**	**277,195**

8. INVESTMENT IN SUBSIDIARY

This represents the Bank's 49% equity interest in CUBC Investment Co., Ltd. The Bank controls the operations of its subsidiary through a proxy agreement with another major shareholder and the right to appoint its director.

9. PROPERTY AND EQUIPMENT

	Group							
	Freehold land US$	*Buildings US$*	*Building improvements US$*	*Furniture and fittings US$*	*Motor vehicles US$*	*Equipment US$*	*Work in progress US$*	*Total US$*
Cost								
At 1 January 2024	1,548,120	931,880	2,757,842	641,593	717,540	7,510,504	219,103	14,326,582
Additions	-	-	80,272	16,562	49,490	45,693	67,500	259,517
Disposals	-	-	-	-	(82,400)	(266)	-	(82,666)
Write-offs	-	(310,000)	-	(1,443)	-	(48,201)	-	(359,644)
At 31 December 2024	**1,548,120**	**621,880**	**2,838,114**	**656,712**	**684,630**	**7,507,730**	**286,603**	**14,143,789**
Less: Accumulated depreciation								
At 1 January 2024	-	793,828	1,462,456	298,573	523,205	4,350,870	-	7,428,932
Depreciation for the year *(Note 28)*	-	22,400	266,029	68,457	51,882	788,886	-	1,197,654
Disposals	-	-	-	-	(82,400)	(266)	-	(82,666)
Write-offs	-	(221,442)	-	(1,414)	-	(48,139)	-	(270,995)
At 31 December 2024	**-**	**594,786**	**1,728,485**	**365,616**	**492,687**	**5,091,351**	**-**	**8,272,925**
Net book value								
At 31 December 2024	**1,548,120**	**27,094**	**1,109,629**	**291,096**	**191,943**	**2,416,379**	**286,603**	**5,870,864**
KHR'000 *(Note 2.5)*	**6,231,183**	**109,053**	**4,466,257**	**1,171,661**	**772,572**	**9,725,925**	**1,153,577**	**23,630,228**

9. PROPERTY AND EQUIPMENT (continued)

	Group							
	Freehold land US$	*Buildings US$*	*Building improvements US$*	*Furniture and fittings US$*	*Motor vehicles US$*	*Equipment US$*	*Work in progress US$*	*Total US$*
Cost								
At 1 January 2023	1,548,120	931,880	2,045,734	513,278	717,540	5,470,023	1,633,268	12,859,843
Additions	-	-	434,729	128,818	-	925,266	-	1,488,813
Transfers	-	-	278,139	-	-	1,136,026	(1,414,165)	-
Disposal	-	-	-	-	-	(1,343)	-	(1,343)
Write-offs	-	-	(760)	(503)	-	(19,468)	-	(20,731)
At 31 December 2023	**1,548,120**	**931,880**	**2,757,842**	**641,593**	**717,540**	**7,510,504**	**219,103**	**14,326,582**
Less: Accumulated depreciation								
At 1 January 2023	-	759,843	1,250,635	238,985	452,063	3,751,229	-	6,452,755
Depreciation for the year *(Note 28)*	-	33,985	212,581	60,091	71,142	620,240	-	998,039
Disposal	-	-	-	-	-	(1,149)	-	(1,149)
Write-offs	-	-	(760)	(503)	-	(19,450)	-	(20,713)
At 31 December 2023	**-**	**793,828**	**1,462,456**	**298,573**	**523,205**	**4,350,870**	**-**	**7,428,932**
Net book value								
At 31 December 2023	**1,548,120**	**138,052**	**1,295,386**	**343,020**	**194,335**	**3,159,634**	**219,103**	**6,897,650**
KHR'000 *(Note 2.5)*	**6,324,070**	**563,942**	**5,291,652**	**1,401,237**	**793,858**	**12,907,105**	**895,036**	**28,176,900**

As at 31 December 2024, the cost of fully depreciated property and equipment still in use amounted to US$ 4,131,634 or to KHR'000 16,819,882 (2023: US$ 3,284,559 or to KHR'000 13,499,537).

9. PROPERTY AND EQUIPMENT (continued)

	Bank						
	Buildings *US$*	*Building improvements* *US$*	*Furniture and fittings* *US$*	*Motor vehicles* *US$*	*Equipment* *US$*	*Work in progress* *US$*	*Total* *US$*
Cost							
At 1 January 2024	931,880	2,757,842	641,593	717,540	7,510,504	219,103	12,778,462
Additions	-	80,272	16,562	49,490	45,693	67,500	259,517
Disposals	-	-	-	(82,400)	(266)	-	(82,666)
Write-offs	(310,000)	-	(1,443)	-	(48,201)	-	(359,644)
At 31 December 2024	**621,880**	**2,838,114**	**656,712**	**684,630**	**7,507,730**	**286,603**	**12,595,669**
Less: Accumulated depreciation							
At 1 January 2024	793,828	1,462,456	298,573	523,205	4,350,870	-	7,428,932
Depreciation for the year *(Note 28)*	22,400	266,029	68,457	51,882	788,886	-	1,197,654
Disposals	-	-	-	(82,400)	(266)	-	(82,666)
Write-offs	(221,442)	-	(1,414)	-	(48,139)	-	(270,995)
At 31 December 2024	**594,786**	**1,728,485**	**365,616**	**492,687**	**5,091,351**	**-**	**8,272,925**
Net book value							
At 31 December 2024	**27,094**	**1,109,629**	**291,096**	**191,943**	**2,416,379**	**286,603**	**4,322,744**
KHR'000 *(Note 2.5)*	**109,053**	**4,466,257**	**1,171,661**	**772,572**	**9,725,925**	**1,153,577**	**17,399,045**

9. PROPERTY AND EQUIPMENT (continued)

	Bank						
	Buildings	*Building improvements*	*Furniture and fittings*	*Motor vehicles*	*Equipment*	*Work in progress*	*Total*
	US$	*US$*	*US$*	*US$*	*US$*	*US$*	*US$*
Cost							
At 1 January 2023	931,880	2,045,734	513,278	717,540	5,470,023	1,633,268	11,311,723
Additions	-	434,729	128,818	-	925,266	-	1,488,813
Transfers	-	278,139	-	-	1,136,026	(1,414,165)	-
Disposal	-	-	-	-	(1,343)	-	(1,343)
Write-offs	-	(760)	(503)	-	(19,468)	-	(20,731)
At 31 December 2023	**931,880**	**2,757,842**	**641,593**	**717,540**	**7,510,504**	**219,103**	**12,778,462**
Less: Accumulated depreciation							
At 1 January 2023	759,843	1,250,635	238,985	452,063	3,751,229	-	6,452,755
Depreciation for the year *(Note 28)*	33,985	212,581	60,091	71,142	620,240	-	998,039
Disposal	-	-	-	-	(1,149)	-	(1,149)
Write-offs	-	(760)	(503)	-	(19,450)	-	(20,713)
At 31 December 2023	**793,828**	**1,462,456**	**298,573**	**523,205**	**4,350,870**	**-**	**7,428,932**
Net book value							
At 31 December 2023	**138,052**	**1,295,386**	**343,020**	**194,335**	**3,159,634**	**219,103**	**5,349,530**
KHR'000 *(Note 2.5)*	**563,942**	**5,291,652**	**1,401,237**	**793,858**	**12,907,105**	**895,036**	**21,852,830**

As at 31 December 2024, the cost of fully depreciated property and equipment still in use amounted to US$ 4,131,634 or to KHR'000 16,819,882 (2023: US$ 3,284,559 or to KHR'000 13,499,537).

10. RIGHT-OF-USE ASSETS

The Group and the Bank lease various assets including buildings and motor vehicles. Leases of buildings generally have lease terms between 3 and 50 years, while motor vehicles generally have lease terms between 3 and 5 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

	Group			*Bank*		
	Buildings US$	*Motor vehicles US$*	*Total US$*	*Buildings US$*	*Motor vehicles US$*	*Total US$*
Cost						
As at 1 January 2024	6,018,230	32,451	6,050,681	7,102,163	32,451	7,134,614
Additions	651,011	118,616	769,627	651,011	118,616	769,627
Expirations	(782,090)	(32,451)	(814,541)	(782,090)	(32,451)	(814,541)
Termination	-	-	-	(104,733)	-	(104,733)
Remeasurement (*)	-	-	-	1,753,539	-	1,753,539
At 31 December 2024	**5,887,151**	**118,616**	**6,005,767**	**8,619,890**	**118,616**	**8,738,506**
Less: Accumulated depreciation						
At 1 January 2024	3,602,755	22,986	3,625,741	3,744,138	22,986	3,767,124
Depreciation for the year *(Note 28)*	1,015,125	38,192	1,053,317	1,072,577	38,192	1,110,769
Expirations	(782,090)	(32,451)	(814,541)	(782,090)	(32,451)	(814,541)
Termination	-	-	-	(14,230)	-	(14,230)
Remeasurement (*)	-	-	-	(133,043)	-	(133,043)
At 31 December 2024	**3,835,790**	**28,727**	**3,864,517**	**3,887,352**	**28,727**	**3,916,079**
Net book value						
At 31 December 2024	**2,051,361**	**89,889**	**2,141,250**	**4,732,538**	**89,889**	**4,822,427**
KHR’000 *(Note 2.5)*	**8,256,728**	**361,803**	**8,618,531**	**19,048,465**	**361,803**	**19,410,269**

(*) The remeasurement pertains to extension of lease terms and change in lease payment for existing leases during the year which results in increase of lease liabilities and right-of-use assets.

10. RIGHT-OF-USE ASSETS (continued)

	Group			Bank		
	Buildings US$	*Motor vehicles US$*	*Total US$*	*Buildings US$*	*Motor vehicles US$*	*Total US$*
Cost						
As at 1 January 2023	4,542,917	32,451	4,575,368	5,626,850	32,451	5,659,301
Additions	1,475,313	-	1,475,313	1,475,313	-	1,475,313
At 31 December 2023	**6,018,230**	**32,451**	**6,050,681**	**7,102,163**	**32,451**	**7,134,614**
Less: Accumulated depreciation						
At 1 January 2023	2,629,470	6,761	2,636,231	2,747,290	6,761	2,754,051
Depreciation for the year *(Note 28)*	973,285	16,225	989,510	996,848	16,225	1,013,073
At 31 December 2023	**3,602,755**	**22,986**	**3,625,741**	**3,744,138**	**22,986**	**3,767,124**
Net book value						
At 31 December 2023	**2,415,475**	**9,465**	**2,424,940**	**3,358,025**	**9,465**	**3,367,490**
KHR'000 *(Note 2.5)*	**9,867,215**	**38,665**	**9,905,880**	**13,717,532**	**38,665**	**13,756,197**

11. SOFTWARE COSTS

Movements of software costs are as follows:

	Group and Bank		
	Software and licenses	*Work in progress*	*Total*
	US$	*US$*	*US$*
Cost			
At 1 January 2024	5,118,177	76,481	5,194,658
Additions	272,353	2,393	274,746
Transfer	76,481	(76,481)	-
Write-offs	(545)	-	(545)
At 31 December 2024	**5,466,466**	**2,393**	**5,468,859**
Less: Accumulated depreciation			
At 1 January 2024	3,873,988	-	3,873,988
Amortization (*Note 28*)	434,777	-	434,777
Write-offs	(545)	-	(545)
At 31 December 2024	**4,308,220**	**-**	**4,308,220**
Net book value			
At 31 December 2024	**1,158,246**	**2,393**	**1,160,639**
KHR'000 *(Note 2.5)*	**4,661,940**	**9,632**	**4,671,572**
Cost			
At 1 January 2023	4,417,242	397,145	4,814,387
Additions	315,040	65,231	380,271
Transfer	385,895	(385,895)	-
At 31 December 2023	**5,118,177**	**76,481**	**5,194,658**
Less: Accumulated depreciation			
At 1 January 2023	3,295,338	-	3,295,338
Amortization (*Note 28*)	578,650	-	578,650
At 31 December 2023	**3,873,988**	**-**	**3,873,988**
Net book value			
At 31 December 2023	**1,244,189**	**76,481**	**1,320,670**
KHR'000 *(Note 2.5)*	**5,082,512**	**312,425**	**5,394,937**

12. INCOME TAX

Major components of income tax (benefit)/expense are as follows:

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Current tax	476,446	1,939,612	447,799	1,840,453	463,768	1,888,000	440,382	1,809,970
Deferred tax	(1,211,924)	(4,933,743)	969,214	3,983,470	(1,211,924)	(4,933,743)	969,214	3,983,470
	(735,478)	**(2,994,131)**	**1,417,013**	**5,823,923**	**(748,156)**	**(3,045,743)**	**1,409,596**	**5,793,440**

12.1 *Income tax (benefit)/expense*

In accordance with the Cambodian Law on Taxation, the Group and the Bank has obligation to pay corporate income tax at 20% of taxable income or the minimum tax at 1% of annual turnover, whichever is higher.

Details of estimated current income tax (benefit)/expense are as follows:

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Accounting (loss)/profit before income tax	**(8,454,657)**	**(34,418,909)**	**2,347,146**	**9,646,771**	**(8,373,774)**	**(34,089,633)**	**2,333,077**	**9,588,947**
Income tax using statutory rate of 20%	(1,690,931)	(6,883,782)	469,429	1,929,354	(1,674,755)	(6,817,927)	466,615	1,917,789
Non-deductible expenses	491,685	2,001,651	507,202	2,084,599	462,831	1,884,184	502,599	2,065,681
Minimum tax expense	463,768	1,888,000	440,382	1,809,970	463,768	1,888,000	440,382	1,809,970
Effective income tax	**(735,478)**	**(2,994,131)**	**1,417,013**	**5,823,923**	**(748,156)**	**(3,045,743)**	**1,409,596**	**5,793,440**

The Group's and the Bank's tax returns are subject to periodic examination by the tax authorities. Because the application of tax laws and regulations on 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.

12. INCOME TAX (continued)

12.2 Income tax payable

Movements of income tax payable are as follows:

	Group				Bank			
	2024		*2023*		*2024*		*2023*	
	US$	*KHR'000*	*US$*	*KHR'000*	*US$*	*KHR'000*	*US$*	*KHR'000*
		(Note 2.5)		*(Note 2.5)*		*(Note 2.5)*		*(Note 2.5)*
At 1 January	39,797	162,571	1,885,308	7,761,813	32,898	134,388	1,885,308	7,761,813
Current income tax expense	476,446	1,939,612	447,799	1,840,453	463,768	1,888,000	440,382	1,809,970
Payments during the year	(485,148)	(1,975,038)	(2,293,310)	(9,425,504)	(476,560)	(1,940,076)	(2,292,792)	(9,423,375)
Exchange difference on translation	-	(1,988)	-	(14,191)	-	(1,385)	-	(14,020)
At 31 December	**31,095**	**125,157**	**39,797**	**162,571**	**20,106**	**80,927**	**32,898**	**134,388**

12. INCOME TAX (continued)

12.3 Deferred tax assets/(liabilities), net

Deferred tax assets and deferred tax liabilities are recognised for the temporary difference arising from the followings:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Deferred tax assets				
Tax loss carried forward	2,061,730	8,298,463	498,849	2,037,798
Effect of unearned processing fee amortized using EIR	-	-	62,678	256,040
Lease liabilities	996,550	4,011,113	732,139	2,990,787
Unused annual leave	24,296	97,791	24,973	102,015
Provision for seniority indemnity	19,402	78,095	21,338	87,166
	3,101,978	**12,485,462**	**1,339,977**	**5,473,806**
Deferred tax liabilities				
Allowance for ECLs	799,072	3,216,265	664,963	2,716,373
Property and equipment	238,911	961,617	284,184	1,160,892
Effect of unearned processing fee amortized using EIR	128,858	518,653	-	-
Unrealized foreign exchange gain	101,463	408,389	60,067	245,374
Right-of-use assets	964,485	3,882,052	673,498	2,751,239
	2,232,789	**8,986,976**	**1,682,712**	**6,873,878**
Deferred tax assets / (liabilities) – net	**869,189**	**3,498,486**	**(342,735)**	**(1,400,072)**

12.4 Tax loss carried forward

In accordance with the Prakas on Tax on Income for the tax losses to be carried forward for a period of five consecutive years and utilized against taxable profit in subsequent years, the following conditions should be met:

- Tax loss has been calculated based on the tax rules and reported in the annual tax return to the GDT;
- The business activity of the Bank must not have changed; and
- No tax unilateral reassessment on the tax losses has been made by the GDT.

Tax loss is subject to assessment by the GDT and may not be utilized if one of the criteria mentioned above will not be met.
The details of the tax loss is as follows:

Originating year	*Can be utilized up to 31 December*	*Tax loss amount*	*Utilized*	*Forfeited*	*Unutilized*
		US$	*US$*	*US$*	*US$*
2023	2028	2,494,243	-	-	2,494,243
2024	2029	7,814,406	-	-	7,814,406
		10,308,649	**-**	**-**	**10,308,649**
		41,492,313	**-**	**-**	**41,492,313**

13. OTHER ASSETS

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Deposits	1,561,736	6,285,987	1,459,165	5,960,689	1,561,736	6,285,987	1,459,165	5,960,689
Credit card receivables	1,061,420	4,272,216	1,041,128	4,253,008	1,061,420	4,272,216	1,041,128	4,253,008
Prepayment	684,950	2,756,924	638,874	2,609,800	684,950	2,756,924	638,874	2,609,800
Card inventories	9,555	38,459	18,783	76,729	9,555	38,459	16,720	68,300
Other receivables	323,908	1,303,730	385,615	1,575,237	323,908	1,303,730	385,615	1,575,237
Carrying amount - gross	**3,641,569**	**14,657,316**	**3,543,565**	**14,475,463**	**3,641,569**	**14,657,316**	**3,541,502**	**14,467,034**
Allowance for ECLs	(15,862)	(63,845)	(14,955)	(61,091)	(15,862)	(63,845)	(14,955)	(61,091)
Carrying amount - net	**3,625,707**	**14,593,471**	**3,528,610**	**14,414,372**	**3,625,707**	**14,593,471**	**3,526,547**	**14,405,943**

The movements of allowance for ECLs on Other assets are as follows:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
At 1 January	14,955	61,091	10,806	44,488
Provision for the year *(Note 25)*	907	3,688	393,501	1,617,289
Write-off	-	-	(389,352)	(1,600,237)
Exchange difference on translation	-	(934)	-	(449)
At 31 December	**15,862**	**63,845**	**14,955**	**61,091**

14. DEPOSITS FROM OTHER FINANCIAL INSTITUTIONS

Deposits from other financial institutions comprise:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Current deposits	6,120,768	24,636,091	2,339,522	9,556,948
Saving deposits	430,123	1,731,245	14,708	60,082
Term deposits	257,739,891	1,037,403,062	98,882,393	403,934,575
	264,290,782	**1,063,770,398**	**101,236,623**	**413,551,605**

Deposits from other financial institutions are analysed as follows:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
A. By maturity:				
Within 1 month	34,125,092	137,353,496	12,453,682	50,873,291
> 1 to 3 months	107,259,015	431,717,535	29,544,103	120,687,661
> 3 to 12 months	122,906,675	494,699,367	59,238,838	241,990,653
	264,290,782	**1,063,770,398**	**101,236,623**	**413,551,605**
B. By residency:				
Residents	203,850,353	820,497,671	78,987,649	322,664,546
Non-residents	60,440,429	243,272,727	22,248,974	90,887,059
	264,290,782	**1,063,770,398**	**101,236,623**	**413,551,605**
C. By relationship:				
Related parties	60,029,896	241,620,331	22,029,926	89,992,248
Non-related parties	204,260,886	822,150,067	79,206,697	323,559,357
	264,290,782	**1,063,770,398**	**101,236,623**	**413,551,605**

D. By interest rate (per annum):

Annual interest rates applicable to Deposits from other financial institutions are as follows:

	Group and Bank	
	2024	2023
Current deposits	0.00% - 7.35%	0.00% - 0.70%
Savings deposits	0.25% - 1.00%	0.25% - 2.00%
Time deposits	3.75% - 5.70%	5.00% - 7.50%

15. DEPOSITS FROM CUSTOMERS

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Current deposits	37,298,603	150,126,878	30,284,909	123,713,853	37,360,118	150,374,476	30,467,210	124,458,553
Savings deposits	98,688,306	397,220,432	98,091,982	400,705,746	98,688,306	397,220,432	98,091,982	400,705,746
Term deposits	126,923,646	510,867,675	124,413,373	508,228,629	126,923,646	510,867,675	124,413,373	508,228,629
Margin deposits	50,000	201,249	141,000	575,985	50,000	201,249	141,000	575,985
	262,960,555	**1,058,416,234**	**252,931,264**	**1,033,224,213**	**263,022,070**	**1,058,663,832**	**253,113,565**	**1,033,968,913**

Deposits from customers are analysed as follows:

A. By maturity:

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Within 1 month	145,603,714	586,054,949	142,067,989	580,347,734	145,665,229	586,302,547	142,250,290	581,092,434
> 1 to 3 months	19,967,915	80,370,858	17,856,730	72,944,742	19,967,915	80,370,858	17,856,730	72,944,742
> 3 to 12 months	95,456,970	384,214,304	91,899,207	375,408,261	95,456,970	384,214,304	91,899,207	375,408,261
> 1 to 5 years	1,931,956	7,776,123	1,107,338	4,523,476	1,931,956	7,776,123	1,107,338	4,523,476
	262,960,555	**1,058,416,234**	**252,931,264**	**1,033,224,213**	**263,022,070**	**1,058,663,832**	**253,113,565**	**1,033,968,913**

15. DEPOSITS FROM CUSTOMERS (continued)

Deposits from customers are analysed as follows: (continued)

B. By residency:

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Residents	177,890,124	716,007,749	170,358,082	695,912,765	177,951,639	716,255,347	170,540,383	696,657,465
Non-residents	85,070,431	342,408,485	82,573,182	337,311,448	85,070,431	342,408,485	82,573,182	337,311,448
	262,960,555	**1,058,416,234**	**252,931,264**	**1,033,224,213**	**263,022,070**	**1,058,663,832**	**253,113,565**	**1,033,968,913**

C. By relationship:

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Related parties	123,286	496,226	169,219	691,260	184,801	743,824	240,136	980,956
Non-related parties	262,837,269	1,057,920,008	252,762,045	1,032,532,953	262,837,269	1,057,920,008	252,873,429	1,032,987,957
	262,960,555	**1,058,416,234**	**252,931,264**	**1,033,224,213**	**263,022,070**	**1,058,663,832**	**253,113,565**	**1,033,968,913**

15. DEPOSITS FROM CUSTOMERS (continued)

Deposits from customers are analysed as follows: (continued)

D. By interest rate (per annum):

Annual interest rates applicable to Deposits from customers are as follows:

	Group and Bank	
	2024	*2023*
Current deposits	0.00% - 1.50%	0.00% - 1.50%
Savings deposits	0.00% - 2.50%	0.00% - 2.50%
Term deposits	1.00% - 7.25%	1.75% - 8.25%
Margin deposits	Nil	Nil

The margin deposits are interest free and are encumbered for trade finance transactions.

16. BORROWINGS

Gross carrying amount of the borrowings is from:

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Cathay United Bank Limited ("CUB")	**9,198,094**	**37,022,328**	**175,359,353**	**716,342,957**

The movements of the borrowings are as follows:

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	175,359,353	716,342,957	135,020,860	555,880,881
Additions	163,000,000	663,573,000	96,000,000	394,560,000
Interest expense *(Note 23)*	5,566,905	22,662,870	9,994,243	41,076,339
Payments during the year	(334,728,164)	(1,362,678,356)	(65,655,750)	(269,845,133)
Exchange difference on translation	-	(2,878,143)	-	(5,329,130)
At 31 December	**9,198,094**	**37,022,328**	**175,359,353**	**716,342,957**

Borrowings from Cathay United Bank Limited ("CUB") have terms to maturity from five to six months, are unsecured and bear interest ranging from 5.29% to 6.03% per annum (2023: 5.40% to 6.03% per annum).

17. LEASE LIABILITIES

The Group and the Bank lease buildings and motor vehicles. Information about leases for which the Group and the Bank are lessee presented below.

	Group				*Bank*			
	2024		*2023*		*2024*		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Maturity analysis – contractual undiscounted cash flows								
Less than 1 year	1,010,771	4,068,353	1,135,844	4,639,923	1,203,650	4,844,691	1,192,352	4,870,758
Between 1 year and 5 years	1,353,714	5,448,699	1,739,624	7,106,364	2,125,230	8,554,051	1,965,656	8,029,705
More than 5 years	-	-	-	-	6,557,890	26,395,507	1,977,780	8,079,231
Total undiscounted lease liabilities	**2,364,485**	**9,517,052**	**2,875,468**	**11,746,287**	**9,886,770**	**39,794,249**	**5,135,788**	**20,979,694**
Present value of lease liabilities								
Less than 1 year	905,276	3,643,736	1,013,653	4,140,772	922,424	3,712,757	1,022,887	4,178,493
More than 1 year	1,268,665	5,106,377	1,610,434	6,578,623	4,060,327	16,342,816	2,637,809	10,775,450
	2,173,941	**8,750,113**	**2,624,087**	**10,719,395**	**4,982,751**	**20,055,573**	**3,660,696**	**14,953,943**

The movements of lease liabilities during the year are as follows:

	Group				*Bank*			
	2024		*2023*		*2024*		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	2,624,087	10,719,395	2,163,047	8,905,264	3,660,696	14,953,943	3,208,475	13,209,292
Additions	769,627	3,133,152	1,475,313	6,063,536	769,627	3,133,152	1,475,313	6,063,536
Termination	-	-	-	-	(99,942)	(406,864)	-	-
Remeasurement	-	-	-	-	1,886,582	7,680,275	-	-
Interest expense (*Note 23*)	147,046	598,625	164,996	678,134	291,393	1,186,261	212,685	874,135
Payments	(1,366,819)	(5,564,320)	(1,179,269)	(4,846,796)	(1,525,605)	(6,210,738)	(1,235,777)	(5,079,043)
Exchange difference on translation	-	(136,739)	-	(80,743)	-	(280,456)	-	(113,977)
At 31 December	**2,173,941**	**8,750,113**	**2,624,087**	**10,719,395**	**4,982,751**	**20,055,573**	**3,660,696**	**14,953,943**

17. LEASE LIABILITIES (continued)

Amounts related to leases recognized in profit or loss are as follows:

	Group				Bank			
	2024		2023		2024		2023	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Depreciation of right-of-use assets (*Note 28*)	1,053,317	4,288,054	989,510	4,066,886	1,110,769	4,521,942	1,013,073	4,163,730
Lease expenses for leases of low-value assets and short-term leases (*Note 29*)	283,227	1,153,017	331,478	1,362,375	283,227	1,153,017	331,478	1,362,375
Interest expense on lease liabilities *(Note 23)*	147,046	598,625	164,996	678,134	291,393	1,186,261	212,685	874,135
Gain on lease termination	-	-	-	-	9,439	38,426	-	-
	1,483,590	**6,039,696**	**1,485,984**	**6,107,395**	**1,694,828**	**6,899,646**	**1,557,236**	**6,400,240**

18. PROVISION FOR OFF-BALANCE SHEET ITEMS

Provision for off-balance sheet items comprise:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Allowance for ECLs on:				
Unused portion of overdraft	33,581	135,164	35,581	145,349
Unused portion of credit card	23,596	94,974	22,958	93,783
Bank guarantees	2,163	8,706	2,835	11,581
	59,340	**238,844**	**61,374**	**250,713**

The movement of provision for off-balance sheet items is as follow:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
At 1 January	61,374	250,713	55,042	226,608
(Reversal of)/provision for the year *(Note 25)*	(2,034)	(8,280)	6,332	26,025
Exchange difference on translation	-	(3,589)	-	(1,920)
At 31 December	**59,340**	**238,844**	**61,374**	**250,713**

19. OTHER LIABILITIES

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Provision and other tax payables	976,773	3,931,511	1,012,237	4,134,989	975,165	3,925,039	1,011,765	4,133,060
Accrued bonus	875,828	3,525,208	840,969	3,435,358	875,828	3,525,208	840,969	3,435,358
Accounts payables and other accruals	630,542	2,537,932	753,215	3,076,883	629,254	2,532,747	750,987	3,067,782
Provision for seniority indemnity	97,019	390,501	106,689	435,825	97,019	390,501	106,689	435,825
Pension fund	7,320	29,464	7,897	32,259	7,320	29,464	7,897	32,259
	2,587,482	**10,414,616**	**2,721,007**	**11,115,314**	**2,584,586**	**10,402,959**	**2,718,307**	**11,104,284**

20. SHARE CAPITAL

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Registered, issued and fully paid 100,000,000 ordinary shares of US$1 each	**100,000,000**	**407,500,000**	**100,000,000**	**407,500,000**

21. REGULATORY RESERVE

Comparison of regulatory and CIFRS 9 provisioning, and required regulatory reserve are as follows:

	Group and Bank					
	Balances with other financial institutions	*Loans and advances to customers*	*Investment in securities*	*Other assets*	*Off-balance sheet items*	*Total*
	US$	*US$*	*US$*	*US$*	*US$*	*US$*
31 December 2024						
Allowance per NBC	419,475	15,284,814	50,573	29,471	182,727	15,967,060
Allowance per CIFRS 9	335,029	6,068,881	115,044	15,862	59,340	6,594,156
Regulatory reserves (A)	**84,446**	**9,215,933**	**(64,471)**	**13,609**	**123,387**	**9,372,904**
31 December 2023						
Allowance per NBC	386,739	14,309,711	60,421	28,859	191,544	14,977,274
Allowance per CIFRS 9	270,336	5,736,252	171,571	14,955	61,374	6,254,488
Regulatory reserves (B)	**116,403**	**8,573,459**	**(111,150)**	**13,904**	**130,170**	**8,722,786**
Transfer from retained earnings to regulatory reserves (A - B)						**650,118**
In KHR'000 *(Note 2.5)*						**2,646,630**

22. INTEREST INCOME

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Loans and advances to customers	44,512,469	181,210,262	41,849,657	172,002,090
Balances with other financial institutions	1,872,836	7,624,315	1,270,824	5,223,087
Investment in securities measured at amortised cost	286,145	1,164,896	298,526	1,226,942
Balances with the NBC	152,349	620,213	175,873	722,838
	46,823,799	**190,619,686**	**43,594,880**	**179,174,957**

23. INTEREST EXPENSE

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Deposits from other financial institutions	9,380,040	38,186,143	4,346,415	17,863,766	9,380,040	38,186,143	4,346,415	17,863,766
Deposits from customers	7,618,032	31,013,008	6,585,724	27,067,325	7,618,032	31,013,008	6,585,724	27,067,325
Borrowings *(Note 16)*	5,566,905	22,662,870	9,994,243	41,076,339	5,566,905	22,662,870	9,994,243	41,076,339
Lease liabilities *(Note 17)*	147,046	598,625	164,996	678,134	291,393	1,186,261	212,685	874,135
	22,712,023	**92,460,646**	**21,091,378**	**86,685,564**	**22,856,370**	**93,048,282**	**21,139,067**	**86,881,565**

24. NET FEES AND COMMISSION INCOME

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Fees and commission income:								
Remittance	607,877	2,474,667	651,566	2,677,936	607,877	2,474,667	651,566	2,677,936
Credit card	489,880	1,994,301	505,451	2,077,404	489,880	1,994,301	505,451	2,077,404
Loan and trade finance	384,518	1,565,373	392,421	1,612,850	384,518	1,565,373	392,421	1,612,850
Service charges and fees	195,441	795,641	242,588	997,037	195,441	795,641	242,588	997,037
	1,677,716	**6,829,982**	**1,792,026**	**7,365,227**	**1,677,716**	**6,829,982**	**1,792,026**	**7,365,227**
Fees and commission expense:								
ATM and credit card	774,879	3,154,532	705,330	2,898,906	774,879	3,154,532	705,330	2,898,906
Bank charges	60,590	246,661	66,737	274,289	60,579	246,617	66,725	274,240
Swift charges	9,863	40,152	11,463	47,113	9,863	40,152	11,463	47,113
Others	59,950	244,058	81,892	336,576	59,949	244,053	81,891	336,572
	905,282	**3,685,403**	**865,422**	**3,556,884**	**905,270**	**3,685,354**	**865,409**	**3,556,831**
Net fees and commission income	**772,434**	**3,144,579**	**926,604**	**3,808,343**	**772,446**	**3,144,628**	**926,617**	**3,808,396**

25. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Net impairment losses on financial assets comprise:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
			(As reclassified – Note 35)	
Loans and advances to customers *(Note 6)*	16,020,990	65,221,450	2,842,445	11,682,449
Recoveries of provision *(Note 32.B.iv)*	(932,072)	(3,794,465)	(1,050,790)	(4,318,747)
Balances with other financial institutions *(Note 5)*	64,693	263,365	9,909	40,726
Investment in securities at amortized cost *(Note 7)*	(56,527)	(230,121)	72,247	296,935
Loan commitments and guarantees *(Note 18)*	(2,034)	(8,280)	6,332	26,025
Other assets *(Note 13)*	906	3,688	393,501	1,617,289
	15,095,956	**61,455,637**	**2,273,644**	**9,344,677**

26. OTHER OPERATING INCOME

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
			(As reclassified – Note 35)				(As reclassified – Note 35)	
Foreign exchange gain	536,633	2,184,633	310,274	1,275,226	536,727	2,185,016	310,274	1,275,226
Others	46,298	188,479	102,697	422,085	55,737	226,905	102,697	422,085
	582,931	**2,373,112**	**412,971**	**1,697,311**	**592,464**	**2,411,921**	**412,971**	**1,697,311**

27. PERSONNEL EXPENSES

Personnel expenses comprise:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Salaries and bonuses	8,350,462	33,994,731	8,420,642	34,608,839
Seniority payments	447,389	1,821,321	401,096	1,648,505
Other personnel expenses	622,105	2,532,589	792,182	3,255,867
	9,419,956	**38,348,641**	**9,613,920**	**39,513,211**

28. DEPRECIATION AND AMORTIZATION

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Property and equipment *(Note 9)*	1,197,654	4,875,649	998,039	4,101,940	1,197,654	4,875,649	998,039	4,101,940
Right-of-use assets *(Note 10,17)*	1,053,317	4,288,054	989,510	4,066,886	1,110,769	4,521,942	1,013,073	4,163,730
Software *(Note 11)*	434,777	1,769,976	578,650	2,378,252	434,777	1,769,976	578,650	2,378,252
	2,685,748	**10,933,679**	**2,566,199**	**10,547,078**	**2,743,200**	**11,167,567**	**2,589,762**	**10,643,922**

29. OTHER OPERATING EXPENSES

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Withholding taxes	2,553,404	10,394,908	2,942,854	12,095,129	2,374,110	9,665,002	2,902,543	11,929,452
Professional services (*)	985,536	4,012,117	791,163	3,251,680	891,841	3,630,685	774,492	3,183,162
License fee	613,016	2,495,588	583,232	2,397,084	613,016	2,495,588	583,232	2,397,084
Communication	394,093	1,604,353	392,706	1,614,022	394,093	1,604,353	392,706	1,614,022
Repairs and maintenance	377,331	1,536,115	436,861	1,795,499	377,331	1,536,115	436,861	1,795,499
Marketing and advertising	330,257	1,344,476	410,601	1,687,570	330,257	1,344,476	410,601	1,687,570
Utilities	328,207	1,336,131	272,974	1,121,923	328,207	1,336,131	272,974	1,121,923
Expenses relating to short-term leases and leases of low-value assets *(Note 17)*	283,227	1,153,017	331,478	1,362,375	283,227	1,153,017	331,478	1,362,375
Security	199,930	813,915	169,172	695,297	199,930	813,915	169,172	695,297
Office supplies and non-capitalised purchases	110,402	449,447	177,841	730,927	110,402	449,447	177,841	730,927
Others	544,735	2,217,616	533,286	2,191,804	544,587	2,217,012	533,098	2,191,031
	6,720,138	**27,357,683**	**7,042,168**	**28,943,310**	**6,447,001**	**26,245,741**	**6,984,998**	**28,708,342**

(*) This includes auditor's remunerations which were paid or are payable to Ernst & Young (Cambodia) Ltd. Breakdown of auditor's remuneration is as follows:

	Group and Bank			
	2024		2023	
	US$	KHR'000 (Note 2)	US$	KHR'000 (Note 2)
Audit services (excluding value-added tax):				
The Group and the Bank	68,000	276,828	68,000	279,480
The subsidiary	5,500	22,391	5,500	22,605
Non-audit services:				
The Group and the Bank	-	-	-	-
The subsidiary	-	-	-	-
	73,500	**299,219**	**73,500**	**302,085**

30. COMMITMENTS AND CONTINGENCIES

Loan commitments and financial guarantee contracts

In the normal course of business, the Group and the Bank make various commitments and incur certain contingencies with legal recourse to its customers. The nominal value of such commitments are listed below:

	Group and Bank			
	2024		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Unused portion of loans and advances to customers	7,771,844	31,281,672	7,137,089	29,155,009
Unused portion of credit card	10,050,843	40,454,643	11,476,319	46,880,763
Bank guarantees	450,000	1,811,250	541,000	2,209,985
	18,272,687	**73,547,565**	**19,154,408**	**78,245,757**

Taxation contingencies

On 19 September 2022, 23 September 2022 and 29 September 2022, the General Department of Taxation ("GDT") issued a Notice of Tax Reassessment ("NTR") on the comprehensive tax audit to the Bank for the period from 1 January 2017 to 31 December 2017, period from 1 January 2018 to 31 December 2018, and period from 1 January 2019 to 31 December 2020, respectively, imposing additional tax including penalty and interest totalling to KHR 6,170,947,571 (US$1,498,894).

On 2 November 2022 and 11 November 2022, the Bank lodged an administrative protest letter to object the comprehensive tax audit cases above to justify the ground on the calculation basis in NTR in accordance with the Cambodian Law on Taxation. The management decided to make provision of US$ 440,427 for these tax liabilities in the 2022 financial statements. The management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. As of date of these financial statements, there has not been any official response from the GDT to the protest letter yet.

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

31. RELATED PARTY TRANSACTIONS AND BALANCES

31.1 Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group and the Bank if the Group and the Bank has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Bank and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

31. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

31.1 *Identity of related parties* (continued)

The related parties of the Group and the Bank are as follows:

Related parties	*Relationship*
Cathay Financial Holdings	Ultimate parent company
Cathay United Bank Limited ("CUB")	Immediate parent company
CUBC Investment Co., Ltd	Subsidiary of the Bank
Key management personnel	Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Bank either directly or indirectly. The key management personnel include all the Directors of the Group and the Bank, and certain senior management members of the Group and the Bank.

31.2 *Balances with related parties*

	2024		2023	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Group and Bank				
CUB				
Placement with CUB	1,453,163	5,848,981	2,992,040	12,222,483
Deposits from CUB *(Note 14)*	60,029,896	241,620,331	22,029,926	89,992,248
Borrowings from CUB *(Note 16)*	9,198,094	37,022,328	175,359,353	716,342,957
Key management				
Deposits *(Note 15)*	123,286	496,226	169,219	691,260
Bank				
CUBC Investment Co., Ltd.				
Investment in subsidiary	1,548,400	6,232,310	1,548,400	6,325,214
Deposits	61,515	247,598	182,301	744,700
Lease liabilities	2,808,810	11,305,460	1,036,609	4,234,548
Right-of-use assets	2,681,177	10,791,738	942,550	3,850,317

31.3 *Transactions with related parties*

	2024		2023	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Group and Bank				
Cathay United Bank Limited ("CUB")				
Interest income	20,660	84,107	27,898	114,661
Interest expense on borrowings *(Note 23)*	5,566,905	22,662,870	9,994,243	41,076,339
Interest expense on deposits	1,316,727	5,360,396	1,130,317	4,645,603
Key management				
Interest expense	4,281	17,428	2,832	11,640

31. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

31.3 *Transactions with related parties* (continued)

	2024		2023	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Bank				
CUBC Investment Co., Ltd.				
Repayment of lease liabilities	158,786	646,418	56,508	232,247
Interest expense on lease liabilities	144,347	587,636	47,689	196,001
Depreciation of right-of-use assets	57,452	233,888	23,563	96,844
Gain on lease termination *(Note 17)*	9,439	38,426	-	-
Key management				
Interest expense	4,281	17,428	2,832	11,640

31.4 *Directors and key management personnel remuneration*

	2024		2023	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Remuneration and benefits of key management	**292,271**	**1,189,835**	**285,351**	**1,172,793**

32. FINANCIAL RISK MANAGEMENT

A. Introduction and overview

The Board of Directors of the Group's and the Bank has overall responsibility for the establishment and oversight of the Group's and the Bank's risk management framework. The Board of Directors has established the Credit and Risk Committee, which is responsible for approving and monitoring the Group and the Bank risk management policies.

The Group's and the Bank's risk management policies are established to identify and analysed the risks faced by the Group and the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The risk management policies and procedures are reviewed regularly to reflect changes in market conditions and the Group's and the Bank's activities.

The policies and procedures adopted by the Group and the Bank to manage the risks that arise in the conduct of their business activities are as follows:

- credit risk;
- liquidity risk;
- market risk;
- operational risk; and
- capital risk;

32. FINANCIAL RISK MANAGEMENT (continued)

A. Introduction and overview (continued)

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

	Group				Bank			
	2024		2023		2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Financial assets								
Cash on hand	14,029,649	56,469,337	16,909,877	69,076,848	14,029,649	56,469,337	16,909,877	69,076,848
Balances with the NBC	37,878,584	152,461,301	35,243,397	143,969,276	37,878,584	152,461,301	35,243,397	143,969,276
Balances with other financial institutions	41,612,422	167,489,999	38,403,533	156,878,432	41,612,422	167,489,999	38,403,533	156,878,432
Loans and advances to customers	506,505,025	2,038,682,726	501,193,533	2,047,375,582	506,505,025	2,038,682,726	501,193,533	2,047,375,582
Investment in securities	4,967,804	19,995,411	5,896,072	24,085,454	4,967,804	19,995,411	5,896,072	24,085,454
Investment in subsidiary	-	-	-	-	1,548,400	6,232,310	1,548,400	6,325,214
Other assets	2,931,202	11,798,088	2,870,953	11,727,843	2,931,202	11,798,088	2,870,953	11,727,843
	607,924,686	**2,446,896,862**	**600,517,365**	**2,453,113,435**	**609,473,086**	**2,453,129,172**	**602,065,765**	**2,459,438,649**
Financial liabilities								
Deposits from other financial institutions	264,290,782	1,063,770,398	101,236,623	413,551,605	264,290,782	1,063,770,398	101,236,623	413,551,605
Deposits from customers	262,960,555	1,058,416,234	252,931,264	1,033,224,213	263,022,070	1,058,663,832	253,113,565	1,033,968,913
Borrowings	9,198,094	37,022,328	175,359,353	716,342,957	9,198,094	37,022,328	175,359,353	716,342,957
Lease liabilities	2,173,941	8,750,113	2,624,087	10,719,395	4,982,751	20,055,573	3,660,696	14,953,943
Other liabilities	1,505,350	6,059,034	1,593,164	6,508,075	1,505,082	6,057,955	1,591,956	6,503,140
	540,128,722	**2,174,018,107**	**533,744,491**	**2,180,346,245**	**542,998,779**	**2,185,570,086**	**534,962,193**	**2,185,320,558**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk

Credit risk refers to risk of financial loss to the Group and the Bank if a counterparty to a financial instrument fail to meet its obligations in accordance with the agreed terms and arises from Deposits with other banks, Loans and advances to customers (including commitment to lend such loans), and Other assets. The Group and the Bank consider all elements of credit risk exposure such as counterparty default risk, geographical risk and sector risk, product risk and business type risk for risk management purposes.

(i) Credit risk management

The Group's and the Bank's Credit and Risk Committee are responsible for managing the Group's and the Bank's credit risk by:

- Ensuring that the Group and the Bank have appropriate credit risk practices, including an effective system of internal control, to consistently determine adequate allowances in accordance with the Group's and the Bank's stated policies and procedures, CIFRSs and relevant supervisory guidance.
- Identifying, assessing and measuring credit risk across the Group and the Bank, from an individual instrument to a portfolio level.
- Creating credit policies to protect the Group and the Bank against the identified risks including the requirements to obtain collateral from borrowers, to perform robust ongoing credit assessment of borrowers and to continually monitor exposures against internal risk limits.
- Limiting concentrations of exposure by type of asset, counterparties, industry, credit rating, geographic location etc.
- Establishing a robust control framework regarding the authorization structure for the approval and renewal of credit facilities.
- Developing and maintaining the Group's and the Bank's risk grading to categorize exposures according to the degree of risk of default. Risk grades are subject to regular reviews.
- Developing and maintaining the Group's and the Bank's processes for measuring ECL including monitoring of credit risk, incorporation of forward-looking information and the method used to measure ECL.
- Ensuring that the Group and the Bank have policies and procedures in place to appropriately maintain and validate models used to assess and measure ECL.
- Establishing a sound credit risk accounting assessment and measurement process that provides it with a strong basis for common systems, tools and data to assess credit risk and to account for ECL. Providing advice, guidance and specialist skills to business units to promote best practice throughout the Group and the Bank in the management of credit risk.

The internal audit function performs regular audits making sure that the established controls and procedures are adequately designed and implemented.

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(ii) Credit quality analysis

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. For loan commitments, the amounts in the table represent the amounts committed.

	2024				2023			
	Stage 1 US$	*Stage 2 US$*	*Stage 3 US$*	*Total US$*	*Stage 1 US$*	*Stage 2 US$*	*Stage 3 US$*	*Total US$*
Group and Bank								
Balances with other financial institutions:								
Normal	41,947,451	-	-	41,947,451	38,673,869	-	-	38,673,869
Allowance for ECLs	(335,029)	-	-	(335,029)	(270,336)	-	-	(270,336)
Carrying amount	**41,612,422**	**-**	**-**	**41,612,422**	**38,403,533**	**-**	**-**	**38,403,533**
KHR'000 *(Note 2.5)*	**167,489,999**	**-**	**-**	**167,489,999**	**156,878,432**	**-**	**-**	**156,878,432**
Loans and advances to customers:								
Normal	474,780,725	674,238	-	475,454,963	479,999,026	1,158,253	-	481,157,279
Special mention	-	14,994,117	-	14,994,117	-	8,239,605	-	8,239,605
Substandard	-	-	8,091,128	8,091,128	-	-	4,728,850	4,728,850
Doubtful	-	-	11,294,222	11,294,222	-	-	9,004,011	9,004,011
Loss	-	-	2,739,476	2,739,476	-	-	3,800,040	3,800,040
Gross loan	**474,780,725**	**15,668,355**	**22,124,826**	**512,573,906**	**479,999,026**	**9,397,858**	**17,532,901**	**506,929,785**
Allowance for ECLs	(1,537,608)	(993,469)	(3,537,804)	(6,068,881)	(1,830,591)	(118,972)	(3,786,689)	(5,736,252)
Carrying amounts	**473,243,117**	**14,674,886**	**18,587,022**	**506,505,025**	**478,168,435**	**9,278,886**	**13,746,212**	**501,193,533**
KHR'000 *(Note 2.5)*	**1,904,803,546**	**59,066,416**	**74,812,764**	**2,038,682,726**	**1,953,318,057**	**37,904,249**	**56,153,276**	**2,047,375,582**
Investment in securities at amortized cost:								
Normal	5,057,260	-	-	5,057,260	6,042,055	-	-	6,042,055
Allowance for ECLs	(115,044)	-	-	(115,044)	(171,571)	-	-	(171,571)
Carrying amounts	**4,942,216**	**-**	**-**	**4,942,216**	**5,870,484**	**-**	**-**	**5,870,484**
KHR'000 *(Note 2.5)*	**19,892,419**	**-**	**-**	**19,892,419**	**23,980,927**	**-**	**-**	**23,980,927**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(ii) Credit quality analysis (continued)

	2024				2023			
	Stage 1 US$	*Stage 2 US$*	*Stage 3 US$*	*Total US$*	*Stage 1 US$*	*Stage 2 US$*	*Stage 3 US$*	*Total US$*
Group and Bank								
Unused portion of overdraft:								
Normal	7,771,844	-	-	7,771,844	7,137,089	-	-	7,137,089
Allowance for ECLs	(33,581)	-	-	(33,581)	(35,581)	-	-	(35,581)
Carrying amounts	**7,738,263**	**-**	**-**	**7,738,263**	**7,101,508**	**-**	**-**	**7,101,508**
KHR'000 *(Note 2.5)*	**31,146,509**	**-**	**-**	**31,146,509**	**29,009,660**	**-**	**-**	**29,009,660**
Bank guarantees:								
Normal	450,000	-	-	450,000	541,000	-	-	541,000
Allowance for ECLs	(2,163)	-	-	(2,163)	(2,835)	-	-	(2,835)
Carrying amounts	**447,837**	**-**	**-**	**447,837**	**538,165**	**-**	**-**	**538,165**
KHR'000 *(Note 2.5)*	**1,802,544**	**-**	**-**	**1,802,544**	**2,198,404**	**-**	**-**	**2,198,404**
Unused portion of credit card:								
Normal	10,025,659	-	-	10,025,659	11,400,853	-	-	11,400,853
Special mention	-	8,207	-	8,207	-	61,484	-	61,484
Substandard	-	-	7,219	7,219	-	-	4,631	4,631
Doubtful	-	-	9,758	9,758	-	-	9,345	9,345
Loss	-	-	-	-	-	-	6	6
Gross carrying amount	**10,025,659**	**8,207**	**16,977**	**10,050,843**	**11,400,853**	**61,484**	**13,982**	**11,476,319**
Allowance for ECLs	(22,924)	(672)	-	(23,596)	(22,479)	(479)	-	(22,958)
Carrying amounts	**10,002,735**	**7,535**	**16,977**	**10,027,247**	**11,378,374**	**61,005**	**13,982**	**11,453,361**
KHR'000 *(Note 2.5)*	**40,261,008**	**30,328**	**68,332**	**40,359,668**	**46,480,658**	**249,205**	**57,116**	**46,786,979**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(ii) Credit quality analysis (continued)

	2024				*2023*			
	Stage 1 US$	*Stage 2 US$*	*Stage 3 US$*	*Total US$*	*Stage 1 US$*	*Stage 2 US$*	*Stage 3 US$*	*Total US$*
Group								
Other assets:								
Normal	2,947,064	-	-	2,947,064	2,885,908	-	-	2,885,908
Allowance for ECLs	(15,862)	-	-	(15,862)	(14,955)	-	-	(14,955)
Carrying amounts	**2,931,202**	**-**	**-**	**2,931,202**	**2,870,953**	**-**	**-**	**2,870,953**
KHR'000 *(Note 2.5)*	**11,798,088**	**-**	**-**	**11,798,088**	**11,727,843**	**-**	**-**	**11,727,843**
Bank								
Other assets:								
Normal	2,947,064	-	-	2,947,064	2,885,908	-	-	2,885,908
Allowance for ECLs	(15,862)	-	-	(15,862)	(14,955)	-	-	(14,955)
Carrying amounts	**2,931,202**	**-**	**-**	**2,931,202**	**2,870,953**	**-**	**-**	**2,870,953**
KHR'000 *(Note 2.5)*	**11,798,088**	**-**	**-**	**11,798,088**	**11,727,843**	**-**	**-**	**11,727,843**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(ii) Credit quality analysis (continued)

The table below summarizes the Group's and the Bank's loss allowance as of the year end by class of exposure.

	2024		2023	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Loans and advances to customers at amortized cost	6,068,881	24,427,246	5,736,252	23,432,589
Balances with other financial institutions at amortized cost	335,029	1,348,492	270,336	1,104,323
Investment in securities at amortized cost	115,044	463,052	171,571	700,868
Loan commitments and financial guarantee contracts	59,340	238,844	61,374	250,713
Other assets	15,862	63,845	14,955	61,091
	6,594,156	**26,541,479**	**6,254,488**	**25,549,584**

(iii) Collateral held

Whilst the Group's and the Bank's maximum exposure to credit risk is the carrying amount of the assets or, in the case of off-balance sheet instruments, the amount guaranteed, committed, accepted or endorsed, the likely exposure may be lower due to offsetting collateral, credit guarantees and other actions taken to mitigate the Group's and the Bank's exposure.

The description of collateral for each class of financial asset is set out below.

Cash and cash equivalents, Balances with other financial institutions, investments, and other assets

Collateral is generally not sought for these assets.

Small and Medium Entity (SME) Retail Loans and Mortgage Loans (secured loans)

The Group and the Bank hold properties as collaterals for majority of loans, and the collaterals include fixed deposits issued by the Bank, commercial real estate, residential real estate, industrial real estate, and land. The Group and the Bank set Loan-To-Collateral Value ("LTV") < 80% as the maximum eligible ratio for loan disbursement to customers.

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iii) Collateral held (continued)

The table below summarizes the Group's and the Bank's security coverage of its financial assets:

	Collateral/credit enhancement					
	Properties US$	*Floating assets US$*	*Fixed deposits US$*	*Others US$*	*Unsecured credit exposure US$*	*Total US$*
31 December 2024						
Loans and advances to customers	450,573,183	-	123,443	140,529	61,736,751	512,573,906
Commitments	8,171,844	-	1,416,863	-	8,683,980	18,272,687
Total US$	**458,745,027**	**-**	**1,540,306**	**140,529**	**70,420,731**	**530,846,593**
Total KHR'000 *(Note 2.5)*	**1,846,448,734**	**-**	**6,199,732**	**565,629**	**283,443,442**	**2,136,657,537**
31 December 2023						
Loans and advances to customers	451,267,352	-	23,426	-	55,639,007	506,929,785
Commitments	7,537,089	-	1,495,181	-	10,122,138	19,154,408
Total US$	**458,804,441**	**-**	**1,518,607**	**-**	**65,761,145**	**526,084,193**
Total KHR'000 *(Note 2.5)*	**1,874,216,141**	**-**	**6,203,510**	**-**	**268,634,277**	**2,149,053,928**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment

The Group and the Bank recognize loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- Balances with other financial institutions,
- Loans and advances to customers;
- Loan commitments issued;
- Financial guarantee contracts issued; and
- Other financial assets.

No impairment loss is recognized on equity investments.

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

- balances with the NBC that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

The Group and the Bank do not apply the low credit risk exemption to any other financial instruments.

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

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

Credit-impaired financial assets

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan by the Group and the Bank on terms that the Group and the Bank would not consider otherwise; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. In addition, a long-term loan that is overdue more than 90 days and 31 days for short-term loans per CIFRS accounting standards rebuttable assumption is considered credit-impaired even when the regulatory definition of default is different.

Credit-impaired Loans and advances to customers are graded as substandard, doubtful and loss in the Group's and the Bank's internal credit risk grading system.

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL (continued)

Credit risk grades

The Group and the Bank allocate each exposure to a credit risk grade based on the prudential definition of NBC which applies the number of days past due as the grading criteria. The grades are:

1. Standard
2. Special mention
3. Substandard
4. Doubtful
5. Loss

Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves the use of following data.

- Past repayment history;
- Financial conditions of counterparty;
- Business prospective and cash projection;
- Ability and willingness to pay;
- Economic environment; and
- Quality of documentation.

Significant increase in credit risk

The Group and the Bank consider the significant increase in credit risk into two stages as below:

Significant increases in credit risk in Stage 2

The change in levels of credit risk over the expected life of a financial instrument is assessed by comparing credit risk at each reporting date with the associated instrument's credit risk at initial recognition. The qualitative and quantitative measures to determine whether a significant increase in credit risk has occurred are outlined below.

- 30+ days past due (DPD) for long-term loans and 15+ days past due for short-term loans as backstop; and
- Use of other qualitative indicators

The Group and the Bank use 30+ DPD for long-term loans and 15+ DPD for short-term loans as a backstop and applies the rebuttable assumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are 30+ DPD for long-term loans and 15+ DPD for short-term loans. Moreover, loans which are restructured and classified as special mention will be changed from Stage 1 to Stage 2.

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL (continued)

Significant increase in credit risk (continued)

Significant increases in credit risk in Stage 3

A financial instrument that has been credit-impaired since origination or purchase is automatically classified as a Stage 3 financial instrument. Evidence that a financial asset is credit-impaired includes observable data related to the following events:

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- The disappearance of an active market for the financial asset because of financial difficulties for example debtor's business status, debtor during litigation process, frequency of entering debt restructuring etc.
- Fraudulent debtors
- Partially NPL sales or partially write off
- Deceased
- Trouble debt restructuring (TDR) unsuccessful.

The Group and the Bank also apply 90+ DPD for long-term loans and 31+ DPD for short-term loans as a backstop in moving a facility from Stage 2 to Stage 3 and consider a facility as credit-impaired. Moreover, loans which are restructured and classified as substandard, doubtful or loss will be changed from Stage 2 to Stage 3.

The Group and the Bank are monitoring the economic environment and is taking actions to limit its exposure to customers that are severely impacted. In 2024, certain loan limits have been reduced, particularly for customers operating in the impacted industries.

Definition of default

The Group and the Bank consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group and the Bank in full, without recourse by the Group and the Bank to actions such as realizing security (if any is held);
- the borrower is on any material credit obligation to the Group and the Bank; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL (continued)

Incorporation of forward-looking information

The Group and the Bank analysed forward-looking information by using the statistical regression model for assessment to see whether the credit risk of an instrument has increased significantly for measurement of ECL.

External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in the countries where the Group and the Bank operate, supranational organizations such as International Monetary Fund.

The Group and the Bank have identified and documented the key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, has estimated relationships between macro-economic variables and credit risk and credit losses.

Modified financial assets

The Group and the Bank renegotiate Loans and advances to customers in financial difficulties (referred to as restructure activities) to maximize collection opportunities and minimize the risk of default. Under the Group's and the Bank's restructure policy, loan is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms. The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants.

For financial assets modified as part of the Group's and the Bank's restructure policy, the estimate of PD reflects whether the modification has improved or restored the Group's and the Bank's ability to collect interest and principal and the Group's and the Bank's previous experience. As part of this process, the Group and the Bank evaluate the borrower's payment performance against the modified contractual terms and considers various behavioral indicators.

Generally, restructure is a qualitative indicator of a significant increase in credit risk and an expectation of restructure may constitute evidence that an exposure is credit-impaired. A customer needs to demonstrate consistently good payment behavior over a period of time before the exposure is no longer considered to be credit-impaired/in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to Stage 1.

Measurement of ECL

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

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group and the Bank in accordance with the contract and the cash flows that the Group expects to receive);
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows; and
- Undrawn loan commitments: a credit loss is the present value of the difference between the contractual cash flows that are due to the Group and the Bank if the holder of the loan commitment draws down the loan and the cash flows that the entity expects to receive if the loan is drawn down.

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL (continued)

Measurement of ECL (continued)

There are two methodologies defined for ECL Computation:

- Sophisticated: PD/LGD approach. For each year throughout the financial instrument's life, a forward-looking PD, LGD and EAD are estimated. The estimates are multiplied with each other to estimate the losses for each of the years. Then the estimates are discounted back to the reporting date using the EIR or proxy rates as the discount rates.
- Simplified: ECL percentage approach. There could be exceptions in case of some portfolios such as deposits and placement. Considering the expected life, counterparty's credit quality of these assets, the ECL percentage approach would be used.

The following tables show reconciliation from the opening to the closing balance of the loss allowance by class of financial instruments.

The Group's and the Bank's Loss allowance – Loans and advances to customers at amortised cost:

	2024				2023			
	Stage 1 12-month ECL US$	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*	*Stage 1 12-month ECL US$*	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*
At 1 January	1,830,591	118,972	3,786,689	5,736,252	1,622,055	172,778	1,864,559	3,659,392
Changes in the loss allowance:								
Transfer to stage 1	30,743	(4,255)	(26,488)	-	104,294	(98,452)	(5,842)	-
Transfer to stage 2	(51,645)	177,945	(126,300)	-	(13,605)	173,527	(159,922)	-
Transfer to stage 3	(32,476)	(58,607)	91,083	-	(20,571)	(26,255)	46,826	-
Net remeasurement of loss allowances	(434,442)	1,403,699	14,682,262	15,651,519	(160,237)	(114,830)	2,684,949	2,409,882
New financial assets originated	518,437	269,297	294,061	1,081,795	516,666	20,517	258,734	795,917
Financial assets that have been derecognized	(323,600)	(34,274)	(354,450)	(712,324)	(218,011)	(8,313)	(137,030)	(363,354)
Write-offs	-	(879,308)	(14,809,053)	(15,688,361)	-	-	(765,585)	(765,585)
At 31 December	**1,537,608**	**993,469**	**3,537,804**	**6,068,881**	**1,830,591**	**118,972**	**3,786,689**	**5,736,252**
KHR'000 *(Note 2.5)*	**6,188,872**	**3,998,713**	**14,239,661**	**24,427,246**	**7,477,964**	**486,001**	**15,468,624**	**23,432,589**
Provision for ECL during the year *(Note 6)*				16,020,990				2,842,445
Recoveries *(Note 25)*				(932,072)				(1,050,790)
Net impairment losses for the year				**15,088,918**				**1,791,655**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL (continued)

Measurement of ECL (continued)

The Group's and the Bank's Loss allowance – Balances with other financial institutions at amortised cost:

	2024				*2023*			
	Stage 1 12-month ECL US$	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*	*Stage 1 12-month ECL US$*	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*
At 1 January	270,336	-	-	270,336	260,427	-	-	260,427
New financial assets originated	64,693	-	-	64,693	9,909	-	-	9,909
At 31 December	**335,029**	**-**	**-**	**335,029**	**270,336**	**-**	**-**	**270,336**
KHR'000 *(Note 2.5)*	**1,348,492**	**-**	**-**	**1,348,492**	**1,104,323**	**-**	**-**	**1,104,323**

The Group and the Bank's Loss allowance – Investment in securities as at amortised cost:

	2024				*2023*			
	Stage 1 12-month ECL US$	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*	*Stage 1 12-month ECL US$*	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*
At 1 January	171,571	-	-	171,571	99,324	-	-	99,324
New financial assets originated	-	-	-	-	17,189	-	-	17,189
Net remeasurement of loss allowances	(39,337)	-	-	(39,337)	55,058	-	-	55,058
Financial assets that have been derecognized	(17,190)	-	-	(17,190)	-	-	-	-
At 31 December	**115,044**	**-**	**-**	**115,044**	**171,571**	**-**	**-**	**171,571**
KHR'000 *(Note 2.5)*	**463,052**	**-**	**-**	**463,052**	**700,868**	**-**	**-**	**700,868**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL (continued)

Measurement of ECL (continued)

The Group's and the Bank's loss allowance – Loan commitments and financial guarantee contracts:

	2024				*2023*			
	Stage 1 12-month ECL US$	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*	*Stage 1 12-month ECL US$*	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*
At 1 January	60,895	479	-	61,374	54,590	452	-	55,042
Changes in the loss allowance:								
Transfer to stage 1	71	(71)	-	-	345	(345)	-	-
Transfer to stage 2	(21)	21	-	-	(123)	123	-	-
Transfer to stage 3	(67)	(1)	68	-	(38)	(1)	39	-
Net remeasurement of loss allowances	3,177	539	(68)	3,648	13,569	342	(39)	13,872
New financial assets originated	7,541	113	-	7,654	12,238	13	-	12,251
Financial assets that have been derecognized	(12,928)	(408)	-	(13,336)	(19,686)	(105)	-	(19,791)
At 31 December	**58,668**	**672**	**-**	**59,340**	**60,895**	**479**	**-**	**61,374**
KHR'000 *(Note 2.5)*	**236,139**	**2,705**	**-**	**238,844**	**248,756**	**1,957**	**-**	**250,713**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL (continued)

Measurement of ECL (continued)

The Group and the Bank's loss allowance – Other assets:

	2024				*2023*			
	Stage 1 12-month ECL US$	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*	*Stage 1 12-month ECL US$*	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*
At 1 January	14,955	-	-	14,955	10,806	-	-	10,806
New financial assets originated	907	-	-	907	4,149	-	-	4,149
At 31 December	**15,862**	**-**	**-**	**15,862**	**14,955**	**-**	**-**	**14,955**
KHR'000 *(Note 2.5)*	**63,845**	**-**	**-**	**63,845**	**61,091**	**-**	**-**	**61,091**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(iv) Amounts arising from ECL (continued)

Measurement of ECL (continued)

More information about the significant changes in the Group and the Bank's gross carrying amount of loans and advances to customers during the year that contributed to changes in the loss allowance, is provided at the table below:

	2024				2023			
	Stage 1 12-month ECL US$	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*	*Stage 1 12-month ECL US$*	*Stage 2 Lifetime ECL US$*	*Stage 3 Lifetime ECL US$*	*Total US$*
At 1 January	479,999,026	9,397,858	17,532,901	506,929,785	424,352,062	7,299,279	5,810,383	437,461,724
Changes in gross carrying amounts								
Transfer to stage 1	720,085	(645,232)	(74,853)	-	3,343,552	(3,335,243)	(8,309)	-
Transfer to stage 2	(12,317,448)	12,761,743	(444,295)	-	(11,381,516)	13,085,433	(1,703,917)	-
Transfer to stage 3	(13,073,180)	(4,924,186)	17,997,366	-	(6,195,374)	(4,043,176)	10,238,550	-
Net remeasurement of loss allowances	(48,880,626)	(1,289,996)	1,539,981	(48,630,641)	(56,532,323)	(2,852,269)	4,071,459	(55,313,133)
New financial assets originated	118,385,735	2,912,685	2,174,457	123,472,877	160,959,687	1,830,646	1,504,381	164,294,714
Financial assets that have been derecognized	(50,052,867)	(1,665,209)	(1,791,678)	(53,509,754)	(34,547,062)	(2,586,812)	(1,614,061)	(38,747,935)
Write-offs	-	(879,308)	(14,809,053)	(15,688,361)	-	-	(765,585)	(765,585)
At 31 December	**474,780,725**	**15,668,355**	**22,124,826**	**512,573,906**	**479,999,026**	**9,397,858**	**17,532,901**	**506,929,785**
KHR'000 *(Note 2.5)*	**1,910,992,418**	**63,065,129**	**89,052,425**	**2,063,109,972**	**1,960,796,021**	**38,390,249**	**71,621,901**	**2,070,808,171**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location.

An analysis of concentration of credit risk is as follows:

	Group					
	Balances with other financial institutions US$	*Loans and advances to customers US$*	*Investment in securities US$*	*Other assets US$*	*Loan commitments and financial guarantee contracts US$*	*Total US$*
31 December 2024						
Carrying amounts	41,612,422	506,505,025	4,967,804	2,931,202	(59,340)	555,957,113
Amount committed	-	-	-	-	18,272,687	18,272,687
Concentration by sector:						
External customers:						
Depository institutions	41,612,422	10,581,017	-	-	-	52,193,439
Other financial intuitions	-	43,170,097	-	-	-	43,170,097
Agriculture, forestry and fishing	-	3,177,874	-	-	-	3,177,874
Manufacturing	-	4,103,842	-	-	-	4,103,842
Utilities	-	259,172	-	-	-	259,172
Construction	-	43,963,663	-	-	-	43,963,663
Wholesale trade	-	6,404,850	-	-	-	6,404,850
Retail trade	-	9,626,044	-	-	7,771,844	17,397,888
Subtotal	**41,612,422**	**121,286,559**	**-**	**-**	**7,771,844**	**170,670,825**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk (continued)

An analysis of concentration of credit risk is as follows: (continued)

	Group					
	Balances with other financial institutions US$	*Loans and advances to customers US$*	*Investment in securities US$*	*Other assets US$*	*Loan commitments and financial guarantee contracts US$*	*Total US$*
Concentration by sector:(continued)						
External customers:(continued)						
Hotel and restaurant	-	1,204,876	-	-	-	1,204,876
Transport and storage	-	785,402	-	-	-	785,402
Rental and operational leasing Activities, excluded real estate leasing and rentals	-	680,114	-	-	-	680,114
Real estate activities	-	10,159,468	-	-	-	10,159,468
Personal lending	-	5,214,879	-	-	10,050,843	15,265,722
Credit cards	-	1,758,450	-	-	-	1,758,450
Mortgages, owner-occupied housing only	-	363,295,896	-	-	-	363,295,896
Import/export	-	-	-	-	450,000	450,000
Others	-	2,119,381	4,967,804	2,931,202	-	10,018,387
Subtotal	**-**	**385,218,466**	**4,967,804**	**2,931,202**	**10,500,843**	**403,618,315**
Grand total	**41,612,422**	**506,505,025**	**4,967,804**	**2,931,202**	**18,272,687**	**574,289,140**
KHR'000 *(Note 2.5)*	**167,489,999**	**2,038,682,726**	**19,995,411**	**11,798,088**	**73,547,565**	**2,311,513,789**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk (continued)

An analysis of concentration of credit risk is as follows: (continued)

	Group					
	Balances with other financial institutions US$	*Loans and advances to customers US$*	*Investment in securities US$*	*Other assets US$*	*Loan commitments and financial guarantee contracts US$*	*Total US$*
31 December 2023						
Carrying amounts	38,403,533	501,193,533	5,896,072	2,870,953	(61,374)	548,302,717
Amount committed	-	-	-	-	19,154,408	19,154,408
Concentration by sector:						
External customers:						
Depository institutions	38,403,533	15,485,120	-	-	-	53,888,653
Other financial intuitions	-	37,923,971	-	-	-	37,923,971
Agriculture, forestry and fishing	-	1,870,124	-	-	-	1,870,124
Manufacturing	-	3,642,446	-	-	-	3,642,446
Utilities	-	37,145	-	-	-	37,145
Construction	-	48,660,096	-	-	-	48,660,096
Wholesale trade	-	10,498,528	-	-	-	10,498,528
Retail trade	-	11,062,518	-	-	7,137,089	18,199,607
Subtotal	**38,403,533**	**129,179,948**	**-**	**-**	**7,137,089**	**174,720,570**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk (continued)

An analysis of concentration of credit risk is as follows: (continued)

	Group					
	Balances with other financial institutions US$	*Loans and advances to customers US$*	*Investment in securities US$*	*Other assets US$*	*Loan commitments and financial guarantee contracts US$*	*Total US$*
Concentration by sector:(continued)						
External customers:(continued)						
Hotel and restaurant	-	1,310,616	-	-	-	1,310,616
Transport and storage	-	1,961,343	-	-	-	1,961,343
Rental and operational leasing Activities, excluded real estate leasing and rentals	-	602,140	-	-	-	602,140
Real estate activities	-	9,643,091	-	-	-	9,643,091
Personal lending	-	7,072,751	-	-	11,476,319	18,549,070
Credit cards	-	2,141,781	-	-	-	2,141,781
Mortgages, owner-occupied housing only	-	346,452,371	-	-	-	346,452,371
Import/export	-	-	-	-	541,000	541,000
Others	-	2,829,492	5,896,072	2,870,953	-	11,596,517
Subtotal	**-**	**372,013,585**	**5,896,072**	**2,870,953**	**12,017,319**	**392,797,929**
Grand total	**38,403,533**	**501,193,533**	**5,896,072**	**2,870,953**	**19,154,408**	**567,518,499**
KHR'000 *(Note 2.5)*	**156,878,432**	**2,047,375,582**	**24,085,454**	**11,727,843**	**78,245,757**	**2,318,313,068**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk (continued)

An analysis of concentration of credit risk is as follows:

	Bank						
	Balances with other financial institutions US$	*Loans and advances to customers US$*	*Investment in securities US$*	*Investment in subsidiary US$*	*Other assets US$*	*Loan commitments and financial guarantee contracts US$*	*Total US$*
31 December 2024							
Carrying amounts	41,612,422	506,505,025	4,967,804	1,548,400	2,931,202	(59,340)	557,505,513
Amount committed	-	-	-	-	-	18,272,687	18,272,687
Concentration by sector:							
External customers:							
Depository institutions	41,612,422	10,581,017	-	-	-	-	52,193,439
Other financial intuitions	-	43,170,097	-	-	-	-	43,170,097
Agriculture, forestry and fishing	-	3,177,874	-	-	-	-	3,177,874
Manufacturing	-	4,103,842	-	-	-	-	4,103,842
Utilities	-	259,172	-	-	-	-	259,172
Construction	-	43,963,663	-	-	-	-	43,963,663
Wholesale trade	-	6,404,850	-	-	-	-	6,404,850
Retail trade	-	9,626,044	-	-	-	7,771,844	17,397,888
Subtotal	**41,612,422**	**121,286,559**	**-**	**-**	**-**	**7,771,844**	**170,670,825**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk (continued)

An analysis of concentration of credit risk is as follows: (continued)

	Bank						
	Balances with other financial institutions US$	Loans and advances to customers US$	Investment in securities US$	Investment in subsidiary US$	Other assets US$	Loan commitments and financial guarantee contracts US$	Total US$
Concentration by sector:(continued)							
External customers:(continued)							
Hotel and restaurant	-	1,204,876	-	-	-	-	1,204,876
Transport and storage	-	785,402	-	-	-	-	785,402
Rental and operational leasing Activities, excluded real estate leasing and rentals	-	680,114	-	-	-	-	680,114
Real estate activities	-	10,159,468	-	-	-	-	10,159,468
Personal lending	-	5,214,879	-	-	-	10,050,843	15,265,722
Credit cards	-	1,758,450	-	-	-	-	1,758,450
Mortgages, owner-occupied housing only	-	363,295,896	-	-	-	-	363,295,896
Import/export	-	-	-	-	-	450,000	450,000
Others	-	2,119,381	4,967,804	1,548,400	2,931,202	-	11,566,787
Subtotal	**-**	**385,218,466**	**4,967,804**	**1,548,400**	**2,931,202**	**10,500,843**	**405,166,715**
Grand total	**41,612,422**	**506,505,025**	**4,967,804**	**1,548,400**	**2,931,202**	**18,272,687**	**575,837,540**
KHR'000 *(Note 2.5)*	**167,489,999**	**2,038,682,726**	**19,995,411**	**6,232,310**	**11,798,088**	**73,547,565**	**2,317,746,099**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk (continued)

An analysis of concentration of credit risk is as follows: (continued)

	Bank						
	Balances with other financial institutions US$	*Loans and advances to customers US$*	*Investment in securities US$*	*Investment in subsidiary US$*	*Other assets US$*	*Loan commitments and financial guarantee contracts US$*	*Total US$*
31 December 2023							
Carrying amounts	38,403,533	501,193,533	5,896,072	1,548,400	2,870,953	(61,374)	549,851,117
Amount committed	-	-	-	-	-	19,154,408	19,154,408
Concentration by sector:							
External customers:							
Depository institutions	38,403,533	15,485,120	-	-	-	-	53,888,653
Other financial intuitions	-	37,923,971	-	-	-	-	37,923,971
Agriculture, forestry and fishing	-	1,870,124	-	-	-	-	1,870,124
Manufacturing	-	3,642,446	-	-	-	-	3,642,446
Utilities	-	37,145	-	-	-	-	37,145
Construction	-	48,660,096	-	-	-	-	48,660,096
Wholesale trade	-	10,498,528	-	-	-	-	10,498,528
Retail trade	-	11,062,518	-	-	-	7,137,089	18,199,607
Subtotal	**38,403,533**	**129,179,948**	**-**	**-**	**-**	**7,137,089**	**174,720,570**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk (continued)

An analysis of concentration of credit risk is the follows: (continued)

	Bank						
	Balances with other financial institutions US$	*Loans and advances to customers US$*	*Investment in securities US$*	*Investment in subsidiary US$*	*Other assets US$*	*Loan commitments and financial guarantee contracts US$*	*Total US$*
Concentration by sector:(continued)							
External customers:(continued)							
Hotel and restaurant	-	1,310,616	-	-	-	-	1,310,616
Transport and storage	-	1,961,343	-	-	-	-	1,961,343
Rental and operational leasing activities (excluding real estate leasing and rentals)	-	602,140	-	-	-	-	602,140
Real estate activities	-	9,643,091	-	-	-	-	9,643,091
Personal lending	-	7,072,751	-	-	-	11,476,319	18,549,070
Credit cards	-	2,141,781	-	-	-	-	2,141,781
Mortgages, owner-occupied housing only	-	346,452,371	-	-	-	-	346,452,371
Import/export	-	-	-	-	-	541,000	541,000
Others	-	2,829,492	5,896,072	1,548,400	2,870,953	-	13,144,917
Subtotal	**-**	**372,013,585**	**5,896,072**	**1,548,400**	**2,870,953**	**12,017,319**	**394,346,329**
Grand total	**38,403,533**	**501,193,533**	**5,896,072**	**1,548,400**	**2,870,953**	**19,154,408**	**569,066,899**
KHR'000 *(Note 2.5)*	**156,878,432**	**2,047,375,582**	**24,085,454**	**6,325,214**	**11,727,843**	**78,245,757**	**2,324,638,282**

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(v) Concentration of credit risk (continued)

The Group's and the Bank's concentration risk by residency and relationship, and large-exposures for net loans and advances to customers:

	2024		2023	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
By residency status:				
Non-residents	-	-	-	-
Residents	506,505,025	2,038,682,726	501,193,533	2,047,375,582
	506,505,025	**2,038,682,726**	**501,193,533**	**2,047,375,582**
By relationship:				
Related parties	-	-	-	-
Non-related parties	506,505,025	2,038,682,726	501,193,533	2,047,375,582
	506,505,025	**2,038,682,726**	**501,193,533**	**2,047,375,582**
By exposure:				
Large exposures (*)	69,511,143	279,782,351	51,469,520	210,252,989
Non-large exposures	436,993,882	1,758,900,375	449,724,013	1,837,122,593
	506,505,025	**2,038,682,726**	**501,193,533**	**2,047,375,582**
By concession:				
Restructure (**)	11,748,159	47,286,340	12,359,627	50,489,076
Non-restructure	494,756,866	1,991,396,386	488,833,906	1,996,886,506
	506,505,025	**2,038,682,726**	**501,193,533**	**2,047,375,582**

(*) A "large exposure" is defined under the NBC's Prakas as the overall gross exposure of the aggregate balance of loans and advances with one single beneficiary, which exceeds 10% of the Group's and the Bank's net worth. The exposure is the higher of the outstanding loans or commitments and the authorized loans or commitments.

(**) A "restructure loan" is a loan that original contractual terms have been modified to provide for concessions for the borrowers for reasons related to real temporary financial difficulties.

C. Liquidity risk

Liquidity risk refers to risk which the institution cannot meet the obligation or cannot settle debt obligation or settle position in the specific economic and financial situation and market situation. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Group's and the Bank's operations and investments.

(i) Liquidity risk management

The Group and the Bank established a comprehensive policy and control framework for managing liquidity risk. The Group's and the Bank's Asset and Liability Management Committee (ALCO) is responsible for managing the Group's and the Bank's liquidity risk via a combination of policy formation, review and governance, analysis, stress testing, limit setting and monitoring. In order to effectively manage liquidity risk, the Group and the Bank:

- maintains a portfolio of highly liquid assets, in a variety of currencies and tenors;
- ensures that there is diversity in its funding base;
- monitors the behavioural characteristics of financial assets and liabilities;

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(i) Liquidity risk management (continued)

- monitors liquidity reports analyzing the expected maturity profile of assets and liabilities;
- establishes early warning indicators of potential liquidity stress events and ensures that there are assets available to be used as collateral if needed;
- performs regular stress tests; and
- maintains a contingency funding plan designed to provide a framework where a liquidity stress could be effectively managed.

The Group and the Bank Treasury function executes the Group's and the Bank's liquidity and funding strategy in co-operation with other business units of the Group and the Bank. The Group's and the Bank's liquidity and funding strategy is determined in accordance with relevant local regulatory requirements. The Group's and the Bank's foreign operations determine a local liquidity strategy which needs to be in line with both local regulatory framework and the Group's and the Bank's central policy.

There are daily controls in place to define and monitor compliance with the Group's and the Bank's liquidity risk appetite. The principal metric used is the result of the Group's and the Bank's liquidity stress testing, supplemented by the results of key regulatory ratios including the Liquidity Coverage Ratio (which measures the ratio of high quality liquid assets to outflows in an extreme 30 days stress scenario).

Regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. The scenarios are developed taking into account both group- specific events (e.g. a rating downgrade) and market-related events (e.g. prolonged market illiquidity, reduced fungibility of currencies, natural disasters or other catastrophes). Moreover, stress scenarios may be based on past events (historical scenario) observed within the own institution, or more commonly, on crisis situations witnessed by other institutions of similar size, business model and regional footprint. Often, the Group and the Bank also combine crisis elements from various historical situations to develop a hypothetical but plausible crisis scenario that might be more relevant to their current business model and exposure profile.

(ii) Exposure to liquidity risk

The key measure used by the Group and the Bank for managing liquidity risk is Liquidity Risk Coverage Ratio. This ratio reflects the available cash inflows (including loans to be collected and Balances with other financial institutions); cash outflows matured within 30 days (including amount to be paid to lenders, deposits from financial institutions and corporates); and adjusted retail saving deposit as well as stock of eligible liquid assets (cash on hand, all current accounts and reserve requirements with the NBC).

Information about Liquidity Risk Coverage Ratio during the year are as follows:

	Group		*Bank*	
	2024	*2023*	*2024*	*2023*
At end of the year	132%	140%	132%	140%
Average for the year	129%	158%	129%	158%
Maximum for the year	139%	187%	139%	187%
Minimum for the year	119%	125%	119%	125%

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets

The following tables set out the remaining contractual maturities of financial liabilities and financial assets.

	2024							
	Carrying amount US$	*Gross nominal inflow/(outflow) US$*	*Up to 1 month US$*	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*No maturity US$*
Group								
Financial liabilities by type								
Non-derivative financial liabilities								
Deposits from other financial institutions	264,290,782	(267,531,645)	(34,217,558)	(108,110,724)	(125,203,363)	-	-	-
Deposits from customers	262,960,555	(266,474,656)	(145,629,460)	(20,140,501)	(98,684,936)	(2,019,759)	-	-
Borrowings	9,198,094	(9,033,637)	(9,033,637)	-	-	-	-	-
Lease liabilities	2,173,941	(2,364,485)	(99,174)	(218,803)	(692,794)	(1,353,714)	-	-
Other liabilities	1,505,350	(1,505,350)	(1,505,350)	-	-	-	-	-
	540,128,722	**(546,909,773)**	**(190,485,179)**	**(128,470,028)**	**(224,581,093)**	**(3,373,473)**	**-**	**-**
Loan commitments and guarantees	-	18,272,687	17,822,687	30,000	420,000	-	-	-
In US$	**540,128,722**	**(528,637,086)**	**(172,662,492)**	**(128,440,028)**	**(224,161,093)**	**(3,373,473)**	**-**	**-**
In KHR'000 *(Note 2.5)*	**2,174,018,107**	**(2,127,764,271)**	**(694,966,530)**	**(516,971,113)**	**(902,248,399)**	**(13,578,229)**	**-**	**-**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets (continued)

The following tables set out the remaining contractual maturities of financial liabilities and financial assets. (continued)

	2024							
	Carrying amount US$	*Gross nominal inflow/(outflow) US$*	*Up to 1 month US$*	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*No maturity US$*
Group								
Financial assets by type								
Non-derivative financial assets								
Cash on hand	14,029,649	14,029,649	14,029,649	-	-	-	-	-
Balance with the NBC	37,878,584	37,878,584	35,363,847	2,514,737	-	-	-	-
Balances with other financial institutions	41,612,422	41,391,134	7,944,756	15,929,409	9,126,784	-	-	8,390,185
Loans and advance to customers	506,505,025	1,064,351,442	5,750,712	13,246,802	72,570,821	237,314,273	735,468,834	-
Investment in securities	4,967,804	5,106,484	-	-	5,106,484	-	-	-
Other assets	2,931,202	2,931,202	2,931,202	-	-	-	-	-
In US$	**607,924,686**	**1,165,688,495**	**66,020,166**	**31,690,948**	**86,804,089**	**237,314,273**	**735,468,834**	**8,390,185**
In KHR'000 *(Note 2.5)*	**2,446,896,862**	**4,691,896,192**	**265,731,168**	**127,556,066**	**349,386,458**	**955,189,949**	**2,960,262,057**	**33,770,494**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets (continued)

The following tables set out the remaining contractual maturities of financial liabilities and financial assets. (continued)

	2023							
	Carrying amount US$	*Gross nominal inflow/(outflow) US$*	*Up to 1 month US$*	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*No maturity US$*
Group								
Financial liabilities by type								
Non-derivative financial liabilities								
Deposits from other financial institutions	101,236,623	(103,132,058)	(12,498,888)	(29,882,934)	(60,750,236)	-	-	-
Deposits from customers	252,931,264	(256,313,656)	(142,088,990)	(18,024,385)	(95,034,373)	(1,165,908)	-	-
Borrowings	175,359,353	(177,697,035)	(35,993,198)	(57,715,981)	(83,987,856)	-	-	-
Lease liabilities	2,624,087	(2,875,468)	(96,549)	(193,153)	(846,142)	(1,739,624)	-	-
Other liabilities	1,593,164	(1,707,750)	(1,707,750)	-	-	-	-	-
	533,744,491	**(541,725,967)**	**(192,385,375)**	**(105,816,453)**	**(240,618,607)**	**(2,905,532)**	**-**	**-**
Loan commitments and guarantees	-	19,154,408	18,613,408	30,000	511,000	-	-	-
In US$	**533,744,491**	**(522,571,559)**	**(173,771,967)**	**(105,786,453)**	**(240,107,607)**	**(2,905,532)**	**-**	**-**
In KHR'000 *(Note 2.5)*	**2,180,346,245**	**(2,134,704,819)**	**(709,858,485)**	**(432,137,661)**	**(980,839,575)**	**(11,869,098)**	**-**	**-**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets (continued)

The following tables set out the remaining contractual maturities of financial liabilities and financial assets. (continued)

	2023							
	Carrying amount US$	*Gross nominal inflow/(outflow) US$*	*Up to 1 month US$*	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*No maturity US$*
Group								
Financial assets by type								
Non-derivative financial assets								
Cash on hand	16,909,877	16,909,877	16,909,877	-	-	-	-	-
Balances with the NBC	35,243,397	35,243,397	34,420,435	822,962	-	-	-	-
Balances with other financial institutions	38,403,533	38,728,131	3,070,573	22,056,366	2,131,542	-	-	11,469,650
Loans and advance to customers	501,193,533	849,835,817	6,464,883	14,848,231	61,326,818	263,518,974	503,676,911	-
Investment in securities	5,896,072	6,318,983	-	-	972,254	5,346,729	-	-
Other assets	2,870,953	2,873,015	2,873,015	-	-	-	-	-
In US$	**600,517,365**	**949,909,220**	**63,738,783**	**37,727,559**	**64,430,614**	**268,865,703**	**503,676,911**	**11,469,650**
In KHR'000 *(Note 2.5)*	**2,453,113,435**	**3,880,379,163**	**260,372,928**	**154,117,079**	**263,199,058**	**1,098,316,397**	**2,057,520,181**	**46,853,520**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets (continued)

The following tables set out the remaining contractual maturities of financial liabilities and financial assets.

				2024				
	Carrying amount US$	*Gross nominal inflow/(outflow) US$*	*Up to 1 month US$*	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*No maturity US$*
Bank								
Financial liabilities by type								
Non-derivative financial liabilities:								
Deposits from other financial institutions	264,290,782	(267,531,645)	(34,217,558)	(108,110,724)	(125,203,363)	-	-	-
Deposits from customers	263,022,070	(266,536,169)	(145,690,973)	(20,140,501)	(98,684,936)	(2,019,759)	-	-
Borrowings	9,198,094	(9,033,637)	(9,033,637)	-	-	-	-	-
Lease liabilities	4,982,751	(9,886,771)	(115,247)	(250,950)	(837,454)	(2,125,230)	(6,557,890)	-
Other liabilities	1,505,082	(1,505,082)	(1,505,082)	-	-	-	-	-
	542,998,779	**(554,493,304)**	**(190,562,497)**	**(128,502,175)**	**(224,725,753)**	**(4,144,989)**	**(6,557,890)**	**-**
Loan commitments and guarantees	-	18,272,687	17,822,687	30,000	420,000	-	-	-
In US$	**542,998,779**	**(536,220,617)**	**(172,739,810)**	**(128,472,175)**	**(224,305,753)**	**(4,144,989)**	**(6,557,890)**	**-**
In KHR'000 *(Note 2.5)*	**2,185,570,086**	**(2,158,287,983)**	**(695,277,735)**	**(517,100,504)**	**(902,830,656)**	**(16,683,581)**	**(26,395,507)**	**-**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets (continued)

The following tables set out the remaining contractual maturities of financial liabilities and financial assets. (continued)

	2024							
	Carrying amount US$	*Gross nominal inflow/(outflow) US$*	*Up to 1 month US$*	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*No maturity US$*
Bank								
Financial assets by type								
Non-derivative financial assets:								
Cash on hand	14,029,649	14,029,649	14,029,649	-	-	-	-	-
Balances with the NBC	37,878,584	37,878,584	35,363,847	2,514,737	-	-	-	-
Balances with other financial institutions	41,612,422	41,391,134	7,944,756	15,929,409	9,126,784	-	-	8,390,185
Loans and advance to customers	506,505,025	1,064,351,442	5,750,712	13,246,802	72,570,821	237,314,273	735,468,834	-
Investment in securities	4,967,804	5,106,484	-	-	-	5,106,484	-	-
Investment in subsidiary	1,548,400	1,548,400	-	-	-	-	-	1,548,400
Other assets	2,931,202	2,931,202	2,931,202	-	-	-	-	-
In US$	**609,473,086**	**1,167,236,895**	**66,020,166**	**31,690,948**	**81,697,605**	**242,420,757**	**735,468,834**	**9,938,585**
In KHR'000 *(Note 2.5)*	**2,453,129,172**	**4,698,128,503**	**265,731,168**	**127,556,066**	**328,832,860**	**975,743,547**	**2,960,262,057**	**40,002,805**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets (continued)

The following tables set out the remaining contractual maturities of financial liabilities and financial assets. (continued)

	2023							
	Carrying amount US$	*Gross nominal inflow/(outflow) US$*	*Up to 1 month US$*	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*No maturity US$*
Bank								
Financial liabilities by type								
Non-derivative financial liabilities:								
Deposits from other financial institutions	101,236,623	(103,132,058)	(12,498,888)	(29,882,934)	(60,750,236)	-	-	-
Deposits from customers	253,113,565	(256,495,957)	(142,271,291)	(18,024,385)	(95,034,373)	(1,165,908)	-	-
Borrowings	175,359,353	(177,697,035)	(35,993,198)	(57,715,981)	(83,987,856)	-	-	-
Lease liabilities	3,660,696	(5,135,788)	(101,258)	(202,571)	(888,523)	(1,965,656)	(1,977,780)	-
Other liabilities	1,591,956	(1,707,750)	(1,707,750)	-	-	-	-	-
	534,962,193	**(544,168,588)**	**(192,572,385)**	**(105,825,871)**	**(240,660,988)**	**(3,131,564)**	**(1,977,780)**	**-**
Loan commitments and guarantees	-	19,154,408	18,613,408	30,000	511,000	-	-	-
In US$	**534,962,193**	**(525,014,180)**	**(173,958,977)**	**(105,795,871)**	**(240,149,988)**	**(3,131,564)**	**(1,977,780)**	**-**
In KHR'000 *(Note 2.5)*	**2,185,320,558**	**(2,144,682,925)**	**(710,622,421)**	**(432,176,133)**	**(981,012,701)**	**(12,792,439)**	**(8,079,231)**	**-**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets (continued)

The following tables set out the remaining contractual maturities of financial liabilities and financial assets. (continued)

	2023							
	Carrying amount US$	*Gross nominal inflow/(outflow) US$*	*Up to 1 month US$*	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*No maturity US$*
Bank								
Financial assets by type								
Non-derivative financial assets:								
Cash on hand	16,909,877	16,909,877	16,909,877	-	-	-	-	-
Balances with the NBC	35,243,397	35,243,397	34,420,435	822,962	-	-	-	-
Balances with other financial institutions	38,403,533	38,728,131	3,070,573	22,056,366	2,131,542	-	-	11,469,650
Loans and advance to customers	501,193,533	849,835,817	6,464,883	14,848,231	61,326,818	263,518,974	503,676,911	-
Investment in securities	5,896,072	6,318,983	-	-	972,254	5,346,729	-	-
Investment in subsidiary	1,548,400	1,548,400	-	-	-	-	-	1,548,400
Other assets	2,870,953	2,870,953	2,870,953	-	-	-	-	-
In US$	**602,065,765**	**951,455,558**	**63,736,721**	**37,727,559**	**64,430,614**	**268,865,703**	**503,676,911**	**13,018,050**
In KHR'000 *(Note 2.5)*	**2,459,438,649**	**3,886,695,954**	**260,364,505**	**154,117,079**	**263,199,058**	**1,098,316,397**	**2,057,520,181**	**53,178,734**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(iii) Maturity analysis for financial liabilities and financial assets (continued)

The amounts in the table above have been compiled as follows.

Type of financial instrument	***Basis on which amounts are compiled***
Non-derivative financial liabilities	Undiscounted cash flows, which include estimated interest payments.
Loan commitments	Earliest possible contractual maturity

As part of the management of liquidity risk arising from financial liabilities, the Group and the Bank hold liquid assets comprising cash and cash equivalents, which can be readily to meet liquidity requirements. In addition, the Group and the Bank maintain agreed lines of credit with other financial institutions.

(iv) Liquidity reserves

The following table sets out the components of the Group's and the Bank's liquidity reserves:

	2024		*2023*	
	Gross carrying amounts US$	*Fair value US$*	*Gross carrying amounts US$*	*Fair value US$*
Financial assets				
Cash on hand	14,029,649	14,029,649	16,909,877	16,909,877
Balances with the NBC	37,878,584	37,878,584	34,420,435	34,420,435
Balances with other financial institutions	8,390,239	8,390,239	16,377,590	16,377,590
Total liquidity reserves	**60,298,472**	**60,298,472**	**67,707,902**	**67,707,902**
In KHR'000 *(Note 2.5)*	**242,701,351**	**242,701,351**	**276,586,779**	**276,586,779**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(v) Financial assets available to support future funding

The following table sets out the availability of financial assets to support future funding:

	Encumbered		*Unencumbered*		
	Pledged as collateral US$	*Other* US$*	*Available as collateral US$*	*Other** US$*	*Total US$*
Group					
31 December 2024					
Cash on hand	-	-	-	14,029,649	14,029,649
Balances with the NBC	2,514,737	-	-	35,363,847	37,878,584
Balances with other financial institutions	-	-	-	41,612,422	41,612,422
Loans and advances to customers	-	-	-	506,505,025	506,505,025
Investment in securities	-	-	-	4,967,804	4,967,804
Other assets	-	-	-	2,931,202	2,931,202
In US$	**2,514,737**	**-**	**-**	**605,409,949**	**607,924,686**
In KHR'000 *(Note 2.5)*	**10,121,816**	**-**	**-**	**2,436,775,046**	**2,446,896,862**

	Encumbered		*Unencumbered*		
	Pledged as collateral US$	*Other* US$*	*Available as collateral US$*	*Other** US$*	*Total US$*
Group					
31 December 2023					
Cash on hand	-	-	-	16,909,877	16,909,877
Balances with the NBC	822,962	-	-	34,420,435	35,243,397
Balances with other financial institutions	-	-	-	38,403,533	38,403,533
Loans and advances to customers	-	-	-	501,193,533	501,193,533
Investment in securities	-	-	-	5,896,072	5,896,072
Other assets	-	-	-	2,870,953	2,870,953
In US$	**822,962**	**-**	**-**	**599,694,403**	**600,517,365**
In KHR'000 *(Note 2.5)*	**3,361,800**	**-**	**-**	**2,449,751,635**	**2,453,113,435**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(v) Financial assets available to support future funding (continued)

The following table sets out the availability of financial assets to support future funding:

	Encumbered		*Unencumbered*		
	Pledged as collateral US$	*Other* US$*	*Available as collateral US$*	*Other** US$*	*Total US$*
Bank					
31 December 2024					
Cash on hand	-	-	-	14,029,649	14,029,649
Balances with the NBC	2,514,737	-	-	35,363,847	37,878,584
Balances with other financial institutions	-	-	-	41,612,422	41,612,422
Loans and advances to customers	-	-	-	506,505,025	506,505,025
Investment in securities	-	-	-	4,967,804	4,967,804
Investment in subsidiary	-	-	-	1,548,400	1,548,400
Other assets	-	-	-	2,931,202	2,931,202
In US$	**2,514,737**	**-**	**-**	**606,958,349**	**609,473,086**
In KHR'000 *(Note 2.5)*	**10,121,816**	**-**	**-**	**2,443,007,356**	**2,453,129,172**

32. FINANCIAL RISK MANAGEMENT (continued)

C. Liquidity risk (continued)

(v) Financial assets available to support future funding (continued)

The following table sets out the availability of financial assets to support future funding. (continued)

	Encumbered		*Unencumbered*		
	Pledged as collateral US$	*Other* US$*	*Available as collateral US$*	*Other** US$*	*Total US$*
Bank					
31 December 2023					
Cash on hand	-	-	-	16,909,877	16,909,877
Balances with the NBC	822,962	-	-	34,420,435	35,243,397
Balances with other financial institutions	-	-	-	38,403,533	38,403,533
Loans and advances to customers	-	-	-	501,193,533	501,193,533
Investment in securities	-	-	-	5,896,072	5,896,072
Investment in subsidiary	-	-	-	1,548,400	1,548,400
Other assets	-	-	-	2,870,953	2,870,953
In US$	**822,962**	**-**	**-**	**601,242,803**	**602,065,765**
In KHR'000 *(Note 2.5)*	**3,361,800**	**-**	**-**	**2,456,076,849**	**2,459,438,649**

(*) Represents assets that are not pledged but the Group and the Bank believes it is restricted from using to secure funding, for legal or other reasons.

(**) Represents assets that are not restricted for use as collateral, but the Group and the Bank would not consider readily available to secure funding in the normal course of business.

32. FINANCIAL RISK MANAGEMENT (continued)

D. Market risk

Market risk is the risk that changes in market prices – e.g. interest rates and foreign exchange rates– will affect the Group's and the Bank's income or the value of its holdings of financial instruments. The objective of the Group's and the Bank's market risk management is to manage and control market risk exposures within acceptable parameters to ensure the Group's and the Bank's solvency while optimizing the return on risk.

The Group and the Bank do not use derivative financial instruments such as foreign exchange contract and interest rate swaps to hedge its risk exposure.

(i) Interest rate risk

The principal risk to which non-trading portfolios are exposed is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments or economic value of equity of the Group and the Bank because of a change in market interest rates.

The following is a summary of the Group's and the Bank's interest rate gap position. The interest rate repricing gap table analyses the full-term structure of interest rate mismatches within the Group's and the Bank's balance sheet based on the maturity date.

32. FINANCIAL RISK MANAGEMENT (continued)

D. Market risk (continued)

(i) Interest rate risk (continued)

	Group						
	Up to 1 month US$	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*Non-interest sensitive US$*	*Total US$*
31 December 2024							
Financial assets							
Cash on hand	-	-	-	-	-	14,029,649	14,029,649
Balances with the NBC	-	2,514,737	-	-	-	35,363,847	37,878,584
Balances with other financial institutions	16,566,049	15,939,403	9,106,970	-	-	-	41,612,422
Loans and advances to customers	2,040,034	6,218,387	40,546,144	89,477,917	368,222,543	-	506,505,025
Investment in securities	-	-	4,942,216	-	-	25,588	4,967,804
Other assets	-	-	-	-	-	2,931,202	2,931,202
	18,606,083	**24,672,527**	**54,595,330**	**89,477,917**	**368,222,543**	**52,350,286**	**607,924,686**
Financial liabilities							
Deposits from other financial institutions	34,125,092	107,259,015	122,906,675	-	-	-	264,290,782
Deposits from customers	145,603,716	19,967,915	95,456,968	1,931,956	-	-	262,960,555
Borrowings	9,198,094	-	-	-	-	-	9,198,094
Lease liabilities	-	3,811	199,091	1,971,039	-	-	2,173,941
Other liabilities	-	-	-	-	-	1,505,350	1,505,350
	188,926,902	**127,230,741**	**218,562,734**	**3,902,995**	**-**	**1,505,350**	**540,128,722**
Total interest sensitivity gap	**(170,320,819)**	**(102,558,214)**	**(163,967,404)**	**85,574,922**	**368,222,543**	**50,844,936**	**67,795,964**
In KHR'000 *(Note 2.5)*	**(685,541,297)**	**(412,796,811)**	**(659,968,801)**	**344,439,061**	**1,482,095,736**	**204,650,867**	**272,878,755**

32. FINANCIAL RISK MANAGEMENT (continued)

D. Market risk (continued)

(i) Interest rate risk (continued)

	Group						
	Up to 1 month US$	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*Non-interest sensitive US$*	*Total US$*
31 December 2023							
Financial assets							
Cash on hand	-	-	-	-	-	16,909,877	16,909,877
Balances with the NBC	-	822,962	-	-	-	34,420,435	35,243,397
Balances with other financial institutions	14,529,427	21,865,480	2,008,626	-	-	-	38,403,533
Loans and advances to customers	3,940,506	4,096,179	20,258,361	120,545,386	352,353,101	-	501,193,533
Investment in securities	-	968,360	4,902,124	-	-	25,588	5,896,072
Other assets	-	-	-	-	-	2,870,953	2,870,953
	18,469,933	**27,752,981**	**27,169,111**	**120,545,386**	**352,353,101**	**54,226,853**	**600,517,365**
Financial liabilities							
Deposits from other financial institutions	12,453,682	29,544,103	59,238,838	-	-	-	101,236,623
Deposits from customers	142,067,989	17,856,730	91,899,207	1,107,338	-	-	252,931,264
Borrowings	35,904,554	57,194,707	82,260,092	-	-	-	175,359,353
Lease liabilities	-	-	89,951	2,534,136	-	-	2,624,087
Other liabilities	-	-	-	-	-	1,593,164	1,593,164
	190,426,225	**104,595,540**	**233,488,088**	**3,641,474**	**-**	**1,593,164**	**533,744,491**
Total interest sensitivity gap	**(171,956,292)**	**(76,842,559)**	**(206,318,977)**	**116,903,912**	**352,353,101**	**52,633,689**	**66,772,874**
In KHR'000 *(Note 2.5)*	**(702,441,453)**	**(313,901,854)**	**(842,813,021)**	**477,552,481**	**1,439,362,418**	**215,008,619**	**272,767,190**

32. FINANCIAL RISK MANAGEMENT (continued)

D. Market risk (continued)

(i) Interest rate risk (continued)

	Bank						
	Up to 1 month US$	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*Non-interest sensitive US$*	*Total US$*
31 December 2024							
Financial assets							
Cash on hand	-	-	-	-	-	14,029,649	14,029,649
Balances with the NBC	-	2,514,737	-	-	-	35,363,847	37,878,584
Balances with other financial institutions	16,566,049	15,939,403	9,106,970	-	-	-	41,612,422
Loans and advances to customers	2,040,034	6,218,387	40,546,144	89,477,917	368,222,543	-	506,505,025
Investment in securities	-	-	4,942,216	-	-	25,588	4,967,804
Investment in subsidiary	-	-	-	-	-	1,548,400	1,548,400
Other assets	-	-	-	-	-	2,931,202	2,931,202
	18,606,083	**24,672,527**	**54,595,330**	**89,477,917**	**368,222,543**	**53,898,686**	**609,473,086**
Financial liabilities							
Deposits from other financial institutions	34,125,092	107,259,015	122,906,675	-	-	-	264,290,782
Deposits from customers	145,665,229	19,967,915	95,456,970	1,931,956	-	-	263,022,070
Borrowings	9,198,094	-	-	-	-	-	9,198,094
Lease liabilities	-	3,811	199,091	1,971,039	2,808,810	-	4,982,751
Other liabilities	-	-	-	-	-	1,505,082	1,505,082
	188,988,415	**127,230,741**	**218,562,736**	**3,902,995**	**2,808,810**	**1,505,082**	**542,998,779**
Total interest sensitivity gap	**(170,382,332)**	**(102,558,214)**	**(163,967,406)**	**85,574,922**	**365,413,733**	**52,393,604**	**66,474,307**
In KHR'000 *(Note 2.5)*	**(685,788,886)**	**(412,796,811)**	**(659,968,809)**	**344,439,061**	**1,470,790,275**	**210,884,256**	**267,559,086**

32. FINANCIAL RISK MANAGEMENT (continued)

D. Market risk (continued)

(i) Interest rate risk (continued)

	Bank						
	Up to 1 month US$	*> 1 – 3 months US$*	*> 3 – 12 months US$*	*> 1 – 5 years US$*	*Over 5 years US$*	*Non-interest sensitive US$*	*Total US$*
31 December 2023							
Financial assets							
Cash on hand	-	-	-	-	-	16,909,877	16,909,877
Balances with the NBC	-	822,962	-	-	-	34,420,435	35,243,397
Balances with other financial institutions	14,529,427	21,865,480	2,008,626	-	-	-	38,403,533
Loans and advances to customers	3,940,506	4,096,179	20,258,361	120,545,386	352,353,101	-	501,193,533
Investment in securities	-	968,360	4,902,124	-	-	25,588	5,896,072
Investment in subsidiary	-	-	-	-	-	1,548,400	1,548,400
Other assets	-	-	-	-	-	2,870,953	2,870,953
	18,469,933	**27,752,981**	**27,169,111**	**120,545,386**	**352,353,101**	**55,775,253**	**602,065,765**
Financial liabilities							
Deposits from other financial institutions	12,453,682	29,544,103	59,238,838	-	-	-	101,236,623
Deposits from customers	142,250,290	17,856,730	91,899,207	1,107,338	-	-	253,113,565
Borrowings	35,904,554	57,194,707	82,260,092	-	-	-	175,359,353
Lease liabilities	-	-	89,951	2,534,136	1,036,609	-	3,660,696
Other liabilities	-	-	-	-	-	1,591,956	1,591,956
	190,608,526	**104,595,540**	**233,488,088**	**3,641,474**	**1,036,609**	**1,591,956**	**534,962,193**
Total interest sensitivity gap	**(172,138,593)**	**(76,842,559)**	**(206,318,977)**	**116,903,912**	**351,316,492**	**54,183,297**	**67,103,572**
In KHR'000 *(Note 2.5)*	**(703,186,152)**	**(313,901,854)**	**(842,813,021)**	**477,552,481**	**1,435,127,870**	**221,338,768**	**274,118,092**

32. FINANCIAL RISK MANAGEMENT (continued)

D. Market risk (continued)

(ii) Foreign currency exchange risk

The Group and the Bank operate in the Kingdom of Cambodia and transacts in many currencies, and is exposed to various currency risks.

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Group's and the Bank's functional currency.

Concentration of currency risk

The amounts of financial assets and liabilities, by currency denomination, are as follows:

	Denomination - US$ equivalents							
	2024				*2023*			
	KHR	*US$*	*Others*	*Total*	*KHR*	*US$*	*Others*	*Total*
Group								
Financial assets								
Cash on hand	738,893	13,290,756	-	14,029,649	783,339	16,126,538	-	16,909,877
Balances with the NBC	5,488,075	32,390,509	-	37,878,584	9,742,124	25,501,273	-	35,243,397
Balances with other financial institutions	1,505	41,475,207	135,710	41,612,422	4,859,275	33,408,570	135,688	38,403,533
Loans and advances to customers	66,713,770	439,791,255	-	506,505,025	50,463,761	450,729,772	-	501,193,533
Investment in securities	-	4,967,804	-	4,967,804	985,548	4,910,524	-	5,896,072
Other assets	-	2,931,202	-	2,931,202	-	2,870,953	-	2,870,953
	72,942,243	**534,846,733**	**135,710**	**607,924,686**	**66,834,047**	**533,547,630**	**135,688**	**600,517,365**
Financial liabilities								
Deposits from other financial institutions	11,878,591	252,412,191	-	264,290,782	7,140,590	94,096,033	-	101,236,623
Deposits from customers	31,392,073	231,568,482	-	262,960,555	28,249,014	224,682,250	-	252,931,264
Borrowings	-	9,198,094	-	9,198,094	-	175,359,353	-	175,359,353
Lease liabilities	-	2,173,941	-	2,173,941	-	2,624,087	-	2,624,087
Other liabilities	-	1,505,350	-	1,505,350	-	1,593,164	-	1,593,164
	43,270,664	**496,858,058**	**-**	**540,128,722**	**35,389,604**	**498,354,887**	**-**	**533,744,491**
Net asset position	**29,671,579**	**37,988,675**	**135,710**	**67,795,964**	**31,444,443**	**35,192,743**	**135,688**	**66,772,874**
In KHR'000 *(Note 2.5)*	**119,428,105**	**152,904,417**	**546,233**	**272,878,755**	**128,450,550**	**143,762,355**	**554,285**	**272,767,190**

32. FINANCIAL RISK MANAGEMENT (continued)

D. Market risk (continued)

(ii) Foreign currency exchange risk (continued)

Concentration of currency risk (continued)

The amounts of financial assets and liabilities, by currency denomination, are as follows:

	Denomination - US$ equivalents							
	2024				*2023*			
	KHR	*US$*	*Others*	*Total*	*KHR*	*US$*	*Others*	*Total*
Bank								
Financial assets								
Cash on hand	738,893	13,290,756	-	14,029,649	783,339	16,126,538	-	16,909,877
Balances with the NBC	5,488,075	32,390,509	-	37,878,584	9,742,124	25,501,273	-	35,243,397
Balances with other financial institutions	1,505	41,475,207	135,710	41,612,422	4,859,275	33,408,570	135,688	38,403,533
Loans and advances to customers	66,713,770	439,791,255	-	506,505,025	50,463,761	450,729,772	-	501,193,533
Investment in securities	-	4,967,804	-	4,967,804	985,548	4,910,524	-	5,896,072
Investment in subsidiary	-	1,548,400	-	1,548,400	-	1,548,400	-	1,548,400
Other assets	-	2,931,202	-	2,931,202	-	2,870,953	-	2,870,953
	72,942,243	**536,395,133**	**135,710**	**609,473,086**	**66,834,047**	**535,096,030**	**135,688**	**602,065,765**
Financial liabilities								
Deposits from other financial institutions	11,878,591	252,412,191	-	264,290,782	7,140,590	94,096,033	-	101,236,623
Deposits from customers	31,392,073	231,629,997	-	263,022,070	28,249,014	224,864,551	-	253,113,565
Borrowings	-	9,198,094	-	9,198,094	-	175,359,353	-	175,359,353
Lease liabilities	-	4,982,751	-	4,982,751	-	3,660,696	-	3,660,696
Other liabilities	-	1,505,082	-	1,505,082	-	1,591,956	-	1,591,956
	43,270,664	**499,728,115**	**-**	**542,998,779**	**35,389,604**	**499,572,589**	**-**	**534,962,193**
Net asset position	**29,671,579**	**36,667,018**	**135,710**	**66,474,307**	**31,444,443**	**35,523,441**	**135,688**	**67,103,572**
In KHR'000 *(Note 2.5)*	**119,428,105**	**147,584,747**	**546,233**	**267,559,085**	**128,450,550**	**145,113,256**	**554,285**	**274,118,091**

32. FINANCIAL RISK MANAGEMENT (continued)

D. Market risk (continued)

(ii) Foreign currency exchange risk (continued)

Sensitivity analysis

Considering that other risk variables remain constant, the foreign currency revaluation sensitivity for the Group and the Bank as at reporting date is summarized as follows (only exposures in currencies that accounts for more than 5 percent of the net open positions are shown in its specific currency in the table below. For other currencies, these exposures are grouped as 'Others'):

	2024		*2023*	
	- 1% Depreciation US$	*+ 1% Appreciation US$*	*- 1% Depreciation US$*	*+ 1% Appreciation US$*
Group				
KHR	(296,716)	296,716	(314,444)	314,444
Others	(1,357)	1,357	(1,357)	1,357
	(298,073)	**298,073**	**(315,801)**	**315,801**
In KHR'000 *(Note 2.5)*	**(1,199,744)**	**1,199,744**	**(1,290,047)**	**1,290,047**
Bank				
KHR	(296,716)	296,716	(314,444)	314,444
Others	(1,357)	1,357	(1,357)	1,357
	(298,073)	**298,073**	**(315,801)**	**315,801**
In KHR'000 *(Note 2.5)*	**(1,199,744)**	**1,199,744**	**(1,290,047)**	**1,290,047**

E. Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's and the Bank's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks – e.g. those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all of the Group's and the Bank's operations.

The Group's and the Bank's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's and the Bank's reputation with overall cost effectiveness and innovation. In all cases, the Group's and the Bank's policy requires compliance with all applicable legal and regulatory requirements.

Operational risk is defined as the risk of loss resulting from inadequate, failed or poor internal control/processes, people, systems and/or external events. This definition includes legal risk, but excludes strategic and reputational risk:

To effectively manage operational risk, the Group and the Bank adopt the following operational risk management tools as key complementary:

- Risk Control Self Assessments (RCSAs) - are used to identify the key risk that pose a threat to achieving the predefined business objective and assess the effective control used by management and mitigate these risks.
- Key Risk Indicators (KRIs) - are used to help warn management of changes in previously identified key risk. KRI serve as a monitoring function for the business.

32. FINANCIAL RISK MANAGEMENT (continued)

E. Operational risk (continued)

- Operational Risk Event Report (OREP) - is a record of all type of losses events that have affected the business. All type of losses events are to be used to enhance the ongoing risk monitoring and operational risk.
- Standard Operating Procedures (SOPs) - are used to ensure the process, policy, guideline, and memo are smooth, bank's staff can implement well and ensure risks are identified and managed.
- Business Continuity Plan (BCP) - is a plan that covers a range of situations, crisis events that threaten to shut down business operations for an extended period of time, and any other financial situation or unexpected event that threatens to destroy or injure our bank.
- Other: Another risk that we can observe or received from another way.

F. Capital risk

Capital risk is the risk that the Group and the Bank have insufficient capital resources to meet the minimum regulatory requirements to support its credit rating and to support its growth and strategic options.

The Group's and the Bank's strategy is to maintain a strong capital base so as to maintain market confidence and to sustain further development of the business. The impact of the level of capital on shareholder's return is also recognized, and the Group and the Bank recognized the need to maintain a balance between the higher returns that might be possible with greater gearing and advantages and security afforded by a sound capital position.

The Group's and the Bank's lead regulator, the NBC, sets and monitors capital requirements for the Group and the Bank as a whole.

(i) Capital risk management

As with liquidity and market risks, Risk Management Department is responsible for ensuring the effective management of capital risk throughout the Group and the Bank.

Capital risk is measured and monitored using limits set calculated in accordance with the NBC's requirements.

On 22 February 2018, the NBC issued a Prakas on Capital Buffer in Banking and Financial Institutions. According to Article 22 of this Prakas, the institution shall comply with the provisions related to the capital conservation buffer at least 50% of the conservation buffer by 1 January 2019 and fully comply by 1 January 2020.

On 7 March 2018, the NBC issued a circular on the implementation of Prakas on Capital Buffer in Banking and Financial Institutions, which determines the countercyclical capital buffer at a level of 0% until a new announcement is released.

Subsequently, on 9 January 2023, the NBC issued a circular on the implementation of Prakas on Capital Buffer in Banking and Financial Institutions, which the institution shall rebuild the capital conservation buffer ratio by 1.25% and 2.5% by 30 June 2023 and 31 December 2023, respectively. For the countercyclical capital buffer, the institution shall keep at level of 0%.

On 23 November 2023, the NBC responded a letter to the Association of Banks in Cambodia allowing commercial banks to maintain the capital conservation buffer ratio by 1.25% until 31 December 2024. On 21 August 2024, the NBC issued a letter to all financial institutions allowing them to continue maintaining the capital conservation buffer ratio by 1.25% until 31 December 2025.

32. FINANCIAL RISK MANAGEMENT (continued)

F. Capital risk (continued)

(i) Capital risk management (continued)

The below table summarizes the composition of the regulatory capital:

	Group				Bank			
	2024		*2023*		*2024*		*2023*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Tier 1 capital								
Share capital	100,000,000	407,500,000	100,000,000	407,500,000	100,000,000	407,500,000	100,000,000	407,500,000
Retained earnings	9,465,088	38,214,608	13,569,348	55,083,115	9,196,544	37,127,408	13,307,456	54,023,256
Audited net profit for the last financial year	(7,719,179)	(31,424,778)	930,133	3,822,848	(7,625,618)	(31,043,890)	923,481	3,795,507
Less: Software costs	(1,160,639)	(4,671,572)	(1,320,670)	(5,394,937)	(1,160,639)	(4,671,572)	(1,320,670)	(5,394,937)
	100,585,270	**409,618,258**	**113,178,811**	**461,011,026**	**100,410,287**	**408,911,946**	**112,910,267**	**459,923,826**
Tier 2 complementary capital								
General provision	6,136,347	24,698,797	5,482,270	22,395,073	6,136,347	24,698,797	5,482,270	22,395,073
Less: Equity participation in banking or financial institutions	(25,588)	(102,992)	(25,588)	(104,527)	(25,588)	(102,992)	(25,588)	(104,527)
	6,110,759	**24,595,805**	**5,456,682**	**22,290,546**	**6,110,759**	**24,595,805**	**5,456,682**	**22,290,546**
Total	**106,696,029**	**434,214,063**	**118,635,493**	**483,301,572**	**106,521,046**	**433,507,751**	**118,366,949**	**482,214,372**

33. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Financial instruments comprise financial assets, financial liabilities and off-balance sheet instruments. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group and the Bank have access at that date. The information presented herein represents the estimates of fair values as at the financial position date.

Quoted and observable market prices, where available, are used as the measure of fair values of the financial instruments. Where such quoted and observable market prices are not available, fair values are estimated based on a range of methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors.

Fair value information for non-financial assets and liabilities are excluded as they do not fall within the scope of CIFRS 7: Financial Instruments Disclosures which requires the fair value information to be disclosed. These include investment in subsidiary and property and equipment.

The fair value of the Group's and the Bank's financial instruments such as cash and short-term funds, balances with National Bank of Cambodia, deposits and placements with banks and other financial institutions, deposits from customers and banks, other assets, other liabilities and short- term borrowings are not materially sensitive to shifts in market profit rate because of the limited term to maturity of these instruments. As such, the carrying value of these financial assets and liabilities at financial position date approximate their fair values.

The fair values are based on the following methodologies and assumptions:

A. Balances with the NBC, and Balances with other financial institutions

The fair values of Balances with the NBC, and Balances with other financial institutions with maturity of less than one year approximate their carrying amounts.

B. Loans and advances to customers

The fair value is estimated by discounting the estimated future cash flows using the prevailing market rates of financing with similar credit risks and maturities.

C. Investment in securities measured at amortised cost

For fixed rate Investment in securities with remaining period to maturity of less than or more than one year, the carrying amounts are generally reasonable estimates of their fair values.

D. Deposits from other financial institutions and deposits from customers

The fair values of deposits payable on demand (current and savings accounts), or deposits with remaining maturity of less than one year are estimated to approximate their carrying amounts. The fair values of deposits with remaining maturity of more than one year are estimated based on discounted cash flows using prevailing market rates for similar Deposits from other financial institutions and customers.

E. Other financial assets and liabilities

The carrying amounts of other financial assets and liabilities are assumed to approximate their fair values as these items are not materially sensitive to the shift in market interest rates.

33. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (continued)

F. Fair value hierarchy

CIFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources and unobservable inputs reflect the Group's and the Bank's market assumptions. The fair value hierarchy is as follows:

- Level 1 – Quoted price (unadjusted) in active markets for the identical assets or liabilities. This level includes listed equity securities and debt instruments.
- Level 2 – Inputs other than quoted prices included within 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 asset or liability that are not based on observable market data (unobservable inputs). This level includes equity instruments and debt instruments with significant unobservable components.

The Group's and the Bank's financial assets and liability, except debt investments at FVOCI, are not measured at fair value. As verifiable market prices are not available, market prices are not available for a significant proportion of the Group's and of the Bank's financial assets and liabilities, the fair values, therefore, have been based on management assumptions according to the profile of the asset and liability base. In the opinion of the management, the carrying amounts of the financial assets and liabilities included in the statement of financial position are a reasonable estimation of their fair values.

34. SUBSEQUENT EVENTS

Other than as disclosed elsewhere in these financial statements, at the date of this report, there are no events which occurred subsequent to 31 December 2024 that had significant impact on the statement of financial position of the Group and the Bank as at 31 December 2024.

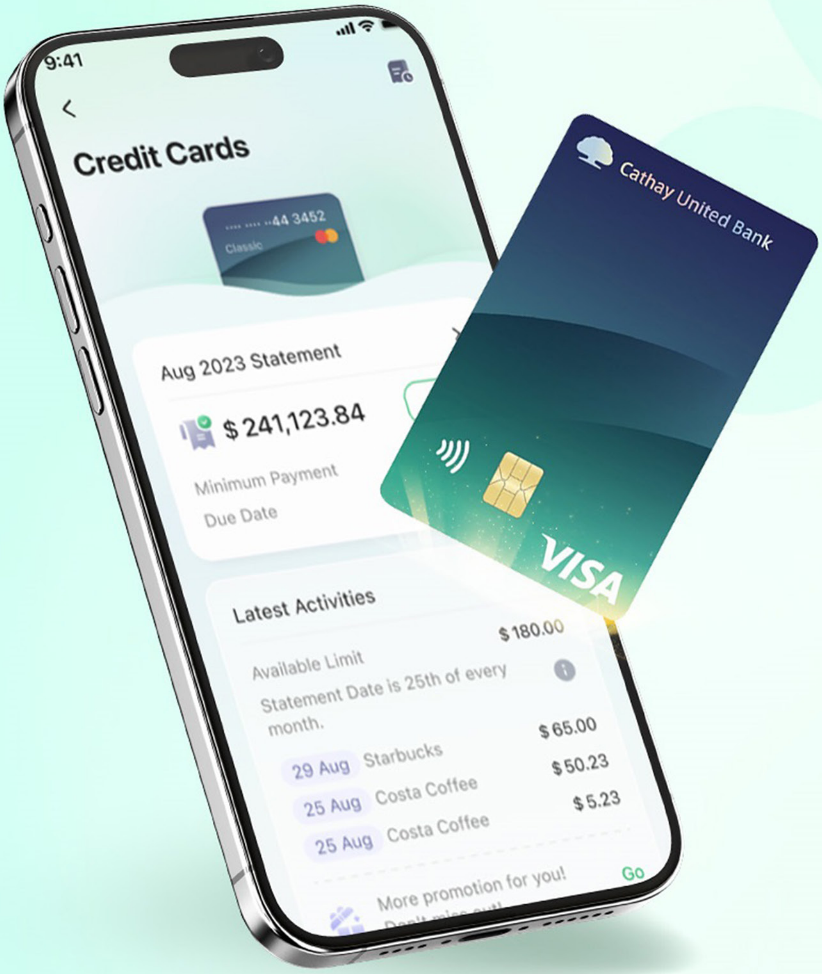
35. RECLASSIFICATION OF CORRESPONDING FIGURES

Certain accounts in the Statement of comprehensive income for the year ended 31 December 2023 have been reclassified to conform with the current year's presentation as summarized below:

	Group and Bank					
	As previously presented		Reclassification		As reclassified	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Statement of comprehensive income:						
Net impairment losses on financial assets	(3,324,434)	(13,663,424)	1,050,790	4,318,747	(2,273,644)	(9,344,677)
Other operating income	1,463,761	6,016,058	(1,050,790)	(4,318,747)	412,971	1,697,311

CREDIT CARD FUNCTION

NEW INTERFACE



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រូបរាងថ្មី

ជាមួយការទូទាត់ឥណទានតាមរយៈ
CUBC mBanking App


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