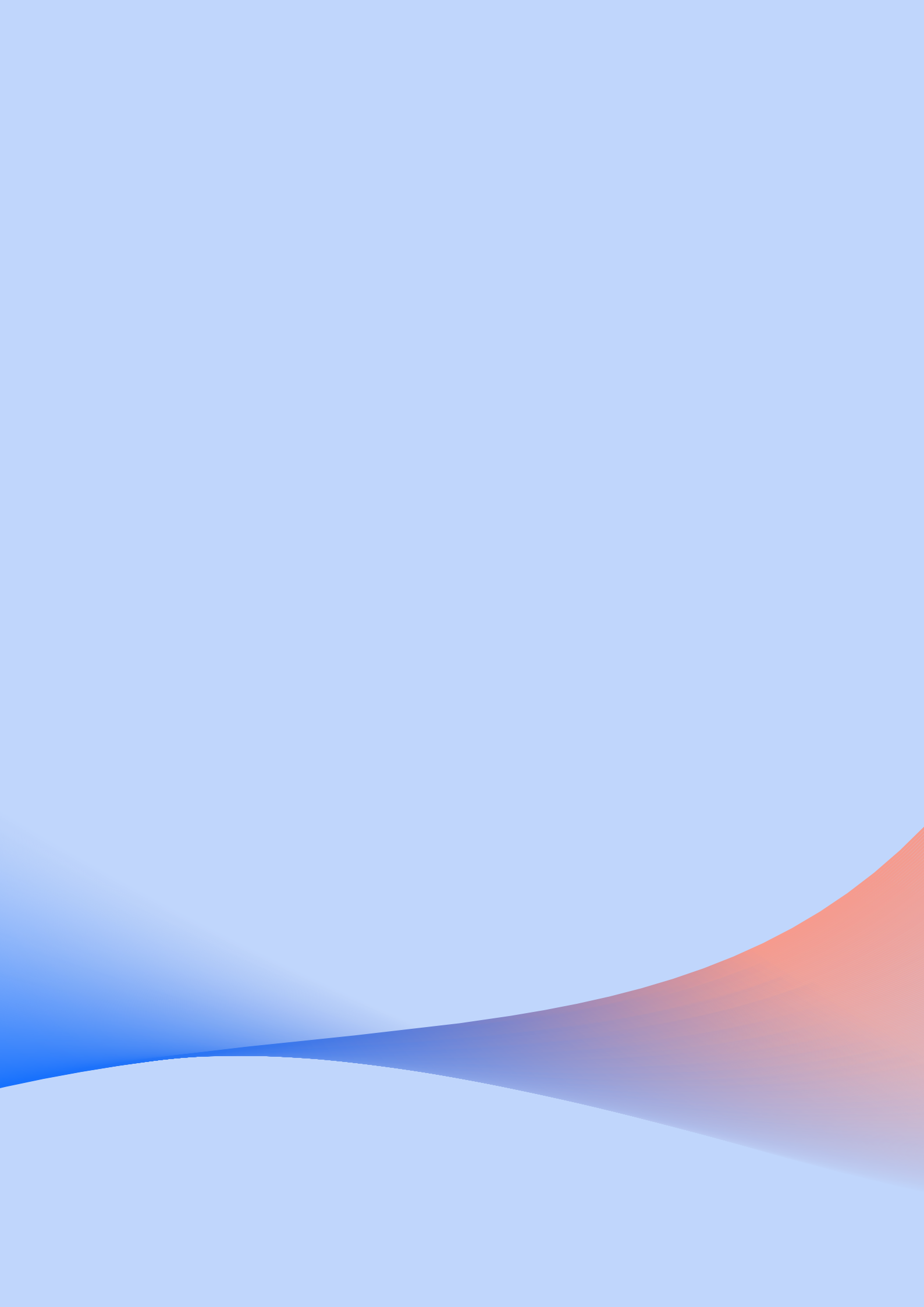


**ibank**



# **ANNUAL REPORT 2025**





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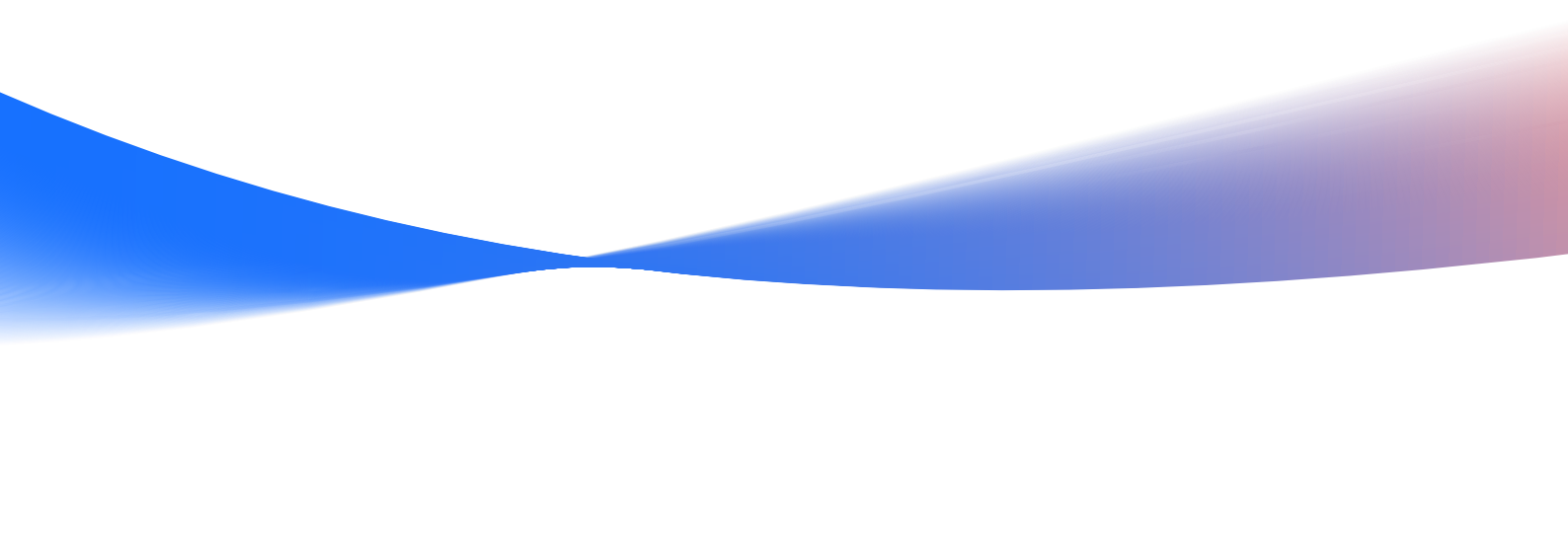
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# 01

## OVERVIEW

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# MESSAGE FROM THE CHAIRMAN

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With disciplined governance, a prudent balance sheet approach, and continued investment in strategic capabilities, IBANK is well-positioned to deliver sustainable value to shareholders and maintain the trust of all stakeholders.

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**Dear Valued Stakeholders,**

I am pleased to present IBANK's Annual Report for the year ended 31 December 2025.

The year under review unfolded in a challenging environment, shaped by elevated global uncertainty, tighter financial conditions, and continued volatility across international markets.

Regionally, shifting economic dynamics and heightened sensitivities in trade and investment flows added complexity to the operating landscape. Within Cambodia, economic momentum softened as the market adjusted to evolving conditions, requiring continued prudence and adaptability across the financial sector.

In this context, IBANK delivered a stable performance and maintained a sound financial position. The bank recorded a net profit of USD 2 million and profit before tax of USD 2.5 million, with total assets reaching USD 298 million. The Board is particularly encouraged by the bank's continued strength in asset quality, reflecting disciplined credit oversight and effective risk governance.

Throughout 2025, the Board remained focused on ensuring that the bank operates under strong governance standards, a robust compliance culture, and an appropriate risk appetite aligned with long-term sustainability. In parallel, we continued to strengthen internal control frameworks and reinforce strategic oversight to ensure that the bank remains well-positioned to manage uncertainty and respond to emerging risks.

The Board also provided direction on the bank's strategic priorities, including the advancement of digital capability, enhanced customer experience, and broader access to financial services. These initiatives support IBANK's

ambition to remain relevant and competitive in a rapidly evolving financial landscape, while contributing meaningfully to Cambodia's economic development.

Looking forward, while external conditions may remain uncertain, the Board remains confident in IBANK's long-term direction. With disciplined governance, a prudent balance sheet approach, and continued investment in strategic capabilities, the bank is well-positioned to deliver sustainable value to shareholders and maintain the trust of all stakeholders.

On behalf of the Board of Directors, I extend my sincere appreciation to our shareholders for their continued confidence, to our customers and business partners for their ongoing support, and to the management team and staff for their dedication and professionalism.

Sincerely,



---

**Mr. YIM LEAK**  
Chairman of the Board of Directors

# MESSAGE FROM THE CEO

## To Our Valued Shareholders, Investors, Customers, and Partners,

The year 2025 was marked by considerable global and regional challenges. Persistent inflationary pressures, tightening financial conditions, geopolitical tensions, and volatility in global energy and trade markets continued to weigh on economic growth worldwide. At the regional level, uncertainties surrounding China's property sector and slower global demand further impacted economic sentiment and financial markets.

Domestically, Cambodia experienced a moderation in economic activity amid softer external demand, continued adjustments in the real estate and construction sectors, and heightened regional uncertainties, including border tensions with Thailand. Despite these challenges, Cambodia's banking sector remained resilient and continued to play a vital role in preserving financial stability and supporting national economic development.

Against this backdrop, IBANK demonstrated resilience, discipline, and steady progress. For the financial year ended 31 December 2025, the bank recorded a net profit of USD 2 million, with profit before tax amounting to USD 2.5 million and operating revenues totaling USD 16.84 million. Total assets reached USD 298 million, supported by a loan portfolio of USD 159 million and customer deposits of USD 158 million. Our strong asset quality and near-zero non-performing loan ratio reflect the Bank's prudent risk management framework and conservative lending approach.

**These achievements underscore IBANK's continued commitment to operational excellence, sound corporate governance, and sustainable growth. We remain focused on delivering secure, innovative, and customer-centric banking solutions that enhance accessibility and convenience for our clients.**



During the year, the bank continued to strengthen its physical and digital presence. Our branch network now comprises six locations, including five branches in Phnom Penh and one branch in Preah Sihanouk Province, which was recently relocated and renovated to better serve our customers. In addition, our newly rebuilt headquarters represents a significant milestone in supporting future growth, innovation, and operational efficiency.

Digital transformation remains a key strategic priority for IBANK. The successful launch of our new mobile banking application, iBank KH, has further enhanced customer experience and accessibility. At the same time, the bank continued to expand strategic partnerships aimed at advancing financial inclusion and supporting the modernization of financial and public services in Cambodia.

Our commitment to transparency, compliance, and good governance was further recognized through the bank's receipt of four consecutive Gold Tax Certificates awarded by the General Department of Taxation. In parallel, our rebranding initiative has strengthened IBANK's identity as a modern, customer-focused, and digitally driven financial institution.

Beyond financial performance, IBANK remains committed to creating positive social impact through our Corporate Social Responsibility initiatives. Throughout the year, we actively supported programs related to financial literacy, cybersecurity awareness, healthcare, and environmental sustainability. During the Cambodia-Thailand border tensions, the bank also contributed humanitarian assistance to affected communities and displaced families as part of our broader commitment to social responsibility and national solidarity.

IBANK also continues to support the National Bank of Cambodia's initiatives to strengthen monetary policy effectiveness, promote financial stability, and encourage greater usage of the Cambodian Riel (KHR). We remain aligned with the national vision of enhancing Cambodia's long-term financial independence and economic resilience.

In closing, we extend our sincere appreciation to the Royal Government of Cambodia, the National Bank of Cambodia, and all relevant authorities and regulators for their guidance and support. We also thank our shareholders, Board of Directors, management team, and employees for their dedication and commitment. Above all, we are deeply grateful to our customers and partners for their trust and collaboration.

Together, we will build a more prosperous, sovereign, and digitally empowered Cambodia—stronger in the face of every challenge.

With Highest Respect,



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**Dr. HONG SOKLENG**  
Chief Executive Officer



# CORPORATE PROFILE

## IBANK's Head Office and Main Branch



No. 83, Preah Norodom Boulevard, Phum 12,  
Sangkat Phsar Thmey III, Khan Daun Penh,  
Phnom Penh, Kingdom of Cambodia.



## IBANK (CAMBODIA) PLC. (IBANK) is a commercial bank incorporated and registered in the Kingdom of Cambodia.

The Bank was incorporated on 14 November 2017 under the Cambodian Law on Commercial Enterprises and licensed under the regulation of the National Bank of Cambodia (NBC). The Bank obtained the NBC license on 18 July 2018 and commenced operations on 8 August 2018.

The Bank is principally engaged in all aspects of banking business and the provision of related financial services in the Kingdom of Cambodia.

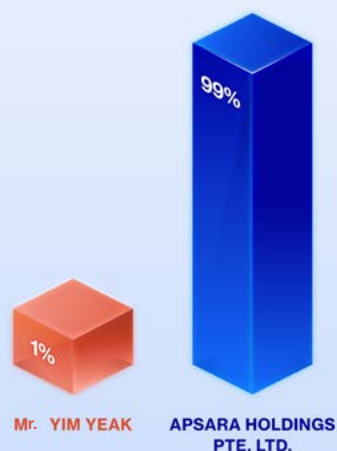
The Bank was originally established by Asia Investment and Financial Services Sole Co., Ltd. of Lao PDR, Paradise Investment Co., Ltd. of Kingdom of Cambodia and Prime Street Advisory Co., Ltd. of Kingdom of Thailand. On 29 September 2020, the National Bank of Cambodia granted the approval to transfer all shares held by Paradise Investment Co., Ltd. (Cambodia) and Prime Street Advisory Co., Ltd. (Thailand) to Mr. YIM LEAK, further strengthening the shareholders' commission of the Bank's vision and mission.



As of 26 May 2023, the 60% of all shares in IBANK held by Asia Investment and Financial Services Sole Co., Ltd. of Lao PDR (AIFS) and 39% of all shares in IBANK held by Mr. YIM LEAK, have been transferred to Apsara Holdings Pte. Ltd. (APSARA), a Singapore incorporated holding company represented by Mr. YIM LEAK, which thus now owns 99% of all shares in IBANK, with the remaining 1% of IBANK shares also held by Mr. YIM LEAK.

This share transfer marks a milestone for the Bank in that it was done to consolidate and restructure the bank's shareholding, a reflection of the bank's growth in size as well as in international ambition and expansion, providing it with an array of options for its future market growth, regional and international exposure, as well as strategic interests.

## Shareholder Structure



# VISION

Our ambition is to rank among the top five digital banking institutions in Cambodia.



# MISSION

We aim to unleash the limitless potential of our customers and the communities we serve, becoming the trusted partner in empowering progress and enriching lives.



# CORE VALUE



## Internationality

Facilitate seamless transactions across borders, empowering global connections through international-standard technology and services.



## Inclusivity

Eliminate barriers to financial access, ensuring financial inclusion and contributing to the prosperity of society at large.



## Innovation

Champion ongoing innovation in digital banking, harnessing the power of technology to deliver unparalleled human-centric, seamless experiences.



## Individuality

Tailor our products and services to meet the unique needs of each individual, recognizing their diverse backgrounds and potentials.



## Intuitiveness

Empower our customers to make informed decisions by an intimate understanding of their diverse financial goals.

# 02

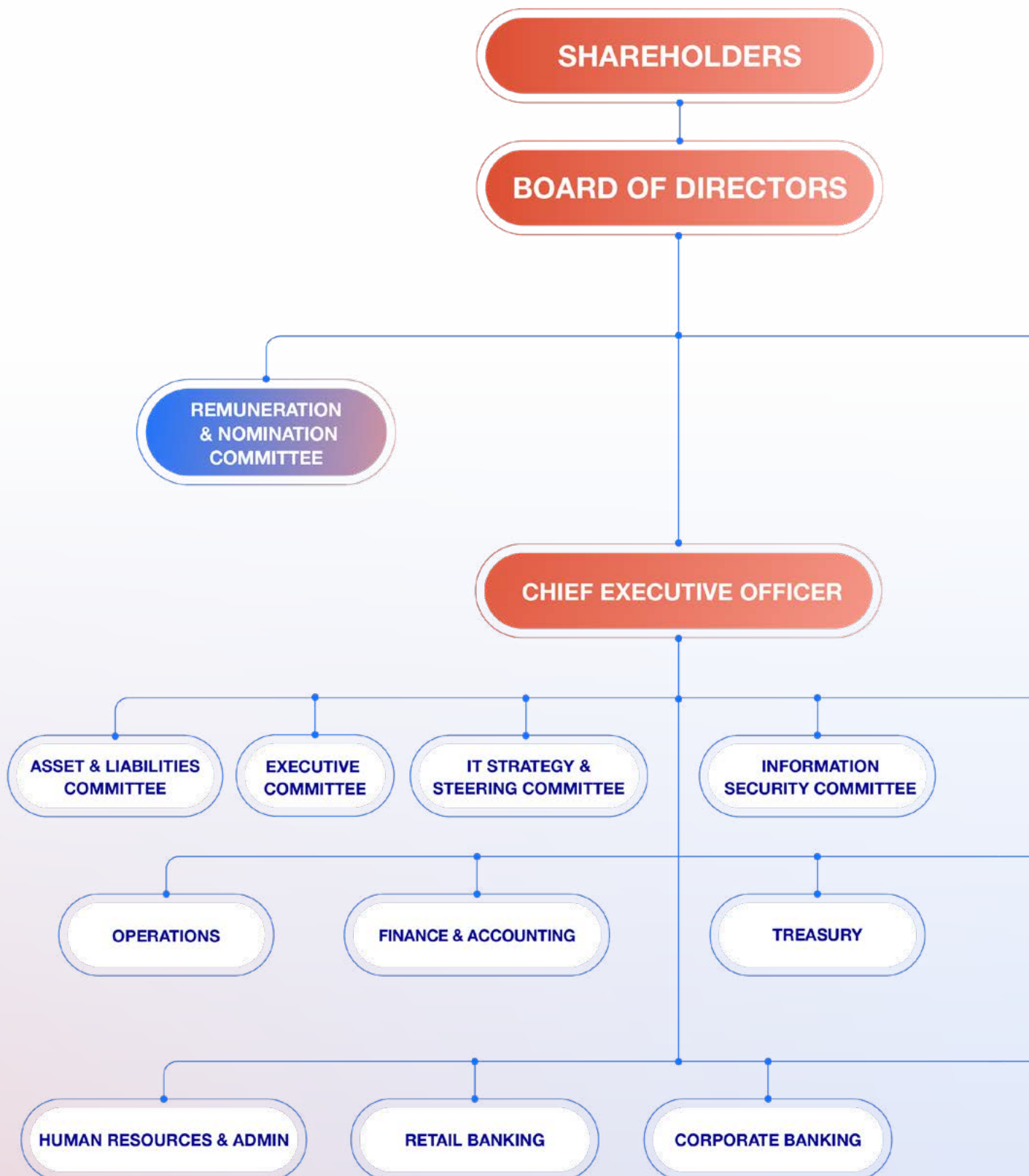
## ORGANIZATION

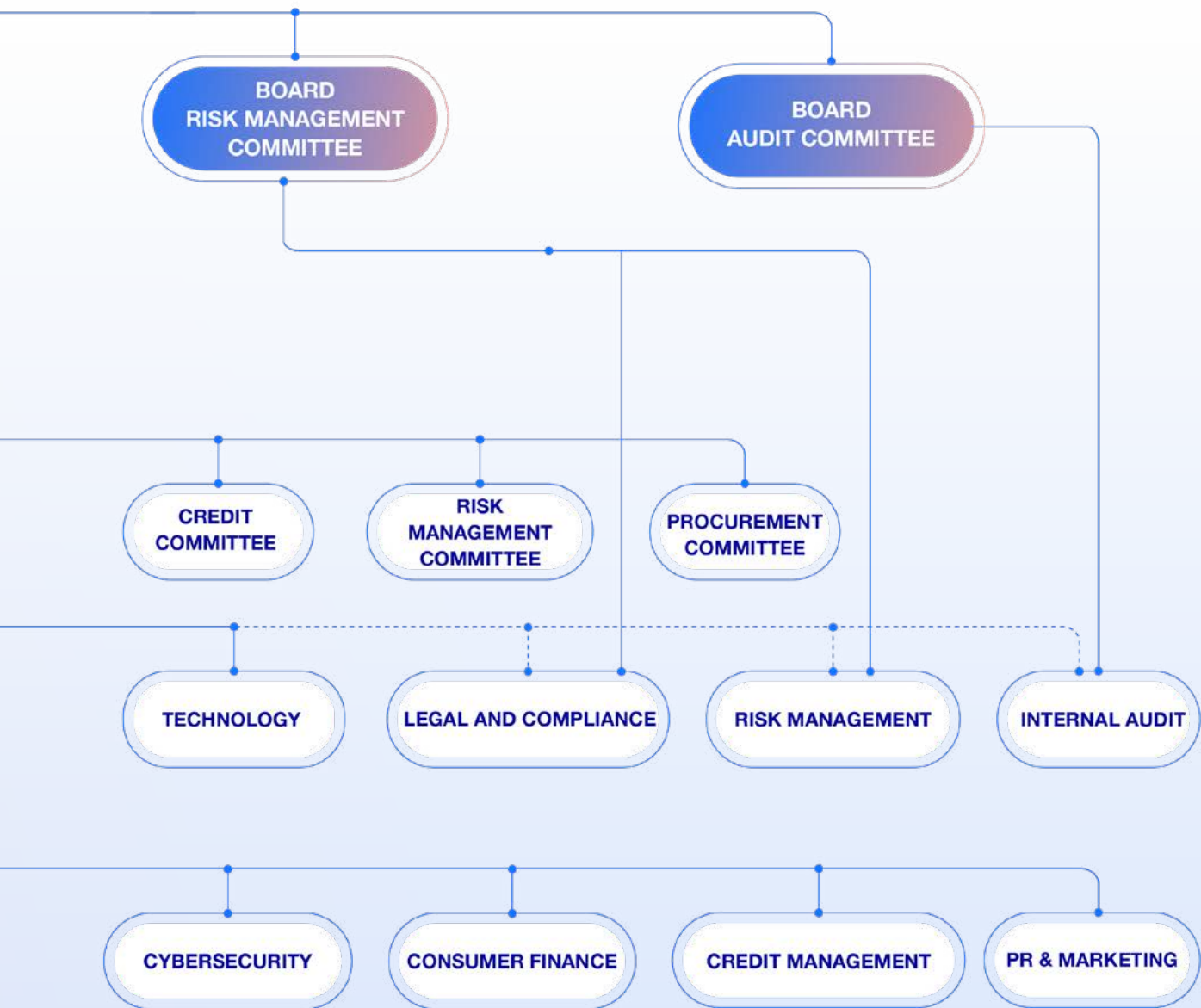
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# ORGANIZATIONAL STRUCTURE





# BOARD OF DIRECTORS



**Mr. YIM LEAK**  
Chairman

Mr. YIM LEAK is present on the board of a number of companies, namely Chairman of IBANK (since 2020, serving on the board prior to that) and BIC Trust, both public companies, as well as Chairman of U. Property Management, private companies active in the property sector, amongst several others in both chair and board director positions.

Having steadfastly served his country and motherland during his early adult years, Mr. YIM LEAK began to shape a grand vision for Cambodia and its rapid ascent in the global economic and business stage. This vision is one that is held close to heart and shared by his family, manifesting itself not only in his contributions to developing Cambodia's banking and finance sector, but also in the visionary Beong Snor project, a landmark, community-driven, neighbourhood lifestyle multi-use property development.

# BOARD OF DIRECTORS



**Dr. HONG SOKLENG**  
Director/Chief Executive Officer

Dr. HONG SOKLENG leads the IBANK's overall growth and expansion strategy in Cambodia and regionally, with responsibility for core strategic priorities, corporate banking, international partnerships, and business digitization.

From a strategic perspective and with an eye for putting IBANK's customers first, Dr. SOKLENG leads and orchestrates transformational initiatives that Dr. SOKLENG, in corporate banking, builds confidence and trust in IBANK's growing regional and international partnership base, and places the bank at the forefront of business digitization and creating a lean, efficient, and performance driven organization primed for sustainable and stable growth for years to come.

Dr. SOKLENG has more than twenty-six years of strategy, business development, and financial services experience, of which more than sixteen years serving in senior and executive roles in sector, having worked previously as Senior Vice President, Head of Business Banking, and Head of Corporate and SME Banking. Throughout his career he has been instrumental in accelerating the growth of corporate and SME deposits, increasing the value of loan portfolios, and shaping relationships with leading and respected companies.

Dr. SOKLENG holds a doctor's degree in global leadership and management from European International University in Paris, and bachelor's degree in administration and management from Norton University.



**Mr. YEA SAROEUN**  
Director/Deputy Chief Executive Officer

Mr. YEA SAROEUN, equipped with a bachelor's degree in Business Administration, possesses extensive experience in business management across various sectors in Cambodia.

Notably, he served as Deputy Chief Executive Officer, where he oversaw diverse investments, particularly in the financial sector. Prior to this role, he offered strategic guidance as an Advisor to the Chairman focusing on real estate ventures.

Additionally, he is appointed as a Director in IBANK (CAMBODIA) PLC., where he continues to leverage his expertise for strategic growth in the banking industry. Mr. SAROEUN's career reflects a steadfast commitment to excellence and a knack for driving success in Cambodia's dynamic business landscape.

# BOARD OF DIRECTORS



**Mr. PHE VUTHY**  
Independent Director

Mr. PHE VUTHY is a legal professional with a dual master's degree in International Business Law from the Royal University of Law and Economics in Phnom Penh, Cambodia, and the Paris-Panthéon-Assas University in France. With a rich background in both legal and investment advisory sectors, Mr. VUTHY has amassed extensive experience over the years.

His most recent role was as the senior legal counsel for a prominent real estate development and investment firm in Cambodia. Prior to this, he served as a legal and investment advisor to various companies, including one specializing in financial and information technology services.

Mr. VUTHY further extended his expertise by joining IBANK (CAMBODIA) PLC., as an Independent Director. His diverse professional background and academic qualifications equip him with a comprehensive understanding of legal intricacies and investment strategies, making him a valuable asset in the corporate realm.

# EXECUTIVE MANAGEMENT



# EXECUTIVE MANAGEMENT



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# EXECUTIVE MANAGEMENT



**Ms. EAN LEAKHENA**  
Chief Operating Officer

Ms. EAN LEAKHENA currently serves as Chief Operating Officer at IBANK (CAMBODIA) PLC., in charge of central operations, branch management, lending operations, central control, and digital operations. Before joining the bank, she served in various roles with the international banks and the big local banks in Cambodia with extensive leadership and experiences in finance and banking, including operations, lending, project management, retail business, and corporate.

Ms. LEAKHENA has more than 23 years of working experience. She started her career as an accountant, various roles in retail business and lending operations, Head of Business Analytics, Head of Corporate Strategy, Head of Project Management, and Division Head of Centralized Operations.



**Mr. SAM HAUNG**  
Director of Human Resources

With more than 20 years in human resources management, Mr. HAUNG SAM is the Director of Human Resources at IBANK (CAMBODIA) PLC. He is an experienced, results-oriented HR leader who drives and supports business needs through practical, people-focused HR solutions in a high-demand organization.

His professional strengths key HR disciplines, including talent acquisition, talent and organizational development, talent retention, learning and development, employee engagement, compensation and benefits, and labor compliance.

He also brings solid capability in driving employee learning and development culture, employee engagement and relations, uplifting employer branding and leading teams toward performance focus, engagement and stability.

# EXECUTIVE MANAGEMENT



**Mr. VEN KAMSAN**  
Head of Digital Banking

Mr. VEN KAMSAN joined IBANK as a Head of Digital Banking responsible for the bank's cards, merchant, and business partnership portfolios. In this role, he establishes card product strategy, expands merchant acquiring capabilities, and builds strategic partnerships to accelerate payment adoption and fee income revenue growth.

Mr. KAMSAN holds a bachelor's degree in Management Information System and brings over a decade of specialized experience in payments, remittance, and digital banking from progressive roles at local and International banks. His background includes launching and scaling digital payment platforms, products and services, optimizing card and merchant operations, and collaborating cross-functional teams to deliver secure, customer-centric solutions that support IBANK's digital transformation agenda.



**Ms. LUY CHANDAWIN**  
Head of Affluent and International  
Relationship Management

Ms. LUY CHANDAWIN has over 20 years of professional working experiences in operations, customer service, sales and marketing across various international private companies and financial institutions. Her extensive banking career spans leadership roles in deposit, lending, and payments for both retail and commercial segment at well-known banks in the Asia-Pacific and European regions. She has served as Head of Retail Deposit & Lending and Head of Commercial Deposit & Payments, driving businesses growth and strategic development.

She joined IBANK (CAMBODIA) PLC., as Head of Affluent and International Relationship Management under the Corporate Banking Department. In this role, she is responsible for leading the sales team in managing corporate and premium client deposits, as well as overseeing relationship management strategies.

She holds a bachelor's degree in Business Administration-Accounting from the National University of Management and Professional Degree in English Communication from the Institute of Foreign Languages (IFL).

# EXECUTIVE MANAGEMENT



**Mr. BAN MARA**  
Head of Finance

Mr. BAN MARA is a distinguished finance professional with over 16 years of experience in the banking sector. He joined IBANK as a Finance Manager and subsequently promoted to Head of Finance.

Mr. MARA excels in financial reporting, taxation, fund management, budgeting, and business planning. He has successfully managed major projects, including CIFRS Conversion and Core Banking System implementation, contributing significantly to the Bank's financial stability and growth.

He holds a master's degree in Finance and a bachelor's degree in Finance and Banking from National University of Management. He is currently pursuing his ACCA program at CamED Business School, Phnom Penh, Cambodia.



**Mr. KIM LY**  
Head of Credit

Mr. KIM LY currently holds the position of Head of Credit at IBANK (CAMBODIA) PLC. and leads the Credit Department in overall control of credit management.

Having been working in the banking industry for more than 17 years, he has gained magnificent experiences and a set of skills in various roles such as corporate lending, credit management, trade financing, and project financing management.

Before joining the bank, he has been working with one of the top 3 banks in Cambodia as Head of Corporate Relationships, Head of Trade Finance, and Head of Project Management Financing respectively.

He graduated with an MBA degree in Economic and General Management from the Royal University of Law and Economics and a Diploma in Cambodian Business Law from CamEd Business School.

# EXECUTIVE MANAGEMENT



**Mr. IM SOTHEA**  
Head of Internal Audit

Mr. IM SOTHEA joined IBANK (CAMBODIA) PLC., as Head of Internal Audit. He responds to establishing and monitoring Internal Audit Plans, Audit Policies and Procedures, and the Bank's Overall Management to ensure that Internal Control is in place and properly implemented by staff and management.

Before joining IBANK, Mr. SOTHEA was an Internal Audit Unit Manager and a Head of Internal Audit at 4 local and international commercial banks for more than 16 years. He has solid banking experience, especially in internal auditing such as developing internal audit policies and procedures, conducting risk assessments, investigating fraud and misconduct to strengthen internal control systems, and assuring governance in financial institutions.

Mr. SOTHEA holds a master's degree in Auditing and a bachelor's degree in Accounting, from local institutions. Moreover, he holds many professional certificates from both local and international professional institutions and associations including Cambodia, Malaysia, and Thailand.



**Ms. HOUT LIDA**  
Head of Treasury

Ms. HOUT LIDA joined IBANK (CAMBODIA) PLC., as Head of Treasury, responsible for day-to-day treasury functions, including liquidity management, funding plan, investment activities, foreign exchange management, and financial institutions relationship management.

With more than 17 years of experience in banking sector, Ms. LIDA has grown her career as a customer services, branch operations management, and various treasury management roles in local and international bank. She holds a bachelor's degree in Business Administration in Accounting from Norton University.

# EXECUTIVE MANAGEMENT



**Mr. TRAN HUU TAI**  
Head of Marketing

Mr. TRAN HUU TAI currently serves as Head of Marketing at IBANK (CAMBODIA) PLC. In this role, he is responsible for driving marketing strategies to build brand, promote bank products and services, and drive digital acquisition.

Prior to joining IBANK, Mr. TAI held various marketing leadership positions for more than 10 years. He has solid marketing experience in developing and implementing digital marketing strategies, driving brand awareness, lead generation, and optimizing marketing campaigns. His previous roles include Marketing Manager at VinaCapital (Vietnam) and Digital Marketing Manager (Assistant Vice President) at Citi Vietnam.

Mr. TAI holds a master of Science in International Marketing Management from the University of Buckingham and a bachelor's degree in Economics from University of Economics and Law, National University of Vietnam.



**Mr. SENG VESALO**  
Head of Information Technology

Mr. SENG VESALO has over 15 years of experience in the banking sector, specializing in information technology, digital transformation, and banking platform modernization.

Throughout his career, Mr. VESALO has developed extensive expertise in IT Business Analysis, Project Management, Core Banking System, Card Management System, Data Warehouse and Reporting Development, Digital Transformation Initiatives, and IT Service Management. He has successfully led and delivered major technology projects, including core banking migration, mobile banking development, platform optimization initiatives, and playing a significant role in enhancing system stability, security, and operational efficiency.

Mr. VESALO holds a Higher Education Degree of Pedagogy in Informatics – Management and Leadership from the National Institute of Education, a bachelor's degree of Public Administration from the Royal University of Law and Economics, and a bachelor's degree of Science in Computer Science and Engineering from the Royal University of Phnom Penh.

# EXECUTIVE MANAGEMENT



**Mr. KAO SOVATHA**  
Head of Cybersecurity

Mr. KAO SOVATHA has over 18 years of experience in IT Infrastructure, Information Security, and Cybersecurity. He has built his career at a foremost commercial bank and one of Cambodia's top three microfinance institutions (MDIs). Moreover, he has held leadership roles for over six years, managing teams and complex technological environments.

Mr. SOVATHA joined IBANK as Head of Cybersecurity, where he independently oversees the bank's overall security posture. His main responsibilities include leading the implementation of advanced security technologies, overseeing 24/7 cybersecurity monitoring, conducting vulnerability assessments and penetration testing, managing IT governance, and ensuring compliance with regulatory requirements and industry standards.

He holds master's degree in Business Administration and bachelor's degree in Computer Science from Norton University, along with Associate Degree in IT from an NGO. He also maintains several globally recognized certifications, including Certified CISO, CoBIT 2019, ISO 27001, PCI DSS, and Cloud Security.



**Mr. HORT I**  
Head of Legal and Compliance

Mr. HORT I serves as the Head of Legal and Compliance at IBANK (CAMBODIA) PLC., bringing extensive experience in banking, compliance, internal audit, and financial management. With more than 15 years of experience in the banking sector, He has held several key leadership roles, including Accounting Manager, Head of Internal Audit, Head of Compliance, and currently a Head of Legal and Compliance.

In this role, he oversees legal and regulatory compliance, strengthens AML/CFT frameworks, monitors internal control systems, and works closely with regulators to ensure adherence to applicable laws and regulations. he also play a key role in fostering a strong compliance culture within the Bank through staff training and continuous enhancement of compliance programs.

Mr. HORT I holds a master's degree in Finance and Banking from Cambodia Mekong University and a bachelor's degree in Accounting and Finance. He has also completed extensive professional training in legal and regulatory compliance, fraud risk management, and AML/CFT.

# EXECUTIVE MANAGEMENT



**Ms. LUN SOCHANTHEA**  
Head of Risk Management

With over 14 years of experience in financial sector as an External Auditor with diversify portfolio and a senior risk leadership across liquidity, operational, and IT risk, Ms. LUN SOCHANTHEA joined IBANK as a Head of Risk Management, covering liquidity risk, market risk, credit risk, operational risk, IT and Cybersecurity risk, compliance risk and reputational risk. Moreover, she has developed and implemented risk management programs including business continuity management and fraud prevention for the bank.

She holds a bachelor's degree in Banking and Finance, bachelor's degree in Information Systems, certified Cyber Risk Specialist, and other relevant certifications.

# HUMAN CAPITAL MANAGEMENT

The Human Resources and Administration (HRA) oversees Human Resources, Administration, and Procurement. The key functions of HRA include talent acquisition, workforce planning, learning and organization development, compensation and benefits, culture integration, employer branding linked to corporate social responsibility (CSR), and employee engagements. Also, Administration and Procurement covers general administrative work, property projects and maintenance, procurement, tenders, and security.

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## HUMAN CAPITAL GROWTH AND TALENT DEVELOPMENT

**“We are passionate about developing talent, and we deeply value the contributions of every professional who shaped IBANK’s past, strengthens its present, and is paving the way for the future.”**

As the HRA, we are driving both short-term and long-term initiatives in to support each business function by making sure to align the talent management with organizational goals, ensuring the workforce has the skills, motivation, and structure to achieve business objectives enhancing productivity and resilience in the Bank.

## IBANK IS A PLACE WHERE THE BANK COMPLIES

At IBANK, compliance, ethics, and integrity form the foundation of our operations. Guided by our Code of Business Conduct and Ethics and reinforced by our Compliance Management Framework and Policy, we integrate compliance best practices across all business functions.

We rigorously adhere to internal governance standards – covering policies, processes, procedures, risk management, and internal controls, as well as external regulatory requirements, including prudential rules, Anti-Money Laundering (AML) and Counter-Terrorist Financing (CFT) obligations, consumer protection, and technology and cyber risk management. By aligning internal standards with regulatory expectations, we promote a culture of transparency and accountability. Continuous monitoring, capacity building, and system enhancements strengthen our operational resilience, protect stakeholders, and support the long-term sustainability of the Bank.

## WHERE TALENT RECOGNIZES

IBANK is a local bank providing positive culture & leadership, competitive compensation & benefits, and growth & development. They are recognized for valuing employees, fostering high engagement, and maintaining a positive reputation that makes people actively choose to work here, strongly standing by “Employer of Choice.”

In order to fulfil an organization’s long-term workforce needs, Talent Acquisition is a proactive, strategic approach that goes beyond typical recruitment to create an effective talent pipeline. Talent acquisition at IBANK involves more than just filling open positions right now; it’s also about foreseeing future demands and developing a pool of competent applicants, both internal and external, who are prepared for future openings. Through Attitude, Skills, and Knowledge (ASK) approaches and an internal capacity development culture, we foster an open recruitment and selection culture that keeps employees motivated and involved with the bank.

## WHERE TALENT GROWS

Our talent development is continuing the strategic process of nurturing and enhancing employee skills, abilities, and potential to align with personal and organizational goals and foster career growth, ultimately leading to improved performance and engagement. At IBANK, we have organized and achieved key critical and useful training topics, both hard skills and soft skills, and even internal and external training for all employee levels, with an average of 34 training hours per employee in 2025.

To stay up to date on new laws and regulations, our IBANK’s employees were assigned to participate in workshops, meetings, and briefing sessions with the National Bank of Cambodia (NBC), regulators, partners, and other relevant stakeholders training required.

# HUMAN CAPITAL MANAGEMENT



## WHERE EMPLOYEES ARE ENGAGED

In 2025, one of our key priorities is talent engagement to create a welcoming and supportive work environment where employees feel valued, motivated, and aligned with IBANK's goals, ultimately fostering commitment and retention. The bank encouraged and hosted many engagement activities and events, including Morning Talk Sessions, Annual Conference, Community Events, and Sports. Furthermore, we conducted the Annual Employee Satisfaction Survey (ESS) to collect feedback from all employees, evaluated, and planned further actions.



## WHERE PERFORMANCE AND REWARDS ARE COMMENSURATE WITH EACH OTHER

We have robust performance management practices driven by Key Performance Indicators (KPIs). We ensure our KPIs are aligned and workable with the business goals. Our KPI entails compliance and governance elements and linkage between performance and rewards. On top of that, we embrace the culture of ongoing performance conversations across the organization to ensure our people are on track and are able to receive prompts in order for them to achieve more in their respective performance.

## WHERE ADMINISTRATION AND PROCUREMENT SUPPORT

Administration and procurement play important roles in the bank. Administration handles and works with related regulators and authorities to comply with regulations by registering, updating, filling, and declaring as per requirements. The admin is also responsible for property and asset management, facilities management, transportation, accommodation, and mission arrangement. We support the bank for expanding to new branches and any changes as well as projects. In here we formed the procurement committee and policies and procedures to manage and enhance both tasks and responsibility. The procurement committee is to ensure that the purchasing of all goods, products, and services required maximizes the satisfaction and benefit to the bank and is to be handled in a transparent, timely, efficient, and cost-effective manner, adhering to the best procurement process.

The main duties of both Administration and Procurement are to support and ensure the whole bank operation smoothly and align with organizational goals for achieving business objectives and targets.

# 03

## GROWTH AND ACHIEVEMENT

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Business Highlights 35

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# FINANCIAL HIGHLIGHTS

	FY 2025	FY 2024
<b>OPERATING RESULTS (US\$'000)</b>		
Operating Revenue	16,840	19,684
Profit / (Loss) Before Taxation	2,498	4,934
Net Profit / (Loss) for the Year	2,005	3,952
<b>KEY BALANCE SHEET DATA (US\$'000)</b>		
Total Assets	298,089	436,382
Loan and Advance to Customer	157,160	161,332
Total Liabilities	164,665	304,964
Deposit from Banks and Customers	157,966	297,572
Statutory Share Capital	125,000	125,000
Shareholder's Equity	133,424	131,419
<b>FINANCIAL RATIOS (%)</b>		
Return on Assets (ROA)	0.67%	0.91%
Return on Equity (ROE)	1.50%	3.01%
Liquidity Coverage Ratio	194%	230%
Loan to Deposit Ratio	118%	55%
Non-Performing Loans to Total Loans	0.97%	1.11%
<b>CAPITAL MANAGEMENT</b>		
Regulatory Capital (US\$'000)	129,741	-
Capital Adequacy Ratio (%)	49%	-

# BUSINESS HIGHLIGHTS

## Corporate Banking

---

In 2025, the Corporate Banking Department continued to strengthen its capabilities through product innovation, digital transformation, and enhancement of sales-related processes, with a focus on improving customer experience, relationship management, and operational efficiency, in compliance with regulatory requirements.

### 01

#### Product Development and Customer Segmentation

The department expanded its product portfolio to better serve corporate and high-net-worth (HNW) clients. Key launches included the Cheque Business Account, Cash Management Account, and Infinity Account, designed to address diverse transactional, liquidity, and premium banking needs. In addition, Merchant Account solutions were introduced to enhance payment collection and support business growth.

### 02

#### Digital Banking Advancement

The significant progress was made in enhancing digital banking services. The Corporate Digital Banking (CDB) Web Platform was upgraded to improve functionality, security, and user experience. Furthermore, the CDB Mobile Application has been developed and is scheduled for introduction, enabling clients to perform banking transactions conveniently and securely, supporting increased digital adoption among corporate clients.

# BUSINESS HIGHLIGHTS

## Corporate Banking (continued)

---

### 03

#### Sales Process Enhancement and Customer Management

The department implemented several initiatives specifically to strengthen sales effectiveness and customer portfolio management, including:

- ◆ Simplification of document requirement checklists to support faster onboarding driven by Relationship Managers (RMs)
- ◆ Introduction of a Relationship Manager (RM) ID framework to enhance customer ownership, tracking, and performance monitoring
- ◆ Development and deployment of a Customer Relationship Management (CRM) system to improve sales pipeline visibility, customer engagement, and data-driven decision-making

These initiatives are aligned with the Corporate Banking business model and are distinct from branch operational processes.

#### Commitment to Compliance and Sustainable Growth

All initiatives were carried out in alignment with internal policies and regulatory standards, ensuring sound governance, transparency, and effective risk management. The department remains committed to sustainable growth while enhancing client service quality and strengthening its competitive position.

# BUSINESS HIGHLIGHTS

## Credit Management

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During the reporting year, the Credit Department continued to strengthen the bank's lending portfolio, enhance risk management practices, and support sustainable growth across priority sectors. Through disciplined execution and strong collaboration with business units, the department delivered solid performance while maintaining prudent credit standards in a full of challenging and dynamic economic environment.

### 01

#### Portfolio Quality Control

The Credit Department successfully supported balanced portfolio expansion, resulting in healthy loans across retail, SME, and corporate segments. Portfolio quality achieved by strong underwriting discipline, with Non-Performing Loan (NPL) ratios less than 1% and well below the industry benchmarks.

### 02

#### Strengthened Credit Risk Management

To enhance portfolio resilience, the department improved credit assessment processes, updated sector risk guidelines as well as credit policy. Regular stress testing ensured the portfolio remained robust under different economic conditions.

### 03

#### Digitalization and Process Efficiency

The department advanced the bank's digital transformation agenda by streamlining credit processes and increasing automation. Key initiatives included the Loan Originated System (LOS) development. These enhancements contributed to faster delivery service, improved customer experience, and stronger operational efficiency.

# BUSINESS HIGHLIGHTS

## Credit Management (continued)

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### 04

#### **Portfolio Diversification and Responsible Lending**

A strategic focus on portfolio diversification helped deepen the bank's presence in priority sectors such as trading, SMEs, agriculture, and retail lending. Through responsible lending practices and tailored credit programs, the department supported economic activity, job creation, and financial inclusion in the communities we serve.

### 05

#### **Capability Development**

The Credit Department continued to implement the staff development through specialized training programs on credit risk analytics, sectoral expertise, regulatory requirements, and emerging industry trends. These efforts strengthened institutional capacity and ensured preparedness for evolving market challenges.

### 06

#### **Regulatory Compliance and Governance**

Throughout the year, the department maintained a strong compliance culture and ensured alignment with regulatory requirements and internal governance standards. Continuous collaboration with regulators, auditors, and internal stakeholders further reinforced transparency, accountability, and riskaware decision-making.

#### **Looking Ahead**

The Credit Department remains committed to supporting sustainable growth, strengthening asset quality, and advancing digital capabilities. In the coming year, the department will continue to innovate, enhance risk management frameworks, and contribute to the bank's strategic priorities.

# BUSINESS HIGHLIGHTS

## PR & Marketing

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The year 2025 represented a definitive turning point for IBANK (CAMBODIA) PLC., marked by the successful execution of our comprehensive Rebranding Project. Formally launched on 01 August 2025, this initiative was far more than a visual refresh; it was a fundamental modernization of our corporate identity designed to align with our digital-first future and strengthen our market positioning.

This transition was executed with meticulous precision, ensuring 100% brand consistency across more than 150 unique brand materials and physical touchpoints. This massive undertaking provided a unified and modern visual language that reflects our commitment to excellence and innovation.

A core strategic pillar of this transformation was the simultaneous advancement of our digital ecosystem, ensuring our new identity was backed by a superior user experience:

### iBank KH Mobile App

We successfully launched the new iBank KH mobile banking application, seamlessly integrating our refreshed identity into the mobile experience. This launch has been instrumental in driving digital adoption and providing our customers with an intuitive, modern interface.

### iBank Website

Beyond mere updates, 2025 saw the full launch of the new iBank website. This platform now serves as our primary digital gateway, fully optimized to reflect our modern brand values while providing a high-performance, customer-centric experience for all stakeholders.

By synchronizing the brand launch with these significant digital milestones, we have built a robust foundation for IBANK's continued growth. This integrated approach - uniting a fresh identity with a completely overhauled digital presence - underscores our commitment to being the leading, innovative financial partner in the Cambodian market.

# BUSINESS HIGHLIGHTS

## PR & Marketing (continued)

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### IBANK Corporate Social Responsibility (CSR)

IBANK remains committed to being a responsible corporate citizen by actively contributing to meaningful Corporate Social Responsibility (CSR) initiatives that support the well-being of communities and the nation. Guided by our values of integrity, compassion, and social contribution, IBANK continues to participate in activities that promote health, solidarity, and humanitarian support for the Cambodian people.

As part of our health and wellness CSR efforts, IBANK management and staff proudly participated in the 13th Phnom Penh International Half Marathon in June 2025. This activity reflected our strong commitment to promoting a healthy lifestyle, teamwork, and community engagement, while also supporting a national event that encourages public participation in sports and well-being.

In addition, IBANK demonstrated its dedication to national support by contributing humanitarian assistance to the Royal Government of Cambodia. In July 2025, IBANK provided humanitarian aid to civilians affected by the Cambodia–Thailand border clashes, helping to ease the hardship faced by victims during a difficult time. Furthermore, in December 2025, IBANK extended support to frontline soldiers and displaced people, reinforcing our commitment to standing with the nation in times of challenge and ensuring that essential assistance reaches those most in need.

Through these CSR initiatives, IBANK continues to strengthen its role not only as a trusted financial institution, but also as a supportive partner in Cambodia's social development and national resilience.

# BUSINESS HIGHLIGHTS

## PR & Marketing (continued)

### 13th Phnom Penh International Half Marathon



# BUSINESS HIGHLIGHTS

## Cybersecurity

# 01

### Implementation of Cybersecurity Operations

We have successfully implemented a world-class Security Information and Event Management (SIEM) solution alongside a Threat Intelligence Platform. These systems provide the Security Operations team with real-time alerts on cyber threats and attacks, enabling continuous 24/7 detection and response capabilities.



# BUSINESS HIGHLIGHTS

## Cybersecurity (continued)

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# 02

### Implementation of Comprehensive Security Testing Capabilities

To ensure the security and safety of our extensive roadmap of digital services and products, we have implemented robust security testing capabilities. This includes the deployment of comprehensive testing tools, devices and procedures, along with the development of advanced tester skillsets. The procedures are aligned with regulatory requirements and benchmarked against the best practices.



# 04

## CORPORATE GOVERNANCE

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# CORPORATE GOVERNANCE

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## Board of Directors (BOD)

The Board of Directors of IBANK is appointed by the shareholders. The Board may review the structure, size, and composition of the Board and its sub-committees from time to time and make recommendations to the shareholders for any changes deemed necessary in accordance with the Royal Government of Cambodia's existing laws and regulations. The Board is responsible for overseeing the overall management and affairs of the Bank for the proper conduct of the Bank. The Board's responsibilities include but is not limited to:

- ◆ Approval of strategies policies and business plans
- ◆ Approval of annual budgets, annual reports, financial statements and investment plans
- ◆ Review and approve CEO's proposals on organizational structure, internal regulations, staff policies, vendor contracts
- ◆ Propose amendment of Memorandum and Articles of Association
- ◆ Approval of the annual operating budget of the Bank and ensure operations are conducted prudently, in line with Cambodian laws/regulations and policies of the Bank
- ◆ Overseeing management and affairs of the Bank to ensure competent and prudent management, compliance with statutory and regulatory obligations, the effectiveness of policies, systems, and controls, adequate monitoring and assessment of risks, regular review of performance, and ensuring corrective action is taken when applicable
- ◆ Approval of any extension of the Bank's activities into new businesses within the geographic area of Cambodia
- ◆ Approval of any decision to cease any or all material part of the Bank's business
- ◆ Approval of proposals for the allocation of capital and other resources within the Bank
- ◆ Approval of any significant changes to accounting policies or practices
- ◆ Maintaining a sound system of internal controls and risk management. The Chairperson is appointed by the shareholders and in his/her absence, the Deputy Chairperson will automatically become the Acting Chairperson and shall perform duties the same as those of the Chairperson. Board members must consist of at least five members, two of whom must be independent directors. Board meetings must convene once each quarter but the Chairperson can call for ad-hoc meetings as requested by any Board member. At least fifty percent of the Board must be present for a quorum.

# CORPORATE GOVERNANCE

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## Board Audit Committee (BAC)

The Audit Committee is established to review, on behalf of the Board, the internal financial controls of the Bank to identify, assess, manage, and monitor financial risks and to review the internal control systems of the Bank. Members shall comprise at least three directors appointed by the Board for a term of 3 years subject to annual renewal in accordance with their terms of appointment as Board of Directors. One member shall be the independent director, who is also the Chairperson. Only committee members have the right to attend meetings but other senior management such as the Chief Executive Officer, Chief Risk Officer, Head of Internal Audit, Head of Compliance, Chief Financial Officer and external auditors may attend part or all of the meetings by invitation of the Chairperson.

## Board Risk Management Committee (BRMC)

The Risk and Compliance Committee is established to advise the Board on the Bank's current and future risk appetite, oversee the implementation of the risk management framework, and report the state of risk culture in the Bank. In particular, its responsibilities encompass whistle-blowing and fraud detection. It shall review the effectiveness of current systems of monitoring compliance, procedures for detecting fraud, systems, and controls for the prevention of bribery, and adequacy and effectiveness of anti-money laundering systems and controls. It shall also ensure that whistle-blowing reports are dealt with through independent investigation and appropriate follow-up action is taken.

Members shall comprise at least three directors appointed by the Board for a term of 3 years subject to annual renewal in accordance with their terms of appointment as Board of Directors. One of the members, appointed by the Board, and an independent director shall be the Chairperson. The members of the committee must collectively have sufficient experience and qualification to fulfill their duties and be honorable persons of character and above board.

# CORPORATE GOVERNANCE

## Other Committees

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### Executive Committee (EXCO)

The Executive Committee (EXCO) is responsible for managing and overseeing all aspects and functions in line with role profile and terms of reference respectively other than those reserved for the respective Board Committees. In particular, the EXCO has responsibilities including but not limited to ensuring alignment with the Board, developing Business Strategy, reviewing and taking appropriate actions on the Bank's Financial Reports, Asset and Liability Management, Capital Allocations, and Risk Management.

### Asset and Liability Committee (ALCO)

The Asset and Liability Committee (ALCO) is responsible for providing important management information systems and oversight for evaluating on and off-balance sheet risk for the Bank. Its objective is to ensure liquidity whilst managing the Bank's spread between interest income and interest expense. Its duties include areas of treasury risk management, interest rate risk and hedging activities, treasury credit risk and funding.

### Credit Committee (CC)

The Credit Committee (CC) is responsible for overseeing the lending and credit strategies of the Bank, including reviewing internal credit policies and establishing portfolio limits.

### Procurement Committee (PC)

The Procurement Committee (PC) is responsible for ensuring transparency and fairness in the procurement exercise. The mandate is not based on the lowest price but fitness for purpose, fair market price, return on investment, whole-of-life costs, timely delivery, post-delivery support, environmental sustainability, social responsibility, evidence of previous performance or experience, effective warranty, and conformity to law.

### Risk Management Committee (RMC)

The Risk Management Committee (RMC) is the executive level committee responsible to oversee, reviews, and monitors the implementation of risk management within the bank operation such as credit, liquidity, market, capital, operation, regulation and compliance. Management as a first line of defense retains accountability for risk-taking. The RMC is also responsible for assisting the Board in its oversight and advice to the board in relation to current and potential future risk profile and risk strategy including determination of risk appetite and tolerance. It also oversees the design, implementation and effectiveness of risk management and measurement strategies across the Bank, including adherence with Risk Management Policies with risk-related regulatory requirements. This Committee shall take responsibility to assist the BRMC (Board Risk Management Committee) or the Board by the Board's discretionary power to set risk appetites, approve frameworks, policies and procedures for the management of risks.

# CORPORATE GOVERNANCE

## Other Committees (continued)

### SENIOR MANAGEMENT

Business and Operational Units are the first line of defense to ensure internal control systems run smoothly.

### INDEPENDENT RISK AND COMPLIANCE MANAGEMENT

As an independent entity, they monitor, check on compliance, and report all risks in the Bank on an ongoing basis.

### INTERNAL AUDIT DEPARTMENT

Internal Auditors will independently and periodically test and audit the efficacy and robustness of the integrated risk management framework and processes of the business and support units, ensuring roles and responsibilities and duly performed. They also undertake regular reviews of the Bank's operation and internal control system and provide a check and balance on the effectiveness of the Bank's system of internal controls and compliance with relevant regulatory requirements by the Bank.

The results of audits bring forward-looking recommendations and suggestions for improvement to management for necessary remedial actions to be taken. Internal Audit reports to the Board of Directors via Audit Committee.

## Checks and Balances

IBANK has a segregation of duties to ensure independent decisions and reviews and for a proper system of internal control. Each unit maintains different responsibilities and cannot influence each other to avoid concentration of power, reduce mistakes, and prevent improper behavior.



# 05

## FINANCIAL STATEMENTS

For The Year Ended 31 December 2025  
And Report Of The Independent Auditors

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# CORPORATE INFORMATION

<b>Bank</b>	IBANK (CAMBODIA) PLC.	
<b>Registration No.</b>	00029200	
<b>Registered office</b>	No. 83, Preah Norodom Boulevard, Phum 12, Sangkat Phsar Thmei III, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia.	
<b>Shareholders</b>	<b>Apsara Holdings Pte. Ltd.</b> Mr. <b>Yim Leak</b>	
<b>Board of Directors</b>	Mr. <b>Yim Leak</b> Mr. <b>Hong Sokleng</b> Mr. <b>Yea Saroeun</b> Mr. <b>Phe Vuthy</b> Mr. <b>John Edward Mc Cosh</b>	Chairman Director Director Independent director Independent director ( <i>Resigned on 15 July 2025</i> )
<b>Management team</b>	Mr. <b>Hong Sokleng</b> Mr. <b>Yea Saroeun</b> Mrs. <b>Ean Leakhena</b> Mr. <b>Sam Haung</b> Mr. <b>Ven Kamsan</b> Ms. <b>Luy Chandawin</b>  Mr. <b>Ban Mara</b> Mr. <b>Kim Ly</b> Mr. <b>Im Sothea</b> Ms. <b>Hout Lida</b> Mr. <b>Tran Huu Tai</b> Mr. <b>Seng Vesalo</b> Mr. <b>Hort I</b> Ms. <b>Lun Sochanthea</b> Mr. <b>Kao Sovatha</b>	Chief Executive Officer Deputy Chief Executive Officer Chief Operating Officer Director of Human Resource Head of Digital Banking Head of Affluent and International Relationship Management  Head of Finance Head of Credit Head of Internal Audit Head of Treasury Head of Marketing Head of Information Technology Head of Legal and Compliance Head of Risk Management Head of Cybersecurity
<b>Principal bankers</b>	National Bank of Cambodia ACLEDA Bank Plc. Canadia Bank Plc. Bank for Investment and Development of Cambodia Plc. BIC Bank Lao Ltd Wing Bank (Cambodia) Plc. Cambodian Public Bank Plc. Phillip Bank Plc. Bank of Sharjah.	
<b>Auditors</b>	Fii&Associates Co., Ltd.	

# REPORT OF THE BOARD OF DIRECTORS

The Board of Directors (the “Board” or “Directors”) hereby submit their report together with the audited financial statements of IBANK (CAMBODIA) PLC. (“the Bank”) for the year ended 31 December 2025 (the “financial year” or “year”).

## Principal activities

The principal activities of the Bank comprise the operations of its core banking business and the provision of related financial services in the Kingdom of Cambodia. There have been no significant changes in the nature of these principal activities since the previous financial year.

## Financial results

The financial results of the Bank were as follows:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Profit before income tax	2,497,776	10,018,580	4,933,821	20,085,585
Income tax expense	(492,351)	(1,974,820)	(981,437)	(3,995,430)
<b>Net profit for the year</b>	<b>2,005,425</b>	<b>8,043,760</b>	<b>3,952,384</b>	<b>16,090,155</b>

## Dividends

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

## Share capital

The paid-up capital of the Bank as at 31 December 2025 was US \$125,000,000 (2024: US\$125,000,000) with a par value of US\$1 per share. Refer to Note 16 for the detailed share capital and shareholding structure.

## Reserves and provisions

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

## Bad and doubtful debts

Before the financial statements of the Bank were prepared, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowances for doubtful debts, and satisfied themselves that there were no known bad debts and that no allowance needed for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render it necessary to write off bad debts or to make allowances for doubtful debts in the financial statements of the Bank, that would be inadequate to any material extent.

# REPORT OF THE BOARD OF DIRECTORS

(continued)

## Current assets

Before the financial statements of the Bank were prepared, the Directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business at their value as shown in the accounting records of the Bank had 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 that have arisen which would render the value attributed to the current assets in the financial statements of the Bank misleading.

## 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 methods of valuation of assets and liabilities in the financial statements of the Bank misleading or inappropriate.

## Contingent liabilities

At the date of this report, there does not exist:

- (i) Any charge on the assets of the Bank which has arisen since the end of the financial year which secures the liabilities of any other person, or
- (ii) Any contingent liability in respect of the Bank that has arisen since the end of the financial year other than in the ordinary course of its business operations.

No contingent or other liability of the Bank has become enforceable, or is likely to become enforceable, within the period of 12 months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Bank to meet its obligations when they fall due.

## Changes of circumstances

At the date of this report, the Directors is not aware of any circumstances not otherwise dealt with in the report or in the financial statements of the Bank, which would render any amount stated in the financial statements as misleading.

## Items of an unusual nature

The results of the operations of the Bank for the financial year were not, in the opinion of the Directors, materially affected by any items, transactions or events of material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Bank for the current year in which this report is made.

## Events since the reporting date

At the date of this report, except as disclosed in the financial statements, there have been no significant events occurring after the reporting date which would require adjustments or disclosures to be made in 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:

<b>Mr. Yim Leak</b>	Chairman	
<b>Mr. Hong Sokleng</b>	Director	
<b>Mr. Yea Sareun</b>	Director	
<b>Mr. Phe Vuthy</b>	Independent director	
<b>Mr. John Edward Mc Cosh</b>	Independent director	(Resigned on 15 July 2025)

## Directors' interests

The following Director held office at the end of the financial year and has a direct interest in the shares of the Bank:

<b>Mr. Yim Leak</b>	Chairman	1%
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The Director who held office at the end of the financial year and has an interest in the shares of the parent company are as follows:

<b>Mr. Yim Leak</b>	Chairman	100%
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## Directors' benefits

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

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

# REPORT OF THE BOARD OF DIRECTORS

(continued)

## Statements of Directors' responsibility in respect of financial statements

The Board of Directors are responsible for ascertaining that the financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025 and its financial performance and its cash flows for the year then ended, in accordance with Cambodian International Financial Reporting Standards ("CIFRS"). In preparing those financial statements, the Board of Directors are required to:

- (i) adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- (ii) comply with CIFRS or, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements;
- (iii) oversee the Bank's financial reporting process and maintain adequate accounting records and an effective system of internal controls;
- (iv) assess 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 Bank or to cease operations, or has no realistic alternative but to do so; and
- (v) effectively control and direct the Bank in all material decisions affecting its operations and performance and ascertain that such decisions have been properly reflected in the financial statements.

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

## Approval of the financial statements

The Board of Directors hereby approve the accompanying financial statements as set out on pages 61 to 114 which present fairly, in all material respects, the financial position of IBANK (CAMBODIA) PLC. as at 31 December 2025, and its financial performance and its cash flows for the year then ended, in accordance with CIFRS.

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



**Mr. Hong Sokleng**  
Chief Executive Officer

*Phnom Penh, Kingdom of Cambodia*  
23 March 2026

# REPORT OF THE INDEPENDENT AUDITORS

## To the shareholders IBANK (CAMBODIA) PLC.

### Opinion

We have audited the financial statements of IBANK (CAMBODIA) PLC. (“the Bank”), which comprise the statement of financial position as at 31 December 2025, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information as set out on pages 61 to 114.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards (“CIFRS”).

### 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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Other Information

Management is responsible for the other information. The other information obtained at the date of this auditors’ report comprises the information included in the Report of the Board of Directors as set out on pages 55 to 58, and the annual report, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditors’ report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

Those charged with governance are responsible for overseeing the Bank’s reporting process.

# REPORT OF THE INDEPENDENT AUDITORS

(continued)

## Auditors' 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 judgement 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 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 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 audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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.

For **Fii&Associates Co., Ltd.**

**Seng Chanthan**  
Audit Partner

*Phnom Penh, Kingdom of Cambodia*  
23 March 2026

# STATEMENT OF FINANCIAL POSITION

as at 31 December 2025

	Note	2025		2024	
		US\$	KHR'000	US\$	KHR'000
			(Note 2.4)		(Note 2.4)
<b>Assets</b>					
Cash and bank balances	5	84,298,708	338,290,715	208,017,514	837,270,494
Statutory deposits	6	22,027,397	88,395,944	32,803,857	132,035,524
Loans and advances to customers	7	157,160,247	630,684,071	161,332,486	649,363,256
Other assets	8	24,763,421	99,375,608	25,939,683	104,407,224
Amounts due from related parties	25.1	316,394	1,269,689	220,562	887,762
Intangible assets	9	143,596	576,251	236,240	950,866
Property and equipment	10	4,081,134	16,377,591	2,068,984	8,327,661
Right-of-use of assets	11.1	4,676,726	18,767,701	5,158,209	20,761,791
Deferred tax assets – net	15.2	621,483	2,494,011	604,933	2,434,855
<b>Total asset</b>		<b>298,089,106</b>	<b>1,196,231,581</b>	<b>436,382,468</b>	<b>1,756,439,433</b>
<b>LIABILITIES AND EQUITY</b>					
<b>Liabilities</b>					
Deposits from other banks	12	24,682,364	99,050,327	5,337,241	21,482,395
Deposits from customers	13	133,283,935	534,868,431	292,234,482	1,176,243,790
Lease liabilities	11.2	5,493,652	22,046,025	5,845,140	23,526,689
Other liabilities	14	849,848	3,410,439	725,527	2,920,245
Current income tax liability	15.3	355,373	1,426,112	821,569	3,306,815
<b>Total liabilities</b>		<b>164,665,172</b>	<b>660,801,334</b>	<b>304,963,959</b>	<b>1,227,479,934</b>
<b>Equity</b>					
Share capital	16	125,000,000	500,000,000	125,000,000	500,000,000
Regulatory reserves	17	1,329,843	5,419,993	1,618,930	6,579,521
Retained earnings		7,094,091	28,800,491	4,799,579	19,597,203
Currency translation differences		-	1,209,763	-	2,782,775
<b>Total equity</b>		<b>133,423,934</b>	<b>535,430,247</b>	<b>131,418,509</b>	<b>528,959,499</b>
<b>Total liabilities and equity</b>		<b>298,089,106</b>	<b>1,196,231,581</b>	<b>436,382,468</b>	<b>1,756,439,433</b>

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

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2025

	Note	2025		2024	
		US\$	KHR'000	US\$	KHR'000
			(Note 2.4)		(Note 2.4)
Interest income	18	14,847,867	59,554,795	16,059,916	65,379,918
Interest expense	19	(3,891,559)	(15,609,043)	(4,625,451)	(18,830,211)
<b>Net interest income</b>		<b>10,956,308</b>	<b>43,945,752</b>	<b>11,434,465</b>	<b>46,549,707</b>
Fees and commission income	20	1,406,373	5,640,962	2,650,102	10,788,565
Other income		585,341	2,347,803	974,011	3,965,199
<b>Total operating income</b>		<b>12,948,022</b>	<b>51,934,517</b>	<b>15,058,578</b>	<b>61,303,471</b>
Personnel expenses	21	(4,853,979)	(19,469,310)	(4,136,813)	(16,840,966)
Depreciation and amortisation	22	(1,684,963)	(6,758,387)	(2,499,338)	(10,174,805)
Other operating expenses	23	(3,940,489)	(15,805,301)	(3,900,713)	(15,879,803)
Reversal of impairment losses on financial instruments	7	29,185	117,061	412,107	1,677,688
<b>Profit before income tax</b>		<b>2,497,776</b>	<b>10,018,580</b>	<b>4,933,821</b>	<b>20,085,585</b>
Income tax expense	15.4	(492,351)	(1,974,820)	(981,437)	(3,995,430)
<b>Net profit for the year</b>		<b>2,005,425</b>	<b>8,043,760</b>	<b>3,952,384</b>	<b>16,090,155</b>
<b>Other comprehensive loss</b>					
Currency translation difference		-	(1,573,012)	-	(3,579,777)
<b>Total comprehensive income for the year</b>		<b>2,005,425</b>	<b>6,470,748</b>	<b>3,952,384</b>	<b>12,510,378</b>

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

# STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2025

	Share capital		Regulatory reserves		Retained earnings		Currency translation differences		Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)		(Note 2.4)		(Note 2.4)		(Note 2.4)
At 1 January 2024	75,000,000	300,000,000	1,510,200	6,136,881	955,925	3,949,688	-	6,362,552	77,466,125	316,449,121
Capital injection	50,000,000	200,000,000	-	-	-	-	-	-	50,000,000	200,000,000
<b>Comprehensive income for the year</b>										
Net profit for the year	-	-	-	-	3,952,384	16,090,155	-	-	3,952,384	16,090,155
Transfer	-	-	108,730	442,640	(108,730)	(442,640)	-	-	-	-
<b>Other comprehensive loss</b>										
Currency translation differences	-	-	-	-	-	-	-	(3,579,777)	-	(3,579,777)
<b>Total comprehensive (loss)/income for the year</b>	-	-	<b>108,730</b>	<b>442,640</b>	<b>3,843,654</b>	<b>15,647,515</b>	-	<b>(3,579,777)</b>	<b>3,952,384</b>	<b>12,510,378</b>
At 31 December 2024	125,000,000	500,000,000	1,618,930	6,579,521	4,799,579	19,597,203	-	2,782,775	131,418,509	528,959,499
At 1 January 2025	125,000,000	500,000,000	1,618,930	6,579,521	4,799,579	19,597,203	-	2,782,775	131,418,509	528,959,499
<b>Comprehensive income for the year</b>										
Net profit for the year	-	-	-	-	2,005,425	8,043,760	-	-	2,005,425	8,043,760
Transfer	-	-	(289,087)	(1,159,528)	289,087	1,159,528	-	-	-	-
<b>Other comprehensive loss</b>										
Currency translation differences	-	-	-	-	-	-	-	(1,573,012)	-	(1,573,012)
<b>Total comprehensive income/(loss) for the year</b>	-	-	<b>(289,087)</b>	<b>(1,159,528)</b>	<b>2,294,512</b>	<b>9,203,288</b>	-	<b>(1,573,012)</b>	<b>2,005,425</b>	<b>6,470,748</b>
At 31 December 2025	125,000,000	500,000,000	1,329,843	5,419,993	7,094,091	28,800,491	-	1,209,763	133,423,934	535,430,247

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

# STATEMENT OF CASH FLOWS

for the year ended 31 December 2025

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
<b>Cash flows from operating activities</b>				
Net profit for the year	2,005,425	8,043,760	3,952,384	16,090,155
<b>Adjustments for:</b>				
Income tax expense	492,351	1,974,820	981,437	3,995,430
Interest income	(14,847,867)	(59,554,795)	(16,059,916)	(65,379,918)
Interest expense	3,891,559	15,609,043	4,625,451	18,830,211
Reversal of impairment losses on financial instruments	(29,185)	(117,061)	(412,107)	(1,677,688)
Depreciation and amortisation	1,684,963	6,758,387	2,499,338	10,174,805
Gain on disposal of property and equipment	(4,754)	(19,068)	-	-
	<b>(6,807,508)</b>	<b>(27,304,914)</b>	<b>(4,413,413)</b>	<b>(17,967,005)</b>
<b>Changes in:</b>				
Placements with other banks	-	-	20,000,000	81,420,000
Loans and advances to customers	4,303,862	17,262,790	8,052,883	32,783,287
Statutory deposits - reserve requirements	10,776,460	43,224,381	9,067,361	36,913,227
Other assets	1,080,430	4,333,605	(811,978)	(3,305,562)
Deposits from other banks	18,745,044	75,186,371	(4,347,939)	(17,700,460)
Deposits from customers	(157,496,021)	(631,716,540)	(133,983,857)	(545,448,282)
Other liabilities	119,633	479,848	134,945	549,361
<b>Cash used in operations</b>	<b>(129,278,100)</b>	<b>(518,534,459)</b>	<b>(106,301,998)</b>	<b>(432,755,434)</b>
Interest received	14,758,692	59,197,114	16,059,138	65,376,751
Interest paid	(4,409,604)	(17,686,922)	(3,480,021)	(14,167,165)
Income tax paid	(975,097)	(3,911,114)	(658,390)	(2,680,306)
<b>Net cash used in operating activities</b>	<b>(119,904,109)</b>	<b>(480,935,381)</b>	<b>(94,381,271)</b>	<b>(384,226,154)</b>

# STATEMENT OF CASH FLOWS

for the year ended 31 December 2025 (continued)

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
<b>Cash flows from investing activities</b>				
Purchases of property and equipment, and intangible assets	(2,816,391)	(11,296,544)	(1,045,962)	(4,258,111)
Proceeds from disposals of property and equipment	5,466	21,924	-	-
Statutory deposits - capital guarantee	-	-	(5,000,000)	(20,355,000)
<b>Net cash used in investing activities</b>	<b>(2,810,925)</b>	<b>(11,274,620)</b>	<b>(6,045,962)</b>	<b>(24,613,111)</b>
<b>Cash flows from financing activities</b>				
Capital injection	-	-	50,000,000	203,550,000
Payments of lease liabilities	(989,477)	(3,968,792)	(1,147,017)	(4,669,506)
<b>Net cash generated from/(used in) financing activities</b>	<b>(989,477)</b>	<b>(3,968,792)</b>	<b>48,852,983</b>	<b>198,880,494</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(123,704,511)</b>	<b>(496,178,793)</b>	<b>(51,574,250)</b>	<b>(209,958,771)</b>
Cash and cash equivalents at 1 January	208,125,093	837,703,499	259,699,343	1,060,871,816
Currency translation differences	-	(2,744,910)	-	(13,209,546)
<b>Cash and cash equivalents at 31 December (Note 5)</b>	<b>84,420,582</b>	<b>338,779,796</b>	<b>208,125,093</b>	<b>837,703,499</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

## 1. Reporting entity

IBANK (CAMBODIA) PLC. (the “Bank”) is a public limited company incorporated in the Kingdom of Cambodia on 14 November 2017, under the registration number 00029200 issued by the Ministry of Commerce (“MOC”) and commenced operations after obtaining the licence from the National Bank of Cambodia (“NBC”) on 18 July 2018.

On 24 February 2025, the Shareholders signed a Shareholders Resolution for rebranding the Bank’s name from B.I.C (Cambodia) Bank Plc. to IBANK (CAMBODIA) PLC.

On 13 May 2025, the NBC has issued a new license to the Bank. The revised Memorandum and Articles of Association (“MAA”) to reflect the above rebranding was endorsed by the MOC on 5 June 2025.

The principal activities of the Bank comprise the operations of its core banking business and the provision of related financial services in the Kingdom of Cambodia.

The registered office and head office of the Bank are located at No. 83, Preah Norodom Boulevard, Phum 12, Sangkat Phsar Thmei III, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia.

At 31 December 2025, the Bank had 213 employees (2024: 201 employees).

## 2. Basis of preparation

### 2.1. Statement of compliance

The financial statements have been prepared in accordance with Cambodian International Financial Reporting Standards (“CIFRSs”). CIFRSs are equivalent to International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Boards (“IASB”) because IFRSs have been adopted by the National Accounting Council, now known as the Accounting and Auditing Regulator, without modification as CIFRSs.

Details of the Bank’s material accounting policies are included in Note 27.

These financial statements were approved by the Board of Directors and authorised for issue on 23 March 2026.

### 2.2. Fiscal year and reporting period

The Bank’s fiscal year starts on 1 January and ends on 31 December.

### 2.3. Basis of measurement

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

### 2.4 Functional and presentation currency

The national currency of Cambodia is the Khmer Riel (“KHR”). The Bank transacts its business and maintains its accounting records in two currencies, the United States Dollars (“US\$”) and the Khmer Riel (“KHR”). Management has determined the US\$ to be the Bank’s functional currency as it reflects the economic substance of the underlying events and circumstances of the Bank.

The financial statements are presented in US\$. The translations of US\$ amounts into KHR are included solely for meeting the presentation requirements pursuant to the Law on Accounting and Auditing.

Assets and liabilities are translated at the closing rate as at the reporting date and the share capital is translated at the historical rate. The statements of profit or loss and other comprehensive income and cash flows are translated into KHR using the average rate for the year. Exchange differences arising from the translation are recognised as “Currency translation difference” in the other comprehensive income. The cumulative currency translation differences are recognised as a separate component of equity. All values in KHR are rounded to the nearest thousand (“KHR’000”), except if otherwise indicated.

The Bank uses the following exchange rates:

Reporting date	Closing rate	Average rate
31 December 2025	US\$1 = KHR4,013	KHR4,011
31 December 2024	US\$1 = KHR4,025	KHR4,071

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

# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31 December 2025 (continued)

### 2.5. Use of estimates and judgments

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future periods affected.

### 3. Critical accounting estimates and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

#### 3.1. Income and other taxes

Taxes are calculated on the basis of the current interpretation of the tax regulations. However, these regulations are subject to periodic variation and different interpretations following inspection by the tax authorities. These may result in increased tax liabilities and other retroactive tax claims. It is difficult to predict the timing and severity of these occurrences or their potential effect.

#### 3.2. Property and equipment and intangible assets

Accounting for property and equipment and intangible assets involves the use of estimates for determining the expected useful lives of these assets. The determination of the useful lives of the assets is based on management's judgement.

#### 3.3. Impairment of financial instruments

As described in Note 26(a), the credit risk of customers is regularly assessed with a focus on the customer's current ability to pay, historical payment records and taking into account information specific to the customer as well as pertaining to the country and economic environment in which the customer operates. Credit losses also reflect forward looking data. If the financial condition of customers were to deteriorate or improve, or expectations about future economic performance are different to the Bank's estimates, additional allowances or reversals may be required in future periods.

### 3.4. Leases

Management makes judgements whether the Bank is reasonably certain to exercise extension options and the lease period.

### 3.5. Measurement of fair values

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

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

Information about the assumptions made in measuring fair values is included in Note 26(d) financial instruments.

### 4. Adoption of new and revised accounting standards

#### 4.1. New or amended Accounting Standards and Interpretations adopted.

The Bank has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board, as adopted the Accounting and Auditing Regulator of Cambodia, that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 4.2. New Accounting Standards and Interpretation not yet mandatory or early adopted

Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Bank for the annual reporting period ended 31 December 2025. The Bank's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Bank, are set out below:

### **CIFRS 18 Presentation and Disclosure in Financial Statements**

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces CIAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and

there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Bank will adopt this standard from 1 January 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

## 5. Cash and bank balances/Cash and cash equivalents

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Cash on hand	5,545,539	22,254,248	5,916,867	23,815,390
Cash with other banks	78,875,043	316,525,548	202,208,226	813,888,109
<b>Cash and cash equivalents presented on the statement of cash flows</b>	<b>84,420,582</b>	<b>338,779,796</b>	<b>208,125,093</b>	<b>837,703,499</b>
Less: allowance for impairment losses	(121,874)	(489,081)	(107,579)	(433,005)
	<b>84,298,708</b>	<b>338,290,715</b>	<b>208,017,514</b>	<b>837,270,494</b>

Negotiable Certificate of Deposit (NCD) placement with the NBC with original maturities less than 3 months earned interest ranging from 0.24% to 0.96% per annum during 2025 (2024: 1.00% to 1.33%). Interest income earned during the year amounted to US\$10,141 (2024: US\$16,986).

The movement of allowance for impairment losses were as follows:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
At 1 January	107,579	433,005	114,204	466,523
Additional/(Reversal of) impairment loss for the year	14,295	57,337	(6,625)	(26,970)
Currency translation difference	-	(1,261)	-	(6,548)
<b>At 31 December</b>	<b>121,874</b>	<b>489,081</b>	<b>107,579</b>	<b>433,005</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 6. Statutory deposits

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Capital guarantee deposit (i)	12,500,000	50,162,500	12,500,000	50,312,500
Reserve requirements on customers' deposits (ii)	9,527,397	38,233,444	20,303,857	81,723,024
	<b>22,027,397</b>	<b>88,395,944</b>	<b>32,803,857</b>	<b>132,035,524</b>

(i) Under NBC's Prakas No. B7-01-136 dated 15 October 2001, the Bank is required to maintain a statutory deposit of 10% of its capital. This deposit is not available for use in the Bank's day-to-day operations and is refundable should the Bank voluntarily cease its operations in Cambodia. Capital guarantee deposit earned interest at rates of 1.03% to 1.06% in 2025 (2024: 1.29% to 1.31%) per annum, amounting to US\$130,610 (2024: US\$122,559).

(ii) The reserve requirements represent the minimum reserve which is calculated at 8% for KHR and 12.50% for other currencies of the total amount of deposits from customers, non-residential banks and financial institution deposits, and non-residential borrowings. Pursuant to the NBC's Prakas No. B7-018-282 on the maintenance of reserve requirements against commercial banks' deposits and borrowings, reserve requirements both in KHR and in other currencies earned no interest.

On 9 January 2023, the NBC issued a new Prakas No. B7-023-005 requiring banks and financial institutions to maintain reserve requirements with the NBC in the form of a compulsory deposit at 9% and 12.5% for foreign currencies of deposits and borrowings, effective from 1 January 2023 to 31 December 2023, and from 1 January 2024 onward, respectively. The reserve requirements for the local currency ("KHR") is still maintained at 7%. However, on 23 November 2023, the NBC approved to maintain the reserve requirements rate at 7% for foreign currency deposits and borrowings until 31 December 2024, and this was further extended through approval from the NBC on 21 August 2024 until 31 December 2025.

## 7. Loans and advances to customers

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
<b>Commercial loans</b>				
Overdrafts	2,711,705	10,882,072	1,122,821	4,519,355
Short-term loans	3,755,005	15,068,835	-	-
Long-term loans	-	-	13,019,902	52,405,106
<b>Consumer loans</b>				
Credit card	368,264	1,477,843	164,936	663,867
Overdrafts	4,101,716	16,460,186	4,462,548	17,961,756
Short-term loans	86,131,090	345,644,064	38,532,245	155,092,286
Long-term loans	61,938,129	248,557,712	105,918,144	426,320,529
<b>Total loans - gross</b>	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>
Less: impairment loss allowance	(1,845,662)	(7,406,641)	(1,888,110)	(7,599,643)
<b>Loans and advances to customers - net</b>	<b>157,160,247</b>	<b>630,684,071</b>	<b>161,332,486</b>	<b>649,363,256</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 7. Loans and advances to customers (continued)

Impairment loss allowance recognised in profit or loss are summarised as follows:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Reversal of net impairment loss on loans and advances	(42,448)	(170,259)	(71,263)	(290,112)
Additional/(Reversal of) net impairment loss on cash with other banks (Note 5)	14,295	57,337	(6,625)	(26,970)
Reversal of net impairment loss on placements with other banks	-	-	(303,462)	(1,235,394)
Reversal of net impairment loss on off-balance sheet commitments (Note 24.1)	(1,032)	(4,139)	(30,757)	(125,212)
	<b>(29,185)</b>	<b>(117,061)</b>	<b>(412,107)</b>	<b>(1,677,688)</b>

Impairment loss allowance recognised in profit or loss are summarised as follows:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
At 1 January	1,888,110	7,599,643	1,959,373	8,004,038
Reversal of allowance for the year	(42,448)	(170,259)	(71,263)	(290,112)
Currency translation difference	-	(22,743)	-	(114,283)
At 31 December	<b>1,845,662</b>	<b>7,406,641</b>	<b>1,888,110</b>	<b>7,599,643</b>

Gross loans are further analysed as follows:

### (a) By industry

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Real estates and mortgages	21,371,873	85,765,326	83,632,809	336,622,056
Personal lending	66,678	267,579	26,379	106,175
Building and constructions	3,755,005	15,068,835	38,841,237	156,335,979
Services	7,355,232	29,516,546	7,580,779	30,512,635
Financial institutions	1,174,717	4,714,139	1,122,821	4,519,355
Others	125,282,404	502,758,287	32,016,571	128,866,699
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 7. Loans and advances to customers (continued)

### (b) By loan classifications

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
<b>Performing</b>		(Note 2.4)		(Note 2.4)
Gross amounts	157,268,170	631,117,166	161,204,452	648,847,919
Allowance for expected credit loss	(542,438)	(2,176,804)	(546,860)	(2,201,112)
<b>Non-Performing</b>				
Gross amounts	1,737,739	6,973,546	2,016,144	8,114,980
Allowance for expected credit loss	(1,303,224)	(5,229,837)	(1,341,250)	(5,398,531)
<b>Total</b>				
<b>Gross amount</b>	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>
<b>Allowance for expected credit loss</b>	<b>(1,845,662)</b>	<b>(7,406,641)</b>	<b>(1,888,110)</b>	<b>(7,599,643)</b>

### (c) By maturity

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Within 1 month	20,806,014	83,494,534	17,514,703	70,496,680
>3 to 6 months	4,506,000	18,082,578	26,789,535	107,827,878
>6 to 12 months	24,977,748	100,235,703	89,122,052	358,716,259
1 to 3 years	106,477,892	427,295,781	29,152,364	117,338,265
3 to 5 years	479,790	1,925,396	178,319	717,734
Over 5 years	1,758,465	7,056,720	463,623	1,866,083
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>

### (d) By exposure

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Large exposure	55,061,914	220,963,461	40,368,536	162,483,357
Non-large exposure	103,943,995	417,127,251	122,852,060	494,479,542
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 7. Loans and advances to customers (continued)

Gross loans are further analysed as follows (continued):

### (e) By relationship

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Non-related parties	158,771,991	637,152,000	162,940,571	655,835,798
Staff loans	233,918	938,712	280,025	1,127,101
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>

### (f) By residency

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Residents	133,575,776	536,039,589	163,139,408	656,636,117
Non-residents	25,430,133	102,051,123	81,188	326,782
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>

### (g) By securities

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Secured loan	36,799,486	147,676,337	40,838,382	164,374,488
Unsecured loan	122,206,423	490,414,375	122,382,214	492,588,411
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 7. Loans and advances to customers (continued)

Gross loans are further analysed as follows (continued):

### (h) By interest annual rates

	2025	2024
<b>Commercial Loans:</b>		
Financial institution	8.00%	8.00%
Short term loan	6.00% to 16.00%	7.00% to 10.95%
Overdrafts	8.00% to 10.00%	5.75% to 10.50%
Long - term loan	6.00% to 9.50%	8.00%
<b>Consumer loans:</b>		
Real estate mortgage loan	6.00% to 9.50%	6.00% to 11.00%
Credit card	12.00% to 18.00%	6.00% to 20.00%
Consumers loan (others)	7.00% to 16.00%	5.75% to 10.95%

## 8. Other assets

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Advance prepayment to shareholder (*)	20,000,000	80,260,000	20,000,000	80,500,000
Guarantee deposits (**)	2,846,559	11,423,241	4,024,176	16,197,308
Prepaid expenses	1,857,709	7,454,986	1,857,973	7,478,341
Inventories	59,153	237,381	57,534	231,575
	<b>24,763,421</b>	<b>99,375,608</b>	<b>25,939,683</b>	<b>104,407,224</b>

(\*) This represents a prepayment to a shareholder for the purchase of land in Sihanoukville Province. As at the date of the issuance of the financial statements, the acquisition process has yet completed. The amounts will be reversed to property and equipment once the acquisition is completed.

(\*\*) These represent secured Escrow accounts with Mastercard, required to be maintained by the Bank.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 9. Intangible assets

Software	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
<b>Cost</b>				
At 1 January	3,351,503	13,489,800	3,157,588	12,898,747
Additions	12,572	50,426	193,915	789,428
Currency translation difference	-	(40,193)	-	(198,375)
<b>At 31 December</b>	<b>3,364,075</b>	<b>13,500,033</b>	<b>3,351,503</b>	<b>13,489,800</b>
<b>Less: Accumulated amortisation</b>				
At 1 January	3,115,263	12,538,934	2,503,830	10,228,146
Amortisation for the year	105,216	422,021	611,433	2,489,144
Currency translation difference	-	(37,173)	-	(178,356)
<b>At 31 December</b>	<b>3,220,479</b>	<b>12,923,782</b>	<b>3,115,263</b>	<b>12,538,934</b>
<b>Carrying amounts</b>				
<b>At 31 December</b>	<b>143,596</b>	<b>576,251</b>	<b>236,240</b>	<b>950,866</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 10. Property and equipment

	Leasehold improvements	Furniture and fixture	Office equipment	Computer and IT equipment	Motor vehicles	Fixed assets in progress	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000
								(Note 2.4)
<b>Cost</b>								
At 1 January 2025	2,038,972	62,188	828,849	2,504,012	529,710	806,550	6,770,281	27,250,381
Additions	1,785,737	157,214	352,243	216,832	-	291,793	2,803,819	11,246,118
Transfer	578,875	82,456	121,223	10,249	-	(792,803)	-	-
Disposal	(5,466)	-	-	-	-	-	(5,466)	(21,924)
Currency translation difference	-	-	-	-	-	-	-	(75,647)
<b>At 31 December 2025</b>	<b>4,398,118</b>	<b>301,858</b>	<b>1,302,315</b>	<b>2,731,093</b>	<b>529,710</b>	<b>305,540</b>	<b>9,568,634</b>	<b>38,398,928</b>
<b>Less: Accumulated depreciation</b>								
At 1 January 2025	1,503,263	42,098	654,650	2,315,742	185,544	-	4,701,297	18,922,720
Depreciation for the year	412,902	19,553	119,624	143,007	95,871	-	790,957	3,172,529
Disposal	(4,754)	-	-	-	-	-	(4,754)	(19,068)
Currency translation difference	-	-	-	-	-	-	-	(54,844)
<b>At 31 December 2025</b>	<b>1,911,411</b>	<b>61,651</b>	<b>774,274</b>	<b>2,458,749</b>	<b>281,415</b>	<b>-</b>	<b>5,487,500</b>	<b>22,021,337</b>
<b>Carrying amounts</b>								
<b>At 31 December 2025</b>	<b>2,486,707</b>	<b>240,207</b>	<b>528,041</b>	<b>272,344</b>	<b>248,295</b>	<b>305,540</b>	<b>4,081,134</b>	<b>16,377,591</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 10. Property and equipment (continued)

	Leasehold improvements	Furniture and fixture	Office equipment	Computer and IT equipment	Motor vehicles	Construction in progress	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000
								(Note 2.4)
<b>Cost</b>								
At 1 January 2024	2,037,340	58,321	827,176	2,403,429	529,710	62,258	5,918,234	24,175,986
Additions	1,632	3,867	1,673	100,583	-	744,292	852,047	3,468,683
Currency translation difference	-	-	-	-	-	-	-	(394,288)
<b>At 31 December 2024</b>	<b>2,038,972</b>	<b>62,188</b>	<b>828,849</b>	<b>2,504,012</b>	<b>529,710</b>	<b>806,550</b>	<b>6,770,281</b>	<b>27,250,381</b>
<b>Less: Accumulated depreciation</b>								
At 1 January 2024	1,179,992	31,344	535,194	1,916,148	89,604	-	3,752,282	15,328,072
Depreciation for the year	323,271	10,754	119,456	399,594	95,940	-	949,015	3,863,440
Currency translation difference	-	-	-	-	-	-	-	(268,792)
<b>At 31 December 2024</b>	<b>1,503,263</b>	<b>42,098</b>	<b>654,650</b>	<b>2,315,742</b>	<b>185,544</b>	<b>-</b>	<b>4,701,297</b>	<b>18,922,720</b>
<b>Carrying amounts</b>								
<b>At 31 December 2024</b>	<b>535,709</b>	<b>20,090</b>	<b>174,199</b>	<b>188,270</b>	<b>344,166</b>	<b>806,550</b>	<b>2,068,984</b>	<b>8,327,661</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 11. Right-of-use assets/lease liabilities

### 11. Right-of-use assets

The Bank entered into lease contracts for the office premises used for its operations.

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

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
<b>Cost</b>				
At 1 January	7,569,984	30,469,186	9,042,277	36,937,702
Recognition of right-of-use assets	283,784	1,138,258	24,786	100,904
Written off	(443,013)	(1,776,925)	(1,497,079)	(6,094,609)
Currency translation difference	-	(91,159)	-	(474,811)
<b>At 31 December</b>	<b>7,410,755</b>	<b>29,739,360</b>	<b>7,569,984</b>	<b>30,469,186</b>
<b>Less: Accumulated depreciation</b>				
At 1 January	2,411,775	9,707,395	1,663,483	6,795,329
Depreciation for the year	788,790	3,163,837	938,890	3,822,221
Written off	(466,536)	(1,871,276)	(190,598)	(775,924)
Currency translation difference	-	(28,297)	-	(134,231)
<b>At 31 December</b>	<b>2,734,029</b>	<b>10,971,659</b>	<b>2,411,775</b>	<b>9,707,395</b>
<b>Carrying amounts</b>				
<b>At 31 December</b>	<b>4,676,726</b>	<b>18,767,701</b>	<b>5,158,209</b>	<b>20,761,791</b>

### 11.2 Lease liabilities

(i) Amounts recognised in the statement of financial position:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Current	740,615	2,972,088	632,027	2,543,909
Non-current	4,753,037	19,073,937	5,213,113	20,982,780
	<b>5,493,652</b>	<b>22,046,025</b>	<b>5,845,140</b>	<b>23,526,689</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 11. Right-of-use assets/lease liabilities (continued)

### 11.2 Lease liabilities (continued)

(ii) Amounts recognised in the statement of profit or loss:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Depreciation of ROU	788,790	3,163,837	938,890	3,822,221
Interest expense	336,402	1,349,308	338,789	1,379,210
Expense relating to short term leases (included in other operating expenses)	18,930	75,928	56,448	229,800
	<b>1,144,122</b>	<b>4,589,073</b>	<b>1,334,127</b>	<b>5,431,231</b>

(iii) Amounts recognised in the statement of cash flows:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Cash payments for the principal portion of the lease liabilities	653,075	2,619,484	770,425	3,136,400
Cash payments for the interest portion of the lease liabilities	336,402	1,349,308	376,592	1,533,106
	<b>989,477</b>	<b>3,968,792</b>	<b>1,147,017</b>	<b>4,669,506</b>

## 12. Deposits from other banks

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Fixed deposits	24,644,434	98,898,114	5,044,355	20,303,529
Demand deposits	37,930	152,213	292,886	1,178,866
	<b>24,682,364</b>	<b>99,050,327</b>	<b>5,337,241</b>	<b>21,482,395</b>

Deposits from other banks are analysed as follows:

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 12. Deposits from other banks (continued)

### (a) By maturity

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
> 6 to 12 months	24,682,364	99,050,327	5,337,241	21,482,395

### (b) By relationship

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Non-related parties	24,682,364	99,050,327	5,337,241	21,482,395

### (c) By residency status

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Residents	24,682,364	99,050,327	5,337,241	21,482,395

### (d) By interest rate (per annum)

	2025	2024
Fixed deposits	4.10% - 5.50%	5.00% - 5.50%

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 13. Deposits from customers

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Savings accounts	26,674,110	107,043,203	24,255,409	97,628,021
Fixed deposits	31,660,525	127,053,687	79,524,339	320,085,464
Demand deposits	74,949,300	300,771,541	188,454,734	758,530,305
	<b>133,283,935</b>	<b>534,868,431</b>	<b>292,234,482</b>	<b>1,176,243,790</b>

Deposits from other banks are analysed as follows:

### (a) By maturity

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Within 1 month	105,268,240	422,441,447	218,237,250	878,404,931
> 1 to 3 months	8,297,151	33,296,467	10,397,081	41,848,251
> 3 to 6 months	4,755,699	19,084,620	34,756,585	139,895,255
> 6 to 12 months	10,474,226	42,033,069	25,017,839	100,696,802
More than 12 months	4,488,619	18,012,828	3,825,727	15,398,551
	<b>133,283,935</b>	<b>534,868,431</b>	<b>292,234,482</b>	<b>1,176,243,790</b>

### (b) By residency status

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Residents	100,146,504	401,887,921	168,554,255	678,430,876
Non-residents	33,137,431	132,980,510	123,680,227	497,812,914
	<b>133,283,935</b>	<b>534,868,431</b>	<b>292,234,482</b>	<b>1,176,243,790</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## (c) By relationship

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Non-related parties	83,555,097	335,306,604	196,435,146	790,651,463
Related parties	49,728,838	199,561,827	95,799,336	385,592,327
	<b>133,283,935</b>	<b>534,868,431</b>	<b>292,234,482</b>	<b>1,176,243,790</b>

## (d) By annual interest rates

	2025	2024
Saving accounts	0.50%	0.50%
Fixed deposits	3.75% - 7.00%	2.00%-7.00%
Demand deposits	Up to 1.00%	Up to 1.00%

## 14. Other liabilities

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Accruals and other payables	728,955	2,925,296	431,129	1,735,294
Impairment loss allowance on off-balance sheet items	8,757	35,142	9,789	39,401
Other tax payables	112,136	450,001	284,609	1,145,550
	<b>849,848</b>	<b>3,410,439</b>	<b>725,527</b>	<b>2,920,245</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 15. Income tax

### 15.1 Applicable tax rates

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

In accordance with Prakas No. 638 dated 4 July 2017, an entity is eligible to be exempted from payment of minimum tax only if it meets the criteria as stipulated in the Prakas. On 18 December 2024, the General Department of Taxation ("GDT") has issued certificate of tax compliance type "Gold" for the years 2025 and 2026.

### 15.2 Deferred tax assets – net

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

The following amounts, determined after appropriate offsetting, are shown in the statement of financial position:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Deferred tax assets	1,584,326	6,357,900	1,699,290	6,839,643
Deferred tax liabilities	(962,843)	(3,863,889)	(1,094,357)	(4,404,788)
	<b>621,483</b>	<b>2,494,011</b>	<b>604,933</b>	<b>2,434,855</b>

#### (i) Deferred tax assets, net were attributable to the following:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Lease liabilities	1,098,730	4,409,203	1,169,028	4,705,338
Depreciation and amortisation	368,585	1,479,132	432,523	1,740,905
Unearned income	27,705	111,180	46,781	188,294
Provision for loan to customers	63,486	254,769	29,442	118,504
Allowance for impairment losses	24,372	97,805	21,516	86,602
Salary unpaid 180 days	1,448	5,811	-	-
Right-of-use assets	(935,345)	(3,753,539)	(1,031,642)	(4,152,359)
Unrealised exchange gains	(27,498)	(110,350)	(62,715)	(252,429)
	<b>621,483</b>	<b>2,494,011</b>	<b>604,933</b>	<b>2,434,855</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

(ii) Movements of deferred tax assets, net during the year were as follows:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
At 1 January	604,933	2,434,855	588,067	2,402,254
Recognised in profit or loss	16,550	66,382	16,866	68,661
Currency translation difference	-	(7,226)	-	(36,060)
<b>At 31 December</b>	<b>621,483</b>	<b>2,494,011</b>	<b>604,933</b>	<b>2,434,855</b>

## 15.3 Current income tax liability

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
At 1 January	821,569	3,306,815	481,656	1,967,565
Recognised in profit or loss	508,901	2,041,202	998,303	4,064,091
Income tax paid	(975,097)	(3,911,114)	(658,390)	(2,680,306)
Currency translation difference	-	(10,791)	-	(44,535)
<b>At 31 December</b>	<b>355,373</b>	<b>1,426,112</b>	<b>821,569</b>	<b>3,306,815</b>

## 15.4 Income tax expense

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Current income tax	508,901	2,041,202	998,303	4,064,091
Deferred tax	(16,550)	(66,382)	(16,866)	(68,661)
	<b>492,351</b>	<b>1,974,820</b>	<b>981,437</b>	<b>3,995,430</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 15. Income tax (continued)

### 15.4. Income tax expense (continued)

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

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
<b>Profit before income tax</b>	<b>2,497,776</b>	<b>10,018,580</b>	<b>4,933,821</b>	<b>20,085,585</b>
Income tax using income tax rate at 20%	499,555	2,003,715	986,764	4,017,116
<b>Tax effects in respect of:</b>				
Non-deductible expenses	42,668	171,141	50,020	203,631
Under record deferred tax from prior year	(49,872)	(200,036)	(47,599)	(193,776)
Others	-	-	(7,748)	(31,541)
<b>Income tax expense</b>	<b>492,351</b>	<b>1,974,820</b>	<b>981,437</b>	<b>3,995,430</b>

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

## 16. Share capital

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
<b>Registered</b>		(Note 2.4)		(Note 2.4)
Ordinary shares of US\$1 each	125,000,000	500,000,000	125,000,000	500,000,000
<b>Issued and paid-up</b>				
Ordinary shares of US\$1 each	125,000,000	500,000,000	125,000,000	500,000,000

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 16. Share capital (continued)

The shareholding structure and shareholders are as follows:

	2025			2024		
	% of Ownership	Number of shares	Amount US\$	% of Ownership	Number of shares	Amount US\$
Apsara Holdings Pte. Ltd.	99%	123,750,000	123,750,000	99%	123,750,000	123,750,000
Mr. Yim Leak	1%	1,250,000	1,250,000	1%	1,250,000	1,250,000
	<b>100%</b>	<b>125,000,000</b>	<b>125,000,000</b>	<b>100%</b>	<b>125,000,000</b>	<b>125,000,000</b>

## 17. Regulatory reserves

The movements in regulatory reserves are as follows:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
At 1 January	1,618,930	6,579,521	1,510,200	6,136,881
Transfers from/(to) retained earnings	(289,087)	(1,159,528)	108,730	442,640
<b>At 31 December</b>	<b>1,329,843</b>	<b>5,419,993</b>	<b>1,618,930</b>	<b>6,579,521</b>

## 18. Interest income

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Loans and advances to customers	14,613,625	58,615,250	14,312,958	58,268,052
Placements with other banks	-	-	1,624,399	6,612,928
Negotiable Certificate of Deposit (NCD) placement with the NBC	10,141	40,676	-	-
Statutory deposits	130,610	523,877	122,559	498,938
Other interest incomes	93,491	374,992	-	-
	<b>14,847,867</b>	<b>59,554,795</b>	<b>16,059,916</b>	<b>65,379,918</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 19. Interest expense

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Fixed and demand deposits	3,397,635	13,627,914	4,032,232	16,415,216
Saving deposits	157,522	631,821	254,430	1,035,785
Lease liabilities	336,402	1,349,308	338,789	1,379,210
	<b>3,891,559</b>	<b>15,609,043</b>	<b>4,625,451</b>	<b>18,830,211</b>

## 20. Fees and commission income

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Inward and outward remittance	1,127,992	4,524,376	2,359,624	9,606,029
Other fees	278,381	1,116,586	290,478	1,182,536
	<b>1,406,373</b>	<b>5,640,962</b>	<b>2,650,102</b>	<b>10,788,565</b>

## 21. Personnel expenses

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Salary and wages	4,064,341	16,302,072	3,830,013	15,591,983
Bonuses	746,615	2,994,673	282,093	1,148,401
Fringe benefits	3,133	12,566	2,427	9,880
Other benefits	39,890	159,999	22,280	90,702
	<b>4,853,979</b>	<b>19,469,310</b>	<b>4,136,813</b>	<b>16,840,966</b>

## 22. Depreciation and amortisation

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Depreciation (Note 10)	790,957	3,172,529	949,015	3,863,440
Amortisation (Note 9)	105,216	422,021	611,433	2,489,144
Depreciation of right-of-use assets (Note 11)	788,790	3,163,837	938,890	3,822,221
	<b>1,684,963</b>	<b>6,758,387</b>	<b>2,499,338</b>	<b>10,174,805</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 23. Other operating expenses

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
Repairs and maintenance	1,178,235	4,725,901	1,174,002	4,779,362
Public relations, marketing and advertising	598,664	2,401,241	837,539	3,409,621
License fees	158,223	634,632	151,388	616,301
Dues and membership	305,927	1,227,073	289,094	1,176,902
Other tax expense	425,583	1,707,013	332,942	1,355,407
Legal and professional fees	223,814	897,718	170,007	692,098
Stamps and postage	132,689	532,216	25,589	104,173
Utilities	127,193	510,171	107,020	435,678
Security	112,952	453,050	84,542	344,170
Communications	81,619	327,374	108,262	440,735
Foreign exchange gain/(loss)-net	65,618	263,194	90,052	366,602
Insurance	56,472	226,509	76,640	312,001
Credit investigation fees	49,101	196,944	50,416	205,244
Travelling and entertainment	42,758	171,502	45,072	183,488
Fines and penalty	35,231	141,312	51,498	209,648
Accommodation	33,552	134,577	46,308	188,520
Loan written off	30,130	120,851	-	-
Office supplies	29,202	117,129	18,610	75,761
Audit remuneration	24,342	97,636	22,160	90,213
Office rental	18,930	75,928	56,448	229,800
Miscellaneous	210,254	843,330	163,124	664,079
	<b>3,940,489</b>	<b>15,805,301</b>	<b>3,900,713</b>	<b>15,879,803</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 24. Commitments and contingencies

### 24.1. Contingent liabilities and commitments

In the normal course of business, the Bank makes various commitments and incurs certain contingencies with legal recourse to its customers. No material losses are anticipated from these transactions, which consist of:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
<b>Unused portion of credit facilities</b>	<b>8,124,577</b>	<b>32,603,928</b>	<b>7,083,454</b>	<b>28,510,902</b>

The movements of impairment losses allowance for off-balance sheet are analysed as follows:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
At 1 January	9,789	39,401	40,546	165,630
Reversal for the year	(1,032)	(4,139)	(30,757)	(125,212)
Currency translation difference	-	(120)	-	(1,017)
<b>At 31 December</b>	<b>8,757</b>	<b>35,142</b>	<b>9,789</b>	<b>39,401</b>

### 24.2. Taxation contingencies

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

These facts may create tax risks in Cambodia substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have different interpretations of tax legislation.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 25. Balances and transactions with related parties

### 25.1. Balances with related parties

Related party	Relationship	Account balance	2025		2024	
			US\$	KHR'000	US\$	KHR'000
				(Note 2.4)	(Note 2.4)	
Related party	Shareholder and affiliate	Deposits from customers	49,728,838	199,561,827	95,799,336	385,592,327
Related party	Affiliate	Amount due from related party	316,394	1,269,689	220,562	887,762
Mr. Yim Leak	Shareholder	Prepayment to shareholder	20,000,000	80,260,000	20,000,000	80,500,000

### 25.2. Transactions with related parties

The total remuneration of directors and other members of key management in 2025 (including salaries and benefits) was US\$1,565,203 (2024: US\$1,357,250).

## 26. Financial risk management

The Bank has exposure to the following risks from financial instruments:

- ◆ Credit risk;
- ◆ Market risk
- ◆ Liquidity risk; and
- ◆ Operational risk

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

### Risk management framework

The Bank's Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework.

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

training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

### (a) Credit risk

Credit risk is the risk of financial loss to the Bank if a counterparty to financial instruments fails to perform as contracted. It is the Bank's policy to monitor the financial standing of these counterparties on an ongoing basis to ensure that the Bank is exposed to minimal credit risk.

The Bank's primarily exposure to credit risk arises through its loans and advances to customers and other banks, and investment debt securities. The Bank seeks to maintain strict control over its outstanding receivables to minimize credit risk. Overdue balances are reviewed regularly by management.

The carrying amount of financial assets represents the maximum credit exposure.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Management of credit risk

The Board of Directors has established the Bank Credit Committee for the oversight of credit risk. A separate Bank Credit Department, reporting to the Bank Credit Committee, is responsible for managing the Bank's credit risk, including the following:

- ♦ Formulating credit policies in consultation with business units, covering collateral requirements, credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- ♦ Establishing the authorisation structure for the approval and renewal of credit facilities. Authorisation limits are allocated to business unit Credit Officers. Larger facilities require approval by Bank Credit, the Head of Bank Credit, the Bank Credit Committee or the Board of Directors, as appropriate.
- ♦ Reviewing and assessing credit risk: Bank assesses all credit exposures in excess of designated limits, before facilities are committed to customers by the business unit concerned. Renewals and reviews of facilities are subject to the same review process.
- ♦ Limiting concentrations of exposure to counterparties, geographies and industries (for loans and advances, financial guarantees and similar exposures), and by issuer, credit rating band, market liquidity and country (for investment securities).
- ♦ Developing and maintaining the Bank's risk gradings to categorise exposures according to the degree of risk of default. The current risk grading framework consists of 5 grades reflecting varying degrees of risk of default. The responsibility for setting risk grades lies with the final approving executive or committee, as appropriate. Risk grades are subject to regular reviews by Bank Risk.
- ♦ Developing and maintaining the Bank's processes for measuring ECL: this includes processes for:
  - Initial approval, regular validation and back testing of the models used; and
  - Determining and monitoring any significant increase in credit risk; and the incorporation of forward-looking information.
- ♦ Reviewing compliance of business units with agreed exposure limits, including those for selected industries, country risk and product types. Regular reports on the credit quality of local portfolios are provided to Bank Credit, which may require appropriate corrective action to be taken. These include reports containing estimates of ECL allowances.
- ♦ Providing advice, guidance and specialist skills to business units to promote best practice throughout the Bank in the management of credit risk.

Each business unit is required to implement Bank credit policies and procedures, with credit approval authorities delegated from the Bank Credit Committee. Each business unit has a Head of Credit who reports on all credit related matters to local management and the Bank Credit Committee. Each business unit is responsible for the quality and performance of its credit portfolio and for monitoring and controlling all credit risks in its portfolios, including those subjects to central approval.

Regular audits of business units and Bank Credit processes are undertaken by Internal Audit.

#### Concentration of risk

The following table presents the Bank's maximum exposure to credit risk for on-balance sheet and off-balance sheet financial instruments, without taking account of any collateral held or other credit enhancements. For on-balance sheet assets, the exposure to credit risk equals their carrying amount. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the obligations of the instruments issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Concentration of risk (continued)

Type of credit exposure

	Maximum credit exposure		Fully subject to collateral/credit enhancement	Partially subject to collateral/credit enhancement	Unsecured and not subject to collateral/credit enhancement
	US\$	KHR'000	%	%	%
<b>2025</b>		(Note 2.4)			
<b>On statement of financial position items</b>					
Cash and bank balances – gross	84,420,582	338,779,796	-	-	100%
Statutory deposits	22,027,397	88,395,944	-	-	100%
Loans and advances to customers – gross	159,005,909	638,090,712	23%	-	77%
Guarantee deposit	2,846,559	11,423,241	-	-	100%
<b>Total</b>	<b>268,300,447</b>	<b>1,076,689,693</b>	<b>14%</b>	<b>-</b>	<b>86%</b>
<b>Off-statement of financial position items</b>					
Contingent liabilities	8,124,577	32,603,928	70%	-	30%
<b>Total</b>	<b>8,124,577</b>	<b>32,603,928</b>	<b>70%</b>	<b>-</b>	<b>30%</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Concentration of risk (continued)

Type of credit exposure (continued)

	Maximum credit exposure		Fully subject to collateral/credit enhancement	Partially subject to collateral/credit enhancement	Unsecured and not subject to collateral/credit enhancement
	US\$	KHR'000	%	%	%
<b>2024</b>		(Note 2.4)			
<b>On statement of financial position items</b>					
Cash and bank balances – gross	208,125,093	837,703,499	-	-	100%
Statutory deposits	32,803,857	132,035,524	-	-	100%
Loans and advances to customers – gross	163,220,596	656,962,899	25%	-	75%
Guarantee deposit	4,024,176	16,197,308	-	-	100%
<b>Total</b>	<b>408,173,722</b>	<b>1,642,899,230</b>	<b>10%</b>	<b>-</b>	<b>90%</b>
<b>Off-statement of financial position items</b>					
Contingent liabilities	7,083,454	28,510,902	61%	-	39%
<b>Total</b>	<b>7,083,454</b>	<b>28,510,902</b>	<b>61%</b>	<b>-</b>	<b>39%</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Concentration of risk (continued)

Concentration risk by industrial sectors

	Cash and bank balances	Placements with other banks-gross	Loans and advances to customers-gross	Other investment- gross	Statutory deposits	Guarantee deposit	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000
								(Note 2.4)
<b>2025</b>								
Real estates	-	-	21,371,873	-	-	-	21,371,873	85,765,326
Construction	-	-	3,755,005	-	-	-	3,755,005	15,068,835
Financial institutions	84,420,582	-	1,174,717	-	22,027,397	-	107,622,696	431,889,879
Staff loans	-	-	233,918	-	-	-	233,918	938,713
Others	-	-	132,470,396	-	-	2,846,559	135,316,955	543,026,940
<b>Total</b>	<b>84,420,582</b>	<b>-</b>	<b>159,005,909</b>	<b>-</b>	<b>22,027,397</b>	<b>2,846,559</b>	<b>268,300,447</b>	<b>1,076,689,693</b>
<b>2024</b>								
Real estate	-	-	83,456,581	-	-	-	83,456,581	340,920,133
Construction	-	-	38,841,237	-	-	-	38,841,237	158,666,453
Financial institutions	208,125,093	-	1,122,821	-	32,803,857	-	242,051,771	974,258,378
Staff loans	-	-	186,120	-	-	-	186,120	760,300
Others	-	-	39,613,837	-	-	4,024,176	43,638,013	175,643,002
<b>Total</b>	<b>208,125,093</b>	<b>-</b>	<b>163,220,596</b>	<b>-</b>	<b>32,803,857</b>	<b>4,024,176</b>	<b>408,173,722</b>	<b>1,667,389,655</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Concentration of risk (continued)

Concentration risk by residency and relationship, large-exposures for gross loans and advances to customers and concession:

	2025		2024	
	US\$	KHR'000	US\$	KHR'000
		(Note 2.4)		(Note 2.4)
<b>By residency status</b>				
Residents	133,575,776	536,039,589	163,139,408	656,636,117
Non-residents	25,430,133	102,051,123	81,188	326,782
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>
<b>By relationship</b>				
External customers	158,771,991	637,152,000	162,940,571	655,835,798
Staff loans	233,918	938,712	280,025	1,127,101
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>
<b>By exposures</b>				
Large exposures (*)	55,061,914	220,963,461	40,368,536	162,483,357
Non-large exposures	103,943,995	417,127,251	122,852,060	494,479,542
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>
<b>By concession</b>				
Restructured (**)	-	-	-	-
Non-restructured	159,005,909	638,090,712	163,220,596	656,962,899
	<b>159,005,909</b>	<b>638,090,712</b>	<b>163,220,596</b>	<b>656,962,899</b>

(\*) 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 Bank's net worth. The exposure is the higher of the outstanding loans or commitments and the authorised loans or commitments.

(\*\*) A "restructured loan" is a loan for which original contractual terms have been modified to provide concessions to borrowers due to genuine temporary financial difficulties.

#### Collateral

Whilst 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 Bank's exposure.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Concentration of risk (continued)

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

#### Cash, placements with other banks and other investment

Collateral is generally not sought for these assets.

#### Loans and advances to customers, contingent liabilities and commitments

Certain loans and advances to customers, contingent liabilities and commitments are typically collateralised to a substantial extent. In particular, residential mortgage exposures are generally fully secured by residential properties.

The table below summarises the Bank's security coverage of its financial assets:

	Collateral/credit enhancement				Unsecured credit exposure	Total	
	Properties	Floating assets	Fixed deposits	Others		US\$	KHR'000
	US\$	US\$	US\$	US\$	US\$		
							(Note 2.4)
<b>2025</b>							
Loan and advances to customers – gross	36,799,486	-	-	-	122,206,423	159,005,909	638,090,712
Commitments	209,567	-	-	-	10,283	219,850	882,258
	<b>37,009,053</b>	-	-	-	<b>122,216,706</b>	<b>159,225,759</b>	<b>638,972,970</b>
<b>2024</b>							
Loan and advances to customers – gross	40,838,382	-	-	-	122,382,214	163,220,596	656,962,899
Commitments	4,342,124	-	-	-	2,741,330	7,083,454	28,510,902
	<b>45,180,506</b>	-	-	-	<b>125,123,544</b>	<b>170,304,050</b>	<b>685,473,801</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Expected credit loss (“ECL”)

The Bank applies a three-stage approach based on the change in credit quality since initial recognition:

3-Stage approach	Stage 1	Stage 2	Stage 3
	Performing	Under-performing	Non-performing
Recognition of ECL	12 months expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses
Criterion	No significant increase in credit risk	Credit risk increased significantly	Credit impaired assets
Basic of calculation of ECL	On gross carrying amount	On gross carrying amount	On net carrying amount

The Bank measures ECL using a general approach. The general approach consists of segregating the customers into three different stages according to the staging criteria by assessing the related credit risks. A 12-month ECL calculated for Stage 1, while lifetime ECL will be calculated for Stage 2 and Stage 3. At each reporting date, the Bank will assess credit risk for each account in comparison to the risk level at the origination dates.

Long-term facilities (more than one year):

Stage	Credit Risk Status	Grades	DPD	Default Indicator
1	No significant increase in credit risk	Normal	$0 \leq \text{DPD} < 30$	Performing
2	Credit risk increased significantly	Special Mention	$30 \leq \text{DPD} < 90$	Underperforming
3	Credit impaired assets	Substandard	$90 \leq \text{DPD} < 180$	Nonperforming
		Doubtful	$180 \leq \text{DPD} < 360$	
		Loss	$\text{DPD} \geq 360$	

Short-term facilities (one year or less):

Stage	Credit Risk Status	Grades	DPD	Default Indicator
1	No significant increase in credit risk	Normal	$0 \leq \text{DPD} < 14$	Performing
2	Credit risk increased significantly	Special Mention	$15 \leq \text{DPD} < 30$	Underperforming
3	Credit impaired assets	Substandard	$31 \leq \text{DPD} < 60$	Nonperforming
		Doubtful	$61 \leq \text{DPD} < 90$	
		Loss	$\text{DPD} \geq 91$	

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 27. Financial risk management (continued)

### (a) Credit risk (continued)

#### Expected credit loss (“ECL”) (continued)

Pursuant to the NBC guideline Prakas B7-017-344, it has defined each credit grading according to its credit quality. The Bank use the days past due (“DPD”) information and the NBC’s classification for staging criteria.

As for financial assets that are short term in nature, a simplified approach will be adopted where no staging criteria is required. In this case, the financial asset will be classified as Performing (Stage 1) or Non-performing (Stage 3).

The table below summarises the credit quality of the Bank’s gross loans and advances to customers according to the above classifications.

	2025				
	Stage 1	Stage 2	Stage 3	Total	
	US\$	US\$	US\$	US\$	KHR’000
					(Note 2.4)
<b>Loans and advances to customers at amortised cost</b>					
Normal	157,268,170	-	-	157,268,170	631,117,166
Special mentioned	-	-	-	-	-
Sub-standard	-	-	-	-	-
Doubtful	-	-	-	-	-
Loss	-	-	1,737,739	1,737,739	6,973,546
	<b>157,268,170</b>	<b>-</b>	<b>1,737,739</b>	<b>159,005,909</b>	<b>638,090,712</b>
Impairment allowance	(542,438)	-	(1,303,224)	(1,845,662)	(7,406,641)
<b>Carrying amounts</b>	<b>156,725,732</b>	<b>-</b>	<b>434,515</b>	<b>157,160,247</b>	<b>630,684,071</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Expected credit loss (“ECL”) (continued)

	2024					
	Stage 1	Stage 2	Stage 3	Total		
	US\$	US\$	US\$	US\$	KHR'000	
					(Note 2.4)	
<b>Loans and advances to customers at amortised cost</b>						
Normal	161,204,452	-	-	161,204,452	648,847,919	
Special mentioned	-	-	-	-	-	
Sub-standard	-	-	-	-	-	
Doubtful	-	-	-	-	-	
Loss	-	-	2,016,144	2,016,144	8,114,980	
	<b>161,204,452</b>	<b>-</b>	<b>2,016,144</b>	<b>163,220,596</b>	<b>656,962,899</b>	
Impairment allowance	(546,860)	-	(1,341,250)	(1,888,110)	(7,599,643)	
<b>Carrying amount</b>	<b>160,657,592</b>	<b>-</b>	<b>674,894</b>	<b>161,332,486</b>	<b>649,363,256</b>	

#### *Incorporation of forward-looking information*

The Bank incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL.

External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in the countries where the Bank operates, supranational organisations such as the World Bank and the International Monetary Fund, and selected private-sector and academic forecasters.

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

The Bank has revised its economic forecasts used as an input into ECL as at 31 December 2025.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (a) Credit risk (continued)

#### Expected credit loss (“ECL”) (continued)

Impairment loss allowance

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

	2025				
	Stage 1	Stage 2	Stage 3	Total	
	US\$	US\$	US\$	US\$	KHR'000
					(Note 2.4)
<b>Loans and advances to customers at amortised cost</b>					
At 1 January	546,860	-	1,341,250	1,888,110	7,599,643
New financial assets originated	(4,422)	-	(38,026)	(42,448)	(170,259)
Currency translation difference	-	-	-	-	(22,743)
<b>At 31 December</b>	<b>542,438</b>	<b>-</b>	<b>1,303,224</b>	<b>1,845,662</b>	<b>7,406,641</b>

	2024				
	Stage 1	Stage 2	Stage 3	Total	
	US\$	US\$	US\$	US\$	KHR'000
					(Note 2.4)
<b>Loans and advances to customers at amortised cost</b>					
At 1 January	576,244	-	1,383,129	1,959,373	8,004,038
New financial assets originated	(29,384)	-	(41,879)	(71,263)	(290,112)
Currency translation difference	-	-	-	-	(114,283)
<b>At 31 December</b>	<b>546,860</b>	<b>-</b>	<b>1,341,250</b>	<b>1,888,110</b>	<b>7,599,643</b>

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (b) Market risk

Market risk is the risk that changes in market prices – for example, interest rates, foreign exchange rates and equity prices – will affect the Bank's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### Interest rate risk

Interest rate risk refers to the volatility in net interest income as a result of changes in the level of interest rates and shifts in the composition of the assets and liabilities. Interest rate risk is managed through close monitoring of returns on investment, market pricing and the cost of funds. The potential reduction in net interest income from an unfavourable interest rate movement is regularly monitored against the risk tolerance limits set.

2025	Up to 1 month	> 1-3 months	> 3-6 months	> 6-12 months	> 1 to 5 years	Over 5 years	Non-interest bearing	Total		Interest rate
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000	%
										(Note 2.4)
<b>Financial assets</b>										
Cash and bank balances – gross	-	6,022,626	-	-	-	-	78,397,956	84,420,582	338,779,796	0.24% to 0.96%
Statutory deposits	-	-	-	-	-	12,500,000	9,527,397	22,027,397	88,395,944	1.03% to 1.06%
Deposits and placements with other bank – gross	-	-	-	-	-	-	-	-	-	Nil
Loans and advances to customers - gross	20,806,014	-	4,506,000	24,977,748	106,957,682	1,758,465	-	159,005,909	638,090,712	5.75% to 20%
Guarantee deposit	-	-	-	-	-	2,846,559	-	2,846,559	11,423,241	3.38% to 4.05%
	<b>20,806,014</b>	<b>6,022,626</b>	<b>4,506,000</b>	<b>24,977,748</b>	<b>106,957,682</b>	<b>14,258,465</b>	<b>96,794,538</b>	<b>268,300,447</b>	<b>1,076,689,693</b>	
<b>Financial liabilities</b>										
Deposits from customers	30,318,940	8,297,151	4,755,699	10,474,226	4,488,619	-	74,949,300	133,283,935	534,868,431	0.5% to 7%
Deposits from banks	-	-	-	24,682,364	-	-	-	24,682,364	99,050,327	5%-5.5%
Lease liabilities	-	-	-	740,615	4,753,037	-	-	5,493,652	22,046,025	6%
Other liabilities (*)	-	-	-	-	-	-	737,712	737,712	2,960,438	Nil
	<b>30,318,940</b>	<b>8,297,151</b>	<b>4,755,699</b>	<b>35,897,205</b>	<b>9,241,656</b>	<b>-</b>	<b>75,687,012</b>	<b>164,197,663</b>	<b>658,925,221</b>	
<b>Interest sensitivity gap</b>	<b>(9,512,926)</b>	<b>(2,274,525)</b>	<b>(249,699)</b>	<b>(10,919,457)</b>	<b>97,716,026</b>	<b>14,258,465</b>	<b>21,107,526</b>	<b>104,102,784</b>	<b>417,764,472</b>	

(\*) Excludes payables to tax authority and prepayments.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (b) Market risk (continued)

Interest rate risk (continued)

The table below summarises the Bank's exposure to interest rate risk. The table indicates the periods in which the interest-bearing financial instruments reprice or mature, whichever is earlier.

2024	Up to 1 month	> 1-3 months	> 3-6 months	> 6-12 months	> 1 to 5 years	Over 5 years	Non-interest bearing	Total		Interest rate
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000	%
									(Note 2.4)	
<b>Financial assets</b>										
Cash and bank balances – gross	-	-	-	-	-	-	208,125,093	208,125,093	837,703,499	1% to 1.33%
Statutory deposits	-	-	-	-	-	12,500,000	20,303,857	32,803,857	132,035,524	Nil
Deposits and placements with other bank – gross	-	-	-	-	-	-	-	-	-	Nil
Loans and advances to customers - gross	17,514,703	-	26,789,535	89,122,052	29,330,683	463,623	-	163,220,596	656,962,899	5.75% to 20%
Guarantee deposit	-	-	-	-	-	-	4,024,176	4,024,176	16,197,308	Nil
	<b>17,514,703</b>	<b>-</b>	<b>26,789,535</b>	<b>89,122,052</b>	<b>29,330,683</b>	<b>12,963,623</b>	<b>232,453,126</b>	<b>408,173,722</b>	<b>1,642,899,230</b>	
<b>Financial liabilities</b>										
Deposits from customers	29,782,516	10,397,081	34,756,585	25,017,839	3,825,727	-	188,454,734	292,234,482	1,176,243,790	0.5% to 7%
Deposits from banks	-	-	-	5,337,241	-	-	-	5,337,241	21,482,395	5%-5.5%
Lease liabilities	-	-	-	632,027	5,213,113	-	-	5,845,140	23,526,689	6%
Other liabilities (*)	-	-	-	-	-	-	440,918	440,918	1,774,695	Nil
	<b>29,782,516</b>	<b>10,397,081</b>	<b>34,756,585</b>	<b>30,987,107</b>	<b>9,038,840</b>	<b>-</b>	<b>188,895,652</b>	<b>303,857,781</b>	<b>1,223,027,569</b>	
<b>Interest sensitivity gap</b>	<b>(12,267,813)</b>	<b>(10,397,081)</b>	<b>(7,967,050)</b>	<b>58,134,945</b>	<b>20,291,843</b>	<b>12,963,623</b>	<b>43,557,474</b>	<b>104,315,941</b>	<b>419,871,661</b>	

(\*) Excludes payables to tax authority and prepayments.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (b) Market risk (continued)

#### Foreign currency exchange risk

Foreign currency exchange risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

#### Concentration of currency risk

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

2025	Denomination US\$ equivalents			Total	
	KHR	US\$	Others	US\$	KHR'000
					(Note 2.4)
<b>Financial assets</b>					
Cash and bank balances - gross	1,641,277	81,813,279	966,026	84,420,582	338,779,796
Statutory deposits	62,397	21,965,000	-	22,027,397	88,395,944
Loans and advances to customers - gross	20,375,996	138,629,913	-	159,005,909	638,090,712
Guarantee deposit	-	2,846,559	-	2,846,559	11,423,241
<b>Total financial assets</b>	<b>22,079,670</b>	<b>245,254,751</b>	<b>966,026</b>	<b>268,300,447</b>	<b>1,076,689,693</b>
<b>Financial liabilities</b>					
Deposits from customers	289,464	132,994,471	-	133,283,935	534,868,431
Deposits from banks	195	24,682,169	-	24,682,364	99,050,327
Lease liabilities	-	5,493,652	-	5,493,652	22,046,025
Other liabilities (*)	11,698	726,014	-	737,712	2,960,438
<b>Total financial liabilities</b>	<b>301,357</b>	<b>163,896,306</b>	<b>-</b>	<b>164,197,663</b>	<b>658,925,221</b>
<b>Net asset position</b>	<b>21,778,313</b>	<b>81,358,445</b>	<b>966,026</b>	<b>104,102,784</b>	<b>417,764,472</b>

(\*) Excludes payables to tax authority and prepayments.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (b) Market risk (continued)

Concentration of currency risk (continued)

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

2024	Denomination US\$ equivalents					
	KHR	US\$	Others	Total		
				US\$	KHR'000	
					(Note 2.4)	
<b>Financial assets</b>						
Cash and bank balances - gross	3,338,943	204,725,845	60,305	208,125,093	837,703,499	
Statutory deposits	38,857	32,765,000	-	32,803,857	132,035,524	
Loans and advances to customers - gross	20,319,497	142,901,099	-	163,220,596	656,962,899	
Guarantee deposit	-	4,024,176	-	4,024,176	16,197,308	
<b>Total financial assets</b>	<b>23,697,297</b>	<b>384,416,120</b>	<b>60,305</b>	<b>408,173,722</b>	<b>1,642,899,230</b>	
<b>Financial liabilities</b>						
Deposits from customers	886,316	291,348,166	-	292,234,482	1,176,243,790	
Deposits from banks	209	5,337,032	-	5,337,241	21,482,395	
Lease liabilities	-	5,845,140	-	5,845,140	23,526,689	
Other liabilities (*)	-	440,918	-	440,918	1,774,695	
<b>Total financial liabilities</b>	<b>886,525</b>	<b>302,971,256</b>	<b>-</b>	<b>303,857,781</b>	<b>1,223,027,569</b>	
<b>Net asset position</b>	<b>22,810,772</b>	<b>81,444,864</b>	<b>60,305</b>	<b>104,315,941</b>	<b>419,871,661</b>	

(\*) Excludes payables to tax authority and prepayments.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (b) Market risk (continued)

#### Sensitivity analysis

Considering that other risk variables remain constant, the foreign currency revaluation sensitivity for the Bank as at the reporting date is summarised as follows (only exposures in currencies that accounts for more than 5% 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%	+ 1%	- 1%	+ 1%
	Depreciation	Appreciation	Depreciation	Appreciation
	US\$	US\$	US\$	US\$
KHR	(217,783)	217,783	(228,108)	228,108
Others	(9,660)	9,660	(603)	603
	<b>(227,443)</b>	<b>227,443</b>	<b>(228,711)</b>	<b>228,711</b>
<b>KHR'000 equivalents (Note 2.4)</b>	<b>(912,729)</b>	<b>912,729</b>	<b>(920,562)</b>	<b>920,562</b>

### (c) Liquidity risk

'Liquidity risk' is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Bank's operations and investments.

#### Management of liquidity risk

The Bank manages its liquidity through its Asset Liability Management Committee which is responsible for establishing the liquidity policy as well as monitoring liquidity on an ongoing basis. A Minimum Liquidity Asset requirement has been established to ensure that the ratio of liquid assets to qualifying liabilities is subject to a minimum threshold at all times.

The table below summarises the Bank's assets and liabilities based on remaining contractual maturities. The expected cash flows of these assets and liabilities could vary significantly from those shown in the table. For example, deposits from customers are not all expected to be withdrawn immediately.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (c) Liquidity risk (continued)

2025	Up to 1 month	> 1-3 months	> 3-6 months	> 6-12 months	> 1 to 5 years	Over 5 years	No fixed maturity date	Total	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000
									(Note 2.4)
<b>Financial liabilities</b>									
Deposits from customers	30,318,940	8,297,151	4,755,699	10,474,226	4,488,619	-	74,949,300	133,283,935	534,868,431
Deposits from banks	-	-	-	24,682,364	-	-	-	24,682,364	99,050,327
Lease liabilities – undiscounted	-	-	-	740,615	4,753,037	-	-	5,493,652	22,046,025
Other liabilities (*)	-	-	-	-	-	-	737,712	737,712	2,960,438
<b>Total financial liabilities</b>	<b>30,318,940</b>	<b>8,297,151</b>	<b>4,755,699</b>	<b>35,897,205</b>	<b>9,241,656</b>	<b>-</b>	<b>75,687,012</b>	<b>164,197,663</b>	<b>658,925,221</b>
<b>Financial assets</b>									
Cash and bank balances – gross	-	-	-	-	-	-	84,420,582	84,420,582	338,779,796
Statutory deposits	-	-	-	-	-	12,500,000	9,527,397	22,027,397	88,395,944
Deposits and placements with other bank – gross	-	-	-	-	-	-	-	-	-
Loans and advances to customers - gross	20,806,014	-	4,506,000	24,977,748	106,957,682	1,758,465	-	159,005,909	638,090,712
Guarantee deposit	-	-	-	-	-	-	2,846,559	2,846,559	11,423,241
<b>Total financial assets</b>	<b>20,806,014</b>	<b>-</b>	<b>4,506,000</b>	<b>24,977,748</b>	<b>106,957,682</b>	<b>14,258,465</b>	<b>96,794,538</b>	<b>268,300,447</b>	<b>1,076,689,693</b>
<b>Maturity analysis gap</b>	<b>(9,512,926)</b>	<b>(8,297,151)</b>	<b>(249,699)</b>	<b>(10,919,457)</b>	<b>97,716,026</b>	<b>14,258,465</b>	<b>21,107,526</b>	<b>104,102,784</b>	<b>417,764,472</b>

(\*) Excludes payables to tax authority and prepayments.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (c) Liquidity risk (continued)

2024	Up to 1 month	> 1-3 months	> 3-6 months	> 6-12 months	> 1 to 5 years	Over 5 years	No fixed maturity date	Total		
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	KHR'000	
									(Note 2.4)	
<b>Financial liabilities</b>										
Deposits from customers	29,782,516	10,397,081	34,756,585	25,017,839	3,825,727	-	188,454,734	292,234,482	1,176,243,790	
Deposits from banks	-	-	-	5,337,241	-	-	-	5,337,241	21,482,395	
Lease liabilities – undiscounted	-	-	-	632,027	5,213,113	-	-	5,845,140	23,526,689	
Other liabilities (*)	-	-	-	-	-	-	440,918	440,918	1,774,695	
<b>Total financial liabilities</b>	<b>29,782,516</b>	<b>10,397,081</b>	<b>34,756,585</b>	<b>30,987,107</b>	<b>9,038,840</b>	<b>-</b>	<b>188,895,652</b>	<b>303,857,781</b>	<b>1,223,027,569</b>	
<b>Financial assets</b>										
Cash and bank balances – gross	-	-	-	-	-	-	208,125,093	208,125,093	837,703,499	
Statutory deposits	-	-	-	-	-	12,500,000	20,303,857	32,803,857	132,035,524	
Deposits and placements with other bank – gross	-	-	-	-	-	-	-	-	-	
Loans and advances to customers - gross	17,514,703	-	26,789,535	89,122,052	29,330,683	463,623	-	163,220,596	656,962,899	
Guarantee deposit	-	-	-	-	-	-	4,024,176	4,024,176	16,197,308	
<b>Total financial assets</b>	<b>17,514,703</b>	<b>-</b>	<b>26,789,535</b>	<b>89,122,052</b>	<b>29,330,683</b>	<b>12,963,623</b>	<b>232,453,126</b>	<b>408,173,722</b>	<b>1,642,899,230</b>	
<b>Maturity analysis gap</b>	<b>(12,267,813)</b>	<b>(10,397,081)</b>	<b>(7,967,050)</b>	<b>58,134,945</b>	<b>20,291,843</b>	<b>12,963,623</b>	<b>43,557,474</b>	<b>104,315,941</b>	<b>419,871,661</b>	

(\*) Excludes payables to tax authority and prepayments.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 26. Financial risk management (continued)

### (d) Fair values of financial assets and liabilities

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

### (e) Operational risk

Operational risk is the risk of direct or indirect loss arising from inadequate or failed internal processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour.

The Bank's operational risk management entails the establishment of clear organisational structures, roles and control policies. Various internal control policies and measures have been implemented including the establishment of signing authorities, defining system parameter controls, streamlining procedures and documentation and compliance with regulatory and other legal requirements.

### (f) Capital management

#### Regulatory capital

The Bank's objectives when managing capital, which is a broader concept than the "equity" on the face of the statement of financial position, are:

- To comply with the capital requirements set by the NBC;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of the business.

The Bank's policy is to maintain a strong capital base so as to maintain market confidence and to sustain the future development of the business. The impact of the level of capital on shareholders' returns is also recognised and the Bank recognises 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.

#### Capital allocation

The allocation of capital between specific operations and activities is, to a large extent, driven by the optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily on the regulatory capital.

## 27. Material accounting policies

### 27.1. Foreign currency transactions

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

### 27.2 Financial instruments

#### (i) Recognition and derecognition

Financial instruments, comprising financial assets and financial liabilities, are recognised in the statement of financial position when the Bank becomes a party to the contractual provisions of the instrument.

The Bank derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or where it neither transfers nor retains substantially all of the risks and rewards of ownership and loses control. When control is retained, the Bank continues to recognise the financial asset to the extent of its continuing involvement.

The Bank derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Bank currently has a legally enforceable right to set off the recognised amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 27. Material accounting policies (continued)

### 27.2. Financial instruments (continued)

#### (ii) Classification and measurement

All financial assets and liabilities are initially recognised at fair value, which is usually the transaction price including, where appropriate, transaction costs.

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

Financial assets are held at amortised cost when they arise from contracts which give rise to contractual cash flows which are held in a business model which mainly holds the assets to collect contractual cash flows.

#### Financial assets measured at amortised cost (AC):

These are measured at amortised cost using the effective interest method and are subject to impairment losses (see below).

#### Financial liabilities at amortised cost:

Financial liabilities are measured at amortised cost using the effective interest method.

#### Financial assets - Business model assessment

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

#### Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest ("SPPI")

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are SPPI, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing

or amount of contractual cash flows such that it would not meet this condition.

In making this assessment, the Bank considers:

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

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

#### Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

#### (iii) Modifications of financial assets and financial liabilities

If the terms of a financial asset are modified, then the Bank evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs.

The Bank derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit and loss. The consideration paid includes non-financial assets transferred, if any, and the assumption of liabilities, including the new modified financial liability.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit and loss. For floating-rate financial liabilities, the original effective interest rate used to calculate

# NOTES TO THE FINANCIAL STATEMENTS

## for the year ended 31 December 2025 (continued)

the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

### (iv) Fair value measurement

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 Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The fair value of a financial liability with a demand feature (e.g. a demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

### (v) Impairment

The Bank recognises loss allowances for expected credit loss ("ECLs") on financial assets measured at amortised cost.

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

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

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

The maximum period considered when estimating ECLs is the maximum contractual period over which the Bank is

exposed to credit risk.

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

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

- ♦ the borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realising security (if any is held); or
- ♦ the financial asset is more than 30 days past due for short-term loans and 90 days past due for long-term loans.

### Measurement of ECLs

The Bank measure ECL using the general approach. The general approach consists of segregating customers into three different stages according to the staging criteria by assessing the credit risk. A 12-month ECL will be computed for stage 1, while lifetime ECL will be computed for stage 2 and stage 3. At each reporting date, the Bank will assess credit risk of each account in comparison to the risk level at the origination dates.

As for financial assets that are short term in nature, simplified approach will be adopted where no staging criteria is required. In this case, it will be either performing (stage 1) or non-performing.

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

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Bank measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Bank considers a longer period. The maximum contractual period extends to the date at which the Bank has the right to require repayment of an advance or terminate a loan commitment or guarantee.

ECLs are discounted at the effective interest rate of the financial assets.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 27. Material accounting policies (continued)

### 27.2 Financial instruments (continued)

#### (v) Impairment (continued)

##### Inputs, assumptions and techniques used for estimating impairment

The key inputs into the measurement of ECL are the term structure of the following variables:

- ♦ Probability of default ("PD");
- ♦ Loss given default ("LGD"); and
- ♦ Exposure at default ("EAD").

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

A statistical model has been employed to analyse data collected and generate estimate of remaining lifetime PD of exposure and how these are expected to change as result of passage of time.

The Bank uses the days past due ("DPD") information and the NBC's classification for staging criteria. Pursuant to the NBC guideline Prakas B7-017-344, it has defined each credit grading according to its credit quality as follows:

- ♦ **Normal:** outstanding facility is repaid on timely manner and is not in doubt for the future repayment. Repayment is steadily made according with the contractual terms and the facility does not exhibit any potential weakness in repayment capability, business, cash flow and financial position of the counterparty.
- ♦ **Special mention:** a facility in this class is currently protected and may not be past due but it exhibits potential weaknesses that may adversely affect repayment of the counterparty at the future date, if not corrected in a timely manner, and close attention by the Institution.
- ♦ **Sub-standard:** a facility ranked in this class exhibits noticeable weakness and is not adequately protected by the current business or financial position and repayment capacity of the counterparty. In essence, the primary source of repayment is not sufficient to service the debt, not taking into account the income from secondary sources such as the realization of the collateral.
- ♦ **Doubtful:** a facility classified in this category exhibits more severe weaknesses than one classified Sub-standard such that its full collection on the basis of existing facts, conditions or collateral value is highly questionable or improbable. The prospect of loss is high,

even if the exact amount remains undetermined for now.

- ♦ **Loss:** a facility is classified Loss when it is not collectable, and little or nothing can be done to recover the outstanding amount from the counterparty.

LGD is the magnitude of the likely loss if there is a default. The Bank estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure, collateral, seniority of the claim, counterparty industry and recovery costs of any collateral that is integral to the financial asset. For loans secured by retail property, LTV ratios are a key parameter in determining LGD. LGD estimates are recalibrated for different economic scenarios and, for real estate lending, to reflect possible changes in property prices. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default. For lending commitments, the EADs are potential future amounts that may be drawn under the contract, which are estimated based on historical observations and forward-looking forecasts. For some financial assets, EAD is determined by modelling the range of possible exposure outcomes at various points in time using scenario and statistical techniques.

##### Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI 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.

Objective evidence that financial assets are impaired includes:

- ♦ default or delinquency by a debtor;
- ♦ restructuring of an amount due to the Bank on terms that the Bank would not consider otherwise;
- ♦ indications that a debtor or issuer will enter bankruptcy;
- ♦ adverse changes in the payment status of borrowers or issuers;
- ♦ the disappearance of an active market for a security; or
- ♦ observable data indicating that there is measurable decrease in expected cash flows from a group of financial assets.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 27. Material accounting policies (continued)

### 27.2 Financial instruments (continued)

#### (v) Impairment (continued)

##### **Restructured financial assets**

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows.

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

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 loan that is overdue for 90 days or more is considered credit-impaired even when the regulatory definition of default is different.

##### **Presentation of allowance for ECL in the statement of financial position**

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

##### **Write-off**

The gross carrying amount of a financial asset is written off when the Bank has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Bank has a policy of writing off the

gross carrying amount based on historical experience of recoveries of similar assets. For corporate customers, the Bank individually makes an assessment with respect to the timing and amount of the write-off based on whether there is a reasonable expectation of recovery. The Bank expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.

Recoveries of amounts previously written off are included in 'impairment losses on financial instruments' in profit and loss.

#### (vi) Amortised cost and gross carrying amount

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

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

### 27.3. Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with banks and other highly liquid investments with original maturities of three months or less and that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

### 27.4. Placements with banks and the NBC

Placements with banks are stated at amortised cost using the effective interest method less ECL.

### 27.5 Loans and advances

'Loans and advances' captions in the statement of financial position include loans and advances measured at amortised cost; they are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method less ECL.

### 27.6. Share capital - ordinary shares

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

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 27. Material accounting policies (continued)

### 27.7. Regulatory reserves

Banks and financial institutions are required to compute regulatory provisions, according to Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 dated 16 February 2018 on credit risk classification and provisions for impairment. If the accumulated regulatory provision is higher than the accumulated impairment based on CIFRS 9, the 'topping up' will be recorded as regulatory reserves presented under equity. The reserve is subsequently reversed (up to zero) should the accumulated regulatory provision equal or be lower than the accumulated impairment based on CIFRS 9. The regulatory reserve is set aside as a buffer, which is non-distributable and is not allowed to be included in the net worth calculation.

On 5 February 2025, the NBC issued a notification No. B30-025-170 requiring all banks and financial institutions to calculate regulatory provisions using the figures from CIFRSs, which also includes accrued interest receivables. Allowance for accrued interest receivables transferred to regulatory reserves if any, shall be added to Tier 2 in the net worth calculation. The new requirement for the Tier 2 is effective for the year ended 31 December 2024 to 30 June 2025.

### 27.8 Property and equipment

#### (i) Recognition and measurement

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

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

Gains or losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognised net within other income in profit or loss.

#### (ii) Subsequent costs

The costs of replacing a part of an item of property and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Bank and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

#### (iii) Depreciation

Depreciation is calculated to write down the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal depreciation periods are as follows:

Leasehold improvements	Shorter of economic life or contractual term
Furniture and fixture	60 months
Equipment	60 months
Computer and IT equipment	36 months
Motor vehicles	60 months

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

### 27.9 Intangible assets

Intangible assets consisting of website and software are stated at cost less accumulated amortisation and accumulated impairment losses, if any.

It is amortised on a straight-line on their cost to their residual values over their estimated useful lives for 36 months. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of the asset, the amortisation is revised prospectively to reflect the new expectations.

### 27.10. Impairment of non-financial assets

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

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

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

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 27. Material accounting policies (continued)

### 27.10 Impairment of non-financial assets (continued)

Impairment losses are recognised in profit or loss. Impairment losses are allocated to reduce the carrying amounts of the other assets in the CGU on a pro rate basis.

### 27.11 Borrowings and deposits from customers

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

Borrowings are classified as current liabilities unless the Bank has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date

### 27.12. Provisions

Provisions are recognised in the statement of financial position when the Bank has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

### 27.13. Employee benefits

#### (i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Bank has 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.

#### (ii) Other long-term employee benefits

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. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

### 27.14. Interest income and expense

Interest income or expense is recognised using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts

through the expected life of the financial instrument to:

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

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.

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

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

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

### 27.15. Fee and commission

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate.

Other fee and commission income – including account servicing fees is recognised as the related services are performed.

### 27.16. Leases

The Bank assesses whether a contract is or contains a lease, at inception of a contract. The Bank recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Bank recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

# NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025 (continued)

## 27. Material accounting policies (continued)

### 27.16. Leases (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Bank uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Bank incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under CIAS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Bank expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

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

- ♦ Building and office branches: 10 years and 5 years respectively

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

### 27.17. Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates items recognised in other comprehensive income.

The Bank has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under CIAS 37 Provisions, Contingent Liabilities and Contingent Assets.

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

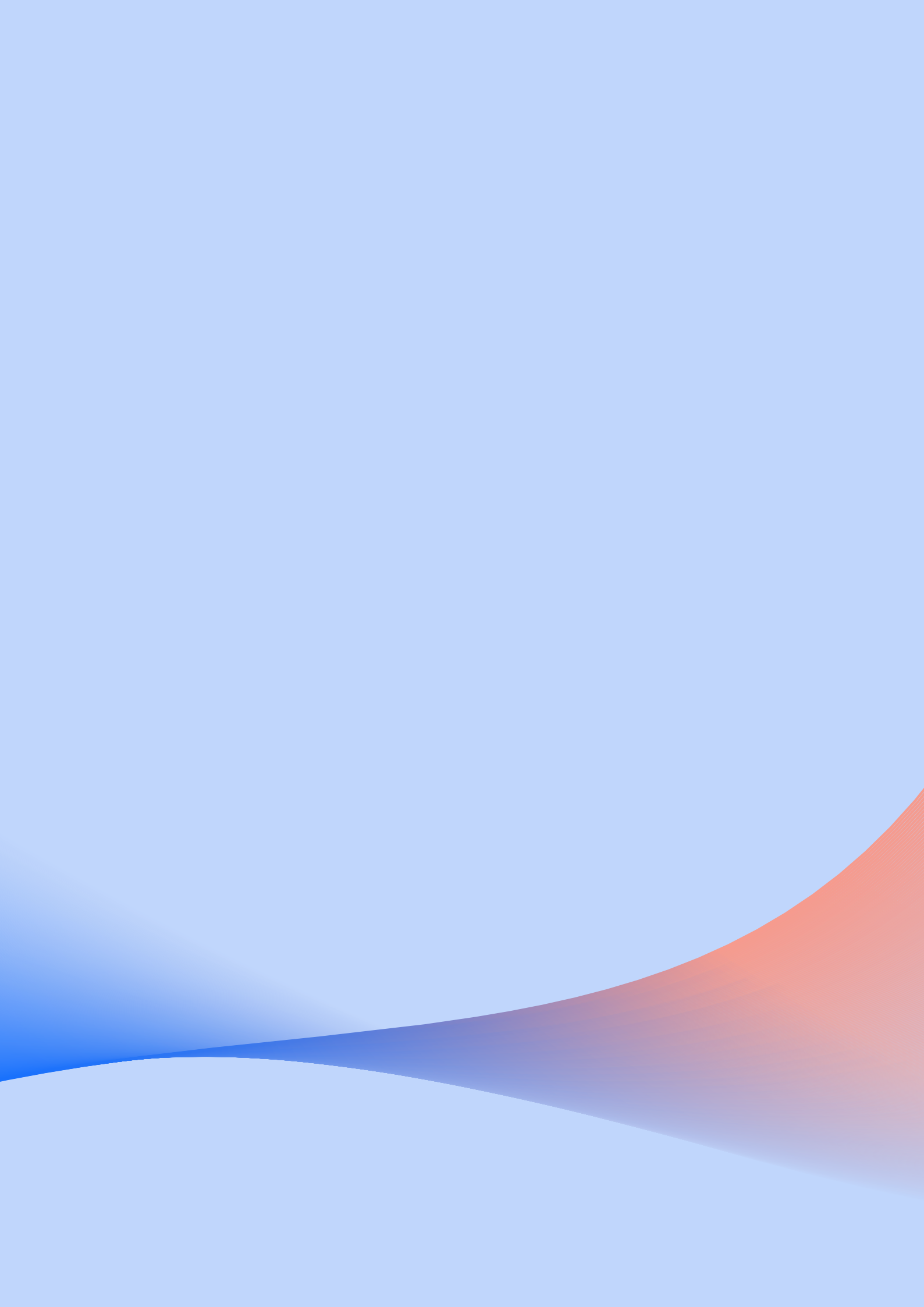
Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss, except that an adjustment attributable to an item of income or expense recognised in other comprehensive income shall also be recognised in other comprehensive income.


Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

### 27.18. Related parties

Enterprises and individual that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Bank, including the holding companies, subsidiaries and fellow subsidiaries, are related parties of the Bank. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the enterprise, key management personnel, including Directors and officers of the Bank and close members of the family of these individuals and companies associated with these individuals, also constitute related parties.



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