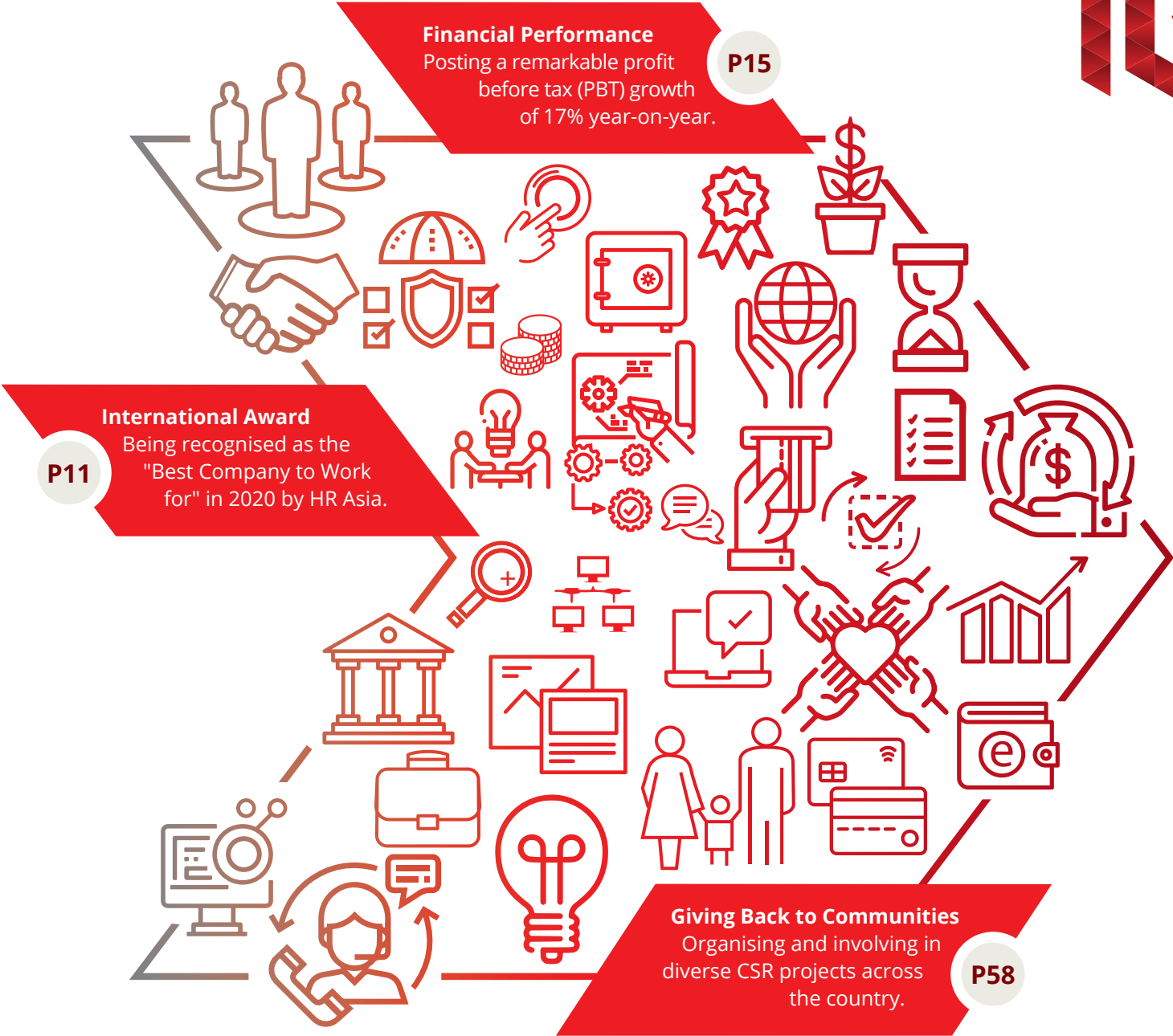


FUTURE FORWARD



CIMB BANK PLC
ANNUAL REPORT 2020



DELIVERING SUSTAINABLE
FINANCIAL RETURNS

DISCIPLINED
EXECUTION

CUSTOMER
CENTRICITY

TRANSFORM
FUNDAMENTALS

PURPOSE-DRIVEN
ORGANISATION



OPERATING ACROSS
10 ASEAN COUNTRIES
AND BEYOND

HAVING AROUND
34,000 STAFF

HAVING OVER
**700 RETAIL
BRANCHES**





SERVING MORE THAN
16 MILLION CUSTOMERS





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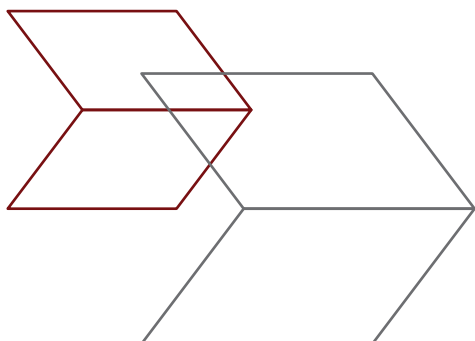
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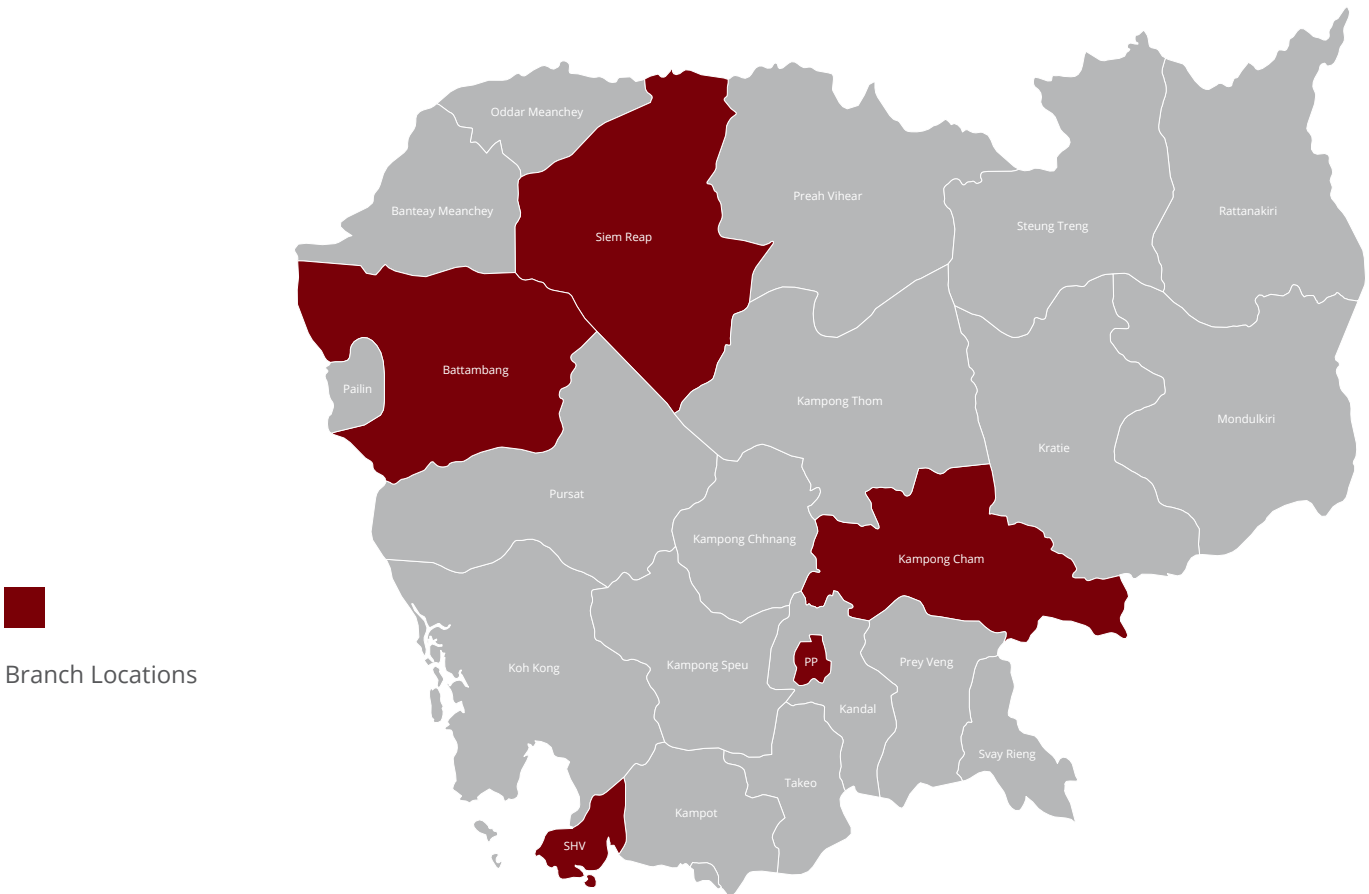
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CORPORATE PROFILE



ABOUT CIMB BANK PLC

CIMB Bank PLC was established in Cambodia on 19 November 2010 with the opening of a commercial banking branch in the heart of Phnom Penh. Today, the Bank operates 14 branches with 11 cash deposit machines, 10 cheque deposit machines and 39 ATMs across five major cities: Phnom Penh, Siem Reap, Preah Sihanouk, Battambang and Kampong Cham.

We currently serve more than 35,000 corporate and individual customers. In response to growing demand from our customers across Cambodia, the Bank offers a wide range of banking products and services including consumer, commercial, corporate & transaction banking and financial institution group.

As of December 2020, the Bank employed over 400 employees with diverse experience and expertise in the banking and financial industry, amongst others. CIMB Bank PLC is committed to building a strong and sustainable financial future for our customers. We have constantly striven, from the very beginning, to create opportunities and value through our innovative products and services. We pride ourselves on being not only a financial services provider, but also a true business partner to assist customers in making the right financial and investment decisions. CIMB Bank PLC is a Cambodian subsidiary of CIMB Group.

ABOUT CIMB GROUP

CIMB Group is a leading ASEAN universal bank and one of the region's foremost corporate advisors. It is also a world leader in Islamic finance.

The Group is headquartered in Kuala Lumpur, Malaysia, and offers consumer banking, commercial banking, wholesale banking, Islamic banking, wealth management and digital payment products and services. It is the fifth largest banking group by assets in ASEAN and, as at the end of 2020, had around 34,000 staff and over 16 million customers.

CIMB Group Holdings Berhad has been listed on the Main Market of Bursa Malaysia since 1987 and has market capitalisation of RM43.5 billion as at 31 December 2020. Total assets at the end of 2020 were RM602.4 billion, with total shareholders' funds of RM55.9 billion and total Islamic assets of RM143.0 billion. At the end of 2020, the substantial shareholders were Khazanah Nasional Berhad with 27.2%, Employees Provident Fund with 16.0%, Permodalan Nasional Berhad with 12.2% and Kumpulan Wang Persaraan (Diperbadankan) with 6.6%.


COMMITMENT TO SERVICE QUALITY & EXCELLENCE

CIMB Bank is a people-driven business. The role of CIMB Bank PLC is to serve our clients and customers, or to serve the people who serve our clients and customers.


Since CIMB Bank PLC's early days, customers and clients have been core to everything we do. The first of our five values is that we are customer centric. We exist for our clients and customers and recommend products and services that they understand and value.

We place equal emphasis on our four other values, namely, Customer Obsessed, High Performance, Integrity, Diversity and Inclusion and Agility. We believe that the combination of these principles in everything we do creates long-term value for not just our customers, but for our staff and stakeholders too.


In pursuit of our customer service excellence goals, CIMB Bank has defined our customer service pledge to provide our customers with positive services. Each and every time, we will:




GREET YOU WITH A SAMPEAH



SERVE YOU WITH A SMILE




SERVE YOU WITHIN SAMPEAH A SMILE FIVE MINUTES AT OUR BRANCHES



FOCUS ON SOLUTIONS OR WHAT WE CAN DO FOR CUSTOMERS – NOT WHAT WE CAN'T.


AT CIMB BANK, CUSTOMERS ARE THE FOCUS OF EVERYTHING THAT WE DO.

OUR VALUES



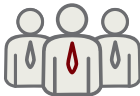
CUSTOMER OBSESSED

WE ARE HERE FOR OUR CUSTOMERS, TO ENSURE THEY'RE HAPPY.




HIGH PERFORMANCE

WE ALWAYS STRIVE TO GO ABOVE AND BEYOND IN EVERYTHING WE DO.




INTEGRITY

WE'RE ALWAYS HONEST, RESPONSIBLE AND ACCOUNTABLE IN EVERYTHING. BE ALERT, BE THOROUGH.



STRENGTH IN DIVERSITY

WE BELIEVE EVERYONE HAS SOMETHING TO CONTRIBUTE, REGARDLESS OF RACE, GENDER OR OPINIONS.



AGILITY

WE MUST RESPOND QUICKLY TO CHANGE AND BE PROBLEM SOLVERS.

MESSAGE FROM THE CHAIRMAN

In 2020 the entire world underwent an unprecedented transformation and was consumed by a pandemic that altered life as we know it. While Covid-19 has ravaged much of the world, Cambodia - despite its underfunded healthcare system - pulled off an enviable feat, recording just under 363 cases and zero deaths, according to a World Health Organisation (WHO) report published on 21 December 2020. Although the Cambodian economy contracted by 1.9% in gross domestic product (GDP), which was ratified during the Kingdom's Ministry of Economy and Finance year-end forum, it has been projected to bounce back and grow 4% GDP in 2021 by the National Bank of Cambodia (NBC).

The government's proactive response in dealing with the impact caused by the Covid-19 pandemic has built confidence among investors, as evident in the still-robust investment and business climate within the country. The recent signing of the Cambodia-China free trade agreement (FTA) in October, which was subsequently followed by the regional comprehensive economic partnership (RCEP) agreement in November last year, are significant examples of the government's solidarity and response to facing the most turbulent economic crisis since the "Global Financial Crisis" of 2007. The RCEP, in particular, will benefit Cambodia greatly with extensive tariff reductions and preferential trade treatments to 15 member countries in the Asia-Pacific region that account for about 30% of the global GDP and 30% of the world's population. RCEP's long-term trade opportunities and gains will enable Cambodia to modernise and diversify its economic structure.

Since 2019, we have in place the Forward23, our mid-term strategic roadmap that reflects the CIMB Group and CIMB Cambodia's commitment toward sustainable value creation to advance our customers and society. This inclusive strategic plan was recalibrated in 2020 and renamed Forward23+ covering five core strategic themes - namely Deliver Sustainable Financial Returns, Disciplined Execution, Customer Centricity, Transform Fundamentals, and Purpose-Driven Organisation - to enable CIMB Cambodia to perform clear initiatives to maintain momentum and embrace opportunities presented by the Kingdom's resurging domestic and new international markets from the present till 2024. To support the Forward23+ strategy, we have prioritised IT infrastructure and digital delivery investments to achieve our planned targets across the strategic themes.

Even though the Covid-19 pandemic created substantial disruptions to the banking and financial sector, making 2020 one of the most challenging years for growth, we delivered solid financial performances in all key operational and business segments against a backdrop of uncertainty. We stayed resilient over the past year, which led to CIMB Cambodia recording a profit before tax (PBT) of USD26.8 million, representing a 17% increase in gross earnings year-on-year (YoY) from 2019. I am delighted that our pivotal banking and financial services segments within CIMB Cambodia have stood in unity to achieve this phenomenal accomplishment which we are proud to announce in commemorating our 10th Anniversary celebration of banking operation in Cambodia.

CSR Projects

EDUCATION



HEALTHCARE



ENVIRONMENT



SOCIAL DEVELOPMENT



Blood Donation Day at CIMB Bank Office, Phnom Penh.



Scholarship Award Ceremony at CIMB Bank Head Office, Phnom Penh.



Tree Planting and 10th Anniversary Ceremony of CIMB Bank at Banteay Kdey Temple, Siem Reap.



Contributing to the government's efforts to release the burden on borrowers in times of financial crisis, in March 2020, the NBC decided to reduce the interest rate of reserve requirement to 7% and delayed the conservation capital buffer (CCB) requirement within 50% with a new Prakas. With this directive, the banking sector was able to inject around USD1.8 billion liquidity into the Kingdom's economic activities aligned with the government's policy. This, in turn, enabled CIMB Cambodia to extend loans or provide new ones to customers to allow them to sustain their business operations and support their economic activities domestically and internationally during the pandemic.

As part of the Bank's support to the global financial system in fighting against money laundering and terrorist financing, CIMB Cambodia performed off-site anti-money laundering (AML) and counter-terrorist financing (CFT) compliance reviews for 11 business units and 10 branches nationwide. As a key focus area for our compliance division, all new employees were required to attend an induction course within three months of joining, while existing employees were mandatorily required to complete an annual AML-CFT e-learning course. Last year, our compliance division conducted 16 classroom courses attended by 290 employees as part of our ongoing efforts to battle money laundering and terrorist financing.

As substantial numbers of employees were directed to work reduced hours to observe movement control and lockdown measures adopted by the government, CIMB Cambodia decided to leverage the opportunities presented in times of disruptions to the bank's operations. With support from our personnel development team, CIMB Cambodia conducted close to 7,500 hours of online and offline training


courses for employees covering a wide range of skills that have included credit assessment, risk management, systems and processes, as well as sales and service excellence in 2020. Our committed belief in continually developing the professionalism and skills of our people to the highest levels has contributed to CIMB Cambodia being recognised as the "Best Company to Work for" in 2020 by HR Asia, a leading regional human resource publication.

Recognising achievements and giving back to the community where we operate our business are part of CIMB's core value. As a good corporate citizen, CIMB Cambodia is involved in diverse Corporate Social Responsibility (CSR) Projects ranging from education, healthcare, environment, social development, and much more. CIMB Cambodia presented full local scholarships to three disadvantaged students from the Cambodia Children's Fund (CCF) for their bachelor's degree, and also awarded one outstanding student with the CIMB ASEAN Scholarship. For healthcare and social development, we organised blood donation events volunteered by our management and staff, and donated KHR40 million and other essential items to flood victims in respective provinces affected by the nationwide flood disaster.

As a caring advocate of education, environmental, and sustainability matters, CIMB Cambodia organised a community event where we donated study materials and performed tree planting at Prek Dambok High School in Kampong Cham province. In collaboration with the National Bank of Cambodia (NBC), CIMB Cambodia also successfully conducted another similar event at Kampong Thmor High School in Kampong Thom province. Furthermore, in association with the Siem Reap Administration and Apsara National Authority, we co-ordinated and sponsored a tree-planting ceremony involving 1,500 saplings at the Banteay Kdey temple area which was participated by more than 500 people that included staff, invited guests, and the public. The Deputy Governor of Siem Reap, Spokesperson of Apsara National Authority, and Chief Executive Officer of CIMB Bank PLC officiated CIMB Cambodia's 10th Anniversary celebrations with the community during this memorable event.

As Covid-19 vaccine supplies become readily available in 2021 and governments start rolling out vaccination programmes for their people, the hope of much-needed socio-economic recovery looms on the horizon. With the prospect of new and exciting developments that lie ahead for the nation, we aspire to continue to bring greater convenience, broader connections, and more opportunities to our customers as our staff work closely with their regional counterparts, leveraging CIMB's unique presence across the ASEAN and Asia-Pacific regions.

Finally, I would like to offer, on behalf of CIMB's board of directors, managerial team, and entire staff, my profound gratitude and support to the Royal Government of Cambodia, the National Bank of Cambodia, and the many, many clients who have supported us, trusted us and grown with us throughout 2020. We can but hope that 2021, with its mix of challenges and opportunities, will provide another year of development for Cambodia's banking and financial sector that bestows growth and prosperity for all.



Datuk Mohd Nasir Ahmad
Chairman

LETTER FROM GROUP CHIEF EXECUTIVE OFFICER

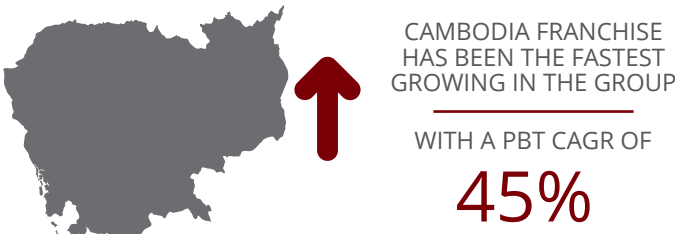
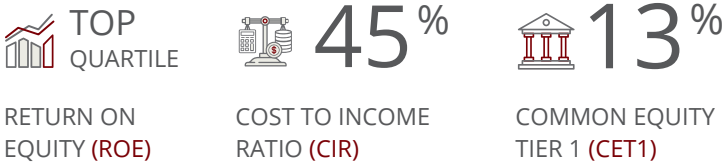
Dear Shareholders,

2020 saw the world grappling with the global pandemic, which quickly triggered the worst economic crisis since the 1930s depression. Lockdowns were mandated by most governments which resulted in economies being shuttered; ASEAN economies have not been spared and such uncertainties caused the drop in consumer confidence and spending levels. Despite the success stories in containing the virus in some of the countries, the resurgence and mutations of the virus continue to pose serious risk causing disruptions in key sectors like tourism, trade and production. Some ASEAN countries experienced a sharp reversal in financial flows and currency depreciation which affected trade and investment.

The Cambodian economy experienced a contraction of 1.9% in terms of Gross Domestic Product (GDP), the first time in over two decades since the Asian Financial Crisis in 1998. The tourism and garment industry, the key contributors to the country's economy, suffered significant losses. Foreign tourist arrivals were down by 79%; while apparel exports dropped by 8.1%. However, signs of recovery can be seen with the ease of lockdown measures with domestic economic activities gradually picking up, and Foreign Direct Investment (FDI) inflows to certain industries rising.

In 2020, CIMB Cambodia's financial performance was solid in all key areas and was one of the top-performing subsidiaries of CIMB Group. Against the backdrop of the global pandemic, CIMB Cambodia continuously achieved a double digit growth trend with Profit Before Tax (PBT) of USD26.8 million, which translates into an 17% year-on-year (YoY) growth. The Commercial segment delivered 57% of the Bank's net loan whilst the Consumer segment recorded 52% of the Bank's net deposits. Our Corporate division maintained its momentum, achieving a loan growth of 94% YoY. The Financial Institutions Group (FIG) exceeded its deposit book growth at 229%. Alongside its strong financial performance, CIMB Cambodia was also awarded as the "Best Company to Work for" in Cambodia by HR Asia, a leading HR publication.

At the Group level, 2020 saw the development and the launch of a recalibrated mid-term strategic plan, Forward23+. This plan aims to transform CIMB into a leading focused ASEAN bank, with the continued mission to build a high performing sustainable organisation to help advance customers and society. Forward23+ covers five core strategic themes, namely (i) Deliver Sustainable Financial Returns; (ii) Disciplined Execution; (iii) Customer Centricity; (iv) Transform Fundamentals; as well as (v) Purpose-Driven Organisation. These themes translate into clear objectives to be achieved by 2024. We aim to deliver market leading Return on Equity (ROE), Cost to Income Ratio (CIR) of 45%, and Common Equity Tier 1 (CET1) of 13%. Whereas for non-financial targets, we strive to be in the top quartile and 75th percentile in the Net Promoter Score (NPS) and Dow Jones Sustainability Index (DJSI) Ranking respectively.





CIMB Cambodia continues to play a vital role in the Group's Forward23+ strategy and it has since re-aligned its own plans towards the strategic themes. In line with this, CIMB Cambodia aims to be a leading universal community bank in the country by 2024. Clear initiatives are being planned across the organisation in order to drive the targets set. This recalibrated strategy will leverage on CIMB Cambodia's strong foundation in order to maintain momentum in a high growth market. Investment in IT infrastructure and digital delivery will be of utmost priority, as it will enable us to navigate the COVID-19 era and deliver a richer customer experience to CIMB Cambodia customers.

More importantly, Forward23+ strategic plan affirms the commitment of CIMB Group towards CIMB Cambodia. Our Cambodia franchise has been the fastest growing in the Group, with a PBT CAGR of 45% over the past few years and presents great potential. We are confident that over time, CIMB Cambodia will be able to achieve the vision to be the leading universal community bank in this fast developing country.

In 2021, as the COVID-19 vaccine becomes more available globally, the hope of a much-needed recovery looms on the horizon. The National Bank of Cambodia (NBC) projected a 4% growth in 2021, following a gradual recovery in the construction and property sector. FDI inflows to projects in non-garment industries and agriculture have been rising from the recent bilateral and regional free trade agreements, including the Cambodia -China Free Trade Agreement and the Regional Comprehensive Economic Partnership (RCEP). Agriculture will remain a vital and high-potential sector while the advent of oil production will provide the Kingdom another source of funds for the national budget and future development of priority sectors. With all of this, we look forward to positive growth from CIMB Cambodia in tandem with the economic recovery.

On behalf of CIMB Group, I wish to express my sincerest gratitude to the Royal Government of Cambodia and the National Bank of Cambodia for their continued support. I would also like to thank the Chairman, Board of Directors, our valued customers, shareholders and all stakeholders for their continued confidence in CIMB Bank PLC in Cambodia. Last but not least, thank you to #teamCIMB, led by the strong leadership of Bun Yin, for your invaluable perseverance and contribution throughout what has been a very demanding 2020. The light is at the end of the tunnel, and I am confident that CIMB Bank PLC in Cambodia will continue to spot opportunities in the market as we head towards recovery.



Abdul Rahman Ahmad
Group Chief Executive Officer
CIMB Group Holdings Berhad

PERFORMANCE REVIEW BY CHIEF EXECUTIVE OFFICER

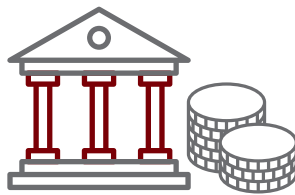
2020 OPERATING ENVIRONMENT

The business landscape in Cambodia in 2020 was dominated by the far-reaching effects of the global pandemic of Covid-19. Across the board, industries transformed their operations, and people changed the way they worked and lived in order to cope with the “new normal” of diminished economic activity, reduced household incomes, and physical and social distancing.

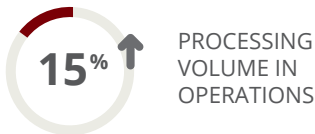
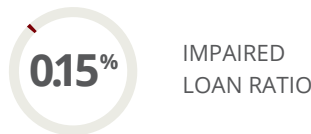
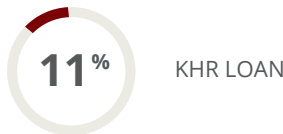
As expected, certain industries were affected more significantly than others. The tourism sector, in particular, struggled with a 79% year-on-year decline in international tourist arrivals, and the manufacturing sector had to cope with an 8.1% contraction in exports of key goods such as garments and footwear. The National Bank of Cambodia (NBC) reported an overall year-on-year decline of 1.9% in the nation’s gross domestic product (GDP) for 2020. And although this represents a massive shift from the previous decade’s steady-state of 6-7% annual GDP growth, it was certainly far more favourable than many countries, even in comparison with high growth economies in the Asia Pacific region.

We are indebted to the government and regulators for the crucial role they played in significantly reducing the pandemic’s overall impact to the Cambodian economy. The interventions introduced have been unprecedented, with tax relief to businesses in tourism sector, income and food assistance for low-income households, healthcare-related spending, and government-funded schemes such the SME co-financing and credit guarantee programme. All these initiatives contribute towards shielding Cambodia and its people from the adverse effects of the global economic slowdown.

As a result of the NBC’s prudential measures, despite relaxing certain ratios such as capital buffer, reserve requirement and loan moratoriums, the banking system maintained its resiliency and continued to contribute to the country economy. With over 8.9 million deposit accounts and 3.2 million loan accounts, the banking system’s total assets reached approximately USD37.3 billion with 15.7% year-on-year growth. The NBC reported 52 commercial banks, 14 specialised banks, 14 microfinance-deposit taking institutions, 75 microfinance institutions, 246 rural credit operators, 15 leasing companies and 24 payment service providers operating in 2020.



USD1.3 BILLION
TOTAL ASSETS





OUR PERFORMANCE IN 2020

Although the year 2020 was the toughest ever faced by CIMB Cambodia, and given the operating realities we contended with, we are truly proud of our financial achievements. Against the backdrop of economic uncertainty, the Bank posted a remarkable profit before tax (PBT) growth of 17% year-on-year, in line with the Bank's target. We are delighted to have achieved a PBT of USD26.8 million, further increasing our assets to USD1.3 billion.

Our consolidated loans and total deposits (including deposits by financial institutions) increased to USD851 million and USD1.03 billion respectively despite the challenging market environment. The Bank's balance sheet saw healthy expansion, with customer loans growing by 21% and customer deposits by 16% year-on-year. Our Khmer Riel (KHR) loan book was maintained at 11% of our total portfolio, in compliance with KHR loan regulations. Processing volume in Operations increased by 15% year-on-year, and our customer base expanded by about 12%. Operating expense were well-contained, with cost-to-income ratio standing at 38%.

In line with the NBC's guideline, CIMB Cambodia offered borrowers extended moratoriums on their outstanding loan principal to lessen the burden of their financial commitments during this difficult time. Most notably, CIMB Cambodia was able to sustain its track record of excellent asset quality with a near-zero impaired loans ratio of 0.15% - well below the banking industry's average of 2.50%.

Overall, the Bank's performance in 2020 was commendable with a 17% return on equity (ROE). This level of ROE maintained our position among the top commercial banks in Cambodia in terms of profitability, and was among the highest within CIMB Group entities across the region. We pay tribute to our valued customers for their continued support, and to all CIMB Cambodia colleagues for the significant personal sacrifices they have made in order to continue serving our customers. We are honoured that CIMB Cambodia was recognised as one of the "2020 Best Companies to Work for" in Cambodia.

OUTLOOK FOR 2021

The NBC has forecasted that the Kingdom's GDP will return to 4% growth in 2021 if Covid-19 vaccines can successfully curtail the spread of the pandemic in the first half of the year. The NBC's forecast, published in its Macroeconomic and Banking Progress 2020 Report in December 2020, is consistent with the forecast made by World Bank in the same month. According to the report, inflation is expected to remain below 3%, and the NBC believes it can ensure this through a stable exchange rate and prudent management of international currency reserves.

We are cautiously optimistic that 2021 will be another positive financial year for the Bank's operations in the Kingdom. In line with CIMB Group's mid-term plans, CIMB Cambodia has initiated its Forward23+ strategies which guide business decisions to achieve the Bank's financial targets while delivering value for its customers.

Forward23⁺ vision

Our Forward23+ vision is to be a leading universal community bank in Cambodia by 2024, with a focus on long-term profitability. CIMB Cambodia's engine of growth will be mainly driven by commercial lending, followed by consumer lending, and supported by corporate and transactional banking services. Our strategic vision will be translated into operational strategies to be implemented by our business units and business enablers. Our key mid-term focus areas include profitability, cost efficiency, customer centricity and investments into people and technology.



PROFITABILITY

CIMB Cambodia intends to leverage on its sound business foundations in order to sustain its profitability track record in a mixed growth environment. For this coming year, we have set financial targets which include year-on-year growth of 10% for PBT, 15% for loans, 12% for deposits, and we have committed to maintain an impaired loans ratio ceiling of 0.5%. Loans growth will be driven mainly by commercial lending, while deposit growth will be spearheaded by our consumer business, particularly in the preferred segment. We will also focus on fee income from transactional banking and foreign exchange (FX) related services. All considered, we expect to achieve an ROE of about 15% for 2021, which would keep CIMB Cambodia amongst the highest ROE-generating entities in CIMB Group.



COST EFFICIENCY

To achieve cost efficiency, we will be embarking on multiple initiatives which involve collaborative efforts from all business units and business enablers. To keep lending costs in check, we aim to maintain CASA ratio at approximately 57% by encouraging commercial and corporate clients to maintain their operating accounts with CIMB Cambodia. We hope to maintain cost-to-income ratio at sub 40%, which is among the lowest in CIMB Group. We will also continue with our proven paradigms of strong credit discipline, prudent spending and investing in competency training with the ultimate objective of increasing productivity.



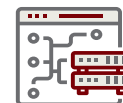
PEOPLE DEVELOPMENT

Our people have made us what we are today – one of the leading banking institutions in the Kingdom, and recently recognised as one of the “Best Companies to Work for” by HR Asia in 2020. This has stemmed from our belief in driving various initiatives for the continued development of our employees. 2021 will be no different as we embark on our Forward23+ journey to strengthen our people's skills and competencies, especially in the area of digital banking, in line with the evolution of the banking industry.



CUSTOMER CENTRICITY

Since its implementation in 2019, our Customer Experience (CX) framework has helped transform CIMB Cambodia into a customer centric-organisation. With CX now being a critical part of our organisational culture, we have set targets in 2021 to be ranked within the top quartile in Net Promoter Score (NPS) and the Dow Jones Sustainability Index (DJSI) as part of our commitment to enhance our customer journeys at CIMB Cambodia.



TECHNOLOGY & DATA

We will invest appropriately to support our pursuit of aligning CIMB Cambodia with digital practices, as we recognise that customer behaviour and banking interaction have been transformed by the pandemic. Our priorities in developing information technology (IT) and digital delivery applications will enable us to navigate the new normal of the Covid-19 era and deliver richer experiences in banking and financial services to our valued customers.

The Forward 23+ strategic plan is an affirmation of CIMB Cambodia's contribution to CIMB Group's expressed vision of becoming The Leading Focused ASEAN Bank. Our overall purpose is clear – to build a high performing and sustainable organisation to help advance customers and society. In recent years, CIMB Cambodia has become the fastest growing franchise for CIMB Group with a compounded annual growth rate (CAGR) in its PBT of 45% and we are confident that CIMB Cambodia will continue this impressive track record of strong and sustainable growth.

Finally, I would like to express my gratitude to all our loyal customers, our board of directors, our management team and all employees for their continuous support and commitment. On behalf of CIMB Bank PLC, I would also like to express our appreciation to the Royal Government of Cambodia and the National Bank of Cambodia for their unwavering support and guidance since the Bank's inception. With a strong macroeconomic outlook and a robust regulatory framework, it is with great optimism that we look forward to 2021 and to the continued success of CIMB Bank in Cambodia.

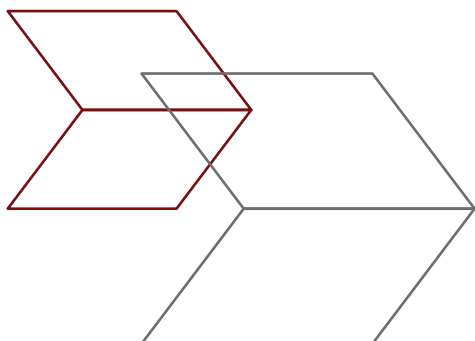


Mr. Bun Yin
Chief Executive Officer

BUSINESS REVIEW



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COMMERCIAL BANKING



CIMB Bank PLC's Commercial Banking Division caters for the Bank's business customers while offering loan and deposit products, together with transactional services to small & medium enterprises (SMEs) and medium size corporates.

FINANCIAL PERFORMANCE & KEY INITIATIVES IN 2020

In 2020, loan under Commercial Banking has maintained strong growth at 20% year-on-year while deposit grew at 21%. With strong loan growth and good contribution of non-interest income, total operating income grew at 13%. The division's high current account / savings account (CASA) ratio of 73% is testament to strong balance sheet management that resulted in lowering overall cost of funding. Commercial Banking asset quality continues to remain robust with nil additional non-performing loan in 2020, ending 2020 with an impaired loans ratio of only 0.08%, which was a really great achievement in the industry.

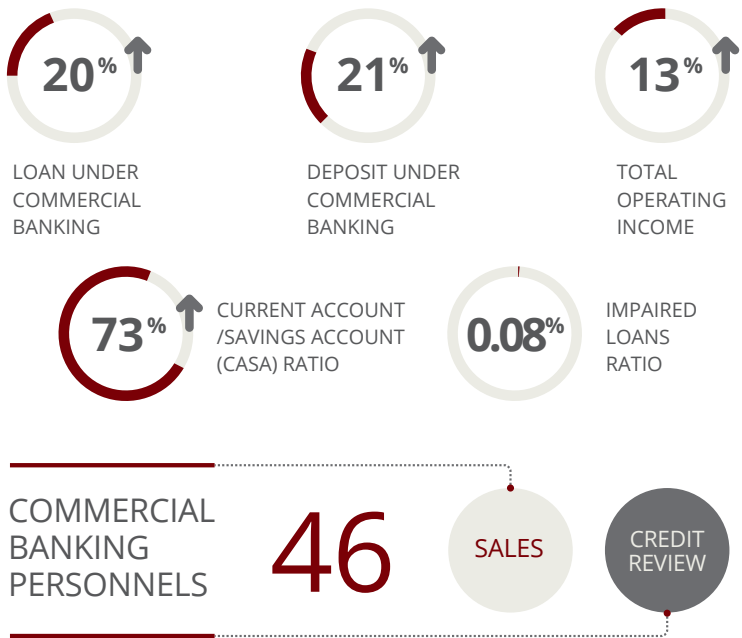
In 2020, Commercial Banking had a total of 46 personnel, comprising sales and credit review. With the focus on improving knowledge, experience and creating a clear path of career progression, various programmes were put in place for the development of our employees. These have raised competency as seen by strong improvements in efficiency and productivity and through the promotion of key employees who have taken up positions of higher responsibility within the team.

We were also able to leverage on CIMB Group's regional network for a two-way referral between CIMB Bank in Cambodia and the Group's other core markets in Malaysia, Indonesia, Singapore, Vietnam and Thailand. With a regional referral framework in place, we are able to create more value for our customers by facilitating cross-border sourcing and business expansion for them.

PLAN FOR 2021

With our strong foundation and continuous improvement of employee competency, we are hopeful in maintaining good assets quality for 2021. Though there are challenges internally and globally, we expect Cambodia will improve its economic growth in 2021 with more business opportunities for SMEs and corporate entities.

In 2021, we will further improve our processes to better serve our rapidly growing customer base and improve overall productivity. We will continue to invest in developing our employees with more targeted training programmes and skill-enhancement initiatives.



PRODUCTS IN COMMERCIAL BANKING



TERM LOAN



OVERDRAFT



REVOLVING CREDIT



BANK GUARANTEE



LETTER OF CREDIT



OTHER TRADE FINANCE PRODUCTS & SERVICES



CURRENT ACCOUNT



FIXED DEPOSIT



FOREIGN CURRENCY ACCOUNT



ESCROW ACCOUNT



FOREIGN EXCHANGE



TRANSACTIONAL SERVICES

CONSUMER BANKING



The Consumer Banking Division forms the backbone of CIMB Bank PLC's operations in Cambodia, encompassing about 50% of total employees in the Bank. It serves a wide range of customers via a growing suite of products and services. Consumer Banking consists of 4 key departments, branch distribution, preferred banking, consumer lending and credit card.

2020 KEY ACHIEVEMENTS

HIGHLIGHTS OF KEY ACHIEVEMENTS

The COVID-19 pandemic has been disruptive to the retail banking sector, making 2020 one of the most challenging years for growth. However, Consumer Banking achieved several key performance matrix, including maintaining positive loan growth rate and our track record of very low impaired loans.



ACHIEVE GROWTH IN CONSUMER LOAN BY AROUND **6.2%** YEAR ON YEAR FROM 2019



ROLL OUT CAMBODIA SHARED SWITCH (CSS) SERVICE WITH ATTRACTIVE BENEFITS FOR CUSTOMERS



ASSIST CLIENTS DURING THIS DIFFICULT TIME BY OFFERING AND EXTENDING TIMELY LOAN MORATORIUM



MAINTAIN ASSET QUALITY WITH LOW NPL RATE AT **0.38%**



ENHANCE SYSTEMS AND PROCESSES TO IMPROVE THE EXPERIENCE OF INTERNAL AND EXTERNAL CUSTOMERS



UPGRADE AND MODERNIZE FOUR BRANCHES IN PHNOM PENH

Employee development programme is always one of the Bank's top priorities. With support from personnel development team, around 7,500 training hours has been smoothly conducted. This covered a broad range of hard and soft skills which included sales and service excellence, credit assessment, risk management, compliance-related requirements and system & process related awareness.

PLAN FOR 2021

Some key initiatives will be implemented to improve customer service and drive business results.

In summary, our plans for 2021 will focus on the following areas:

Roll out Mobile Banking service to attract more customers and improve customer experience

Focus on enhancing customer experience with many programmes to improve the Net Promoter Score

Continue to push consumer lending and credit card

Continuously improve and develop employee skillsets

Continue the renovation of our branches for better CIMB image and service to all customers

CORPORATE, TRANSACTION BANKING & FINANCIAL INSTITUTION GROUP



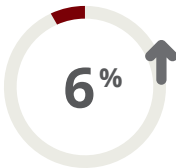
The Corporate Banking, Transaction Banking (CTB) and Financial Institution Group (FIG) Division is responsible for CIMB Bank's relationships with local and multinational corporates, financial institutions and CIMB Group's global corporates who are operating in Cambodia. The Division's scope includes funding, trade financing, cash management and transactional service delivery as well as product innovation.

2020 IN REVIEW

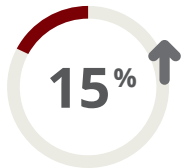
At CIMB Cambodia, the Corporate and Transaction Banking (CTB) unit managed to deliver another successful year. Interest income and non-interest income increased by 6% and 15% respectively with zero NPL and CASA ratio at 72%. This is achieved through a combination of improving or innovating service quality and coverage as well as diversification of our corporate client base into new sectors.

Our CTB team takes pride in going the extra mile to build in-depth understanding of our clients' business evolution and their growth strategies, beyond the traditional offerings of products and services. We thrived to capitalise on CIMB Group's regional strengths in such a way that our clients have access to the best possible services wherever they choose to do business in ASEAN.

Financial Institution Group (FIG) is a new business for CIMB Cambodia due to increasing significance and growth of financial institutions in Cambodia including microfinance institutions. The main scope is to provide liquidity and funding to financial institutions in the country.



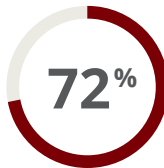
INTEREST
INCOME



NON-INTEREST
INCOME



NPL



CASA
RATIO

2021 OUTLOOK

The government took significant measures to soften any negative impact of regional competition and partial loss of Everything but Arms (EBA) scheme as well as the slowdown of tourism as result of the virus outbreak. The measures include improving productivity, tax incentives and investment in public infrastructure.

CIMB Cambodia is looking forward to play its role to support our clients' needs and continue their growth momentum. We will continue to innovate in order to meet the requirements of modern banking, risk management and technological security. At the same time, our main commitments will continue to be adherence to prudential banking practices in compliance with all directives by the National Bank of Cambodia and international standards.

CORPORATE RESOURCES

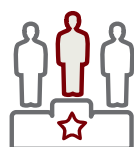


Corporate Resources oversees Human Resources and Administration & Property Management and Strategic Procurement. The key functions of Human Resources include talent acquisition, organisational development and workforce planning, rewards and performance management, learning and talent development, employer branding and engagement. Administration & Property Management and Strategic Procurement covers general administrative work, property projects and maintenance, procurement & tenders and security.

HUMAN CAPITAL GROWTH & TALENT DEVELOPMENT

We are obsessed with talent growth, and we value each individual employee who has contributed to growing CIMB Bank PLC as it is today.

CIMB BANK PLC IS A PLACE



WHERE TALENT GROWS

We strive to attract, retain and nurture our top talents in order to prepare them for the future. We immerse them with the opportunities within or across departments locally and regionally. We expose talented employees through various platforms and efficient mechanisms to ensure their knowledge is expanded, added value is created, and innovation is shared. Our talents can then build up their strengths to bring forth the utmost competitive advantage among our peers.



WHERE EMPLOYEES ARE ENGAGED

We work hard to ensure that our employee engagement and teamwork are at the highest level. We host a yearly town hall and run many programmes such as Leadership Sharing Session, Tuesday Chat with staff, Team Building, and Staff Gala Dinner to name a few. We run a yearly bank-wide Internal Customer Satisfaction Survey to allow our employees to share their voices to bring the organisation to the next level. We inculcate the mindset of open culture to bring improvement and betterment in the workplace. We believe that **Engaged Employees Are Productive**.



WHERE PERFORMANCE AND REWARDS ARE COMMENSURATE WITH EACH OTHER

We have robust performance management practices driven by Key Performance Indicators (KPI). We ensure our KPIs are aligned with the business goals and Group's direction. Our KPI entails compliance and governance elements and linkage between performance and rewards. On top of KPI, we embrace the culture of ongoing performance conversations across the organisation to ensure our people are on track and be able to be received prompt support in order for them to achieve higher in their respective performance.



WHERE THE CIMB CULTURE STRIVES

We are guided by our core values and culture that promote "going the extra mile to delight customers, engage openly and work together, respect each other and always back each other's up". This guiding principle has enabled our employees to work effectively as a team and across the region. To effectively drive our culture, we have appointed business sponsor and informal leaders in various business units to encourage employees to display our 3 critical behaviours and share among employees the good exemplars.

FINANCE



Finance Division is responsible for developing and executing accounting policies and procedures to comply with Cambodian Accounting Standards and guidelines stipulated by the National Bank of Cambodia. It also manages financial performance reporting and analysis for each business unit.

In our financial accounting, we ensure that all bank accounting processes are accurate, transparent and properly maintained. We also ensure constant compliance with all regulatory requirements, reporting to the National Bank of Cambodia as well as providing tax declarations to the General Department of Taxation, and ensuring timely and accurate financial statement reporting to management and CIMB Group.

ACHIEVEMENTS IN 2020

Adoption of Cambodia International Financial Reporting Standard (CIFRS) posted a big challenge to close the audited account for financial year 2019. With leveraging on Group expertise and supports, we have put in lot of efforts working with the external audit to get the audited account submitted to The National Bank of Cambodia (NBC) on-time.

In early 2020, as part of government regulatory easing measure, the NBC launched a raft of measure to shore up the financial sector by issuing the new Prakas on reduction in the reserve requirement rate on deposit balance to 7 percent and also delayed the conservation capital buffer (CCB) requirement which would lower the solvency ratio. We have anticipated the changes to ease the core business growth.

New Prakas for Corporate Tax on Income has been issued which is posting another challenging year for 2020 implementing the new guideline. We have been working with the Association of Banks in Cambodia (ABC) tax working group to liaise with the General Department of Taxation on the agreed guideline for tax declaration with an adoption of CIFRS.

We have adopted and localised the CIMB Group Reporting Framework to ensure structured governance process and adequate controls to be implemented to prevent and mitigate the reporting risk.

Despite the outbreak of Covid-19, we have issued additional subordinated debts amount of USD15 million as a tier II capital to fulfill the Bank's regulatory capital minimum requirement and regulatory conservation capital buffer as well as to support the Bank's core business growth in 2020.

In line with CIMB Group's 4-year business plan, Forward23+, we have been working closely with CIMB Group experts for several initiatives under CIMB Bank PLC and the financial projection for 2021-2024. The initiatives are being implemented across the business units as well as business enablers over the next 4 years (2021-2024) visioning to be a leading universal community bank in Cambodia in term of profitability.

WE HAVE ISSUED
USD15
MILLION
ADDITIONAL
SUBORDINATED DEBTS



4 YEARS (2021-2024) VISIONING TO BE
A LEADING UNIVERSAL COMMUNITY BANK
IN CAMBODIA IN TERM OF **PROFITABILITY**

OUR PLANS FOR 2021

Fine-tuning the implementation of CIFRS from the framework, financial modeling, toward the reviewing the Bank's policy and procedure will remain the key focus for the finance team in 2021 to ensure regulatory compliance and in line with CIMB Group reporting practice. The finance team will be working with the IT team and Group Finance to adopt the change of the chart of account in our accounting system and to enhance the Bank's management information system (MIS) to support the generation of additional regulatory reports after adoption of CIFRS.

E-filing for tax declaration will be posting another challenging year for 2021 implementing new guideline with the Bank's counterparts, internal process across the division/department/unit, tax declaration, etc. We will continue working with the ABC tax working group to liaise with the General Department of Taxation to ensure the Bank is in compliance with tax e-filing requirement.

Capital management will remain our key focus in 2021 with the implementation of the regulatory conservation capital buffer and countercyclical capital buffer. We are planning to review both tier 1 and tier 2 capital to fulfill the Bank's regulatory capital minimum requirement as well as to maximise the utilisation of the regulatory capital to support the banking core business growth in 2021 and beyond.

Forward23+ is continuing its journey with the Cambodia Business Review Committee, which has been formed for the ongoing tracking, monitoring, and reporting for each projects, and key financial targets will be the focus subject for 2021 toward 2023. The team is continuing to work closely with Group counterpart for guidance and supports as well as ensuring the completion of the projects and initiatives.

COMPLIANCE



Compliance Division is responsible for ensuring all departments as well as all employees in the Bank aware of their responsibilities and impact of the applicable regulations. Its main roles are related to the monitoring and advising business and support units to ensure they are in compliance with the applicable regulations and internal guidelines.

On monitoring side, the Division performs onsite compliance reviews and regulation self-testing validations to ensure that their processes and procedures are in compliance with all relevant laws, regulations and internal guidelines. The Division drives active participation of various stakeholder teams in meeting the Bank's responsibilities towards regulations such as the Anti-Money Laundering and Combating Financing of Terrorism (AML/CFT), Law on Anti-Financing of Proliferation (AFP), Law on Banking and Financial Institutions, the US Foreign Account Tax Compliance Act (FATCA), and other regulations.

Compliance Division acts independently from business operation and directly report to the Board of Directors who oversees and approves the annual compliance work plan proposed by Compliance Division. Based on Compliance Framework, the Division is governed by CIMB Bank PLC Compliance Policies and Procedures, CIMB Bank PLC AML/CFT Policies and Procedures which are approved by the Board. The Division also cooperates with other departments to establish various guidelines and codes of conduct such as the Guidelines on Account Opening, Guidelines on Alert Monitoring, Sales Codes of Conduct, etc.

ACHIEVEMENTS IN 2020

In 2020, Compliance Division performed onsite compliance reviews for 11 units and 10 branches off-site AML/CFT review. The Division also conducted transaction monitoring and customer on-going due diligence.

Our Training and Awareness Programme is also a key focus area for the Division. All new employees are required to attend the induction course within three months of joining the Bank, and it is mandatory for existing employees to complete an AML/CFT e-learning course on annual basis. In 2020, Compliance Division conducted a total of 16 classroom courses attended by 290 employees.

11 UNITS



ON-SITE
COMPLIANCE REVIEW

10 BRANCHES

OFF-SITE AML/CFT
REVIEW

COMPLIANCE DIVISION
CONDUCTED A TOTAL OF



16 CLASSROOM COURSES
ATTENDED BY **290** EMPLOYEES

PLANS FOR 2021

Compliance Division will update policies and procedures on AML/CFT to align with the new Law on AML/CFT and Law on AFP. The Division will also establish Sanction Policies and Procedures and Watchlist Management Policies and Procedures. The AML Automated System and revision of the customer risk profiling framework are continued to be enhanced in 2021. The Division will also perform the on-site compliance review and thematic review. The Division will continue to improve the training and awareness programme on AML/CFT and compliance policies and procedures.

RISK MANAGEMENT



With the rapid development of banking industry in Cambodia, changes in regulatory requirements at the global level and new risks emerging especially from the compliance and technology perspectives, the Bank has put in place a more robust risk management framework to better manage the associated risks. The Bank considers risk management as an important element in all of its businesses and embeds a strong risk culture in day-to-day business operations and decision-making. Risk Management is involved in the early stages of the risk-taking process to provide an independent view for new product assessments, strategy setting, credit evaluations and other areas.



CREDIT RISK

Credit and counterparty risk is defined as the possibility of losses due to an obligor or market counterparty or issuer of securities or other instruments held failing to perform its contractual obligations to the Bank. Credit risk undertaken by the Bank is governed by Credit Risk Policies, Credit Policies Guide (CPG), Credit Procedure Manual (CPM) and the respective Credit Business Rules.

The Bank has an Early Warning Indicator (EWI) and Watchlist frameworks as a pro-active credit risk management tool that identified deteriorating credits at early stages, thereby minimising any potential credit loss.

To ensure that all credit applications receive an independent evaluation, all credit approvals require a deciding vote from a Risk Management-delegated person. The Bank has also implemented a joint-delegated authority framework to empower individual management staff to approve credit applications under their authority. Credit Management is established under Risk Management to provide an independent evaluation of credit applications.

Credit Exposures are actively monitored, reviewed regularly and reported to RC on monthly basis. Deteriorating portfolios are identified, analysed and discussed with the relevant business units for appropriate remedial actions, if required.



LIQUIDITY RISK

Liquidity risk arises from a bank's inability to efficiently meet its present and future funding needs or regulatory obligations, when they are due. This can adversely affect its daily operations, resulting in potential losses. The fundamental role of banks – to transform short-term deposits into long-term loans – leaves the Bank inherently vulnerable to liquidity risk. Furthermore, banks must at all times operate in compliance with regulatory requirements.

Liquidity risk is primarily monitored and managed on the basis of cash flow projections; that is, by regularly forecasting the Bank's cash flow arising from the maturity profiles of assets, liabilities, off-balance sheet commitments and derivatives over a variety of time horizons under both business-as-usual and stress conditions.

The Bank also performs semi-annual stress tests, including liquidity stress tests to identify vulnerable areas in its portfolio, gauge the financial impact and enable management to take pre-emptive actions.

Risk Management is responsible for independently monitoring the Bank's liquidity risk profile, and provides monthly reports to the Asset Liability Management Committee and the Risk Committee. This is important for the Bank to manage its liquidity position to meet its daily operating needs and credit risk regulatory requirements.

The Bank, as part of CIMB Group, employs the Enterprise Wide Risk Management (EWRM) framework to manage its risks and opportunities. The EWRM provides the Board and its management with a tool to anticipate and manage both existing and potential risks, while taking into consideration the changing risk profiles as dictated by changes in business strategies, regulatory environment and functional activities.

The Risk Committee (RC) is a Board-delegated committee and reports to the Board of Directors on all risk-management matters. RC's meeting is conducted on monthly basis to administer and supervise the implementation of the Bank's risk-management activities.

The Cambodia Credit Committee (CCC) reports to the RC on credit-related matters of the Bank. Empowered by the Board to consider and make decisions on credit applications, the CCC meets on a weekly basis.



OPERATIONAL RISK

Operational risk encompasses risks of direct or indirect loss resulting from inadequate or failed internal processes, people and systems, or from external events.

Operational Risk is embedded as an important element in the assessment of risks within the Bank's products, services, process and systems.

Multiple initiatives are underway to strengthen existing infrastructure on system capabilities, data management and internal controls.

The Bank's Operational Risk Management strategy is based on a strong risk framework, which provides overall guiding principles with a robust governance structure to inculcate a proactive risk management culture.

Operational Risk Management advises and monitors all departments, ensuring that policies and procedures are observed in all projects and in the Bank's day-to-day operations. The department also ensures that compliance to existing regulations is strictly observed.



MARKET RISK

Market risk refers to the risk of losses in the Bank's trading books due to changes in equity prices, interest rates, credit spreads, foreign exchange rates, commodity prices and other indicators whose values are set in a public market.

The Bank's regular activities of offering loans and deposits with different maturity dates and interest rates inevitably expose the Bank to interest rate risk.

Interest rate risk arises primarily from the different maturity dates and repricing of cash flows. Interest rate risk is currently measured by the interest sensitivity gap (or repricing gap). Risk Management is responsible for the independent review and monitoring of the interest rate risk profile of the Bank based on its interest sensitivity gap report.

TECHNOLOGY & OPERATIONS



Technology & Operations Division (TOD) operates across the Bank, enabling operations and delivering Information Technology (IT) services. The operating model is in line with CIMB Group Technology (GT) and Group Operations (GO). TOD reports to the local management of CIMB Bank PLC and has a matrix reporting line to Group Technology and Group Operations.

TECHNOLOGY

The Technology Department provides all IT services to support business users (BU), manage all IT projects, maintain existing IT infrastructure and applications, build in-house systems to support business and internal control and monitor whole IT system security. In 2020, the Technology Department had successfully completed strategic IT projects such as (i). Core Banking - IBM AS400 technology refreshment, (ii). Internal Firewall technology refreshment, (iii). New functions enhancement on existing systems to reduce manual work, support business growth and comply with regulator/compliance, and two projects are in progress and almost complete such as (a). Anti-Money Laundering, (b). Whole IT policies' updating to be complied with Group standard and regulator's guidelines.

In 2021, the Technology Department will focus on Regulator Projects, Technology Refreshment, Data-centre Transformation, Journey to Cloud for non-critical systems, Cyber Resiliency, IT Governance improvement, and business units (BU) support to improve their e-Channel systems.

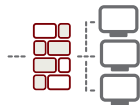
2020

THE TECHNOLOGY DEPARTMENT HAD SUCCESSFULLY COMPLETED STRATEGIC IT PROJECTS SUCH AS



i

CORE BANKING
IBM AS400
TECHNOLOGY
REFRESHMENT



ii

INTERNAL
FIREWALL
TECHNOLOGY
REFRESHMENT



iii

NEW
FUNCTIONS
ENHANCEMENT
ON EXISTING
SYSTEMS

2021

THE TECHNOLOGY DEPARTMENT WILL FOCUS ON



REGULATOR
PROJECTS



DATA-CENTRE
TRANSFORMATION



TECHNOLOGY
REFRESHMENT



CYBER
RESILIENCY



JOURNEY TO CLOUD
FOR NON-CRITICAL
SYSTEMS



IT GOVERNANCE
IMPROVEMENT



BUSINESS UNITS (BU) SUPPORT
TO IMPROVE THEIR
E-CHANNEL SYSTEMS

OPERATIONS

The Operations Department is responsible for ensuring that the transactions initiated by the Bank's frontline are swiftly and accurately fulfilled on a daily basis. The main responsibilities of the Operations Department include local/international remittances, trade finance, inward/outward cheque clearing, self-service terminal (SST) management, centralised cash management, internet banking and payroll fulfilment, treasury operations, full lending operations and other payment services.

In 2020, the Operations Department completed projects as following:

- Four (4) new projects to improve internal processes and increase employee productivity
- Ten (10) enhancement projects and eleven (11) ad-hoc projects to simplify processes and support BUs during COVID-19 outbreak
- Improvement on cost saving (26%) compared to the planned budget, accomplishment of 100% Service-Level Agreement (SLA) for loan drawdown and growth in employee productivity at 2%, compared to 2019.

THE MAIN RESPONSIBILITIES OF THE OPERATIONS DEPARTMENT



4 NEW
PROJECTS



TO IMPROVE INTERNAL PROCESSES
& INCREASE EMPLOYEE PRODUCTIVITY

10 ENHANCEMENT
PROJECTS

TO SIMPLIFY PROCESSES & SUPPORT BUS DURING COVID-19
OUTBREAK

11 AD-HOC
PROJECTS



26%

IMPROVEMENT
ON COST SAVING

100%

SERVICE-LEVEL
AGREEMENT (SLA)
FOR LOAN
DRAWDOWN

2%

GROWTH IN
EMPLOYEE
PRODUCTIVITY

In 2021, the Operations Department will continue the journey from 2020 and will remain focus on simplifying processes and systems, improving operational risk, and enhancing people development agenda.

TREASURY & MARKETS



The Treasury & Markets Division of CIMB Bank PLC, in collaboration with other business units, provides cross-border solutions to regional and domestic clients for their trade, investment and financial requirements including local and foreign exchange (FX) transactions for both Spot and Forward value dates, foreign currency deposits and remittance payment services. Treasury & Markets also oversees funding for the Bank to ensure sufficient liquidity with optimal cash flows, as well as diversify funding sources by maintaining relationships with other banks in the market.

2020 IN REVIEW

In 2020, we experienced a year that has fundamentally changed the way the world operates. Similar to other countries, the National Bank of Cambodia had proactively responded to the market situation including increasing liquidity in the financial markets by loosening monetary policy like easing the capital burden to commercial banks, offering loan restructuring for impacted borrowers or segments, balancing local currency supplies and providing financial supports to local small and medium enterprises (SME) in order to maintain the financial stability and support the economic activity as a whole.

With the above, Treasury & Markets (T&M) achieved growth in its year on year financial performances along with the Bank's other businesses. In comparison to 2019's revenues, it grew around 15% in which 232% of it was contributed by Foreign Exchange business. The remarkable growth in Foreign Exchange was strongly supported by both consumer and commercial clients through CIMB's competitive offering environment and differentiation in services by leveraging on CIMB Group's network and regional franchise.

Under Assets and Liabilities Management function, Treasury Funding desk had proactively engaged both foreign and local counterparties and maintained a very strong relationship as well as credit limits. This provided the Bank more flexibility to seek better yield for its excess funds while simultaneously seeking a greater range of funding opportunities. As a result, the Bank continued to enjoy improved cost of funds jointed by money market which translated to superior net interest margins. Contingency Funding Plan (CFP) was updated and tested promptly in 2020 together with Risk Management to anticipate and address any new potential funding issues.

2021 OUTLOOK & STRATEGY

In line with an optimistic forecasting of Cambodia economy growth recovery in 2021 by the National Bank of Cambodia and World Bank, we strongly believe that significant Treasury business opportunities will arise from the inflow of foreign investments as per bilateral and regional free trade agreements and higher demand in local currency by expected growth in local new businesses as well as SME which has been focused by the Government of Cambodia in the strengthening of the local economic base.

Treasury & Markets will maintain its long-term strategy by partnership with its other business units to offer a very competitive products and services to our existing and new clients and deepen its capabilities by broadening its network of Bank & Financial Institution counterparties. We will continue to conduct annual review and update the Bank's Contingency Funding Plan to cater for a rapidly evolving environment and to maintain our liquidity strength in order to serve and fully meet our clients' expectation. Importantly, our focus on local currency (KHR) remains unchanged in 2021 which we will continue working on diversifying our counterparties and avenues to adequately prepare for the anticipated growth of the Bank's KHR balance sheet and payment services.

MARKETING & COMMUNICATIONS



The Marketing & Communications (Marcomm) unit plays an important role in driving the Bank's communications agenda to enhance CIMB Cambodia's profile and branding. The unit oversees internal communications between various departments and external communications activities to promote its products and services. It develops and enhances the Bank's brand positioning and communications agenda through an integrated framework comprising various functions covering branding, advertising and marketing, media and public relations, events and sponsorship management and internal communications.

2020 KEY HIGHLIGHTS

We have consistently positioned CIMB Cambodia as a financial service provider and business partner that is simultaneously highly localised in Cambodia and well-connected across ASEAN. Aside from creating a narrative to cement CIMB Cambodia's local identity, Marcomm leverages on CIMB Group's ASEAN capabilities and communicates regional services which are highly relevant to Cambodian customers such as CIMB Group's ATM Regional Link, Same Day Telegraphic Transfers across 5 ASEAN nations, and a host of regional rewards and privileges for shopping, dining and travelling. In addition, Marcomm has localised CIMB Group's new brand promise of "FORWARD", an expression adopted across all CIMB Group entities to communicate CIMB's commitment to facilitate the progression of our customers' goals and aspirations.

In 2020, CIMB Bank PLC is turning 10th, an important milestone of CIMB in Cambodia in respect of its business, people, and branding. Though challenging context of the global pandemic, COVID-19, we managed to celebrate our 10th anniversary by recording our profit before tax of USD26.8 million in 2020, a year-on-year growth of 17% compared to 2019.

Marcomm spearheaded respective corporate events such as CIMB Bank International Women Day, 10th Anniversary Ceremony and CIMB Bank Town Hall to name a few. On the other hand, we supported the Bank's Corporate Social Responsibility (CSR) Projects, covering different sectors including Education, Healthcare, Socials & Environment, in particular such as Tree Planting at Banteay Kdey Temple, Blood Donation, and various crisis relief donations.

Beyond local project agenda, every year, Marcomm regularly supports the event activation and the publicity for the CIMB ASEAN Scholarship to announce and encourage Cambodian undergraduates to apply for this fully-funded scholarship at any world-class universities around the globe. Fortunately, we are proud to have another successful Cambodian scholar who competed with other ASEAN students to achieve this full scholarship programme.

Marcomm strongly endeavoured to increase the Bank's media exposure with different media organisations, ranging from traditional to digital media such as newspapers, magazines, radio and television channels, and websites. We added LinkedIn to the digital platform as parts of our engagement agenda, helping the Bank to access new customer segments and demographics as we expand our business lines. In addition, we successfully completed the Bank's website revamp project by upgrading the website user interface for a better customer experience.



**BEST COMPANY
TO WORK FOR**
BY HR ASIA

2021 PRIORITIES

2021 promises to be a very exciting year for Marcomm. CIMB Bank PLC is extending another decade of its operation and milestone in Cambodia. The Bank was awarded as the "Best Company to work for" by HR Asia, thanks to our strong people agenda and employees' welfare and benefits. Marcomm's extensive work is to re-introduce CIMB Bank brand to the Cambodian market as an international bank that could forward customers' pursuit of personal and business-related aspirations toward success. In line with CIMB Group's strategy, we will maintain and extend our corporate brand identity and image as the "ASEAN-Focused Bank". Moreover, we will continue to enhance the Bank's public relations by engaging a broad range of media publications across conventional and digital platforms.

CORPORATE ASSURANCE



Corporate Assurance plays a crucial role in providing independent appraisals on the adequacy, efficiency and effectiveness of the internal control systems implemented by the Management of CIMB Bank PLC. The evaluations conducted by Corporate Assurance are based on control environment, risk-assessment practices, control activities, information sources, communication effectiveness and monitoring practices. Corporate Assurance reports directly to the Audit Committee and is independent from the activities and operations of other business and support units.

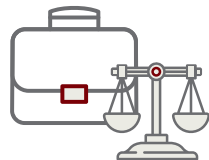
In 2020, Corporate Assurance with support from CIMB Group Corporate Assurance Division completed 17 audit assignments covering critical areas of the Bank including branch audits, departmental audits, and thematic audits (including 2 ad-hoc review).

Our plan for 2021 is to continue to conduct audit assignments according to Corporate Assurance's internal risk assessment, and conduct ad-hoc investigations when required.



17 AUDIT ASSIGNMENTS

LEGAL & COMPANY SECRETARIAL



The Legal & Company Secretarial Division consists of the Legal and Company Secretarial.

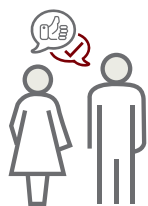
Legal oversees the legal aspects of activities undertaken by the Bank, and is responsible for facilitating, advising, and monitoring business and support units to ensure that they are acting in accordance with respective laws, regulations and guidelines.

Legal plays a major role in providing the legal advices to all employees in the Bank in performing their functions in order to ensure that the Bank's interests are well protected in doing all businesses. The Division also coordinates all litigation matters from in-house perspective and liaises with the external counsels to monitor all litigation cases.

In line with good governance, the Company Secretarial provides supports to the Board and Management committees in carrying out their duties and responsibilities. Also, it serves in an advisory capacity on governance matters, including legal and regulatory requirements to all units within the Bank. The Company Secretarial also manages the day-to-day corporate secretarial matters and functions of the Bank, including processes with the relevant approving authorities and regulators.

The Division participates in various taskforces and project working teams to ensure the Bank's responsibilities towards regulations.

CUSTOMER EXPERIENCE



The Customer Experience (CX) unit was set-up to coordinate the Bank's overall efforts towards delivering best-in-class customer satisfaction. The CX unit employs customer-centric methodologies to map out customer journeys at all levels including our touch points namely branches, call centre and customer facing units, together with digital interfaces like Internet Banking and our official website, and also back office processes.

Above all, our commitment to CX ensures that CIMB Bank PLC upholds our three promises to our customers at all times: that dealing with CIMB will be Efficient, Easy, and that we will always go the Extra Mile to serve our customers.

The CX unit also carries out the Business Support Management role which oversees the alignment and improvement of systems and working processes. The unit provides project management support to all business and support units across the Bank while ensuring timely implementation of projects.

In 2020, CX enhanced more process re-engineering to improve both systems and processes for a better experience of internal and external customers and culture awareness which we had many programmes to aware our internal and external stakeholders how customer experience is important.

The 2021 plan for CX is to improve the Bank's customer experience by many programmes across bank-wide to increase the Net Promoter Score.

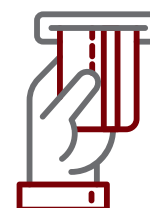
PRODUCT MANAGEMENT



The Product Management unit is an integral part of the Bank's business activities. Its function is to enable the Bank to remain competitive and to continue to increase its market share by introducing innovative products and services that meet our customers' needs.

Product Management is also in-charge of Digital Banking which contributes to the Bank's overall competitiveness by introducing and improving digital banking products and services. This enables the Bank to meet our customers' needs in keeping pace with technological advances and ever-evolving customer requirements. Digital Banking Services include local self-service terminals and Regional ATM Services, which enable CIMB Bank's customers to withdraw cash in local currency in Malaysia, Singapore and Indonesia respectively.

In 2021, we aim to develop more innovative and competitive products in both lending and deposit segments, utilising best practices from CIMB Group. We plan to roll out products and services that create positive impact for the community in line with sustainability principles. In addition, we aim to conclude the development of mobile banking services and make it available to customers. Making banking services accessible across different channels is pivotal to our strategy, as it aligns with our philosophy of going the extra mile to delight our customers.

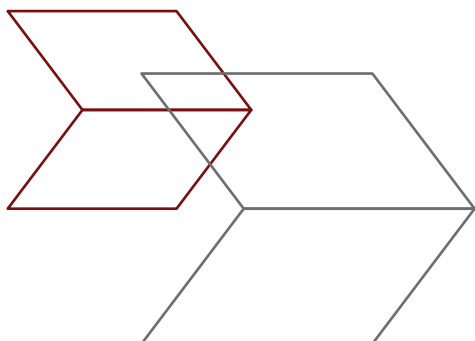


WE HAVE MADE
LOCAL CURRENCY
AVAILABLE IN MALAYSIA,
SINGAPORE & INDONESIA

CORPORATE GOVERNANCE



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STATEMENT ON CORPORATE GOVERNANCE

The Board of Directors (the “Board”) believes that strong corporate governance is essential for delivering sustainable value, enhancing business integrity and in maintaining investors’ confidence towards achieving the Bank’s corporate objectives and vision.

Effective corporate governance structure and culture are critical elements in determining how the Bank functions, which has been continuously emphasised to all employees. The governance framework adopted by the Bank is developed on the basis of the principles and best practices recommended by the Prakas on Governance in Banks and Financial Institutions and the Prakas on Fit and Proper Regulatory Requirements for Applying to Entities and Licensed Banks and Financial Institutions (the “Prakas”) issued by the National Bank of Cambodia (the “NBC”), and international best practices in corporate governance, where applicable.

BOARD OF DIRECTORS

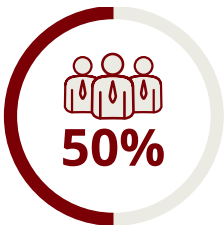
The Board and Board Balance

The Board currently has six members, with one Executive Director and five Non-Executive Directors, of whom three are Independent Directors. The Board confirms it has the appropriate number of Independent Directors who bring strong, independent judgment to the Board’s discussions. The Board is also committed to a collective decision-making process.

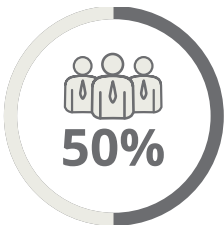
The Board benefits from the contribution of each of the Non-Executive Directors in all areas of the Bank’s businesses. In addition to their wide range of skills and business experience, the Non-Executive Directors also bring independent judgment in the deliberations on issues of strategy, audit, performance and risk.

The structure and composition of the Board are in line with the requirements of the Prakas issued by the NBC.

BOARD COMPOSITION



Non-Independent
Director



Independent
Director

To ensure the balance of authority, increased accountability and greater capacity for independent decision making, the roles of Chairman and Executive Director (ED) are distinct and separate with a clear division of responsibilities between the Chairman and the ED, which ensures that no individual or group dominates the decision-making process.

The Chairman

The Board is led by the Chairman, Datuk Mohd Nasir Bin Ahmad, who was appointed as the Chairman on 16 December 2019. Datuk Mohd Nasir Bin Ahmad is responsible for the leadership and management of the Board and for ensuring the effective functioning of the Board and its Committees. He assumes the formal role of a leader and chairs all Board meetings, leads discussions amongst the Directors and provides leadership to the Board in its oversight of management. The Chairman facilitates the flow of information between Management and the Board, and in consultation with Management, sets the agenda for each Board meeting.

Executive Director

Mr. Bun Yin, a Cambodian national, is the Chief Executive Officer (“CEO”) of the Bank and also the Executive Director (“ED”) of the Board. He was appointed as the CEO and ED on 1 January and 29 January 2015, respectively. He is the first Cambodian to head an international foreign bank in Cambodia.

As ED/CEO, Bun Yin has overall responsibility for the implementation of the Bank’s strategy, and for carrying out the Board’s direction, managing the Bank’s businesses and driving performance within strategic goals and commercial objectives. He leads the Management in carrying out the corporate strategy and vision of the Bank. As ED/CEO, he is accountable to the Board for the day-to-day operations of the Bank’s business.

Size and Composition of Board of Directors

The Board is committed to regularly reviewing the size and composition of the Board, taking into account the scope, nature, diversity and expansion of the Bank’s business. The Board considers its present size to be appropriate to oversee the overall businesses of the Bank. The current Directors bring to the Board a wealth of knowledge, experience and skills to drive the Bank towards the vision of the Group.

The Directors of the Bank have met the criteria for the appointment of Directors as set out in the Prakas. All Independent Directors demonstrate sound and independent judgment and do not participate in any business transaction that could impair their independent judgment and decision making.

Brief backgrounds of each Director are presented on pages 68 to 73 of the Annual Report.

Directors’ Code of Ethics

The Board of Directors observes the code of ethics set out in the Prakas issued by the NBC.

The Directors of the Bank adhere to the code of ethics, which provides guidance for the proper standards of conduct and sound and prudent business practices. It also provides the standards of ethical behaviour required for Directors, based on the principles of integrity, responsibility, sincerity and corporate social responsibility.

Duties and Responsibilities of the Board

The Board is the ultimate decision-making body of the Bank, with the exception of matters requiring shareholder's approval. It sets the Bank's strategic direction and vision. The Board takes full responsibility for leading, governing, guiding and monitoring the entire performance of the Bank, and enforces standards of accountability, all with a view to enabling management to execute its responsibilities effectively.

The Board has overall responsibility for putting in place a framework of good corporate governance within the Bank, including the processes of financial reporting, risk management and compliance. All Board members bring their independent judgment, diverse knowledge and experience when deliberating issues pertaining to strategy, performance, resources and business conduct.

The Board has adopted a schedule of business specifically reserved for the Board's approval, which includes, amongst other matters, reviewing and approving the following:

- Strategic and business plans and annual budget;
- New investments, divestments, mergers and acquisitions, and corporate restructuring, including the establishment of subsidiaries, joint ventures or strategic alliances, both locally and abroad;
- Annual financial statements and interim dividends and recommending the final dividends payable to shareholder prior to public announcements and publications;
- Appointment of new Directors and the Chief Executive Officer and their emoluments and benefits.

The overall principal responsibilities of the Board are as follows:

- Providing clear objectives and policies within which the senior executives of the Bank are to operate;
- Ensuring that there are adequate controls and systems in place to facilitate the implementation of the Bank's policies;
- Monitoring management's success in implementing the approved strategies, plans and budget;
- Understanding the principal risks of all aspects of the businesses in which the Bank is engaged and ensuring that systems are in place to effectively monitor and manage these risks with a view to ensuring the Bank's long-term viability and success;
- Monitoring and assessing development which may affect the Bank's strategic plans;
- Reviewing the adequacy and integrity of the Bank's internal control systems and management information systems, including systems for compliance with the applicable laws, regulations, rules, directives and guidelines;
- Avoiding conflicts of interest and ensuring disclosure of possible conflicts of interest; and
- Upholding and observing banking and other relevant laws, rules and regulations.

Apart from the aforesaid principal responsibilities of the Board, the Board has also delegated specific responsibilities to Committees. While the Committees have the authority to discuss and decide on particular issues, the Committees will report to the Board on their decisions and/or recommendations. The ultimate responsibility for all matters lies with the entire Board.

The terms of reference and responsibilities of the Committees are set out on pages 40 to 45.

Appointments to the Board

The Bank leverages on the Group Nomination and Remuneration Committee ("GNRC"), which resides at CIMB Group Holdings Berhad. The GNRC is responsible for identifying and nominating suitable candidates for appointment to the Board for approval, either to fill vacancies or as additions to meet the changing needs of the Bank. Before recommending an appointment to the Board, the GNRC will carry out a thorough and comprehensive evaluation of the candidate based on the criteria adopted by the Board. The Bank also takes into account the Bank's businesses and will match the capabilities and contributions expected for a particular appointment.

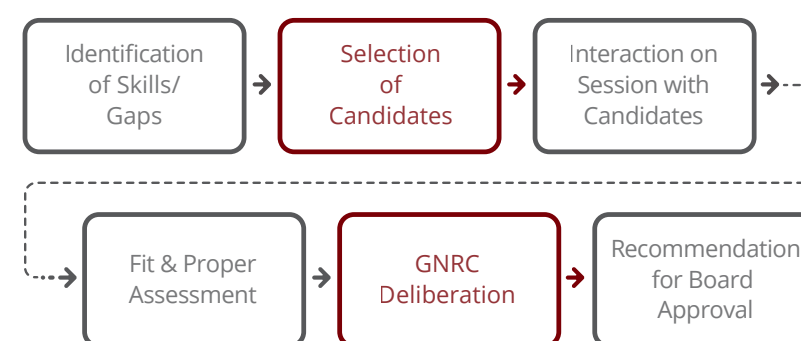
The appointment process is conducted in accordance with the Prakas and the Group's Policies and Procedures on Fit and Proper for Key Responsible Persons (Fit and Proper Policy). The Fit and Proper Policy set out a formal process for the appointment of Directors, Chairman and Chief Executive Officer. Proper assessments are conducted on candidates and the GNRC confirms that the candidates are fit and proper for their respective roles.

The Fit and Proper Policy also outline the following criteria for assessment of the suitability of the candidate for an appointment:

- Probiity, personal integrity and reputation, where the candidate must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness;
- Competence and capability, where the candidate must have the skills, work experience, capability and commitment necessary to carry out the role;
- Financial integrity, where the candidate must manage his debts or financial affairs prudently.

The process for identifying and nominating candidates by the GNRC for appointment involves the following five stages:

Nomination Framework



Proposals for the appointment of Directors are subject to NBC's vetting and prior approval.

Re-Appointment and Re-Election of Directors

Each year, one-third of the Directors retire from office at the Annual General Meeting, and subject to eligibility may offer themselves for re-election at the Annual General Meeting. In addition, the Memorandum and Articles of Association of the Bank requires that all Directors retire from office at least once every three years, but shall be eligible for re-election at the Annual General Meeting. Proposals for the re-appointment and re-election of Directors are recommended by the GNRC to the Board prior to the Shareholder's approval at the Annual General Meeting.

MEETINGS & SUPPLY OF INFORMATION TO THE BOARD

The Board meets regularly to discuss business strategy, financial performance, matters pertaining to compliance and governance as well as reports on matters deliberated by the respective committees. The Board meets at least once every two months, and amongst the agenda that are tabled to the Board for discussion/approval, the Board reviews the financial performance of the Bank, risk management and compliance reports and approves the quarterly results of the Bank. Board meetings are scheduled in advance each year to facilitate Directors to plan their schedule. Meeting papers on proposals and various reports are delivered to the Board prior to Board meetings, giving Directors sufficient time to evaluate the proposals and, if necessary, request additional information to facilitate the effective discharge of their duties. Procedures have been established concerning the format, content, presentation and delivery of meeting papers. The meeting papers clearly address the background, objective, key issues, rationale, impact and other information relevant to each proposal to enable the Board to reach an informed and effective decision.

Directors have access to all information within the Bank. Through regular Board meetings, the Board receives updates on the development and business operations of the Bank, as well as comprehensive sets of papers, which include regular business progress reports and discussion documents related to specific matters.

Directors are also allowed to participate in the Board meetings via telephone conference. All deliberations at the Board meetings, including dissenting views, are duly minuted as records of their proceedings. The Board's decisions are communicated to Management within one working day of the Board meeting to ensure that decisions and directions are executed in a timely manner. The draft minutes are circulated to the Directors for their review and comments before the final minutes are tabled for confirmation at the next Board meeting.

At Board meetings, the ED/CEO provides a comprehensive explanation of significant issues relating to the Bank's business and financial performance. The Chairman of the Audit Committee provides a summary of the audit reports deliberated at the Audit Committee meetings for the Board's notation, including the significant audit findings by the Corporate Assurance (formerly 'Internal Audit') for Board's discussion and direction. In addition,

reports from the Head of Compliance on the status of compliance with the laws, regulatory requirements and internal policies and procedures adopted by the Bank are also reported for Board's information. Management is also invited to present proposals and to answer queries raised by the Board on a need-basis. Management takes immediate action on all matters arising from the Board meeting and updates the Board on the status of these matters at the next Board meeting or, if urgent, via circulation of the memorandum.

Any Director who has an interest in any proposal or transaction will declare his interest and will abstain from deliberation and voting on the proposal or proposed transactions. This process is duly recorded in the minutes of the proceedings.

The Board will also at the beginning of the financial year, considers the Bank's annual budget in line with the Bank's strategies and plans formulated at the Annual Management Dialogue.

A total of 7 Board meetings were held in 2020 and the Directors' attendance at the meetings is as follows:

Directors	No. Of Meetings	
	Attended	Held
Datuk Mohd Nasir Bin Ahmad Chairman / Independent Non-Executive Director	7	7
Mey Kalyan Independent Non-Executive Director	7	7
Aisyah Lam Binti Abdullah Independent Non-Executive Director	7	7
Omar Siddiq Bin Amin Noer Rashid Non-Independent Non-Executive Director	6	7
Ahmad Shazli Bin Kamarulzaman Non-Independent Non-Executive Director	7	7
Bun Yin Non-Independent Executive Director & Chief Executive Officer	7	7

Training & Development of Directors

Directors' Training is an integral process in the appointment of new Directors. The Board is further mindful of the need to keep pace with new laws, regulations, accounting standards, changing commercial risks, latest market trends and developments, key challenges in domestic and regional markets and the banking industry. To this end, the Board evaluates training needs on a continuous basis and determines areas that would further enhance the Directors' understanding of issues involving the Bank.

Listed below are the training sessions which the Directors attended to keep abreast of the latest developments:

Titles/Topics	Mode of Training	No. of Hours/Days	Attended by
CIMB INSEAD Leadership Programme (CLP) Cohort 8	Pitching Session (Panelist)	5 hours	Datuk Mohd Nasir Bin Ahmad
PwC COVID-19 Webinar: Cyber and economic crime: Fraudsters and cyber criminals, too, can work from home	Seminar (Participant)	2 hours	
FIDE FORUM Webinar “Outthink The Competition: Excelling in a Post Covid-19 World”	Forum (Participant)	2 hours	
Webinar: A Conversation with Senator YB Tengku Datuk Seri Zafrul Tengku Abdul Aziz, Minister of Finance, Malaysia	Dialogue (Participant)	2 hours	
ACCA-ICDM Inspiring Director Programme	Course (Speaker)	2 hours	
FIDE Forum: 4th Distinguished Board Leadership Series - Risk: A Fresh Look from the Board's Perspective	Forum (Participant)	2 hours	
Invest Malaysia 2020: Powering Malaysia's Growth Engines	Conference (Participant)	4 hours	
Accountant General's Leadership Sharing Session	Sharing Session (Speaker)	2 hours	
CIMB: Risk Posture Workshop	BOD Workshop (Participant)	2 hours	
CIMB: The Cooler Earth Summit - Profit with a Purpose	Conference (Participant)	3 hours	
CIMB: The Cooler Earth Experiential Event, Taman Tugu Nature Education Walk	Conference (Participant)	2 hours	
Sharing Session with Prokhas: Leading With Integrity	Dialogue (Speaker)	1 hours	
AML Training for Directors	Course (Participant)	3 hours	
The Cooler Earth Sustainability Summit: Advancing Customers and Society	Conference (Speaker)	2 hours	
APEC CEO Dialogues 2020	Conference (Participant)	1.5 hours	
ICDM Members' Day: Bounce Back Together II: Reimagine and Rebuild	Forum (Speaker)	2 hours	Ms. Aisyah Lam Binti Abdullah
Sustainability Training by UNEP FI & WWF	Course (Participant)	3 hours	
CIMB: The Cooler Earth Summit - Profit with a Purpose	Conference (Participant)	3 hours	Mr. Omar Siddiq Bin Amin Noer Rashid
The Cooler Earth Sustainability Summit: Advancing Customers and Society	Conference (Participant)	2 hours	
Sustainability Leadership Training 2020	Webex	2.5 hours	Mr. Ahmad Shazli Bin Kamarulzaman
Anti-Money Laundering / Counter Financing Terrorism	E-learning Course	4 hours	
Business Continuity Management Awareness	E-learning Course	4 hours	
Data Protection	E-learning Course	4 hours	
Information Security Awareness	E-learning Course	4 hours	
BU: Make It Rain Webinar - Kopi with Zen	Seminar	2.5 hours	
Future of Work Centre (FOWC) Town Hall	Town Hall	1.5 hours	
Anti-Money Laundering / Counter Financing Terrorism	E-learning Course	4 hours	Mr. Bun Yin

During the year under review, regular updates on development in legal matters, disclosure and accounting standards, corporate governance and best practices were also provided to the Directors.

COMPANY SECRETARIES

The Company Secretaries demonstrate on-going support in advising and assisting the Board on matters relating to the affairs of the Bank, including issues pertaining to corporate compliance, corporate governance and best practices, boardroom effectiveness and Directors' duties and responsibilities. During the year under review, various Board processes were reviewed with a view to enhancing the Board's decision-making processes and the effective functioning of the Board.

The Company Secretaries ensure that the Board, Committees and Shareholder's meetings are properly convened in accordance with the laws and best practices, and records of proceedings at Board, Committee and Shareholder's meetings are duly minuted and kept.

The Company Secretaries apart from assisting the Chairman in formulating the agenda and conduct of the Board, Committees and Shareholder's meetings, also facilitate the communication of key decisions and policies between the Board, Committees and Senior Executives.

All Directors have full access to the advice of the Company Secretaries and may seek independent professional advice at the Bank's expense in furtherance of their duties. An approved procedure has been established in facilitating the Directors in seeking independent professional advice.

COMMITTEES

The Board delegates specific responsibilities to the Audit Committee and Risk Committee. These Committees operate within clearly defined roles and responsibilities as set out in the duly approved formal terms of reference of each of the Committees.

The Committees report to the Board on their deliberations, findings and recommendations. The Chairmen of the Audit Committee and Risk Committee report to the Board on matters dealt with at their respective Committee's meetings. The Board accepts that while these Committees have the authority to deliberate on matters delegated to them, all decisions and/or recommendations made by these Committees are brought to the attention of the Board and collectively, are responsible for the Bank's success, business, strategy, risk management, and operational and financial performance.

Further details on the Committees are set out in the following sections.

Audit Committee

The Audit Committee comprises solely of Independent Non-Executive Directors who have financial knowledge and experience.

The key responsibilities of the Audit Committee are to ensure high corporate governance practices whilst providing oversight on the Bank's financial reporting, disclosure, regulatory compliance, risk management and monitoring of internal control processes within the Bank. The Audit Committee meets regularly to, amongst other things, review the quarterly results, full-year financial statements and audit reports, which include observations pertaining to risk management and internal controls, as well as related party transactions.

The Audit Committee met 7 times in 2020 and the attendance of the members of the Audit Committee is as follows:

Members	No. of Meetings	
	Attended	Held
Dr. Mey Kalyan Chairman / Independent Non-Executive Director	7	7
Datuk Mohd Nasir Bin Ahmad Independent Non-Executive Director	7	7
Aisyah Lam Binti Abdulla Independent Non-Executive Director	7	7

The terms of reference of the Audit Committee are as Follows:

Area	Responsibilities
Internal Control / Risk Management / Governance	To review the effectiveness of internal controls, risk management processes and governance within the Bank, taking into account the requirements in the Prakas on Governance in Banks and Financial Institutions.
Internal Audit	<ol style="list-style-type: none"> To ensure the internal audit function is well placed to undertake review or investigation on behalf of the AC and be placed under the direct authority and supervision of the AC. To review and approve the audit scope, procedures frequency and the annual internal audit plan. To oversee the effectiveness of the internal audit function, staff competency requirements and adequacy of audit resources, and that internal audit has the necessary authority to carry out its work. To review key reports and ensure that senior management is taking necessary corrective actions in a timely manner to address control weakness, non-compliance with laws, regulatory requirements, policies and other problems identified by the internal audit and other control functions. To note significant disagreements between the Internal Audit Head and the rest of the senior management team, irrespective of whether these have been resolved, in order to identify any impact the disagreements may have on the audit process or findings. To ensure compliance with the Laws and Regulations applicable to Banks and Financial Institutions and that the reports of internal auditors should not be subject to clearance by management. To establish a mechanism to assess the performance and effectiveness of the internal audit function. To evaluate the performance and decide on the remuneration package of the Internal Audit Head. To approve the appointment, transfer and dismissal of the Internal Audit Head or senior staff members of the internal audit function, and to be informed of the resignation of any senior internal audit staff members and to provide the resigning staff member with an opportunity to submit his/her reasons for resigning.

External Audit	<ul style="list-style-type: none"> a. To make recommendations to the Board on the appointment, removal and remuneration of the external auditors. b. To discuss and review with the external auditors before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved. c. To assess the objectivity, performance and independence of external auditors (e.g. by reviewing and assessing the various relationships between the external auditors and Bank). d. To approve the provision of non-audit service by the external auditors, and to monitor and assess evaluating whether such non-audit would impair their independence. e. To ensure that there are proper checks and balances in place so that the provision of non-audit services does not interfere with the exercising of independent judgment of the auditors. f. To ensure that the financial statements are prepared in a timely and accurate manner with the adequacy of allowances against contingencies and impaired assets. g. To maintain regular, timely, open and honest communication with the external auditors, and requiring the external auditors to report to the AC on significant matters (in the absence of management where necessary). h. To review the external auditors' Internal Control Report and ensure that senior management is taking necessary corrective actions in a timely manner to address external audit findings and recommendations. i. To monitor and assess the effectiveness of the external audit, including meeting the external auditors at least once a year without the presence of the management or executive directors to discuss any key concerns and obtain feedback.
Audit Findings, Internal Control and Compliance Issue	To review the findings of major investigations, routine audit findings, and internal control and compliance reported by the internal, external and regulatory auditors.
Financial Statements	To review the quarterly results and year-end financial statements of the Bank, prior to approval by the Board, focusing particularly on: <ul style="list-style-type: none"> • changes in or implementation of major accounting policy change; • significant matters highlighted including financial reporting issues, significant judgments made by Management, significant and unusual events or transactions, and how these matters are addressed; • the going concern assumption; and • compliance with accounting standards and applicable financial reporting standards and other legal or regulatory requirements.
Related Party Transactions	To review all related party transactions and keep the Board informed of such transactions.
Review of Reports Related to Financial Statements	To review the accuracy and adequacy of the chairman's statement in the director's report, corporate governance disclosures, interim financial reports and preliminary announcements in relation to the preparation of financial statements.
Monitoring of Compliance with Conflict of Interest Policy	To monitor compliance with the Board's conflict of interest policy.
Review of Internal Control Framework	To review third party opinion on the design and effectiveness of the Bank's internal control framework.
Others	<ul style="list-style-type: none"> a. To engage on a continuous basis with senior management in order to keep informed of matters affecting the Bank. b. To convene meetings with internal auditors, external auditors, or both whenever deemed necessary. c. To review the semi-annual and annual financial statements for submission to the Bank's Board of Directors and ensure prompt publication of annual financial statements.

Risk Committee

The primary responsibility of the Risk Committee is to ensure that the integrated risk management functions within the Bank are effectively discharged. The Risk Committee reports to the Board of Directors on all risk management matters of the Bank.

A total of 12 Risk Committee meetings were held in 2020 and the members' attendance at the meetings is as follows:

Members	No. of Meetings	
	Attended	Held
Aisyah Lam Binti Abdullah Chairman / Independent Non-Executive Director	12	12
Bun Yin Chief Executive Officer / Executive Director	12	12
Kien Vatana Head, Risk Management	11	12
Hong Cheap Head, Commercial Banking	11	12
Heng Thida Head, Consumer Banking	12	12
Heng Viboth Head, Technology & Operations	11	12
Heng Vuthy Head, Finance	10	12
Ky Sana Head, Corporate, Transaction Banking & FIG	11	12

The terms of reference of the Risk Committee are as Follows:

Area	Responsibilities
Capital Management	<ul style="list-style-type: none"> Allocate capital-at-risk for different lines of businesses and different categories of risks to ensure adequate diversification of risk, complies with the regulatory limit requirements and the Bank has sufficient capital to cushion against stress scenarios. Enhance shareholder value through evaluation of the risk-return profiles of business activities and ensuring that they are within the parameters established by the Board of Directors.
Risk Management Policies	<ul style="list-style-type: none"> Review and make recommendations to the Board of Directors for approval of appropriate risk policies and limits so that the risk management framework is in line with the corporate plan, the Group's Enterprise Wide Risk Management Framework, and conforms to the legal and regulatory requirements. Evaluate and review proposals on new products, investments, businesses, strategic alliances and product variations, and subsequently to grant approval-in-principle or recommend to the Board of Directors for approval. Review and approve changes to operational procedures and processes.
Compliance	<ul style="list-style-type: none"> Enforce compliance to all risk policies and limits.
Risk Identification and Measurement	<ul style="list-style-type: none"> Deployment of proper methodologies to identify and measure risk for all positions. Set strategies to evaluate, monitor and control risks to be within reasonable levels. Endorse the methodologies and tools for the measurement of the various types of quantifiable risk for Board approval.
Technology Risks	<ul style="list-style-type: none"> To periodic review on technology risks related matters, including but not limited to technology security and cyber risks, technology risk management profile and severity incidents/non-compliance, and ensure such issues are resolved effectively and expeditiously; To oversee on IT Risks including ex-ante risk assessment on e-banking services; risk assessments for Technology Outsourcing or 3rd Party Services; To review and recommend technology risks related framework/policies/material amendments prior seeking the Board's approval. To review the Technology Risk Management Framework and Technology Risk Appetite introduced by the Group and to adopt or localise for implementing at the Bank; To ensure the adequate and robust control on technology systems and technology risk management;
Compliance And Anti-Money Laundering/Counter Financing Terrorism ("AML/CFT") Strategy	<ul style="list-style-type: none"> To recommend the compliance and AML/CFT strategy of the Bank; and To assist in defining the compliance and AML/CFT risk management objectives across business lines.
Compliance and AML/CFT Framework	<ul style="list-style-type: none"> To discuss compliance and AML/CFT risk issues and ensure such issues are resolved effectively and expeditiously. To review and recommend compliance and AML/CFT framework/policies and material amendments to compliance and AML/CFT risk framework/policies. To review the Risk appetite or framework introduced by the Group and to localise for implementing at the Bank; To review and approve parameter, methodology, and procedures related with AML/CFT.
Assets and Liability Management	<ul style="list-style-type: none"> Review the Bank's balance sheet composition of loans and deposits. Ensure holistic approach is taken to manage the Bank's balance sheet through effective interest rate risk management, funding liquidity risk management, interest margins and capital management.
Maintenance of Assets Quality	<ul style="list-style-type: none"> To review that the Business Units and their respective credit committee(s) have clearly defined Asset Quality Review and Early Warning Indicators/ Credit Watchlist Process in identifying, classifying, reporting, monitoring any problem loan (in particular Impaired loans) in line with the Credit Risk Policy/ regulatory authorities/ approved credit policies and procedures/ accounting standards (where applicable). To ensure the Bank maintains its asset quality through close monitoring of the processing and approval of new loans and prompt recovery of Impaired Loans; To mediate issues relating to the transfer of accounts between business units and recovery team when accounts turned impaired and vice versa; To review asset quality so as to be in line with the overall Risk Appetite/Risk Acceptance Criteria (RAC) of the Bank and Business Units, including but not limited to: <ul style="list-style-type: none"> Early Alert Watchlist, delinquent or Impaired accounts; Provisioning of accounts pursuant to the Prakas of National Bank of Cambodia and other relevant regulation; and Any other issues relating asset quality. To review and deliberate on portfolio and Impaired default trends/reports for risk identification.
Business Continuity	<ul style="list-style-type: none"> Review the Bank's contingency plan and overall business continuity management for implementation whenever necessary and propose to the Board of Directors for approval.
Appointment of Risk Committee's Member and Sub-Committees	<ul style="list-style-type: none"> Change in individual members within the same corporate function can be approved by the Committee itself with a notation to Board of Directors. Where changes in membership involve a change in corporate function of members or amendments are proposed to the Terms of Reference, approval must be sought from Board of Directors before implementation. Review and approve the terms of reference and composition of any Sub-Committees; including the appointment and removal of members and invitees to such Committees.

Management Committees

The following management committees have been established to assist the Chief Executive Officer (CEO) and management in managing the various businesses and support activities of the Bank:

- Management Committee
- Cambodia Credit Committee
- Assets and Liabilities Management Committee

Management Committee

Members		
Bun Yin	Chief Executive Officer	Chairman
Heng Thida	Head, Consumer Banking	Member
Heng Torang	Head, Treasury & Markets	Member
Hong Cheap	Head, Commercial Banking	Member
Kien Vatana	Head, Risk Management	Member
Heng Vuthy	Head, Finance	Member
Oum Chendapheakdey	Head, Corporate Resources	Member
Heng Viboth	Head, Technology & Operations	Member
Ky Sana	Head, Corporate, Transaction Banking & FIG	Member
Ouk Thanin	Head, Product Management	Member

Remark:

Permanent Invitees of the Committee include Head of Internal Audit and Head of Compliance.

The terms of reference of the Management Committee are as follows:

- Advise the CEO.
- Monitor and evaluate the performance of each business division, including but not limited to oversight on functions of committees or working groups established by Management Committee to perform any function, if necessary.
- Review financial and other management reports of the Bank.
- Devise a strategy, business plans and budgets for the Bank (including IT-related items).
- Identify cross-departmental synergies.
- Deliberate on key regulatory issues.
- Other matters as directed by the CEO from time to time.
- Other matters as directed by the Board/Group CEO from time to time.

Cambodia Credit Committee

Members		
Kien Vatana	Head, Risk Management	Chairman
Bun Yin	Chief Executive Officer	Alternate Chairman
Hong Cheap	Head, Commercial Banking	Member
Heng Thida^{*1}	Head, Consumer Banking	Member
Chamnan Vanita	Head, Credit Management	Member
John Chuah Keat Kong^{*2}	Credit Advisor, Commercial Banking	Member
Ky Sana	Head, Corporate, Transaction Banking & FIG	Member
Hong Bunroeut	Head, Business Centre of Commercial Banking	Member
Chong Kok Ping^{*3}	Head, Regional Credit Management	Member
Lim Gek Peng^{*4}	Director, Financial Institutions and Traded Credit Management	Member
Michael Ng Mun Seng^{*3}	Acting Head, Regional Credit Risk Analytics	Member

Notes:

^{*1} For Consumer Banking cases only

^{*2} For Commercial Banking cases only and must provide mandatory vote for credit proposals under the CCC's approving authority.

^{*3} Chong Kok Ping is a mandatory voting member for credit proposals of Commercial Banking and Corporate Banking which exceed the CCC's approving authority; Michael Ng Mun Seng OR Leong Wai Chyi (alternate in absence of Michael Ng Mun Seng) from Group Analytics and Strategy as voting member for credit proposals of Corporate Banking, Treasury and Financial Institution Group (FIG) cases only.

^{*4} A voting member for credit proposals of FIG cases only.

The terms of reference of the Cambodia Credit Committee are as follows:

- To review and approve credit facilities originating from the Bank, which are within the approved limits delegated by the Board.
- To recommend for Board approval, all credit proposals, which exceed the CCC's approving authority.
- To ensure the Bank's overall loans portfolio meets the guidelines of regulatory authorities, approved credit policies and procedures, within the approved risk appetite.
- To review and approve restructuring and rescheduling and any recovery actions including compromised settlements and write offs related thereto, to be taken against cases within the committee's sanctions.
- To assess the risk-return trade-off when approving credit facilities to ensure that facilities granted are within the risk appetite of the Bank.
- To review and evaluate the various credit products engaged by the Bank to ensure that they are conducted within the standards and policies set by the Board.
- To review and approve the internal credit rating of each borrower, where applicable.
- To review and recommend the changes in the credit policies and guidelines to the relevant Committees for endorsement and approval.
- To approve professional panels i.e. lawyer, insurance companies, and valuer.
- To perform any other functions as and when directed by the Risk Committee ("RC").



Assets and Liabilities Management Committee

The Assets and Liabilities Management Committee reports to the Risk Committee on liquidity risk and assets and liability matters of the Bank. The Assets and Liabilities Management Committee met 14 times in 2020.

Members		
Bun Yin Chief Executive Officer		Chairman
Heng Thida Head, Consumer Banking		Member
Hong Cheap Head, Commercial Banking		Member
Heng Vuthy Head, Finance		Member
Heng Torang Head, Treasury & Markets		Member
Ky Sana Head, Corporate, Transaction Banking & FIG		Member
Kien Vatana Head, Risk Management		Member

The terms of reference of the Assets and Liabilities Management Committee are as follows:

Balance Sheet and NII Review

- To review and analyse the Bank's balance sheet plan by business, asset and liability mix, currency, growth, yield and margin;
- To review variations between actual and planned balance sheet and how this impact loan-deposit and other balance sheet ratios and funding plan and whether the Bank will remain within the established risk appetites;
- To review net interest income and margin trends including forecast position, and the variances from the planned net interest rate margin, and detail any required actions as appropriate;
- To review the impact on earnings (NII) under both a base case and under stressed economic scenarios;
- To review and ensure the Cost of Fund or FTP (If applicable) is appropriate and act as the arbitrator between business lines in designing and implementing FTP and promote consistency across the Bank;

Contingency Funding Plan

- To review the Contingency Funding Plan ("CFP") as an operational business plan and assess the capacity of the plan to ensure that any management action is realistic; and
- To ensure that early warning indicators are up-to-date and relevant based on available data.

Assets and Liabilities Management

- To review ALM framework and policies (if applicable) to ensure they are appropriate for the size and complexity of the current and future operations of the Bank;
- To promote consistent policies and practices across the Bank;
- To review and recommend Management Action Triggers ("MAT")/ limits for liquidity risk and interest rate risk in the banking book to RC for approval;
- To set, monitor and review the hedging strategies of the Bank (if applicable);
- To review and ensure that the Bank's risk profile is within established MAT/ limits for liquidity risk and interest rate risk in the banking book, including reviewing internal stress testing results across material currencies in the Bank;
- To review and recommend ALM risk model parameters and model validation results for approval by RC; and
- To identify and review Bank liquidity and funding requirements and appropriate actions to address these requirements.

Market Risk Management

- To oversee the Bank's market risk measurement approach, methodology and system – both internal and regulatory if applicable;
- To review and recommend risk model parameters and model validation results for approval by Cambodia Risk Committee;
- To review the proposed annual market risk limits and recommend to Cambodia Risk Committee for approval;
- To review and approve punctual interim change in market risk limits.

Approval Authority

- To review and recommend ALM risks framework and policies (if applicable) for RC approval;
- To review and approve ALM risks methodologies and standard (if applicable) to be met to comply with approved policies;
- To endorse market risk framework and policy, and recommend to the Cambodia Risk Committee for approval;
- To approve market risk methodology and standard, in line with Cambodia Risk Policy Governance and Approval Standard;
- To review and approve Cost of Fund or FTP framework (if applicable), policies and methodologies for the Bank;
- To approve pricing proposal based on its approved DA;
- To escalate to RC any MAT/ trigger/ limits breaches (non-regulatory) that are not viewed as material variance to the established threshold and to the capital/ liquidity/ reputation of the Bank.

ACCOUNTABILITY & AUDIT

Financial Reporting

Pursuant to the Law on Commercial Enterprises and the Law on Banking and Financial Institutions, financial statements for each financial year are to be prepared. The financial statements are prepared in accordance with the Cambodian International Financial Reporting Standards ("CIFRS") and present fairly, in all material respects, the financial position of the Bank as at 31 December 2020. In preparing these financial statements, the directors are required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- comply with the disclosure requirements of CIFRS, or, if there have been any departures in the interest of fair presentation, these have been appropriately disclosed, explained and quantified in the financial statements;
- maintain adequate accounting records and an effective system of internal controls;

- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Bank will continue operations in the foreseeable future; and
- effectively control and direct the Bank in all material decisions affecting its operations and performance and ascertain that such have been properly reflected in the financial statements.

The Board is satisfied that it has met its obligations to present a balanced and understandable assessment of the Bank's position and prospects in preparing the financial statements, reflected in the directors' report as set out on pages 86 to 87 of the financial statements section of this annual report.

Audit Committee

The Audit Committee assists the Board in overseeing the financial reporting process. The Bank's quarterly and half-yearly results and annual financial statements are subject to review by the Audit Committee and approval of the Board, prior to submission to the NBC.

Internal Control

The Board has overall responsibility for maintaining sound internal control systems that cover financial controls, effective and efficient operations, legal and regulatory compliance as well as risk management. The size and complexity of the Bank necessitate the management of a wide and diverse spectrum of risks. The nature of these risks means that events may occur which could give rise to unanticipated or unavoidable losses. The inherent system of internal controls is designed to provide reasonable, though not absolute assurance against the risk of material errors, fraud or losses occurring.

The Board considers that the Bank's framework and system of internal controls and procedures maintained by the Bank's management, and set in place throughout the financial year up to the date of this report, is adequate to meet the needs of the Bank in the current business environment. The system of internal controls is designed to provide reasonable, but not absolute assurance for achieving certain internal control standards and helps the Bank to manage the risk of failure to achieve business objectives, rather than to eliminate it.

The statement on internal control which provides an overview of the state of internal control of the Bank is set out on pages 49 to 51 of the annual report.

The Statement on Corporate Governance was approved by the Board of Directors on 26 March 2021.

AUDIT COMMITTEE REPORT

OVERVIEW

The Audit Committee (AC) of CIMB Bank PLC is committed to its role of ensuring high corporate governance practices and providing oversight of the Bank's financial reporting, risk management and internal control systems.

1. FINANCIAL LIABILITIES

The details of the Audit Committee's membership and meetings held in 2020 are as follows:

Members	Status	No. of Committee's Meetings	
		Attended	Attended
Dr. Mey Kalyan	Independent Non-Executive Director	7	7
Datuk Mohd Nasir Bin Ahmad	Independent Non-Executive Director	7	7
Ms. Aisyah Lam Binti Abdullah	Independent Non-Executive Director	7	7

The Chairman of the AC who is also a Board member, reports to the Board on matters deliberated during the AC's meetings.

2. COMPOSITION

The AC shall comprise only non-executive directors and shall have at least three directors of which the majority shall be independent directors. The committee shall be chaired by an independent director with accounting and legal expertise and shall not be the Chairman of the Board. This is to promote robust and open deliberations by the Board on matters referred by the AC. All members of the AC should be financially literate. Collectively, the committee should comprise of directors who have the skills, knowledge and expertise relevant to the responsibilities of the AC.

The Board of Directors should implement a process for an annual assessment of the effectiveness of the AC as well as the contribution of each individual member whether AC and AC members have carried out their duties in accordance with their reference.

Any vacancy arising in the AC must be filled within 3 months.

3. AUTHORITY

The AC is a Board-delegated committee and in discharging its duties, it has explicit authority to investigate any matter within its Terms of Reference. It has full access to and co-operation from Management and full discretion to invite any director or executive officer to attend its meetings. The AC has full and unrestricted access to information and is able to obtain independent professional advice, if necessary, with any related expenses to be borne by the Bank. The Bank should make the necessary resources available to the AC to enable it to discharge its functions effectively.

4. TERMS OF REFERENCE OF THE AUDIT COMMITTEE

The responsibilities and duties of the Audit Committee are as follows:

Area	Responsibilities
Internal Control / Risk Management / Governance	To review the effectiveness of internal controls, risk management processes and governance within the Bank, taking into account the requirements in the Prakas on Governance in Banks and Financial Institutions.
Internal Audit	<ul style="list-style-type: none"> a. To ensure the internal audit function is well placed to undertake review or investigation on behalf of the AC and be placed under the direct authority and supervision of the AC. b. To review and approve the audit scope, procedures frequency and the annual internal audit plan. c. To oversee the effectiveness of the internal audit function, staff competency requirements and adequacy of audit resources, and that internal audit has the necessary authority to carry out its work. d. To review key reports and ensure that senior management is taking necessary corrective actions in a timely manner to address control weakness, non-compliance with laws, regulatory requirements, policies and other problems identified by the internal audit and other control functions. e. To note significant disagreements between the Internal Audit Head and the rest of the senior management team, irrespective of whether these have been resolved, in order to identify any impact the disagreements may have on the audit process or findings. f. To ensure compliance with the Laws and Regulations applicable to Banks and Financial Institutions and that the reports of internal auditors should not be subject to clearance by management. g. To establish a mechanism to assess the performance and effectiveness of the internal audit function. h. To evaluate the performance and decide on the remuneration package of the Internal Audit Head. i. To approve the appointment, transfer and dismissal of the Internal Audit Head or senior staff members of the internal audit function, and to be informed of the resignation of any senior internal audit staff members and to provide the resigning staff member with an opportunity to submit his/her reasons for resigning.
External Audit	<ul style="list-style-type: none"> a. To make recommendations to the Board on the appointment, removal and remuneration of the external auditors. b. To discuss and review with the external auditors before the audit commences, the nature and scope of the audit, and ensure co-ordination where more than one audit firm is involved. c. To assess the objectivity, performance and independence of external auditors (e.g. by reviewing and assessing the various relationships between the external auditors and Bank). d. To approve the provision of non-audit service by the external auditors, and to monitor and assess evaluating whether such non-audit would impair their independence e. To ensure that there are proper checks and balances in place so that the provision of non-audit services does not interfere with the exercising of independent judgment of the auditors. f. To ensure that the financial statements are prepared in a timely and accurate manner with the adequacy of allowances against contingencies and impaired assets. g. To maintain regular, timely, open and honest communication with the external auditors, and requiring the external auditors to report to the AC on significant matters (in the absence of management where necessary). h. To review the external auditors' Internal Control Report and ensure that senior management is taking necessary corrective actions in a timely manner to address external audit findings and recommendations. i. To monitor and assess the effectiveness of the external audit, including meeting the external auditors at least once a year without the presence of the management or executive directors to discuss any key concerns and obtain feedback.
Audit Findings, Internal Control and Compliance Issues	To review the findings of major investigations, routine audit findings, and internal control and compliance reported by the internal, external and regulatory auditors.
Financial Statements	<p>To review the quarterly results and year-end financial statements of the Bank, prior to approval by the Board, focusing particularly on:</p> <ul style="list-style-type: none"> • changes in or implementation of major accounting policy change; • significant matters highlighted including financial reporting issues, significant judgments made by Management, significant and unusual events or transactions, and how these matters are addressed; • the going concern assumption; and • compliance with accounting standards and applicable financial reporting standards and other legal or regulatory requirements.
Related Party Transactions	To review all related party transactions and keep the Board informed of such transactions.
Review of Reports Related to Financial Statements	To review the accuracy and adequacy of the chairman's statement in the director's report, corporate governance disclosures, interim financial reports and preliminary announcements in relation to the preparation of financial statements.
Monitoring of Compliance with Conflict of Interest Policy	To monitor compliance with the Board's conflict of interest policy
Review of Internal Control Framework	To review third party opinion on the design and effectiveness of the Bank's internal control framework.
Others	<ul style="list-style-type: none"> a. To engage on a continuous basis with senior management in order to keep informed of matters affecting the Bank. b. To convene meetings with internal auditors, external auditors, or both whenever deemed necessary. c. To review the semi-annual and annual financial statements for submission to the Bank's Board of Directors and ensure prompt publication of annual financial statements.

5. SUMMARY OF ACTIVITIES IN 2020

5.1 Audit Committee

- a. Reviewed and approved the annual audit plan, the scope of work and resources requirements of Corporate Assurance Division (CAD) (formerly “Internal Audit Division”).
- b. Reviewed CAD’s methodology in assessing the risk levels of the various auditable areas and ensured that audit emphasis was placed on areas of critical risk.
- c. Reviewed the adequacy and effectiveness of the system of controls, reporting and risk management to ensure there is a systematic methodology for identifying, assessing and mitigating risk areas.
- d. Reviewed the efficiency of operations and the economical use of resources throughout the Bank.
- e. Reviewed the appointment of external auditors and their independence and effectiveness.
- f. Reviewed the external auditors’ audit plan, the scope of work and the results of the annual audit of the Bank.
- g. Met with the external auditors on 1 December 2020 without the presence of management and the executive director to discuss relevant issues and obtain feedback.
- h. Reviewed the internal control issues identified by internal and external auditors as well as management’s response to audit recommendations and the implementation of agreed action plans.
- i. Reviewed the quarterly financial statements of the Bank.
- j. Reviewed related party transactions and the adequacy of the Bank’s procedures in identifying, monitoring, reporting and reviewing related party transactions.
- k. Ensured compliance with regulatory requirements and internal policies, and provided a status update on follow up by management on internal and external audit recommendations.

5.2 Internal Audit Function

- a. Corporate Assurance Division (CAD) (formerly “Internal Audit Division”), which is supported by Group Corporate Assurance, conducted audits for the Bank.
- b. CAD provides independent and objective assurance on the adequacy and effectiveness of the internal control systems implemented by management.
- c. CAD assists the Audit Committee and management in effectively discharging their responsibilities in establishing cost-effective controls, assessing risk management and recommending measures to mitigate identified risks and ensure proper governance processes are followed.
- d. CAD provides periodic reports to the Audit Committee and management, reporting on the outcomes of the audits conducted which highlight the effectiveness of the systems of internal control and significant risks.
- e. CAD conducts investigations on suspected fraudulent activities and other irregularities.

5.3 Internal Audit Reports

- a. CAD completed 17 audit assignments during the year, covering audits of all key operations.
- b. All findings by CAD are tracked and followed up until they are dealt with and reported on a bi-monthly basis to the Audit Committee by CAD.
- c. The implementation status of audit recommendations is reported to the Audit Committee on a bi-monthly basis.

STATEMENT ON INTERNAL CONTROL

BOARD RESPONSIBILITY

The Board places importance on and is committed to maintaining a sound system of internal control. The system of internal control addresses the need for effective and efficient business operations, sound financial reporting and control procedures, and above all, compliance with the applicable laws, regulations, rules and guidelines.

The Board has overall responsibility for the Bank's internal control and management information systems. The Board also recognizes that reviewing the internal control system is a concerted and on-going process and takes into account changes in technology, the business environment and regulatory guidelines, with a view to enhancing the process for identifying, evaluating and managing risks. The internal control system is designed to identify, manage and control risks, including operational risks, rather than to eliminate the risk of failure to achieve corporate objectives.

RISK MANAGEMENT AND CONTROL FRAMEWORK

The Bank considers risk management as an important element of the Bank's business and embeds strong risk culture in the Bank's daily business operations and decision-making process. With the growing importance of risk management for the Bank to achieve sustainable growth, the risk management team is involved at the inception of the risk-taking process to provide independent review and input including new product assessments, strategy setting, credit evaluation and others.

The Bank as part of CIMB Group employs the Enterprise Wide Risk Management (EWRM) framework to manage its risk and opportunities. The EWRM provides the Board and its management with tools to anticipate and manage both the existing and potential risks, taking into consideration the changing risk profiles as dictated by changes in business strategies, regulatory environment, and functional activities.

INFORMATION TECHNOLOGY SECURITY

Information Security requires integrated strategy governing discipline over people, process and technology. In order to strengthen and enhance the level of information security management, the Bank adopted CIMB Group's international technology, process and management standards. By implementing the Group IT Security Blueprint, the strategies maintain and enforce an effective information technology security infrastructure to support the business.

In line with the banking business growth and IT Infrastructure expansions, our technology design was constantly reviewed and improved to effectively mitigate both internal and external risks and threats. In addition, we leverage on Group's Security Operation Center, established to monitor and respond to potential cyber-attacks in a more effective manner. At the network security level, additional firewalls and network access control lists were deployed to manage security domains for group users and network resources in a logical and physical manner and allow restrictions on access and authorisation at the network. The Bank is further leveraging on Enterprise End-Point Anti-Malware,

End-Point Encryption, Data Loss Prevention System, Intrusion Prevention System and Content filtering on Web and Email technology which can significantly mitigate the security risks when data traverses the network. The definition files and configurations of these tools continue to be updated as and when required to mitigate newly discovered vulnerabilities.

The Bank has implemented information security awareness programmes for targeted employees to improve awareness of privacy, leakage of information and security responsibility. These programmes consist of e-learning class, annual assessment and periodic newsletters circulated within the organisation.

KEY INTERNAL CONTROL PROCESSES

The key processes that the Board has established in reviewing the adequacy and integrity of the system of internal control, including compliance with the applicable laws, regulations, rules, directives and guidelines, are as follows:

Audit Committee

The Audit Committee (AC) comprises Independent Non-Executive Directors. It is a Board-delegated committee with oversight of financial reporting, disclosure, regulatory compliance, risk management, governance practices and monitoring of internal control processes in the Bank. Senior management, internal auditors and external auditors report to the AC on the effectiveness and efficiency of internal controls.

All significant and material findings by the internal auditors, external auditors and regulators are reported to the AC for review and deliberation. The AC reviews and ensures the implementation of Senior Management's mitigation plans to safeguard the interests of the Bank and maintain proper governance. Management of business and support units that are rated as "Unsatisfactory" or "Unacceptable" by Corporate Assurance (formerly "Internal Audit") are counselled by the AC.

The AC also reviews all related party transactions, and audit and non-audit related fees proposed by the Bank's external auditors.

Presentations of business plans, current developments, operations, risks associated with the business and controls to mitigate risks are made by the relevant business and support units as and when deemed necessary by the AC.

The AC members also attends the Bank's annual management summit where each business and support unit reviews its operations for the year and presents strategies and plans for the year to come.

Risk Committees

The Risk Committee (RC) determines the Bank's risk policy objectives and assumes responsibility on behalf of the Board for supervision of risk management. The day-to-day responsibility of risk management supervision and control is delegated to the RC, which reports directly to the Board. The RC meets on a monthly basis or as and when required.

The Assets and Liabilities Management Committee (ALCO) reports to the RC on liquidity risk and assets and liabilities matters of the Bank. The committee meets on a monthly basis with its primary role being to monitor and to strategically manage the balance sheet financial risk. It has specific accountability for the management of the cost of borrowing, developing suitable advisory inputs to the Risk Committee for decision making pertaining to the Bank's liquidity and interest rate risk, diversification of funding sources, and the review of the loans and deposits composition of the Bank's balance sheet. ALCO oversees overall implementation of effective processes for managing the Bank's interest rates, liquidity, and similar risks relating to the Bank's balance sheet and associated levels.

Management Committee

The Management Committee is a committee set up by the Board of Directors to manage day-to-day operational issues. The meetings of this Committee are held on a monthly basis, during the third week of the month, or as and when required. The Committee comprises of members from each division and includes representatives from Corporate Assurance and Compliance as permanent invitees.

Internal Policies and Procedures

The Board has approved the documented internal policies and procedures of all business units. Policies and procedures serve as a day-to-day operational guide to ensure compliance with internal controls and the applicable laws and regulations. This is to ensure continuous improvements in operational efficiency while taking into consideration the changing industry profile on regulatory requirements, risks and internal control measures for mitigation, as well as new products and services.

Corporate Assurance (Formerly "Internal Audit")

The Corporate Assurance Division (CAD) reports independently to the AC and is independent of the activities and operations of other business and support units. The principal responsibility of CAD is to provide an independent appraisal on the adequacy, efficiency and effectiveness of risk management, control and governance processes implemented by Management. Evaluating internal control, CAD adopts the five components set out in the Internal Control Integrated Framework issued by the Committee of Sponsoring Organisations of the Treadway Commission (COSO); namely control environment, risk assessment, control activities, information and communication, and monitoring activities. COSO is an internationally recognized organization providing thought leadership and guidance on internal control, enterprise risk management and fraud deterrence.

CAD's scope of coverage encompasses all business and support units. The selection of the units to be audited from the audit universe is based on an annual audit plan that is approved by the AC. The annual audit plan is developed based on an assessment of the risks, exposures and strategies of the Bank. Units that are assessed as high risk are subject to an annual audit, while those that are assessed to be medium or low risk are subject to a cycle audit. Notwithstanding the risk assessment, the annual audit plan will include units that must be audited annually due to regulatory requirements, recent incidence of fraud or adverse audit rating in the past year or recent action taken by regulators due to both market conduct or otherwise, potential loss events reported amounting to USD25,000 and above, or significant changes in operations or computer systems. CAD also undertakes investigations into alleged fraud by staff, customers and third parties, and recommends appropriate improvements to prevent recurrence and actions against the persons responsible.

CAD has unrestricted access to information required in the course of its work. CAD's scope of work is established in accordance with The Institute of International Auditors' (IIA) International Standards for the Professional Practice of Internal Auditing and relevant regulatory guidelines.

The Audit Report is the final product of an audit assignment, which provides the scope of audit work performed, a general evaluation of the system of internal control together with detailed audit observations, the response from Management, and comments and recommendations by CAD for improvement. The AC reviews and evaluates any exceptions or non-compliance raised by CAD and monitors activities to ensure that appropriate and prompt remedial actions are taken by the Management.

CAD submits a report to the Group AC once every quarter. CAD follows the same audit planning and audit rating methodology as the Group Corporate Assurance Division with such modifications as necessary to suit the local environment and regulations.

Compliance Framework

The Board recognises that the compliance function forms an integral part of the Bank's management and internal controls, as a strong compliance culture reflects a corporate culture of high integrity and ethics.

The Bank's compliance function is driven by the Compliance Division with consultation and guidance from the Group Legal and Compliance Division which is headquartered in Malaysia. Its main function is to facilitate advice, monitor and educate the business and support units to act in accordance with laws, regulations and guidelines. In line with good governance, Compliance Division reports independently to the Board of Directors.

The Bank has established the Compliance Framework which requires all business and support units to establish a Compliance Matrix which encompasses relevant laws, regulations and guidelines applicable to the business and support units. Additionally, the business and support units are required to perform the gap analysis on the new/updates of law and regulations, guidance and update the actions into Compliance Matrix to ensure that the new/updates of law, regulations are adherence. Moreover, business and support units are required to conduct a Self-Testing exercise on the Compliance Matrix and the Compliance Division will independently conduct a verification of the self-testing performed by business and support units. Additionally, Compliance Division conducts Unit Review and Thematic Review on business and support units based on the Compliance Work Plan that has been approved by the Board. In addition, scheduled training is regularly conducted to create compliance awareness of the Compliance Framework and to facilitate the implementation within the Bank.

The Board of Directors is provided with compliance reports on a regular basis to facilitate the Board having a holistic and overall view of all compliance matters of the Bank.

New Product Approval Policy and Procedures

New product approval policy and procedures are enforced for all new banking products and services. New products are products and/or services that are offered by the Bank for the first time or a combination of or variation to existing products and/or services that have a material change in the risk profile, as determined by Risk Management. All new product proposals are subjected to a rigorous risk review process by the various stakeholders at Bank and Group level to ensure that all critical and relevant areas of risk are appropriately identified, assessed and mitigated prior to implementation. The product proposal is then

subjected to extensive deliberations in the various Bank and Group committees before submission to the Risk Committee for final approval with post approval notification to the Board of Directors.

Exceptions Management and Escalation

The Bank continuously stresses the importance of adhering to regulatory requirements, internal controls and other established procedures in preserving its brand reputation. Exceptions are addressed and managed in a timely and transparent manner. To this end, the Bank has established exception management and escalation procedures to handle escalation of any exceptions, including regulatory non-compliance, breaches of rules or limits, fraud and other non-compliance with the internal processes. This procedure advocates timely remedial measures and strengthens transparency and management oversight.

Under the exception management and escalation procedures, reports on incidents are required to be submitted within 24 hours of discovery or first notification of such incident. Each exception will then be managed based on the severity and impact of the case to the Bank's business, operations and brand reputation. Exceptions are summarised and reported to the Risk Committee on a monthly basis.

Code of Ethics

The Bank has in place a standard minimum code of conduct for all its employees, which encompasses all aspects of its day-to-day business operations. The guidelines of the code of conduct are adopted from the Group and incorporated in the employment contract acknowledged and signed by all employees.

Human Resources Policies and Procedures

Human Resources (HR) Policies and Procedures have been instituted throughout the Group, covering all aspects of human resource management. The policies on recruitment, promotion, transfer and termination of employees within the Group are clearly defined therein. These policies are built upon and in line with the relevant local regulations to ensure compliance. Employees are appraised on an annual basis and the appraisal is directed by key performance indicators and core competency measurements. Learning and capability development programs which include skills and or technical training are developed and put in place to support and improve the competency of our employees to ensure that they are able to discharge their duties effectively and efficiently. Employees are periodically reminded of the relevant policies via e-mail or memoranda and also through relevant training sessions. One such training conducted is the Anti-Money Laundering (AML) session, which is carried out regularly to further emphasize the Group's zero tolerance towards non-compliance with the AML policy. This is also emphasized during the orientation programme.

BUSINESS CONTINUITY MANAGEMENT

CIMB Group is committed to safeguarding the interests of all its key stakeholders, the reputation of the organisation and value-creating activities by ensuring an appropriate level of continuity on business processes and functions throughout the Group. The responsibilities for implementing and running the Business Continuity Management ("BCM") programme lies with the Board of Directors and Management.

A BCM framework is adopted from CIMB Group and is in place to outline and enforce minimum BCM requirements, procedures and practices on business and support units, so as to ensure the continuity of critical

business functions and essential services within a specified timeframe in the event of major disruptions, thus ensuring;

- i) customer's expectations can be fulfilled and quality of services can be maintained to promote customer confidence;
- ii) minimal impact on business operations during major disruption;
- iii) reputation and image of the Bank will not be negatively affected, and
- iv) regulatory compliance with BCM guidelines/principles/regulations.

The BCM framework is regularly updated and aligned with CIMB Group standards, and BCM procedures and practices include analysing the business functions and identifying continuity strategies, responses, continuity culture, exercises and plan maintenance of each business and support units.

Pursuant to the BCM, Business Continuity Plans ("BCP") are documented for mission-critical functions and processes, and Disaster Recovery Plans ("DRP") are documented for application systems. The BCP and DRP are rehearsed and tested on a regular basis.

In addition, BCM workshops are conducted annually for business and support units across the bank in efforts to increase employee awareness on their roles, responsibilities and accountabilities with respect to BCM.

Anti-Money Laundering / Counter-Terrorism Financing (AML/CFT)

The Bank places importance on and is committed to establishing an effective internal control system for AML/CFT in compliance with all related laws, regulations, guidelines and industry best practices.

The Bank maintains the AML/CFT Policies and Procedures which have been duly approved by the Board and subsequently updated once per two years or as necessary to reflect the new trends and mechanism on Money Laundering and or Financing Terrorism.

The Bank's AML/CFT systems and supporting systems facilitate AML risk, customer and transaction monitoring including Watchlist Management, Customer Due Diligence (CDD) or Know Your Customer (KYC) and AML CFT Alert Monitoring. The Bank has ensured that the process, people, and system are able to detect the risk and report any suspicion to the regulators.

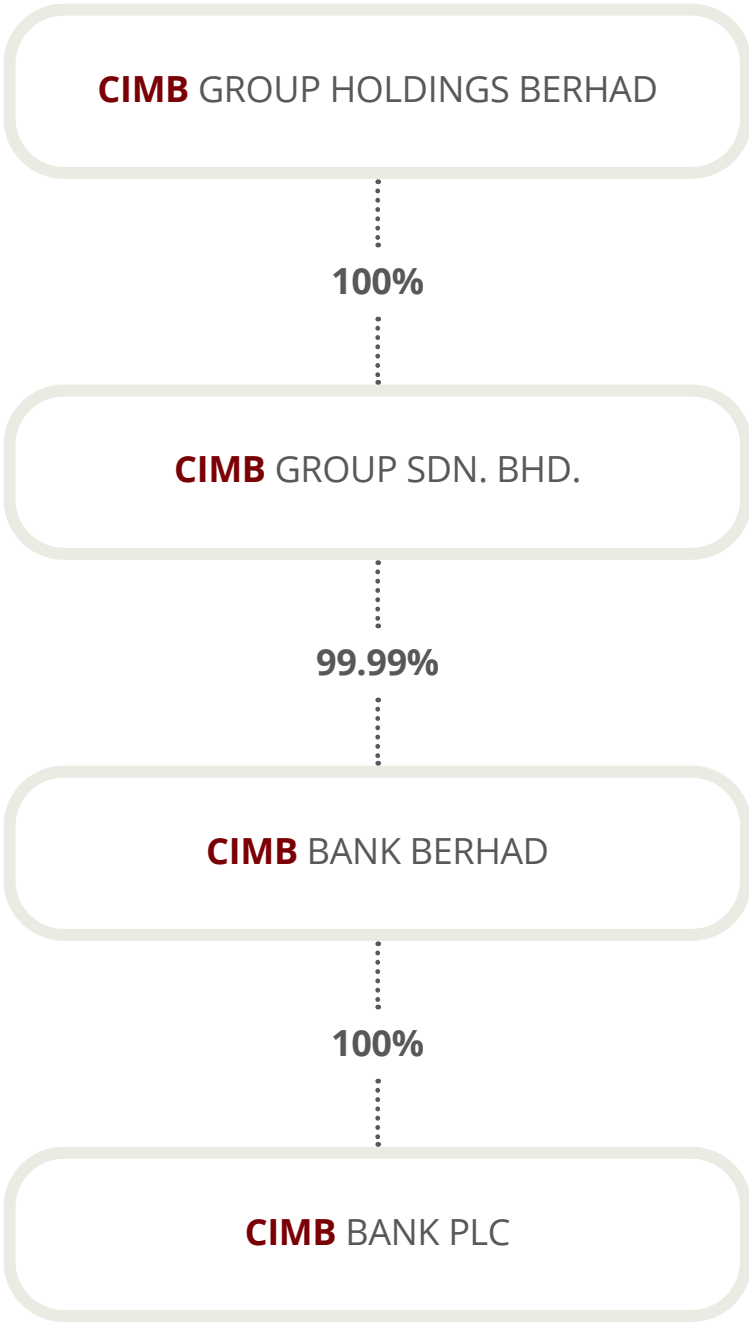
Regular training and awareness programmes are conducted. This is supplemented with the latest updates on AML/CFT, real transaction case study on the risk of money laundering and financing terrorism, with emphasis on the roles and responsibilities of employees. The Bank has taken and will continue to undertake on-going measures to reduce the risk of CIMB's exposure to possible money laundering and financing of terrorism activities, and at the same time ensure compliance with regulatory guidelines.

CONCLUSION

The Board believes that the system of internal control in place is adequate to safeguard shareholder interests as well as the assets of the Bank. The Board also acknowledges the effectiveness of the on-going process for the identification, evaluation and management of significant risks in the Bank and is committed to continuing to review the operations and effectiveness of the Bank's internal controls, including financial, operational and compliance controls and risk management.

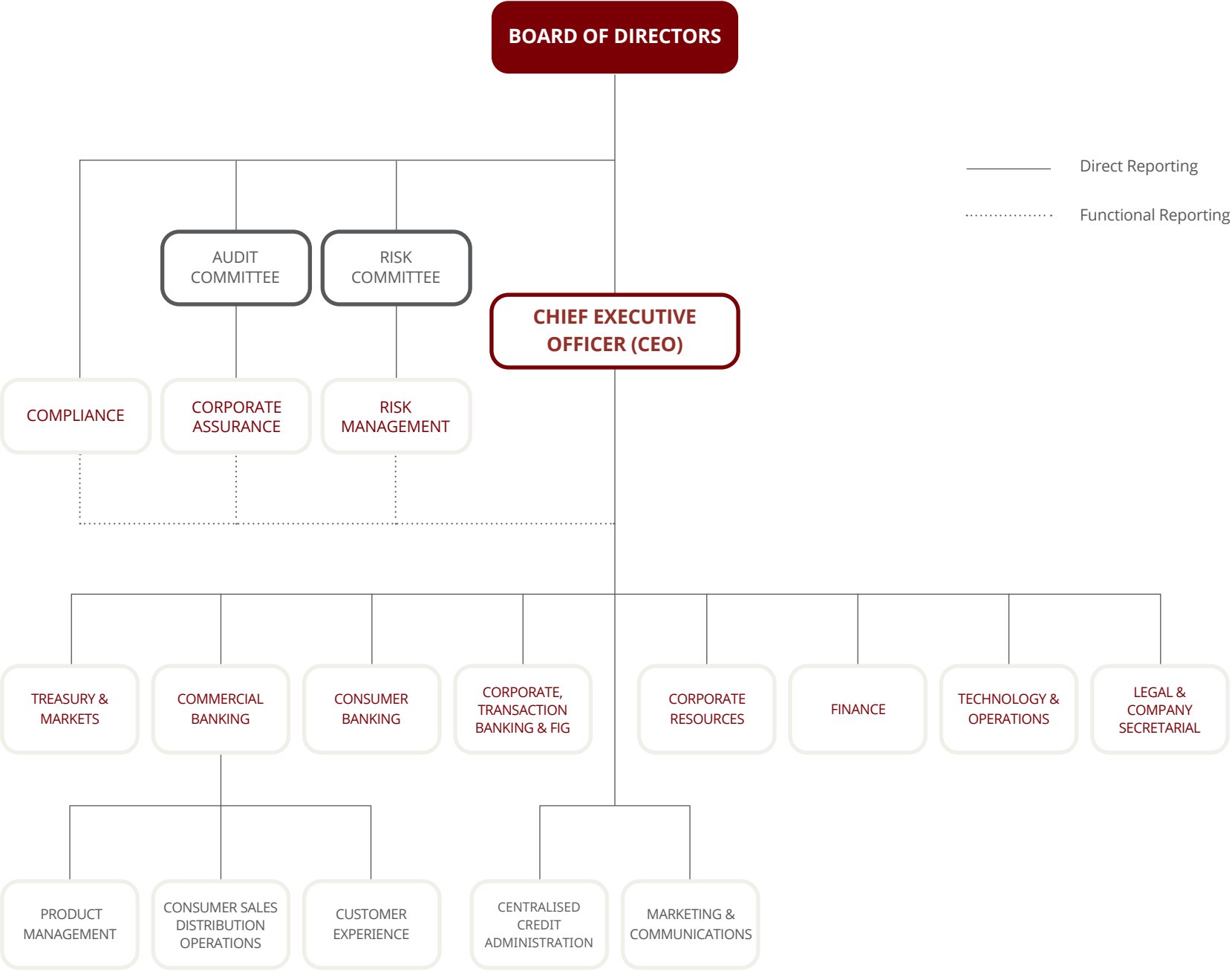
CORPORATE STRUCTURE

AS AT 31 DECEMBER 2020



ORGANISATION CHART

AS AT 31 DECEMBER 2020



CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Mohd Nasir Bin Ahmad	Chairman/ Independent Non-Executive Director
Dr. Mey Kalyan	Independent Non-Executive Director
Aisyah Lam Binti Abdullah	Independent Non-Executive Director
Omar Siddiq Bin Amin Noer Rashid	Non-Independent Non-Executive Director
Ahmad Shazli Bin Kamarulzaman	Non-Independent Non-Executive Director
Bun Yin	Non-Independent Executive Director

AUDIT COMMITTEE

Dr. Mey Kalyan	Chairman/ Independent Non-Executive Director
Datuk Mohd Nasir Bin Ahmad	Independent Non-Executive Director
Aisyah Lam Binti Abdullah	Independent Non-Executive Director

RISK COMMITTEE

Aisyah Lam Binti Abdullah	Chairman / Independent Non-Executive Director
Bun Yin	Chief Executive Officer / Executive Director
Kien Vatana	Head, Risk Management
Hong Cheap	Head, Commercial Banking
Heng Thida	Head, Consumer Banking
Heng Viboth	Head, Technology & Operations
Heng Vuthy	Head, Finance
Ky Sana	Head, Corporate, Transaction Banking & FIG

CAMBODIA CREDIT COMMITTEE

Kien Vatana	Chairman/Head, Risk Management
Bun Yin	Alternative Chairman / Chief Executive Officer
Hong Cheap	Head, Commercial Banking
Heng Thida	Head, Consumer Banking
Chamnan Vanita	Head, Credit Management
John Chuah Keat Kong	Credit Advisor, Commercial Banking
Ky Sana	Head, Corporate, Transaction Banking & FIG
Hong Bunroeut	Head, Business Centre of Commercial Banking
Chong Kok Ping	Head, Regional Credit Management
Lim Gek Peng	Director, Financial Institutions and Traded Credit Management
Michael Ng Mun Seng	Acting Head, Regional Credit Risk Analytics

ASSETS AND LIABILITIES MANAGEMENT COMMITTEE

Bun Yin	Chairman / Chief Executive Officer
Heng Thida	Head, Consumer Banking
Hong Cheap	Head, Commercial Banking
Heng Vuthy	Head, Finance
Heng Torang	Head, Treasury & Markets
Ky Sana	Head, Corporate, Transaction Banking & FIG
Kien Vatana	Head, Risk Management

MANAGEMENT COMMITTEE

Bun Yin	Chairman / Chief Executive Officer
Heng Thida	Head, Consumer Banking
Heng Torang	Head, Treasury & Markets
Hong Cheap	Head, Commercial Banking
Kien Vatana	Head, Risk Management
Heng Vuthy	Head, Finance
Oum Chendapheakdey	Head, Corporate Resources
Heng Viboth	Head, Technology & Operations
Ky Sana	Head, Corporate, Transaction Banking & FIG
Ouk Thanin	Head, Product Management

(Permanent invitees of the Committee include Head of Internal Audit and Head of Compliance)

COMPANY SECRETARIES

Ly Sophea
Datin Rossaya Mohd Nashir

REGISTRATION NO.

00010524

REGISTERED OFFICE

20AB Corner Preah Norodom Boulevard & Street 118
 Sangkat Phsar Chas, Phnom Penh 12203
 Cambodia
 Tel: +855 23 988388
 Fax: +855 23 988099
 Website: www.cimbbank.com.kh

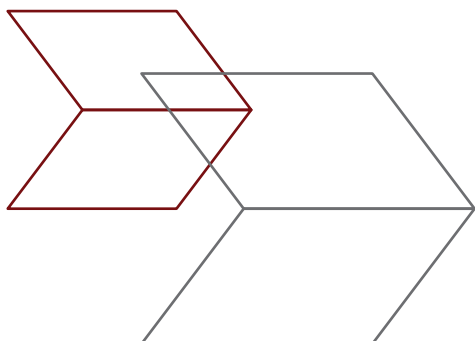
AUDITORS

PricewaterhouseCoopers (Cambodia) Ltd.
 58C Sihanouk Blvd, Khan Chamkarmon
 Phnom Penh 12210
 P.O. Box 1147
 Tel: +855 23 860 606
 Fax: +855 23 211 594

HIGHLIGHTS & ACHIEVEMENTS 2020



58	Corporate Event Highlights
64	Media Highlights



CORPORATE EVENT HIGHLIGHTS



10 JANUARY 2020

➤ **TREE PLANTING & STUDY SUPPLIES DONATION**
@ KAMPONG THMOR HIGH SCHOOL, KAMPONG THOM

As part of the Bank's Corporate Social Responsibility (CSR) agenda of giving back to the communities we serve, CIMB Bank PLC participated in a community event, organised by the National Bank of Cambodia, at Kampong Thmor High School in Kampong Thom Province. The event included tree planting activities and study supplies donation to the school to promote education and involve the students taking care of trees and its importance to the environment.



18 JUNE 2020

➤ **CIMB BANK SCHOLARSHIP AWARD CEREMONY**
@ CIMB BANK HEAD OFFICE, EXCHANGE SQUARE,
PHNOM PENH

As education is one of CIMB Bank PLC's pillars of Corporate Responsibility, CIMB Bank PLC annually provides funds to disadvantaged students from selected partner organisations to pursue their bachelor degree at any local universities within the country. The Bank sponsors full scholarship to three outstanding students from Cambodia Children's Fund (CCF) with tuition fees and other related study expenses for the academic graduation.



24 JULY 2020

➤ **CIMB BANK BLOOD DONATION DAY**
@ CIMB BANK HEAD OFFICE, VTRUST TOWER,
PHNOM PENH

CIMB Bank PLC, in collaboration with the National Blood Transfusion Donation Centre, organised the blood donation event with participation from the Bank's management and staff who volunteered to donate blood. This event was organised not only to help save lives, but also to raise awareness amongst employees on the challenges faced by the less fortunate.



CORPORATE RESPONSIBILITY PROGRAMMES



03 SEPTEMBER 2020

➤ **CIMB ASEAN SCHOLARSHIP AWARD CEREMONY** @ CIMB BANK HEAD OFFICE, EXCHANGE SQUARE, PHNOM PENH

Fifteen bright students from Malaysia, Indonesia, Singapore, Thailand, Philippines, Vietnam and Cambodia have been awarded the inaugural CIMB ASEAN Scholarship to realise their tertiary ambition at illustrious universities in the region and across the globe. CIMB Bank PLC organised the award ceremony to celebrate and wish the outstanding Cambodian scholar for her successful application to pursue her favourite bachelor degree with this full scholarship programme.

13 SEPTEMBER 2020

➤ **CIMB BANK TREE PLANTING & 10TH ANNIVERSARY CEREMONY** @ BANTEAY KDEY TEMPLE, SIEM REAP

CIMB Bank PLC, in collaboration with Siem Reap Administration and Apsara National Authority, organised Tree Planting Ceremony in the area of Banteay Kdey Temple in Siem Reap Province. Attended by over 500 participants, the event was graced by the representatives of Siem Reap's Deputy Governor and Apsara National Authority and Chief Executive Office of CIMB Bank PLC.

As part of the Bank's Corporate Social Responsibility (CSR) agenda of giving back to the communities we serve, the Bank sponsored the event and brought over 1,500 saplings to preserve the environment and to promote the tourism and aesthetics of Angkor resort area and at the meant time to celebrate the Bank's 10th Anniversary of Business Operation in Cambodia.



CORPORATE EVENT HIGHLIGHTS

CORPORATE RESPONSIBILITY PROGRAMMES



16 OCTOBER 2020

**DONATION TO FLOOD VICTIMS
@ PHNOM PENH**

CIMB Bank PLC donated KHR40 million to flood victims at the respective provinces affected by flood disaster. As a part of Governmental support, the Bank believes that this charity aids contributes to provide daily urgent needs including food, medicines and material supplies to the victims who were disconnected to infrastructure while their homes were destroyed due to the flood disaster.

05 DECEMBER 2020

**CIMB BANK TREE PLANTING
& MATERIAL SUPPLIES DONATION
@ PREK DAMBOK HIGH SCHOOL, KAMPONG CHAM**

Environment and education are the main core sectors as parts of its Corporate Social Responsibility (CSR) project that CIMB Bank PLC focuses on. The Bank organised a community event at Prek Dambok High School in Kampong Cham Province, which included cash donation of KHR21 million to renovate the school building to promote education and tree planting activities to involve the students loving and taking care of trees and its importance to the environment.



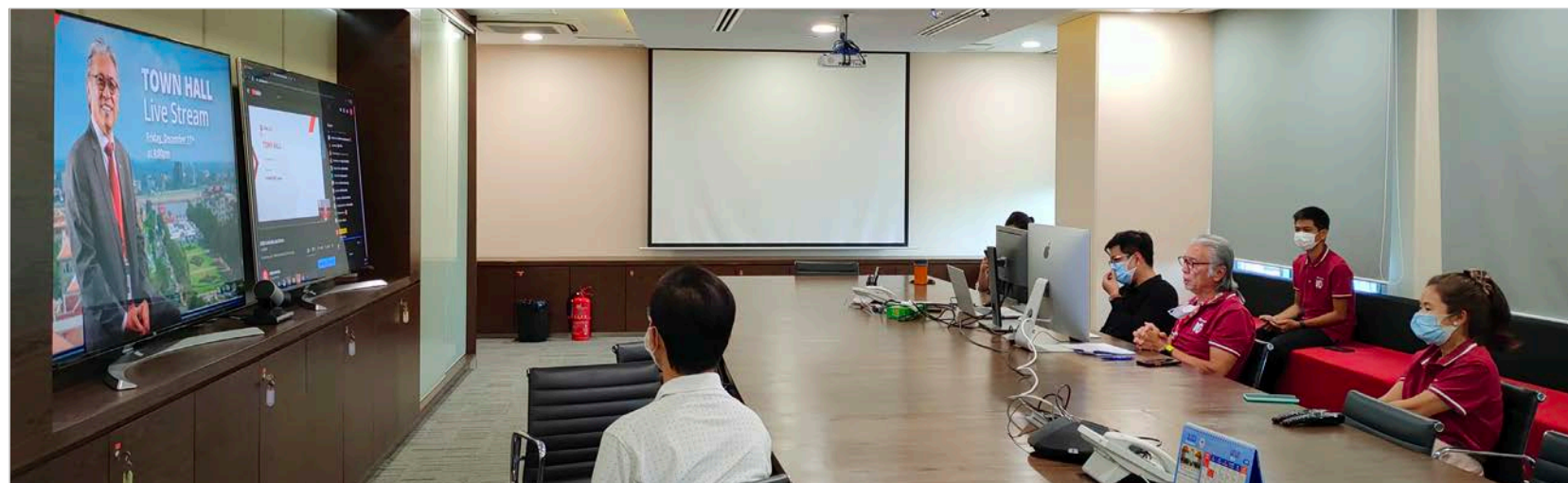
CORPORATE EVENTS



06 MARCH 2020

➤ CIMB BANK INTERNATIONAL WOMEN'S DAY @ FACTORY, PHNOM PENH

CIMB Bank PLC organised International Women Day, attended by over 100 participants including the Bank's Chief Executive Officer, management and staff and special guests. The event was held to raise the awareness of importance of women in social development and to be part of the celebration of women in Cambodia and around the globe, and especially to express the appreciation of all female employees of CIMB Bank PLC.



10 JULY 2020 | 11 DECEMBER 2020

➤ CIMB BANK TOWN HALL 2020 @ CIMB BANK HEAD OFFICE, EXCHANGE SQUARE, PHNOM PENH

CIMB Bank PLC organised its Town Hall event by online bank-wide in the event of COVID-19 spread prevention to keep its staff on track of the Bank's business performance and updates as well as to discuss the corporate strategy for 2020 and be well-prepared for 2021. The event provided employees with a platform to have an open dialogue with management, raise their concerns and give constructive feedback.

CORPORATE EVENT HIGHLIGHTS

CORPORATE EVENTS



20 SEPTEMBER 2020

CIMB BANK CX STAR AWARD CEREMONY
@ CIMB BANK HEAD OFFICE, EXCHANGE SQUARE,
PHNOM PENH

CIMB Bank PLC organised the award Ceremony by online bank-wide in the event of COVID-19 spread prevention to celebrate the nominated CX Stars who were recognised for their outstanding performance of going extra miles, efficiency and convenience at the workplace. The event was partly to inspire TeamCIMB to be more well-performed both internally and externally across the Bank.



19 NOVEMBER 2020

CIMB BANK 10TH ANNIVERSARY CEREMONY
@ CIMB BANK HEAD OFFICE, EXCHANGE SQUARE,
PHNOM PENH

CIMB Bank PLC organised its 10th Anniversary Ceremony by online bank-wide in the event of COVID-19 spread prevention to celebrate 10 amazing years of business operations in Cambodia. During the ceremony, Management and Staff of CIMB Bank in Cambodia got informed by the Chief Executive Office for key highlights of the Bank's financial performances and achievements over the years. In appreciation of the staff for their ongoing support and hard work, the Bank also announced the Loyalty Staff Award with recognition golden pins for 10 Years and 5 Years Long Service.



SPONSORSHIP



17 JANUARY 2020

➤ **MAZDA LUCKY DRAW** @ THE PREMIER SEN SOK CENTRE, PHNOM PENH

CIMB Bank PLC participated in the event as an exhibitor to enhance business relationship with HGB Group, one of the Bank's major partners for the Auto Loan Product. Among the hundreds of top prolific Mazda customers, the Bank set up an activation booth to promote the Bank's branding and products, particularly Auto loan and CIMB Preferred during the event.

06 FEBRUARY 2020

➤ **CHEVENING WELCOME HOME RECEPTION** @ BRITISH'S EMBASSOR RESIDENCE, PHNOM PENH

Chevening Welcome Home Reception was hosted by the British Embassy in Cambodia, graced by the British Ambassador and Under Secretary of State of Ministry of Education, Youth and Sport. As a main sponsor of this scholarship programme over the years, CIMB Bank PLC participated in the event to celebrate and welcome Cambodian scholarship graduates from the United Kingdom under Chevening Scholarship programme.



14-16 FEBRUARY 2019

➤ **5TH WEDDING FAIR** @ THE OLYMPIA MALL, PHNOM PENH

5th Wedding Fair was one of 2020's biggest exhibitions in Cambodia, and was supported by the Ministry of Commerce and the Ministry of Culture and Fine Arts. The primary focus of the event was on wedding packages and services, and it was very well-received with over 20,000 visitors. CIMB tailored its offerings to highlight relevant products and services for young couples and parents-to-be.

08 NOVEMBER 2020

➤ **BANKERS' CYCLING 2020** @ ANGKOR WAT, SIEM REAP

400 enthusiastic cyclers participated in Bankers' Cycling event at the magnificent temples of Angkor Wat, hosted and organized by The Association of Banks in Cambodia (ABC) with support of the National Olympic Committee (NOC), the Cambodia Cycling Federation (CCF) and the Apsara Authority. CIMB Bank PLC took part of the event to deepen awareness of the Cambodian Sustainable Finance principles as well as to enhance engagement and relationship between relevant parties. During the event, the Bank set up a small booth to give away hundreds of eco soaps until out of stock to the participants.



MEDIA HIGHLIGHTS

A DECADE OF GROWTH

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CIMB BANK

Monday August 31, 2020 • www.khmerimesh.com

Supplement

HAPPY 63rd MERDEKA DAY

CIMB Cambodia remains upbeat as focus shifts to quality and stability amidst the pandemic

Jose Rodriguez T. Senase

CIMB Cambodia, one of the leading financial institutions here, remains upbeat and trudes on, planning and gearing up for better days ahead while navigating the challenges posed by the coronavirus pandemic.

The economic fallout of the pandemic has been severe. Banks and other financial institutions are among the hardest-hit businesses in the Kingdom.

Bun Yin, CEO of CIMB Cambodia, says, "Like everybody else in the financial sector, CIMB Cambodia has to contend with disruptions and other adverse effects of the pandemic."

"At the beginning of the year, our business operations were carried out as usual. And then everything changed with the onset of the pandemic. The unforeseen COVID-19 pandemic has created an adverse disruption to our business operations, as well as the global economy overall and the banking sector in particular," he pointed out.

"The unprecedented COVID-19 pandemic was obviously completely beyond expectations and has caused disruption to ongoing business projects. Some have been temporarily delayed in order to ensure safety of staff, consultants and contractors," he added.

According to him, the unforeseen circumstances forced them to review their growth prospects for the rest of the year.

"Due to COVID-19, we are reviewing the growth prospects for the remainder of the year. We have redirected staff resources to support affected customers and remain prudent on new lending to affected sectors. As a result, we foresee that our financial performance may not be able to meet our year-end targets," he conceded.

"Although we are managing our business prudently due to the uncertainty, not knowing when this pandemic will end, an impact on our profit target may be unavoidable," he added.

Yin noted that there are also other challenges they are facing in addition to the COVID-19 problem. "The biggest challenges for me would be on educating our customers and being familiar with new infrastructure/banking systems and the upskilling of talent/banking knowledge of our local staff. This is in addition to the COVID-19 pandemic that's plaguing the nation," he said.

But despite all of that, Yin hinted optimism and said they are well-prepared to face the challenges ahead with a sound strategy and focus on quality and stability.

"We are unsure how long COVID-19 will remain. Our strategy is to stay vigilant and enforce our readiness to adapt to the changing environment. Growth will be moderated as we focus on quality and stability," he stressed.

To adapt to the situation, he said, they are focusing on enhancing their digital banking proposition alongside the implementation of safe practices and social distancing for customers.

Yin said they are not only focusing on business, but also on ways to help clients affected by the pandemic. Based on customers' requests, according to him, approximately 30 percent of their loan portfolio has been rescheduled. These cover both individual and business loans.

"We adopted the regulations put forward by the National Bank of Cambodia on the loan restructuring policy. Based on customer requests, we are giving priority to four sectors, namely: tourism, construction, garment and transport. In addition, we will also extend our support to CIMB customers who are experiencing financial difficulties in other sectors," he noted.

Yin expressed optimism that they will come back stronger with support from the Cambodian Government.

"The Government has been very supportive during this difficult period with measures put in place to support the local economy," he pointed out.

These, according to him, include lower interest funding for SMEs, R&R regulations to lower reserve requirements, reducing capital buffers, relaxing taxation such as withholding tax, and supporting free trade agreements to promote larger exports to China.

"With all these stimulus support from the Government (Ministry of Economy and Finance and NBC), we believe that CIMB Cambodia, as well as the banking sector in general, will be able to better weather the COVID-19 crisis," he stressed.

CIMB Cambodia is part of Malaysia's CIMB Group, which is one of the largest Asian commercial bank. The group also has the distinction of being one of the world's largest Islamic banks. CIMB Cambodia opened their first branch in Cambodia in 2010. Since then, it has grown to be included in the top ten in terms of loans and deposits. In terms of profitability (ROE), it is also already in the top five among close to 50 licensed banks in the Kingdom. (Source: NBC)

Because of that, CIMB Cambodia was able to achieve one of the highest year-on-year growth rates and also one of the industry's lowest NPL ratios.

CIMB Cambodia achieved this growth while adhering closely to a strategy of expanding within its means. This strategy allowed the bank to achieve feats seldom seen in the Cambodian banking sector: One of the highest growth rates coupled by the one of the lowest non-performing loan ratios. CIMB Cambodia has been recognised by Asianame as Cambodia's Best International Bank for two consecutive years in 2018 and 2019.

CIMB Cambodia's exponential growth was made possible by a variety of factors, including a high-powered management team; focus on developing its manpower, including sending staff to train in Malaysia and other countries as well as strong backing from CIMB Group.

CIMB Cambodia also has the advantage of being run by a Cambodian CEO with deep understanding and knowledge of the local banking and business environment.

"As a Cambodian CEO running a Malaysian bank, the advantage is a deep understanding of the local business environment. Alongside this, we are able to leverage on our Group's resources to support our customers and address new challenges as they come. CIMB Group provides opportunities for knowledge and new technology transfer from Malaysia to Cambodia," Yin pointed out.

"Today, with the rapid progress of the 4th industrial revolution, the banking operations are becoming more and more complex and benefiting from the Group's expertise and experience in relevant areas, such as digital banking, is a great positive. Support from CIMB Group in implementing BASEL III is essential and will help strengthen our position here," he added.

Currently, CIMB Cambodia offers a wide range of products and services to customers of all segments. These include Preferred Banking, Savings Plus Account, Junior Savers Account, Current Account, Escrow Account, Foreign Currency Accounts, Fixed Deposit, ATM Regional Link, Internet Banking, Credit Card, Remittances, Cash Management, Payroll Account, Home Loan, Personal Loan, Car Loan, Term Loan and Business Loan. CIMB Cambodia currently operates 14 branches and 39 ATMs throughout Phnom Penh and major provinces, including Siem Reap, Battambang, Preah Sihanouk and Kampong Cham. It currently serves more than 23,000 corporate and individual customers. 

ស្រុក កំពង់ឆ្នាំង ខេត្ត កំពង់ឆ្នាំង ថ្ងៃទី ២៤ ខែ កក្កដា ឆ្នាំ ២០២០

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ធនាគារជាតិនៃកម្ពុជា និងធនាគារ CIMB បានរៀបចំប្រារព្ធទិវាស្រុកកំពង់ឆ្នាំង ឡើងវិញ ដោយមានការចូលរួមពីមន្ត្រីមូលដ្ឋាន និងប្រជាពលរដ្ឋក្នុងស្រុក។

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FRESH NEWS
ព័ត៌មានស្រស់ថ្លា

ធនាគារជាតិនៃកម្ពុជា និងធនាគារ CIMB ជាមួយគ្នាប្រារព្ធទិវាស្រុកកំពង់ឆ្នាំង

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វីត្យាស្រុកកំពង់ឆ្នាំង

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ធនាគារ CIMB ថ្កោលទោសការប្រារព្ធទិវាស្រុកកំពង់ឆ្នាំង

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BOARD OF DIRECTORS





BOARD OF DIRECTORS



DATUK MOHD NASIR BIN AHMAD

Chairman / Independent Non-Executive Director

Malaysian

Joined the Board on 16 December 2019

Attended all 7 Board meetings held in 2020

Member of the Audit Committee

Datuk Mohd Nasir Bin Ahmad is a Fellow of Association of Chartered Certified Accountants (ACCA), United Kingdom, a Chartered Accountant with Malaysian Institute of Accountants (MIA), and holds a Master of Business Administration (Finance) from Universiti Kebangsaan Malaysia, Malaysia.

He was appointed as Chairman/Independent Non-Executive Director on 16 December 2019.

Datuk Mohd Nasir has been an Independent Director of CIMB Group Holdings Berhad since 20 July 2015 and appointed as Chairman/Independent Director on 20 October 2018. Datuk Mohd Nasir was also the President of MIA from August 2011 to July 2013. In September 2013 he was elected as a Council Member of the ACCA UK and re-elected in September 2016 and November 2019.

He brings with him vast experience in the areas of leadership, management, finance and accounting which spans over 40 years, having

started his career as a Trainee Accountant with Tenaga Nasional Berhad (TNB) in 1979 and moving on to hold various positions in the Finance Division.

In January 1993, Datuk Mohd Nasir was seconded to TNB's subsidiary company, Malaysia Transformer Manufacturing Sdn Bhd as the Financial Controller before being appointed as Chief Executive Officer (CEO) in June 1994.

In January 2000, he joined Sharikat Permodalan Kebangsaan Berhad as its CEO. On 1 June 2001, he was appointed CEO of Perbadanan Usahawan Nasional Berhad, a position he held until his retirement on 1 June 2011.

Datuk Mohd Nasir also holds directorships in other companies namely SIRIM Berhad, Prokhas Sdn Bhd and CIMB EOP Management Sdn Bhd. He is also a Trustee of Yayasan Canselor UNITEN and Perdana Leadership Foundation.



DR. MEY KALYAN

Independent Non-Executive Director

.....
Cambodian

.....
Joined the Board on 28 June 2012

.....
Attended all 7 Board meetings held in 2020

.....
Chairman of the Audit Committee

Dr. Mey Kalyan finished his doctoral course in Development Economics, Kobe University, Japan in 1984. Afterwards, he received extensive short term training on development from UN agencies, the World Bank, and Harvard University. He has extensive global experience in economic development.

He is currently having three official positions in the Royal Government of Cambodia such as: (1) Senior Advisor (Minister rank) to the Supreme National Economic Council (SNEC), an economic think tank to the Prime Minister; (2) Chairman of the Board of the Royal University of Phnom Penh (RUPP); and (3) Chairman of the Board of Cambodia Development Resource Institute (CDRI). Prior to these positions, Dr. Mey worked for 20 years as a senior economist of the UN/FAO-World Bank Cooperative

Program based in Rome, Italy. In the mid-1980s, he was also a finance officer at Kanematsu Gosho Corporation, a general trading house, in Osaka and Tokyo. Besides the governmental positions, Dr. Mey has also sat as one member of the Board of Directors of Prudential (Cambodia) Life Assurance PLC as of December 2013. During his professional period, Dr. Mey has visited and experienced working in about 100 countries.

With his vast experience and knowledge acquired while serving around the globe, Dr. Mey is honoured to help in the development of Cambodia in both private and public sectors. He is convinced that the development of the financial sector is one of the prime keys to Cambodia's development and success.

BOARD OF DIRECTORS



AISYAH LAM BINTI ABDULLAH

Independent Non-Executive Director

- Malaysian
- Joined the Board on 5 July 2018
- Attended all 7 Board meetings held in 2020
- Chairwoman of the Risk Committee
- Member of the Audit Committee

Ms. Aisya Lam has been appointed as an Independent Director and Chairwoman of the Risk Committee of the Bank from 5 July 2018. She is also an Independent Director of CIMB Bank Vietnam and COO of The American Chiropractic Clinic group in Vietnam.

Starting her banking career in Standard Chartered Bank, she went on to Deutsche Bank (Malaysia) in 1994 where she became the Head of Global Corporate Cash Management, pioneering the set-up of online corporate trade and transactional business for Deutsche Bank in Malaysia and then joining the regional sales team in Singapore. In 2001, she moved on to IslamicQ.com Asia (Dubai) where she was the Country Manager responsible for the management, development and implementation of business strategies in Asia.

In 2003, Ms. Aisya returned to Malaysia to become the General Manager of Wealth Management for Hong Leong Bank Berhad. Her responsibilities include expansion of the business, growing the portfolio of assets under management, developing and managing the bank's priority as well as private banking sales channels in addition to the branch network.

Ms. Aisya went on to Citibank in 2006 to head and to develop their Wealth Management portfolio in Malaysia.

Ms Aisya decided to leave for Hanoi in Vietnam in May 2010 to take up a new challenge in starting up a retail business for Ngan Hang TMCP Bac A Bank. The mission was to put up the infrastructure in the bank to support the key retail banking products and services in line with its strategic plan in building and growing this segment as a major business for the bank. Upon completion of the project, she moved on to Hong Leong Bank Ltd Vietnam where from 2012 to 2015, she developed and built the businesses of personal financial services for the bank in Vietnam.

From banking, Ms. Aisya moved into the health care industry in 2016 and is currently managing a group of chiropractic clinics in Vietnam in all aspects of operations as well as business development.

Ms. Aisya Lam graduated from the Chartered Institute of Banking UK with a post graduate advance diploma in Chartered Marketing.



OMAR SIDDIQ BIN AMIN NOER RASHID

Non-Independent Non-Executive Director

Malaysian

Joined the Board on 16 December 2019
(Resigned from the Board on 20 May 2021)

Attended 6 out of 7 Board meetings held in 2020

Mr. Omar Siddiq has a BSc (Hons) in Economics from the London School of Economics and Political Science and is a Fellow member of the Institute of Chartered Accountants in England and Wales. He is also a CFA Charterholder as awarded by the CFA Institute.

As at 1 October 2020, Omar was appointed as CIMB's Head of Group Wholesale Banking and as Deputy CEO, Malaysia. Prior to that he was CIMB's Group Chief Operating Officer.

Prior to that, Omar's past experience include:

- Head of Wholesale Banking and International Business (ex Singapore) at RHB Banking Group

- Executive Director and Group Chief Financial Officer at Malaysia Airlines
- Executive Director in the Investment Division of Khazanah Nasional Berhad (a Malaysian sovereign wealth fund)
- Managing Director in the Investment Banking Division of CIMB Investment Bank Berhad
- Executive Director in the Corporate Finance Practice of PricewaterhouseCoopers (PwC)

Omar is also a Director with CIMB Thai Bank Public Company Limited (Thailand).

BOARD OF DIRECTORS



AHMAD SHAZLI BIN KAMARULZAMAN

Non-Independent Non-Executive Director

Malaysian

Joined the Board on 16 December 2019

Attended all 7 Board meetings in 2020

Mr. Ahmad Shazli Kamarulzaman, 49 years old, holds a Bachelor of Science (Hon) Economics and Accounting, University of Bristol, UK.

He was appointed as Non-Independent Non-Executive Director on 16 December 2019.

Ahmad Shazli Kamarulzaman is the Deputy CEO of Group Commercial Banking and Head of Commercial Banking Malaysia, CIMB Bank.

As Deputy CEO of Group Commercial Banking, Ahmad Shazli oversees the Group's Business and SME segments for Malaysia, Singapore, Indonesia, Thailand and Cambodia.

As Head of Commercial Banking Malaysia, he is responsible for the entire Business and SME Banking segments in Malaysia. This includes strategy, credit, customer management and product & services in both Conventional and Islamic Banking. He is also responsible for factoring and leasing operations.

Shazli led the highly successful transformation of Commercial Banking Malaysia and under his stewardship, impressive strides have been made in Commercial business. Since joining CIMB in January 2006, he has also been instrumental in the Group's recovery operations having set up Group Special Asset Management to recover the NPLs for Corporate, Commercial / SME and Retail Banking. He is a Chairman of Sathorn Asset Management Co. (Thailand) and Southeast Asia Special Asset Management Berhad, SPVs set up to acquire distressed loans / assets from CIMB Bank.

Ahmad Shazli started his career at a leading merchant bank before moving to Malaysia's national asset management company, Pengurusan Danaharta Nasional Berhad (Danaharta).

In addition to the above, Shazli is also one of the founding member and Treasurer of Parent Action Group for Education (PAGE), Malaysia's foremost Education NGO, that aims to advance Malaysia's education system.



BUN YIN

Chief Executive Officer/ Non-Independent Executive Director

Cambodian

Joined the Board on 29 January 2015

Attended all 7 Board meetings held in 2020

Member of the Risk Committee

Bun Yin earned a Bachelor Degree from the Faculty of Finance, Accounting and Banking of the Ministry of Finance in Cambodia in 1987.

He was appointed as Chief Executive Officer (CEO) on 1 January 2015 after serving as Deputy General Manager since the inception of the Bank in Cambodia. Bun Yin was appointed as the Bank's Executive Director (ED) on 29 January 2015. He is also a member of the Bank's Risk Committee.

As ED/CEO, Bun Yin has overall responsibility for the implementation of the Bank's strategy, and for carrying out the Board's direction, managing the Bank's businesses and driving performance within strategic goals

and commercial objectives. He leads the Management team in carrying out the corporate strategy and vision of the Bank. He is also accountable to the Board for the day-to-day operations of the Bank's business.

Bun Yin has been working in the banking industry for 40 years. With his extensive experience in banking, he understands well the local market and has played a central role in driving the Bank's business agenda. He has been recognised as one of the pioneers in the Cambodia's banking industry.

JOINT COMPANY SECRETARY



DATIN ROSSAYA MOHD NASHIR

Joint Company Secretary

Malaysian

Datin Rossaya Mohd Nashir is the Group Company Secretary, and she has worked at the bank since joining the Corporate Legal Services Unit in 2002. She was instrumental in setting up the Company Secretarial Department in 2004 and was appointed as Group Company Secretary in 2006.

In her role, Datin Rossaya is responsible for providing counsel and advice on Board duties and responsibilities, to ensure that CIMB complies with relevant laws and regulatory requirements. She also plays a liaison role between the Board and its key stakeholders both in Malaysia and in the Group's regional operations, ensuring that a corporate governance framework is deployed in a manner that supports the Group's vision and aspirations.

She has extensive industry knowledge, with over 25 years of experience in corporate secretarial practice. Previously, she was with Permodalan Nasional Berhad where she assumed the position of Joint Company

Secretary for several of its subsidiaries. She began her career with the Time Engineering Group.

Datin Rossaya serves as a member of the Companies Commission of Malaysia's Corporate Practice Consultative Forum and is a Director of several subsidiaries in the CIMB group. She is a CIMB Sustainability Champion and has initiated several projects to encourage sustainability in the workplace for #teamcimb. She actively advocates greater participation of women in the boardroom and has been involved in various networking initiatives to promote this agenda.

Datin Rossaya holds a Bachelor of Laws, majoring in Business Law, from Coventry University, United Kingdom. She is a licensed secretary awarded by Companies Commission of Malaysia, and she is also an affiliate of Malaysian Institute of Chartered Secretaries and Administrators.



LY SOPHEA

Joint Company Secretary

Cambodian

Ly Sophea has been the Joint Company Secretary of CIMB Bank PLC since November 2010. She also acts as the Joint Company Secretary to the Board of Directors and the Audit Committee of CIMB Bank PLC. Sophea is also the Secretary to the Management Committee and a permanent invitee of other committees of the Bank such as the Risk Committee and Cambodia Credit Committee.

Prior to joining CIMB Bank PLC, Sophea was an Assistant to the Senior Vice President and Head of Legal and Corporate Affairs at a major Bank in Cambodia. She simultaneously studied and worked for six years in legal and corporate secretarial roles in Legal and Corporate Affairs Division at her previous workplace.

Sophea graduated in 2004 from Royal University of Law and Economics with a Bachelor of Law and in that same year, received a Bachelor of Accounting from the Faculty of Business Administration of the Institution of Technology and Management (now Puthisastras University). In 2007, she obtained her Master of Private Law from the Royal University of Law and Economics. In 2017, Sophea was qualified for the certificate in AML/CFT from Asian Institute of Chartered Bankers (AICB), Malaysia.

MANAGEMENT TEAM





MANAGEMENT TEAM



CAMBODIAN

HENG THIDA

Head, Consumer Banking

Heng Thida is responsible for the overall management and financial performance of CIMB Consumer Banking, and her duties include; customer experience, product development, sales and distribution, and credit management. Thida devises business strategies and also takes care of Branch Distribution, Preferred Banking, Mortgage, Auto Loan and Credit Cards Portfolios.

She started her career as a salesperson in the import/export industry and later took on the challenge of becoming an Account Executive in an international advertising agency for four years before she left for Japan to further her studies. Upon her return to Cambodia, Thida took on a role as a consultant to the Mekong Private Development Facility on a World Bank programme.

Before joining CIMB Bank PLC, Thida worked for a major Bank in Cambodia for eight years where she assumed multitude of management positions, from Head of Marketing to Head of Retail Support and then Head of Sales and Distribution.

Thida earned her Bachelor's Degree from the National University of Management in Phnom Penh and continued her major in marketing with an MBA from the International University of Japan.



CAMBODIAN

HONG CHEAP

Head, Commercial Banking

With a large body of experience in commercial banking sector, frontline customer facing and risk management, Hong Cheap has equipped himself with strong customer and industry knowledge to provide valuable insight to the Bank on business and risk management matters. Hong Cheap also has experience in risk management in Laos in the position of Chief Risk Officer for an International Bank.

Before taking up the responsibility as Head of Commercial Banking starting 1 January 2018, Hong Cheap has served role as Head of Risk for CIMB Bank PLC, who holds responsibility for overall risk management and chaired Credit Committee and worked closely with other business units to embed a strong risk culture and have risks strongly controlled within the Bank.

As Head of Commercial Banking, he holds responsibility for maintaining and growing quality loan book, mobilising deposit aiming to achieve self-funding target, improvement of efficiency of the team and team spirit, and increasing non-interest income under Commercial Banking's purview. On top of that, Hong Cheap also enforces the collaboration between Commercial Banking and other teams within the Bank to improve referral and cross-sales aiming to provide better customer experience.

He holds a Bachelor's and a Master's Degree in Business Administration and has also completed the CIMB-INSEAD Leadership Programme.



CAMBODIAN

HENG TORANG

Head, Treasury & Markets

Torang was one of the pioneers in the management team of CIMB Bank PLC, joining the Bank in 2010. He started by forming and leading the Risk Management division and secretarial duties to the Board Risk Committee. In mid-2013, he led the Treasury & Markets division including but not limited to bank balance sheet management, treasury sales i.e. wholesales or money market funding, foreign exchange, investment or structured product sales referral, and Bank & FIs relationship. Apart from the Management Committee, he also sits in the Assets & Liabilities Management Committee and the Board Risk Committee.

Prior to joining CIMB Bank PLC, he was a Market and Treasury Risk Manager with a very well-grounded experiences in treasury business and cash management at a major bank in Cambodia for 6 years.

Torang has BA in Accounting from National Institution of Management in Cambodia 2003, MBA in Finance from Pannasastra University of Cambodia in 2011, and Accelerated Universal Bankers Programme from Nanyang Technological University in Singapore 2014.



CAMBODIAN

KY SANA

Head, Corporate, Transaction Banking & Financial Institution Group

Ky Sana has over 18 years of experience in banking services. Her career began in an International Bank, where she served in various disciplines, from front offices to back office operations, credit, trade finance and as a member of the senior management. She joined CIMB Bank PLC in 2010 as Branch Manager of its first main branch. She was taking care of Preferred and Commercial Banking portfolios before being promoted as Head of Corporate, Transaction Banking and Financial Institution Group.

In her current role, Sana is responsible for relationship management with large corporate clients and overall performance of Corporate Banking unit in Cambodia. Beyond the traditional corporate funding services, she is also in charge of providing solutions and added values in respect to their transactional banking requirements such as Cash Management, Trade Finance and Internet banking.

During the tenure with CIMB Bank PLC, Sana was the recipient of the following awards:

- 1.) Best Branch of the Year Award 2011 from CIMB Cambodia;
- 2.) Most Admired Employee Award 2011 from CIMB Cambodia;
- 3.) Emerald Award 2013 for high performing middle managers from CIMB Group.

Sana holds a Bachelor's Degree in accounting from National Institute of Management and completed Accelerated Universal Bankers Programme, Nanyang Technological University, Singapore.

MANAGEMENT TEAM



CAMBODIAN

OUM CHENDA PHEAKDEY

Head, Corporate Resources

As one of the pioneers in the management team of CIMB Bank PLC, Pheakdey stands behind the success of our people strategy including talent acquisition, performance & rewards, employee engagement, culture building, talent management and development. She ensures CIMB remains a top of mind employer in the market. In 2020, she led the Bank to be awarded the “Best Company to Work For In Asia”, a proud achievement thus far.

Progressively, Pheakdey brought splendid achievements to the Bank through the building of top talents within competitiveness and the utilisation of our human resources to their utmost. Her main focuses are on talent attraction and retention for a driven and sustainable business with the short, mid and long-term strategy. Her futuristic insights and strategies keep our bank up-to-date in the era of digitalisation and technology. She immerses our employees with acquiring new skills in 3D (Digital, Data and Design Thinking) and through experiential learning and diverse development programmes within/across the region.

Pheakdey has a good communication and engagement skills that allow her to collaborate smoothly with our leadership team to drive talent growth aspiration and be fully supported by regional development and/or attachment programme.

Beyond Human Resources specialty, Pheakdey goes the extra mile in directing and managing the Administration, Property Management and Strategic Procurement functions. She oversees key property projects to ensure they are effectively managed in terms of cost-efficiency and deliverables.

Prior to joining CIMB Bank PLC, Pheakdey has been thriving as one of the most participated leaders in HR role for over 15 years within various industries. She holds a Bachelor’s Degree of Business Administration from the National Institute of Management, Cambodia.



CAMBODIAN

HENG VUTHY

Head, Finance

Heng Vuthy was one of the pioneers in the management team of CIMB Bank PLC, joining the Bank in 2010. His primary duties are to manage financial functions, plan, organise, direct and manage subordinate personnel involved in developing, implementing and maintaining policies and practices for the financial management, budgeting, taxation, accounting and regulatory reporting, and business strategy of the Bank.

Vuthy also has oversight of the accounting system and reporting, financial controls, business planning, and serves as liaison to the Group Head Office in Malaysia. Prior to joining CIMB Bank PLC, he had eight years of experience in financial management, and was Deputy Head of the Finance Division in his last post with a major Bank in Cambodia.

Vuthy holds a Master of Business Administration in Finance from Pannasastra University of Cambodia and an Association of Chartered Certified Accountants (ACCA) degree from CamEd Business School, Official ACCA Platinum Tuition Provider.



CAMBODIAN

OUK THANIN

Head, Product Management

Ouk Thanin joined CIMB Bank PLC in March 2017 to oversee the Product Management unit. Thanin's responsibilities include managing, coordinating and delivering projects, policies and guidelines related to new and existing product offerings to align with market needs. Throughout the years, he has been instrumental in managing the Product Management unit and successfully introduced new products, which have differentiated CIMB Bank from an increasingly competitive market. He also serves as the lead coordinator for a number of bank-wide initiatives and projects. Chief among them are the Sustainability programme and Mobile Banking project.

Prior to joining CIMB Bank PLC, he had 9 years of experience in the financial service industry covering diverse fields that include general insurance, credit management and institutional banking.

Thanin was a recipient of Singapore Government Scholarship and Fulbright Scholarship. He graduated with a BBA Honor from the National University of Singapore in 2006 and with an MBA from Vanderbilt University in the United States in 2012. He was selected for membership in Beta Gamma Sigma, the international honor society for collegiate schools of business.



CAMBODIAN

HENG VIBOTH

Head, Technology & Operations

Heng Viboth joined CIMB Bank PLC as Head of Technology & Operations in August 2018. His main responsibilities include overseeing Information Technology, IT Security, IT project management, Data Governance and IT Assurance.

Aside from Information Technology management, he is also responsible for the bank wide Operations and ensures well-performed day-to-day tasks following policies, procedures, regulatory and compliance. He is also responsible to direct and to execute strategies for Technology & Operations to align with the Bank's business growth and Group's blueprint.

Viboth has 18 years of working experience in the banking industry, and he started his career as a Software Engineer in 2003. Prior to joining CIMB Bank PLC, he was the Head of Information Technology Services at a leading local bank in Cambodia.

Viboth holds a Bachelor's Degree in Computer Science from Royal University of Phnom Penh.

MANAGEMENT TEAM



CAMBODIAN

LY SOPHEA

Head, Legal & Company Secretarial

Ly Sophea has been the Head of Legal & Company Secretarial since CIMB Bank PLC started operations in November 2010. Sophea is responsible for managing all functions of Legal and Company Secretarial. She is the Joint Company Secretary to the Board of Directors and the Audit Committee of CIMB Bank PLC. She also acts as the Secretary to Management Committee and sits as a permanent invitee of other committees of the Bank such as Risk Committee and Cambodia Credit Committee.

Prior to joining CIMB Bank PLC, Sophea was an Assistant to the Senior Vice President and Head of Legal and Corporate Affairs at a major bank in Cambodia. She simultaneously studied and worked for six years in legal and corporate secretarial role in Legal and Corporate Affairs Division at her previous workplace.

Sophea graduated in 2004 from Royal University of Law and Economics with a Bachelor of Law and in that same year, earned a Bachelor of Accounting from the Faculty of Business Administration of Institution of the Technology and Management (now known as Puthisastras University). In 2007, she obtained her Master's Degree in Private Law from the Royal University of Law and Economics. In 2017, Sophea was qualified for the certificate in AML/CFT from Asian Institute of Chartered Bankers (AICB), Malaysia.



CAMBODIAN

KIEN VATANA

Head, Risk Management

Kien Vatana is Head, Risk Management of CIMB Bank PLC, to hold responsibility for overall risk management and work closely with other business units and Group Risk to embed a strong risk culture and control within the Bank.

He was one of the pioneers in credit management team, joining the Bank in 2010 covering credit portfolio of all business units (Consumer Banking, Commercial Banking and Corporate Banking). He has a profound knowledge and experience in the credit management. He has equipped himself with strong customer and industry knowledge through regional attachment with Credit Management in Malaysia and Singapore reviewing all the credit proposals from Cambodia, Thailand and Malaysia.

Kien Vatana has been appointed as the Chairman of Credit Committee based on his lengthy experience in credit management for over 15 years in banking industry. He provides direction and guidance from a lending point of view to maintain and attract creditworthy customers while maintaining quality books. He also oversees other risk matters, including but not limited to operational risk, market risk, and liquidity risk.

He holds two Bachelor's degrees in (i) Banking and Finance and (ii) Science Mathematics. He has also completed CIMB-Omega's Core Credit Assessment Skills Programme and Accelerated Universal Bankers Programme, Nanyang Technological University, Singapore.



CAMBODIAN

CHHUN PUTHKOMPHEAKVATTEY

Head, Compliance

Chhun Puthkompheakvattey joined CIMB Bank PLC as Head of Compliance in August 2017. She is responsible for the overall management of the Compliance function of the Bank and reports to the Board of Directors of CIMB Bank PLC. As the Head of the Compliance Division, Vattey oversees and supervises Compliance-related activities within the Bank, and is the primary liaison for the National Bank of Cambodia and other regulators.

Vattey started her career as an auditor in an international audit firm, and she subsequently took on a compliance-related role in the financial sector. Vattey possesses 10 years of working experience in the banking industry, specialising in compliance and operational risk management. Prior to joining CIMB Bank PLC, Vattey was Head of Operational Risk Management and Internal Control with a major Bank in Cambodia.

Vattey holds a Bachelor's Degree in Finance and Banking from Pannasastra University of Cambodia and graduated in the Regulatory Compliance course from the Institute of Banking and Finance (IBF). In 2020, Vattey completed the International Advanced Certificate in Anti Money Laundering from the International Compliance Association.



CAMBODIAN

KHIEU LANIN

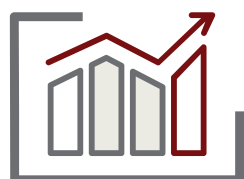
Head, Corporate Assurance

Being one of the pioneers in the management team of CIMB Bank PLC in 2010, Khieu Lanin's responsibilities include developing and overseeing audit plans, strategies, standards and policies as well as overall management of Corporate Assurance Division.

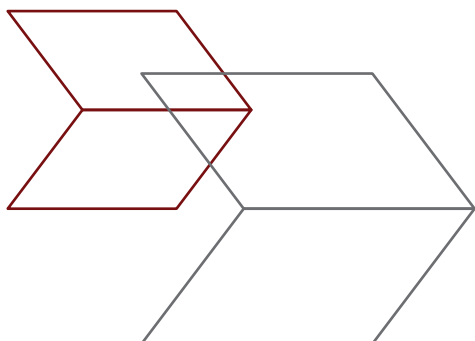
Lanin has over 18 years of working experience in the banking industry, especially in internal audit, which enables him to effectively execute his roles along with assisting Audit Committee and management in establishing cost-effective controls, assessing risks, recommending measures to mitigate risks, and assuring proper governance process.

Lanin holds Bachelor's Degree in Finance and Banking from National University of Management and Master's Degree in Accounting and Finance from Build Bright University. He is currently pursuing the Certified Internal Auditor (CIA) from the Institute of Internal Auditors (IIA).

AUDITED FINANCIAL STATEMENTS



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DIRECTORS' REPORT

The Board of Directors ("the Directors") hereby submits their report together with the audited financial statements of CIMB Bank PLC ("the Bank") for the year ended 31 December 2020.

THE BANK

The Bank was incorporated on 20 September 2010 and is a wholly owned subsidiary of CIMB Bank Berhad, a licensed bank incorporated in Malaysia. CIMB Group Holdings Berhad, a publicly listed company incorporated in Malaysia, is the ultimate holding company.

PRINCIPAL ACTIVITIES

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

FINANCIAL PERFORMANCE

The financial performance of the Bank for the year is set out in the statement of profit or loss and other comprehensive income on page 91.

No dividends were declared or paid during the year ended 31 December 2020.

STATUTORY CAPITAL

There were no changes in the shareholders of the Bank during the year.

During the year, the Bank transferred its retained earnings of US\$17,500,000 to capital reserves.

BAD & DOUBTFUL FINANCIAL FACILITIES

Before the financial statements of the Bank were drawn up, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad loans and advances or making of allowance for impairment losses, and satisfied themselves that all known bad loans and advances had been written off and that adequate loss allowance has 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 allowance for impairment losses in the financial statements of the Bank inadequate to any material extent.

ASSETS

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

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

CONTINGENT & OTHER LIABILITIES

At the date of this report, there is:

- (a) no charge on the assets of the Bank which has arisen since the end of the financial year which secures the liabilities of any other person, and
- (b) no contingent liability in respect of 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 Bank has become enforceable, or is likely to become enforceable within a 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 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 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 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 likely, in the opinion of the Directors, to substantially affect the results of the operations of the Bank for the year in which this report is made.

THE BOARD OF DIRECTORS

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

Datuk Mohd Nasir Bin Ahmad	Chairman/Independent Non-Executive Director
Dr. Mey Kalyan	Independent Non-Executive Director
Ms. Aisyah Lam Binti Abdullah	Independent Non-Executive Director
Mr. Omar Siddiq Bin Amin Noer Rashid	Non-Independent Non-Executive Director
Mr. Ahmad Shazli Bin Kamarulzaman	Non-Independent Non-Executive Director
Mr. Bun Yin	Non-Independent Executive Director

THE DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for ascertaining that the financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2020 and of its financial performance and its cash flows for the year then ended in accordance with the Cambodian International Financial Reporting Standards ("CIFRS").

In preparing these financial statements, the Directors are required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- comply with the disclosure requirements of CIFRS or, if there have been any departures in the interest of fair presentation, these have been appropriately disclosed, explained and quantified in the financial statements;
- maintain adequate accounting records and an effective system of internal controls;

- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Bank will continue operations in the foreseeable future; and
- effectively control and direct the Bank in all material decisions affecting its operations and performance and ascertain that such have been properly reflected in the financial statements.

The Directors confirm that the Bank has complied with the above requirements in preparing the financial statements.

APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements, together with the notes thereto, which present fairly, in all material respects, the financial position of the Bank as at 31 December 2020 and the financial performance and cash flows of the Bank for the year then ended in accordance with the Cambodian International Financial Reporting Standards, were approved by the Board of Directors.

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



Mr. Bun Yin
Executive Director/Chief Executive Officer

Phnom Penh, Kingdom of Cambodia
26 March 2021

INDEPENDENT AUDITOR'S REPORT

To the shareholder of CIMB Bank PLC

OUR OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of CIMB Bank PLC ("the Bank") as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards ("CIFRS").

What we have audited

The Bank's financial statements comprise:

- the statement of financial position as at 31 December 2020;
- the statement of profit or loss and other comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

BASIS FOR OPINION

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

We 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 Bank in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants ("IESBA Code") and the ethical requirements of the Kampuchea Institute of Certified Public Accountants and Auditors' Code of Ethics for Certified Public Accountants and Auditors ("KICPAA Code") that are relevant to our audit of the financial statements in Cambodia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the KICPAA Code.

OTHER INFORMATION

Management is responsible for the other information. The other information obtained at the date of this auditor's report are the directors' report and the supplementary financial information required by the National Bank of Cambodia but do not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this 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.

RESPONSIBILITIES OF MANAGEMENT & THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company'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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

For PricewaterhouseCoopers (Cambodia) Ltd.



By Lang Hy
Partner

Phnom Penh, Kingdom of Cambodia
30 March 2021

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand	4	89,451,530	361,831,439	59,905,313	244,114,150
Deposits and placements with the central bank	5	211,995,699	857,522,602	199,656,050	813,598,404
Deposits and placements with other banks	6	66,014,869	267,030,145	14,389,497	58,637,200
Loans and advances at amortised cost	7	847,040,206	3,426,277,633	693,763,906	2,827,087,917
Statutory deposits with the central bank	8	77,232,667	312,406,138	114,526,184	466,694,200
Right-of-use assets	9	4,960,357	20,064,644	5,294,609	21,575,532
Property and equipment	10	4,657,110	18,838,010	2,947,284	12,010,182
Intangible assets	11	1,904,469	7,703,577	1,376,227	5,608,125
Deferred tax assets	12	2,109,158	8,531,544	1,925,100	7,844,782
Other assets	13	4,200,112	16,989,453	4,873,240	19,858,453
TOTAL ASSETS		1,309,566,177	5,297,195,185	1,098,657,410	4,477,028,945
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from banks	14	135,501,182	548,102,281	41,978,946	171,064,205
Deposits from customers	15	895,898,858	3,623,910,881	790,783,214	3,222,441,597
Borrowings	16	64,253,328	259,904,712	74,477,460	303,495,650
Subordinated debts	17	47,411,000	191,777,495	37,316,479	152,064,652
Lease liabilities	9	5,381,598	21,768,564	5,636,012	22,966,749
Current income tax liabilities	29	5,122,375	20,720,007	4,544,548	18,519,033
Employee benefits	18	2,576,787	10,423,103	2,075,379	8,457,169
Other liabilities	19	16,117,819	65,196,578	25,643,073	104,495,521
TOTAL LIABILITIES		1,172,262,947	4,741,803,621	982,455,111	4,003,504,576
EQUITY					
Share capital	20	75,000,000	303,375,000	75,000,000	305,625,000
Retained earnings		37,293,927	150,976,030	33,957,375	137,372,906
Capital reserves	21	17,500,000	70,787,500	-	-
Regulatory reserves	22	7,509,303	30,365,850	7,244,924	29,287,977
Other reserves		-	(112,816)	-	1,238,486
TOTAL EQUITY		137,303,230	555,391,564	116,202,299	473,524,369
TOTAL LIABILITIES AND EQUITY		1,309,566,177	5,297,195,185	1,098,657,410	4,477,028,945

The accompanying notes on pages 94 to 139 form an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020		2019	
		US\$	KHR'000	US\$	KHR'000
Interest income	23	58,359,289	237,930,821	48,903,486	198,156,925
Interest expense	23	(21,358,921)	(87,080,321)	(16,495,236)	(66,838,696)
Net interest income	23	37,000,368	150,850,500	32,408,250	131,318,229
Fee and commission income	24	7,121,689	29,035,126	6,896,181	27,943,325
Fee and commission expense	24	(1,044,000)	(4,256,388)	(1,387,595)	(5,622,535)
Net fee and commission income	24	6,077,689	24,778,738	5,508,586	22,320,790
Credit impairment losses	25	(1,599,305)	(6,520,366)	(655,243)	(2,655,045)
Other operating income		1,346,805	5,490,924	1,137,743	4,610,135
Other gains – net		50,669	206,578	20,404	82,677
Net other operating income		(201,831)	(822,864)	502,904	2,037,767
Expenses					
Personnel expenses	26	(9,970,079)	(40,648,012)	(9,401,962)	(38,096,750)
Depreciation and amortisation charges	27	(2,430,900)	(9,910,779)	(2,157,790)	(8,743,365)
Other operating expenses	28	(3,717,781)	(15,157,393)	(3,997,841)	(16,199,252)
		(16,118,760)	(65,716,184)	(15,557,593)	(63,039,367)
Profit before income tax		26,757,466	109,090,190	22,862,147	92,637,419
Income tax expenses	29	(5,656,535)	(23,061,693)	(4,649,721)	(18,840,669)
Profit for the year		21,100,931	86,028,497	18,212,426	73,796,750
Other comprehensive income: <i>Items that will not be classified to profit or loss</i>					
Currency translation differences		-	(1,351,302)	-	1,729,308
Other comprehensive income for the year, net of tax		-	(1,351,302)	-	1,729,308
Total comprehensive income for the year		21,100,931	84,677,195	18,212,426	75,526,058
Profit attributable to:					
Owners of the Bank		21,100,931	86,028,497	18,212,426	73,796,750
Total comprehensive income attributable to:					
Owners of the Bank		21,100,931	84,677,195	18,212,426	75,526,058

The accompanying notes on pages 94 to 139 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Attributable to owners of the bank										
	Share capital		Retained earnings		Capital reserves		Regulatory reserves		Other reserves		Total
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$ KHR'000
Balance at 1 January 2019	75,000,000	301,350,000	17,098,157	69,059,355	-	-	5,891,716	23,804,778	-	(490,822)	97,989,873 393,723,311
Profit for the year	-	-	18,212,426	73,796,750	-	-	-	-	-	-	18,212,426 73,796,750
Other comprehensive income	-	-	-	-	-	-	-	-	-	1,729,308	- 1,729,308
Total comprehensive income for the year	-	-	18,212,426	73,796,750	-	-	-	-	-	1,729,308	18,212,426 75,526,058
Transactions with owners in their capacity as owners:											
Transfer to regulatory reserves (note 22)	-	-	(1,353,208)	(5,483,199)	-	-	1,353,208	5,483,199	-	-	- -
Currency translation differences	-	4,275,000	-	-	-	-	-	-	-	-	- 4,275,000
Total transactions with owners	-	4,275,000	(1,353,208)	(5,483,199)	-	-	1,353,208	5,483,199	-	-	- 4,275,000
Balance at 31 December 2019	75,000,000	305,625,000	33,957,375	137,372,906	-	-	7,244,924	29,287,977	-	1,238,486	116,202,299 473,524,369
Balance at 1 January 2020	75,000,000	305,625,000	33,957,375	137,372,906	-	-	7,244,924	29,287,977	-	1,238,486	116,202,299 473,524,369
Profit for the year	-	-	21,100,931	86,028,497	-	-	-	-	-	-	21,100,931 86,028,497
Other comprehensive income	-	-	-	-	-	-	-	-	-	(1,351,302)	- (1,351,302)
Total comprehensive income for the year	-	-	21,100,931	86,028,497	-	-	-	-	-	(1,351,302)	21,100,931 84,677,195
Transactions with owners in their capacity as owners:											
Transfer to capital reserves (note 21)	-	-	(17,500,000)	(71,347,500)	17,500,000	71,347,500	-	-	-	-	- -
Transfer to regulatory reserves (note 22)	-	-	(264,379)	(1,077,873)	-	-	264,379	1,077,873	-	-	- -
Currency translation differences	-	(2,250,000)	-	-	-	(560,000)	-	-	-	-	- (2,810,000)
Total transactions with owners	-	(2,250,000)	(17,764,379)	(72,425,373)	17,500,000	70,787,500	264,379	1,077,873	-	-	- (2,810,000)
Balance at 31 December 2020	75,000,000	303,375,000	37,293,927	150,976,030	17,500,000	70,787,500	7,509,303	30,365,850	-	(112,816)	137,303,230 555,391,564

The accompanying notes on pages 94 to 139 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020		2019	
		US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities					
Cash generated from/(used in) operations	31	65,655,475	267,677,373	(61,221,309)	(247,895,172)
Interest received		57,660,852	235,083,294	47,629,252	192,993,729
Interest paid		(19,034,554)	(77,603,877)	(14,471,450)	(58,638,315)
Income tax paid	29	(5,262,766)	(21,456,297)	(3,771,366)	(15,281,575)
Staff pension fund paid	18	(203,973)	(831,598)	(153,749)	(622,991)
Net cash generated from/(used in) operating activities		98,815,034	402,868,895	(31,988,622)	(129,444,324)
Cash flows from investing activities					
Negotiable certificate of deposits		15,179,000	61,884,783	(74,476,000)	(301,776,752)
Purchases of property and equipment		(2,647,697)	(10,794,661)	(1,024,556)	(4,151,501)
Purchases of intangible assets		(573,208)	(2,336,969)	(674,697)	(2,733,872)
Proceeds from disposals of property and equipment		33,664	137,248	11,453	46,408
Net cash generated from/(used in) investing activities		11,991,759	48,890,401	(76,163,800)	(308,615,717)
Cash flows from financing activities					
Proceeds from borrowings	16	170,351,811	694,524,333	128,053,988	518,874,759
Repayments of borrowings	16	(181,034,349)	(738,077,041)	(64,348,240)	(260,739,068)
Proceeds from subordinated debts	17	10,000,000	40,770,000	30,000,000	121,560,000
Principal elements of lease payments		(1,266,688)	(5,164,287)	(1,116,693)	(4,524,840)
Net cash (used in)/generated from financing activities		(1,949,226)	(7,946,995)	92,589,055	375,170,851
Net increase/(decrease) in cash and cash equivalents		108,857,567	443,812,301	(15,563,367)	(62,889,190)
Cash and cash equivalents at beginning of the year		183,271,535	746,831,506	198,834,902	798,918,636
Currency translation differences		-	(8,981,589)	-	10,802,060
Cash and cash equivalents at the end of year	30	292,129,102	1,181,662,218	183,271,535	746,831,506

The accompanying notes on pages 94 to 139 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. BACKGROUND INFORMATION

The Bank was incorporated in Cambodia on 20 September 2010 under the Registration No. 00010524, granted by the Ministry of Commerce and commenced its operations on 19 November 2010. The Bank is a wholly owned subsidiary of CIMB Bank Berhad, a licensed bank incorporated in Malaysia. CIMB Group Holdings Berhad, a publicly listed company incorporated in Malaysia, is the ultimate holding company.

The Bank is principally engaged in all aspects of banking business and the provision of related financial services in Cambodia. The Bank holds a banking license that was issued by the National Bank of Cambodia ("the Central Bank") on 11 November 2010.

The registered office of the Bank is located at No. 20AB, Corner Preah Norodom Boulevard and Street 118, Sangkat Phsar Chas, Phnom Penh, the Kingdom of Cambodia.

The financial statements were authorised for issue by the Board of Directors on 26 March 2021.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements are prepared in accordance with Cambodian International Financial Reporting Standards ("CIFRS") which are based on all standards published by the International Accounting Standard Board including other interpretations and amendments that may occur in any circumstances to each standard.

The financial statements have been prepared under the historical cost convention.

The Bank discloses the amount for each asset and liability that expected to be recovered or settled no more than 12-month after the reporting period as current, and more than 12-month after the reporting period as non-current.

The preparation of financial statements in conformity with CIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

An English version of the financial statements have been prepared from the statutory 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 statutory financial statements shall prevail.

2.2 New standards and interpretation

i) New and amended standards adopted by the Bank

The Bank has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

- Definition of Material – amendments to CIAS 1 and CIAS 8
- Revised Conceptual Framework for Financial Reporting

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current and future periods.

ii) New standards and interpretations not yet adopted by the Bank

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting period and have not been early adopted by the Bank. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.3 Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the Bank are measured using the currency of the primary economic environment in which the Bank operates ("the functional currency"). The functional currency is the US\$ because of the significant influence of the US\$ on its operations. The financial statements are presented in United States dollars ("US\$") which is the Bank's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of 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 profit or loss.

iii) Presentation in Khmer Riel

In compliance with the Law on Accounting and Auditing, the financial statements shall be expressed in Khmer Riel. The statement of profit or loss and other comprehensive income and the statement of cash flows are translated into KHR using the average exchange rates for the year. Assets and liabilities for each statement of financial position presented and shareholders' capital are translated at the closing rates as at the reporting date. Resulting exchange differences arising from the translation of shareholders' capital is recognised directly in equity; all other resulting exchange differences are recognised in the other comprehensive income.

The Bank has used the official rates of exchange published by the National Bank of Cambodia, and as at the reporting date, the average rate was US\$ 1 to KHR 4,077 (2019: KHR 4,052) and the closing rate was US\$ 1 to KHR 4,045 (2019: KHR 4,075).

2.4 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise cash on hand, unrestricted deposits and placements with the central bank and other banks, and other short-term highly liquid investments with original maturities of three months or less where the Bank has full ability to withdraw for general purpose whenever needed and subject to an insignificant risk of changes in value.

Deposits and placements with the central bank and other banks are carried at amortised cost in the statement of financial position. Bank overdrafts are presented as liabilities in the statement of financial position.

2.5 Financial assets

a) Classification

The Bank classifies its financial assets as measured at amortised cost and they are cash on hand, deposits and placements with the central bank and other banks, loans and advances at amortised cost, and other assets.

The classification depends on the Bank's model for managing financial assets and the contractual terms of the financial assets cash flows.

The Bank classify their financial assets at amortised cost only if both of the following criteria are met:

- The asset is held within a business model with the objective of collecting the contractual cash flows, and
- The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

b) Recognition and derecognition

Financial assets are recognised when the Bank becomes a party to the contractual provision of the instruments. Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Bank commits to purchase or sell the assets.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Bank has transferred substantially all the risks and rewards of ownership. A gain or loss on derecognition of a financial asset measured at amortised cost is recognised in profit or loss when the financial asset is derecognised.

c) Measurement

At initial recognition, the Bank measures a financial asset at its fair value plus, in the case of a financial assets not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance ("ECL") is recognised for financial assets measured at amortised cost, which results in an accounting loss being recognised in profit or loss when an asset is newly originated.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Bank's business model for managing the assets and the cash flow characteristics of the assets. The Bank classifies its debt instruments as financial assets measured at amortised cost.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest ("SPPI"), are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised. Interest income from these financial assets is included in finance income using the effective interest rate method.

For staff housing loans at an interest rate below the market rate, such loans are initially recognised at the present value of the future cash payments discounted at a market rate of interest for a similar loan. Differences between the amount of cash paid and the present value of the future cash receipts are recognised as advanced employee benefits in other assets.

d) Reclassification of financial assets

The Bank reclassifies financial assets when and only when their business model for managing those assets changes.

e) Impairment

The Bank assesses on forward-looking basis the expected credit losses ("ECL") associated with its debt instrument assets carried at amortised cost and with the exposure arising from credit commitments (including overdraft and revolving facilities) and financial guarantee contracts. The Bank recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- 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.

The Bank applies a three-stage approach to measuring expected credit losses for the following categories:

- Debt instruments measured at amortised cost; and
- Credit commitments (including undrawn overdraft and revolving facilities) and financial guarantee contracts

The three-stage approach is based on the change in credit risk since initial recognition:

(a) Stage 1: 12-months ECL

Stage 1 includes financial assets which have not had a significant increase in credit risk since initial recognition or which have low credit risk at reporting date. 12-months ECL is recognised and interest income is calculated on the gross carrying amount of the financial assets.

(b) Stage 2: Lifetime ECL – not credit impaired

Stage 2 includes financial assets which have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but do not have objective evidence of impairment. Lifetime ECL is recognised and interest income is calculated on the gross carrying amount of the financial assets.

(c) Stage 3: Lifetime ECL – credit impaired

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. Lifetime ECL is recognised and interest income is calculated on the net carrying amount of the financial assets.

2.6 Financial liabilities

Financial liabilities are recognised when the Bank becomes a party to the contractual provision of the instruments. Financial liabilities of the Bank include deposits from banks, deposits from customers, borrowings, subordinated debts and other financial liabilities.

Financial liabilities are initially recognised at fair value less transaction costs for all financial liabilities not carried at fair value through profit or loss.

Financial liabilities that are not classified as fair value through profit or loss are measured at amortised cost. The financial liabilities measured at amortised cost are deposits from banks, deposits from customers, borrowings, subordinated debts and other financial liabilities.

Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

2.7 Credit commitments and financial guarantee contracts

Credit commitments (including undrawn overdraft and revolving facilities) provided by the Bank are measured at the amount of the loss allowance. The Bank has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument.

For credit commitments (including undrawn overdraft and revolving facilities), the expected credit losses are recognised as provisions (presented with other liabilities). However, for contracts that include both a loan and an undrawn commitment and that the Bank cannot separately identify the expected credit losses on the undrawn commitment component from those on the loan component, the expected credit losses on the undrawn commitment are recognised together with the loss allowance for the loan. To the extent that the combined expected credit losses exceed the gross carrying amount of the loan, the expected credit losses are recognised as a provision.

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and other bodies on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantees are initially recognised in the financial statements at fair value on the date the guarantee was given. The guarantees are agreed on arm's length terms and the value of the premium agreed corresponds to the value of the guarantee obligation. No receivable for the future premiums is recognised. Financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the expected credit loss model under CIFRS 9 'Financial Instruments' and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of CIFRS 15 'Revenue from Contracts with Customers', where appropriate.

These estimates are determined based on experience of similar transactions and history of past losses, supplemented by the judgement of management. The fee income earned is recognised on a straight-line basis over the life of the guarantee.

Any increase in the liability relating to guarantees is reported in profit or loss within operating expenses.

2.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.9 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Work-in-progress is not depreciated. Depreciation of property and equipment is charged to profit or loss on a straight-line basis over the estimated useful lives of the individual assets at the following annual rates:

Depreciation rate	
Leasehold improvements	20% or shorter of lease terms
Office equipment	10% – 20%
Computer equipment	20% – 33%
Motor vehicles	20%

Depreciation on work-in-progress commences when the assets are ready for their intended use. The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Intangible assets

Intangible assets, which comprise acquired computer software licences and related costs, are stated at cost less accumulated amortisation and impairment loss. Acquired computer software licences are capitalised based on the cost incurred to acquire the specific software and bring it into use. These costs are amortised over three years using the straight-line method, except for license of core banking system which has useful lives of ten years.

Work-in-progress is not depreciated. Costs associated with maintaining intangible assets are recognised as an expense when incurred.

2.11 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. 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 of disposal and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Any impairment loss is charged to profit or loss in the period in which it arises. Reversal of impairment losses is recognised in profit or loss 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, had no impairment loss been recognised.

2.12 Leases

The Bank as a lessee

As inception of contract, the Bank assesses whether the 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.

Contracts may contain both lease and non-lease components. The Bank allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different term and conditions. The lease agreements do not impose any covenants other than the security interests in the lease assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use.

Assets and liabilities arising from a lease are initially measured on a present value basis.

i) Lease liabilities

Lease liabilities include the net present value of the lease payments from fixed payments (including in-substance fixed payments), less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Bank, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Bank where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

Lease payments are allocated between principal and interest expense. The interest expense was charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

ii) Right-of-use assets

Right-of-use assets are measured at cost comprising the following:

- the amount the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct cost, and
- restoration cost, if any

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Bank is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Subsequently the right-of-use asset is measured at cost less depreciation and any accumulated impairment losses.

iii) Recognition exemptions

Payments associated with all short-term leases are charged to profit or loss on a straight-line basis over the period of the lease. Short-term leases comprise space rental for ATMs.

2.13 Income tax

The income tax expenses are the tax payable on the current's period taxable income, based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax law enacted or substantively enacted at the reporting date in the country where the Bank operates and generates taxable income.

Deferred tax is provided in full, using the liability method, providing for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates based on laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity.

Current and deferred 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 also recognised in other comprehensive income or directly in equity, respectively.

2.14 Provision

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

When 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 provision due to passage of time is recognised as interest expense.

2.15 Regulatory reserves

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

2.16 Employee benefits

i) Short-term employee benefits

Short-term employee benefits are accrued in the year in which the associated services are rendered by the employees of the Bank.

ii) Other long-term employment benefits - seniority payments

In June 2018, the Cambodian government amended the Labour Law introducing the seniority pay scheme. Subsequently on 21 September 2018, Prakas No. 443 K.B/Br.K.Kh.L, was issued providing guidelines on the implementation of the law. In accordance with the law/Prakas, each entity is required to pay each employee with unspecified duration employment contract the following seniority scheme:

- Annual service - effective January 2019, 15 days of their average monthly salary and benefits each year payable every six month on 30 June and 31 December (7.5 days each payment).
- Past years of seniority service - 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 Company. The past seniority payment depends on each staff past services and shall not exceed six months of average gross 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 annual service pay 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 Bank.

The past years of seniority service is classified as long-term employee benefits. Past seniority liability is recognised at the present value of defined obligations at the reporting period using the projected unit credit method to better estimate the ultimate cost to the Bank that employees have earned in return for their service in the current and prior period. That obligation arises as employees render the services that the Bank expected to pay in the future reporting periods. The present value of the past seniority payment is determined by discounting the estimated future payments by references to the high-quality corporate bond of the currency that the liability is denominated.

iii) Other employment benefits – staff pension fund

The Bank established a staff pension fund for the benefit of all permanent employees. Both the employees and the employer contribute 5% each of the employee's monthly salary. Staff who have been working for three years or less will receive only their accumulated contributions upon resignation or retirement. After three years, they will receive both their and the Bank's contributions.

The fund is maintained in separate bank accounts for each individual staff but under the control of the Bank. The Bank provides interest on the fund for both contributions from the Bank and staff at a 12-month fixed deposit rate. The contribution expense (5% from the Bank) is recognised in profit or loss on a monthly basis.

2.17 Interest income and expense

Interest income and expense from financial instruments at amortised cost are recognised within "interest income" and "interest expense" respectively in profit or loss using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instruments or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Bank takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest rate, but not future credit losses.

Interest income is calculated by applying effective interest rate to the gross carrying amount of a financial asset except for:

- Purchased or originated credit-impaired financial assets ("POCI"), for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial assets.
- Financial assets that are not POCI but have subsequently become credit-impaired (or "stage 3"), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss provision).

2.18 Fee and commission income

Fees and commissions are recognised as income when all conditions precedent is fulfilled (performance obligations are satisfied and control is transferred over time or point in time).

Commitment fees for loans, advances and financing that are likely to be drawn down are deferred (together with related direct costs) and income which forms an integral part of the effective interest rate of a financial instrument is recognised as an adjustment to the effective interest rate on the financial instrument.

3. CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

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 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:

i) Expected credit loss allowance on financial assets at amortised cost

The expected credit loss allowance 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
- applying a non-mechanistic approach to ECL by considering additional qualitative criteria for SICR on restructured loans due to COVID-19 and determining percentages for probability-weighted scenarios reflecting the most recent economic conditions due to COVID-19, which the existing ECL model was not built for.

ii) Other long-term employee benefits - seniority payments

The present value of the seniority payment obligations depends on a number of factors that are determined on a basis using a number of assumptions. The assumptions used in determining the ultimate cost for seniority payment include the staff turnover and discount rate. Any changes in these assumptions will impact the carrying amount of seniority payment obligations.

iii) Lease terms

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4. CASH ON HAND

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
US Dollars	86,079,082	348,189,887	57,388,870	233,859,645
Khmer Riel	3,372,448	13,641,552	2,516,443	10,254,505
	89,451,530	361,831,439	59,905,313	244,114,150

5. DEPOSITS & PLACEMENTS WITH THE CENTRAL BANK

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
Current accounts	136,201,126	550,933,555	107,569,029	438,343,793
Settlement accounts	448,143	1,812,738	1,460,296	5,950,707
Negotiable certificate of deposits (i)	75,346,430	304,776,309	90,626,725	369,303,904
Total Current	211,995,699	857,522,602	199,656,050	813,598,404
	211,995,699	857,522,602	199,656,050	813,598,404

- i) The Bank has pledged negotiable certificate of deposits (NCDs) amounting to US\$9,752,324 (31 December 2019: US\$11,730,000) with the central bank as collateral for settlement clearing facilities. Another NCDs amounting to US\$65,594,106 (31 December 2019: US\$78,700,000) with the central bank are pledged as collateral for borrowing on Liquidity Providing Collateralized Operation (LPCO) (Note 16). As at 31 December 2020, the Bank had yet utilised the overdraft on settlement clearing facilities.

Annual interest rates:

Annual interest rates on deposits and placements with the central bank are as follows:

	2020	2019
Current accounts	0%	0%
Settlement accounts	0%	0%
NCDs	0.07% - 1.09%	0.28% - 1.09%

6. DEPOSITS & PLACEMENTS WITH OTHER BANKS**(a) By residency status**

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Deposits and placements with local banks	35,210,353	142,425,878	1,810,318	7,377,046
Deposits and placements with overseas banks	30,817,950	124,658,608	12,582,936	51,275,464
	66,028,303	267,084,486	14,393,254	58,652,510
Less: Allowance for expected credit loss	(13,434)	(54,341)	(3,757)	(15,310)
	66,014,869	267,030,145	14,389,497	58,637,200

(b) By account types

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Deposits And Placements With Local Banks:</i>				
Fixed deposits	32,627,317	131,977,497	-	-
Savings accounts	2,012,324	8,139,851	1,003,461	4,089,104
Current accounts	570,712	2,308,530	806,857	3,287,942
Less: Allowance for expected credit loss	(7,121)	(28,805)	(473)	(1,927)
Total balances with local banks	35,203,232	142,397,073	1,809,845	7,375,119
<i>Deposits and placements with overseas banks:</i>				
Fixed deposits	24,024,537	97,179,252	6,220,352	25,347,934
Current accounts	6,793,413	27,479,356	6,362,584	25,927,530
Less: Allowance for expected credit loss	(6,313)	(25,536)	(3,284)	(13,383)
Total balances with overseas banks	30,811,637	124,633,072	12,579,652	51,262,081
	66,014,869	267,030,145	14,389,497	58,637,200

(c) By maturity

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Current	66,014,869	267,030,145	14,389,497	58,637,200
	66,014,869	267,030,145	14,389,497	58,637,200

Annual interest rates on deposits and placements with other banks are as follows:

	2020	2019
Current Accounts	0.00% - 0.35%	0.00% - 0.80%
Savings Accounts	1.25% - 2.25%	1.25%
Fixed Deposits	0.05% - 2.00%	1.20% - 2.45%

7. LOANS & ADVANCES AT AMORTISED COST

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Long-term loans	444,678,686	1,798,725,285	342,532,354	1,395,819,343
Mortgage loans	233,610,563	944,954,727	217,619,511	886,799,507
Overdrafts	83,261,172	336,791,441	64,280,921	261,944,753
Trust receipts	76,236,774	308,377,751	58,715,620	239,266,152
Credit revolving loans	4,284,198	17,329,581	4,683,334	19,084,586
Personal loans	2,998,092	12,127,282	3,303,905	13,463,413
Auto loans	3,592,242	14,530,619	2,157,398	8,791,397
Credit cards	905,954	3,664,584	1,698,605	6,921,815
Short-term loans	1,079,376	4,366,075	691,296	2,817,031
Total gross loans	850,647,057	3,440,867,345	695,682,944	2,834,907,997
Less: Allowance for expected credit loss (Note 34.1 (f) (ii))	(3,606,851)	(14,589,712)	(1,919,038)	(7,820,080)
Total net loans	847,040,206	3,426,277,633	693,763,906	2,827,087,917

a) Allowance for expected credit loss

Movements for provision for loan losses are as follows

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
12-month ECL (Stage 1)	2,658,124	10,752,112	1,680,521	6,848,123
Lifetime ECL - not credit impaired (Stage 2)	21,853	88,395	26,237	106,916
Lifetime ECL - credit impaired (Stage 3)	926,874	3,749,205	212,280	865,041
	3,606,851	14,589,712	1,919,038	7,820,080

b) By industry

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Mortgage	234,388,062	948,099,711	219,057,754	892,660,348
Wholesale and retail	153,642,885	621,485,470	114,180,293	465,284,694
Import and export	143,980,735	582,402,073	105,499,154	429,909,053
Financial institutions	64,955,642	262,745,572	35,223,377	143,535,261
Manufacturing	54,681,763	221,187,731	51,250,117	208,844,227
Construction	54,573,148	220,748,384	32,484,701	132,375,157
Other non-financial services	45,633,606	184,587,936	37,452,908	152,620,600
Finance, insurance, real estate and business services	41,816,435	169,147,480	39,319,462	160,226,808
Transport, storage and communications	22,633,356	91,551,925	22,876,732	93,222,683
Electricity, gas and water	6,982,130	28,242,716	7,811,977	31,833,806
Others	27,359,295	110,668,347	30,526,469	124,395,360
Total gross loans	850,647,057	3,440,867,345	695,682,944	2,834,907,997

c) Analysis by loan classification

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Performing</i>				
Gross amount	844,846,309	3,417,403,319	692,902,144	2,823,576,237
Exposure at default	898,940,967	3,636,216,212	739,852,603	3,014,899,357
Allowance for expected credit loss	2,658,124	10,752,112	1,680,521	6,848,123
<i>Under-performing</i>				
Gross amount	1,364,335	5,518,735	1,614,915	6,580,779
Exposure at default	2,558,450	10,348,930	2,016,207	8,216,044
Allowance for expected credit loss	21,853	88,395	26,237	106,916
<i>Non-performing</i>				
Gross amount	4,436,413	17,945,291	1,165,885	4,750,981
Exposure at default	7,620,903	30,826,553	1,681,659	6,852,760
Allowance for expected credit loss	926,874	3,749,205	212,280	865,041
Total				
Gross amount	850,647,057	3,440,867,345	695,682,944	2,834,907,997
Exposure at default	909,120,320	3,677,391,695	743,550,469	3,029,968,161
Allowance for expected credit loss	3,606,851	14,589,712	1,919,038	7,820,080

d) By maturity

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Not later than 1 year	173,772,360	702,909,196	143,394,230	584,331,487
Later than 1 year and no later than 3 years	75,155,013	304,002,028	68,918,903	280,844,530
Later than 3 years and no later than 5 years	175,127,041	708,388,881	148,412,602	604,781,353
Later than 5 years	426,592,643	1,725,567,240	334,957,209	1,364,950,627
Total gross loans	850,647,057	3,440,867,345	695,682,944	2,834,907,997

e) By exposure

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Non-large exposure	790,485,758	3,197,514,891	592,401,446	2,414,035,893
Large exposure	60,161,299	243,352,454	103,281,498	420,872,104
Total gross loans	850,647,057	3,440,867,345	695,682,944	2,834,907,997

Large exposure is defined by the central bank as overall credit exposure to any individual beneficiary which exceeds 10% of the Bank's net worth.

f) By relationship

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Related parties	1,778,468	7,193,903	874,709	3,564,439
Non-related parties	848,868,589	3,433,673,442	694,808,235	2,831,343,558
Total gross loans	850,647,057	3,440,867,345	695,682,944	2,834,907,997

g) By residency

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Residents	850,641,915	3,440,846,546	695,560,517	2,834,409,107
Non-residents	5,142	20,799	122,427	498,890
Total gross loans	850,647,057	3,440,867,345	695,682,944	2,834,907,997

h) By interest rate

	2020	2019
Long-term loans	2.00% - 18.00%	6.30% - 18.00%
Mortgage loans	3.50% - 11.00%	3.50% - 11.00%
Overdrafts	6.00% - 11.00%	5.00% - 10.00%
Trust receipts	6.00% - 8.00%	6.00% - 8.75%
Credit revolving loans	6.50% - 8.00%	7.00% - 7.20%
Personal loans	8.00% - 24.00%	8.00% - 24.00%
Auto loans	6.50% - 18.00%	6.50% - 18.00%
Credit cards	18.00%	18.00%

8. STATUTORY DEPOSITS WITH THE CENTRAL BANK

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
Reserve requirement (i)	69,732,667	282,068,638	107,026,184	436,131,700
<i>Non-current</i>				
Capital guarantee deposit (ii)	7,500,000	30,337,500	7,500,000	30,562,500
	77,232,667	312,406,138	114,526,184	466,694,200

(i) Reserve requirement

Pursuant to NBC's Prakas No. B7-020-230 dated 18 March 2020, the minimum reserve requirement of 7% becomes effective from 18 March 2020 in which it was 8% and 12.50% for Khmer Riel (KHR) and other currencies prior to the change. The reserve requirement on customers' deposits and borrowings bear no interest.

(ii) Capital guarantee deposit

Pursuant to Prakas No. B7-01-136 on bank capital guarantees, dated 15 October 2001, issued by the central bank, the Bank is required to maintain 10% of its registered capital as a statutory deposit with the central bank. The deposit, which is not available for use in the Bank's day-to-day operations, is refundable should the Bank voluntarily cease its operations in Cambodia.

Annual interest rates:

	2020	2019
Capital guarantee deposit	0.09% - 0.48%	0.48% - 3.00%
Reserve requirement	0%	0%

9. LEASES

This note provides information for leases where the Bank is a lessee.

The Bank leases various buildings for its head office and branch operation. Rental contracts are typically made for fixed periods of two years to ten years. The lease has varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

a) Amounts recognised in the statement of financial position

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Right-of-use assets (non-current)</i>				
Buildings	4,960,357	20,064,644	5,294,609	21,575,532
	4,960,357	20,064,644	5,294,609	21,575,532
<i>Lease liabilities</i>				
current	1,247,316	5,045,393	1,187,195	4,837,820
Non-current	4,134,282	16,723,171	4,448,817	18,128,929
	5,381,598	21,768,564	5,636,012	22,966,749

There was no addition to the right-of-use assets during the 2020 financial year (2019: Nil).

b) Amounts recognised in the statement of profit or loss

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Depreciation charge of Right-of-use assets</i>				
Buildings	1,322,613	5,392,293	1,179,779	4,780,465
Depreciation charge (Note 27)	1,322,613	5,392,293	1,179,779	4,780,465
<i>Interest expense On lease liabilities</i>				
Buildings	236,788	965,385	228,327	925,181
Interest expense (Note 23)	236,788	965,385	228,327	925,181
<i>Expense relating to short-term leases (Included in other operating expenses) (Note 28)</i>				
	212,874	867,887	247,457	1,002,696
Total expenses Related to leases	1,772,275	7,225,565	1,655,563	6,708,342

Total cash outflow for lease for 2020 was US\$1,479,562 (2019: US\$1,345,020).

10. PROPERTY & EQUIPMENT

Non-current	Leasehold Improvements US\$	Office equipment US\$	Computer equipment US\$	Motor vehicles US\$	Work In Progress US\$	Total US\$
As at 1 January 2019						
Cost	5,723,949	1,303,442	2,860,525	1,096,520	489,911	11,474,347
Accumulated depreciation	(4,500,479)	(1,006,199)	(2,568,106)	(616,606)	-	(8,691,390)
Net book value	1,223,470	297,243	292,419	479,914	489,911	2,782,957
In KHR'000 equivalents	4,915,902	1,194,322	1,174,940	1,928,294	1,968,463	11,181,921
For the year ended 31 December 2019						
Opening net book value	1,223,470	297,243	292,419	479,914	489,911	2,782,957
Additions	-	114,054	80,398	143,884	699,046	1,037,382
Transfers	118,885	7,167	32,923	-	(158,975)	-
Depreciation charge	(434,654)	(105,832)	(175,370)	(157,199)	-	(873,055)
Closing net book value	907,701	312,632	230,370	466,599	1,029,982	2,947,284
As at 31 December 2019						
Cost	5,842,834	1,424,663	2,973,846	1,193,064	1,029,982	12,464,389
Accumulated depreciation	(4,935,133)	(1,112,031)	(2,743,476)	(726,465)	-	(9,517,105)
Net book value	907,701	312,632	230,370	466,599	1,029,982	2,947,284
In KHR'000 equivalent	3,698,882	1,273,975	938,758	1,901,391	4,197,176	12,010,182
As at 1 January 2020						
Cost	5,842,834	1,424,663	2,973,846	1,193,064	1,029,982	12,464,389
Accumulated depreciation	(4,935,133)	(1,112,031)	(2,743,476)	(726,465)	-	(9,517,105)
Net book value	907,701	312,632	230,370	466,599	1,029,982	2,947,284
In KHR'000 equivalents	3,698,882	1,273,975	938,758	1,901,391	4,197,176	12,010,182
For the year ended 31 December 2020						
Opening net book value	907,701	312,632	230,370	466,599	1,029,982	2,947,284
Additions	466,481	192,899	473,616	96,300	1,422,213	2,651,509
Transfers	1,303,030	-	-	-	(1,303,030)	-
Depreciation charge	(476,516)	(108,040)	(178,296)	(178,831)	-	(941,683)
Closing net book value	2,200,696	397,491	525,690	384,068	1,149,165	4,657,110
As at 31 December 2020						
Cost	7,612,345	1,617,562	3,447,462	1,172,629	1,149,165	14,999,163
Accumulated depreciation	(5,411,649)	(1,220,071)	(2,921,772)	(788,561)	-	(10,342,053)
Net book value	2,200,696	397,491	525,690	384,068	1,149,165	4,657,110
In KHR'000 equivalent	8,901,815	1,607,851	2,126,416	1,553,555	4,648,373	18,838,010

11. INTANGIBLE ASSETS

Non-current	Computer software US\$	Work in progress US\$	Total US\$
As at 1 January 2019			
Cost	3,622,779	227,869	3,850,648
Accumulated amortisation	(3,233,672)	-	(3,233,672)
Net book value	389,107	227,869	616,976
In KHR'000 equivalents	1,563,432	915,578	2,479,010
For the year ended 31 December 2019			
Opening net book value	389,107	227,869	616,976
Additions	-	864,207	864,207
Transfers	13,965	(13,965)	-
Amortisation charge	(104,956)	-	(104,956)
Closing net book value	298,116	1,078,111	1,376,227
As at 31 December 2019			
Cost	3,636,744	1,078,111	4,714,855
Accumulated amortisation	(3,338,628)	-	(3,338,628)
Net book value	298,116	1,078,111	1,376,227
In KHR'000 equivalent	1,214,823	4,393,302	5,608,125
As at 1 January 2020			
Cost	3,636,744	1,078,111	4,714,855
Accumulated amortisation	(3,338,628)	-	(3,338,628)
Net book value	298,116	1,078,111	1,376,227
In KHR'000 equivalents	1,214,823	4,393,302	5,608,125
For the year ended 31 December 2020			
Opening net book value	298,116	1,078,111	1,376,227
Additions	127,289	567,557	694,846
Transfers	318,022	(318,022)	-
Amortisation charge	(166,604)	-	(166,604)
Closing net book value	576,823	1,327,646	1,904,469
As at 31 December 2020			
Cost	4,082,055	1,327,646	5,409,701
Accumulated amortisation	(3,505,232)	-	(3,505,232)
Net book value	576,823	1,327,646	1,904,469
In KHR'000 equivalent	2,333,249	5,370,328	7,703,577

12. DEFERRED TAX ASSETS

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Deferred tax assets	3,186,597	12,889,785	3,065,988	12,493,901
Deferred tax liabilities	(1,077,439)	(4,358,241)	(1,140,888)	(4,649,119)
Net deferred tax assets - non-current	2,109,158	8,531,544	1,925,100	7,844,782

The movement of net deferred tax assets during the year as follows:

	US\$	KHR'000	US\$	KHR'000
At 1 January	1,925,100	7,844,782	1,451,668	5,832,802
Credited to profit or loss (Note 29 (b))	184,058	750,404	473,432	1,918,346
Currency translation differences	-	(63,642)	-	93,634
At 31 December	2,109,158	8,531,544	1,925,100	7,844,782

(i) Movement for deferred tax assets

	Impairment loss US\$	Unamortised loan fees US\$	Lease Liabilities US\$	Seniority Payments US\$	Pension Fund US\$	Accelerated depreciation and amortisation US\$	Other Accruals US\$	Total US\$
2019								
At 1 January 2019	96,317	345,379	1,143,243	27,968	297,502	635,423	73,592	2,619,424
Credited/(charged) to profit or loss	135,484	209,001	(16,041)	-	89,606	32,593	(4,079)	446,564
At 31 December 2019	231,801	554,380	1,127,202	27,968	387,108	668,016	69,513	3,065,988
KHR'000 equivalent	944,589	2,259,099	4,593,348	113,970	1,577,465	2,722,165	283,265	12,493,901
2020								
At 1 January 2020	231,801	554,380	1,127,202	27,968	387,108	668,016	69,513	3,065,988
Credited/(charged) to profit or loss	305,561	34,718	(50,882)	-	(143,413)	(28,375)	3,000	120,609
At 31 December 2020	537,362	589,098	1,076,320	27,968	243,695	639,641	72,513	3,186,597
KHR'000 equivalent	2,173,629	2,382,901	4,353,715	113,131	985,746	2,587,348	293,315	12,889,785

(ii) Movement of deferred tax liabilities

	Right-of-use assets US\$	Unrealised foreign exchange gain - net US\$	Total US\$
2019			
At 1 January 2019	(1,087,580)	(80,176)	(1,167,756)
Credited/(charged) to profit or loss	28,658	(1,790)	26,868
At 31 December 2019	(1,058,922)	(81,966)	(1,140,888)
KHR'000 equivalent	(4,315,107)	(334,012)	(4,649,119)
2020			
At 1 January 2020	(1,058,922)	(81,966)	(1,140,888)
Credited/(charged) to profit or loss	66,851	(3,402)	63,449
At 31 December 2020	(992,071)	(85,368)	(1,077,439)
KHR'000 equivalent	(4,012,927)	(345,314)	(4,358,241)

13. OTHER ASSETS

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Advanced employee benefits	3,122,564	12,630,771	2,984,512	12,161,886
Deposits	670,545	2,712,355	670,003	2,730,262
Prepayments	105,361	426,185	52,224	1,842,813
Outstanding inward transactions	57,822	233,890	500,344	2,038,902
Amounts due from immediate parent	43,182	174,671	89,708	365,560
Others	200,638	811,581	176,449	719,030
	4,200,112	16,989,453	4,873,240	19,858,453

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Current	592,988	2,398,636	1,209,223	4,927,584
Non-current	3,607,124	14,590,817	3,664,017	14,930,869
	4,200,112	16,989,453	4,873,240	19,858,453

14. DEPOSITS FROM BANKS

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Fixed deposits	128,543,832	519,959,800	36,670,823	149,433,604
Current accounts	6,957,350	28,142,481	5,308,116	21,630,573
Savings accounts	-	-	7	28
	135,501,182	548,102,281	41,978,946	171,064,205

a) By maturity

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Current	135,501,182	548,102,281	41,978,946	171,064,205
	135,501,182	548,102,281	41,978,946	171,064,205

b) By interest rate

	2020	2019
Fixed deposits	1.10% - 4.20%	2.05% - 4.50%
Current accounts	0.00% - 1.20%	0.00% - 0.75%
Savings accounts	0.50%	0.50%

c) By residency status

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Cambodia	115,368,927	466,667,310	41,868,996	170,616,159
Oversea	20,132,255	81,434,971	109,950	448,046
	135,501,182	548,102,281	41,978,946	171,064,205

d) By relationship

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Related parties	20,120,002	81,385,408	109,950	448,046
Non-related parties	115,381,180	466,716,873	41,868,996	170,616,159
	135,501,182	548,102,281	41,978,946	171,064,205

15. DEPOSITS FROM CUSTOMERS

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Fixed deposits	470,876,338	1,904,694,788	382,524,158	1,558,785,943
Current accounts	370,712,671	1,499,532,754	340,616,888	1,388,013,819
Savings accounts	54,309,849	219,683,339	67,642,168	275,641,835
	895,898,858	3,623,910,881	790,783,214	3,222,441,597

a) By maturity

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Current	1895,898,858	3,623,910,881	790,783,214	3,222,441,597
	895,898,858	3,623,910,881	790,783,214	3,222,441,597

b) By interest rate

	2020	2019
Fixed deposits	1.00% to 6.40%	0.50% to 6.00%
Current accounts	0.00% to 2.00%	0.00% to 2.00%
Savings accounts	0.00% to 1.68%	0.00% to 1.68%

c) By residency status

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Cambodia	854,050,855	3,454,635,709	790,783,214	3,222,441,597
Overseas	41,848,003	169,275,172	-	-
	895,898,858	3,623,910,881	790,783,214	3,222,441,597

d) By relationship

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Related parties	1,012,135	4,094,086	450,312	1,835,021
Non-related parties	894,886,723	3,619,816,795	790,332,902	3,220,606,576
	895,898,858	3,623,910,881	790,783,214	3,222,441,597

16. BORROWINGS

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
Liquidity-providing collateralized operation (i)	63,567,745	257,131,529	74,477,460	303,495,650
Small and medium loans (ii)	141,718	573,249	-	-
	63,709,463	257,704,778	74,477,460	303,495,650
<i>Non-current</i>				
Small and medium loans (ii)	543,865	2,199,934	-	-
Total borrowings	64,253,328	259,904,712	74,477,460	303,495,650

- (i) The Bank obtained borrowings under a form of liquidity-providing collateralized operation (LPCO) from the National Bank of Cambodia with a maturity of less than 12 months. The Bank used Negotiable Certificate of Deposits as the collateral (Note 5).
- (ii) The Bank entered into a borrowing agreement with Small and Medium Enterprise Bank of Cambodia Plc. ("SME Bank") on 31 March 2020. The borrowing bears an interest rate of 2% per annum and it is payable for a period of seven years with a monthly repayment for both interest and principal.

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Principal amount	63,182,493	255,573,184	73,865,031	301,000,001
Interest payables	1,070,835	4,331,528	612,429	2,495,649
	64,253,328	259,904,712	74,477,460	303,495,650

Changes in liabilities arising from financing activities – borrowings

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Principal amount</i>				
At 1 January	73,865,031	301,000,001	10,159,283	40,819,999
Additions	170,351,811	694,524,333	128,053,988	518,874,759
Repayments	(181,034,349)	(738,077,041)	(64,348,240)	(260,739,068)
Currency translation differences	-	(1,874,109)	-	2,044,311
At 31 December	63,182,493	255,573,184	73,865,031	301,000,001
<i>Interest payables</i>				
At 1 January	612,429	2,495,649	79,175	318,125
Charges during the year	2,738,855	11,166,312	1,395,755	5,655,599
Interest payments	(2,280,449)	(9,297,391)	(862,501)	(3,494,854)
Currency translation differences	-	(33,042)	-	16,779
At 31 December	1,070,835	4,331,528	612,429	2,495,649

Annual interest rate for borrowings are as follows

	2020	2019
Liquidity-providing collateralized operation	2.10% - 4.50%	2.60% - 3.55%
Small and medium loans	2.00%	-

17. SUBORDINATED DEBTS

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Immediate parent (Note 33 (e))				
Principal amount – non-current	47,000,000	190,115,000	37,000,000	150,775,000
Interest payables – current	411,000	1,662,495	316,479	1,289,652
Total subordinated debts	47,411,000	191,777,495	37,316,479	152,064,652

The Bank has entered into four subordinated debt agreements with CIMB Bank Berhad, the shareholder. Each subordinated debt has a maturity of ten years. Those subordinated debts will be payable at the maturity date and bear interest rates ranging from 3.00% - 4.50% per annum. The interest will be paid every six months. The subordinated debts were also approved by National Bank of Cambodia for the purpose of Tier 2 capital computation.

Changes in liabilities arising from financing activities – subordinated debts

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Principal amount</i>				
At 1 January	37,000,000	150,775,000	7,000,000	28,126,000
Additions	10,000,000	40,770,000	30,000,000	121,560,000
Currency translation differences	-	(1,430,000)	-	1,089,000
At 31 December	47,000,000	190,115,000	37,000,000	150,775,000
<i>Interest payables</i>				
At 1 January	316,479	1,289,652	68,466	275,096
Charges during the year	1,757,655	7,165,959	910,307	3,688,564
Withholding tax on interest expense	(196,932)	(802,892)	(112,020)	(453,905)
Interest payment	(1,466,202)	(5,977,706)	(550,274)	(2,229,710)
Currency translation differences	-	(12,518)	-	9,607
At 31 December	411,000	1,662,495	316,479	1,289,652

18. EMPLOYEE BENEFITS

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Non-current</i>				
Staff pension fund	2,436,949	9,857,459	1,935,541	7,887,330
Seniority payments	139,838	565,644	139,838	569,839
	2,576,787	10,423,103	2,075,379	8,457,169

Other long-term employment benefits - staff pension fund

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Non-current</i>				
At the beginning of the year	1,935,541	7,887,330	1,487,510	5,976,815
Additions during the year:				
- bank's contribution	313,011	1,276,146	277,554	1,124,649
- Employees' Contribution	313,011	1,276,146	277,554	1,124,649
- Interest	86,922	354,381	68,090	275,901
Staff pension fund paid	(203,973)	(831,598)	(153,749)	(622,991)
Adjustment	(7,563)	(30,834)	(21,418)	(86,786)
Currency translation difference	-	(74,112)	-	95,093
At the end of the year	2,436,949	9,857,459	1,935,541	7,887,330

Other long-term employment benefits - seniority payments

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Non-current</i>				
At the beginning of the year	139,838	569,839	139,838	561,869
Currency translation difference	-	(4,195)	-	7,970
At the end of the year	139,838	565,644	139,838	569,839

19. OTHER LIABILITIES

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Banker's cheque and other collection accounts	5,824,841	23,561,482	19,401,893	79,062,714
Outstanding outward transactions	3,929,634	15,895,370	803,569	3,274,544
Accrued bonus payable	2,128,937	8,611,550	2,354,518	9,594,661
Amount due to suppliers	1,739,177	7,034,971	1,233,959	5,028,383
Accrued tax payable	192,093	777,016	194,318	791,846
Accrued annual leave	190,564	770,831	190,564	776,548
Impairment loss for ECL on credit commitment and financial guarantee contracts	65,611	265,396	161,394	657,681
Others	2,046,962	8,279,962	1,302,858	5,309,144
	16,117,819	65,196,578	25,643,073	104,495,521

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Current	15,755,255	63,730,006	25,302,509	103,107,724
Non-current	362,564	1,466,572	340,564	1,387,797
Total other liabilities	16,117,819	65,196,578	25,643,073	104,495,521

Loss allowance for ECL on credit commitments and financial guarantee contracts

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
At the beginning of the year	161,394	657,681	155,314	624,052
(Credited)/charged to profit or loss	(95,783)	(390,507)	6,080	24,636
Currency translation differences	-	(1,778)	-	8,993
At the end of the year	65,611	265,396	161,394	657,681

20. SHARE CAPITAL

The registered capital of the Bank as at 31 December 2020 is 75 million shares (31 December 2019: 75 million shares) at a par value of US\$1 per share. All authorised shares are fully paid.

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Issued and fully paid:</i>				
At the beginning of the year	75,000,000	305,625,000	75,000,000	301,350,000
Currency translation differences	-	(2,250,000)	-	4,275,000
At the end of the year	75,000,000	303,375,000	75,000,000	305,625,000

21. CAPITAL RESERVES

The Bank transferred its retained earnings of US\$17,500,000 to capital reserves on 10 March 2020 to comply with the maximum 20% cap of retained earnings compared with total Tier 1 (core capital) as per Prakas No. B7-010-182 for Net Worth. This transfer was approved by the Board of Directors and National Bank of Cambodia on 15 January 2020 and 10 March 2020 respectively.

22. REGULATORY RESERVES

As in Note 2.15, the accumulated regulatory provision based on CAS and 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.

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Regulatory provision based on cas and Nbc's guidelines	11,195,199	45,284,580	9,329,113	38,016,135
Allowance for expected credit loss based on cifs 9	(3,685,896)	(14,909,449)	(2,084,189)	(8,493,070)
Other reserves	-	(9,281)	-	(235,088)
Regulatory reserves transferred from retained earnings	7,509,303	30,365,850	7,244,924	29,287,977

The movement on regulatory reserves are as follows:

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
At the beginning of the year	7,244,924	29,287,977	5,891,716	23,804,778
Additional transfer to regulatory reserves during the year	264,379	1,077,873	1,353,208	5,483,199
At the end of the year	7,509,303	30,365,850	7,244,924	29,287,977

23. NET INTEREST INCOME

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Interest income from financial assets at amortised cost:</i>				
Loans and advances	57,548,682	234,625,976	47,048,953	190,642,358
Deposits and placements with the central bank	456,365	1,860,600	541,941	2,195,945
Deposits and placements with other banks				
- Local banks	244,400	996,419	479,680	1,943,663
- Overseas banks	109,842	447,826	832,912	3,374,959
Total interest income	58,359,289	237,930,821	48,903,486	198,156,925
<i>Interest expense on financial liabilities at amortised cost:</i>				
Fixed deposits	13,429,230	54,750,971	10,734,327	43,495,493
Current accounts	2,264,460	9,232,203	2,799,826	11,344,895
Savings accounts	347,211	1,415,579	358,604	1,453,063
Borrowings	3,039,702	12,392,865	1,395,755	5,655,599
Subordinated debts	1,954,608	7,968,937	910,307	3,688,564
Lease liabilities	236,788	965,385	228,327	925,181
Staff pension fund	86,922	354,381	68,090	275,901
Total interest expense	21,358,921	87,080,321	16,495,236	66,838,696
Net interest income	37,000,368	150,850,500	32,408,250	131,318,229

24. NET FEE & COMMISSION INCOME

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Fee and commission income:</i>				
Remittance fees	3,067,836	12,507,567	2,737,338	11,091,694
Trade finance fees	1,683,741	6,864,612	1,609,010	6,519,709
Loan commitment fees	602,630	2,456,923	500,820	2,029,323
Early settlement charge	484,826	1,976,636	533,308	2,160,964
Fees for telex, fax and phone	309,656	1,262,468	287,176	1,163,637
Miscellaneous loan fees and charges	298,333	1,216,304	213,553	865,317
Service charge	144,787	590,297	255,405	1,034,901
ATM and credit cards annual fee, advances, and late charges	133,903	545,923	127,160	515,252
Administration fee	59,659	243,230	177,767	720,312
Others	336,318	1,371,166	454,644	1,842,216
Total fee and commission income	7,121,689	29,035,126	6,896,181	27,943,325
Fee and commission expense	(1,044,000)	(4,256,388)	(1,387,595)	(5,622,535)
Net fee and commission income	6,077,689	24,778,738	5,508,586	22,320,790

25. CREDIT IMPAIRMENT LOSSES

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Expected credit loss (ECL):</i>				
Loans and advances	1,685,505	6,871,804	654,383	2,651,560
Deposits and placements with other banks	9,592	39,107	(5,220)	(21,151)
Credit commitments and financial guarantee contracts	(95,792)	(390,545)	6,080	24,636
	1,599,305	6,520,366	655,243	2,655,045

26. PERSONNEL EXPENSES

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Salaries and wages	6,497,243	26,489,260	5,751,027	23,303,161
Bonuses and incentives	1,985,612	8,095,340	2,393,318	9,697,725
Seniority payments	496,419	2,023,900	408,169	1,653,901
Staff pension fund expense	287,645	1,172,729	277,554	1,124,649
Allowances	249,776	1,018,337	101,948	413,093
Other employee benefits	211,653	862,909	158,339	641,590
Staff loans benefits	162,590	662,879	131,172	531,509
Employee training expenses	26,009	106,039	83,088	336,673
Annual leaves	-	-	95,426	386,666
Others	53,132	216,619	1,921	7,783
	9,970,079	40,648,012	9,401,962	38,096,750

27. DEPRECIATION & AMORTISATION CHARGES

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Depreciation of right-of-use assets (Note 9)	1,322,613	5,392,293	1,179,779	4,780,465
Depreciation of property and equipment (Note 10)	941,683	3,839,242	873,055	3,537,619
Amortisation of intangible assets (Note 11)	166,604	679,244	104,956	425,281
	2,430,900	9,910,779	2,157,790	8,743,365

28. OTHER OPERATING EXPENSES

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Repairs and maintenance	864,521	3,524,652	684,938	2,775,369
Security expense	376,619	1,535,476	315,799	1,279,618
Utilities	337,075	1,374,255	282,446	1,144,471
License fee expenses	300,413	1,224,784	315,605	1,278,831
Advertising and public relations	281,829	1,149,017	499,903	2,025,607
Communication expenses	233,317	951,233	245,134	993,283
Rental expenses	212,874	867,887	247,457	1,002,696
Office supplies	208,071	848,305	170,008	688,872
Legal and professional fees	173,512	707,408	140,935	571,069
Expenses for motor vehicles	151,247	616,634	113,093	458,253
Insurance expenses	130,736	533,011	113,906	461,547
Director's fee	112,677	459,384	96,164	389,657
Travelling and accommodation	54,165	220,831	170,677	691,583
Furniture and fixtures	28,567	116,468	96,399	390,609
Other expenses	252,158	1,028,048	505,377	2,047,787
	3,717,781	15,157,393	3,997,841	16,199,252

29. INCOME TAX

a) Current income tax liabilities

The movements of the Bank's income tax liabilities are as follows:

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
At the beginning of the year	4,544,548	18,519,033	3,192,761	12,828,514
Income tax expense	5,787,010	23,593,640	5,123,153	20,759,015
Income tax paid	(5,262,766)	(21,456,297)	(3,771,366)	(15,281,575)
Adjustments for current tax of prior period	53,583	218,457	-	-
Currency translation differences	-	(154,826)	-	213,079
At the end of the year	5,122,375	20,720,007	4,544,548	18,519,033

b) Income tax expense

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Current income tax	5,787,010	23,593,640	5,123,153	20,759,015
Adjustments for current tax of prior period	53,583	218,457	-	-
Total current tax expense	5,840,593	23,812,097	5,123,153	20,759,015
Deferred tax	(184,058)	(750,404)	(473,432)	(1,918,346)
Income tax expense	5,656,535	23,061,693	4,649,721	18,840,669

c) Reconciliation between accounting profit and income tax expense of the Bank are as follows:

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Profit before income tax	26,757,466	109,090,190	22,862,147	92,637,419
Cambodian tax rate at 20%	5,351,493	21,818,037	4,572,429	18,527,484
<i>Tax effects in respect of:</i>				
Expenses not deductible for tax purposes	40,809	166,379	77,292	313,185
Over-recognised of deferred tax	210,650	858,820	-	-
Adjustments for current tax of prior period	53,583	218,457	-	-
Income tax expenses	5,656,535	23,061,693	4,649,721	18,840,669

Under the Cambodian tax regulations, the Bank is subject to 20% Income Tax.

d) Other matter

Taxes are calculated on the basis of current interpretation of the tax regulations enacted as at reporting date. The management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subjected to interpretation. It establishes provisions where appropriate 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 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 taxes liabilities and balances in the period in which the determination is made.

30. CASH & CASH EQUIVALENTS

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Cash on hand	89,451,530	361,831,439	59,905,313	244,114,150
Deposits and placements with the central bank				
Current accounts	136,201,126	550,933,555	107,569,029	438,343,793
Settlement accounts	448,143	1,812,738	1,460,296	5,950,707
Deposits and placements with other banks				
Current accounts	7,364,125	29,787,886	7,169,441	29,215,472
Savings accounts	2,012,324	8,139,851	1,003,461	4,089,104
Fixed deposits with maturity three months or less	56,651,854	229,156,749	6,163,995	25,118,280
	292,129,102	1,181,662,218	183,271,535	746,831,506

31. CASH FLOWS FROM OPERATING ACTIVITIES**a) Cash generated from/(used in) operations**

	Notes	2020		2019	
		US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities					
Profit before income tax		26,757,466	109,090,190	22,862,147	92,637,419
Adjustments for:					
Depreciation and amortisation charges	27	2,430,900	9,910,779	2,157,790	8,743,365
Credit impairment losses	25	1,599,305	6,520,366	655,243	2,655,045
Gains on disposals of property and equipment		(33,664)	(137,248)	(11,453)	(46,408)
Adjustment of staff pension fund	18	(7,563)	(30,834)	(21,418)	86,786
Staff pension fund	18	626,022	2,552,292	555,108	2,249,298
Staff loans benefits	26	162,590	662,879	131,172	531,509
Annual leaves	26	-	-	95,426	386,666
Net interest income and expense	23	(37,000,368)	(150,850,500)	(32,408,250)	(131,318,229)
<i>Change in working capital:</i>					
Reserve requirement deposits		37,293,517	152,045,669	(22,359,637)	(90,601,249)
Deposits and placements with other banks - maturity more than three months		56,115	228,781	13,650	55,310
Loans and advances		(154,351,543)	(629,291,241)	(153,668,253)	(622,663,761)
Other assets		811,180	3,307,181	(1,060,430)	(4,296,862)
Deposits from banks		93,425,650	380,896,375	12,927,338	52,381,574
Deposits from customers		103,440,790	421,728,101	105,060,563	425,705,401
Other liabilities		(9,554,922)	(38,955,417)	3,849,695	15,598,964
Cash generated from/(used in) operations		65,655,475	267,677,373	(61,221,309)	(247,895,172)

b) Non-cash investing and financing activities

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Acquisition of property and equipment (*)	45,081	183,795	41,269	167,222
Acquisition of intangible assets (*)	311,148	1,268,550	189,510	767,895
	356,229	1,452,345	230,779	935,117

(*) These are payables for capital expenditure as at 31 December 2020.

Non-cash financing activities are disclosed in note 9 for acquisition of right-of-use assets.

32. COMMITMENTS AND CONTINGENCIES

a) Loan commitments, guarantees and other financial commitments

At 31 December 2020, the Bank had the contractual amounts of the Bank's off-balance sheet financial instruments that commit it to extend credit to customers as follows:

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Bank guarantees and letters of credits	224,671,916	908,797,900	169,922,650	692,434,799
Unused portion of overdrafts	67,805,436	274,272,989	58,271,819	237,457,662
Unused portion of credit cards	10,678,968	43,196,426	8,935,932	36,413,923
Term loan commitments	2,628,580	10,632,606	3,990,624	16,261,793
	305,784,900	1,236,899,921	241,121,025	982,568,177
Less: Loss allowance for ECL	(65,611)	(265,396)	(161,394)	(657,681)
Net exposure	305,719,289	1,236,634,525	240,959,631	981,910,496

b) Operating lease commitments

The Bank recognised right-of-use assets and lease liabilities for lease contracts where the Bank is a lessee, except for short-term leases, see Note 2.12. iii) and Note 9 for further information. The lease commitments of short-term leases are insignificant.

33. RELATED-PARTY DISCLOSURES

a) Related parties and relationships

The Bank is a wholly owned subsidiary of CIMB Bank Berhad, a licensed bank incorporated in Malaysia. CIMB Group Holdings Berhad, a quoted company incorporated in Malaysia, is the ultimate holding company.

Related party	Relationship
CIMB Group Holdings Berhad	Ultimate parent company
CIMB Bank Berhad	Immediate parent company
CIMB Thai Bank Public Co. Limited ("CIMB Thai")	Affiliates
PT Bank CIMB Niaga TBK ("CIMB Indonesia")	Affiliates
CIMB Bank (Singapore)	Affiliates
CIMB Bank Berhad Shanghai Branch	Affiliates
CIMB Bank (Vietnam) Limited	Affiliates
Key management personnel	Key management personnel of the Bank are all directors of the Bank who make critical decisions in relation to the strategic direction of the Bank and senior management staff (including their close family members).

b) Deposits and placements with related parties

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Parent (current accounts)	5,597,467	22,641,754	4,137,573	16,860,610
Parent's foreign bank subsidiaries and branches (current accounts)	834,337	3,374,893	2,075,975	8,459,598
Parent (fixed deposits)	15,000,021	60,675,085	56,222	229,105
	21,431,825	86,691,732	6,269,770	25,549,313
Interest income	5,951	24,262	1,601	6,487

Current accounts with parent and parent's foreign bank subsidiaries and branches bear no interest (2019: nil), except the current accounts placed with CIMB Bank Berhad Shanghai Branch bears interest rate at 0.35% per annum.

Fixed deposits with parent bear interest at rates ranging from 0.05% to 1.20% per annum (2019: 1.20% to 2.45% per annum).

c) Loans and advances at amortised cost to related parties

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Directors and key management	1,767,350	7,148,931	874,709	3,564,439
Interest income	89,306	364,101	65,154	264,004

Loans and advances to directors and key management earned annual interest at rates ranging from 3.50% to 11.00% per annum (2019: 3.50% to 11.00% per annum).

d) Deposits from related parties

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Parent's foreign bank subsidiaries and branches (current accounts)	109,920	444,626	109,950	448,046
Parent's foreign bank subsidiaries (fixed deposits)	20,010,082	80,940,782	-	-
Directors and key management (current accounts)	237,713	961,549	95,583	389,501
Directors and key management (savings accounts)	150,028	606,863	117,296	477,981
Directors and key management (fixed deposits)	624,394	2,525,674	237,433	967,539
	21,132,137	85,479,494	560,262	2,283,067
Interest expense	57,218	233,278	179,896	728,939

Annual interest rate during the year are as follows:

	2020	2019
Parent's foreign bank subsidiaries and branches (current accounts)	0.00%	0.00%
Parent's foreign bank subsidiaries (fixed deposits)	0.35% - 0.55%	-
Directors and key management (current accounts)	0.00% - 0.50%	0.00% - 0.50%
Directors and key management (savings accounts)	0.50% - 1.68%	0.50% - 1.00%
Directors and key management (fixed deposits)	2.25% - 5.25%	2.25% - 4.00%

e) Subordinated debts from related parties

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Immediate parent	47,411,000	191,777,495	37,316,479	152,064,652
Interest expense	1,954,608	7,968,937	910,307	3,688,564

Subordinated debts from immediate parent are unsecured and having annual interest at rates ranging from 3.00% to 4.50% per annum (2019: 3.00% to 4.50% per annum).

f) Amounts due from related parties

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Other assets				
Amounts due from immediate parent	43,182	174,671	89,708	365,560
	43,182	174,671	89,708	365,560

g) Key management personnel compensation

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Directors' fees	112,677	459,384	96,164	389,657
Salaries and short-term benefits	1,553,883	6,335,181	1,317,038	5,336,638
Other long-term benefits	61,719	251,628	57,014	231,021
	1,615,602	6,586,809	1,374,052	5,567,659

34. FINANCIAL RISK MANAGEMENT

The Bank embraces risk management as an integral part of the Bank's business, operations and decision-making process. In ensuring that the Bank achieves optimum returns whilst operating within a sound business environment, the risk management teams are involved at the early stage of the risk-taking process by providing independent inputs, including relevant valuations, credit evaluations, new product assessments and quantification of capital requirements. These inputs enable the business units to assess the risk-vs-reward of their propositions, thus enabling risk to be priced appropriately in relation to the return.

Generally, the objectives of the Bank's risk management activities are to:

- identify the various risk exposures and capital requirements;
- ensure risk-taking activities are consistent with risk policies and the aggregated risk position are within the risk appetite as approved by the Board; and
- create shareholders' value through sound risk management frame-work.

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Financial assets				
Financial assets at amortised costs				
Cash on hand	89,451,530	361,831,439	59,905,313	244,114,150
Deposits and placements with the central bank	211,995,699	857,522,602	199,656,050	813,598,404
Deposits and placements with other banks	66,014,869	267,030,145	14,389,497	58,637,200
Loans and advances at amortised cost	847,040,206	3,426,277,633	693,763,906	2,827,087,917
Other financial assets	891,458	3,605,948	1,358,123	5,534,351
Total financial assets	1,215,393,762	4,916,267,767	969,072,889	3,948,972,022
Financial Liabilities				
Financial liabilities at amortised cost				
Deposits from banks	135,501,182	548,102,281	41,978,946	171,064,205
Deposits from customers	895,898,858	3,623,910,881	790,783,214	3,222,441,597
Borrowings	64,253,328	259,904,712	74,477,460	303,495,650
Subordinated debts	47,411,000	191,777,495	37,316,479	152,064,652
Lease liabilities	5,381,598	21,768,564	5,636,012	22,966,749
Other financial liabilities	12,062,877	48,794,337	22,512,271	91,737,504
Total financial liabilities	1,160,508,843	4,694,258,270	972,704,382	3,963,770,357
Net financial assets/ (liabilities)	54,884,919	222,009,497	(3,631,493)	(14,798,335)

34.1 Credit risk

Credit risk is the risk of suffering financial loss, should any of the Bank's customers or market counterparties fail to fulfil their contractual obligations to the Bank. Credit risk arises from deposits and placements with the central bank and other banks, loans and advances, other financial assets, and credit commitments and financial guarantee contracts. Credit exposure arises principally in lending activities.

(a) Credit risk measurement

Credit risk is managed on a group basis.

For loans and advances and credit commitments, the estimation of credit exposure for risk management purposes requires the use of models, as the exposure varies with changes in market conditions, expected cash flows and the passage of time. The assessment of credit risk of a portfolio of assets entails further estimations as to the likelihood of default occurring, of the associated loss ratios and of default correlations between counterparties. The Bank measures credit risk using Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) for the purposes of measuring Expected Credit Loss (ECL) under CIFRS 9.

Deposits and placements with the central bank and other banks are considered to be low credit risk. The credit ratings of these assets are monitored for credit deterioration. Measurement for impairment is limited to 12-month expected credit loss. Other financial assets at amortised cost are monitored for its credit rating deterioration, and the measurement of impairment follows three-stage approach in note 34.1 (c).

(b) Risk limit control and mitigation policies

The Bank operates and provides loans and advances to individuals or enterprises within the Kingdom of Cambodia. The Bank manages, limits and controls the concentration of credit risk whenever it is identified.

The Bank structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and industry segments. Such risks are monitored on a revolving basis and are subject to an annual or more frequent review, when considered necessary. Limits on levels of credit risk by product and industry sector are approved by Board of Directors.

Large exposure is defined by the central bank as overall credit exposure to any single beneficiary that exceeds 10% of the Bank's net worth. The Bank is required, under the conditions of Prakas No. B7-06-226 of the central bank, to maintain at all times a maximum ratio of 20% between the Bank's overall credit exposure to any single beneficiary and the Bank's net worth. The aggregation of large credit exposure must not exceed 300% of the Bank's net worth.

The Bank employs a range of policies and practices to mitigate credit risk, including requiring borrowers to pledge collateral against loans and advances granted by the Bank.

(c) Impairment (expected credit loss) policies

The measurement of expected credit loss allowance under the CIFRS 9's three-stage approach is to recognise lifetime expected credit loss allowance for financial instrument for which there has been a significant increase in credit risk since initial origination or is credit-impaired as at the reporting date. The financial instrument which has not undergone any significant deterioration in credit risk shall be recognised with 12-month expected credit loss allowance.

Under the three-stage approach, the financial instrument is allocated into three stages based on the relative movement in the credit risk.

- Stage 1 includes financial instruments that neither have a significant increase in credit risk since initial recognition nor credit impaired as at reporting date. For these assets, 12-month expected credit loss allowance are recognised.
- Stage 2 includes financial instruments that have had a significant increase in credit risk since initial recognition but do not have objective evidence of impairment. For these assets, lifetime expected credit loss allowance are recognised.
- Stage 3 includes financial instruments that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit loss allowance are recognised.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their expected credit loss allowance is always measured on a lifetime basis (Stage 3).

The key judgements and assumptions adopted by the Bank in addressing the requirements of the standard on the measurement of allowances are:

(i) Significant increase in credit risk ("SICR")

The assessment of SICR shall be a multifactor and holistic analysis and based on a mixture of quantitative and/or qualitative information. To determine whether the risk of default of a loan/financing has increased significantly since initial recognition, the current risk of default at the reporting date is compared with the risk of default at initial recognition. A borrower is considered to have credit risk increased significantly since initial recognition if any of the following criteria is met:

- Past due 31 days for short-term facilities on its contractual payment; and
- Past due 90 days for long-term facilities on its contractual payment.

(ii) Definition of default and credit impaired

The Bank defines a financial instrument as in default which is also credit-impaired when it meets one of the following criteria:

- Where the principal or interest or both of any of the credit facilities is past due for more than 90 consecutive days or more and/or in actual default. In the case of revolving facilities (e.g. overdraft facilities), the facility shall be classified as impaired where the outstanding amount has remained in excess of the approved limit for a period of more than 90 days or 3 months. For the purpose of ascertaining the period in arrears:
- When an obligor/counterparty has multiple loans with the Bank and cross default obligation applies, an assessment of provision is required under which default of one debt obligation triggers default on another debt obligation (cross default). Where there is no right to set off clause is available, assessment of provision needs to be performed on individual loan level instead of consolidated obligor/counterparty level.
- Write-off/charged-off accounts.

(iii) Measuring (ECL - inputs, assumptions and estimation techniques)

The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. The ECL is assessed and measured on collective basis and individual basis.

For collective assessment, the ECL allowance is determined by projecting the PD, LGD and EAD for each future month and for collective segment. The three components are multiplied together to calculate an ECL for each future year, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

For individual assessment, the ECL allowance is determined by comparing the outstanding exposure with the present value of cash flow which is expected to be received from the borrowers.

Probability of Default (PD)

The PD represents the likelihood of a borrower will be unable to meet its financial obligation either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.

The 12-month and lifetime PD represent the expected point-in-time probability of a default over the next 12 months and remaining lifetime of the financial instruments, respectively, based on conditions existing at the reporting date and future economic conditions that affect credit risk.

The PD is derived using historical default rates adjusted for forward-looking information and reflecting current portfolio composition and market data.

For portfolios without sufficient default data, forward-looking proxy PDs are used.

Exposure at Default (EAD)

EAD is the total amount that the Bank is exposed to at the time the borrower defaults.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12-month or remaining maturity.
- For revolving products, the exposure at default is the higher of outstanding balance or applicable limit multiplied with utilisation rate. Utilisation rate is derived using simplified approach, outstanding sum of portfolio or product divided by total combined available limit of a portfolio or product.

Loss Given Default (LGD)

LGD represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default. LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

For portfolio without sufficient default data, Proxy LGD is used.

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

(iv) Forward-looking information incorporated into the ECL models

The calculation of ECL incorporates forward-looking information. The Bank has performed statistical analysis based on historical experience and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. The relationship of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of PD and LGD. These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgement has also been applied in this process. Forecasts of these economic variables are sourced from the Bank's immediate parent's economics team and external research house.

To consider the effect of COVID-19 pandemic on the Bank's loans and advances, the management continuously refreshes the macroeconomic variables yearly to reflect the current economic condition in its forward-looking model. For the year ended 31 December 2020, the management has refreshed the latest macroeconomics variables available which were up to 31 December 2020. The management believes that the adjustment is reflected the most recent economic condition. The longevity of COVID-19 pandemic has also led to uncertain economic environment which may results in higher credit impairment expenses. As a result, the management has adjusted the Bank's probability weighted percentage in the probability weighted forward looking Probability of Default ("PD") to give a heavier weight to the worst case scenario and a lighter weight to the best case scenario using reasonable and supportable information.

The Bank applies three economic scenarios to reflect an unbiased probability-weighted range of possible future outcome in estimating ECL:

- Base case: This represents 'most likely outcome' of future economic conditions which is aligned with information used by the Bank for other purposes such as budgeting and stress testing.
- Best and Worst case: This represent the 'upside' and 'downside' outcome of future economic conditions which are determined by a combination of statistical analysis and expert credit judgement.

Macroeconomic variable assumptions

The weightings assigned to each economic scenario as at 31 December 2020 and 31 December 2019 are as follows:

	Base	Best	Worst
As at 31 December 2020	%	%	%
Scenario probability weighting	60%	10%	30%
	Base	Best	Worst
As at 31 December 2019	%	%	%
Scenario probability weighting	80%	10%	10%

As with any economic forecasts, the projections and likelihoods of occurrence are subject to high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Bank considers these forecasts to represent its best estimate of the possible outcomes and are appropriately representative of the range of possible scenarios. The scenario weightage, number of scenarios and their attributes are reassessed periodically.

Sensitivity analysis

The Bank has also identified the key economic variables and carried out sensitivity assessment of ECL for loans, advances and financing in relation to the changes in these key economic variables whilst keeping other variables unchanged. The sensitivity factors used are derived based on expected standard deviation determined for each key economic variable to assess the impact on the ECL of the Bank.

(v) Grouping of exposure for ECL measured on 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.

In performing this grouping, there must be sufficient information for the group to be statistically credible. Where sufficient information is not available internally, the Bank has considered benchmarking internal/external supplementary data to use for modelling purposes.

The appropriateness of groupings is monitored and reviewed on a periodic basis by the Credit Risk.

(vi) Write off policy

Write-off is usually taken when relevant recovery actions have been exhausted or further recovery is not economically feasible or justifiable. When a loan or debt instrument is deemed uncollectible, it is written off against the related allowance for impairment. Such loans are either written off in full or partially after taking into consideration the realisable value of collateral (if any) and when in the judgement of the management, there is no prospect of recovery. All write-offs must be approved by the Board or its delegated authorities.

(vii) Modification of loans

The Bank sometimes renegotiates or otherwise modifies the contractual cash flows of loans to customers. When this happens, the Bank assesses whether or not the new terms are substantially different to the original terms.

The Bank does this by considering, among others, the following factors:

- 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, such as a profit share/equity-based return that substantially affects 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.
- Insertion of collateral, other security or credit enhancements that significant affect the credit risk associated with the loan.

The risk of default of such loans after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original loans. The Bank monitors the subsequent performance of modified assets. The Bank may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for six consecutive months or more.

(viii) Off-balance sheet exposures

Off-balance sheet exposures are exposures such as trade facilities and undrawn commitments. The Bank applied internal Cash Conversion Factor (CCF) to estimate the EAD of off-balance sheet items. For operational simplification, the Bank assumes CCF for the off-balance sheet exposures as follows:

- 40% CCF is assumed for unused portion of overdraft, unused portion of credit cards and letter of credit;
- 75% CCF is assumed for undrawn trust receipt; and
- 100% CCF is assumed for undrawn term loans.

(d) Maximum exposure to credit risk before collateral held or other credit enhancements

The maximum exposure to credit risk for financial assets recognised in the statements of financial position is their carrying amounts. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the obligations of the instruments issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers. The table below shows the maximum exposure to credit risk for the Bank on financial instruments subject to impairment:

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Credit risk exposure relating to on-balance sheet assets:				
Deposits and placements with other banks	66,028,303	267,084,486	14,393,254	58,652,510
Loans and advances at amortised cost	850,647,057	3,440,867,346	695,682,944	2,834,907,997
Other financial assets	891,458	3,605,948	1,358,123	5,534,351
	917,566,818	3,711,557,780	711,434,321	2,899,094,858
Credit risk exposure relating to off-balance sheet items:				
Bank guarantees and letters of credits	224,671,916	908,797,900	169,922,650	692,434,799
Unused portion of overdrafts	67,805,436	274,272,989	58,271,819	237,457,662
Unused portion of credit cards	10,678,968	43,196,426	8,935,932	36,413,923
Term loan commitments	2,628,580	10,632,606	3,990,624	16,261,793
	305,784,900	1,236,899,921	241,121,025	982,568,177
Total maximum credit risk exposure that are subject to impairment	1,223,351,718	4,948,457,701	952,555,346	3,881,663,035
Loss allowance (ECL)	(3,685,896)	(14,909,450)	(2,084,189)	(8,493,071)
Total net credit exposure	1,219,665,822	4,933,548,251	950,471,157	3,873,169,964

The above table represents a worst-case scenario of credit risk exposure to the Bank, since collateral held and/or other credit enhancement attached were not taken into account. For on-balance sheet assets, the exposures set out above are based on gross carrying amounts. As shown above, 70% (2019: 73%) of total maximum exposure is derived from loans and advances. Management is confident of its ability to continue to control and sustain minimal exposure on credit risk resulting from the Bank's loans and advances due to the following:

- Almost all loans and advances are collateralised and loan to collateral value range from 60% to 70%.
- The Bank has a proper credit evaluation process in place for granting of loans and advances to customers.
- 31% of deposits and placements with other banks is held with its parent company, a bank with credit rating Baa1 (2019: 31%). The remaining balances were held with local banks and overseas banks and management has done proper risk assessment and believe there will be no material loss from these local banks and overseas banks.

(e) Credit quality of financial assets

The Bank assess credit quality of loans, advances and financing using internal rating techniques tailored to the various categories of products and counterparties. These techniques have been developed internally and combine statistical analysis with credit officers' judgement.

Credit quality description is summarised as follows:

Credit quality	Description
Standard monitoring	<p>Obligors in this category exhibit strong capacity to meet financial commitments.</p> <p>The Bank monitors obligors in this category by delinquency status. Obligors included in standard monitoring are:</p> <ul style="list-style-type: none"> those less than 15 days past due on its contractual payments for short-term facilities those less than 30 days past due on its contractual payments for long-term facilities
Special monitoring	<p>Obligors in this category have a fairly acceptable capacity to meet financial commitments.</p> <p>The Bank monitors obligors in this category by delinquency status. Obligors included in special monitoring are:</p> <ul style="list-style-type: none"> those that are from 15 days to 30 days past due on its contractual payments for short-term facilities those that are from 30 days to 89 days past due on its contractual payments for long-term facilities
Default/Credit impaired	Obligors assessed to be impaired.

The credit quality of financial instruments other than loans, advances and financing are determined based on the ratings of counterparties as defined equivalent ratings of other international rating agencies as defined below:

Credit quality	Description
Sovereign	Refer to financial asset issued by the central bank/government or guarantee by the central bank/government.
Investment grade	Refers to the credit quality of the financial asset that the issuer is able to meet payment obligation and exposure bondholder to low credit risk of default.
Non-investment grade	Refers to low credit quality of the financial asset that is highly expose to default risk.
No rating	Refers to financial asset which are currently not assigned with ratings due to unavailability of ratings models.
Credit impaired	Refers to the asset that is being impaired.

The following table shows an analysis of the credit exposure by stages, together with the ECL allowance provision:

	2020				2019			
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Deposits and placements with other banks								
Investment grade	31,034,959	-	-	31,034,959	12,596,998	-	-	12,596,998
Non-investment grade	-	-	-	-	-	-	-	-
No rating	34,993,344	-	-	34,993,344	1,796,256	-	-	1,796,256
Gross carrying amount	66,028,303	-	-	66,028,303	14,393,254	-	-	14,393,254
Less: Expected credit loss	(13,434)	-	-	(13,434)	(3,757)	-	-	(3,757)
Net carrying amount	66,014,869	-	-	66,014,869	14,389,497	-	-	14,389,497
In KHR'000 equivalents	267,030,145	-	-	267,030,145	58,637,200	-	-	58,637,200
Loans and advances at amortised cost								
Standard monitoring	844,846,309	-	-	844,846,309	692,902,144	-	-	692,902,144
Special monitoring	-	1,364,335	-	1,364,335	-	1,614,915	-	1,614,915
Default	-	-	4,436,413	4,436,413	-	-	1,165,885	1,165,885
Gross carrying amount	844,846,309	1,364,335	4,436,413	850,647,057	692,902,144	1,614,915	1,165,885	695,682,944
Less: Expected credit loss	(2,658,124)	(21,853)	(926,874)	(3,606,851)	(1,680,521)	(26,237)	(212,280)	(1,919,038)
Net carrying amount	842,188,185	1,342,482	3,509,539	847,040,206	691,221,623	1,588,678	953,605	693,763,906
In KHR'000 equivalents	3,406,651,208	5,430,340	14,196,085	3,426,277,633	2,816,728,114	6,473,863	3,885,940	2,827,087,917
Off-Balance Sheet Items								
Standard monitoring	305,784,900	-	-	305,784,900	241,121,025	-	-	241,121,025
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross carrying amount	305,784,900	-	-	305,784,900	241,121,025	-	-	241,121,025
Less: Expected credit loss	(65,611)	-	-	(65,611)	(161,394)	-	-	(161,394)
Net carrying amount	305,719,289	-	-	305,719,289	240,959,631	-	-	240,959,631
In KHR'000 equivalents	1,236,634,524	-	-	1,236,634,524	981,910,496	-	-	981,910,496

(f) Loss allowance

(i) Expected credit loss reconciliation –
loans and advances at amortised cost

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Expected credit losses				
Loss allowance as at 1 January 2020	1,680,521	26,237	212,280	1,919,038
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	77	-	(77)	-
Transfer to stage 2	(21,853)	21,853	-	-
Transfer to stage 3	(772,152)	(27,219)	799,371	-
Net remeasurement of loss allowance (*)	377,622	-	(341)	377,281
New financial assets originated or purchased	1,463,816	-	722	1,464,538
Financial assets derecognised during the period other than write off	(153,057)	(2,829)	(428)	(156,314)
Foreign exchange and other movements	2,308	-	-	2,308
Loss allowance as at 31 December 2020	2,577,282	18,042	1,011,527	3,606,851
In KHR'000 equivalent	10,425,105	72,980	4,091,627	14,589,712

(*) Impact of the measurement of ECL due to changes in EAD and PD during the year arising from regular refreshing of inputs to models.

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Gross carrying amount				
Gross carrying amount as at 1 January 2020	692,902,144	1,614,915	1,165,885	695,682,944
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	5,703	-	(5,703)	-
Transfer to stage 2	(1,364,335)	1,364,335	-	-
Transfer to stage 3	(3,603,538)	(23,255)	3,626,793	-
New financial assets originated or purchased	312,095,748	1,194	386,393	312,483,335
Financial assets derecognised during the period other than write off	(155,840,444)	1,349,601	(329,177)	(157,519,222)
Gross carrying amount as at 31 December 2020	844,195,278	1,607,588	4,844,191	850,647,057
In KHR'000 equivalent	3,414,769,899	6,502,693	19,594,753	3,440,867,345
Expected credit losses				
Loss allowance as at 1 January 2019	1,098,079	8	166,569	1,264,656
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	8	(8)	-	-
Transfer to stage 2	(3,294)	3,294	-	-
Transfer to stage 3	(1,229)	-	1,229	-
Net remeasurement of loss allowance (*)	(33,988)	(784)	70,006	35,234
New financial assets originated or purchased	934,140	23,727	12,662	970,529
Financial assets derecognised during the period other than write off	(313,195)	-	(38,186)	(351,381)
Loss allowance as at 31 December 2019	1,680,521	26,237	212,280	1,919,038
In KHR'000 equivalent	6,848,123	106,916	865,041	7,820,080

(*) Impact of the measurement of ECL due to changes in EAD and PD during the year arising from regular refreshing of inputs to models.

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Gross carrying amount				
Gross carrying amount as at 1 January 2019	539,854,802	203	1,044,877	540,899,882
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	203	(203)	-	-
Transfer to stage 2	(1,672,695)	1,672,695	-	-
Transfer to stage 3	(137,248)	-	137,248	-
New financial assets originated or purchased	376,907,238	238,225	55,819	377,201,282
Financial assets derecognised during the period other than write off	(222,050,156)	(296,005)	(72,059)	(222,418,220)
Gross carrying amount as at 31 December 2019	692,902,144	1,614,915	1,165,885	695,682,944
In KHR'000 equivalent	2,823,576,237	6,580,779	4,750,981	2,834,907,997

(ii) Expected credit loss reconciliation – deposits and placements with other banks

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Expected credit losses				
Loss allowance as at 1 January 2020	3,757	-	-	3,757
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance (*)	(997)	-	-	(997)
New exposure	12,758	-	-	12,758
Exposure derecognised or expired	(2,169)	-	-	(2,169)
Foreign exchange and other movements	85	-	-	85
Loss allowance as at 31 December 2020	13,434	-	-	13,434
In KHR'000 equivalent	54,341	-	-	54,341

(*) Impact of the measurement of ECL due to changes in EAD and PD during the year arising from regular refreshing of inputs to models.

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Gross carrying amount				
Exposure amount as at 1 January 2020	14,393,254	-	-	14,393,254
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
New exposure	60,026,537	-	-	60,026,537
Exposure derecognised or expired	(8,391,488)	-	-	(8,391,488)
Gross carrying amount as at 31 December 2020	66,028,303	-	-	66,028,303
In KHR'000 equivalent	267,084,486	-	-	267,084,486
Expected credit losses				
Loss allowance as at 1 January 2019	8,977	-	-	8,977
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance (*)	(2,929)	-	-	(2,929)
New exposure	411	-	-	411
Exposure derecognised or expired	(2,702)	-	-	(2,702)
Loss allowance as at 31 December 2019	3,757	-	-	3,757
In KHR'000 equivalent	15,310	-	-	15,310

(*) Impact of the measurement of ECL due to changes in EAD and PD during the year arising from regular refreshing of inputs to models.

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Gross carrying amount				
Exposure amount as at 1 January 2019	8,535,465	-	-	8,535,465
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
New exposure	6,910,215	-	-	6,910,215
Exposure derecognised or expired	(1,052,426)	-	-	(1,052,426)
Gross carrying amount as at 31 December 2019	14,393,254	-	-	14,393,254
In KHR'000 equivalent	58,652,510	-	-	58,652,510

(iii) Expected credit loss reconciliation – credit commitments and financial guarantee contracts

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Expected credit losses				
Loss allowance as at 1 January 2020	161,394	-	-	161,394
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance (*)	(5,118)	-	-	(5,118)
New exposure	7,799	-	-	7,799
Exposure derecognised or expired	(98,473)	-	-	(98,473)
Foreign exchange and other movements	9	-	-	9
Loss allowance as at 31 December 2020	65,611	-	-	65,611
In KHR'000 equivalent	265,396	-	-	265,396

(*) Impact of the measurement of ECL due to changes in EAD and PD during the year arising from regular refreshing of inputs to models.

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Exposure amount				
Exposure amount as at 1 January 2020	241,121,025	-	-	241,121,025
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
New exposure	150,625,920	-	-	150,625,920
Exposure derecognised or expired	(85,962,045)	-	-	(85,962,045)
Gross carrying amount as at 31 December 2020	305,784,900	-	-	305,784,900
In KHR'000 equivalent	1,236,899,921	-	-	1,236,899,921
Expected credit losses				
Loss allowance as at 1 January 2019	155,314	-	-	155,314
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance (*)	(3,517)	-	-	(3,517)
New exposure	127,284	-	-	127,284
Exposure derecognised or expired	(117,687)	-	-	(117,687)
Loss allowance as at 31 December 2019	161,394	-	-	161,394
In KHR'000 equivalent	657,681	-	-	657,681

	Stage 1	Stage 2	Stage 3	
	12-month ECL US\$	Lifetime ECL not Credit- Impaired US\$	Lifetime ECL Credit- Impaired US\$	Total US\$
Exposure amount				
Exposure amount as at 1 January 2019	176,270,881	-	-	176,270,881
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
New exposure	157,346,032	-	-	157,346,032
Exposure derecognised or expired	(92,495,888)	-	-	(92,495,888)
Gross carrying amount as at 31 December 2019	241,121,025	-	-	241,121,025
In KHR'000 equivalent	982,568,177	-	-	982,568,177

(*) Impact of the measurement of ECL due to changes in EAD and PD during the year arising from regular refreshing of inputs to models.

(g) Concentration of financial assets with credit risk exposure

(i) *Geographical sector*

The following table breaks down the Bank's main credit exposure at their gross carrying amount, as categorised by geographical region as at 31 December 2020. For this table, the Bank has allocated exposure to countries based on the country of domicile of its counterparties.

	Cambodia US\$	Malaysia US\$	Thailand US\$	USA US\$	Singapore US\$	Indonesia US\$	Others US\$	Total US\$
At 31 December 2020								
Deposits and placements with other banks	35,000,427	20,597,488	321,096	9,593,378	289,114	14,201	212,599	66,028,303
Loans and advances at amortised cost	850,647,057	-	-	-	-	-	-	850,647,057
Other financial assets	801,445	73,297	-	-	16,513	-	203	891,458
Bank guarantees and letters of credits	224,671,916	-	-	-	-	-	-	224,671,916
Unused portion of overdrafts	67,805,436	-	-	-	-	-	-	67,805,436
Unused portion of credit cards	10,678,968	-	-	-	-	-	-	10,678,968
Term loan commitments	2,628,580	-	-	-	-	-	-	2,628,580
Gross carrying amount	1,192,233,829	20,670,785	321,096	9,593,378	305,627	14,201	212,802	1,223,351,718
Less: Expected credit loss	(3,685,773)	(94)	(15)	-	(5)	(1)	(8)	(3,685,896)
Net carrying amount	1,188,548,056	20,670,691	321,081	9,593,378	305,622	14,200	212,794	1,219,665,822
In KHR'000 equivalents	4,807,676,887	83,612,945	1,298,773	38,805,214	1,236,241	57,439	860,752	4,933,548,251
At 31 December 2019								
Deposits and placements with other banks	1,810,318	4,196,293	1,757,869	6,310,668	305,700	12,406	-	14,393,254
Loans and advances at amortised cost	695,682,944	-	-	-	-	-	-	695,682,944
Other financial assets	1,209,837	141,219	318	-	3,157	-	3,592	1,358,123
Bank guarantees and letters of credits	169,922,650	-	-	-	-	-	-	169,922,650
Unused portion of overdrafts	58,271,819	-	-	-	-	-	-	58,271,819
Unused portion of credit cards	8,935,932	-	-	-	-	-	-	8,935,932
Term loan commitments	3,990,624	-	-	-	-	-	-	3,990,624
Gross carrying amount	939,824,124	4,337,512	1,758,187	6,310,668	308,857	12,406	3,592	952,555,346
Less: Expected credit loss	(2,080,905)	(1,095)	(459)	(1,647)	(80)	(3)	-	(2,084,189)
Net carrying amount	937,743,219	4,336,417	1,757,728	6,309,021	308,777	12,403	3,592	950,471,157
In KHR'000 equivalents	3,821,303,617	17,670,899	7,162,742	25,709,261	1,258,266	50,542	14,637	3,873,169,964

(ii) Industry sector

The following table breaks down the Bank's main credit exposure at their gross carrying amounts less impairment if any, as categorised by the industry sectors of its counterparties.

	2020					2019				
	Deposits and placements with other banks	Loans and advances at amortised cost	Other Assets	Off-balance- sheet items	Total	Deposits and placements with other banks	Loans and advances at amortised cost	Other Assets	Off-balance- sheet items	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Financial institutions	66,028,303	64,955,642	87,153	4,665,237	135,736,335	14,393,254	35,223,377	590,052	5,064,540	55,271,223
Mortgage	-	234,388,062	647,500	518,912	235,554,474	-	219,057,754	645,418	993,392	220,696,564
Wholesale and retail	-	153,642,885	-	67,457,849	221,100,734	-	114,180,293	-	62,604,392	176,784,685
Import and export	-	143,980,735	-	158,870,522	302,851,257	-	105,499,154	-	51,992,461	157,491,615
Manufacturing	-	54,681,763	-	23,032,652	77,714,415	-	51,250,117	-	74,076,703	125,326,820
Finance, insurance, real estate and business services	-	41,816,435	-	1,647,492	43,463,927	-	39,319,462	-	1,221,383	40,540,845
Other non-financial services	-	45,633,606	-	2,248,177	47,881,783	-	37,452,908	-	9,380,379	46,833,287
Construction	-	54,573,148	-	27,517,826	82,090,974	-	32,484,701	-	17,020,703	49,505,404
Transport, storage and communications	-	22,633,356	-	3,799,378	26,432,734	-	22,876,732	-	3,803,953	26,680,685
Electricity, gas and water	-	6,982,130	9,945	367,080	7,359,155	-	7,811,977	9,873	197,193	8,019,043
Agriculture	-	-	-	1,914,229	1,914,229	-	-	-	1,500,000	1,500,000
Others	-	27,359,295	146,860	13,745,546	41,251,701	-	30,526,469	112,780	13,265,926	43,905,175
Gross carrying amount	66,028,303	850,647,057	891,458	305,784,900	1,223,351,718	14,393,254	695,682,944	1,358,123	241,121,025	952,555,346
Less: Expected credit loss	(13,434)	(3,606,851)	-	(65,611)	(3,685,896)	(3,757)	(1,919,038)	-	(161,394)	(2,084,189)
Net carrying amount	66,014,869	847,040,206	891,458	305,719,289	1,219,665,822	14,389,497	693,763,906	1,358,123	240,959,631	950,471,157
In KHR'000 equivalents	267,030,145	3,426,277,633	3,605,948	1,236,634,525	4,933,548,251	58,637,200	2,827,087,917	5,534,351	981,910,496	3,873,169,964

(h) Repossessed collateral

Repossessioned collaterals are sold as soon as practicable. The Bank does not utilise the repossessioned collaterals for its business use.

The Bank did not obtain assets by taking possession of collateral held as security as at 31 December 2020 and 31 December 2019.

(i) Sensitivity analysis

The Bank has performed ECL sensitivity assessment on loans, advances and financing based on the changes in key macroeconomic variables. The sensitivity factors used are assumptions based on parallel shifts in the key variables to project the impact on the ECL of the Bank.

The table below outlines the effect of ECL on the changes in key variables used while other variables remain constant:

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Total decrease in ECL on the positive changes in key variables	(106,443)	(430,562)	(45,480)	(185,331)
Total increase in ECL on the negative changes in key variables	106,443	430,562	45,480	185,331

34.2 Market risk

The Bank takes exposure to market risk, which is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market prices. Market risk arises from open positions in interest rates, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

As at 31 December 2020, the Bank did not use derivative financial instruments such as foreign exchange contract and interest rate swaps to hedge its risk exposure.

(i) Foreign exchange risk

The Bank operate in Cambodia and transacts in many currencies, and is exposed to various currency risks, primarily with respect to Khmer Riel, Euro and Singapore Dollars.

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

Management monitors foreign exchange risk against the Bank's functional currency. However, the Bank does not hedge its foreign exchange risk exposure arising from future commercial transactions and recognised assets and liabilities using forward contracts.

The Bank's policy is to maintain foreign currency exposure within acceptable limits and within existing regulatory guidelines.

The table below summarises the Bank's exposure to foreign currency exchange rate risk. Included in the table are the Bank's financial instruments at their gross carrying amounts by currency in US\$ equivalent.

	In US\$ equivalent									
	USD	KHR	EUR	THB	AUD	SGD	GBP	MYR	OTHER	TOTAL
As at 31 December 2020										
Financial assets										
Cash on hand	86,079,082	3,372,448	-	-	-	-	-	-	-	89,451,530
Deposits and placements										
with the central bank	181,939,300	30,056,399	-	-	-	-	-	-	-	211,995,699
Deposits and placements										
with other banks	59,371,684	1,022,235	3,652,739	321,121	530,870	289,249	158,798	132,469	535,704	66,014,869
Loans and advances at										
amortised cost	756,629,912	90,410,294	-	-	-	-	-	-	-	847,040,206
Other financial assets	826,571	18,100	12,103	-	-	16,513	8,848	9,143	180	891,458
Total financial assets	1,084,846,549	124,879,476	3,664,842	321,121	530,870	305,762	167,646	141,612	535,884	1,215,393,762
Financial liabilities										
Deposits from banks	123,556,475	11,130,353	811,995	2,359	-	-	-	-	-	135,501,182
Deposits from customers	863,457,252	30,384,040	1,266,431	43,184	511,811	43,913	166,455	-	25,772	895,898,858
Borrowings	685,583	63,567,745	-	-	-	-	-	-	-	64,253,328
Subordinated debts	47,411,000	-	-	-	-	-	-	-	-	47,411,000
Lease liabilities	5,381,598	-	-	-	-	-	-	-	-	5,381,598
Other financial liabilities	9,298,774	122,727	1,513,815	138,372	-	296,254	-	213,397	479,538	12,062,877
Total financial liabilities	1,049,790,682	105,204,865	3,592,241	183,915	511,811	340,167	166,455	213,397	505,310	1,160,508,843
Net on-balance sheet position	35,055,867	19,674,611	72,601	137,206	19,059	(34,405)	1,191	(71,785)	30,574	54,884,919
In KHR'000 equivalents	141,800,982	79,583,801	293,671	554,998	77,094	(139,168)	4,818	(290,370)	123,671	222,009,497
Off-balance sheet items										
Bank guarantees and										
letters of credits	207,400,021	-	-	-	17,271,895	-	-	-	-	224,671,916
Unused portion of overdrafts	66,805,563	999,874	-	-	-	-	-	-	-	67,805,437
Unused portion of credit cards	10,678,968	-	-	-	-	-	-	-	-	10,678,968
Term loan commitments	2,309,668	318,911	-	-	-	-	-	-	-	2,628,579
	287,194,220	1,318,785	-	-	17,271,895	-	-	-	-	305,784,900
In KHR'000 equivalents	1,161,700,621	5,334,485	-	-	69,864,815	-	-	-	-	1,236,899,921

	In US\$ equivalent									
	USD	KHR	EUR	THB	AUD	SGD	GBP	MYR	OTHER	TOTAL
As at 31 December 2020										
Financial assets										
Cash on hand	57,388,870	2,516,443	-	-	-	-	-	-	-	59,905,313
Deposits and placements										
with the central bank	182,903,172	16,752,878	-	-	-	-	-	-	-	199,656,050
Deposits and placements										
with other banks	7,914,343	775,942	2,712,679	1,757,450	356,917	305,758	186,304	100,926	279,178	14,389,497
Loans and advances at										
amortised cost	624,322,034	69,441,872	-	-	-	-	-	-	-	693,763,906
Other financial assets	1,279,444	20,141	17,394	318	-	3,157	8,589	25,508	3,572	1,358,123
Total financial assets	873,807,863	89,507,276	2,730,073	1,757,768	356,917	308,915	194,893	126,434	282,750	969,072,889
Financial liabilities										
Deposits from banks	41,449,292	521,328	5,657	2,669	-	-	-	-	-	41,978,946
Deposits from customers	780,288,868	8,478,350	1,222,054	53,547	313,470	68,515	192,184	-	166,226	790,783,214
Borrowings	-	74,477,460	-	-	-	-	-	-	-	74,477,460
Subordinated debts	37,316,479	-	-	-	-	-	-	-	-	37,316,479
Lease liabilities	5,636,012	-	-	-	-	-	-	-	-	5,636,012
Other financial liabilities	19,857,820	322,492	-	1,605,637	35,448	273,653	2,312	264,348	150,561	22,512,271
Total financial liabilities	884,548,471	83,799,630	1,227,711	1,661,853	348,918	342,168	194,496	264,348	316,787	972,704,382
Net on-balance sheet position	(10,740,608)	5,707,646	1,502,362	95,915	7,999	(33,253)	397	(137,914)	(34,037)	(3,631,493)
In KHR'000 equivalents	(43,767,978)	23,258,657	6,122,125	390,854	32,596	(135,506)	1,618	(562,000)	(138,701)	(14,798,335)
Off-balance sheet items										
Bank guarantees and										
letters of credits	169,825,063	-	-	-	-	97,587	-	-	-	169,922,650
Unused portion of overdrafts	57,346,679	925,140	-	-	-	-	-	-	-	58,271,819
Unused portion of credit cards	8,935,932	-	-	-	-	-	-	-	-	8,935,932
Term loan commitments	3,396,564	594,060	-	-	-	-	-	-	-	3,990,624
	239,504,238	1,519,200	-	-	-	97,587	-	-	-	241,121,025
In KHR'000 equivalents	975,979,770	6,190,740	-	-	-	397,667	-	-	-	982,568,177

Sensitivity analysis

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 Bank:

	2020	2019
	US\$	US\$
Asset/Liability)		
Khmer Riel ("KHR")	19,674,611	5,707,646
Euro ("EUR")	72,601	1,502,362
Thai Baht ("THB")	137,206	95,915
Australian Dollar ("AUD")	19,059	7,999
Singapore Dollar ("SGD")	(34,405)	(33,253)
Great Britain Pound ("GBP")	1,191	397
Malaysian Ringgit ("MYR")	(71,785)	(137,914)
Others	30,574	(34,037)
	19,829,052	7,109,115
In KHR'000 equivalent	80,208,515	28,969,644

An analysis of the exposures to assess the impact of a three percent change in the foreign currency exchange rates to the profit after tax are as follows:

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Increase/(Decrease)				
-3%				
Khmer Riel ("KHR")	486,794	1,969,082	141,220	575,472
Euro ("EUR")	1,796	7,265	37,172	151,476
Thai Baht ("THB")	3,395	13,733	2,373	9,670
Australian Dollar ("AUD")	471	1,905	197	803
Singapore Dollar ("SGD")	(851)	(3,442)	(823)	(3,354)
Great Britain Pound ("GBP")	29	117	10	41
Malaysian Ringgit ("MYR")	(1,776)	(7,184)	(3,412)	(13,904)
Others	757	3,062	(841)	(3,427)
	490,615	1,984,538	175,896	716,777

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Increase/(Decrease)				
+3%				
Khmer Riel ("KHR")	(458,438)	(1,854,382)	(132,994)	(541,951)
Euro ("EUR")	(1,692)	(6,844)	(35,006)	(142,649)
Thai Baht ("THB")	(3,197)	(12,932)	(2,235)	(9,108)
Australian Dollar ("AUD")	(444)	(1,796)	(186)	(758)
Singapore Dollar ("SGD")	802	3,244	775	3,158
Great Britain Pound ("GBP")	(28)	(113)	(9)	(37)
Malaysian Ringgit ("MYR")	1,673	6,767	3,214	13,097
Others	(712)	(2,880)	792	3,227
	(462,036)	(1,868,936)	(165,649)	(675,021)

(ii) Price risk

The Bank is not exposed to a securities price risk because it does not have any investment held and classified on the statement of financial position at fair value.

(iii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Interest margins may increase as a result of changes but may reduce losses in the event that unexpected movements arise.

The Bank does not have fair value interest rate risk as their financial instruments are measured at amortised cost.

The management of the Bank at this stage does not have a policy to set limits on the level of mismatch of interest rate repricing that may be undertaken; however, the management regularly monitors the mismatch. In addition, the management regularly analyses and foresees the expected changes in the interest rates and manages cash flow interest rate risk by assessing its impacts and developed actions to respond to the interest rate risk.

The table below summarises the Bank's exposure to interest rate risks. It includes the Bank's financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 Years US\$	Over 5 years US\$	Non- interest rate sensitive US\$	Total US\$
As at 31 december 2020							
Financial assets							
Cash on hand	-	-	-	-	-	89,451,530	89,451,530
Deposits and placements with the central bank	20,855,830	14,234,675	40,255,924	-	-	136,649,270	211,995,699
Deposits and placements with other banks	41,846,438	17,014,655	-	-	-	7,153,776	66,014,869
Loans and advances at amortised cost	10,197,505	55,602,034	107,629,934	249,226,434	424,384,299	-	847,040,206
Other financial assets	-	-	-	-	-	891,458	891,458
Total financial assets	72,899,773	86,851,364	147,885,858	249,226,434	424,384,299	234,146,034	1,215,393,762
Financial liabilities							
Deposits from banks	6,901,005	81,825,287	41,495,444	-	-	5,279,446	135,501,182
Deposits from customers	420,059,255	140,026,676	198,136,654	-	-	137,676,273	895,898,858
Borrowings	10,681,388	13,994,313	39,035,754	475,006	66,867	-	64,253,328
Subordinated debts	-	324,082	86,918	7,000,000	40,000,000	-	47,411,000
Lease liabilities	111,437	217,634	918,245	3,230,694	903,588	-	5,381,598
Other financial liabilities	-	-	-	-	-	12,062,877	12,062,877
	437,753,085	236,387,992	279,673,015	10,705,700	40,970,455	155,018,596	1,160,508,843
Total interest rate re-pricing gap	(364,853,312)	(149,536,628)	(131,787,157)	238,520,734	383,413,844	79,127,438	54,884,919
In KHR'000 equivalents	(1,475,831,647)	(604,875,660)	(533,079,050)	964,816,369	1,550,908,998	320,070,487	222,009,497
Off-balance sheet items							
Bank guarantees and letters of credits	224,671,916	-	-	-	-	-	224,671,916
Unused portion of overdrafts	67,805,437	-	-	-	-	-	67,805,437
Unused portion of credit cards	10,678,968	-	-	-	-	-	10,678,968
Term loan commitments	2,628,579	-	-	-	-	-	2,628,579
	305,784,900	-	-	-	-	-	305,784,900
In KHR'000 equivalents	1,236,899,921	-	-	-	-	-	1,236,899,921

	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 Years US\$	Over 5 years US\$	Non- interest rate sensitive US\$	Total US\$
As at 31 December 2020							
Financial assets							
Cash on hand	-	-	-	-	-	59,905,313	59,905,313
Deposits and placements with National Bank of Cambodia	18,324,768	33,454,257	38,847,700	-	-	109,029,325	199,656,050
Deposits and placements with other banks	7,165,720	-	56,207	-	-	7,167,570	14,389,497
Loans and advances at amortised cost	27,292,474	50,085,804	65,680,183	216,600,428	334,105,017	-	693,763,906
Other financial assets	-	-	-	-	-	1,358,123	1,358,123
Total financial assets	52,782,962	83,540,061	104,584,090	216,600,428	334,105,017	177,460,331	969,072,889
Financial liabilities							
Deposits from banks	1,743,958	28,812,916	7,792,953	-	-	3,629,119	41,978,946
Deposits from customers	326,921,734	139,395,557	182,880,308	-	-	141,585,615	790,783,214
Borrowings	6,168,182	31,461,373	36,847,905	-	-	-	74,477,460
Subordinated debts	-	-	-	-	37,316,479	-	37,316,479
Lease liabilities	98,089	197,181	887,859	3,250,423	1,202,460	-	5,636,012
Other financial liabilities	-	-	-	-	-	22,512,271	22,512,271
	334,931,963	199,867,027	228,409,025	3,250,423	38,518,939	167,727,005	972,704,382
Total interest rate re-pricing gap	(282,149,001)	(116,326,966)	(123,824,935)	213,350,005	295,586,078	9,733,326	(3,631,493)
In KHR'000 equivalents	(1,149,757,179)	(474,032,386)	(504,586,610)	869,401,270	1,204,513,268	39,663,302	(14,798,335)
Off-balance sheet items							
Bank guarantees and letters of credits	169,922,650	-	-	-	-	-	169,922,650
Unused portion of overdrafts	58,271,819	-	-	-	-	-	58,271,819
Unused portion of credit cards	8,935,932	-	-	-	-	-	8,935,932
Term loan commitments	3,990,624	-	-	-	-	-	3,990,624
	241,121,025	-	-	-	-	-	241,121,025
In KHR'000 equivalents	982,568,177	-	-	-	-	-	982,568,177

Sensitivity analysis

The interest rate sensitivity shows the impact on profit after tax and equity of financial assets and financial liabilities bearing floating interest rates and fixed rate financial assets and financial liabilities carried at fair value.

The Bank's interest-bearing financial assets and financial liabilities are contracted under the fixed interest rate. Therefore, the Bank has no exposure to the risk of changes in interest rate in the future.

34.3 Liquidity risk

Liquidity risk is the risk that the Bank is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence of this may be the failure to meet obligations to repay depositors and fulfil commitments to lend.

(a) Liquidity risk management process

The Bank's management monitors balance sheet liquidity and manages the concentration and profile of debt maturities. Monitoring and reporting take the form of the daily cash position and project for the next day, week and month respectively, as these are key periods for liquidity management. The management monitors the movement of the main depositors and projection of their withdrawals.

(b) Funding approach

The Bank's main sources of liquidities arise from shareholder's paid-up capital, borrowings, subordinated debts and deposits from banks and customers. The sources of liquidity are regularly reviewed daily through management's review of maturity of term deposits and key depositors.

(c) Non-derivative cash flows

The table below presents the cash flows payable by the Bank under non-derivative financial liabilities based on remaining contractual maturities at the balance sheet date. The amounts disclosed in the table are the contractual undiscounted cash flows, whereas the Bank manages the inherent liquidity risk based on expected undiscounted cash flows.

The following table shows the contractual undiscounted cash flows payable for financial liabilities by remaining contractual maturities. The balances in the table below will not agree to the balances reported in the statements of financial position as the table incorporates all contractual cash flows, on an undiscounted basis, relating to both principal and interest payments. The contractual maturity profile does not necessarily reflect the behavioural cash flows.

	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	1 to 5 Years US\$	Over 5 years US\$	Total US\$
As at 31 december 2020						
Financial assets						
Cash on hand	89,451,530	-	-	-	-	89,451,530
Deposits and placements with the central bank	157,510,708	14,280,563	40,357,174	-	-	212,148,445
Deposits and placements with other banks	49,003,506	17,035,816	-	-	-	66,039,322
Loans and advances at amortised cost	28,138,093	83,985,423	226,341,289	459,584,527	265,820,259	1,063,869,591
Other financial assets	57,822	320	348,756	294,122	190,439	891,459
Total financial assets	324,161,659	115,302,122	267,047,219	459,878,649	266,010,698	1,432,400,347
Financial liabilities						
Deposits from banks	12,181,663	82,023,460	41,918,019	-	-	136,123,142
Deposits from customers	557,780,872	140,819,124	203,004,891	-	-	901,604,887
Borrowings	10,692,442	14,120,843	39,658,654	496,935.00	68,115.00	65,036,989
Subordinated debts	-	569,589	1,235,342	14,235,261	46,435,082	62,475,274
Lease liabilities	129,658	259,315	1,052,275	3,641,828	954,710	6,037,786
Other financial liabilities	9,930,304	1,146	2,131,427	-	-	12,062,877
Total financial liabilities	590,714,939	237,793,477	289,000,608	18,374,024	47,457,907	1,183,340,955
Net financial assets/(liabilities)	(266,553,280)	(122,491,355)	(21,953,389)	441,504,625	218,552,791	249,059,392
In KHR'000 equivalents	(1,078,208,018)	(495,477,531)	(88,801,459)	1,785,886,208	884,046,040	1,007,445,240
Off-balance sheet items						
Bank guarantees and letters of credits	224,671,916	-	-	-	-	224,671,916
Unused portion of overdrafts	67,805,436	-	-	-	-	67,805,436
Unused portion of credit cards	10,678,968	-	-	-	-	10,678,968
Term loan commitments	2,628,580	-	-	-	-	2,628,580
	305,784,900	-	-	-	-	305,784,900
In KHR'000 equivalents	1,236,899,921	-	-	-	-	1,236,899,921

	Up to 1 month US\$	1 to 3 months US\$	3 to 12 months US\$	Over 5 years US\$	Over 5 years US\$	Total US\$
As at 31 december 2020						
Financial assets						
Cash on hand	59,905,313	-	-	-	-	59,905,313
Deposits and placements with the central bank	127,359,307	33,503,433	38,978,347	-	-	199,841,087
Deposits and placements with other banks	14,333,560	-	56,777	-	-	14,390,337
Loans and advances at amortised cost	43,316,927	72,664,628	161,291,972	382,694,947	211,390,917	871,359,391
Other financial assets	500,344	1,026	177,248	323,642	355,863	1,358,123
Total financial assets	245,415,451	106,169,087	200,504,344	383,018,589	211,746,780	1,146,854,251
Financial liabilities						
Deposits from banks	5,373,076	28,975,286	7,792,953	-	-	42,141,315
Deposits from customers	468,525,880	140,112,869	187,381,230	-	-	796,019,979
Borrowings	6,175,174	31,635,233	37,339,486	-	-	75,149,893
Subordinated debts	-	405,000	1,080,000	5,940,000	43,260,425	50,685,425
Lease liabilities	98,089	197,181	887,859	3,250,423	1,202,460	5,636,012
Other financial liabilities	20,295,127	758,448	1,458,696	-	-	22,512,271
Total financial liabilities	500,467,346	202,084,017	235,940,224	9,190,423	44,462,885	992,144,895
Net financial assets/(liabilities)	(255,051,895)	(95,914,930)	(35,435,880)	373,828,166	167,283,895	154,709,356
In KHR'000 equivalents	(1,039,336,472)	(390,853,340)	(144,401,211)	1,523,349,776	681,681,872	630,440,625
Off-balance sheet items						
Bank guarantees and letters of credits	169,922,650	-	-	-	-	169,922,650
Unused portion of overdrafts	58,271,819	-	-	-	-	58,271,819
Unused portion of credit cards	8,935,932	-	-	-	-	8,935,932
Term loan commitments	3,990,624	-	-	-	-	3,990,624
	241,121,025					
		-	-	-	-	241,121,025
In KHR'000 equivalents	982,568,177	-	-	-	-	982,568,177

34.4 Fair value of financial assets and liabilities

(a) Financial instruments measured at fair value

The Bank did not have financial instruments measured at fair value.

(b) Financial instruments not measured at fair value

As at the balance sheet date, the fair values of financial instruments of the Bank approximate their carrying amounts.

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

i. Deposits and placements with the central bank and other banks

The carrying amounts of deposits and placements with the central bank and other banks approximate their fair values, since these accounts consist mostly of current, savings and short-term deposits.

ii. Loans and advances to customers

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

For fixed rate loans with remaining period to maturity of one year and above, fair values are estimated by discounting the estimated future cash flows using a current lending rate as the prevailing market rates of loans with similar credit risks and maturities have been assessed as insignificantly different to the contractual lending rates. As a result, the fair value of non-current loan and advances to customers might approximate to their carrying value as reporting date.

iii. Deposits from banks and customers

The fair value of deposits from banks and customers with maturities of less than one year approximate their carrying amount due to the relatively short maturity of these instruments. The fair value of deposits from banks and customers with remaining maturities of more than one year are expected to approximate their carrying amount due to the Bank offered similar interest rate of the instrument with similar maturities and terms.

The estimated fair value of deposits with no stated maturities, which includes non-interest bearing deposits, deposits payable on demand is the amount payable at the reporting date.

iv. Lease liabilities

The estimated fair value of lease liabilities with maturities of less than one year approximate the carrying values. For other lease liabilities with maturities of one year or more, the fair values are estimated based on discounted cash flows using prevailing market rates of incremental borrowings.

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 and subordinated debts

Borrowings and subordinated debts are not quoted in active market and their fair value approximates their carrying amount.

34.5 Capital management

The Bank's objectives when managing capital, which is a broader concept than the 'equity' shown on the balance sheet, are:

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

The central bank requires all commercial banks to i) hold the minimum capital requirement, ii) maintain the Bank's net worth at least equal to the minimum capital and iii) comply with solvency and liquidity ratios.

The table below summarises the composition of regulatory capital:

	2020		2019	
	US\$	KHR'000	US\$	KHR'000
Tier 1 capital				
Share capital	75,000,000	303,375,000	75,000,000	305,625,000
Reserves	17,500,000	70,787,500	-	-
Retained earnings	37,293,927	150,976,030	33,957,375	137,372,906
Less: Intangible assets	(576,823)	(2,333,249)	(1,376,227)	(5,608,125)
Less: Loans to related parties	(1,929,046)	(7,802,991)	(1,082,064)	(4,409,411)
	127,288,058	515,002,290	106,499,084	432,980,370
Tier 2 complementary capital				
General provision	10,129,530	40,973,949	8,355,788	34,049,836
Subordinated debts	45,600,000	184,452,000	37,000,000	150,775,000
	55,729,530	225,425,949	45,355,788	184,824,836
	183,017,588	740,428,239	151,854,872	617,805,206

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY THE NATIONAL BANK OF CAMBODIA

FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT BY DIRECTORS

I, the undersigned, being the Executive Director and Chief Executive Officer of CIMB Bank PLC, do hereby state that in my opinion, the accompanying supplementary financial information consisting of the disclosure requirements set by the relevant Prakas of the National Bank of Cambodia, is properly drawn up so as to reflect fairly the required financial information of the Bank as at 31 December 2020. Information and data contained herein are the responsibility of the Bank's management. This supplementary financial information and the financial statements are consistent with one another, and this information does not contain any material misstatements.

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

Mr. Bun Yin
Executive Director/Chief Executive Officer

Phnom Penh, Kingdom of Cambodia
26 March 2021

This note does not form part of the audited financial statements.

1. LIQUIDITY COVERAGE RATIO, Prakas No. B7-015-349 & Circular No. B7-020-003 C.L

The Bank shall calculate Liquidity Coverage Ratio (LCR) using new reporting template from 1 January 2016 via a phase-in period until fully comply by 1 January 2020. The Bank shall, at all time, maintain an adequate stock of eligible liquid assets to fulfil the LCR limits as determined in accordance with the following timeline:

Effect from	1 Sep 2016	1 Sep 2017	1 Sep 2018	1 Jun 2019	1 Jan 2020
Minimum LCR	60%	70%	80%	90%	100%

As at 31 December 2020, the Bank's Liquidity Coverage Ratio was 132.06%.

The Liquidity Coverage Ratio calculation is detailed in Schedule 1.

2. MINIMUM REGISTERED CAPITAL REQUIREMENT, Prakas No. B7-016-117

The Central Bank's Prakas No. B7-016-117 on the minimum registered capital of banks and financial institutions requires the commercial banks established under the foreign branch banks that have the parent company with the investment rating scaled by a reputable rating agency must have minimum capital equal to at least KHR200 billion (or US\$50 million) and commercial banks incorporated as locally companies or as the subsidiaries of foreign banks must have minimum capital of at least KHR300 billion (or US\$75 million) within two years, starting from signing date 22 March 2016.

As at 31 December 2020, the Bank had paid-up statutory capital of US\$75,000,000 which meet the minimum registered capital requirement.

3. NET WORTH, Prakas No. B7-010-182

The Bank's Net Worth as at 31 December 2020 amounted to US\$183,017,588 as computed in Schedule 2.

Banks must maintain their net worth at least equal to the minimum capital. As at 31 December 2020, the Bank's net worth of US\$183,017,588 was higher by US\$108,017,588 compared to the minimum capital of US\$75,000,000.

The Net Worth calculation is detailed in Schedule 2.

4. SOLVENCY RATIO, Prakas No. B7-00-46, B7-04-206, and B7-07-135

Banks are required to maintain a Solvency Ratio of at least 15%.

As at 31 December 2020, the Bank maintained a Solvency Ratio of 19.91% of net worth as a percentage of its risk-weighted assets and off-balance sheet items.

The Solvency Ratio calculation is detailed in Schedule 3.

5. FOREIGN CURRENCY TRANSACTIONS, Prakas No. B7-00-50

The Bank transacts its business primarily in United States Dollars (US\$) and maintains its books of accounts in US\$. Accordingly, all currencies other than US\$ are considered as foreign currencies.

Balance sheet items

As at 31 December 2020, in accordance with Prakas No. B7-00-50, all assets and liabilities of the Bank that were denominated in foreign currencies were translated using the year end exchange rate.

Off-balance sheet items

The Bank is required to record off-balance sheet items from the capital commitments arising from purchases and sales of foreign currencies relating to spot transactions (with a completion period of two days) and forward foreign exchange transactions.

As at 31 December 2020, the Bank did not have commitments of this nature for forward foreign exchange transactions, and the Bank was in compliance with this Prakas.

6. NET OPEN POSITION IN FOREIGN CURRENCY, Prakas No. B7-07-134 & Letter No. B7-020-868

Banks are required, under the conditions of the above Prakas, to maintain their net open position in foreign currencies in either any foreign currency or overall net open position in all foreign currencies, whether long or short, shall not exceed twenty percent (20%) of Banks' net worth, except for Khmer Riel and US Dollar.

As at 31 December 2020, the Bank did not have net open position in foreign currencies exceeding 20% of the Bank's net worth as detailed in Schedule 5.

7. CLASSIFICATION OF & PROVISIONING FOR LOSSES ON FINANCIAL FACILITIES, Prakas No. B7-017-344 & Circular No. B7-018-001

The Bank's financial facilities classification and provisioning policy is in accordance with the Central Bank's guidelines. The amount of the provision for impairment losses on financial facilities determined as at 31 December 2020 is in accordance with the requirements of this Prakas.

The details of the computation of the required financial facilities provision are provided in Schedule 4.

8. LARGE CREDIT EXPOSURES, Prakas No. B7-06-226

Banks are required, under the conditions of the above Prakas, to maintain at all times a maximum ratio of 20% between their overall exposure resulting from their operations with each individual beneficiary and their net worth and the aggregate individual large credit exposure must not be more than 300% of the Bank's net worth.

As at 31 December 2020, the Bank had no large exposure with a single beneficiary where such exposure exceeded 20% and 300% as aggregate of individual large credit exposure of the net worth as computed in Schedule 2.

For large exposure to net worth, please refer to Schedule 7, ratio 20 on other ratio computations.

9. LOANS TO RELATED PARTIES, Prakas No. B7-02-146

The Bank is required to maintain total weighted outstanding of loans to related parties to be not more than 10% of the Bank's net worth.

As at 31 December 2020, loans to related party's exposure did not exceed 10% of the net worth as computed in Schedule 2.

For loans to related parties to net worth, please refer to Schedule 7, ratio 19 on other ratio computations.

10. FIXED ASSETS, Prakas No. B7-01-186

The Bank is required to maintain total weighted outstanding of loans to related parties to be not more than 10% of the Bank's net worth.

As at 31 December 2020, loans to related party's exposure did not exceed 10% of the net worth as computed in Schedule 2.

For loans to related parties to net worth, please refer to Schedule 7, ratio 19 on other ratio computations.

11. PREPAID RENTAL & LEASE, Prakas No. B7-04-037

The Central Bank issued Prakas No. B7-04-037 on 9 March 2004 which stipulates that banks are only allowed to lease properties if these are directly related to its banking operations. Moreover, this Prakas stipulates that prepaid rental or lease should not exceed one year of the rental or lease term. In addition, rental with related parties is required to be reported as part of the loans and advances to related parties in a bank's quarterly related parties transactions and balances declaration with the Central Bank. In the event that a bank has prepaid rental or lease of more than one year, the bank should be in compliance with the provisions of this Prakas within six months after 9 March 2004 and thereafter, the prepaid rental or lease of more than one year shall be deducted in calculating the bank's net worth.

As at 31 December 2020, the Bank's rents were for its operations and rental prepayment did not exceed one year rent.

12. DETERMINATION OF CAPITAL BUFFER OF BANKS & FINANCIAL INSTITUTIONS, Prakas No. B7-018-068, Circular No. B7-020-002 C.I & Letter No. B7-020-622

The Central Bank issued Prakas No. B7-018-068 on 22 February 2018 with aims at:

- Strengthening capital base to settle any loss which may arise from risk of institution;
- Preventing the decrease of capital to that lower than minimum capital; and
- Reducing risk deriving from relationship between financial sector and pro-cyclicality

The Bank is required to build up capital conservation buffer by 1.25% and 2.50% from 01 January 2019 and from 01 January 2020 respectively in addition to minimum tier 1 capital. Following the Letter No. B7-020-622 dated 13 April 2020, the capital buffer is reduced back to 1.25%.

Distribution of annual profit shall be prohibited when tier capital 1 ratio (MCR1) of institution is under any quartile of capital conservation buffer as stipulated in article 11 of the present Prakas.

As at 31 December 2020, the Bank's capital buffer is 12.41% which is already exceed the required capital conservation buffer of 1.25%. Please refer to Schedule 6 for details.

SCHEDULE 1

LIQUIDITY COVERAGE RATIO AS AT 31 DECEMBER 2020

In USD				Non weighted amounts			Weighted amounts			Total
ASSETS				KHR	USD	other Currencies	KHR	USD	other Currencies	
HQLA	1.11	1	Notes and coins	3,372,448	86,079,082	-	3,372,448	86,079,082	-	89,451,530
	1.12	1	Reserves requirement with the NBC > minimum reserve requirement	-	-	-	-	-	-	-
	1.13	1	Reserves requirement with the NBC in KHR	2,630,667	-	-	2,630,667	-	-	2,630,667
	1.14	0.7	Reserves requirement with the NBC in USD	-	67,102,000	-	-	46,971,400	-	46,971,400
	1.15	1	Amounts deposited at the NBC excluding settlement account and capital guarantee account	30,031,937	100,454,369	-	30,031,937	100,454,369	-	130,486,306
	1.16	1	NCDs (and any other securities) issued by the NBC	-	-	-	-	-	-	-
	1.17	1	Market value of unencumbered marketable debt securities on or guaranteed by sovereigns and central banks, with rating comprised between AAA and AA- included BIS, IMF, ECB, EU, and MDBs when rated AAA	-	-	-	-	-	-	-
	Total 1 = Σ (1.11 ; 1.17)			36,035,052	253,635,451	-	36,035,052	233,504,851	-	269,539,903
OLA	1.21	0.85	Market value of unencumbered marketable debt securities on or guaranteed by sovereigns and central banks, with rating between A+ and A-	-	-	-	-	-	-	-
	1.22	0.85	Market value of unencumbered marketable debt securities on or guaranteed by Public Sector Entities (PSEs) and MDBs not included in 1.17 with rating higher or equal to A-	-	-	-	-	-	-	-
	1.23	0.85	Unencumbered eligible debt securities (including commercial paper) and covered bonds, with rating higher or equal to AA-	-	-	-	-	-	-	-
	1.24	0.75	Gold for own account	-	-	11,349	-	-	8,512	8,512
	Total 2 = Minimum [OLA ; 40% (HQLA+OLA)]			-	-	11,349	-	-	3,405	3,405
	Total assets			Total 3 = Total 1 + Total 2	36,035,052	253,635,451	11,349	36,035,052	233,504,851	3,405

In USD			Non weighted amounts			Weighted amounts			Total	
			KHR	USD	other Currencies	KHR	USD	other currencies		
NET CASH OUTFLOWS = expected cash outflows - expected cash inflows										
OUTFLOWS										
CASH OUT FLOWS			<i>Retail cash outflows (regardless of amount) and qualifying SME deposits (less than or equal to USD 100,000 or equivalent)</i>							
	2.11	0.05	Stable deposits	-	-	-	-	-	-	-
	2.12	0.15	Less stable deposits	17,115,860	588,800,686	1,189,136	2,567,379	88,320,103	178,370	91,065,852
			<i>Unsecured wholesale funding</i>							
	2.21	0.25	operational deposits (unsecured funding generated by clearing, custody and cash management activities)	-	53,976,716	-	-	13,494,179	-	13,494,179
	2.22	0.4	non operational deposits from non-financial corp.not qualifying for reporting in 2.11 to 2.12	12,572,625	208,608,090	868,443	5,029,050	83,443,236	347,377	88,819,663
	2.23	0.4	non operational deposits from sovereigns, central banks, and PSEs	-	-	-	-	-	-	-
	2.24	1	non operational deposits from banks and financial institutions (as defined in Annex 2)	981,385	10,461,296	814,355	981,385	10,461,296	814,355	12,257,036
	2.25	1	non operational deposits from all other legal entities	-	-	-	-	-	-	-
	2.26	1	any other unsecured wholesale funding including debt securities	-	-	-	-	-	-	-
			<i>Secured funding</i>							
	2.31	0	secured funding transactions backed by HQLA	10,580,964	-	-	-	-	-	-
	2.32	0.15	secured funding transactions backed by OLA other than Gold	-	-	-	-	-	-	-
	2.33	0.25	secured funding transactions backed by Gold for own account	-	-	-	-	-	-	-
	2.34	1	all other secured funding transactions	-	-	-	-	-	-	-
			<i>Increased liquidity needs related to derivatives and other transactions</i>							
	2.41	1	derivative payables	-	-	-	-	-	-	-
	2.42	1	outflows from market valuation changes of collateral for derivative transactions	-	-	-	-	-	-	-
	2.43	1	other derivative cash outflows	-	-	-	-	-	-	-

In USD			Non weighted amounts			Weighted amounts			Total
			KHR	USD	other Currencies	KHR	USD	other currencies	
NET CASH OUTFLOWS = expected cash outflows - expected cash inflows									
OUTFLOWS									
	Committed facilities								
	for the undrawn portion of committed credit and liquidity facilities								
	<i>to retails and SMEs</i>								
	2.51	0.05	credit facilities	1,290	10,678,968	-	65	533,948	534,013
	2.52	0.05	liquidity facilities	-	-	-	-	-	-
	<i>to non financial corporates, sovereigns and central banks</i>								
	2.53	0.1	credit facilities	999,874	152,227,860	-	99,987	15,222,786	15,322,773
	2.54	0.3	liquidity facilities	-	-	-	-	-	-
	<i>to banks and financial institutions (as defined in Annex 2)</i>								
	2.55	0.4	credit facilities	-	-	-	-	-	-
	2.56	0.4	liquidity facilities	-	-	-	-	-	-
	<i>to other financial institutions</i>								
	2.57	0.4	credit facilities	-	-	-	-	-	-
	2.58	1	liquidity facilities	-	-	-	-	-	-
	<i>to other legal entities</i>								
	2.59	1	credit facilities	-	-	-	-	-	-
	2.60	1	liquidity facilities	-	-	-	-	-	-
	Other contingent funding obligations (whether contractual or not)								
	2.71	0.1	unconditional revocable credit and liquidity facilities' agreements	-	95,559,865	-	-	9,555,987	9,555,987
	2.72	1	trade finance related obligations (report average of monthly net outflows in last 12 month period)	-	24,503,823	-	-	24,503,823	24,503,823
	2.73	0.5	Guarantees and letters of credit other than trade finance related obligations (report average of monthly net outflows in last 12 month period)	-	-	-	-	-	-
	2.81	1	Other contractual outflows	1	24,333	-	1	24,333	24,334
			Total 4 = Σ (2.11 ; 2.81)	42,251,999	1,144,841,637	2,871,934	8,677,867	245,559,691	255,577,660

In USD			Non weighted amounts			Weighted amounts			Total			
			KHR	USD	other Currencies	KHR	USD	other currencies				
INFLOWS												
CASH IN FLOWS	Outstanding Reverse repos and securities borrowing with remaining maturities within 30 days											
	where the collateral received is not re-hypothecated											
	3.11	0	covered by HQLA	-	-	-	-	-	-			
	3.12	0.25	covered by OLA	-	-	-	-	-	-			
	3.13	1	covered by other assets	-	-	-	-	-	-			
	where the collateral received is re-hypothecated											
	3.14	0	covered by HQLA	-	20,851,000	-	-	-	-			
	3.15	0	covered by OLA	-	-	-	-	-	-			
	3.16	0	covered by other assets	-	-	-	-	-	-			
	Undrawn committed facilities from banks and financial institutions as defined in Annex 2											
	3.21	0	Committed facilities from banks and financial institutions other than those reported in 3.22	-	-	-	-	-	-			
	3.22	1	Committed fund facilities with parent bank	-	-	-	-	-	-			
	Other contractual inflows, either secured or unsecured, within 30 days											
	3.31	0.5	from retail customers	1,117,304	21,624,221	-	558,652	10,812,111	-	11,370,763		
	3.32	0.5	from SMEs			-	-	-	-	-		
	3.33	0.5	from non financial corporates	272,401	683,038		136,201	341,519	-	477,720		
	3.34	1	from central banks	-	-	-	-	-	-	-		
	3.35	1	from banks and financial institutions as defined in Annex 2	-	-	-	-	-	-	-		
	3.36	0.5	from other financial institutions as defined in Annex 2	-	-	-	-	-	-	-		
	3.37	0.5	from other legal entities	-	-	-	-	-	-	-		
	3.38	0.5	from sovereigns	-	-	-	-	-	-	-		
	3.39	1	deposits with banks and financial institutions as defined in Annex 2	593,325	39,024,269	-	593,325	39,024,269	-	39,617,594		
	derivative cash inflows											
	3.50	1	net contractual derivative cash inflows within 30 days	-	-	-	-	-	-	-		
	3.60	1	Contractual inflows from other securities maturing within 30 days	-	-	-	-	-	-	-		
	3.70	0	Any other contractual inflows due in the next 30 days	-	-	-	-	-	-	-		
	Total 5 = Σ (3.11 ; 3.70)			1,983,030	82,182,528	-	1,288,178	50,177,899	-	51,466,077		
TOTAL NET CASH OUTFLOWS			Total 6 = Total 4 - Min (Total 5; 75% Total 4)			40,268,969	1,062,659,109	2,871,934	7,389,689	195,381,792	1,340,102	204,111,583
LIQUIDITY COVERAGE RATIO			LCR = Total 3/Total 6			-	-	-	487.64%	119.51%	0.25%	132.06%

SCHEDULE 2

NET WORTH AS AT 31 DECEMBER 2020

NET WORTH CALCULATION	in US\$	In MILLION KHR
Tier 1: (Core Capital)		
I. Sub-total A		
+ Paid-in capital/Capital endowment	75,000,000	303,375
+ Reserves (other than revaluation reserves)	17,500,000	70,788
+ Audited Net Profit (last financial year)	20,836,552	84,284
+ Retained Earnings	16,457,375	66,570
+ Other Items (to be detailed and supported by and NBC approval to be referred to)		
1. Provide reference of NBC's authority/approval	-	-
2. Provide reference of NBC's authority/approval	-	-
Sub-Total A	129,793,927	525,017
+ Limited check on retained earnings (max. 20% of Sub-Total A)	12.68%	12.68%
II. Sub-total B (Deduction)		
+ Own shares held (at Book Value)	-	-
+ Accumulated losses	-	-
+ Intangible assets to be deducted	576,823	2,333
+ Shareholders, Directors, Related Parties (deduct)	1,929,046	7,803
1. Unpaid portion(s) of capital (a)	-	-
2. Loans, overdrafts and other advances (b)	1,929,046	7,803
3. Debt instruments held bearing signature of Shareholders, Directors, Related Parties (c)	-	-
+ Other losses (a), (b), and (c) to be itemized in an attachment	-	-
Sub-Total B	2,505,869	10,136
Total Tier 1 (Core Capital) (A) - (B)	127,288,058	514,881
Tier 2: (complementary capital)		
III. Sub-Total C		
+ Re-evaluation reserves (NBC's Approval ref.)	-	-
+ Provisions for general banking risks (NBC's Approval ref.)	-	-
+ 1% General provision (Prakas on Asset Class)	10,129,530	40,974
+ Subordinated Debts Instruments (Provided complying with condition set forth in article 7)	45,600,000	184,452
+ Other items (to be detailed and supported)		
1. Provide reference of NBC's authority/approval	-	-
2. Provide reference of NBC's authority/approval	-	-
Sub-Total C	55,729,530	225,426
+ Limit check on Subordinated Debts (max. 50 % of Tier 1 Capital)	35.82%	35.82%
IV. Sub-Total D (Tier 2, Deductions)		
+ Equity participation banking & Fin. Institution	-	-
+ Other items to be deducted (def. charge...)	-	-
Sub-Total D	-	-
Total Tier 2 (Complementary Capital) (C) - (D)	55,729,530	225,426
+ Limit check on Tier 2 capital (Tier 2 = max. 100 % of Tier 1)	43.78%	43.78%
Regulatory Net Worth (A)- (B) + (C) - (D)	183,017,588	740,307

SCHEDULE 3

SOLVENCY RATIO AS AT 31 DECEMBER 2020

	in US\$	weighting	in US\$	In Millions of KHR
I- Balance Sheet Items, weighted by degree of Counter-Party Risks				
1- Weighting 0% on Assets with low Risk	410,535,843		-	-
1.1- Cash	89,451,530	0%	-	-
1.2- Gold	11,349	0%	-	-
1.3- Claims on the National Bank of Cambodia	289,228,366	0%	-	-
1.4- Assets collateralized by Deposits 100% lodged with Banks	31,844,598	0%	-	-
1.5- Claims on or Guaranteed by Sovereigns rated AAA to AA- or equivalent	-	0%	-	-
2- Weighting 20% on Assets with Moderate Risk	9,034,517		1,806,903	7,309
2.1- Claims on or Guaranteed by Sovereigns rated A+ to A- or equivalent	-	20%	-	-
2.2- Claims on or Guaranteed by banks rated AAA to AA- or equivalent	9,034,517	20%	1,806,903	7,309
3- Weighting 50% on Assets with Medium Risk	32,043,171		16,021,586	64,807
3.1- Claims on or Guaranteed by Sovereigns rated BBB+ to BBB- or equivalent	-	50%	-	-
3.2- Claims on or Guaranteed by Banks rated A+ to A- or equivalent	32,043,171	50%	16,021,586	64,807
4- Weighting 100% on Assets with Full Risk	854,280,827		854,280,827	3,455,566
4.1- All other Assets, besides mentioned above	854,280,827	100%	854,280,827	3,455,566
Total (I) = (1) + (2) + (3) + (4)	1,305,894,358		872,109,316	3,527,682
II- Off-Balance Sheet items, weighted by degree of Counter-Party Risk				
1- Weighting 0% on Operations with low Risk	206,650,518		-	-
1.1- Undrawn Facilities, particularly overdrafts and commitments to lend, which are for an initial term of not more than one year	206,650,518	0%	-	-
1.2- Other items carrying a low risk	-	0%	-	-
2- Weighting 20% on Operations with Moderate Risk	7,525,442		1,505,088	6,088
2.1- Documentary credits is sued or confirmed where the underlying goods serve as collateral and other similar transactions	7,525,442	20%	1,505,088	6,088
2.2- Other Items carrying moderate risk	-	20%	-	-
3- Weighting 50% on Operations with Medium Risk	91,608,941		45,804,471	185,279
3.1- Commitments to pay resulting from documentary credits, issued or confirmed, where the underlying goods do not serve as collateral	91,290,029	50%	45,645,015	184,634
3.2- Warranties and indemnity bonds (including tender, performance, customs and tax bonds) and guarantees not having the character of credit substitutes	-	50%	-	-
3.3- Undrawn facilities, particularly overdrafts and commitments to lend with an initial term of more than one year	318,912	50%	159,456	645
3.4- Other items carrying medium risk	-	50%	-	-
4- Weighting 100% on Operations with Full Risk	-		-	-
4.1- Loan guarantees (deductible from the risk exposure in respect of the beneficiary)	-	100%	-	-
4.2- Acceptances	-	100%	-	-
4.3- Endorsement on bills not bearing the name of another bank or financial institution	-	100%	-	-
4.4- Transactions with recourse	-	100%	-	-
4.5- Irrevocable credit lines, or guarantees, having the character of credit substitutes	-	100%	-	-
4.6- Other items carrying a high risk	-	100%	-	-
Total (II) = (1) + (2) + (3) + (4)	305,784,901		47,309,559	191,367
III- Total Assets and Operations after weighting Risk = (I) + (II)			919,418,875	3,719,049
Solvency Ratio = Total Net Worth / III (>15%)			19.91%	19.91%

SCHEDULE 4

CLASSIFICATION OF AND PROVISIONING FOR BAD
AND DOUBTFUL FINANCIAL FACILITIES AS AT 31 DECEMBER 2020

THE BANK	Financial facilities amount	The Central Bank requirement Classification	Estimated Collateral Value	The Central Bank's Provision	The Central Bank's Required Provision	Provision Recorded By the Bank	Difference in Provision Amount
	US\$		US\$	RATE	US\$	US\$	US\$
Financial facilities	1,012,953,006	Normal	5,078,490,790	1%	10,129,530	10,129,530	-
Financial facilities	2,219,498	Special mention	8,379,747	3%	66,585	66,585	-
Financial facilities	43,092	Substandard	50,000	20%	8,618	8,618	-
Financial facilities	487,367	Doubtful	1,371,368	50%	243,684	243,684	-
Financial facilities	746,782	Loss	2,669,343	100%	746,782	746,782	-
Total	1,016,449,745		5,090,961,248		11,195,199	11,195,199	-

SCHEDULE 5

NET OPEN POSITION AS AT 31 DECEMBER 2020

No	Currency	Elements after deduction of affected provision				Net open position	Net open position/ net worth	Limit	Excess
		Assets	Liabilities & capital	Currency receivables	Currency payables				
				Off-balance sheet	Off-balance sheet				
		1	2	3	4	5=1-2+3-4			
1	USD	127,510,143	130,545,588	1,318,785	1,318,785	(3,035,445)	-1.66%	N/A	N/A
2	KHR	1,176,387,267	1,173,352,854	287,194,220	287,194,220	3,034,413	1.66%	N/A	N/A
3	EUR	3,664,842	3,664,160	-	-	682	0.00%	20%	No
4	SGD	305,762	305,708	-	-	54	0.00%	20%	No
5	HKD	280,857	280,804	-	-	53	0.00%	20%	No
6	THB	321,121	321,071	-	-	50	0.00%	20%	No
7	JPY	3,715	3,715	-	-	-	0.00%	20%	No
8	PHP	-	-	-	-	-	0.00%	20%	No
9	AUD	531,880	531,780	17,271,895	17,271,895	100	0.00%	20%	No
10	CAD	119	118	-	-	1	0.00%	20%	No
11	GBP	167,646	167,617	-	-	29	0.00%	20%	No
12	CNY	215,557	215,524	-	-	33	0.00%	20%	No
13	KRW	-	-	-	-	-	0.00%	20%	No
14	VND	-	-	-	-	-	0.00%	20%	No
15	OTHERS	177,268	177,238	-	-	30	0.00%	20%	No
	TOTAL	1,309,566,177	1,309,566,177	305,784,900	305,784,900	-			

SCHEDULE 6

DETERMINATION OF CAPITAL BUFFER AS AT 31 DECEMBER 2020

Tier 1 Capital Ratio		Minimum Capital Conservation Ratio (expressed as percentage of earning)
≥ MCR1 (7.5%) to (MCR1 + 0.625%)		100
> (MCR1 + 0.625%) to (MCR1 + 1.25%)		80
> (MCR1 + 1.25%) to (MCR1 + 1.85%)		60
> (MCR1 + 1.85%) to (MCR1 + 2.5%)		40
> (MCR1 + 2.5%)		0
THE BANK		
Specific rules applicable to the institution:		%
Minimum solvency ratio =		15
Minimum Tier1 solvency ratio =		7.5
Capital conservation buffer (%) =		1.25
Countercyclical buffer (%) =		0

Buffer to be built	Amount	as % of RWA
Capital conservation buffer	11,492,877	1.25
Countercyclical capital buffer	-	-
Total capital buffer	11,492,877	1.25
Tier 1 Capital	127,288,058	13.84
Tier 2 Capital	55,729,530	6.06
Total Capital (Net Worth)	183,017,588	19.91
Risk Weighted Assets - RWA	919,418,875	
Tier 1 capital needed for Minimum Solvency ratio	82,183,301	8.94
Available Tier 1 Capital for Capital Buffer	45,104,757	4.91
Additional Tier 1 Capital buffer to be built up	-	-
Minimum Tier 1 capital ratio + available Tier 1 capital for capital buffer		12.41
Minimum Capital Conservation ratio (expressed as percentage of earnings)		-

SCHEDULE 7

OTHER RATIO COMPUTATIONS AS AT 31 DECEMBER 2020

CAPITAL		US\$	ASSET QUALITY		US\$
1 Equity to total assets (A/B)		10.48%	13 Non-performing loans to total assets (A/B)		0.10%
A – Equity		137,303,230	A – Non-performing loans		1,277,241
B – Total assets		1,309,566,177	B – Total assets		1,309,566,177
2 Capital Tier I to total assets (A/B)		9.72%	14 Classified assets to total loans (A/B)		0.15%
A – Capital Tier 1		127,288,058	A – Classified assets		1,277,241
B – Total assets		1,309,566,177	B – Total loans (gross)		850,647,057
3 Capital Tier I to risk weighted assets (A/B)		13.84%	15 Classified assets to total assets (A/B)		0.10%
A – Capital Tier 1		127,288,058	A – Classified assets		1,277,241
B – Risk weighted assets		919,418,875	B – Total assets		1,309,566,177
4 Capital Tier I +Tier II to risk weighted assets (A/B)		19.91%	16 Classified assets to equity (A/B)		0.93%
A – Capital Tier I + Tier II		183,017,588	A – Classified assets		1,277,241
B – Risk weighted assets		919,418,875	B – Equity		137,303,230
5 Net worth to assets (A/B)		13.98%	17 Loans to related parties to total loans (A/B)		0.23%
A – Net worth		183,017,588	A – Loans to related parties		1,929,046
B – Total assets		1,309,566,177	B – Total loans (gross)		850,647,057
6 Solvency ratio (A/B)		19.91%	18 Large exposure to total loans (A/B)		11.08%
A – Net worth		183,017,588	A – Large exposure		94,229,665
B – Risk weighted assets		919,418,875	B – Total loans (gross)		850,647,057
7 Debt to total assets (A/B)		89.52%	19 Loans to related parties to net worth (A/B)		1.05%
A – Total liabilities		1,172,262,947	A – Loans to related parties		1,929,046
B – Total assets		1,309,566,177	B – Net worth		183,017,588
8 Debt to equity (A/B)		853.78%	20 Large exposure to net worth (A/B)		51.49%
A – Total liabilities		1,172,262,947	A – Large exposure		94,229,665
B – Equity		137,303,230	B – Net worth		183,017,588
9 Dividend to net profit (A/B)		0.00%	21 General provision to total loans (A/B)		1.19%
A – Dividend		-	A – General provision		10,129,530
B – Net profit		21,100,931	B – Total loans (gross)		850,647,057
ASSET QUALITY		US\$	22 Specific provision to total loans (A/B)		0.13%
10 Banking reserve to total loans (A/B)		2.06%	A – Specific provision		1,065,669
A – Banking reserves		17,500,000	B – Total loans (gross)		850,647,057
B – Total loans (gross)		850,647,057	23 Specific provision to non-performing loans (A/B)		83.44%
11 Banking reserve to total assets (A/B)		1.34%	A – Specific provision		1,065,669
A – Banking reserves		17,500,000	B – Non performing loans		1,277,241
B – Total assets		1,309,566,177	24 All allowances to total assets (A/B)		0.85%
12 Non-performing loans to total loans (A/B)		0.15%	A – Total all allowances		11,195,199
A – Non-performing loans		1,277,241	B – Total assets		1,309,566,177
B – Total loans (gross)		850,647,057	25 Loans to deposits (A/B)		87.70%
			A – Total loans to non-bank customers (gross)		785,691,415
			B – Customer's deposits		895,898,858

EARNINGS

US\$

26 Return on assets(ROA) (A/B)	1.61%
A – Net profit	21,100,931
B – Total assets	1,309,566,177
27 Return on equity (ROE) (A/B)	15.37%
A – Net profit	21,100,931
B – Equity	137,303,230
28 Gross yield (A/B)	4.46%
A – Interest income	58,359,289
B – Total assets	1,309,566,177
29 Net interest margin (NIM) to total assets ((A-B)/C)	2.83%
A – Interest income	58,359,289
B – Interest expense	21,358,921
C – Total assets	1,309,566,177
30 Other income (OTINC) to total assets = (A/B)	0.65%
A – Other incomes	8,468,494
B – Total assets	1,309,566,177
31 Provision to total assets (A/B)	0.85%
A – Provision	11,195,199
B – Total assets	1,309,566,177
32 Overhead to total assets = (A/B)	1.86%
A – Non-interest expense	24,418,600
B – Total assets	1,309,566,177
33 Net income before tax (NIBT) to total assets = (A/B)	2.04%
A – Net income before tax	26,757,466
B – Total assets	1,309,566,177
34 Tax to total assets (A/B)	0.43%
A – Tax	5,656,535
B – Total assets	1,309,566,177
35 Interest margin to gross income ((A-B)/C)	55.37%
A – Interest income	58,359,289
B – Interest expense	21,358,921
C – Gross income	66,827,783
36 Non-interest income to gross income (A/B)	12.67%
A – Non-interest income	8,468,494
B – Gross income	66,827,783
37 Non-interest expense to gross income (A/B)	36.54%
A – Non-interest expense	24,418,600
B – Gross income	66,827,783
38 Times interest earned ((A+B)/C)	225.28%
A – Income before tax	26,757,466
B – Interest expense	21,358,921
C – Interest expense	21,358,921

LIQUIDITY

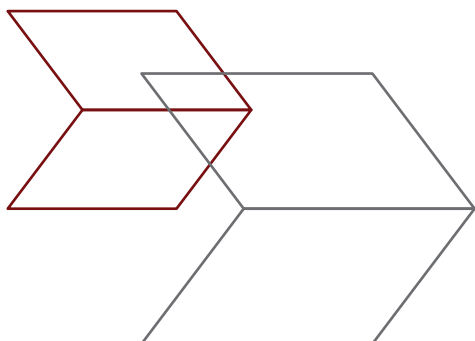
US\$

39 Liquid assets to total assets (A/B)	19.03%
A – Liquid assets	249,260,809
B – Total assets	1,309,566,177
40 Short-term liabilities to total assets (A/B)	73.76%
A – Short-term liabilities (less than one year)	965,876,969
B – Total assets	1,309,566,177
41 Net Liquid assets ((A-B)/C)	-61.13%
A – Liquid assets	249,260,809
B – Short-term liabilities (less than one year)	965,876,969
C – Total liabilities	1,172,262,947
42 Quick ratio (A/B)	25.81%
A – Quick assets	249,260,809
B – Current liabilities	965,876,969
43 Deposit to total loans (A/B)	114.03%
A – Total customers' deposits	895,898,858
B – Total loans to non-bank customers (gross)	785,691,415

CORPORATE DIRECTORY



156 Branch Network
158 Group Corporate Directory



BRANCH NETWORK

BRANCH LOCATION



NORODOM NORTH BRANCH 20A/B, Preah Norodom Boulevard Corner of Street 118, Sangkat Phsar Chas, Khan Daun Penh, Phnom Penh	CHAMKAR MON BRANCH 763, Street 93, Sangkat Boeung Trabaek, Khan Chamkar Mon, Phnom Penh	PREAH SIHANOUK BOULEVARD BRANCH 57F, Preah Sihanouk Boulevard, Sangkat Chaktomok, Khan Daun Penh, Phnom Penh
MAO TSE TOUNG BOULEVARD BRANCH 187 E0E1, Mao Tse TOUNg Boulevard, Sangkat Toul Svay Prey I, Khan Chamkarmon, Phnom Penh	OLYMPIC BRANCH 201, Jawaharlal Nehru Boulevard, Sangkat Phsar Doeum Kor, Khan Toul Kork, Phnom Penh	TUOL KOUK BRANCH 150NB and 152B1 E0E1E2E3E4, Street 516, Sangkat Boeung Kak I, Khan Tuol Kouk, Phnom Penh
PHSAR HENGLY BRANCH 12Z, Street 271, Sangkat Tuek Laark III, Khan Toul Kork, Phnom Penh	EXCHANGE SQUARE BRANCH Ground Floor, Exchange Square, Street 51-61 & 102-106, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh	BAK TOUK BRANCH Ground Floor, Building VTrust Tower, Street 169, Sangkat Veal Vong, Khan 7 Makara, Phnom Penh
TUEK THLA BRANCH Unit 1E&F, Ground Floor, California Social House, Russian Federation Boulevard, Sangkat Tuek Thla, Khan Sen Sok, Phnom Penh	KRONG PREAH SIHANOUK BRANCH 90, Ek Reach Boulevard, Sangkat No 4, Krong Preah Sihanouk, Preah Sihanouk Province	KRONG SIEM REAP BRANCH 38-39-40, Sivatha Street, Sangkat Svay Dangkom, Krong Siem Reap, Siem Reap Province
KRONG KAMPONG CHAM BRANCH Village 4, Sangkat Veal Vong, Krong Kampong Cham, Kampong Cham Province	KRONG BATTAMBANG BRANCH 98-99, Sangkat Svay Por, Krong Battambang, Battambang Province	

CIMB PREFERRED CENTRE



NORODOM NORTH 20A/B, Preah Norodom Boulevard Corner of Street 118, Sangkat Phsar Chas, Khan Daun Penh, Phnom Penh	CHAMKAR MON 763, Street 93, Sangkat Boeung Trabaek, Khan Chamkar Mon, Phnom Penh	OLYMPIC 201, Jawaharlal Nehru Boulevard, Sangkat Phsar Doeum Kor, Khan Toul Kork, Phnom Penh
MAO TSE TOUNG 187 E0E1, Mao Tse TOUNg Boulevard, Sangkat Toul Svay Prey I, Khan Chamkarmon, Phnom Penh	PHSAR HENGLY 12Z, Street 271, Sangkat Teuk Laark III, Khan Toul Kork, Phnom Penh	BAK TOUK Ground Floor, Building VTrust Tower, Street 169, Sangkat Veal Vong, Khan Makara, Phnom Penh
TUEK THLA Unit 1E&F, Ground Floor, California Social House, Russian Federation Boulevard, Sangkat Tuek Thla, Khan Sen Sok, Phnom Penh	TUOL KOUK 150NB and 152B1 E0E1E2E3E4, Street 516, Sangkat Boeung Kak I, Khan Tuol Kouk, Phnom Penh	KRONG SIEM REAP 38-39-40, Sivatha Street, Sangkat Svay Dangkom, Krong Siem Reap, Siem Reap Province

OFFSITE ATM



**PHNOM PENH
INTERNATIONAL AIRPORT**
New Arrivals Terminal Area,
National Road 4, Khan
Posenchey, Phnom Penh

MAKRO MALL
No 5734, Street 1003, Sangkat
Phnom Penh Thmey, Khan
Sen Sok, Phnom Penh

**THE PARK DEVELOPMENT
COMMUNITY**
National road #1, Sangkat Nirot,
Khan Chbar Ampov, Phnom Penh

LIM LONG (VENG SRENG)
Dey Lo #9, Veng Sreng
Boulevard, Sangkat Chom Chao,
Khan Posenchey, Phnom Penh

TOTAL (MONIVONG)
No. 370, Corner Street 93 & 310,
Sangkat Boeung Keng Kang I,
Khan Chamkarmorn, Phnom Penh

RAINTREE
#299, Street Preah Ang Duong,
Sangkat Wat Phnom, Khan
Daun Penh, Phnom Penh

**CAMBREW
(PREAH SIHANOUK PROVINCE)**
Phum 3, Sangkat 1,
Krong Preah Sihanouk,
Preah Sihanouk Province

AEON MALL
Behind Adidas, AEON mall,
No.132, Samdech Sothearos
Boulevard, Sangkat Tonle Bassac,
Khan Chamkarmon, Phnom Penh

EXCHANGE SQUARE
Ground Floor, Exchange Square,
Street 51-61 & 102-106,
Sangkat Wat Phnom, Khan
Daun Penh, Phnom Penh

ROYAL INN
No. 128D6-7-8, Samdech
Sothearos Boulevard, Sangkat
Tonle Bassac, Khan Chamkarmorn,
Phnom Penh

TOTAL (KAMPUCHEA KROM)
#798, Street 128, Sangkat
Teuk Laark, Khan Toul Kork,
Phnom Penh

TOTAL (ROAD 271)
Street 271, Sangkat Toul Tom
Poung II, Khan Chamkamorn,
Phnom Penh

THE BRIDGE
The Bridge SoHo Tower,
National Assembly Street,
Sangkat Tonle Bassac, Khan
Chamkarmorn, Phnom Penh

**ANGKOR MARKET
(SIEM REAP PROVINCE)**
National Road 6, Phum
Salakanseng, Sangkat Svay
Dongkum, Krong Siem Reap,
Siem Reap Province

AEON MALL SEN SOK
Second floor of AEON MALL,
Bayarb Village, Phnom Penh
Thmey Commune, Sen Sok
District, Phnom Penh Capital

**NAGA WORLD I
& NAGA WORLD II**
Samdech Techo Hun Sen Park,
Phnom Penh

PTT (POCHENTONG)
No.7A, Russian Boulevard,
Sangkat Kakab, Khan
Posenchey, Phnom Penh

TOTAL (PHNOM PENH THMEY)
Street 1986, Sangkat Phnom
Penh Thmey, Khan Sen Sok,
Phnom Penh

EDEN GARDEN
Phnom Penh City Center (PPCC),
Sangkat Sras Chork, Khan
Daun Penh, Phnom Penh

SAMAI SQUARE MALL
#02, Street 337, Sangkat
Boeung Kak I, Khan
Toul Kork, Phnom Penh

**MAKRO MALL
(SIEM REAP PROVINCE)**
National Road No. 6, Koak Tnout
Village, Kandaek Commune,
Prasat Bakorn District,
Krong Siem Reap, Siem Reap
province

GROUP CORPORATE DIRECTORY

CIMB GROUP HOLDINGS BERHAD

Level 13, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur, Malaysia

Tel : 603 2261 8888
Fax : 603 2261 0099
Website : www.cimb.com

PT BANK CIMB NIAGA TBK

16th Floor, Ji. Jend
Sudirman Kav. 58
Graha CIMB Niaga
Jakarta 12190, Indonesia

Tel : 6221 250 5252
Fax : 6221 252 6749
Website : www.cimbniaga.com

CIMB BANK (L) LIMITED

Level 14(A), Main Office Tower
Financial Park Labuan
Jalan Merdeka
87000 W P Labuan, Malaysia

Tel : 6087 597 500
Fax : 6087 597 501
Website : www.cimb.com

CIMB BANK BERHAD

Hong Kong Branch

Rooms 2501 & 2507-2510,
25th Floor, Gloucester Tower
The Landmark, 15 Queen's Road
Central, Hong Kong

Tel : 852 2586 7288
Fax : 852 2556 3863
Website : www.cimb.com

CIMB BANK BERHAD

Level 17, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur, Malaysia

Tel : 603 2261 8888
Fax : 603 2261 0099
Website : www.cimb.com

CIMB THAI BANK PUBLIC COMPANY LIMITED

44 Langsuan Road
Lumpini, Pathumwan
Bangkok 10330, Thailand

Tel : 662 638 8000
662 626 7000
Fax : 662 657 3333
Website : www.cimbthai.com

CIMB BANK BERHAD

Singapore Branch

#09-01, Singapore Land Tower
50, Raffles Place 048623
Singapore

Tel : 65 6337 5115
Fax : 65 6337 5335
Website : www.cimb.com

CIMB BANK BERHAD

Philippines Branch

Ground Floor, ORE Central
Building 9th Avenue Corner 31st
Street Bonifacio Global City,
Taguig 1634 Philippines

Tel : 63 2 249 9000
Fax : NIL
Website : www.cimb.com

CIMB INVESTMENT BANK BERHAD

Level 17, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur, Malaysia

Tel : 603 2261 8888
Fax : 603 2261 0099
Website : www.cimb.com

CIMB BANK PLC

20A/B, Corner Preah Norodom
Boulevard & Street 118
Sangkat Phsar Chas
Phnom Penh 12203
Kingdom of Cambodia

Tel : 855 23 988 388
Fax : 855 23 988 099
Website : www.cimbbank.com.kh

CIMB BANK BERHAD

London Branch

Ground Floor, 27, Knightsbridge
London SW1X 7LY
United Kingdom

Tel : 44 0 20 7201 3150
Fax : 44 0 20 7201 3151
Website : www.cimb.com

CIMB BANK BERHAD

Labuan Offshore Branch

Level 14(A), Main Office Tower
Financial Park, Labuan
Jalan Merdeka 87000 W P
Labuan, Malaysia

Tel : 6087 597 500
Fax : 6087 597501
Website : www.cimb.com

CIMB ISLAMIC BANK BERHAD

Level 17, Menara CIMB
Jalan Stesen Sentral 2
Kuala Lumpur Sentral
50470 Kuala Lumpur, Malaysia

Tel : 603 2261 8888
Fax : 603 2261 0099
Website : www.cimb.com

CIMB BANK (VIETNAM) LIMITED

Level 2, CornerStone Building
16 Phan Chu Trinh
Hoan Kiem District
Hanoi, Vietnam

Tel : 84 4 3266 3388
Fax : 84 4 3266 3389
Website : www.cimbbank.com.vn

CIMB BANK BERHAD

Shanghai Branch

Unit 1805-1807, AZIA Center
1233, Lujiazui Ring Road
Pudong New District
Shanghai 200120, China

Tel : 86 21 2026 1888
Fax : 86 21 2026 1988
Website : www.cimb.com

CIMB INVESTMENT BANK BERHAD

Brunei Branch

14th Floor, PGGMB Building
Jalan Kianggeh
Bandar Seri Begawan BS8111
Brunei Darussalam

Tel : 673 224 1888
Fax : 673 224 0999
Website : www.cimb.com

CIMB THAI BANK PCL
Vientiane Branch
 010, Lanexang Avenue
 Unit 2, Ban Hatsadi
 Chanthabury District
 Vientiane, Lao PDR
 Tel : 856 21 255 355
 Fax : 856 21 255 356
 Website : www.cimb.com

TOUCH 'N GO SDN. BHD.
 Tower 6, Avenue 5,
 Bangsar South
 No. 8, Jalan Kerinchi
 59200 Kuala Lumpur, Malaysia
 Tel : 603 2714 8000
 Fax : 603 2714 8001
 Website : www.touchngo.com.my

CIMB TRUST LIMITED
 Level 14(A), Main Office Tower
 Financial Park Labuan
 Jalan Merdeka
 87000 W P Labuan, Malaysia
 Tel : 6087 414 252
 Fax : 6087 411 855
 Website : www.cimb.com

CIMB ISLAMIC TRUSTEE BERHAD
 Level 21, Menara CIMB
 Jalan Stesen Sentral 2
 Kuala Lumpur Sentral
 50470 Kuala Lumpur, Malaysia
 Tel : 603 2261 8888
 Fax : 603 2261 9887
 Website : www.cimb.com

CIMB COMMERCE
TRUSTEES BERHAD
 Level 21, Menara CIMB
 Jalan Stesen Sentral 2
 Kuala Lumpur Sentral
 50470 Kuala Lumpur, Malaysia
 Tel : 603 2261 8888
 Fax : 603 2261 9887
 Website : www.cimb.com

iCIMB (MALAYSIA) SDN. BHD.
 19th Floor, Tower 5, Avenue 7
 Bangsar South
 No. 8, Jalan Kerinchi
 59200 Kuala Lumpur, Malaysia
 Tel : 603 2180 7198
 Fax : 603 2180 7100
 Website : www.cimb.com

iCIMB (MSC) SDN. BHD.
 19th Floor, Tower 5, Avenue 7
 Bangsar South
 No. 8, Jalan Kerinchi
 59200 Kuala Lumpur, Malaysia
 Tel : 603 2180 7198
 Fax : 603 2180 7100
 Website : www.cimb.com

CIMB FOUNDATION
 Level 17, Menara CIMB
 Jalan Stesen Sentral 2
 Kuala Lumpur Sentral
 50470 Kuala Lumpur, Malaysia
 Tel : 603 2261 8888
 Fax : 603 2261 8874
 Website : www.cimbfoundation.com

CIMB BANCOM CAPITAL
CORPORATION
 28th Floor, ORE Central Building
 9th Avenue Corner 31st Street
 Bonifacio Global City
 Taguig, 1634 Philippines
 Tel : NIL
 Fax : NIL
 Website : www.cimb.com

CIMB INVESTMENT BANK
(PRIVATE) LIMITED
 No. 47, Alexandra Place
 Colombo 07, Sri Lanka
 Tel : 94 11 269 5782
 Fax : 94 11 269 5410
 Website : www.cimb.com

CGS-CIMB HOLDINGS SDN BHD
 Level 6, Tropicana City Office Tower
 No. 3, Jalan SS20/27
 47400 Petaling Jaya, Selangor
 Tel : 603 2261 8888
 Fax : 603 2261 8899
 Website : www.cgs-cimb.com.my

CGS-CIMB SECURITIES
INTERNATIONAL PTE. LTD.
 #16-02, Singapore Land Tower
 50, Raffles Place 048623
 Singapore
 Tel : 65 6225 1228
 Fax : 65 6225 1522
 Website : www.cimb.com

CIMB BANK BERHAD
Yangon Representative Office
 1219, Level 12-A, Sakura Tower
 Kyauktada Township
 Yangon, Myanmar
 Tel : 951 255 430
 Fax : 951 255 430
 Website : www.cimb.com

CIMB BANK BERHAD
Mumbai Representative Office
 Plot No.C-59, G – Block, Platina
 Office No.603A, 6th Floor
 Bandra Kurla Complex
 Bandra (East), Mumbai 40005, India
 Tel : 91 22 6671 1570
 91 02 2650 0330
 Fax : NIL
 Website : www.cimb.com

PRINCIPAL ASSET MANAGEMENT
BERHAD
 10th Floor, Bangunan CIMB
 Jalan Semantan, Damansara Heights
 50490 Kuala Lumpur, Malaysia
 Tel : 603 2084 8888
 Fax : 603 2084 8899
 Website : www.principal.com.my

PRINCIPAL ISLAMIC ASSET
MANAGEMENT SDN. BHD.
 10th Floor, Bangunan CIMB
 Jalan Semantan, Damansara Heights
 50490 Kuala Lumpur, Malaysia
 Tel : 603 2084 8888
 Fax : 603 2084 8899
 Website : www.principal.com.my

www.cimbbank.com.kh

CIMB Bank PLC

20AB Corner Preah Norodom
Boulevard & Street 118
Sangkat Phsar Chas
Phnom Penh
12203 Cambodia