

អេស៊ីលីដា  
ACLEDA BANK



# Annual Report 2025



## Vision

To be Cambodia's leading and the most trusted commercial bank serving all segments of the community.

---



## Mission

Our mission is to provide our customers with secured and innovative products and services to manage their financial resources efficiently. At all times, we observe the highest principles of ethical behaviour, respect for society, the law and environment. By doing so, we aim to contribute to improving the quality of lives, ensuring a sustainable and growing benefits to our stakeholders, and to support the socio-economic development of the society as a whole.

---



## Slogan

The Bank's slogan: The bank you can trust, the bank for the people!  
ACLEDA Mobile's slogan: The bank in your hand!

This report has been prepared and issued by ACLEDA BANK to whom any comments or requests for further information should be sent.

Headquarters: Building N° 61, Preah Monivong Blvd., Sangkat Srah Chak, Khan Doun Penh, Phnom Penh, Cambodia.

P.O. Box: 1149

E-mail: [acledabank@acledabank.com.kh](mailto:acledabank@acledabank.com.kh)

Website: [www.acledabank.com.kh](http://www.acledabank.com.kh)

SWIFT Code: ACLBKHPP

Call Centre (24/7):

Tel: +855 (0)23 994 444, +855 (0)15 999 233

E-mail: [inquiry@acledabank.com.kh](mailto:inquiry@acledabank.com.kh)

# FINANCIAL HIGHLIGHTS

Units in US\$ '000	31/12/25 Audited	31/12/24 Audited	31/12/23 Audited	31/12/22 Audited	31/12/21 Audited	Change (%) <sup>1</sup>
<b>Consolidated Financial Highlights (CIFRS)</b>						
Assets	12,017,277	10,833,832	9,744,040	9,031,163	7,855,252	10.92%
Loans and Advances (net)	7,526,257	7,023,164	6,601,665	6,379,406	5,393,954	7.16%
Liabilities	10,353,537	9,343,665	8,362,020	7,714,515	6,650,217	10.81%
Deposits	9,369,267	8,359,056	7,227,813	6,388,991	5,716,020	12.09%
Share capital	433,163	433,163	433,163	433,163	433,163	-
Shareholders' equity <sup>2</sup>	1,657,453	1,484,034	1,375,999	1,310,588	1,199,042	11.69%
Gross income	943,054	865,249	828,008	743,831	636,698	8.99%
Profit before income tax	250,637	153,745	184,238	228,308	204,753	63.02%
Net Profit After Tax <sup>3</sup>	199,861	121,195	148,055	181,738	166,913	64.91%
Earnings Per Share	0.46\$	0.28\$	0.34\$	0.42\$	0.39\$	64.29%
Dividend <sup>4</sup>	555¢	227.8049¢	140.4795¢	685.8985¢	548.6405¢	143.63%

## Unconsolidated Financial Results (CIFRS)

Assets	11,801,774	10,676,725	9,605,647	8,918,446	7,695,163	10.54%
Loans and Advances (net)	7,326,868	6,861,826	6,457,043	6,246,269	5,232,059	6.78%
Liabilities	10,152,861	9,186,448	8,213,001	7,587,359	6,486,071	10.52%
Deposits	9,182,744	8,218,026	7,101,695	6,280,045	5,582,534	11.74%
Share Capital <sup>5</sup>	433,163	433,163	433,163	433,163	433,163	-
Shareholders' Equity <sup>6</sup>	1,648,913	1,490,278	1,392,646	1,331,086	1,209,092	10.64%
Gross income	896,343	829,292	792,125	705,214	594,625	8.09%
Profit before income tax	231,064	145,572	172,202	217,423	201,662	58.73%
Net Profit After Tax	184,638	115,933	138,139	173,406	162,085	59.26%

## HIGHLIGHTS OF 2025 (THE GROUP)

- Assets rose **10.92%** to **US\$12,017.28** million.
- Loans (net) grew **7.16%** to **US\$7,526.26** million.
- Non performing loans to total loans was contained at **5.94%**.
- Deposits increased by **12.09%** to **US\$9,369.27** million.
- Equity grew by **11.69%** from **US\$1,484.03** million to **US\$1,657.45** million.
- Net profit after tax was **US\$199.86** million.
- Return on equity was **12.06%**.
- The Group had **321** offices operating in Cambodia, Lao PDR, and the Republic of the Union of Myanmar.

1 Change from 2024 to 2025.

2 Excluded non-controlling interests and subordinated debt.

3 Excluded non-controlling interests.

4 Dividend distribution from 2019 to 2024 was paid out in cash.

5 Share capital of ACLEDA Financial Trust (AFT) and Legalized from ASA, Plc. are shown:

Description	2025	2024	2023	2022	2021
AFT share (%)	28.3251%	28.3251%	28.0443%	27.1422%	25.7392%
AFT Number of Shares	122,694,061	122,694,061	121,477,368	117,569,958	111,492,719
Legalized from ASA share (%)	5.7524%	5.7524%	5.7524%	5.7524%	20.7492%
Legalized ASA Number of Shares	24,916,808	24,916,808	24,916,808	24,916,808	89,878,026

6 Excluded Subordinated Debt.

# TRANSACTIONS AT COUNTER AND DIGITAL

Key Performance	2025	2024	2023	2022	2021
<b>AT COUNTER:</b>					
Number of Transaction	6,155,710	6,320,620	7,382,733	9,039,192	8,039,579
Value of Transaction (USD)	73,875,623,123	67,667,265,929	55,735,160,124	56,766,109,720	49,209,509,489
<b>VIA DIGITAL:</b>					
Number of Transaction	972,813,435	553,537,221	300,165,980	155,777,895	102,139,904
Value of Transaction (USD)	166,962,995,078	124,090,855,044	87,310,127,949	62,126,761,315	35,253,525,888

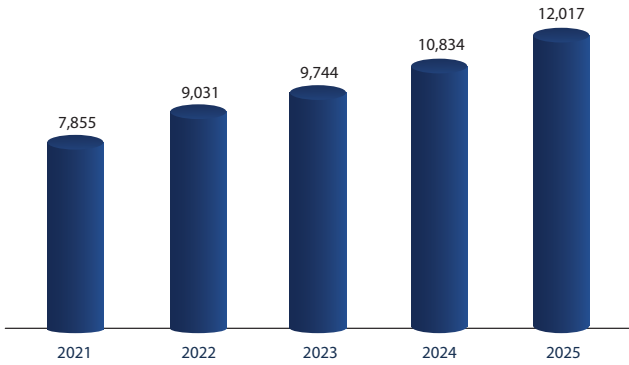
## TAX PAID REPORT

In the interests of fiscal transparency, we are pleased to publish our consolidated tax paid report in the table below:

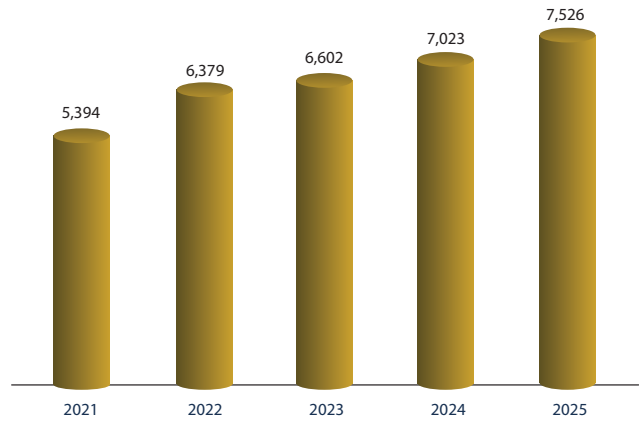
Units in US\$	2021	2022	2023	2024	2025	Total*
Patent tax	18,942	18,900	18,762	18,859	19,783	286,369
Signboard tax	49,965	54,709	89,120	142,015	184,121	1,319,581
Transportation tax	43,134	54,966	57,167	56,460	149	563,828
Property tax	7,683	9,545	22,616	20,631	20,884	201,087
Value Added Tax	195,574	557,516	775,588	771,621	1,250,810	3,588,594
Prepayment of profit tax	0	0	6,835,097	8,031,079	8,262,323	65,397,261
Profit tax	26,673,600	34,743,690	34,934,217	1,645,331	14,234,512	320,996,689
WHT-Salary	7,223,313	9,507,189	13,469,471	9,308,480	10,266,106	102,702,708
WHT-Saving Deposit	200,324	447,035	1,029,332	1,289,108	1,682,516	6,983,806
WHT-Fixed Deposit	6,310,737	7,873,068	11,651,275	12,878,855	10,817,912	85,430,512
WHT-Asset Rental	1,140,932	1,215,754	1,232,716	1,290,818	1,276,759	16,460,525
WHT-Local Services	256,376	328,028	329,739	359,503	600,875	5,952,834
WHT-Oversea Services	2,937,694	4,259,693	10,394,782	6,763,912	6,075,744	75,776,597
<b>Total paid</b>	<b>45,058,275</b>	<b>59,070,093</b>	<b>80,839,881</b>	<b>42,576,671</b>	<b>54,692,494</b>	<b>685,660,391</b>
<b>Accumulated amount*</b> (year to date)	<b>448,481,251</b>	<b>507,551,345</b>	<b>588,391,226</b>	<b>630,967,898</b>	<b>685,660,391</b>	

\* Total and Accumulated Amount from year 2000.

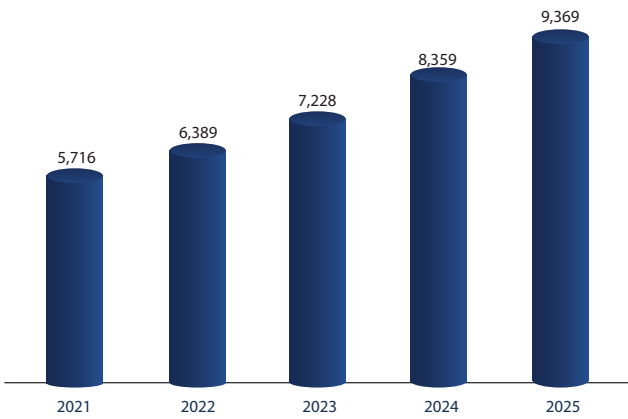
# PERFORMANCE



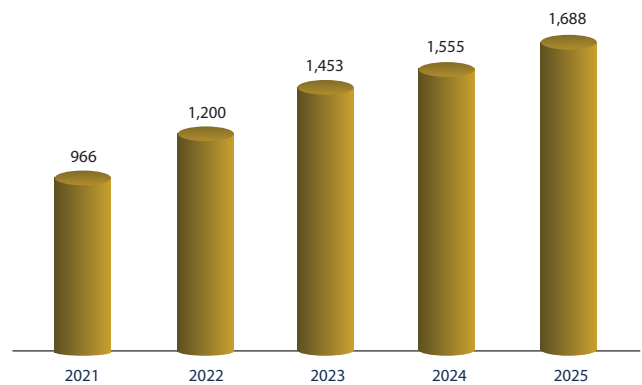
**Total Assets (US\$ Million)**



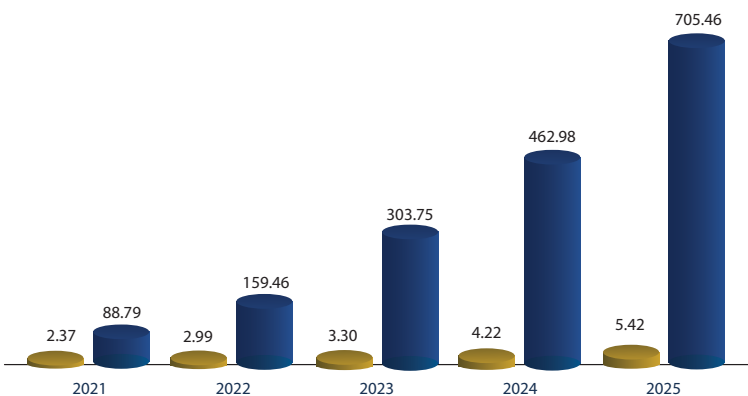
**Loans Outstanding (US\$ Million)**





**Deposits (US\$ Million)**



**Number of ATMs**



**ACLEDA Mobile (Mobile Banking)**

-  Accounts Registered (Million)
-  Account Balance (US\$ Million)

# CONTENT

## Page

<b>7</b>	<b>Cambodia's Key Economic Indicators</b>
<b>8</b>	<b>Chairwoman's Report</b>
<b>10</b>	<b>President &amp; Group Managing Director's Report</b>
<b>14</b>	<b>Organisational Chart</b>
<b>15</b>	<b>Branch Network</b>
<hr/>	
<b>16</b>	<b>Corporate Governance</b>
16	Shareholders' Meeting
17	Shareholders
<hr/>	
<b>19</b>	<b>Board of Directors</b>
<b>25</b>	<b>Executive Management</b>
<b>34</b>	<b>Compliance Division</b>
<b>35</b>	<b>Internal Auditor</b>
<b>36</b>	<b>Code of Conduct</b>
<hr/>	
<b>37</b>	<b>Report of the Board of Directors</b>
39	Reports of the Board Committees
40	Audit Committee
41	Remuneration and Nomination Committee
43	Risk and IT Committees
<hr/>	
<b>44</b>	<b>Credit Ratings</b>
<b>45</b>	<b>Principal Branches</b>
<b>46</b>	<b>Correspondent Banks</b>
<b>47</b>	<b>Awards &amp; Recognitions</b>
<hr/>	
<b>49</b>	<b>Appendix: Sustainability Report 2025</b>
<b>50</b>	<b>Appendix: Financial Statement Audited by the Independent Auditor</b>

# CAMBODIA'S KEY ECONOMIC INDICATORS

	2023	2024	2025e	2026f
<b>1. GDP</b>				
GDP % Change	5%	6%	5.2%	5%
Per Capita GDP (in U.S. Dollars)	2,520	2,675	2,858	3,020
<b>2. Inflation</b>				
Inflation (Annual Average)	2.1	0.8	2.5	2.3
(End Year)	2.7	3.1	1.19	-
<b>3. Government Budget (as a percent of GDP)</b>				
Revenue	19.9	15.9	15.6	15.1
Expenditure	21.1	17.7	18.8	18.9
<b>4. Money and Credit (12 months percentage change)</b>				
M2	12.5	17.5	12.9	-
Total Deposits in the Banking System	21.3	16.9	12.7	-
Total Outstanding Loans in the Banking System	14.9	3.1	5.2	-
Loans as % of Deposits	114.7	101.1	97.3	-
Deposits to GDP	108.1	117.9	119.35	-
Loans to GDP	121.3	116.9	116.07	-
<b>5. Balance of Payments (US\$ Million)</b>				
Exports	22,640	26,750	31,280	-
Imports	24,180	28,700	33,960	-
Trade Balance	-1,540	-1,950	-2,680	-
Current Account (excluding official transfers)	552	228	-1,355	-
Nominal GDP (Billions of U.S. Dollars)	43.07	46.38	50.24	53.80
Exchange Rate (Riel per Dollar end period)	4,110	4,070	4,025	4,035

Source:

1. ABC

2. NBC

3. MoEF

4. <https://www.khmertimeskh.com/501833460/nbc-projects-5-growth-2-3-inflation-in-2026-despite-mounting-pressures/>

e: estimate, f: forecast

**Ms. Kim Sotheavy**  
Chairwoman



## CHAIRWOMAN'S REPORT

*On behalf of ACLEDA BANK PLC. ("BANK") and the Board of Directors, I am pleased to present the 2025 Annual Report to all stakeholders.*

In 2025, the global economy demonstrated resilience despite ongoing trade tensions and elevated policy uncertainty. Economic activity proved stronger than expected, supported by supply-chain adjustments, easing inflationary pressures, accommodative financial conditions, and sustained investment in technological innovation, particularly artificial intelligence. According to the IMF Report January 2026, global economic growth is estimated at 3.3 percent in 2025, the same rate compare to last year, while global headline inflation declined to 4.2 percent from 5.8 percent in 2024. Economic conditions across major economies were mixed but generally favourable. The United States grew by 2.1 percent, the Euro Area by 1.4 percent, and Japan by 1.3 percent. China's economy expanded by 4.9 percent, slightly below the previous year, while ASEAN economies maintained resilience with growth estimated at 4.3 percent.

In Cambodia, the economy remained resilient with moderate growth of 5.2 percent in 2025, compared with 6.0 percent in the previous year. This is due to global uncertainty, the introduction of a 19 percent US tariff on Cambodian exports, border tensions and temporary closures with Thailand, lower-than-expected tourism performance, and continued slow grow in the real estate and construction sectors (Ministry of Economy and Finance, January 2025). Nevertheless, economic activity was driven by stable investment inflows and strong performance in garment and non-garment manufacturing exports, as well as agricultural production. These developments were complemented by prudent fiscal policy, including ongoing public investment and targeted support measures, together with well-calibrated monetary policy that helped maintain financial stability, adequate liquidity, and confidence in the banking system.

Cambodia's banking system remained resilient in 2025, underpinned by strong capital adequacy, ample liquidity, and continued prudential oversight by the National Bank of Cambodia. The sector recorded steady growth during the year, with total banking and financial assets increasing by 9.4 percent, deposits rising by 17.4 percent, and capital strengthening by 2.8 percent (NBC Annual Report 2025). These indicators reflect sustained public confidence in the banking system and a stable funding base. Nevertheless, the sector continued to face challenges, including elevated non-performing loans and slower-than-expected credit growth, particularly in sectors affected by the broader economic slowdown.

During 2025, ACLEDA BANK was proud to be the only Cambodian bank to be included in the "Top 1000 World Banks 2025" ranking by The Banker magazine. That was the second year that ACLEDA BANK had been recognized as one of the top 1000 banks in the global ranking. Meanwhile, ACLEDA BANK was honored to receive a Letter of Appreciation from the Governor of the National Bank of Cambodia (NBC). This esteemed recognition was granted to ACLEDA BANK achieving the No. 1 ranking in 2025 for both Khmer Riel lending and deposits within the Cambodian banking sector and also received an Appreciation Letter from the National Bank of Cambodia to ACLEDA BANK PLC. for complying with the legal and regulatory frameworks by fulfilling our duties and preparing reports to the National Bank of Cambodia consistently and on time to ensure the sustainability of the Cambodian banking sector. Furthermore, ACLEDA BANK received a report from the Global Ratings Agency – Standard & Poor's (S&P) which has maintained the Bank's Credit Ratings at "B+/Stable/B". This stable rating outlook reflects that ACLEDA BANK has nourished its long-term financial profile with sufficient capital buffers to respond to all economic conditions.

In addition, ACLEDA BANK has continuously improved many self-service operations functions across ACLEDA Mobile, QR codes, ATMs, and POSs in line with the needs of customers, and the evolution of digital technology to become an AC Super App. By the end of December 2025, the Bank expanded its 222 self-service banking (65 locations in Phnom Penh and 157 locations in provinces) adding to its existing 321 branches. The Bank equipped 1,651 ATMs, 6,506 POS machines, and QR codes response to customers' requests for transactions transfers and settlements in markets, shops, hotels, educational institutions, hospitals, travel agencies, gas stations, and other businesses across the country. Meanwhile, the Bank had more than 5.64 million ACLEDA Mobile registers, especially among those the Bank had more than 0.8 million business partners.

As of 31 December 2025, the total assets rose by USD 1,183.45 million to USD 12,017.28 million. Total deposits increased by USD 1,010.21 million to USD 9,369.27 million while total loan outstanding grew by USD 515.43 million to USD 7,634.45 million, compared to the year ended 2024. The annual performance 2025 compared to the year 2024, the Group achieved a profit attributable to the shareholders of USD 199.86 million, an increase of 64.91 % equivalent to USD 78.67 million.

Finally, I would like to express my sincerest gratitude to all shareholders, customers, employees, the public at large, and especially relevant authorities who always support and contribute to the good performance of the Bank, especially for the year 2025.



**Ms. Kim Sotheavy**

*Chairwoman, Board of Directors,*

*ACLEDA BANK PLC.*

19 March 2026

# Dr. In Channy

## President & Group Managing Director



### MESSAGE FROM PRESIDENT & GROUP MANAGING DIRECTOR

*In 2025, ACLEDA BANK continued to strengthen its position as a secure, resilient, and innovative financial institution, with digital transformation remaining a key driver of progress. The launch of real-time, data-driven products within the ACLEDA Super App marked an important milestone, enhancing customer experience and expanding access to financial services.*

*Through connections with public and private systems, we are building an inclusive financial ecosystem while advancing our Phygital strategy by integrating physical and digital channels across people, processes, and technology. This approach ensures consistent service quality, operational*

*efficiency, and customer-centric innovation across all touchpoints, supporting sustainable growth in an increasingly connected environment.*

*Looking ahead, we will build on this momentum by expanding our regional presence, improving financial access in underserved markets, and investing strategically in technology, cybersecurity, talent, and digital innovation. These efforts will enable us to deliver secure, efficient, and inclusive banking services while remaining a responsible, forward-looking institution.*

## Performance in 2025

### Competitive Environment

In 2025, the accelerated adoption of Artificial Intelligence (AI) and digital technologies continued to reshape Cambodia's financial landscape, significantly elevating customer expectations for faster, simpler, and more secure banking experiences. Competition among Banks and Financial Institutions (BFIs) intensified as market players expanded mobile-first offerings, scaled merchant acquisition and KHQR acceptance, and competed through multi-channel marketing, pricing strategies, promotional campaigns, loyalty and rewards programs, and ecosystem partnerships. This environment increased pressure on institutions to deliver highly reliable, seamless, and highly available digital services.

Against this backdrop, ACLEDA BANK PLC. continued to advance its transformation toward a digital-first and self-service operating model, while reinforcing a Synergy-Phygital approach that combines the strength of people and digital capabilities. The Bank positioned its branch network as hybrid service hubs, integrating human expertise with digital tools to promote and deliver leading financial products and services. This approach enhanced operational efficiency, strengthened security, and elevated overall customer convenience. Mobile banking remained the dominant channel for everyday payments and business transactions, further intensifying competition around UX/UI quality, transaction speed, system uptime, and customer support responsiveness.

ACLEDA Super App ("The Bank in your hand") remained a core platform in this competitive landscape, offering a broad range of financial and non-financial services through a user-friendly and continuously enhanced interface. By the end of December 2025, public disclosures indicated more than 5.64 million active users and over 0.80 million business partners, reflecting sustained growth in customer engagement, transaction activity, and ecosystem participation. The scale of the Super App strengthened the Bank's ability to seamlessly connect digital self-service with personalized human support across touchpoints.

Customers are able to access services anytime and anywhere with internet connectivity, including KHQR/QR payments nationwide and increasingly seamless cross-border QR payment interoperability. Cambodia's Bakong-linked QR corridors have been successfully launched across the ASEAN region and multiple partner countries, while Phase 1 connectivity with Japan was officially introduced in July 2025. The Cambodia-Singapore cross-border QR linkage was launched in November 2025, with additional corridors—including India and ongoing processing and coordination with the Philippines and Malaysia—under development to further strengthen the regional payment ecosystem. These developments reinforce ACLEDA BANK's phygital strategy by enabling customers and merchants to transact digitally across borders, supported by trusted banking infrastructure and service excellence.

### Operational Highlights in 2025

- Total loans outstanding at the end of 2025 were US\$7,634.45 million, with US\$1,340.79 million (or 17.56%) allocated to the agriculture sector. In 2024, lending to agriculture totalled US\$1,468.10 million. By the end of December 2025, there were 558,758 active customers for the Group's small business loans.
- Non-performing loans (NPLs) remained high but manageable at 7.02% (CIFRS (Consolidated)) due to uneven economic activities, sectoral stress and elevated private debt levels.
- Total deposits reached US\$9,369.27 million across approximately 6.47 million accounts.
- The Group reported a profit for the period attributable to the owner of the Bank at US\$199.86 million.
- The Bank consistently made efforts to minimize costs and risks to retain income and maximize profit.
- Fintech products were integrated into the Bank's electronic banking infrastructure, offering customers a range of choices to manage their financial resources.

### Financial Services and SME Businesses

Lending in the "Small" business category grew by 8.71% or US\$279.33 million. The "Personal & Others" category grew by 34.19% or US\$211.73 million. "Housing Loans" balance was US\$145.70 million. The total amount of loans outstanding was US\$7,635.62 million as of the end of 2025.

On the funding side, the Group's total deposit balance reached US\$9,369.27 million as at year-end 2025, representing a robust growth of 12.09% (equivalent to US\$1,010.21 million), supported by approximately 6,470,471 deposit accounts. Retail deposits remained the primary engine of growth, driven by a steady increase in first-time depositors, including employees receiving salaries through the Bank's Payroll Service and rural customers accessing financial services via the E-Wallet on the ACLEDA Super App. The continued expansion of fintech-enabled products and services further strengthened deposit mobilization and advanced the Group's commitment to financial inclusion.

To effectively serve retail business customers and small-medium enterprises nationwide, the Group sustained a diversified and extensive delivery network, comprising 319 branches and 222 self-service banking locations, supported by 1,651 ATMs and 6,506 POS terminals. During the year, the Group issued 1.62 million debit cards and 61,629 credit cards. In parallel, digital adoption continued to accelerate, with ACLEDA Super App achieving significant growth to over 5.64 million registered users by the end of 2025, reinforcing the Group's position as a leading digital financial services provider in the market.

## Medium and Corporate Businesses

In this product category in 2025, cash management services increased substantially through our arrangement and partnership with the public sector, particularly the Social Security Fund (SSF), government payroll direct deposits, registration and license fee payment, and vehicle stamp tax collection. The demands for these services payment via ACLEDA Super App were particularly strong in 2025 with a number of organizations that signed up, including entities in the public sector, local and international companies, and other organizations, thereby providing excellent opportunities for cross-selling of other products and services.

In addition, the best services offered by the nationwide networks of the Bank have highly attracted and engaged medium and corporate business entities to consistently appreciate, remain loyal to, and prioritize the Bank as the first effective coordinator for financial management and sources of their business operations and settlement. These multiple services have also had a significant positive impact on the Bank's local currency cash flow and have enabled the Bank to fund, strengthen, and expand its local Khmer Riel currency loan portfolios. Meanwhile, the medium and corporate loans outstanding increased by 0.14% compared to 2024 and accounted for 32.72% of the total loans outstanding.

Furthermore, the Bank and its subsidiaries continued to collaborate with their long-term, experienced, and strategic partners. These entities assist our mutual, common customers to manage their financial resources effectively and efficiently. Together with this, these partnerships also significantly contributed to the Bank's long-term funding and also provided a useful source of off-balance sheet revenue, while enhancing the international expertise and experience of the Bank's management and staffs.

## Treasury Local and International

The Bank remains a primary provider of Foreign Exchange (FX) services to a wide range of financial sectors and the public at large. Its foreign exchange operations produced stable and consistent results, significantly contributing to the Bank's non-interest income. Adhering to its risk management policy, the Bank refrains from engaging in speculative trading and concentrates solely on supporting customers' authentic business transactions. Market risk is mitigated through managing open positions within prudent ratios, adhering to internal and regulatory limits. This disciplined strategy has ensured steady income and growth, strengthened customer relationships, and fostered lasting partnerships.

Strong customers deposit inflows, supported by long-term borrowings (subordinated bonds issuance), strengthened the Bank's balance sheet throughout the year. This robust funding foundation base supported continued loan portfolio growth and provided the financial flexibility to advance the Bank's expanding operations and strategic initiatives.

By providing loans denominated in KHR and taking part in government programs to fortify Cambodia's financial market, the Bank has been an outspoken supporter of the KHR. As of 2025, over 21.37% of the Bank's loan portfolio offered in KHR, exceeding the regulatory requirement of 10%. In addition, the Bank has invested in government bonds amounting to KHR308b (≈US\$77m) and is a major supporter of government-led efforts. The Bank is demonstrating its dedication to the nation's economic development and financial sector modernization through these endeavors.

The Bank broadened its funding sources by strengthening ties with strategic partners globally, particularly in Europe, the USA, and Asia. Additionally, by the end of 2025, it has also enhanced relationships with other financial institutions, leveraging an extensive international correspondent network of 230 correspondent banks residing in 39 countries. This robust network underscores the Bank's global connectivity and reliability.

The Bank continues to comply with internal risk policies, regulatory requirements, and lenders' prudent covenants, ensuring stability and trust within its operations.

## Strategic Priorities for 2026

The Bank you can trust, the Bank for the people!

To deliver the Bank's strategic direction in line with the Business Plan and the Bank's statements, we implemented and monitored priority action plans through a flexible delivery approach, applying agile methodology where appropriate.

During 2025, the Bank advanced its Mobile-First agenda by strengthening the ACLEDA Super App roadmap, enhancing AI-enabled capabilities, improving UI/UX, and expanding digital payments and ecosystem services to increase customer self-service.

We accelerated loan digitization through the Loan Origination System (LOS), reducing manual processing while strengthening credit scoring, monitoring, and management reporting.

In parallel, key banking processes were redesigned and migrated to digital channels through increased automation and end-to-end digital loan journeys—enabling customers to complete the full process digitally from initiation to disbursement. This was supported by improved data integration, enhanced reconciliation, and secure partner connectivity via APIs.

HR digitalization continued through reskilling and upskilling programs, modernization of HR systems, productivity initiatives, and strengthened ethics and governance.

The Bank reinforced funding and liquidity by mobilizing deposits and diversifying funding sources, supported by treasury enhancements within regulatory requirements.

Brand and community initiatives focused on improving customer experience, enhancing service-point visibility, expanding collaboration, and continuing CSR activities to deepen public trust.

Finally, we strengthened IT resilience, data capability, open banking readiness, and cybersecurity controls and awareness, while continuing to deepen partnerships, support subsidiaries, and advance ESG and sustainability initiatives.

## The Challenges for 2026

In 2026, the Bank is expected to face a more demanding operating environment driven primarily by border tensions and localized security risks, continued adjustment in the real-estate sector, and tariff and trade pressures. These factors may weaken confidence and mobility in certain areas, disrupt livelihoods and cross-border activity, and increase pressure on households, informal businesses, and SMEs—affecting transaction patterns, remittance flows, credit demand quality, and repayment capacity.

From a macroeconomic perspective, Cambodia's real GDP growth is projected to moderate from 4.8% in 2025 to 4.0% in 2026 (IMF) and from 4.8% in 2025 to 4.3% in 2026 (World Bank).

In this context, the Bank will place stronger emphasis on Digital Loan products to enhance speed, accessibility, and operating efficiency while strengthening control and monitoring. Priority will be given to expanding end-to-end digital lending journeys—including salary-based loans, BNPL, savings-backed loans, and merchant and SME digital loans—supported by digital and semi-digital loan platforms, including the Loan Origination System (LOS). These capabilities will enable faster decision-making, reduced manual processing, stronger credit scoring, and improved portfolio visibility.

At the same time, the Bank must balance growth with prudence by reinforcing credit discipline, strengthening early-warning systems and portfolio monitoring, closely managing real-estate-linked exposures and collateral valuation, and maintaining strong liquidity and funding resilience. Successful execution will require disciplined cross-functional synergy coordination, strong data governance, and continued focus on cybersecurity, fraud prevention, operational resilience, and regulatory compliance, alongside effective change management to ensure confident adoption by both staff and customers.

I sincerely thank our customers, business partners, shareholders, and employees for their trust, continued support, and dedication.

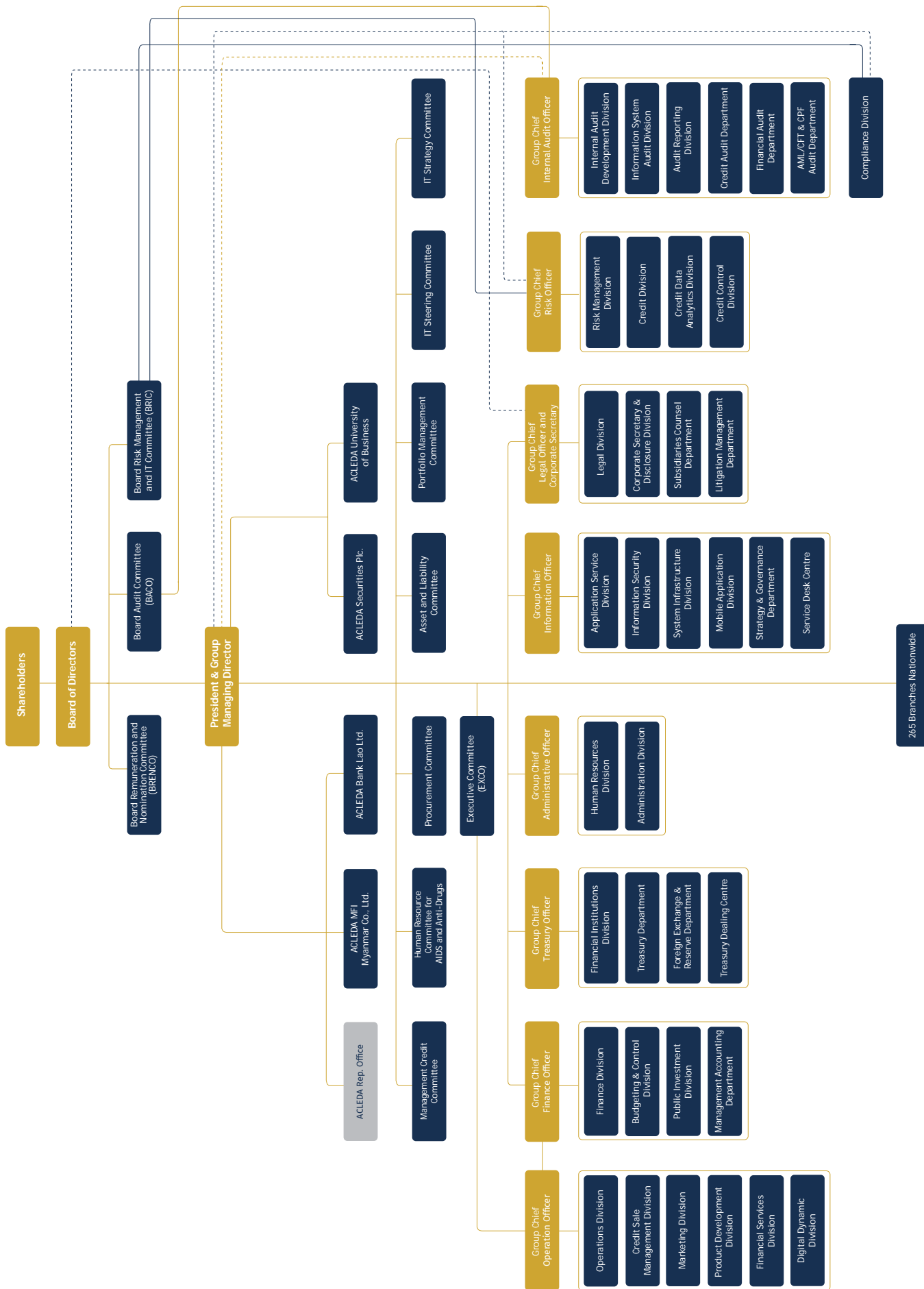


**Dr. In Channy**

*President & Group Managing Director,  
ACLEDA Bank Plc.*

19 March 2026

# ORGANISATIONAL CHART

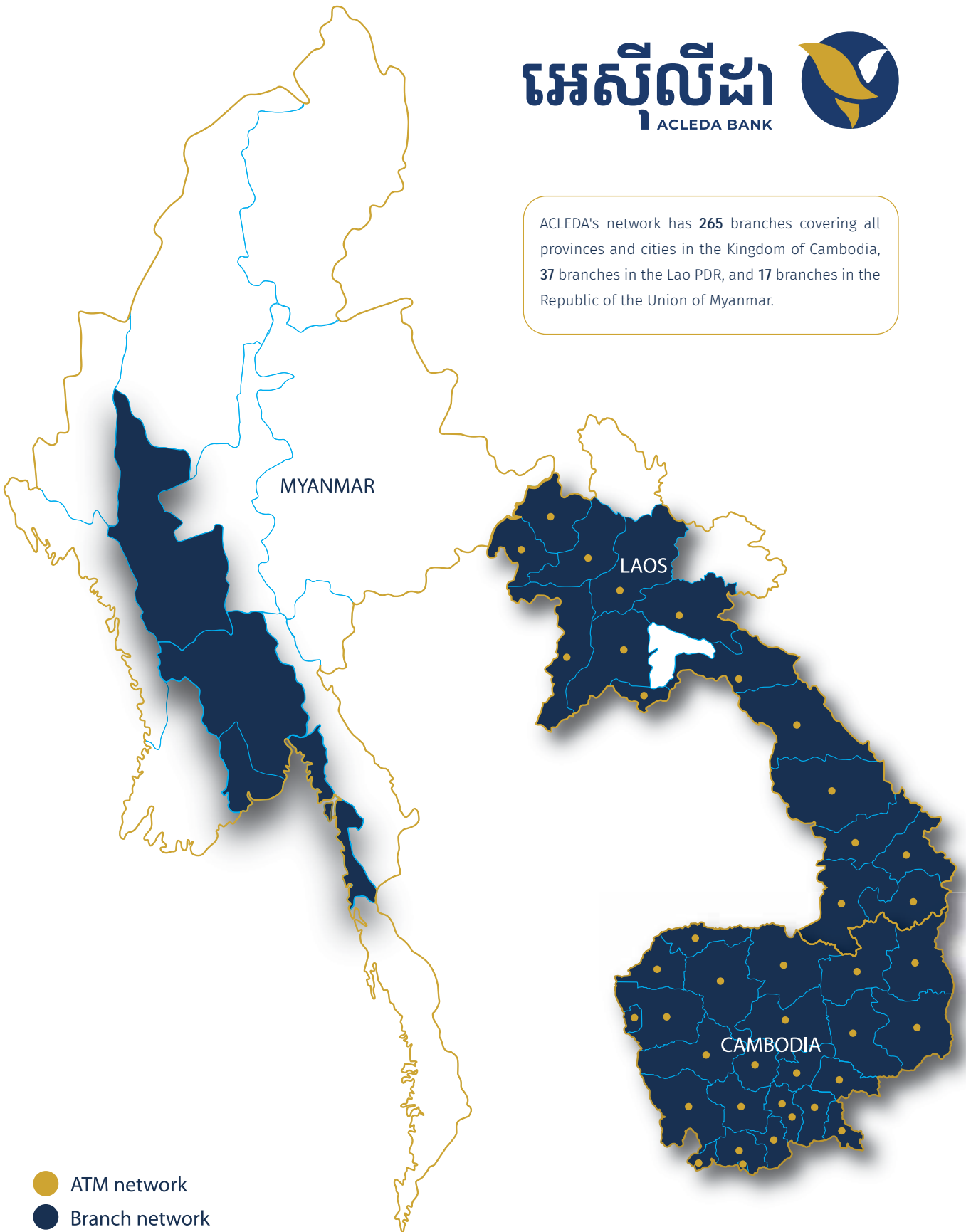


# BRANCH NETWORK

អេស៊ីលីដា  
ACLEDA BANK



ACLEDA's network has **265** branches covering all provinces and cities in the Kingdom of Cambodia, **37** branches in the Lao PDR, and **17** branches in the Republic of the Union of Myanmar.



- ATM network
- Branch network

# CORPORATE GOVERNANCE

ACLEDA Bank Plc. recognizes the critical importance of corporate governance in supporting the Bank's sustainable growth, enhancing the efficiency of the Bank, creating shareholder value, and securing trust for all stakeholders including Shareholders, customers, staff, and the public. The Board of Directors supports and encourages the adoption and implementation of good corporate governance policies, together with a Code of Conduct and business ethics.

## Shareholders' Meeting

The Bank held its Annual General Meeting of Shareholders in compliance with the law, other relevant regulations and the Articles of Association of the Bank. In the year 2025, the Annual General Meeting (AGM) was held on 24 April 2025 by Video Con-call at the Bank's Headquarters and the 2 Extraordinary General Meetings (EGM) were conducted by E-mail on 24 July 2025 and 12 November 2025. The Bank took the following actions:

### Prior to the Meeting

The Meeting Notices contain detailed agendas, factual details, rationale, and Board's recommendations for each agenda item as well as accompanying documents. The Meeting Notice and accompanying documents were prepared in Khmer and English and delivered to all Shareholders in advance of the AGM and EGM.

### During the Meeting

The 2025 AGM and EGM were chaired by the Chairman of the Board. The Chairman of the meeting allowed the Shareholders full opportunities to ask questions and make recommendations and provided comprehensive clarification when requested. Management also clarified and answered related issues. The Corporate Secretary recorded the Minutes and details of votes for each agenda item.

The decisions made in 2025 were:

1. Approval of distribution of cash dividend at 20% of 2024 Profit for the Year Attributable to Owners of the Bank of KHR493,383,200,000 equal to KHR98,676,658,226.99 at KHR227.8049 per share and transfer the remaining balance of Profit for the Year Attributable to Owners of ACLEDA BANK to the Retained Earnings.
2. Approval and recognition of nomination of Mrs. Kim Sotheavy from AFT as a new Director of ACLEDA BANK.
3. Approval and recognition of nomination of Mr. Kaoru Furuya from SMBC as a new Director in ACLEDA BANK to replace Mr. Kyosuke Hattori.
4. Approval and recognition of nomination of Mr. Olivier Louis Roger Fouchet from the COFIBRED as a new Director in ACLEDA BANK to replace Mr. Stéphane Mangiavacca.
5. Approval and recognition of nomination of Mr. Dorian Jean-Claude Alfred Marquer-Andronov and Mr. Dylan Raymond D'Costa from TMF and TFSF (Triodos) as new Shareholder Representatives of ACLEDA BANK to replace Ms. Farah Katia Chams.
6. Approval of amendment to Article 8, Article 29, Appendix 1, and Appendix 3 of MAOA of ACLEDA BANK.
7. Approval of Board of Directors fees of ACLEDA BANK in line with the 2024 inflation rate of 0.8%.
8. Approval of annual increase in salary of Chairman of the Board of Directors as below:
  - To increase in salary of Mr. Chhay Soeun, Chairman of the Board, with grading "A+" retro-effective from 01 January 2025;
  - To add 2024 inflation rate of 0.8% to his salary retro-effective from 01 April 2025.
9. Approval of salary of new Chair of Board of Directors with effective from 1 November 2025.
10. Approval of PricewaterhouseCoopers "PwC" as the external auditor of the ACLEDA BANK for the financial year 2026.
11. Approval of revised Director Nomination Policy.
12. Approval of a record date on 07 May 2025 for determination of shareholders entitled to receive dividend.
13. Approval of the increase in paid-up capital of ACLEDA BANK Lao Ltd., a subsidiary of ACLEDA BANK.
14. Approval and reappointment of Mr. Kaoru Furuya from SMBC as a director of ACLEDA BANK for the next 3 years term.
15. Approval of amendment to Article 29, Article 40, Article 42, and Appendix 1 of MAOA of ACLEDA BANK.

### Following the Meeting

The results of the AGM and EGM were immediately disclosed to the public after the meeting and the Minutes of the 2025 Annual General Meeting of the Shareholders was prepared and submitted to relevant regulators in line with the regulations.

## Shareholders

The Shareholders are the owners of the Bank. However, except for approving certain critical strategic matters the Shareholders have no direct powers to manage the Bank in any way but delegate this responsibility to the Board of Directors through the Articles of Association.

### ACLEDA Financial Trust

ACLEDA Financial Trust ("AFT") succeeded ACLEDA NGO under the "Sub-Decree No: 476 Or Nor Kror Bor Kor, dated August 26, 2013 on the Financial Trusts" of the Royal Government of Cambodia, and the "Prakas No: 1041 Sar Hor Vor Bror Kor, dated September 26, 2014 on the Management and Monitoring of Financial Trusts" of the Ministry of Economy and Finance. The certificate No. 007 TR/VC/BH dated 20 February 2026 was also obtained from Trust Regulator.

The purpose and role of AFT are to:

- Create opportunities for employment and income sources to contribute to Cambodian economic development;
- Promote and support the advancement of the sciences related to economic development including finance and banking sector, and with a focus on financial inclusion and financial literacy;
- Promote economic and educational opportunities for youth and low-income populations;
- Contribute to improved financial services through ACLEDA Bank Plc. and associated entities, in order to stimulate the local economy;

AFT acts as one of the shareholders of ACLEDA Bank Plc. that is established under the laws of the Royal Government of Cambodia, in order to encourage adherence of ACLEDA Bank Plc. to the original objective to support Cambodian micro, small, and medium entrepreneurs and to maintain Cambodian nationality of ACLEDA Bank Plc. AFT shall pursue directly and exclusively the aforementioned objectives. It shall act altruistically and shall not primarily pursue objectives for its own private commercial interests. AFT is non-political and not affiliated with any political party. It may use its financial means only for the purposes set out in these statutes. No individual may benefit from any disproportionately high remuneration or from an expense, which is not consistent with the AFT's purposes.

### Shareholders legalized from ASA, Plc.

The shareholders who are required to be legalized from ASA, Plc.

### Sumitomo Mitsui Banking Corporation (SMBC)

SMBC is a top-tier Japanese bank operating globally. Through its domestic branches (excluding sub-branches and banking agencies) in Japan and overseas branches (including subsidiaries, sub-branches and representative offices) all over the world, SMBC provides a broad range of financial services including deposit taking, corporate finance, structured finance, securities investment, money transfer, foreign currency exchange, corporate bond trustee services, and custody services, financial futures underwriting, and investment trust sales.

SMBC is committed to working towards our goal of "Accelerating our Asia-centric Strategy". SMBC has proactively invested its resources in Asian countries with a high growth potential. In order to provide ACLEDA Bank's clients with better-integrated financial services, SMBC has been seconding a senior consultant to the Foreign Corporate Unit (FCU) of ACLEDA Bank since 2013.

SMBC's holding company, Sumitomo Mitsui Financial Group, Inc. (SMFG), is listed on the Tokyo, Nagoya, and New York Stock Exchanges. For more information on SMBC, please visit SMFG's website at <https://www.smfg.co.jp/english>

### COFIBRED — Compagnie Financière de la BRED (BRED's financial company)

COFIBRED is a BRED Banque Populaire's fully owned subsidiary. Given the development of BRED's international activities, it was decided in 2008 to regroup all subsidiaries and participations within a single entity, Cofibred. Cofibred's portfolio is made up of more than 45 subsidiaries and participations in bank, insurance, e-commerce and/or financial companies. These subsidiaries and participations are located worldwide on the five continents.

## ORIX Corporation

ORIX Corporation (TSE: 8591; NYSE: IX) provides financial services, makes investments, and operates business in six segments, which consist of corporate financial services, maintenance leasing, real estate, investment and operation, retail, and overseas business. ORIX was established in 1964 as a leasing company, ORIX has advanced into neighbouring fields and regions to evolve its business and expand globally. Through its business activities, ORIX has been constantly anticipating market needs and working to contribute to society by developing leading financial services on a global scale and striving to offer innovative products that create new value for customers. For more details, please visit ORIX's website: [www.orix.co.jp/grp/en](http://www.orix.co.jp/grp/en).

## NHTPE Rumdul

NHTPE Rumdul is a closed-end private equity fund managed by Morgan Stanley. NHTPE is controlled by a general partner ("GP") that is a 90% controlled indirect subsidiary of Morgan Stanley, a listed company on the New York Stock Exchange. The Fund is managed by Morgan Stanley Private Equity Asia, Inc. (the "Management Company" or the "Manager"). The Manager is an integral part of Morgan Stanley's Asia private equity operations to which Morgan Stanley commits significant resources.

## Triodos Microfinance Fund and Triodos Fair Share Fund

Triodos Microfinance Fund and Triodos Fair Share Fund are two investment funds managed by Triodos Investment Management. Triodos Investment Management is a 100% owned subsidiary of Triodos Bank, one of the world's leading sustainable banks. The funds' focus is on providing access to financial services for low-income groups and SMEs in developing countries in order to contribute to a sustainable inclusive financial sector.

### *Triodos Microfinance Fund*

Triodos Microfinance Fund was launched in 2009 and is an open-end fund with share classes available for institutional investors, high net worth individuals and private banking clients across Europe. The main focus of this fund is on established microfinance institutions and SME banks with a proven track record.

### *Triodos Fair Share Fund (is owned by Legal Owner Triodos Funds B.V.)*

Triodos Fair Share Fund, established in 2002 in the Netherlands, is one of the first and few funds worldwide that offers the opportunity to invest in microfinance institutions and SME banks to the general public.

## Public Shareholders

The Shareholders who successful subscribed ACLEDA Bank Plc.'s shares issued on CSX during the IPO phase.

# BOARD OF DIRECTORS

The Directors are appointed by the Shareholders for three-year terms to act on their behalf. The Articles provide that the Board shall consist of nine Directors and that:

- The Board of Directors is responsible for determining the strategy of the Bank and for conducting or supervising the conduct of its business and affairs. Its members shall act in the best interests of the Bank.
- The powers of the Board of Directors are to be exercised collectively and no individual Director shall have any power to give directions to the officers or employees of the Bank, to sign any contracts, or to otherwise direct the operations of the Bank unless specifically empowered to do so by a resolution of the Board of Directors.
- Each Director shall have unlimited access to the books and records of the Bank during ordinary business hours.

The Board of Directors shall elect, by majority vote, one of its members to serve as Chairwoman who shall preside over meetings of the Board of Directors as well as the AGM.

The Board of Directors assumes responsibility for corporate governance and for promoting the success of the Bank by directing and supervising its business operations and affairs. It appoints and may remove the President & GMD, GCIAO, and Head of COD. It also ensures that the necessary human resources are in place, establishes with management the strategies and financial objectives to be implemented by management, and monitors the performance of management both directly and through the Board Committees.

The Board of Directors established three Committees: Audit, Remuneration and Nomination, Risk Management and IT, and may establish such other committees as it deems necessary or desirable to carry on the business and operations of the Bank. These Board Committees shall exist at the pleasure of the Board of Directors and all members of such Committees shall be approved by the Board. The Committees themselves will not exercise any of the powers of the Board, except insofar as the Board may formally delegate such powers, but may make recommendations to the Board for their collective action. Whilst membership on Board Committees is restricted to Directors themselves, they may invite members of management and others so as to provide operational information and explanation when considered necessary. All Board Committees are chaired by Independent Directors.



**Mrs. Kim Sotheavy**  
Chairwoman

Cambodian. Born in October 1965. Mrs. Kim Sotheavy joined the Board on 9 September 2025 and has become a Chairwoman of the Board of Directors from 1 November 2025. She joined ACLEDA in September 1994. On 10 October 2025, she recently completed her position as a Senior Group Chief Internal Audit Officer of ACLEDA BANK PLC. which she is responsible for overall strategic planning and running the day-to-day internal audit activities of the Bank as well as implementation of the internal audit plan. To guarantee the independence of the internal audit function, she is required to report directly to the Board Audit Committee. She is invited to attend Board Audit Committee meetings as secretary of the Committee and from time to time to provide information and explanations on various matters pertaining to the scope and purpose of the Committee.

In ACLEDA BANK PLC's group, she is a chairwoman of the Board of Directors of ACLEDA BANK PLC., and Director of ACLEDA MFI Myanmar effective from 1 November 2025. She also serves as a Director of ACLEDA Bank Lao Ltd.

Her other responsibility includes Independent Individual Trustee of ACLEDA Financial Trust.

She holds a Master's Degree in Finance and Banking and is also a Graduate of the Australian Institute of Company Directors (GAICD).



**Dr. In Channy**  
Director

Cambodian. Born in June 1960. Dr. Channy is President & Group Managing Director of ACLEDA Bank Plc., a position he has held since it was established as a bank in 2000. He became a member of the Board of Directors of ACLEDA Bank Plc. in August 2014. He was one of the founders of the Association of Cambodian Local Economic Development Agencies (ACLEDA) since January 1993. As President of the Executive Committee he leads the Executive Management Team which is responsible for overall strategic planning and running the day-to-day business of ACLEDA Bank Plc. and its Group as well as implementation of its business plan. He is directly accountable to the Board of Directors.

His other responsibilities within the group include Chairman of ACLEDA Bank Lao Ltd. and ACLEDA MFI Myanmar Co. Ltd., Shareholder Representative for ACLEDA Bank Lao Ltd., ACLEDA Securities Plc., ACLEDA University of Business, and ACLEDA MFI Myanmar Co., Ltd. He is also the Chairperson of Board of Trustees of ACLEDA Financial Trust.

Outside ACLEDA Bank, he was the Chairman of the Association of Banks in Cambodia for two consecutive terms from 2019 to March 2022. He is currently a council member of the Association of Banks in Cambodia and he co-chairs a working group on Banking and Financial Services.

He completed an Executive Course on Financial Institutions for Private Enterprise Development (FIPED) at Harvard University, USA in 1998. He holds a Doctorate of Business Administration and is also a Graduate of the Australian Institute of Company Directors (GAICD).



**Drs. Pieter Kooi**  
Director

***Board Committees: Remuneration and Nomination (Chair), Audit***

Dutch. Born in 1958. Drs. Kooi joined the Board in October 2000. Starting in 1993, he advised ACLEDA as a microfinance consultant over a period of seven years in its course from a development program into a commercial bank. From 1999, he worked as a short-term microfinance consultant on projects in 15 countries located mainly in Africa and Asia. From September 2002 until December 2005, he was Director of the Microfinance Unit of UNCDF in New York. From March 2006 till May 2011, Drs. Kooi supported ACLEDA BANK PLC. as a part-time consultant in the establishment of ACLEDA Bank Lao Ltd., ACLEDA Training Center Ltd. (currently ACLEDA University of Business Co., Ltd.) and ACLEDA Securities Plc. At present Drs. Kooi serves on several boards within the ACLEDA BANK Group.

He obtained his Master's Degree with distinction in Corporate Finance and Sociology from Erasmus University in Rotterdam, the Netherlands. He is also a Graduate of the Australian Institute of Company Directors (GAICD).



**Dr. Heng Dyna**  
Director

***Board Committees: Risk Management and IT, Audit***

Cambodian. Dr. Heng Dyna joined the Board in 2023, bringing more than 10 years of experience as financial sector specialist and economist. He has extensive experience in risk analysis and financial sector assessment. Dr. Heng also led several technical assistance programs to central banks and ministries of finance in several countries. He is now on an external assignment based in the United States and also serves on a voluntary basis as a board member of the Cambodian Economic Association.

Dr. Heng completed Asset and Portfolio Management program at the Wharton School and Private Markets Investment Program at the Said Business School. He earned a Ph.D. Degree in economics in Australia and a master's degree in economics in Japan. He is a Graduate of the Australian Institute of Company Directors (GAICD).



**Ms. Phurik-Callebaut Ratana**  
**Director**

***Board Committees: Audit (Chair)***

Cambodian (and French). Born in 1972, Ms. Ratana Phurik-Callebaut joined the Board in November 2021 and has served as chairwoman of the Board of ACLEDA University of Business (AUB) since November 2022.

She is a CFA Charterholder and holds a Post-Graduate Diploma (DEA) in Industrial Economics, a Master of Science in Foreign Trade and a Master in Economics and Finance at University of Paris 1 Panthéon-Sorbonne. She is also a Graduate of the Australian Institute of Company Directors (GAICD).

Ratana has more than 25 years' experience in international trade, investment, private sector development, and finance. She has built a strong career as a consultant and economist, with extensive experience in senior management and board-level roles. She is currently a Senior Private Sector and Investment Consultant for various international organizations and has served as an Independent Director of several financial institutions in Cambodia.

She is the founder and Chairperson of the Cambodia Community of Investment Professionals (CFA Community in Cambodia), which focuses on developing local skills in finance. Her previous roles in Cambodia include Executive Director of EuroCham Cambodia, business consultant at DFDL, partner at the private equity firm Cambodia Emerald and director of the French-Cambodian Chamber of Commerce). Internationally, she has worked in Switzerland as a portfolio manager for a private bank and as an economist at UNCTAD.



**Mr. Kay Lot**  
**Director**

***Board Committees: Risk Management and IT (Chair),  
Remuneration and Nomination***

Cambodian, Born in 1970. Mr. Kay Lot joined the Board in May 2021. He is an entrepreneur with senior management experience in finance, banking, media, and telecommunications. Prior to joining ACLEDA BANK, he served as independent director, and chair of the audit committee, in one of the largest Microfinance Deposit-Taking Institutions in Cambodia.

Currently he is Chairman of the board of Artisans Angkor Co., Ltd., a social enterprise based in Siem Reap, a shareholder in a digital media agency, and a construction company. He also serves as an Independent Director for BSP Finance Cambodia and Digital Divide Data, a social impact company based in New York.

He obtained IFRS Certification from The Association of Chartered Certified Accountants (ACCA), and an EMBA from Essec Business School. He is also a Graduate of the Australian Institute of Company Directors (GAICD).



**Mr. Olivier Louis Roger Fouchet**  
**Director**

French, Born in 1978. Mr. Olivier Louis Roger Fouchet joined the Board in September 2025.

Mr. Olivier Fouchet has a rich professional background in investment management, with significant experience in leading teams and managing large portfolios across various financial markets.

Mr. Olivier Fouchet started his career in June 2001 as Fixed Income Manager at Sinopia Asset Management, a subsidiary of HSBC Asset Management. He managed global and Euro inflation-linked bond portfolios and contributed to investment committees. In January 2008, he joined HSBC Hong Kong as Associate Director where he led a team managing pension funds and institutional mandates with USD 5.5 billion under assets. He covered active and passive strategies in global bonds and emerging markets, enhancing client relationships in the Asia Pacific region. Back to France in 2012 as the Head of Investment Management of Allianz France, Olivier managed EUR 80 billion in Life & Health and Casual & Property segments including General Portfolios and Segregated accounts. In June 2017, Olivier joined the Bred Banque Populaire Group as Chief Investment Officer.

In addition, Mr. Olivier serves as a Non-executive Director at NJR Invest, Positive Solutions (SAS Aggrotech Solution), BRD Cambodia and BRD Laos since 2021. He also serves as a Chairman of FRP II SAS, FRP V SAS, FRP VI SAS, Foncière Hérrouville, FRP VII SAS and FRP IV SAS.

He obtained his Master's degree in Finance and Banking from Paris IX Dauphine University in 2001 and a Bachelor's degree in Economics from Paris IX Dauphine University in 2000.



**Mr. Kaoru Furuya**  
**Director**

#### *Board Committees: Risk Management and IT*

Japan, Born in 1965. Mr. Kaoru Furuya joined the Board in September 2025.

Mr. Furuya joined The Sumitomo Bank Limited in April 1989. He held several management positions at distinguished branches of SMBC, including Japan, Singapore, the U.K., Hong Kong, the U.S, Indonesia and other countries. He served as a General Manager of Syndication and Financial Institution Department and General Manager of Singapore branch in 2013 and 2018, respectively. He also held positions as General Manager of Corporate Banking Department, Asia Pacific and Senior General Manager of Asia Growing Marketing Department in 2019 and 2020. At the end of 2020, he was promoted to Deputy President Director and Chief Strategy Officer at PT Bank SMBC Indonesia Tbk.

Currently, Mr. Furuya is a Managing Director and Senior General Manager, Global Banking Unit, Supervising multi-franchise strategy in South-East Asia Sumitomo Mitsui Banking Corporation, Head Office.

He obtained his Bachelor's degree in Politics (Faculty of Law) from Hosei University in 1989.



**Dr. Albertus Bruggink**  
**Director**

*Board Committees: Remuneration and Nomination,  
and Risk Management and IT*

Nederlandse, Born in 1963. Dr. Albertus Bruggink joined the Board in May 2021.

Outside ACLEDA BANK, he is currently an independent consultant based in the Netherlands and he is a corporate advisor to ORIX Corporation in Tokyo and independent Chairman of the Audit Committee of ORIX Europe. Furthermore, he joined the Board of Foundation Westerbork Fund (Netherlands) in January 2022. He has worked for 30 years at Rabobank in different roles in finance, risk management and treasury/capital markets, both domestically and internationally of which the last 12 years as member of the Executive Board (CFRO). During his career, he served on a number of board of directors, predominantly in the Netherlands, and has served as the Chairman of the audit committees of such Boards on a number of occasions. Dr. Bruggink received an MSc in Business Administration from University of Twente in 1986 and a PhD in Financial Engineering from University of Twente in 1989. He is currently a part-time professor in Financial Engineering and Risk Management at University of Twente.

Furthermore, he acts as a member of supervisory boards of Medisch Spectrum Twente (Netherlands), TFG/XAC Bank (Mongolia) and Stichting Alliade, Heerenveen (Netherlands).

# EXECUTIVE MANAGEMENT

The President & Group Managing Director is appointed by the Board of Directors with full responsibility and authority to manage the day-to-day affairs of the Bank within the framework of the policies and strategic guidelines approved by the Board. However, certain powers may be retained by the Board and shall be formally recorded in a "Letter of Reserved Matters".

The President & Group Managing Director appoints and chairs an Executive Committee comprising members of senior management as he deems appropriate (subject to any changes being notified to the Board in a timely manner). The Terms of Reference and proceedings of the Executive Committee shall be determined by the President & Group Managing Director at his discretion under the general headings of:

- Strategic direction — develop policies, goals, strategies, and targets for Board approval.
- Performance — assemble and mobilise resources to implement agreed strategies and performance targets.
- Risk — identify and evaluate risk in the Bank's strategies and manage exposures.
- Compliance — ensure that the Bank conforms to all corporate, legal, and regulatory requirements.



# Dr. In Channy

## President & Group Managing Director

Cambodian. Born in June 1960. Dr. Channy is President & Group Managing Director of ACLEDA Bank Plc., a position he has held since it was established as a bank in 2000. He became a member of the Board of Directors of ACLEDA Bank Plc. in August 2014. He was one of the founders of the Association of Cambodian Local Economic Development Agencies (ACLEDA) since January 1993. As President of the Executive Committee he leads the Executive Management Team which is responsible for overall strategic planning and running the day-to-day business of ACLEDA Bank Plc. and its Group as well as implementation of its business plan. He is directly accountable to the Board of Directors.

His other responsibilities within the group include Chairman of ACLEDA Bank Lao Ltd. and ACLEDA MFI Myanmar Co. Ltd., Shareholder Representative for ACLEDA Bank Lao Ltd., ACLEDA Securities Plc., ACLEDA University of Business, and ACLEDA MFI Myanmar Co., Ltd. He is also the Chairperson of Board of Trustees of ACLEDA Financial Trust.

Outside ACLEDA Bank, he was the Chairman of the Association of Banks in Cambodia for two consecutive terms from 2019 to March 2022. He is currently a council member of the Association of Banks in Cambodia and he co-chairs a working group on Banking and Financial Services.

He completed an Executive Course on Financial Institutions for Private Enterprise Development (FIPED) at Harvard University, USA in 1998. He holds a Doctorate of Business Administration and is also a Graduate of the Australian Institute of Company Directors (GAICD).

**Dr. Loeung Sopheap**

Group Chief Risk Officer

**Mr. Yin Virak**

Group Chief Treasury Officer

**Mr. Meang Tay**

Group Chief Information Officer

**Mr. Ly Thay**

Senior Group Chief Administrative Officer

**Dr. In Channy**

President & Group Managing Director

**Mrs. Mar Amara**

Senior Group Chief Financial Officer

**Mrs. Sok Sophea**

Group Chief Operations Officer

**Mrs. Buth Bunseyha**

Senior Group Chief Legal Officer and Corporate Secretary





# Mrs. Mar Amara

## Senior Group Chief Financial Officer

Cambodian. Born in September 1967. Mrs. Amara joined ACLEDA since June 1993. As Senior Group Chief Financial Officer, she is a member of the Bank's Executive Committee, which is responsible for the overall strategic planning and running the day-to-day business of the Bank as well as the implementation of the business plan. She is a chairwoman of the Bank's Assets and Liabilities Committee and Portfolio Management Committee, and member of Management Credit Committee. She also leads the work of the Basel Team. She is responsible for the Finance Division, Budgeting & Control Division, Public Investment Division, and Management Accounting Department. She is directly accountable to the President & Group Managing Director.

Her other responsibilities within the Group include being Board chairwoman of ACLEDA Securities Plc., vice chairperson of Board of Trustees of ACLEDA Financial Trust and member of Board of Director of ACLEDA University of Business.

She successfully completed the Organizational Leadership from Harvard Business School, USA in August 2022, completed the Green Bond and Sustainable Finance Executive programme, Stockholm Sweden in October 2022, graduated of the Australian Institute of Company Directors (GAICD) in 2018 and also graduated from the National University of Management in Phnom Penh in 2006 with a Master's Degree in Finance, having previously obtained a Bachelor's Degree in Management in 2003. She attended courses on Management Accounting, Financial Accounting, and Auditing among others at Regent College from 1996 to 1998 in Phnom Penh.

**Mr. Tek Peuochanthala**

Head of Budgeting  
& Control Division



**Mr. Kuoy Veasna**

Head of Public  
Investment Division



**Mrs. Mar Amara**

Senior Group Chief  
Financial Officer



**Mrs. Meng Mariane**

Senior Head of  
Finance Division



**Mrs. Tauch Chansophea**

Head of Management  
Accounting Department





# Mrs. Sok Sophea

## Group Chief Operations Officer

Cambodian. Born in March 1976. Mrs. Sok Sophea joined ACLEDA Bank in September 1, 1995. In 2007 until 2008, she was promoted to VP & Head of Call Center. In 2009 to January 2021, she was promoted to SVP & Head of Marketing Division and appointed as SVP & Senior Head of Marketing Division in February 2021 to September 26, 2024.

She was promoted to Group Chief Operations Officer on September 27, 2024. She's also a member of the Bank's Executive Committee, responsible to manage the strategic plan and implement the daily bank's operations for the sustainability and make sure all bank's infrastructure including branch, office, electronic banking and digital infrastructure deliver secure and convenient service to all segments of the community.

She supervises 6 divisions such as Operations Division, Marketing Division, Product Development Division, Credit Sale Management Division, Financial Services Division, and Digital Dynamic Division.

She obtained a Master's Degree in Marketing from IIC University of Technology and completed an Executive Course on Organizational Leadership from Harvard Business School, USA in 2022.

**Mr. Neth Piseth**

Head of Financial Services Division

**Mr. Char Sopheap**

Head of Product Development Division

**Mr. Soth Saran**

Senior Head of Credit Sale Management Division

**Mrs. Sok Sophea**

Group Chief Operations Officer

**Mr. Sok Sovady**

Head of Operation Division

**Mr. Phal Sokchamroeun**

Head of Marketing Division

**Mr. Seng Sokneang**

Head of Digital Dynamic Division





## Mr. Yin Virak

### Group Chief Treasury Officer

Mr. Yin Virak has worked with ACLEDA since May 2003 as Staff of Treasury Settlement Unit. He then was promoted and worked in various management positions tie to treasury tasks for more than 15 years. In 2018, he was assigned as SVP & Head of Corporate Secretary and Disclosure Division till 2022. He has been promoted to Group Chief Treasury Officer from January 1, 2023 until present.

As Group Chief Treasury Officer, he is a member of the Bank's Executive Committee, responsible for leading the treasury group. This group comprises one Head of Division and three Heads of Departments: the Financial Institution Division, the Treasury Department, the FX and Reserve Department, and the Treasury Dealing Centre.

His role includes strategic planning for the Bank, encompassing the development and research of funding initiatives, new treasury products/ services, as well as planning and implementing strategies to drive sales

growth in funding and treasury offerings. He also oversees the Bank's daily treasury operations, providing leadership, monitoring, control, and evaluation. Additionally, he supports the Bank's subsidiaries in matters related to treasury affairs.

He obtained a Master of Business Administration from Paññāsāstra University of Cambodia in 2009. He also graduated a Master of Law in Private Law from Royal University of Law and Economics in 2022. He is also a Graduate of the Australian Institute of Company Directors (GAICD), Sydney, Australia, 2024. He attended fundamentals of corporate secretarial practice course conducted by Chartered Secretaries Institute of Singapore corporate with Accounting and Corporate Regulatory Authority, Singapore, in April and May 2019.

**Mr. Than Sarun**

Senior Head of  
Treasury Department

**Mr. Trak Ngintipo**

Head of Foreign  
Exchange & Reserve Department

**Mr. Yin Virak**

Group Chief Treasury  
Officer

**Mrs. Sovan Bopha**

Head of Financial  
Institutions Division

**Mr. Prak Chanveasna**

Head of Treasury  
Dealing Centre





# Mr. Ly Thay

## Senior Group Chief Administrative Officer

Cambodian. Born October 1975. Mr. Thay joined ACLEDA in December 1997. He worked for ACLEDA Bank Plc. as Accountant (1997-1999); Internal Auditor (1999-2000); Cashier, Branch Manager, and Office Operations Manager (2000-2004); Operations Department Manager (2004-2006); Senior Vice President & Head of Operations Division (2006-2016) and promoted to be Senior Group Chief Administration in year 2016.

As Senior Group Chief Administrative Officer, he is a member of the Bank's Executive Committee and is responsible for overall strategic planning as well as the implementation of the business plan focused on the day-to-day operations of the Bank. He is responsible for the Human Resources Division and Administration Division. He is directly accountable to the President & Group Managing Director.

He obtained a Master's Degree in Finance from Pannasastra University of Cambodia in 2008 and has been admitted as a Graduate of the Australian Institute of Company Directors Year 2024.

**Mr. Nguon Raksmeay**

Head of Human Resources Division

**Mr. Ly Thay**

Senior Group Chief Administrative Officer

**Ms. Peuo Titmithona**

Head of Administration Division





## Mrs. Buth Bunseyha

### Senior Group Chief Legal Officer and Corporate Secretary

Cambodian. Born in August 1980. Mrs. Bunseyha joined ACLEDA Bank in October 2007. As Senior Group Chief Legal Officer and Company Secretary as well as a disclosure officer, she is a member of the Bank's Executive Committee, which is responsible for the overall strategic planning and running the day-to-day business of the Bank as well as the implementation of the regulatory compliance plan and correspondence with shareholders and the Board of Directors. She is responsible for the Legal Division, Corporate Secretary & Disclosure Division, Litigation Management Department, and Subsidiaries Counsel Department.

She is directly accountable to the President & Group Managing Director.

She is a member of Board of Trustees of ACLEDA Financial Trust (AFT).

She obtained a Master's Degree and Bachelor's Degree in Law and is also a Graduate of the Cambodia business Law from CamEd business School, the corporate secretary course from Singapore, and completed of Leadership and Strategy Execution course from Harvard Business School (USA) and graduated of the Australian Institute of Company Directors (GAICD) from Australia.

**Mr. Keo Chhorpornpisey**

Head of Subsidiaries  
Counsel Department

**Mr. Sen Sokla**

Head of Corporate  
Secretary & Disclosure Division

**Mrs. Buth Bunseyha**

Senior Group Chief Legal  
Officer and Corporate Secretary

**Ms. Keo Sam Ath**

Head of Legal Division

**Mr. Savan Malyka**

Senior Head of Litigation  
Management Department





# Mr. Meang Tay

## Group Chief Information Officer

Cambodian. Born in May 1973, Mr. Meang Tay has worked for a different organizations-institutions, including the Ministry of Interior, before joining ACLEDA NGO as a Programmer. He joined ACLEDA Bank full time in June 1999. He was Programmer, Vice President & Deputy Head of IT Division and then promoted Head of Application Service Division of ACLEDA Bank from December 2017 till 14 November 2025. In recognition of his expertise and contributions, he was promoted to Group Chief Information Officer effective from 15 November 2025. As a Group Chief Information Officer, Mr. Tay chairs the IT Strategy Committee, oversees six divisions, including cybersecurity, and manages over 600 staff across the Bank and its subsidiaries.

In terms of education, Mr. Tay holds a Bachelor's Degree in Science in 1997 from Hanoi University in Vietnam, majoring in Computer Science and Master of ITC from University Utara Malaysia. Complementing my academic achievements, he remains committed to continuous learning and personal development.

**Mr. Soun Chanratana**  
Head of Application  
Service Division

**Mr. Hong Bunkhy**  
Head of Mobile  
Application Division

**Mr. Chhay Yaroth**  
Head of Information  
Security Division

**Mr. Meang Tay**  
Group Chief  
Information Officer

**Mr. Kong Danny**  
Head of System  
Infrastructure Division

**Mrs. Som Chendamony**  
Head of Service  
Desk Centre

**Mrs. Ear Leakhna**  
Head of Strategy &  
Governance Department





## Dr. Loeung Sopheap

### Group Chief Risk Officer

Cambodian, Born in March 1967. Dr. Sopheap started working for ACLEDA in December 1997 as an accountant. Since then he has held several positions; Head of Customer Deposit Unit (2003-2004), Deputy Head of Marketing Division (2004-2008), Head of Product Development Division (2009-2018), Chair and Co-Chair of Electronic Banking Services Project, and Mobile Banking Services Development Project (2008-2018); and currently is Group Chief Risk Officer responsible for risk management of the entire ACLEDA Group. He leads Credit Division, Credit Data Analytics Division, Risk Management Division, and Credit Control Division. He is a member of Management Credit Committee. He was appointed as a member of the Board of Directors of ACLEDA Securities Plc. in July 2017. He obtained his Doctorate of Business Administration (DBA) from Preston University USA Phnom Penh Campus in 2012.

**Mr. Soeng Phon**  
Head of Credit  
Division

**Mr. Tep Bunthoeun**  
Head of Risk  
Management Division

**Dr. Loeung Sopheap**  
Group Chief Risk Officer

**Mr. Chheng Vathana**  
Head of Credit Data  
Analytics Division

**Mr. Ou Dyna**  
Head of Credit  
Control Division





## Mr. Hok Leangkry

Head of Compliance Division

Cambodian. Born in December 1977. Mr. Leangkry has been working with ACLEDA since February 2002. As Head of the Compliance Division, he is responsible for overall strategic planning and running the day-to-day compliance activities of the Bank and its subsidiaries.

To assure the independence of the Bank's compliance functions, he is required to report directly to the Board Risk Management & IT Committee. He is invited to attend Board Risk Management & IT Committee meetings from time to time to provide information and explanation on compliance findings and issues pertaining to the scope and purpose of the Committee.

He is responsible for leading the Compliance Group, which consists of two departments including the AML & CFT Compliance Department (ACD), and the Regulatory Compliance Department (RCD). The group also includes all Compliance Officers at all subsidiaries.

He holds two postgraduate degrees, a Master's Degree in Law specializing in Private Law from the Royal University of Law and Economics in 2016, Cambodia, and a Master's Degree in Business Administration from Preston University, USA (Cambodia Campus), in 2012. He also obtained two Bachelor's Degrees, one in the Art in Teaching English- TESOL from Paññāsāstra University of Cambodia in 2010, and another in Accounting from Norton University in 2001.



## Mr. Thath Dynoth

Group Chief Internal Audit Officer

Cambodian. Born in February 1980. Mr. Thath Dynoth has worked with ACLEDA since November 2001 as credit officer and accountant at Phnom Penh-Kandal Branch, and internal auditor at Head Office. He was then promoted and worked in various management positions tied to internal audit tasks for more than 13 years. On July 01, 2016, he was assigned as Head of Internal Audit Development Division till October 09, 2025. He has been promoted to Group Chief Internal Audit Officer from October 10, 2025, until the present.

As Group Chief Internal Audit Officer, he is responsible for overall strategic planning and running the day-to-day internal audit activities of the Bank, as well as implementation of the internal audit plan. To guarantee the independence of the internal audit function, he is required to report directly to the Board Audit Committee. He is invited to attend Board Audit Committee meetings as secretary of the Committee, and from time to time, to provide information and explanations on various matters pertaining to the scope and purpose of the Committee.

He is responsible for leading the Internal Audit Group, which consists of three divisions and three departments, including:

- Internal Audit Development Division
- Information System Audit Division
- Audit Reporting Division
- Credit Audit Department
- Financial Audit Department
- AML/CFT & CPF Audit Department

He holds a Master's Degree in Finance Management and a Bachelor of Economics in Banking & Finance (scholarship) from Royal University of Law and Economics (RULE) and is also a member of the Institute of Internal Auditors Philippines (IIA Philippines).

Mr. Pheng Pheakdey

Head of Audit Reporting Division

Mr. Chan Boreydolla

Head of Credit Audit Department

Mr. Sok Hay

Head of Internal Audit Development Division

Mr. Thath Dynoth

Group Chief Internal Audit Officer

Mr. Sok Piseth

Head of Information System Audit Division

Mr. Tum Sokchamreoun

Head of Financial Audit Department

Mr. Chheav Samnang

Head of AML/CFT & CPF Audit Department



# CODE OF CONDUCT

Whilst Directors' conduct is governed by i) the Articles of Association, ii) the Shareholders' Agreement, and, iii) the relevant laws and regulations of the Kingdom of Cambodia, the continuing evolution of the Bank requires constant attention to ensure that its internal standards of corporate behavior are maintained at the highest levels. In March 2005, therefore, the Board commenced a comprehensive examination of the whole issue of corporate governance to determine the needs of the Bank going forward. Amongst other things, Directors' Service Agreements, a Directors' Induction Program and Due Diligence Checklist, and a Directors' Code of Conduct have all been put in place and rules regarding Directors' remuneration and expenses have been formalised. From time to time members of the Board and senior management attend external training workshops and courses such as the International Directors Course provided by the Australian Institute of Company Directors as part of our commitment to the continual upgrading of our professional skills and competencies.

All employees of the Bank are governed by a strict Code of Ethics which is incorporated into the Collective Labour Agreement and which covers such matters as: personal behavior; relationships with colleagues, customers and regulators; confidentiality; conflicts of interest; acceptance of gifts; money laundering and "whistle blowing". This document is regularly reviewed by the Audit and Compliance, and Risk Committees to ensure that it remains relevant and up-to-date.

# REPORT OF THE BOARD OF DIRECTORS

The Board met face-to-face four times: three in Phnom Penh in March, September, and December 2025, and once in Cologne, Germany in June 2025. Each meeting normally lasts two days including Committee meetings. In addition, 09 Board meetings were convened by E-mail; and the approvals from both face-to-face and email meetings were summarized in the following principal activities in 2025 as below.

## Principal Activities in 2025

- Approval of Interim Financial Statement as at and for 3-Month and 12-month Periods Ended 31 December 2024 and Financial Statement as at and for the Year Ended 31 December 2024.
- Approval of annual increase in salary and annual bonus payment to Dr. In Channy, President & GMD, for Year 2024 Performance.
- Approval of incentive payment and annual performance appraisal of Ms. Kim Sotheavy, Senior GCIAO, for her 2024 performance.
- Approval of incentive payment and annual performance appraisal of Mr. Hok Leangkry, Head of COD, for his 2024 performance.
- Approval of dividend distribution and transfer the remaining balance of the Net Profit After Tax for the year attributable to Owners of the Bank to the Retained Earning and recommendation to the Shareholders for further approval.
- Approval of amendment to Corporate Governance Policy.
- Approval of amendment to Director Nomination Policy.
- Approval of amendment to Corporate disclosure policy.
- Approval of amendment to Credit Policy.
- Approval of amendment to risk management policy.
- Approval of amendment to audit policy.
- Approval amendment to policy on trade of ACLEDA Bank Plc.'s shares.
- Approval of Risk Appetite Statement KRIs.
- Approval of amendment to TORs of Board Committees.
- Approval of Chairman's annual report 2024.
- Approval of GMD's annual report 2024.
- Approval of annual report 2024 of each Board committee.
- Approval of annual report 2024 of ACLEDA Bank Plc. to the SERC.
- Approval of 2025 annual bonus criteria and budget for Senior GCIAO and GCIAO.
- Approval of 2024 inflation rate for payment to the Bank's employees from 01 April 2025 onward.
- Approval of increase in director fees of ACLEDA Bank Plc. and its subsidiaries and recommendation to the Shareholders for final approval.
- Approval of annual increase in Chairman's salary and recommendation to the Shareholders for final approval.
- Approval of salary of new Chair of Board of Directors and recommendation to the Shareholders for final approval effective from 1 November 2025.
- Approval and nomination of Mr. Meang Tay to be a Group Chief Information Officer to replace Mr. Mach Theary who will reach a retirement age of 60 years on 15 November 2025.
- Approval of extension of Mr. Kim Bunsocheat as a Managing Director & CEO of AMM from his retirement age on 3 October 2025.
- Approval of nomination of Mr. Kaoru Furuya from SMBC as a new director of ACLEDA Bank Plc. to replace Mr. Kyosuke Hattori.
- Approval of nomination of Mr. Olivier Louis Roger Fouchet from COFIBRED as a new director of ACLEDA Bank Plc. to replace Mr. Stéphane Mangiavacca.
- Approval and recognition of nomination of Mr. Dorian Jean-Claude Alfred Marquer-Andronov and Mr. Dylan Raymond D'Cost from TMF and TFSF (Triodos) as new Shareholder Representatives of ACLEDA Bank to replace Ms. Farah Katia Chams.
- Approval and recommendation to shareholders for further approval of amendment to MAOA of ACLEDA Bank Plc.
- Nomination and recommendation to Shareholders for further approval of the Bank's external auditor for 2026.
- Approval of AGM date, venue, agenda and record date for determination of shareholders entitled to attend AGM on 24 April 2025.
- Approval of record date to determine shareholders entitled to receive dividend and recommendation to the Shareholders for final approval.
- Approval of nomination of Mr. Kay Lot as a member of BRESCO effective from 18 March 2025.
- Approval of Interim Audited Financial Statements as at And for the Three-month Period Ended 31 March 2025.
- Approval of issuance of Sub-Bond of USD100M and selection of RHB Securities (Cambodia) Plc. ("RHBS") as a Principal Adviser/Lead Arranger, SITHISAK LAW OFFICE as a Legal Advisor, Rating Agency of (Cambodia) PLC. as a Credit Rating Agency, and PricewaterhouseCoopers (Cambodia) Ltd. as an accounting firm for the subordinated bond issuance.
- Approval of Entering into ISDA Master Agreement with ICBC Phnom Penh Branch.
- Approval of Annual Report 2024.
- Approval of entering into and Executing Agreement/Undertaking with NPCI International Payment Limited related to QR cross Boarder Payment Service (Network to Network Agreement).
- Approval of organizational chart of Compliance Division.
- Approval of capital increase plan of ACLEDA Bank Lao Ltd.

- Approval of EGM Date, Venue, Agenda and Record Date for Determination of Shareholders Entitled to Attend EGM on 24 July 2025.
- Approval of nomination of Mr. Leah Rathmony as a MD & CEO of ABL to replace Mr. Nguon Raksmeay effective from 1 January 2026.
- Approval of Interim Audited Financial Statements as at And for The Three-month and Six-month Period Ended 30 June 2025.
- Approval and nomination of Dr. Heng Dyna as a member of BACO to replace Mr. Chhay Soeun effective from 1 November 2025.
- Approval and nomination of Mr. Kaoru Furuya as a member of BRIC to replace Mr. Kyosuke Hattori effective from 30 September 2025.
- Approval and nomination of Mrs. Kim Sotheavy as a chairwoman of the Board of Directors of ACLEDA Bank Plc. effective from 1 November 2025.
- Approval of re-appointment of director's mandate of ACLEDA Bank Plc. and recommendation to the Shareholders for final approval.
- Approval and nomination of a candidate to be Head of Complaint Management Centre.
- Approval of EGM Date, Venue, Agenda and Record Date for determination of shareholders entitled to attend EGM on 12 November 2025.
- Approval of strategic plan of ACLEDA Bank's group for 2026-2030.
- Approval of budget plan 2026-2030.
- Approval of Interim Audited Financial Statements as at and for the three-month and nine-month periods ended 30 September 2025.
- Annual review of the Bank's Policies.
- Annual review of TORs of Board Committees.
- Approval of 2026 incentive criteria of Mr. President & GMD, GCIAO, and Head of COD.
- Nomination and recommendation to Shareholders for further approval of the Bank's external auditor for 2027.
- Approval of nomination of Mr. Leah Rathmony as a director of ACLEDA Bank Lao Ltd. to replace Mr. Nguon Raksmeay effective from 01 January 2026.
- Approval and recommendation to Shareholders for further approval of Mr. Olivier Louis Roger Fouchet as a new shareholder representative from COFIBRED in ACLEDA Bank Plc. to replace Ms. Quitterie DE LA ROCHEFORDIERE.
- Approval of EGM Date, Venue, Agenda and Record Date for determination of shareholders entitled to attend EGM on 28 January 2026.
- Approval of organizational chart of GCRO.

## Reports of the Board Committees

- Board Audit Committee (BACO)
- Board Remuneration and Nomination Committee (BRESCO)
- Board Risk Management and IT Committee (BRIC)

## BOARD COMMITTEE

### Board Committee Structure

On 26 June 2019, the Board revised Board Committees structure and composition with reference to Cambodian law and the requirements of the NBC, the best practice and any other factors specific to the Bank's situation. The latest composition of Board Committees has been revised on 30 September 2025.

### Board Audit Committee (BACO)

#### Scope & Purpose

The BACO is established by the Board of Directors of ACLEDA BANK PLC. to monitor and review the integrity of the financial statements, the internal control system including Anti-Money Laundering and Combating the Financing of Terrorism and Combating the Financing of Proliferation of Weapons of Mass Destruction (AML/CFT & CPF), the internal audit and the services provided by external auditors.

#### Members

- Ms. Phurik Ratana, Independent Director, Chair
- Drs. Pieter Kool, Independent Director, member
- Dr. Heng Dyna, Independent Director, member (Effective on 1 November 2025)
- Mr. Chhay Soeun, Non-Executive Director, member (Completed Mandate on 31 October 2025)

#### Significant Issues and Activities in 2025

The BACO met 4 times in 2025 whereas 1 time in February, 1 time in May, 1 time in August, and 1 time in November. The main proceedings were:

#### Audit Financial Reporting Process

- Reviewed, approved and endorsed to the Board of Directors for final approval, the financial audited statements of 2024.
- Reviewed and approved 2025 interim financial statements for March, June and September and endorsed to the Board of Directors for final approval.

#### Internal Control

- Reviewed and approved the internal control report of the year 2024 for submission to the National Bank of Cambodia.

#### Internal Audit

- Reviewed and approved the Internal Audit report of the year 2024 to disclose, as CSX requires.
- Reviewed the internal audit reports and analysed any unusual trends or incidents.
- Proposed the 2024 incentive of the Senior Group Chief Internal Audit Officer and recommended to Board for approval.
- Evaluated and graded the 2024 performance of the Senior Group Chief Internal Audit Officer and recommend to Board for approval.
- Reviewed and approved the Internal Audit report 2024 on AML/CFT Audit for submission to Cambodia Financial Intelligence Unit (CAFIU).
- Reviewed and approved the revised IA organization chart and the JD of SGCIAO/GCIAO to include Combating the Proliferation Financial of weapons of Mass Destruction (CPF).
- Reviewed and approved the internal audit plan for fiscal year 2026.
- Reviewed and approved the criteria incentive 2025 for Senior Group Chief Internal Audit Officer and 2026 for Group Chief Internal Audit Officer and endorsed to the BRENCO for the Board final approval.

#### External Audit

- Reviewed and evaluated the performance of external audit for the year 2024.
- Reviewed and approved the selection of external auditor for 2026 and 2027 to endorse for Board approval and AML/CFT & CPF audit engagement for the year 2025.
- Reviewed and approved external auditor engagements on reviewing Financial Covenants 2024.

#### Other topics

- Reviewed and approved the revised TOR of BACO and recommended to the Board for final approval.
- Annually reviewed the policies: Audit Policy, Internal Control Policy, Corporate Disclosure Policy, Dividend Policy and General Policy Guidelines.

## Board Remuneration and Nomination Committee (BRESCO)

### Scope & Purpose

The Committee is established by the Board of Directors of ACLEDA BANK to provide an independent opinion on advising the Board in the matters of:

- a) The remuneration of Directors, President & GMD, GCIAO, and Head of COD of the Bank, and directors of subsidiaries; and
- b) The selection of suitable candidates for the directors and Chairman of Board of Directors, the President & GMD, GCIAO, GCRO, Head of COD, and Head of Complaint Management Centre of the Bank, and directors of subsidiaries.

### Members

- |                            |                         |                                      |
|----------------------------|-------------------------|--------------------------------------|
| • Drs. Pieter Kooi,        | Independent Director,   | Chair                                |
| • Dr. Albertus Bruggink,   | Non-Executive Director, | member                               |
| • Mr. Kay Lot,             | Independent Director,   | member (Effective on 18 March 2025)  |
| • Mr. Stéphane Mangiavaca, | Non-Executive Director, | member (Resigned on 3 February 2025) |

The Committee, from time to time, may ask members of management and outside professional advisers to attend all or part of any meeting to provide additional information and explanation as they consider necessary.

### Significant Issues and Activities in 2025

The BRESCO met 5 times in 2025 whereas 1 time in February, 1 time in March, 1 time in June, 1 time in September, and 1 time in December. The main proceedings were:

- Review and endorsed to the Board for approval of Corporate Governance Policy, Director Nomination Policy.
- Reviewed and endorsed to the Board for final approval of BRESCO annual report 2024.
- Reviewed and endorsed to the Board for approval of Mr. Meang Tay as a Group Chief Information Officer (GCIO) of ACLEDA BANK PLC. to replace Mr. Mach Theary who will reach a retirement age of 60 years on 15 November 2025.
- Review and endorsed to the Board for approval of nomination of Mr. Kaoru Furuya from SMBC as a new director of ACLEDA BANK PLC. to replace Mr. Kyosuke Hattori.
- Reviewed and endorsed to the Board for recognizing and approval of the nomination of Mr. Olivier Louis Roger Fouchet from COFIBRED S.A. as a director in ACLEDA BANK PLC. to replace Mr. Stéphane Mangiavaca.
- Reviewed and endorsed to Board for approval and nomination of Mr. Kay Lot as a member of BRESCO.
- Reviewed and endorsed to the Board for recognising and approval of the nomination of Mr. Dorian Jean-Claude Alfred Marquer-Andronov and Mr. Dylan Raymond D'Costa from TMF and TFSF as shareholder representatives of ACLEDA BANK PLC. to replace Ms. Farah Chams and recommendation to the Shareholders for final approval.
- Reviewed and endorsed to Board for approval of 2025 criteria and incentive budget for Senior GCIAO from 1 January to 9 October 2025 and GCIAO from 10 October to 31 December 2025.
- Reviewed and endorsed to the Board for approval and nomination of Mr. Leah Rathmony as a MD & CEO of ABL to replace Mr. Nguon Raksmeay effective from 1 January 2026.
- Reviewed and endorsed to the Board for approval and nomination of Mrs. Kim Sotheavy as a chairwoman of the Board of Directors of ACLEDA BANK PLC. effective from 1 November 2025.
- Reviewed and endorsed to the Board for approval and nomination of Dr. Heng Dyna as a member of BACO to replace Mr. Chhay Soeun effective from 1 November 2025.
- Reviewed and endorsed to the Board for approval and nomination of Mr. Kaoru Furuya as a member of BRIC to replace Mr. Kyosuke Hattori effective from 30 September 2025.
- Reviewed and endorsed to the Board for approval of reappointment of director mandates of ACLEDA BANK PLC. and subsidiaries.
- Reviewed and endorsed to the Board for approval of the appointment of Mr. Leah Rathmony, as a director of ACLEDA Bank Lao Ltd. to replace Mr. Nguon Raksmeay effective from 01 January 2026.

- Reviewed and endorsed to the Board for approval and recommendation to the Shareholders for further approval and recognition of the nomination of Mr. Olivier Louis Roger Fouchet from COFIBRED as a shareholder representative of ACLEDA BANK PLC. to replace Ms. Quitterie DE LA ROCHEFORDIERE.
- Reviewed and endorsed to the Board for final approval of 2024 inflation rate for the payment to the Bank's employees from 1 April 2025 onward.
- Reviewed and endorsed to the Board for final approval of annual bonus and annual increase in salary of Dr. In Channy, President & GMD for the year 2024 performance.
- Reviewed and endorsed to the Board for further approval of annual increase in salary of Chairman of the Board effective from 1 January 2025.
- Reviewed and endorsed to the Board for approval of salary of new chairwoman of the Board of Directors and recommendation to the Shareholders for final approval effective from 1 November 2025.
- Reviewed and endorsed to the Board for further approval of the increase in director fees of ACLEDA BANK PLC. and its subsidiaries.
- Reviewed the audit report in connection with the pension and retirement benefits plan.
- Reviewed the employees' pension and retirement benefits plan.
- Reviewed the actual level and composition of employment costs for the year to date.
- Reviewed relevant laws and regulations.
- Reviewed succession plan of all senior positions of the Bank and subsidiaries.
- Reviewed and endorsed to the Board for final approval of Bank's policies.
- Reviewed and endorsed to the Board for final approval of TOR of BRENCO.
- Reviewed and endorsed to the Board for approval of President & GMD's 2026 incentive criteria.
- Reviewed and endorsed to the Board for approval of GCIAO's 2026 incentive criteria.
- Reviewed and endorsed to the Board for approval of Head of COD's 2026 incentive criteria.
- Made annual self-appraisal of BRENCO.
- Reviewed annual self-appraisal format of the Board.

## Board Risk and IT Committees (BRIC)

### Scope & Purpose

The Committee is established by the Board of Directors of ACLEDA BANK PLC. ("the Bank") to assist the Board of Directors in the effective discharge of its responsibilities for risk management, compliance, and information technology and to regularly review management's ability to assess and manage the Bank's risks.

### Members

- |                          |                         |                                   |
|--------------------------|-------------------------|-----------------------------------|
| • Mr. Kay Lot,           | Independent Director,   | Chair, (Effective on 07 May 2024) |
| • Dr. Heng Dyna,         | Independent Director,   | member                            |
| • Mr. Kaoru Furuya,      | Non-Executive Director, | member                            |
| • Dr. Albertus Bruggink, | Non-Executive Director, | member                            |

The Committee, from time to time, may ask members of management and outside professional advisers to attend all or part of any meeting to provide additional information and explanation as they consider necessary.

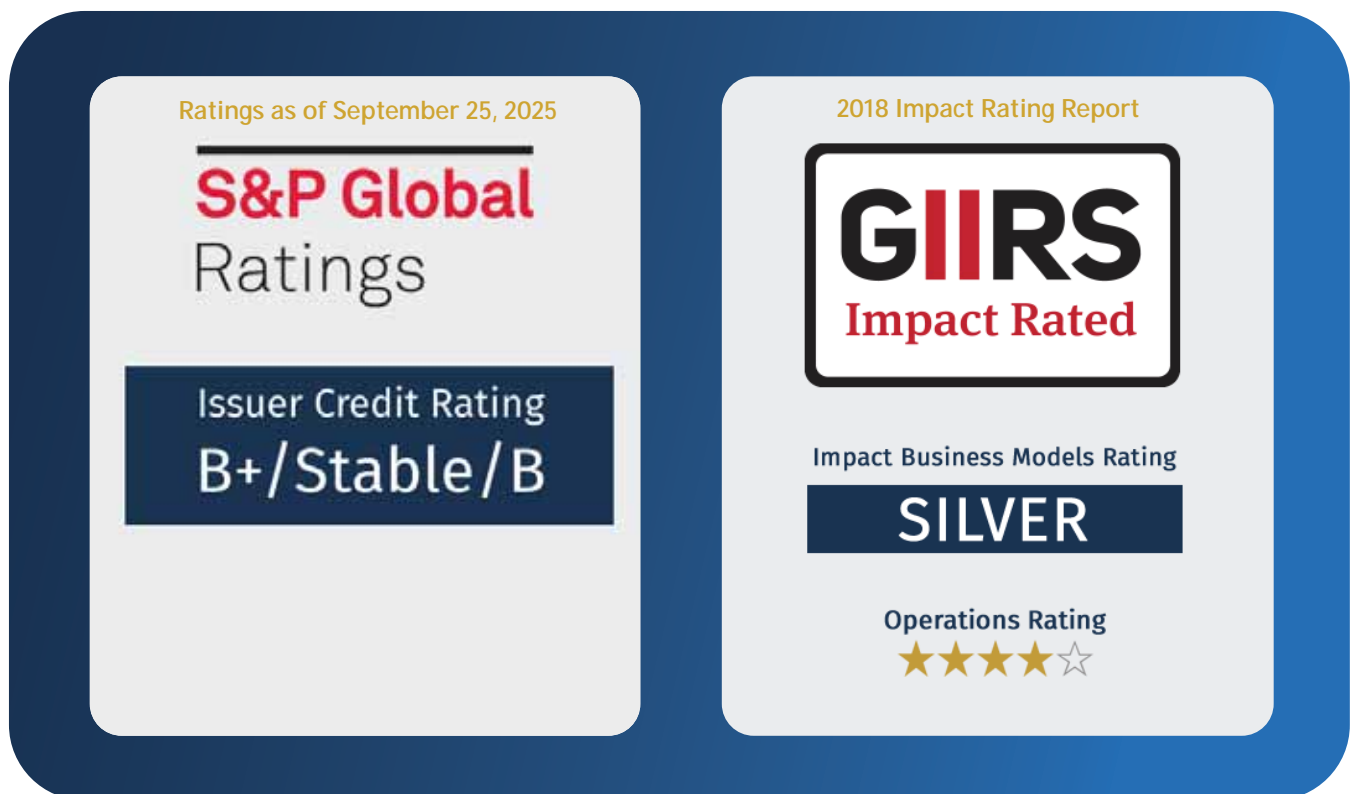
### Significant Issues and Activities in 2025

The BRIC met 10 times in 2025: 4 times conducted in person in March, June, September, and December and 6 times conducted virtually in February, April (twice), May, August, and September. The main proceedings were:

- Reviewed and discussed the Group and the BANK's overall risk profile as presented by the Group Chief Risk Officer to ensure that the key risk indicators fully complied with the regulatory requirements, internal targets, and risk appetite statement - key risk indicators' level (RAS-KRIs).
- Assessed and discussed the potential future risks for ACLEDA BANK and its subsidiaries.
- Discussed and refined the risk analysis process and stress tests to assess risks arising from external factors and domestic vulnerabilities.
- Annual reviewed and endorsed the risk appetite statement - key risk indicators (RAS KRIs) and RAS KRIs limits, ensuring they are align with the Bank's strategic plan.
- Assessed the composition of the credit portfolio and, particularly, its quality and compliance with internal policies.
- Monitored and discussed the restructuring of facility, refinancing of facility, reclassification of facility, and write-off of facility.
- Analysed the impact of possible risk scenarios on the balance sheet, including off-balance sheet, income statement and prudential ratios.
- Reviewed and analysed cyber security and other main IT issues for the BANK as a Digital Bank.
- Reviewed and analysed the development of the banking industry in Cambodia to assess competitive and business risks.
- Reviewed and discussed the development of the market of digital financial services, small and medium business credit and real estate & construction credit.
- Reviewed and discussed Cambodia banking landscape & capital market.
- Reviewed and discussed complaints received from both internal and external sources, along with their respective resolutions.
- Discussed strategies to optimally manage these potential risk events in the long-term interest of ACLEDA BANK and its customers.
- Reviewed the liquidity stress testing results and the contingency funding plan for 2026.
- Reviewed and approved management's funding proposals to support funding needs.
- Reviewed and discussed the Bank's compliance report and that of its subsidiaries, covering areas such as AML/CFT & CPF, regulatory compliance, whistleblowing, FATCA, as well as related recommendations and follow up matters.
- Reviewed and approved the bonus scheme targets for the Compliance Division and endorsed to the Board for final approval.
- Reviewed and approved the Compliance Division budget plan and work plan for fiscal year 2026.
- Reviewed and approved the Group Chief Risk Officer budget plan for fiscal year 2026.
- Reviewed and approved job descriptions of Group Chief Risk Officer.
- Reviewed and endorsed organizational chart of Group Chief Risk Officer for final approval by the board of directors.
- Reviewed the terms of reference of Board Risk Management and IT Committee (BRIC).
- Reviewed and endorsed the following policies: Risk Management Policy, Liquidity Risk Management Framework, Credit Policy, Environmental, Social and Governance (ESG) Policy, IFRS9 Impairment Policy, Credit Scoring and Rating Policy, Compliance Policy, Anti-Money Laundering and Combating the Financing of Terrorism and Combating the Financing of Proliferation of Weapon of Mass Destruction Policy, KYC/Customer Due Diligence Policy, Whistle Blowing Policy, Related Party Transactions Policy, Conflict of Interest Policy, Code of Conduct Policy, Trade of ACLEDA BANK Shares Policy, Insider Trading Policy, Information Technology (IT) Governance Policy, Information Security Policy, and Customer Complaint Policy.
- Conducted an annual self-assessment of its performance relative to the Board Risk Management and IT Committee's purpose, duties, and responsibilities in order to ensure the effective discharge of its responsibility.

# CREDIT RATINGS

ACLEDA Bank is the first bank in Cambodia to have been assigned ratings by the top international ratings agencies – **Standard & Poor's** and **GIIRS**.




ACLEDA Bank Plc., the first commercial bank in Cambodia listed its securities on the Cambodia Securities Exchange ("CSX"), would like to notify the investors and public that on 25 September 2025, ACLEDA Bank received the report from **Global Ratings Agency – Standard & Poor's (S&P)** which has maintained the Bank's Credit Ratings at "**B+/Stable/B**". ACLEDA Bank is likely to maintain its strong business position and funding profile to support the bank's stable growth.


This stable rating outlook reflects that ACLEDA Bank has nourished its long-term financial profile with sufficient capital buffers to respond to all economic conditions. There are several factors helped ACLEDA Bank sustain its funding profile. Furthermore, its large retail deposit base, financial services, dominant digital, and physical presence have played role as the main bank in providing banking and financial services to all segments. All of these factors reflect the strength of the business network operations of ACLEDA Bank by maintaining sustainable development. There are the positive aspects in the quality of capital of ACLEDA Bank and its subsidiaries.

# PRINCIPAL BRANCHES

Please scan the QR codes below for ACLEDA Bank's Principal Branches.



Kingdom of Cambodia  
ACLEDA Bank Plc.



Lao PDR  
ACLEDA Bank Lao Ltd.



The Republic of the  
Union of Myanmar  
ACLEDA MFI Myanmar Co., Ltd.

# CORRESPONDENT BANKS

## Principal Correspondents

Currency	Name of Bank	Location	SWIFT/BIC
AUD	THE BANK OF NEW YORK MELLON (BNY MELLON)	NEW YORK	IRVTUS3N
CNY	BANK OF CHINA (HONG KONG) LIMITED PHNOM PENH BRANCH	PHNOM PENH	BKCHKHPPCLR
	INDUSTRIAL AND COMMERCIAL BANK OF CHINA (HEAD OFFICE)	BEIJING	ICBKCNBJ
	INDUSTRIAL AND COMMERCIAL BANK OF CHINA (BRANCH)	SHENZHEN	ICBKCNBJSZN
EUR	RED BANQUE POPULAIRE	PARIS	BREDFRPP
	SOCIETE GENERALE	PARIS	SOGEFRPP
	STANDARD CHARTERED BANK AG	FRANKFURT	SCBLDEFX
GBP	STANDARD CHARTERED BANK	LONDON	SCBLGB2L
JPY	SUMITOMO MITSUI BANKING CORPORATION	TOKYO, JAPAN	SMBCJPJT
SGD	UNITED OVERSEAS BANK LIMITED	SINGAPORE	UOVBSGSG
THB	BANGKOK BANK PUBLIC COMPANY LIMITED	BANGKOK	BKKBTHBK
	KRUNG THAI BANK PUBLIC COMPANY LIMITED	BANGKOK	KRTHTHBK
	THE SIAM COMMERCIAL BANK PCL	BANGKOK	SICOTHBK
	UNITED OVERSEAS BANK (THAI) PUBLIC COMPANY LIMITED	BANGKOK	UOVBTBHK
USD	BANGKOK BANK PUBLIC COMPANY LIMITED	BANGKOK	BKKBTHBK
	BANK OF AMERICA, N.A.	NEW YORK-NY	BOFAUS3N
	KEB HANA BANK	SEOUL	KOEXKRSE
	JPMORGAN CHASE BANK, N.A	NEW YORK	CHASUS33
	KOOKMIN BANK	SEOUL	CZNBKRSE
	STANDARD CHARTERED BANK	NEW YORK-NY	SCBLUS33
	THE BANK OF NEW YORK MELLON	NEW YORK-NY	IRVTUS3N
	UNITED OVERSEAS BANK LIMITED	SINGAPORE	UOVBSGSG
	WELLS FARGO BANK, N.A. (NEW YORK INTERNATIONAL BRANCH)	NEW YORK-NY	PNBPUS3NNYC
WOORI BANK	SEOUL	HVBKKRSE	
VND	VIETNAM BANK FOR AGRICULTURE AND RURAL DEVELOPMENT	HANOI	VBAAVNVX



**Correspondent Banks**

# AWARDS & RECOGNITIONS

## Certificate of Appreciation from the Cambodian Red Cross



ACLEDA Bank Donates KHR800,000,000 to the Cambodian Red Cross

## Certificate of Appreciation from the Cambodia Kantha Bopha Foundation



Certificate of appreciation from the Cambodia Kantha Bopha Foundation to ACLEDA Bank for supporting of the Cambodia Kantha Bopha Foundation's campaign "10,000 riel, 10,000 people" 2025.

## Awards of Security Standards from ControlCase



ACLEDA Bank Plc. is well-known for its commitment to excellence in achieving various certifications, including PCI-DSS, ISO/IEC 27001:2022, and ISO/IEC 27701:2019, which focus on information security, cybersecurity, data security, and privacy protection. We have successfully maintained these standards for over a decade in collaboration with ControlCase, a global company that offers industry security standards and continuous compliance services.

## Certificate of Compliance PCI DSS version 4.0.1



ACLEDA Bank Plc., has officially achieved PCI DSS version 4.0.1 certificate, the latest version of international standard for payment card data security.

## Certificate of Gold Level for Client Protection



ACLEDA Bank is honored to receive the Gold Level Certification for Client Protection from MFR Global Rating Agency - the highest recognition of our commitment to ethical and responsible banking.

## Awards from Securities and Exchange Regulator of Cambodia and the Cambodia Securities Exchange



ACLEDA Bank Plc. is proud to receive two outstanding awards from the Securities and Exchange Regulator of Cambodia and the Cambodia Securities Exchange, such as The Best Corporate Governance Award and The Best Cash Settlement Agent Award 2025.

## Five Awards from Visa



We are incredibly grateful and honored to receive five awards from Visa! This great achievement is the result of significant support of all ACLEDA Bank customers.



# Sustainability Report 2025

Please scan the QR code of the annex for Sustainability Report 2025



# **Financial Statement Audited by the Independent Auditor**

Please refer to the annex for  
Financial Statement Audited by the Independent Auditor

**ACLEDA BANK PLC.**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025 AND  
INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS**

**ACLEDA BANK PLC.**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**Contents**

	<b>Pages</b>
Report of the Board of Directors	1 – 5
Independent auditor's report	6 – 14
Financial statements:	
Consolidated statement of financial position	15
Consolidated statement of profit or loss and other comprehensive income	16 – 17
Consolidated statement of changes in equity	18
Consolidated statement of cash flows	19 – 20
Separate statement of financial position	21
Separate statement of profit or loss and other comprehensive income	22
Separate statement of changes in equity	23
Separate statement of cash flows	24 – 25
Notes to the financial statements	26 – 194

**REPORT OF THE BOARD OF DIRECTORS**

The Board of Directors (“the Board” or “the Directors”) hereby submits their report together with the consolidated financial statements of ACLEDA Bank Plc. (“the Bank”) and its subsidiaries (collectively referred to as “the Group”) and the separate financial statements of the Bank as at and for the year ended 31 December 2025 (hereafter collectively referred to as “the financial statements”).

**THE GROUP AND THE BANK**

Prior to 1 December 2003, the Bank was a public limited company formed under the laws of the Kingdom of Cambodia to operate as a specialised bank with its Head Office located in Phnom Penh and 14 branches in the Kingdom of Cambodia. On 1 December 2003, the National Bank of Cambodia (“NBC”) issued a license for the Bank to become a private commercial bank for a period of three years commencing 1 December 2003. The Bank’s license was renewed for an indefinite period on 28 November 2006. The registered office of the Bank is located at Building N° 61, Preah Monivong Blvd., Sangkat Srah Chak, Khan Doun Penh, Phnom Penh. The Bank may open additional offices in Cambodia and in other countries, and may change the location of its main registered office upon registering the change with the Ministry of Commerce (“MOC”) and receiving approval from the NBC.

On 25 May 2020, the Bank was successfully listed in the Cambodia Securities Exchange (“CSX”). The number of new issued shares were 4,344,865 shares with a par value of KHR4,000 (US\$0.98) per share, at an offering price of KHR16,200 (US\$3.97) per share. The Bank received the proceeds from the initial public offering (“IPO”) amounting to US\$17,082,105 and incurred IPO costs of US\$1,031,025, resulting in share premium of US\$11,706,215 (KHR48,235,459 thousand).

On 23 November 2020, the shareholders approved the amendment to the Memorandum and Articles of Association (“MAA”) relating to the capital increase from the IPO. On 18 February 2021, the Bank submitted a letter to the NBC requesting for its approval on the capital increase, which was approved on 29 March 2021. Accordingly, the Bank’s amended MAA was approved by the MOC on 12 May 2021.

The Bank and its subsidiaries, ACLEDA Bank Lao Ltd. (“ABL”) and ACLEDA MFI Myanmar Co., Ltd. (“AMM”), are all in the financial industry sector and have operations across 265 offices covering all provinces and cities in the Kingdom of Cambodia, 37 offices in the Lao People’s Democratic Republic (“PDR”), and 17 offices in the Republic of the Union of Myanmar. The Bank’s other subsidiaries, ACLEDA Securities Plc. (“ACS”) is in the securities sector and ACLEDA University of Business Co., Ltd. (“AUB”) is in the education sector.

On 7 December 2022, the Securities and Exchange Regulator of Cambodia (“SERC”) approved the Bank’s request for its nominated Cash Settlement Agent, Registrar Agent, and Transfer Agent, and ACS as the Bond Agent when the Bank issues the green bonds in the CSX. However, there has not been any green bond issued by the Bank yet as of the reporting date.

## **PRINCIPAL ACTIVITIES**

The Bank operates under the regulations of the NBC with special focus on providing lending and other financial services to the citizenry and small and medium-sized enterprises and to engage in all other activities, which the Directors believe support these objectives.

ABL is 99.90% owned by the Bank and its principal business is providing banking and related financial services in Lao PDR.

ACS is wholly-owned by the Bank and its principal business is providing securities brokerage and other services approved by Securities and Exchange Commission of Cambodia ("SECC") (currently, the SERC).

AUB is 76.609% owned by the Bank. AUB provides training and education for Associate's degree, Bachelor's degree, and Master's degree in Business Administration, Major in Banking and Finance.

AMM is wholly-owned by the Bank and is permitted to operate as a deposit-taking microfinance institution providing microfinance services to lower income segments of the Myanmar market and other activities allowed by the Microfinance Supervisory Authority in Myanmar.

## **FINANCIAL PERFORMANCE**

The audited financial performance of the Group and the Bank for the year ended 31 December 2025 are set out in the consolidated statement of profit or loss and other comprehensive income and separate statement of profit or loss and other comprehensive income on pages 16 – 17 and 22, respectively.

The Bank declared and paid dividends during the year ended 31 December 2025 amounting to US\$24,238,924 (US\$14,805,480 for the year ended 31 December 2024).

## **SHARE CAPITAL AND SHARE PREMIUM**

Share capital and share premium are classified as equity. Incremental costs directly attributable to the issuance of new share capital are shown in equity as a deduction from the proceeds, net of tax.

## **RESERVES AND PROVISIONS**

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

## **BAD AND DOUBTFUL LOANS**

Before the financial statements of the Group and the Bank were drawn up, the Directors took reasonable steps to ascertain that action had been taken in relation to the write-off of bad loans and advances or in making provisions for doubtful loans and advances, and satisfied themselves that all known bad loans and advances had been written off and that adequate provisions have been made for bad and doubtful loans and advances.

At the date of this report and based on the best of knowledge, the Directors are not aware of any circumstances which would render the amount written off for bad loans and advances or the amount of the provisions for bad and doubtful loans and advances in the financial statements of the Group and the Bank inadequate to any material extent.

## ASSETS

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

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

## CONTINGENT AND OTHER LIABILITIES

At the date of this report, there is:

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

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

## CHANGE OF CIRCUMSTANCES

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and the Bank, which would render any amount stated in the financial statements misleading in any material respect.

## ITEMS OF AN UNUSUAL NATURE

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

There has not arisen, in the interval between the end of the financial year and the date of this report, any items, transactions or events of a material and unusual nature that are likely, in the opinion of the Directors, to substantially affect the results of the operations of the Group and the Bank for the financial year in which this report is made.

## THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE

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

- Mrs. Kim Sotheavy Chairwoman (Non-executive Director) (Effective from 1 November 2025)
- Mr. Chhay Soeun Chairman (Non-executive Director) (Completed director mandate on 31 October 2025)
- Dr. In Channy Member (Executive Director)
- Dr. Albertus Bruggink Member (Non-executive Director)
- Mr. Kay Lot Member (Independent Director)
- Drs. Pieter Kooi Member (Independent Director)
- Dr. Heng Dyna Member (Independent Director)
- Ms. Phurik Ratana Member (Independent Director)
- Mr. Kaoru Furuya Member (Non-executive Director) (Effective from 9 September 2025)
- Mr. Olivier Louis Roger Fouchet Member (Non-executive Director) (Effective from 9 September 2025)
- Mr. Kyosuke Hattori Member (Non-executive Director) (Resigned on 19 March 2025)
- Mr. Stéphane Mangiavacca Member (Non-executive Director) (Resigned on 3 February 2025)

## THE BOARD OF DIRECTORS AND THE EXECUTIVE COMMITTEE (continued)

The members of the Executive Committee during the year and as at the date of this report are:

- Dr. In Channy President & Group Managing Director
- Mrs. Mar Amara Senior Group Chief Financial Officer
- Mr. Ly Thay Senior Group Chief Administrative Officer
- Mrs. Buth Bunseyha Senior Group Chief Legal Officer and Corporate Secretary
- Dr. Loeung Sopheap Group Chief Risk Officer
- Mr. Yin Virak Group Chief Treasury Officer
- Mrs. Sok Sophea Group Chief Operations Officer
- Mr. Meang Tay Group Chief Information Officer (Effective on 15 November 2025)
- Mr. Mach Theary Senior Group Chief Information Officer (Retired on 15 November 2025)

## THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the financial statements are properly drawn up so as to present fairly, in all material respects, the financial position as at 31 December 2025, the financial performance and its cash flows for the year then ended of the Group and the Bank in accordance with Cambodian International Financial Reporting Standards ("CIFRS").

In preparing these financial statements, the 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 the disclosure requirements of CIFRS, or if there have been any departures in the interest of true and fair presentation, these have been appropriately disclosed, explained, and quantified in the financial statements;
- iii) maintain adequate accounting records and an effective system of internal controls;
- iv) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Group and the Bank will continue operations in the foreseeable future;
- v) effectively control and direct the Group and the Bank in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the financial statements; and,
- vi) safeguard the assets of the Group and the Bank and hence take reasonable steps for the prevention and detection of fraud and other irregularities.

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



Mrs. Mar Amara  
Senior Group Chief Financial Officer



Dr. In Channy  
President & Group Managing Director

Phnom Penh, Kingdom of Cambodia  
10 February 2026




## APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements, together with the notes thereto set out on pages 26 to 194, present fairly, in all material respects, the financial position as at 31 December 2025, the financial performance and its cash flows for the year then ended of the Group and the Bank in accordance with CIFRS, were approved by the Board of Directors.

*Signed in accordance with a resolution of the Board of Directors.*



  
\_\_\_\_\_  
Mrs. Kim Sotheavy  
Chairwoman

Phnom Penh, Kingdom of Cambodia  
10 February 2026



## Independent auditor's report

To the Shareholders of ACLEDA Bank Plc.

### Our opinion

In our opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of ACLEDA Bank Plc. (the Bank) and its subsidiaries (together 'the Group') and the separate financial position of the Bank as at 31 December 2025, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards (CIFRS).

### What we have audited

ACLEDA Bank Plc.'s financial statements comprise:

- the consolidated statement of financial position as at 31 December 2025;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the separate statement of financial position as at 31 December 2025;
- the separate statement of profit or loss and other comprehensive income for the year then ended;
- the separate statement of changes in equity for the year then ended;
- the separate statement of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include material accounting policy information and other explanatory information.

PricewaterhouseCoopers (Cambodia) Ltd.  
P.O. Box 1147, 58C Sihanouk Blvd, Sangkat Tonle Bassac,  
Khan Chamkarmon, Phnom Penh 120101  
T: +855 (0)23/69 860 606



## **Basis for opinion**

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

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

## **Independence**

We are independent of the Group and the Bank in accordance with the ethical requirements of the Code of Ethics for Certified Public Accountants and Auditors of Cambodia (CPAA Code), together with the independence rules of the National Bank of Cambodia (NBC) and the Securities and Exchange Regulator of Cambodia (SERC) that are relevant to audits of the consolidated and separate financial statements of public interest entities in Cambodia. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the CPAA Code, the NBC and the SERC.

## **Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. We determine one key audit matter: Allowance for impairment losses on loans and advances. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="118 463 785 544"><b>Allowance for impairment losses on loans and advances</b></p> <p data-bbox="118 562 775 947">Loans and advances constitute approximately 62.63% and 62.08% of the Group’s and the Bank’s total assets, respectively, as at 31 December 2025. The Group’s and the Bank’s loan portfolio mainly comprises loans and advances to customers (both corporates and individuals) in wholesales and retails, services and agriculture etc. Refer to Note 41.1 (d) (ii) for details.</p> <p data-bbox="118 1010 782 1442">The Group’s and the Bank’s expected credit loss (ECL) models are significant to our audit as this requires the use of complex models and significant assumptions about future economic conditions and credit behaviors. The ECL models require considerable judgement and interpretation in its implementation of the requirements of CIFRS 9, Financial Instruments, which brings about a high degree of estimation uncertainty.</p> <p data-bbox="118 1505 703 1641">The significant judgements in applying the accounting requirements for measuring ECL include the following:</p> <ul data-bbox="118 1659 788 1895" style="list-style-type: none"> <li data-bbox="118 1659 788 1796">• grouping financial assets sharing similar credit risk characteristics for the purposes of measuring ECL;</li> <li data-bbox="118 1812 788 1895">• choosing appropriate models and assumptions to measure ECL;</li> </ul>	<p data-bbox="801 463 1390 495">Our audit procedures included the following:</p> <ul data-bbox="801 512 1474 1599" style="list-style-type: none"> <li data-bbox="801 512 1474 1151">• updated our understanding, evaluated the design and implementation, and tested the operating effectiveness of the key controls over the allowance for impairment losses. These controls, among others, included: <ul data-bbox="863 763 1426 1151" style="list-style-type: none"> <li data-bbox="863 763 1426 795">- loan applications and credit reviews;</li> <li data-bbox="863 810 1426 893">- identification of significant increase in credit risk;</li> <li data-bbox="863 909 1426 992">- review of the credit worthiness of the borrowers;</li> <li data-bbox="863 1008 1426 1090">- review on frequent refreshment of collateral value; and,</li> <li data-bbox="863 1106 1426 1151">- accuracy of data inputs.</li> </ul> </li> <li data-bbox="801 1167 1474 1303">• assessed whether the methodology and assumptions used in the ECL models are consistent with the requirements of CIFRS 9.</li> <li data-bbox="801 1319 1474 1599">• examined samples of loans for the appropriateness of the loan credit risk grading and staging, assessed management’s evaluations and conclusions on the credit worthiness and classification of the selected loans.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p><b>Allowance for impairment losses on loans and advances</b> (continued)</p> <ul style="list-style-type: none"> <li>• determining criteria for identifying loans to customers that have experienced a significant increase in credit risk (SICR);</li> <li>• applying assumptions and analysis on expected future cash flows and forward-looking information;</li> <li>• the Bank applies the LGD floor for ECL calculation in the event of over-collateralisation for loans that can be secured by different types of collaterals, particularly when the pledged collaterals are concentrated on land and buildings, following an analysis of historical loss data and in response to recent developments in the Bank's loan portfolios, as well as prevailing market and economic conditions;</li> <li>• applying assumptions and judgement on management overlay when credit risks that are not adequately captured by the underlying ECL models.</li> </ul>	<ul style="list-style-type: none"> <li>• evaluated the processes used by management to develop forward-looking information used in the ECL models and validated their reasonableness against publicly available information and our understanding of the Group's and the Bank's loan portfolios and industry where the Group and the Bank operate. In addition, we assessed the level of significant of correlation of selected macro-economic factors to the default rates as well as the impact of these variables to the ECL.</li> <li>• tested the accuracy of key inputs into the ECL models by comparing them against source systems and documents.</li> <li>• recomputed on the sample basis the ECL to test the mathematical accuracy of the ECL models.</li> <li>• assessed the adequacy of disclosures to ensure compliance with CIFRS 9.</li> <li>• performed understanding and evaluating of the management's judgement and assumptions on the overlay.</li> </ul>

Key audit matter	How our audit addressed the key audit matter
<p data-bbox="116 465 770 551"><b>Allowance for impairment losses on loans and advances (continued)</b></p> <p data-bbox="116 613 759 898">The details of the accounting policies, critical accounting judgements and estimation uncertainty, and credit risk management used by the Group and the Bank have been disclosed in Note 2 (e) (vii), 4 and 41.1 to the financial statements, respectively.</p>	<ul data-bbox="802 465 1461 801" style="list-style-type: none"> <li>• tested completeness and accuracy of the affected facilities subject to overlay and performed mathematical accuracy check on the overlay.</li> <li>• assessed reasonableness of allocation the overlay to the respective ECL per stages of the loans.</li> </ul> <p data-bbox="802 869 1457 1048">From the results of these procedures, we determined that the key assumptions of management's estimate were reasonable based on available evidence.</p>

#### Other information

Management is responsible for the other information. The other information comprises the report of the Board of Directors and the supplementary financial information required by the National Bank of Cambodia, but does not include the consolidated and separate financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the 2025 annual report of the Bank, which is expected to be made available to us after that date.

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



In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate 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 that we obtained prior to the date of this auditor's 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.

When we read the 2025 annual report of the Bank, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### **Responsibilities of management and those charged with governance for the consolidated and separate financial statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with CIFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Bank or to cease operations, or has no realistic alternative but to do so.

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



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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For PricewaterhouseCoopers (Cambodia) Ltd.



By Kuy Lim  
Partner

Phnom Penh, Kingdom of Cambodia  
10 February 2026

**ACLEDA BANK PLC.**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

		2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Assets</b>					
Cash on hand	7	520,905,012	513,942,123	2,090,391,813	2,068,617,045
Deposits and placements with other banks, net	8	2,805,834,418	1,982,391,662	11,259,813,519	7,979,126,440
Financial investments, net	9	268,583,929	471,804,878	1,077,827,307	1,899,014,634
Loans and advances, net	10	7,526,256,578	7,023,164,104	30,202,867,648	28,268,235,519
Other assets, net	11	34,444,265	31,227,560	138,224,836	125,690,929
Statutory deposits	12	654,972,368	603,852,641	2,628,404,113	2,430,506,880
Assets held for sale	14	13,372,583	-	53,664,176	-
Property and equipment, net	15	142,781,355	151,527,613	572,981,578	609,898,642
Intangible assets, net	16	13,593,565	16,736,818	54,550,976	67,365,692
Right-of-use assets, net	17	35,236,565	36,146,086	141,404,335	145,487,996
Deferred tax assets	18	810,077	788,099	3,250,839	3,172,098
Derivative financial instruments	25	486,550	2,250,246	1,952,525	9,057,240
<b>Total assets</b>		<u>12,017,277,265</u>	<u>10,833,831,830</u>	<u>48,225,333,665</u>	<u>43,606,173,115</u>
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Deposits and placements of other banks and financial institutions	19	334,239,531	396,514,351	1,341,303,238	1,595,970,263
Deposits from customers	20	9,035,027,944	7,962,541,434	36,257,567,139	32,049,229,272
Other liabilities	21	120,347,557	103,664,309	482,954,747	417,248,844
Borrowings	22	347,361,566	606,857,875	1,393,961,964	2,442,602,947
Subordinated debts	23	205,672,689	178,762,108	825,364,501	719,517,485
Debt securities	24	199,808,320	-	801,830,788	-
Lease liabilities	26	34,525,786	35,021,748	138,551,979	140,962,536
Employee benefits	27	727,360	10,011,062	2,918,896	40,294,525
Current income tax liabilities	34(a)	28,908,717	16,395,760	116,010,681	65,992,934
Deferred tax liabilities	18	46,917,580	33,896,262	188,280,249	136,432,455
<b>Total liabilities</b>		<u>10,353,537,050</u>	<u>9,343,664,909</u>	<u>41,548,744,182</u>	<u>37,608,251,261</u>
<b>Equity</b>					
Share capital	28	433,163,019	433,163,019	1,732,652,076	1,732,652,076
Share premium	28	11,706,215	11,706,215	48,235,459	48,235,459
Reserves	39	891,219,920	813,247,864	3,584,283,453	3,287,544,770
Retained earnings		321,363,870	225,917,158	1,286,187,998	904,805,572
Attributable to owners of the Bank		1,657,453,024	1,484,034,256	6,651,358,986	5,973,237,877
Non-controlling interests		6,287,191	6,132,665	25,230,497	24,683,977
<b>Total equity</b>		<u>1,663,740,215</u>	<u>1,490,166,921</u>	<u>6,676,589,483</u>	<u>5,997,921,854</u>
<b>Total liabilities and equity</b>		<u>12,017,277,265</u>	<u>10,833,831,830</u>	<u>48,225,333,665</u>	<u>43,606,173,115</u>

The accompanying notes on pages 26 to 194 form an integral part of these financial statements.

ACLEDA BANK PLC.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2025

		2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
	<b>Notes</b>				
Interest income	29	876,083,020	803,805,805	3,513,968,993	3,272,293,432
Interest expense	30	(315,731,888)	(344,652,206)	(1,266,400,603)	(1,403,079,131)
<b>Net interest income</b>		<u>560,351,132</u>	<u>459,153,599</u>	<u>2,247,568,390</u>	<u>1,869,214,301</u>
Fee and commission income	31	46,125,730	43,297,240	185,010,303	176,263,064
Fee and commission expense		(2,015,838)	(4,585,834)	(8,085,526)	(18,668,930)
<b>Net fee and commission income</b>		<u>44,109,892</u>	<u>38,711,406</u>	<u>176,924,777</u>	<u>157,594,134</u>
Impairment losses on loans and advances, deposits and placements with other banks, other receivables, and investment securities	10	(56,140,397)	(75,558,494)	(225,179,132)	(307,598,629)
Impairment losses on off-balance sheet commitments	10	(673,712)	(37,752)	(2,702,259)	(153,688)
<b>Net impairment losses</b>		<u>(56,814,109)</u>	<u>(75,596,246)</u>	<u>(227,881,391)</u>	<u>(307,752,317)</u>
<b>Income after impairment losses</b>		547,646,915	422,268,759	2,196,611,776	1,719,056,118
Other income, net	32	29,458,496	18,146,429	118,158,027	73,874,112
Non-credit risk modification losses and other losses		(8,613,234)	-	(34,547,682)	-
Other operating expenses	33	(317,855,333)	(286,669,819)	(1,274,917,741)	(1,167,032,833)
<b>Profit before income tax</b>		250,636,844	153,745,369	1,005,304,380	625,897,397
Income tax expense	34(b)	(50,617,924)	(32,443,911)	(203,028,494)	(132,079,162)
<b>Profit for the year (carried forward to next page)</b>		<u>200,018,920</u>	<u>121,301,458</u>	<u>802,275,886</u>	<u>493,818,235</u>

ACLEDA BANK PLC.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
(CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Notes</b>				
<b>Profit for the year (brought down from previous page)</b>	200,018,920	121,301,458	802,275,886	493,818,235
<b>Other comprehensive income:</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Exchange differences	-	-	(16,080,517)	(87,318,558)
<b>Items that are or may be reclassified subsequently to profit or loss:</b>				
Currency translation differences - foreign subsidiaries	(443,007)	5,476,801	(1,776,901)	22,296,057
Remeasurement of the effective portion of derivatives arising from cash flow hedge	(1,763,695)	(3,496,441)	(7,074,181)	(14,234,011)
Other comprehensive loss for the year	(2,206,702)	1,980,360	(24,931,599)	(79,256,512)
<b>Total comprehensive income for the year</b>	<b>197,812,218</b>	<b>123,281,818</b>	<b>777,344,287</b>	<b>414,561,723</b>
<b>Profit for the year attributable to:</b>				
Owners of the Bank	199,860,749	121,194,596	801,641,462	493,383,200
Non-controlling interests	158,171	106,862	634,424	435,035
	<b>200,018,920</b>	<b>121,301,458</b>	<b>802,275,886</b>	<b>493,818,235</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the Bank	197,657,692	123,170,130	776,797,767	414,107,041
Non-controlling interests	154,526	111,688	546,520	454,682
	<b>197,812,218</b>	<b>123,281,818</b>	<b>777,344,287</b>	<b>414,561,723</b>
<b>The earnings per share attributable to shareholders of the Bank during the year:</b>				
Basic earnings per share	35 0.46	0.28	1.85	1.14
Diluted earnings per share	35 0.46	0.28	1.85	1.14

The accompanying notes on pages 26 to 194 form an integral part of these financial statements.

ACLEDA BANK PLC.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2025

	Attributable to owners of the Bank										Non-controlling interests		Total equity	
	Share capital		Share premium		Reserves		Retained earnings		Total		US\$		KHR'000	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2025</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	813,247,864	3,287,544,770	225,917,158	904,805,572	1,484,034,256	5,973,237,877	6,132,665	24,683,977	1,490,166,921	5,997,921,854
Profit for the year	-	-	-	-	-	-	199,860,749	801,641,462	199,860,749	801,641,462	158,171	634,424	200,018,920	802,275,886
Other comprehensive income:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Currency translation differences - foreign subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive (loss)/income for the year</b>	-	-	-	-	-	-	199,860,749	801,641,462	197,657,692	776,797,767	154,526	546,520	197,812,218	777,344,287
<b>Transactions with owners:</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from retained earnings to regulatory reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>As at 31 December 2025</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	813,247,864	3,584,283,453	321,363,870	1,286,187,998	1,657,453,024	6,651,358,986	6,287,191	25,230,497	1,663,740,215	6,676,589,483
<b>As at 1 January 2024</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	722,627,638	3,005,581,984	208,502,399	834,487,503	1,375,999,271	5,620,957,022	6,021,531	24,597,954	1,382,020,802	5,645,554,976
Profit for the year	-	-	-	-	-	-	121,194,596	493,383,200	121,194,596	493,383,200	106,862	435,035	121,301,458	493,818,235
Other comprehensive income:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Currency translation differences - foreign subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-	-	-	121,194,596	493,383,200	123,170,130	501,425,599	111,688	454,682	123,281,818	501,880,281
<b>Transactions with owners:</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional tax on capital conversion – ABL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from retained earnings to regulatory reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional reassessment tax – ABL	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total transactions with owners</b>	-	-	-	-	-	-	103,779,837	(423,065,131)	(15,135,145)	(149,144,744)	(554)	(368,659)	(15,135,699)	(149,513,403)
<b>As at 31 December 2024</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	813,247,864	3,287,544,770	225,917,158	904,805,572	1,484,034,256	5,973,237,877	6,132,665	24,683,977	1,490,166,921	5,997,921,854

The accompanying notes on pages 26 to 194 form an integral part of these financial statements.

**ACLEDA BANK PLC.**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

		2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
	<b>Notes</b>				
<b>Cash flows from operating activities</b>					
Profit for the year before income tax		250,636,844	153,745,369	1,005,304,380	625,897,397
<i>Adjustments for:</i>					
Net impairment losses	10	56,814,109	75,596,246	227,881,391	307,752,317
Depreciation of property and equipment	33	29,565,850	25,729,960	118,588,624	104,746,667
Depreciation of right-of-use assets	17	13,725,542	12,910,310	55,053,149	52,557,872
Seniority indemnity benefits	27(a)	14,572,377	10,191,690	58,449,804	41,490,370
Amortisation of intangible assets	33	5,910,412	4,565,938	23,706,663	18,587,934
Training credit fund	27(b)	573,587	-	2,300,657	-
(Reversal of)/expense for career development expense	33	(123,740)	1,761,433	(496,321)	7,170,794
Pension fund		872,612	868,917	3,500,047	3,537,361
Adjustment in property and equipment		98,970	109,701	396,969	446,593
Adjustment in intangible assets		536,102	83,830	2,150,305	341,272
Dividend income	32	(297,228)	(290,036)	(1,192,182)	(1,180,737)
Gain on disposals of property and equipment and lease	32	(526,809)	(642,177)	(2,113,031)	(2,614,303)
Net monetary gain from hyperinflationary economy		-	(1,976,080)	-	(8,044,622)
Net interest income		(560,351,132)	(459,153,599)	(2,247,568,390)	(1,869,214,301)
Net currency translation differences		(438,060)	5,440,975	(1,757,059)	22,150,209
<b>Operating loss before changes in working capital</b>		<b>(188,430,564)</b>	<b>(171,057,523)</b>	<b>(755,794,994)</b>	<b>(696,375,177)</b>
<i>Changes in:</i>					
Deposits and placements with other banks		6,204	(9,074,258)	24,884	(36,941,304)
Reserve requirement		(51,119,727)	(55,225,532)	(205,041,225)	(224,823,141)
Loans and advances		(569,644,311)	(497,005,412)	(2,284,843,331)	(2,023,309,032)
Other assets		(4,724,267)	1,758,291	(18,949,035)	7,158,003
Deposits from customers		1,072,486,510	1,154,521,015	4,301,743,392	4,700,055,052
Deposits and placements of other banks and financial institutions		(62,274,820)	(23,278,269)	(249,784,303)	(94,765,833)
Other liabilities		22,369,609	13,262,316	89,724,502	53,990,888
<b>Cash flows from operations</b>		<b>218,668,634</b>	<b>413,900,628</b>	<b>877,079,890</b>	<b>1,684,989,456</b>
Interest received		869,440,483	799,623,334	3,487,325,777	3,255,266,593
Payment for additional reassessment tax for ABL		-	(126,314)	-	(514,224)
Career development benefit paid	27(c)	(3,131,757)	(764,647)	(12,561,477)	(3,112,878)
Pension fund paid		(872,984)	(868,230)	(3,501,539)	(3,534,564)
Seniority benefits paid	27(a)	(21,157,100)	(9,547,071)	(84,861,128)	(38,866,126)
Income tax paid	34(a)	(24,950,841)	(11,994,913)	(100,077,823)	(48,831,291)
Interest paid		(249,368,991)	(265,513,434)	(1,000,219,023)	(1,080,905,190)
<b>Net cash generated from operating activities (carried forward to next page)</b>		<b>788,627,444</b>	<b>924,709,353</b>	<b>3,163,184,677</b>	<b>3,764,491,776</b>

ACLEDA BANK PLC.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Net cash generated from operating activities (brought down from previous page)</b>		<u>788,627,444</u>	<u>924,709,353</u>	<u>3,163,184,677</u>	<u>3,764,491,776</u>
<b>Cash flows from investing activities</b>					
Proceeds from matured investments		238,117,812	33,317,087	955,090,544	135,633,861
Interest received from investments		5,394,200	4,182,471	21,636,136	17,026,839
Purchases of financial investments		(160,002,190)	(150,832,021)	(641,768,784)	(614,037,157)
Proceeds from disposals of property and equipment		614,835	728,720	2,466,103	2,966,619
Dividends received		297,228	290,036	1,192,182	1,180,737
Purchases of intangible assets	16	(6,081,992)	(10,304,597)	(24,394,870)	(41,950,015)
Purchases of property and equipment	15	<u>(21,061,938)</u>	<u>(28,888,168)</u>	<u>(84,479,433)</u>	<u>(117,603,732)</u>
<b>Net cash generated from/(used in) investing activities</b>		<u>57,277,955</u>	<u>(151,506,472)</u>	<u>229,741,878</u>	<u>(616,782,848)</u>
<b>Cash flows from financing activities</b>					
Proceeds from debt securities issuance		197,668,341	-	792,847,716	-
Proceeds from borrowings		1,195,241	12,753,898	4,794,112	51,921,119
Repayments of borrowings		(256,885,396)	(267,353,066)	(1,030,367,323)	(1,088,394,332)
Proceeds from subordinated debts		50,000,000	83,996,593	200,550,000	341,950,130
Repayments of subordinated debts		(26,387,500)	(26,915,401)	(105,840,263)	(109,572,597)
Payment of tax on ABL's capital increase		-	(203,905)	-	(830,097)
Payments of lease liabilities (principal)		(12,854,036)	(13,074,037)	(51,557,538)	(53,224,405)
Payments of dividends		(24,238,924)	(14,805,480)	(98,676,658)	(60,850,524)
Interest paid		<u>(68,460,404)</u>	<u>(68,991,520)</u>	<u>(274,594,680)</u>	<u>(280,864,478)</u>
<b>Net cash used in financing activities</b>		<u>(139,962,678)</u>	<u>(294,592,918)</u>	<u>(562,844,634)</u>	<u>(1,199,865,184)</u>
<b>Net increase in cash and cash equivalents</b>		705,942,721	478,609,963	2,830,081,921	1,947,843,744
<b>Cash and cash equivalents at the beginning of the year</b>		2,758,328,536	2,279,718,573	11,102,272,357	9,312,650,371
Exchange differences		-	-	(30,233,724)	(158,221,758)
<b>Cash and cash equivalents at the end of the year</b>	36	<u><u>3,464,271,257</u></u>	<u><u>2,758,328,536</u></u>	<u><u>13,902,120,554</u></u>	<u><u>11,102,272,357</u></u>

**Non-cash investing activities**

Non-cash investing activities disclosed in other notes are the purchases of property and equipment (Note 15) and the purchases of intangible assets (Note 16).

**Non-cash financing activities**

During the year ended 31 December 2025, the Group entered into new lease agreements and recognised right-of-use assets amounting to US\$13,066,238 (31 December 2024: US\$17,173,328), and pre-terminated right-of-use assets and lease liabilities amounting to US\$363,400 and US\$343,309 (31 December 2024: US\$1,631,785 and US\$1,771,020), respectively, and recognised loss from pretermination amounting to US\$20,463 (31 December 2024: gain US\$139,265), which are non-cash transactions.

The accompanying notes on pages 26 to 194 form an integral part of these financial statements.

**ACLEDA BANK PLC.**

**SEPARATE STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

		2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Assets</b>					
Cash on hand	7	510,259,622	503,459,073	2,047,671,863	2,026,422,769
Deposits and placements with other banks, net	8	2,763,512,951	1,958,058,129	11,089,977,472	7,881,183,969
Financial investments, net	9	268,583,929	471,804,878	1,077,827,307	1,899,014,634
Loans and advances, net	10	7,326,868,389	6,861,826,011	29,402,722,845	27,618,849,694
Other assets, net	11	29,705,419	28,121,672	119,207,846	113,189,731
Statutory deposits	12	644,296,242	596,402,637	2,585,560,819	2,400,520,614
Investments in subsidiaries	13	91,117,716	91,117,716	365,655,394	366,748,807
Assets held for sale	14	13,372,583	-	53,664,176	-
Property and equipment, net	15	108,250,795	115,350,609	434,410,440	464,286,201
Intangible assets, net	16	12,487,813	15,145,392	50,113,594	60,960,203
Right-of-use assets, net	17	32,831,596	33,189,075	131,753,195	133,586,027
Derivative financial instruments	25	486,550	2,250,246	1,952,525	9,057,240
<b>Total assets</b>		<u>11,801,773,605</u>	<u>10,676,725,438</u>	<u>47,360,517,476</u>	<u>42,973,819,889</u>
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Deposits and placements of other banks and financial institutions	19	309,722,604	372,727,604	1,242,916,810	1,500,228,606
Deposits from customers	20	8,873,020,949	7,845,298,389	35,607,433,068	31,577,326,016
Other liabilities	21	114,767,610	99,709,704	460,562,419	401,331,559
Borrowings	22	344,707,981	598,522,015	1,383,313,128	2,409,051,110
Subordinated debts	23	205,672,689	178,762,108	825,364,501	719,517,485
Debt securities	24	199,808,320	-	801,830,788	-
Lease liabilities	26	32,284,769	32,783,552	129,558,778	131,953,797
Employee benefits	27	635,121	9,854,350	2,548,741	39,663,759
Current income tax liabilities	34(a)	27,189,090	14,893,706	109,109,818	59,947,167
Deferred tax liabilities	18	45,051,713	33,896,262	180,792,524	136,432,455
<b>Total liabilities</b>		<u>10,152,860,846</u>	<u>9,186,447,690</u>	<u>40,743,430,575</u>	<u>36,975,451,954</u>
<b>Equity</b>					
Share capital	28	433,163,019	433,163,019	1,732,652,076	1,732,652,076
Share premium	28	11,706,215	11,706,215	48,235,459	48,235,459
Reserves	39	909,855,573	841,203,517	3,660,487,161	3,401,235,494
Retained earnings		294,187,952	204,204,997	1,175,712,205	816,244,906
<b>Total equity</b>		<u>1,648,912,759</u>	<u>1,490,277,748</u>	<u>6,617,086,901</u>	<u>5,998,367,935</u>
<b>Total liabilities and equity</b>		<u>11,801,773,605</u>	<u>10,676,725,438</u>	<u>47,360,517,476</u>	<u>42,973,819,889</u>

The accompanying notes on pages 26 to 194 form an integral part of these financial statements.

**ACLEDA BANK PLC.**

**SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2025**

		2025	2024	2025	2024
		US\$	US\$	KHR'000	KHR'000
	Notes			(Note 5)	(Note 5)
Interest income	29	837,448,081	769,614,221	3,359,004,253	3,133,099,494
Interest expense	30	<u>(300,955,603)</u>	<u>(335,181,137)</u>	<u>(1,207,132,924)</u>	<u>(1,364,522,409)</u>
<b>Net interest income</b>		<u>536,492,478</u>	<u>434,433,084</u>	<u>2,151,871,329</u>	<u>1,768,577,085</u>
Fee and commission income	31	39,261,995	37,665,884	157,479,862	153,337,814
Fee and commission expense		<u>(1,988,273)</u>	<u>(4,557,808)</u>	<u>(7,974,963)</u>	<u>(18,554,836)</u>
<b>Net fee and commission income</b>		<u>37,273,722</u>	<u>33,108,076</u>	<u>149,504,899</u>	<u>134,782,978</u>
Impairment losses on loans and advances, deposits and placements with other banks, other receivables, and investment securities	10	(62,399,129)	(74,615,589)	(250,282,906)	(303,760,063)
Impairment losses on off-balance sheet commitments	10	<u>(643,409)</u>	<u>(23,078)</u>	<u>(2,580,713)</u>	<u>(93,951)</u>
<b>Net impairment losses</b>		<u>(63,042,538)</u>	<u>(74,638,667)</u>	<u>(252,863,619)</u>	<u>(303,854,014)</u>
<b>Income after impairment losses</b>		510,723,662	392,902,493	2,048,512,609	1,599,506,049
Other income, net	32	28,246,392	22,011,472	113,296,278	89,608,703
Non-credit risk modification losses and other losses		<u>(8,613,234)</u>	<u>-</u>	<u>(34,547,682)</u>	<u>-</u>
Other operating expenses	33	<u>(299,292,856)</u>	<u>(269,341,998)</u>	<u>(1,200,463,645)</u>	<u>(1,096,491,274)</u>
<b>Profit before income tax</b>		231,063,964	145,571,967	926,797,560	592,623,478
Income tax expense	34(b)	<u>(46,426,334)</u>	<u>(29,638,605)</u>	<u>(186,216,026)</u>	<u>(120,658,761)</u>
<b>Profit for the year</b>		<u>184,637,630</u>	<u>115,933,362</u>	<u>740,581,534</u>	<u>471,964,717</u>
<b>Other comprehensive income:</b>					
<i>Items that will not be reclassified to profit or loss:</i>					
Exchange differences		-	-	(16,111,729)	(87,472,412)
<i>Item that is or may be reclassified subsequently to profit or loss:</i>					
Remeasurement of the effective portion of derivatives arising from cash flow hedge		<u>(1,763,695)</u>	<u>(3,496,441)</u>	<u>(7,074,181)</u>	<u>(14,234,011)</u>
<b>Other comprehensive loss for the year</b>		<u>(1,763,695)</u>	<u>(3,496,441)</u>	<u>(23,185,910)</u>	<u>(101,706,423)</u>
<b>Total comprehensive income for the year</b>		<u>182,873,935</u>	<u>112,436,921</u>	<u>717,395,624</u>	<u>370,258,294</u>

The accompanying notes on pages 26 to 194 form an integral part of these financial statements.

**ACLEDA BANK PLC.**

**SEPARATE STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	The Bank									
	Share capital		Share premium		Reserves		Retained earnings		Total equity	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2025</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	841,203,517	3,401,235,494	204,204,997	816,244,906	1,490,277,748	5,998,367,935
Profit for the year	-	-	-	-	-	-	184,637,630	740,581,534	184,637,630	740,581,534
Other comprehensive income: Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	-	-	(1,763,695)	(7,074,181)	-	-	(1,763,695)	(7,074,181)
Exchange differences	-	-	-	-	-	(16,111,729)	-	-	-	(16,111,729)
<b>Total comprehensive (loss)/income for the year</b>	-	-	-	-	(1,763,695)	(23,185,910)	184,637,630	740,581,534	182,873,935	717,395,624
<b>Transactions with owners:</b>										
Dividend paid	-	-	-	-	-	-	(24,238,924)	(98,676,658)	(24,238,924)	(98,676,658)
Transfer from retained earnings to regulatory reserves	-	-	-	-	70,415,751	282,437,577	(70,415,751)	(282,437,577)	-	-
<b>Total transactions with owners</b>	-	-	-	-	70,415,751	282,437,577	(94,654,675)	(381,114,235)	(24,238,924)	(98,676,658)
<b>As at 31 December 2025</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	909,855,573	3,660,487,161	294,187,952	1,175,712,205	1,648,912,759	6,617,086,901

	The Bank									
	Share capital		Share premium		Reserves		Retained earnings		Total equity	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2024</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	765,115,248	3,178,952,563	182,661,825	729,120,067	1,392,646,307	5,688,960,165
Profit for the year	-	-	-	-	-	-	115,933,362	471,964,717	115,933,362	471,964,717
Other comprehensive income: Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	-	-	(3,496,441)	(14,234,011)	-	-	(3,496,441)	(14,234,011)
<b>Total comprehensive (loss)/income for the year</b>	-	-	-	-	(3,496,441)	(14,234,011)	115,933,362	471,964,717	112,436,921	457,730,706
<b>Transactions with owners:</b>										
Dividend paid	-	-	-	-	-	-	(14,805,480)	(60,850,524)	(14,805,480)	(60,850,524)
Transfer from retained earnings to regulatory reserves	-	-	-	-	79,584,710	323,989,354	(79,584,710)	(323,989,354)	-	-
Exchange differences	-	-	-	-	-	(87,472,412)	-	-	-	(87,472,412)
<b>Total transactions with owners</b>	-	-	-	-	79,584,710	236,516,942	(94,390,190)	(384,839,878)	(14,805,480)	(148,322,936)
<b>As at 31 December 2024</b>	433,163,019	1,732,652,076	11,706,215	48,235,459	841,203,517	3,401,235,494	204,204,997	816,244,906	1,490,277,748	5,998,367,935

The accompanying notes on pages 26 to 194 form an integral part of these financial statements.

**ACLEDA BANK PLC.**

**SEPARATE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

		2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
	<b>Notes</b>				
<b>Cash flows from operating activities</b>					
Profit for the year before income tax		231,063,964	145,571,967	926,797,560	592,623,478
<i>Adjustments for:</i>					
Net impairment losses	10	63,042,538	74,638,667	252,863,619	303,854,014
Depreciation of property and equipment	33	27,092,865	23,827,643	108,669,482	97,002,335
Depreciation of right-of-use assets	17	12,786,385	12,437,143	51,286,190	50,631,609
Seniority indemnity benefits	27(a)	14,331,604	10,010,306	57,484,064	40,751,956
Amortisation of intangible assets	33	5,435,854	4,313,776	21,803,210	17,561,382
Training credit fund	27(b)	564,257	-	2,263,235	-
(Reversal of)/expense for career development expense	33	(164,679)	1,712,055	(660,527)	6,969,776
Pension fund		856,187	853,201	3,434,166	3,473,381
Adjustment in property and equipment		98,970	110,492	396,969	449,813
Adjustment in intangible assets		536,102	83,830	2,150,305	341,272
Dividend income	32	(297,228)	(290,036)	(1,192,182)	(1,180,737)
Gain on disposals of property and equipment and lease	32	(484,944)	(632,717)	(1,945,110)	(2,575,791)
Net interest income		(536,492,478)	(434,433,084)	(2,151,871,329)	(1,768,577,085)
Net currency translation differences		198,044	956,837	794,354	3,895,283
<b>Operating loss before changes in working capital</b>		<b>(181,432,559)</b>	<b>(160,839,920)</b>	<b>(727,725,994)</b>	<b>(654,779,314)</b>
<i>Changes in:</i>					
Deposits and placements with other banks		(17,875)	(10,065,228)	(71,697)	(40,975,543)
Reserve requirement		(47,893,605)	(53,100,533)	(192,101,250)	(216,172,270)
Loans and advances		(538,096,268)	(479,559,725)	(2,158,304,131)	(1,952,287,640)
Other assets		(2,811,560)	2,911,733	(11,277,167)	11,853,665
Deposits from customers		1,027,722,560	1,130,009,364	4,122,195,188	4,600,268,121
Deposits and placements of other banks and financial institutions		(63,005,000)	(13,678,323)	(252,713,055)	(55,684,453)
Other liabilities		25,114,803	14,200,970	100,735,475	57,812,149
<b>Cash flows from operations</b>		<b>219,580,496</b>	<b>429,878,338</b>	<b>880,737,369</b>	<b>1,750,034,715</b>
Interest received		830,805,544	765,431,750	3,332,361,037	3,116,072,654
Career development benefit paid	27(c)	(3,084,810)	(678,925)	(12,373,173)	(2,763,904)
Pension fund paid		(856,625)	(852,589)	(3,435,923)	(3,470,890)
Seniority benefits paid	27(a)	(20,854,780)	(9,379,133)	(83,648,523)	(38,182,450)
Income tax paid	34(a)	(22,975,499)	(9,949,762)	(92,154,726)	(40,505,481)
Interest paid		(239,687,493)	(259,051,762)	(961,386,534)	(1,054,599,723)
<b>Net cash generated from operating activities (carried forward to next page)</b>		<b>762,926,833</b>	<b>915,397,917</b>	<b>3,060,099,527</b>	<b>3,726,584,921</b>

**ACLEDA BANK PLC.**

**SEPARATE STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2025**

	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Net cash generated from operating activities (brought down from previous page)</b>	762,926,833	915,397,917	3,060,099,527	3,726,584,921
<b>Cash flows from investing activities</b>				
Proceeds from matured investments	238,117,812	33,317,087	955,090,544	135,633,861
Interest received from investments	5,394,200	4,182,471	21,636,136	17,026,839
Purchases of financial investments	(160,002,190)	(150,832,021)	(641,768,784)	(614,037,157)
Proceeds from disposals of property and equipment	542,388	712,377	2,175,518	2,900,087
Dividend received	297,228	290,036	1,192,182	1,180,737
Purchases of intangible assets	(6,073,986)	(9,769,895)	(24,362,758)	(39,773,243)
Purchases of property and equipment	(20,152,644)	(25,574,652)	(80,832,255)	(104,114,408)
<b>Net cash generated from/(used in) investing activities</b>	<u>58,122,808</u>	<u>(147,674,597)</u>	<u>233,130,583</u>	<u>(601,183,284)</u>
<b>Cash flows from financing activities</b>				
Proceeds from debt securities issuance	197,668,341	-	792,847,716	-
Proceeds from borrowings	-	10,000,000	-	40,710,000
Repayments of borrowings	(250,080,632)	(257,123,440)	(1,003,073,415)	(1,046,749,524)
Proceeds from subordinated debts	50,000,000	83,996,593	200,550,000	341,950,130
Repayments of subordinated debts	(26,387,500)	(26,915,401)	(105,840,263)	(109,572,597)
Payments of lease liabilities (principal)	(12,515,002)	(12,375,111)	(50,197,673)	(50,379,077)
Interest paid	(67,705,273)	(67,799,759)	(271,565,850)	(276,012,819)
Payments of dividends	(24,238,924)	(14,805,480)	(98,676,658)	(60,850,524)
<b>Net cash used in financing activities</b>	<u>(133,258,990)</u>	<u>(285,022,598)</u>	<u>(535,956,143)</u>	<u>(1,160,904,411)</u>
<b>Net increase in cash and cash equivalents</b>	687,790,651	482,700,722	2,757,273,967	1,964,497,226
<b>Cash and cash equivalents at the beginning of the year</b>	2,723,449,936	2,240,749,214	10,961,885,992	9,153,460,539
Exchange differences	-	-	(29,851,483)	(156,071,773)
<b>Cash and cash equivalents at the end of the year</b>	<u>3,411,240,587</u>	<u>2,723,449,936</u>	<u>13,689,308,476</u>	<u>10,961,885,992</u>

**Non-cash investing activities**

Non-cash investing activities disclosed in other notes are the purchases of property and equipment (Note 15) and the purchases of intangible assets (Note 16).

**Non-cash financing activities**

During the year ended 31 December 2025, the Bank entered into new lease agreements and recognised right-of-use assets amounting to US\$12,809,712 (31 December 2024: US\$16,373,362), and pre-terminated right-of-use assets and lease liabilities amounting to US\$382,274 and US\$365,743 (31 December 2024: US\$1,633,217 and US\$1,755,926), respectively, and recognised loss from pretermination amounting to US\$16,558 (31 December 2024: gain US\$122,709), which are non-cash transactions.

The accompanying notes on pages 26 to 194 form an integral part of these financial statements.

## **ACLEDA BANK PLC.**

### **NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

#### **1. BACKGROUND INFORMATION**

Prior to 1 December 2003, ACLEDA Bank Plc. (“ABC” or “the Bank”) was a public limited company formed under the Laws of the Kingdom of Cambodia to operate as a specialised bank with a Head Office located in Phnom Penh and 14 branches in the Kingdom of Cambodia. On 1 December 2003, the National Bank of Cambodia (“NBC”) issued a license for the Bank to become a private commercial bank for a period of three years commencing 1 December 2003. The Bank’s license was renewed for an indefinite period on 28 November 2006. On 25 May 2020, the Bank was successfully listed on the Cambodia Securities Exchange (“CSX”).

On 7 December 2022, the Securities and Exchange Regulator of Cambodia (“SERC”) approved the Bank’s request for its nominated Cash Settlement Agent, Registrar Agent, Transfer Agent, and ACLEDA Securities Plc. (“ACS”), a wholly-owned subsidiary of the Bank, as the Bond Agent when the Bank issues the green bonds in the CSX. However, there has not been any green bond issued by the Bank yet as of the reporting date.

The registered office of the Bank is located at Building N° 61, Preah Monivong Blvd., Sangkat Srah Chak, Khan Doun Penh, Phnom Penh.

The Bank operates under the supervision of the NBC with special focus on providing lending and other financial services to the citizenry and small and medium-sized enterprises and to engage in all other activities, which the Board of Directors believes support these objectives.

The Bank and its four subsidiaries (collectively referred to as “the Group”) are operating in the Kingdom of Cambodia, Lao People’s Democratic Republic (“PDR”) and the Republic of the Union of Myanmar. The principal activities of the subsidiaries are disclosed in Note 13 to the financial statements. Currently, the Group has 265 offices covering all provinces and cities in the Kingdom of Cambodia, 37 offices in the Lao PDR, and 17 offices in the Republic of the Union of Myanmar.

As at 31 December 2025, the Group and the Bank have 13,280 and 11,859 employees, respectively (31 December 2024: 13,454 and 11,971 employees, respectively).

The consolidated and separate financial statements as at and for the year ended 31 December 2025 were approved and authorised for issue by the Board of Directors on 9 February 2026.

#### **2. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

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

##### **(a) Basis of preparation and presentation**

The financial statements of the Group and the Bank have been prepared in accordance with Cambodian International Financial Reporting Standards (“CIFRS”). The consolidated and separate financial statements have been prepared on a historical cost basis, except for items which are not prepared under the historical cost basis such as:

- Financial instruments, including derivatives, which are valued at fair value.
- Assets held for sale which are measured at the lower of its carrying amount and fair value less costs to sell.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(a) Basis of preparation and presentation** (continued)

The preparation of financial statements in conformity with CIFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise judgment in the process of applying the Group's and the Bank's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimations are significant to the financial statements are disclosed in Note 4. In addition to the consolidated financial statements, the Bank prepares separate financial statements in accordance with the decision of the Board of Directors considering the Bank's balances constitute a substantial portion out of the Group's balances making the separate financial statements material for users' decision-making processes.

The Group and the Bank present the statement of financial position based on liquidity. Generally, assets and liabilities expected to be recovered or settled over twelve months after the reporting period are considered as non-current assets and non-current liabilities, respectively.

An English version of the financial statements have been prepared from the financial statements that are in the Khmer language. In the event of a conflict or a difference in interpretation between the two languages, the Khmer language financial statements shall prevail.

**(b) Adoption of amended accounting standards**

*(i) Amended accounting standards effective during the year*

The Group and the Bank adopted all accounting standards and interpretations as at 31 December 2025. The amended accounting standards assessed to be applicable and have no material impact to the Group's and the Bank's financial statements are as follow:

- Lack of Exchangeability (Amendments to CIAS 21)

The amendments impact entity that has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. Assessing exchangeability between two currencies requires an analysis of different factors such as the time frame for the exchange, the ability to obtain the other currency, markets or exchange mechanisms, the purpose of obtaining the other currency, and the ability to obtain only limited amounts of the other currency.

When a currency is not exchangeable into another currency, the spot exchange rate needs to be estimated. The objective in estimating the spot exchange rate at a measurement date is to determine the rate at which an orderly exchange transaction would take place at that date between market participants under prevailing economic conditions.

The amendments also set out a framework under which an entity can determine the spot exchange rate at the measurement date using an observable exchange rate without adjustment or another estimation technique.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(b) Adoption of amended accounting standards** (continued)

*(ii) New and amended accounting standards, which are not yet effective and not early adopted*

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2025 reporting period and have not been early adopted by the Group and the Bank.

- Amendments to the Classification and Measurement of Financial Instruments – Amendments to CIFRS 9 and CIFRS 7 (effective for annual periods beginning on or after 1 January 2026)
- Translation to a Hyperinflationary Presentation Currency - Amendments to CIAS 21 (effective for annual periods beginning on or after 1 January 2027)

The Group and the Bank do not expect that the adoption of the amendments to the accounting standards listed above will have a material impact on the financial statements of the Group and the Bank in future periods.

- CIFRS 18 — Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

CIFRS 18 will replace CIAS 1 Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though CIFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group's and the Bank's financial statements.

The Group and the Bank will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with CIFRS 18.

**(c) Consolidation**

*(i) Subsidiaries*

Subsidiaries are all entities over which the Bank has control. The Bank controls an entity when the Bank is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct relevant activities of the entity.

The consolidated financial statements include the financial statements of the Bank and all its subsidiaries made up to the end of the financial year.

Subsidiaries are consolidated from the date on which control is transferred to the Bank and deconsolidated from the date that control ceases.

All material transactions and balances between each of the Group's entities are eliminated and the consolidated financial statements reflect external transactions only. Where necessary, the accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(c) Consolidation (continued)**

*(ii) Investments in subsidiaries*

In the Bank's separate financial statements, investments in subsidiaries are carried at cost less any accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of investments are recognised in profit or loss.

The amounts due from subsidiaries of which the Bank does not expect repayment in foreseeable future are considered as part of the Bank's investments in subsidiaries.

*(iii) Changes in ownership interests in subsidiaries without change of control*

Transactions with non-controlling interests ("NCI") that do not result in loss in control are accounted for as equity transactions that is, as transactions with the owners in their capacity as owners. For purchases from NCI, the difference between any consideration paid and the relevant share in the carrying value of net assets of the subsidiary acquired is deducted from equity. For disposals to NCI, the difference between any proceeds received and the relevant share in NCI are also recognised in equity.

*(iv) Non-controlling interests*

NCI is measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

An entity has a choice on a combination-by-combination basis to measure any NCI in the acquiree at either the proportionate share of the acquiree's identifiable net assets or fair value. The Group has elected to maintain the former approach.

NCI in subsidiaries is identified separately from the Group's equity therein. Subsequent to acquisition, the carrying amount of NCI is the amount of those interests at initial recognition plus the NCI's share of subsequent changes in equity.

*(v) Hyperinflationary accounting*

The Group applied hyperinflation accounting to its operations in Lao PDR, with the Lao Kip as their functional currency.

The three-year cumulative inflation in Lao Kip exceeded 100% in 2024. As a result, hyperinflation accounting was applied for the year ended 31 December 2024 to the Group's operations in Lao PDR.

The price index used for the application of hyperinflation accounting was the Consumer Price Index published by the Bank of Lao PDR ("BOL"). The movement in the Consumer Price Index for the year ended 31 December 2024 was 243.52%.

However, as of 31 December 2025, the three-year accumulated inflation rate in Lao PDR decreased to 53.52%. As the characteristics of the economic environment indicate that hyperinflation has ceased, the Group's operations in Lao PDR no longer apply IAS 29 *Financial Reporting in Hyperinflationary Economies* for periods ending on or after 31 December 2025. Accordingly, the amounts expressed in the measuring unit current at the end of the previous reporting period 31 December 2024 are treated as the basis for the carrying amounts in their financial statements.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(c) Consolidation (continued)**

**(v) Hyperinflationary accounting (continued)**

In the Group's consolidated financial statements for the year ended 31 December 2025, corresponding figures as at and for the year ended 31 December 2024 include the results and financial position of its operations in Lao PDR, expressed in terms of the measuring unit current at 31 December 2024. Net monetary gain (loss) is presented as a separate line item in profit or loss.

In the Group's consolidated financial statements, the operational results and financial position of entity whose functional currency is the Lao Kip for the year ended 31 December 2025 and 31 December 2024 have been translated into the presentation currency using the translation methods described in Note 2 (d).

**(d) Foreign currency translation**

**(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in United States Dollar ("US\$"), which is the Group's and the Bank's functional and presentation currency.

**(ii) Transactions and balances**

Transactions in currencies other than US\$ are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than US\$ are recognised in the profit or loss.

**(iii) Group's companies**

The results and financial position of the Group's foreign operations (except those whose functional currency is the currency of a hyperinflationary economy) that have a functional currency different from the Bank's presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each statement of financial position presented are translated using the closing rate at the end of the reporting period;
- b) income and expenses for each statement of profit or loss and other comprehensive income presented are translated using the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the rate on the dates of the transactions); and,
- c) all resulting exchange differences are recognised as a separate component of equity.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(d) Foreign currency translation** (continued)

*(iii) Group's companies (continued)*

On consolidation, exchange differences arising from the translation of any net investment in foreign operations are recognised in other comprehensive income. When a foreign operation is partially disposed of or sold, exchange differences are reclassified to the profit or loss as gain or loss on sale.

The results and financial position of the Group's foreign operations whose functional currency is the currency of a hyperinflationary economy for the year ended 31 December 2024 are translated into the presentation currency as follows:

- All amounts (assets, liabilities, equity items, income and expenses) are translated at the closing rate at the date of the most recent statement of financial position.
- When amounts are translated into the currency of a non-hyperinflationary economy, comparative amounts are those that were presented as current period amounts in the relevant prior period interim financial statements (not adjusted for subsequent changes in the price level or subsequent changes in exchange rates).

**(e) Financial assets and financial liabilities**

*(i) Recognition and initial measurement*

The Group and the Bank initially recognise loans and advances, deposits and placements with other banks, borrowings, subordinated debts and debt securities on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date the Group and the Bank become a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue.

*(ii) Classification*

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

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

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and,
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

On initial recognition of an equity investment that is not held for trading, the Group and the Bank may irrevocably elect to present subsequent changes in fair value in other comprehensive income. This election is made on an investment-by-investment basis. However, the Group and the Bank have not made such election.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities** (continued)

*(ii) Classification (continued)*

All other financial assets are classified as FVTPL. As at the reporting date, the Group and the Bank do not have financial assets classified as FVTPL.

In addition, on initial recognition, the Group and the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost, FVOCI, or FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Business model assessment**

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

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's and the Bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy on how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and,
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's and the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell the financial assets.

**Assessment of whether contractual cash flows are 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 the 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 profit margin.

In assessing whether the contractual cash flows are SPPI, the Group and the Bank consider 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 the assessment, the Group and the Bank consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Group's and the Bank's claim to cash flows from specified assets (e.g. non-recourse loans); and,
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

2. **SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

(e) **Financial assets and financial liabilities** (continued)

(ii) *Classification (continued)*

**Assessment of whether contractual cash flows are SPPI** (continued)

The Group and the Bank hold a portfolio of long-term fixed-rate loans for which the Group and the Bank have the option to propose to revise the interest rate at periodic reset dates. These reset rights are limited to the market rate at the time of revision in which the Group and the Bank have an option to either accept the revised rate or redeem the loan at par without penalty. The Group and the Bank have determined that the contractual cash flows of these loans are SPPI because the option varies with the interest rate in consideration for the time value of money, credit risk, and other basic lending risks and costs associated with the principal amount outstanding.

**Non-recourse loans**

In some cases, loans made by the Group and the Bank that are secured by collateral from the borrower limit the Group's and the Bank's claim to cash flows of the underlying collateral (non-recourse loans). The Group and the Bank apply judgment in assessing whether the non-recourse loans meet the SPPI criterion. The Group and the Bank typically consider the following information when making this judgement:

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the amount of the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- whether the borrower is an individual or a substantive operating entity or is a special-purpose entity;
- the Group's and the Bank's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and,
- whether the Group and the Bank will benefit from any upside from the underlying assets.

**Reclassifications**

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

**Financial liabilities**

The Group and the Bank classify its financial liabilities, other than financial guarantees and loan commitments, either at amortised cost or FVTPL. As at the reporting date, the Group and the Bank do not have financial liabilities classified as FVTPL.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities** (continued)

*(iii) Derecognition*

**Financial assets**

The Group and the Bank derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire [see also Note 2 (e) (iv)], 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 in which the Group and the Bank neither transfer nor retain substantially all of the risks and rewards of ownership and do not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Any cumulative gain or loss recognised in other comprehensive income in respect of equity investment securities designated as FVOCI is not recognised in profit or loss on derecognition of such securities. Any interests in transferred financial assets that qualify for derecognition that is created or retained by the Group and the Bank are recognised as a separate asset or liability.

**Financial liabilities**

The Group and the Bank derecognise a financial liability when its contractual obligations are discharged, cancelled, or expired.

*(iv) Modifications of financial assets and financial liabilities*

**Financial assets**

If the terms of a financial asset are modified, then the Group and the Bank evaluate whether the cash flows of the modified asset are substantially different. The Group and the Bank consider, among others:

- if the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay;
- whether any substantial new terms are introduced that will affect the risk profile of the loan;
- significant extension of the loan term when the borrower is not in financial difficulty;
- significant change in the interest rate;
- change in the currency the loan is denominated in; and/or,
- insertion of collateral, other security or credit enhancements that will significantly affect the credit risk associated with the loan.

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 [see Note 2 (e) (iii)] and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and,
- other fees are included in profit or loss as part of the gain or loss on derecognition.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Financial assets and financial liabilities (continued)

(iv) *Modifications of financial assets and financial liabilities (continued)*

**Financial assets** (continued)

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group or the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place [see Note 2 (e) (vii) for write-off policy]. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Group and the Bank first recalculate the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognise the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulty of the borrower [see Note 2 (e) (vii)] then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest method [see Note 2 (r)].

**Financial liabilities**

The Group and the Bank derecognise 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 consideration paid is recognised in profit or loss. 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 or loss.

For floating-rate financial liabilities, the original effective interest rate used to calculate 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.

(v) *Offsetting*

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

Income and expenses are presented on a net basis only when permitted under CIFRS, or for gains and losses arising from a group of similar transactions such as in the Group's and the Bank's trading activity.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities** (continued)

*(vi) 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 Group and the Bank have access at that date. The fair value of a liability reflects its non-performance risk.

The fair value of a financial liability with a demand feature (e.g. 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.

The Group and the Bank recognise transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

*(vii) Impairment*

The Group and the Bank recognise loss allowances for the expected credit loss (“ECL”) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- loans and advances;
- financial guarantee contracts issued; and,
- loan commitments issued.

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

- debt investment securities that are determined to have low credit risk at the reporting date; and,
- other financial instruments (other than loans and advances) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for loans and advances are 12-month ECL will be computed for stage 1, while lifetime ECL will be computed for stage 2 and stage 3.

The Group and the Bank consider a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of “investment grade”. The Group and the Bank do not apply the low credit risk exemption to any other financial instruments.

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

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

**Measurement of ECL**

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

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and,
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities** (continued)

*(vii) Impairment (continued)*

**Measurement of ECL** (continued)

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.

The assumptions underlying the ECL calculation are monitored and reviewed monthly and quarterly. There have been no significant changes in the estimation techniques or significant assumptions made during the reporting period.

PD provides an estimate of the likelihood that a customer will be unable to meet its debt obligation or default over a particular time horizon. Financial assets under the general approach requires staging for both 12-month PD and lifetime PD estimation according to historical data using the migration approach or external credit rating approach.

LGD is the magnitude of the likely loss if there is a default. LGD is defined as the percentage of exposure the Group and the Bank might lose in case the customer defaults. These losses are usually shown as a percentage of EAD, and depend, amongst others, on the type and amount of collaterals as well as the type of customers and the expected recovery from the customers.

With updates of collateral value from time to time, the Group and the Bank take collateral value into LGD calculation for ECL computation. In the event of over-collateralised, a floor LGD shall be applied for ECL calculation.

EAD is simply the amount outstanding at the point of default. However, EAD is different following the natures of products:

- Amortised facilities: the current amount allowed under the contract and arising from amortisation
- Revolving facilities: utilisation rate
- Off-balance sheet: credit conversion factors

As described above and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Group and the Bank measure 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 Group and the Bank consider a longer period. The maximum contractual period extends to the date at which the Group and the Bank have the right to require repayment or terminate a commitment or guarantee.

However, for credit card facilities that include both a loan and an undrawn commitment component, the Group and the Bank measure ECL over a period longer than the maximum contractual period if the Group’s and the Bank’s contractual ability to demand repayment and cancel the undrawn commitment does not limit the Group’s and the Bank’s exposure to credit losses to the contractual notice period. These facilities do not have a fixed term or repayment structure and are managed on a collective basis. The Group and the Bank can cancel them with immediate effect but this contractual right is not enforced in the normal day-to-day management, but only when the Group and the Bank become aware of an increase in credit risk at the facility level. This longer period is estimated taking into account the credit risk management actions that the Group and the Bank expect to take to mitigate ECL. These include a reduction in limits, cancellation of the facility and/or turning the outstanding balance into a loan with fixed repayment terms.

2. **SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

(e) **Financial assets and financial liabilities** (continued)

(vii) *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 [see Note 2 (e) (iv)] and ECL is 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.

**Credit-impaired financial assets**

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

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

- material financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Group and the Bank on terms that the Group and the Bank would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or,
- the disappearance of an active market for a security because of financial difficulties.

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.

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

The Group and the Bank present loss allowances for ECL in the statement of financial position as follows:

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, and the Group and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Group and the Bank present a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and,
- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(e) Financial assets and financial liabilities (continued)

(vii) *Impairment (continued)*

**Write-off**

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group and the Bank determine that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are credited in the profit or loss under “impairment losses on loans and advances, deposits and placements with other banks, other receivables, and investment securities” line item.

Financial assets that are written off could still be subject to enforcement activities in order to comply with the Group’s and the Bank’s procedures for recovery of amounts due.

**Non-integral financial guarantee contracts**

The Group and the Bank assess whether a financial guarantee contract held is an integral element of a financial asset that is accounted for as a component of that instrument or is a contract that is accounted for separately. The factors that the Group and the Bank consider when making this assessment include whether:

- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument;
- the guarantee is entered into at the same time as and in contemplation of the debt instrument; or,
- the guarantee is given by the parent of the borrower or another company within the borrower’s group.

If the Group and the Bank determine that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group and the Bank consider the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Group or the Bank determines that the guarantee is not an integral element of the debt instrument, then it recognises an asset representing any prepayment of guaranteed premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure is neither credit-impaired nor has undergone a significant increase in credit risk (“SICR”) when the guarantee is acquired. These assets are recognised in “Other assets”. The Group and the Bank present gains or losses on the compensation outright in profit or loss as “Impairment losses on financial instruments”.

(viii) *Derivative financial instruments*

The Group and the Bank enter into a variety of derivative financial instruments to manage its exposure to interest rate through interest rate swaps. The use of financial derivatives is governed by the Group’s and the Bank’s policies approved by the Board of Directors, which provide written principles on the use of financial derivatives.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities** (continued)

*(viii) Derivative financial instruments (continued)*

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain/loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group and the Bank have both the legal right and the intention to offset.

*(ix) Hedge accounting*

The Group and the Bank designate certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations, as appropriate. Hedges of interest rate risk on firm commitments are accounted for as cash flow hedges. The Group and the Bank do not apply fair value hedge accounting on portfolio hedges of interest rate risk.

At the inception of the hedge relationship, the Group and the Bank document the relationship between the hedging instrument and the hedged item, along with the risk management objectives and strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group and the Bank document whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationship meets all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and,
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group and the Bank actually hedge and the quantity of the hedging instrument that the Group and the Bank actually use to hedge that quantity of hedged item.

The Group and the Bank rebalance a hedging relationship in order to comply with the hedge ratio requirements, when necessary.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group and the Bank adjust the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

As at the reporting date, the Group and the Bank only have cash flow hedges for its interest rate swap agreements.

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in the Group's and the Bank's retained earnings, but limited to the cumulative change in fair value of the hedged item from the inception of the hedge less any amounts recycled to profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the period when the hedged item affects profit or loss and in the same line as the recognised hedged item. If the Group and the Bank no longer expect the transaction to occur, that amount is immediately reclassified to profit or loss.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(e) Financial assets and financial liabilities** (continued)

*(ix) Hedge accounting (continued)*

The Group and the Bank discontinue hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised, or where the occurrence of the designated hedged forecast transaction is no longer considered to be highly probable. The discontinuation is accounted for prospectively. Any gain/loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain/loss accumulated in equity is reclassified and recognised immediately in profit or loss.

**(f) Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand, deposits and placements with other banks and NBC with original terms of three months or less when purchased, and that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

**(g) Financial investments**

The "Financial investments" caption in the statement of financial position may include:

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

For debt securities measured at FVOCI, gains or losses is recognised in other comprehensive income, except for the following, which are recognised in profit or loss in the same manner as with the financial assets measured at amortised cost:

- interest revenue using the effective interest method;
- ECL and reversals; and,
- foreign exchange gains or losses.

When debt security measured at FVOCI is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss.

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

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

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(h) Share capital and share premium**

Share capital and share premium are classified as equity.

Share capital represents the nominal (par) value of shares that have been issued. Other shares, if any, are classified as equity and/or liability according to the economic substance of the particular instrument. Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

Share premium includes any premiums received on the issuance of share capital. Incremental costs directly attributable to the issuance of new share capital are shown in equity as a deduction from the proceeds, net of tax.

**(i) Earnings per share**

Basic earnings per share ("EPS") is determined by dividing the adjusted net profit for the year attributable to common shareholders by the weighted average number of common stocks outstanding during the year, after giving retroactive effect to any stock dividends declared in the current year.

Diluted EPS is also computed by dividing net profit by the weighted average number of common stocks subscribed and issued during the year. However, net profit attributable to common stocks and the weighted average number of common stocks outstanding are adjusted to reflect the effects of all the dilutive potential common stocks into common stocks. Currently, there are no potentially dilutive common stocks.

**(j) Assets held for sale**

Assets held for sale consisting of immovable properties are stated at the lower of its carrying amount and fair value less costs to sell. Assets held for sale are not depreciated while it is classified as held for sale.

**(k) Property and equipment**

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of items of property and equipment. The cost of an item of property and equipment comprises:

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and,
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Bank and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All repairs and maintenance costs are charged to the profit or loss during the financial year in which they are incurred.

The cost of any self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(k) Property and equipment** (continued)

Land is not depreciated. The other items of property and equipment are depreciated on a straight-line basis to write off the cost of these assets to their residual values over their estimated useful lives as follows:

<b>Classes</b>	<b>Years</b>
Land improvement	3 to 20
Building and improvement	3 to 20
Leasehold improvement*	3 to 10
Office equipment	3 to 15
Computer equipment	3 to 7
Motor vehicles	3 to 8

\* Leasehold improvement is depreciated over the shorter of its economic useful life (3 to 10 years) or the term of the relevant lease.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Depreciation on assets under construction commences when the assets are ready for their intended use.

Items of property and equipment are reviewed for indication of impairment at each reporting date and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in profit or loss in the line item "Other income, net".

**(l) Intangible assets**

Intangible assets include acquired computer software licenses and related costs. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group and the Bank.

Intangible assets are stated at historical cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised using the straight-line method over their estimated useful lives. The useful life of computer software is from two to seven years except for the license of core banking system which has useful life of ten years.

An intangible asset is written-off when no future economic benefits are expected from its use. Costs associated with maintaining computer software are recognised as expenses when incurred.

**(m) Impairment of non-financial assets**

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(m) Impairment of non-financial assets (continued)**

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses are recognised in the profit or loss.

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

**(n) Reserves**

Reserves comprise of general reserves, regulatory reserves, hedging reserve and other reserves.

The general reserves are set up for any overall financial risk. The Board of Directors exercises its discretion for the use and maintenance of the general reserves. The transfer from retained earnings to general reserves is subject to the approval of Board of Directors of each entity within the Group.

Regulatory reserves are set up for the variance of provision between impairment in accordance with CIFRS (on loans and advances, deposits and placements with other banks, other receivables, investments in debt securities and off-balance sheet commitments) and regulatory provision (on loans and advances, deposits and placements with other banks, other receivables and off-balance sheet commitments based on the prescribed credit grading rates from the NBC). It is transferred between retained earnings and regulatory reserves when the total accumulated regulatory provision is higher than the accumulated impairment based on CIFRS 9.

The regulatory provision is calculated by applying the prescribed credit grading rates issued by the NBC to the gross carrying amount per CIFRS. These rates are as follows: normal at 1%, special mention at 3%, substandard at 20%, doubtful at 50%, and loss at 100%.

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss.

Other reserves are for currency translation differences of the net investment in foreign operations.

**(o) Current and deferred income tax**

The tax expense for the year comprises of current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax expense is determined according to the tax laws of each jurisdiction where each entity of the Group operates and generates taxable income and includes all taxes based upon the taxable profits.

Deferred income tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(o) Current and deferred income tax** (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences and unused tax losses or unused tax credits can be utilised.

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

**(p) Employee benefits**

*(i) Short-term employee benefits*

The Group and the Bank recognise a liability and an expense for short-term employee benefits. The Group and the Bank recognise a provision where it is contractually obliged or where there is a past practice that has created a constructive obligation.

Wages, salaries, bonuses, and other short-term benefits are recognised as an expense in the year in which the associated services are rendered by the employees of the Group and the Bank.

*(ii) Pension fund scheme*

The Bank pays monthly contributions for the compulsory pension scheme to National Social Security Fund ("NSSF"), a publicly administered social security scheme for pension in Cambodia. The Bank has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

Pension fund is both the Bank's and employee's obligation. Contributions were made effective 1 October 2022 and these are paid every month to the National Social Security Fund. For the first five years, contribution to the fund is set at 4% (from KHR400,000 to KHR1,200,000 equivalent US\$99 to US\$298, respectively), which is paid both by the Bank and its employees at 2% each (see Note 27).

*(iii) Long-term employment benefits*

The Group and the Bank have various long-term employment benefit schemes as summarised below:

**Seniority benefits**

In accordance with Prakas No. 443 MoLVT dated 21 September 2018 and Notification Letter No. 042/19 K.B/S.N.N.Kh.L dated 22 March 2019 issued by the Ministry of Labour and Vocational Training ("MoLVT"), the Bank and its subsidiaries, except for ACLEDA Bank Lao Ltd. ("ABL") and ACLEDA MFI Myanmar Co., Ltd. ("AMM"), are required to pay seniority indemnity to its employees as follows:

- Current seniority indemnity: effective January 2019, 15 days of their average monthly salary and benefits each year payable every six month in June and December (7.5 days each payment).
- Back pay seniority indemnity: employees are entitled to 15 days of their salary per year of service since the commencement of employment up to 31 December 2018 and still continue working with the Group and the Bank. The back pay seniority indemnity depends on each staff's past services and shall not exceed six months of average basic salaries. On 22 March 2019, the Ministry of Labour and Vocational Training issued guideline number 042/19 K.B/S.N.N.Kh.L, to delay the payment of the past years of seniority service which will be payable three days each in June and in December starting December 2021.

The current seniority indemnity is considered as short-term employee benefits. These are accrued in the year in which the associated services are rendered by the employees of the Group and the Bank.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(p) Employee benefits (continued)**

*(iii) Long-term employment benefits (continued)*

**Seniority benefits (continued)**

The back pay seniority indemnity is classified as long-term employee benefits, except for the amount payable within 12 months after the reporting date. The liability was recognised at the present value at the reporting period that employees have earned in return for their service from 2008 to 2018 that the Group and the Bank expect to pay in future reporting periods.

The present value of the back pay seniority indemnity is determined by discounting the estimated future payments by reference to the Bank's the longest term deposit interest rate.

On 26 December 2025, the back pay seniority indemnity was paid off for the Group and the Bank.

**Career development benefit**

Career development benefit was originally extended to employees of the Bank and its subsidiaries, excluding AUB. However, this benefit was paid off for the Group, except for ABL, on 12 February 2025 and replaced by a training credit fund for employees, ranging from US\$420 to US\$2,085 per year based on the management position level. ABL retains the old policy which provides career development benefit to its employees ranging from LAK7,947,000 (equivalent to US\$378) to LAK23,372,500 (equivalent to US\$1,112) based on the management position level.

Employees in management positions become eligible for the career development incentive fund after completing two consecutive years in management roles and achieving at least very good performance results. They will automatically qualify for the management career development incentive fund starting from 1st January of the third year (date of eligibility). To receive the fund, employees must have worked in their management positions and maintained at least very good performance for three years from the date of eligibility. The first payment of career development incentive fund will be made in March of the year following the completion of the three-year criteria, and subsequently every three years thereafter.

The liability is recognised at the present value at the end of each reporting period using the projected unit credit method. The present value is determined by discounting the estimated future payments by reference to three-year fixed deposit interest rate, as the period of the benefit settlement is every three years.

**Training credit fund**

Employees in management positions become eligible for the training credit fund after completing two consecutive years in management roles and achieving at least very good performance results (A/A+). They will automatically qualify for the training credit fund starting from 1st January of the third year (date of eligibility). To receive the training credit fund, employees must have worked in positions eligible for training credit fund and maintained at least very good performance for one year from the date of eligibility. The training credit fund is disbursed upon employees request for training, with the initial payment available starting February 2026. In case the training credit fund for each year is not used or fully used, employees can carry the unused portion forward for up to three years.

The training credit fund provided to eligible employees ranges from US\$420 to US\$2,085 per annum, depending on the respective management level. The liability recognised is determined based on the estimated claim percentage approved by management. This claim percentage is derived from an analysis of historical employee study requests over the preceding five-year period, which management deems to be a reasonable basis for estimating expected utilisation of the training credit fund.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(q) Provisions**

Provisions are recognised when the Group and the Bank have 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 of obligation can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures 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 obligation. The increase in the provisions due to the passage of time is recognised as interest expense.

**(r) Interest**

**Effective interest rate**

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

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

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

The calculation of the effective interest rate includes transaction costs and fees 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.

**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 the 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 ECL.

The “gross carrying amount” of a financial asset is the amortised cost of a financial asset before adjusting for any ECL allowance.

**Interest income and interest expense**

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

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(r) Interest** (continued)

**Interest income and interest expense** (continued)

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 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 financial asset. The calculation of interest income does not revert to gross basis, even if the credit risk of the asset improves.

**Presentation**

Interest income calculated using the effective interest method presented in the statement of profit or loss and other comprehensive income may include:

- interest on financial assets and financial liabilities measured at amortised cost;
- interest on debt instruments measured at FVOCI;
- the effective portion of fair value changes in qualifying hedging derivatives designated as cash flow hedges of variability in interest cash flows, in the same period as the hedged cash flows affect interest income/expense; and,
- the effective portion of fair value changes in qualifying hedging derivatives designated as fair value hedges of interest rate risk.

Interest expense presented in the statement of profit or loss and other comprehensive income may include:

- financial liabilities measured at amortised cost; and,
- the effective portion of fair value changes in qualifying hedging derivatives designated in cash flow hedges of variability in interest cash flows, in the same period as the hedged cash flows affect interest income/expense.

Interest income and interest expense on any financial assets and financial liabilities at FVTPL are presented in the statement of profit or loss and other comprehensive income.

**(s) Fee and commission income**

Fee and commission income – including account servicing fees, investment management fees, sales commission, placement fees and syndication fees – are recognised as the related services are performed.

If a loan commitment is not expected to result in the drawdown of a loan, then the related loan commitment fee is recognised on a straight-line basis over the commitment period.

A contract with a customer that results in a recognised financial instrument in the Group's and the Bank's financial statements may be partially in the scope of CIFRS 9, *Financial Instruments*, and partially in the scope of CIFRS 15, *Revenue from Contracts with Customers*. If this is the case, then the Group and the Bank first apply CIFRS 9 to separate and measure the part of the contract that is in the scope of CIFRS 9 and then apply CIFRS 15 to the residual.

**(t) Other income**

**(i) Dividends**

Income from dividends is recognised when the right to receive payment is established. Usually, this is the ex-dividend date for quoted equity securities.

Any dividends on equity instruments designated as FVOCI that clearly represent a recovery of part of the cost of the investment are presented in other comprehensive income.

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES** (continued)

**(t) Other income** (continued)

*(ii) Training and consultancy services*

The Group and the Bank recognise service revenue when it is probable that economic benefits will flow to the Group and the Bank and the amount of revenue can be reliably measured. Revenue from training and consultancy services are recognised when the services are delivered.

**(u) Leases**

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

**As a lessee**

At commencement or on modification of a contract that contains a lease component, the Group and the Bank allocate the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Group and the Bank recognise a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group and the Bank by the end of the lease term, or the cost of the right-of-use asset reflects that the Group and the Bank will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group and the Bank use an incremental borrowing rate. Practically, the Group and the Bank use the incremental borrowing rate as the discount rate to measure its right-of-use assets and lease liabilities.

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

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

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(u) Leases (continued)**

**As a lessee (continued)**

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate; if there is a change in the Group's and the Bank's estimate of the amount expected to be payable under a residual value guarantee; if the Group and the Bank change its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment; or a lease contract is modified and the lease modification is not accounted for as a separate lease. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**Short-term leases and leases of low-value assets**

A short-term lease is a lease that, at the commencement date, has a lease term of twelve months or less. A lease that contains a purchase option is not a short-term lease.

A lease of an underlying asset does not qualify as a lease of a low-value asset if the nature of the asset is such that, when new, the asset is typically not of low value. For example, leases of cars would not qualify as leases of low-value assets because a new car would typically not be of low value.

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

**(v) Contingent assets and contingent liabilities**

Contingent assets arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Group and the Bank. As this may result in the recognition of income that may never be realised, contingent assets are not recognised in the Group's and the Bank's financial statements. Contingent assets should be disclosed where an inflow of economic benefits is probable.

Contingent liabilities, which include certain guarantees and letters of credit pledged as collateral security, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events not wholly within the control of the Group and the Bank; or are present obligations that have arisen from past events but are not recognised because it is not probable that settlement will require the outflow of economic benefits, or because the amount of the obligations cannot be reliably measured.

Contingent liabilities are not recognised in the financial statements but are disclosed unless the probability of settlement is remote.

**(w) Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)**

**(w) Segment reporting (continued)**

The Group reports separately information about an operating segment that meets any of the following quantitative thresholds:

- the absolute amount of its reported profit or loss is 10% or more of the greater, in absolute amount, of the combined reported profit of all operating segments that did not report a loss and the combined reported loss of all operating segments that reported a loss; or,
- its assets are 10% or more of the combined assets of all operating segments.

Operating segments that do not meet any of these quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the consolidated financial statements.

For management purposes, the Group is currently organised into two main business segments: lending and other financial services. These divisions are the basis on which the Group reports its primary segment information.

Financial information on segment reporting is presented in Note 6.

**(x) Rounding of amounts**

All amounts in US\$ disclosed in the financial statements and notes are in whole US\$ currency unit. All Khmer Riel amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

**3. COMPOSITION OF THE GROUP**

Details of the Bank's subsidiaries as at 31 December 2025 and 31 December 2024 are presented in Note 13.

The significant financial information on the financial statements of non-wholly owned subsidiary interests of the Bank that has material non-controlling interests are shown below. The summarised financial information represents amounts before intragroup eliminations.

ACLEDA University of Business Co., Ltd.

	<b>2025 US\$</b>	<b>2024 US\$</b>	<b>2025 KHR'000 (Note 5)</b>	<b>2024 KHR'000 (Note 5)</b>
<u>Financial position:</u>				
Current assets	431,856	615,358	1,733,038	2,476,816
Non-current assets	29,919,284	30,682,426	120,066,087	123,496,765
Total assets	<u>30,351,140</u>	<u>31,297,784</u>	<u>121,799,125</u>	<u>125,973,581</u>
Current liabilities	3,031,251	3,699,091	12,164,410	14,888,842
Non-current liabilities	437,121	1,386,562	1,754,167	5,580,912
Total liabilities	<u>3,468,372</u>	<u>5,085,653</u>	<u>13,918,577</u>	<u>20,469,754</u>
Equity	26,882,768	26,212,131	107,880,548	105,503,827
Total liabilities and equity	<u>30,351,140</u>	<u>31,297,784</u>	<u>121,799,125</u>	<u>125,973,581</u>
Ownership and voting interest held by non-controlling interests	23.391%	23.391%	23.391%	23.391%
Equity attributable to:				
Owners of the Bank	<u>20,594,620</u>	<u>20,080,851</u>	<u>82,646,210</u>	<u>80,825,425</u>
Non-controlling interests	<u>6,288,148</u>	<u>6,131,280</u>	<u>25,234,338</u>	<u>24,678,402</u>

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**3. COMPOSITION OF THE GROUP (continued)**

ACLEDA University of Business Co., Ltd. (continued)

	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<u>Results of operations:</u>				
Revenue	6,642,961	6,325,602	26,644,917	25,751,526
Costs and expenses	(5,972,323)	(5,870,826)	(23,954,988)	(23,900,133)
Profit for the year	<u>670,638</u>	<u>454,776</u>	<u>2,689,929</u>	<u>1,851,393</u>
Total comprehensive income for the year	<u>670,638</u>	<u>454,776</u>	<u>2,689,929</u>	<u>1,851,393</u>
Profit attributable to:				
Owners of the Bank	513,769	348,399	2,060,727	1,418,332
Non-controlling interests	156,869	106,377	629,202	433,061
Total	<u>670,638</u>	<u>454,776</u>	<u>2,689,929</u>	<u>1,851,393</u>
Total comprehensive income for the year attributable to:				
Owners of the Bank	513,769	348,399	2,060,727	1,418,332
Non-controlling interests	156,869	106,377	629,202	433,061
Total	<u>670,638</u>	<u>454,776</u>	<u>2,689,929</u>	<u>1,851,393</u>
<u>Cash flows:</u>				
Net cash inflows from operating activities	1,591,464	1,192,066	6,383,362	4,852,901
Net cash outflows for investing activities	(90,930)	(131,231)	(364,720)	(534,241)
Net cash outflows for financing activities	(1,498,184)	(1,065,830)	(6,009,216)	(4,338,994)
Net cash inflows/(outflows)	<u>2,350</u>	<u>(4,995)</u>	<u>9,426</u>	<u>(20,334)</u>

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

The Group and the Bank make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's and the Bank's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are outlined below.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period:

**Measurement of the expected credit loss allowance**

The expected credit loss allowance (ECL) for financial assets measured at amortised cost requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL such as:

- grouping financial assets sharing similar credit risk characteristics for the purposes of measuring ECL
- choosing appropriate models and assumptions to measure ECL
- determining criteria for identifying loans to customers that have experienced a significant increase in credit risk ("SICR")
- applying assumptions and analysis on expected future cash flows and forward-looking information

4. **CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES** (continued)

**Measurement of the expected credit loss allowance** (continued)

- the Bank applies the LGD floor for ECL calculation in the event of over-collateralisation for loans that can be secured by different types of collaterals, particularly when the pledged collaterals are concentrated on land and buildings, following an analysis of historical loss data and in response to recent developments in the Bank's loan portfolios, as well as prevailing market and economic conditions
- applying assumptions and judgement on management overlay when credit risks that are not adequately captured by the underlying ECL models

Please refer to Note 41.1(f) for guidance on assessment of impairment of financial instruments under ECL model. This includes the determination of inputs used in the ECL measurement and incorporation of forward-looking information.

**Estimating cost of right-of-use assets and lease liabilities**

Lease liabilities are measured at the present value of lease payments to be made over the lease term. In calculating the lease liabilities, the Group and the Bank use its average incremental borrowing rate which is based on average borrowing interest rate at the time of the commencement of the lease term.

**Assets held for sale**

Assets held for sale are measured at the lower of its carrying amount and fair value less costs to sell; with its fair value with reference to their market value, utilising the latest appraisal values from independent valuations obtained from external valuation firms, adjusted for costs to sell. These valuations are based on current prices in an active market for similar properties.

**Estimated useful lives of property and equipment and intangible assets**

The useful lives of the Group's and the Bank's assets with definite useful life are estimated based on the period over which the assets are expected to be available for use. The estimated useful lives of the Group's and the Bank's property and equipment and intangible assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the Group's and the Bank's assets. Despite these periodic updates to useful lives, deviations between estimated and actual asset utilisation can occur for existing assets. Therefore, actual asset utilisation may exceed initial projections, resulting in certain fully depreciated assets are still in use.

**5. TRANSLATION OF UNITED STATES DOLLAR INTO KHMER RIEL**

In compliance with the Law on Accounting and Auditing, the financial statements shall be expressed in Khmer Riel (“KHR”). Assets and liabilities of each statement of financial position presented and reserves are translated using the closing rate as at the reporting date. Shareholders’ capital and share premium are translated at the rate at the date of transaction. The statement of profit or loss and other comprehensive income and the statement of cash flows are translated into KHR using the applicable yearly average rate for the reporting date. All exchange differences arising from the translation are recognised as “exchange differences” in the other comprehensive income.

The Group and the Bank have used the official rates of exchange published by the NBC as following:

		<b>Closing Rate</b>	<b>Average rate</b>
31 December 2025	US\$1 =	KHR4,013	KHR4,011
31 December 2024	US\$1 =	KHR4,025	KHR4,071

**6. SEGMENT INFORMATION**

The Group’s operations are mainly in the financial industry sector from which the Group’s reporting segments are identified.

**(a) Business segments**

The Group’s operating businesses are managed separately according to the nature of services provided (primary segments) and the different geographical markets served (secondary segments) with a segment representing a strategic business unit. The Group’s business segments are as follows:

- Lending - provides loans to individuals, group, and corporate as well as financial institutions. Products offered depend on the purpose, feature and size, such as group loan, small loan, medium loan, housing loan, car loan, motor loan, overdraft loan, revolving loan, financial lease, trade finance loan, etc.
- Other financial services - provides other services such as foreign exchange transaction, debit and credit cards issuing and acquiring service, fund transfer (local and overseas), and cash management services (such as payroll, cash collection, bills payment, top-up and standing orders). These services are leaning toward modernising the digital banking services via mobile application, internet banking and e-commerce as well as other digital ways.

These segments are the basis on which the Group reports its primary segment information. Transactions between segments are conducted at estimated market rates on an arm’s length basis.

Segment revenues and expenses that are directly attributable to primary business segment and the relevant portions of the Group’s revenues and expenses that can be allocated to that business segment are accordingly reflected as revenues and expenses of that business segment.

For secondary segments, revenues and expenses are attributed to geographic areas based on the location of the resources producing the revenues, and on the location where the expenses are incurred.

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**6. SEGMENT INFORMATION (continued)**

**(b) Analysis of primary segment information**

Primary segment information by business segments on a consolidated basis are as follows:

	2025						2024					
	Lending		Other financial services		Total		Lending		Other financial services		Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>Revenues</b>												
Interest income	876,083,020	3,513,968,993	-	876,083,020	3,513,968,993	803,805,805	3,272,293,432	-	-	803,805,805	3,272,293,432	
Interest expense	(315,731,888)	(1,266,400,603)	-	(315,731,888)	(1,266,400,603)	(344,652,206)	(1,403,079,131)	-	-	(344,652,206)	(1,403,079,131)	
Net interest income	560,351,132	2,247,568,390	-	560,351,132	2,247,568,390	459,153,599	1,869,214,301	-	-	459,153,599	1,869,214,301	
Non-interest income	-	75,584,226	303,168,330	75,584,226	303,168,330	-	-	61,443,669	250,137,176	61,443,669	250,137,176	
<b>Total net revenues</b>	<b>560,351,132</b>	<b>2,247,568,390</b>	<b>75,584,226</b>	<b>303,168,330</b>	<b>2,550,736,720</b>	<b>459,153,599</b>	<b>1,869,214,301</b>	<b>61,443,669</b>	<b>250,137,176</b>	<b>520,597,268</b>	<b>2,119,351,477</b>	

**(c) Analysis of secondary segment information**

Secondary segment information by geographical locations on a consolidated basis are as follows:

	2025						2024									
	Kingdom of Cambodia		Lao PDR		Republic Union of Myanmar		Total		Kingdom of Cambodia		Lao PDR		Republic Union of Myanmar		Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>Profit or loss</b>																
Total income	912,634,307	3,660,576,205	32,814,091	131,617,319	7,680,497	30,806,473	953,128,895	3,822,999,987	835,975,628	3,403,256,782	24,176,055	98,420,720	6,581,475	26,793,185	866,733,158	3,528,470,687
Total expense	(728,999,148)	(2,915,993,583)	(27,243,125)	(109,272,174)	(1,191,584)	(4,779,443)	(753,050,680)	(3,020,436,314)	(719,730,889)	(2,930,024,449)	(22,102,453)	(89,979,086)	(3,563,780)	(14,508,149)	(745,397,122)	(3,034,511,684)
Net profit	183,635,159	744,582,622	5,570,966	22,345,145	8,872,081	35,585,916	200,078,206	802,563,673	116,244,739	473,232,333	2,073,602	8,441,634	3,017,695	12,285,036	121,336,036	493,959,003
Other segment information																
Depreciation and amortisation	46,213,240	185,361,306	2,814,914	11,290,620	189,652	760,694	49,217,806	197,412,620	41,480,321	168,866,387	1,546,579	6,236,123	191,475	779,495	43,218,375	175,942,005
<b>Financial position</b>																
Total assets	11,835,119,934	47,494,336,295	243,521,908	977,253,417	34,850,985	139,857,003	12,113,492,827	48,611,446,715	10,710,607,987	43,110,197,148	197,431,153	794,660,391	23,567,409	94,858,820	10,931,606,549	43,999,716,359
Total liabilities	10,156,656,264	40,758,296,404	194,860,803	781,976,402	7,243,101	29,066,585	10,358,663,168	41,569,339,371	9,191,685,857	36,996,535,574	153,921,344	619,533,410	4,831,607	19,447,219	9,350,438,808	37,635,516,203

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

6. SEGMENT INFORMATION (continued)

(d) Reconciliation

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its consolidated financial statements.

	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Revenues</b>				
Total segment revenues	953,128,895	866,733,158	3,822,999,997	3,528,470,686
Elimination of inter-segment revenues	(1,461,649)	(1,483,684)	(5,862,674)	(6,040,078)
<b>Group net revenues as reported in profit or loss</b>	<u>951,667,246</u>	<u>865,249,474</u>	<u>3,817,137,323</u>	<u>3,522,430,608</u>
<b>Profit or loss</b>				
Total segment profit	200,078,206	121,336,036	802,513,683	493,959,003
Elimination of inter-segment profit	(59,286)	(34,578)	(237,797)	(140,767)
<b>Group net profit as reported in profit or loss</b>	<u>200,018,920</u>	<u>121,301,458</u>	<u>802,275,886</u>	<u>493,818,236</u>
<b>Assets</b>				
Total segment assets	12,113,492,827	10,931,606,549	48,611,446,715	43,999,716,359
Elimination of inter-segment assets	(96,215,562)	(97,774,719)	(386,113,050)	(393,543,244)
<b>Total assets</b>	<u>12,017,277,265</u>	<u>10,833,831,830</u>	<u>48,225,333,665</u>	<u>43,606,173,115</u>
<b>Liabilities</b>				
Total segment liabilities	10,358,669,168	9,350,438,808	41,569,339,371	37,635,516,203
Elimination of inter-segment liabilities	(5,132,118)	(6,773,899)	(20,595,189)	(27,264,942)
<b>Total liabilities</b>	<u>10,353,537,050</u>	<u>9,343,664,909</u>	<u>41,548,744,182</u>	<u>37,608,251,261</u>
<b>Other segment information</b>				
Total segment depreciation and amortisation	49,217,806	43,218,375	197,412,620	175,942,005
Elimination of inter-segment depreciation and amortisation	(16,003)	(12,169)	(64,188)	(49,540)
<b>Total depreciation and amortisation</b>	<u>49,201,803</u>	<u>43,206,206</u>	<u>197,348,432</u>	<u>175,892,465</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

7. CASH ON HAND

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Current</b>						
By currency:						
In US\$	329,874,716	315,695,503	1,323,787,235	313,983,437	1,316,568,551	1,263,783,334
In KHR	173,003,533	161,242,544	694,263,178	161,226,576	694,166,966	648,936,968
In THB	5,663,330	28,184,652	22,726,943	26,667,667	16,404,498	107,337,360
In Euro	3,590,713	1,048,048	14,409,531	1,041,344	14,399,310	4,191,410
In other currencies	8,772,720	7,771,376	35,204,926	540,049	6,132,538	2,173,697
	<u>520,905,012</u>	<u>513,942,123</u>	<u>2,090,391,813</u>	<u>503,459,073</u>	<u>2,047,671,863</u>	<u>2,026,422,769</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

8. DEPOSITS AND PLACEMENTS WITH OTHER BANKS, NET

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Balances with local banks:</b>						
National Bank of Cambodia	1,010,032,498	1,247,773,047	4,053,260,414	1,010,032,498	1,247,773,047	4,053,260,414
Other banks	70,498,107	50,409,153	282,908,903	70,498,107	50,409,153	282,908,903
	<u>1,080,530,605</u>	<u>1,298,182,200</u>	<u>4,336,169,317</u>	<u>1,080,530,605</u>	<u>1,298,182,200</u>	<u>4,336,169,317</u>
<b>Balances with overseas banks:</b>						
Bank of Lao PDR	39,617,476	22,593,188	158,984,931	-	-	-
Other banks	1,686,339,405	662,239,182	6,767,280,032	1,683,571,601	660,436,819	6,756,172,835
	<u>1,725,956,881</u>	<u>684,832,370</u>	<u>6,926,264,963</u>	<u>1,683,571,601</u>	<u>660,436,819</u>	<u>6,756,172,835</u>
Total balances with local and overseas banks	2,806,487,486	1,983,014,570	11,262,434,280	2,764,102,206	1,958,619,019	11,092,342,152
Allowance for impairment losses	(653,068)	(622,908)	(2,620,761)	(589,255)	(560,890)	(2,364,680)
	<u>2,805,834,418</u>	<u>1,982,391,662</u>	<u>11,259,813,519</u>	<u>2,763,512,951</u>	<u>1,958,058,129</u>	<u>11,089,977,472</u>
Current	2,805,834,418	1,982,391,662	11,259,813,519	2,763,512,951	1,958,058,129	11,089,977,472
Non-current	-	-	-	-	-	-
	<u>2,805,834,418</u>	<u>1,982,391,662</u>	<u>11,259,813,519</u>	<u>2,763,512,951</u>	<u>1,958,058,129</u>	<u>11,089,977,472</u>
						<u>7,881,183,969</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

8. DEPOSITS AND PLACEMENTS WITH OTHER BANKS, NET (continued)

(a) By account types

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$
<b>Balances with local banks:</b>						
Current accounts	1,010,432,192	1,248,058,850	4,054,864,386	5,023,436,871	1,010,432,192	1,248,058,850
Fixed deposits	70,098,413	50,123,350	281,304,931	201,746,484	70,098,413	50,123,350
	1,080,530,605	1,298,182,200	4,336,169,317	5,225,183,355	1,080,530,605	1,298,182,200
<b>Balances with overseas banks:</b>						
Current accounts	1,224,963,044	684,832,370	4,915,776,695	2,756,450,290	1,183,059,626	660,436,819
Fixed deposits	500,993,837	-	2,010,488,268	-	500,511,975	-
	1,725,956,881	684,832,370	6,926,264,963	2,756,450,290	1,683,571,601	660,436,819
Total balances with local and overseas banks	2,806,487,486	1,983,014,570	11,262,434,280	7,981,633,645	2,764,102,206	1,958,619,019
Allowance for impairment losses	(653,068)	(622,908)	(2,620,761)	(2,507,205)	(589,255)	(560,890)
	2,805,834,418	1,982,391,662	11,259,813,519	7,979,126,440	2,763,512,951	1,958,058,129

(b) By interest rate (per annum)

	The Group		The Bank	
	2025	2024	2025	2024
Current accounts	Nil	Nil	Nil	Nil
Fixed deposits	1.60% - 11.80%	0.74% - 6.00%	3.00% - 6.00%	3.86% - 6.00%



ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

9. FINANCIAL INVESTMENTS, NET (continued)

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Financial investments at amortised cost						
Current	170,883,604	435,616,471	685,755,903	435,616,471	685,755,903	1,753,356,297
Non-current	98,213,934	36,050,772	394,132,517	36,050,772	394,132,517	145,104,356
At gross carrying amount	269,097,538	471,667,243	1,079,888,420	471,667,243	1,079,888,420	1,898,460,653

Analysis of maturity of financial investments at amortised cost

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Within 1 month	161,469,240	409,702,370	647,976,060	409,702,370	647,976,060	1,649,052,041
Between 2 to 3 months	7,300,619	15,935,697	29,297,384	15,935,697	29,297,384	64,141,180
Between 4 to 6 months	158,527	120,478	636,169	120,478	636,169	484,924
Between 7 to 12 months	1,955,218	9,857,926	7,846,290	9,857,926	7,846,290	39,678,152
More than 12 months	98,213,934	36,050,772	394,132,517	36,050,772	394,132,517	145,104,356
At gross carrying amount	269,097,538	471,667,243	1,079,888,420	471,667,243	1,079,888,420	1,898,460,653

(a) This represents the Bank's equity investment in Credit Bureau (Cambodia) Co., Ltd. ("CBC"), directly owned at 5% and indirectly owned at 1% through the Association of Banks in Cambodia. As at 31 December 2025, the Bank's investment in CBC is valued at cost amounting to US\$153,529 (31 December 2024: US\$153,529) and the Bank's investment in Society for Worldwide Interbank Financial Telecommunications ("SWIFT") is valued at cost amounting to US\$36,141 (31 December 2024: US\$36,141) as the management believes the cost of these investments approximates its fair value. Dividend income received from CBC during the year ended 31 December 2025 amounted to KHR1,187,524,800 (equivalent to US\$297,228) (31 December 2024: KHR1,187,524,800 (equivalent to US\$290,036)).

(b) As at 31 December 2025, the NCDs amounting to US\$161,605,161 (31 December 2024: US\$373,392,471) with the NBC is made for the purpose of earning interest. The terms of the NCDs are for a period of less than or equal to twelve months.

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**9. FINANCIAL INVESTMENTS, NET (continued)**

(c) On 12 January 2022, the Bank invested in a corporate debt security with a face value of US\$30,000,000 guaranteed by Overseas Cambodian Investment Corporation Ltd, a third party. The debt security earned an interest at the rate of 5.5% per annum and was redeemed upon reaching its maturity date on 11 January 2025. On 17 March 2025, the Bank reinvested with the same third party in a new corporate debt security with a face value of US\$30,000,000, earning interest at 6.25% p.a., and set to their mature between 2028 to 2032.

As at 31 December 2025, the carrying amount of this investment is US\$31,489,726 (31 December 2024: US\$31,609,315).

As at 31 December 2025, the amortised cost of the investments in government bonds is KHR304,998,637,936 (equivalent to US\$76,002,651) (31 December 2024: KHR268,328,469,435 (equivalent to US\$66,665,458)) and its face value is KHR308,000,000 (equivalent to US\$76,750,559) (31 December 2024: KHR268,000,000 (equivalent to US\$66,583,851)). As at 31 December 2025, the Bank has pledged the government bonds amounting to KHR83,230,000,000 (equivalent to US\$20,740,095) (31 December 2024: KHR98,300,000,000 (equivalent to US\$24,422,360)) with the NBC as collaterals for settlement clearing facility. As at 31 December 2025, the Bank is yet to utilise the overdraft on the settlement clearing facility.

The Bank bought the government bonds from the Ministry of Economy and Finance with information below:

No.	Value date	Quantity (sheet)	Interest per annum	Yield to maturity	Tenure (year)	Maturity date	Face value (KHR) per sheet	Issuance size	
								KHR'000	US\$
1	22/09/2023	8,000	4.50%	5.20%	3	22/09/2026	1,000,000	8,000,000	1,993,521
2	23/02/2024	10,000	4.00%	4.75%	2	23/02/2026	1,000,000	10,000,000	2,491,901
3	23/02/2024	10,000	4.00%	4.70%	2	23/02/2026	1,000,000	10,000,000	2,491,901
4	22/03/2024	120,000	4.50%	5.25%	3	22/03/2027	1,000,000	120,000,000	29,902,816
5	21/03/2025	40,000	3.50%	4.30%	3	21/03/2028	1,000,000	40,000,000	9,967,605
6	21/03/2025	40,000	3.50%	4.20%	3	21/03/2028	1,000,000	40,000,000	9,967,605
7	24/10/2025	40,000	3.40%	4.30%	3	24/10/2028	1,000,000	40,000,000	9,967,605
8	24/10/2025	40,000	3.40%	4.40%	3	24/10/2028	1,000,000	40,000,000	9,967,605
	<b>Total</b>	<b>308,000</b>					<b>8,000,000</b>	<b>308,000,000</b>	<b>76,750,559</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

10. LOANS AND ADVANCES, NET

	The Group														
	2025					2024					2024				
	Gross carrying amount US\$	ECL allowance US\$	Net carrying amount US\$	Gross carrying amount US\$	ECL allowance US\$	Net carrying amount US\$	Gross carrying amount KHR'000	ECL allowance KHR'000	Net carrying amount KHR'000	Gross carrying amount KHR'000	ECL allowance KHR'000	Net carrying amount KHR'000	Gross carrying amount KHR'000	ECL allowance KHR'000	Net carrying amount KHR'000
Small loan	3,486,518,754	(51,896,947)	3,434,621,807	3,207,188,106	(45,315,347)	3,161,872,759	13,991,399,760	(208,262,448)	13,783,137,312	12,908,932,127	(182,394,272)	12,726,537,855	10,043,668,462	(143,642,815)	9,900,025,647
Medium loan	2,498,575,400	(37,388,732)	2,461,186,668	2,495,321,357	(35,687,656)	2,459,633,701	10,026,783,079	(150,040,981)	9,876,742,098	10,043,668,462	(143,642,815)	9,900,025,647	2,480,050,561	(25,652,190)	2,454,398,371
Personal & other loan	816,000,925	(9,593,234)	806,407,691	616,161,630	(6,373,215)	609,788,415	3,274,611,712	(38,497,648)	3,236,114,064	2,480,050,561	(25,652,190)	2,454,398,371	1,202,984,783	(1,820,363)	1,201,164,420
Staff loan	308,250,164	(511,350)	307,738,814	298,878,207	(452,264)	298,425,943	1,237,007,908	(2,052,048)	1,234,955,860	1,202,984,783	(1,820,363)	1,201,164,420	658,038,769	(5,505,975)	652,532,794
Overdraft loan	158,492,812	(1,098,928)	157,393,884	163,487,893	(1,367,944)	162,119,949	636,031,655	(4,409,998)	631,621,657	531,353,516	(5,934,476)	525,697,040	496,410,620	(18,369,484)	478,041,136
Public housing loan	116,132,534	(1,536,731)	114,595,803	132,013,296	(1,474,404)	130,538,892	466,039,859	(6,166,902)	459,872,957	127,314,260	(424,283)	126,889,977	67,342,702	(499,527)	66,843,175
Credit card loan	171,595,081	(5,727,730)	165,867,351	123,331,831	(4,563,847)	118,767,984	688,611,060	(310,618)	687,297,442	102,264,989	(237,942)	80,504,842	57,229,756	(1,351,494)	55,878,262
Staff housing loan	29,566,298	(77,403)	29,488,895	31,630,872	(105,412)	31,525,460	118,649,554	(395,112)	118,338,936	67,342,702	(499,527)	66,843,175	80,742,784	(237,942)	79,504,842
Revolving loan	12,956,624	(98,458)	12,858,166	16,731,106	(124,106)	16,607,000	51,994,932	(395,112)	51,599,820	67,342,702	(499,527)	66,843,175	80,742,784	(237,942)	79,504,842
Trade loan	25,627,280	(143,854)	25,483,426	20,060,319	(59,116)	20,001,203	102,842,275	(577,286)	102,264,989	80,742,784	(237,942)	79,504,842	26,020,804	(416,241)	25,604,563
Home improvement loan	10,732,896	(118,823)	10,614,073	14,218,573	(335,775)	13,882,798	43,071,112	(476,837)	42,594,275	57,229,756	(1,351,494)	55,878,262	28,654,068,340	(385,832,821)	28,268,235,519
	7,634,448,768	(108,192,190)	7,526,256,578	7,119,023,190	(95,859,086)	7,023,164,104	30,637,042,906	(434,175,258)	30,202,867,648	28,654,068,340	(385,832,821)	28,268,235,519			
	The Bank														
	2025					2024					2024				
	Gross carrying amount US\$	ECL allowance US\$	Net carrying amount US\$	Gross carrying amount US\$	ECL allowance US\$	Net carrying amount US\$	Gross carrying amount KHR'000	ECL allowance KHR'000	Net carrying amount KHR'000	Gross carrying amount KHR'000	ECL allowance KHR'000	Net carrying amount KHR'000	Gross carrying amount KHR'000	ECL allowance KHR'000	Net carrying amount KHR'000
Small loan	3,341,009,854	(42,542,524)	3,298,467,330	3,072,415,656	(29,425,877)	3,042,989,779	13,407,472,544	(170,723,149)	13,236,749,395	12,366,473,015	(118,439,155)	12,248,033,860	9,954,841,325	(143,183,945)	9,811,657,380
Medium loan	2,466,973,247	(37,293,868)	2,429,679,379	2,473,252,503	(35,573,651)	2,437,678,852	9,899,963,640	(149,660,293)	9,750,303,347	9,954,841,325	(143,183,945)	9,811,657,380	2,468,395,318	(25,570,329)	2,442,824,989
Personal & other loan	813,144,494	(9,586,312)	803,558,182	613,265,918	(6,352,877)	606,913,041	3,263,148,854	(38,469,870)	3,224,678,984	2,468,395,318	(25,570,329)	2,442,824,989	1,184,226,532	(1,783,325)	1,182,443,207
Staff loan	303,327,454	(502,622)	302,824,832	294,217,772	(443,062)	293,774,710	1,217,253,073	(2,017,022)	1,215,236,051	1,184,226,532	(1,783,325)	1,182,443,207	644,800,734	(5,409,693)	639,391,041
Overdraft loan	143,116,842	(1,057,831)	142,059,011	160,198,940	(1,344,023)	158,854,917	574,327,887	(4,245,076)	570,082,811	644,800,734	(5,409,693)	639,391,041	522,791,907	(5,894,592)	516,897,315
Public housing loan	114,122,273	(1,526,336)	112,595,937	129,886,188	(1,464,495)	128,421,693	457,972,682	(6,125,186)	451,847,496	522,791,907	(5,894,592)	516,897,315	496,410,620	(18,369,484)	478,041,136
Credit card loan	171,595,081	(5,727,730)	165,867,351	123,331,831	(4,563,847)	118,767,984	688,611,060	(310,169)	687,297,442	102,264,989	(237,942)	80,504,842	80,742,784	(237,942)	79,504,842
Staff housing loan	29,506,361	(77,291)	29,429,070	31,560,750	(105,300)	31,455,450	118,409,027	(310,169)	118,098,858	67,342,702	(499,527)	66,843,175	80,742,784	(237,942)	79,504,842
Revolving loan	12,956,624	(98,458)	12,858,166	16,731,106	(124,106)	16,607,000	51,994,932	(395,112)	51,599,820	67,342,702	(499,527)	66,843,175	80,742,784	(237,942)	79,504,842
Trade loan	25,627,280	(143,854)	25,483,426	20,060,319	(59,116)	20,001,203	102,842,275	(577,286)	102,264,989	80,742,784	(237,942)	79,504,842	26,020,804	(416,241)	25,604,563
Home improvement loan	4,140,263	(94,558)	4,045,705	6,464,796	(103,414)	6,361,382	16,614,875	(379,461)	16,235,414	26,020,804	(416,241)	25,604,563			
	7,425,519,773	(98,651,384)	7,326,868,389	6,941,385,779	(79,559,768)	6,861,826,011	29,798,610,849	(395,888,004)	29,402,722,845	27,939,077,760	(320,228,066)	27,618,849,694			

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

10. LOANS AND ADVANCES, NET (continued)

(a) Loans and advances at gross carrying amount by maturity

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 US\$	2024 KHR'000 (Note 5)		
Within 1 year	1,640,909,714	1,589,975,812	6,584,970,682	6,399,652,643	1,565,516,552	1,521,686,724	6,282,417,923	6,124,789,064
Later than 1 year but not later than 3 years	2,588,193,556	2,271,851,384	10,386,420,740	9,144,201,821	2,520,236,296	2,212,294,171	10,113,708,256	8,904,484,038
Later than 3 years but not later than 5 years	1,559,979,248	1,524,697,928	6,260,196,722	6,136,909,160	1,529,553,934	1,494,760,397	6,138,099,937	6,016,410,598
Later than 5 years	1,845,366,250	1,732,498,066	7,405,454,762	6,973,304,716	1,810,212,991	1,712,644,487	7,264,384,733	6,893,394,060
At gross carrying amount	7,634,448,768	7,119,023,190	30,637,042,906	28,654,068,340	7,425,519,773	6,941,385,779	29,798,610,849	27,939,077,760

(b) Movement of impairment losses allowance on loans and advances

During the year, the movements of impairment losses allowance on loans and advances of the Group and the Bank were as follows:

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 US\$	2024 KHR'000 (Note 5)		
At the beginning of the year	95,859,086	55,646,778	385,832,821	227,317,088	79,559,768	39,599,538	320,228,066	161,764,113
Impairment losses charged during the year	63,923,680	84,974,496	256,397,880	345,931,173	69,139,224	82,782,840	277,317,427	337,008,942
Written off during the year	(51,595,420)	(44,688,076)	(206,949,230)	(181,925,157)	(50,068,593)	(42,947,913)	(200,825,127)	(174,840,954)
Currency translation differences	4,844	(74,112)	19,429	(301,710)	20,985	125,303	84,171	510,109
Exchange differences	-	-	(1,125,642)	(5,188,573)	-	-	(916,533)	(4,214,144)
At the end of the year	108,192,190	95,859,086	434,175,258	385,832,821	98,651,384	79,559,768	395,888,004	320,228,066

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

10. LOANS AND ADVANCES, NET (continued)

(c) Impairment losses charged to profit or loss

During the year, the Group and the Bank recognised the impairment losses charged to profit or loss as follows:

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 US\$	2024 KHR'000 (Note 5)
Impairment losses charged/(reversal of impairment losses) on:						
Loans and advances	63,923,680	84,974,496	256,397,880	345,931,173	69,139,224	82,782,840
Off-balance sheet commitments	673,712	37,752	2,702,259	153,688	643,409	23,078
Recovery on loans written off	(10,749,270)	(9,393,846)	(43,115,322)	(38,242,346)	(9,478,902)	(8,131,141)
	53,848,122	75,618,402	215,984,817	307,842,515	60,303,731	74,674,777
Deposits and placements with other banks	5,295	518,846	21,238	2,112,221	27,578	546,749
Other receivables	2,309,448	36,223	9,263,196	147,464	2,059,985	(5,634)
Investments in debt securities	651,244	(577,225)	2,612,140	(2,349,883)	651,244	(577,225)
	2,965,987	(22,156)	11,896,574	(90,198)	2,738,807	(36,110)
	56,814,109	75,596,246	227,881,391	307,752,317	63,042,538	74,638,667
						252,863,619
						303,854,014

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

11. OTHER ASSETS, NET

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Prepayments and advances	10,317,664	10,039,772	41,404,786	40,410,082	9,299,163	9,152,065	37,317,541	36,837,062
Receivable from Western Union and VISA	6,123,634	5,451,235	24,574,143	21,941,221	6,092,897	5,430,497	24,450,796	21,857,750
Stationery supplies	6,099,443	5,122,700	24,477,065	20,618,868	5,800,367	4,903,001	23,276,873	19,734,579
Withholding tax receivable	4,683,093	5,563,315	18,793,252	22,392,343	4,511,921	5,497,761	18,106,339	22,128,488
Others	9,723,624	5,082,693	39,020,904	20,457,838	6,490,496	3,146,223	26,046,360	12,663,549
	36,947,458	31,259,715	148,270,150	125,820,352	32,194,844	28,129,547	129,197,909	113,221,428
ECL allowance	(2,503,193)	(32,155)	(10,045,314)	(129,423)	(2,489,425)	(7,875)	(9,990,063)	(31,697)
Net carrying amount	34,444,265	31,227,560	138,224,836	125,690,929	29,705,419	28,121,672	119,207,846	113,189,731
Current	26,232,115	18,610,176	105,269,478	74,905,958	21,835,512	15,723,554	87,625,910	63,287,306
Non-current	8,212,150	12,617,384	32,955,358	50,784,971	7,869,907	12,398,118	31,581,936	49,902,425
Net carrying amount	34,444,265	31,227,560	138,224,836	125,690,929	29,705,419	28,121,672	119,207,846	113,189,731

12. STATUTORY DEPOSITS

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
With the central bank	644,296,242	596,402,637	2,585,560,819	2,400,520,614	644,296,242	596,402,637	2,585,560,819	2,400,520,614
With other central bank	10,389,557	7,164,290	41,693,294	28,836,266	-	-	-	-
Others	286,569	285,714	1,150,000	1,150,000	-	-	-	-
	654,972,368	603,852,641	2,628,404,113	2,430,506,880	644,296,242	596,402,637	2,585,560,819	2,400,520,614
Current	-	-	-	-	-	-	-	-
Non-current	654,972,368	603,852,641	2,628,404,113	2,430,506,880	644,296,242	596,402,637	2,585,560,819	2,400,520,614
	654,972,368	603,852,641	2,628,404,113	2,430,506,880	644,296,242	596,402,637	2,585,560,819	2,400,520,614

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**12. STATUTORY DEPOSITS** (continued)

**(a) With the central bank**

*(i) Reserve requirement*

Pursuant to the NBC's Prakas No. B7-023-005 on the maintenance of reserve requirement against banking and financial institutions' deposits and borrowings dated 9 January 2023, the institution shall maintain reserve requirement against deposits and borrowings in accordance with dates and rates as follows:

- From 1 January 2023 to 31 December 2023, reserve requirement in foreign currencies shall be at the rate of 9%. From 1 January 2024 onwards, reserve requirement in foreign currencies shall be at the rate of 12.5%.
- The institution shall maintain the reserve requirement in local currency (KHR) at the rate of 7%.

However, in the NBC Letter No. B7-023-2621 Chhor.Tor dated 23 November 2023, the reserve requirement against deposits and borrowings in foreign currencies was changed at the rate of 7% until 31 December 2024.

Subsequently, NBC issued another letter No. B7-024-1718 Chhor.Tor dated 21 August 2024 to further maintain the reserve requirement against deposits and borrowings in foreign currencies at the rate of 7% until 31 December 2025.

Pursuant to the NBC's Prakas No. B7-018-282 on the maintenance of reserve requirement against commercial banks' deposits and borrowings, reserve requirements for both KHR and other currencies bear no interest since 29 August 2018.

The reserve requirement with NBC amounted to US\$600,979,940 as at 31 December 2025 (31 December 2024: US\$553,086,335).

*(ii) Capital guarantee*

Pursuant to the NBC's Prakas No. B7-01-136 on Bank's Capital Guarantee dated 15 October 2001, the banks are required to maintain 10% of its registered capital as a statutory deposit with the NBC. The deposit, which is not available for use in the bank's day-to-day operations, is refundable should the bank voluntarily ceases its operations in Cambodia. As at 31 December 2025, capital guarantee deposit with NBC amounted to US\$43,316,302 (31 December 2024: US\$43,316,302). The capital guarantee deposit is earning at an interest and receives interest on a 6-month basis.

**(b) With other central bank**

ABL maintained its compulsory deposits in compliance with the requirements of the Bank of Lao PDR ("BOL"). Statutory deposits with other central bank include compulsory reserve and registered capital reserve. These balances earn no interest. Under regulations of the BOL, banks are required to maintain certain cash reserves with the BOL in the form of compulsory deposits, which are computed at 8% for the Lao Kip ("LAK") and 10% to 11% for foreign currency effective from 28 August 2024, on a bi-monthly basis, of customers' deposits having original maturities of less than 12 months.

**(c) Others**

In compliance with Article 23 of SERC's Prakas No. 001/18 SECC/PR.K dated 20 March 2018 on licensing and supervision of securities business, ACS is required to reserve the guaranteed capital of KHR1,000,000,000 (which is equivalent to US\$249,190 and US\$248,447 as at 31 December 2025 and 31 December 2024, respectively) in the SERC's bank account at the NBC to operate as a securities broker in the Kingdom of Cambodia. On 24 November 2023, ACS added KHR150,000,000 (which is equivalent to US\$37,379 and US\$37,267 as at 31 December 2025 and 31 December 2024, respectively) in the SERC's bank account at the NBC to fulfil the requirements as stated in Prakas No. 003/18 SECC/PR.K dated 29 May 2018 on the licensing and supervision of collective investment scheme business. This statutory deposit does not bear interest.

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**12. STATUTORY DEPOSITS** (continued)

(c) **Others** (continued)

On 6 February 2024, the ACS obtained official approval from SERC as distribution company which is tasked with opening investment fund accounts for investors, supporting subscribe unit funds for investors and facilitating redeem of fund units upon holding unit investors' redemption requests.

**13. INVESTMENTS IN SUBSIDIARIES**

	Notes	The Bank			
		2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Unquoted ordinary shares, at cost</b>					
ACLEDA Bank Lao Ltd.	(a)	49,389,566	49,389,566	198,200,328	198,793,003
ACLEDA Securities Plc.	(b)	2,010,000	2,010,000	8,066,130	8,090,250
ACLEDA University of Business Co., Ltd.	(c)	19,805,000	19,805,000	79,477,465	79,715,125
ACLEDA MFI Myanmar Co., Ltd.	(d)	19,913,150	19,913,150	79,911,471	80,150,429
		<u>91,117,716</u>	<u>91,117,716</u>	<u>365,655,394</u>	<u>366,748,807</u>

Details of the Bank's subsidiaries are as follows:

Name of subsidiaries	Notes	Ownership and voting interest	
		2025	2024
ACLEDA Bank Lao Ltd.	(a)	99.90%	99.90%
ACLEDA Securities Plc.	(b)	100%	100%
ACLEDA University of Business Co., Ltd.	(c)	76.609%	76.609%
ACLEDA MFI Myanmar Co., Ltd.	(d)	100%	100%

(a) **ACLEDA Bank Lao Ltd.**

ABL was established in Lao PDR on 13 December 2007 under a preliminary license from the BOL. ABL's principal business is providing banking and related financial services in Lao PDR. The Bank owned 99.90% of ABL's shares. The Bank's initial investment in 2008 in ABL was US\$5,477,399. In 2009, the Bank sold shares to International Finance Corporation ("IFC") amounting to US\$876,384 which decreased the Bank's investments in ABL to US\$4,601,015. In 2010, the Bank injected capital to ABL amounting to US\$5,966,969, thereby increasing its investments to US\$10,567,984.

In 2014, the Bank bought shares from FMO, Stichting Triodos Doen, Triodos Fair Share Fund and IFC amounting to US\$28,902,433 but sold share to AUB amounting US\$27,335 and injected capital to ABL amounting to US\$9,946,484, increasing its investments in ABL to US\$49,389,566. As at 31 December 2025, the Bank's investments in ABL remain the same.

(b) **ACLEDA Securities Plc.**

On 1 March 2010, ACS was established in the Kingdom of Cambodia and registered with the Ministry of Commerce ("MOC") under the Registration No. 00002713. On 20 October 2010, the SERC (previously known as "SECC") granted a brokerage license to ACS. The registered share capital of ACS is US\$2,010,000 (equivalent to KHR8,240,000,000), divided into 2,060,000 shares with par value of KHR4,000 each. ACS' principal business is providing securities brokerage and other services approved by the SERC. ACS is wholly-owned by the Bank.

## ACLEDA BANK PLC.

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

#### 13. INVESTMENTS IN SUBSIDIARIES (continued)

##### (c) ACLEDA University of Business Co., Ltd.

AUB (previously known as “ACLEDA Training Center Ltd.” and “ACLEDA Institute of Business Co., Ltd.”) was established in the Kingdom of Cambodia under a primary license from the MOC under the Registration No. 00003836. The registered share capital of AUB was US\$17,805,000, divided into 17,805,000 shares with par value of US\$1 each. In 2018, AUB increased its share capital by US\$2,000,000 to US\$19,805,000. The revised Memorandum and Articles of Association (“MAA”) was endorsed by the MOC on 14 December 2018.

AUB is recognised as an establishment of a private higher education institution under the Sub-Decree No. 13 ANKr. BK dated 25 January 2016 from the Royal Government of Cambodia. AUB provides training and education for Associate’s degree, Bachelor’s degree, and Master’s degree in Business Administration, Major in Banking and Finance. AUB can open branches, new colleges, new departments, new specialties, new levels or classes, new types of education and training, change to a new name and location by submitting relevant documents and by requesting approval from the Ministry of Education, Youth and Sport (“MoEYS”).

On 10 February 2021, the NBC approved, on request of the Bank, an increase in the capital of AUB as invested by ACLEDA Financial Trust (“AFT”), amounting to US\$10,000,000, which represents 23.391% of the total shares registered, equals to 6,047,046 shares at the price of US\$1.6537 per share through a Share Investment Agreement made on 26 February 2021 between the Bank, AUB and AFT. Consequently, AUB’s share capital increased to US\$25,852,046 and reduced the Bank’s ownership to 76.609%, which is equal to US\$19,805,000.

On 29 March 2021, AUB submitted a letter to the MOC requesting for its approval on the amendment of its MAA relating to the capital increase and on 2 December 2022, AUB obtained the approval from the MOC.

On 12 February 2024, AUB was recognised as transformation from ACLEDA Institute of Business Co., Ltd. to be ACLEDA University of Business Co., Ltd. under the Sub-Decree No. 27 RNK. BK from the Royal Government of Cambodia. The Ministry of Education, Youth and Sport (“MoEYS”) approved this transformation on 16 January 2024.

##### (d) ACLEDA MFI Myanmar Co., Ltd.

AMM was incorporated in the Republic of the Union of Myanmar under the Republic of the Union of Myanmar Companies Law on 6 September 2012 to provide services per Registration No. 143715094 and started its operations on 18 February 2013. The financial year of the statutory financial statements of AMM is from 1 October to 30 September until year 2021 and from 1 April to 31 March from year 2022 onwards in accordance with the Letter N<sup>o</sup>: NgaKaSa/AhMaKha (105/2021) issued on 13 September 2021 on changing the fiscal year of Myanmar.

AMM is permitted to operate as a deposit-taking microfinance institution providing microfinance services to lower income segments of the Myanmar market and other activities allowed by the Microfinance Supervisory Authority at 45 townships in Yangon Region, 28 townships in Bago Region, 3 townships in Mon State and 25 townships in Magway Region.

The Bank’s initial investment in 2013 in AMM was US\$9,411,765. In 2014, the Bank sold shares to IFC, COFIBRED S.A and Kreditanstalt Fur Wiederaufbau (“KfW”) amounting to US\$3,659,371, which decreased its investments in AMM to US\$5,752,394.

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**13. INVESTMENTS IN SUBSIDIARIES (continued)**

**(d) ACLEDA MFI Myanmar Co., Ltd. (continued)**

The Bank acquired 3,600,000 ordinary shares (45% of the total shareholdings) of AMM from KfW, COFIBRED S.A, and IFC for a consideration of US\$6,194,516 as approved by the Board of Directors of AMM on 25 April 2018. At the meantime, the Bank transferred share of 0.01% to AUB amounting US\$1,195. The share transfers, appointment of representative of shareholders, and changing the Board members were approved on 27 September 2018 by the Secretary of Microfinance Business Supervisory Committee, the Republic of the Union of Myanmar Government.

On 23 September 2019, the Bank injected capital amounting to US\$3,969,923 (equivalent to Myanmar Kyat (“MMK”) 6,099,390,000) and additional capital of US\$3,995,367 (equivalent to MMK6,039,396,000), on 3 December 2019, increasing its ownership to 99.99%, with the remaining interest owned by AUB.

On 12 May 2021, the Bank settled US\$2,145 to AUB to hold 100% of common stock of AMM shares amounting to MMK20,140,000,000 (2020: 99.99% of MMK8,000,000,000). On 5 April 2021, AMM submitted a request to the regulator for the approval of its amended MAA resulting from the change in ownership. Microfinance Business Supervisory Committee had approved AMM’s request with Letter No. KaKa-1/6 (467/2021) dated 23 December 2021.

**14. ASSETS HELD FOR SALE**

Assets held for sale consist of immovable properties, such as lands and buildings, acquired through the foreclosure of collaterals from defaults on loans and advances from customer. These properties have been repossessed by the Group and the Bank as part of the settlement of debts.

The movements of the assets held for sale during the year are as follows:

	The Group		The Bank	
	2025 US\$	2025 KHR'000 (Note 5)	2024 US\$	2024 KHR'000 (Note 5)
At the beginning of the year	-	-	-	-
Additions (*)	13,372,583	53,637,430	-	53,637,430
Exchange differences	-	26,746	-	26,746
At the end of the year	13,372,583	53,664,176	-	53,664,176

(\*) During the year, the Group and the Bank foreclosed several properties pledged as collaterals by a borrower to settle outstanding loan balances.

*Valuation process (technique/inputs) used to determine fair value*

The level 3 fair value of foreclosed properties has been derived using comparison method and cost method.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

14. ASSETS HELD FOR SALE (continued)

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Fair value	13,372,583	-	53,664,176	-
			13,372,583	53,664,176

The foreclosed properties were valued by a valuation company accredited by the Real Estate Business & Pawnshop Regulator of Cambodia, and the management believes that there is no significant change on valuation from the reporting date.

15. PROPERTY AND EQUIPMENT, NET

	The Group						Total US\$
	Land improvement US\$	Land improvement US\$	Building and improvement US\$	Leasehold improvement US\$	Office equipment US\$	Computer equipment US\$	
<b>Cost</b>							
As at 1 January 2025	14,542,280	1,777,338	99,132,420	12,861,183	103,385,191	107,640,644	370,955,088
Additions	-	16,356	1,408	1,489,911	8,010,012	8,553,190	21,032,908
Disposals/write-offs	-	-	-	(434,413)	(2,397,364)	(854,536)	(5,257,584)
Transfers	-	-	-	120,750	1,006,639	2,489,025	-
Currency translation differences	-	-	-	49,739	(65,025)	(98,648)	(124,454)
Adjustments	-	-	-	-	3,801	858	(98,970)
As at 31 December 2025	14,542,280	1,793,694	99,133,828	14,087,170	109,943,294	117,730,533	386,506,988
<b>Less: Accumulated depreciation</b>							
As at 1 January 2025	-	1,032,398	40,579,710	8,229,339	75,470,902	77,329,664	219,427,475
Charge for the year	-	70,548	4,619,375	1,997,466	11,359,960	9,109,838	29,565,850
Disposals/write-offs	-	-	-	(402,425)	(2,345,418)	(851,026)	(5,170,140)
Currency translation differences	-	(10)	(3,736)	29,004	(55,309)	(59,345)	(97,552)
As at 31 December 2025	-	1,102,936	45,195,349	9,853,384	84,430,135	85,529,131	243,725,633
Net carrying value	14,542,280	690,758	53,938,479	4,233,786	25,513,119	32,201,402	142,781,355
In KHR'000 equivalent (Note 5)	58,358,170	2,772,012	216,455,116	16,990,183	102,384,147	129,224,226	572,981,578

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

15. PROPERTY AND EQUIPMENT, NET (continued)

As at 31 December 2025, fully depreciated property and equipment of the Group with total historical cost of US\$120,513,079 (31 December 2024: US\$109,669,869) are still in active use.

	The Group							Total US\$	
	Land improvement US\$	Land improvement US\$	Building and improvement US\$	Leasehold improvement US\$	Office equipment US\$	Computer equipment US\$	Motor vehicles US\$		Construction in progress US\$
<b>Cost</b>									
As at 1 January 2024	14,542,280	1,759,381	99,132,875	11,400,491	96,992,721	98,783,454	24,687,205	2,219,363	349,517,770
Additions	-	17,957	-	1,137,773	8,799,373	10,044,419	4,002,907	4,931,802	28,934,231
Disposals/write-offs	-	-	(455)	(143,181)	(2,632,705)	(4,646,445)	(1,107,368)	-	(8,530,154)
Transfers	-	-	-	445,484	66,744	2,525,684	70,334	(3,108,246)	-
Effect of hyperinflation restatement	-	-	-	43,107	214,009	1,257,070	145,014	(70)	1,659,130
Currency translation differences	-	-	-	(22,491)	(59,360)	(324,951)	(48,302)	(60,293)	(515,397)
Adjustments	-	-	-	-	4,409	1,413	(6,598)	(109,716)	(110,492)
As at 31 December 2024	14,542,280	1,777,338	99,132,420	12,861,183	103,385,191	107,640,644	27,743,192	3,872,840	370,955,088
<b>Less: Accumulated depreciation</b>									
As at 1 January 2024	-	962,313	35,943,579	6,514,768	68,126,579	74,455,536	15,768,130	-	201,770,905
Charge for the year	-	70,095	4,640,952	1,848,384	9,886,978	7,184,824	2,098,727	-	25,729,960
Disposals/write-offs	-	-	(455)	(140,531)	(2,615,440)	(4,639,965)	(1,107,367)	-	(8,503,758)
Effect of hyperinflation restatement	-	-	-	27,307	129,991	577,613	59,725	-	794,636
Currency translation differences	-	(10)	(4,366)	(20,589)	(57,206)	(248,344)	(33,753)	-	(364,268)
As at 31 December 2024	-	1,032,398	40,579,710	8,229,339	75,470,902	77,329,664	16,785,462	-	219,427,475
Net carrying value	14,542,280	744,940	58,552,710	4,631,844	27,914,289	30,310,980	10,957,730	3,872,840	151,527,613
In KHR'000 equivalent (Note 5)	58,532,677	2,998,384	235,674,658	18,643,172	112,355,013	122,001,695	44,104,863	15,588,180	609,898,642

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

15. PROPERTY AND EQUIPMENT, NET (continued)

	The Bank								Total US\$
	Land improvement US\$	Land improvement US\$	Building and improvement US\$	Leasehold improvement US\$	Office equipment US\$	Computer equipment US\$	Motor vehicles US\$	Construction in progress US\$	
<b>Cost</b>									
As at 1 January 2025	2,328,344	282,726	77,195,956	12,352,632	101,116,960	97,286,279	26,401,299	3,834,020	320,798,216
Additions	-	-	-	1,412,076	7,739,384	8,082,765	2,463,066	426,323	20,123,614
Disposals/write-offs	-	-	-	(408,897)	(2,287,413)	(803,847)	(1,553,746)	-	(5,053,903)
Transfers	-	-	-	113,190	984,936	2,458,102	44,806	(3,601,034)	-
Adjustments	-	-	-	-	3,801	858	-	(103,629)	(98,970)
As at 31 December 2025	<u>2,328,344</u>	<u>282,726</u>	<u>77,195,956</u>	<u>13,469,001</u>	<u>107,557,668</u>	<u>107,024,157</u>	<u>27,355,425</u>	<u>555,680</u>	<u>335,768,957</u>
<b>Less: Accumulated depreciation</b>									
As at 1 January 2025	-	184,304	36,049,117	7,811,298	73,561,275	71,844,748	15,996,865	-	205,447,607
Charge for the year	-	9,216	3,887,072	1,963,090	11,220,155	7,755,094	2,258,238	-	27,092,865
Disposals/write-offs	-	-	-	(377,421)	(2,265,199)	(800,674)	(1,553,746)	-	(4,997,040)
Currency translation differences	-	(10)	(3,736)	(1,781)	(10,306)	(7,369)	(2,068)	-	(25,270)
As at 31 December 2025	-	<u>193,510</u>	<u>39,932,453</u>	<u>9,395,186</u>	<u>82,505,925</u>	<u>78,791,799</u>	<u>16,699,289</u>	-	<u>227,518,162</u>
Net carrying value	<u>2,328,344</u>	<u>89,216</u>	<u>37,263,503</u>	<u>4,073,815</u>	<u>25,051,743</u>	<u>28,232,358</u>	<u>10,656,136</u>	<u>555,680</u>	<u>108,250,795</u>
In KHR'000 equivalent (Note 5)	<u>9,343,644</u>	<u>358,024</u>	<u>149,538,438</u>	<u>16,348,220</u>	<u>100,532,643</u>	<u>113,296,453</u>	<u>42,763,074</u>	<u>2,229,944</u>	<u>434,410,440</u>

As at 31 December 2025, fully depreciated property and equipment of the Bank with total historical cost of US\$114,195,436 (31 December 2024: US\$103,228,956) are still in active use.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

15. PROPERTY AND EQUIPMENT, NET (continued)

	The Bank									
	Land improvement US\$	Land improvement US\$	Building and improvement US\$	Leasehold improvement US\$	Office equipment US\$	Computer equipment US\$	Motor vehicles US\$	Construction in progress US\$	Total US\$	
<b>Cost</b>										
<b>As at 1 January 2024</b>	2,328,344	282,726	77,196,411	10,932,179	94,915,864	93,025,844	23,741,433	1,316,041	303,738,842	
Additions	-	-	-	1,096,555	8,724,384	8,234,496	3,686,295	3,832,922	25,574,652	
Disposals/write-offs	-	-	(455)	(121,586)	(2,594,441)	(4,598,139)	(1,090,165)	-	(8,404,786)	
Transfers	-	-	-	445,484	66,744	622,665	70,334	(1,205,227)	-	
Adjustments	-	-	-	-	4,409	1,413	(6,598)	(109,716)	(110,492)	
<b>As at 31 December 2024</b>	<b>2,328,344</b>	<b>282,726</b>	<b>77,195,956</b>	<b>12,352,632</b>	<b>101,116,960</b>	<b>97,286,279</b>	<b>26,401,299</b>	<b>3,834,020</b>	<b>320,798,216</b>	
<b>Less: Accumulated depreciation</b>										
<b>As at 1 January 2024</b>	-	175,072	32,148,838	6,104,026	66,361,651	70,153,324	15,086,771	-	190,029,682	
Charge for the year	-	9,242	3,905,100	1,828,316	9,789,251	6,293,503	2,002,231	-	23,827,643	
Disposals/write-offs	-	-	(455)	(119,337)	(2,580,093)	(4,595,222)	(1,090,165)	-	(8,385,272)	
Currency translation differences	-	(10)	(4,366)	(1,707)	(9,534)	(6,857)	(1,972)	-	(24,446)	
<b>As at 31 December 2024</b>	<b>-</b>	<b>184,304</b>	<b>36,049,117</b>	<b>7,811,298</b>	<b>73,561,275</b>	<b>71,844,748</b>	<b>15,996,865</b>	<b>-</b>	<b>205,447,607</b>	
<b>Net carrying value</b>	<b>2,328,344</b>	<b>98,422</b>	<b>41,146,839</b>	<b>4,541,334</b>	<b>27,555,685</b>	<b>25,441,531</b>	<b>10,404,434</b>	<b>3,834,020</b>	<b>115,350,609</b>	
<b>In KHR'000 equivalent (Note 5)</b>	<b>9,371,585</b>	<b>396,149</b>	<b>165,616,027</b>	<b>18,278,869</b>	<b>110,911,632</b>	<b>102,402,162</b>	<b>41,877,847</b>	<b>15,431,930</b>	<b>464,286,201</b>	

Movement for cash used for purchases of property and equipment

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 KHR'000 (Note 5)		
Additions	21,032,908	28,934,231	84,362,994	117,791,254	20,123,614	25,574,652	80,715,816	104,114,408
Decrease/(increase) in accounts payable for capital expenditure	29,030	(46,063)	116,439	(187,522)	29,030	-	116,439	-
Cash used for purchases of property and equipment	21,061,938	28,888,168	84,479,433	117,603,732	20,152,644	25,574,652	80,832,255	104,114,408

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

16. INTANGIBLE ASSETS, NET

	The Group		The Bank	
	Computer software US\$	Work in progress US\$	Computer software US\$	Work in progress US\$
		Total US\$		Total US\$
<b>Cost</b>				
As at 1 January 2025	50,830,252	52,914,741	46,937,820	49,022,309
Additions	2,826,917	3,314,475	2,826,211	3,310,119
Write-offs	(145,067)	(145,067)	(145,067)	(145,067)
Transfers	829,856	-	829,856	-
Currency translation differences	(40,110)	(40,110)	-	-
Adjustments	-	(536,102)	-	(536,102)
As at 31 December 2025	54,301,848	55,507,937	50,448,820	51,651,259
<b>Less: Accumulated amortisation</b>				
As at 1 January 2025	36,177,923	36,177,923	33,876,917	33,876,917
Charge for the year	5,910,412	5,910,412	5,435,854	5,435,854
Write-offs	(144,486)	(144,486)	(144,486)	(144,486)
Currency translation differences	(29,477)	(29,477)	(4,839)	(4,839)
As at 31 December 2025	41,914,372	41,914,372	39,163,446	39,163,446
Net carrying value	12,387,476	13,593,565	11,285,374	12,487,813
<i>In KHR'000 equivalent (Note 5)</i>	49,710,941	54,550,976	45,288,206	50,113,594

As at 31 December 2025, the Group's and the Bank's fully amortised intangible assets with historical cost of US\$31,184,677 and US\$29,725,505, respectively (31 December 2024: US\$25,272,431 and US\$23,806,038, respectively), are still used actively.

## ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

## 16. INTANGIBLE ASSETS, NET (continued)

	The Group			The Bank		
	Computer software US\$	Work in progress US\$	Total US\$	Computer software US\$	Work in progress US\$	Total US\$
<b>Cost</b>						
As at 1 January 2024	40,498,585	2,730,718	43,229,303	38,153,750	2,288,017	40,441,767
Additions	8,800,889	1,750,259	10,551,148	8,539,020	1,230,875	9,769,895
Write-offs	(582,023)	-	(582,023)	(566,790)	-	(566,790)
Transfers	1,744,376	(1,744,376)	-	811,840	(811,840)	-
Effect of hyperinflation restatement	521,315	-	521,315	-	-	-
Currency translation differences	(152,890)	(29,549)	(182,439)	-	-	-
Adjustments	-	(622,563)	(622,563)	-	(622,563)	(622,563)
As at 31 December 2024	50,830,252	2,084,489	52,914,741	46,937,820	2,084,489	49,022,309
<b>Less: Accumulated amortisation</b>						
As at 1 January 2024	32,458,285	-	32,458,285	30,612,312	-	30,612,312
Charge for the year	4,565,938	-	4,565,938	4,313,776	-	4,313,776
Write-offs	(521,877)	-	(521,877)	(506,644)	-	(506,644)
Effect of hyperinflation restatement	338,327	-	338,327	-	-	-
Currency translation differences	(124,017)	-	(124,017)	(3,794)	-	(3,794)
Adjustments	(538,733)	-	(538,733)	(538,733)	-	(538,733)
As at 31 December 2024	36,177,923	-	36,177,923	33,876,917	-	33,876,917
Net carrying value	14,652,329	2,084,489	16,736,818	13,060,903	2,084,489	15,145,392
<i>In KHR'000 equivalent (Note 5)</i>	58,975,624	8,390,068	67,365,692	52,570,135	8,390,068	60,960,203

## Movement for cash used for purchases of intangible assets

	The Group			The Bank		
	2025 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Additions	3,314,475	13,294,359	42,953,724	3,310,119	13,276,887	39,773,243
Decrease/(increase) in accounts payable for intangible assets	2,767,517	(246,551)	(1,003,709)	2,763,867	-	-
Cash used for purchases of intangible assets	6,081,992	24,394,870	41,950,015	6,073,986	24,362,758	39,773,243

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

17. RIGHT-OF-USE ASSETS, NET

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Right-of-use assets	35,236,565	36,146,086	141,404,335	145,487,996	32,831,596	33,189,075	131,753,195	133,586,027

The Group and the Bank lease office buildings, ATM locations and parking lots for its operations. Information about leases for which the Group or the Bank is a lessee is presented below:

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
At the beginning of the year	36,146,086	32,410,303	145,487,996	132,396,088	33,189,075	30,852,413	133,586,027	126,032,107
Additions during the year	13,147,883	17,173,328	52,736,159	69,912,618	12,809,712	16,373,362	51,379,755	66,655,957
Effect of hyperinflationary economy	-	897,839	-	3,655,103	-	-	-	-
Depreciation for the year	(13,725,542)	(12,910,310)	(55,053,149)	(52,557,872)	(12,786,385)	(12,437,143)	(51,286,190)	(50,631,609)
Lease termination during the year	(292,693)	(1,631,785)	(1,173,992)	(6,642,997)	(382,274)	(1,633,217)	(1,533,301)	(6,648,826)
Currency translation differences	(39,169)	206,711	(157,107)	841,520	1,468	33,660	5,888	137,030
Exchange differences	-	-	(435,572)	(2,116,464)	-	-	(398,984)	(1,958,632)
At the end of the year	35,236,565	36,146,086	141,404,335	145,487,996	32,831,596	33,189,075	131,753,195	133,586,027

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

17. RIGHT-OF-USE ASSETS, NET (continued)

Amounts recognised in the statement of profit or loss and other comprehensive income:

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Depreciation expense	13,725,542	12,910,310	55,053,149	52,557,872	12,786,385	12,437,143	51,286,190	50,631,609
Interest expense on lease liabilities	2,129,195	2,098,202	8,540,201	8,541,780	1,953,627	1,944,340	7,835,998	7,915,408
Expense relating to short-term lease	6,227	3,115	24,976	12,681	-	-	-	-
(Gain)/loss on pre-termination of leases	(50,244)	(139,265)	(201,529)	(566,948)	16,558	(122,709)	66,414	(499,548)
	15,810,720	14,872,362	63,416,797	60,545,385	14,756,570	14,258,774	59,188,602	58,047,469

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

18. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Deferred tax assets	1,405,148	4,149,905	5,638,859	16,703,368	-	-	-	-
Deferred tax liabilities	(595,071)	(3,361,806)	(2,388,020)	(13,531,270)	-	-	-	-
<b>Net deferred tax assets</b>	<b>810,077</b>	<b>788,099</b>	<b>3,250,839</b>	<b>3,172,098</b>	-	-	-	-
Deferred tax assets	19,414,575	17,755,287	77,910,689	71,465,030	17,397,126	17,755,287	69,814,667	71,465,030
Deferred tax liabilities	(66,332,155)	(51,651,549)	(266,190,938)	(207,897,485)	(62,448,839)	(51,651,549)	(250,607,191)	(207,897,485)
<b>Net deferred tax liabilities</b>	<b>(46,917,580)</b>	<b>(33,896,262)</b>	<b>(188,280,249)</b>	<b>(136,432,455)</b>	<b>(45,051,713)</b>	<b>(33,896,262)</b>	<b>(180,792,524)</b>	<b>(136,432,455)</b>
Total deferred tax assets	20,819,723	21,905,192	83,549,548	88,168,398	17,397,126	17,755,287	69,814,667	71,465,030
Total deferred tax liabilities	(66,927,226)	(55,013,355)	(268,578,958)	(221,428,755)	(62,448,839)	(51,651,549)	(250,607,191)	(207,897,485)
<b>Total net deferred tax liabilities</b>	<b>(46,107,503)</b>	<b>(33,108,163)</b>	<b>(185,029,410)</b>	<b>(133,260,357)</b>	<b>(45,051,713)</b>	<b>(33,896,262)</b>	<b>(180,792,524)</b>	<b>(136,432,455)</b>

The movements in total net deferred tax liabilities during the year are presented as follows:

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
At the beginning of the year	(33,108,163)	(25,429,419)	(133,260,357)	(103,879,177)	(33,896,262)	(26,782,045)	(136,432,455)	(109,404,654)
Charged to profit or loss	(12,992,278)	(7,844,754)	(52,112,028)	(31,935,994)	(11,155,451)	(7,114,217)	(44,744,514)	(28,961,977)
Currency translation differences	(7,062)	166,010	(28,326)	675,827	-	-	-	-
Exchange differences	-	-	371,301	1,878,987	-	-	384,445	1,934,176
At the end of the year	<b>(46,107,503)</b>	<b>(33,108,163)</b>	<b>(185,029,410)</b>	<b>(133,260,357)</b>	<b>(45,051,713)</b>	<b>(33,896,262)</b>	<b>(180,792,524)</b>	<b>(136,432,455)</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

18. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES (continued)

The components of and movements in deferred tax assets and deferred tax liabilities during the year presented are as follows:

Deferred tax assets of the Group:

	Unamortised loan fees US\$	Unearned revenue US\$	Provision for expected credit losses US\$	Other provision US\$	Employee benefits US\$	Unrealised exchange losses US\$	Accelerated depreciation US\$	Lease liabilities US\$	Others US\$	Total US\$
As at 1 January 2025	599,781	49,332	3,313,276	6,048,380	1,315,993	3,701,526	-	6,556,955	319,949	21,905,192
Credited/(charged) to profit or loss	76,156	(41)	(1,404,651)	398,199	(1,193,860)	1,205,937	-	(98,620)	(68,589)	(1,085,469)
As at 31 December 2025	675,937	49,291	1,908,625	6,446,579	122,133	4,907,463	-	6,458,335	251,360	20,819,723
In KHR'000 equivalent (Note 5)	2,712,535	197,805	7,659,312	25,870,122	490,120	19,693,649	-	25,917,298	1,008,707	83,549,548
As at 1 January 2024	710,701	54,593	3,209,220	5,564,566	1,635,771	2,731,546	4,768	352,122	2,699,396	16,962,683
(Charged)/credited to profit or loss	(110,920)	(5,261)	104,056	483,814	(319,778)	969,980	(4,768)	6,204,833	(2,379,447)	4,942,509
As at 31 December 2024	599,781	49,332	3,313,276	6,048,380	1,315,993	3,701,526	-	6,556,955	319,949	21,905,192
In KHR'000 equivalent (Note 5)	2,414,119	198,561	13,335,936	24,344,730	5,296,872	14,898,642	-	26,391,744	1,287,794	88,168,398

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

18. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES (continued)

The components of and movements in deferred tax assets and deferred tax liabilities during the year presented are as follows:

Deferred tax assets of the Bank:

	Other provision US\$	Employee benefits US\$	Unrealised exchange losses US\$	Lease liabilities US\$	Others US\$	Total US\$
As at 1 January 2025	5,985,689	1,306,712	3,586,227	6,556,710	319,949	17,755,287
Credited/(charged) to profit or loss	400,103	(1,193,860)	603,942	(99,757)	(68,589)	(358,161)
As at 31 December 2025	6,385,792	112,852	4,190,169	6,456,953	251,360	17,397,126
In KHR'000 equivalent (Note 5)	25,626,183	452,875	16,815,148	25,911,752	1,008,709	69,814,667
As at 1 January 2024	5,505,303	1,625,989	2,730,883	350,912	2,694,285	12,907,372
Credited/(charged) to profit or loss	480,386	(319,277)	855,344	6,205,798	(2,374,336)	4,847,915
As at 31 December 2024	5,985,689	1,306,712	3,586,227	6,556,710	319,949	17,755,287
In KHR'000 equivalent (Note 5)	24,092,398	5,259,516	14,434,564	26,390,758	1,287,794	71,465,030

Deferred tax liabilities of the Group:

	Unamortised loan fees US\$	Provision for expected credit losses US\$	Unrealised exchange gains US\$	Accelerated depreciation US\$	Right-of-use assets US\$	Others US\$	Total US\$
As at 1 January 2025	4,625,288	41,491,226	-	2,707,144	6,188,270	1,427	55,013,355
Charged/(credited) to profit or loss	5,603,463	6,293,890	-	(290,139)	107,181	199,476	11,913,871
As at 31 December 2025	10,228,751	47,785,116	-	2,417,005	6,295,451	200,903	66,927,226
In KHR'000 equivalent (Note 5)	41,047,978	191,761,671	-	9,699,441	25,263,645	806,223	268,578,958
As at 1 January 2024	3,379,139	36,610,954	1,899	2,383,244	13,112	3,754	42,392,102
Charged/(credited) to profit or loss	1,246,149	4,880,272	(1,899)	323,900	6,175,158	(2,327)	12,621,253
As at 31 December 2024	4,625,288	41,491,226	-	2,707,144	6,188,270	1,427	55,013,355
In KHR'000 equivalent (Note 5)	18,616,785	167,002,185	-	10,896,255	24,907,787	5,743	221,428,755

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

18. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES (continued)

The components of and movements in deferred tax assets and deferred tax liabilities during the year presented are as follows:

Deferred tax liabilities of the Bank:

	Unamortised loan fees US\$	Provision for expected credit losses US\$	Accelerated depreciation US\$	Right-of-use assets US\$	Total US\$
As at 1 January 2025	1,375,944	41,398,338	2,688,997	6,188,270	51,651,549
Charged/(credited) to profit or loss	4,969,608	6,187,312	(290,173)	(69,457)	10,797,290
As at 31 December 2025	6,345,552	47,585,650	2,398,824	6,118,813	62,448,839
In KHR'000 equivalent (Note 5)	25,464,700	190,961,213	9,626,481	24,554,797	250,607,191
As at 1 January 2024	689,933	36,610,954	2,375,418	13,112	39,689,417
Charged to profit or loss	686,011	4,787,384	313,579	6,175,158	11,962,132
As at 31 December 2024	1,375,944	41,398,338	2,688,997	6,188,270	51,651,549
In KHR'000 equivalent (Note 5)	5,538,175	166,628,310	10,823,213	24,907,787	207,897,485

19. DEPOSITS AND PLACEMENTS OF OTHER BANKS AND FINANCIAL INSTITUTIONS

	The Group		The Bank	
	2025 US\$	2025 KHR'000 (Note 5)	2024 US\$	2024 KHR'000 (Note 5)
Current accounts	83,095,123	333,460,729	84,103,451	94,833,426
Savings deposits	29,680,376	119,107,349	28,582,602	32,036,847
Fixed deposits	221,464,032	888,735,160	197,036,551	245,857,331
	334,239,531	1,341,303,238	309,722,604	372,727,604
		1,595,970,263		1,242,916,810
Current	236,396,941	948,660,924	212,162,473	256,572,604
Non-current	97,842,590	392,642,314	97,560,131	116,155,000
	334,239,531	1,341,303,238	309,722,604	372,727,604
		1,595,970,263		1,242,916,810
				1,500,228,606
				1,032,704,731
				391,508,806
				467,523,875
				1,500,228,606

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

19. DEPOSITS AND PLACEMENTS OF OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

The deposits and placements of other banks and financial institutions are analysed as follows:

(a) By maturity

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Within 6 months	199,114,703	236,465,459	799,047,303	951,773,473	182,372,025	216,344,800	731,858,936	870,787,820
Later than 6 months but not later than 1 year	37,282,238	43,608,450	149,613,621	175,524,011	29,790,448	40,227,804	119,549,068	161,916,911
Later than 1 year but not later than 3 years	11,892,590	29,860,442	47,724,964	120,188,279	11,610,131	29,575,000	46,591,456	119,039,375
Later than 3 years	85,950,000	86,580,000	344,917,350	348,484,500	85,950,000	86,580,000	344,917,350	348,484,500
	<u>334,239,531</u>	<u>396,514,351</u>	<u>1,341,303,238</u>	<u>1,595,970,263</u>	<u>309,722,604</u>	<u>372,727,604</u>	<u>1,242,916,810</u>	<u>1,500,228,606</u>

(b) By relationship

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Related parties	100,616	74,940	403,772	301,634	1,135,640	3,485,169	4,557,323	14,027,805
Non-related parties	334,138,915	396,439,411	1,340,899,466	1,595,668,629	308,586,964	369,242,435	1,238,359,487	1,486,200,801
	<u>334,239,531</u>	<u>396,514,351</u>	<u>1,341,303,238</u>	<u>1,595,970,263</u>	<u>309,722,604</u>	<u>372,727,604</u>	<u>1,242,916,810</u>	<u>1,500,228,606</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

19. DEPOSITS AND PLACEMENTS OF OTHER BANKS AND FINANCIAL INSTITUTIONS (continued)

(c) By interest (per annum)

	The Group		The Bank	
	2025	2024	2025	2024
Current accounts	0.00% - 2.00%	0.00% - 2.00%	0.00% - 0.75%	0.00% - 0.75%
Savings deposits	0.00% - 3.00%	0.00% - 3.00%	0.00% - 1.00%	0.00% - 1.00%
Fixed deposits	1.00% - 14.00%	1.45% - 13.00%	1.00% - 9.50%	1.45% - 9.50%

20. DEPOSITS FROM CUSTOMERS

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Current accounts	1,794,859,195	1,416,388,683	7,202,769,950	5,700,964,450
Savings deposits	3,288,247,072	2,843,866,399	13,195,735,500	11,446,562,256
Margin deposits	22,084,889	21,430,854	88,626,659	86,259,187
Fixed deposits	3,929,836,788	3,680,855,498	15,770,435,030	14,815,443,379
	<u>9,035,027,944</u>	<u>7,962,541,434</u>	<u>36,257,567,139</u>	<u>32,049,229,272</u>
			2025 US\$	2024 US\$
			1,780,680,241	1,400,198,752
			3,251,429,921	2,814,795,170
			22,084,889	21,405,782
			3,818,825,898	3,608,898,685
			<u>7,845,298,389</u>	<u>7,845,298,389</u>
			2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
			7,145,869,807	5,635,799,977
			13,047,988,273	11,329,550,559
			88,626,659	86,158,273
			15,324,948,329	14,525,817,207
			<u>31,577,326,016</u>	<u>31,577,326,016</u>

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Current	8,191,744,038	7,117,246,308	32,873,468,824	28,646,916,389
Non-current	843,283,906	845,295,126	3,384,098,315	3,402,312,883
	<u>9,035,027,944</u>	<u>7,962,541,434</u>	<u>36,257,567,139</u>	<u>32,049,229,272</u>
			2025 US\$	2024 US\$
			8,057,832,946	7,020,842,564
			815,188,003	824,455,825
			<u>7,845,298,389</u>	<u>7,845,298,389</u>
			2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
			32,336,083,612	28,258,891,321
			3,271,349,456	3,318,434,695
			<u>31,577,326,016</u>	<u>31,577,326,016</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

20. DEPOSITS FROM CUSTOMERS (continued)

The deposits from customers are analysed as follows:

(a) By maturity

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Within 6 months	6,890,969,386	5,939,385,466	27,653,460,146	23,906,026,500
Later than 6 months but not later than 1 year	1,300,774,652	1,177,860,842	5,220,008,678	4,740,889,889
Later than 1 year but not later than 3 years	735,311,760	578,023,980	2,950,806,093	2,326,546,520
Later than 3 years	107,972,146	267,271,146	433,292,222	1,075,766,363
	<u>9,035,027,944</u>	<u>7,962,541,434</u>	<u>36,257,567,139</u>	<u>32,049,229,272</u>
			<u>8,873,020,949</u>	<u>7,845,298,389</u>
			<u>27,384,547,190</u>	<u>24,204,030,883</u>
			<u>1,150,262,368</u>	<u>5,119,214,888</u>
			<u>6,782,175,112</u>	<u>5,870,580,196</u>
			<u>27,216,868,724</u>	<u>23,629,085,290</u>
			<u>27,216,868,724</u>	<u>23,629,085,290</u>

(b) By relationship

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Related parties	25,644,306	16,144,658	102,910,600	64,982,248
Non-related parties	9,009,383,638	7,946,396,776	36,154,656,539	31,984,247,024
	<u>9,035,027,944</u>	<u>7,962,541,434</u>	<u>36,257,567,139</u>	<u>32,049,229,272</u>
			<u>8,873,020,949</u>	<u>7,845,298,389</u>
			<u>17,093,841</u>	<u>112,035,953</u>
			<u>7,828,204,548</u>	<u>35,495,397,115</u>
			<u>7,845,102,695</u>	<u>31,508,523,305</u>
			<u>35,607,433,068</u>	<u>31,577,326,016</u>

(c) By interest rate (per annum)

	The Group		The Bank	
	2025	2024	2025	2024
Current accounts	0.00% - 2.00%	0.00% - 2.00%	0.00% - 0.75%	0.00% - 0.75%
Margin deposits	Nil	Nil	Nil	Nil
Savings deposits	0.00% - 14.00%	0.00% - 15.00%	0.00% - 1.00%	0.00% - 1.00%
Fixed deposits	0.02% - 13.50%	0.03% - 12.00%	0.02% - 10.60%	0.03% - 10.60%

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

21. OTHER LIABILITIES

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Accrued annual leave	32,475,575	30,429,869	130,324,482	122,480,223	31,928,963	29,928,445	128,130,929	120,461,991
Fund transfers	20,287,497	26,467,968	81,413,725	106,533,571	20,285,391	26,420,324	81,405,274	106,341,804
Accounts payables	22,987,439	21,484,272	92,248,593	86,474,195	19,761,068	19,679,901	79,301,166	79,211,602
Accrued bonuses	25,033,769	6,486,410	100,460,515	26,107,800	24,227,312	6,000,000	97,224,203	24,150,000
Tax payables	2,460,085	2,838,153	9,872,321	11,423,566	2,386,974	2,805,281	9,578,927	11,291,256
Bakong interbank payable	2,004,255	1,939,132	8,043,075	7,805,006	2,004,255	1,939,132	8,043,075	7,805,006
Others	15,098,937	14,018,505	60,592,036	56,424,483	14,173,647	12,936,621	56,878,845	52,069,900
	<u>120,347,557</u>	<u>103,664,309</u>	<u>482,954,747</u>	<u>417,248,844</u>	<u>114,767,610</u>	<u>99,709,704</u>	<u>460,562,419</u>	<u>401,331,559</u>
Current	88,246,081	58,886,583	354,131,523	237,018,497	83,214,245	55,441,578	333,938,765	223,152,352
Non-current	<u>32,101,476</u>	<u>44,777,726</u>	<u>128,823,224</u>	<u>180,230,347</u>	<u>31,553,365</u>	<u>44,268,126</u>	<u>126,623,654</u>	<u>178,179,207</u>
	<u>120,347,557</u>	<u>103,664,309</u>	<u>482,954,747</u>	<u>417,248,844</u>	<u>114,767,610</u>	<u>99,709,704</u>	<u>460,562,419</u>	<u>401,331,559</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

22. BORROWINGS

The Group and the Bank have entered into borrowing agreements with various lenders. The repayments of principal and interest are made either on monthly, quarterly, semi-annual, annual basis, or balloon based on the repayment schedule of each of the borrowing agreements. The Group and the Bank did not pledge any collaterals for these borrowings.

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)		
Current	291,472,419	522,897,106	1,169,678,817	2,104,660,852	290,289,976	517,582,175	1,164,933,674	2,083,268,254
Non-current	55,889,147	83,960,769	224,283,147	337,942,095	54,418,005	80,939,840	218,379,454	325,782,856
	347,361,566	606,857,875	1,393,961,964	2,442,602,947	344,707,981	598,522,015	1,383,313,128	2,409,051,110

As at 31 December 2025, the Bank's financial covenant ratios were not in line with covenants on borrowings totalling US\$218,203,765 from a few lenders. Consequently, the non-current portion amounting US\$60,377,717 was reclassified as current liabilities. The Bank had received waiver approvals from the respective lenders for these financial covenant ratios, which are valid until 31 December 2025.

In addition, there was other borrowings totalling US\$42,622,855 in which the financial covenant ratios were not in line with borrowing agreements. However, the Bank had received waiver approval from the lender for these financial covenant ratios by the reporting date, which is valid until 31 December 2026. The non-current portion amounting US\$28,426,647 was still accordingly classified as non-current liabilities.

Meanwhile, management is working to enhance the ratios to be in line with the Bank's strategies and objectives.

*Changes in liabilities arising from financing activities – borrowings*

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)		
At the beginning of the year	606,857,875	859,813,550	2,442,602,947	3,512,338,352	598,522,015	843,418,591	2,409,051,110	3,445,364,944
Additions	1,195,241	12,753,898	4,794,112	51,921,119	-	10,000,000	-	40,710,000
Charge during the year	37,614,730	61,032,212	150,872,682	248,462,135	37,039,393	59,901,279	148,565,005	243,858,107
Repayments	(298,432,194)	(326,574,639)	(1,197,011,530)	(1,329,485,356)	(291,047,867)	(315,307,113)	(1,167,392,995)	(1,283,615,257)
Withholding tax accrued	-	(244,672)	-	(996,060)	-	(244,672)	-	(996,060)
Effect of hyperinflationary economy	-	(28,075)	-	(114,293)	-	-	-	-
Currency translation difference	125,914	105,601	505,041	429,902	194,440	753,930	779,899	3,069,249
Exchange differences	-	-	(7,801,288)	(39,952,852)	-	-	(7,689,891)	(39,339,873)
At the end of the year	347,361,566	606,857,875	1,393,961,964	2,442,602,947	344,707,981	598,522,015	1,383,313,128	2,409,051,110

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**22. BORROWINGS** (continued)

The borrowings are analysed as follows:

**(a) By relationship**

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Related parties	17,142,387	34,282,111	68,792,399	17,142,387	34,282,111	137,985,497
Non-related parties	330,219,179	572,575,764	1,325,169,565	327,565,594	564,239,904	2,271,065,613
	<u>347,361,566</u>	<u>606,857,875</u>	<u>1,393,961,964</u>	<u>344,707,981</u>	<u>598,522,015</u>	<u>2,409,051,110</u>

**(b) By interest rate (per annum)**

	The Group		The Bank	
	2025	2024	2025	2024
Annual interest rates	2.00% - 15.00%	2.00% - 15.00%	2.00% - 9.73%	2.00% - 9.80%

**23. SUBORDINATED DEBTS**

All subordinated debts totalling US\$205,672,689 have been approved by NBC to be treated as part of complementary capital for the purpose of net worth calculation. Both balances represent the outstanding principal plus accrued interest payable amount. The terms of the subordinated debts range from five to twelve years with interest rate ranging from 6.19% to 11.5% per annum (2024: from five to twelve years with interest rate ranging from 6.19% to 11.5% per annum). The Group and the Bank did not pledge any collaterals for these subordinated debts.

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Current	59,147,363	80,352,127	237,358,368	80,352,127	237,358,368	323,417,311
Non-current	146,525,326	98,409,981	588,006,133	98,409,981	588,006,133	396,100,174
	<u>205,672,689</u>	<u>178,762,108</u>	<u>825,364,501</u>	<u>178,762,108</u>	<u>825,364,501</u>	<u>719,517,485</u>

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**23. SUBORDINATED DEBTS (continued)**

As at 31 December 2025, the Bank's financial covenant ratios were not in line with covenants on subordinated debts totalling US\$50,120,161 from a few lenders. Consequently, the non-current portion amounting US\$28,098,496 was reclassified as current liabilities. The Bank had received waiver approvals from the respective lenders for these financial covenant ratios, which are valid until 31 December 2025.

In addition, there was other subordinated debt totalling US\$15,105,000 in which the financial covenant ratios were not in line with subordinated debt agreements. However, the Bank had received waiver approval from the lender for these financial covenant ratios by the reporting date, which is valid until 31 December 2026. The non-current portion amounting US\$15,000,000 was still accordingly classified as non-current liabilities.

Meanwhile, management is working to enhance the ratios to be in line with the Bank's strategies and objectives.

*Changes in liabilities arising from financing activities – subordinated debts*

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
At the beginning of the year	178,762,108	117,053,882	719,517,485	117,053,882	719,517,485	478,165,108
Additions	50,000,000	83,996,593	200,550,000	83,996,593	200,550,000	341,950,130
Charge during the year	19,798,245	12,010,121	79,410,761	12,010,121	79,410,761	48,893,203
Repayments	(42,937,917)	(34,587,147)	(172,223,986)	(34,587,147)	(172,223,986)	(140,804,275)
Withholding tax accrued	-	16,625	-	16,625	-	67,680
Currency translation difference	50,253	272,034	201,565	272,034	201,565	1,107,451
Exchange differences	-	-	(2,091,324)	-	(2,091,324)	(9,861,812)
At the end of the year	205,672,689	178,762,108	825,364,501	178,762,108	825,364,501	719,517,485

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

23. SUBORDINATED DEBTS (continued)

The subordinated debts are analysed as follows:

(a) By relationship

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Related parties	15,105,000	15,105,000	60,616,365	15,105,000	60,616,365	60,797,625
Non-related parties	190,567,689	163,657,108	764,748,136	163,657,108	764,748,136	658,719,860
	<u>205,672,689</u>	<u>178,762,108</u>	<u>825,364,501</u>	<u>178,762,108</u>	<u>825,364,501</u>	<u>719,517,485</u>

(b) By interest rate (per annum)

	The Group		The Bank	
	2025	2024	2025	2024
Annual interest rates	6.19% - 11.50%	6.19% - 11.50%	6.19% - 11.50%	6.19% - 11.50%

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

24. DEBT SECURITIES

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Current	1,938,633	-	7,779,734	-	1,938,633	7,779,734
Non-current	197,869,687	-	794,051,054	-	197,869,687	794,051,054
	199,808,320	-	801,830,788	-	199,808,320	801,830,788

ACLEDA Bank Plc. obtained approvals from the NBC on 6 January 2025, and from the SERC on 15 January 2025, to proceed with its subordinated bond issuance totalling KHR 400 billion, equivalent to US\$100 million. These bonds, with a seven-year term and coupon rate of 8.5% per annum, are intended for use as capital to support the Bank's general banking activities and other corporate objectives. Coupon payment is payable quarterly in arrears from each issuance date ("Coupon Payment Date") with the last coupon payment to be made on the maturity date; while principal redemption is starting from the 3rd to 7th year (annually) arrears from each issuance date.

The Bank had obtained approval from the NBC and the SERC for another subordinated bond issuance totalling KHR 400 billion, equivalent to US\$100 million on 1 July 2025 and 27 August 2025 respectively. The Bank successfully completed the bond issuance on 11 September 2025 with a seven-year term and coupon rate of 7.5% per annum, are intended for corporate objectives and growth of ACLEDA Bank Plc. Coupon payment is payable quarterly in arrears from each issuance date ("Coupon Payment Date") with the last coupon payment to be made on the maturity date; while principal redemption is starting from the 3rd to 7th year (annually) arrears from each issuance date.

All settlement transactions of the bonds including subscription, coupon payment and principal redemption shall be in US\$ at a fixed US\$/KHR exchange rate of US\$1 to KHR4,000. These debt securities have been approved by NBC to be treated as part of complementary capital for the purpose of net worth calculation.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

24. DEBT SECURITIES (continued)

Changes in liabilities arising from financing activities – debt securities

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
At the beginning of the year	-	-	-	-
Additions	200,000,000	-	200,000,000	802,200,000
Charge during the year	10,384,255	-	10,384,255	41,651,247
Repayments	(10,565,653)	-	(10,565,653)	(42,378,834)
Currency translation difference	(10,282)	-	(10,282)	(41,241)
Exchange differences	-	-	399,616	399,616
At the end of the year	199,808,320	-	199,808,320	801,830,788

(a) By relationship

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Related parties	225,724	-	225,724	905,830
Non-related parties	199,582,596	-	199,582,596	800,924,958
	199,808,320	-	199,808,320	801,830,788

25. DERIVATIVE FINANCIAL INSTRUMENTS

Under existing interest rate swap contracts, the Group and the Bank agree with commercial banks to exchange the differences between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group and the Bank to mitigate the risk of changing interest rates on the fair value of issued fixed-rate debt and the cash flow exposures on the issued variable-rate debt. The fair value of interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the curves at the end of the reporting period and the credit risk inherent in the contracts, and is disclosed on the next page. The average interest rate is based on the outstanding balances at the end of the reporting period.



ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

26. LEASE LIABILITIES

Analysis of the Group's and the Bank's lease liabilities are as follows:

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 US\$	2024 KHR'000 (Note 5)
<b>Undiscounted lease liabilities</b>						
Less than 1 year	12,536,879	12,958,553	50,310,495	12,631,207	12,030,467	50,840,608
1 to 5 years	22,274,762	23,061,296	89,388,620	21,882,315	21,241,683	88,076,318
More than 5 years	5,662,408	5,125,208	22,723,243	2,131,401	2,843,265	8,578,889
<b>Total undiscounted lease liabilities</b>	<b>40,474,049</b>	<b>41,145,057</b>	<b>162,422,358</b>	<b>36,644,923</b>	<b>36,115,415</b>	<b>147,495,815</b>
<b>Present value of lease liabilities</b>						
Current	12,225,973	12,545,477	49,062,830	12,237,326	11,737,721	49,255,237
Non-current	22,299,813	22,476,271	89,489,149	20,546,226	20,547,048	82,698,560
<b>Total present value of lease liabilities</b>	<b>34,525,786</b>	<b>35,021,748</b>	<b>138,551,979</b>	<b>32,783,552</b>	<b>32,284,769</b>	<b>131,953,797</b>

The Group and the Bank lease office buildings, ATM locations and parking lots for its operations. Information about leases for which the Group and the Bank are a lessee is presented below:

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 US\$	2024 KHR'000 (Note 5)
At the beginning of the year	35,021,748	32,527,687	140,962,536	30,547,348	32,783,552	124,785,917
Additions during the year	12,688,165	17,355,884	50,892,230	16,365,861	12,380,280	66,625,420
Payments for the year	(14,983,231)	(15,172,239)	(60,097,740)	(14,319,451)	(14,468,629)	(58,294,485)
Lease terminations during the year	(343,309)	(1,771,020)	(1,377,012)	(1,755,926)	(365,743)	(7,148,375)
Interest charged during the year	2,129,195	2,098,202	8,540,201	1,944,340	1,953,627	7,915,408
Adjustment	-	(791)	-	-	-	-
Currency translation differences	13,218	(15,975)	53,017	1,380	1,682	5,618
Exchange differences	-	-	(421,253)	-	-	(1,935,706)
<b>At the end of the year</b>	<b>34,525,786</b>	<b>35,021,748</b>	<b>138,551,979</b>	<b>32,783,552</b>	<b>32,284,769</b>	<b>131,953,797</b>

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**26. LEASE LIABILITIES (continued)**

The Group and the Bank lease office buildings, ATM locations and parking lots for its operations. Information about leases for which the Group and the Bank are a lessee is presented below:

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$ (Note 5)	2024 KHR'000 (Note 5)
Total cash outflows for lease payments	14,989,458	15,175,354	60,122,716	61,778,866	14,468,629	58,033,671
						14,319,451
						58,294,485

**27. EMPLOYEE BENEFITS**

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$ (Note 5)	2024 KHR'000 (Note 5)
Seniority indemnity benefits	-	6,595,411	-	26,546,530	-	6,533,559
Training credit fund	573,515	-	2,301,516	-	564,257	-
Career development benefit	81,605	3,343,039	327,481	13,455,732	-	3,249,489
Pension fund	72,240	72,612	289,899	292,263	70,864	71,302
	727,360	10,011,062	2,918,896	40,294,525	635,121	9,854,350
						2,548,741
						39,663,759
Current	658,226	4,113,582	2,641,461	16,557,168	635,121	4,052,881
Non-current	69,134	5,897,480	277,435	23,737,357	-	5,801,469
	727,360	10,011,062	2,918,896	40,294,525	635,121	9,854,350
						2,548,741
						39,663,759

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

27. EMPLOYEE BENEFITS (continued)

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Within 1 month	72,240	72,612	289,899	292,264	70,864	71,302	284,377	286,990
Between 2 to 3 months	585,986	3,311,326	2,351,562	13,328,087	564,257	3,253,009	2,264,364	13,093,361
Between 4 to 6 months	-	355,722	-	1,431,781	-	355,170	-	1,429,559
Between 7 to 12 months	-	373,922	-	1,505,036	-	373,400	-	1,502,935
More than 12 months	69,134	5,897,480	277,435	23,737,357	-	5,801,469	-	23,350,914
	727,360	10,011,062	2,918,896	40,294,525	635,121	9,854,350	2,548,741	39,663,759

(a) Seniority indemnity benefits

Movements in seniority indemnity benefits are as follows:

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
At the beginning of the year	6,595,411	5,961,627	26,546,530	24,353,246	6,533,559	5,912,112	26,297,575	24,150,977
Additions (Note 33)	14,572,377	10,191,690	58,449,804	41,490,370	14,331,604	10,010,306	57,484,064	40,751,956
Benefits paid	(21,157,100)	(9,547,071)	(84,861,128)	(38,866,126)	(20,854,780)	(9,379,133)	(83,648,523)	(38,182,450)
Effect of hyperinflationary economy	-	(732)	-	(2,980)	-	-	-	-
Currency translation differences	(10,688)	(10,103)	(42,870)	(41,129)	(10,383)	(9,726)	(41,646)	(39,595)
Exchange differences	-	-	(92,336)	(386,851)	-	-	(91,470)	(383,313)
At the end of the year	-	6,595,411	-	26,546,530	-	6,533,559	-	26,297,575

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

27. EMPLOYEE BENEFITS (continued)

(b) Training credit fund

Movements in training credit fund are as follows:

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
At the beginning of the year	-	-	-	-
Additions	573,587	-	-	-
Currency translation differences	(72)	2,300,657	564,257	2,263,235
Exchange differences	-	(289)	-	-
At the end of the year	573,515	2,301,516	564,257	1,128
			2,264,363	-
				2,264,363

(c) Career development benefit

The Bank approved on 4 December 2024 to pay off the career development benefit to employees, except for ABL, in February 2025.

Movements in career development benefit are as follows:

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
At the beginning of the year	3,343,039	2,359,069	3,249,489	2,217,834
(Remeasurement gain)/additions (Note 33)	(123,740)	1,761,433	(164,679)	1,712,055
Benefits paid	(3,131,757)	(764,647)	(3,084,810)	(678,925)
Effect of hyperinflationary economy	-	(1,952)	-	(7,947)
Currency translation differences	(5,937)	(10,864)	-	(44,227)
Exchange differences	-	(46,640)	-	(186,807)
At the end of the year	81,605	3,343,039	327,481	3,249,489
				13,079,193
				9,059,852
				(660,527)
				(12,373,173)
				-
				(45,493)
				(6,005)
				(180,526)
				13,079,193

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**28. SHARE CAPITAL AND SHARE PREMIUM**

As at 31 December 2025, the authorised share capital comprised of 433,163,019 ordinary shares with par value of US\$1 each. All issued shares are fully paid by the following shareholders and their respective interest in the Bank are below.

	2025			2024		
	Number of shares	US\$	% of shareholding	Number of shares	US\$	% of shareholding
ACLEDA Financial Trust	122,694,061	122,694,061	28.3251%	122,694,061	122,694,061	28.3251%
Sumitomo Mitsui Banking Corporation ("SMBC")	78,259,310	78,259,310	18.0669%	78,259,310	78,259,310	18.0669%
COFIBRED S.A	52,530,223	52,530,223	12.1271%	52,530,223	52,530,223	12.1271%
ORIX Corporation	52,530,223	52,530,223	12.1271%	52,530,223	52,530,223	12.1271%
NHTPE Rumdul	15,160,706	15,160,706	3.5000%	15,160,706	15,160,706	3.5000%
Triodos Microfinance Fund	6,274,582	6,274,582	1.4485%	6,274,582	6,274,582	1.4485%
Triodos Fair Share Fund	5,365,844	5,365,844	1.2388%	5,365,844	5,365,844	1.2388%
Shareholders legalised from ASA, Plc.	24,916,808	24,916,808	5.7524%	24,916,808	24,916,808	5.7524%
Public shareholders	75,431,262	75,431,262	17.4141%	75,431,262	75,431,262	17.4141%
	<b>433,163,019</b>	<b>433,163,019</b>	<b>100%</b>	<b>433,163,019</b>	<b>433,163,019</b>	<b>100%</b>
		<u><b>1,732,652,076</b></u>			<u><b>1,732,652,076</b></u>	

*In KHR'000 equivalent (Note 5)*

**Share premium**

The share premium mainly represents the excess amount received by the Bank over the par value of its shares pursuant to the issuance of shares, net of transaction costs directly distributable to the issuance.

On 25 May 2020, the Bank was successfully listed on the CSX. The number of new issued shares is 4,344,865 shares with a par value of KHR4,000 (US\$0.98) per share, at an offering price of KHR16,200 (US\$3.97) per share. The Bank received the proceeds from the initial public offering ("IPO") amounting to US\$17,082,105 and incurred IPO costs of US\$1,031,025, resulting in share premium of US\$11,706,215 (KHR48,235,459 thousand). On 23 November 2020, the shareholders approved the amendment to the MAA relating to the capital increase from IPO. The MAA was subsequently approved by the NBC and the MOC on 29 March 2021 and 12 May 2021, respectively.

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**28. SHARE CAPITAL AND SHARE PREMIUM (continued)**

**Dividend**

During the year, the following dividends have been declared and paid by the Bank to its owners:

	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
- In respect of the year ended 31 December 2024: KHR227.8049 per ordinary share declared on 18 April 2025 and paid on 13 June 2025	24,238,924	-	98,676,658	-
- In respect of the year ended 31 December 2023: KHR140.4795 per ordinary share declared on 7 May 2024 and paid on 17 May 2024	-	14,805,480	-	60,850,524

**29. INTEREST INCOME**

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Loans and advances	815,413,243	772,362,018	777,254,577	738,313,761
Financial investments	6,749,023	8,594,862	6,749,023	8,594,862
Deposits and placements with other banks:				
Banks inside Cambodia	5,081,153	1,990,657	5,035,418	1,957,855
Banks outside Cambodia	47,956,390	20,184,471	47,956,390	20,184,471
National Bank of Cambodia	883,211	673,797	452,673	563,272
	<u>876,083,020</u>	<u>803,805,805</u>	<u>837,448,081</u>	<u>769,614,221</u>
				<u>3,359,004,253</u>
				<u>3,133,099,494</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

30. INTEREST EXPENSE

	The Group			The Bank		
	2025	2024	2025	2024	2025	2024
	US\$	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	KHR'000 (Note 5)
Deposits and placements of other banks and financial institutions:						
Fixed deposits	15,434,887	16,496,224	61,909,333	12,941,508	13,689,674	51,908,389
Savings deposits	167,609	128,649	672,280	141,777	114,070	568,668
Current accounts	113,129	42,462	453,760	113,129	42,462	453,760
Deposits from customers:						
Fixed deposits	184,945,497	216,912,464	741,816,388	174,347,266	212,289,058	699,306,884
Savings deposits	30,470,494	25,519,885	122,217,151	29,566,828	24,779,915	118,592,547
Current accounts	14,673,847	10,411,985	58,856,800	14,669,575	10,410,217	58,839,665
Borrowings	37,614,730	61,032,212	150,872,682	37,039,393	59,901,279	148,565,005
Subordinated debts	19,798,245	12,010,123	79,410,761	19,798,245	12,010,122	79,410,761
Debt securities	10,384,255	-	41,651,247	10,384,255	-	41,651,247
Interest expense on leases	2,129,195	2,098,202	8,540,201	1,953,627	1,944,340	7,835,998
	<u>315,731,888</u>	<u>344,652,206</u>	<u>1,266,400,603</u>	<u>300,955,603</u>	<u>335,181,137</u>	<u>1,207,132,924</u>
			<u>1,403,079,131</u>			<u>1,364,522,409</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

31. FEE AND COMMISSION INCOME

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
ATM fee	15,108,103	12,820,820	60,598,601	52,193,558	15,037,441	12,763,423	60,315,176	51,959,895
Commission fees	11,238,186	10,878,034	45,076,364	44,284,476	11,034,208	10,726,275	44,258,208	43,666,666
Commission fee collected for insurance agencies	5,136,757	6,150,656	20,603,532	25,039,321	5,015,276	6,064,928	20,116,272	24,690,322
Training fees	5,191,341	4,800,360	20,822,469	19,542,266	60,051	60,025	240,865	244,362
Deposit fee charged	537,055	455,237	2,154,128	1,853,270	416,150	342,337	1,669,178	1,393,654
Fee income from guarantees	822,080	775,917	3,297,363	3,158,758	819,708	774,061	3,287,849	3,151,202
Others	8,092,208	7,416,216	32,457,846	30,191,415	6,879,161	6,934,835	27,592,314	28,231,713
	46,125,730	43,297,240	185,010,303	176,263,064	39,261,995	37,665,884	157,479,862	153,337,814

Settlement fees amounting to KHR11,498,900 (equivalent to US\$2,867) and US\$15,817 for the operations of cash settlement agents were recognised for the year ended 31 December 2025 (31 December 2024: KHR9,800,100 (equivalent to US\$2,407) and US\$11,092, respectively).

Settlement SERC fees amounting to US\$3,366 for the operations of custodian service were recognised for the year ended 31 December 2025. (31 December 2024: nil).

32. OTHER INCOME, NET

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Foreign exchange gain, net	27,278,221	21,370,405	109,412,944	86,998,919	27,137,590	21,093,612	108,848,873	85,872,094
Gain on disposals of property and equipment and lease	526,809	642,177	2,113,031	2,614,303	484,944	632,717	1,945,110	2,575,791
Dividend income	297,228	290,036	1,192,182	1,180,737	297,228	290,036	1,192,182	1,180,737
Net monetary loss from hyperinflationary economy	(19,119)	(5,978,705)	(76,686)	(24,339,308)	-	-	-	-
Others	1,375,357	1,822,516	5,516,556	7,419,461	326,630	(4,893)	1,310,113	(19,919)
	29,458,496	18,146,429	118,158,027	73,874,112	28,246,392	22,011,472	113,296,278	89,608,703

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

33. OTHER OPERATING EXPENSES

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Salaries and wages	158,657,074	152,681,091	636,373,524	621,564,721	150,553,018	145,154,094	603,868,155	590,922,317
Other employee expense	36,709,137	20,976,155	147,240,349	85,393,927	36,071,111	20,113,548	144,681,226	81,882,254
Depreciation of property and equipment (Note 15)	29,565,850	25,729,960	118,588,624	104,746,667	27,092,865	23,827,643	108,669,482	97,002,335
Seniority indemnity (Note 27(a))	14,572,377	10,191,690	58,449,804	41,490,370	14,331,604	10,010,306	57,484,064	40,751,956
Repair and maintenance	14,325,485	13,607,311	57,459,520	55,395,363	13,456,387	13,085,086	53,973,568	53,269,385
Depreciation of right-of-use assets (Note 17)	13,725,542	12,910,310	55,053,149	52,557,872	12,786,385	12,437,143	51,286,190	50,631,609
Office supplies	6,371,673	5,905,809	25,556,780	24,042,548	5,866,325	5,460,069	23,529,830	22,227,941
Utilities	6,289,288	6,452,597	25,226,334	26,268,522	5,851,228	6,002,609	23,469,276	24,436,621
Amortisation charges (Note 16)	5,910,412	4,565,938	23,706,663	18,587,934	5,435,854	4,313,776	21,803,210	17,561,382
Communication	5,008,216	5,193,113	20,087,954	21,141,163	4,266,543	3,893,106	17,113,104	15,848,835
Travelling expenses	2,266,381	2,636,928	9,090,454	10,734,934	1,928,179	2,250,992	7,733,926	9,163,788
License fees	1,246,107	1,215,207	4,998,135	4,947,108	1,204,984	1,187,056	4,833,191	4,832,505
(Reversal of) expense for career development expense (Note 27(c))	(123,740)	1,761,433	(496,321)	7,170,794	(164,679)	1,712,055	(660,527)	6,969,776
Others (*)	23,331,531	22,842,277	93,582,772	92,990,910	20,613,052	19,894,515	82,678,950	80,990,570
	<u>317,855,333</u>	<u>286,669,819</u>	<u>1,274,917,741</u>	<u>1,167,032,833</u>	<u>299,292,856</u>	<u>269,341,998</u>	<u>1,200,463,645</u>	<u>1,096,491,274</u>

For the year ended 31 December 2025, the salaries and wages of the Bank's staff, who are responsible for the operations of cash settlement agents, amounted to US\$53,529 (31 December 2024: US\$51,944). The above expenses include costs incurred for the operations of cash settlement agents, which consist of office supplies amounting to US\$360, furniture and fixtures amounting to US\$1,753, and membership fees amounting to US\$12,881 (KHR51,666,667) (31 December 2024: office supplies amounting to US\$625, furniture and fixtures amounting to US\$1,611, and membership fees amounting to US\$12,691 (KHR51,666,667)).

For the year ended 31 December 2025, the salaries and wages of the Bank's staff, who are responsible for the custodian service, amounted to US\$34,697 (31 December 2024: US\$34,458). The above expenses include costs incurred for the operations of custodian service, which consist of office supplies amounting to US\$84, furniture and fixtures amounting to US\$6,922, membership fees amounting to US\$11,464 (KHR45,983,333), buy fruit for Khmer new year for CSX, SERC amounting to US\$240 and SERC's onsite expense amounting to US\$105 (31 December 2024: office supplies amounting to US\$239, expendable costs amounting to US\$165, furniture and fixtures amounting to US\$6,891, membership fees amounting to US\$10,593 (KHR43,123,556), custodian services agent amounting to US\$753 (KHR2,168,000), annual maintenance and support custodian system solutions amounting to US\$7,700, and expense for CSX onsite visit amounting to US\$76).

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**33. OTHER OPERATING EXPENSES (continued)**

(\*) This includes following fees which were paid or are payable to PricewaterhouseCoopers (Cambodia) Ltd. and PricewaterhouseCoopers (Lao) Sole Company Limited.:

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Statutory audit	375,999	388,900	320,000	320,000
Assurance engagements	-	-	-	-
Tax services	-	-	-	-
Other services	5,455	21,880	5,455	21,880
<b>Total</b>	<b>381,454</b>	<b>388,900</b>	<b>325,455</b>	<b>320,000</b>
				<b>1,302,720</b>

**34. TAXATION**

**(a) Current income tax liabilities**

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Current income tax liabilities	28,908,717	16,395,760	27,189,090	14,893,706
				<b>109,109,818</b>
				<b>59,947,167</b>

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
At the beginning of the year	16,395,760	3,791,516	65,992,934	15,488,343
Current income tax	37,625,646	24,599,157	150,916,466	100,143,168
Income tax paid	(24,950,841)	(11,994,913)	(100,077,823)	(48,831,291)
Currency translation difference	(161,848)	-	(649,172)	-
Exchange differences	-	-	(171,724)	(807,286)
At the end of the year	<b>28,908,717</b>	<b>16,395,760</b>	<b>116,010,681</b>	<b>65,992,934</b>
				<b>14,893,706</b>
				<b>109,109,818</b>
				<b>59,947,167</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

34. TAXATION (continued)

(b) Income tax expense

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Current income tax	37,552,124	24,299,197	150,621,569	98,922,031	35,480,784	22,120,894	142,313,425	90,054,160
Adjustments for current tax of prior year	73,522	299,960	294,897	1,221,137	(209,901)	403,494	(841,913)	1,642,624
Total current income tax expense	37,625,646	24,599,157	150,916,466	100,143,168	35,270,883	22,524,388	141,471,512	91,696,784
Deferred tax	12,992,278	7,844,754	52,112,028	31,935,994	11,155,451	7,114,217	44,744,514	28,961,977
Income tax expense	50,617,924	32,443,911	203,028,494	132,079,162	46,426,334	29,638,605	186,216,026	120,658,761

(c) Reconciliation between income tax expense and accounting profit

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Profit before income tax	250,636,844	153,745,369	1,005,304,380	625,897,397	231,063,964	145,571,967	926,797,560	592,623,478
Tax calculated at domestic tax rates applicable to taxable profits in the respective countries	50,235,974	30,767,969	201,496,492	125,256,402	46,212,793	29,114,393	185,359,513	118,524,694
Tax effect of non-deductible expenses	332,799	1,528,268	1,334,857	6,221,579	415,161	326,168	1,665,211	1,327,830
Recognition of previously unrecognised deferred tax	(24,371)	(152,286)	(97,752)	(619,956)	8,281	(205,450)	33,215	(836,387)
Adjustments for current tax of prior year	73,522	299,960	294,897	1,221,137	(209,901)	403,494	(841,913)	1,642,624
	50,617,924	32,443,911	203,028,494	132,079,162	46,426,334	29,638,605	186,216,026	120,658,761

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**34. TAXATION (continued)**

**(d) Other matter**

Taxes are calculated on the basis of current interpretation of the tax regulations enacted as the reporting date. The management periodically evaluates position taken in the tax returns with respect to situations in which the applicable tax regulation is subjected to interpretation. It establishes provisions where appropriated on the basis of amounts expected to be paid to the tax authorities.

However, these regulations are subject to periodic variation and the ultimate determination of the tax liabilities will be made following inspection by the tax authorities. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the tax liabilities and balances in the period in which the determination is made.

**35. EARNINGS PER SHARE**

The following table shows the Bank's profit used in the basic and diluted EPS computations for the year presented:

	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Profit attributable to the shareholders of the Bank	199,860,749	121,194,596	801,641,462	493,383,200	50,026,574	47,590,993	200,806,668	192,410,383
Weighted average numbers of shares	433,163,019	433,163,019	433,163,019	433,163,019	433,163,019	433,163,019	433,163,019	433,163,019
Basic EPS	0.46	0.28	1.85	1.14	0.12	0.11	0.46	0.44
Diluted EPS	0.46	0.28	1.85	1.14	0.12	0.11	0.46	0.44

The Bank has no potentially dilutive ordinary shares as at the reporting date. As such, the diluted EPS is equal to the basic EPS.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

36. CASH AND CASH EQUIVALENTS

	The Group			The Bank			
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 US\$	2024 KHR'000 (Note 5)	2025 KHR'000 (Note 5)
Cash on hand	520,905,012	513,942,123	2,090,391,814	2,068,617,045	510,259,622	503,459,073	2,047,671,863
Deposits and placements with other banks:							
<i>Balances with the NBC:</i>							
Current accounts	1,010,032,498	1,247,773,047	4,053,260,413	5,022,286,514	1,010,032,498	1,247,773,047	4,053,260,415
Negotiable certificate of deposits, term of three months or less	146,964,365	271,438,788	589,767,997	1,092,541,122	146,964,365	271,438,788	589,767,997
<i>Balances with other banks:</i>							
Current accounts	1,225,362,738	685,118,173	4,917,380,668	2,757,600,646	1,183,459,320	660,722,622	4,749,222,251
Fixed deposits, term of three months or less	561,006,644	40,056,405	2,251,319,662	161,227,030	560,524,782	40,056,406	2,249,385,950
	<u>3,464,271,257</u>	<u>2,758,328,536</u>	<u>13,902,120,554</u>	<u>11,102,272,357</u>	<u>3,411,240,587</u>	<u>2,723,449,936</u>	<u>13,689,308,476</u>
							<u>161,227,033</u>
							<u>10,961,885,992</u>



ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

37. NET DEBT RECONCILIATION (continued)

	The Group						Total
	Liabilities from financing activities			Other assets			
	Borrowings US\$	Subordinate debts US\$	Debt securities US\$	Lease liabilities US\$	Sub-total US\$	Cash and cash equivalents US\$	
Net debt at 1 January 2025	(606,857,875)	(178,762,108)	-	(35,021,748)	(820,641,731)	2,758,328,536	1,937,686,805
Cash flows	255,690,155	(23,612,500)	(197,668,341)	12,854,036	47,263,350	705,942,721	753,206,071
New leases	-	-	-	(12,688,165)	(12,688,165)	-	(12,688,165)
Foreign exchange adjustments	(125,915)	(50,253)	-	(13,218)	(189,386)	-	(189,386)
Other changes (i)	3,932,069	(3,247,828)	(2,139,979)	343,309	(1,112,429)	-	(1,112,429)
Net debt as at 31 December 2025	(347,361,566)	(205,672,689)	(199,808,320)	(34,525,786)	(787,368,361)	3,464,271,257	2,676,902,896
<i>In KHR'000 equivalent (Note 5)</i>	<i>(1,393,361,964)</i>	<i>(825,364,501)</i>	<i>(801,830,788)</i>	<i>(138,551,979)</i>	<i>(3,159,709,232)</i>	<i>13,902,120,554</i>	<i>10,742,411,322</i>
Net debt at 1 January 2024	(859,813,550)	(117,053,882)	-	(32,527,687)	(1,009,395,119)	2,279,718,573	1,270,323,454
Cash flows	254,599,168	-	-	13,074,037	267,673,205	478,609,963	746,283,168
New leases	-	-	-	(17,355,884)	(17,355,884)	-	(17,355,884)
Foreign exchange adjustments	(105,602)	(272,035)	-	15,975	(361,662)	-	(361,662)
Other changes (i)	(1,537,891)	(61,436,191)	-	1,771,811	(61,202,271)	-	(61,202,271)
Net debt as at 31 December 2024	(606,857,875)	(178,762,108)	-	(35,021,748)	(820,641,731)	2,758,328,536	1,937,686,805
<i>In KHR'000 equivalent (Note 5)</i>	<i>(2,442,602,947)</i>	<i>(719,517,485)</i>	<i>-</i>	<i>(140,962,536)</i>	<i>(3,303,082,968)</i>	<i>11,102,272,357</i>	<i>7,799,189,389</i>

	The Bank						Total
	Liabilities from financing activities			Other assets			
	Borrowings US\$	Subordinate debts US\$	Debt securities US\$	Lease liabilities US\$	Sub-total US\$	Cash and cash equivalents US\$	
Net debt at 1 January 2025	(598,522,015)	(178,762,108)	-	(32,783,552)	(810,067,675)	2,723,449,936	1,913,382,261
Cash flows	250,080,632	(23,612,500)	(197,668,341)	12,515,002	41,314,793	687,790,651	729,105,444
New leases	-	-	-	(12,380,280)	(12,380,280)	-	(12,380,280)
Foreign exchange adjustments	(194,441)	(50,253)	-	(1,682)	(246,376)	-	(246,376)
Other changes (i)	3,927,843	(3,247,828)	(2,139,979)	365,743	(1,094,221)	-	(1,094,221)
Net debt as at 31 December 2025	(344,707,951)	(205,672,689)	(199,808,320)	(32,284,769)	(782,473,759)	3,411,240,587	2,628,766,828
<i>In KHR'000 equivalent (Note 5)</i>	<i>(1,383,313,128)</i>	<i>(825,364,501)</i>	<i>(801,830,788)</i>	<i>(129,558,778)</i>	<i>(3,140,067,195)</i>	<i>13,689,308,476</i>	<i>10,549,241,281</i>
Net debt at 1 January 2024	(843,418,591)	(117,053,882)	-	(30,547,348)	(991,019,821)	2,240,749,214	1,249,729,393
Cash flows	247,123,440	-	-	12,375,111	259,498,551	482,700,722	742,199,273
New leases	-	-	-	(16,365,861)	(16,365,861)	-	(16,365,861)
Foreign exchange adjustments	(753,931)	(272,035)	-	(1,380)	(1,027,346)	-	(1,027,346)
Other changes (i)	(1,472,933)	(61,436,191)	-	1,755,926	(61,153,198)	-	(61,153,198)
Net debt as at 31 December 2024	(598,522,015)	(178,762,108)	-	(32,783,552)	(810,067,675)	2,723,449,936	1,913,382,261
<i>In KHR'000 equivalent (Note 5)</i>	<i>(2,409,051,110)</i>	<i>(719,517,485)</i>	<i>-</i>	<i>(131,953,797)</i>	<i>(3,260,522,392)</i>	<i>10,961,885,992</i>	<i>7,701,363,600</i>

(i) Other changes include non-cash movements, including accrued interest expense which will be presented as financing cash flows in the statement of cash flows when paid.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

38. COMMITMENTS

(a) Loan commitments, guarantees, and other financial liabilities

The Group and the Bank had the contractual amounts of the Group's and the Bank's off-balance sheet financial instruments that commit it to extend credit to customers, guarantees, and other facilities as follows:

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)		
Unused portion of overdrafts	495,371,333	301,771,170	1,987,925,159	1,214,628,959	492,045,980	300,734,637	1,974,580,518	1,210,456,914
Bank guarantees	68,424,191	67,095,997	274,586,278	270,061,388	68,160,171	66,896,493	273,526,766	269,258,384
Letters of credit	15,616,624	9,241,756	62,669,512	37,198,068	15,616,624	9,241,756	62,669,512	37,198,068
	579,412,148	378,108,923	2,325,180,949	1,521,888,415	575,822,775	376,872,886	2,310,776,796	1,516,913,366

No material losses are anticipated as a result of these transactions.

(b) Capital expenditure commitments

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)		
Not later than 1 year	1,259,160	5,417,242	5,053,009	21,804,399	829,791	5,415,194	3,329,951	21,796,156
Later than 1 year but not later than 5 years	3,300	7,827	13,243	31,504	-	-	-	-
	1,262,460	5,425,069	5,066,252	21,835,903	829,791	5,415,194	3,329,951	21,796,156

As at 31 December 2025 and 31 December 2024, the balances of these commitments are related to the Bank's and its subsidiaries' purchases of property and equipment and intangible assets.

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**38. COMMITMENTS (continued)**

**(c) Commitments to be received from other banks**

	The Group		The Bank	
	2025 US\$	2025 KHR'000 (Note 5)	2024 US\$	2024 KHR'000 (Note 5)
Commitment to be received from other banks	71,919,213	288,611,802	71,567,019	288,057,251

**(d) Other commitments**

On 30 May 2016, the Bank guaranteed to IFC to secure the borrowing obtained by its subsidiary, AUB, amounting to US\$13,000,000 maturing on 15 June 2026. As at 31 December 2025, the borrowing has been fully drawn and the outstanding balance of the borrowing is US\$947,071 (31 December 2024: US\$2,820,773). The Bank has made allowance for impairment losses of US\$2,640 (31 December 2024: US\$32,955) with respect to this guarantee.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

39. RESERVES

		The Group													
		General reserves		Hedging reserve		Regulatory reserves		Currency translation reserves		Transactions with non-controlling interests		Other reserves		Total	
		US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
		(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)
As at 1 January 2025		524,311,587	2,110,354,138	2,250,245	9,057,236	337,835,038	1,359,786,028	(54,177,325)	(218,083,736)	3,028,319	12,188,984	14,222,120	813,247,864	3,287,544,770	
<b>Other comprehensive income:</b>															
Remeasurement of the effective portion of derivatives arising from cash flow hedge subsidiaries		-	-	(1,763,695)	(7,074,181)	-	-	-	-	-	-	-	(1,763,695)	(7,074,181)	
Exchange differences		-	(6,291,739)	-	(30,530)	-	(3,893,670)	(439,362)	(1,762,281)	-	(36,340)	(6,404,206)	(439,362)	(1,762,281)	
<b>Total other comprehensive loss for the year</b>		-	(6,291,739)	(1,763,695)	(7,104,711)	-	(3,893,670)	(439,362)	(1,113,029)	-	(36,340)	(6,404,206)	(2,203,057)	(24,843,695)	
<b>Transactions with owners:</b>															
Transfer from retained earnings to regulatory reserves		-	-	-	-	80,175,113	321,582,378	-	-	-	-	-	80,175,113	321,582,378	
<b>Total transactions with owners</b>		-	-	-	-	80,175,113	321,582,378	-	-	-	-	-	80,175,113	321,582,378	
As at 31 December 2025		524,311,587	2,104,062,399	486,550	1,952,525	418,010,151	1,677,474,736	(54,616,687)	(219,176,765)	3,028,319	12,152,644	7,817,914	891,219,920	3,584,263,453	
		The Group													
		General reserves		Hedging reserve		Regulatory reserves		Currency translation reserves		Transactions with non-controlling interests		Other reserves		Total	
		US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
		(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)	(Note 5)
As at 1 January 2024		524,311,587	2,141,812,833	5,746,686	23,475,212	249,190,346	1,017,942,563	(59,649,300)	(243,667,390)	3,028,319	12,370,683	53,648,083	722,627,638	3,005,581,984	
<b>Other comprehensive income:</b>															
Remeasurement of the effective portion of derivatives arising from cash flow hedge subsidiaries		-	-	(3,496,441)	(14,234,011)	-	-	-	-	-	-	-	(3,496,441)	(14,234,011)	
<b>Total other comprehensive (loss)/income for the year</b>		-	-	(3,496,441)	(14,234,011)	-	-	-	-	-	-	-	(3,496,441)	(14,234,011)	
<b>Transactions with owners:</b>															
Transfer from retained earnings to regulatory reserves		-	-	-	-	88,644,692	360,872,541	-	-	-	-	-	88,644,692	360,872,541	
Exchange differences		-	(31,458,695)	-	(183,965)	-	(19,029,076)	-	3,327,244	-	(181,699)	(39,425,963)	(86,952,154)	(86,952,154)	
<b>Total transactions with owners</b>		-	(31,458,695)	-	(183,965)	88,644,692	341,843,465	-	3,327,244	-	(181,699)	(39,425,963)	88,644,692	273,920,387	
As at 31 December 2024		524,311,587	2,110,354,138	2,250,245	9,057,236	337,835,038	1,359,786,028	(54,177,325)	(218,083,736)	3,028,319	12,188,984	14,222,120	813,247,864	3,287,544,770	

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

39. RESERVES (continued)

	The Bank									
	General reserves		Hedging reserve		Regulatory reserves		Other reserves		Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2025</b>	510,741,556	2,055,734,763	2,250,245	9,057,236	328,211,716	1,321,052,157	15,391,338	841,203,517	3,401,235,494	
<b>Other comprehensive income:</b>										
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	(1,763,695)	(7,074,181)	-	-	-	(1,763,695)	(7,074,181)	
Exchange differences	-	(6,128,899)	-	(30,530)	-	(3,797,709)	(6,154,591)	-	(16,111,729)	
<b>Total other comprehensive loss for the year</b>	-	(6,128,899)	(1,763,695)	(7,104,711)	-	(3,797,709)	(6,154,591)	(1,763,695)	(23,185,910)	
<b>Transactions with owners:</b>										
Transfer from retained earnings to regulatory reserves	-	-	-	-	70,415,751	282,437,577	-	70,415,751	282,437,577	
<b>Total transactions with owners</b>	-	-	-	-	70,415,751	282,437,577	-	70,415,751	282,437,577	
<b>As at 31 December 2025</b>	510,741,556	2,049,605,864	486,550	1,952,525	398,627,467	1,599,692,025	9,236,747	909,855,573	3,660,487,161	

	The Bank									
	General reserves		Hedging reserve		Regulatory reserves		Other reserves		Total	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>As at 1 January 2024</b>	510,741,556	2,086,379,256	5,746,686	23,475,212	248,627,006	1,015,641,321	53,456,774	765,115,248	3,178,952,563	
<b>Other comprehensive income:</b>										
Remeasurement of the effective portion of derivatives arising from cash flow hedge	-	-	(3,496,441)	(14,234,011)	-	-	-	(3,496,441)	(14,234,011)	
<b>Total other comprehensive loss for the year</b>	-	-	(3,496,441)	(14,234,011)	-	-	-	(3,496,441)	(14,234,011)	
<b>Transactions with owners:</b>										
Transfer from retained earnings to regulatory reserves	-	-	-	-	79,584,710	323,989,354	-	79,584,710	323,989,354	
Exchange differences	-	(30,644,493)	-	(183,965)	-	(18,578,518)	(38,065,436)	-	(87,472,412)	
<b>Total transactions with owners</b>	-	(30,644,493)	-	(183,965)	79,584,710	305,410,836	(38,065,436)	79,584,710	236,516,942	
<b>As at 31 December 2024</b>	510,741,556	2,055,734,763	2,250,245	9,057,236	328,211,716	1,321,052,157	15,391,338	841,203,517	3,401,235,494	

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

39. RESERVES (continued)

REGULATORY RESERVES

As in Note 2 (n), the accumulated regulatory provision based on NBC's guidelines is higher than the accumulated impairment based on CIFRS 9, the "topping up" is transferred from retained earnings to regulatory reserves presented under equity.

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Regulatory provision based on NBC's guidelines	530,804,328	434,541,718	2,130,117,768	1,749,030,415
Allowance for expected credit loss based on CIFRS 9	(112,794,177)	(96,706,680)	(452,643,032)	(389,244,387)
Regulatory reserves transferred from retained earnings	418,010,151	337,835,038	1,677,474,736	1,359,786,028
			501,790,933	408,477,687
			(103,163,466)	(80,265,971)
			398,627,467	(413,994,989)
			328,211,716	1,644,122,690
			1,599,692,025	1,321,052,157

The movement on regulatory reserves are as follows:

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
At the beginning of the Year	337,835,038	249,190,346	1,359,786,028	1,017,942,563
Transfer from retained earnings	80,175,113	88,644,692	321,582,378	360,872,541
Exchange differences	-	-	(3,893,670)	(19,029,076)
At the end of the year	418,010,151	337,835,038	1,677,474,736	1,359,786,028
			328,211,716	248,627,006
			-	79,584,710
			398,627,467	282,437,577
			1,599,692,025	(3,797,709)
			1,321,052,157	1,015,641,321
			1,321,052,157	323,989,354
			1,321,052,157	(18,578,518)

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

40. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Related parties and relationships

The related parties of, and their relationship with, the Bank are as follows:

Related parties	Relationship
Subsidiaries of the Bank as disclosed in Note 13	Subsidiaries
Shareholders as disclosed in Note 28	Shareholders
Key management personnel	The key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Bank either directly or indirectly. The key management personnel of the Group and the Bank include all the Directors and members of senior management of the Group and the Bank.

(b) Related party balances

i) Loans and advances

	The Group		The Bank	
	2025 US\$	2025 KHR'000 (Note 5)	2024 US\$	2024 KHR'000 (Note 5)
Key management personnel	12,255,480	49,181,241	13,761,344	55,389,410
Subsidiaries	-	-	801,084	3,224,363
	<u>12,255,480</u>	<u>49,181,241</u>	<u>14,562,428</u>	<u>58,613,773</u>

Loans and advances to key management personnel and subsidiaries are both secured and unsecured and earned annual interest at rates ranging from 6.50% to 18.50% for the Group and from 6.50% to 18.00% for the Bank (2024: 6.50% to 18.50% for the Group and 6.50% to 18.00% for the Bank). Allowances for expected credit losses for loans to key management personnel and subsidiaries were US\$20,515 and US\$25,304 for the Group and the Bank respectively (2024: US\$63,737 and US\$73,546 for the Group and the Bank respectively).



ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

40. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related party balances (continued)

ii) Deposits and placements with related parties

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Shareholders	588,868	799,357	2,363,127	3,217,412
Subsidiaries	-	-	-	-
	<u>588,868</u>	<u>799,357</u>	<u>2,363,127</u>	<u>3,217,412</u>
			588,868	799,357
			10,021	39,306
			<u>598,889</u>	<u>838,663</u>
			2,403,341	2,363,127
			<u>2,403,341</u>	<u>3,375,619</u>

Allowances for expected credit losses for deposits and placements with related parties were US\$558 for the Group and the Bank (2024: US\$2,433 for the Group and the Bank). Those balances bear no interest.

iii) Receivables from related parties

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Subsidiaries	-	-	-	-
			280,595	258,093
			<u>1,126,028</u>	<u>1,038,825</u>

The receivables from related parties are from payment on behalf of related parties amounting US\$280,595 (2024: US\$258,093). The receivables have no fixed terms of repayment, are unsecured in nature, bear no interest and they are short term.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

40. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related party balances (continued)

iv) Deposits from related parties

	The Group			The Bank				
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Key management personnel								
Current accounts	101,994	88	409,302	354	101,994	88	409,302	354
Savings deposits	2,521,804	942,053	10,119,999	3,791,763	2,412,648	862,911	9,681,956	3,473,217
Fixed deposits	9,680,628	8,912,171	38,848,360	35,871,488	9,453,317	8,562,626	37,936,161	34,464,570
Shareholders								
Current accounts	2,485,811	3,552,126	9,975,560	14,297,308	2,485,811	2,737,358	9,975,560	11,017,866
Margin accounts	68,031	68,031	273,008	273,825	68,031	68,031	273,008	273,825
Fixed deposits	10,886,654	2,745,129	43,688,143	11,049,144	10,886,654	2,745,129	43,688,143	11,049,144
Subsidiaries								
Current accounts	-	-	-	-	1,121,443	3,506,474	4,500,350	14,113,558
Savings deposits	-	-	-	-	295,996	8,493	1,187,832	34,184
Fixed deposits	-	-	-	-	2,228,000	2,087,900	8,940,964	8,403,798
	25,744,922	16,219,598	103,314,372	65,283,882	29,053,894	20,579,010	116,593,276	82,830,516

Annual interest rate during the year are as follows:

	The Group		The Bank	
	2025	2024	2025	2024
Key management personnel (current accounts)	0.00% - 0.10%	Nil	0.00% - 0.10%	Nil
Key management personnel (savings deposits)	0.20% - 14.00%	0.01% - 15.00%	0.20% - 3.50%	0.01% - 2.00%
Key management personnel (fixed deposits)	1.45% - 13.00%	1.45% - 9.50%	1.45% - 9.50%	1.45% - 9.50%
Shareholders (current accounts)	Nil	Nil	Nil	Nil
Shareholders (margin accounts)	Nil	Nil	Nil	Nil
Shareholders (fixed deposits)	2.50% - 3.60%	3.25% - 5.20%	2.50% - 3.60%	3.25% - 5.20%
Subsidiaries (current accounts)	Nil	Nil	Nil	Nil
Subsidiaries (savings deposits)	0.50% - 0.75%	0.50% - 0.75%	0.50% - 0.75%	0.00% - 0.75%
Subsidiaries (fixed deposits)	3.60% - 7.50%	3.60% - 7.50%	3.60% - 7.50%	5.40% - 7.50%

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

40. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related party balances (continued)

v) Borrowings from related parties

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
Shareholder	17,142,387	34,282,111	68,792,399	17,142,387	34,282,111	68,792,399
			137,985,497			137,985,497

Borrowings from related parties are not collateralised and have annual interest of 8.46% per annum for the Group and the Bank (2024: 9.60% per annum for the Group and the Bank).

Movements of borrowings from related parties are set out below:

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
At the beginning of the year	34,282,111	49,491,659	137,985,497	34,282,111	49,491,659	137,985,497
Charge during the year	2,559,490	4,812,722	10,266,114	2,559,490	4,812,722	10,266,114
Repayments	(19,699,214)	(19,797,388)	(79,013,547)	(19,699,214)	(19,797,388)	(79,013,547)
Withholding tax accrued	-	(224,882)	-	(224,882)	-	(915,495)
Exchange differences	-	-	(445,665)	-	(445,665)	(2,269,859)
At the end of the year	17,142,387	34,282,111	68,792,399	17,142,387	34,282,111	68,792,399
			137,985,497			137,985,497



ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

40. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Related party balances (continued)

vii) Debt securities from related parties

	The Group		The Bank	
	2025 US\$	2025 KHR'000 (Note 5)	2024 US\$	2024 KHR'000 (Note 5)
Key management personnel	225,724	905,830	-	905,830

Debt securities from related parties are not collateralised and have coupon rate of 7.50% and 8.50% per annum for the Group and the Bank (2024: nil for the Group and the Bank).

Movements of debt securities from related parties are set out below:

	The Group		The Bank	
	2025 US\$	2025 KHR'000 (Note 5)	2024 US\$	2024 KHR'000 (Note 5)
At the beginning of the year	-	-	-	-
Additions	225,000	902,475	-	902,475
Charge during the year	15,488	62,122	-	62,122
Repayments	(11,699)	(46,925)	-	(46,925)
Currency translation difference	(3,065)	(12,294)	-	(12,294)
Exchange differences	-	452	-	452
At the end of the year	225,724	905,830	-	905,830

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

40. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(c) Related party transactions

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>i) Interest income from related parties</b>						
Loans and advances to key management personnel	886,831	937,074	3,557,079	935,678	3,557,838	3,809,145
Loans and advances to subsidiaries	-	-	-	2,121	129,976	8,635
	<u>886,831</u>	<u>937,074</u>	<u>3,557,079</u>	<u>937,799</u>	<u>3,687,814</u>	<u>3,817,780</u>
<b>ii) Fee and commission income from related parties</b>						
Shareholders	440	403	1,765	403	1,765	1,640
Subsidiaries	-	-	-	40,709	280,537	165,726
	<u>440</u>	<u>403</u>	<u>1,765</u>	<u>41,112</u>	<u>282,302</u>	<u>167,366</u>
<b>iii) Interest expenses to related parties</b>						
Borrowings from shareholder	2,559,490	4,812,722	10,266,114	4,812,722	10,266,114	19,592,591
Subordinated debts from shareholder	1,064,583	1,067,500	4,270,042	1,067,500	4,270,042	4,345,793
Deposits of shareholders	205,436	135,257	824,004	135,257	824,004	550,631
Deposits of subsidiaries	-	-	-	153,568	615,961	623,050
Deposits of key management personnel	129,969	137,788	521,306	129,137	517,969	500,770
Debt securities of key management personnel	15,488	-	62,122	-	62,122	-
	<u>3,974,966</u>	<u>6,153,267</u>	<u>15,943,588</u>	<u>6,291,534</u>	<u>16,556,212</u>	<u>25,612,835</u>
<b>iv) Fee and remuneration expenses to related parties</b>						
Board of Directors	701,398	665,948	2,813,307	530,061	2,148,568	2,157,878
Key management personnel						
Short-term employee benefits	8,083,916	8,229,919	32,424,587	6,850,297	26,126,078	27,887,559
Long-term benefits	301,007	361,205	1,207,339	201,105	511,158	818,698
Subsidiaries	-	-	-	-	-	-
Training fees	-	-	-	1,273,385	4,866,049	5,183,950
Others	-	-	-	19,820	69,936	80,687
	<u>9,086,321</u>	<u>9,257,072</u>	<u>36,445,233</u>	<u>8,874,668</u>	<u>33,721,789</u>	<u>36,128,772</u>
<b>v) Other commitments</b>						
Reversal of impairment losses on financial guarantee on AUB's debt from IFC	-	-	-	(14,587)	(121,593)	(59,384)

## **41. FINANCIAL RISK MANAGEMENT**

### **(a) Introduction and overview**

The Bank is the leading and first listed bank in Cambodia and currently has the largest branch network and self-service banking which offers multiple products and services to its customers such as credits, deposits, fund transfers, cash management, trade finance, ACLEDA card, credit and debit cards, and digital services, including internet banking, ACLEDA mobile (mobile banking app), e-commerce payment gateway, ACLEDA ATM/POS, and cash deposit machine. As disclosed in Note 13, the Bank's four subsidiaries are as follows:

- a. ACLEDA Bank Lao Ltd.,
- b. ACLEDA Securities Plc.,
- c. ACLEDA University of Business Co., Ltd.
- d. ACLEDA MFI Myanmar Co., Ltd.

In the competitive business environment along with the rapid evolution and development of technology and difference or change in laws and jurisdictions, the Group and the Bank need to have an effective risk management in place in order to manage and ensure all risks are within the risk appetite and tolerance. This also provides reasonable assurance regarding the achievement of the Group's and the Bank's objectives.

The established risk management framework comprises of core components such as (1) effective governance and oversight by the Board of Directors and senior management; (2) effective implementation of risk appetite and tolerance; (3) effective implementation of risk management processes; and (4) effective technology and data infrastructure. It must be integrated into the day-to-day management of the business and operations to provide transparent and consistent management of risks across the Group and the Bank.

The Group and the Bank instil proactive risk management by embedding accountability and risk ownership culture in managing risks for all levels, which includes the Group's and the Bank's Board of Directors, senior management, and employees. This culture is supported by (1) the Bank's employee's policies (ethics and human resource management, code of conduct, conflict of interest, remuneration and nomination, whistle blower's protection, managing misconduct, etc.); (2) alignment of compensation policies with the Bank's risk appetite and tolerance limits; and (3) availability of risk management training throughout the Group and the Bank.

Risk management within the Group and the Bank is managed by a Three Lines Model, supported by sufficient numbers of skilled personnel in the management of risks within all areas across the model.

### **(b) Objectives and principles**

The objectives of the Group's and the Bank's risk management are:

- To ensure risks are within the risk appetite and tolerance and to provide reasonable assurance regarding the achievement of objectives.
- To manage risk effectively and to identify the risk before it occurs and minimise the potential risk properly and timely.
- To manage risk in a way that optimally balances managing risk while adding value to the Group and the Bank.

Risk appetite is defined as the amount and type of risk, on a broad level, the Group and the Bank are willing to accept in pursuit of long-term shareholder value. Risk tolerance refers to the variation amount of maximum risks which can be accepted, taking into account the appropriate measure to reduce the risk.

**41. FINANCIAL RISK MANAGEMENT** (continued)

**(b) Objectives and principles** (continued)

The Group's and the Bank's risk appetite and tolerance statement is prepared in accordance with its business strategy and the role of the Bank in the financial system.

The Board of Directors reviews and approves the Group's and the Bank's risk appetite and tolerance statement considering the most significant risks that specify the nature, types, and levels which the Group and the Bank are willing to assume, and provides an outline of the approach to manage these risks.

The risk management policy defines risk categories in line with the categories identified by the Basel Committee on Banking Supervision and the nature of the Group's and the Bank's business context. The policy sets risk tolerance/internal targets per individual risk category.

At all times, the Group and the Bank shall adhere to the prudential ratios and requirements as stipulated by the superintendent.

Unless specifically mentioned otherwise, the Group and the Bank shall adhere at all times to the risk appetite and tolerance/internal targets, as set by the Board of Directors in the risk management policy, in order to limit potential loss.

The Group's and the Bank's activities expose it to a variety of financial risks: credit risk, market risk (including foreign exchange rate risk and interest rate risk), and liquidity risk. Equity risk and commodity risk are not applicable given that the Group and the Bank do not hold any equity and commodity position.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

(b) Objectives and principles (continued)

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

i. Financial assets and financial liabilities measured at amortised cost

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Financial assets</b>						
Cash on hand	520,905,012	513,942,123	2,090,391,813	510,259,622	503,459,073	2,047,671,863
Deposits and placements with other banks, net	2,805,834,418	1,982,391,662	11,259,813,519	2,763,512,951	1,958,058,129	11,089,977,472
Financial investments, net	268,394,259	471,615,208	1,077,066,161	268,394,259	471,615,208	1,077,066,161
Loans and advances, net	7,526,256,578	7,023,164,104	30,202,867,648	7,326,868,389	6,861,826,011	29,402,722,845
Other financial assets, net	15,233,496	11,490,911	61,132,019	11,946,264	9,549,296	47,940,357
<b>Total financial assets</b>	<b>11,136,623,763</b>	<b>10,002,604,008</b>	<b>44,691,271,160</b>	<b>10,880,981,485</b>	<b>9,804,507,717</b>	<b>43,665,378,698</b>
<b>Financial liabilities</b>						
Deposits and placements of other banks and financial institutions	334,239,531	396,514,351	1,341,303,238	309,722,604	372,727,604	1,242,916,810
Deposits from customers	9,035,027,944	7,962,541,434	36,257,567,139	8,873,020,949	7,845,298,389	35,607,433,068
Lease liabilities	34,525,786	35,021,748	138,551,979	32,284,769	32,783,552	129,558,778
Borrowings	347,361,566	606,857,875	1,393,961,964	344,707,981	598,522,015	1,383,313,128
Subordinated debits	205,672,689	178,762,108	825,364,501	205,672,689	178,762,108	825,364,501
Debt securities	199,808,320	-	801,830,788	199,808,320	-	801,830,788
Other financial liabilities	59,211,270	59,870,248	237,614,827	55,122,820	57,827,433	221,207,877
<b>Total financial liabilities</b>	<b>10,215,847,106</b>	<b>9,239,567,764</b>	<b>40,996,194,436</b>	<b>10,020,340,132</b>	<b>9,085,921,101</b>	<b>40,211,624,950</b>
<b>Net financial instruments measured at amortised cost</b>	<b>920,776,657</b>	<b>763,036,244</b>	<b>3,695,076,724</b>	<b>860,641,353</b>	<b>718,586,616</b>	<b>3,453,753,748</b>
			<b>3,071,220,882</b>			<b>232,755,418</b>
						<b>36,570,832,432</b>
						<b>2,892,311,128</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

(b) Objectives and principles (continued)

ii. Financial assets and financial liabilities measured at fair value

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Financial assets</b>						
Financial investments	189,670	189,670	761,146	189,670	761,146	763,422
Derivative financial instruments	486,550	2,250,246	1,952,525	2,250,246	1,952,525	9,057,240
<b>Total financial assets</b>	<b>676,220</b>	<b>2,439,916</b>	<b>2,713,671</b>	<b>2,439,916</b>	<b>2,713,671</b>	<b>9,820,662</b>
<b>Net financial instruments measured at fair value</b>	<b>676,220</b>	<b>2,439,916</b>	<b>2,713,671</b>	<b>2,439,916</b>	<b>2,713,671</b>	<b>9,820,662</b>

#### 41. FINANCIAL RISK MANAGEMENT (continued)

##### 41.1 Credit risk

Credit risk is the potential risk that a counterparty would fail to meet its repayment obligations in accordance with agreed terms. While loans are the most obvious source of credit risk, other sources of credit risk exist throughout the activities of an institution, including in the banking book and the trading book, in both on and off-balance sheets. Institutions are facing credit risks in various financial instruments other than loans, including acceptances, trade financing, commitment and guarantee, interbank transaction, settlement of transactions, foreign exchange transactions, bonds, equities, and financial derivative instruments.

##### *Principles of the credit risk:*

- The Board of Directors recognises that the loan book is the main sources of income for the Group and the Bank and, conversely, also constitutes the greatest risk of losses.
- The Board of Directors considers that lending to the lower segments of the market of small business loans, provided the existing policies are implemented properly, carries a credit risk which is smaller than for larger loans as history has shown that losses due to default on these loans have been minimal. The Board of Directors considers the risk return equation favourable for loans provided to the lower segments in the market and considers these loans as the core product of the Group and the Bank.
- The Board of Directors considers that the management has freedom to adjust, adapt or develop existing products and product lines but requires that new product lines need to be approved by the Board of Directors.
- The day-to-day responsibility for the credit risk lies with the senior management of the Credit Sale Management Division and of the branches.
- The credit risk is regularly measured by calculating the ECL taking probability of customer defaults, exposure in the event of default, and severity of LGD of the customer base where credit scoring is applied for.
- The Board of Directors requires that credit risk be spread across different sectors (like trade, agriculture, services, industries, infrastructure, etc.) and products to avoid undue overexposure to one particular sector or industry.
- Systemic risk is the risk of system-wide breakdown of the financial sectors. The Board of Directors requires that credit risk on counterparty financial institutions should be subject to the same principles of the prudential assessment and controls as with the other forms of lending and prudential position limits that should be set to sufficiently protect the Group and the Bank from systemic risk.

##### *Internal targets on the credit risk:*

The internal targets on credit products should be set by the Board Risk Management and IT Committee ("BRIC") and approved by the Board of Directors. The internal targets will be in line with the risk appetite of the Board of Directors.

The Risk Management Division regularly reviews all internal targets as set and approved by the Board of Directors and advises on any change deemed appropriate.

In order to maintain the credit growth in a prudent and reasonable way and to ensure the maintenance of portfolio quality, various control limits have been imposed to credit products, which must be strictly complied with:

- Loan exposure ratio: defined as the aggregate amount of loan assets in arrears > 30 days minus loan loss reserves divided by the net worth; should be less than 25%.
- Ceilings on lending to sectors and by product to put limits on concentration risk.
- The maximum exposure to a single client or group of clients is up to 5% of the net worth.
- Counterparty financial institutions.

**41. FINANCIAL RISK MANAGEMENT (continued)**

**41.1 Credit risk (continued)**

(a) Credit risk management

The Board of Directors has delegated responsibility for oversight of credit risk to its BRIC. Credit Division is responsible for management of the credit risk based on the following:

- Separation of roles between the persons involved in dealing with the clients who are responsible for the credit application and the persons involved in the authorisation of the credits.
- Separation of roles between the persons involved in dealing directly with clients and the credit administration.
- Principle of double authorisation to ensure a good balance of the interests of the clients and objectivity in the risk assessment process.
- Timely and full documentation of the agreements made with the client together with all the needed information, which is relevant in the assessment and control phase of the credit process.
- Careful credit control systems, with periodical reviews, through which timely signals can be derived for relevant information regarding risk management.
- Independent control to ensure conformity with approved procedures and regulations in the credit process (formal control) but also monitoring of the quality of risk aspects and credit control (material control).
- The Group and the Bank will maintain a diversified loan assets portfolio in terms of industry sector, geographical area, currency and loan size.
- Loan analysis will strongly focus on the client's ability and willingness to repay the loan through character and cash flow-based assessment and in applying green-lining methodology.

The Group's and the Bank's total exposure to a single client or group of clients (one obligor principle) acting in concert shall not exceed 5% of the Bank's net worth. "Exposure" includes the aggregate of (i) the face amount of the assets of the borrower with respect to which such person is the obligor and (ii) any claim of such person against the borrower comprising any commitment to provide funds or credit to, or on behalf of such person including, but not limited to, loan guarantees, letters of credit, and derivatives.

(b) Internal targets and mitigation policies

The Group and the Bank operate and provide loans and advances to individuals or enterprises within the Kingdom of Cambodia, Lao PDR, and the Republic of the Union of Myanmar. The Group and the Bank manage limits and controls concentration of credit risk whenever they are identified. Large exposure is defined by the NBC as overall exposure to any individual beneficiary which exceeds 10% of the net worth.

The Bank is required, under the conditions of Prakas No. B7-06-226 of the NBC, to maintain at all times a maximum ratio of 20% between its overall credit exposure to any individual beneficiary and the Bank's net worth. The aggregation of large credit exposure must not exceed 300% of the Bank's net worth.

ABL is required, based on the Letter No. 296 of the BOL, to maintain at all times a maximum ratio of 25% between its overall credit exposure to any individual beneficiary and its net worth. The aggregation of large credit exposure must not exceed 500% of its net worth. However, for AMM, there is no requirement by the Financial Regulatory Department of Myanmar.

The Group and the Bank employ a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security in the form of collateral for loans and advances, which is the common practice. The Group and the Bank implement guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types to secure for loans and advances are:

- Mortgages over residential properties (land, building, and other properties);
- Charges over business assets such as land and buildings; and,
- Cash in the form of margin deposits.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(c) Maximum exposure to credit risk before collateral held or other credit enhancements

For financial assets reflected in the statement of financial position, the exposure to credit risk equals their carrying amount. For financial guarantees and similar contracts granted, it is the maximum amount that the Group and the Bank would have to pay if the guaranties were called upon. For credit-related commitments and contingents that are irrevocable over the life of the respective facilities, it is generally the full amount of the committed facilities.

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 US\$	2024 KHR'000 (Note 5)
<b>Credit exposure for on-balance sheet financial assets:</b>						
Deposits and placements with other banks, net	2,805,834,418	1,982,391,662	11,259,813,519	7,979,126,440	2,763,512,951	1,958,058,129
Financial investments, net	268,583,929	471,804,878	1,077,827,307	1,899,014,634	268,583,929	471,804,878
Loans and advances, net	7,526,256,578	7,023,164,104	30,202,867,648	28,268,235,519	7,326,888,389	6,861,826,011
Derivative financial instruments	486,550	2,250,246	1,952,525	9,057,240	486,550	2,250,246
Other financial assets, net	15,233,496	11,490,911	61,132,019	46,250,917	11,946,264	9,549,296
	10,616,394,971	9,491,101,801	42,603,593,018	38,201,684,750	10,371,398,083	9,303,488,560
<b>Credit exposure for off-balance sheet items:</b>						
Unused portion of overdrafts	495,371,333	301,771,170	1,987,925,159	1,214,628,959	492,045,980	300,734,637
Bank guarantees	33,170,914	24,430,197	133,114,877	98,331,543	32,906,894	24,254,480
Letters of credit	15,616,624	9,241,756	62,669,512	37,198,068	15,616,624	9,241,756
	544,158,871	335,443,123	2,183,709,548	1,350,158,570	540,569,498	334,230,873
<b>Total maximum credit risk exposure</b>	<b>11,160,553,842</b>	<b>9,826,544,924</b>	<b>44,787,302,566</b>	<b>39,551,843,320</b>	<b>10,911,967,581</b>	<b>9,637,719,433</b>
						<b>41,620,420,506</b>
						<b>1,210,456,914</b>
						<b>97,624,282</b>
						<b>37,198,068</b>
						<b>1,345,279,264</b>
						<b>38,435,916</b>
						<b>7,881,183,969</b>
						<b>1,899,014,634</b>
						<b>27,618,849,694</b>
						<b>9,057,240</b>
						<b>47,940,357</b>
						<b>37,446,541,453</b>

The above table represents a worst-case scenario of credit risk exposure to the Group and the Bank as at 31 December 2025 and 31 December 2024, without taking into account any collateral held or other credit enhancements attached. For on-balance sheet financial assets, the exposures set out above are based on net carrying amounts.

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(c) Maximum exposure to credit risk before collateral held or other credit enhancements (continued)

As shown in the table in the previous page, as at 31 December 2025, 67.44% for the Group and 67.15% for the Bank of total maximum exposure is derived from loans and advances (31 December 2024: 71.47% and 71.20% for the Group and for the Bank, respectively).

The management is confident in its ability to continue to control and sustain minimal exposure of credit risk to the Group and the Bank resulting from its loans and advances. Significant credit risk exposure is arising from loans and advances. In order to mitigate the exposure of credit risk arising from loans and advances, all loan size limits must not exceed 75% of estimated saleable value of the pledged collateral, except for other loans authorised by the Management Credit Committee wherein the loan to collateral value exceeds the 75% threshold. As at 31 December 2025, approximately 85.29% for the Group and 85.15% for the Bank of these loans and advances are collateralised (31 December 2024: 90.68% for the Group and 90.53% for the Bank).

(d) Concentration of risks of financial assets with credit risk exposure

A concentration of credit risk exists when a number of counterparties are engaged in similar activities and have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Group and the Bank analysed the concentration of credit risk by geographic purpose and industry sector on the next pages.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(i) Geographical sector

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) based on the location of the counterparty as at 31 December 2025 is as follows:

	The Group							Total US\$	
	Cambodia US\$	France US\$	Germany US\$	Laos US\$	Singapore US\$	USA US\$	Myanmar US\$		Others US\$
<b>As at 31 December 2025</b>									
<b>Credit exposure for on-balance sheet financial assets:</b>									
Deposits and placements with other banks, net	1,080,830,571	130,469,154	120,269,412	40,451,788	250,828,018	975,059,908	279,508	207,646,059	2,805,834,418
Financial investments, net	268,583,929	-	-	-	-	-	-	-	268,583,929
Loans and advances, net	7,325,704,074	-	-	167,756,622	-	-	32,795,882	-	7,526,256,578
Derivative financial instruments	-	-	-	-	-	-	-	486,550	486,550
Other financial assets, net	11,922,425	-	-	3,310,928	-	-	143	-	15,233,496
	8,687,040,999	130,469,154	120,269,412	211,519,338	250,828,018	975,059,908	33,075,533	208,132,609	10,616,394,971
<b>Credit exposure for off-balance sheet items:</b>									
Unused portion of overdrafts	492,045,980	-	-	3,325,353	-	-	-	-	495,371,333
Bank guarantees	32,906,894	-	-	264,020	-	-	-	-	33,170,914
Letters of credit	15,616,624	-	-	-	-	-	-	-	15,616,624
	540,569,498	-	-	3,589,373	-	-	-	-	544,158,871
<b>Total maximum credit risk exposure</b>	<b>9,227,610,497</b>	<b>130,469,154</b>	<b>120,269,412</b>	<b>215,108,711</b>	<b>250,828,018</b>	<b>975,059,908</b>	<b>33,075,533</b>	<b>208,132,609</b>	<b>11,160,553,842</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>37,030,400,923</b>	<b>523,572,715</b>	<b>482,641,150</b>	<b>863,231,257</b>	<b>1,006,572,836</b>	<b>3,912,915,411</b>	<b>132,732,114</b>	<b>835,236,160</b>	<b>44,787,302,566</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(i) *Geographical sector (continued)*

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) based on the location of the counterparty as at 31 December 2024 is as follows:

	The Group								Total US\$
	Cambodia US\$	France US\$	Germany US\$	Laos US\$	Singapore US\$	USA US\$	Myanmar US\$	Others US\$	
<b>As at 31 December 2024</b>									
<b>Credit exposure for on-balance sheet financial assets:</b>									
Deposits and placements with other banks, net	1,297,862,678	548,305	241,173	23,585,071	126,261,232	397,538,905	89,688	136,264,610	1,982,391,662
Financial investments, net	471,804,878	-	-	-	-	-	-	-	471,804,878
Loans and advances, net	6,861,035,410	-	-	140,526,804	-	-	21,601,890	-	7,023,164,104
Derivative financial instruments	(583,607)	-	-	-	-	-	-	2,833,853	2,250,246
Other financial assets, net	9,645,613	-	-	1,845,298	-	-	-	-	11,490,911
	<u>8,639,764,972</u>	<u>548,305</u>	<u>241,173</u>	<u>165,957,173</u>	<u>126,261,232</u>	<u>397,538,905</u>	<u>21,691,578</u>	<u>139,098,463</u>	<u>9,491,101,801</u>
<b>Credit exposure for off-balance sheet items:</b>									
Unused portion of overdrafts	300,734,637	-	-	1,036,533	-	-	-	-	301,771,170
Bank guarantees	24,254,480	-	-	175,717	-	-	-	-	24,430,197
Letters of credit	9,241,756	-	-	-	-	-	-	-	9,241,756
	<u>334,230,873</u>	<u>-</u>	<u>-</u>	<u>1,212,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>335,443,123</u>
<b>Total maximum credit risk exposure</b>	<u>8,973,995,845</u>	<u>548,305</u>	<u>241,173</u>	<u>167,169,423</u>	<u>126,261,232</u>	<u>397,538,905</u>	<u>21,691,578</u>	<u>139,098,463</u>	<u>9,826,544,924</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>36,120,333,276</u>	<u>2,206,928</u>	<u>970,721</u>	<u>672,856,928</u>	<u>508,201,459</u>	<u>1,600,094,093</u>	<u>87,308,601</u>	<u>559,871,314</u>	<u>39,551,843,320</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(i) Geographical sector (continued)

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) based on the location of the counterparty as at 31 December 2025 is as follows:

	The Bank								Total US\$	
	Cambodia US\$	France US\$	Germany US\$	Laos US\$	Singapore US\$	USA US\$	Myanmar US\$	Others US\$		
<b>As at 31 December 2025</b>										
<b>Credit exposure for on-balance sheet financial assets:</b>										
Deposits and placements with other banks, net	1,080,812,123	130,469,154	120,269,412	10,019	250,828,018	975,059,908	46,554	206,017,763	2,763,512,951	
Financial investments, net	268,583,929	-	-	-	-	-	-	-	268,583,929	
Loans and advances, net	7,326,868,389	-	-	-	-	-	-	-	7,326,868,389	
Derivative financial instruments	-	-	-	-	-	-	-	486,550	486,550	
Other financial assets, net	11,665,669	-	-	-	-	-	280,595	-	11,946,264	
	<u>8,687,930,110</u>	<u>130,469,154</u>	<u>120,269,412</u>	<u>10,019</u>	<u>250,828,018</u>	<u>975,059,908</u>	<u>327,149</u>	<u>206,504,313</u>	<u>10,371,398,083</u>	
<b>Credit exposure for off-balance sheet items:</b>										
Unused portion of overdrafts	492,045,980	-	-	-	-	-	-	-	492,045,980	
Bank guarantees	32,906,894	-	-	-	-	-	-	-	32,906,894	
Letters of credit	15,616,624	-	-	-	-	-	-	-	15,616,624	
	<u>540,569,498</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>540,569,498</u>	
<b>Total maximum credit risk exposure</b>	<u>9,228,499,608</u>	<u>130,469,154</u>	<u>120,269,412</u>	<u>10,019</u>	<u>250,828,018</u>	<u>975,059,908</u>	<u>327,149</u>	<u>206,504,313</u>	<u>10,911,967,581</u>	
<b>In KHR'000 equivalent (Note 5)</b>	<u>37,033,968,926</u>	<u>523,572,715</u>	<u>482,641,150</u>	<u>40,206</u>	<u>1,006,572,836</u>	<u>3,912,915,411</u>	<u>1,312,849</u>	<u>828,701,808</u>	<u>43,789,725,907</u>	

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(i) *Geographical sector (continued)*

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) based on the location of the counterparty as at 31 December 2024 is as follows:

	The Bank								Total US\$
	Cambodia US\$	France US\$	Germany US\$	Laos US\$	Singapore US\$	USA US\$	Myanmar US\$	Others US\$	
<b>As at 31 December 2024</b>									
<b>Credit exposure for on-balance sheet financial assets:</b>									
Deposits and placements with other banks, net	1,297,810,439	548,305	241,173	39,295	126,261,232	397,538,905	46,716	135,572,064	1,958,058,129
Financial investments, net	471,804,878	-	-	-	-	-	-	-	471,804,878
Loans and advances, net	6,861,826,011	-	-	-	-	-	-	-	6,861,826,011
Derivative financial instruments	(583,607)	-	-	-	-	-	-	2,833,853	2,250,246
Other financial assets, net	9,291,269	-	-	-	-	-	258,027	-	9,549,296
	<u>8,640,148,990</u>	<u>548,305</u>	<u>241,173</u>	<u>39,295</u>	<u>126,261,232</u>	<u>397,538,905</u>	<u>304,743</u>	<u>138,405,917</u>	<u>9,303,488,560</u>
<b>Credit exposure for off-balance sheet items:</b>									
Unused portion of overdrafts	300,734,637	-	-	-	-	-	-	-	300,734,637
Bank guarantees	24,254,480	-	-	-	-	-	-	-	24,254,480
Letters of credit	9,241,756	-	-	-	-	-	-	-	9,241,756
	<u>334,230,873</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>334,230,873</u>
<b>Total maximum credit risk exposure</b>	<u>8,974,379,863</u>	<u>548,305</u>	<u>241,173</u>	<u>39,295</u>	<u>126,261,232</u>	<u>397,538,905</u>	<u>304,743</u>	<u>138,405,917</u>	<u>9,637,719,433</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>36,121,878,947</u>	<u>2,206,928</u>	<u>970,721</u>	<u>158,162</u>	<u>508,201,459</u>	<u>1,600,094,093</u>	<u>1,226,591</u>	<u>557,083,816</u>	<u>38,791,820,717</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(ii) Industry sectors

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) at net carrying amount as at 31 December 2025 based on the industry sectors of the counterparty is as follows:

	The Group							Total US\$
	Financial institutions US\$	Wholesales and retails US\$	Services US\$	Housing US\$	Manufacturing US\$	Agriculture US\$	Others US\$	
<b>As at 31 December 2025</b>								
<b>Credit exposure for on-balance sheet financial assets:</b>								
Deposits and placements with other banks, net	2,805,834,418	-	-	-	-	-	-	2,805,834,418
Financial investments, net	-	-	-	-	-	-	268,583,929	268,583,929
Loans and advances, net	19,863,189	2,531,365,582	1,749,559,293	154,698,772	239,121,112	1,323,396,951	1,508,251,679	7,526,256,578
Derivative financial instruments	486,550	-	-	-	-	-	-	486,550
Other financial assets, net	6,186,023	-	-	-	-	-	9,047,473	15,233,496
	<u>2,832,370,180</u>	<u>2,531,365,582</u>	<u>1,749,559,293</u>	<u>154,698,772</u>	<u>239,121,112</u>	<u>1,323,396,951</u>	<u>1,785,883,081</u>	<u>10,616,394,971</u>
<b>Credit exposure for off-balance sheet items:</b>								
Unused portion of overdrafts	-	-	-	-	-	-	495,371,333	495,371,333
Bank guarantees	-	-	-	-	-	-	33,170,914	33,170,914
Letters of credit	-	-	-	-	-	-	15,616,624	15,616,624
	-	-	-	-	-	-	544,158,871	544,158,871
<b>Total maximum credit risk exposure</b>	<u>2,832,370,180</u>	<u>2,531,365,582</u>	<u>1,749,559,293</u>	<u>154,698,772</u>	<u>239,121,112</u>	<u>1,323,396,951</u>	<u>2,330,041,952</u>	<u>11,160,553,842</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>11,366,301,531</u>	<u>10,158,370,081</u>	<u>7,020,981,443</u>	<u>620,806,172</u>	<u>959,593,022</u>	<u>5,310,791,964</u>	<u>9,350,458,353</u>	<u>44,787,302,566</u>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(ii) Industry sectors (continued)

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) at net carrying amount as at 31 December 2024 based on the industry sectors of the counterparty is as follows:

	The Group							Total US\$
	Financial institutions US\$	Wholesales and retails US\$	Services US\$	Housing US\$	Manufacturing US\$	Agriculture US\$	Others US\$	
<b>As at 31 December 2024</b>								
<b>Credit exposure for on-balance sheet financial assets:</b>								
Deposits and placements with other banks, net	1,982,391,662	-	-	-	-	-	-	1,982,391,662
Financial investments, net	-	-	-	-	-	-	471,804,878	471,804,878
Loans and advances, net	1,145,342	2,344,532,249	1,692,785,879	175,947,149	235,557,852	1,450,518,559	1,122,677,074	7,023,164,104
Derivative financial instruments	2,250,246	-	-	-	-	-	-	2,250,246
Other financial assets, net	5,489,442	-	-	-	-	-	6,001,469	11,490,911
	<u>1,991,276,692</u>	<u>2,344,532,249</u>	<u>1,692,785,879</u>	<u>175,947,149</u>	<u>235,557,852</u>	<u>1,450,518,559</u>	<u>1,600,483,421</u>	<u>9,491,101,801</u>
<b>Credit exposure for off-balance sheet items:</b>								
Unused portion of overdrafts	-	-	-	-	-	-	301,771,170	301,771,170
Bank guarantees	-	-	-	-	-	-	24,430,197	24,430,197
Letters of credit	-	-	-	-	-	-	9,241,756	9,241,756
	<u>1,991,276,692</u>	<u>2,344,532,249</u>	<u>1,692,785,879</u>	<u>175,947,149</u>	<u>235,557,852</u>	<u>1,450,518,559</u>	<u>1,935,926,544</u>	<u>9,826,544,924</u>
<b>Total maximum credit risk exposure</b>	<b>8,014,888,686</b>	<b>9,436,742,302</b>	<b>6,813,463,163</b>	<b>708,187,275</b>	<b>948,120,354</b>	<b>5,838,337,200</b>	<b>7,792,104,340</b>	<b>39,551,843,320</b>
<i>In KHR'000 equivalent (Note 5)</i>								

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(ii) Industry sectors (continued)

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) at net carrying amount as at 31 December 2025 based on the industry sectors of the counterparty is as follows:

	The Bank								Total US\$
	Financial institutions US\$	Wholesales and retails US\$	Services US\$	Housing US\$	Manufacturing US\$	Agriculture US\$	Others US\$		
<b>As at 31 December 2025</b>									
<b>Credit exposure for on-balance sheet financial assets:</b>									
Deposits and placements with other banks, net	2,763,512,951	-	-	-	-	-	-	-	2,763,512,951
Financial investments, net	-	-	-	-	-	-	268,583,929	-	268,583,929
Loans and advances, net	19,863,191	2,449,051,735	1,707,239,262	146,070,712	233,525,932	1,272,766,083	1,498,351,474	7,326,868,389	7,326,868,389
Derivative financial instruments	486,550	-	-	-	-	-	-	-	486,550
Other financial assets, net	6,417,327	-	11,549	-	-	-	5,517,388	-	11,946,264
	<u>2,790,280,019</u>	<u>2,449,051,735</u>	<u>1,707,250,811</u>	<u>146,070,712</u>	<u>233,525,932</u>	<u>1,272,766,083</u>	<u>1,772,452,791</u>	<u>-</u>	<u>10,371,398,083</u>
<b>Credit exposure for off-balance sheet items:</b>									
Unused portion of overdrafts	-	-	-	-	-	-	492,045,980	-	492,045,980
Bank guarantees	-	-	-	-	-	-	32,906,894	-	32,906,894
Letters of credit	-	-	-	-	-	-	15,616,624	-	15,616,624
	<u>2,790,280,019</u>	<u>2,449,051,735</u>	<u>1,707,250,811</u>	<u>146,070,712</u>	<u>233,525,932</u>	<u>1,272,766,083</u>	<u>2,313,022,289</u>	<u>540,569,498</u>	<u>540,569,498</u>
<b>Total maximum credit risk exposure</b>	<u>11,197,393,714</u>	<u>9,828,044,613</u>	<u>6,851,197,505</u>	<u>586,181,767</u>	<u>937,139,565</u>	<u>5,107,610,291</u>	<u>9,282,158,446</u>	<u>10,911,967,581</u>	<u>43,789,725,901</u>
<i>In KHR'000 equivalent (Note 5)</i>									

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(d) Concentration of risks of financial assets with credit risk exposure (continued)

(ii) Industry sectors (continued)

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) at net carrying amount as at 31 December 2024 based on the industry sectors of the counterparty is as follows:

	The Bank							Total US\$
	Financial institutions US\$	Wholesales and retails US\$	Services US\$	Housing US\$	Manufacturing US\$	Agriculture US\$	Others US\$	
<b>As at 31 December 2024</b>								
<b>Credit exposure for on-balance sheet financial assets:</b>								
Deposits and placements with other banks, net	1,958,058,129	-	-	-	-	-	-	1,958,058,129
Financial investments, net	-	-	-	-	-	-	471,804,878	471,804,878
Loans and advances, net	1,145,342	2,281,901,545	1,657,564,883	166,238,525	230,398,146	1,410,570,434	1,114,007,136	6,861,826,011
Derivative financial instruments	2,250,246	-	-	-	-	-	-	2,250,246
Other financial assets, net	5,722,092	-	-	-	-	-	3,827,204	9,549,296
	<u>1,967,175,809</u>	<u>2,281,901,545</u>	<u>1,657,564,883</u>	<u>166,238,525</u>	<u>230,398,146</u>	<u>1,410,570,434</u>	<u>1,589,639,218</u>	<u>9,303,488,560</u>
<b>Credit exposure for off-balance sheet items:</b>								
Unused portion of overdrafts	-	-	-	-	-	-	300,734,637	300,734,637
Bank guarantees	-	-	-	-	-	-	24,254,480	24,254,480
Letters of credit	-	-	-	-	-	-	9,241,756	9,241,756
	-	-	-	-	-	-	334,230,873	334,230,873
<b>Total maximum credit risk exposure</b>	<u>1,967,175,809</u>	<u>2,281,901,545</u>	<u>1,657,564,883</u>	<u>166,238,525</u>	<u>230,398,146</u>	<u>1,410,570,434</u>	<u>1,923,870,091</u>	<u>9,637,719,433</u>
<b>In KHR'000 equivalent (Note 5)</b>	<u>7,917,882,630</u>	<u>9,184,653,719</u>	<u>6,671,698,654</u>	<u>669,110,063</u>	<u>927,352,538</u>	<u>5,677,545,997</u>	<u>7,743,577,116</u>	<u>38,791,820,717</u>

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(e) Write-off policy

Financial instruments can be written off under the judgment of the Management Credit Committee when the Group and the Bank lose control on its contractual rights over that facility or when all or part of the facility is deemed uncollectible; this is particularly the case when there is no realistic prospect of recovery from the counterparty or when the Group and the Bank have lost control over its contractual rights on the facility due to any decision of a court of law. Circumstances where a facility should be written off also include, but are not limited to:

- a) All forms of securities or collateral have been called and realised but proceeds failed to cover the entire outstanding amount of the facility.
- b) The Group and the Bank are unable to collect or there is no longer reasonable assurance that the Group and the Bank will collect all amounts due according to the contractual terms of the facility agreement.
- c) The counterparty has become bankrupt or is undergoing other forms of financial restructuring, and as a consequence, it will unlikely to service the facility.
- d) The facility has been classified under loss category.

(f) Credit quality of financial assets

CIFRS 9 provides ECL of which the Group and the Bank expect to experience on an account over either a 12-month horizon (Stage 1) or a lifetime horizon (Stage 2 and Stage 3). The change in approach to provisioning introduced by CIFRS 9 is designed to:

- Ensure a timely recognition of credit losses, which is more reflective than the previous Incurred Loss Model;
- Distinguish between financial instruments that have significantly deteriorated in credit quality and those that have not; and
- Provide a better estimate of ECL given the macroeconomic environment.

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

<b>3-Stage approach</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>
	<b>Performing</b>	<b>Under-performing</b>	<b>Non-performing</b>
Recognition of ECL	12-month ECL	Lifetime ECL	Lifetime ECL
Criterion	No significant increase in credit risk	Credit risk increased significantly	Credit-impaired assets
Basis of calculation of profit revenue	On gross carrying amount	On gross carrying amount	On net carrying amount

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Recognition of ECL*

Financial assets that are measured at amortised cost or through other comprehensive income will be subjected to impairment assessment.

The Group and the Bank measured ECL by using the general approach and the simplified approach. The general approach consists of segregating the customers into three different stages according to the staging criteria by assessing the credit risk. 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 Group and the Bank will assess credit risk of each account as compared to the risk level at origination date.

As for financial assets that are short-term in nature, a simplified approach will be adopted where it will be either performing (Stage1) or non-performing loan (“NPL”) (Stage 3) based on the default indicator.

Below is a table showing a summary of credit risk status and period for ECL calculation by stages:

ACLEDA Bank Plc.

Staging	Risk level/ rating grade	Days past due	NBC's classification	Status	Default indicator
1	1	LT*: $0 \leq \text{DPD} \leq 29$ ST**: $0 \leq \text{DPD} \leq 14$	Normal	-	Not in default/ performing
	2				
	3				
	4				
	5				
	6				
2	7	LT*: $30 \leq \text{DPD} \leq 89$ ST**: $15 \leq \text{DPD} \leq 30$	Special mention	SICR	
3	8	LT*: $90 \leq \text{DPD} \leq 179$ ST**: $31 \leq \text{DPD} \leq 60$	Substandard	NPL	Default/ non-performing
	9	LT*: $180 \leq \text{DPD} \leq 359$ ST**: $61 \leq \text{DPD} \leq 90$	Doubtful		
	10	LT*: $\text{DPD} \geq 360$ ST**: $\text{DPD} \geq 91$	Loss		

\* Long-term facilities;

\*\* Short-term facilities

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Recognition of ECL (continued)*

ACLEDA Bank Lao Ltd.

Staging	Days past due	BOL's classification	Status	Default indicator
1	$0 \leq \text{DPD} \leq 29$	Normal	-	Not in default/ performing
2	$30 \leq \text{DPD} \leq 89$	Special mention	SICR	
3	$90 \leq \text{DPD} \leq 179$	Substandard	NPL	Default/ non-performing
	$180 \leq \text{DPD} \leq 359$	Doubtful		
	$\text{DPD} \geq 360$	Loss		

ACLEDA MFI Myanmar Co., Ltd.

Staging	Days past due	Financial Regulatory Department's classification	Status	Default indicator
1	On time	Normal	-	Not in default/ performing
2	$0 \leq \text{DPD} \leq 29$	Substandard	SICR	
3	$30 \leq \text{DPD} \leq 60$	Watch	NPL	Default/ non-performing
	$61 \leq \text{DPD} \leq 90$	Doubtful		
	$\text{DPD} \geq 91$	Loss		

*Credit classification for financial assets*

The Bank follows the mandatory loan classification and provisioning as required by the NBC's Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 Sor Ror Chor Nor dated 16 February 2018 on Credit Risk Grading and Impairment Provisioning. Loans and advances and other financial assets are classified into five classifications as described below:

Classes/criterion	Payment experienced	
	As for facilities, which have an original term of more than one year	As for facilities that have an original term of one year or less
<b>1 - Normal</b> Timely repayment of an outstanding facility classified in this class is not in doubt. Repayment is steadily made according to the contractual terms, and the facility does not exhibit any potential weakness in repayment capacity, business, cash flow, and financial position of the counterparty.	<ul style="list-style-type: none"> <li>- When any facility is not late or past due up to 29 days.</li> <li>- When interest payments past due up to 29 days has been capitalised, refinanced, or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is not late or past due up to 14 days.</li> <li>- When interest payments past due up to 14 days has been capitalised, refinanced, or rolled over into a new facility.</li> </ul>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Classes/criterion	Payment experienced	
	As for facilities, which have an original term of more than one year	As for facilities that have an original term of one year or less
<p><b>2 - Special mention</b> A facility in this class is currently protected and may not be past due but it exhibits potential weaknesses that, if not corrected in a timely manner, may adversely affect repayment by the counterparty at a future date, and warrant close attention by the Bank. Examples of such weaknesses include, but are not limited to, a declining trend in the operations of the counterparty or in its financial position, adverse economic and market conditions that might all affect its profitability and its future repayment capacity, or deteriorating conditions on the collateral. This class has clearly its own rationales and should not be used as a compromise between normal and substandard.</p>	<ul style="list-style-type: none"> <li>- When any facility is past due from 30 days to 89 days.</li> <li>- When interest payments for 30 to 89 days have been capitalised, refinanced, or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due from 15 days to 30 days.</li> <li>- When interest payments for 15 to 30 days have been capitalised, refinanced, or rolled over into a new facility.</li> <li>- In case of overdrafts, excess of the approval limit is for 15 to 30 days, or the current account has been inactive for 15 to 30 days, or the net inflows on the current account have not been enough to cover capitalised interests for 15 to 30 days.</li> </ul>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Classes/criterion	Payment experienced	
	As for facilities, which have an original term of more than one year	As for facilities that have an original term of one year or less
<p><b>3 - Substandard</b></p> <p>A facility in this class exhibits noticeable weakness and is not adequately protected by the current business, financial position, or repayment capacity of the counterparty. In essence, the primary source of repayment is not sufficient to service the debt and the Bank must look to secondary sources, such as the realisation of the collateral, in relation with the counterparty. Factors leading to a Substandard classification include:</p> <ul style="list-style-type: none"> <li>▪ Inability of the counterparty to meet the contractual repayments' terms.</li> <li>▪ Unfavourable economic and market conditions that would affect the business and profitability of the counterparty in the future.</li> <li>▪ Weakened financial condition and/or inability of the counterparty to generate enough cash flow to service the payments.</li> <li>▪ Difficulties experienced by the counterparty in repaying other facilities granted by the Bank or by other institutions when the information is available.</li> <li>▪ Breach of financial covenants by the counterparty.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due from 90 days to 179 days.</li> <li>- When interest payments for 90 to 179 days have been capitalised, refinanced, or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due from 31 days to 60 days.</li> <li>- When interest payments for 31 to 60 days have been capitalised, refinanced, or rolled over into a new facility.</li> <li>- In case of overdrafts, excess of the approval limit is for 31 to 60 days, or the current account has been inactive for 31 to 60 days.</li> <li>- The overdraft that had no net inflow for 31 to 60 days must be modified into a term loan.</li> </ul>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Classes/criterion	Payment experienced	
	As for facilities, which have an original term of more than one year	As for facilities that have an original term of one year or less
<p><b>4 - Doubtful</b> A facility classified in this category faces similar but more severe weaknesses than one classified as substandard 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.</p>	<ul style="list-style-type: none"> <li>- When any facility is past due from 180 days to 359 days.</li> <li>- When interest payment for 180 to 359 days has been capitalised or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due from 61 days to 90 days.</li> <li>- When interest payment for 61 to 90 days have been capitalised or rolled over into a new facility.</li> <li>- In case of overdrafts, excess of the approval limit is for 61 to 90 days, or the current account has been inactive for 61 to 90 days.</li> </ul>
<p><b>5 - Loss</b> A facility is classified as loss when it is not collectible, and little or nothing can be done to recover the outstanding amount from the counterparty.</p>	<ul style="list-style-type: none"> <li>- When any facility is past due from 360 days.</li> <li>- When interest payment for 360 days or more have been capitalised or rolled over into a new facility.</li> </ul>	<ul style="list-style-type: none"> <li>- When any facility is past due from 91 days.</li> <li>- When interest payment for 91 days or more have been capitalised or rolled over into a new facility.</li> <li>- In case of overdrafts, excess of the approval limit for 91 days or more, or the current account have been inactive for 91 days or more.</li> </ul>

With regard to facilities with repayments on a quarterly, semi-annual, or longer basis, facilities must be classified as substandard or worse depending on the situation of the counterparty as soon as a default occurs. For the purpose of the table above, the default is determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower. The classification as substandard will be allowed only in case where the counterparty has clearly demonstrated that its inability to pay in due time is only temporary.

**41. FINANCIAL RISK MANAGEMENT (continued)**

**41.1 Credit risk (continued)**

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Facilities that are classified substandard, doubtful or loss will be considered as “non-performing” facilities. Other facilities will be considered as “performing”. In addition to the classification according to days past due information and risk level, the Group and the Bank also perform manual classification when there is a sign of deterioration in the credit profile. The Group and the Bank might classify the loans under “normal” and “special mention” classification into Stage 3 when there are other credit impaired indicator.

The credit quality of financial instruments other than loans, and advance and financing facilities are determined based on the ratings of counterparties as defined equivalent ratings of other international rating agencies as defined below.

<b>Credit quality</b>	<b>Description</b>
Sovereign	Refer to financial assets issued by central bank or guarantees by central bank.
Investment grade	Refer to the credit quality of the financial assets that the issuer is able to meet payment obligation and exposure bondholder to low credit risk of default.
Non-investment grade	Refer to low credit quality of the financial assets that are highly exposed to default risk.
No rating	Refer to financial assets which are currently not assigned with ratings due to unavailability of ratings models.
Credit impaired	Refer to the financial assets that are being impaired.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

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

	2025			2024			
	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$
<b>The Group</b>							
Normal	7,054,150,617	743,493	13,998	6,618,098,173	15,010	1,859,301	6,619,972,484
Special mention	140,786	43,041,071	5	63,897	50,811,047	-	50,874,944
Substandard	-	-	73,534,577	-	-	60,316,024	60,316,024
Doubtful	-	-	88,704,255	-	-	87,712,473	87,712,473
Loss	-	-	374,119,966	-	-	300,147,265	300,147,265
Total gross carrying amount	7,054,291,403	43,784,564	536,372,801	6,618,162,070	50,826,057	450,035,063	7,119,023,190
ECL allowance	(35,544,799)	(6,206,440)	(66,440,951)	(23,390,855)	(6,948,824)	(65,519,407)	(95,859,086)
Net carrying amount	7,018,746,604	37,578,124	469,931,850	6,594,771,215	43,877,233	384,515,656	7,023,164,104
<b>In KHR '000 equivalent (Note 5)</b>	<b>28,166,230,122</b>	<b>150,801,012</b>	<b>1,885,836,514</b>	<b>26,543,954,141</b>	<b>176,605,863</b>	<b>1,547,675,575</b>	<b>28,268,235,519</b>
<b>The Bank</b>							
Normal	6,874,701,160	743,493	13,998	6,466,581,612	15,010	1,859,301	6,468,455,923
Special mention	-	42,322,956	5	-	50,528,095	-	50,528,095
Substandard	-	-	72,493,235	-	-	59,566,937	59,566,937
Doubtful	-	-	87,345,530	-	-	86,494,463	86,494,463
Loss	-	-	347,899,396	-	-	276,340,361	276,340,361
Total gross carrying amount	6,874,701,160	43,066,449	507,752,164	6,466,581,612	50,543,105	424,261,062	6,941,385,779
ECL allowance	(34,241,253)	(6,134,887)	(58,275,244)	(21,079,267)	(6,919,295)	(51,561,206)	(79,559,768)
Net carrying amount	6,840,459,907	36,931,562	449,476,920	6,445,502,345	43,623,810	372,699,856	6,861,826,011
<b>In KHR '000 equivalent (Note 5)</b>	<b>27,450,765,607</b>	<b>148,206,358</b>	<b>1,803,750,880</b>	<b>25,943,146,939</b>	<b>175,585,835</b>	<b>1,500,116,920</b>	<b>27,618,849,694</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Financial investments at amortised cost	2025			2024			
	Stage 1: 12-month ECL US\$	Stage 2: LifETIME ECL not credit impaired US\$	Stage 3: LifETIME ECL credit impaired US\$	Stage 1: 12-month ECL US\$	Stage 2: LifETIME ECL not credit impaired US\$	Stage 3: LifETIME ECL credit impaired US\$	Total US\$
<b>The Group</b>							
No rating	31,489,725	-	-	31,609,315	-	-	31,609,315
Sovereign	237,607,813	-	-	440,057,928	-	-	440,057,928
Total gross carrying amount	269,097,538	-	-	471,667,243	-	-	471,667,243
ECL allowance	(703,279)	-	-	(52,035)	-	-	(52,035)
Net carrying amount	268,394,259	-	-	471,615,208	-	-	471,615,208
<b>In KHR'000 equivalent (Note 5)</b>	<b>1,077,066,161</b>	<b>-</b>	<b>-</b>	<b>1,898,251,212</b>	<b>-</b>	<b>-</b>	<b>1,898,251,212</b>
<b>The Bank</b>							
No rating	31,489,725	-	-	31,609,315	-	-	31,609,315
Sovereign	237,607,813	-	-	440,057,928	-	-	440,057,928
Total gross carrying amount	269,097,538	-	-	471,667,243	-	-	471,667,243
ECL allowance	(703,279)	-	-	(52,035)	-	-	(52,035)
Net carrying amount	268,394,259	-	-	471,615,208	-	-	471,615,208
<b>In KHR'000 equivalent (Note 5)</b>	<b>1,077,066,161</b>	<b>-</b>	<b>-</b>	<b>1,898,251,212</b>	<b>-</b>	<b>-</b>	<b>1,898,251,212</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

Deposits and placements with other banks

	2025						2024							
	Stage 1:		Stage 2:		Stage 3:		Stage 1:		Stage 2:		Stage 3:			
	12-month ECL	US\$	Lifetime ECL	not credit impaired	Lifetime ECL	credit impaired	12-month ECL	US\$	Lifetime ECL	not credit impaired	Lifetime ECL	credit impaired	Total	
													US\$	
<b>The Group</b>														
Investment grade	1,744,478,245		-	-	-	-	1,744,478,245		-	-	-	-	690,524,205	690,524,205
Non-investment grade	1,060,864,052		-	-	-	-	1,060,864,052		-	-	-	-	1,291,344,452	1,291,344,452
No rating	1,145,189		-	-	-	-	1,145,189		-	-	-	-	1,145,913	1,145,913
Total gross carrying amount	2,806,487,486		-	-	-	-	2,806,487,486		-	-	-	-	1,983,014,570	1,983,014,570
ECL allowance	(653,068)		-	-	-	-	(653,068)		-	-	-	-	(622,908)	(622,908)
Net carrying amount	2,805,834,418		-	-	-	-	2,805,834,418		-	-	-	-	1,982,391,662	1,982,391,662
<b>In KHR'000 equivalent (Note 5)</b>	<b>11,259,813,519</b>		-	-	-	-	<b>11,259,813,519</b>		-	-	-	-	<b>7,979,126,440</b>	<b>7,979,126,440</b>
<b>The Bank</b>														
Investment grade	1,742,847,290		-	-	-	-	1,742,847,290		-	-	-	-	689,828,449	689,828,449
Non-investment grade	1,021,244,895		-	-	-	-	1,021,244,895		-	-	-	-	1,268,751,264	1,268,751,264
No rating	10,021		-	-	-	-	10,021		-	-	-	-	39,306	39,306
Total gross carrying amount	2,764,102,206		-	-	-	-	2,764,102,206		-	-	-	-	1,958,619,019	1,958,619,019
ECL allowance	(589,255)		-	-	-	-	(589,255)		-	-	-	-	(560,890)	(560,890)
Net carrying amount	2,763,512,951		-	-	-	-	2,763,512,951		-	-	-	-	1,958,058,129	1,958,058,129
<b>In KHR'000 equivalent (Note 5)</b>	<b>11,089,977,472</b>		-	-	-	-	<b>11,089,977,472</b>		-	-	-	-	<b>7,881,183,969</b>	<b>7,881,183,969</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

*Credit classification for financial assets (continued)*

	2025			2024			
	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$
<b>The Group</b>							
Investment grade	758,000	-	-	758,000	-	-	758,000
No rating	16,978,689	-	-	10,765,069	-	-	10,765,069
Total gross carrying amount	17,736,689	-	-	11,523,069	-	-	11,523,069
ECL allowance	(2,503,193)	-	-	(32,158)	-	-	(32,158)
Net carrying amount	15,233,496	-	-	11,490,911	-	-	11,490,911
<b>In KHR'000 equivalent (Note 5)</b>	<b>61,132,019</b>	<b>-</b>	<b>-</b>	<b>46,250,917</b>	<b>-</b>	<b>-</b>	<b>46,250,917</b>
<b>The Bank</b>							
Investment grade	758,000	-	-	758,000	-	-	758,000
No rating	13,677,689	-	-	8,799,171	-	-	8,799,171
Total gross carrying amount	14,435,689	-	-	9,557,171	-	-	9,557,171
ECL allowance	(2,489,425)	-	-	(7,875)	-	-	(7,875)
Net carrying amount	11,946,264	-	-	9,549,296	-	-	9,549,296
<b>In KHR'000 equivalent (Note 5)</b>	<b>47,940,357</b>	<b>-</b>	<b>-</b>	<b>38,435,916</b>	<b>-</b>	<b>-</b>	<b>38,435,916</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(f) Credit quality of financial assets (continued)

Credit classification for financial assets (continued)

	2025						2024		
	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$	Stage 1: 12-month ECL US\$	Stage 2: Lifetime ECL not credit impaired US\$	Stage 3: Lifetime ECL credit impaired US\$	Total US\$	
<b>The Group</b>									
No rating	68,424,191	-	-	68,424,191	67,095,997	-	-	67,095,997	
Total gross carrying amount	68,424,191	-	-	68,424,191	67,095,997	-	-	67,095,997	
ECL allowance	(727,555)	-	-	(727,555)	(52,540)	-	-	(52,540)	
Net carrying amount	67,696,636	-	-	67,696,636	67,043,457	-	-	67,043,457	
<b>In KHR'000 equivalent (Note 5)</b>	<b>271,666,600</b>	-	-	<b>271,666,600</b>	<b>269,849,914</b>	-	-	<b>269,849,914</b>	
<b>The Bank</b>									
No rating	69,107,242	-	-	69,107,242	79,896,493	-	-	79,896,493	
Total gross carrying amount	69,107,242	-	-	69,107,242	79,896,493	-	-	79,896,493	
ECL allowance	(730,123)	-	-	(730,123)	(85,404)	-	-	(85,404)	
Net carrying amount	68,377,119	-	-	68,377,119	79,811,089	-	-	79,811,089	
<b>In KHR'000 equivalent (Note 5)</b>	<b>274,397,379</b>	-	-	<b>274,397,379</b>	<b>321,239,633</b>	-	-	<b>321,239,633</b>	

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(g) Amounts arising from ECL

*Significant increase in credit risk*

The Group and the Bank consider that a significant increase in credit risk occurs no later than when an asset is more than or equal to 30 days past due for long-term facilities or more than or equal to 15 days past due for short-term facilities. Days past due is determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received. Due dates are determined without considering any grace period that might be available to the borrower.

The Group and the Bank use the days past due (“DPD”) information, qualitative assessment in compliance with the central banks’ classification, and credit scoring/rating at origination for staging criteria as disclosed in table 41.1(f).

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL. Some qualitative indicators of an increase in credit risk, such as delinquency, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Group and the Bank determine a probation period during which the financial asset is required to demonstrate good behaviour to provide evidence that its credit risk has declined sufficiently. When contractual terms of a loan have been modified, evidence that the criteria for recognising lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Group and the Bank monitor the effectiveness of the criteria used to identify significant increase in credit risk by regular reviews to confirm that:

- the criteria are capable of identifying significant increase in credit risk before an exposure is in default;
- the criteria does not align with the point in time when an asset becomes past due;
- exposures are not generally transferred directly from 12-month ECL measurement to credit-impaired; and,
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2).

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(g) Amounts arising from ECL (continued)

*Definition of default*

The Group and the Bank consider a financial asset to be in default, as aligned with the NBC's Prakas on Credit Risk Grading and Impairment Provisioning as stated in Article 17 and Article 19, when:

- 1) The default definition/non-performing facilities' definition for short-term and long-term facilities where original tenure is more than a year is as follows:

ACLEDA Bank Plc.

Staging	Risk level/ rating grade	Days past due	Classification	Default indicator
3	8	LT*: $90 \leq \text{DPD} \leq 179$ ST**: $31 \leq \text{DPD} \leq 60$	Substandard	Default/ non-performing
	9	LT*: $180 \leq \text{DPD} \leq 359$ ST**: $61 \leq \text{DPD} \leq 90$	Doubtful	
	10	LT*: $\text{DPD} \geq 360$ ST**: $\text{DPD} \geq 91$	Loss	

\* Long-term facilities

\*\* Short-term facilities

ACLEDA Bank Lao Ltd.

Staging	Days past due	Classification	Default indicator
3	$90 \leq \text{DPD} \leq 179$	Substandard	Default/ non-performing
	$180 \leq \text{DPD} \leq 359$	Doubtful	
	$\text{DPD} \geq 360$	Loss	

ACLEDA MFI Myanmar Co., Ltd.

Staging	Days past due	Classification	Default indicator
3	$30 \leq \text{DPD} \leq 60$	Watch	Default/ non-performing
	$61 \leq \text{DPD} \leq 90$	Doubtful	
	$\text{DPD} \geq 91$	Loss	

- 2) In addition to the classification according to days past due information, the Group and the Bank also perform manual classification when there is a sign of deterioration in the credit profile. The Group and the Bank might classify the loan into substandard (or watch for AMM), doubtful, or loss even though the days past due is not falling within the default criteria.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT (continued)**

**41.1 Credit risk (continued)**

(g) Amounts arising from ECL (continued)

*Grouping of instruments for losses measured on a collective basis*

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

The Group and the Bank groups loans for provisions measured on modelling of ECL calculation, including forward-looking information, based on industry which reflects the shared risk characteristics from its most recent observations and evolution of the current economic condition.

*Incorporation of forward-looking information*

The Group and the Bank incorporate forward-looking information into the measurement of ECL. Forward-looking information is incorporated to sectors for which there are statistical relationship between the Bank's observed default rates and macroeconomic variables (MEVs).

The Group and the Bank formulate three economic scenarios to reflect macro-economic conditions and the business environment starting with baseline, upside, and downside. According to the decision of the Group's and the Bank's senior management in December 2025, the probability-weighted of each scenario was determined based on specific drivers of credit risk by the economic sector as below:

No.	Business/sub-sector	Probabilities weighted outcome		
		As at 31 December 2025		
		Baseline	Upside	Downside
<b>Agriculture</b>				
1	Agriculture, forestry and fishing	60%	15%	25%
<b>Industry</b>				
2	Mining and quarrying	60%	20%	20%
3	Manufacturing	60%	15%	25%
4	Construction	60%	15%	25%
<b>Service</b>				
5	Utilities	60%	20%	20%
6	Wholesale trade	60%	15%	25%
7	Retail trade	60%	15%	25%
8	Accommodation and food service activities	60%	15%	25%
9	Arts, entertainment and recreation	60%	15%	25%
10	Financial and insurance activities	60%	15%	25%
11	Transport and storage	60%	25%	15%
12	Information and communications	60%	20%	20%
13	Rental and operational leasing activities	60%	15%	25%
14	Real estate activities	60%	15%	25%
15	Education	60%	25%	15%
16	Human health and social work activities	60%	25%	15%
17	Activities of households	60%	15%	25%
18	Other lending	60%	15%	25%

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(g) Amounts arising from ECL (continued)

*Incorporation of forward-looking information (continued)*

The sub-sectors which are determined to have a probability 60% for baseline, 25% for upside, and 15% for downside are due to the expectation of these sub-sectors returning to pre-pandemic growth levels and the effective credit management practices of the Bank.

The sub-sectors which are determined to have a probability 60% for baseline, 20% for upside, and 20% for downside are based on the anticipation that these sub-sectors will continue to grow, albeit at a slower pace.

The sub-sectors which are determined to have a probability 60% for baseline, 15% for upside, and 25% for downside are based on the anticipation that these sub-sectors will have a stagnation due to economic challenges.

This strategic approach allows the Group and the Bank to assess and manage credit risk across different sectors within varying economic scenarios, supporting informed decision-making and risk management practices.

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

The Group and the Bank have identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments in accordance with each country and, by using an analysis of historical data, have estimated relationships between macroeconomic variables (“MEVs”) and credit risk and credit losses. The macroeconomic variables (“MEVs”) of Cambodia is the key driver of the ECL of the Group and the Bank. The Bank’s ECL covered over 91% and 83% of the Group’s ECL as at 31 December 2025 and 31 December 2024, respectively.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT (continued)****41.1 Credit risk (continued)**

(g) Amounts arising from ECL (continued)

*Incorporation of forward-looking information (continued)*

For 2025, the economic scenarios of the Bank's portfolio used included the following key indicators for Cambodia from years 2026 to 2030:

<b>Sectors</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>1- Manufacturing</b>					
- Cambodia Foreign Reserves (USD millions)					
Base	5.88%	7.70%	8.61%	11.80%	11.80%
Upside	36.64%	38.46%	39.37%	42.56%	42.56%
Downside	-24.88%	-23.06%	-22.15%	-18.97%	-18.97%
- Nominal GDP (in KHR billions)					
Base	7.69%	7.84%	7.88%	6.97%	6.97%
Upside	18.36%	18.52%	18.56%	17.64%	17.64%
Downside	-2.99%	-2.83%	-2.79%	-3.71%	-3.71%
<b>2- Retail trade</b>					
- Cambodia Foreign Reserves (USD millions)					
Base	5.88%	7.70%	8.61%	11.80%	11.80%
Upside	36.64%	38.46%	39.37%	42.56%	42.56%
Downside	-24.88%	-23.06%	-22.15%	-18.97%	-18.97%
- Cambodia GDP at Constant 2014 Price (in KHR billions)					
Base	5.26%	5.43%	5.46%	4.66%	4.66%
Upside	13.17%	13.35%	13.38%	12.57%	12.57%
Downside	-2.66%	-2.49%	-2.46%	-3.26%	-3.26%
- US 1 Year Treasury Yield Curve Rates					
Base	3.8820	3.8518	3.8373	2.2248	2.2248
Upside	0.2047	0.1745	0.1600	(1.4525)	(1.4525)
Downside	7.5593	7.5291	7.5146	5.9021	5.9021
- Debits (Imports)					
Base	33,367.39	33,511.81	33,542.02	24,178.23	24,178.23
Upside	46,268.01	46,412.43	46,442.64	37,078.84	37,078.84
Downside	20,466.78	20,611.20	20,641.40	11,277.61	11,277.61
<b>3- Other lending</b>					
- Cambodia GDP at Constant 2014 Price (in KHR billions)					
Base	5.26%	5.43%	5.46%	4.66%	4.66%
Upside	13.17%	13.35%	13.38%	12.57%	12.57%
Downside	-2.66%	-2.49%	-2.46%	-3.26%	-3.26%
- Cambodia Foreign Reserves (USD millions)					
Base	5.88%	7.70%	8.61%	11.80%	11.80%
Upside	36.64%	38.46%	39.37%	42.56%	42.56%
Downside	-24.88%	-23.06%	-22.15%	-18.97%	-18.97%
- US 1 Year Treasury Yield Curve Rates					
Base	3.6910	3.6524	3.6323	2.3648	2.3648
Upside	(0.1267)	(0.1653)	(0.1855)	(1.4529)	(1.4529)
Downside	7.5087	7.4701	7.4500	6.1826	6.1826
<b>4- Transport and storage</b>					
- Nominal GDP (in KHR billions)					
Base	7.69%	7.84%	7.88%	6.97%	6.97%
Upside	18.36%	18.52%	18.56%	17.64%	17.64%
Downside	-2.99%	-2.83%	-2.79%	-3.71%	-3.71%
- Cambodia Foreign Reserves (USD millions)					
Base	5.88%	7.70%	8.61%	11.80%	11.80%
Upside	36.64%	38.46%	39.37%	42.56%	42.56%
Downside	-24.88%	-23.06%	-22.15%	-18.97%	-18.97%

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT** (continued)**41.1 Credit risk** (continued)

(g) Amounts arising from ECL (continued)

*Incorporation of forward-looking information (continued)*

<b>Sectors</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>5- Agriculture, forestry and fishing</b>					
- US 1 Year Treasury Yield Curve Rates					
Base	3.6910	3.6524	3.6323	2.3648	2.3648
Upside	(0.1267)	(0.1653)	(0.1855)	(1.4529)	(1.4529)
Downside	7.5087	7.4701	7.4500	6.1826	6.1826
- Cambodia CPI All Items 2006=100					
Base	207.24	207.53	207.57	184.35	184.35
Upside	184.56	184.86	184.90	161.68	161.68
Downside	229.91	230.21	230.25	207.03	207.03
- USDKHR					
Base	4,015.10	4,011.54	4,011.15	4,071.04	4,071.04
Upside	3,949.83	3,946.27	3,945.88	4,005.77	4,005.77
Downside	4,080.37	4,076.81	4,076.41	4,136.30	4,136.30
<b>6- Activities of households</b>					
- US 1 Year Treasury Yield Curve Rates					
Base	4.1650	4.1050	4.1135	1.9452	1.9452
Upside	0.7970	0.7370	0.7455	(1.4228)	(1.4228)
Downside	7.5330	7.4730	7.4815	5.3132	5.3132
- Cambodia Foreign Reserves (USD millions)					
Base	9.35%	9.51%	9.58%	11.80%	11.80%
Upside	40.11%	40.27%	40.34%	42.56%	42.56%
Downside	-21.41%	-21.25%	-21.18%	-18.97%	-18.97%
- Debits (Imports)					
Base	34,462.39	34,635.18	34,684.96	24,682.43	24,682.43
Upside	46,937.50	47,110.29	47,160.07	37,157.53	37,157.53
Downside	21,987.28	22,160.08	22,209.85	12,207.32	12,207.32
- US 1 Year Treasury Yield Curve Rates					
Base	3.6910	3.6524	3.6323	2.3648	2.3648
Upside	(0.1267)	(0.1653)	(0.1855)	(1.4529)	(1.4529)
Downside	7.5087	7.4701	7.4500	6.1826	6.1826
<b>7- Real estate activities</b>					
- Domestic Credit to Private Sector (% of GDP)					
Base	127.65%	127.77%	127.35%	98.14%	98.14%
Upside	75.07%	75.19%	74.77%	45.56%	45.56%
Downside	180.23%	180.34%	179.92%	150.72%	150.72%
- FDI (% of GDP)					
Base	9.33%	9.34%	9.37%	9.63%	9.63%
Upside	10.23%	10.24%	10.26%	10.53%	10.53%
Downside	8.44%	8.45%	8.47%	8.74%	8.74%

Predicted relationships between the key indicators and default and loss rates on various portfolios of financial assets have been developed based on analysing available historical data over the past 7 years.

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(g) Amounts arising from ECL (continued)

*Modified financial assets*

The contractual terms of a loan may be modified for a number of reasons, including changing market conditions, customer retention, and other factors not related to a current or potential credit deterioration of the customer. An existing loan whose terms have been modified may be derecognised and the renegotiated loan recognised as a new loan at fair value in accordance with the accounting policy set out in Note 2 (e) (iv).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

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

When modification results in derecognition, a new loan is recognised and allocated to Stage 1 (assuming it is not credit-impaired at that time).

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of loan covenants.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Modified financial assets (continued)*

The following table includes summary information for loans with lifetime ECL whose cash flows were modified during the year as part of the Group's and the Bank's restructuring activities and their respective effect on the Group's and the Bank's financial performance:

	The Group			The Bank		
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 US\$	2025 US\$	2024 KHR'000 (Note 5)
Loans and advances						
Amortised cost before modification	93,386,664	111,818,591	374,760,683	111,818,591	374,760,683	450,069,829
Net modification loss	(2,281,676)	(644,896)	(9,156,366)	(644,896)	(9,156,366)	(2,595,706)
Amortised cost after modification	91,104,988	111,173,695	365,604,317	111,173,695	365,604,317	447,474,123

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

- (g) Amounts arising from ECL (continued)

*Management's post-model overlay*

In December 2025, border dispute between Thailand and Cambodia violently led to armed conflict, fatalities, displacement, business operations and economic activities disruption. This resulted in the forced seizure and control of certain areas situated unequivocally within Cambodian territory in four provinces have been evolving during and close to the reporting date. The prospective impacts of these events, although partially reflected in the probability-weighted outcomes, were not incorporated into the original ECL model design, inputs, and management judgements.

The management performed various scenarios and their probabilities to assess the impact and determined an additional allowance for ECL over the net carrying amount of the affected facilities. The management continues to monitor the situation and makes changes to the assumptions and judgements if necessary. The overlay has been presented together with respective stages of the affected facilities.

As the situation is evolving, the future impact may be different from the current assessment, and a disclosure of the range of reasonably possible outcomes and sensitivity analysis may be limited at the current reporting date.

Considering the current situation, the uncertainty is very high so that the management applied a post-model overlay on 31 December 2025 with an additional ECL of US\$1,824,471 (31 December 2024: nil) of customers residing and working in the afore-mentioned affected areas. In addition, the management still make ongoing assessment of the situation and take further actions for next reporting period.

	The Group		The Bank	
	2025 US\$	2025 KHR'000 (Note 5)	2024 US\$	2024 KHR'000 (Note 5)
<i>Allowance for expected credit loss</i>				
Before management overlay	106,367,719	426,853,656	-	388,566,402
Management overlay	1,824,471	7,321,602	-	7,321,602
After management overlay	108,192,190	434,175,258	-	395,888,004

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

Loss allowance

The following table shows the change of loss allowance between the beginning and the end of the year by class of financial instrument:

Loans and advances at amortised cost	2025			2024				
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>The Group</b>								
At the beginning of the year	23,390,856	6,948,824	65,519,406	95,859,086	8,966,649	5,322,333	41,357,796	55,646,778
Transfers to/(deduction from):								
Stage 1	(1,008,171)	106,952	901,219	-	(357,842)	29,583	328,259	-
Stage 2	2,371,422	(5,563,088)	3,191,666	-	1,110,912	(2,752,819)	1,641,907	-
Stage 3	1,266,206	73,861	(1,340,067)	-	295,546	32,042	(327,588)	-
Net remeasurement of loss allowance	(2,703,454)	2,271,395	50,935,495	50,503,436	1,992,819	1,162,867	63,792,920	66,948,606
New financial assets originated	18,978,541	3,546,732	5,459,179	27,984,452	14,801,072	5,690,714	11,055,502	31,547,288
Derecognition of financial assets	(6,732,287)	(1,070,088)	(6,761,833)	(14,564,208)	(3,403,642)	(2,534,675)	(7,583,081)	(13,521,398)
Write-offs	(20,020)	(92,739)	(51,482,661)	(51,595,420)	(17,630)	(934)	(44,669,512)	(44,688,076)
Currency translation differences	1,705	(15,409)	18,548	4,844	2,972	(287)	(76,797)	(74,112)
As at the end of the year	35,544,798	6,206,440	66,440,952	108,192,190	23,390,856	6,948,824	65,519,406	95,859,086
<b>In KHR'000 equivalent (Note 5)</b>	<b>142,641,274</b>	<b>24,906,444</b>	<b>266,627,540</b>	<b>434,175,258</b>	<b>94,148,195</b>	<b>27,969,017</b>	<b>263,715,609</b>	<b>385,832,821</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

Loss allowance (continued)

The following table shows the change of loss allowance between the beginning and the end of the year by class of financial instrument:

Loans and advances at amortised cost	2025			2024			Total	Total
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$		
<b>The Bank</b>								
At the beginning of the year	21,079,267	6,919,295	51,561,206	7,828,861	3,268,573	28,502,104	79,559,768	39,599,538
Transfers to/(deduction from):								
Stage 1	(962,153)	91,405	870,748	(333,729)	27,865	305,864	-	-
Stage 2	2,362,519	(5,541,204)	3,178,685	282,512	(1,848,875)	1,566,363	-	-
Stage 3	1,236,417	69,955	(1,306,372)	269,379	28,203	(297,582)	-	-
Net remeasurement of loss allowance	(1,775,768)	2,260,355	54,801,145	3,139,480	1,159,828	60,352,677	55,285,732	64,651,985
New financial assets originated	17,820,633	3,505,428	5,378,706	12,886,620	5,677,540	10,990,393	26,704,767	29,554,553
Derecognition of financial assets	(5,505,337)	(1,062,562)	(6,283,376)	(3,038,465)	(1,394,283)	(6,990,950)	(12,851,275)	(11,423,698)
Write-offs	(20,020)	(92,739)	(49,955,834)	(17,630)	(934)	(42,929,349)	(50,068,593)	(42,947,913)
Currency translation differences	5,695	(15,046)	30,336	62,239	1,378	61,686	20,985	125,303
As at the end of the year	34,241,253	6,134,887	58,275,244	21,079,267	6,919,295	51,561,206	98,651,384	79,559,768
<b>In KHR'000 equivalent (Note 5)</b>	<b>137,410,148</b>	<b>24,619,302</b>	<b>233,858,554</b>	<b>84,844,050</b>	<b>27,850,162</b>	<b>207,533,854</b>	<b>395,888,004</b>	<b>320,228,066</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

The following table shows the change of loss allowance between the beginning and the end of the year by class of financial instrument:

	2025			2024				
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>Deposits and placements with other banks</b>								
<b>The Group</b>								
At the beginning of the year	622,908	-	-	622,908	116,195	-	-	116,195
Impairment losses charged during the year	5,295	-	-	5,295	518,846	-	-	518,846
Currency translation differences	24,865	-	-	24,865	(12,133)	-	-	(12,133)
As at the end of the year	653,068	-	-	653,068	622,908	-	-	622,908
<b>In KHR'000 equivalent (Note 5)</b>	<b>2,620,761</b>	<b>-</b>	<b>-</b>	<b>2,620,761</b>	<b>2,507,205</b>	<b>-</b>	<b>-</b>	<b>2,507,205</b>
<b>The Bank</b>								
At the beginning of the year	560,890	-	-	560,890	12,425	-	-	12,425
Impairment losses charged during the year	27,578	-	-	27,578	546,749	-	-	546,749
Currency translation differences	787	-	-	787	1,716	-	-	1,716
As at the end of the year	589,255	-	-	589,255	560,890	-	-	560,890
<b>In KHR'000 equivalent (Note 5)</b>	<b>2,364,680</b>	<b>-</b>	<b>-</b>	<b>2,364,680</b>	<b>2,257,582</b>	<b>-</b>	<b>-</b>	<b>2,257,582</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

Loss allowance (continued)

The following table shows the change of loss allowance between the beginning and the end of the year by class of financial instrument:

	2025			2024				
	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Total US\$	Stage 1 US\$	Stage 2 US\$	Stage 3 US\$	Total US\$
<b>Other financial assets</b>								
<b>The Group</b>								
At the beginning of the year	32,158	-	-	32,158	16,696	-	-	16,696
Adjustment	427,040	-	-	427,040	-	-	-	-
Impairment losses charged during the year	2,309,448	-	-	2,309,448	36,223	-	-	36,223
Write-offs	(296,663)	-	-	(296,663)	-	-	-	-
Currency translation differences	31,210	-	-	31,210	(20,761)	-	-	(20,761)
As at the end of the year	2,503,193	-	-	2,503,193	32,158	-	-	32,158
<b>In KHR'000 equivalent (Note 5)</b>	<b>10,045,314</b>	<b>-</b>	<b>-</b>	<b>10,045,314</b>	<b>129,436</b>	<b>-</b>	<b>-</b>	<b>129,436</b>
<b>The Bank</b>								
At the beginning of the year	7,875	-	-	7,875	13,786	-	-	13,786
Adjustment	427,040	-	-	427,040	-	-	-	-
Impairment losses charged/(reversal of impairment losses) during the year	2,059,985	-	-	2,059,985	(5,634)	-	-	(5,634)
Currency translation differences	(5,475)	-	-	(5,475)	(277)	-	-	(277)
As at the end of the year	2,489,425	-	-	2,489,425	7,875	-	-	7,875
<b>In KHR'000 equivalent (Note 5)</b>	<b>9,990,063</b>	<b>-</b>	<b>-</b>	<b>9,990,063</b>	<b>31,697</b>	<b>-</b>	<b>-</b>	<b>31,697</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

The following table shows the change of loss allowance between the beginning and the end of the year by class of financial instrument:

Investments in debt securities	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>The Group</b>								
At the beginning of the year	52,035	-	-	52,035	629,260	-	-	629,260
Impairment losses charged/(reversal of impairment losses) during the year	651,244	-	-	651,244	(577,225)	-	-	(577,225)
As at the end of the year	703,279	-	-	703,279	52,035	-	-	52,035
<b>In KHR'000 equivalent (Note 5)</b>	<b>2,822,259</b>	<b>-</b>	<b>-</b>	<b>2,822,259</b>	<b>209,441</b>	<b>-</b>	<b>-</b>	<b>209,441</b>
<b>The Bank</b>								
At the beginning of the year	52,035	-	-	52,035	629,260	-	-	629,260
Impairment losses charged/(reversal of impairment losses) during the year	651,244	-	-	651,244	(577,225)	-	-	(577,225)
As at the end of the year	703,279	-	-	703,279	52,035	-	-	52,035
<b>In KHR'000 equivalent (Note 5)</b>	<b>2,822,259</b>	<b>-</b>	<b>-</b>	<b>2,822,259</b>	<b>209,441</b>	<b>-</b>	<b>-</b>	<b>209,441</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.1 Credit risk (continued)

(g) Amounts arising from ECL (continued)

*Loss allowance (continued)*

The following table shows the change of loss allowance between the beginning and the end of the year by class of financial instrument:

	2025				2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
<b>Financial guarantee contracts</b>								
<b>The Group</b>								
At the beginning of the year	52,540	-	-	52,540	14,782	-	-	14,782
Impairment losses charged during the year	673,712	-	-	673,712	37,752	-	-	37,752
Currency translation differences	1,303	-	-	1,303	6	-	-	6
As at the end of the year	727,555	-	-	727,555	52,540	-	-	52,540
<b>In KHR'000 equivalent (Note 5)</b>	<b>2,919,678</b>	<b>-</b>	<b>-</b>	<b>2,919,678</b>	<b>211,474</b>	<b>-</b>	<b>-</b>	<b>211,474</b>
<b>The Bank</b>								
At the beginning of the year	85,404	-	-	85,404	62,307	-	-	62,307
Impairment losses charged during the year	643,409	-	-	643,409	23,078	-	-	23,078
Currency translation differences	1,310	-	-	1,310	19	-	-	19
As at the end of the year	730,123	-	-	730,123	85,404	-	-	85,404
<b>In KHR'000 equivalent (Note 5)</b>	<b>2,929,984</b>	<b>-</b>	<b>-</b>	<b>2,929,984</b>	<b>343,751</b>	<b>-</b>	<b>-</b>	<b>343,751</b>

**ACLEDA BANK PLC.**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**41. FINANCIAL RISK MANAGEMENT (continued)**

**41.1 Credit risk (continued)**

(h) Sensitivity analysis on ECL measurement

Set out below is the Bank's ECL measurement as at 31 December 2025 and 31 December 2024 that would result from reasonably possible changes in the parameters from the actual assumptions used by the Bank in its economic variable assumptions.

	Change in MEVs		Impact on ECL			
	Upside scenario	Downside scenario	Upside scenario in US\$	Downside scenario in US\$	Upside scenario in KHR'000 (Note 5)	Downside scenario in KHR'000 (Note 5)
<b>31 December 2025</b>						
<b>1- Manufacturing</b>						
- Cambodia Foreign Reserves (USD millions)	30.76%	-30.76%	(724,412)	2,357,934	(2,907,067)	9,462,390
- Nominal GDP (in KHR billions)	10.68%	-10.68%				
<b>2- Retail trade</b>			(8,182,357)	21,125,043	(32,835,800)	84,774,796
- Cambodia Foreign Reserves (USD millions)	30.76%	-30.76%				
- Cambodia GDP at Constant 2014 Price (in KHR billions)	7.92%	-7.92%				
- US 1 Year Treasury Yield Curve Rates	(3.68)	3.68				
- Debits (Imports)	12,900.62	(12,900.62)				
<b>3- Other lending</b>			(2,346,630)	8,009,639	(9,417,025)	32,142,683
- Cambodia GDP at Constant 2014 Price (in KHR billions)	7.92%	-7.92%				
- Cambodia Foreign Reserves (USD millions)	30.76%	-30.76%				
- US 1 Year Treasury Yield Curve Rates	(3.82)	3.82				
<b>4- Transport and storage</b>			(1,071,045)	3,370,507	(4,298,102)	13,525,843
- Nominal GDP (in KHR billions)	10.68%	-10.68%				
- Cambodia Foreign Reserves (USD millions)	30.76%	-30.76%				
<b>5- Agriculture, forestry and fishing</b>			(333,703)	988,537	(1,339,150)	3,966,999
- US 1 Year Treasury Yield Curve Rates	(3.82)	3.82				
- Cambodia CPI All Items 2006=100	(22.68)	22.68				
- USDKHR	(65.27)	65.27				
<b>6- Activities of households</b>			(5,342,328)	10,142,133	(21,438,762)	40,700,381
- US 1 Year Treasury Yield Curve Rates	(3.37)	3.37				
- Cambodia Foreign Reserves (USD millions)	30.76%	-30.76%				
- Debits (Imports)	12,475.11	(12,475.11)				
- US 1 Year Treasury Yield Curve Rates	(3.82)	3.82				
<b>7- Real estate activities</b>			(112,307)	152,528	(450,687)	612,095
- Domestic Credit to Private Sector (% of GDP)	-52.58%	52.58%				
- FDI (% of GDP)	0.90%	-0.90%				

	Change in MEVs		Impact on ECL			
	Upside scenario	Downside scenario	Upside scenario in US\$	Downside scenario in US\$	Upside scenario in KHR'000 (Note 5)	Downside scenario in KHR'000 (Note 5)
<b>31 December 2024</b>						
<b>1- Agriculture, forestry and fishing</b>			(412,500)	308,738	(1,660,313)	1,242,669
- Cambodia Foreign Reserves (USD millions)	27.87%	-27.87%				
- US 1 Year Treasury Yield Curve Rates	-24.55	24.55				
<b>2- Manufacturing</b>			(966,357)	1,604,497	(3,889,586)	6,458,100
- Nominal GDP (in KHR billions)	12.23%	-12.23%				
- Cambodia Foreign Reserves (USD millions)	23.79%	-23.79%				
<b>3- Retail trade</b>			(6,473,825)	11,458,227	(26,057,145)	46,119,364
- Cambodia GDP at Constant 2014 Price (in KHR billions)	8.97%	-8.97%				
- Cambodia Foreign Reserves (USD millions)	23.79%	-23.79%				
- Cambodia Foreign Reserves (USD millions)	27.87%	-27.87%				
- US 1 Year Treasury Yield Curve Rates	(24.55)	24.55				
- USDKHR	-1.39%	1.39%				
<b>4- Transport and Storage</b>			(1,023,638)	2,071,236	(4,120,144)	8,336,723
- Nominal GDP (in KHR billions)	12.23%	-12.23%				
- Cambodia Foreign Reserves (USD millions)	23.79%	-23.79%				
<b>5- Real estate activities</b>			(62,528)	26,060	(251,677)	104,890
- Domestic credit to private sector (% of GDP)	-49.89%	49.89%				
- FDI (% of GDP)	0.89%	-0.89%				
- USDKHR	-1.39%	1.39%				
<b>6- Other lending</b>			(1,861,615)	4,013,811	(7,492,999)	16,155,591
- Cambodia GDP at Constant 2014 Price (in KHR billions)	8.97%	-8.97%				
- Cambodia Foreign Reserves (USD millions)	23.79%	-23.79%				

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.1 Credit risk** (continued)

(i) Repossessed collaterals

Reposessed collaterals are sold as soon as practicable. The Group and the Bank do not utilise the reposessed collaterals for its business use.

The Group and the Bank have obtained assets by taking possession of collaterals held as security as at 31 December 2025 amounting to US\$13,372,583 (2024: nil).

**41.2 Market risk**

The Group and the Bank are exposed to market risk, which is the risk of losses in on and off-balance sheet positions arising from movements in the market prices, such as interest rates, equity, foreign currency exchange rates, derivatives, and options, that could adversely affect the Group's and the Bank's future earnings, capital, or ability to meet business objectives.

The primary categories of market risk for the Group and the Bank are:

- (i) Interest rate risk: can lead to losses when there is an imbalance between assets and liabilities on which interest rates change periodically or at different intervals; and,
- (ii) Foreign exchange risk: can lead to losses when there is an imbalance between assets and liabilities in any particular currency.

Commodity risk and equity risk are not applicable at the moment given that the Group and the Bank do not hold any commodity or equity position.

The Board Risk Management and IT Committee is established by the Board of Directors to assist in the effective discharge of its responsibilities for risk management and to regularly review the management's ability to assess and manage the Group's and the Bank's risks.

Market risk is managed based on the following principles and internal targets:

*Principles of the market risk*

- In line with sound banking principles, the Group and the Bank actively manage currencies and interest rate risk positions to hedge positions by matching assets and liabilities.
- The Group and the Bank shall not engage in activities to derive income from proprietary trading or speculation on the movements in exchange rates, interest rates, or value of securities.
- The market risk management framework comprises of core components such as (1) the effective governance and oversight by senior management and Board of Directors, (2) the effective implementation of risk appetite and tolerance, (3) effective implementation of risk management processes, and (4) effective technology and data infrastructure. It must be integrated into day-to-day management of business and operations to provide transparent and consistent management of market risk across the Group and the Bank.
- The day-to-day responsibility for market risk lies with the senior management of the treasury group.

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.2 Market risk** (continued)

*Internal targets on the market risk*

- The Group and the Bank will have internal target on foreign exchange currency mismatch per currency and cumulative mismatch for all foreign currencies to limit the adverse impact of foreign exchange risk.
- Relevant divisions and departments should regularly assess and monitor the perceived risks of non-compliance with the targets. Any breaches of internal targets should be reported to the Asset and Liability Committee (“ALCO”) and President & Group Managing Director.
- The framework and guidelines for managing the metrics/internal targets is laid in the Risk Appetite Statement Operating Manual.

As at 31 December 2025 and 31 December 2024, the Group’s and the Bank’s derivative financial instruments and financial investments designated as FVOCI are valued at fair value in accordance with the methods as disclosed in Note 42. The Group and the Bank use derivative financial instruments, such as interest rate swaps to hold its risk exposures.

(i) *Interest rate risk*

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of the changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of the changes in the market interest rates. Interest margins may increase as a result of changes but may reduce losses in the event that unexpected movements arise.

The Group’s and the Bank’s interest rate risk arise from borrowings and subordinated debts. Borrowings and subordinated debts issued at variable rates expose the Group and the Bank to cash flow interest rate risk. The Group and the Bank manage cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings and subordinated debts from floating rates to fixed rates and recognising the interest expense based on that fixed interest rate. The Group and the Bank raise borrowings and subordinated debts at floating rates and swaps them into fixed rate that are lower than those available if the Group and the Bank borrowed at fixed rates directly. Under the interest rate swaps, the Group and the Bank agree with other parties to exchange, at specified intervals (primarily semi-annually), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional amounts.

The tables on the next pages summarise the Group’s and the Bank’s exposure to interest rate risks. It includes the financial instruments at net carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(i) Interest rate risk (continued)

	The Group						Total US\$
	Up to 1 month US\$	1 - 3 months US\$	3 - 12 months US\$	1 - 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	
<b>As at 31 December 2025</b>							
<b>Financial assets</b>							
Cash on hand	-	-	-	-	-	520,905,012	520,905,012
Deposits and placements with other banks, net	1,501,564,525	9,978,011	10,055,300	-	-	1,284,236,582	2,805,834,418
Financial investments, net	135,804,965	32,964,894	2,113,745	85,791,966	11,718,689	189,670	268,583,929
Loans and advances, net	262,855,016	302,241,244	1,160,286,081	5,157,095,855	643,778,382	-	7,526,256,578
Derivative financial instruments	-	-	-	-	-	486,550	486,550
Other financial assets, net	-	-	-	-	-	15,233,496	15,233,496
<b>Total financial assets</b>	<b>1,900,224,506</b>	<b>345,184,149</b>	<b>1,172,455,126</b>	<b>5,242,887,821</b>	<b>655,497,071</b>	<b>1,821,051,310</b>	<b>11,137,299,983</b>
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	161,762,983	19,632,955	52,279,342	12,892,590	84,950,000	2,721,661	334,239,531
Deposits from customers	4,384,641,888	698,987,103	1,989,847,290	794,808,452	40,682,761	1,126,060,450	9,035,027,944
Lease liabilities	1,245,616	2,006,682	8,973,677	19,459,350	2,840,461	-	34,525,786
Borrowings	43,481,510	110,389,880	170,803,158	22,682,235	4,783	-	347,361,566
Subordinated debits	4,011,598	923,401	54,212,365	101,538,317	44,987,008	-	205,672,689
Debt securities	1,430,237	508,396	-	119,815,866	78,053,821	-	199,808,320
Other financial liabilities	-	-	-	-	-	59,211,270	59,211,270
<b>Total financial liabilities</b>	<b>4,596,573,832</b>	<b>832,448,417</b>	<b>2,276,115,832</b>	<b>1,071,196,810</b>	<b>251,518,834</b>	<b>1,187,993,381</b>	<b>10,215,847,106</b>
<b>Net interest sensitivity gap</b>	<b>(2,696,349,326)</b>	<b>(487,264,268)</b>	<b>(1,103,660,706)</b>	<b>4,171,691,011</b>	<b>403,978,237</b>	<b>633,057,929</b>	<b>921,452,877</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(10,820,449,846)</b>	<b>(1,955,397,507)</b>	<b>(4,428,990,413)</b>	<b>16,740,996,027</b>	<b>1,621,164,665</b>	<b>2,540,461,469</b>	<b>3,697,790,395</b>
Unused portion of overdrafts	-	-	-	-	-	495,371,333	495,371,333
Bank guarantees and letters of credit	-	-	-	-	-	84,040,815	84,040,815
<b>Net interest sensitivity gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>579,412,148</b>	<b>579,412,148</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,325,180,949</b>	<b>2,325,180,949</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(i) Interest rate risk (continued)

	The Group						Total US\$
	Up to 1 month US\$	1 - 3 months US\$	3 - 12 months US\$	1 - 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	
<b>As at 31 December 2024</b>							
<b>Financial assets</b>							
Cash on hand	-	-	-	-	-	513,942,123	513,942,123
Deposits and placements with other banks, net	269,880,105	39,734,617	9,986,747	-	-	1,662,790,193	1,982,391,662
Financial investments, net	121,762,168	222,042,864	91,759,404	36,050,772	-	189,670	471,804,878
Loans and advances, net	285,993,842	283,490,237	1,074,008,054	4,484,976,989	894,694,982	-	7,023,164,104
Derivative financial instruments	-	-	-	-	-	2,250,246	2,250,246
Other financial assets, net	-	-	-	-	-	11,490,911	11,490,911
<b>Total financial assets</b>	<b>677,636,115</b>	<b>545,267,718</b>	<b>1,175,754,205</b>	<b>4,521,027,761</b>	<b>894,694,982</b>	<b>2,190,663,143</b>	<b>10,005,043,924</b>
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	78,792,658	47,715,044	66,459,658	31,490,442	84,950,000	87,106,549	396,514,351
Deposits from customers	3,708,534,414	668,970,196	1,828,565,079	791,849,431	46,546,760	918,075,554	7,962,541,434
Lease liabilities	1,251,812	1,943,831	9,349,834	20,071,729	2,404,542	-	35,021,748
Borrowings	85,104,169	208,450,298	278,099,429	34,737,644	466,335	-	606,857,875
Subordinated debts	-	207,709	80,144,418	53,607,544	44,802,437	-	178,762,108
Other financial liabilities	-	-	-	-	-	59,870,248	59,870,248
<b>Total financial liabilities</b>	<b>3,873,683,053</b>	<b>927,287,078</b>	<b>2,262,618,418</b>	<b>931,756,790</b>	<b>179,170,074</b>	<b>1,065,052,351</b>	<b>9,239,567,764</b>
<b>Net interest sensitivity gap</b>	<b>(3,196,046,938)</b>	<b>(382,019,360)</b>	<b>(1,086,864,213)</b>	<b>3,589,270,971</b>	<b>715,524,908</b>	<b>1,125,610,792</b>	<b>765,476,160</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(12,864,068,925)</b>	<b>(1,537,627,924)</b>	<b>(4,374,628,457)</b>	<b>14,446,815,658</b>	<b>2,879,987,755</b>	<b>4,530,583,437</b>	<b>3,081,041,544</b>
Unused portion of overdrafts	-	-	-	-	-	301,771,170	301,771,170
Bank guarantees and letters of credit	-	-	-	-	-	76,337,753	76,337,753
<b>Net interest sensitivity gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>378,108,923</b>	<b>378,108,923</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,521,888,415</b>	<b>1,521,888,415</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(i) Interest rate risk (continued)

	The Bank						Total US\$
	Up to 1 month US\$	1 - 3 months US\$	3 - 12 months US\$	1 - 5 years US\$	Over 5 years US\$	Non-interest bearing US\$	
<b>As at 31 December 2025</b>							
<b>Financial assets</b>							
Cash on hand	-	-	-	-	-	510,259,622	510,259,622
Deposits and placements with other banks, net	1,501,062,336	9,978,012	10,055,300	-	-	1,242,417,303	2,763,512,951
Financial investments, net	135,804,965	32,964,894	2,113,745	85,791,966	11,718,689	189,670	268,583,929
Loans and advances, net	257,407,969	287,975,706	1,107,056,376	5,038,993,073	635,435,265	-	7,326,868,389
Derivative financial instruments	-	-	-	-	-	486,550	486,550
Other financial assets, net	-	-	-	-	-	11,946,264	11,946,264
<b>Total financial assets</b>	<b>1,894,275,270</b>	<b>330,918,612</b>	<b>1,119,225,421</b>	<b>5,124,785,039</b>	<b>647,153,954</b>	<b>1,765,299,409</b>	<b>10,881,657,705</b>
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	157,069,036	17,830,713	33,532,735	12,610,131	84,950,000	3,729,989	309,722,604
Deposits from customers	4,336,837,730	678,202,197	1,937,410,003	768,766,061	38,629,251	1,113,175,707	8,873,020,949
Lease liabilities	1,185,326	1,984,450	8,567,945	18,604,483	1,942,565	-	32,284,769
Borrowings	43,481,509	110,152,315	169,858,280	21,211,094	4,783	-	344,707,981
Subordinated debts	4,011,598	923,401	54,212,365	101,538,317	44,987,008	-	205,672,689
Debt securities	1,430,237	508,396	-	119,815,866	78,053,821	-	199,808,320
Other financial liabilities	-	-	-	-	-	55,122,820	55,122,820
<b>Total financial liabilities</b>	<b>4,544,015,436</b>	<b>809,601,472</b>	<b>2,203,581,328</b>	<b>1,042,545,952</b>	<b>248,567,428</b>	<b>1,172,028,516</b>	<b>10,020,340,132</b>
<b>Net interest sensitivity gap</b>	<b>(2,649,740,166)</b>	<b>(478,682,860)</b>	<b>(1,084,355,907)</b>	<b>4,082,239,087</b>	<b>398,586,526</b>	<b>593,270,893</b>	<b>861,317,573</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(10,633,407,288)</b>	<b>(1,920,954,317)</b>	<b>(4,357,520,255)</b>	<b>16,382,025,456</b>	<b>1,599,527,729</b>	<b>2,380,796,094</b>	<b>3,456,467,419</b>
Unused portion of overdrafts	-	-	-	-	-	492,045,980	492,045,980
Bank guarantees and letters of credit	-	-	-	-	-	83,776,795	83,776,795
<b>Net interest sensitivity gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>575,822,775</b>	<b>575,822,775</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,310,776,796</b>	<b>2,310,776,796</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(i) Interest rate risk (continued)

	The Bank							Total US\$
	Up to 1 month US\$	1 - 3 months US\$	3 - 12 months US\$	1 - 5 years US\$	Over 5 years US\$	Non-interest bearing US\$		
<b>As at 31 December 2024</b>								
<b>Financial assets</b>								
Cash on hand	-	-	-	-	-	-	503,459,073	503,459,073
Deposits and placements with other banks, net	269,811,306	39,734,617	9,986,747	-	-	-	1,638,525,459	1,958,058,129
Financial investments, net	121,762,168	222,042,864	91,759,404	36,050,772	-	189,670	471,804,878	471,804,878
Loans and advances, net	268,668,607	273,589,149	1,040,224,943	4,390,840,080	888,503,232	-	6,861,826,011	6,861,826,011
Derivative financial instruments	-	-	-	-	-	-	2,250,246	2,250,246
Other financial assets, net	-	-	-	-	-	-	9,549,296	9,549,296
<b>Total financial assets</b>	<b>660,242,081</b>	<b>535,366,630</b>	<b>1,141,971,094</b>	<b>4,426,890,852</b>	<b>888,503,232</b>	<b>2,153,973,744</b>	<b>9,806,947,633</b>	<b>9,806,947,633</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	70,141,726	43,107,413	52,899,088	31,205,000	84,950,000	90,424,377	372,727,604	372,727,604
Deposits from customers	3,675,824,782	659,612,510	1,790,317,304	773,548,615	44,008,276	901,986,902	7,845,298,389	7,845,298,389
Lease liabilities	1,229,811	1,921,389	9,086,126	19,097,738	1,448,488	-	32,783,552	32,783,552
Borrowings	85,082,759	208,205,771	273,050,435	31,716,715	466,335	-	598,522,015	598,522,015
Subordinated debts	-	207,709	80,144,418	53,607,544	44,802,437	-	178,762,108	178,762,108
Other financial liabilities	-	-	-	-	-	-	57,827,433	57,827,433
<b>Total financial liabilities</b>	<b>3,832,279,078</b>	<b>913,054,792</b>	<b>2,205,497,371</b>	<b>909,175,612</b>	<b>175,675,536</b>	<b>1,050,238,712</b>	<b>9,085,921,101</b>	<b>9,085,921,101</b>
<b>Net interest sensitivity gap</b>	<b>(3,172,036,997)</b>	<b>(377,688,162)</b>	<b>(1,063,526,277)</b>	<b>3,517,715,240</b>	<b>712,827,696</b>	<b>1,103,735,032</b>	<b>721,026,532</b>	<b>721,026,532</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>(12,767,448,974)</b>	<b>(1,520,194,852)</b>	<b>(4,280,693,265)</b>	<b>14,158,803,841</b>	<b>2,869,131,476</b>	<b>4,442,533,504</b>	<b>2,902,131,790</b>	<b>2,902,131,790</b>
Unused portion of overdrafts	-	-	-	-	-	-	300,734,637	300,734,637
Bank guarantees and letters of credit	-	-	-	-	-	-	76,138,249	76,138,249
<b>Net interest sensitivity gap</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>376,872,886</b>	<b>376,872,886</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,516,913,366</b>	<b>1,516,913,366</b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(i) Interest rate risk (continued)

Fair value sensitivity analysis for fixed-rate instruments

The Group and the Bank do not account for any fixed-rate financial assets or financial liabilities at FVTPL. Therefore, a change in interest rates at the reporting date would not affect the statement of profit or loss and other comprehensive income.

Cash flow sensitivity analysis for variable-rate instruments

statement of profit or loss and other comprehensive income is sensitive to higher/lower interest expenses from borrowings and subordinated debts as a result of changes in interest rates. The change of 25 basis points ("bp") in interest rates of borrowings and subordinated debts at the reporting date would not have a material effect on the statement of profit or loss and other comprehensive income of the Group and the Bank.

The Group's and the Bank's exposure to interest rate risk relates to borrowing of funds at both fixed and floating interest rates. This risk is managed by maintaining an appropriate mix between fixed and floating-rate borrowings and subordinated debts and by the use of interest rate swap contracts and forward interest rate contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite; ensuring optimal hedging strategies are applied, by either positioning the statement of financial position or protecting interest expense through different interest rate cycles.

Sensitivity analysis

Profit or loss is sensitive to higher/lower interest expense as a result of changes in interest rates. The table below outlines the impact on post tax profit on the changes in interest rates of borrowings and subordinated debts:

	The Group		The Bank	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>31 December 2025</b>				
Interest rate increased by 25 bp	(564,319)	(2,264,612)	(564,319)	(2,264,612)
Interest rate decreased by 25 bp	564,319	2,264,612	564,319	2,264,612

	The Group		The Bank	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
<b>31 December 2024</b>				
Interest rate increased by 25 bp	(971,404)	(3,909,901)	(971,404)	(3,909,901)
Interest rate decreased by 25 bp	971,404	3,909,901	971,404	3,909,901

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.2 Market risk** (continued)

*(ii) Foreign exchange risk*

The Group operates in Cambodia, Lao PDR, and the Republic of the Union of Myanmar and transacts in many currencies. It is exposed to various currency risks, primarily with respect to KHR, Euro ("EUR"), Thai Baht ("THB"), Lao Kip ("LAK"), Australian Dollar ("AUD"), Japanese Yen ("JPY"), Vietnamese Dong ("VND"), Canadian Dollar ("CAD"), MMK, and others.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is neither the Group's nor the Bank's functional currency.

The management measures, closely monitors, and manages foreign exchange risk on a daily basis and takes action on time, as necessary. Enough net open currency position is maintained which follows the regulatory requirements and internal risk policies.

The tables in the next pages summarise the Group's and the Bank's exposure to foreign currency exchange rate risk. Included in the tables are the financial instruments at net carrying amount by currency.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

	The Group							Total
	In US\$ equivalent							
	KHR	US\$	THB	EUR	AUD	LAK	Others	
<b>As at 31 December 2025</b>								
<b>Financial assets</b>								
Cash on hand	173,003,535	329,874,716	5,663,330	3,590,713	494,573	6,036,172	2,241,973	520,905,012
Deposits and placements with other banks, net	396,010,128	2,366,097,380	8,006,733	791,793	1,246,192	31,062,822	2,619,370	2,805,834,418
Financial investments, net	208,853,439	59,730,490	-	-	-	-	-	268,583,929
Loans and advances, net	1,506,319,951	5,794,333,456	25,050,666	-	-	167,756,622	32,795,883	7,526,256,578
Derivative financial instruments	-	486,550	-	-	-	-	-	486,550
Other financial assets, net	1,444,223	10,480,928	5,115	-	-	3,303,087	143	15,233,496
<b>Total financial assets</b>	<b>2,285,631,276</b>	<b>8,561,003,520</b>	<b>38,725,844</b>	<b>4,382,506</b>	<b>1,740,765</b>	<b>208,158,703</b>	<b>37,657,369</b>	<b>11,137,299,983</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	28,616,416	280,710,923	65,534	-	-	24,846,658	-	334,239,531
Deposits from customers	2,205,119,538	6,645,913,161	34,780,044	1,270,573	2,863	143,830,049	4,111,716	9,035,027,944
Lease liabilities	604,849	33,317,249	227,604	-	-	320,896	55,188	34,525,786
Borrowings	5,019,689	340,633,170	-	-	-	1,471,142	237,565	347,361,566
Subordinated debts	23,350,398	182,322,291	-	-	-	-	-	205,672,689
Debit securities	-	199,808,320	-	-	-	-	-	199,808,320
Other financial liabilities	3,702,667	51,569,077	133,447	13,361	333,562	3,263,888	195,268	59,211,270
<b>Total financial liabilities</b>	<b>2,266,413,557</b>	<b>7,734,274,191</b>	<b>35,206,629</b>	<b>1,283,934</b>	<b>336,425</b>	<b>173,732,633</b>	<b>4,599,737</b>	<b>10,215,847,106</b>
<b>Net on-balance sheet position</b>	<b>19,217,719</b>	<b>826,729,329</b>	<b>3,519,215</b>	<b>3,098,572</b>	<b>1,404,340</b>	<b>34,426,070</b>	<b>33,057,632</b>	<b>921,452,877</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>77,120,707</b>	<b>3,317,664,797</b>	<b>14,122,610</b>	<b>12,434,569</b>	<b>5,635,616</b>	<b>138,151,819</b>	<b>132,660,277</b>	<b>3,697,790,395</b>
Unused portion of overdrafts	84,100,384	407,120,868	824,728	-	-	3,325,353	-	495,371,333
Bank guarantees and letters of credit	15,496,694	68,112,943	-	-	-	264,020	167,158	84,040,815
<b>Credit commitment</b>	<b>99,597,078</b>	<b>475,233,811</b>	<b>824,728</b>	<b>-</b>	<b>-</b>	<b>3,589,373</b>	<b>167,158</b>	<b>579,412,148</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>399,683,073</b>	<b>1,907,113,284</b>	<b>3,309,633</b>	<b>-</b>	<b>-</b>	<b>14,404,154</b>	<b>670,805</b>	<b>2,325,180,949</b>



ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

	The Bank							Total
	In US\$ equivalent							
	KHR	US\$	THB	EUR	AUD	LAK	Others	
<b>As at 31 December 2025</b>								
<b>Financial assets</b>								
Cash on hand	172,979,559	328,075,891	4,087,839	3,588,166	494,446	38,652	995,069	510,259,622
Deposits and placements with other banks, net	396,010,127	2,362,239,759	797,347	791,793	1,246,192	9,463	2,418,270	2,763,512,951
Financial investments, net	208,853,439	59,730,490	-	-	-	-	-	268,583,929
Loans and advances, net	1,506,319,953	5,795,497,770	25,050,666	-	-	-	-	7,326,868,389
Derivative financial instruments	-	486,550	-	-	-	-	-	486,550
Other financial assets, net	1,417,641	10,527,968	655	-	-	-	-	11,946,264
<b>Total financial assets</b>	<b>2,285,580,719</b>	<b>8,556,558,428</b>	<b>29,936,507</b>	<b>4,379,959</b>	<b>1,740,638</b>	<b>48,115</b>	<b>3,413,339</b>	<b>10,881,657,705</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	28,617,747	281,021,424	83,433	-	-	-	-	309,722,604
Deposits from customers	2,205,842,774	6,641,355,251	24,549,486	1,270,573	2,863	-	2	8,873,020,949
Lease liabilities	604,849	31,679,920	-	-	-	-	-	32,284,769
Borrowings	5,019,689	339,688,292	-	-	-	-	-	344,707,981
Subordinated debts	23,350,398	182,322,291	-	-	-	-	-	205,672,689
Debt securities	-	199,808,320	-	-	-	-	-	199,808,320
Other financial liabilities	3,697,535	50,773,236	114,713	13,361	333,562	1,559	188,854	55,122,820
<b>Total financial liabilities</b>	<b>2,267,132,992</b>	<b>7,726,648,734</b>	<b>24,747,632</b>	<b>1,283,934</b>	<b>336,425</b>	<b>1,559</b>	<b>188,856</b>	<b>10,020,340,132</b>
<b>Net on-balance sheet position</b>	<b>18,447,727</b>	<b>829,909,694</b>	<b>5,188,875</b>	<b>3,096,025</b>	<b>1,404,213</b>	<b>46,556</b>	<b>3,224,483</b>	<b>861,317,573</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>74,030,728</b>	<b>3,330,427,602</b>	<b>20,822,955</b>	<b>12,424,348</b>	<b>5,635,107</b>	<b>186,829</b>	<b>12,939,850</b>	<b>3,456,467,419</b>
Unused portion of overdrafts	84,100,384	407,120,868	824,728	-	-	-	-	492,045,980
Bank guarantees and letters of credit	15,496,694	68,112,943	-	-	-	-	167,158	83,776,795
<b>Credit commitment</b>	<b>99,597,078</b>	<b>475,233,811</b>	<b>824,728</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>167,158</b>	<b>575,822,775</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>399,683,074</b>	<b>1,907,113,284</b>	<b>3,309,633</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>670,805</b>	<b>2,310,776,796</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

	The Bank							Total
	In US\$ equivalent							
	KHR	US\$	THB	EUR	AUD	LAK	Others	
<b>As at 31 December 2024</b>								
<b>Financial assets</b>								
Cash on hand	161,226,576	313,983,437	26,667,667	1,041,344	138,382	37,265	364,402	503,459,073
Deposits and placements with other banks, net	310,710,032	1,642,066,535	1,542,500	789,467	1,054,217	37,113	1,858,265	1,958,068,129
Financial investments, net	217,367,162	254,437,716	-	-	-	-	-	471,804,878
Loans and advances, net	1,285,094,450	5,549,042,736	27,688,825	-	-	-	-	6,861,826,011
Derivative financial instruments	-	2,250,246	-	-	-	-	-	2,250,246
Other financial assets, net	335,214	9,213,682	400	-	-	-	-	9,549,296
<b>Total financial assets</b>	<b>1,974,733,434</b>	<b>7,770,994,352</b>	<b>55,899,392</b>	<b>1,830,811</b>	<b>1,192,599</b>	<b>74,378</b>	<b>2,222,667</b>	<b>9,806,947,633</b>
<b>Financial liabilities</b>								
Deposits and placements of other banks and financial institutions	39,069,082	332,904,118	754,404	-	-	-	-	372,727,604
Deposits from customers	1,848,268,100	5,943,998,638	51,757,473	1,271,128	3,050	-	-	7,845,298,389
Lease liabilities	105,288	32,678,264	-	-	-	-	-	32,783,552
Borrowings	56,301,441	542,220,574	-	-	-	-	-	598,522,015
Subordinated debts	23,270,080	155,492,028	-	-	-	-	-	178,762,108
Other financial liabilities	5,465,307	51,707,759	36,752	56,267	398,532	1,499	161,317	57,827,433
<b>Total financial liabilities</b>	<b>1,972,479,298</b>	<b>7,059,001,381</b>	<b>52,548,629</b>	<b>1,327,395</b>	<b>401,582</b>	<b>1,499</b>	<b>161,317</b>	<b>9,085,921,101</b>
<b>Net on-balance sheet position</b>	<b>2,254,136</b>	<b>711,992,971</b>	<b>3,350,763</b>	<b>503,416</b>	<b>791,017</b>	<b>72,879</b>	<b>2,061,350</b>	<b>721,026,532</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>9,072,897</b>	<b>2,865,771,708</b>	<b>13,486,821</b>	<b>2,026,249</b>	<b>3,183,843</b>	<b>293,338</b>	<b>8,296,934</b>	<b>2,902,131,790</b>
Unused portion of overdrafts	34,243,404	264,745,512	1,745,721	-	-	-	-	300,734,637
Bank guarantees and letters of credit	10,816,276	65,226,513	-	-	-	-	95,460	76,138,249
<b>Credit commitment</b>	<b>45,059,680</b>	<b>329,972,025</b>	<b>1,745,721</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,460</b>	<b>376,872,886</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>181,365,211</b>	<b>1,328,137,401</b>	<b>7,026,527</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>384,227</b>	<b>1,516,913,366</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

Sensitivity analysis

The Group and the Bank take on exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on their financial position and cash flows. The table below sets out the principal structure of foreign exchange exposures of the Group and the Bank:

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Assets/(liabilities)</b>				
KHR	19,217,719	2,995,134	77,120,707	12,055,414
THB	3,519,215	1,488,659	14,122,610	5,991,852
EUR	3,098,572	510,120	12,434,569	2,053,233
AUD	1,404,340	792,584	5,635,616	3,190,151
LAK	34,426,070	32,004,024	138,151,819	128,816,197
Others	33,057,632	20,921,002	132,660,277	84,207,033
	94,723,548	58,711,523	380,125,598	236,313,880
			2025 US\$	2024 US\$
			18,447,727	2,254,136
			5,188,875	3,350,763
			3,096,025	503,416
			1,404,213	791,017
			46,556	72,879
			3,224,483	2,061,350
			31,407,879	9,033,561
			74,030,728	20,822,955
			12,424,348	2,026,249
			5,635,107	3,183,843
			186,829	293,338
			12,939,850	8,296,934
			126,039,817	36,360,082



ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.2 Market risk (continued)

(ii) Foreign exchange risk (continued)

Sensitivity analysis (continued)

	The Group		The Bank	
	2025 US\$	2024 US\$	2025 KHR'000 (Note 5)	2024 KHR'000 (Note 5)
<b>Increase/(decrease)</b>				
KHR - decreased by 1%	155,295	24,203	623,199	97,417
THB - decreased by 6%	179,705	12,030	721,156	48,421
EUR - decreased by 6%	158,225	12,622	634,957	50,804
AUD - decreased by 1%	11,348	40,472	45,540	162,900
LAK - decreased by 10%	3,060,095	2,844,802	12,280,161	11,450,328
Others - decreased by 1%	267,132	517,633	1,072,001	2,083,473
	<b>3,831,800</b>	<b>3,451,762</b>	<b>15,377,014</b>	<b>13,893,343</b>
			<b>2025 US\$</b>	<b>2024 US\$</b>
			613,673	155,620
			<b>2025 KHR'000 (Note 5)</b>	<b>2024 KHR'000 (Note 5)</b>
			2,462,671	626,370

**41. FINANCIAL RISK MANAGEMENT (continued)**

**41.3 Liquidity risk**

In a given economic and financial context and specific market situation, typically, it is the risk of loss arising from situation where 1) the Group and the Bank do not have enough cash and cash equivalents to meet the needs of depositors, borrowers, and contingent liabilities, 2) the sale of non-liquid assets are lower than market price, and 3) non-liquid assets would not be sold at the desired time due to the lack of buyers.

The objective of the Group's and the Bank's liquidity risk management is to ensure that the Group and the Bank can meet its cash obligations in a timely and cost-effective manner. The Group's and the Bank's liquidity risk management framework is established to maintain high quality and well-diversified portfolios of liquid assets and sources of funds under both normal business and stress conditions. Due to its large distribution network and strategic marketing focus, the Group and the Bank are able to maintain a diversified core deposit base comprising of savings deposits, demand accounts, and fixed deposits. This provides the Group and the Bank a large stable funding base.

(a) Liquidity risk management process

The day-to-day responsibility for liquidity risk management and control is delegated to the ALCO which reports monthly to the Executive Committee.

For day-to-day liquidity management, the Treasury Department will ensure sufficient funding to meet its payments and settlement obligations on a timely basis.

*Principles of the liquidity risk:*

- At all times, the related senior management shall ensure that the Group's and the Bank's operations can meet its current and future funding needs. The Treasury Department shall stress-test its liquidity position on a daily basis.
- The related senior management of treasury group has established a risk control framework and procedures to ensure it maintains sufficient liquidity at all times, including the holding of unencumbered eligible assets, to withstand a range of stress events, including the loss of funding sources, such as deposits, borrowings, and capital raising, and that the liquidity risk is managed in accordance with the requirements of the Board policies.
- Stress testing is performed regularly to assess various scenarios, which include short, medium and long-term, institution-specific and market-wide stress which may put the Group's and the Bank's liquidity at risk.
- The Treasury Department identifies, monitors, manages, and controls the risk associated with the daily liquidity as well as short, medium and long-term liquidity as these are key periods for liquidity management. The Treasury Department develops and implements stress tests on the projected cash flows. The outputs are used to inform the Group's and the Bank's contingency funding plan.
- The Group and the Bank incorporate liquidity cost, benefits, and risks in the internal pricing, performance measurement, and new products/services approval process for all significant business activities (both on and off-balance sheet) in order to align with the benefits from accepting risks of each business unit and liquidity risks affecting its business activities.

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.3 Liquidity risk** (continued)

(a) Liquidity risk management process (continued)

*Internal targets on the liquidity risk:*

- The regulatory limit on the Liquidity Coverage Ratio (“LCR”) should be observed at all times.
- The Group and the Bank will have, at all times, an internal target that is higher than the regulatory limit to allow for a safety margin to ensure permanent full compliance with regulatory limit.
- The risk tolerance/internal targets must be reviewed at least once a year to reflect the financial condition and the funding mobilisation capacity.
- Relevant divisions and departments should regularly assess and monitor the perceived risks of non-compliance with the targets. Any breaches of internal targets should be reported to the ALCO for remedial actions and President & Group Managing Director for approval.
- At all times, the Group and the Bank will have a contingency plan to be executed when it is perceived by the management that the safety margin may not be sufficient and there is a risk that the regulatory limit on liquidity could be breached. Such contingency plan should be sufficient to ensure that the regulatory limit on liquidity will not be breached.
- In case the Group and the Bank experience a severe liquidity, the Bank must immediately notify the NBC and advise the action that is being taken to address the situation.

The Bank has put in place a robust and comprehensive liquidity risk management framework in accordance with the NBC's Prakas No. B7-017-301 dated 27 September 2017 on Liquidity Risk Management Framework, which consists of risk appetite, risk tolerance, policies, early warning indicators, and monitoring mechanism which are reviewed and endorsed by the BRIC and approved by the Board of Directors. The key elements of the framework are to ensure that the Bank maintains sufficient liquidity at all times, including the holding of unencumbered eligible assets, to withstand a range of stress events, including the loss of funding sources, either internally (as raising additional capital) or externally (as with borrowings and deposits), and other issues. The Bank ensures that the business activities are mainly funded with stable sources of funding on an ongoing basis.

The management designs a set of early warning indicators to aid its daily liquidity risk management processes in identifying the emergence of increased risk or vulnerabilities in its liquidity risk position or potential funding needs.

The Group's and the Bank's contingency funding plan is in place to alert and to enable the management to act effectively and efficiently during a liquidity crisis and under adverse market conditions. The objective of contingency funding plan is to ensure that the Group and the Bank have a framework for managing the liquidity sufficiently and robustly in the event of liquidity crisis based on the result of liquidity stress testing.

The Group and the Bank are measuring, monitoring, and managing its liquidity positions to comply with the LCR.

The purpose of the LCR aims at promoting short-term resilience of each institution's liquidity risk profile, ensuring that each institution has an adequate stock of unencumbered liquid assets that can be converted into cash at no or little loss of value in markets, to meet its liquidity needs for a 30-day liquidity stress scenario, and ensuring that prompt corrective actions are taken by the management when the LCR potentially falls below the minimum requirement.

**41. FINANCIAL RISK MANAGEMENT** (continued)

**41.3 Liquidity risk** (continued)

(a) Liquidity risk management process (continued)

*Internal targets on the liquidity risk: (continued)*

The Group and the Bank also use a range of tools such as liquidity ratio, liquidity gap analysis, safety margin, and monthly cash flow projection to measure, monitor, and manage its liquidity position. In addition, the Group and the Bank also perform daily and monthly liquidity stress test in order to identify and quantify its exposures to possible future liquidity stresses and to analyse possible impacts on the cash flows, liquidity position, profitability, and solvency.

(b) Funding approach

The Group's and the Bank's main sources of liquidity arise from shareholder's paid-up capital, borrowings, subordinated debts, debt securities, deposits and placements of other banks and financial institutions, and deposits from customers. The sources of liquidity are regularly reviewed via management's daily review of maturity of fixed deposits and key depositors. The Group's and the Bank's borrowings, subordinated debts and debt securities are also regularly reviewed via management's daily review of interest and principal repayments and maturity.

(c) Non-derivative cash flows

The tables in the next pages present the cash flows payable under non-derivative financial liabilities and the assets held for managing liquidity risk grouped using their remaining contractual maturities as at the end of the reporting period. The amounts disclosed in the tables are the contractual undiscounted cash flows, wherein the Group and the Bank manage the inherent liquidity risk based on contractual undiscounted cash flows.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.3 Liquidity risk (continued)

(c) Non-derivative cash flows (continued)

	The Group						Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 6 months US\$	6 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>As at 31 December 2025</b>							
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions				41,678,185	36,156,393	100,101,348	380,596,447
Deposits from customers	164,776,897	20,614,842	17,268,782	1,355,426,747	870,380,842	56,152,016	9,205,604,412
Lease liabilities	5,493,933,647	712,799,497	716,911,663	6,151,754	22,274,762	5,662,408	40,474,049
Borrowings*	1,251,076	1,982,905	3,151,144	180,073,807	69,709,457	4,783	376,057,208
Subordinated debts*	3,804,884	57,926,071	64,538,206	44,925,433	155,227,890	50,136,769	275,136,030
Debt securities	4,042,601	1,601,779	19,201,558	8,230,742	170,008,404	85,350,294	271,766,411
Other financial liabilities	1,884,608	2,198,890	4,093,473	16,760,968	-	-	59,211,270
<b>Total financial liabilities</b>	42,361,887	81,063	7,352	1,653,247,636	1,323,757,748	297,407,618	10,608,845,827
<b>In KHR'000 equivalent (Note 5)</b>	5,712,055,600	797,205,047	825,172,178	6,634,482,763	5,312,239,843	1,193,496,771	42,573,298,304
<b>Assets held for managing liquidity risk</b>	22,922,479,123	3,199,183,854	3,311,415,950	994,861,559	5,353,963,530	2,064,990,200	13,161,485,826
<b>In KHR'000 equivalent (Note 5)</b>	3,792,775,085	414,995,069	539,900,383	3,992,379,436	21,485,455,646	8,286,805,673	52,817,042,620
<b>As at 31 December 2024</b>							
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions				48,915,196	55,784,470	105,725,176	450,822,657
Deposits from customers	166,218,034	48,924,570	25,255,211	1,237,369,822	887,427,440	64,289,997	8,167,857,093
Lease liabilities	4,610,103,301	690,467,991	678,198,542	6,578,100	23,061,296	5,125,208	41,145,057
Borrowings*	1,252,311	1,938,868	3,189,274	390,862,863	136,552,435	466,335	692,332,346
Subordinated debts*	7,203,974	61,697,452	95,549,287	68,876,558	102,233,455	59,703,444	250,707,024
Other financial liabilities	59,648,964	183,284	38,000	-	-	-	59,870,248
<b>Total financial liabilities</b>	4,844,426,584	803,419,874	821,916,172	1,752,602,539	1,205,059,096	235,310,160	9,662,734,425
<b>In KHR'000 equivalent (Note 5)</b>	19,498,817,001	3,233,764,993	3,308,212,592	7,054,225,219	4,850,362,861	947,123,394	38,892,506,060
<b>Assets held for managing liquidity risk</b>	3,204,648,863	439,021,575	517,486,060	972,553,395	5,000,130,761	1,959,694,815	12,093,535,469
<b>In KHR'000 equivalent (Note 5)</b>	12,898,711,676	1,767,061,839	2,082,881,392	3,914,527,415	20,125,526,313	7,887,771,630	48,676,480,265

\* The amounts for variable interest rate instruments are subject to change depending on the variable interest rates determined at the end of the reporting period.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.3 Liquidity risk (continued)

(c) Non-derivative cash flows (continued)

	The Bank						Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 6 months US\$	6 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>As at 31 December 2025</b>							
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	161,073,130	18,774,284	5,621,838	33,506,894	35,853,904	100,101,348	354,931,398
Deposits from customers	5,433,201,120	691,684,903	688,743,840	1,328,741,496	842,060,017	53,540,003	9,037,971,379
Lease liabilities	1,190,715	1,960,408	2,952,680	5,926,664	21,241,683	2,843,265	36,115,415
Borrowings*	3,721,729	57,574,832	63,593,328	180,032,084	68,063,105	4,783	372,989,861
Subordinated debts*	4,042,601	1,601,779	19,201,558	44,925,433	155,227,890	50,136,769	275,136,030
Debt securities	1,884,608	2,198,890	4,093,473	8,230,742	170,008,404	85,350,294	271,766,411
Other financial liabilities	38,032,695	55,330	-	17,034,795	-	-	55,122,820
<b>Total financial liabilities</b>	<b>5,643,146,598</b>	<b>773,850,426</b>	<b>784,206,717</b>	<b>1,618,398,108</b>	<b>1,292,455,003</b>	<b>291,976,462</b>	<b>10,404,033,314</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>22,645,947,298</b>	<b>3,105,461,760</b>	<b>3,147,021,555</b>	<b>6,494,631,607</b>	<b>5,186,621,927</b>	<b>1,171,701,542</b>	<b>41,751,385,689</b>
<b>Assets held for managing liquidity risk</b>	<b>3,728,099,537</b>	<b>395,529,175</b>	<b>512,451,472</b>	<b>951,366,775</b>	<b>5,226,143,433</b>	<b>2,037,975,685</b>	<b>12,851,566,077</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>14,960,863,442</b>	<b>1,587,258,579</b>	<b>2,056,467,757</b>	<b>3,817,834,868</b>	<b>20,972,513,597</b>	<b>8,178,396,424</b>	<b>51,573,334,667</b>
<b>As at 31 December 2024</b>							
<b>Financial liabilities</b>							
Deposits and placements of other banks and financial institutions	160,842,052	44,246,870	14,795,638	45,193,299	55,490,641	105,725,176	426,293,676
Deposits from customers	4,561,241,507	680,758,304	666,908,137	1,207,153,234	865,359,907	60,694,877	8,042,115,966
Lease liabilities	1,230,287	1,916,161	3,175,824	6,308,935	21,882,315	2,131,401	36,644,923
Borrowings*	7,155,211	61,394,521	92,967,916	388,021,426	133,186,409	466,335	683,191,818
Subordinated debts*	-	207,709	19,685,858	68,876,558	102,233,455	59,703,444	250,707,024
Other financial liabilities	57,645,919	174,914	6,600	-	-	-	57,827,433
<b>Total financial liabilities</b>	<b>4,788,114,976</b>	<b>788,698,479</b>	<b>797,539,973</b>	<b>1,715,553,452</b>	<b>1,178,152,727</b>	<b>228,721,233</b>	<b>9,496,780,840</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>19,272,162,778</b>	<b>3,174,511,378</b>	<b>3,210,098,391</b>	<b>6,905,102,644</b>	<b>4,742,064,726</b>	<b>920,602,963</b>	<b>38,224,542,880</b>
<b>Assets held for managing liquidity risk</b>	<b>3,147,538,949</b>	<b>423,362,106</b>	<b>496,351,050</b>	<b>940,715,714</b>	<b>4,884,055,514</b>	<b>1,954,674,543</b>	<b>11,846,697,876</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>12,668,844,270</b>	<b>1,704,032,477</b>	<b>1,997,812,976</b>	<b>3,786,380,749</b>	<b>19,658,323,444</b>	<b>7,867,565,036</b>	<b>47,682,958,952</b>

\* The amounts for variable interest rate instruments are subject to change depending on the variable interest rates determined at the end of the reporting period.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.3 Liquidity risk (continued)

(d) Derivative financial instruments

The following tables detail the Group's and the Bank's liquidity analysis for derivative financial instruments. The tables have been drawn up based on the undiscounted net cash inflows or outflows from the derivative financial instruments that settle on a net basis and the undiscounted gross inflows or outflows from those derivatives that require gross settlement. The amount payable or receivable is not fixed; the amount disclosed has been determined with reference to the projected interest rates as illustrated by the yield curves existing as at the end of the reporting period.

	The Group					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2025</b>						
Interest rate swap - cash flow hedges	-	-	(588,507)	-	-	(588,507)
- (inflow)	-	-	81,147	-	-	81,147
- outflow	-	-	(507,360)	-	-	(507,360)
<b>Net settlement</b>	-	-	<u>(2,036,036)</u>	-	-	<u>(2,036,036)</u>
<b>In KHR'000 equivalent (Note 5)</b>						

	The Group					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2024</b>						
Interest rate swap - cash flow hedges	-	(248,750)	(2,335,952)	(934,933)	-	(3,519,635)
- (inflow)	-	30,000	242,351	96,420	-	368,771
- outflow	-	(218,750)	(2,093,601)	(838,513)	-	(3,150,864)
<b>Net settlement</b>	-	<u>(880,469)</u>	<u>(8,426,744)</u>	<u>(3,375,015)</u>	-	<u>(12,682,228)</u>
<b>In KHR'000 equivalent (Note 5)</b>						

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.3 Liquidity risk (continued)

(d) Derivative financial instruments (continued)

At 31 December 2025

Interest rate swap - cash flow hedges  
- (inflow)  
- outflow

Net settlement

In KHR'000 equivalent (Note 5)

	The Bank					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
- (inflow)	-	-	(588,507)	-	-	(588,507)
- outflow	-	-	81,147	-	-	81,147
Net settlement	-	-	(507,360)	-	-	(507,360)
In KHR'000 equivalent (Note 5)	-	-	(2,036,036)	-	-	(2,036,036)

At 31 December 2024

Interest rate swap - cash flow hedges  
- (inflow)  
- outflow

Net settlement

In KHR'000 equivalent (Note 5)

	The Bank					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
- (inflow)	-	(248,750)	(2,335,952)	(934,933)	-	(3,519,635)
- outflow	-	30,000	242,351	96,420	-	368,771
Net settlement	-	(218,750)	(2,093,601)	(838,513)	-	(3,150,864)
In KHR'000 equivalent (Note 5)	-	(880,469)	(8,426,744)	(3,375,015)	-	(12,682,228)

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.3 Liquidity risk (continued)

- (e) Off-balance sheet items  
(i) Credit commitments and guarantees

The dates of the contractual amounts of the Group's and the Bank's off-balance sheet financial instruments that are committed to extend as credit to customers and other facilities are summarised in tables below:

	The Group					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2025</b>						
Unused portion of overdrafts	495,371,333	-	-	-	-	495,371,333
Bank guarantees	14,018,478	11,084,624	28,667,482	14,646,609	6,998	68,424,191
Letters of credit	780,902	2,129,824	12,705,898	-	-	15,616,624
<b>Total</b>	<b>510,170,713</b>	<b>13,214,448</b>	<b>41,373,380</b>	<b>14,646,609</b>	<b>6,998</b>	<b>579,412,148</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>2,047,315,071</b>	<b>53,029,580</b>	<b>166,031,374</b>	<b>58,776,842</b>	<b>28,083</b>	<b>2,325,180,950</b>

	The Group					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2024</b>						
Unused portion of overdrafts	301,771,170	-	-	-	-	301,771,170
Bank guarantees	12,161,554	11,045,417	30,782,131	13,102,867	4,028	67,095,997
Letters of credit	1,408,188	5,983,186	1,850,382	-	-	9,241,756
<b>Total</b>	<b>315,340,912</b>	<b>17,028,603</b>	<b>32,632,513</b>	<b>13,102,867</b>	<b>4,028</b>	<b>378,108,923</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>1,269,247,171</b>	<b>68,540,127</b>	<b>131,345,865</b>	<b>52,739,040</b>	<b>16,213</b>	<b>1,521,888,416</b>

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

41. FINANCIAL RISK MANAGEMENT (continued)

41.3 Liquidity risk (continued)

(e) Off-balance sheet items (continued)

(i) Credit commitments and guarantees (continued)

	The Bank					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2025</b>						
Unused portion of overdrafts	492,045,980	-	-	-	-	492,045,980
Bank guarantees	14,018,478	10,844,142	28,643,944	14,646,609	6,998	68,160,171
Letters of credit	780,902	2,129,824	12,705,898	-	-	15,616,624
<b>Total</b>	<b>506,845,360</b>	<b>12,973,966</b>	<b>41,349,842</b>	<b>14,646,609</b>	<b>6,998</b>	<b>575,822,775</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>2,033,970,430</b>	<b>52,064,526</b>	<b>165,936,916</b>	<b>58,776,842</b>	<b>28,083</b>	<b>2,310,776,797</b>

	The Bank					Total US\$
	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 years US\$	Over 5 years US\$	
<b>At 31 December 2024</b>						
Unused portion of overdrafts	300,734,637	-	-	-	-	300,734,637
Bank guarantees	12,161,554	10,921,667	30,706,377	13,102,867	4,028	66,896,493
Letters of credit	1,408,188	5,983,186	1,850,382	-	-	9,241,756
<b>Total</b>	<b>314,304,379</b>	<b>16,904,853</b>	<b>32,556,759</b>	<b>13,102,867</b>	<b>4,028</b>	<b>376,872,886</b>
<b>In KHR'000 equivalent (Note 5)</b>	<b>1,265,075,125</b>	<b>68,042,033</b>	<b>131,040,955</b>	<b>52,739,040</b>	<b>16,213</b>	<b>1,516,913,366</b>

## **42. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Financial instruments comprise of financial assets and financial liabilities as disclosed in Note 41. The Group and the Bank have an established framework and policies which provide guidance concerning the practical considerations, principles, and analytical approaches for the establishment of prudent valuation for financial instruments measured at fair value.

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.

The valuation of financial instruments is determined by reference to quoted prices in active markets or by using valuation techniques based on observable inputs or unobservable inputs. The management's judgment is exercised in the selection and application of appropriate parameters, assumptions, and modelling techniques where some or all of the parameter inputs are not observable in deriving fair value.

Valuation adjustment is also an integral part of the valuation process. Valuation adjustment is to reflect the uncertainty in valuations generally for products that are less standardised, less frequently traded, and more complex in nature. In making a valuation adjustment, the Group and the Bank follow methodologies that consider factors, such as liquidity, bid-offer spread, and unobservable prices and inputs in the market and uncertainties in the assumptions and parameters.

The Group and the Bank continuously enhance the design, validation methodologies, and processes to ensure reasonable determination of the fair values.

### **Determination of fair value**

The Group and the Bank classify its financial instruments measured at fair value according to the following hierarchy, reflecting the significance of the inputs in making the fair value measurements:

- Level 1 Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 Inputs to the valuation methodology include:
  - Quoted prices for similar assets and liabilities in active markets; or
  - Quoted prices for identical or similar assets and liabilities in non-active markets; or
  - Inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 One or more inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Financial assets and financial liabilities are classified as Level 1 when the valuation is based on quoted prices for identical assets or liabilities in active markets.

Financial assets and financial liabilities are regarded as being quoted in an active market if the prices are readily available from a published and reliable source and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When fair value is determined using quoted prices of similar assets and liabilities in active markets or quoted prices of identical or similar assets and liabilities in non-active markets, such assets and liabilities are classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank determine the fair value based on valuation techniques that use market parameters as inputs. Most valuation techniques employ observable market data, including but not limited to, yield curves, equity prices, volatilities, and foreign exchange rates.

Financial assets and financial liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data. Such inputs are determined based on observable inputs of a similar nature, historical observations, or other analytical techniques.

ACLEDA BANK PLC.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025

42. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

Determination of fair value (continued)

If prices or quotes are not available for an instrument or a similar instrument, fair value will be established by using valuation techniques or Mark-to-Model. Judgment may be required to assess the need for valuation adjustments to appropriately reflect unobservable parameters. The valuation models shall also consider relevant transaction data, such as maturity. The inputs are then benchmarked and extrapolated to derive the fair value.

The following table shows the fair value of financial assets and financial liabilities analysed by various levels within the fair value hierarchy as at 31 December 2025 and 31 December 2024.

(a) Financial instruments measured at fair value

	The Group			The Bank				
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>31 December 2025</b>								
<b>Financial assets</b>								
Financial investments	-	-	189,670	189,670	-	-	189,670	189,670
Derivative financial instruments	-	486,550	-	486,550	-	486,550	-	486,550
<b>Total financial assets</b>	-	486,550	189,670	676,220	-	486,550	189,670	676,220
<b>In KHR'000 equivalent (Note 5)</b>	-	1,952,525	761,146	2,713,671	-	1,952,525	761,146	2,713,671

	The Group			The Bank				
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
<b>31 December 2024</b>								
<b>Financial assets</b>								
Financial investments	-	-	189,670	189,670	-	-	189,670	189,670
Derivative financial instruments	-	2,250,246	-	2,250,246	-	2,250,246	-	2,250,246
<b>Total financial assets</b>	-	2,250,246	189,670	2,439,916	-	2,250,246	189,670	2,439,916
<b>In KHR'000 equivalent (Note 5)</b>	-	9,057,240	763,422	9,820,662	-	9,057,240	763,422	9,820,662

There were no transfers between Level 1 and Level 2 fair value measurements, and no transfers in and out of Level 3 fair value measurement during the year ended 31 December 2025 (31 December 2024: Nil).

**42. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)**

**Determination of fair value (continued)**

(a) Financial instruments measured at fair value (continued)

(i) *Derivative financial instruments*

As at the reporting date, the Group's and the Bank's derivative financial instruments are valued using the discounted cash flow method and are verified with the interest rate swap providers. Under the discounted cash flow method, future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.

(ii) *Financial investments*

Financial investments at FVOCI consist of the Bank's investment in CBC with 5% as equity cash investment and 1% through the Association of Banks in Cambodia amounting to US\$153,529 and in SWIFT required by the SWIFT Société Coopérative à Responsabilité Limitée (SCRL) from all its members amounting to US\$36,141 as at 31 December 2025 (31 December 2024: US\$153,529 and US\$36,141, respectively). There is no gain/loss recognised in other comprehensive income due to fair value approximate the carrying amount. These investments are neither redeemable nor transferable and there is no market for them. The Group and the Bank do not intend to dispose these investments.

(b) Financial instruments not measured at fair value

As at the reporting date, the fair values of the financial instruments of the Group and the Bank approximate their carrying amounts.

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

(i) *Deposits and placements with other banks*

Deposits and placements with other banks include current accounts which are non-interest bearing, savings deposits, and short-term deposits. The fair value of deposits and placements with other banks approximates their carrying values as at the reporting date due to the relatively short-term maturity of these instruments.

(ii) *Financial investments*

Financial investments at amortised cost include NCDs with the NBC with maturities of less than one year and debt securities. Debt securities include corporate and government bonds which were valued at amortised cost, and were purchased for the purpose of holding them until maturity and for earning interest. The fair value of financial investments approximates their carrying values at the reporting date.

(iii) *Loans and advances*

The fair value of loans and advances is based on observable market transactions. Where observable market transactions are not available, fair value is estimated using valuation models, such as discounted cash flow techniques. Inputs into the valuation techniques include expected lifetime credit losses, interest rates, prepayment rates, and primary origination or secondary market spreads. For collateral-dependent impaired loans, the fair value is measured based on the value of the underlying collateral.

Inputs into the models may include data from third party and information obtained from other market participants, which include observed primary and secondary transactions. Its carrying value approximates fair value as at the reporting date.

**42. FAIR VALUE OF FINANCIAL INSTRUMENTS** (continued)

**Determination of fair value** (continued)

(b) Financial instruments not measured at fair value (continued)

(iv) *Deposits and placements of other banks and financial institutions and deposits from customers*

The fair value of deposits and placements of other banks and financial institutions and deposits from customers with maturities of less than one year approximates their carrying amount due to the relatively short-term maturity of these instruments. While the fair value of deposits and placements of other banks and financial institutions and deposits from customers with remaining maturities of more than one year are expected to approximate their carrying amount since the Group and the Bank offer similar interest rate on the instrument with similar maturities and terms.

The estimated fair value of the deposits and placements with no stated maturities, which includes non-interest bearing deposits, and deposits payable on demand are the amount payable as at the reporting date.

(v) *Other financial assets and other financial liabilities*

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

(vi) *Borrowings, subordinated debts, debt securities, and lease liabilities*

The fair value of borrowings, subordinated debts, debt securities, and lease liabilities are estimated by discounting the expected future cash flows using the applicable prevailing market interest rates for borrowings with similar risk profiles. However, only the contractual interest rates, which are confirmed and provided by all lenders, are available as at the reporting date instead of the applicable prevailing market interest rates. The Group and the Bank believe that the effective interest rates were not significantly different from the prevailing market interest rates on the ground that there was no change in interest rates following the lenders' consideration of the Group's and the Bank's credit risk profile as at the reporting date. On this basis, the fair value of borrowings, subordinated debts debt securities, and lease liabilities approximates their carrying values as at the reporting date.

**43. CAPITAL RISK MANAGEMENT**

The Group's and 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 requirement set by the NBC;
- To safeguard the Group's and 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 business.

The NBC requires all commercial banks to i) hold minimum capital requirement, ii) maintain the Bank's net worth of at least equal to the minimum capital, and iii) comply with LCR and other prudential ratios.

The table in the next page summarise the composition of regulatory capital which follows the requirements of the NBC. These amounts are based on the consolidated and separate financial statements as at 31 December 2025 and 31 December 2024. The Group's balances in the table next page consist of three entities i.e. the Bank, ABL and AMM as per the requirement of NBC.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2025**

**43. CAPITAL RISK MANAGEMENT (continued)**

	<b>The Group</b>			
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>US\$</b>	<b>US\$</b>	<b>KHR'000</b>	<b>KHR'000</b>
			<b>(Note 5)</b>	<b>(Note 5)</b>
<b>Tier 1 capital</b>				
Share capital	433,163,019	433,163,019	1,738,283,195	1,743,481,151
Share premium	11,706,215	11,706,215	46,977,041	47,117,515
Retained earnings	322,535,466	227,895,222	1,294,334,825	917,278,269
General reserves based on the NBC's Prakas	524,576,552	524,576,552	2,105,125,703	2,111,420,622
Less: Intangible assets	(13,583,832)	(16,720,303)	(54,511,918)	(67,299,220)
Less: Loans to related parties	(13,425,490)	(15,073,239)	(53,876,491)	(60,669,787)
Less: Other losses	(39,459,238)	(39,008,657)	(158,349,922)	(157,009,844)
	<u>1,225,512,692</u>	<u>1,126,538,809</u>	<u>4,917,982,433</u>	<u>4,534,318,706</u>
<b>Tier 2 complementary capital</b>				
General provision based on the NBC's Prakas	88,139,607	105,731,597	353,704,243	425,569,678
Subordinated debts (*)	391,221,444	167,677,460	1,569,971,655	674,901,777
Less: Equity participation in banking or financial institutions	(2,010,000)	(2,010,000)	(8,066,130)	(8,090,250)
	<u>477,351,051</u>	<u>271,399,057</u>	<u>1,915,609,768</u>	<u>1,092,381,205</u>
	<u>1,702,863,743</u>	<u>1,397,937,866</u>	<u>6,833,592,201</u>	<u>5,626,699,911</u>
	<b>The Bank</b>			
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>US\$</b>	<b>US\$</b>	<b>KHR'000</b>	<b>KHR'000</b>
			<b>(Note 5)</b>	<b>(Note 5)</b>
<b>Tier 1 capital</b>				
Share capital	433,163,019	433,163,019	1,738,283,195	1,743,481,151
Share premium	11,706,215	11,706,215	46,977,041	47,117,515
Retained earnings	294,187,953	204,204,997	1,180,576,255	821,925,113
General reserves based on the NBC's Prakas	510,741,556	510,741,556	2,049,605,864	2,055,734,763
Less: Intangible assets	(12,487,813)	(15,145,392)	(50,113,594)	(60,960,203)
Less: Loans to related parties	(12,818,782)	(14,562,428)	(51,441,772)	(58,613,773)
	<u>1,224,492,148</u>	<u>1,130,107,967</u>	<u>4,913,886,989</u>	<u>4,548,684,566</u>
<b>Tier 2 complementary capital</b>				
General provision based on the NBC's Prakas	86,295,284	103,023,993	346,302,975	414,671,572
Subordinated debts (*)	391,221,444	167,677,460	1,569,971,655	674,901,777
Less: Equity participation in banking or financial institutions	(71,312,716)	(71,312,716)	(286,177,929)	(287,033,682)
	<u>406,204,012</u>	<u>199,388,737</u>	<u>1,630,096,701</u>	<u>802,539,667</u>
	<u>1,630,696,160</u>	<u>1,329,496,704</u>	<u>6,543,983,690</u>	<u>5,351,224,233</u>

(\*) Represents subordinated debts and debt securities approved by the NBC to be treated as part of complementary capital and only represent the outstanding principal amount.



Headquarters: Building N° 61, Preah Monivong Blvd.,  
Sangkat Srah Chak, Khan Doun Penh, Phnom Penh, Cambodia



Tel: +855 (0)23 998 777  
acledabank@acledabank.com.kh | [www.acledabank.com.kh](http://www.acledabank.com.kh)  
P.O. Box: 1149 | SWIFT Code: ACLBKHPP



Call Center (24/7)  
Tel: +855 (0)23 994 444, +855 (0)15 999 233  
[inquiry@acledabank.com.kh](mailto:inquiry@acledabank.com.kh)