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Cathay United Bank 國泰世華銀行

BETTER TOGETHER

2025 ANNUAL REPORT

Cathay United Bank (Cambodia) Plc.

CONTENTS

CORPORATE INFORMATION

Name	Cathay United Bank (Cambodia) Plc.	
Registration Number	00005929	
Registered Office	Building No 48, Samdach Pan Street, Phum 5, Sangkat Boeng Reang, Khan Doun Penh, Phnom Penh	
Shareholder	Cathay United Bank Co., Ltd. (Incorporated in Taiwan)	
Board of Directors	Mr. Teng, Chung-Yi	Chairman
	Mr. Yeh, Chan-Hao	Director
	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
Senior Management	Mr. Yeh, Chan-Hao	President
	Mr. Yang, Ching-Chi	Chief Risk Officer
	Mr. Liu, Yen-Fu	Chief Consumer Officer
	Ms. Tsou, Hsin-Yu	Chief Administrative Officer
	Mr. Kuo, Chao-Wang	Function Head
Auditor	Ernst & Young (Cambodia) Ltd.	

CUBC CORE VALUES

Our core values guide everthing we do and define who we are.

INTEGRITY

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

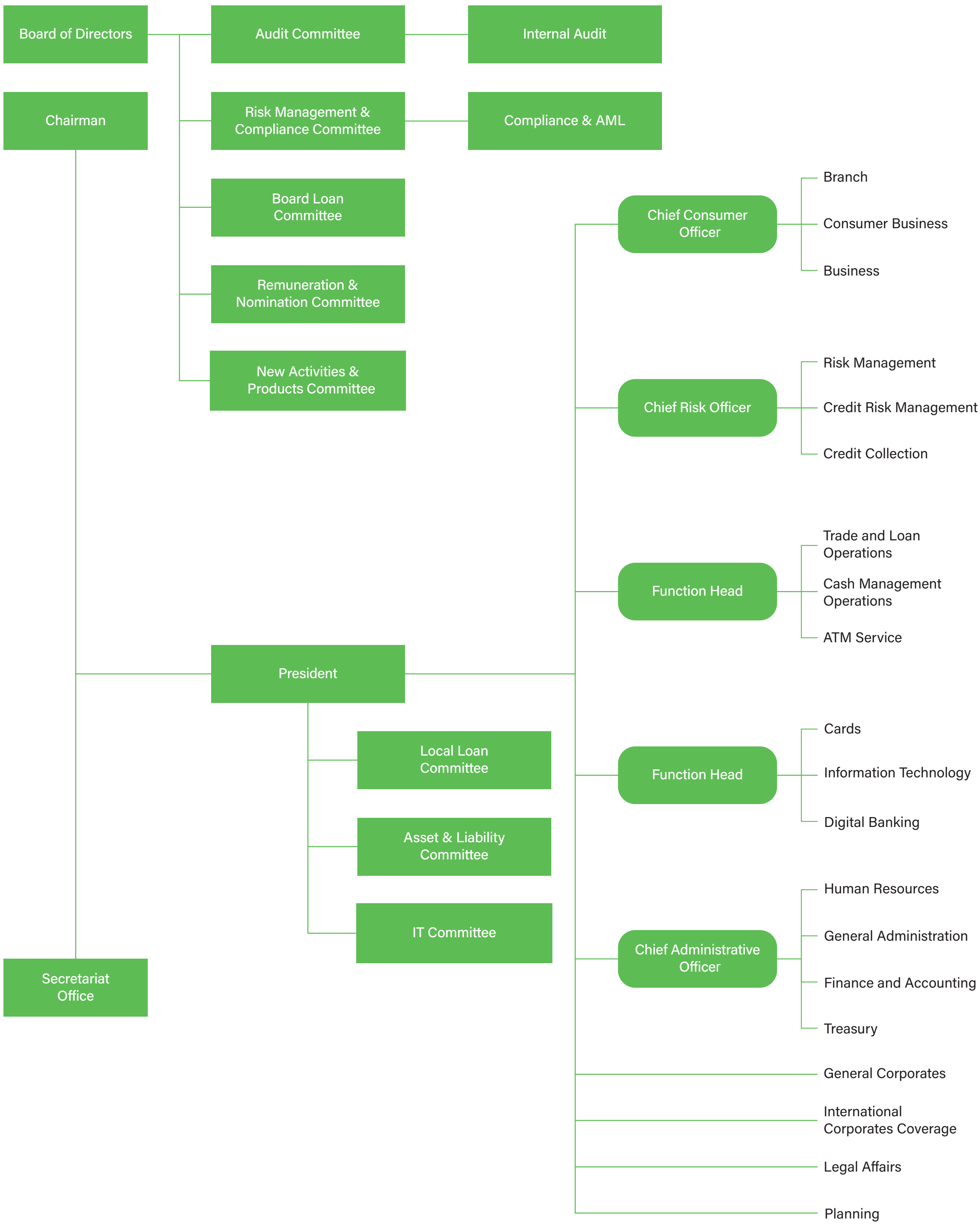
ACCOUNTABILITY

OWNERSHIP
To pursue more and better.

INNOVATION

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

ORGANIZATION STRUCTURE



MESSAGE FROM THE CHAIRMAN

Dear Valued Shareholders, Customers, Business Partners, and Employees,

On behalf of the Board of Directors, I am pleased to present the Annual Report of Cathay United Bank (Cambodia) Plc. ("CUBC" or "the Bank") for the financial year ended 31 December 2025.

In 2025, the global economy continued to navigate significant uncertainties, stemming from geopolitical tensions, evolving trade policies, moderating consumer demand, and tightening financial conditions across major economies. Although inflationary pressures gradually subsided compared to prior years, global economic growth remained uneven and fell below long-term averages.

Amidst this challenging external environment, Cambodia's economy demonstrated remarkable resilience and maintained a steady recovery momentum. According to the International Monetary Fund ("IMF"), Cambodia's real GDP growth was projected at approximately 4.8% in 2025, following a 6% expansion in 2024. Bolstered by robust domestic economic activity and a stable financial sector, CUBC remained steadfast in its commitment to prudent governance, disciplined risk management, and sustainable business growth.

Throughout the year, CUBC prioritized strengthening its financial position while simultaneously driven operational efficiency and elevating customer service. We remained focused on optimizing asset quality, reinforcing compliance and internal control frameworks, and scaling our digital banking ecosystem with enhanced security features to meet the evolving needs of our clientele.

In alignment with our digital transformation strategy, the Bank continued to sharpen its digital capabilities and enhance the overall customer experience through innovative payment solutions, and premium banking initiatives. A key milestone was the launch of the Payment Link Portal, which empowers businesses to generate secure payment links, facilitating seamless digital transactions. Furthermore, we enriched cardholder benefits for both Visa and Mastercard users through revamped reward programs and merchant partnerships.

To further catalyze Cambodia's transition toward a cashless society, the Bank expanded its nationwide payment acceptance network. By deploying POS terminals and QR code solutions across retail, hospitality, and energy sectors, we have significantly enhanced the convenience of daily payments, transfers, and settlements for our customers.

As at 31 December 2025, total loans decreased 15.9% year-on-year and total customer deposits dropped by 8.0% to reach USD 485.1 million. Total assets declined by 7.6% equivalent to USD 602.3 million, while shareholders' equity climbed to USD 111.5 million. The Bank recorded a net profit of USD1 million for 2025.

In a move reflecting our continued corporate evolution and commitment to regulatory alignment, CUBC officially changed its name from [**CATHAY UNITED BANK (CAMBODIA) CORPORATION LIMITED**] to [**CATHAY UNITED BANK (CAMBODIA) PLC.**] in early 2025. This transition ensures full compliance with local regulatory requirements and aligns with our current corporate structure.

On behalf of the Board, I would like to extend our sincere appreciation to the National Bank of Cambodia and the relevant authorities for their invaluable guidance. We are deeply grateful to our shareholders, customers, and partners for their enduring trust. Finally, my heartfelt thanks go to our Management team and employees for their professionalism and unwavering dedication have been the cornerstone of our progress this year.

Sincerely yours,

Mr. TENG, Chung-Yi, Daniel

Chairman of Board of Directors of Cathay United Bank (Cambodia) Plc.

MESSAGE FROM THE PRESIDENT

As we reflect on another year of significant progress and achievement at Cathay United Bank (Cambodia) Plc. ("CUBC" or "the Bank"), and as I look back on my years of services as a member of the senior management team, I am filled with profound pride and gratitude. Our success is a direct result of the unwavering dedication and resilience demonstrated by our employees, customers, and business partners. The year of 2025 was characterized by sustained economic recovery momentum, even as persistent uncertainties lingered within both the Cambodian and global economies. Despite external pressures—stemming from global trade tensions, middle east conflict and US tariff barrier—alongside domestic challenges such as trade uncertainty, border-related tensions, and financial stability concerns, Cambodia maintained a relatively resilient economic performance throughout the year.

Over the year, Cambodia's economy continued to be bolstered by the recovery of the tourism sector, growth in garment and non-garment exports, increasing foreign direct investment (FDI) inflows, and the gradual expansion of the agriculture and industrial sectors. Nevertheless, growth momentum moderated due to softened external demand and ongoing global trade complexities. Concurrently, the construction and real estate sectors experienced a slower recovery under cautious market conditions.

Amidst these conditions, CUBC continued to navigate challenges arising from prolonged weakness in the real estate market and softer-than-expected economic growth, both of which impacted the livelihoods and repayment capacities of certain customer segments. In response, the Bank remained committed to supporting clients through prudent and responsible financial solutions during these trying times.

Throughout the year, the Cambodian government strengthened the economic resilience by focusing on four key pillars: stability, investment, infrastructure, and digital transformation. The banking and financial sector remained a cornerstone supporting economic activity and business continuity despite prevailing domestic and external challenges. Under the close supervision and prudent guidance of the National Bank of Cambodia ("NBC"), banking and financial institutions continued to reinforce their operational resilience, liquidity management, governance standards, and risk management frameworks. During 2025, the NBC further emphasized regulatory compliance in critical areas, including capital adequacy, liquidity coverage, consumer protection, anti-money laundering, combating the financing of terrorism, cybersecurity risk management, and digital payment security.

Despite a more cautious lending environment across the banking industry, Cambodia's banking and financial sector maintained stable growth in 2025. According to the NBC's annual report, total sector assets increased by 9.5%, while customer deposits and credit growth rose by 14.7% and 4.1%, respectively. The banking sector continued to demonstrate adequate liquidity and operational stability, reflecting sustained public confidence in Cambodia's financial system.

Financial Summary

Notwithstanding the economic uncertainties and a cautious operating environment in 2025, CUBC remained dedicated to prudent financial management, strengthening operational resilience and supporting sustainable business growth. The Bank continued to adopt a disciplined and conservative approach to managing its balance sheet, liquidity position, and asset quality amid ongoing market challenges, particularly within the construction and real estate sectors.

MESSAGE FROM THE PRESIDENT (continued)

Financial Summary (continued)

Key financial highlights for the year ended 31 December 2025 are summarized as follows:

- **Total Assets** stood at **USD 602.3 million**, declined by 7.6% compared to USD 651.8 million in 2024.
- **Gross Loans** amounted to **USD 427.6 million**, dropped around 15.9% representing a decrease from USD 508.3 million at in the previous year.
- **Customer Deposits** totaled **USD 485.1 million**, declined by 8.0% compared to USD 527.3 million in 2024.
- **Total Equity** grew by 0.9% from USD 110.5 million in 2024 reaching **USD 111.5 million**.
- **Net Profit** recorded a positive result of **USD 1.0 million** in 2025, compared to a net loss of USD 7.7 million in 2024, showing significant upward trend.
- **Non-Performing Loans** continued to rose in fourth quarter of 2025, reaching 7.15%.

Furthermore, liquidity coverage ratio remained robust at 138.6%, well above regulatory requirements. All capital adequacy ratios show improvement and remained in full compliance with the limits set by NBC, primarily driven by a strategic reduction in risk- weight assets. Concurrently, our KHR loan ratio reached 10.5% as of December 2025, consistently maintaining its position above the required threshold.

Overall, CUBC continued to uphold exceptional liquidity standards, a solid capital foundation, and prudent risk management throughout 2025. Despite a challenging operating environment, we remained steadfast in strengthening our core business fundamentals, enhancing service quality, and accelerating digital banking capabilities to deliver sustainable, long-term value to customers, shareholders, and stakeholders.

Business Achievements and Future Plans

A defining milestone in 2025 was receiving official approval from NBC to change the Bank’s name to ***Cathay United Bank (Cambodia) Plc.*** This rebranding aligns perfectly with our corporate structure and reinforces our identity within the Cambodian banking sector. In full compliance with regulatory requirements, all domestic branch names were updated accordingly. This achievement marked a significant step in solidifying our long-term strategic direction and our commitment to sustainable growth.

Additionally, CUBC was honored to receive the 2025 Visa Award for Leadership in Credit Card Activation Rate. This prestigious recognition reflects our ongoing efforts to drive digital banking adoption and provide high-quality financial services. Such success would not have been possible without the unwavering trust of our valued customers and the tireless dedication of our management and staff.

Expanding out digital ecosystem, CUBC officially launched the Payment Link function under CUBC Merchant Service on 6 March 2025. This enhancement empowers merchants to accept online payments seamlessly by generating and sharing secure payment links. In addition, CUBC successfully obtained approval from NBC for its new Merchant Application on 13 June 2025. Following the regulatory approval, the Bank has undertaken operational preparations, system enhancements, and service readiness initiatives to ensure quality and efficiency prior to the application’s official launch in Q1 2026.

MESSAGE FROM THE PRESIDENT (continued)

Business Achievements and Future Plans (continued)

These developments underscore the Bank's dedication to digital innovation and customer-centric financial solutions.

As we look toward 2026, CUBC is actively advancing our new Head Office building project. We are currently progressing through architectural design, construction documentation, and consultations with relevant authorities for necessary approvals. We plan to host the groundbreaking ceremony in the first quarter of 2026. More than just a new physical structure, this project symbolizes our confidence in the country's financial sector. The new Head Office is expected to significantly boost out operational capacity, improve service efficiency, and support CUBC's sustainable expansion in the Cambodian market.

On behalf of the Management of the Bank, I wish to express our sincere appreciation to the National Bank of Cambodia for their continuous guidance and support. We also extend our heartfelt gratitude to our customers, shareholders, business partners, and employees for their enduring confidence and contribution our 2025 achievements.

We remain optimistic about Cambodia's economic prospects and are confident that through resilience, innovation, and prudent management, we will reach new height. CUBC remains committed to a corporate culture anchored in integrity, accountability, and innovation. We will continue to strive toward delivering long-term sustainable value to all stakeholders and fostering shared growth in the years ahead.

Best regards,

Mr. YEH, Chan-Hao, Kevin

President of Cathay United Bank (Cambodia) Plc.

BOARD OF DIRECTORS

Mr. TENG, Chung-Yi, Daniel

Chairman

Mr. Teng Chung-Yi serves as Chairman of Cathay United Bank (Cambodia) Plc. since June 2017 until now which is more than three consecutive terms. He also serves as a member of the Remuneration and Nomination Committee.

Currently, Mr. Teng holds board positions in several overseas companies, including Cathay United Bank (China) Co., Ltd., Taiwan Real-Estate Management Corp., CDIB & Partners Investment Holding Corporation, Taiwan Finance Corp. and National Credit Card Center of R.O.C.. In addition, he currently serves as President of Cathay United Bank Co., Ltd. ("CUB"), where he oversees the day-to-day operations, strategic planning, business development initiatives, and overseas corporate governance of CUB. Prior to joining Cathay Financial Holdings, Mr. Teng served as Senior Executive Vice President of Cathay Life Insurance from 1994 to 2013.

Mr. Teng holds Master of Business Administration (MBA) from the Massachusetts Institute of Technology, USA and Master of Science degree from National Tsing Hua University, Taiwan.

Mr. YEH, Chan-Hao, Kevin

Director & President

Mr. Yeh, Chan-Hao serves as President and Director of Cathay United Bank (Cambodia) Plc. ("CUBC") since June 2023 until now. He also serves as a member of Loan Committee, Risk Management and Compliance Committee, and New Activities and Products Committee.

Currently, Mr. Yeh also holds position as Director of CUBC Investment Co., Ltd. Before joining Cathay United Bank (Cambodia) Plc., Mr. Yeh had been experienced with banking sector for more than 25 years in Taiwan and worked as Senior Vice President of Cathay United Bank Co., Ltd. (Taiwan) involved in bank strategic planning as well as in-charged with credit card and service payment since 2017. As the President of CUBC, Mr. Yeh is responsible for the supervision of the Bank's daily business and operation as well as developing strategic plan.

Mr. Yeh holds several professional certificate including Bank Internal Control and Audit, Personal and Property Insurance Representative while he also holds Master of Business Administration from National Chengchi University.

Mr. SUN, David Paul, David

Director

Mr. Sun, David Paul serves as Director of Cathay United Bank (Cambodia) Plc. since 2013 and he is also the member of Audit Committee.

Currently, Mr. Sun is the Senior Executive Vice President of Cathay Financial Holdings Co., Ltd. and Cathay Life Insurance Co., Ltd. He also sits in board position of several companies such as Quantifeed Holdings Limited, Generali Investments Holding and Cathay United Bank Co., Ltd. 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 Vice President and led the Corporate Planning Division from 2009 to 2013 where he was involved in a variety of strategic planning, business development 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 holds MBA from Harvard Business School, MA from Harvard Graduate School of Design and AB from Harvard College.

BOARD OF DIRECTORS (continued)

Mr. MIAO, Hua-Ben, Benny
Director

Mr. Miao, Hua-Ben is appointed as Director of Cathay United Bank (Cambodia) Plc. since 2019 and he serves as member of Risk Management and Compliance Committee, Remuneration and Nomination Committee, and serves as Chairman of Loan Committee.

Mr. Miao has over than 15 years of experience in the banking industry. Currently, Mr. Miao works as Executive Vice President of Cathay Financial Holdings and Cathay United Bank Co., Ltd. (Taiwan) and he is now appointed as a board member of Indovina Bank Limited in April of 2025. Before joining Cathay Financial Holdings, 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. Mr. Miao holds Master of Business Administration from Pennsylvania Sate, USA in 2003.

Mr. WANG, Chih-Fong, Chris
Director

Mr. Wang, Chih-Fong serves as Director of Cathay United Bank (Cambodia) Plc. since 2021 and he is also a member of New Activity and Product Committee.

Mr. Wang has experienced in finance industry for more than 15 years. Presently, Mr. Wang works as Executive Vice President at Cathay United Bank Co., Ltd. (Taiwan). Before joining the bank, he used to hold position as the Vice President, Senior Vice President and Executive Vice President at Cathay Life Insurance, Taiwan. Mr. Wang holds the MBA from Tsinghua University, Beijing China in 2010.

Mr. HSIA, Chang-Chuan, Joseph
Independent Director

Mr. Hsia, Chang-Chuan is the Independent Director of Cathay United Bank (Cambodia) Plc. since 2013 until now. He holds position as Chairman of both Risk Management and Compliance Committee and New Activities and Products Committee, and also the member of Audit Committee and Loan Committee.

Mr. Hsia had been experience with banking business and investment for more than 30 years before his retirement as an Executive Vice President of Cathay United Bank Co., Ltd. (Taiwan) 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 To-Friend Charity Foundation in Taiwan. Mr. Hsia holds Bachelor of Business 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 appointed as Independent Director of Cathay United Bank (Cambodia) Plc. in 2024. He serves as Chairman in both Audit Committee and Remuneration and Nomination Committee.

Mr. Cheng is also an Independent Director of Goldtek Technology Co., Ltd. Before joining Cathay United Bank (Cambodia) Plc., Mr. Cheng used to be a partner at Ernst & Young (Taiwan) for more than 5 years and held Chief Level Officer position at NovaVision Group for 5 years. He has vast experience and exposure in the field of accounting, finance, securities and consulting in various industries.

Mr. Cheng is a Certified Public Accountant in Taiwan and a member of the Taipei Certified Public Accountant Association. In addition, he holds Bachelor of Business Administration from National Taipei University, MBA from China Culture University and Ph.D program of Accounting from Shanghai University of Finance and Economics.

AUDIT 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 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, compliance with laws and regulations, and the internal and external audit functions.

Term of Reference

The functions of the Audit Committee shall:

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. ensure adequacy of review procedures of the financial statements and other financial information released by the bank;
iv. resolve the issues (if any) in relation with law and regulation on accounting, financial statements and financial information disclosure;
v. provide oversight on significant risk exposure and control issues, including fraud risks, compliance with laws and regulations, governance issues;
vi. approve and monitor the appropriateness of internal audit resources, plan, and follow up of the bank;
vii. evaluate the Head of Internal Audit's performance annually;
viii. review and approve the updated of internal audit policy annually;
ix. review the roles and job responsibilities, 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);
x. make recommendations to the Board about the appointment, re-appointment or replacement of the external auditor, and the Head of Internal Audit;
xi. 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.

RISK MANAGEMENT AND COMPLIANCE COMMITTEE

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

Purpose

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

Term of Reference

The functions of the Risk Management and Compliance Committee shall:

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 provide performance evaluation on 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 delegations 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 effectiveness of the bank's compliance management;
vii. ensuring that compliance is monitored and reported on an on-going basis;
viii. ensuring that the arrangement of whistle-blowing controls are in place in order to independently investigate such matters in efficiency way and ensure that adequate controls prevent the impropriety from re-occurring;
ix. review annual department plan of Compliance and AML before BOD's approval;
x. evaluate the Compliance and AML department's performance annually;
xi. make recommendations to the Board about the appointment, re-appointment or replacement of the Compliance Officer;
xii. ensure the bank has, at the minimum, policy, procedures and controls on compliance and AML/CFT which are commensurate with bank operations and efficiency in corresponding with the risks associated with the nature of business, and complexity and volume of the transactions undertaken by the bank;
xiii. ensure the bank has an effective internal control system for compliance and AML/CFT in accordance with legal and regulatory requirements;
xiv. assess the implementation of approved AML/CFT and other compliance policies via periodic reports;
xv. 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 AND NOMINATION COMMITTEE

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

Purpose

The Remuneration and Nomination 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 and Nomination Committee shall:

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 AND 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	Director/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 and Nomination Committee shall:

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 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 who is not involved in daily operation, business development or administration.

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	Director/President

Purpose

The purpose of the Loan 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:

i. approve loan/credit transactions exceeding President's authority, with prudent and fair views;
ii. review loan/credit portfolio monitoring report (including quality, performance, sector concentration) prepared by management team;
iii. review bank's implementation on loan/credit portfolio to meet NBC regulation;
iv. 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 **Cathay United Bank (Cambodia) Plc.** (“**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 Committee, Risk Management & Compliance 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, and Vice President who has sufficient back up duty for 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.

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.

CORPORATE GOVERNANCE GUIDELINES (continued)

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 following factors shall be taken into consideration for the potential candidates:

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;

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;

CORPORATE GOVERNANCE GUIDELINES (continued)

5) BOARD MATTERS (continued)

Qualifications for Director Candidates (continued)

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.

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.

CORPORATE GOVERNANCE GUIDELINES (continued)

5) BOARD MATTERS (continued)

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;

x) Appointing and changing the legal advisers of the Bank as set forth in the Memorandum and Articles of Association ("**MAA**") which refers to the external legal counsel for significant matters including but not limited to share subscription or sale-purchase matters, merger and acquisition, trademarks and patents matter, whether for the engagement on a case-by-case basis or with a certain period of time (in principle on an annual basis). For the management of legal advisers or external legal counsel for daily business needs, it shall be under the Law Firms and Attorneys Management Principles.

Board Committees

The standing committees of the Board are the Audit Committee, Risk Management & Compliance 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.

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.

CORPORATE GOVERNANCE GUIDELINES (continued)

6) STRATEGIC OBJECTIVES & CORPORATE VALUES

Strategies & Values (continued)

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 Committee and Risk Management & Compliance 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;

CORPORATE GOVERNANCE GUIDELINES (continued)

7) CLEAR LINES OF RESPONSIBILITY (continued)

Senior Management (continued)

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

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 Committee

The 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, compliance with laws and regulations, and the internal and external audit functions.

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.

CORPORATE GOVERNANCE GUIDELINES (continued)

9) COMPENSATION POLICIES (continued)

Remuneration of CUBC's Employee (continued)

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.
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.

CORPORATE GOVERNANCE GUIDELINES (continued)

11) UNDERSTANDING OF INSTITUTION’S STRUCTURE (continued)

Risk Management (continued)

Risk Management & Compliance Committee shall be chaired by a person who is independent from day to day operations and expertise in finance and risk management. The committee shall monitor the management of the Bank wide risk and compliance and in so doing shall provide assistance to the Board in fulfilling the risk management component of its corporate governance responsibilities and to monitor the Bank compliance permanently with regulatory requirements

Financial Safeguards

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

The Audit 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) Plc. ("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 2025 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. On 11 February 2025, the Bank obtained approval from the NBC to change its legal name from Cathay United Bank (Cambodia) Corporation Limited to Cathay United Bank (Cambodia) Plc.

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 in Phnom Penh and its provincial branches.

The Bank's registered address is at No. 48, Samdech Pan Street (Street 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 2025 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 recognizing 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.

REPORT OF THE BOARD OF DIRECTORS (continued)

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 required disclosure or adjustment to the financial statements.

REPORT OF THE BOARD OF DIRECTORS (continued)

THE BOARD OF DIRECTORS

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

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

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 2025, 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.

REPORT OF THE BOARD OF DIRECTORS (continued)

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 2025, 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,

Teng Chung Yi
Chairman

Yeh Chan Hao
President

Phnom Penh, Kingdom of Cambodia
11 March 2026

PRODUCTS AND SERVICES

BUSINESS BANKING

DEPOSIT ACCOUNTS
- Current Account
- Business Savings Account

REMITTANCES
- Inward & Outward Remittances
- Cashier's Orders
- Amendment / Tracer / Refund

CREDIT FACILITIES
- Commercial Loan

ONLINE BANKING
- Global MyB2B

PAYROLL SERVICE

ESCROW SERVICE

MERCHANT SERVICE

INTERNATIONAL TRADE

PERSONAL BANKING

DEPOSIT ACCOUNTS
- Current Account
- Savings Account
- Fixed Deposit

REMITTANCES
- Inward & Outward Remittances
- Cashier's Orders
- Amendment / Tracer / Refund

BORROWING SOLUTIONS
- Individual loan

ONLINE BANKING
- iBanking
- mBanking
- Digital Account
- Merchant App

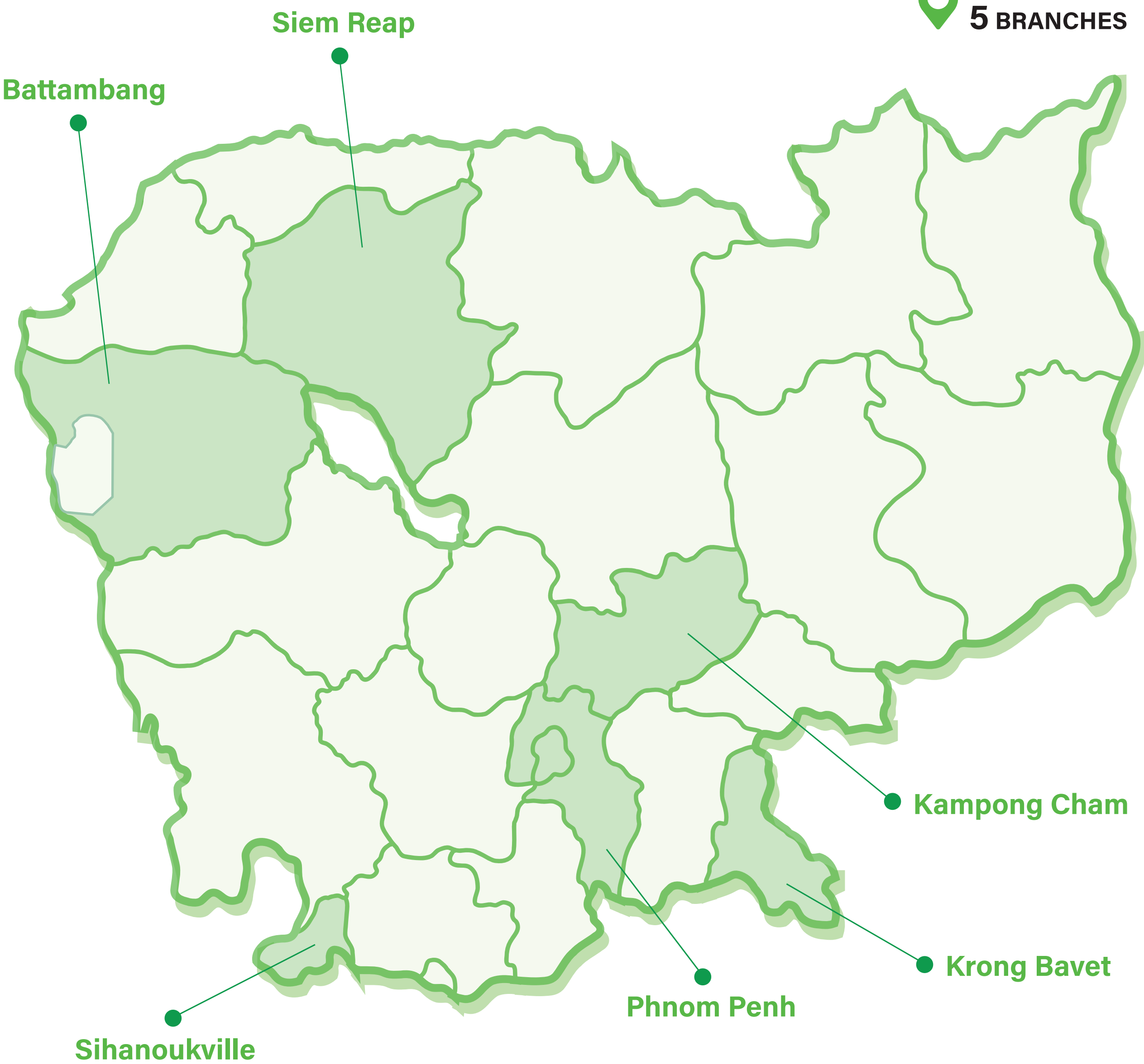
ATM
- ATM Service

PERSONAL CARDS
- Credit Cards
- Debit Cards

SERVICE NETWORK

PHNOM PENH
9 BRANCHES

PROVINCIAL
5 BRANCHES



HEAD OFFICE

Building Nº 48, Samdach Pan Street, Phum 5, Sangkat Boeng Reang, Khan Doun Penh, Phnom Penh

Tel: (855) 23 211 211

Swift: CSBC KHPP

SERVICE NETWORK (Continued)

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN PRAMPIR MEAKKAKRA - SANGKAT VEAL VONG)

Former Name: Nehru Branch

Nº 168GE$_0$, Jawaharla Nehru Blvd., Sangkat Veal Vong, Khan Prampir Meakkakra, Phnom Penh.

Tel: 023 88 13 22

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN BOENG KENG KANG - SANGKAT TUOL SVAY PREY TI MUOY)

Former Name: Mao Tse Tuong Branch

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

Tel: 023 22 30 95

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN SAENSOKH - SANGKAT TUEK THLA)

Former Name: Phsar Hengly Branch

Nº 2E$_0$ - E$_2$, Street Nº 271 corner Street Nº 2002, Sangkat Tuek Thla, Khan SaenSokh, Phnom Penh.

Tel: 023 88 77 55

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN MEAN CHEY - SANGKAT STUENG MEAN CHEY 2)

Former Name: Stueng Mean Chey Branch

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

Tel: 023 42 46 61

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN CHAMKAR MON - SANGKAT TUOL TUMPUNG TI PIR)

Former Name: Toul Tumpoung II Branch

Nº 94, Street Nº 271, Sangkat Tuol Tumpung Ti Pir, Khan Chamkar Mon, Phnom Penh.

Tel: 023 22 02 38

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN PUR SENCHEY - SANGKAT KAKAB 2)

Former Name: Chaom Chau Branch

Nº 8C & 9C E$_0$+E$_1$, Russia Federation Blvd., Corner of New Road, Group 3, Phum Kbal Damrei 2, Sangkat Kakab 2, Khan Pur SenChey Phnom Penh.

Tel: 023 23 13 21

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN CHBAR AMPOV - SANGKAT CHBAR APOV TI PIR)

Former Name: Chbar Ampov Branch

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

Tel: 023 72 01 72

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN DOUN PENH - SANGKAT SRAH CHAK)

Former Name: Stat Chas Branch

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

Tel: 023 90 16 08

SERVICE NETWORK (Continued)

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KHAN SAENSOKH - SANGKAT KOUK KHLEANG)

Former Name: Saensokh Branch

Lot Nº 1212, Street Nº 1019, Phum Roung Chakr 1, Sangkat Kouk Khleang, Khan Saensokh, Phnom Penh.

Tel: 023 99 06 88

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KRONG BAVET - SANGKAT BAVET)

Former Name: Krong Bavet Branch

Manhattan Special Economic Zone, National Road Nº 1, Phum Ta Pov, Sangkat Bavet, Krong Bavet, Svay Rieng Province.

Tel: 044 94 63 03

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (BATTAMBANG PROVINCE)

Former Name: Battambang Provincial Branch

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

Tel: 053 95 33 39

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (SIEMREAP PROVINCE)

Former Name: Siem Reap Branch

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

Tel: 063 96 38 38

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KAMPONG CHAM PROVINCE)

Former Name: Kampong Cham Provincial Branch

Nº 100, Street Nº 7, Phum Ti Prammuoy, Sangkat Veal Vong, Krong Kampong Cham, Kampong Cham Province.

Tel: 042 94 14 08

LOCAL BRANCH OF CATHAY UNITED BANK (CAMBODIA) PLC. (KRONG PREAH SIHANOUK - SANGKAT PIR)

Former Name: Sihanoukville Branch

Nº 255, Ekareach Street, Group 14, Phum 2, Sangkat Pir, Krong Preah Sihanouk, Preah Sihanouk Province.

Tel: 034 93 42 28

CSR AND EMPLOYEE'S ACTIVITIES

BLOOD DONATION CAMPAIGN

14 February 2025

Cathay United Bank (Cambodia) Plc. collaborated with the National Blood Transfusion Center to organize a blood donation campaign joined by the Bank's management and staff.

Through this meaningful activity, CUBC aims to support those in need while inspiring greater community contribution and compassion.

CONTRIBUTION TO CAMBODIAN RED CROSS

02 June 2025

Cathay United Bank (Cambodia) Plc. is honored to contribute KHR 4,000,000 (Four Million Riel) to Cambodian Red Cross in celebration of the 162nd Anniversary of World Red Cross and Red Crescent Day on 8 May 2025, as well as the 70th Anniversary of the Cambodian Red Cross, held under the theme:

"Together in Volunteering for Healthier and Climate-Resilient Communities."

CSR AND EMPLOYEE'S ACTIVITIES (continued)

WOMEN'S HEALTH AWARENESS SESSION

23 June 2025

With a strong commitment to employee well-being, Cathay United Bank (Cambodia) Plc. partnered with Orkide Hospital on 23 June 2025 to conduct a women's health awareness session at the Bank's Head Office, attended by 75 female staff both onsite and online.

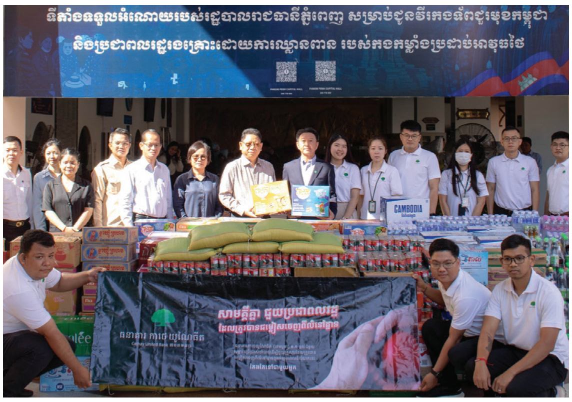
The session covered general wellness, nutrition, reproductive health, preventive care, and regular health checkups.

The Bank hopes this initiative will help employees improve their health awareness and well-being.

A MOMENT OF CARE FOR OUR COMMUNITY

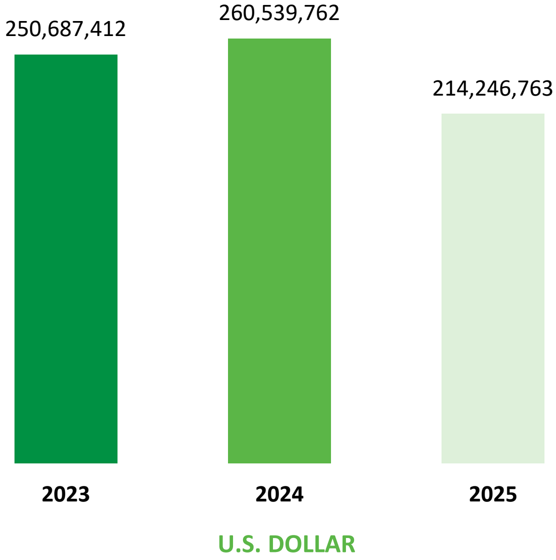
30 December 2025

During this difficult time, Cathay United Bank (Cambodia) Plc. together with its employees provided essential supplies through Phnom Penh Capital Hall to support displaced families and affected communities. Beyond banking services, we remain committed to standing with the community and extending support where it is needed most.

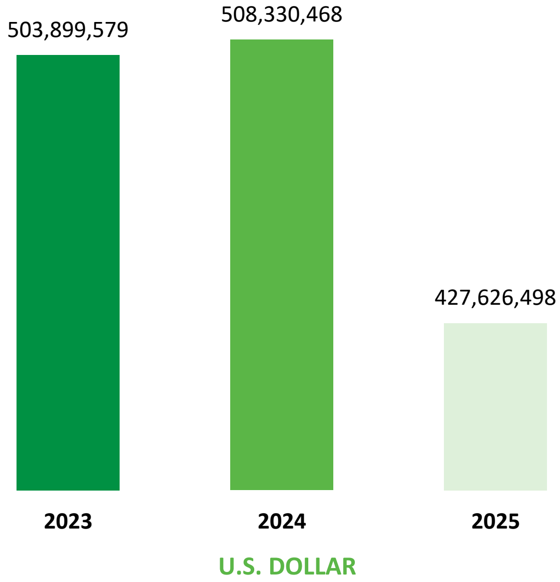


FINANCIAL HIGHLIGHTS

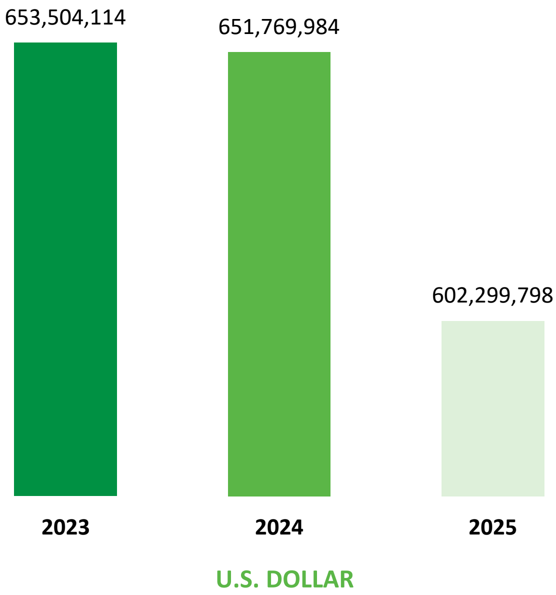
Customer Deposits



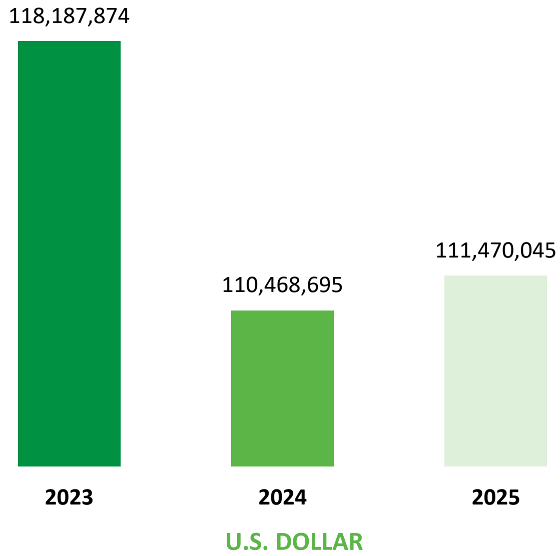
Gross Loan



Total Assets



Shareholder's Equity



INDEPENDENT AUDITOR'S REPORT

To: The Shareholder of Cathay United Bank (Cambodia) Plc.

Opinion

We have audited the consolidated financial statements of Cathay United Bank (Cambodia) Plc. ("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 2025, 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 2025, 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 Prakas issued by the Ministry of Economy and Finance of Cambodia on Code of Ethics for Professional Accountants and Auditors as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Cambodia. We have also 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.

INDEPENDENT AUDITOR’S REPORT (continued)

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
11 March 2026

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2025

	Notes	2025 US$	2025 KHR'000 (Note 2.5)	2024 US$	2024 KHR'000 (Note 2.5)
ASSETS					
Cash on hand	3	11,671,109	46,836,160	14,029,649	56,469,337
Balances with the National Bank of Cambodia ("NBC")	4	106,098,471	425,773,164	70,987,435	285,724,426
Balances with other financial institutions	5	43,586,483	174,912,556	41,612,422	167,489,999
Loans and advances to customers	6	426,395,764	1,711,126,201	506,505,025	2,038,682,726
Investment in securities	7	25,588	102,685	4,967,804	19,995,411
Property and equipment	9	5,267,427	21,138,185	5,870,864	23,630,228
Right-of-use assets	10	2,902,712	11,648,583	2,141,250	8,618,531
Software costs	11	1,857,296	7,453,329	1,160,639	4,671,572
Income tax credit	12.2	398,618	1,599,654	-	-
Deferred tax assets, net	12.3	275,678	1,106,296	869,189	3,498,486
Other assets	13	3,820,652	15,332,276	3,625,707	14,593,471
TOTAL ASSETS		**602,299,798**	**2,417,029,089**	**651,769,984**	**2,623,374,187**
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other financial institutions	14	268,893,415	1,079,069,274	264,290,782	1,063,770,398
Deposits from customers	15	216,165,746	867,473,139	262,960,555	1,058,416,234
Borrowings	16	-	-	9,198,094	37,022,328
Lease liabilities	17	2,928,272	11,751,156	2,173,941	8,750,113
Income tax payable	12.2	-	-	31,095	125,157
Provision for off-balance sheet items	18	71,928	288,647	59,340	238,844
Other liabilities	19	2,770,392	11,117,582	2,587,482	10,414,616
TOTAL LIABILITIES		**490,829,753**	**1,969,699,798**	**541,301,289**	**2,178,737,690**
EQUITY					
Share capital	20	100,000,000	407,500,000	100,000,000	407,500,000
Regulatory reserve	21	20,586,134	83,299,279	9,372,904	38,323,013
(Accumulated losses) /Retained earnings		(9,116,089)	(36,816,650)	1,095,791	4,143,200
Cumulative exchange differences on translation		-	(6,653,338)	-	(5,329,716)
TOTAL EQUITY		**111,470,045**	**447,329,291**	**110,468,695**	**444,636,497**
TOTAL LIABILITIES AND EQUITY		**602,299,798**	**2,417,029,089**	**651,769,984**	**2,623,374,187**

The accompany notes on pages 46 to 151 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2025

	Notes	2025		2024	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Interest income	22	43,333,592	173,811,038	46,823,799	190,619,686
Interest expense	23	(18,720,515)	(75,087,986)	(22,712,023)	(92,460,646)
Net interest income		**24,613,077**	**98,723,052**	**24,111,776**	**98,159,040**
Fee and commission income	24	1,923,498	7,715,150	1,677,716	6,829,982
Fee and commission expense	24	(896,743)	(3,596,836)	(905,282)	(3,685,403)
Net fee and commission income	**24**	**1,026,755**	**4,118,314**	**772,434**	**3,144,579**
Net impairment losses on financial assets	25	(6,146,066)	(24,651,871)	(15,095,956)	(61,455,637)
Other operating income	26	311,188	1,248,175	582,931	2,373,112
Net operating income		**19,804,954**	**79,437,670**	**10,371,185**	**42,221,094**
Personnel expenses	27	(9,081,034)	(36,424,027)	(9,419,956)	(38,348,641)
Depreciation and amortization	28	(2,618,375)	(10,502,301)	(2,685,748)	(10,933,679)
Other operating expenses	29	(6,515,059)	(26,131,902)	(6,720,138)	(27,357,683)
Profit/(loss) before income tax		**1,590,486**	**6,379,440**	**(8,454,657)**	**(34,418,909)**
Income tax (expense)/benefit	12.1	(589,136)	(2,363,024)	735,478	2,994,131
Net profit/(loss) for the year		**1,001,350**	**4,016,416**	**(7,719,179)**	**(31,424,778)**
Other comprehensive loss:					
Exchange differences on translation		-	(1,323,622)	-	(6,736,190)
Total comprehensive income/(loss) for the year		**1,001,350**	**2,692,794**	**(7,719,179)**	**(38,160,968)**

The accompany notes on pages 46 to 151 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2025

	Share capital		*Regulatory reserve*		*(Accumulated losses)/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 2025	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
Net profit for the year	-	-	-	-	1,001,350	4,016,416	-	1,001,350	4,016,416
Exchange differences on translation	-	-	-	-	-	-	(1,323,622)	-	(1,323,622)
Total comprehensive income for the year	-	-	-	-	1,001,350	4,016,416	(1,323,622)	1,001,350	2,692,794
Transfer from retained earnings to regulatory reserve	-	-	11,213,230	44,976,266	(11,213,230)	(44,976,266)	-	-	-
As at 31 December 2025	**100,000,000**	**407,500,000**	**20,586,134**	**83,299,279**	**(9,116,089)**	**(36,816,650)**	**(6,653,338)**	**111,470,045**	**447,329,291**
As at 1 January 2025	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**

The accompany notes on pages 46 to 151 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2025

	Notes	2025		2024	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Operating activities					
Profit/(loss) before income tax		1,590,486	6,379,440	(8,454,657)	(34,418,909)
Adjustments for:					
Net impairment losses on financial instruments	25	6,146,066	24,651,871	15,095,956	61,455,637
Depreciation and amortization	28	2,618,375	10,502,301	2,685,748	10,933,679
Gain on disposals of property and equipment		(5,057)	(20,284)	(11,181)	(45,518)
Loss on write-offs of property and equipment		-	-	88,649	360,890
		10,349,870	**41,513,328**	**9,404,515**	**38,285,779**
Changes in:					
Balances with the NBC		2,909,936	11,671,753	9,399,943	38,267,168
Balances with other financial institutions		19,277,922	77,323,745	(11,260,933)	(45,843,258)
Loans and advances to customers		73,807,735	296,042,825	(20,400,410)	(83,050,069)
Other assets		4,590,452	18,412,303	594,697	2,421,011
Deposits from other financial institutions		4,602,633	18,461,161	163,054,159	663,793,481
Deposits from customers		(46,794,809)	(187,693,979)	10,029,291	40,829,244
Other liabilities		214,286	859,501	5,433,380	22,119,290
Cash flows from operations		**68,958,025**	**276,590,637**	**166,254,642**	**676,822,646**
Income tax paid	12.2	(425,338)	(1,706,031)	(485,148)	(1,975,038)
Net cash flows from operating activities		**68,532,687**	**274,884,606**	**165,769,494**	**674,847,608**

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2025

	Notes	*2025*		*2024*	
		US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Investing activities					
Interest received from investment in securities		275,000	1,103,025	292,095	1,189,119
Purchases of property and equipment	9	(499,623)	(2,003,988)	(259,517)	(1,056,494)
Purchases of software	11	(1,118,971)	(4,488,193)	(274,746)	(1,118,491)
Proceeds from disposal of property and equipment		13,220	53,025	11,181	45,518
Net cash flows used in investing activities		**(1,330,374)**	**(5,336,131)**	**(230,987)**	**(940,348)**
Financing activities					
Proceeds from borrowings	16	-	-	163,000,000	663,573,000
Repayments of borrowings	16	(9,229,470)	(37,019,404)	(334,728,164)	(1,362,678,356)
Payments of principal portion of lease liabilities		(1,108,295)	(4,445,371)	(1,219,773)	(4,965,696)
Net cash flows used in financing activities		**(10,337,765)**	**(41,464,775)**	**(172,947,937)**	**(704,071,052)**
Net increase/(decrease) in cash and cash equivalents		**56,864,548**	**228,083,700**	**(7,409,430)**	**(30,163,792)**
Cash and cash equivalents at beginning of year		60,298,472	242,701,350	67,707,902	276,586,779
Exchange differences on translation		-	(609,851)	-	(3,721,637)
Cash and cash equivalents at end of year	**3**	**117,163,020**	**470,175,199**	**60,298,472**	**242,701,350**

Additional information on operational cash flows from interest:

Interest received	41,993,524	168,436,025	46,031,749	187,395,250
Interest paid	(19,473,570)	(78,108,489)	(25,486,221)	(103,754,406)

The accompany notes on pages 46 to 151 form an integral part of these financial statements.

SEPARATE STATEMENT OF FINANCIAL POSITION
as at 31 December 2025

	Notes	2025		2024	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
ASSETS					
Cash on hand	3	11,671,109	46,836,160	14,029,649	56,469,337
Balances with the NBC	4	106,098,471	425,773,164	70,987,435	285,724,426
Balances with other financial institutions	5	43,586,483	174,912,556	41,612,422	167,489,999
Loans and advances to customers	6	426,395,764	1,711,126,201	506,505,025	2,038,682,726
Investment in securities	7	25,588	102,685	4,967,804	19,995,411
Investment in subsidiary	8	1,548,400	6,213,729	1,548,400	6,232,310
Property and equipment	9	3,719,307	14,925,579	4,322,744	17,399,045
Right-of-use assets	10	5,510,730	22,114,559	4,822,427	19,410,269
Software costs	11	1,857,296	7,453,329	1,160,639	4,671,572
Income tax credit	12.2	431,061	1,729,848	-	-
Deferred tax assets, net	12.3	275,678	1,106,296	869,189	3,498,486
Other assets	13	3,820,596	15,332,052	3,625,707	14,593,471
TOTAL ASSETS		**604,940,483**	**2,427,626,158**	**654,451,441**	**2,634,167,052**
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other financial institutions	14	268,893,415	1,079,069,274	264,290,782	1,063,770,398
Deposits from customers	15	216,385,506	868,355,036	263,022,070	1,058,663,832
Borrowings	16	-	-	9,198,094	37,022,328
Lease liabilities	17	5,719,935	22,954,099	4,982,751	20,055,573
Income tax payable	12.2	-	-	20,106	80,927
Provision for off-balance sheet items	18	71,928	288,647	59,340	238,844
Other liabilities	19	2,767,497	11,105,965	2,584,586	10,402,959
TOTAL LIABILITIES		**493,838,281**	**1,981,773,021**	**544,157,729**	**2,190,234,861**
EQUITY					
Share capital	20	100,000,000	407,500,000	100,000,000	407,500,000
Regulatory reserves	21	20,586,134	83,299,279	9,372,904	38,323,013
(Accumulated losses)/retained earnings		(9,483,932)	(38,296,524)	920,808	3,436,888
Cumulative exchange differences on translation		-	(6,649,618)	-	(5,327,710)
TOTAL EQUITY		**111,102,202**	**445,853,137**	**110,293,712**	**443,932,191**
TOTAL LIABILITIES AND EQUITY		**604,940,483**	**2,427,626,158**	**654,451,441**	**2,634,167,052**

The accompany notes on pages 46 to 151 form an integral part of these financial statements.

SEPARATE STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2025

	Notes	2025		2024	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Interest income	22	43,333,592	173,811,038	46,823,799	190,619,686
Interest expense	23	(18,896,246)	(75,792,843)	(22,856,370)	(93,048,282)
Net interest income		**24,437,346**	**98,018,195**	**23,967,429**	**97,571,404**
Fee and commission income	24	1,923,498	7,715,150	1,677,716	6,829,982
Fee and commission expense	24	(896,743)	(3,596,836)	(905,270)	(3,685,354)
Net fee and commission income	**24**	**1,026,755**	**4,118,314**	**772,446**	**3,144,628**
Net impairment losses on financial assets	25	(6,146,066)	(24,651,871)	(15,095,956)	(61,455,637)
Other operating income	26	311,279	1,248,540	592,464	2,411,921
Net operating income		**19,629,314**	**78,733,178**	**10,236,383**	**41,672,316**
Personnel expenses	27	(9,081,034)	(36,424,027)	(9,419,956)	(38,348,641)
Depreciation and amortization	28	(2,686,919)	(10,777,232)	(2,743,200)	(11,167,567)
Other operating expenses	29	(6,497,946)	(26,063,261)	(6,447,001)	(26,245,741)
Profit/(loss) before income tax		**1,363,415**	**5,468,658**	**(8,373,774)**	**(34,089,633)**
Income tax (expense)/benefit	12.1	(554,925)	(2,225,804)	748,156	3,045,743
Net profit/(loss) for the year		**808,490**	**3,242,854**	**(7,625,618)**	**(31,043,890)**
Other comprehensive loss:					
Exchange differences on translation		-	(1,321,908)	-	(6,724,381)
Total comprehensive income/(loss) for the year		**808,490**	**1,920,946**	**(7,625,618)**	**(37,768,271)**

The accompany notes on pages 46 to 151 form an integral part of these financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2025

	Share capital		*Regulatory reserve*		*(Accumulated losses)/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 2025	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
Net profit for the year	-	-	-	-	808,490	3,242,854	-	808,490	3,242,854
Exchange differences on translation	-	-	-	-	-	-	(1,321,908)	-	(1,321,908)
Total comprehensive income for the year	-	-	-	-	808,490	3,242,854	(1,321,908)	808,490	1,920,946
Transfers from retained earnings to regulatory reserves	-	-	11,213,230	44,976,266	(11,213,230)	(44,976,266)	-	-	-
At 31 December 2025	**100,000,000**	**407,500,000**	**20,586,134**	**83,299,279**	**(9,483,932)**	**(38,296,524)**	**(6,649,618)**	**111,102,202**	**445,853,137**
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**

The accompany notes on pages 46 to 151 form an integral part of these financial statements.

SEPARATE STATEMENT OF CASH FLOWS
for the year ended 31 December 2025

	Notes	2025		2024	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Operating activities					
Profit/(loss) before income tax		1,363,415	5,468,658	(8,373,774)	(34,089,633)
Adjustments for:					
Net impairment losses on financial instruments	25	6,146,066	24,651,871	15,095,956	61,455,637
Depreciation and amortization	28	2,686,919	10,777,232	2,743,200	11,167,567
Gain on disposals of property and equipment		(5,057)	(20,284)	(11,181)	(45,518)
Loss on write-offs of property and equipment		-	-	88,649	360,890
Gain on lease termination	17	-	-	(9,439)	(38,426)
		10,191,343	**40,877,477**	**9,533,411**	**38,810,517**
Changes in:					
Balances with the NBC		2,909,936	11,671,753	9,399,943	38,267,168
Balances with other financial institutions		19,277,922	77,323,745	(11,260,933)	(45,843,258)
Loans and advances to customers		73,807,735	296,042,825	(20,400,410)	(83,050,069)
Other assets		4,595,123	18,431,038	592,634	2,412,612
Deposits from other financial institutions		4,602,633	18,461,161	163,054,159	663,793,481
Deposits from customers		(46,636,564)	(187,059,258)	9,908,505	40,337,523
Other liabilities		214,287	859,505	5,433,184	22,118,492
Cash flows from operations		**68,962,415**	**276,608,246**	**166,260,493**	**676,846,466**
Income tax paid	12.2	(412,581)	(1,654,862)	(476,560)	(1,940,076)
Net cash flows from operating activities		**68,549,834**	**274,953,384**	**165,783,933**	**674,906,390**

SEPARATE STATEMENT OF CASH FLOWS (continued)
for the year ended 31 December 2025

	Notes	2025		2024	
		US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Investing activities					
Interest received from investment in securities		275,000	1,103,025	292,095	1,189,119
Purchases of property and equipment	9	(499,623)	(2,003,988)	(259,517)	(1,056,494)
Purchases of software	11	(1,118,971)	(4,488,193)	(274,746)	(1,118,491)
Proceeds from disposals of property and equipment		13,220	53,025	11,181	45,518
Net cash flows used in investing activities		**(1,330,374)**	**(5,336,131)**	**(230,987)**	**(940,348)**
Financing activities					
Proceeds from borrowings	16	-	-	163,000,000	663,573,000
Repayment of borrowings	16	(9,229,470)	(37,019,404)	(334,728,164)	(1,362,678,356)
Payments of principal portion of lease liabilities		(1,125,442)	(4,514,148)	(1,234,212)	(5,024,477)
Net cash flows used in financing activities		**(10,354,912)**	**(41,533,552)**	**(172,962,376)**	**(704,129,833)**
Net increase/(decrease) in cash and cash equivalents		**56,864,548**	**228,083,701**	**(7,409,430)**	**(30,163,791)**
Cash and cash equivalents at beginning of year		60,298,472	242,701,350	67,707,902	276,586,779
Exchange differences on translation		-	(609,852)	-	(3,721,638)
Cash and cash equivalents at end of year	**3**	**117,163,020**	**470,175,199**	**60,298,472**	**242,701,350**

Additional information on operational cash flow from interest:

Interest received	41,993,524	168,436,025	46,031,749	187,395,250
Interest paid	(19,473,570)	(78,108,489)	(25,486,221)	(103,754,406)

The accompany notes on pages 46 to 151 form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
as at 31 December 2025 and for the year then ended

1. CORPORATE INFORMATION

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. On 11 February 2025, the Bank obtained approval from the NBC to change its legal name from Cathay United Bank (Cambodia) Corporation Limited to Cathay United Bank (Cambodia) Plc.

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 in Phnom Penh and its provincial branches.

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

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.

As at 31 December 2025, the Bank has a total of 567 employees (2024: 620 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 11 March 2026.

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").

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.3 Presentation of consolidated and separate financial statements

The Group and the Bank present 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 recognized 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:

	2025	*2024*
Closing rate	4,013	4,025
Average rate	4,011	4,071

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 depend 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 amortized 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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.

(vii) Leases

The Group and the Bank determine 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 (continued)

The Group and the Bank have 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.

2.7 Material accounting policies

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

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 amortized 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.

- 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 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 amortized 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.

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).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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 (continued)

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.

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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)

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.

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:

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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)

- 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.

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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)

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.

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 amortized 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 amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

2.7.1 Financial instruments (continued)

(ii) Financial liabilities (continued)

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 amortized costs less impairment, if any.

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.

2.7.5 Loans and advances to customers

Loans and advances to customers include loans and advances measured at amortized cost; they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortized 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 amortized cost *(see Note 7)*; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortized 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

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 improvement	8 years
Furniture and fittings	8 years
Motor vehicles	3 - 8 years
Equipment	5 - 8 years

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 amortized 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 are ranged from 3 to 5 years.

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

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.

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

Land	3 - 50 years
Buildings and office branches	3 - 10 years
Motor vehicles	2 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 amortized 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

2.7.11 Leases (continued)

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").

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 amortized 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 amortized cost using effective interest method.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

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.

2.7.16 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

2.7.17 Provisions (continued)

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:

(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.

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%

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

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 amortized 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.

Amortized cost and gross carrying amount

The 'amortized 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 amortized 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 amortized 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 amortized 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 amortized 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 measured at amortized cost.

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

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

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.

2.7.22 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.7 Material accounting policies (continued)

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.

2.8 Amendments to CIFRSs issued and adopted

The Group and the Bank has applied the following amendments for their annual reporting period commencing on 1 January 2025:

- Lack of exchangeability – Amendments to CIAS 21

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

2.9 Standards issued but not yet effective

New and amended standards and interpretations that are issued but not yet effective are being assessed by the Group and the Bank to determine the impact on the financial statements.

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

On 30 May 2024, Amendments were issued to CIFRS 9 and CIFRS 7, Amendments to the Classification and Measurement of Financial Instruments. The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and liabilities
- A clarification that a financial liability is derecognized on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognize financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

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. Based on the initial assessment performed, the amendments in these areas are not expected to have a material impact on the financial statements, however, the assessment is yet to be concluded.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Standards issued but not yet effective (continued)

2.9.2 Contracts Referencing Nature-dependent Electricity - Amendments to CIFRS 9 and CIFRS 7

In December 2024, the IASB issued Amendments to CIFRS 9 and CIFRS 7 - Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity.

The amendments:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add 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 take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the CIFRS 7 disclosure amendments must be implemented alongside the CIFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

The Group and the Bank does not expect that the amendments will have a material impact on its financial statements.

2.9.3 CIFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued CIFRS 18 Presentation and Disclosure in Financial Statements, which replaces CIAS 1 Presentation of Financial Statements. CIFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, narrow-scope amendments have been made to CIAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

CIFRS 18 is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. CIFRS 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.

2.9.4 CIFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued CIFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other CIFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in CIFRS 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

2. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

2.9 Standards issued but not yet effective (continued)

2.9.4 CIFRS 19 Subsidiaries without Public Accountability: Disclosures (continued)

CIFRS 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			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Cash on hand	10,748,842	43,135,103	12,641,262	50,881,080
Cash in ATM	922,267	3,701,057	1,388,387	5,588,257
	11,671,109	**46,836,160**	**14,029,649**	**56,469,337**

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

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Cash on hand	11,671,109	46,836,160	14,029,649	56,469,337
Balances with the NBC *(Note 4)*	75,899,556	304,584,918	37,878,584	152,461,301
Balances with other financial institutions *(Note 5)*	29,592,355	118,754,121	8,390,239	33,770,712
	117,163,020	**470,175,199**	**60,298,472**	**242,701,350**

4. BALANCES WITH THE NBC

Balances with the NBC comprise:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Current accounts	74,674,692	299,669,539	35,363,847	142,339,485
Reserve requirement	20,198,915	81,058,246	23,108,851	93,013,125
Capital guarantee deposits	10,000,000	40,130,000	10,000,000	40,250,000
Negotiable certificate of deposits with original term:				
less than three months	1,224,864	4,915,379	2,514,737	10,121,816
	106,098,471	**425,773,164**	**70,987,435**	**285,724,426**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

4. BALANCES WITH THE NBC (continued)

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%

The NBC subsequently issued several notification letters notifying banks to maintain reserve requirements for customer deposits and borrowings in foreign currencies at rate of 7% until 31 December 2026.

Capital guarantee deposits

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.

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.

Interest rates

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

	2025	*2024*
Current account	Nil	Nil
Reserve requirement	Nil	Nil
Capital guarantee	1.03% - 1.06%	1.29% - 1.31%
NCDs	0.10% - 1.33%	0.52% - 1.33%

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

5. BALANCES WITH OTHER FINANCIAL INSTITUTIONS

Balances with other financial institutions comprise of:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Current accounts	14,573,763	58,484,511	8,390,239	33,770,712
Time deposits with original term:				
less than three months	15,018,592	60,269,610	-	-
more than three months	14,279,290	57,302,790	33,557,212	135,067,779
Carrying amount - gross	**43,871,645**	**176,056,911**	**41,947,451**	**168,838,491**
Allowance for ECLs	(285,162)	(1,144,355)	(335,029)	(1,348,492)
Carrying amount – net	**43,586,483**	**174,912,556**	**41,612,422**	**167,489,999**

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

	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	335,029	1,348,492	270,336	1,104,323
(Reversal)/provision for the year *(Note 25)*	(49,867)	(200,017)	64,693	263,365
Exchange difference on translation	-	(4,120)	-	(19,196)
At 31 December	**285,162**	**1,144,355**	**335,029**	**1,348,492**

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

	2025	*2024*
Current accounts	0.00% - 1.50%	0.00% - 1.50%
Time deposits	1.50% - 6.30%	3.00% - 7.50%

6. LOANS AND ADVANCES TO CUSTOMERS

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Financial institutions	31,099,863	124,803,750	53,751,111	216,348,222
Non-financial institutions	395,295,901	1,586,322,451	452,753,914	1,822,334,504
	426,395,764	**1,711,126,201**	**506,505,025**	**2,038,682,726**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

6. LOANS AND ADVANCES TO CUSTOMERS (continued)

Breakdown of loans and advances to customers are as follows:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Financial institutions:				
Term Loan	31,591,479	126,776,605	53,938,613	217,102,917
Overdraft	-	-	163,041	656,240
Non-financial institutions:				
Housing loans	329,171,876	1,320,966,738	356,107,870	1,433,334,177
Term loans	48,394,096	194,205,507	73,570,036	296,119,395
Overdrafts	13,887,398	55,730,128	16,424,953	66,110,436
Staff loans	9,431,748	37,849,605	10,553,022	42,475,914
Credit card facilities	1,824,648	7,322,312	1,816,371	7,310,893
Carrying amount - gross	**434,301,245**	**1,742,850,895**	**512,573,906**	**2,063,109,972**
Allowance for ECLs	(7,905,481)	(31,724,694)	(6,068,881)	(24,427,246)
Carrying amount - net	**426,395,764**	**1,711,126,201**	**506,505,025**	**2,038,682,726**

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

	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	6,068,881	24,427,246	5,736,252	23,432,589
Provision for the year *(Note 25)*	7,158,268	28,711,813	16,020,990	65,221,450
Write-offs *(Note 32.B.iv)*	(5,321,668)	(21,345,210)	(15,688,361)	(63,867,318)
Exchange difference on translation	-	(69,155)	-	(359,475)
At 31 December	**7,905,481**	**31,724,694**	**6,068,881**	**24,427,246**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

6. LOANS AND ADVANCES TO CUSTOMERS (continued)

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

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
By maturity:				
Within 1 month	1,503,084	6,031,875	2,068,262	8,324,755
Within 1 to 3 months	1,708,768	6,857,286	6,275,084	25,257,213
Within 3 to 12 months	22,682,396	91,024,455	40,899,883	164,622,029
Within 1 to 5 years	63,063,766	253,074,893	91,870,551	369,778,968
More than 5 years	345,343,231	1,385,862,386	371,460,126	1,495,127,007
	434,301,245	**1,742,850,895**	**512,573,906**	**2,063,109,972**
By relationship:				
Staff loans	9,506,297	38,148,769	10,553,022	42,475,914
Non-related parties	424,794,948	1,704,702,126	502,020,884	2,020,634,058
	434,301,245	**1,742,850,895**	**512,573,906**	**2,063,109,972**
By currency:				
US$	389,094,550	1,561,436,428	445,135,466	1,791,670,251
KHR	45,206,695	181,414,467	67,438,440	271,439,721
	434,301,245	**1,742,850,895**	**512,573,906**	**2,063,109,972**

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

	2025	*2024*
Financial institutions		
Term loans	6.50% - 8.50%	6.50% - 8.30%
Overdrafts	6.50%	7.50%
Non-financial institutions		
Term loans	4.50% - 14.50%	7.20% - 14.50%
Housing loans	6.50% -10.00%	4.50% -12.50%
Overdrafts	6.50% - 9.00%	7.50% - 9.00%
Staff loans	4.50% -12.50%	4.50% -12.50%
Credit card	18.00% - 24.00%	18.00% - 24.00%

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

7. INVESTMENT IN SECURITIES

	Group and Bank			
	2025		2024	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Investment in securities designated as FVOCI – equity investments	25,588	102,685	25,588	102,992
Investment in securities measured at amortized cost	-	-	4,942,216	19,892,419
	25,588	**102,685**	**4,967,804**	**19,995,411**

7.1 *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

	2025		2024	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Investment in CBC	**25,588**	**102,685**	**25,588**	**102,992**

Dividend income

	2025		2024	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Investment in CBC	**49,320**	**197,823**	**48,144**	**195,994**

7.2 *Investment in securities measured at amortized cost*

	Group and Bank			
	2025		2024	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Gross carrying of corporate bond held at Cambodia Airport Investment Co., Ltd	-	-	5,057,260	20,355,471
Allowance for ECLs	-	-	(115,044)	(463,052)
Carrying amount - net	**-**	**-**	**4,942,216**	**19,892,419**

On 18 October 2022, the Group and the Bank invested in corporate bond issued by the Cambodia Airport Investment Co., Ltd. The corporate bond earned interest at rate of 5.5% per annum. This corporate bond had maturity term of 3 years, which matured and settled on 17 October 2025.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

7. INVESTMENT IN SECURITIES

7.2 Investment in securities measured at amortized cost

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

	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	115,044	463,052	171,571	700,868
Reversal for the year *(Note 25)*	(115,044)	(461,441)	(56,527)	(230,121)
Exchange difference on translation	-	(1,611)	-	(7,695)
At 31 December	**-**	**-**	**115,044**	**463,052**

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 2025	1,548,120	621,880	2,838,114	656,712	684,630	7,507,730	286,603	14,143,789
Additions	-	-	3,218	-	-	77,255	419,150	499,623
Disposals	-	-	(33,718)	(15,966)	(2,570)	(175,148)	-	(227,402)
Write-offs	-	-	-	(673)	-	(101,585)	-	(102,258)
At 31 December 2025	**1,548,120**	**621,880**	**2,807,614**	**640,073**	**682,060**	**7,308,252**	**705,753**	**14,313,752**
Less: Accumulated depreciation								
At 1 January 2025	-	594,786	1,728,485	365,616	492,687	5,091,351	-	8,272,925
Depreciation for the year *(Note 28)*	-	10,367	236,228	65,906	53,666	728,730	-	1,094,897
Disposals	-	-	(30,525)	(14,929)	(2,570)	(171,215)	-	(219,239)
Write-offs	-	-	-	(673)	-	(101,585)	-	(102,258)
At 31 December 2025	**-**	**605,153**	**1,934,188**	**415,920**	**543,783**	**5,547,281**	**-**	**9,046,325**
Net book value								
At 31 December 2025	**1,548,120**	**16,727**	**873,426**	**224,153**	**138,277**	**1,760,971**	**705,753**	**5,267,427**
KHR'000 *(Note 2.5)*	**6,212,606**	**67,125**	**3,505,059**	**899,526**	**554,906**	**7,066,777**	**2,832,186**	**21,138,185**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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
Disposal	-	-	-	-	(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
Disposal	-	-	-	-	(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**

As at 31 December 2025, the cost of fully depreciated property and equipment still in use amounted to US$ 5,176,406 or to KHR'000 20,762,564 (2024: US$ 4,131,634 or to KHR'000 16,819,882).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

9. PROPERTY AND EQUIPMENT

	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 2025	621,880	2,838,114	656,712	684,630	7,507,730	286,603	12,595,669
Additions	-	3,218	-	-	77,255	419,150	499,623
Disposals	-	(33,718)	(15,966)	(2,570)	(175,148)	-	(227,402)
Write-offs	-	-	(673)	-	(101,585)	-	(102,258)
At 31 December 2025	**621,880**	**2,807,614**	**640,073**	**682,060**	**7,308,252**	**705,753**	**12,765,632**
Less: Accumulated depreciation							
At 1 January 2025	594,786	1,728,485	365,616	492,687	5,091,351	-	8,272,925
Depreciation for the year *(Note 28)*	10,367	236,228	65,906	53,666	728,730	-	1,094,897
Disposals	-	(30,525)	(14,929)	(2,570)	(171,215)	-	(219,239)
Write-offs	-	-	(673)	-	(101,585)	-	(102,258)
At 31 December 2025	**605,153**	**1,934,188**	**415,920**	**543,783**	**5,547,281**	**-**	**9,046,325**
Net book value							
At 31 December 2025	**16,727**	**873,426**	**224,153**	**138,277**	**1,760,971**	**705,753**	**3,719,307**
KHR'000 *(Note 2.5)*	**67,125**	**3,505,059**	**899,526**	**554,906**	**7,066,777**	**2,832,186**	**14,925,579**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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
Disposal	-	-	-	(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
Disposal	-	-	-	(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**

As at 31 December 2025, the cost of fully depreciated property and equipment still in use amounted to US$ 5,176,406 or to KHR'000 20,762,564 (2024: US$ 4,131,634 or to KHR'000 16,819,882).

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

10. RIGHT-OF-USE ASSETS

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

	Group			*Bank*		
	Land and buildings US$	*Motor vehicles US$*	*Total US$*	*Land and buildings US$*	*Motor vehicles US$*	*Total US$*
Cost						
As at 1 January 2025	5,887,151	118,616	6,005,767	8,619,890	118,616	8,738,506
Additions	1,862,626	-	1,862,626	1,862,626	-	1,862,626
Expirations	(2,258,011)	-	(2,258,011)	(2,262,626)	-	(2,262,626)
At 31 December 2025	**5,491,766**	**118,616**	**5,610,382**	**8,219,890**	**118,616**	**8,338,506**
Less: Accumulated depreciation						
At 1 January 2025	3,835,790	28,727	3,864,517	3,887,352	28,727	3,916,079
Depreciation for the year *(Note 28)*	1,041,855	59,309	1,101,164	1,110,399	59,309	1,169,708
Expirations	(2,258,011)	-	(2,258,011)	(2,258,011)	-	(2,258,011)
At 31 December 2025	**2,619,634**	**88,036**	**2,707,670**	**2,739,740**	**88,036**	**2,827,776**
Net book value						
At 31 December 2025	**2,872,132**	**30,580**	**2,902,712**	**5,480,150**	**30,580**	**5,510,730**
KHR'000 *(Note 2.5)*	**11,525,865**	**122,718**	**11,648,583**	**21,991,841**	**122,718**	**22,114,559**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

10. RIGHT-OF-USE ASSETS (continued)

	Group			*Bank*		
	Land and buildings US$	*Motor vehicles US$*	*Total US$*	*Land and 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**	**19,048,466**	**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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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 2025	5,466,466	2,393	5,468,859
Additions	442,971	676,000	1,118,971
Transfer	2,393	(2,393)	-
Write-offs	(135,440)	-	(135,440)
At 31 December 2025	**5,776,390**	**676,000**	**6,452,390**
Less: Accumulated amortization			
At 1 January 2025	4,308,220	-	4,308,220
Amortization (*Note 28*)	422,314	-	422,314
Write-offs	(135,440)	-	(135,440)
At 31 December 2025	**4,595,094**	**-**	**4,595,094**
Net book value			
At 31 December 2025	**1,181,296**	**676,000**	**1,857,296**
KHR'000 *(Note 2.5)*	**4,740,541**	**2,712,788**	**7,453,329**
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 amortization			
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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

12. INCOME TAX

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

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	459,393	1,842,625	476,446	1,939,612	425,182	1,705,405	463,768	1,888,000
Impact from prior year income tax expense	(463,768)	(1,860,173)	-	-	(463,768)	(1,860,173)	-	-
Deferred tax	593,511	2,380,572	(1,211,924)	(4,933,743)	593,511	2,380,572	(1,211,924)	(4,933,743)
Income tax expense/(benefit)	**589,136**	**2,363,024**	**(735,478)**	**(2,994,131)**	**554,925**	**2,225,804**	**(748,156)**	**(3,045,743)**

12.1 Income tax expense/(benefit)

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 expense/(benefit) are as follows:

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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 profit/(loss) before income tax	**1,590,486**	**6,379,440**	**(8,454,657)**	**(34,418,909)**	**1,363,415**	**5,468,658**	**(8,373,774)**	**(34,089,633)**
Income tax using statutory rate of 20%	318,097	1,275,888	(1,690,931)	(6,883,782)	272,683	1,093,732	(1,674,755)	(6,817,927)
Non-deductible expenses	309,625	1,241,904	491,685	2,001,651	320,828	1,286,840	462,831	1,884,184
Minimum tax expense	425,182	1,705,405	463,768	1,888,000	425,182	1,705,405	463,768	1,888,000
Impact from prior year income tax expense	(463,768)	(1,860,173)	-	-	(463,768)	(1,860,173)	-	-
Income tax expense/(benefit)	**589,136**	**2,363,024**	**(735,478)**	**(2,994,131)**	**554,925**	**2,225,804**	**(748,156)**	**(3,045,743)**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

12. INCOME TAX (continued)

12.1 Income tax expense/(benefit) (continued)

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.

12.2 Income tax (credit)/payable

Movements of income tax (credit)/payable are as follows:

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	31,095	125,157	39,797	162,571	20,106	80,927	32,898	134,388
Current income tax expense	459,393	1,842,625	476,446	1,939,612	425,182	1,705,405	463,768	1,888,000
Payments during the year	(425,338)	(1,706,031)	(485,148)	(1,975,038)	(412,581)	(1,654,862)	(476,560)	(1,940,076)
Impact from prior year income tax expense	(463,768)	(1,860,173)	-	-	(463,768)	(1,860,173)	-	-
Exchange difference on translation	-	(1,232)	-	(1,988)	-	(1,145)	-	(1,385)
At 31 December	**(398,618)**	**(1,599,654)**	**31,095**	**125,157**	**(431,061)**	**(1,729,848)**	**20,106**	**80,927**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

12. INCOME TAX (continued)

12.3 Deferred tax assets/(liabilities), net

Deferred tax assets and deferred tax liabilities are recognized for the temporary differences arising from the following items:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Deferred tax assets				
Tax loss carried forward	3,966,028	15,915,670	2,061,730	8,298,463
Lease liabilities	1,143,987	4,590,820	996,550	4,011,113
Unused annual leave	24,725	99,221	24,296	97,791
Provision for seniority indemnity	18,374	73,735	19,402	78,095
	5,153,114	**20,679,446**	**3,101,978**	**12,485,462**
Deferred tax liabilities				
Allowance for ECLs and interest in suspense	3,218,951	12,917,650	799,072	3,216,265
Right-of-use assets	1,102,146	4,422,912	964,485	3,882,052
Unearned processing fee	332,947	1,336,116	128,858	518,653
Property and equipment	179,696	721,120	238,911	961,617
Unrealized foreign exchange gain	43,696	175,352	101,463	408,389
	4,877,436	**19,573,150**	**2,232,789**	**8,986,976**
Deferred tax assets – net	**275,678**	**1,106,296**	**869,189**	**3,498,486**

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 losses are 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
2025	2030	9,521,490	-	-	9,521,490
		19,830,139	**-**	**-**	**19,830,139**
		79,578,348	**-**	**-**	**79,578,348**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

13. OTHER ASSETS

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	1,638,266	6,574,361	1,561,736	6,285,987	1,638,266	6,574,361	1,561,736	6,285,987
Credit card receivables	961,728	3,859,414	1,061,420	4,272,216	961,728	3,859,414	1,061,420	4,272,216
Prepayment	957,531	3,842,572	684,950	2,756,924	957,531	3,842,572	684,950	2,756,924
Card inventories	3,984	15,988	9,555	38,459	3,984	15,988	9,555	38,459
Other receivables	271,868	1,091,006	323,908	1,303,730	271,812	1,090,782	323,908	1,303,730
Carrying amount – gross	**3,833,377**	**15,383,341**	**3,641,569**	**14,657,316**	**3,833,321**	**15,383,117**	**3,641,569**	**14,657,316**
Allowance for ECLs	(12,725)	(51,065)	(15,862)	(63,845)	(12,725)	(51,065)	(15,862)	(63,845)
Carrying amount – net	**3,820,652**	**15,332,276**	**3,625,707**	**14,593,471**	**3,820,596**	**15,332,052**	**3,625,707**	**14,593,471**

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

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	15,862	63,845	14,956	61,095
(Reversal)/provision for the year *(Note 25)*	(3,137)	(12,582)	906	3,688
Exchange difference on translation	-	(198)	-	(938)
At 31 December	**12,725**	**51,065**	**15,862**	**63,845**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

14. DEPOSITS FROM OTHER FINANCIAL INSTITUTIONS

Deposits from other financial institutions comprise:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Current deposits	2,405,381	9,652,794	6,120,768	24,636,091
Saving deposits	14,069	56,459	430,123	1,731,245
Term deposits	266,473,965	1,069,360,021	257,739,891	1,037,403,062
	268,893,415	**1,079,069,274**	**264,290,782**	**1,063,770,398**

Deposits from other financial institutions are analyzed as follows:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
A. By maturity:				
Within 1 month	53,353,132	214,106,119	34,125,092	137,353,496
> 1 to 3 months	111,874,249	448,951,361	107,259,015	431,717,535
> 3 to 12 months	103,666,034	416,011,794	122,906,675	494,699,367
	268,893,415	**1,079,069,274**	**264,290,782**	**1,063,770,398**
B. By residency:				
Residents	222,083,143	891,219,653	203,850,353	820,497,671
Non-residents	46,810,272	187,849,621	60,440,429	243,272,727
	268,893,415	**1,079,069,274**	**264,290,782**	**1,063,770,398**
C. By relationship:				
Related parties	46,029,881	184,717,912	60,029,896	241,620,331
Non-related parties	222,863,534	894,351,362	204,260,886	822,150,067
	268,893,415	**1,079,069,274**	**264,290,782**	**1,063,770,398**

D. By interest rate (per annum):

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

	Group and Bank	
	2025	*2024*
Current deposits	0.00% - 0.70%	0.00% - 7.35%
Savings deposits	0.00% - 1.00%	0.25% - 1.00%
Time deposits	3.25% - 4.60%	3.75% - 5.70%

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

15. DEPOSITS FROM CUSTOMERS

	Group				Bank			
	2025		2024		2025		2024	
	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	46,048,532	184,792,759	37,298,603	150,126,878	46,268,292	185,674,657	37,360,118	150,374,476
Savings deposits	63,740,999	255,792,629	98,688,306	397,220,432	63,740,999	255,792,629	98,688,306	397,220,432
Term deposits	106,326,215	426,687,101	126,923,646	510,867,675	106,326,215	426,687,101	126,923,646	510,867,675
Margin deposits	50,000	200,650	50,000	201,249	50,000	200,649	50,000	201,249
	216,165,746	**867,473,139**	**262,960,555**	**1,058,416,234**	**216,385,506**	**868,355,036**	**263,022,070**	**1,058,663,832**

Deposits from customers are analyzed as follows:

A. By maturity:

	Group				Bank			
	2025		2024		2025		2024	
	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	118,631,736	476,069,157	145,603,714	586,054,949	118,851,496	476,951,054	145,665,229	586,302,547
> 1 to 3 months	25,139,379	100,884,328	19,967,915	80,370,858	25,139,379	100,884,328	19,967,915	80,370,858
> 3 to 12 months	69,539,917	279,063,687	95,456,970	384,214,304	69,539,917	279,063,687	95,456,970	384,214,304
> 1 to 5 years	2,854,714	11,455,967	1,931,956	7,776,123	2,854,714	11,455,967	1,931,956	7,776,123
	216,165,746	**867,473,139**	**262,960,555**	**1,058,416,234**	**216,385,506**	**868,355,036**	**263,022,070**	**1,058,663,832**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

15. DEPOSITS FROM CUSTOMERS (continued)

Deposits from customers are analyzed as follows: (continued)

B. By residency:

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	175,177,762	702,988,359	177,890,124	716,007,749	175,397,522	703,870,256	177,951,639	716,255,347
Non-residents	40,987,984	164,484,780	85,070,431	342,408,485	40,987,984	164,484,780	85,070,431	342,408,485
	216,165,746	**867,473,139**	**262,960,555**	**1,058,416,234**	**216,385,506**	**868,355,036**	**263,022,070**	**1,058,663,832**

C. By relationship:

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	53,464	214,551	123,286	496,226	273,223	1,096,444	184,801	743,824
Non-related parties	216,112,282	867,258,588	262,837,269	1,057,920,008	216,112,283	867,258,592	262,837,269	1,057,920,008
	216,165,746	**867,473,139**	**262,960,555**	**1,058,416,234**	**216,385,506**	**868,355,036**	**263,022,070**	**1,058,663,832**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

15. DEPOSITS FROM CUSTOMERS (continued)

Deposits from customers are analyzed as follows: (continued)

D. By interest rate (per annum):

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

	Group and Bank	
	2025	*2024*
Current deposits	0.00% - 3.50%	0.00% - 1.50%
Savings deposits	0.00% - 2.00%	0.00% - 2.50%
Term deposits	1.00% - 6.15%	1.75% - 8.25%
Margin deposits	Nil	Nil

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

16. BORROWING

Gross carrying amount of the borrowings is from:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Cathay United Bank Limited ("CUB")	-	-	**9,198,094**	**37,022,328**

The movements of the borrowings are as follows:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	9,198,094	37,022,328	175,359,353	716,342,957
Additions	-	-	163,000,000	663,573,000
Interest expense *(Note 23)*	31,376	125,849	5,566,905	22,662,870
Repayments during the year	(9,229,470)	(37,019,404)	(334,728,164)	(1,362,678,356)
Exchange difference on translation	-	(128,773)	-	(2,878,143)
At 31 December	-	-	**9,198,094**	**37,022,328**

Borrowings from Cathay United Bank Limited ("CUB") had terms to maturity from five to six months, were unsecured and bore interest ranging from 5.29% to 5.59% per annum (2024: 5.29% to 6.03% per annum).

Borrowings were fully paid off during the year.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
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17. LEASE LIABILITIES

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

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	1,167,105	4,683,592	1,010,771	4,068,353	1,359,984	5,457,616	1,203,650	4,844,691
Between 1 year and 5 years	2,041,846	8,193,928	1,353,714	5,448,699	2,813,363	11,290,026	2,125,230	8,554,051
More than 5 years	-	-	-	-	6,365,011	25,542,789	6,557,890	26,395,507
Total undiscounted lease liabilities	**3,208,951**	**12,877,520**	**2,364,485**	**9,517,052**	**10,538,358**	**42,290,431**	**9,886,770**	**39,794,249**
Present value of lease liabilities								
Less than 1 year	1,026,784	4,120,485	905,276	3,643,736	1,045,046	4,193,769	922,424	3,712,757
More than 1 year	1,901,488	7,630,671	1,268,665	5,106,377	4,674,889	18,760,330	4,060,327	16,342,816
	2,928,272	**11,751,156**	**2,173,941**	**8,750,113**	**5,719,935**	**22,954,099**	**4,982,751**	**20,055,573**

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

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	2,173,941	8,750,113	2,624,087	10,719,395	4,982,751	20,055,573	3,660,696	14,953,943
Additions	1,862,626	7,470,993	769,627	3,133,152	1,862,626	7,470,993	769,627	3,133,152
Payments	(1,271,484)	(5,099,922)	(1,366,819)	(5,564,320)	(1,464,362)	(5,873,556)	(1,525,605)	(6,210,738)
Interest expense (*Note 23*)	163,189	654,551	147,046	598,625	338,920	1,359,408	291,393	1,186,261
Termination	-	-	-	-	-	-	(99,942)	(406,864)
Remeasurement	-	-	-	-	-	-	1,886,582	7,680,275
Exchange difference on translation	-	(24,579)	-	(136,739)	-	(58,319)	-	(280,456)
At 31 December	**2,928,272**	**11,751,156**	**2,173,941**	**8,750,113**	**5,719,935**	**22,954,099**	**4,982,751**	**20,055,573**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

17. LEASE LIABILITIES (continued)

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

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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*)	1,101,164	4,416,769	1,053,317	4,288,054	1,169,708	4,691,700	1,110,769	4,521,942
Lease expenses for leases of low-value assets and short-term leases (*Note 29*)	239,333	959,965	283,227	1,153,017	239,333	959,965	283,227	1,153,017
Interest expense on lease liabilities *(Note 23)*	163,189	654,551	147,046	598,625	338,920	1,359,408	291,393	1,186,261
Gain on lease termination	-	-	-	-	-	-	9,439	38,426
	1,503,686	**6,031,285**	**1,483,590**	**6,039,696**	**1,747,961**	**7,011,073**	**1,694,828**	**6,899,646**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

18. PROVISION FOR OFF-BALANCE SHEET ITEMS

Provision for off-balance sheet items comprise:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Allowance for ECLs on:				
Unused portion of overdraft	52,941	212,452	33,581	135,164
Unused portion of credit card	14,229	57,101	23,596	94,974
Bank guarantees	4,758	19,094	2,163	8,706
	71,928	**288,647**	**59,340**	**238,844**

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

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
At 1 January	59,340	238,844	61,374	250,713
Provision/(reversal) for the year *(Note 25)*	12,588	50,490	(2,034)	(8,280)
Exchange difference on translation	-	(687)	-	(3,589)
At 31 December	**71,928**	**288,647**	**59,340**	**238,844**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

19. OTHER LIABILITIES

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	1,012,134	4,061,694	976,773	3,931,511	1,010,527	4,055,245	975,165	3,925,039
Accrued bonus	882,578	3,541,786	875,828	3,525,208	882,578	3,541,786	875,828	3,525,208
Account payables and other accruals	777,101	3,118,505	630,542	2,537,932	775,813	3,113,337	629,254	2,532,747
Provision for seniority indemnity	91,870	368,674	97,019	390,501	91,870	368,674	97,019	390,501
Pension fund	6,709	26,923	7,320	29,464	6,709	26,923	7,320	29,464
	2,770,392	**11,117,582**	**2,587,482**	**10,414,616**	**2,767,497**	**11,105,965**	**2,584,586**	**10,402,959**

20. SHARE CAPITAL

	Group and Bank			
	2025		*2024*	
	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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 2025						
Allowance per NBC	438,716	28,206,378	-	28,718	187,618	28,861,430
Allowance per CIFRS 9	285,162	7,905,481	-	12,725	71,928	8,275,296
Regulatory reserves (A)	**153,554**	**20,300,897**	**-**	**15,993**	**115,690**	**20,586,134**
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 (B)	**84,446**	**9,215,933**	**(64,471)**	**13,609**	**123,387**	**9,372,904**
Transfer from retained earnings to regulatory reserves (A - B)						**11,213,230**
In KHR'000 *(Note 2.5)*						**44,976,266**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

22. INTEREST INCOME

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Loans and advances to customers	41,591,173	166,822,195	44,512,469	181,210,262
Balances with other financial institutions	1,402,867	5,626,900	1,872,836	7,624,315
Investment in securities measured at amortized cost	217,740	873,355	286,145	1,164,896
Balances with the NBC	121,812	488,588	152,349	620,213
	43,333,592	**173,811,038**	**46,823,799**	**190,619,686**

23. INTEREST EXPENSE

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	12,512,228	50,186,547	9,380,040	38,186,143	12,512,228	50,186,547	9,380,040	38,186,143
Deposits from customers	6,013,722	24,121,039	7,618,032	31,013,008	6,013,722	24,121,039	7,618,032	31,013,008
Lease liabilities *(Note 17)*	163,189	654,551	147,046	598,625	338,920	1,359,408	291,393	1,186,261
Borrowings *(Note 16)*	31,376	125,849	5,566,905	22,662,870	31,376	125,849	5,566,905	22,662,870
	18,720,515	**75,087,986**	**22,712,023**	**92,460,646**	**18,896,246**	**75,792,843**	**22,856,370**	**93,048,282**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

24. NET FEES AND COMMISSION INCOME

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	730,826	2,931,343	607,877	2,474,667	730,826	2,931,343	607,877	2,474,667
Loan and trade finance	543,978	2,181,896	384,518	1,565,373	543,978	2,181,896	384,518	1,565,373
Credit card	470,572	1,887,464	489,880	1,994,301	470,572	1,887,464	489,880	1,994,301
Service charges and fees	178,122	714,447	195,441	795,641	178,122	714,447	195,441	795,641
	1,923,498	**7,715,150**	**1,677,716**	**6,829,982**	**1,923,498**	**7,715,150**	**1,677,716**	**6,829,982**
Fees and commission expense:								
ATM and credit card	752,931	3,020,006	774,879	3,154,532	752,931	3,020,006	774,879	3,154,532
Bank charges	45,669	183,177	60,590	246,661	45,669	183,177	60,579	246,617
Swift charges	29,557	118,553	9,863	40,152	29,557	118,553	9,863	40,152
Others	68,586	275,100	59,950	244,058	68,586	275,100	59,949	244,053
	896,743	**3,596,836**	**905,282**	**3,685,403**	**896,743**	**3,596,836**	**905,270**	**3,685,354**
Net fees and commission income	**1,026,755**	**4,118,314**	**772,434**	**3,144,579**	**1,026,755**	**4,118,314**	**772,446**	**3,144,628**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

25. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Net impairment losses on financial assets comprise:

	Group and Bank			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Loans and advances to customers *(Note 6)*	7,158,268	28,711,813	16,020,990	65,221,450
Loan commitments and guarantees *(Note 18)*	12,588	50,490	(2,034)	(8,280)
Recoveries of provision *(Note 32.B.iv)*	(856,742)	(3,436,392)	(932,072)	(3,794,465)
Investment in securities at amortized cost *(Note 7)*	(115,044)	(461,441)	(56,527)	(230,121)
Balances with other financial institutions *(Note 5)*	(49,867)	(200,017)	64,693	263,365
Other assets *(Note 13)*	(3,137)	(12,582)	906	3,688
	6,146,066	**24,651,871**	**15,095,956**	**61,455,637**

26. OTHER OPERATING INCOME

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Foreign exchange gain	250,202	1,003,560	536,633	2,184,633	250,293	1,003,925	536,727	2,185,016
Others	60,986	244,615	46,298	188,479	60,986	244,615	55,737	226,905
	311,188	**1,248,175**	**582,931**	**2,373,112**	**311,279**	**1,248,540**	**592,464**	**2,411,921**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

27. PERSONNEL EXPENSES

Personnel expenses comprise:

	Group and Bank			
	2025		2024	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Salaries and bonuses	7,974,075	31,984,015	8,350,462	33,994,731
Seniority payments	408,784	1,639,633	447,389	1,821,321
Other personnel expenses	698,175	2,800,379	622,105	2,532,589
	9,081,034	**36,424,027**	**9,419,956**	**38,348,641**

28. DEPRECIATION AND AMORTIZATION

	Group				Bank			
	2025		2024		2025		2024	
	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)	US$	KHR'000 (Note 2.5)
Right-of-use assets *(Note 10)*	1,101,164	4,416,769	1,053,317	4,288,054	1,169,708	4,691,700	1,110,769	4,521,942
Property and equipment *(Note 9)*	1,094,897	4,391,632	1,197,654	4,875,649	1,094,897	4,391,632	1,197,654	4,875,649
Software *(Note 11)*	422,314	1,693,900	434,777	1,769,976	422,314	1,693,900	434,777	1,769,976
	2,618,375	**10,502,301**	**2,685,748**	**10,933,679**	**2,686,919**	**10,777,232**	**2,743,200**	**11,167,567**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

29. OTHER OPERATING EXPENSES

	Group				Bank			
	2025		*2024*		*2025*		*2024*	
	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	1,994,797	8,001,131	2,553,404	10,394,908	1,993,327	7,995,235	2,374,110	9,665,002
Professional services (*)	1,128,309	4,525,647	985,536	4,012,117	1,108,144	4,444,766	891,841	3,630,685
License fee	942,318	3,779,637	613,016	2,495,588	942,318	3,779,637	613,016	2,495,588
Repairs and maintenance	443,879	1,780,399	377,331	1,536,115	443,879	1,780,399	377,331	1,536,115
Communication	371,815	1,491,350	394,093	1,604,353	371,815	1,491,350	394,093	1,604,353
Marketing and advertising	327,284	1,312,736	330,257	1,344,476	327,284	1,312,736	330,257	1,344,476
Utilities	252,432	1,012,505	328,207	1,336,131	252,432	1,012,505	328,207	1,336,131
Expenses relating to short-term leases and leases of low-value assets *(Note 17)*	239,333	959,965	283,227	1,153,017	239,333	959,965	283,227	1,153,017
Security	186,788	749,207	199,930	813,915	186,788	749,207	199,930	813,915
Office supplies and non-capitalized purchases	79,865	320,339	110,402	449,447	79,865	320,339	110,402	449,447
Others	548,239	2,198,986	544,735	2,217,616	552,761	2,217,122	544,587	2,217,012
	6,515,059	**26,131,902**	**6,720,138**	**27,357,683**	**6,497,946**	**26,063,261**	**6,447,001**	**26,245,741**

(*) 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			
	2025		*2024*	
	US$	*KHR'000 (Note 2)*	*US$*	*KHR'000 (Note 2)*
Audit services:				
The Group and the Bank	68,000	272,748	68,000	276,828
The subsidiary	5,500	22,061	5,500	22,391
Non-audit services:				
The Group and the Bank	-	-	-	-
The subsidiary	-	-	-	-
	73,500	**294,809**	**73,500**	**299,219**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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			
	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Unused portion of credit card	9,485,942	38,067,085	10,050,843	40,454,643
Unused portion of loans and advances to customers	7,641,851	30,666,748	7,771,844	31,281,672
Bank guarantees	633,983	2,544,174	450,000	1,811,250
	17,761,776	**71,278,007**	**18,272,687**	**73,547,565**

Taxation contingencies

On 19 September 2022, 23 September 2022 and 29 September 2022, the 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 totaling to KHR 6,170,947,571 (approximately to US$1,498,894).

On 2 November 2022 and 11 November 2022, the Bank lodged administrative protest letters 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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

	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Group and Bank				
CUB				
Placement with CUB	1,533,215	6,152,792	1,453,163	5,848,981
Deposits from CUB *(Note 14)*	46,029,881	184,717,912	60,029,896	241,620,331
Borrowings from CUB *(Note 16)*	-	-	9,198,094	37,022,328
Key management				
Deposits *(Note 15)*	53,464	214,551	123,286	496,226
Bank				
CUBC Investment Co., Ltd.				
Investment in subsidiary	1,548,400	6,213,729	1,548,400	6,232,310
Deposits	219,760	881,897	61,515	247,598
Lease liabilities	2,791,663	11,202,943	2,808,810	11,305,460
Right-of-use assets	2,608,018	10,465,976	2,681,177	10,791,738

31.3 Transactions with related parties

	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Group and Bank				
Cathay United Bank Limited ("CUB")				
Interest income	30,664	122,993	20,660	84,107
Additions of borrowings *(Note 16)*	-	-	163,000,000	663,573,000
Interest expense on borrowings *(Note 23)*	31,376	125,849	5,566,905	22,662,870
Repayments of borrowings *(Note 16)*	(9,229,470)	(37,019,404)	(334,728,164)	(1,362,678,356)
Interest expense on deposits	2,905,129	11,652,472	1,316,727	5,360,396
Key management				
Interest expense	784	3,145	4,281	17,428

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

31. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

31.3 Transactions with related parties (continued)

	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Bank				
CUBC Investment Co., Ltd.				
Repayment of lease liabilities	192,878	773,634	158,786	646,418
Interest expense on lease liabilities	175,731	704,857	144,347	587,636
Depreciation of right-of-use assets	68,544	274,931	57,452	233,888
Gain on lease termination *(Note 17)*	-	-	9,439	38,426
Key management				
Interest expense	784	3,145	4,281	17,428

31.4 Directors and key management personnel remuneration

	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Remuneration and benefits of key management	**270,364**	**1,084,430**	**292,271**	**1,189,835**

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 analyzed 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;

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as at 31 December 2025 and for the year then ended

32. FINANCIAL RISK MANAGEMENT (continued)

A. Introduction and overview (continued)

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

	Group				*Bank*			
	2025		*2024*		*2025*		*2024*	
	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	11,671,109	46,836,160	14,029,649	56,469,337	11,671,109	46,836,160	14,029,649	56,469,337
Balances with the NBC	75,899,556	304,584,918	37,878,584	152,461,301	75,899,556	304,584,918	37,878,584	152,461,301
Balances with other financial institutions	43,586,483	174,912,556	41,612,422	167,489,999	43,586,483	174,912,556	41,612,422	167,489,999
Loans and advances to customers	426,395,764	1,711,126,201	506,505,025	2,038,682,726	426,395,764	1,711,126,201	506,505,025	2,038,682,726
Investment in securities	25,588	102,685	4,967,804	19,995,411	25,588	102,685	4,967,804	19,995,411
Investment in subsidiary	-	-	-	-	1,548,400	6,213,729	1,548,400	6,232,310
Other assets	2,859,137	11,473,717	2,931,202	11,798,088	2,859,081	11,473,492	2,931,202	11,798,088
	560,437,637	**2,249,036,237**	**607,924,686**	**2,446,896,862**	**561,985,981**	**2,255,249,741**	**609,473,086**	**2,453,129,172**
Financial liabilities								
Deposits from other financial institutions	268,893,415	1,079,069,274	264,290,782	1,063,770,398	268,893,415	1,079,069,274	264,290,782	1,063,770,398
Deposits from customers	216,165,746	867,473,139	262,960,555	1,058,416,234	216,385,506	868,355,036	263,022,070	1,058,663,832
Borrowings	-	-	9,198,094	37,022,328	-	-	9,198,094	37,022,328
Lease liabilities	2,928,272	11,751,156	2,173,941	8,750,113	5,719,935	22,954,099	4,982,751	20,055,573
Other liabilities	1,658,659	6,656,199	1,505,350	6,059,034	1,658,391	6,655,123	1,505,082	6,057,955
	489,646,092	**1,964,949,768**	**540,128,722**	**2,174,018,107**	**492,657,247**	**1,977,033,532**	**542,998,779**	**2,185,570,086**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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), investment in securities, 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.

NOTES TO THE COSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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 amortized 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.

	2025				*2024*			
	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	43,871,645	-	-	43,871,645	41,947,451	-	-	41,947,451
Allowance for ECLs	(285,162)	-	-	(285,162)	(335,029)	-	-	(335,029)
Carrying amount	**43,586,483**	**-**	**-**	**43,586,483**	**41,612,422**	**-**	**-**	**41,612,422**
KHR'000 *(Note 2.5)*	**174,912,556**	**-**	**-**	**174,912,556**	**167,489,999**	**-**	**-**	**167,489,999**
Loans and advances to customers:								
Normal	390,744,619	1,575,896	-	392,320,515	474,780,725	674,238	-	475,454,963
Special mention	-	8,168,773	-	8,168,773	-	14,994,117	-	14,994,117
Substandard	-	-	4,992,274	4,992,274	-	-	8,091,128	8,091,128
Doubtful	-	-	11,935,918	11,935,918	-	-	11,294,222	11,294,222
Loss	-	-	16,883,765	16,883,765	-	-	2,739,476	2,739,476
Gross loan	**390,744,619**	**9,744,669**	**33,811,957**	**434,301,245**	**474,780,725**	**15,668,355**	**22,124,826**	**512,573,906**
Allowance for ECLs	(1,939,842)	(611,084)	(5,354,555)	(7,905,481)	(1,537,608)	(993,469)	(3,537,804)	(6,068,881)
Carrying amounts	**388,804,777**	**9,133,585**	**28,457,402**	**426,395,764**	**473,243,117**	**14,674,886**	**18,587,022**	**506,505,025**
KHR'000 *(Note 2.5)*	**1,560,273,570**	**36,653,077**	**114,199,554**	**1,711,126,201**	**1,904,803,546**	**59,066,416**	**74,812,764**	**2,038,682,726**
Investment in securities at amortized cost:								
Normal	-	-	-	-	5,057,260	-	-	5,057,260
Allowance for ECLs	-	-	-	-	(115,044)	-	-	(115,044)
Carrying amounts	**-**	**-**	**-**	**-**	**4,942,216**	**-**	**-**	**4,942,216**
KHR'000 *(Note 2.5)*	**-**	**-**	**-**	**-**	**19,892,419**	**-**	**-**	**19,892,419**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(ii) Credit quality analysis (continued)

	2025				*2024*			
	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	7,641,851	-	-	7,641,851	7,771,844	-	-	7,771,844
Allowance for ECLs	(52,941)	-	-	(52,941)	(33,581)	-	-	(33,581)
Carrying amounts	**7,588,910**	**-**	**-**	**7,588,910**	**7,738,263**	**-**	**-**	**7,738,263**
KHR'000 *(Note 2.5)*	**30,454,296**	**-**	**-**	**30,454,296**	**31,146,509**	**-**	**-**	**31,146,509**
Bank guarantees:								
Normal	633,983	-	-	633,983	450,000	-	-	450,000
Allowance for ECLs	(4,758)	-	-	(4,758)	(2,163)	-	-	(2,163)
Carrying amounts	**629,225**	**-**	**-**	**629,225**	**447,837**	**-**	**-**	**447,837**
KHR'000 *(Note 2.5)*	**2,525,080**	**-**	**-**	**2,525,080**	**1,802,544**	**-**	**-**	**1,802,544**
Unused portion of credit card:								
Normal	9,440,875	-	-	9,440,875	10,025,659	-	-	10,025,659
Special mention	-	22,477	-	22,477	-	8,207	-	8,207
Substandard	-	-	8,003	8,003	-	-	7,219	7,219
Doubtful	-	-	12,824	12,824	-	-	9,758	9,758
Loss	-	-	1,763	1,763	-	-	-	-
Gross carrying amount	**9,440,875**	**22,477**	**22,590**	**9,485,942**	**10,025,659**	**8,207**	**16,977**	**10,050,843**
Allowance for ECLs	(13,815)	(414)	-	(14,229)	(22,924)	(672)	-	(23,596)
Carrying amounts	**9,427,060**	**22,063**	**22,590**	**9,471,713**	**10,002,735**	**7,535**	**16,977**	**10,027,247**
KHR'000 *(Note 2.5)*	**37,830,792**	**88,539**	**90,654**	**38,009,985**	**40,261,008**	**30,328**	**68,332**	**40,359,668**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

32. FINANCIAL RISK MANAGEMENT (continued)

B. Credit risk (continued)

(ii) Credit quality analysis (continued)

	2025				*2024*			
	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								
Other assets:								
Normal	2,871,862	-	-	2,871,862	2,947,064	-	-	2,947,064
Allowance for ECLs	(12,725)	-	-	(12,725)	(15,862)	-	-	(15,862)
Carrying amounts	**2,859,137**	**-**	**-**	**2,859,137**	**2,931,202**	**-**	**-**	**2,931,202**
KHR'000 *(Note 2.5)*	**11,473,717**	**-**	**-**	**11,473,717**	**11,798,088**	**-**	**-**	**11,798,088**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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.

	2025		*2024*	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
Loans and advances to customers at amortized cost	7,905,481	31,724,694	6,068,881	24,427,246
Balances with other financial institutions at amortized cost	285,162	1,144,355	335,029	1,348,492
Investment in securities at amortized cost	-	-	115,044	463,052
Loan commitments and financial guarantee contracts	71,928	288,647	59,340	238,844
Other assets	12,725	51,065	15,862	63,845
	8,275,296	**33,208,761**	**6,594,156**	**26,541,479**

(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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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$*
31 December 2025						
Loans and advances to customers	402,601,619	-	49,065	64,335	31,586,226	434,301,245
Commitments	8,225,834	-	1,116,874	-	8,419,068	17,761,776
Total US$	**410,827,453**	**-**	**1,165,939**	**64,335**	**40,005,294**	**452,063,021**
Total KHR'000 *(Note 2.5)*	**1,648,650,569**	**-**	**4,678,913**	**258,176**	**160,541,245**	**1,814,128,903**
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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 amortized 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 analyzed 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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 amortized cost:

	2025				*2024*			
	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	1,537,608	993,469	3,537,804	6,068,881	1,830,591	118,972	3,786,689	5,736,252
Changes in the loss allowance:								
Transfer to stage 1	470,033	(333,276)	(136,757)	-	30,743	(4,255)	(26,488)	-
Transfer to stage 2	(26,748)	45,826	(19,078)	-	(51,645)	177,945	(126,300)	-
Transfer to stage 3	(13,802)	(354,573)	368,375	-	(32,476)	(58,607)	91,083	-
Net remeasurement of loss allowances	(15,709)	1,362,835	6,866,161	8,213,287	(434,442)	1,403,699	14,682,262	15,651,519
New financial assets originated	518,471	43,747	428,609	990,827	518,437	269,297	294,061	1,081,795
Financial assets that have been derecognized	(530,011)	(267,636)	(1,248,199)	(2,045,846)	(323,600)	(34,274)	(354,450)	(712,324)
Write-offs *(Note 6)*	-	(879,308)	(4,442,360)	(5,321,668)	-	(879,308)	(14,809,053)	(15,688,361)
At 31 December	**1,939,842**	**611,084**	**5,354,555**	**7,905,481**	**1,537,608**	**993,469**	**3,537,804**	**6,068,881**
KHR'000 *(Note 2.5)*	**7,784,586**	**2,452,280**	**21,487,828**	**31,724,694**	**6,188,872**	**3,998,713**	**14,239,661**	**24,427,246**
Provision for ECL during the year *(Note 6)*				7,158,268				16,020,990
Recoveries *(Note 25)*				(856,742)				(932,072)
Net impairment losses for the year				**6,301,526**				**15,088,918**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 amortized cost:

	2025				*2024*			
	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	335,029	-	-	335,029	270,336	-	-	270,336
New financial assets originated	29,125	-	-	29,125	64,693	-	-	64,693
Net remeasurement of loss allowances	(78,992)	-	-	(78,992)	-	-	-	-
At 31 December	**285,162**	**-**	**-**	**285,162**	**335,029**	**-**	**-**	**335,029**
KHR'000 *(Note 2.5)*	**1,144,355**	**-**	**-**	**1,144,355**	**1,348,492**	**-**	**-**	**1,348,492**

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

	2025				*2024*			
	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	115,044	-	-	115,044	171,571	-	-	171,571
Net remeasurement of loss allowances	-	-	-	-	(39,337)	-	-	(39,337)
Financial assets that have been derecognized	(115,044)	-	-	(115,044)	(17,190)	-	-	(17,190)
At 31 December	**-**	**-**	**-**	**-**	**115,044**	**-**	**-**	**115,044**
KHR'000 *(Note 2.5)*	**-**	**-**	**-**	**-**	**463,052**	**-**	**-**	**463,052**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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:

	2025				*2024*			
	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	58,668	672	-	59,340	60,895	479	-	61,374
Changes in the loss allowance:								
Transfer to stage 1	337	(337)	-	-	71	(71)	-	-
Transfer to stage 2	(48)	48	-	-	(21)	21	-	-
Transfer to stage 3	(74)	(43)	117	-	(67)	(1)	68	-
Net remeasurement of loss allowances	8,551	295	(117)	8,729	3,177	539	(68)	3,648
New financial assets originated	13,706	68	-	13,774	7,541	113	-	7,654
Financial assets that have been derecognized	(9,626)	(289)	-	(9,915)	(12,928)	(408)	-	(13,336)
At 31 December	**71,514**	**414**	**-**	**71,928**	**58,668**	**672**	**-**	**59,340**
KHR'000 *(Note 2.5)*	**286,986**	**1,661**	**-**	**288,647**	**236,139**	**2,705**	**-**	**238,844**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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:

	2025				*2024*			
	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	15,862	-	-	15,862	14,956	-	-	14,956
New financial assets originated	-	-	-	-	906	-	-	906
Net remeasurement of loss allowances	(3,137)	-	-	(3,137)	-	-	-	-
At 31 December	**12,725**	**-**	**-**	**12,725**	**15,862**	**-**	**-**	**15,862**
KHR'000 *(Note 2.5)*	**51,065**	**-**	**-**	**51,065**	**63,845**	**-**	**-**	**63,845**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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:

	2025				*2024*			
	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	474,780,725	15,668,355	22,124,826	512,573,906	479,999,026	9,397,858	17,532,901	506,929,785
Changes in gross carrying amounts								
Transfer to stage 1	4,064,969	(3,502,373)	(562,596)	-	720,085	(645,232)	(74,853)	-
Transfer to stage 2	(8,686,772)	8,794,254	(107,482)	-	(12,317,448)	12,761,743	(444,295)	-
Transfer to stage 3	(8,297,222)	(7,981,890)	16,279,112	-	(13,073,180)	(4,924,186)	17,997,366	-
Net remeasurement of loss allowances	(37,011,354)	(382,675)	1,184,207	(36,209,822)	(48,880,626)	(1,289,996)	1,539,981	(48,630,641)
New financial assets originated	65,700,122	1,027,953	2,182,556	68,910,631	118,385,735	2,912,685	2,174,457	123,472,877
Financial assets that have been derecognized	(99,805,849)	(2,999,647)	(2,846,306)	(105,651,802)	(50,052,867)	(1,665,209)	(1,791,678)	(53,509,754)
Write-offs *(Note 6)*	-	(879,308)	(4,442,360)	(5,321,668)	-	(879,308)	(14,809,053)	(15,688,361)
At 31 December	**390,744,619**	**9,744,669**	**33,811,957**	**434,301,245**	**474,780,725**	**15,668,355**	**22,124,826**	**512,573,906**
KHR'000 *(Note 2.5)*	**1,568,058,156**	**39,105,357**	**135,687,382**	**1,742,850,895**	**1,910,992,418**	**63,065,129**	**89,052,425**	**2,063,109,972**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 2025						
Carrying amounts	43,586,483	426,395,764	25,588	2,859,137	(71,928)	472,795,044
Amount committed	-	-	-	-	17,761,776	17,761,776
Concentration by sector:						
External customers:						
Depository institutions	43,586,483	-	-	-	-	43,586,483
Agriculture, forestry and fishing	-	523,804	-	-	-	523,804
Manufacturing	-	6,488	-	-	-	6,488
Construction	-	19,718,018	-	-	-	19,718,018
Retail trade	-	29,308,912	-	-	7,641,851	36,950,763
Subtotal	**43,586,483**	**49,557,222**	**-**	**-**	**7,641,851**	**100,785,556**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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	*Loans and advances to customers*	*Investment in securities*	*Other assets*	*Loan commitments and financial guarantee contracts*	*Total*
	US$	*US$*	*US$*	*US$*	*US$*	*US$*
Concentration by sector: (continued)						
External customers: (continued)						
Real estate activities	-	1,751,272	-	-	-	1,751,272
Personal lending	-	6,383,040	-	-	9,485,942	15,868,982
Credit cards	-	1,758,648	-	-	-	1,758,648
Mortgages, owner-occupied housing only	-	332,696,085	-	-	-	332,696,085
Import/export	-	-	-	-	633,983	633,983
Others	-	34,249,497	25,588	2,859,137	-	37,134,222
Subtotal	**-**	**376,838,542**	**25,588**	**2,859,137**	**10,119,925**	**389,843,192**
Grand total	**43,586,483**	**426,395,764**	**25,588**	**2,859,137**	**17,761,776**	**490,628,748**
KHR'000 *(Note 2.5)*	**174,912,556**	**1,711,126,201**	**102,685**	**11,473,717**	**71,278,007**	**1,968,893,166**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 2025							
Carrying amounts	43,586,483	426,395,764	25,588	1,548,400	2,859,081	(71,928)	474,343,388
Amount committed	-	-	-	-	-	17,761,776	17,761,776
Concentration by sector:							
External customers:							
Depository institutions	43,586,483	-	-	-	-	-	43,586,483
Agriculture, forestry and fishing	-	523,804	-	-	-	-	523,804
Manufacturing	-	6,488	-	-	-	-	6,488
Construction	-	19,718,018	-	-	-	-	19,718,018
Retail trade	-	29,308,912	-	-	-	7,641,851	36,950,763
Subtotal	**43,586,483**	**49,557,222**	**-**	**-**	**-**	**7,641,851**	**100,785,556**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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)							
Real estate activities	-	1,751,272	-	-	-	-	1,751,272
Personal lending	-	6,383,040	-	-	-	9,485,942	15,868,982
Credit cards	-	1,758,648	-	-	-	-	1,758,648
Mortgages, owner-occupied housing only	-	332,696,085	-	-	-	-	332,696,085
Import/export	-	-	-	-	-	633,983	633,983
Others	-	34,249,497	25,588	1,548,400	2,859,081	-	38,682,566
Subtotal	**-**	**376,838,542**	**25,588**	**1,548,400**	**2,859,081**	**10,119,925**	**391,391,536**
Grand total	**43,586,483**	**426,395,764**	**25,588**	**1,548,400**	**2,859,081**	**17,761,776**	**492,177,092**
KHR'000 *(Note 2.5)*	**174,912,556**	**1,711,126,201**	**102,685**	**6,213,729**	**11,473,492**	**71,278,007**	**1,975,106,670**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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	-	1,204,876	-	-	-	-	1,204,876
Transport and storage	-	785,402	-	-	-	-	785,402
Rental and operational leasing activities (excluding 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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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:

	2025		2024	
	US$	*KHR'000 (Note 2.5)*	*US$*	*KHR'000 (Note 2.5)*
By residency status:				
Non-residents	-	-	-	-
Residents	426,395,764	1,711,126,201	506,505,025	2,038,682,726
	426,395,764	**1,711,126,201**	**506,505,025**	**2,038,682,726**
By relationship:				
Related parties	-	-	-	-
Non-related parties	426,395,764	1,711,126,201	506,505,025	2,038,682,726
	426,395,764	**1,711,126,201**	**506,505,025**	**2,038,682,726**
By exposure:				
Large exposures (*)	12,829,837	51,486,136	69,511,143	279,782,351
Non-large exposures	413,565,927	1,659,640,065	436,993,882	1,758,900,375
	426,395,764	**1,711,126,201**	**506,505,025**	**2,038,682,726**
By concession:				
Restructure (**)	97,595	391,649	11,748,159	47,286,340
Non-restructure	426,298,169	1,710,734,552	494,756,866	1,991,396,386
	426,395,764	**1,711,126,201**	**506,505,025**	**2,038,682,726**

(*) 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;

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 and Bank	
	2025	*2024*
At end of the year	139%	132%
Average for the year	131%	129%
Maximum for the year	140%	139%
Minimum for the year	124%	119%

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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.

	2025							
	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$*
Group								
Financial liabilities by type								
Non-derivative financial liabilities								
Deposits from other financial institutions	268,893,415	(271,070,954)	(53,440,635)	(112,530,349)	(105,099,970)	-	-	-
Deposits from customers	216,165,746	(218,426,551)	(118,649,476)	(25,310,360)	(71,493,024)	(2,973,691)	-	-
Lease liabilities	2,928,272	(3,208,951)	(98,108)	(214,545)	(854,452)	(2,041,846)	-	-
Other liabilities	1,658,659	(1,658,659)	(1,658,659)	-	-	-	-	-
	489,646,092	**(494,365,115)**	**(173,846,878)**	**(138,055,254)**	**(177,447,446)**	**(5,015,537)**	**-**	**-**
Loan commitments and guarantees	-	17,761,776	17,127,793	30,000	603,983	-	-	-
In US$	**489,646,092**	**(476,603,339)**	**(156,719,085)**	**(138,025,254)**	**(176,843,463)**	**(5,015,537)**	**-**	**-**
In KHR'000 *(Note 2.5)*	**1,964,949,768**	**(1,912,609,199)**	**(628,913,688)**	**(553,895,344)**	**(709,672,817)**	**(20,127,350)**	**-**	**-**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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)

	2025							
	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$*
Group								
Financial assets by type								
Non-derivative financial assets								
Cash on hand	11,671,109	11,671,109	11,671,109	-	-	-	-	-
Balance with the NBC	75,899,556	75,899,556	74,674,692	1,224,864	-	-	-	-
Balances with other financial institutions	43,586,483	43,707,779	10,015,419	19,118,597	-	-	-	14,573,763
Loans and advance to customers	426,395,764	918,021,687	4,571,575	7,635,582	49,583,300	193,408,904	662,822,326	-
Investment in securities	25,588	25,588	-	-	-	-	-	25,588
Other assets	2,859,137	2,859,137	2,859,137	-	-	-	-	-
In US$	**560,437,637**	**1,052,184,856**	**103,791,932**	**27,979,043**	**49,583,300**	**193,408,904**	**662,822,326**	**14,599,351**
In KHR'000 *(Note 2.5)*	**2,249,036,237**	**4,222,417,827**	**416,517,023**	**112,279,900**	**198,977,783**	**776,149,932**	**2,659,905,994**	**58,587,195**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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$*
Group								
Financial liabilities by type								
Non-derivative financial liabilities								
Deposits from other financial institutions	264,290,782	(267,531,645)	(34,217,558)	(108,110,724)	(125,203,363)	-	-	-
Deposits from customers	262,960,555	(266,474,656)	(145,629,460)	(20,140,501)	(98,684,936)	(2,019,759)	-	-
Borrowings	9,198,094	(9,229,470)	(9,229,470)	-	-	-	-	-
Lease liabilities	2,173,941	(2,364,485)	(99,174)	(218,803)	(692,794)	(1,353,714)	-	-
Other liabilities	1,505,350	(1,505,350)	(1,505,350)	-	-	-	-	-
	540,128,722	**(547,105,606)**	**(190,681,012)**	**(128,470,028)**	**(224,581,093)**	**(3,373,473)**	**-**	**-**
Loan commitments and guarantees	-	18,272,687	17,822,687	30,000	420,000	-	-	-
In US$	**540,128,722**	**(528,832,919)**	**(172,858,325)**	**(128,440,028)**	**(224,161,093)**	**(3,373,473)**	**-**	**-**
In KHR'000 *(Note 2.5)*	**2,174,018,107**	**(2,128,552,499)**	**(695,754,758)**	**(516,971,113)**	**(902,248,399)**	**(13,578,229)**	**-**	**-**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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$*
Group								
Financial assets by type								
Non-derivative financial assets								
Cash on hand	14,029,649	14,029,649	14,029,649	-	-	-	-	-
Balances with the NBC	37,878,584	37,878,584	35,363,847	2,514,737	-	-	-	-
Balances with other financial institutions	41,612,422	41,391,134	7,944,756	15,929,409	9,126,784	-	-	8,390,185
Loans and advance to customers	506,505,025	1,064,351,442	5,750,712	13,246,802	72,570,821	237,314,273	735,468,834	-
Investment in securities	4,967,804	5,106,484	-	-	5,106,484	-	-	-
Other assets	2,931,202	2,931,202	2,931,202	-	-	-	-	-
In US$	**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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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.

	2025							
	Carrying amount	*Gross nominal inflow/(outflow)*	*Up to 1 month*	*> 1 – 3 months*	*> 3 – 12 months*	*> 1 – 5 years*	*Over 5 years*	*No maturity*
	US$	*US$*	*US$*	*US$*	*US$*	*US$*	*US$*	*US$*
Bank								
Financial liabilities by type								
Non-derivative financial liabilities:								
Deposits from other financial institutions	268,893,415	(271,070,954)	(53,440,635)	(112,530,349)	(105,099,970)	-	-	-
Deposits from customers	216,385,506	(218,646,309)	(118,869,234)	(25,310,360)	(71,493,024)	(2,973,691)	-	-
Borrowings	-	-	-	-	-	-	-	-
Lease liabilities	5,719,935	(10,538,358)	(114,181)	(246,691)	(999,112)	(2,813,363)	(6,365,011)	-
Other liabilities	1,658,391	(1,658,391)	(1,658,391)	-	-	-	-	-
	492,657,247	**(501,914,012)**	**(174,082,441)**	**(138,087,400)**	**(177,592,106)**	**(5,787,054)**	**(6,365,011)**	**-**
Loan commitments and guarantees	-	17,761,776	17,127,793	30,000	603,983	-	-	-
In US$	**492,657,247**	**(484,152,236)**	**(156,954,648)**	**(138,057,400)**	**(176,988,123)**	**(5,787,054)**	**(6,365,011)**	**-**
In KHR'000 *(Note 2.5)*	**1,977,033,532**	**(1,942,902,924)**	**(629,859,003)**	**(554,024,346)**	**(710,253,338)**	**(23,223,448)**	**(25,542,789)**	**-**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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)

	2025							
	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$*
Bank								
Financial assets by type								
Non-derivative financial assets:								
Cash on hand	11,671,109	11,671,109	11,671,109	-	-	-	-	-
Balances with the NBC	75,899,556	75,899,556	74,674,692	1,224,864	-	-	-	-
Balances with other financial institutions	43,586,483	43,707,779	10,015,419	19,118,597	-	-	-	14,573,763
Loans and advance to customers	426,395,764	918,021,687	4,571,575	7,635,582	49,583,300	193,408,904	662,822,326	-
Investment in securities	25,588	25,588	-	-	-	-	-	25,588
Investment in subsidiary	1,548,400	1,548,400	-	-	-	-	-	1,548,400
Other assets	2,859,081	2,859,081	2,859,081	-	-	-	-	-
In US$	**561,985,981**	**1,053,733,200**	**103,791,876**	**27,979,043**	**49,583,300**	**193,408,904**	**662,822,326**	**16,147,751**
In KHR'000 *(Note 2.5)*	**2,255,249,741**	**4,228,631,332**	**416,516,798**	**112,279,900**	**198,977,783**	**776,149,932**	**2,659,905,994**	**64,800,925**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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$*
Bank								
Financial liabilities by type								
Non-derivative financial liabilities:								
Deposits from other financial institutions	264,290,782	(267,531,645)	(34,217,558)	(108,110,724)	(125,203,363)	-	-	-
Deposits from customers	263,022,070	(266,536,169)	(145,690,973)	(20,140,501)	(98,684,936)	(2,019,759)	-	-
Borrowings	9,198,094	(9,229,470)	(9,229,470)	-	-	-	-	-
Lease liabilities	4,982,751	(9,886,771)	(115,247)	(250,950)	(837,454)	(2,125,230)	(6,557,890)	-
Other liabilities	1,505,082	(1,505,082)	(1,505,082)	-	-	-	-	-
	542,998,779	**(554,689,137)**	**(190,758,330)**	**(128,502,175)**	**(224,725,753)**	**(4,144,989)**	**(6,557,890)**	**-**
Loan commitments and guarantees	-	18,272,687	17,822,687	30,000	420,000	-	-	-
In US$	**542,998,779**	**(536,416,450)**	**(172,935,643)**	**(128,472,175)**	**(224,305,753)**	**(4,144,989)**	**(6,557,890)**	**-**
In KHR'000 *(Note 2.5)*	**2,185,570,086**	**(2,159,076,211)**	**(696,065,963)**	**(517,100,504)**	**(902,830,656)**	**(16,683,581)**	**(26,395,507)**	**-**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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**	**86,804,089**	**237,314,273**	**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**	**349,386,458**	**955,189,949**	**2,960,262,057**	**40,002,805**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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:

	2025		*2024*	
	Gross carrying amounts US$	*Fair value US$*	*Gross carrying amounts US$*	*Fair value US$*
Financial assets				
Cash on hand	11,671,109	11,671,109	14,029,649	14,029,649
Balances with the NBC	75,899,556	75,899,556	37,878,584	37,878,584
Balances with other financial institutions	29,592,355	29,592,355	8,390,239	8,390,239
Total liquidity reserves	**117,163,020**	**117,163,020**	**60,298,472**	**60,298,472**
In KHR'000 *(Note 2.5)*	**470,175,199**	**470,175,199**	**242,701,350**	**242,701,350**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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	*Other**	*Available as collateral*	*Other***	*Total*
	US$	*US$*	*US$*	*US$*	*US$*
Group					
31 December 2025					
Cash on hand	-	-	-	11,671,109	11,671,109
Balances with the NBC	1,224,864	-	-	74,674,692	75,899,556
Balances with other financial institutions	-	-	-	43,586,483	43,586,483
Loans and advances to customers	-	-	-	426,395,764	426,395,764
Investment in securities	-	-	-	25,588	25,588
Other assets	-	-	-	2,859,137	2,859,137
In US$	**1,224,864**	**-**	**-**	**559,212,773**	**560,437,637**
In KHR'000 *(Note 2.5)*	**4,915,379**	**-**	**-**	**2,244,120,858**	**2,249,036,237**

	Encumbered		*Unencumbered*		
	Pledged as collateral	*Other**	*Available as collateral*	*Other***	*Total*
	US$	*US$*	*US$*	*US$*	*US$*
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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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 2025					
Cash on hand	-	-	-	11,671,109	11,671,109
Balances with the NBC	1,224,864	-	-	74,674,692	75,899,556
Balances with other financial institutions	-	-	-	43,586,483	43,586,483
Loans and advances to customers	-	-	-	426,395,764	426,395,764
Investment in securities	-	-	-	25,588	25,588
Investment in subsidiary	-	-	-	1,548,400	1,548,400
Other assets	-	-	-	2,859,081	2,859,081
In US$	**1,224,864**	**-**	**-**	**560,761,117**	**561,985,981**
In KHR'000 *(Note 2.5)*	**4,915,379**	**-**	**-**	**2,250,334,362**	**2,255,249,741**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 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**

(*) 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 2025							
Financial assets							
Cash on hand	-	-	-	-	-	11,671,109	11,671,109
Balances with the NBC	-	1,224,864	-	-	-	74,674,692	75,899,556
Balances with other financial institutions	24,658,489	18,927,994	-	-	-	-	43,586,483
Loans and advances to customers	1,458,618	1,683,091	22,364,040	61,827,881	339,062,134	-	426,395,764
Investment in securities	-	-	-	-	-	25,588	25,588
Other assets	-	-	-	-	-	2,859,137	2,859,137
	26,117,107	**21,835,949**	**22,364,040**	**61,827,881**	**339,062,134**	**89,230,526**	**560,437,637**
Financial liabilities							
Deposits from other financial institutions	53,353,132	111,874,249	103,666,034	-	-	-	268,893,415
Deposits from customers	118,631,738	25,139,379	69,539,915	2,854,714	-	-	216,165,746
Borrowings	-	-	-	-	-	-	-
Lease liabilities	-	-	53,378	2,874,894	-	-	2,928,272
Other liabilities	-	-	-	-	-	1,658,659	1,658,659
	171,984,870	**137,013,628**	**173,259,327**	**5,729,608**	**-**	**1,658,659**	**489,646,092**
Total interest sensitivity gap	**(145,867,763)**	**(115,177,679)**	**(150,895,287)**	**56,098,273**	**339,062,134**	**87,571,867**	**70,791,545**
In KHR'000 *(Note 2.5)*	**(585,367,334)**	**(462,208,026)**	**(605,542,787)**	**225,122,370**	**1,360,656,344**	**351,425,903**	**284,086,470**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 2025							
Financial assets							
Cash on hand	-	-	-	-	-	11,671,109	11,671,109
Balances with the NBC	-	1,224,864	-	-	-	74,674,692	75,899,556
Balances with other financial institutions	24,658,489	18,927,994	-	-	-	-	43,586,483
Loans and advances to customers	1,458,618	1,683,091	22,364,040	61,827,881	339,062,134	-	426,395,764
Investment in securities	-	-	-	-	-	25,588	25,588
Investment in subsidiary	-	-	-	-	-	1,548,400	1,548,400
Other assets	-	-	-	-	-	2,859,081	2,859,081
	26,117,107	**21,835,949**	**22,364,040**	**61,827,881**	**339,062,134**	**90,778,870**	**561,985,981**
Financial liabilities							
Deposits from other financial institutions	53,353,132	111,874,249	103,666,034	-	-	-	268,893,415
Deposits from customers	118,851,496	25,139,379	69,539,917	2,854,714	-	-	216,385,506
Borrowings	-	-	-	-	-	-	-
Lease liabilities	-	-	53,378	2,874,894	2,791,663	-	5,719,935
Other liabilities	-	-	-	-	-	1,658,391	1,658,391
	172,204,628	**137,013,628**	**173,259,329**	**5,729,608**	**2,791,663**	**1,658,391**	**492,657,247**
Total interest sensitivity gap	**(146,087,521)**	**(115,177,679)**	**(150,895,289)**	**56,098,273**	**336,270,471**	**89,120,479**	**69,328,734**
In KHR'000 *(Note 2.5)*	**(586,249,222)**	**(462,208,026)**	**(605,542,795)**	**225,122,370**	**1,349,453,401**	**357,640,482**	**278,216,210**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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							
	2025				*2024*			
	KHR	*US$*	*Others*	*Total*	*KHR*	*US$*	*Others*	*Total*
Group								
Financial assets								
Cash on hand	561,797	11,109,312	-	11,671,109	738,893	13,290,756	-	14,029,649
Balances with the NBC	9,392,269	66,507,287	-	75,899,556	5,488,075	32,390,509	-	37,878,584
Balances with other financial institutions	2,402	43,425,305	158,776	43,586,483	1,505	41,475,207	135,710	41,612,422
Loans and advances to customers	43,964,154	382,431,610	-	426,395,764	66,713,770	439,791,255	-	506,505,025
Investment in securities	-	25,588	-	25,588	-	4,967,804	-	4,967,804
Other assets	-	2,859,137	-	2,859,137	-	2,931,202	-	2,931,202
	53,920,622	**506,358,239**	**158,776**	**560,437,637**	**72,942,243**	**534,846,733**	**135,710**	**607,924,686**
Financial liabilities								
Deposits from other financial institutions	120,504	268,772,911	-	268,893,415	11,878,591	252,412,191	-	264,290,782
Deposits from customers	5,228,069	210,937,677	-	216,165,746	31,392,073	231,568,482	-	262,960,555
Borrowings	-	-	-	-	-	9,198,094	-	9,198,094
Lease liabilities	-	2,928,272	-	2,928,272	-	2,173,941	-	2,173,941
Other liabilities	-	1,658,659	-	1,658,659	-	1,505,350	-	1,505,350
	5,348,573	**484,297,519**	**-**	**489,646,092**	**43,270,664**	**496,858,058**	**-**	**540,128,722**
Net asset position	**48,572,049**	**22,060,720**	**158,776**	**70,791,545**	**29,671,579**	**37,988,675**	**135,710**	**67,795,964**
In KHR'000 *(Note 2.5)*	**194,919,633**	**88,529,669**	**637,168**	**284,086,470**	**119,428,105**	**152,904,417**	**546,233**	**272,878,755**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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							
	2025				*2024*			
	KHR	*US$*	*Others*	*Total*	*KHR*	*US$*	*Others*	*Total*
Bank								
Financial assets								
Cash on hand	561,797	11,109,312	-	11,671,109	738,893	13,290,756	-	14,029,649
Balances with the NBC	9,392,269	66,507,287	-	75,899,556	5,488,075	32,390,509	-	37,878,584
Balances with other financial institutions	2,402	43,425,305	158,776	43,586,483	1,505	41,475,207	135,710	41,612,422
Loans and advances to customers	43,964,154	382,431,610	-	426,395,764	66,713,770	439,791,255	-	506,505,025
Investment in securities	-	25,588	-	25,588	-	4,967,804	-	4,967,804
Investment in subsidiary	-	1,548,400	-	1,548,400	-	1,548,400	-	1,548,400
Other assets	-	2,859,081	-	2,859,081	-	2,931,202	-	2,931,202
	53,920,622	**507,906,583**	**158,776**	**561,985,981**	**72,942,243**	**536,395,133**	**135,710**	**609,473,086**
Financial liabilities								
Deposits from other financial institutions	120,504	268,772,911	-	268,893,415	11,878,591	252,412,191	-	264,290,782
Deposits from customers	5,228,069	211,157,437	-	216,385,506	31,392,073	231,629,997	-	263,022,070
Borrowings	-	-	-	-	-	9,198,094	-	9,198,094
Lease liabilities	-	5,719,935	-	5,719,935	-	4,982,751	-	4,982,751
Other liabilities	-	1,658,391	-	1,658,391	-	1,505,082	-	1,505,082
	5,348,573	**487,308,674**	**-**	**492,657,247**	**43,270,664**	**499,728,115**	**-**	**542,998,779**
Net asset position	**48,572,049**	**20,597,909**	**158,776**	**69,328,734**	**29,671,579**	**36,667,018**	**135,710**	**66,474,307**
In KHR'000 *(Note 2.5)*	**194,919,633**	**82,659,409**	**637,168**	**278,216,210**	**119,428,105**	**147,584,747**	**546,233**	**267,559,085**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

as at 31 December 2025 and for the year then ended

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'):

	2025		*2024*	
	- 1% Depreciation US$	*+ 1% Appreciation US$*	*- 1% Depreciation US$*	*+ 1% Appreciation US$*
Group and Bank				
KHR	(485,720)	485,720	(296,716)	296,716
Others	(1,588)	1,588	(1,357)	1,357
	(487,308)	**487,308**	**(298,073)**	**298,073**
In KHR'000 *(Note 2.5)*	**(1,955,567)**	**1,955,567**	**(1,199,744)**	**1,199,744**

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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*			
	2025		*2024*		*2025*		*2024*	
	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	1,095,791	4,143,200	9,465,088	38,214,608	920,808	3,436,888	9,196,544	37,127,408
Audited net profit/(loss) for the last financial year	1,001,350	4,016,416	(7,719,179)	(31,424,778)	808,490	3,242,854	(7,625,618)	(31,043,890)
Less: Software costs	(1,857,296)	(7,453,329)	(1,160,639)	(4,671,572)	(1,857,296)	(7,453,329)	(1,160,639)	(4,671,572)
	100,239,845	**408,206,287**	**100,585,270**	**409,618,258**	**99,872,002**	**406,726,413**	**100,410,287**	**408,911,946**
Tier 2 complementary capital								
General provision	7,297,925	29,286,573	6,136,347	24,698,797	7,297,925	29,286,573	6,136,347	24,698,797
Less: Equity participation in banking or financial institutions	(25,588)	(102,685)	(25,588)	(102,992)	(25,588)	(102,685)	(25,588)	(102,992)
	7,272,337	**29,183,888**	**6,110,759**	**24,595,805**	**7,272,337**	**29,183,888**	**6,110,759**	**24,595,805**
Total	**107,512,182**	**437,390,175**	**106,696,029**	**434,214,063**	**107,144,339**	**435,910,301**	**106,521,046**	**433,507,751**

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 amortized 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.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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 2025 that had significant impact on the statement of financial position of the Group and the Bank as at 31 December 2025.

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