

MOVING FORWARD WITH YOU



ADVANCING SUSTAINABLE FINANCE

Launched a suite of sustainability-linked products
page 11

ENHANCING TECHNOLOGY RESILIENCE

Rolled-out Mobile Banking with a new customer interface, refined features and better customer experience overall
page 15

GIVING BACK TO COMMUNITIES

Organised diverse CSR projects ranging from education, healthcare, environment, social development and many more
page 64

Our Presence

Our Retail and Institutional Customers: Around



**25
Million**

Our Self-Service Access Points:



6,889

Our Retail Branches:



601

Our Workforce: Over



33,000





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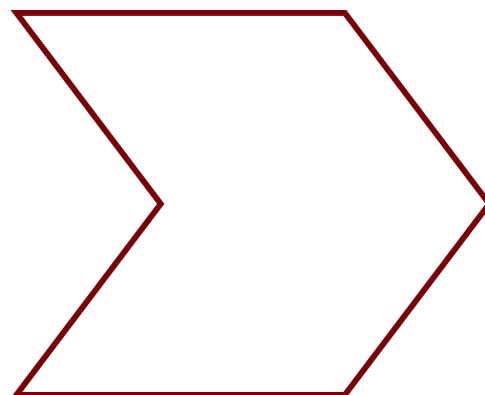
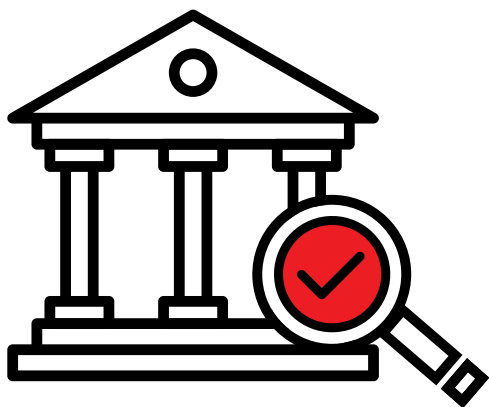
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CORPORATE PROFILE



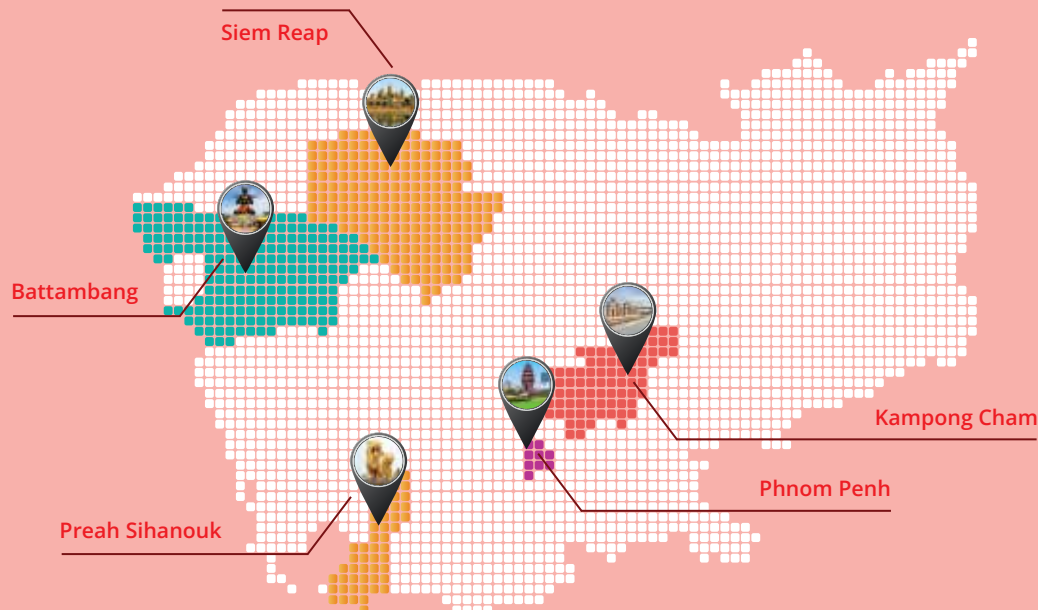
14
Branches



500+
Employees



35,000+
Customers



► 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 40 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 2023, CIMB Bank PLC employed over 500 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 focused ASEAN 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 December 2023, had our around 33,000 staff and over 25 million customers.

CIMB Group Holdings Berhad has been listed on the Main Market of Bursa Malaysia since 1987 and has market capitalisation of RM62.4 billion as at 31 December 2023. As at 31 December 2023, total assets stood at RM733.6 billion, with total shareholders' funds of RM69.8 billion and total Islamic assets of RM205.7 billion. At the end of December 2023, the substantial shareholders were Khazanah Nasional Berhad with 23.0%, Employees Provident Fund with 12.3% and Kumpulan Wang Persaraan (Diperbadankan) with 6.0%.

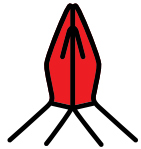
COMMITMENT TO SERVICE QUALITY & EXCELLENCE

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
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



E

Enabling Talent

We enable and develop our people. We want to be the best place for the best talent.



P

Passion

We pursue excellence in all we do and deliver beyond the ordinary.



I

Integrity and Accountability

We act in an ethical and trustworthy manner. We take ownership of all our actions.



C

Collaboration

We commit to team over individual success. CIMB's success is our success.



C

Customer Centricity

We put customers at the heart of everything we do. We always do right by them.

MESSAGE FROM THE CHAIRMAN

In 2023, the global economy witnessed a pivotal phase marked by monetary tightening efforts, a gradual normalisation of supply chains, and China's struggle with weak domestic demand. Central banks across major economies initiated measures to rein in inflation, leading to cautious adjustments in monetary policy. Simultaneously, supply chains showed signs of stabilisation after prolonged disruptions, though challenges lingered, especially concerning input shortages and transportation bottlenecks. The global recovery remains slow as the International Monetary Fund (IMF) reported the growth to shrink from 3.5% in 2022 to 3.0% in 2023.

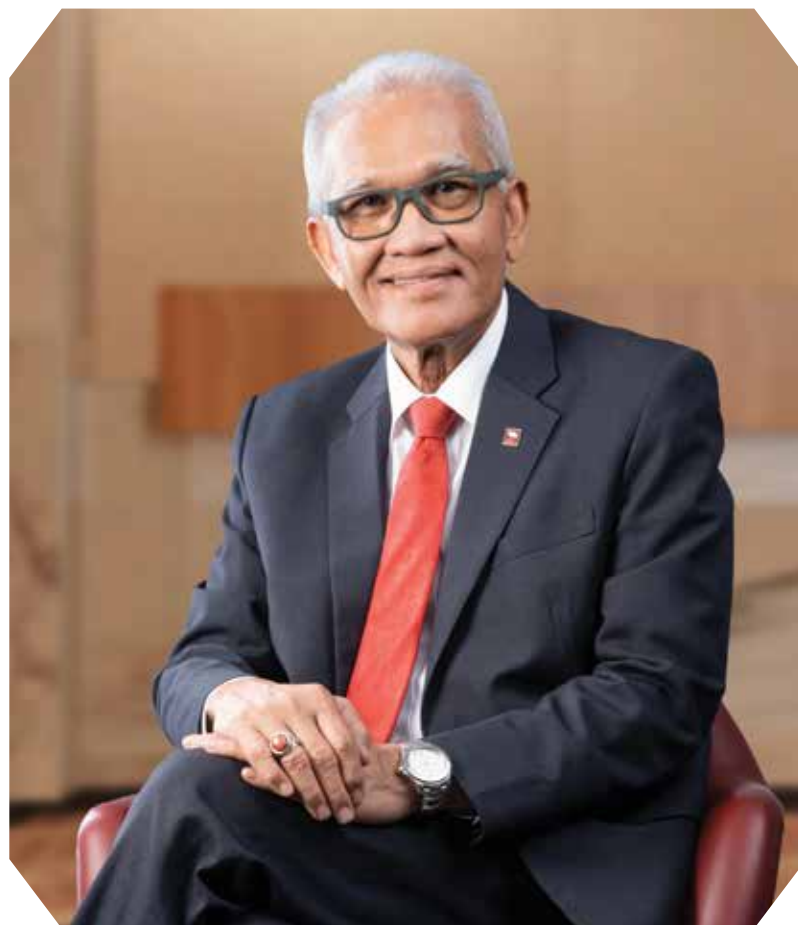
Turning to the ASEAN region, economic prospects in 2023 demonstrated commendable resilience and adaptability, holding its ground amid global uncertainties. While facing challenges similar to those encountered by the EU and China, such as supply chain disruptions and geopolitical tensions, ASEAN nations showcased notable flexibility and agility in response. Leveraging regional integration initiatives and digitalisation efforts, ASEAN economies pursued avenues for growth and diversification, positioning themselves as attractive destinations for investment and trade. The ASEAN region is expected to maintain its appeal to foreign direct investment, with patterns in both commercial and state investment likely to stay steady over the course of the year.

Backed by the Royal Government of Cambodia's long-term goals, the National Bank of Cambodia reported that Cambodia's economy grew by 5.5% in 2023, mainly driven by robust expansion in tourism and non-garment manufacturing sectors. Tourism saw exceptional growth at 19.8%, with international visitors reaching 5.5 million. Non-garment manufacturing, particularly in electronics and vehicles, surged significantly. However, manufacturing for the domestic market experienced a decline. Agriculture sector experienced a slight uptick, supported by growth in rice, rubber, and fisheries. Construction and real estate sectors grew at slower rates. The balance of payments is projected to have a surplus of USD226.1 million, with increased international reserves, reaching USD20 billion, equivalent to seven months of imports, surpassing the benchmark for developing countries.

► 2023 Operating Environment

Despite a 34% year-on-year (YoY) decline in net profit to USD21.17mil, our financial performance in 2023 revealed some encouraging trends. Deposit increased by 17% YoY, a remarkable year achievement. This growth reflects the culmination of our endeavors to enhance our Loan to Deposit (LDR) ratio over the course of 2023.

Interest income increased by 14% YoY, driven by strong loan growth and higher interest income on investments. However, this was offset by a substantial 64% YoY increase of Interest Expense. The uncertain economic climate has dampened investment appetite throughout the year, significantly impacting our fee income performance. To address this, we plan to enhance our fee income generation capabilities. CIMB Bank PLC has just launched a new version of CIMB Mobile with enhanced features. As we expand our range of product offerings and better meet customers' needs, we have introduced new products for a larger segment including SME financing solutions and Prime Current Account.



Our resilience is further demonstrated by maintaining a consistent gross non-performing loans (NPL) ratio of 1.69%, compared to industry's 5.32%.

► A Purpose-Driven Organisation

At CIMB, we believe culture drives performance. We strive to maintain a workplace culture that prioritises learning, development, and organisational values as the foundation of a high performing and engaged workforce.

As a people-driven business, CIMB Bank PLC is renowned as a place where talent thrives. We attract, retain, and nurture top talent to prepare them for the future locally and regionally. We expose our talented employees to various platforms and effective mechanisms to ensure their knowledge expands, added value is created, and innovation is shared. Our investment in people is reflected in the over 18,500 annual man-hours dedicated to in-country and overseas training, averaging 38 hours per employee. These development efforts have resulted in staff capacity growth, leveraging and maximising our collective strengths to achieve the utmost competitive advantage among our peers.



Tree planting ceremony on Campaign on Trees & Grasses Planting for Preserving the Angkor World Heritage Site, at Angkor Wat temple

In addition to fostering sustainable growth for our customers and employees, CIMB Cambodia is committed to giving back to the community as part of CIMB's core values. CIMB Cambodia participates in various Corporate Social Responsibility (CSR) projects, including initiatives in education, healthcare, the environment, and social development. In 2023, we organised several events, including a collaboration with the APSARA National Authority for the Campaign on Trees and Grass Planting at the Angkor Archaeological Park in Siem Reap. This event was officiated by HE. Dr. Phoeurng Sackona, Cambodia's Minister of Culture and Fine Arts.

In continuing the support for education, a Cambodian scholar was awarded the 2023 CIMB ASEAN Scholarship to pursue her bachelor's degree at Monash University in Australia. We are proud to announce that, to date, a total of three Cambodian scholars have successfully competed with other ASEAN students to earn this prestigious full scholarship.

Sustainability remained a top priority for CIMB and an integral part of our Forward23+ strategic plan. We have consistently stayed on target or even outperformed on our sustainability aspirations year on year. Adding to our current offering of products and services, CIMB Bank PLC launch a suite of sustainability-linked products including Electric Vehicle financing and Solar Rooftop financing to encourage the adoption of low-carbon usage alternatives.

The EPICC values which were introduced in 2022 have been integrated into #teamCIMB throughout 2023. Representing 'Enabling Talent; Passion; Integrity and Accountability; Collaboration; and Customer Centricity', EPICC guides our people to deliver impact the right way and this was our top-line priority in 2023. I take pride in working with a team that shares the same set of core values, but also celebrates value in diversity. Our continuing efforts are to dedicate resources for the wellbeing of our people, new ways of working and creating a happier workplace, motivating personal and professional development alongside business priorities.

On behalf of the Board of Directors of CIMB Bank PLC, I wish to sincerely extend my deepest gratitude and appreciation to the Royal Government of Cambodia, the National Bank of Cambodia, and all our valued customers for their steadfast support and trust in CIMB Bank PLC since its establishment in 2010. I also wish to express my heartfelt thanks to our CEO, members of the Management Committee, and the entire #teamCIMB in Cambodia for consistently delivering outstanding results that we can all take pride in. And we look forward to 2024 as another year of growth and development for Cambodia's banking and financial sector.

Datuk Mohd Nasir Ahmad
Chairman

LETTER FROM GROUP CHIEF EXECUTIVE OFFICER

Dear Shareholders,

2023 was a challenging year for Cambodia, amidst a difficult global environment characterised by elevated interest rates to quell persistent inflation and escalating geopolitical and economic tensions. Nevertheless, Cambodia's economy sustained growth at 5.5% with key drivers including exports of garments, footwear, and travel goods, along with robust activity in tourism, agriculture, real estate, and construction sectors. Additionally, efforts were made to diversify export markets, notably expanding trade relations with China, Japan, and South Korea, aiming to reduce reliance on the United States and European markets.

In light of the challenging economic conditions, CIMB Cambodia's financial performance for FY2023 was adversely impacted. Our Profit Before Tax (PBT) stood at USD21.17 million significantly lower by USD11 million achieved in FY22. Operating income also declined by 13% to USD45.7 million due to lower Net Interest Income (NII) and Non-Interest Income (NOII). Loans decreased by 7% year-on-year (YoY) while deposits grew strongly by 17% as the Bank prioritised liquidity growth over asset expansion. Return on Equity (ROE) was also lower at 8.54% as net profit was impacted by the lower income.



CIMB GROUP'S KEY HIGHLIGHTS IN 2023



88th

PERCENTILE ON THE S&P GLOBAL
CORPORATE SUSTAINABILITY ASSESSMENT



1ST GLOBAL BANK

TO UNVEIL A SCIENCE-BASED NET ZERO
DECARBONISATION TARGET FOR PALM OIL



10.7%

RETURN ON EQUITY



TOP QUARTILE

AMONG FINANCIAL INSTITUTIONS IN ASEAN

Despite the challenging financial performance, CIMB Cambodia continued to excel in areas such as digitalisation and customer experience where we maintained our commitment to enhancing digital offerings to provide superior service to our customers. We launched our Mobile Banking version 1.2, which introduced a new user interface that brought about improved user experience and enhanced convenience. Additionally, investments were made to fortify our core IT infrastructure, including network firewall, network switch, and security measures, alongside enhancements to IT asset management and centralised monitoring.

At the Group level, we have made significant progress in our strategic plan Forward 23+ through targeted investments, strengthening our CASA franchise and expanding NOII. This together with lower provisions from sustained asset quality improvements led the Group to deliver strong Return on Equity (ROE) performance to reach 10.7% in FY23.

In terms of cultural transformation, we are proud to see that our Group Organisational Health Index (OHI) moved to the top quartile among financial institutions in ASEAN, with CIMB Cambodia also showing improvement and consistently ranked amongst top 3 within CIMB Group.

On the sustainability front, we have made notable progress, reaching the 88th percentile on the S&P Global Corporate Sustainability Assessment. We also revised our sustainable finance target of RM100 billion by 2024 from RM30 billion set originally given the strong progress we made to date. Furthermore, we became the first global bank to unveil a science-based Net Zero decarbonisation target for palm oil.

As CIMB Group embarks on its final year of our transformation journey, our efforts will remain focused on enhancing our deposit and CASA franchise, expanding NOII, and rigorously managing costs to deliver on our Forward23+ FY24 ambitions. Cambodia's economy is projected to recover strongly in 2024, with a GDP growth rate of 6.6%. This positive trajectory is driven by several factors, including robust tourism recovery, growth in domestic consumption, expansion in the non-garment manufacturing sector, strong foreign direct investments (FDIs), and infrastructure investment. Under the new government, the steadfast commitment to structural reforms also bodes well to deliver on this rapid economic growth. More positively, Cambodia's firm commitment to implement comprehensive climate change measures and embracing new technologies will help facilitate the transition to a greener and digitised economy.

For CIMB Cambodia, our priority will be to grow deposit & CASA by increasing and diversifying customer base through emerging retail affluent, SME and Business Banking. This will be driven by increasing branch and sales productivity, deliver on digital platform initiatives and enhancing our organisational structure and capabilities. We are optimistic that if we execute these strategies, CIMB Cambodia will be in a strong position to deliver improved performance.

On behalf of CIMB Group, I would like to express my deepest 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 trust and support in CIMB Bank PLC in Cambodia. Finally, I extend my heartfelt appreciation to the dedicated management team, led by Bun Yin, and the entire #teamCIMB in Cambodia. Your unwavering commitment, hard work, and invaluable contributions have been instrumental during this challenging period. With your ongoing support, I am confident that CIMB Cambodia will maintain its strong position with the local banking industry and reach even greater heights in the year ahead.



Abdul Rahman Ahmad
Group Chief Executive Officer
CIMB Group Holdings Berhad

PERFORMANCE REVIEW BY CHIEF EXECUTIVE OFFICER

► 2023 Operating Environment

The operating conditions which CIMB Bank PLC encountered in 2023 have been some of the most challenging since our inception. Persistent global headwinds in terms of inflationary pressures, all-time high interest rates, an unusually strong US Dollar and continued disruption to commodity and energy markets have resulted in an uneven recovery in major economies, many of which are key trading partners of Cambodia.

These global developments have had a profound impact on the Cambodian economy. The upswing in global commodity prices have precipitated the highest levels of inflation observed in the nation in over a decade. High interest rates, especially for US Dollar denominated assets have also resulted in a sharp spike in expected returns on USD deposits locally, triggering an intense competition for funding and liquidity. The higher cost of funds is further compounded by the relative inelasticity of loan pricing, where financial institutions are constrained by a large proportion of fixed-rate loans. As a result, we have seen severe net interest margin (NIM) compression across most banks in 2023, with CIMB Cambodia amongst them.

Despite these difficult conditions, I am truly proud to share that CIMB Cambodia has sustained its strong track record of profitability, and most importantly, we continue to uphold our long-standing principle of asset quality above all else. It is our firm belief that the best defense against uncertain market conditions is a robust and resilient loan portfolio. In this context, CIMB Cambodia has certainly delivered, with one of the lowest impaired loan ratios amongst all financial institutions in the nation. Aside from minimizing credit losses, our strong loan book gives us the capacity to scale-up confidently, as we look forward to the return of economic stability in the years ahead.



CIMB BANK PLC'S KEY HIGHLIGHTS IN 2023



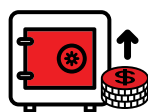
USD21.17 MILLION

PROFIT BEFORE TAX



1.69%

NON-PERFORMING LOAN RATIO



17%

YEAR-ON-YEAR
DEPOSIT GROWTH



14%

YEAR-ON-YEAR INTEREST
INCOME GROWTH

► Our Performance in 2023

CIMB Cambodia registered an FY2023 Profit Before Tax (PBT) of USD21.17million, a decrease of about 34% from the year before. This is mainly attributed to the compression in NIM observed across the entire financial sector in the Nation. This is clearly illustrated in the composition of our Net Interest Income, where although Interest Income grew at a healthy 14% year-on-year (YoY), we saw Interest Expense spike by 64% YoY. The near-5x differential in Interest Income versus Interest Expense growth has had a significant impact on our profitability margins, ultimately translating to a lower PBT than the year before.

In terms of loans growth, we prioritized asset quality over outright expansion, as observed by the 7% YoY decline in outstanding loans. The benefits of our strategy of pursuing high quality assets is evident in our FY2023 NPL ratio of only 1.69% - remarkably low compared to 5.32% for the overall Cambodian financial sector.

We had an excellent year for deposits, with an outstanding YoY increase of 17%. This represents the fruition of our efforts to improve our Loan to Deposit (LDR) ratio throughout 2023. In view of highly volatile interest rates, especially in interbank lending, we had taken the prudent step of acquiring more customer deposits while simultaneously lowering our exposure to interbank borrowings. This has substantially reduced CIMB Cambodia's funding and liquidity risk, and has enabled us to better control our cost of funds.

We continued to make good progress across our business lines, operations and technology infrastructure. In Consumer Banking, we were able to grow deposits by 17% YoY, while maintaining a stable NPL ratio in the Consumer loan portfolio. We also upgraded three branches to ensure our high standards for Customer Experience (CX) are delivered nationwide at our physical touch points. In line with our Customer's increasing demands for convenient online banking, we rolled-out Mobile Banking with a new customer interface, refined features and better customer experience overall.

In Commercial Banking, we saw a remarkable 40% YoY growth in deposits, and maintained our loan book while upholding strong credit discipline. And in Corporate, Transaction Banking and Financial Institution Group (FIG), where our customers are most vulnerable to external economic factors, we are pleased to have minimal loan impairments and strong LDR. Our Treasury and Markets team did well to manage movements in our balance sheet while driving non-interest income where we are particularly proud to see a 31% growth in Foreign Exchange (FX) revenues.

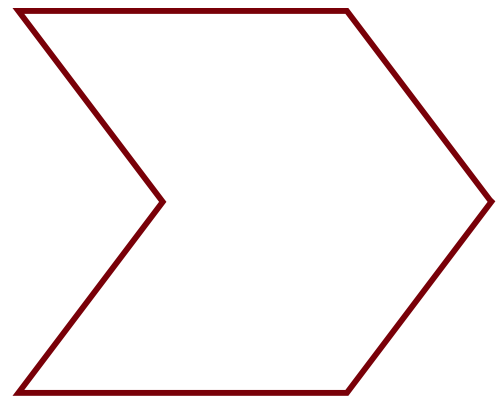
As we look back on what has been a most eventful year, I am very pleased to report that CIMB Cambodia's fundamentals remain very strong. We are fortunate to have a large, well-diversified and growing portfolio of customers, and we are tremendously proud to have the best banking team in Cambodia to bring these relationships to the next level. Our asset quality and no-compromise approach to credit discipline has withstood numerous tests, and has prevailed. And we have demonstrated our ability to attract quality deposits even in the face of intense competition. With these foundations firmly in place, I look forward to 2024 with great optimism, and am confident that CIMB Cambodia will overcome any challenge we encounter in the year ahead.

On behalf of the management team CIMB Cambodia, let me convey our deepest gratitude to all our loyal customers, our board of directors and all employees for a truly memorable 2023. I would also like to express our sincerest appreciation to the Royal Government of Cambodia and the National Bank of Cambodia for the vital roles they play, and for their continued leadership and guidance. We are tremendously grateful all our stakeholders for their unwavering support in bringing CIMB Cambodia to where it is today, and we hope to further strengthen these relationships as we look towards the year ahead and beyond.



Bun Yin
Chief Executive Officer

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COMMERCIAL BANKING



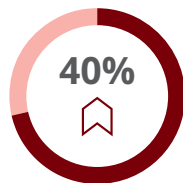
CIMB Bank PLC's Commercial Banking Division caters for the Bank's business customers while offering loan and deposit products, together with transactional services to small & medium enterprises (SMEs) and medium size corporates.

➤ FINANCIAL PERFORMANCE AND KEY INITIATIVES IN 2023

In 2023, deposit under Commercial Banking grew really well at 40% year-on-year while loan remained stable. The division's good current account/savings account (CASA) ratio of 56% is testament to strong balance sheet management that resulted in lowering overall cost of funding. Commercial Banking's asset quality continues to remain robust with a low non-performing loan (NPL) ratio of only 1.45%.

By end of 2023, Commercial Banking had a total of 62 personnel, comprising two Commercial Banking Centres, Small and Medium Enterprise segment and Business support, Asset Quality and Control. With the focus on improving knowledge, experience and creating a clear path of career progression, various programs 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.



Deposit Growth



CASA Ratio



NPL Ratio

➤ PLANS FOR 2024

With our strong foundation and continuous improvement of employee competency, we are hopeful in continuing our strong growth and in maintaining good assets quality for 2024. It was tough in the past 3 years from impact of the pandemic and global crisis, especially the year of 2023. However, we expect this situation will be in better position, and Cambodia will have a better economic growth in 2024 opening up for more business opportunities.

In 2024, 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



CURRENT ACCOUNT



OTHER TRADE FINANCE PRODUCTS & SERVICES



FIXED DEPOSIT



FOREIGN CURRENCY ACCOUNT



ESCROW ACCOUNT



TRANSACTIONAL SERVICES



FOREIGN EXCHANGE



SMALL & MEDIUM ENTERPRISE LOAN

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 7 key departments such as Branch and Delivery, Deposit, Consumer Credit, Consumer Lending, Digital Delivery, Consumer Sales & Distribution and Customer Experience.

► 2023 KEY ACHIEVEMENTS

In 2023, even though the COVID-19 pandemic has been recovered, but its economic impact to the retail banking is still occurring which made 2023 is more challenging year if compare to 2022. However, Consumer Banking achieved several key performance matrixes including maintaining a positive deposit growth rate and our track record of a very low non-performing loan (NPL) ratio.

HIGHLIGHTS OF KEY ACHIEVEMENTS



ACHIEVE DEPOSIT GROWTH BY AROUND **17%** FROM YEAR 2022



ROLL OUT **MOBILE BANKING** SERVICE TO ATTRACT MORE CUSTOMERS AND TO IMPROVE CUSTOMER EXPERIENCE



RELOCATE TO UPGRADE AND MODERNISE **3 BRANCHES** INCLUDING TWO BRANCHES IN PHNOM PENH AND ONE BRANCH IN KAMPONG CHAM PROVINCE



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



MAINTAIN ASSET QUALITY WITH A LOW NPL RATIO AT **3.32%**

Employee development programmes is always one of the Bank's top priorities. With support from the personnel development team, we conducted a variety of upskilling and training programmes for the benefit of our employees. 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 programmes.

► PLANS FOR 2024

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

OUR PLANS FOR 2023 WILL FOCUS ON THE FOLLOWING AREAS



UPGRADE MOBILE BANKING TO IMPROVE CUSTOMER EXPERIENCE



LAUNCH NEW COMPETITIVE PRODUCT WITH ATTRACTIVE FEATURES



FOCUS ON ENHANCING CUSTOMER EXPERIENCE



CONTINUE TO PUSH CONSUMER LENDING AND CREDIT CARD



CONTINUE TO IMPROVE AND DEVELOP EMPLOYEE SKILLSETS

CORPORATE, TRANSACTION BANKING & FINANCIAL INSTITUTIONS 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.

► 2023 IN REVIEW

As the global economy grapples with the aftershocks of the pandemic, ongoing supply chain disruptions and geopolitical tensions, the banking sector witnessed unprecedented rising interest rates, a consequence of central banks' efforts to combat inflation. This leads to pressure on margins which is a major source of income for banks. While economic activity is somewhat dampened, borrowers find it difficult to service their debts due to combination of lower income, heightened uncertainty and disrupted business operations. As a result, the quality of assets of the banking sector is adversely affected. Despite the headwinds, Corporate and FIG managed to close a satisfactory financial year with good asset quality and a very strong loan to deposit ratio (LDR).

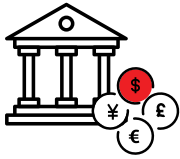
► 2024 OUTLOOK

Cambodia's economy is expected to see steady growth in 2024, with a project growth rate of about 6.6%. The positive outlook is attributed to a stronger recovery in the tourism sector, increased growth in the services industry, expansion in non-garment manufacturing, strong foreign direct investment (FDI) and significant infrastructure investment. However, the recovery could also face some challenges and risks such as global geopolitical tensions and economic slowdowns among its trade partners.

The National Bank of Cambodia (NBC) has put in place the initiative and plan to maintain the sound and stable financial system. The NBC has actively promoted the use of the national currency, the riel, and has enhanced its role in a medium of exchange, unit of account and store of value support to the development of the digital economy and financial inclusion through the use of innovative payment system and platforms such as Bakong and QR codes. The NBC has continuously strengthened the regulatory and supervisory framework, complied with international standards and best practices for the banking and microfinance sectors.

We will continue to innovate in order to meet the requirements of modern banking and customers, risk management and cyber security. At the same time, our main commitments will continue to be adherence to prudential banking practices in compliance with all directives by the NBC and international standards.

TREASURY & MARKETS



Treasury & Markets (T&M) Division of CIMB Bank PLC, in partnership with other business units, offers cross-border solutions to both regional and domestic clients for trade, investment, and financial needs. These solutions also include local and foreign exchange (FX) transactions for both Spot and Forward value dates, foreign currency deposits and remittance payment services. Additionally, T&M also manages the Bank's funding to ensure sufficient liquidity with optimal cash flows, while also diversifying funding sources through relationships with other banks in the market.

► 2023 IN REVIEW

In 2023, Cambodia's banking sector faced increased funding cost driven by a strong USD yield in the global markets and heightened exposure to credit risk amidst an overall economic slowdown. Banks encountered challenges in maintaining their usual business operations and favorable lending margins. Likewise, CIMB Bank PLC exerted considerable effort to uphold its daily operations and market presence while delivering consistent value to clients. Throughout this challenging period, T&M division becomes paramount in ensuring the stability and resilience of the Bank through their proactive roles and responses to changing market conditions and in navigating the Bank's balance sheet fluctuation and direction.

To fulfill the responsibilities outlined above, the Funding desk within T&M demonstrated persistent efforts and established new business collaborations with both local and international counterparts. They expanded their network of new counterparties to diversify funding sources, minimise cost and enhance investments. The desk's annual performance exceeded its financial budget by more than threefold. Nevertheless, T&M, in conjunction with Risk Management, successfully met the requirement for an annual review and testing of the Contingency Funding Plan (CFP). This performance aimed to enhance awareness of liquidity risk and proactively anticipate and mitigate any potential funding challenges that may arise.

At the front desk, T&M effectively prepared and preserved its FX revenues throughout 2023, achieving an impressive annual growth in total of approximately 31%. This notable expansion was primarily driven by internal collaboration and commitment with other business units, as well as the Bank's competitive pricing environment and value added to its clients and counterparts. Additionally, T&M differentiated its services by leveraging CIMB Group's extensive network and regional franchise.

► 2024 OUTLOOK AND STRATEGY

Despite the potential tightening of monetary policy by Cambodia's regulators in 2024, which could impose additional burdens on the banking industry amidst market uncertainties, the on-going concerns of global high inflation and conflicts in Europe, Cambodia's economy has shown significant signs of recovery. According to the report by World Bank, Cambodia's economic growth was estimated at around 5.5% in 2023 and pick up to 6.6% in 2024.

With this optimistic forecast and the proactive approach of the NBC, T&M plans to uphold its long-term strategy by collaborating closely with its business units to offer highly competitive products and services to both existing and new clients. Additionally, T&M aims to enhance its capabilities by expanding its network of bank and financial institution counterparts. The division also intends to conduct annual reviews and updates of the Bank's Contingency Funding Plan to adapt to the rapidly evolving environment and maintain liquidity strength to meet clients' expectations fully.

Furthermore, T&M remains committed to focusing on the local currency (KHR) in 2024. It will continue efforts to diversify counterparties and explore avenues to prepare for the anticipated growth of the Bank's KHR balance sheet and payment services, aligning with the NBC's long-term key initiatives.

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 2023

We have engaged with the local professional consulting firm to develop the Bank's expected credit lost (ECL) model base on the Bank's historical database. We have linked up with Group Finance expertise team to assist us through the completion of the exercise and ensure consistency with the group framework. We also engaged with Business Heads and Risk team for the development of the model and database. The team has completed the ECL Model development and has been implementing the new developed ECL model for financial year 2023. The implementation stage involves documentation of the process, reviewing the policy, and on-going monitoring the model.

In December 2022, the National Bank of Cambodia (NBC) has conducted a workshop on the new regulatory reporting template for all the Banks and FIs to comply with. The new template has been on a test-run for the financial year 2023 reporting. The team has conducted the gap analysis on the new reporting templates and worked with relevant stakeholders to ensure that the Bank is able to fulfill all the regulatory reporting templates on a timely and accuracy manner.

We have developed the guideline for fixed asset registration module and rolled out the module to more users including branches, business units and business enablers. This improves on the fixed asset movement tracking and the timely and accuracy of the reporting.

We have developed the in-house modules for ECL calculation, loan repayment by bucket, and e-payment registration with the support from IT team. This has been helping the team to better managing the database and improving the turn-around-time. Moreover, it provides a more reliable database maintenance.

► PLANS FOR 2024

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CORPORATE RESOURCES



Corporate Resources oversees Human Resources, 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, culture integration, employer branding, Corporate Social Responsibility and Employee engagement.

HUMAN CAPITAL GROWTH AND 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



As a people-driven business, CIMB Bank PLC is known as a home where talent grows. We strive to attract, to retain and to 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. The total man-hours, a measurement of our investment in people, for in-country and oversea training have grown to over 18,500 annually which equals to 38 hours per employee. The fruit of these development efforts are seen in staff capacity growth, leveraging and maximising our collective 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, cultivating through programmes such as Leadership Sharing Session, Town hall, 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 are able to receive prompt support in order for them to achieve higher in their respective performance.

WHERE GIVING BACK TO OUR SOCIETY IS PRIORITISED



Guided by our core pillars of Corporate Social Responsibility (CSR) naming Education, Healthcare, Environment, and Social Development, our employee has had the opportunity to contribute corporately and individually to the community where we serve. The giving-back has not only become our priority, but it has also been made mandatory to reflect our strong commitment as an entity as well as seedling the love and spirit of giving among our staff.

WHERE THE CIMB CULTURE STRIVES



As a purpose-driven organisation, CIMB Bank PLC is grounded on our EPICC culture which stands for Enabling Talent, Passion, Integrity & Accountability, Collaboration and Customer Centricity. These guiding principles have translated into everything we do ranging from empowering our talent to create impact to the organisation, fostering mindset to strive for excellence, doing the right thing even nobody is watching, and seeking for collective success as we put all our effort to providing strong customer experience.

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 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.

► 2023 KEY HIGHLIGHTS

We have consistently positioned CIMB Bank PLC (CIMB Bank) 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 "Moving Forward With You", a proposition adopted across all CIMB Group's entities to communicate CIMB Group's purpose of advancing customers and society to reinforce our continued support to our stakeholders as they rebuild their lives and livelihoods.

Functionally, Marcomm spearheaded the Bank's both respective internal and external corporate events and activities. As our turn, we successfully hosted the Regional Directors' Sharing Session, a top-senior regional annual meeting of CIMB Group, in Siem Reap province. Beyond our exciting meeting arrangement, we provided all board of directors and top management from ASEAN countries with a memorable unique experience of special excursion at Angkor Wat and exclusive gala dinner at Tommanon temple. Locally, we led in organising the official launch of the new head office and three new relocated branches - two branches in Phnom Penh and one branch in Kampong Cham province as we have thrived to provide our customers a greater accessibility and more comfortable banking environment along with our innovative and competitive products and services. As part of our Customer Experience programme, we celebrated Customers' Appreciation Day with joyful networking and gathering to engage customers more closely and to demonstrate the Bank's gratitude toward their continued support and trust.

As a leading international bank in Cambodia, CIMB Bank is committed to serve customers with new advanced and caring products and services. In the previous year, CIMB Bank launched a new Smart Saving Account for our customers to experience banking transaction and saving in the same account with a highest interest of 3.25% per annum. To bring this product closer to the market, Marcomm managed and exercised the marketing plan and production to promote this new product to all new and existing customers with different channels including advertisement on the news, social media platforms and activations. Noticeably, we made a bigger impact to raise the public awareness of our Smart Saving Account by organising a weekly roadshow campaign with a creative booth activation at AEON Mall Phnom Penh and AEON Mall Sen Sok. Due to our interesting and exciting agendas and programme with the celebrity's entertainment show, our roadshow campaign attracted thousands of visitors, and hundreds of new customers opened on-site accounts at our booth.

Committed to build a high sustainable organisation that helps customers and society, CIMB Bank has contributed in Corporate Social Responsibility (CSR) Projects nationwide, revolving different sectors including Education, Healthcare, Social Development and Environment. In collaboration with the Ministry of Culture and Fine Arts and Apsara National Authority, Marcomm successfully organised CIMB Bank Tree Planting Ceremony at Angkor Wat, Siem Reap. This good act has reflected our care in preserving the Angkor world heritage sites and promoting its tourist attraction. For education, we have regularly supported 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, a Cambodian scholar was awarded for 2023 CIMB ASEAN Scholarship to pursue her bachelor degree at Monash University, Australia. So far, we are proud to have total three successful Cambodian scholars who competed with other ASEAN students to achieve this full scholarship programme.

In media and public relations roles, 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. Our strong public relations agendas have formed solid confidence among our new and existing customers and has cemented our good branding and image in the Cambodia's market. Besides, we have established and kept up-to-date our corporate website and Facebook and LinkedIn page as our digital platforms to be parts of our engagement agenda, helping the Bank to access new customer segments and demographics as we expand our business lines.

➤ 2024 PRIORITIES

2024 promises to be a very impressive year for Marcomm. CIMB Bank has built a concrete foundation and heritage for its fourteen years of its operation and milestone in Cambodia. With our awarded legacy as the "Best Company to work for" by HR Asia, we will further promote our employer branding to potential new-to-bank and professional candidates with our strong people agenda and employees' welfares and benefits. Our extensive work is to enhance CIMB Bank brand with our new theme, "Moving Forward with You", by delivering different marketing and advertising platforms to our customer 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" and transform locally as the "Local Regional Bank". In line to the market demands, we will continue to promote and advertise key focus products and services through our creative and trendy marketing campaigns. Moreover, we will continue to enhance the Bank's public relations by engaging with a broad range of media publications across conventional and digital platforms. We will keep our social media platforms to be more active and attractive by fulfilling the changing trends of our audiences. Through our strength in human resource and people agenda, we will outspread to promote and advertise CIMB Bank's career opportunities and to have a bigger presence and louder voice in the market with different advertising formats and platforms.

TECHNOLOGY & DATA



Technology & Data Division (TDD) operates across the Bank, delivering Information Technology (IT) services and data governance. The operating model is in line with CIMB Group Technology & Data (GTD). TDD reports to the local management of CIMB Bank PLC and has a matrix reporting line to Group Technology and Data. TDD 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 2023, TDD had successfully completed strategic IT projects such as (i). Launching of Bakong Payment / Remittance, (ii). Refreshing technology of Trade Finance System, (iii). Improving on IT infrastructure such as upgrading servers and storage and adding another layer of network firewall, (iv). Improving IT internal control and security by replacing traditional anti-virus for all endpoint computers and refreshing technology of out-of-date security module for Card Management System (CMS), (v). Enhancing existing systems to reduce manual work, support business growth and comply with the regulator and compliance.

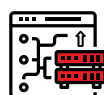
COMPLETED STRATEGIC IT PROJECTS IN 2023



LAUNCHING OF BAKONG
PAYMENT/REMITTANCE



REFRESHING
TECHNOLOGY OF
TRADE FINANCE SYSTEM



IMPROVING ON
IT INFRASTRUCTURE



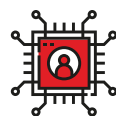
IMPROVING IT
INTERNAL CONTROL
AND SECURITY



ENHANCING
EXISTING SYSTEMS

In 2024, TDD will focus on digital renovation projects for both Consumer and Transaction Banking. Moreover, TDD will improve more on straight through process (STP) to reduce manual works and mistakes, refresh technology for all out-dated systems and continue to strengthen IT infrastructure and cyber resiliency.

KEY FOCUSES IN 2024



DIGITAL RENOVATION



STRAIGHT THROUGH
PROCESS (STP)

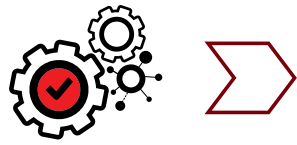


IT INFRASTRUCTURE



CYBER RESILIENCY

OPERATIONS



The Operations Division operates across the bank by enabling operations back office support by ensuring that the transactions initiated from the Bank's frontline and customers are swiftly and accurately proceeded. The main responsibilities of the Operations Division include local / international remittances, trade finance, inward / outward cheque clearing, self-service terminal (SST) management, centralised cash management, internet banking, mobile app and payroll fulfilment, treasury operations, loan disbursement / settlement and safekeeping of security documents, Bakong and other payment / settlement services.

In 2023, aside from supporting Business Units (BUs) and other Business Enablers (BEs), the Operations Division had completed 17 strategic projects, centralised 02 functions and received 01 award as follows:

- Fifteen (15) projects to improve internal processes and transaction turnaround time, increase staff productivity, mitigate risk and reduce paper printing;
- Two (02) projects including EMV chip card certification and SWIFT release to comply with the regulator and compliance;
- Centralisation of two (02) functions for the update on customers' concession rates from branches and insurance payment from Consumer Sales Distribution Operations;
- Recognition with one (01) award, 2022 STP (Straight-through Processing) Award, by BNY Mellon for outstanding payment formatting performance for MT103/MT202.

THE MAIN RESPONSIBILITIES OF THE OPERATIONS DIVISION



LOCAL/INTERNATIONAL
REMITTANCES



TRADE FINANCE



INWARD / OUTWARD
CHEQUE CLEARING



SELF-SERVICE TERMINAL
(SST) MANAGEMENT



CENTRALISED CASH
MANAGEMENT



INTERNET BANKING



MOBILE APP AND
PAYROLL FULFILMENT



LOAN DISBURSEMENT /
SETTLEMENT AND SAFEKEEPING
OF SECURITY DOCUMENTS



TREASURY OPERATIONS



BAKONG AND OTHER
PAYMENT / SETTLEMENT
SERVICES

For 2024, the Operations Division will continue the journey from 2023 and will remain focus on simplifying processes and systems, improving operational risk and strengthening staff's competency through hard and soft skill training programmes. Besides, we will also embed the Operations team on sustainability principles.

KEY FOCUSES IN 2024



SIMPLIFYING PROCESSES
AND SYSTEMS



IMPROVING
OPERATIONAL RISK



STRENGTHENING
STAFF'S COMPETENCY



EMBEDDING SUSTAINABILITY
PRINCIPLES

STRATEGY



Strategy Department of CIMB Bank PLC was set up in 2022 with the key objectives of overseeing the development and implementation of bank wide strategic plans, which includes middle to longer-term business strategies to support organic and inorganic growth, enhance revenue generation and identifying potential opportunities. Other focus areas include organisational efficiencies and optimising its operating model.

In addition to the core Strategy roles, the functions of Product Management, Sustainability and Business Intelligence and Analytics are also under the purview of the Strategy Department.

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 contributes to the Bank's overall competitiveness by introducing and improving banking products and services. This enables the Bank to meet our customers' needs in keeping pace with ever-evolving customer requirements and technological advances. In addition, we cooperate with other units including Digital Banking and Operations to enhance our digital banking services. These services include CIMB Mobile Banking and Regional ATM Services, which enable CIMB customers to withdraw cash in local currency in Malaysia, Singapore and Indonesia respectively.

Delighting our customers is pivotal to our product strategy. We work continuously to make our lending and deposit products more accessible and attractive, taking into consideration valuable feedbacks from customers and utilising market best practices. In addition, we also plan to roll out products and services that create positive impact for the environment and community in line with sustainability principles.

BUSINESS INTELLIGENCE AND ANALYTICS

The department aims to help centralise bank-wide data by streamlining data cleansing process and establishing standardised reportings. We build an end-to-end data automation and business intelligence solutions, which give business units and business enablers the opportunities to make better and more efficient decisions. Below are the key solutions of Business Intelligence and Analytics:

- Data Warehousing: a robust data warehouse will serve as the single source of truth, providing accessible and consistent data to all business units and enablers.
- Business Intelligence Solution: Business Intelligence tools and other reporting solutions equip users with insightful reports and visualisations.
- Process Automation: automation of data gathering and business processes reduces manual interventions and errors, and increases business productivity.

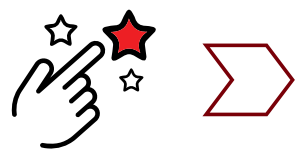
SUSTAINABILITY

CIMB Bank is committed to a build high sustainable organisation that help customers and society. Through the sustainability principles embedded in our organisational purpose, we are committed to operate in a way in which we assume responsibility towards our actions. With sustainability, we integrate economic, environmental and social considerations in our business decisions including financing, deposit taking, procurement, and other operational activities.

Our aim is to create net positive impact in our business activities. We take due care and diligence to evaluate and advocate measures that minimise harm to environment, as well as promote social equality and inclusion including the safeguarding of human rights across our value chain. Sustainability risks are managed through a structured due diligence and escalation process. We engage openly with our customers and stakeholders and strive to influence positively their own sustainability performance and commitment.

Sustainable business is an emerging market opportunity. As a financial intermediary, we recognise our ability and responsibility to channel funds towards enabling a green and just economy. In line with market readiness, we will develop positive impact products and services that improve people's life while contributing to the environment and society.

RISK MANAGEMENT



With the rapid development of the banking industry in Cambodia, changes in regulatory requirements and new risks emerging especially from the compliance and technology perspectives, the Bank has put in place a robust and effective risk management system to achieve continued risk balanced profitability and create shareholder and stakeholder values. The Bank embraces risk management as an integral part of the Bank's strategy, businesses, operations and decision-making processes. Risk Management is involved in the early stages of the strategy discussion and risk-taking process to provide independent inputs, including relevant valuations and scenario analysis, credit evaluations, new product assessments and quantification of capital requirements and risk return analysis/simulations. These inputs enable business units to assess the risk-vs-reward of their propositions.

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

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 overall management of risks and control activities.

The RC, with the support of Cambodia Credit Committee (CCC), Cambodia Asset Quality Committee (CAQC) and Risk Management, is responsible for ensuring adherence to Board of Directors' approved risk appetite and risk posture. This, amongst others, includes reviewing and analysing of portfolio trends, asset quality, watch-list reporting and policy reviews. It is also responsible for articulating key credit risks and mitigating controls.

The day-to-day responsibility for liquidity risk management and control, funding profile, balance sheet and hedging strategies, the overall interest rate risk in the banking book profile, and assurance of such risk profile is within the established risk appetites, are delegated to the Asset Liability Management Committee (ALCO). ALCO Meeting is conducted on monthly basis and subsequently reports to RC.

CREDIT RISK

Credit risk is defined as the possibility of losses due to an obligor, market counterparty or an issuer of securities or other instruments held, failing to perform its contractual obligations to the Bank.

Purpose of credit risk management is to keep credit risk exposure to an acceptable level vis-à-vis the capital, and to ensure the returns commensurate with risks. Without effective credit risk management, the impact of the potential losses can be overwhelming.

The risk-based delegated authority framework encompasses joint delegated authority, enhanced credit approval process and a clear set of policies and procedures that defines the limits and types of authority designated to the specific individuals. The Bank adopts a multi-tiered credit approving authority spanning from the delegated authorities at business level, joint delegated authorities between business units and Risk, to the credit committee and/or above.

Exposures are actively monitored, reviewed on a regular basis and reported regularly to RC and Board of Directors. Asset quality is closely monitored so that deteriorating exposures are identified, analysed and discussed with the relevant business units for appropriate remedial actions, including recovery actions, if required.

The employment of various credit risk mitigation techniques such as appropriate credit structuring and posting of collateral and/or third-party support forms an integral part of credit risk management process. Credit risk mitigants are taken, where possible, and are considered secondary recourse to the obligor for the credit risk underwritten.

LIQUIDITY AND FUNDING RISK

Liquidity and funding risk is defined as the current and potential risk to earnings, shareholders' funds or the Bank's reputation arising from its inability to efficiently meet its present and future funding needs or regulatory obligations, which may adversely affect its daily operations and incur unacceptable losses. Liquidity risk arises from mismatches in the timing of cash flows.

The objective of liquidity risk management is to ensure that the Bank can meet its cash obligations in a timely and cost-effective manner. The day-to-day liquidity risk monitoring and management is on the basis of cash flow projections under both business-as-usual and stress conditions. Liquidity Coverage Ratio (LCR) is a key liquidity risk metric and regulatory requirement which seeks to ensure that the Bank holds sufficient High Quality Liquid Assets (HQLA) to withstand an acute liquidity stress scenario over a 30-day horizon.

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

In addition to regulatory limits, liquidity risk undertaken by the Bank is governed by a set of established liquidity risk limits and appetite. Management Action Triggers (MATs) have been established to alert management to potential and emerging liquidity pressures. These limits and appetite as well as liquidity related policies and procedures are regularly reviewed in response to regulatory changes, changing business needs, and market conditions. Subject to regular testing, Contingency Funding Plan (CFP) is also in place to alert and enable the management to act effectively and efficiently during a liquidity or funding crisis and under adverse market conditions.

Risk Management is responsible for independently monitoring the Bank's liquidity risk profile and provides monthly reports to ALCO and RC. During the year, there were many ad-hoc ALCO meetings conducted to define various business strategies to diversify funding sources, prevent potential outflows of customers' deposits and expand deposit base.

OPERATIONAL RISK

Operational risk is the risk of loss resulting from inadequate or failed processes, people and systems or from external events. It includes legal risk but excludes strategic risk.

The Bank has established standardised methodology, tools and processes for the identification, assessment, reporting, and management of operational risks by the respective risk owners across the Bank. The Bank has deployed operational risk management tools including Operational Event and Loss Data Management, Risk and Control Self-Assessment, Control Issue Management, Key Risk Indicators, and New Product Approval Process.

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. Monitoring of the identified risks and controls is primarily done by Risk Management with monthly report to the RC who oversees and monitors overall control environment of the Bank.

MARKET RISK

Market risk is defined as fluctuations in the value of financial instruments due to changes in market risk factors such as interest rates, currency exchange rates, credit spreads, equity prices, commodity prices and their associated volatility.

Interest Rate Risk in the Banking Book (IRRBB) is defined as the current and potential risk to the Bank's earnings and economic value arising from movement in interest rates. IRRBB, undertaken by the Bank, is governed by an established risk appetite that defines the acceptable level of risk, approved by the Board of Directors.

FRAUD RISK

Fraud risk is the risk of loss resulting from an act or course of deception or omission with the intention to conceal, omit, distort, misrepresent, falsify or etc. to: (i) gain unlawful / illegal / unfair personal advantages, (ii) induce another individual(s) to surrender willing / unwilling of legal right/possession or (iii) damage another individual(s) resulting in a loss to another.

The Bank has established Fraud Risk Policy and Fraud Risk Governance Procedure to prevent, detect and respond to the associated legal, regulatory, reputation and financial risks for fraud incidents occurring in and having an impact to the Bank, its customers and counterparties.

Risk Management tracks and monitors fraud event reported and turn-around time of fraud investigations to ensure all suspected fraud events are attended to in a timely manner with monthly update/oversight by the RC.

BUSINESS CONTINUITY MANAGEMENT

The Business Continuity Management (BCM) programme, embodied within the Bank's BCM Policies and Procedures, is in place to minimise disruptions, ensure continuity of services to its customers and supporting business process. BCM plays the primary role in providing the methodology and tools for an integrated and standardised BCM approach across the organisation, as well as to ensure effective coordination and supervision of all BCM activities.

Regular reviews, re-assessments and updates for BCM documentations/plans are conducted to ensure adequacy, effectiveness and relevance of the business recovery strategies. These plans are rehearsed and tested on a regular basis. The Bank's BCM Steering committee provides oversight on the BCM programme to ensure the Bank meets BCM statutory and regulatory responsibilities, adheres to accepted best practices, and aligns with the organisation's business vision and strategy.

TECHNOLOGY RISK

Technology risk is the risk of loss resulting from inadequate controls over people, process, and/or technology, which includes operational risk, financial risk, compliance risk and reputational risk resulting from unauthorised disclosure, modification or disruption, data breaches and loss or damage.

Technology Risk Management (TRM) is responsible to ensure enterprise-wide implementation of the Bank's TRM Framework while ensuring compliance to relevant regulatory policies and guidelines. TRM actively engages with the first line-of-defence to identify technology risks and validates completeness and effectiveness of controls to avoid risk of disruptions. In addition, TRM reviews risk assessments performed by business units for technology related programs and processes, and recommends appropriate improvements.

Under Risk Governance framework, TRM reports regularly to Group TRM to provide independent oversight and deliberations on technology risk based on the approved Technology Risk Appetite.

OUTSOURCING RISK

Outsourcing risk is defined as the risk emanating from outsourcing arrangements that could result in a disruption to business operations, financial loss or reputational damage to the Bank.

The Bank has localised Outsourcing Policy and Procedures, which outline the controls required in managing outsourcing arrangements with an outsourced service provider. This includes periodic reviews on performance of service providers to identify potential service degradations and collaboration with BCM and TRM to strengthen business continuity and technology resiliency.

ADDITIONAL RISK MANAGEMENT

Risk Management is tasked to review policies and procedures of other business units / enablers, as part of Compliance Audit Risk (CAR) function. The team is involved at early stage and ongoing review of policies and procedures by providing independent assessments, filtering potential risks, and providing inputs to ensure risk balanced business operations.

COMPLIANCE



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

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

Compliance Division acts independently from the business operations and directly report to the Board of Directors who oversees and approves the annual compliance work plan proposed by the Compliance Division. Based on the Compliance Framework, the Division is governed by CIMB Bank PLC's Compliance Policies and Procedures, CIMB Bank PLC's AML/CFT and TFS Policies and Procedures and other related 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 2023

In 2023, the Compliance Division performed onsite compliance reviews for 19 business units and branches. The Division has rolled out the data analytic which cover larger transactions at branches. Furthermore, the SOP on transaction and customer monitoring has been reviewed and updated to strengthen and improve the suspicious report submission.

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 2023, the Division has rolled out an e-learning course of Introduction to Compliance Level 1 which is another mandatory course. Compliance Division has conducted a total of 12 sessions on regulatory and AML/CFT in 2023.



ONSITE COMPLIANCE REVIEWS
FOR **19** BUSINESS UNITS AND
BRANCHES



A TOTAL OF **12** SESSIONS OF TRAINING
AND AWARENESS PROGRAMME ON
REGULATORY AND AML/CFT

► PLANS FOR 2024

Compliance Division will review its policies and procedures to ensure they are up to date and incorporated with new relevant regulations. In addition, the Division will continue to perform onsite compliance review and data analytic as part of our compliance monitoring and continue to improve the training and awareness programme on AML/CFT and TFS, Sanction, Watchlist Management and Compliance Policies and Procedures.

CORPORATE ASSURANCE



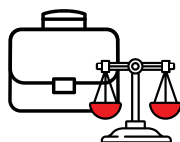
Corporate Assurance plays a crucial role in providing independent appraisals on the adequacy, efficiency and effectiveness of the internal control systems implemented by the Management of CIMB Bank PLC. The evaluations conducted by Corporate Assurance are based on the control environment, risk-assessment 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 2023, Corporate Assurance with support from CIMB Group's Corporate Assurance Division completed 17 audit assignments covering critical areas of the Bank including branch audits, departmental audits, thematic audits and ad-hoc project.

Our plan for 2024 is to continue to conduct audit assignments according to Corporate Assurance's internal risk assessment, adopt enhanced risk based methodology, incorporate the use of Data Analytics/Agile approach in audit work, and conduct ad-hoc projects as per requirement.

LEGAL & COMPANY SECRETARIAL



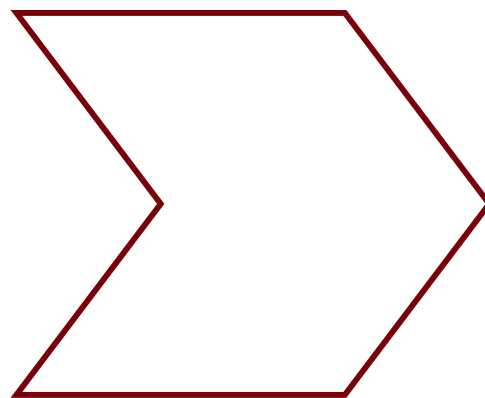
Legal & Company Secretarial Division consists of Legal and Company Secretarial.

Legal oversees legal aspects of activities undertaken by the Bank, and is responsible for facilitating and advising 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 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. Legal 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, Company Secretarial provides supports to the Board, Board committees, and Management committees in carrying out their duties and responsibilities. Also, Company Secretarial serves in an advisory capacity on governance matters, including legal and regulatory requirements, to all units within the Bank. The Company Secretarial also manages day-to-day corporate secretarial matters and functions of the Bank, including processes with the relevant approving authorities and regulators.

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

03



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 maintaining investors’ confidence in 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, one Executive Director and five Non-Executive Directors, three of whom 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	<ul style="list-style-type: none">• 50% Independent Directors• 50% Non-Independent Directors
Gender	<ul style="list-style-type: none">• Female: 1 member or 17%• Male: 5 members or 83%
Nationality	<ul style="list-style-type: none">• Cambodians: 2 members or 33%• Malaysians: 4 members or 67%
Age Group	<ul style="list-style-type: none">• Below 50 years old: 1 member• 50 years old and above: 5 members
Length of Tenure	<ul style="list-style-type: none">• Below 3 years: 2 members• 3 years and above: 4 members

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, a Malaysian national, 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 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 the overall responsibility for implementing the Bank’s strategy and 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 its size and composition, 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’s vision.

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 70 to 77 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 and the Bank’s internal Code of Conduct for Directors.

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 approval. The Board 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 the view to enabling management to execute its responsibilities effectively.

The Board has overall responsibility for establishing a framework of good corporate governance within the Bank, including financial reporting, risk management, and compliance processes. All Board members bring their independent judgment, diverse knowledge, and experience to 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 shareholders 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 43 to 49.

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 considers 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 recently established Group Board Composition and Skill Set Framework, which lays out certain guiding principles for the GNRC's assessment in the identification, nomination and selection of a new Director while concurrently addressing the Board succession planning. The guiding principles ascertain the essential primary skills and experiences and specify the minimum number of Board members required for each skill set and other governance requirements on board size, tenure of appointment, age, and gender.

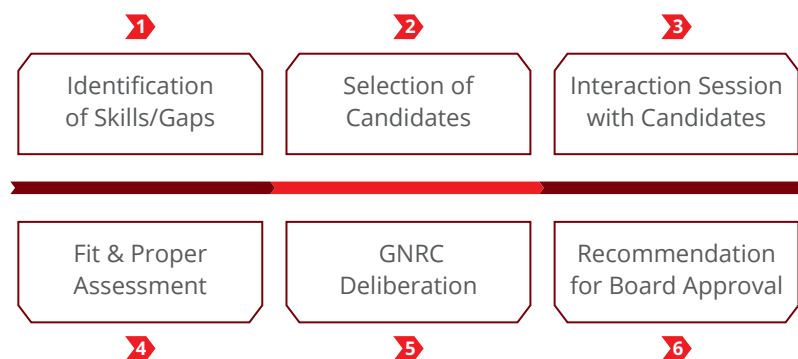
The Group's Policies and Procedures on Fit and Proper for Key Responsible Persons ("Fit and Proper Policy") also require proper assessment of new Directors to be conducted to ensure that the candidates are fit and proper for their respective roles.

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

- (i) Probity, personal integrity and reputation, where the candidate must have personal qualities such as honesty, integrity, diligence, independence of mind and fairness;
- (ii) Competence and capability, where the candidate must have the skills, work experience, capability and commitment necessary to carry out the role;
- (iii) 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

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 AND 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. 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 Division (formerly 'Internal Audit' Division) for the 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 the 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, consider the Bank's annual budget in line with the Bank's strategies and plans formulated at the Annual Management Dialogue.

A total of 6 Board meetings were held in 2023, and the Directors' attendance at the meetings is as follows:

Directors	Number of Meetings	
	Attended	Held
Datuk Mohd Nasir Bin Ahmad Chairman / Independent Non-Executive Director	6	6
Long Beang Independent Non-Executive Director	6	6
Aisyah Lam Binti Abdullah Independent Non-Executive Director	6	6
Ahmad Shazli Bin Kamarulzaman Non-Independent Non-Executive Director	6	6
Cheong Weng Teong Non-Independent Non-Executive Director	6	6
Bun Yin Non-Independent Executive Director & Chief Executive Officer	5	6

Training and Development of Directors

Directors' Training is an integral process in the appointment of new Directors. The Board is mindful of the need to keep pace with new laws, regulations, accounting standards, changing commercial risks, the 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 in 2023:

Titles/Topics	Mode of Training	Duration (in Hour/Day)	Attended by
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 1st Session: Global Pressures and Trends	Training (Virtual)	2 hours	Datuk Mohd Nasir Bin Ahmad
INCEIF Lecture: Inculcating Values of Professionalism	Lecture	1 day	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 3rd Session: The end of Business-as-Usual and evolving Board Duties	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 4th Session: Leadership from CIMB Group Board	Training (Virtual)	2 hours	
Anti-Bribery and Anti-Corruption Training - Promoting Good Governance: Understanding Anti-Corruption Laws in Malaysia and Beyond	Training (Virtual)	1 hour	
2023 CIMB Leadership Forum	Forum	2 days	
Awareness Session on Corporate Liability Provision by MACC Officer	Sharing Session	1 day	
McKinsey Study Trip - Melbourne & Sydney	Study Trip	3 days	
Refresher to Board: Basel Framework and IRB models	Sharing Session (Virtual)	1 day	
The Cooler Earth Sustainability Summit	Summit	1 day	
McKinsey Study Trip - London/Milan/Madrid	Study Trip	3 days	
INCEIF 2nd. Session Masterclass	Masterclass	1 day	
Asian-Oceanian Standard-Setters Group: WG and Annual Meeting	Meeting	2 days	Ms. Aisyah Lam Binti Abdullah
Financing the Digital Economy: Supporting the Madani Framework Roundtable Discussion	Roundtable Discussion	1 day	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 1st Session: Global Pressures and Trends	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 2nd Session: A New Context for Business	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 3rd Session: The end of Business-as-Usual and evolving Board Duties	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 4th Session: Leadership from CIMB Group Board	Training (Virtual)	2 hours	
Anti-Bribery and Anti-Corruption Training - Promoting Good Governance: Understanding Anti-Corruption Laws in Malaysia and Beyond	Training (Virtual)	1 hour	Mr. Long Beang
The Cooler Earth Sustainability Summit	Summit	1 day	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 2nd Session: A New Context for Business	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 3rd Session: The end of Business-as-Usual and evolving Board Duties	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 4th Session: Leadership from CIMB Group Board	Training (Virtual)	2 hours	
Anti-Bribery and Anti-Corruption Training - Promoting Good Governance: Understanding Anti-Corruption Laws in Malaysia and Beyond	Training (Virtual)	1 hour	
The Cooler Earth Sustainability Summit	Summit	1 day	

Titles/Topics	Mode of Training	Duration (in Hour/Day)	Attended by
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 1st Session: Global Pressures and Trends	Training (Virtual)	2 hours	Mr. Ahmad Shazli Bin Kamarulzaman
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 2nd Session: A New Context for Business	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 3rd Session: The end of Business-as-Usual and evolving Board Duties	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 4th Session: Leadership from CIMB Group Board	Training (Virtual)	2 hours	
Anti-Bribery and Corruption Awareness (C0123)	E-learning	4 hours	
Anti-Money Laundering/Counter Financing of Terrorism (C0123)	E-learning	4 hours	
Being EPICC (C01)	E-learning	1.5 hours	
Data Protection (C0123)	E-learning	4 hours	
Information Security Awareness (ISA) (C013)	E-learning	4 hours	
Introduction to Competition Act 2010 (C0123)	E-learning	4 hours	
Shariah Governance Framework (SGF) (C0123)	E-learning	4 hours	
The Cooler Earth Sustainability Summit	Summit	1 day	Mr. Cheong Weng Teong
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 1st Session: Global Pressures and Trends	Training (Virtual)	2 hours	
CIMB-Cambridge Institute for Sustainability Leadership Programme (CISL) - 2nd Session: A New Context for Business	Training (Virtual)	2 hours	
The Cooler Earth Sustainability Summit	Summit	1 day	
The Executive Sustainability Leadership Programme" Module 1/ Session 1 – Programme Kick Off (Global Pressures and Trends)	Training (Virtual)	2 hours	
The Executive Sustainability Leadership Programme" : Module 3 – The Business Response	Training (Virtual)	2 hours	
The Executive Sustainability Leadership Programme" Session 2 – A New Context for Business	Training (Virtual)	2 hours	
The Executive Sustainability Leadership Programme" : Module 5 – Real Economy Case Studies	Training (Virtual)	2 hours	
The Executive Sustainability Leadership Programme" : Module 8 – Your Role in Leading Change	Training (Virtual)	2 hours	
Anti-Corruption Law Workshop	Workshop	4 hours	
The Executive Sustainability Leadership Programme" Last session – Earth Competent Board	Training (Virtual)	2 hours	Mr. Bun Yin
The Role of Governance in Ensuring Commitment and Effective Implementation of Client Protection in BFIs for CEOs and Shareholders	Training	7 hours	
Driving & Learning towards high performance culture (Experiential Learning)	Learning	2.5 days	
CIMB Leadership Forum 2023	Forum	2 days	
Mental Health Awareness at Workplace	Sharing Session	2 hours	
Leadership Dialogue "Safeguarding CIMB's Banking Ecosystem"	Dialogue (Virtual)	1 hour	
ASEAN Unplugged - Cambodia's New Dawn: Economic Outlook & ASEAN Financial Cooperation	Workshop (Virtual)	1 hour	
Small and Medium Enterprise Workshop	Workshop	1 hour	
The 19th Government-Private Sector Forum	Forum	3 hours	
Sustainability Trends and Opportunities for a Better Tomorrow Forum	Forum	2 hours	

► COMPANY SECRETARIES

The Company Secretaries demonstrate ongoing 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, 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.

► 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 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.

The Board implements a process for an annual assessment of the effectiveness of the Audit Committee and Risk Committee as well as the contribution of each individual member, whether the Committees and their members have carried out their duties in accordance with their references.

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. Collectively, the Audit Committee comprises of directors who have the skills, knowledge and expertise relevant to the responsibilities of the Audit Committee. The Audit Committee is chaired by an Independent Director with accounting and legal expertise. The Audit Committee Chairman is not the Chairman of the Board; this is to promote robust and open deliberations by the Board on matters referred by the Audit Committee. Any vacancy arising in the Audit Committee is to be filled within 3 months.

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 6 times in 2023, and the attendance of the members of the Audit Committee is as follows:

Members	Number of Meetings	
	Attended	Held
Long Beang Chairman / Independent Non-Executive Director	6	6
Datuk Mohd Nasir Bin Ahmad Independent Non-Executive Director	6	6
Aisyah Lam Binti Abdullah Independent Non-Executive Director	6	6

In addition to the above 6 meetings, the Audit Committee members also joined 1 Joint Audit Committee meeting with CIMB Group Holdings and CIMB Banking Group.

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	<ol style="list-style-type: none"> To make recommendations to the Board on the appointment, removal and remuneration of the external auditors. 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. 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). 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 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. To ensure that the financial statements are prepared in a timely and accurate manner with the adequacy of allowances against contingencies and impaired assets. 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). 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. 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	<ol style="list-style-type: none"> To engage on a continuous basis with senior management in order to keep informed of matters affecting the Bank. To convene meetings with internal auditors, external auditors, or both whenever deemed necessary. 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 Risk Committee is the Board delegated committee to determine 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 Risk Committee, which reports directly to the Board. The Risk Committee meets on a monthly basis or as and when required.

A total of 12 Risk Committee meetings were held in 2023, and the members' attendance at the meetings is as follows:

Members	Number of Meetings	
	Attended	Held
Aisyah Lam Binti Abdullah Chairperson / Independent Non-Executive Director	12	12
Bun Yin Chief Executive Officer / Executive Director	9	12
Kien Vatana Head, Risk Management	11	12
Hong Cheap Head, Commercial Banking	10	12
Ky Sana Head, Corporate, Transaction Banking & FIG	11	12
Pech Somaly Head, Consumer Banking	11	12
Heng Viboth Head, Technology & Data	11	12
Heng Vuthy Head, Finance	11	12
Heng Phuong Rachana Head, Operations	12	12
Heng Torang Head, Treasury & Markets	12	12

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

Area	Responsibilities
Risk Appetite	<ul style="list-style-type: none"> a. Review and recommend to the Board for approval of the Bank's Risk Appetite and Risk Posture taking into consideration the budget, proposed business plans, and expected macroeconomic conditions; b. To ensure effective implementation of the Bank's Risk Appetite and Risk Posture by: <ul style="list-style-type: none"> - Recommending changes to the Risk Appetite and Risk Posture to the Board throughout the year based on the macroeconomic environment, regulatory landscape, liquidity and capital profile, etc. - Monitoring and reporting compliance with the Risk Appetite and Risk Posture; - Assigning, reviewing and/or approving portfolio limit triggers / thresholds as well as requesting and reviewing portfolio views; and - Deciding on action plan in cases where there is non-compliance with the Risk Appetite in accordance with approved policies and procedures.
Risk and Compliance Culture	<ul style="list-style-type: none"> a. To emphasise the three lines of defence model in managing risks across the Bank; b. To promote risk awareness and ensure a proactive risk management culture so that risk management processes and controls are applied and embedded in the day-to-day business and operational activities; c. To ensure a framework is in place to facilitate the right compliance culture in the day-to-day business and operational activities; and d. To ensure a proactive compliance risk management culture by providing guidance and support with regards to the Bank's compliance efforts.

Area	Responsibilities
Capital Management	<ul style="list-style-type: none"> a. Allocate Capital-at-Risk (CaR) 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; b. 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 Framework / Policies	<ul style="list-style-type: none"> a. To review and recommend new risk framework/policies, and material amendments to risk framework / policies for approval by the Board, and to approve risk methodology / standard not within the purview of the sub-risk committees; b. To review and endorse changes to risk framework / policies as per approval authority stated in Cambodia Risk Policy Governance & Approval Standard.
Risk Identification and Measurement	<ul style="list-style-type: none"> a. To oversee the Bank's risk exposure as well as risk-return profile of business activities and proposed improvements to the Bank's risk management frameworks, policies, methodologies, procedures and/or controls so as to mitigate the risks; b. To review and recommend risk model parameters and model validation results for the Board's approval; and c. To review emerging risks as well as regulatory and accounting changes and discuss potential mitigating controls.
Market Risk and Treasury	<ul style="list-style-type: none"> a. Review market risk reports to satisfy that market risk is being appropriately managed and seeking responses to limit breaches; and b. To approve new treasury products, treasury products with material variations and variation on existing treasury products.
Operational Risk	<ul style="list-style-type: none"> a. To review operational risk related matters and overall control environment self-rating by Divisions / Departments; b. To approve CIM extension / acceptance as per approval authority; and c. To approve new / material variation / refresh of non-treasury product.
Oversight of Technology Risks	<ul style="list-style-type: none"> a. To provide overall oversight on Technology Risks b. To periodic review technology risks related matters, including but not limited to cyber risks, technology risk management profile and severity incidents / non-compliance, and ensure such issues are resolved effectively and expeditiously; c. To oversee on Technology Risks including ex-ante risk assessment on e-banking services; d. Effective risk management practices and internal controls should be instituted to achieve data confidentiality, system security, reliability, resiliency recoverability in the organisation; e. 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"> a. To recommend the compliance and AML / CFT strategy of the Bank; and b. To assist in defining the compliance and AML / CFT risk management objectives across business lines.
Compliance Framework	<ul style="list-style-type: none"> a. To discuss compliance and AML / CFT risk issues and ensure such issues are resolved effectively and expeditiously; b. To review and recommend compliance and AML / CFT framework/policies and material amendments to compliance and AML / CFT risk framework/policies; c. To evaluate the effectiveness of the Bank's overall management of compliance and AML / CFT risk; d. To accord high attention and strengthen compliance functions, resources and infrastructure; e. To ensure products offered by the business units are within the standard and policies set by the Board; f. To review and approve parameter, methodology, and procedures related with AML / CFT.
Oversight of Outsourcing Arrangements	<ul style="list-style-type: none"> a. To review and take note of annual Outsourcing Plans; b. To endorse new and renewal/renegotiation of existing Material Outsourcing Arrangements with significant modification of scope for the Board's approval; c. To take note of new and renewal/renegotiation of existing Non-Material Outsourcing Arrangements; and d. Have oversight of material adverse developments, any material non-compliance to terms of outsourcing agreement and any breach of legal and regulatory requirements by the Outsourcing Service Providers that is reported by Business Units / Business Enablers.
Appointment of Risk Committee's Member and Sub-Committees	<ul style="list-style-type: none"> a. To approve on change in individual members within the same corporate function with 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. b. To 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
- Cambodia Asset Liability Management Committee



Management Committee

The Management Committee reports to the Board of Directors on the day-to-day management matters of the Bank.

Members	
Bun Yin Chief Executive Officer	Chairman
Heng Torang Head, Treasury & Markets	Member
Hong Cheap Head, Commercial Banking	Member
Pech Somaly Head, Consumer Banking	Member
Kien Vatana Head, Risk Management	Member
Heng Vuthy Head, Finance	Member
Oum Chenda Pheakdey Head, Corporate Resources	Member
Heng Viboth Head, Technology & Data	Member
Ky Sana Head, Corporate, Transaction Banking & FIG	Member
Ouk Thanin Head, Product Management & Sustainability	Member
Seng Kok Wing ^{*1} Head, Strategy	Member
Heng Phuong Rachana Head, Operations	Member

Remark:

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

Notes:

^{*1} Secondment with the Bank ended, effective from 15 February 2024

The roles and responsibilities of the Management Committee ("MC") are as follows:

- Advise the Chief Executive Officer ("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

The Cambodia Credit Committee reports to the Risk Committee on credit-related matters of the Bank.

Members	
Kien Vatana Head, Risk Management	Chairman
Bun Yin Chief Executive Officer / Executive Director	Alternate Chairman
Hong Cheap Head, Commercial Banking	Member
Sam Vannak ^{*1} Head, Consumer Lending	Member
Pech Somaly ^{*2} Head, Consumer Banking	Member
Chamnan Vanita Head, Credit Management	Member
Ky Sana Head, Corporate, Transaction Banking & FIG	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 ^{*5} Head, Regional Credit Risk Analytics	Member
Ganga Devi Katheraveloo ^{*6} Head, Customer and Business Analytics, Group Commercial Banking	Member

Notes:

^{*1} Resigned in October 2023

^{*2} Pech Somaly: For Consumer Banking cases only, effective from 16 August 2023

^{*3} Chong Kok Ping or Liew Chee How (Director, Regional Credit Management) in the absence of Chong Kok Ping is a mandatory voting member for credit proposals which exceed the CCC's approving authority

^{*4} Lim Gek Peng or Charly Kojongian (Director, Financial Institutions & Traded Credit Management) in the absence of Lim Gek Peng is a voting member for credit proposals of Treasury and Financial Institution Group (FIG) cases only

^{*5} Michael Ng Mun Seng or Leong Wai Chyi (Head, Regional FIG Credit) in the absence of Michael Ng Mun Seng as a voting member for credit proposals of Corporate Banking, Treasury and FIG cases only

^{*6} Ganga Devi Katheraveloo or Nor Akmar Abd Hamid (Director, Commercial Credit Management, Group Commercial Banking, effective from 22 May 2023): For Commercial Banking cases only and must provide mandatory vote for credit proposals under the CCC's approving authority

The roles and responsibilities of the Cambodia Credit Committee ("CCC") are as follows:

Credit-Related Decisions

- To review and approve credit facilities originating from the Bank, on a case-by-case basis, 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 review and approve the internal credit rating of each borrower, where applicable.
- To ensure the Bank's overall exposures meets the regulatory guidelines, approved credit policies and procedures, as well as the approved risk appetite.
- To assess the risk return trade-off when approving exposures to ensure that facilities granted are within the Bank's 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 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 approve professional panels i.e. lawyer, insurance companies, and valuer.

Others

- Delegate specific follow-up items post CCC approval to CCC members and/or Joint Delegated Authority "JDA" (Risk and/or Business Unit "BU") related to final documentation matters and other matters that do not materially change the decision made by CCC (excludes change in exposure amount, tenor, and collateral position). Such delegation shall be detailed in the CCC minutes.
- Approval of all renewal of credit transactions on unchanged basis or at a lower limit which have earlier approved by the Board, as per the Board's delegated authority.
- To perform any other functions as and when directed and/or delegated by Risk Committee and/or the Board.



Cambodia Asset Liability Management Committee

The Cambodia Asset Liability Management Committee reports to the Risk Committee on liquidity risk and assets and liability matters of the Bank. The Committee met 12 times in 2023.

Members

Bun Yin Chief Executive Officer / Executive Director	Chairman
Pech Somaly Head, Consumer Banking	Member
Hong Cheap Head, Commercial Banking	Member
Heng Vuthy Head, Finance	Member
Heng Torang Head, Treasury & Markets	Member

Members

Ky Sana Head, Corporate, Transaction Banking & FIG	Member
Kien Vatana Head, Risk Management	Member
Seng Kok Wing ^{*1} Head, Strategy	Member

Notes:

^{*1} Secondment with the Bank ended, effective from 15 February 2024

The role and responsibilities of the Cambodia Asset Liability Management Committee ("ALCO") are as follows:

Balance Sheet and NII Review

- To review and analyse the Bank's balance sheet plan by business including asset and liability mix, currency, growth, yield and margin;
- To review variations between actual and planned balance sheet and how this impacts Net Interest Income (NII), funding plan and whether the Bank will remain within the established risk appetites;
- To review the NII and margin trends including forecast position, and the variances from the planned Net Interest Margin (NIM), and detail any required actions as appropriate;
- To review the impact on earnings (NII) under both a base case, identified possible scenarios and stressed scenarios;
- To review and ensure the Fund Transfer Pricing ("FTP") is appropriate and act as the arbitrator between business lines in designing and implementing FTP and promote consistency across the Bank; and
- To review Price Value of a Basis Point ("PVBP") limits for banking book portfolios and ensure exposure is within limits for the banking book, if applicable.

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.

Assets and Liabilities Management ("ALM")

- 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 endorse / approve the risk appetite / limits / Management Action Triggers ("MAT") for liquidity risk and interest rate risk in the banking book (IRRBB) in accordance with the approved liquidity risk and IRRBB governance framework;
- 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 and regulatory stress testing results across material currencies in the Bank;
- To review and recommend new ALM risk models for internal behavioral modeling for approval by Risk Committee; 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 Risk Committee.
- To review the proposed annual market risk limits and recommend to Risk Committee for approval.
- To review and approve punctual interim change in market risk limits.
- To monitor bank-wide Net Open Position ("NOP") and interest rate risk.

Approval Authority

- To review and recommend ALM risks framework and policies (if applicable) for Risk Committee's approval;
- To review and approve ALM risks methodologies and standard (if applicable) to be met to comply with approved policies;
- To review and approve annual calibration including back testing results which are used in internal liquidity and IRRBB metrics;
- To review and approve FTP framework (if applicable), policies and methodologies for the Bank;
- To review and endorse the risk appetite and limits for liquidity risk and interest rate risk in the Banking Book for subsequent approval by Risk Committee;
- To endorse market risk framework and policy, and recommend to the 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 pricing for new products of the Bank;
- To approve the Delegated Authority ("DA") for pricing of deposits for the Bank, as per the Board's delegated authority;
- To approve pricing proposal based on its approved DA; and
- To escalate to Risk Committee any MAT / trigger / limits breaches (non-regulatory) that are not viewed as material variance to the approved Risk Appetite Statement and to the capital / liquidity / reputation of the Bank.

► ACCOUNTABILITY AND 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 2023. 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 92 to 93 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 53 to 55 of the annual report.

The Statement on Corporate Governance was approved by the Board of Directors on 19 March 2024.

AUDIT COMMITTEE REPORT

➤ OVERVIEW

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

1. ATTENDANCE OF MEETING

The details of the Audit Committee's membership and meetings held in 2023 are as follows:

		Number of Meetings	
Members		Attended	Held
Long Beang	Independent Non-Executive Director / Chairman	6	6
Datuk Mohd Nasir Bin Ahmad	Independent Non-Executive Director	6	6
Aisyah Lam Binti Abdullah	Independent Non-Executive Director	6	6

In addition to the 6 meetings held to deliberate on matters relating to the Bank, the AC also had 1 joint AC meeting with CIMB Group Holdings and CIMB Banking Group.

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

Deliberations at the AC meetings were robust and detailed, generally lasting for a few hours. Minutes of the AC meeting held were provided to members of the Board.

2. 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 cooperation 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.

3. TERMS OF REFERENCE OF THE AUDIT COMMITTEE

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 weaknesses, 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.

4. SUMMARY OF ACTIVITIES IN 2023

4.1 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 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.
- c. Reviewed the efficiency of operations and the economical use of resources throughout the Bank.
- d. Reviewed the appointment of external auditors and their independence and effectiveness.
- e. Reviewed the external auditors' audit plan, the scope of work, and the results of the annual audit of the Bank.
- f. Met with the external auditors (on 30 November 2023) without the presence of management and the executive director to discuss relevant issues and obtain feedback.
- g. Reviewed the internal control issues identified by internal and external auditors as well as ascertained appropriate and prompt management's responses to audit recommendations and the implementation of agreed action plans.
- h. Reviewed the quarterly financial statements of the Bank.
- i. Reviewed related party transactions and the adequacy of the Bank's procedures in identifying, monitoring, reporting, and reviewing related party transactions.
- j. Ensured compliance with regulatory requirements and internal policies, and provided a status update on follow up by management on internal and external audit recommendations.
- k. Evaluated CAD's annual performance together with the remuneration payout and provided feedback on improvements.

4.2 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 provided independent and objective assurance on the adequacy and effectiveness of the internal control systems implemented by management.
- c. CAD assisted the Audit Committee and management in effectively discharging their responsibilities in establishing cost-effective controls, assessing risk management, recommending measures to mitigate identified risks, and ensuring that proper governance processes are followed.
- d. CAD provided periodic reports to the Audit Committee and management on the outcomes of the audits conducted, which highlighted the effectiveness of the system of internal control and significant risks.
- e. CAD conducted relevant investigations on suspected fraudulent activities and other irregularities as and when required by the regulators / as per requested by top management of the Bank as appropriate.
- f. CAD continued to identify both quantitative and qualitative value-added recommendations from the audits performed.
- g. CAD continued to implement initiatives (i.e. adopted agile audit, embedded data analytics, etc.) as part of the Forward23+ plan.
- h. CAD monitored the implementation of management's action and reported the status of audit observations to the Audit Committee.
- i. CAD strengthened the relationship with management through periodic business monitoring meeting to gain insight on business processes and audit focus areas.
- j. CAD provided comments on proposed policies and procedures to ascertain potential risks are governed and controlled.

4.3 Internal Audit Reports

- a. CAD completed 18 audit assignments during the year, including ad-hoc reviews covering audits of all key operations.
- b. All findings by CAD were tracked and followed up until they were dealt with and reported on a bi-monthly basis to the Audit Committee.
- c. The implementation status of audit recommendations was 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 recognises that reviewing the internal control system is a concerted and ongoing 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 to be an important element of the Bank's business and embeds a 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, outsourcing governance, fraud monitoring, 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

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

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 (SOC) to monitor and respond to potential cyber-attacks in a more effective manner.

At the network security level, additional network 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 Protection such as Anti-Malware, Extended Detection & Response – XDR and End-Point Encryption, Data Loss Prevention (DLP) System, Intrusion Prevention System (IPS), Email Security Gateway (ESG) and Content filtering on Websites accessing which can significantly mitigate the security risks when data traverses the network. The real-time detect & response on cyber-attack and definition files and configurations of these tools are always up-to-date to mitigate the risk from newly discovered vulnerabilities.

The Bank has implemented IT security awareness programmes for new joiners and existing staff to improve their awareness of privacy, information leakage, and IT security responsibility. These programmes consist of classroom / e-learning classes, annual assessments, 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 attend the Bank's annual management summit, at which each business and support unit reviews its operations for the year and presents strategies and plans for the year to come.

Risk Committee

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 Cambodia Asset Liability 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 the 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. In 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 recognised organisation that provides 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, adverse audit rating in the past year, 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 Internal 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 and the responses from Management and recommendation from CAD for improvement. The implementation of actions by management is monitored and followed up by CAD with appropriate validation. 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.

CAD has incorporated data analytics, agile approach, digital upskilling, and influence change as part of the Forward 23+ strategic plan to be in line with Group Corporate Assurance Division's direction. CAD intensifies the data analytic audit approach by integrating a data-driven assurance platform to facilitate auditors in performing systemic activities with more targeted key risk areas. CAD also identifies potential cost savings and qualitative value-added recommendations (i.e. new control design) from the audits performed during the year.

To enhance relationship with management, CAD has conducted Quarterly Business Monitoring (“QBM”) with Department Heads, Section Heads, and relevant key stakeholders to strengthen working relationship and business understanding for better audit focus. In addition, CAD reviews and provides feedback on drafts of new and revised policies to ascertain adequacy of proposed governance and controls to address risks.

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 (COD) 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, COD reports independently to the Board of Directors.

The Bank has established the Compliance Programme, which requires all business and support units to establish a Compliance Matrix that 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 subject to consultation with COD on the gaps or actions to be taken to ensure that the new/updates of law, regulations are adhered. Compliance Matrix shall be reviewed and updated annually.

Business and support units are also required to conduct a self-testing exercise on the Compliance Matrix which COD will independently perform validation on quarterly basis. Additionally, COD conducts Compliance Reviews on business and support units based on the Compliance Work Plan that has been approved by the Board. Moreover, scheduled trainings are regularly conducted to promote 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 a product and any existing or new product or variation to an existing product that results in a material change to the structure, features or risk profile of the existing product, as determined by Risk Management.

All new product proposals are subject to a rigorous risk review process by various stakeholders at the Bank and relevant 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 subject to extensive deliberations in various Bank and Group committees before submission to the Risk Committee for final approval with post approval.

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 on 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, which is 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 emphasise the Group's zero tolerance towards non-compliance with the AML policy. This is also emphasised 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 lie 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.

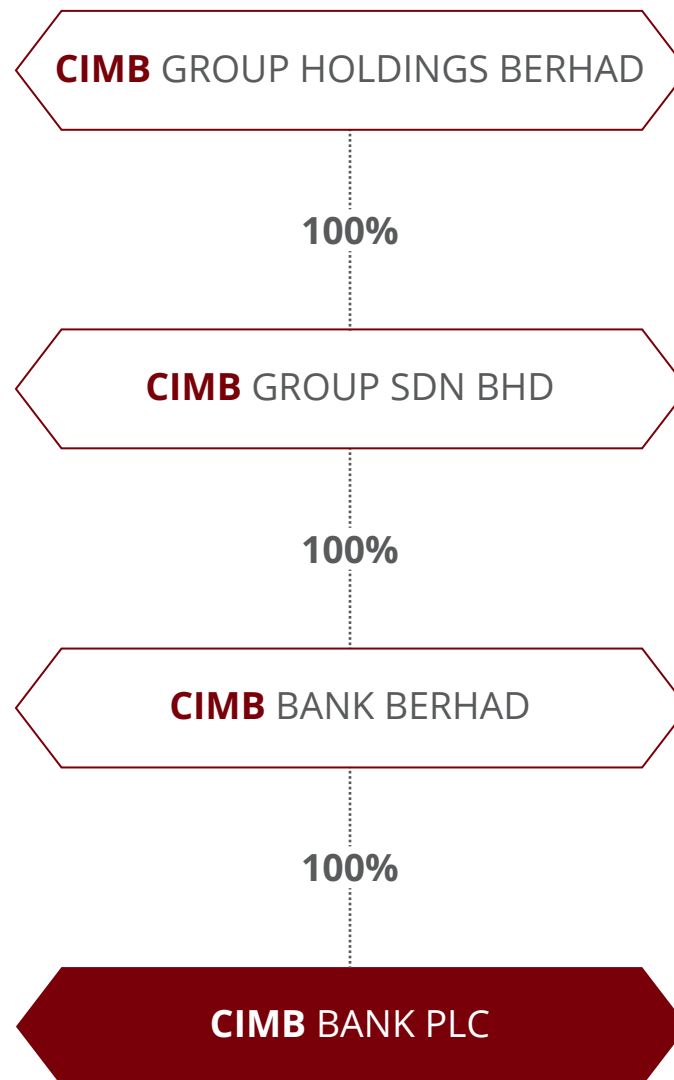
Regular training and awareness programmes are conducted. This is supplemented with the latest updates on AML / CFT, real transaction case study on the risk of money laundering and financing terrorism, with emphasis on the roles and responsibilities of employees. The Bank has taken and will continue to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

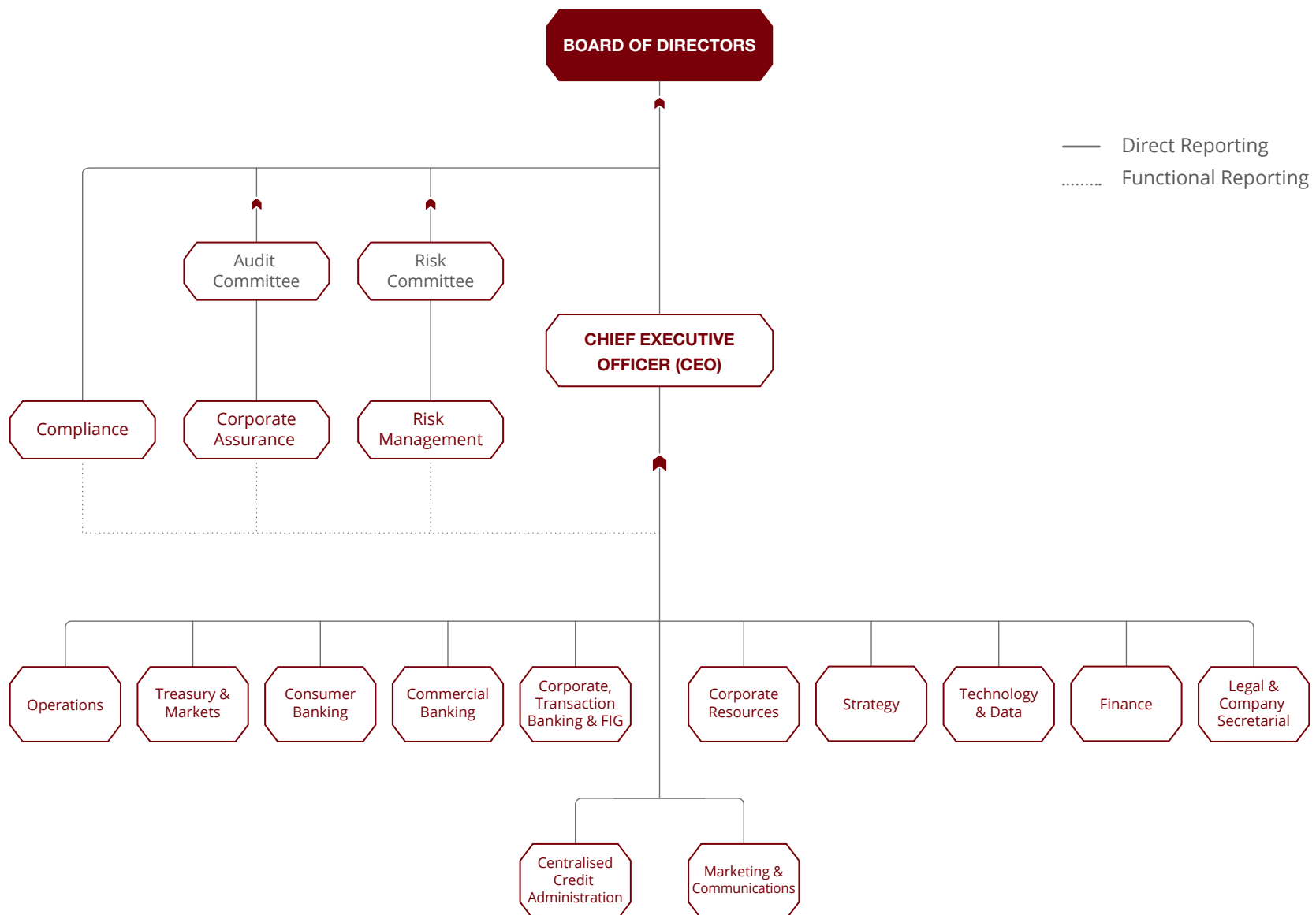
CORPORATE STRUCTURE

(As at 31 December 2023)



ORGANISATION CHART

(As at 31 December 2023)



CORPORATE INFORMATION

(As at 29 February 2024)

BOARD OF DIRECTORS

Datuk Mohd Nasir Bin Ahmad	_____	Chairman / Independent Non-Executive Director
Long Beang	_____	Independent Non-Executive Director
Aisyah Lam Binti Abdullah	_____	Independent Non-Executive Director
Ahmad Shazli Bin Kamarulzaman	_____	Non-Independent Non-Executive Director
Cheong Weng Teong	_____	Non-Independent Non-Executive Director
Bun Yin	_____	Non-Independent Executive Director

AUDIT COMMITTEE

Long Beang	_____	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	_____	Chairperson / Independent Non-Executive Director
Bun Yin	_____	Chief Executive Officer / Executive Director
Kien Vatana	_____	Head, Risk Management
Hong Cheap	_____	Head, Commercial Banking
Ky Sana	_____	Head, Corporate, Transaction Banking & FIG
Pech Somaly	_____	Head, Consumer Banking
Heng Viboth	_____	Head, Technology & Data
Heng Vuthy	_____	Head, Finance
Heng Phuong Rachana	_____	Head, Operations
Heng Torang	_____	Head, Treasury & Markets

MANAGEMENT COMMITTEE

Bun Yin	_____	Chairman / Chief Executive Officer
Heng Torang	_____	Head, Treasury & Markets
Hong Cheap	_____	Head, Commercial Banking
Pech Somaly	_____	Head, Consumer Banking
Kien Vatana	_____	Head, Risk Management
Heng Vuthy	_____	Head, Finance
Oum Chenda Pheakdey	_____	Head, Corporate Resources
Heng Viboth	_____	Head, Technology & Data
Ky Sana	_____	Head, Corporate, Transaction Banking & FIG
Ouk Thanin	_____	Head, Product Management & Sustainability
Seng Kok Wing	_____	Head, Strategy
		<i>(Secondment with the Bank ended, effective from 15 February 2024)</i>
Heng Phuong Rachana	_____	Head, Operations

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

CAMBODIA CREDIT COMMITTEE

Kien Vatana	_____	Chairman / Head, Risk Management
Bun Yin	_____	Alternative Chairman / Chief Executive Officer / Executive Director
Hong Cheap	_____	Head, Commercial Banking
Sam Vannak	_____	Head, Consumer Lending (<i>Resigned in October 2023</i>)
Pech Somaly	_____	Head, Consumer Banking (<i>Appointed as member on 16 August 2023</i>)
Chamnan Vanita	_____	Head, Credit Management
Ky Sana	_____	Head, Corporate, Transaction Banking & FIG
Chong Kok Ping	_____	Co-Head, Regional Credit Management
Lim Gek Peng	_____	Director, Financial Institutions and Traded Credit Management
Michael Ng Mun Seng	_____	Head, Regional Credit Risk Analytics
Ganga Devi Katheraveloo	_____	Regional Head, Commercial Credit Management, Group Commercial Banking

CAMBODIA ASSET LIABILITY MANAGEMENT COMMITTEE

Bun Yin	_____	Chairman / Chief Executive Officer / Executive Director
Pech Somaly	_____	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
Seng Kok Wing	_____	Head, Strategy

(*Secondment with the Bank ended, effective from 15 February 2024*)

COMPANY SECRETARIES

Ly Sophea
Datin Rossaya Mohd Nashir

REGISTRATION NO.

00010524

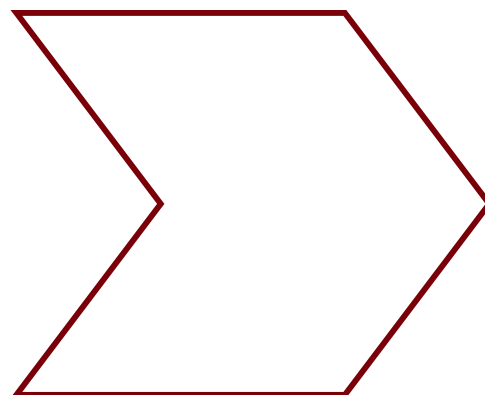
REGISTERED OFFICE

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 Fax : +855 23 988 099
 Website : www.cimbbank.com.kh

AUDITORS**PricewaterhouseCoopers (Cambodia) Ltd.**

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 P.O. Box 1147
 Tel : +855 23 860 606
 Fax : +855 23 211 594
 Website : www.pwc.com.kh

04



HIGHLIGHTS & ACHIEVEMENT 2023

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68	Media Highlights

CORPORATE EVENT HIGHLIGHTS

► CORPORATE RESPONSIBILITY PROGRAMMES

CIMB BANK BLOOD DONATION



► 03 MARCH 2023 @CIMB BANK'S HEAD OFFICE, PHNOM PENH



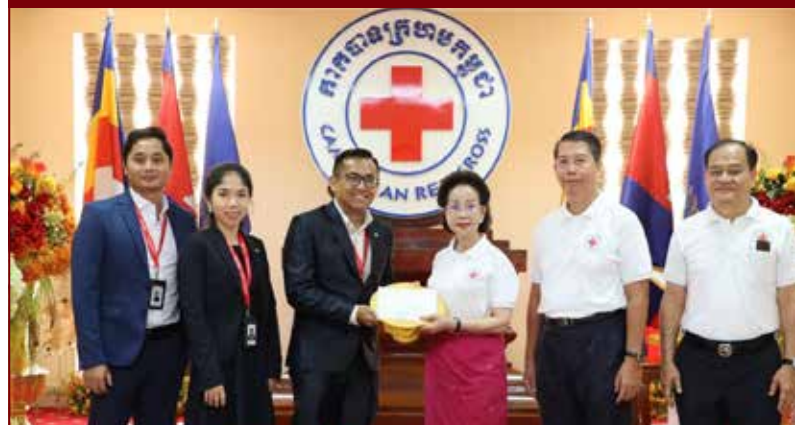
► 19 SEPTEMBER 2023 @CIMB BANK'S HEAD OFFICE, PHNOM PENH

CIMB BANK SCHOLARSHIP AWARD CEREMONY



► 10 MAY 2023 @CAMED BUSINESS SCHOOL'S OFFICE, PHNOM PENH

DONATION TO CAMBODIAN REDCROSS



► 25 MAY 2023 @CAMBODIAN RED CROSS' OFFICE, PHNOM PENH

DONATION TO EYES TREATMENT PROGRAMME BY THE NBC



► 05 AUGUST 2023 @KHMER-SOVIET FRIENDSHIP HOSPITAL, PHNOM PENH

DONATION TO TOUL PRECH SECONDARY SCHOOL



► 09 SEPTEMBER 2023 @TOUL PRECH SECONDARY SCHOOL, KAMPONG CHAM

➤ CORPORATE RESPONSIBILITY PROGRAMMES

CIMB BANK TREE PLANTING CEREMONY WITH THE MINISTRY OF CULTURE AND FINE ARTS



➤ 10 OCTOBER 2023 @ANGKOR WAT TEMPLE, SIEM REAP

DONATION TO THE RABBIT SCHOOL ORGANISATION



➤ 27 OCTOBER 2023 @THE RABBIT SCHOOL ORGANISATION'S OFFICE, PHNOM PENH

CIMB ASEAN SCHOLARSHIP AWARD CEREMONY



➤ 30 OCTOBER 2023 @CIMB BANK'S HEAD OFFICE, PHNOM PENH

➤ CORPORATE EVENTS

NEW YEAR CELEBRATION



➤ JANUARY 2023 @CIMB BANK'S BRANCHES, PHNOM PENH



CUSTOMERS' APPRECIATION DAY



➤ 30 APRIL 2023 @BATTAMBANG

LECTURE ON ANTI-CORRUPTION LAW BY ANTI-CORRUPTION UNIT



➤ 31 MAY 2023 @NAGA WORLD, PHNOM PENH

EMPLOYEE HEALTHCARE WORKSHOP



➤ 07 JUNE 2023 @CIMB BANK'S HEAD OFFICE, PHNOM PENH

MOU SIGNING CEREMONY WITH ORIENDA INTERNATIONAL HOSPITAL



➤ 28 JUNE 2023 @ORIENDA INTERNATIONAL HOSPITAL, PHNOM PENH

➤ CORPORATE EVENTS

CIMB BANK BOOTH ACTIVATION



➤ 29 JULY 2023 @AEON MALL SEN SOK, PHNOM PENH



➤ 05 AUGUST 2023 @AEON MALL PHNOM PENH, PHNOM PENH

CIMB BANK SOLAR EXPERIENTIAL LEARNING TRIP



➤ 16 SEPTEMBER 2023 @SCHNEITEC GROUP'S SOLAR FARM, KAMPONG SPEU

MOU SIGNING CEREMONY WITH MEAN CHEY RESIDENCES



➤ 06 OCTOBER 2023 @MEAN CHEY RESIDENCES' OFFICE, PHNOM PENH

REGIONAL DIRECTORS' SHARING SESSION



➤ 10-12 OCTOBER 2023 @SIEM REAP

CIMB BANK STAFF ANNUAL TRIP & TOWN HALL



➤ 17-18 NOVEMBER 2023 @PREAH SIHANOUK

➤ CORPORATE EVENTS

CIMB SUSTAINABILITY FORUM



➤ 23 NOVEMBER 2023 @PHNOM PENH

THE OFFICIAL LAUNCH OF CIMB BANK NEW HEAD OFFICE & BRANCHES



➤ 30 NOVEMBER 2023 @CIMB BANK'S HEAD OFFICE, PHNOM PENH

➤ SPONSORSHIP

8TH KIDS & FAMILIES FAIR



➤ 11-12 FEBRUARY 2023 @KOH PICH EXHIBITION HALL, PHNOM PENH

INTERNATIONAL CULTURAL DAY



➤ 25 MARCH 2023 @CIA FIRST INTERNATIONAL SCHOOL, PHNOM PENH

MSME DAY



➤ 27-28 JUNE 2023 @THE OLYMPIA MALL, PHNOM PENH

66TH HARI MERDEKA CELEBRATION



➤ 31 AUGUST 2023 @NAGA WORLD, PHNOM PENH

➤ SPONSORSHIP

9TH KIDS & FAMILIES FAIR



➤ 23-24 SEPTEMBER 2023 @KOH PICH EXHIBITION HALL, PHNOM PENH

JOBS & SKILLS SUMMIT



➤ 29-30 SEPTEMBER 2023 @NATIONAL UNIVERSITY OF MANAGEMENT, PHNOM PENH

AUPP CAREER FAIR



➤ 18 OCTOBER 2023 @AMERICAN UNIVERSITY OF PHNOM PENH, PHNOM PENH

CAMED CAREER FAIR



➤ 04 NOVEMBER 2023 @CAMED BUSINESS SCHOOL, PHNOM PENH

ANGKOR THANKGIVING CEREMONY



➤ 07-16 DECEMBER 2023 @ANGKOR WAT TEMPLE, SIEM REAP

CJCC JOB FAIR



➤ 17 DECEMBER 2023 @CAMBODIA-JAPAN COOPERATION CENTRE, PHNOM PENH

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BOARD OF DIRECTORS





DATUK MOHD NASIR BIN AHMAD

Chairman / Independent Non-Executive Director

- Malaysian
- 69 years old
- Joined the Board on 16 December 2019
- Attended all 6 Board meetings held in 2023
- Member of the Audit Committee

Datuk Mohd Nasir 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.

He is currently Chairman of CIMB Group Holdings Berhad, CIMB Bank Berhad, CIMB Bank PLC and Touch 'n Go Sdn. Bhd. He was appointed as Independent Director of CIMB on 20 July 2015 and CIMB Group Chairman on 20 October 2018 and appointed as Chairman / Independent Non-Executive Director of CIMB Bank PLC on 16 December 2019.

He was the President of the Malaysian Institute of Accountants (MIA) from August 2011 to July 2013. In September 2013, he was elected to the Council of the Association of Chartered Certified Accountants (ACCA) in the United Kingdom and completed the maximum 9 years' tenure in November 2022, after being re-elected in September 2016 and November 2019.

On 1 May 2021, he was appointed a member of the Financial Reporting Foundation and Chairman of the Malaysian Accounting Standards Board (MASB).

He brings with him vast experience in the areas of leadership, management, operations, 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 Financial Controller before being appointed its 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 is also Chairman of CIMB Foundation, Trustee of Yayasan Canselor UNITEN and Perdana Leadership Foundation, and board member of FIDE Forum.



AISYAH LAM BINTI ABDULLAH

Independent Non-Executive Director

- Malaysian
- 59 years old
- Joined the Board on 5 July 2018
- Attended all 6 Board meetings held in 2023
- Chairwoman of the Risk Committee
- Member of the Audit Committee

Ms. Aisyah 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.

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

Ms. Aisyah 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. Aisyah moved into the health care industry in 2016 managing and building a group of chiropractic clinics in Vietnam in all aspects of operations as well as business development. In 2022, the group of clinics were merged into the largest hospital in Vietnam and subsequently acquired by Thomson Medical Group Singapore. Post the M&A (merger & acquisition) activities, Aisyah has remained as a consultant to continue supporting the business.

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



LONG BEANG

Independent Non-Executive Director

- Cambodian
- 44 years old
- Joined the Board on 9 March 2022
- Attended all 6 Board meetings held in 2023
- Chairman of the Audit Committee

Mr. Beang is a member of the Bar Association of Kingdom of Cambodia (BAKC), a member of the National Commercial Arbitration Center (NCAC) and holds a Master of International Commercial Law and Corporate Counsel from The Royal University of Law and Economics, Cambodia.

He has been appointed as an Independent Non-Executive Director and the Chairman of the Audit Committee of the Bank from 9 March 2022.

Beang had been appointed as an Independent Director of Ly Hour Insurance Plc. in March 2019 and as Chairman of the Audit Committee to the Board of Directors for Ly Hour Insurance Plc. early 2020 until his resignation from this directorship on 25 September 2021.

He brings with him vast experience in the areas of leadership, management, legal profession by having advised to various clients on many practice areas, including but not limited to; real estate and construction, banking and finance, insurance, telecom, tourism and hotel, labor and employment, capital markets (Securities and derivative businesses), sale and purchase contract for goods and services, project finance, legal due diligence, manufacturing business and also representing clients before the courts for civil and commercial cases.

Since September 2018, as one of the senior and top Cambodian commercial arbitrators, Beang has been involving with managing, ruling and leading arbitration proceedings and arbitration tribunals regarding commercial dispute resolutions notably for matters relating to international trade, supply and services contracts and construction.

In January 2022, he has been accredited as CEDR Accredited Mediator by Centre for Effective Dispute Resolution which is based in United Kingdom.

Beang is a Managing Partner of PYT & Associates, registered with the BAKC and he leads on some practice areas namely; banking and finance, project finance, insurance, labor and employment, dispute resolutions within the jurisdiction of the Securities and Exchange Commission of Cambodia ("SECC") and NCAC and also regarding civil and commercial litigation and also co-leads on other areas such as: real estate and construction (transaction), merger and acquisition ("M&A") and securities and derivative business including Initial Public Offering ("IPO").



AHMAD SHAZLI BIN KAMARULZAMAN

Non-Independent Non-Executive Director

- Malaysian
- 52 years old
- Joined the Board on 16 December 2019
- Attended all 6 Board meetings in 2023

Mr. Ahmad Shazli Bin Kamarulzaman 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 is Co-CEO of Group Commercial & Transaction Banking effective 1 October 2023. Prior to that, he was the Deputy CEO of Group Commercial Banking.

As Co-CEO of Group Commercial & Transaction Banking, Ahmad Shazli oversees the Group's Business Banking segment for Malaysia, Singapore, Indonesia, Thailand and Cambodia. This includes strategy, credit, customer management and product & services in both Conventional and Islamic Banking.

Ahmad 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 Ltd in Thailand and CEO of 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.

**CHEONG WENG TEONG****Non-Independent Non-Executive Director**

- Malaysian
- 55 years old
- Joined the Board on 20 May 2021
- Attended all 6 Board meetings in 2023

Mr. Cheong Weng Teong holds a Master Degree in Marketing from RMIT University. He was appointed as the Bank's Non-Independent Non-Executive Director on 20 May 2021.

Currently, he is also the Head of Consumer Banking of CIMB Bank Berhad, where he is responsible for the management and operations of the bank's consumer banking business. Prior to that, he was the Head of Retail & Enterprise Distribution at CIMB Bank Berhad and Head of Branch Distribution Group at Southern Bank. Before joining CIMB Group in 2004, he was the Head of Sales Development at AIG Marketing Group and Head of Consumer Clients at ABN AMRO Bank.

He has over 25 years of experience in consumer banking spanning branch management, sales and product management. He was instrumental in formulating and executing the sales and distribution strategy for the consumer banking where he transformed the branch network and non-branch channels into a high performing sales organisation.



BUN YIN

Chief Executive Officer/ Non-Independent Executive Director

- Cambodian
- 68 years old
- Joined the Board on 29 January 2015
- Attended 5 out of 6 Board meetings held in 2023
- Member of the Risk Committee

Mr. Bun Yin earned a Bachelor Degree from the Faculty of Finance, Accounting and Banking of the Ministry of Finance in Cambodia in 1987. He has also earned Chartered Banker status which has been conferred by Asian Institute of Chartered Bankers (AICB).

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. He turned the Bank around to become profitable during his first year as the CEO. Despite challenging market conditions and the extremely high internal standards, Bun Yin navigated the tides and positioned the business of CIMB to a profitable track since then.

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 more than 40 years. With his extensive experience in banking, he understands the local market well 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.

**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 26 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 Cambodia Business Review Committee as well as is 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 ("RULES") 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 (currently known as University of Puthisastra). In 2007, she further obtained her Master's Degree in Private Law from RULES. Sophea was qualified for the certificate in AML/CFT from Asian Institute of Chartered Bankers (AICB), Malaysia, in 2017. She was also qualified as a CEDR Accredited Mediator from the Centre for Effective Dispute Resolution (CEDR) which is based in United Kingdom, in January 2022. In August 2022, Sophea attended the 1st Training and Examination and successfully be certified as the Approved Persons in the Trust Sector of 2022. Furthermore, she was also certified as qualified person for commercial arbitrator of the National Commercial Arbitration Centre (NCAC) in February 2023.



MANAGEMENT TEAM



**BUN YIN****Chief Executive Officer**

► Cambodian

Mr. Bun Yin earned a Bachelor Degree from the Faculty of Finance, Accounting and Banking of the Ministry of Finance in Cambodia in 1987. He has also earned Chartered Banker status which has been conferred by Asian Institute of Chartered Bankers (AICB).

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. He turned the Bank around to become profitable during his first year as the CEO. Despite challenging market conditions and the extremely high internal standards, Bun Yin navigated the tides and positioned the business of CIMB to a profitable track since then.

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 more than 40 years. With his extensive experience in banking, he understands the local market well 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.

**HONG CHEAP****Head, Commercial Banking**

► Cambodian

With a large body of experience in the 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 becoming the Head of Commercial Banking starting 1 January 2018, Hong Cheap served role as Head of Risk for CIMB Bank PLC for 5 years and managed the Bank's overall risk management, chaired the Credit Committee and worked closely with other business units to embed a strong risk culture within the Bank.

As Head of Commercial Banking, he is vital in planning and executing the Bank's commercial strategies. He leads the team in growing loan book while maintaining good asset quality, enhancing deposits, improving capabilities and productivity, and increasing profits for the whole Bank. Hong Cheap is also actively involved in enhancing collaboration between Commercial Banking and their stakeholders within the Bank.

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

**HENG TORANG****Head, Treasury & Markets**

► Cambodian

Heng Torang is one of the pioneers in the management team of CIMB Bank PLC, having joined the Bank in 2010. He established the Bank's Risk Management functions and served as the secretary for the Risk Committee. In mid-2013, he transitioned to lead Treasury & Markets division, where he oversees the management of the Bank's balance sheet, money market activities, liquidity risk, foreign exchange risk and transactions, other treasury products, and to maintain relationships with the bank and financial institutions.

As a member of the Management Committee, Torang also holds positions in the Assets & Liabilities Management Committee and the Risk Committee, underscoring his influence and involvement in critical decision-making processes within the bank.

Prior to joining CIMB Bank PLC, Torang accumulated extensive experience as a Treasury & Market Risk Manager, specialising in treasury operations and relevant market risks. He also served in treasury funding operations and cash flow management at a major bank in Cambodia for six years.

Torang's educational background includes a BA degree in Accounting from the National Institution of Management in Cambodia, an MBA in Finance from Pannasastra University of Cambodia, and completed the Accelerated Universal Bankers Programme from Nanyang Technological University in Singapore. His diverse academic qualifications and professional experiences have equipped him with a comprehensive skill set to navigate the complexities of banking and finance.

**KY SANA****Head, Corporate, Transactions Banking
& Financial Institution Group**

► Cambodian

Ky Sana has over 21 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 Institutions Group.

In her current role, Sana is responsible for relationship management with large corporate and FIG clients and the overall performance of Corporate Banking and FIG 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, 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;
4. Most Influential Woman Award 2020 from CIMB Cambodia;

Sana holds a Bachelor's Degree in Accounting and a Master's Degree in Business Administration. She completed the Accelerated Universal Bankers Programme from Nanyang Technological University in Singapore.

**HENG VUTHY****Head, Finance**

► Cambodian

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 Institute, Official ACCA Platinum Tuition Provider.

**PECH SOMALY****Head, Consumer Banking**

► Cambodian

Pech Somaly joined CIMB Bank PLC in 2021 as Head of Branch and Delivery to lead Both Preferred Banking, Branch network and Branch Operations before being promoted as Head of Consumer Banking.

In her role, Somaly is responsible for the overall management and financial performance as well as business strategy of CIMB Bank's Consumer Banking, which includes Customer Experience, Branch Network, Credit Management and Business portfolio such as Retail Deposit, Preferred Banking, Consumer Loan (Mortgage, Auto Loan, Personal Loan, other Consumer Banking Product) and Credit Card.

Somaly has over 24 years of experience in banking and financial services. She started her career with few Regional Banks where she worked both in Cambodia and other regional countries as a member of the senior management.

Prior to joining CIMB Bank PLC, Somaly worked for a major International Bank in Cambodia for 13 years, where she assumed multitude of management positions from Operations to be Sale Director and then as Chief Operating Officer of one startup and well-known Fintech.

Somaly obtained her Bachelor's Degree in Banking and Finance in Phnom Penh and continuously earned her MBA in Finance and Management from the Charles Sturt University.



OUM CHENDA PHEAKDEY
Head, Corporate Resources

➤ Cambodian

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.

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 leads and manages 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. In 2022, she obtained a certification of Professional Banker which is recognised by AICB (Asian Institute of Chartered Bankers) and the Chartered Banker Institute, UK.



HENG VIBOTH
Head, Technology & Data

➤ Cambodian

Heng Viboth joined CIMB Bank PLC as Head of Technology & Operations in August 2018 and in September 2022, he was appointed as Head of Technology & Data. In his role, Viboth is responsible for the planning and implementation of the Bank’s technology roadmap, which includes overseeing taskforces, project progress and risk evaluation. He leads his team to ensure that policies/procedures are in compliance and to continuously provide timely support to the Business Units and Business Enablers.

In Data areas, Viboth is responsible for the Bank’s Data Governance management, which includes managing data labelling, data usage, data at rest and data storing. He also ensures that the Bank’s data management policy is up to date and in compliance with regulation and internal processes.

Viboth has 21 years of working experience in the banking industry and started his career as a Software Engineer in 2003. Prior to 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 the Royal University of Phnom Penh.

**OUK THANIN****Head, Product Management & Sustainability**

► Cambodian

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 from an increasingly competitive market. He also serves as the lead coordinator for a number of bank-wide initiatives and projects, including Sustainability programme.

Prior to joining CIMB, 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 in 2012 for membership in Beta Gamma Sigma, the international honor society for collegiate schools of business.

**HENG PHUONG RACHANA****Head, Operations**

► Cambodian

Heng Phuong Rachana joined CIMB Bank PLC in 2012, she has grown well and managed to run a bigger scale of operations under Technology and Operations Division before appointed as Head of Operations Division in 2022.

In her role, Rachana is responsible for managing back office functions with particular reference to local/international remittances, trade finance, inward/outward cheque clearing, self-service terminal (SST) management, centralised cash management, internet banking, treasury operations, loan disbursement and other payment/settlement services. She also leads and develops team to ensure their professional growth by maintaining quality and excellent service/support.

Rachana has over 20 years of working experience both banking services and back office functions. Prior to CIMB Bank PLC, she was the Head of Banking Services at one local bank in Cambodia.

She holds two Bachelor's degrees in (i) Accounting from National Institute of Management and (ii) English Communication from Norton University.

**KHIEU LANIN****Head, Corporate Assurance**

➤ Cambodian

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

Lanin has over 21 years of working experience in the banking industry, especially in internal audit, which enables him to effectively execute his roles along with assisting the Audit Committee and management in establishing cost-effective controls, identifying and assessing risks, recommending measures to mitigate risks, assuring proper governance process, ensuring the establishment of quality programmes, and supervising audit work.

Lanin holds a Bachelor's Degree in Finance and Banking from the National University of Management and a Master's Degree in Accounting and Finance from Build Bright University. He completed the Regulatory Compliance Course from The Institute of Banking and Finance (IBF). He is currently pursuing qualification of Certified Internal Audit (CIA) from the Institute of Internal Auditors (IIA) and pursuing Certified Cyber Risk Specialist programme.

**CHHUN PUTHKOMPHEAKVATTEY****Head, Compliance**

➤ Cambodian

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 13 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. In addition, Vattey has completed certification course on Regulatory Compliance from the Institute of Banking and Finance (IBF) and the International Advanced Certificate in Anti Money Laundering and International Diploma in Anti Money Laundering from the International Compliance Association (ICA) which their headquarter is located in the United Kingdom.

**KIEN VATANA****Head, Risk Management**

► Cambodian

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 and Asset Quality Committee based on his lengthy experience in credit management for over 18 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, market, liquidity and funding, outsourcing, fraud, and technology 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.

**LY SOPHEA****Head, Legal & Company Secretarial**

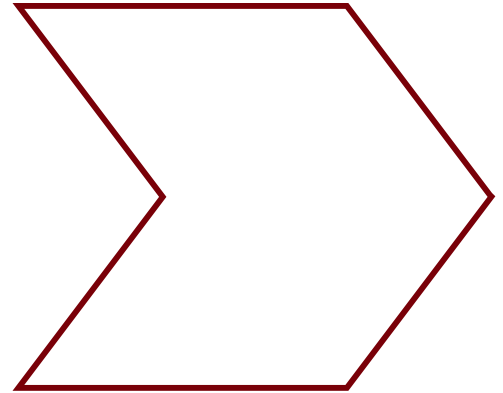
► Cambodian

Ly Sophea has been the Head of Legal & Company Secretarial since CIMB Bank PLC started operations in November 2010. Sophea is responsible for managing 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 Cambodia Business Review 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 one 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 ("RULES") 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 (currently known as University of Puthisastra). In 2007, she further obtained her Master's Degree in Private Law from RULES. Sophea was qualified for the certificate in AML/CFT from Asian Institute of Chartered Bankers (AICB), Malaysia, in 2017. She was also qualified as a CEDR Accredited Mediator from the Centre for Effective Dispute Resolution (CEDR) which is based in United Kingdom, in January 2022. In August 2022, Sophea attended the 1st Training and Examination and successfully be certified as the Approved Persons in the Trust Sector of 2022. Furthermore, she was also certified as qualified person for commercial arbitrator of the National Commercial Arbitration Centre (NCAC) in February 2023.

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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 2023.

► 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 97.

No dividends were declared or paid during the year ended 31 December 2023.

► STATUTORY CAPITAL

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

► BAD AND 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 AND 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
Mr. Long Beang	Independent Non-Executive Director
Ms. Aisyah Lam Binti Abdullah	Independent Non-Executive Director
Mr. Ahmad Shazli Bin Kamarulzaman	Non-Independent Non-Executive Director
Mr. Cheong Weng Teong	Non-Independent Non-Executive Director
Mr. Bun Yin	Non-Independent Executive Director / Chief Executive Officer

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 2023 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 2023 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
28 March 2024

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 2023, 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 2023;
- 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 material accounting policy information 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 AND 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 Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

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

► AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 **Kuy Lim**
Partner

Phnom Penh, Kingdom of Cambodia
28 March 2024

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand	4	51,013,545	208,390,331	53,574,614	220,566,686
Deposits and placements with the central bank	5	82,095,552	335,360,330	120,906,100	497,770,414
Deposits and placements with other banks	6	257,277,325	1,050,977,873	63,496,732	261,416,046
Loans and advances at amortised cost	7	944,834,674	3,859,649,643	1,019,457,213	4,197,105,346
Statutory deposits with the central bank	8	103,891,547	424,396,969	78,327,893	322,475,935
Right-of-use assets	9	5,538,086	22,623,081	7,332,350	30,187,285
Property and equipment	10	6,095,411	24,899,754	6,601,551	27,178,585
Intangible assets	11	1,535,693	6,273,306	1,812,576	7,462,375
Deferred tax assets	12	1,664,779	6,800,622	2,072,405	8,532,091
Other assets	13	6,544,207	26,733,086	5,267,606	21,686,734
TOTAL ASSETS		1,460,490,819	5,966,104,995	1,358,849,040	5,594,381,497
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from banks	14	189,100,405	772,475,154	224,907,872	925,945,709
Deposits from customers	15	994,615,728	4,063,005,249	847,725,348	3,490,085,258
Borrowings	16	1,152,015	4,705,981	21,738,894	89,499,027
Subordinated debts	17	47,405,592	193,651,843	47,405,592	195,168,822
Lease liabilities	9	6,164,900	25,183,617	7,935,261	32,669,470
Current income tax liabilities	30	3,162,062	12,917,023	5,410,147	22,273,575
Employee benefits	18	4,155,818	16,976,517	3,514,059	14,467,381
Other liabilities	19	11,620,149	47,468,308	14,054,395	57,861,943
TOTAL LIABILITIES		1,257,376,669	5,136,383,692	1,172,691,568	4,827,971,185
EQUITY					
Share capital	20	75,000,000	306,375,000	75,000,000	308,775,000
Share-based payment reserves	21	919,251	3,755,140	576,022	2,371,483
Retained earnings		67,399,031	273,508,806	71,876,338	291,910,537
Capital reserves	22	42,000,000	171,570,000	25,500,000	104,983,500
Regulatory reserves	23	17,795,868	72,696,121	13,205,112	54,365,446
Other reserves		-	1,816,236	-	4,004,346
TOTAL EQUITY		203,114,150	829,721,303	186,157,472	766,410,312
TOTAL LIABILITIES AND EQUITY		1,460,490,819	5,966,104,995	1,358,849,040	5,594,381,497

The accompanying notes on pages 100 to 141 form an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023		2022	
		US\$	KHR'000	US\$	KHR'000
Interest income	24	81,780,225	336,116,725	71,573,919	292,522,607
Interest expense	24	(43,120,993)	(177,227,281)	(26,293,874)	(107,463,063)
Net interest income	24	38,659,232	158,889,444	45,280,045	185,059,544
Fee and commission income	25	6,924,172	28,458,347	8,334,428	34,062,807
Fee and commission expense	25	(2,273,282)	(9,343,189)	(2,715,621)	(11,098,743)
Net fee and commission income	25	4,650,890	19,115,158	5,618,807	22,964,064
Credit impairment losses	26	(508,567)	(2,090,210)	(88,523)	(361,794)
Other operating income		2,470,823	10,155,083	1,985,155	8,113,328
Other losses – net		(81,432)	(334,686)	(249,414)	(1,019,355)
Net other operating income		1,880,824	7,730,187	1,647,218	6,732,179
Expenses					
Personnel expenses	27	(13,675,105)	(56,204,682)	(12,496,427)	(51,072,897)
Depreciation and amortisation charges	28	(4,972,899)	(20,438,615)	(3,959,742)	(16,183,466)
Other operating expenses	29	(5,373,236)	(22,084,000)	(3,898,440)	(15,932,924)
		(24,021,240)	(98,727,297)	(20,354,609)	(83,189,287)
Profit before income tax		21,169,706	87,007,492	32,191,461	131,566,500
Income tax expenses	30	(4,556,257)	(18,726,216)	(6,604,565)	(26,992,857)
Profit for the year		16,613,449	68,281,276	25,586,896	104,573,643
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Currency translation differences		-	(2,188,110)	-	2,917,400
Other comprehensive income for the year, net of tax		-	(2,188,110)	-	2,917,400
Total comprehensive income for the year		16,613,449	66,093,166	25,586,896	107,491,043
Profit attributable to:					
Owners of the Bank		16,613,449	68,281,276	25,586,896	104,573,643
Total comprehensive income attributable to:					
Owners of the Bank		16,613,449	66,093,166	25,586,896	107,491,043

The accompanying notes on pages 100 to 141 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Attributable to owners of the Bank													
	Share capital		Share-based payment reserves		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	US\$	KHR'000
Balance at														
1 January 2022	75,000,000	305,550,000	220,315	897,563	58,546,886	237,433,068	17,500,000	71,295,000	8,947,668	36,452,799	-	1,086,946	160,214,869	652,715,376
Profit for the year	-	-	-	-	25,586,896	104,573,643	-	-	-	-	-	-	25,586,896	104,573,643
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	2,917,400	-	2,917,400
Total comprehensive income for the year	-	-	-	-	25,586,896	104,573,643	-	-	-	-	-	2,917,400	25,586,896	107,491,043
Transactions with owners in their capacity as owners:														
Share-based payments: value of employee services	-	-	355,707	1,453,775	-	-	-	-	-	-	-	-	355,707	1,453,775
Transfer to capital reserves (Note 22)	-	-	-	-	(8,000,000)	(32,696,000)	8,000,000	32,696,000	-	-	-	-	-	-
Transfer to regulatory reserves (Note 23)	-	-	-	-	(4,257,444)	(17,400,174)	-	-	4,257,444	17,400,174	-	-	-	-
Currency translation differences	-	3,225,000	-	20,145	-	-	-	992,500	-	512,473	-	-	-	4,750,118
Total transactions with owners	-	3,225,000	355,707	1,473,920	(12,257,444)	(50,096,174)	8,000,000	33,688,500	4,257,444	17,912,647	-	-	355,707	6,203,893
Balance at														
31 December 2022	75,000,000	308,775,000	576,022	2,371,483	71,876,338	291,910,537	25,500,000	104,983,500	13,205,112	54,365,446	-	4,004,346	186,157,472	766,410,312
Balance at														
1 January 2023	75,000,000	308,775,000	576,022	2,371,483	71,876,338	291,910,537	25,500,000	104,983,500	13,205,112	54,365,446	-	4,004,346	186,157,472	766,410,312
Profit for the year	-	-	-	-	16,613,449	68,281,276	-	-	-	-	-	-	16,613,449	68,281,276
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	(2,188,110)	-	(2,188,110)
Total comprehensive income for the year	-	-	-	-	16,613,449	68,281,276	-	-	-	-	-	(2,188,110)	16,613,449	66,093,166
Transactions with owners in their capacity as owners:														
Share-based payments: value of employee services	-	-	343,229	1,410,671	-	-	-	-	-	-	-	-	343,229	1,410,671
Transfer to capital reserves (Note 22)	-	-	-	-	(16,500,000)	(67,815,000)	16,500,000	67,815,000	-	-	-	-	-	-
Transfer to regulatory reserves (Note 23)	-	-	-	-	(4,590,756)	(18,868,007)	-	-	4,590,756	18,868,007	-	-	-	-
Currency translation differences	-	(2,400,000)	-	(27,014)	-	-	-	(1,228,500)	-	(537,332)	-	-	-	(4,192,846)
Total transactions with owners	-	(2,400,000)	343,229	1,383,657	(21,090,756)	(86,683,007)	16,500,000	66,586,500	4,590,756	18,330,675	-	-	343,229	(2,782,175)
Balance at														
31 December 2023	75,000,000	306,375,000	919,251	3,755,140	67,399,031	273,508,806	42,000,000	171,570,000	17,795,868	72,696,121	-	1,816,236	203,114,150	829,721,303

The accompanying notes on pages 100 to 141 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023		2022	
		US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities					
Cash used in operations	32	136,842,814	562,423,964	(135,895,118)	(555,403,348)
Interest received		81,413,070	334,607,718	71,562,828	292,477,278
Interest paid		(34,817,668)	(143,100,615)	(24,438,070)	(99,878,392)
Income tax paid	30	(6,396,716)	(26,290,503)	(6,237,756)	(25,493,709)
Staff pension fund paid	18	(259,562)	(1,066,800)	(318,225)	(1,300,586)
Seniority paid	18	(39,407)	(161,963)	(45,414)	(185,607)
Net cash (used in) / generated from operating activities		176,742,531	726,411,801	(95,371,755)	(389,784,364)
Cash flows from investing activities					
Negotiable certificate of deposits		5,230,000	21,495,300	25,990,000	106,221,130
Deposits and placements with other banks - maturity more than three months		-	-	4,500,000	18,391,500
Purchases of property and equipment		(1,429,173)	(5,873,901)	(2,876,504)	(11,756,272)
Purchases of intangible assets		(684,452)	(2,813,098)	(342,768)	(1,400,893)
Proceeds from disposals of property and equipment		44,724	183,816	30,558	124,891
Net cash generated from investing activities		3,161,099	12,992,117	27,301,286	111,580,356
Cash flows from financing activities					
Proceeds from borrowings	16	-	-	25,617,130	104,697,210
Repayments of borrowings	16	(20,279,070)	(83,346,978)	(29,242,546)	(119,514,286)
Principal elements of lease payments		(1,727,211)	(7,098,837)	(1,507,788)	(6,162,330)
Net cash used in financing activities		(22,006,281)	(90,445,815)	(5,133,204)	(20,979,406)
Net (decrease) / increase in cash and cash equivalents		157,897,349	648,958,103	(73,203,673)	(299,183,414)
Cash and cash equivalents at beginning of the year		224,860,786	925,751,857	298,064,459	1,214,314,605
Currency translation differences		-	(11,142,980)	-	10,620,666
Cash and cash equivalents at end of the year	31	382,758,135	1,563,566,980	224,860,786	925,751,857

Non-cash investing and financing activities disclosure in notes are:

- unpaid portion of purchases of intangible assets in note 11,
- acquisition of right-of-use assets in note 9, and

The accompanying notes on pages 100 to 141 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

► 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 licence that was issued by the National Bank of Cambodia (NBC or the Central Bank) on 11 November 2010.

The registered office of the Bank is located at No. 60, Preah Monivong Blvd., Phum 10, Sangkat Voat Phnum, Khan Doun Penh, Phnom Penh, the Kingdom of Cambodia.

The financial statements were authorised for issue by the Board of Directors on 28 March 2024.

► 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

This note provides a list of material accounting policies adopted in the preparation of the financial statements. 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).

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

The Bank discloses the amount for each asset and liability that is 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 financial statements that are in the Khmer language. In the event of a conflict or a difference in interpretation between the two languages, the Khmer language financial statements shall prevail.

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 2023:

- Definition of Accounting Estimates – amendments to CIAS 8,
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to CIAS 12, and
- Disclosure of Accounting Policies – Amendments to CIAS 1 and CIFRS Practice Statement 2

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 2023 reporting period and have not been early adopted by the Bank. These standards are not expected to have a material impact on the Bank 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 United States dollars (US\$) because of the significant influence of the US\$ on its operations. The financial statements are presented in 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 years. Assets and liabilities for each statement of financial position presented and shareholders' capital and reserves are translated at the closing rates as at the reporting date. Resulting exchange differences arising from the translation of shareholders' capital and reserves are 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 yearly average rate was US\$ 1 to KHR 4,110 (2022: US\$ 1 to KHR 4,087) and the closing rate was US\$ 1 to KHR 4,085 (2022: US\$ 1 to KHR 4,117).

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 shown within borrowings in current 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 financial 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 classifies its 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 asset 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 a 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 undrawn overdrafts 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 overdrafts 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, lease liabilities 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, lease liabilities 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 overdrafts 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 within 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 the license of the core banking system which has a useful life of ten years.

Work-in-progress is not amortised. 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

At the inception of the 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 terms 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 lease 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 accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability.

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 Borrowings

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

2.16 Subordinated debts

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

2.17 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) Pension fund scheme

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

iii) Other 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 months 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 Bank. The past seniority payment depends on each staff's 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, other than those payable within the next 12 months. 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.

iv) 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. Staff who have been working for more than three years will receive both theirs and the Bank's contribution upon resignation or retirement.

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.

v) Share-based compensation benefits

CIMB Group Holdings Berhad (CIMBGH) established a long-term incentive plan (LTIP) starting in June 2021, which comprises an employee share option scheme (ESOS) and a share grant plan (SGP).

The LTIP offered to the qualified employees of the Bank are equity-settled plans. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the award is vested to relevant employees. The fair value of the employee services received in exchange for the grant of the shares and/or options is recognised as an expense in profit or loss over the vesting period, based on the best available estimate of the number of shares and/or options expected to be vested at each of the vesting date.

The total amount to be expensed over the vesting period is determined by reference to the fair value at grant date of the share and/or options granted. Non-market performance and service conditions are included in assumptions for the number of shares and/or options that are expected to be vested. At the end of each period, the Bank revises its estimates of the number of shares and/or options that are expected to be vested based on the service vesting conditions. Any impact of the revision to original estimates is recognised in the statement of profit or loss corresponding to adjustment to equity. Where awards of share-based payment arrangements have graded vesting terms, each tranche is recognised as a separate award, and therefore the fair value of each tranche is recognised over the applicable vesting period.

The Bank estimates the fair value of options using a Black-Scholes model. This model requires inputs such as the strike price, the current stock price, the time to expiration, the risk-free rate, and the volatility of the option.

Where modification of an equity-settled share-based compensation plan occurs, the grant date fair value continues to be recognised, together with any incremental value arising on the date of modification if non-market conditions are met.

2.18 Regulatory reserves

Banks and financial institutions are required to compute regulatory provisions, according to Prakas No. B7-017-344 dated 1 December 2017, Circular No. B7-018-001 dated 16 February 2018 and Circular No. B7-021-2314 dated 28 December 2021 (implemented from 1 January 2022) 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, and is not allowed to be included in the net worth calculation.

2.19 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 gross 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).

2.20 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.

2.21 Rounding of amounts

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

► 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Bank makes 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 management overlay to capture recent development which the existing ECL model was not built for.
- applying a non-mechanistic approach to ECL by considering additional qualitative criteria for SICR on restructured loans 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

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
US Dollars	43,981,590	179,664,795	47,411,759	195,194,212
Khmer Riel	7,031,955	28,725,536	6,162,855	25,372,474
	51,013,545	208,390,331	53,574,614	220,566,686

► 5. DEPOSITS AND PLACEMENTS WITH THE CENTRAL BANK

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
Current accounts	58,729,990	239,912,009	92,150,976	379,385,568
Settlement accounts	15,561,228	63,567,616	625,154	2,573,759
Negotiable certificate of deposits (i)	7,804,334	31,880,705	28,129,970	115,811,087
	82,095,552	335,360,330	120,906,100	497,770,414

- (i) The Bank has pledged negotiable certificate of deposits (NCDs) amounting to US\$7,804,334 (31 December 2022: US\$7,796,190) with the central bank as collateral for settlement clearing facilities. None of the NCDs with the central bank (31 December 2022: US\$5,329,798) is pledged as collateral for borrowings on Liquidity-Providing Collateralized Operations (LPCOs) (Note 16). As at 31 December 2023, the Bank had yet utilised the overdraft on settlement clearing facilities.

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

	2023	2022
Current accounts	0%	0%
Settlement accounts	0%	0%
NCDs	0.08% - 3.23%	0.07% - 3.23%

► 6. DEPOSITS AND PLACEMENTS WITH OTHER BANKS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
<i>Deposits and placements with local banks:</i>				
Fixed deposits	29,783,334	121,664,919	18,076,274	74,420,020
Current accounts	1,349,380	5,512,217	988,660	4,070,313
Savings accounts	2,004,615	8,188,852	2,192,382	9,026,037
	33,137,329	135,365,988	21,257,316	87,516,370
<i>Deposits and placements with overseas banks:</i>				
Fixed deposits	215,475,612	880,217,875	37,815,714	155,687,295
Current accounts	8,840,431	36,113,162	4,437,012	18,267,178
	224,316,043	916,331,037	42,252,726	173,954,473
Less: Allowance for expected credit loss	(176,047)	(719,152)	(13,310)	(54,797)
	257,277,325	1,050,977,873	63,496,732	261,416,046

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

	2023	2022
Current accounts	0.00% - 0.00%	0.00% - 0.35%
Savings accounts	1.25%	1.25%
Fixed deposits	3.20% - 5.62%	1.30% - 6.25%

► 7. LOANS AND ADVANCES AT AMORTISED COST

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Long-term loans	482,113,537	1,969,433,798	554,551,462	2,283,088,369
Mortgage loans	243,162,325	993,318,098	251,380,364	1,034,932,959
Overdrafts	125,172,933	511,331,431	119,641,097	492,562,396
Trust receipts	48,535,057	198,265,708	56,884,360	234,192,910
Credit revolving loans	23,259,139	95,013,583	28,718,404	118,233,669
Short-term loans	13,674,841	55,861,725	1,992,771	8,204,238
Auto loans	10,357,984	42,312,365	8,031,810	33,066,962
Credit cards	1,954,581	7,984,463	1,449,353	5,966,986
Personal loans	1,375,620	5,619,408	1,588,278	6,538,941
Total gross loans	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430
Less: Allowance for expected credit loss (a)	(4,771,343)	(19,490,936)	(4,780,686)	(19,682,084)
Total net loans	944,834,674	3,859,649,643	1,019,457,213	4,197,105,346

a) Allowance for expected credit loss

Allowance for expected credit loss by stages are as follows:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
12-month ECL (Stage 1)	2,611,707	10,668,823	3,022,233	12,442,533
Lifetime ECL - not credit impaired (Stage 2)	608,194	2,484,472	169,437	697,572
Lifetime ECL - credit impaired (Stage 3)	1,551,442	6,337,641	1,589,016	6,541,979
	4,771,343	19,490,936	4,780,686	19,682,084

b) By industry

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Mortgage	243,229,041	993,590,632	251,764,474	1,036,514,339
Wholesale and retail	183,805,835	750,846,836	203,633,235	838,358,028
Import and export	136,684,157	558,354,781	157,029,141	646,488,973
Manufacturing	75,283,968	307,535,009	73,595,463	302,992,521
Construction	57,564,021	235,149,026	50,113,802	206,318,523
Financial institutions	53,061,335	216,755,553	70,813,873	291,540,715
Other non-financial services	38,647,693	157,875,826	63,986,542	263,432,593
Finance, insurance, real estate and business services	79,941,559	326,561,269	78,497,482	323,174,133
Transport, storage and communications	26,066,468	106,481,522	28,306,869	116,539,380
Electricity, gas and water	9,911,398	40,488,061	7,553,068	31,095,981
Agriculture	2,260,795	9,235,348	1,542,430	6,350,184
Others	43,149,747	176,266,716	37,401,520	153,982,060
Total gross loans	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430

c) Analysis by loan classification

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Performing</i>				
Gross amount	918,838,722	3,753,456,179	981,323,610	4,040,109,302
Exposure at default	978,059,885	3,995,374,630	1,043,992,663	4,298,117,794
Allowance for expected credit loss	2,611,707	10,668,823	3,022,233	12,442,533
<i>Under-performing</i>				
Gross amount	14,685,251	59,989,250	35,216,481	144,986,252
Exposure at default	22,290,492	91,056,660	48,851,532	201,121,757
Allowance for expected credit loss	608,194	2,484,472	169,437	697,572
<i>Non-performing</i>				
Gross amount	16,082,044	65,695,150	7,697,808	31,691,876
Exposure at default	16,355,866	66,813,713	13,834,326	56,955,920
Allowance for expected credit loss	1,551,442	6,337,641	1,589,016	6,541,979
Total				
Gross amount	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430
Exposure at default	1,016,706,243	4,153,245,003	1,106,678,521	4,556,195,471
Allowance for expected credit loss	4,771,343	19,490,936	4,780,686	19,682,084

d) By maturity

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Not later than 1 year	228,900,489	935,058,497	214,191,352	881,825,796
Later than 1 year and no later than 3 years	97,847,684	399,707,789	123,463,757	508,300,288
Later than 3 years and no later than 5 years	180,148,869	735,908,130	201,783,653	830,743,299
Later than 5 years	442,708,975	1,808,466,163	484,799,137	1,995,918,047
Total gross loans	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430

e) By exposure

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Non-large exposure	856,874,315	3,500,331,576	921,705,413	3,794,661,185
Large exposure	92,731,702	378,809,003	102,532,486	422,126,245
Total gross loans	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430

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

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Related parties	2,821,323	11,525,104	2,115,478	8,709,423
Non-related parties	946,784,694	3,867,615,475	1,022,122,421	4,208,078,007
Total gross loans	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430

g) By residency

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Residents	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430
Total gross loans	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430

h) By interest rate

	2023	2022
Long-term loans	2.00% - 18.00%	2.00% - 18.00%
Mortgage loans	3.50% - 12.00%	3.50% - 12.00%
Overdrafts	6.90% - 11.00%	6.75% - 11.00%
Trust receipts	6.30% - 7.80%	6.00% - 7.80%
Credit revolving loans	6.80% - 8.25%	6.00% - 8.00%
Personal loans	8.00% - 24.00%	8.00% - 24.00%
Auto loans	6.50% - 15.00%	6.50% - 18.00%
Credit cards	18.00%	18.00%
Short-term loans	5.75% - 8.50%	5.75% - 8.50%

► 8. STATUTORY DEPOSITS WITH THE CENTRAL BANK

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
Reserve requirement (i)	96,391,547	393,759,469	70,827,893	291,598,435
<i>Non-current</i>				
Capital guarantee deposit (ii)	7,500,000	30,637,500	7,500,000	30,877,500
	103,891,547	424,396,969	78,327,893	322,475,935

(i) Reserve requirement

The reserve requirement represents the minimum reserve which is calculated at 7% (2022: 7%) of customers' deposits and borrowings in Khmer Riel and other currencies. 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 of statutory deposits with the central bank are as follows:

	2023	2022
Capital guarantee deposit	1.19% - 1.33%	0.08% - 0.65%
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

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Right-of-use assets</i>				
<i>(Non-current)</i>				
Buildings	5,538,086	22,623,081	7,332,350	30,187,285
	5,538,086	22,623,081	7,332,350	30,187,285
<i>Lease liabilities</i>				
Current	1,549,237	6,328,633	1,793,330	7,383,140
Non-current	4,615,663	18,854,984	6,141,931	25,286,330
	6,164,900	25,183,617	7,935,261	32,669,470

Additions to the right-of-use assets during the year were US\$59,039 (2022: US\$2,455,267).

b) Amounts recognised in the statement of profit or loss

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Depreciation charge of</i>				
<i>right-of-use assets</i>				
Buildings	1,752,104	7,201,147	1,639,916	6,702,337
Depreciation charge (Note 28)	1,752,104	7,201,147	1,639,916	6,702,337
<i>Interest expense on</i>				
<i>lease liabilities</i>				
Buildings	288,544	1,185,916	291,140	1,189,889
Interest expense (Note 24)	288,544	1,185,916	291,140	1,189,889
Expense relating to short-term				
leases (included in other				
operating expenses) (Note 29)	152,476	626,676	152,718	624,158
Total expenses related to leases	2,193,124	9,013,739	2,083,774	8,516,384

Total cash outflow for leases for 2023 was US\$2,168,231 (2022: US\$1,951,646).

► 10. PROPERTY AND EQUIPMENT

Non-current	Leasehold improvements	Office equipment	Computer equipment	Motor vehicles	Work in progress	Total
	US\$	US\$	US\$	US\$	US\$	US\$
As at 1 January 2022						
Cost	7,609,037	1,735,608	3,879,826	1,267,129	2,404,634	16,896,234
Accumulated depreciation	(6,086,808)	(1,358,417)	(3,218,355)	(944,692)	-	(11,608,272)
Net book value	1,522,229	377,191	661,471	322,437	2,404,634	5,287,962
In KHR'000 equivalent	6,201,561	1,536,676	2,694,833	1,313,608	9,796,479	21,543,157
For the year ended 31 December 2022						
Opening net book value	1,522,229	377,191	661,471	322,437	2,404,634	5,287,962
Additions	246,301	43,329	1,377	-	2,737,533	3,028,540
Transfers	1,954,237	439,588	1,004,391	-	(3,398,216)	-
Reclassifications	-	3,950	(3,950)	-	(94,639)	(94,639)
Depreciation charge	(744,588)	(209,730)	(535,602)	(130,392)	-	(1,620,312)
Closing net book value	2,978,179	654,328	1,127,687	192,045	1,649,312	6,601,551
As at 31 December 2022						
Cost	8,748,044	2,061,891	4,091,276	1,238,394	1,649,312	17,788,917
Accumulated depreciation	(5,769,865)	(1,407,563)	(2,963,589)	(1,046,349)	-	(11,187,366)
Net book value	2,978,179	654,328	1,127,687	192,045	1,649,312	6,601,551
In KHR'000 equivalent	12,261,163	2,693,868	4,642,687	790,649	6,790,218	27,178,585
As at 1 January 2023						
Cost	8,748,044	2,061,891	4,091,276	1,238,394	1,649,312	17,788,917
Accumulated depreciation	(5,769,865)	(1,407,563)	(2,963,589)	(1,046,349)	-	(11,187,366)
Net book value	2,978,179	654,328	1,127,687	192,045	1,649,312	6,601,551
In KHR'000 equivalent	12,261,163	2,693,868	4,642,687	790,649	6,790,218	27,178,585
For the year ended 31 December 2023						
Opening net book value	2,978,179	654,328	1,127,687	192,045	1,649,312	6,601,551
Additions	-	104,590	443,249	144,200	952,103	1,644,142
Transfers	1,205,264	30,559	159,124	-	(1,394,947)	-
Reclassifications	-	(1,056)	1,056	-	23,427	23,427
Depreciation charge	(923,384)	(234,913)	(902,151)	(113,261)	-	(2,173,709)
Closing net book value	3,260,059	553,508	828,965	222,984	1,229,895	6,095,411
As at 31 December 2023						
Cost	8,484,821	2,075,483	4,638,788	1,202,284	1,229,895	17,631,271
Accumulated depreciation	(5,224,762)	(1,521,975)	(3,809,823)	(979,300)	-	(11,535,860)
Net book value	3,260,059	553,508	828,965	222,984	1,229,895	6,095,411
In KHR'000 equivalent	13,317,341	2,261,080	3,386,322	910,890	5,024,121	24,899,754

► 11. INTANGIBLE ASSETS

Non-current	Computer software	Work in progress	Total
	US\$	US\$	US\$
As at 1 January 2022			
Cost	4,332,551	1,435,096	5,767,647
Accumulated amortisation	(3,764,735)	-	(3,764,735)
Net book value	567,816	1,435,096	2,002,912
In KHR'000 equivalent	2,313,282	5,846,581	8,159,863
For the year ended 31 December 2022			
Opening net book value	567,816	1,435,096	2,002,912
Additions	118,677	295,862	414,539
Transfers	1,702,430	(1,702,430)	-
Reclassifications	-	94,639	94,639
Amortisation charge	(699,514)	-	(699,514)
Closing net book value	1,689,409	123,167	1,812,576
As at 31 December 2022			
Cost	6,151,902	123,167	6,275,069
Accumulated amortisation	(4,462,493)	-	(4,462,493)
Net book value	1,689,409	123,167	1,812,576
In KHR'000 equivalent	6,955,296	507,079	7,462,375
As at 1 January 2023			
Cost	6,151,902	123,167	6,275,069
Accumulated amortisation	(4,462,493)	-	(4,462,493)
Net book value	1,689,409	123,167	1,812,576
In KHR'000 equivalent	6,955,296	507,079	7,462,375
For the year ended 31 December 2023			
Opening net book value	1,689,409	123,167	1,812,576
Additions	-	793,630	793,630
Transfers	531,178	(531,178)	-
Reclassifications	-	(23,427)	(23,427)
Amortisation charge	(1,047,086)	-	(1,047,086)
Closing net book value	1,173,501	362,192	1,535,693
As at 31 December 2023			
Cost	6,620,650	362,192	6,982,842
Accumulated amortisation	(5,447,149)	-	(5,447,149)
Net book value	1,173,501	362,192	1,535,693
In KHR'000 equivalent	4,793,752	1,479,554	6,273,306

► 12. DEFERRED TAX ASSETS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Non-current</i>				
Deferred tax assets	3,677,160	15,021,199	3,688,601	15,185,970
Deferred tax liabilities	(2,012,381)	(8,220,577)	(1,616,196)	(6,653,879)
Deferred tax assets - net	1,664,779	6,800,622	2,072,405	8,532,091

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

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
At 1 January	2,072,405	8,532,091	2,478,586	10,097,759
(Charged)/credited to profit or loss (Note 30 (b))	(407,626)	(1,675,343)	(406,181)	(1,660,062)
Currency translation differences	-	(56,126)	-	94,394
As at 31 December	1,664,779	6,800,622	2,072,405	8,532,091

(i) Movement for deferred tax assets

	Impairment loss	Unamortised loan fees	Lease liabilities	Seniority payments	Pension fund	Share-based payments	Accelerated depreciation and amortisation	Other accruals	Unrealised foreign exchange gain - net	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
2022										
At 1 January 2022	625,398	721,053	1,397,556	22,945	285,688	44,063	700,520	47,713	-	3,844,936
Credited/(charged) to profit or loss	(625,398)	52,203	189,496	(9,083)	58,787	71,141	108,873	(2,354)	-	(156,335)
As at 31 December 2022	-	773,256	1,587,052	13,862	344,475	115,204	809,393	45,359	-	3,688,601
In KHR'000 equivalent	-	3,183,495	6,533,893	57,070	1,418,204	474,295	3,332,270	186,743	-	15,185,970
2023										
At 1 January 2023	-	773,256	1,587,052	13,862	344,475	115,204	809,393	45,359	-	3,688,601
Credited/(charged) to profit or loss	-	(103,382)	(354,072)	(7,881)	86,504	68,646	280,470	-	18,274	(11,441)
As at 31 December 2023	-	669,874	1,232,980	5,981	430,979	183,850	1,089,863	45,359	18,274	3,677,160
In KHR'000 equivalent	-	2,736,435	5,036,723	24,432	1,760,549	751,027	4,452,092	185,292	74,649	15,021,199

(ii) Movement of deferred tax liabilities

	Impairment loss	Right-of-use assets	Unrealised foreign exchange gain - net	Total
	US\$	US\$	US\$	US\$
2022				
At 1 January 2022	-	(1,303,399)	(62,951)	(1,366,350)
(Charged) / credited to profit or loss	(142,769)	(163,071)	55,994	(249,846)
As at 31 December 2022	(142,769)	(1,466,470)	(6,957)	(1,616,196)
In KHR'000 equivalent	(587,780)	(6,037,457)	(28,642)	(6,653,879)
2023				
At 1 January 2023	(142,769)	(1,466,470)	(6,957)	(1,616,196)
(Charged) / credited to profit or loss	(761,995)	358,853	6,957	(396,185)
As at 31 December 2023	(904,764)	(1,107,617)	-	(2,012,381)
In KHR'000 equivalent	(3,695,961)	(4,524,616)	-	(8,220,577)

► 13. OTHER ASSETS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Advanced employee benefits	3,639,383	14,866,880	3,644,195	15,003,151
Prepayments	1,320,089	5,392,564	674,547	2,777,110
Deposits	908,477	3,711,129	846,532	3,485,172
Outstanding inward transactions	428,673	1,751,129	49,429	203,499
Amounts due from immediate parent	108,024	441,278	18,871	77,692
Amounts due from related parties	3,550	14,502	3,361	13,837
Others	136,011	555,604	30,671	126,273
	6,544,207	26,733,086	5,267,606	21,686,734

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Current	2,052,035	8,382,563	1,005,378	4,139,141
Non-current	4,492,172	18,350,523	4,262,228	17,547,593
	6,544,207	26,733,086	5,267,606	21,686,734

► 14. DEPOSITS FROM BANKS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
Fixed deposits	182,855,424	746,964,407	223,869,123	921,669,179
Current accounts	6,244,981	25,510,747	1,038,749	4,276,530
	189,100,405	772,475,154	224,907,872	925,945,709

a) By interest rate

	2023	2022
Fixed deposits	1.00% - 7.85%	1.10% - 6.75%
Current accounts	0.00% - 1.00%	0.00% - 1.20%

b) By residency

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Cambodia	189,090,535	772,434,835	199,058,901	819,525,495
Overseas	9,870	40,319	25,848,971	106,420,214
	189,100,405	772,475,154	224,907,872	925,945,709

c) By relationship

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Related parties	9,870	40,319	25,848,971	106,420,214
Non-related parties	189,090,535	772,434,835	199,058,901	819,525,495
	189,100,405	772,475,154	224,907,872	925,945,709

► 15. DEPOSITS FROM CUSTOMERS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
Fixed deposits	598,913,910	2,446,563,322	448,286,551	1,845,595,730
Current accounts	363,518,991	1,484,975,078	361,426,057	1,487,991,077
Savings accounts	32,182,827	131,466,849	38,012,740	156,498,451
	994,615,728	4,063,005,249	847,725,348	3,490,085,258

a) By interest rate

	2023	2022
Fixed deposits	1.00% - 8.00%	1.00% - 7.10%
Current accounts	0.00% - 5.00%	0.00% - 4.00%
Fixed deposits	0.00% - 3.00%	0.00% - 1.68%

b) By residency

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Cambodia	934,019,504	3,815,469,674	791,194,513	3,257,347,810
Overseas	60,596,224	247,535,575	56,530,835	232,737,448
	994,615,728	4,063,005,249	847,725,348	3,490,085,258

c) By relationship

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Related parties	1,963,174	8,019,566	1,478,650	6,087,602
Non-related parties	992,652,554	4,054,985,683	846,246,698	3,483,997,656
	994,615,728	4,063,005,249	847,725,348	3,490,085,258

► 16. BORROWINGS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
Small and medium loans (i)	367,999	1,503,276	412,892	1,699,876
Liquidity-providing collateralized operation (ii)	-	-	5,017,987	20,659,053
Long-term debt (iii)	-	-	156,000	642,252
	367,999	1,503,276	5,586,879	23,001,181
<i>Non-current</i>				
Small and medium loans (i)	784,016	3,202,705	1,152,015	4,742,846
Long-term debt (iii)	-	-	15,000,000	61,755,000
	784,016	3,202,705	16,152,015	66,497,846
Total borrowings	1,152,015	4,705,981	21,738,894	89,499,027

- (i) 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 interest rate ranging from 2.00% to 3.00% per annum (2022: 2.00% to 3.00% per annum) and it is payable for a period of seven years with a monthly repayment for both interest and principal.
- (ii) The Bank, previously in 2022, obtained borrowings under a form of liquidity-providing collateralised operations (LPCOs) from the National Bank of Cambodia with a maturity of less than 12 months. The Bank used negotiable certificates of deposits as the collaterals (Note 5). There is no outstanding LPCOs as of 31 December 2023.
- (iii) The Bank entered into a borrowing agreement with KGI Bank Co., Ltd. on 08 November 2022. The borrowing bears a floating interest rate that varies every six months which consists of a margin rate plus six-month interest rate from Secured Overnight Financing Rate (SOFR) plus a portion of the cost of funds. The borrowing is payable for a period of 3 years with interest repayable every six months and principal repayable every six months starting from the 24th month of the first utilisation. During the year, the Bank paid off the borrowings.

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Principal amount	1,152,015	4,705,981	21,422,811	88,197,713
Interest payables	-	-	316,083	1,301,314
	1,152,015	4,705,981	21,738,894	89,499,027

Changes in liabilities arising from financing activities – borrowings

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Principal amount</i>				
At 1 January	21,422,811	88,197,713	25,160,401	102,503,474
Additions	-	-	25,617,130	104,697,210
Repayments	(20,279,070)	(83,346,978)	(29,242,546)	(119,514,286)
Foreign currency exchanges	8,274	34,006	(112,174)	(458,455)
Currency translation differences	-	(178,760)	-	969,770
As at 31 December	1,152,015	4,705,981	21,422,811	88,197,713
<i>Interest payables</i>				
At 1 January	316,083	1,301,314	981,120	3,997,083
Charges during the year	1,176,412	4,835,053	702,514	2,871,175
Interest payments	(1,492,768)	(6,135,276)	(1,363,255)	(5,571,623)
Foreign currency exchanges	273	1,122	(4,296)	(17,558)
Currency translation differences	-	(2,213)	-	22,237
As at 31 December	-	-	316,083	1,301,314

Annual interest rate for borrowings are as follows:

	2023	2022
Liquidity-providing collateralised operation	5.50% - 6.30%	4.50% - 6.15%
Small and medium loans	2.00% - 3.00%	2.00% - 3.00%
Long-term debt	7.80%	7.80%

► 17. SUBORDINATED DEBTS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Immediate parent</i> (Note 34 (e))				
Principal amount – non-current	47,000,000	191,995,000	47,000,000	193,499,000
Interest payables – current	405,592	1,656,843	405,592	1,669,822
Total subordinated debts	47,405,592	193,651,843	47,405,592	195,168,822

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 2.74% - 4.50% per annum (2022: 2.74% - 4.50% per annum). The interest will be paid every six months. The subordinated debts were approved by the National Bank of Cambodia for the purpose of Tier 2 capital computation.

Changes in liabilities arising from financing activities – subordinated debts

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Principal amount</i>				
At 1 January	47,000,000	191,478,000	47,000,000	191,478,000
Additions	-	-	-	-
Repayments	-	-	-	-
Currency translation differences	-	517,000	-	2,021,000
As at 31 December	47,000,000	191,995,000	47,000,000	193,499,000
<i>Interest payables</i>				
At 1 January	405,592	1,669,822	405,592	1,652,382
Charges during the year	2,046,462	8,410,959	2,046,462	8,363,890
Withholding tax on interest expense	(234,662)	(964,461)	(234,662)	(959,064)
Interest payment	(1,811,800)	(7,446,498)	(1,811,800)	(7,404,827)
Currency translation differences	-	(12,979)	-	17,441
As at 31 December	405,592	1,656,843	405,592	1,669,822

► 18. EMPLOYEE BENEFITS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Non-current</i>				
Staff pension fund (i)	4,125,914	16,854,359	3,444,748	14,182,028
Seniority payments (ii)	13,311	54,375	20,620	84,892
	4,139,225	16,908,734	3,465,368	14,266,920
<i>Current</i>				
Seniority payments (ii)	16,593	67,783	48,691	200,461
	16,593	67,783	48,691	200,461
	4,155,818	16,976,517	3,514,059	14,467,381

(i) Staff pension fund

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
At the beginning of the year	3,444,748	14,182,028	2,856,880	11,638,929
Additions during the year:				
- Employees' contribution	416,768	1,712,916	374,562	1,530,835
- Bank's contribution	432,519	1,777,653	389,562	1,592,140
- Interest	150,416	618,210	125,716	513,801
Staff pension fund paid	(259,562)	(1,066,800)	(318,225)	(1,300,586)
Adjustment	(58,975)	(242,387)	16,253	66,426
Currency translation differences	-	(127,261)	-	140,483
At the end of the year	4,125,914	16,854,359	3,444,748	14,182,028

(ii) Seniority payments

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
At the beginning of the year	69,311	285,353	114,725	467,390
Seniority paid	(39,407)	(161,963)	(45,414)	(185,607)
Currency translation differences	-	(1,232)	-	3,570
	29,904	122,158	69,311	285,353

► 19. OTHER LIABILITIES

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Banker's cheque and other collection accounts	4,979,578	20,341,576	7,322,149	30,145,287
Accrued bonus payable	2,017,000	8,239,445	2,280,000	9,386,760
Outstanding outward transactions	1,998,611	8,164,326	1,796,097	7,394,531
Amount due to suppliers	1,281,663	5,235,593	1,418,975	5,841,920
Accrued tax payable	309,335	1,263,633	334,987	1,379,141
Accrued annual leave	226,794	926,453	226,794	933,711
Impairment loss for ECL on credit commitments and financial guarantee contracts	68,218	278,671	100,810	415,035
Others	738,950	3,018,611	574,583	2,365,558
	11,620,149	47,468,308	14,054,395	57,861,943

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Current	11,393,355	46,541,855	13,827,601	56,928,233
Non-current	226,794	926,453	226,794	933,710
Total other liabilities	11,620,149	47,468,308	14,054,395	57,861,943

Loss allowance for ECL on credit commitment and financial guarantee contracts

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
At the beginning of the year	100,810	415,035	123,821	504,447
(Credited)/charged to profit or loss	(32,592)	(133,953)	(23,011)	(94,046)
Currency translation differences	-	(2,411)	-	4,634
At the end of the year	68,218	278,671	100,810	415,035

► 20. SHARE CAPITAL

The registered capital of the Bank as at 31 December 2023 is 75 million shares (31 December 2022: 75 million shares) at a par value of US\$1 per share. All authorised shares are fully paid.

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Issued and fully paid:</i>				
At the beginning of the year	75,000,000	308,775,000	75,000,000	305,550,000
Currency translation differences	-	(2,400,000)	-	3,225,000
At the end of the year	75,000,000	306,375,000	75,000,000	308,775,000

► 21. SHARE-BASED COMPENSATION RESERVES

CIMB Group Holdings Berhad (CIMBGH) established a long-term incentive plan (LTIP) starting in June 2021, which comprises an employee share option scheme (ESOS) and a share grant plan (SGP).

The share-based compensation reserves for the two schemes are as follows:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Share Grant Plan (SGP)				
Scheme (i)	456,854	1,866,249	287,227	1,182,514
Employee Share Option				
Scheme (ESOS) (ii)	462,397	1,888,891	288,795	1,188,969
	919,251	3,755,140	576,022	2,371,483

i) Share Grant Plan (SGP) Scheme

The SGP was introduced in June 2021 by CIMB Group Holdings Berhad where CIMB Group awarded ordinary shares of CIMB Group to eligible employees of the Bank. Under the SGP Scheme, the vesting of the granted SGP is conditional primarily upon the long-term return on equity targets as determined by the LTIP Committee. SGP grants are vested in tranches over the vesting period in which each vesting tranche is accounted for as a separate grant for the purposes of recognising the expense over the vesting period.

Grant dates	Vesting dates	No. of share	Fair value at grant date
09 June 2021	31 March 2024	271,050	US\$1.12
09 June 2021	31 March 2025	271,050	US\$1.12
Total		542,100	

	2023	2022
	Number of shares	Number of shares
<i>Number of shares – Share Grant Plan</i>		
Outstanding as at 1 January	542,100	542,100
Awarded	-	-
Outstanding at end of financial year	542,100	542,100

The movement on SGP Scheme reserves are as follows:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Opening share-based payment				
reverses at 1 January	287,227	1,182,514	111,434	453,982
Charges during the year	169,627	697,167	175,793	718,466
Currency translation differences	-	(13,432)	-	10,066
As at 31 December	456,854	1,866,249	287,227	1,182,514

ii) Employee Share Option Scheme (ESOS)

The ESOS was introduced in June 2021 by CIMB Group where CIMB Group made grants of share options of CIMB Group to eligible employees of the Bank. The ESOS grants are vested in tranches over the vesting period in which each vesting tranche is accounted for as a separate grant for the purposes of recognising the expense over the vesting period.

The awarded share options expire 7 years from each vested date and each share option entitles the eligible employees to subscribe for one ordinary share.

	For the year ended 31 December 2023	Fair value at grant date (US\$)
<i>Number of shares – Employee Share Option</i>		
Outstanding as at 1 January	5,733,000	0.11
Awarded	-	-
Outstanding at end of financial year	5,733,000	-

	For the year ended 31 December 2022	Fair value at grant date (US\$)
<i>Number of shares – Employee Share Option</i>		
Outstanding as at 1 January	5,733,000	0.11
Awarded	-	-
Outstanding at end of financial year	5,733,000	-

The movement on ESOS reserves are as follows:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Opening share-based payment				
reverses at 1 January	288,795	1,188,969	108,881	443,581
Charges during the year	173,602	713,504	179,914	735,309
Currency translation differences	-	(13,581)	-	10,079
As at 31 December	462,397	1,888,892	288,795	1,188,969

► 22. CAPITAL RESERVES

The Bank transferred its retained earnings of US\$16,500,000 to capital reserves on 6 April 2023 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 the National Bank of Cambodia on 27 January 2023 and 6 April 2023 respectively.

► 23. REGULATORY RESERVES

As in Note 2.18, the accumulated regulatory provision based on NBC's guidelines is higher than the accumulated impairment based on CIFRS 9, the 'topping up' is transferred from retained earnings to regulatory reserves presented under equity.

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Regulatory provision				
based on NBC's guidelines	22,811,476	93,184,880	18,099,918	74,517,362
Allowance for expected credit				
loss based on CIFRS 9	(5,015,608)	(20,488,759)	(4,894,806)	(20,151,916)
Regulatory reserves transferred				
from retained earnings	17,795,868	72,696,121	13,205,112	54,365,446

The movement on regulatory reserves are as follows:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
At the beginning of the year	13,205,112	54,365,446	8,947,668	36,452,799
Additional transfer to regulatory				
reserves during the year	4,590,756	18,868,007	4,257,444	17,400,174
Currency translation differences	-	(537,332)	-	512,473
At the end of the year	17,795,868	72,696,121	13,205,112	54,365,446

► 24. NET INTEREST INCOME

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Interest income from financial assets at amortised cost:</i>				
Loans and advances	73,424,523	301,774,790	69,799,058	285,268,750
Deposits and placements with the central bank	258,067	1,060,655	309,432	1,264,649
Deposits and placements with other banks				
- Local banks	830,189	3,412,077	458,829	1,875,234
- Overseas banks	7,267,446	29,869,203	1,006,600	4,113,974
Total interest income	81,780,225	336,116,725	71,573,919	292,522,607
<i>Interest expense on financial liabilities at amortised cost:</i>				
Fixed deposits	36,800,286	151,249,174	20,547,481	83,977,555
Current accounts	2,328,097	9,568,479	2,290,541	9,361,441
Savings accounts	238,844	981,649	278,101	1,136,599
Borrowings	1,321,826	5,432,705	714,433	2,919,888
Subordinated debts	1,992,980	8,191,148	2,046,462	8,363,890
Lease liabilities	288,544	1,185,916	291,140	1,189,889
Staff pension fund	150,416	618,210	125,716	513,801
Total interest expense	43,120,993	177,227,281	26,293,874	107,463,063
Net interest income	38,659,232	158,889,444	45,280,045	185,059,544

► 25. NET FEE AND COMMISSION INCOME

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Fee and commission income:</i>				
Remittance fees	1,791,910	7,364,750	2,731,332	11,162,954
Trade finance fees	2,223,639	9,139,156	2,621,432	10,713,793
Early settlement charge	828,227	3,404,013	1,087,714	4,445,487
Loan commitment fees	551,198	2,265,424	569,756	2,328,593
Miscellaneous loan fees and charges	326,212	1,340,731	321,911	1,315,650
Fees for telex, fax and phone	226,885	932,497	242,171	989,753
Administration fee	146,303	601,305	127,919	522,805
ATM and credit cards annual fee, advances, and late charges	132,790	545,767	125,647	513,519
Service charge	372,949	1,532,820	117,351	479,614
Others	324,059	1,331,884	389,195	1,590,639
Total fee and commission income	6,924,172	28,458,347	8,334,428	34,062,807
Fee and commission expense	(2,273,282)	(9,343,189)	(2,715,621)	(11,098,743)
Net fee and commission income	4,650,890	19,115,158	5,618,807	22,964,064

► 26. CREDIT IMPAIRMENT LOSSES

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Expected Credit Loss (ECL):</i>				
Loans and advances	378,462	1,555,478	124,987	510,822
Deposits and placements with other banks	162,697	668,685	(13,470)	(55,052)
Credit commitments and financial guarantee contracts	(32,592)	(133,953)	(22,994)	(93,976)
	508,567	2,090,210	88,523	361,794

► 27. PERSONNEL EXPENSES

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Salaries and wages	8,649,862	35,550,933	7,780,490	31,798,863
Bonuses and incentives	2,372,154	9,749,553	2,374,334	9,703,903
Seniority payments	635,294	2,611,058	578,497	2,364,317
Other employee benefits	594,640	2,443,970	610,230	2,494,010
Staff pension fund expense	450,280	1,850,651	383,278	1,566,457
Allowances	444,039	1,825,000	400,208	1,635,650
Staff loans benefits	284,260	1,168,309	223,129	911,928
Annual leaves	-	-	36,230	148,072
Employee training expenses	48,667	200,021	26,914	109,998
Others	195,909	805,187	83,117	339,699
	13,675,105	56,204,682	12,496,427	51,072,897

► 28. DEPRECIATION AND AMORTISATION CHARGES

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Depreciation of property and equipment (Note 10)	2,173,709	8,933,945	1,620,312	6,622,215
Depreciation of right-of-use assets (Note 9)	1,752,104	7,201,147	1,639,916	6,702,337
Amortisation of intangible assets (Note 11)	1,047,086	4,303,523	699,514	2,858,914
	4,972,899	20,438,615	3,959,742	16,183,466

► 29. OTHER OPERATING EXPENSES

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Repairs and maintenance	1,403,387	5,767,921	1,067,464	4,362,725
Legal and professional fees	579,883	2,383,319	163,446	668,004
Licence fee expenses	544,135	2,236,395	395,982	1,618,378
Security expense	393,251	1,616,262	340,341	1,390,974
Communication expenses	269,651	1,108,266	274,753	1,122,916
Utilities	264,302	1,086,281	255,843	1,045,630
Advertising and public relations	230,498	947,347	141,368	577,771
Office supplies	229,921	944,975	109,696	448,328
Expenses for motor vehicles	196,166	806,242	184,797	755,265
Insurance expenses	154,563	635,254	147,389	602,379
Rental expenses	152,476	626,676	152,718	624,158
Travelling and accommodation	131,446	540,243	63,065	257,747
Director's fee	109,400	449,634	114,473	467,851
Furniture and fixtures	47,792	196,425	38,778	158,486
Other expenses	666,365	2,738,760	448,327	1,832,312
	5,373,236	22,084,000	3,898,440	15,932,924

► 30. INCOME TAX

a) Current income tax liabilities

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

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
<i>Current</i>				
At the beginning of the year	5,410,147	22,273,575	5,449,519	22,201,340
Income tax expense	4,067,799	16,718,654	6,224,117	25,437,966
Income tax paid	(6,396,716)	(26,290,503)	(6,237,756)	(25,493,709)
Adjustments for current tax of prior period	80,832	332,220	(25,733)	(105,171)
Currency translation differences	-	(116,923)	-	233,149
At the end of the year	3,162,062	12,917,023	5,410,147	22,273,575

b) Income tax expenses

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Current income tax	4,067,799	16,718,654	6,224,117	25,437,966
Adjustments for current tax of prior period	80,832	332,219	(25,733)	(105,171)
Total current tax expense	4,148,631	17,050,873	6,198,384	25,332,795
Deferred tax	407,626	1,675,343	406,181	1,660,062
Income tax expenses	4,556,257	18,726,216	6,604,565	26,992,857

c) Reconciliation of income tax expenses and accounting profit

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Profit before income tax	21,169,706	87,007,492	32,191,461	131,566,500
Cambodian tax rate at 20%	4,233,941	17,401,498	6,438,292	26,313,300
<i>Tax effects in respect of:</i>				
Expenses not deductible for tax purposes	155,582	639,442	181,957	743,658
Write-off deferred tax assets previously recognised	85,902	353,057	10,049	41,070
Adjustments for current tax of prior period	80,832	332,219	(25,733)	(105,171)
Income tax expenses	4,556,257	18,726,216	6,604,565	26,992,857

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.

► 31. CASH AND CASH EQUIVALENTS

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Cash on hand	51,013,545	208,390,331	53,574,614	220,566,686
Deposits and placements with the central bank				
Current accounts	58,729,990	239,912,009	92,150,976	379,385,568
Settlement accounts	15,561,228	63,567,616	625,154	2,573,759
Negotiable certificate of deposits	-	-	15,000,000	61,755,000
Deposits and placements with other banks				
Current accounts	10,189,811	41,625,378	5,425,672	22,337,492
Savings accounts	2,004,615	8,188,852	2,192,382	9,026,037
Fixed deposits with maturity three months or less	245,258,946	1,001,882,794	55,891,988	230,107,315
	382,758,135	1,563,566,980	224,860,786	925,751,857

► 32. CASH FLOWS INFORMATION

a) Cash flow from operations

	Notes	2023		2022	
		US\$	KHR'000	US\$	KHR'000
Profit before income tax		21,169,706	87,007,492	32,191,461	131,566,500
Adjustments for:					
Depreciation and amortisation charges	28	4,972,899	20,438,615	3,959,742	16,183,466
Credit impairment losses	26	508,567	2,090,210	88,523	361,794
Non-cash employee benefits expense – share-based payments		343,229	1,410,671	355,707	1,453,775
Gains on lease disposal		(990)	(4,069)	-	-
Gains on disposals of property and equipment		(44,724)	(183,816)	(30,558)	(124,891)
Adjustment of staff pension fund	18	(58,975)	(242,387)	16,253	66,426
Staff pension fund		999,703	4,108,779	889,840	3,636,776
Annual leaves	27	-	-	36,230	148,072
Staff loans benefits	27	284,260	1,168,309	223,129	911,928
Net interest income and expense	24	(38,659,232)	(158,889,444)	(45,280,045)	(185,059,544)
Unrealised exchange gain		8,274	34,006	(112,174)	(458,455)
<i>Change in working capital:</i>					
Reserve requirement deposits		(25,563,654)	(105,066,618)	2,881,532	11,776,821
Loans and advances		74,706,909	307,045,396	(99,927,684)	(408,404,445)
Other assets		(1,560,861)	(6,415,139)	(443,539)	(1,812,744)
Deposits from banks		(38,312,096)	(157,462,715)	57,961,906	236,890,310
Deposits from customers		140,775,600	578,587,716	(84,723,726)	(346,265,868)
Other liabilities		(2,725,801)	(11,203,042)	(3,981,715)	(16,273,269)
Cash used in operations		136,842,814	562,423,964	(135,895,118)	(555,403,348)

b) Non-cash investing and financing activities

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Acquisition of property and equipment (*)	408,698	1,679,749	193,729	791,770
Acquisition of intangible assets (*)	481,525	1,979,068	372,347	1,521,782
	890,223	3,658,817	566,076	2,313,552

(*) These are payables for capital expenditure as at 31 December 2023 and 31 December 2022 respectively.

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

c) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the years presented.

Net debt	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Cash and cash equivalents	382,758,135	1,563,566,980	224,860,786	925,751,857
Borrowings	(1,152,015)	(4,705,981)	(21,738,894)	(89,499,027)
Subordinated debts	(47,405,592)	(193,651,843)	(47,405,592)	(195,168,822)
Lease liabilities	(6,164,900)	(25,183,617)	(7,935,261)	(32,669,470)
Net debt	328,035,628	1,340,025,539	147,781,039	608,414,538
Cash and cash equivalents	382,758,135	1,563,566,980	224,860,786	925,751,857
Gross debt – fixed interest rates	(54,722,507)	(223,541,441)	(61,923,747)	(254,940,067)
Gross debt – variable interest rates	-	-	(15,156,000)	(62,397,252)
Net debt	328,035,628	1,340,025,539	147,781,039	608,414,538

	Liabilities from financing activities				Other assets	Total
	Borrowings	Subordinated debts	Lease liabilities	Sub-total	Cash and cash equivalents	
	US\$	US\$	US\$	US\$	US\$	US\$
Net debt at 1 January 2022	(26,141,521)	(47,405,592)	(6,987,782)	(80,534,895)	298,064,459	217,529,564
Cash flows	3,625,416	-	1,507,788	5,133,204	(73,203,673)	(68,070,469)
New leases	-	-	(2,455,267)	(2,455,267)	-	(2,455,267)
Foreign exchange adjustments	116,470	-	-	116,470	-	116,470
Other changes (i)	660,741	-	-	660,741	-	660,741
Net debt as at 31 December 2022	(21,738,894)	(47,405,592)	(7,935,261)	(77,079,747)	224,860,786	147,781,039
In KHR'000 equivalent	(89,499,027)	(195,168,822)	(32,669,470)	(317,337,319)	925,751,857	608,414,538
Net debt at 1 January 2023	(21,738,894)	(47,405,592)	(7,935,261)	(77,079,747)	224,860,786	147,781,039
Cash flows	20,279,070	-	1,727,211	22,006,281	157,897,349	179,903,630
New leases	-	-	(59,039)	(59,039)	-	(59,039)
Foreign exchange adjustments	(8,547)	-	-	(8,547)	-	(8,547)
Other changes (i)	316,356	-	102,189	418,545	-	418,545
Net debt as at 31 December 2023	(1,152,015)	(47,405,592)	(6,164,900)	(54,722,507)	382,758,135	328,035,628
In KHR'000 equivalent	(4,705,981)	(193,651,843)	(25,183,617)	(223,541,441)	1,563,566,980	1,340,025,539

(i) Other changes include non-cash movements, including accrued interest expense which will be presented as operating cash flows in the statement of cash flows when paid.

► 33. COMMITMENTS AND CONTINGENCIES

a. Loan commitments, guarantees and other financial commitments

At 31 December 2023, 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:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Bank guarantees and letters of credits	277,283,323	1,132,702,374	266,846,645	1,098,607,637
Unused portion of overdrafts	65,795,988	268,776,611	67,581,494	278,233,011
Unused portion of credit cards	12,366,196	50,515,911	11,545,053	47,530,983
Term loan commitments	17,889,886	73,080,184	13,088,544	53,885,536
	373,335,393	1,525,075,080	359,061,736	1,478,257,167
Less: Loss allowance for ECL	(68,218)	(278,671)	(100,810)	(415,035)
Net exposure	373,267,175	1,524,796,409	358,960,926	1,477,842,132

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.

► 34. 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

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Parent (current accounts)	4,927,719	20,129,732	2,463,827	10,143,576
Parent's foreign bank subsidiaries and branches (current accounts)	2,256,752	9,218,832	1,940,006	7,987,005
Parent (fixed deposits)	190,565,564	778,460,329	28,206,232	116,125,057
	197,750,035	807,808,893	32,610,065	134,255,638
Interest income	6,622,346	27,217,842	863,663	3,529,791

Current accounts with parent and parent's foreign bank subsidiaries and branches bear no interest (2022: nil), except the current accounts placed with CIMB Bank Berhad Shanghai Branch bears interest rate at 0.35% per annum (2022: 0.35% per annum).

Fixed deposits with parent bear interest at rates ranging from 1.20% to 5.12% per annum (2022: 1.30% to 4.10% per annum).

c) Loans and advances at amortised cost to related parties

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Directors and key management	2,522,487	10,304,359	2,421,303	9,968,504
Interest income	166,984	686,306	121,533	496,705

Loans and advances to directors and key management earned annual interest at rates ranging from 3.50% to 8.00% per annum (2022: 3.50% to 8.00% per annum).

d) Deposits from related parties

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Parent's foreign bank subsidiaries and branches (current accounts)	9,870	40,319	9,915	40,820
Parent's foreign bank subsidiaries (fixed deposits)	-	-	25,839,056	106,379,395
Directors and key management (current accounts)	180,960	739,222	141,300	581,732
Directors and key management (savings accounts)	152,805	624,208	130,506	537,293
Directors and key management (fixed deposits)	1,588,501	6,489,027	1,206,844	4,968,577
	1,932,136	7,892,776	27,327,621	112,507,817
Interest expense	77,579	318,849	898,873	3,673,694

Annual interest rate during the year are as follows:

	2023	2022
Parent's foreign bank subsidiaries and branches (current accounts)	0.00%	0.00%
Parent's foreign bank subsidiaries (fixed deposits)	0.39% - 7.58%	0.30% - 7.58%
Directors and key management (current accounts)	0.00% - 1.50%	0.00% - 1.50%
Directors and key management (savings accounts)	0.50% - 3.25%	0.50% - 1.68%
Directors and key management (fixed deposits)	3.25% - 7.00%	3.25% - 6.50%

e) Subordinated debts from related parties

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Immediate parent	47,405,592	193,651,843	47,405,592	195,168,822
Interest expense	2,046,462	8,410,959	2,046,462	8,363,890

Subordinated debts from immediate parent are unsecured and having annual interest at rates ranging from 2.74% to 4.50% per annum (2022: 2.74% to 4.50% per annum).

f) Amounts due from related parties

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Other assets				
Amounts due from immediate parent	108,024	441,278	18,871	77,692
Amounts due from related parties	3,550	14,502	3,361	13,837
	111,574	455,780	22,232	91,529

g) Key management personnel compensation

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Directors' fees	109,400	449,634	114,473	467,851
Salaries and short-term benefits	3,025,396	12,434,377	2,789,584	11,401,030
Other long-term benefits	86,447	355,295	77,526	316,849
	3,111,843	12,789,672	2,867,110	11,717,879

► 35. 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 a sound risk management framework.

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Financial assets				
Financial assets at amortised costs				
Cash on hand	51,013,545	208,390,331	53,574,614	220,566,686
Deposits and placements with the central bank	82,095,552	335,360,330	120,906,100	497,770,414
Deposits and placements with other banks	257,277,325	1,050,977,873	63,496,732	261,416,046
Loans and advances at amortised cost	944,834,674	3,859,649,643	1,019,457,213	4,197,105,346
Other financial assets	1,561,001	6,376,689	934,309	3,846,550
Total financial assets	1,336,782,097	5,460,754,866	1,258,368,968	5,180,705,042
Financial liabilities				
Financial liabilities at amortised cost				
Deposits from banks	189,100,405	772,475,154	224,907,872	925,945,709
Deposits from customers	994,615,728	4,063,005,249	847,725,348	3,490,085,258
Borrowings	1,152,015	4,705,981	21,738,894	89,499,027
Subordinated debts	47,405,592	193,651,843	47,405,592	195,168,822
Lease liabilities	6,164,900	25,183,617	7,935,261	32,669,470
Other financial liabilities	8,763,455	35,798,713	10,942,901	45,051,922
Total financial liabilities	1,247,202,095	5,094,820,557	1,160,655,868	4,778,420,208
Net financial assets	89,580,002	365,934,309	97,713,100	402,284,834

35.1 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 a three-stage approach in note 35.1 (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 the Board of Directors.

Large exposure is defined by the central bank as overall credit exposure 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 instruments 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 a collective 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 that 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 a 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 a 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 have 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.

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

- Base case: This represents the '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 represents 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 2023 and 31 December 2022 are as follows:

	Base	Best	Worst
As at 31 December 2023	%	%	%
Scenario probability weighting	70%	10%	20%

	Base	Best	Worst
As at 31 December 2022	%	%	%
Scenario probability weighting	60%	10%	30%

For the year ended 31 December 2023, the management assessed the weighting based on the recent development in the economic condition and expects that there would be a progress of further recovery, so the weighting have been assigned as described in above table.

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 a 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) Post-model (overlays) adjustment

To consider the current economic situation, the Bank has incorporated post-model adjustments (overlays) to ECL by providing additional provision on certain portfolios based on the assumptions on impacted industries, customer risk profiles, late loans and rescheduled and restructured loans. The Bank determines the additional ECL by applying an ECL rate, derived from historical data, to the exposure at default (EAD) of those portfolios. The Bank has used reasonable and supportable information without undue cost or effort to determine the ECL rate to account for the customers expected to have significant increase in credit risk.

(vi) 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 groupings 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.

(vii) 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.

(viii) 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 significantly 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.

(ix) 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:

- 20% CCF is assumed for unused portion of overdrafts, unused portion of credit cards and letters of credits;
- 75% CCF is assumed for undrawn trust receipts; 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 gross 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.

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Credit risk exposure relating to on-balance sheet assets:				
Deposits and placements with other banks	257,453,372	1,051,697,025	63,510,042	261,470,843
Loans and advances at amortised cost	949,606,017	3,879,140,579	1,024,237,899	4,216,787,430
Other financial assets	1,561,001	6,376,689	934,309	3,846,550
	1,208,620,390	4,937,214,293	1,088,682,250	4,482,104,823
Credit risk exposure relating to off-balance sheet items:				
Bank guarantees and letters of credits	277,283,323	1,132,702,374	266,846,645	1,098,607,637
Unused portion of overdrafts	65,795,988	268,776,611	67,581,494	278,233,011
Unused portion of credit cards	12,366,196	50,515,911	11,545,053	47,530,983
Term loan commitments	17,889,886	73,080,184	13,088,544	53,885,536
	373,335,393	1,525,075,080	359,061,736	1,478,257,167
Total maximum credit risk exposure that are subject to impairment	1,581,955,783	6,462,289,373	1,447,743,986	5,960,361,990
Less: Loss allowance (ECL)	(5,015,608)	(20,488,759)	(4,894,806)	(20,151,916)
Total net credit exposure	1,576,940,175	6,441,800,614	1,442,849,180	5,940,210,074

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, 60% (2022: 71%) 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 followings:

- Almost all loans and advances are collateralised and loan to collateral value ranges from 60% to 70%.
- The Bank has a proper credit evaluation process in place for granting of loans and advances to customers.
- 10% (2022: 48%) of deposits and placements with other banks is held with its parent company, a bank with credit rating A3. 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 assesses 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	Obligors in this category exhibit strong capacity to meet financial commitments. The Bank monitors obligors in this category by delinquency status. Obligors included in standard monitoring are: <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	Obligors in this category have a fairly acceptable capacity to meet financial commitments. The Bank monitors obligors in this category by delinquency status. Obligors included in special monitoring are: <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	Refers to financial assets issued by the central bank/government or guarantee by the central bank/government.
Investment grade	Refers to the credit quality of the financial assets that the issuer is able to meet payment obligation and exposure bondholder to low credit risk of default.
Non-investment grade	Refers to low credit quality of the financial assets that are highly exposed to default risk.
No rating	Refers to financial assets which are currently not assigned with ratings due to unavailability of ratings models.
Credit impaired	Refers to the financial assets that are being impaired.

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

	2023				2022			
	12-month ECL	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total	12-month ECL	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Deposits and placements								
with other banks								
Investment grade	9,959,706	-	-	9,959,706	42,254,587	-	-	42,254,587
Non-investment grade	-	-	-	-	-	-	-	-
No rating	247,493,666	-	-	247,493,666	21,255,455	-	-	21,255,455
Gross carrying amount	257,453,372	-	-	257,453,372	63,510,042	-	-	63,510,042
Less: Expected credit loss	(176,047)	-	-	(176,047)	(13,310)	-	-	(13,310)
Net carrying amount	257,277,325	-	-	257,277,325	63,496,732	-	-	63,496,732
In KHR'000 equivalents	1,050,977,873	-	-	1,050,977,873	261,416,046	-	-	261,416,046
Loans and advances								
at amortised cost								
Standard monitoring	918,838,722	-	-	918,838,722	981,323,610	-	-	981,323,610
Special monitoring	-	14,685,251	-	14,685,251	-	35,216,481	-	35,216,481
Default	-	-	16,082,044	16,082,044	-	-	7,697,808	7,697,808
Gross carrying amount	918,838,722	14,685,251	16,082,044	949,606,017	981,323,610	35,216,481	7,697,808	1,024,237,899
Less: Expected credit loss	(2,611,707)	(608,194)	(1,551,442)	(4,771,343)	(3,022,233)	(169,437)	(1,589,016)	(4,780,686)
Net carrying amount	916,227,015	14,077,057	14,530,602	944,834,674	978,301,377	35,047,044	6,108,792	1,019,457,213
In KHR'000 equivalents	3,742,787,356	57,504,778	59,357,509	3,859,649,643	4,027,666,769	144,288,680	25,149,897	4,197,105,346
Off-balance sheet items								
Standard monitoring	373,281,228	54,165	-	373,335,393	359,061,736	-	-	359,061,736
Special monitoring	-	-	-	-	-	-	-	-
Default	-	-	-	-	-	-	-	-
Gross carrying amount	373,281,228	54,165	-	373,335,393	359,061,736	-	-	359,061,736
Less: Expected credit loss	(68,200)	(18)	-	(68,218)	(100,810)	-	-	(100,810)
Net carrying amount	373,213,028	54,147	-	373,267,175	358,960,926	-	-	358,960,926
In KHR'000 equivalents	1,524,575,220	221,189	-	1,524,796,409	1,477,842,132	-	-	1,477,842,132

(f) Loss allowance

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

	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Expected credit losses				
Loss allowance as at 1 January 2023	3,022,233	169,437	1,589,016	4,780,686
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	66,294	(66,294)	-	-
Transfer to stage 2	(23,246)	23,246	-	-
Transfer to stage 3	(20,734)	(21,812)	42,546	-
Net remeasurement of loss allowance (*)	(669,544)	484,652	311,614	126,722
New financial assets originated or purchased	556,705	54,784	26,699	638,188
Financial assets derecognised during the period other than write off	(320,001)	(35,819)	(30,628)	(386,448)
Write-offs	-	-	(392,097)	(392,097)
Unwinding of discounts	-	-	4,292	4,292
Loss allowance as at 31 December 2023	2,611,707	608,194	1,551,442	4,771,343
In KHR'000 equivalent	10,668,823	2,484,472	6,337,641	19,490,936

(*)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	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Gross carrying amount				
Gross carrying amount as at 1 January 2023	981,323,610	35,216,481	7,697,808	1,024,237,899
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	14,278,456	(14,278,456)	-	-
Transfer to stage 2	(5,214,808)	5,214,808	-	-
Transfer to stage 3	(5,013,577)	(3,568,069)	8,581,646	-
New financial assets originated or purchased	192,243,442	2,440,279	261,115	194,944,836
Financial assets derecognised during the period other than write off	(258,778,401)	(10,339,792)	(66,428)	(269,184,621)
Write-offs	-	-	(392,097)	(392,097)
Gross carrying amount as at 31 December 2023	918,838,722	14,685,251	16,082,044	949,606,017
In KHR'000 equivalent	3,753,456,179	59,989,250	65,695,150	3,879,140,579

	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Expected credit losses				
Loss allowance as at 1 January 2022	2,798,957	131,718	1,730,852	4,661,527
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	199,118	(31,750)	(167,368)	-
Transfer to stage 2	(63,223)	155,017	(91,794)	-
Transfer to stage 3	(6,134)	(10,433)	16,567	-
Net remeasurement of loss allowance (*)	(463,111)	(57,969)	109,125	(411,955)
New financial assets originated or purchased	891,874	6,159	75,784	973,817
Financial assets derecognised during the period other than write off	(335,248)	(23,305)	(78,322)	(436,875)
Write-offs	-	-	(23,651)	(23,651)
Unwinding of discounts	-	-	17,823	17,823
Loss allowance as at 31 December 2022	3,022,233	169,437	1,589,016	4,780,686
In KHR'000 equivalent	12,442,533	697,572	6,541,979	19,682,084

(*)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	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Gross carrying amount				
Gross carrying amount as at 1 January 2022	897,296,850	16,952,156	10,033,968	924,282,974
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	2,979,854	(2,191,221)	(788,633)	-
Transfer to stage 2	(24,952,268)	27,366,481	(2,414,213)	-
Transfer to stage 3	(451,343)	(627,191)	1,078,534	-
New financial assets originated or purchased	321,811,659	2,062,422	302,385	324,176,466
Financial assets derecognised during the period other than write off	(215,361,142)	(8,346,166)	(400,394)	(224,107,702)
Write-offs	-	-	(113,839)	(113,839)
Gross carrying amount as at 31 December 2022	981,323,610	35,216,481	7,697,808	1,024,237,899
In KHR'000 equivalent	4,040,109,302	144,986,252	31,691,876	4,216,787,430

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

	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Expected credit losses				
Loss allowance as at 1 January 2023	13,310	-	-	13,310
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance (*)	6,745	-	-	6,745
New financial assets originated or purchased	167,706	-	-	167,706
Financial assets derecognised during the period other than write off	(11,755)	-	-	(11,755)
Foreign exchange and other movement	41	-	-	41
Loss allowance as at 31 December 2023	176,047	-	-	176,047
In KHR'000 equivalent	719,152	-	-	719,152

(*) 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	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Gross carrying amount				
Gross carrying amount as at 1 January 2023	63,510,042	-	-	63,510,042
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
New financial assets originated or purchased	250,151,969	-	-	250,151,969
Financial assets derecognised during the period other than write off	(56,208,639)	-	-	(56,208,639)
Gross carrying amount as at 31 December 2023	257,453,372	-	-	257,453,372
In KHR'000 equivalent	1,051,697,025	-	-	1,051,697,025

	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Expected credit losses				
Loss allowance as at 1 January 2022	27,109	-	-	27,109
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Net remeasurement of loss allowance (*)	(1,062)	-	-	(1,062)
New financial assets originated or purchased	11,713	-	-	11,713
Financial assets derecognised during the period other than write off	(24,121)	-	-	(24,121)
Foreign exchange and other movement	(329)	-	-	(329)
Loss allowance as at 31 December 2022	13,310	-	-	13,310
In KHR'000 equivalent	54,797	-	-	54,797

(*) 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	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Gross carrying amount				
Gross carrying amount as at 1 January 2022	129,331,016	-	-	129,331,016
<i>Changes due to financial instruments recognised as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
New financial assets originated or purchased	58,341,857	-	-	58,341,857
Financial assets derecognised during the period other than write off	(124,162,831)	-	-	(124,162,831)
Gross carrying amount as at 31 December 2022	63,510,042	-	-	63,510,042
In KHR'000 equivalent	261,470,843	-	-	261,470,843

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

	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Expected credit losses				
Loss allowance as at 1 January 2023	100,810	-	-	100,810
<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 (*)	9,824	-	-	9,824
New exposure	4,815	18	-	4,833
Exposure derecognised or expired	(47,249)	-	-	(47,249)
Foreign exchange and other movement	-	-	-	-
Loss allowance as at 31 December 2023	68,200	18	-	68,218
In KHR'000 equivalent	278,597	74	-	278,671

(*) 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	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Exposure amount				
Exposure amount as at 1 January 2023	359,061,736	-	-	359,061,736
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
New exposure	44,994,955	54,165	-	45,049,120
Exposure derecognised or expired	(30,775,463)	-	-	(30,775,463)
Exposure amount as at 31 December 2023	373,281,228	54,165	-	373,335,393
In KHR'000 equivalent	1,524,853,816	221,264	-	1,525,075,080

	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Expected credit losses				
Loss allowance as at 1 January 2022	123,821	-	-	123,821
<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 (*)	8,226	-	-	8,226
New exposure	24,673	-	-	24,673
Exposure derecognised or expired	(55,893)	-	-	(55,893)
Foreign exchange and other movement	(17)	-	-	(17)
Loss allowance as at 31 December 2022	100,810	-	-	100,810
In KHR'000 equivalent	415,035	-	-	415,035

(*) 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	Lifetime ECL not Credit-Impaired	Lifetime ECL Credit-Impaired	Total
	US\$	US\$	US\$	US\$
Exposure amount				
Exposure amount as at 1 January 2022	331,081,084	-	-	331,081,084
<i>Changes due to exposure as at 1 January:</i>				
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
New exposure	51,156,510	-	-	51,156,510
Exposure derecognised or expired	(23,175,858)	-	-	(23,175,858)
Exposure amount as at 31 December 2022	359,061,736	-	-	359,061,736
In KHR'000 equivalent	1,478,257,167	-	-	1,478,257,167

(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 2023. For this table, the Bank has allocated exposure to countries based on the country of domicile of its counterparties.

	Cambodia	Malaysia	Thailand	USA	Singapore	Indonesia	Others	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
At 31 December 2023								
<i>On-balance sheet assets:</i>								
Deposits and placements with other banks	247,495,500	6,048,525	1,855,596	1,650,227	387,703	7,684	8,137	257,453,372
Loans and advances at amortised cost	949,606,017	-	-	-	-	-	-	949,606,017
Other financial assets	1,412,466	118,841	6,134	-	22,053	1,394	113	1,561,001
	1,198,513,983	6,167,366	1,861,730	1,650,227	409,756	9,078	8,250	1,208,620,390
<i>Off-balance sheet assets:</i>								
Bank guarantees and letters of credits	277,283,323	-	-	-	-	-	-	277,283,323
Unused portion of overdrafts	65,795,988	-	-	-	-	-	-	65,795,988
Unused portion of credit cards	12,366,196	-	-	-	-	-	-	12,366,196
Term loan commitments	17,889,886	-	-	-	-	-	-	17,889,886
	373,335,393	-	-	-	-	-	-	373,335,393
Gross carrying amount	1,571,849,376	6,167,366	1,861,730	1,650,227	409,756	9,078	8,250	1,581,955,783
Less: Allowance for expected credit loss	(5,008,798)	(4,137)	(1,269)	(1,129)	(265)	(5)	(5)	(5,015,608)
Net carrying amount	1,566,840,578	6,163,229	1,860,461	1,649,098	409,491	9,073	8,245	1,576,940,175
In KHR'000 equivalents	6,400,543,762	25,176,790	7,599,983	6,736,565	1,672,771	37,063	33,681	6,441,800,615
At 31 December 2022								
<i>On-balance sheet assets:</i>								
Deposits and placements with other banks	21,257,310	30,676,487	1,883,616	9,635,050	40,723	7,798	9,058	63,510,042
Loans and advances at amortised cost	1,024,237,899	-	-	-	-	-	-	1,024,237,899
Other financial assets	874,679	32,525	530	-	25,175	1,208	192	934,309
	1,046,369,888	30,709,012	1,884,146	9,635,050	65,898	9,006	9,250	1,088,682,250
<i>Off-balance sheet assets:</i>								
Bank guarantees and letters of credits	266,846,645	-	-	-	-	-	-	266,846,645
Unused portion of overdrafts	67,581,494	-	-	-	-	-	-	67,581,494
Unused portion of credit cards	11,545,053	-	-	-	-	-	-	11,545,053
Term loan commitments	13,088,544	-	-	-	-	-	-	13,088,544
	359,061,736	-	-	-	-	-	-	359,061,736
Gross carrying amount	1,405,431,624	30,709,012	1,884,146	9,635,050	65,898	9,006	9,250	1,447,743,986
Less: Allowance for expected credit loss	(4,885,950)	(6,429)	(395)	(2,020)	(9)	(2)	(1)	(4,894,806)
Net carrying amount	1,400,545,674	30,702,583	1,883,751	9,633,030	65,889	9,004	9,249	1,442,849,180
In KHR'000 equivalents	5,766,046,540	126,402,534	7,755,403	39,659,185	271,265	37,069	38,078	5,940,210,074

(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.

	2023					2022				
	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	257,453,372	53,061,335	540,247	1,607,422	312,662,376	63,510,042	70,813,873	71,661	2,100,000	136,495,576
Mortgage	-	243,229,041	739,423	1,189,671	245,158,135	-	251,764,474	823,315	1,589,206	254,176,995
Wholesale and retail	-	183,805,835	-	86,111,730	269,917,565	-	203,633,235	-	88,727,650	292,360,885
Import and export	-	136,684,157	-	188,329,754	325,013,911	-	157,029,141	-	179,802,070	336,831,211
Manufacturing	-	75,283,968	-	26,821,192	102,105,160	-	73,595,463	-	23,721,025	97,316,488
Finance, insurance, real estate and business services	-	79,941,559	-	2,035,362	81,976,921	-	78,497,482	-	3,448,497	81,945,979
Other non-financial services	-	38,647,693	-	4,444,245	43,091,938	-	63,986,542	-	4,672,896	68,659,438
Construction	-	57,564,021	-	40,797,536	98,361,557	-	50,113,802	-	25,391,081	75,504,883
Transport, storage and communications	-	26,066,468	-	15,858,424	41,924,892	-	28,306,869	-	12,754,414	41,061,283
Electricity, gas and water	-	9,911,398	9,078	1,094,534	11,015,010	-	7,553,068	9,774	2,310,261	9,873,103
Agriculture	-	2,260,795	-	273,767	2,534,562	-	1,542,430	-	1,878,172	3,420,602
Others	-	43,149,747	272,253	4,771,756	48,193,756	-	37,401,520	29,559	12,666,464	50,097,543
Gross carrying amount	257,453,372	949,606,017	1,561,001	373,335,393	1,581,955,783	63,510,042	1,024,237,899	934,309	359,061,736	1,447,743,986
Less: Allowance for expected credit loss	(176,047)	(4,771,343)	-	(68,218)	(5,015,608)	(13,310)	(4,780,686)	-	(100,810)	(4,894,806)
Net carrying amount	257,277,325	944,834,674	1,561,001	373,267,175	1,576,940,175	63,496,732	1,019,457,213	934,309	358,960,926	1,442,849,180
In KHR'000 equivalents	1,050,977,872	3,859,649,643	6,376,689	1,524,796,410	6,441,800,614	261,416,046	4,197,105,346	3,846,550	1,477,842,132	5,940,210,074

(h) Repossessed collateral

Reposessed collaterals are sold as soon as practicable. The Bank does not utilise the reposessed collaterals for its business use. The Bank did not obtain assets by taking possession of collateral held as security as at 31 December 2023 (31 December 2022: nil).

(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 key variables are the macroeconomic variables (MEVs) which have a relationship with observed default rate. In 2023, statistical tests show there is a relationship with consumer price index (2023: Gross domestic product)

The analysis is based on the 3-year moving average of consumer price index from 2021 to 2023 in which it resulted in changes of 1% (2022: 3-year moving average of gross domestic product from 2020 to 2022 in which it resulted in changes of 1%).

The table below outlines the effect of ECL on the changes in key variables used while other variables remain constant:

Changes	
Consumer price index	+/-1%

	2023	
	US\$	KHR'000
Total decrease in ECL on the positive changes in key variables	(14,869)	(60,740)
Total increase in ECL on the negative changes in key variables	14,869	60,740

Changes	
Gross domestic product	+/-1%

	2022	
	US\$	KHR'000
Total decrease in ECL on the positive changes in key variables	(543,127)	(2,236,052)
Total increase in ECL on the negative changes in key variables	543,127	2,236,052

35.2 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 2023, the Bank did not use derivative financial instruments such as foreign exchange contracts and interest rate swaps to hedge its risk exposure.

(i) Foreign exchange risk

The Bank operates in Cambodia and transacts in many currencies, and is exposed to various currency risks, mainly with respect to Khmer Riel and Australian Dollar.

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 net carrying amounts by currency in US\$ equivalent.

	In US\$ equivalent									
	US\$	KHR	EUR	THB	AUD	SGD	GBP	MYR	Others	Total
As at 31 December 2023										
Financial assets										
Cash on hand	43,981,590	7,031,955	-	-	-	-	-	-	-	51,013,545
Deposits and placements with the central bank	66,345,608	15,749,944	-	-	-	-	-	-	-	82,095,552
Deposits and placements with other banks	234,226,491	15,894,228	1,847,492	1,854,327	626,711	387,438	158,272	130,661	2,151,705	257,277,325
Loans and advances at amortised cost	846,476,731	98,357,943	-	-	-	-	-	-	-	944,834,674
Other financial assets	1,069,959	454,078	28	5,602	8	20,430	8,411	2,379	106	1,561,001
Total financial assets	1,192,100,379	137,488,148	1,847,520	1,859,929	626,719	407,868	166,683	133,040	2,151,811	1,336,782,097
Financial liabilities										
Deposits from banks	171,758,352	17,342,053	-	-	-	-	-	-	-	189,100,405
Deposits from customers	956,283,031	32,129,188	948,245	2,222,538	701,843	199,497	118,819	-	2,012,567	994,615,728
Borrowings	1,152,015	-	-	-	-	-	-	-	-	1,152,015
Subordinated debts	47,405,592	-	-	-	-	-	-	-	-	47,405,592
Lease liabilities	6,164,900	-	-	-	-	-	-	-	-	6,164,900
Other financial liabilities	7,554,424	119,015	306,123	200,712	82,717	132,235	42,339	324,688	1,202	8,763,455
Total financial liabilities	1,190,318,314	49,590,256	1,254,368	2,423,250	784,560	331,732	161,158	324,688	2,013,769	1,247,202,095

Sensitivity analysis

The Bank takes 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:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Asset/(Liability)				
Khmer Riel (KHR)	87,897,892	359,062,889	51,968,252	213,953,293
Euro (EUR)	593,152	2,423,026	530,046	2,182,199
Thai Baht (THB)	(563,321)	(2,301,166)	(172,054)	(708,346)
Australian Dollar (AUD)	(157,841)	(644,780)	(16,034,331)	(66,013,341)
Singapore Dollar (SGD)	76,136	311,016	(98,846)	(406,949)
Great Britain Pound (GBP)	5,525	22,570	4,712	19,399
Malaysian Ringgit (MYR)	(191,648)	(782,882)	(250,839)	(1,032,704)
Others	138,042	563,902	58,192	239,576
	87,797,937	358,654,575	36,005,132	148,233,127

As shown in the table above, the Bank is primarily exposed to changes in US\$/KHR exchange rates. The sensitivity of profit or loss to changes in exchange rates arises mainly from KHR denominated financial instruments.

The analysis below is based on the assumption that the KHR exchange rate has increased or decreased by 1% which is set based on the 3-year moving average of the exchange rate from 2021 to 2023 and using 1% as the basis to assess the sensitivity analysis for other currencies.

An analysis of the exposures to assess the impact of 1% change in the foreign currency exchange rates to the profit after tax are as follows:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Increase/(Decrease)				
-1%				
Khmer Riel (KHR)	710,285	2,901,514	419,945	1,728,914
Australian Dollar (AUD)	(1,275)	(5,208)	(129,570)	(533,440)
Other currencies	468	1,911	576	2,371
	709,478	2,898,217	290,951	1,197,845
Increase/(Decrease)				
+1%				
Khmer Riel (KHR)	(696,220)	(2,844,059)	(411,630)	(1,694,681)
Australian Dollar (AUD)	1,250	5,106	127,005	522,880
Other currencies	(459)	(1,875)	(564)	(2,322)
	(695,429)	(2,840,828)	(285,189)	(1,174,123)

(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's main interest rate risk arises from borrowings with variable rate which exposes the Bank to cash flow interest rate risk. The Bank does not have fair value interest rate risk as the interest rates of financial instruments measured at amortised cost are similar to prevailing market rates.

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 net carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Non-interest rate sensitive	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
As at 31 December 2023							
Financial assets							
Cash on hand	-	-	-	-	-	51,013,545	51,013,545
Deposits and placements with the central bank	-	-	7,804,334	-	-	74,291,218	82,095,552
Deposits and placements with other banks	222,021,559	25,090,226	-	-	-	10,165,540	257,277,325
Loans and advances at amortised cost	19,529,868	70,557,606	134,580,279	280,119,229	440,047,692	-	944,834,674
Other financial assets	-	-	-	-	-	1,561,001	1,561,001
Total financial assets	241,551,427	95,647,832	142,384,613	280,119,229	440,047,692	137,031,304	1,336,782,097
Financial liabilities							
Deposits from banks	65,471,958	49,089,845	73,929,444	-	-	609,158	189,100,405
Deposits from customers	361,669,648	89,178,049	468,547,551	-	-	75,220,480	994,615,728
Borrowings	9,294	57,380	276,704	784,844	23,793	-	1,152,015
Subordinated debts	-	318,674	86,918	-	47,000,000	-	47,405,592
Lease liabilities	129,139	259,593	1,184,312	3,971,978	619,878	-	6,164,900
Other financial liabilities	-	-	-	-	-	8,763,455	8,763,455
	427,280,039	138,903,541	544,024,929	4,756,822	47,643,671	84,593,093	1,247,202,095
Total interest rate repricing gap	(185,728,612)	(43,255,709)	(401,640,316)	275,362,407	392,404,021	52,438,211	89,580,002
In KHR'000 equivalent	(758,701,380)	(176,699,571)	(1,640,700,691)	1,124,855,433	1,602,970,426	214,210,092	365,934,309
Off-balance sheet items							
Bank guarantees and letters of credits	2,053,878	3,692,902	271,475,205	-	-	-	277,221,985
Unused portion of overdrafts	65,795,988	-	-	-	-	-	65,795,988
Unused portion of credit cards	12,366,196	-	-	-	-	-	12,366,196
Term loan commitments	-	-	14,075,302	-	3,807,704	-	17,883,006
	80,216,062	3,692,902	285,550,507	-	3,807,704	-	373,267,175
In KHR'000 equivalent	327,682,613	15,085,505	1,166,473,821	-	15,554,471	-	1,524,796,410

	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Non-interest rate sensitive	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
As at 31 December 2022							
Financial assets							
Cash on hand	-	-	-	-	-	53,574,614	53,574,614
Deposits and placements with the central bank	23,835,720	1,108,907	3,185,343	-	-	92,776,130	120,906,100
Deposits and placements with other banks	43,596,824	14,493,648	-	-	-	5,406,260	63,496,732
Loans and advances at amortised cost	17,261,181	60,065,267	134,062,714	325,819,777	482,248,274	-	1,019,457,213
Other financial assets	-	-	-	-	-	934,309	934,309
Total financial assets	84,693,725	75,667,822	137,248,057	325,819,777	482,248,274	152,691,313	1,258,368,968
Financial liabilities							
Deposits from banks	39,198,052	74,286,486	110,733,871	-	-	689,463	224,907,872
Deposits from customers	378,229,837	75,413,771	305,640,869	-	-	88,440,871	847,725,348
Borrowings	1,034,096	1,054,740	3,465,003	16,077,881	107,174	-	21,738,894
Subordinated debts	-	318,674	86,918	-	47,000,000	-	47,405,592
Lease liabilities	152,320	304,670	1,340,982	5,229,106	908,183	-	7,935,261
Other financial liabilities	-	-	-	-	-	10,942,901	10,942,901
	418,614,305	151,378,341	421,267,643	21,306,987	48,015,357	100,073,235	1,160,655,868
Total interest rate repricing gap	(333,920,580)	(75,710,519)	(284,019,586)	304,512,790	434,232,917	52,618,078	97,713,100
In KHR'000 equivalent	(1,374,751,028)	(311,700,207)	(1,169,308,636)	1,253,679,156	1,787,736,919	216,628,630	402,284,834
Off-balance sheet items							
Bank guarantees and letters of credits	1,341,974	3,154,548	262,265,308	-	-	-	266,761,830
Unused portion of overdrafts	67,581,494	-	-	-	-	-	67,581,494
Unused portion of credit cards	11,545,053	-	-	-	-	-	11,545,053
Term loan commitments	-	-	6,827,036	-	6,245,513	-	13,072,549
	80,468,521	3,154,548	269,092,344	-	6,245,513	-	358,960,926
In KHR'000 equivalent	331,288,901	12,987,274	1,107,853,180	-	25,712,777	-	1,477,842,132

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.

Profit or loss is sensitive to higher/lower interest expense as a result of changes in interest rates. As of 31 December 2023, the Bank has no interest-bearing financial assets and financial liabilities that are contracted under floating interest rate (2022: US\$15 million).

The table below outlines the impact on post tax profit on the changes in interest rates of borrowings:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Impact on post tax profit				
Interest rate increased by 1%	-	-	(120,000)	(490,440)
Interest rate decreased by 1%	-	-	120,000	490,440

35.3 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.

	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
	US\$	US\$	US\$	US\$	US\$	US\$
As at 31 December 2023						
Financial assets						
Cash on hand	51,013,545	-	-	-	-	51,013,545
Deposits and placements with the central bank	74,291,218	-	7,850,784	-	-	82,142,002
Deposits and placements with other banks	232,446,810	25,285,137	-	-	-	257,731,947
Loans and advances at amortised cost	59,134,178	101,896,689	296,792,729	482,398,742	293,633,759	1,233,856,097
Other financial assets	428,673	-	112,277	1,020,051	-	1,561,001
Total financial assets	417,314,424	127,181,826	304,755,790	483,418,793	293,633,759	1,626,304,592
Financial liabilities						
Deposits from banks	66,154,118	49,520,473	77,803,055	-	-	193,477,646
Deposits from customers	436,979,803	89,932,334	487,656,063	-	-	1,014,568,200
Borrowings	9,508	62,199	296,603	820,829	23,979	1,213,118
Subordinated debts	-	569,957	1,251,771	5,836,028	50,442,344	58,100,100
Lease liabilities	150,013	300,026	1,344,286	4,188,417	746,666	6,729,408
Other financial liabilities	7,010,973	49,374	1,703,108	-	-	8,763,455
Total financial liabilities	510,304,415	140,434,363	570,054,886	10,845,274	51,212,989	1,282,851,927
Net financial (liabilities)/assets	(92,989,991)	(13,252,537)	(265,299,096)	472,573,519	242,420,770	343,452,665
In KHR'000 equivalent	(379,864,113)	(54,136,614)	(1,083,746,807)	1,930,462,825	990,288,845	1,403,004,136
Off-balance sheet items						
Bank guarantees and letters of credits	277,283,323	-	-	-	-	277,283,323
Unused portion of overdrafts	65,795,988	-	-	-	-	65,795,988
Unused portion of credit cards	12,366,196	-	-	-	-	12,366,196
Term loan commitments	17,889,886	-	-	-	-	17,889,886
	373,335,393	-	-	-	-	373,335,393
In KHR'000 equivalent	1,525,075,080	-	-	-	-	1,525,075,080

	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
	US\$	US\$	US\$	US\$	US\$	US\$
As at 31 December 2022						
Financial assets						
Cash on hand	53,574,614	-	-	-	-	53,574,614
Deposits and placements with the central bank	116,630,935	1,114,174	3,225,785	-	-	120,970,894
Deposits and placements with other banks	49,021,629	14,632,376	-	-	-	63,654,005
Loans and advances at amortised cost	42,351,004	110,581,139	312,323,237	546,236,476	319,092,084	1,330,583,940
Other financial assets	49,429	-	16,116	868,764	-	934,309
Total financial assets	261,627,611	126,327,689	315,565,138	547,105,240	319,092,084	1,569,717,762
Financial liabilities						
Deposits from banks	39,963,685	74,818,966	114,237,157	-	-	229,019,808
Deposits from customers	466,805,015	75,903,237	317,022,417	-	-	859,730,669
Borrowings	985,207	1,054,508	4,579,739	18,021,430	109,272	24,750,156
Subordinated debts	-	566,843	1,249,922	7,652,792	50,442,344	59,911,901
Lease liabilities	179,191	356,861	1,550,365	5,752,716	968,889	8,808,022
Other financial liabilities	9,173,295	10,965	1,758,641	-	-	10,942,901
Total financial liabilities	517,106,393	152,711,380	440,398,241	31,426,938	51,520,505	1,193,163,457
Net financial (liabilities)/assets	(255,478,782)	(26,383,691)	(124,833,103)	515,678,302	267,571,579	376,554,305
In KHR'000 equivalent	(1,051,806,145)	(108,621,656)	(513,937,885)	2,123,047,569	1,101,592,191	1,550,274,074
Off-balance sheet items						
Bank guarantees and letters of credits	266,846,645	-	-	-	-	266,846,645
Unused portion of overdrafts	67,581,494	-	-	-	-	67,581,494
Unused portion of credit cards	11,545,053	-	-	-	-	11,545,053
Term loan commitments	13,088,544	-	-	-	-	13,088,544
	359,061,736	-	-	-	-	359,061,736
In KHR'000 equivalent	1,478,257,167	-	-	-	-	1,478,257,167

35.4 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 a 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 loans and advances to customers might approximate their carrying value as at 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 offering a 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. 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.

v. Borrowings and subordinated debts

Borrowings and subordinated debts are not quoted in the active market and their fair value approximates their carrying amount because the interest rate is similar to the prevailing market rate.

35.5 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 coverage ratios.

The table below summarises the composition of regulatory capital:

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Tier 1 capital				
Share capital	75,000,000	306,375,000	75,000,000	308,775,000
Reserves	42,000,000	171,570,000	25,500,000	104,983,500
Retained earnings	44,278,389	180,877,219	23,910,723	98,440,447
Less: Intangible assets	(1,173,501)	(4,793,752)	(1,689,409)	(6,955,297)
Less: Loans to related parties	(2,798,498)	(11,431,864)	(2,727,057)	(11,227,294)
	157,306,390	642,596,603	119,994,257	494,016,356
Tier 2 complementary capital				
General provision	12,919,366	52,775,610	11,780,339	48,499,656
Subordinated debts	47,000,000	191,995,000	47,000,000	193,499,000
	59,919,366	244,770,610	58,780,339	241,998,656
	217,225,756	887,367,213	178,774,596	736,015,012

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY THE NATIONAL BANK OF CAMBODIA

FOR THE YEAR ENDED 31 DECEMBER 2023

➤ STATEMENT BY DIRECTORS

I, the undersigned, being the Executive Director/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 2023. 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
28 March 2024

This note does not form part of the audited financial statements.

➤ 1. LIQUIDITY COVERAGE RATIO, PRAKAS NO. B7-015-349 AND 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 2023, the Bank's Liquidity Coverage Ratio was 214.73%.

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 2023, 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 2023 amounted to US\$217,225,756 as computed in Schedule 2.

Banks must maintain their net worth at least equal to the minimum capital. As at 31 December 2023, the Bank's net worth of US\$217,225,756 was higher by US\$142,225,756 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 2023, the Bank maintained a Solvency Ratio of 19.33% 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 2023, 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 2023, 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 AND 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 2023, the Bank did not have net open position in foreign currencies exceeding 20% of the Bank's net worth as detailed in Schedule 5.

➤ CLASSIFICATION OF AND PROVISIONING FOR LOSSES ON FINANCIAL FACILITIES, PRAKAS NO. B7-017-344 AND CIRCULAR NO. B7-018-001, CIRCULAR NO. B7-021-2314, AND CIRCULAR NO. B7-023-001

The central bank's circular B7-021-2314 on classification and provisioning requirement on restructured loan dated 28 December 2021 (implemented from 1 January 2022) requires the financial institutions to classify and make provision on the restructured loan into three groups of viable, need more restructuring, and non-viable. Each group is classified into five classifications with the minimum level of provision accordingly.

The Central Bank's circular B7-023-001 dated 23 November 2023 on restructuring loans for tourism in Siem Reap province to allow banks and financial institutions to restructure their tourism-related loans in Siem Reap province. The financial institutions can restructure loan two times, starting from the effective date of this circular until the end of December 2024. The financial institutions can maintain same loan classification as before restructuring and do not require to make additional provisions.

After loan restructuring, if the institutions found that the status of financial hardship and repayments difficulties of the restructured customers was not temporary, the institutions shall immediately downgrade loan classification and provide additional provisions for the restructured loan.

The institutions can apply for upgrading loan classification based on assessing the repayment capacity of customer for the next six-month for long-term loans (next 3 months for short-term loans) after the last grace period (end of December 2024) in accordance with the Prakas B7-017-344 on Credit Risk Grading and Impairment Provisioning.

As at 31 December 2023, there is no restructuring loan for tourism in Siem Reap province.

The amount of the provision for impairment losses on financial facilities determined as at 31 December 2023 is in accordance with the requirements of this Prakas and Circulars.

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 2023, 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 2023, 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

Fixed assets acquired by banks for operational purposes shall be less than 30% of total bank's net worth as defined in Prakas B7-010-182. Fixed assets with no direct link to operating the Bank shall be sold not later than one year after the date they became property of the Bank.

As at 31 December 2023, the Bank's fixed assets amounting to US\$7,631,104 (including intangible assets of US\$1,535,693) was equivalent to 3.51% of the Bank's net worth.

► 11. PREPAID RENTAL AND 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 2023, the Bank's rents were for its operations and rental prepayment did not exceed one year rent.

► 12. DETERMINATION OF CAPITAL BUFFER OF BANKS AND FINANCIAL INSTITUTIONS, PRAKAS NO. B7-018-068, CIRCULAR NO. B7-020-002 C.L, LETTER NO. B7-020-622, AND LETTER NO. B7-023-2621

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%.

On 23 November 2023, The Central Bank issued Letter No. B7-023-2621 to allow banks and financial institutions to maintain a capital conservation buffer at 1.25% until 31 December 2024.

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 2023, the Bank's capital buffer is 11.83% which is already exceed the required capital conservation buffer of 1.25%. Please refer to Schedule 6 for details.

► 13. PROVISION OF CREDIT IN NATIONAL CURRENCY OF BANKING AND FINANCIAL INSTITUTIONS, PRAKAS NO. B7-016-334

The Bank is required to have its loans in national currency at least 10% of the total loan portfolio based on the Prakas N.B7-016-334 issued on 1 December 2016 which shall be fully implemented by 31 December 2019.

As at 31 December 2023, the Bank's loans in national currency (Khmer Riel) amounting to US\$102,543,432 which was equivalent to 10.72% of the Bank's total loan portfolio.

SCHEDULE 1

LIQUIDITY COVERAGE RATIO
UNAUDITED AS AT 31 DECEMBER 2023

in US\$			Non weighted amounts			Weighted amounts			Total	
ASSETS			KHR	US\$	Other currencies	KHR	US\$	Other currencies		
HQLA	1.11	1	Notes and coins	7,031,954	43,981,591	-	7,031,954	43,981,591	-	51,013,545
	1.12	1	Reserves requirement with the NBC > minimum reserve requirement	-	-	-	-	-	-	-
	1.13	1	Reserves requirement with the NBC in KHR	2,739,547	-	-	2,739,547	-	-	2,739,547
	1.14	0.7	Reserves requirement with the NBC in USD	-	93,652,000	-	-	65,556,400	-	65,556,400
	1.15	1	Amounts deposited at the NBC excluding settlement account and capital guarantee account	6,679,514	47,378,773	-	6,679,514	47,378,773	-	54,058,287
	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)			16,451,015	185,012,364	-	16,451,015	156,916,764	-	173,367,779
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	-	-	-	-	-	-	-
	Total 2 = Minimum [OLA ; 40% (HQLA+OLA)]			-	-	-	-	-	-	-
	Total assets		Total 3 = Total 1 + Total 2	16,451,015	185,012,364	-	16,451,015	156,916,764	-	173,367,779

in US\$			Non weighted amounts			Weighted amounts			Total
			KHR	US\$	Other currencies	KHR	US\$	Other currencies	
NET CASH OUTFLOWS = expected cash outflows - expected cash inflows									
CASH OUT FLOWS	OUTFLOWS								
	<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	7,966,918	601,936,950	5,631,072	1,195,038	90,290,543	844,661
	<i>Unsecured wholesale funding</i>								
	2.21	0.25	operational deposits (unsecured funding generated by clearing, custody and cash management activities)	7,302,255	153,974,201	82,122	1,825,564	38,493,550	20,531
	2.22	0.4	non-operational deposits from non-financial corp. not qualifying for reporting in 2.11 to 2.12	16,710,181	134,905,354	488,431	6,684,072	53,962,142	195,372
	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)	9,868,539	54,351,114	-	9,868,539	54,351,114	-
	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	-	-	-	-	-	-
	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 US\$			Non weighted amounts			Weighted amounts			Total	
			KHR	US\$	Other currencies	KHR	US\$	Other currencies		
NET CASH OUTFLOWS = expected cash outflows - expected cash inflows										
	OUTFLOWS									
CASH OUT FLOWS	<i>Committed facilities for the undrawn portion of committed credit and liquidity facilities to retails and SMEs</i>									
	2.51	0.05	credit facilities	-	12,366,196	-	-	618,310	-	618,310
	2.52	0.05	liquidity facilities	-	-	-	-	-	-	-
	<i>to non financial corporates, sovereigns and central banks</i>									
	2.53	0.1	credit facilities	775,820	145,472,040	-	77,582	14,547,204	-	14,624,786
	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	-	-	-	-	-	-	-
	<i>Other contingent funding obligations (whether contractual or not)</i>									
	2.71	0.1	unconditional revocable credit and liquidity facilities' agreements	217,859	173,431,950	-	21,786	17,343,195	-	17,364,981
	2.72	1	trade finance related obligations (report average of monthly net outflows in last 12 month period)	-	32,462,453	-	-	32,462,453	-	32,462,453
	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	<i>Other contractual outflows</i>	61	152,761	-	61	152,761	-	152,822
	Total 4 = Σ (2.11 ; 2.81)			42,841,633	1,309,053,019	6,201,625	19,672,642	302,221,272	1,060,564	322,954,478

in US\$			Non weighted amounts			Weighted amounts			Total	
			KHR	US\$	Other currencies	KHR	US\$	Other currencies		
	INFLOWS									
CASH IN FLOWS			<i>Outstanding Reverse repos and securities borrowing with remaining maturities within 30 days where the collateral received is not re-hypothecated</i>							
	3.11	0	covered by HQLA	-	-	-	-	-	-	-
	3.12	0.25	covered by OLA	-	-	-	-	-	-	-
	3.13	1	covered by other assets	-	-	-	-	-	-	-
			<i>where the collateral received is re-hypothecated</i>							
	3.14	0	covered by HQLA	-	-	-	-	-	-	-
	3.15	0	covered by OLA	-	-	-	-	-	-	-
	3.16	0	covered by other assets	-	-	-	-	-	-	-
			<i>Undrawn committed facilities from banks and financial institutions as defined in Annex 2</i>							
	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	-	30,000,000	-	-	30,000,000	-	30,000,000
			<i>Other contractual inflows, either secured or unsecured, within 30 days</i>							
	3.31	0.5	from retail customers	1,103,026	19,015,327	-	551,513	9,507,664	-	10,059,177
	3.32	0.5	from SMEs	30,703	188,918	-	15,352	94,459	-	109,811
	3.33	0.5	from non-financial corporates	3,950,245	584,624	-	1,975,123	292,312	-	2,267,435
	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	14,687,882	203,725,550	1,117,136	14,687,882	203,725,550	1,117,136	219,530,568
			<i>derivative cash inflows</i>							
	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)	19,771,856	253,514,419	1,117,136	17,229,870	243,619,985	1,117,136	261,966,991
	Total 6 = Total 4 - Min									
	TOTAL NET CASH OUTFLOWS (Total 5; 75% Total 4)			23,069,777	1,055,538,600	5,084,489	4,918,161	75,555,318	265,141	80,738,620
LIQUIDITY COVERAGE RATIO LCR= Total 3/Total 6						334.50%	207.68%	-	214.73%	

SCHEDULE 2

NET WORTH
UNAUDITED AS AT 31 DECEMBER 2023

NET WORTH CALCULATION	in US\$	in Million KHR
Tier 1: (Core Capital)		
I. Sub-total A		
+ Paid-in capital/Capital endowment	75,000,000	306,375
+ Reserves (other than revaluation reserves)	42,000,000	171,570
+ Audited Net Profit (last financial year)	12,022,693	49,113
+ Retained Earnings	32,255,696	131,765
+ 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	161,278,389	658,823
+ Limited check on retained earnings (max. 20% of Sub-Total A)	20.00%	20.00%
II. Sub-total B (Deduction)		
+ Own shares held (at Book Value)	-	-
+ Accumulated losses	-	-
+ Intangible assets to be deducted	1,173,501	4,794
+ Shareholders, Directors, Related Parties (deduct)	2,798,498	11,432
1. Unpaid portion(s) of capital (a)	-	-
2. Loans, overdrafts and other advances (b)	2,798,498	11,432
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	3,971,999	16,226
Total Tier 1 (Core Capital) (A) - (B)	157,306,390	642,597
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)	12,919,366	52,776
+ Subordinated Debts Instruments (Provided complying with condition set forth in article 7)	47,000,000	191,995
+ 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	59,919,366	244,771
+ Limit check on Subordinated Debts (max. 50 % of Tier 1 Capital)	29.88%	29.88%
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)	59,919,366	244,771
+ Limit check on Tier 2 capital (Tier 2 = max. 100 % of Tier 1)	38.09%	38.09%
Regulatory Net Worth (A) - (B) + (C) - (D)	217,225,756	887,368

SCHEDULE 3

SOLVENCY RATIO
UNAUDITED AS AT 31 DECEMBER 2023

	in US\$	Weighting	in US\$	in Million KHR
I- Balance Sheet Items, weighted by degree of Counter-Party Risks				
1- Weighting 0% on Assets with low Risk	276,349,110		-	-
1.1- Cash	51,013,545	0%	-	-
1.2- Gold	-	0%	-	-
1.3- Claims on the National Bank of Cambodia	185,987,099	0%	-	-
1.4- Assets collateralized by Deposits 100% lodged with Banks	39,348,466	0%	-	-
1.5- Claims on or Guaranteed by Sovereigns rated AAA to AA- or equivalent	-	0%	-	-
2- Weighting 20% on Assets with Moderate Risk	4,737,235		947,447	3,870
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	4,737,235	20%	947,447	3,870
3- Weighting 50% on Assets with Medium Risk	222,435,576		111,217,788	454,325
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	222,435,576	50%	111,217,788	454,325
4- Weighting 100% on Assets with Full Risk	958,449,210		958,449,210	3,915,265
4.1- All other Assets, besides mentioned above	958,449,210	100%	958,449,210	3,915,265
5- Weighting 120% on Tradable Securities	-		-	-
5.1- Tradable Securities	-	120%	-	-
Total (I) = (1) + (2) + (3) + (4)	1,461,971,131		1,070,614,445	4,373,460
II- Off-Balance Sheet items, weighted by degree of Counter-Party Risk				
1- Weighting 0% on Operations with low Risk	265,842,098		-	-
1.1- Undrawn Facilities, particularly overdrafts and commitments to lend, which are for an initial term of not more than one year	265,842,098	0%	-	-
1.2- Other items carrying a low risk	-	0%	-	-
2- Weighting 20% on Operations with Moderate Risk	2,283,582		456,716	1,866
2.1- Documentary credits is sued or confirmed where the underlying goods serve as collateral and other similar transactions	2,283,582	20%	456,716	1,866
2.2- Other Items carrying moderate risk	-	20%	-	-
3- Weighting 50% on Operations with Medium Risk	105,209,713		52,604,857	214,891
3.1- Commitments to pay resulting from documentary credits, issued or confirmed, where the underlying goods do not serve as collateral	101,395,129	50%	50,697,565	207,100
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	3,814,584	50%	1,907,292	7,791
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)	373,335,393		53,061,573	216,757
III- Total Assets and Operations after weighting Risk = (I) + (II)			1,123,676,018	4,590,217
Solvency Ratio = Total Net Worth / III (>15%)			19.33%	19.33%

SCHEDULE 4

CLASSIFICATION OF AND PROVISIONING FOR BAD AND DOUBTFUL FINANCIAL FACILITIES
UNAUDITED AS AT 31 DECEMBER 2023

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	1,291,936,589	Normal	8,459,870,954	1%	12,919,366	12,919,366	-
Financial facilities	11,756,047	Special mention	46,317,281	3%	352,681	352,681	-
Financial facilities	6,065,980	Substandard	14,608,738	20%	1,213,196	1,213,196	-
Financial facilities	3,927,304	Doubtful	42,126,419	50%	1,963,652	1,963,652	-
Financial facilities	6,362,581	Loss	37,240,175	100%	6,362,581	6,362,581	-
Total	1,320,048,501		8,600,163,567		22,811,476	22,811,476	-

SCHEDULE 5

NET OPEN POSITION
UNAUDITED AS AT 31 DECEMBER 2023

No	Currency	Elements after deduction of affected provision				Net open position	Net open position/net worth	Limit	Excess
		Assets	Liabilities and capital	Currency receivables	Currency payables				
				Off-balance sheet	Off-balance sheet				
		1	2	3	4	5=1-2+3-4			
1	USD	143,869,739	144,132,559	993,679	993,679	(262,820)	-0.12%	N/A	N/A
2	KHR	1,309,426,244	1,309,163,424	372,273,496	372,273,496	262,820	0.12%	N/A	N/A
3	EUR	1,847,520	1,847,520	-	-	-	0.00%	20%	No
4	SGD	407,868	407,868	-	-	-	0.00%	20%	No
5	HKD	9,082	9,082	-	-	-	0.00%	20%	No
6	THB	1,859,929	1,859,929	-	-	-	0.00%	20%	No
7	JPY	2,000,509	(1,499)	-	-	2,002,008	0.92%	20%	No
8	PHP	-	-	-	-	-	0.00%	20%	No
9	AUD	626,571	626,571	-	-	-	0.00%	20%	No
10	CAD	23,462	23,462	-	-	-	0.00%	20%	No
11	GBP	166,664	166,664	-	-	-	0.00%	20%	No
12	CNY	10,679	10,679	-	-	-	0.00%	20%	No
13	KRW	-	-	-	-	-	0.00%	20%	No
14	VND	-	-	-	-	-	0.00%	20%	No
15	OTHERS	242,552	2,244,560	-	-	(2,002,008)	-0.92%	20%	No
	Total	1,460,490,819	1,460,490,819	373,267,175	373,267,175	-			

SCHEDULE 6

DETERMINATION OF CAPITAL BUFFER
UNAUDITED AS AT 31 DECEMBER 2023

Tier 1 Capital Ratio		Minimum Capital Conservation Ratio (expressed as percentage of earning)	
Tier 1 Capital Ratio			
≥ 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	14,045,950	1.25
Countercyclical capital buffer	-	-
Total capital buffer	14,045,950	1.25
Tier 1 Capital	157,306,390	14.00
Tier 2 Capital	59,919,366	5.33
Total Capital (Net Worth)	217,225,756	19.33
Risk Weighted Assets - RWA	1,123,676,018	
Tier 1 capital needed for Minimum Solvency ratio	108,632,037	9.67
Available Tier 1 Capital for Capital Buffer	48,674,353	4.33
Additional Tier 1 Capital buffer to be built up	-	-
Minimum Tier 1 capital ratio + available Tier 1 capital for capital buffer		11.83
Minimum Capital Conservation ratio (expressed as percentage of earnings)		-

SCHEDULE 7

OTHER RATIO COMPUTATIONS
UNAUDITED AS AT 31 DECEMBER 2023

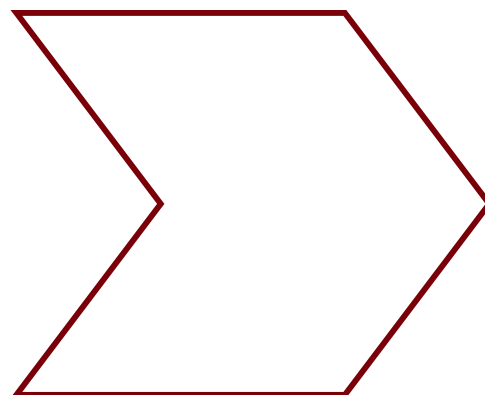
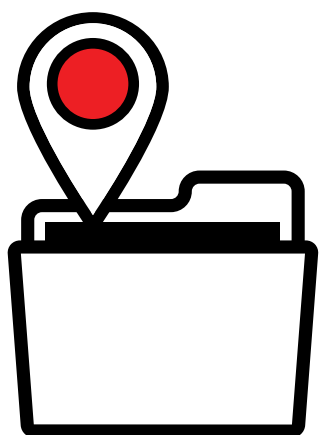
CAPITAL	US\$
1 Equity to total assets (A/B)	13.91%
A – Equity	203,114,150
B – Total assets	1,460,490,819
2 Capital Tier I to total assets (A/B)	10.77%
A – Capital Tier 1	157,306,390
B – Total assets	1,460,490,819
3 Capital Tier I to risk weighted assets (A/B)	14.00%
A – Capital Tier 1	157,306,390
B – Risk weighted assets	1,123,676,018
4 Capital Tier I + Tier II to risk weighted assets (A/B)	19.33%
A – Capital Tier I + Tier II	217,225,756
B – Risk weighted assets	1,123,676,018
5 Net worth to assets (A/B)	14.87%
A – Net worth	217,225,756
B – Total assets	1,460,490,819
6 Solvency ratio (A/B)	19.33%
A – Net worth	217,225,756
B – Risk weighted assets	1,123,676,018
7 Debt to total assets (A/B)	86.09%
A – Total liabilities	1,257,376,669
B – Total assets	1,460,490,819
8 Debt to equity (A/B)	619.05%
A – Total liabilities	1,257,376,669
B – Equity	203,114,150
9 Dividend to net profit (A/B)	0.00%
A – Dividend	-
B – Net profit	16,613,449
ASSET QUALITY	US\$
10 Banking reserve to total loans (A/B)	4.42%
A – Banking reserves	42,000,000
B – Total loans (gross)	949,606,017
11 Banking reserve to total assets (A/B)	2.88%
A – Banking reserves	42,000,000
B – Total assets	1,460,490,819
12 Non-performing loans to total loans (A/B)	1.72%
A – Non-performing loans	16,355,865
B – Total loans (gross)	949,606,017

ASSET QUALITY	US\$
13 Non-performing loans to total assets (A/B)	1.12%
A – Non-performing loans	16,355,865
B – Total assets	1,460,490,819
14 Classified assets to total loans (A/B)	1.72%
A – Classified assets	16,355,865
B – Total loans (gross)	949,606,017
15 Classified assets to total assets (A/B)	1.12%
A – Classified assets	16,355,865
B – Total assets	1,460,490,819
16 Classified assets to equity (A/B)	8.05%
A – Classified assets	16,355,865
B – Equity	203,114,150
17 Loans to related parties to total loans (A/B)	0.29%
A – Loans to related parties	2,798,498
B – Total loans (gross)	949,606,017
18 Large exposure to total loans (A/B)	8.85%
A – Large exposure	84,022,292
B – Total loans (gross)	949,606,017
19 Loans to related parties to net worth (A/B)	1.29%
A – Loans to related parties	2,798,498
B – Net worth	217,225,756
20 Large exposure to net worth (A/B)	38.68%
A – Large exposure	84,022,292
B – Net worth	217,225,756
21 General provision to total loans (A/B)	1.36%
A – General provision	12,919,366
B – Total loans (gross)	949,606,017
22 Specific provision to total loans (A/B)	1.04%
A – Specific provision	9,892,110
B – Total loans (gross)	949,606,017
23 Specific provision to non-performing loans (A/B)	60.48%
A – Specific provision	9,892,110
B – Non performing loans	16,355,865
24 All allowances to total assets (A/B)	1.56%
A – Total all allowances	22,811,476
B – Total assets	1,460,490,819
25 Loans to deposits (A/B)	90.14%
A – Total loans to non-bank customers (gross)	896,544,682
B – Customer's deposits	994,615,728

EARNINGS	US\$
26 Return on assets(ROA) (A/B)	1.14%
A – Net profit	16,613,449
B – Total assets	1,460,490,819
27 Return on equity (ROE) (A/B)	8.18%
A – Net profit	16,613,449
B – Equity	203,114,150
28 Gross yield (A/B)	5.60%
A – Interest income	81,780,225
B – Total assets	1,460,490,819
29 Net interest margin (NIM) to total assets ((A-B)/C)	2.65%
A – Interest income	81,780,225
B – Interest expense	43,120,993
C – Total assets	1,460,490,819
30 Other income (OTINC) to total assets = (A/B)	0.64%
A – Other incomes	9,394,995
B – Total assets	1,460,490,819
31 Provision to total assets (A/B)	1.56%
A – Provision	22,811,476
B – Total assets	1,460,490,819
32 Overhead to total assets = (A/B)	2.15%
A – Non-interest expense	31,440,778
B – Total assets	1,460,490,819
33 Net income before tax (NIBT) to total assets = (A/B)	1.45%
A – Net income before tax	21,169,706
B – Total assets	1,460,490,819
34 Tax to total assets (A/B)	0.31%
A – Tax	4,556,257
B – Total assets	1,460,490,819
35 Interest margin to gross income ((A-B)/C)	42.40%
A – Interest income	81,780,225
B – Interest expense	43,120,993
C – Gross income	91,175,220
36 Non-interest income to gross income (A/B)	10.30%
A – Non-interest income	9,394,995
B – Gross income	91,175,220
37 Non-interest expense to gross income (A/B)	34.48%
A – Non-interest expense	31,440,778
B – Gross income	91,175,220
38 Times interest earned ((A+B)/C)	78.61%
A – Income before tax	21,169,706
B – Interest expense	43,120,993
C – Interest income	81,780,225

LIQUIDITY	US\$
39 Liquid assets to total assets (A/B)	26.61%
A – Liquid assets	388,641,477
B – Total assets	1,460,490,819
40 Short-term liabilities to total assets (A/B)	67.17%
A – Short-term liabilities (less than one year)	981,064,355
B – Total assets	1,460,490,819
41 Net Liquid assets ((A-B)/C)	-47.12%
A – Liquid assets	388,641,477
B – Short-term liabilities (less than one year)	981,064,355
C – Total liabilities	1,257,376,669
42 Quick ratio (A/B)	39.61%
A – Quick assets	388,641,477
B – Current liabilities	981,064,355
43 Deposit to total loans (A/B)	110.94%
A – Total customers' deposits	994,615,728
B – Total loans to non-bank customers (gross)	896,544,682

07



CORPORATE DIRECTORY

158 Branch Network

160 Group Corporate Directory

BRANCH NETWORK

► BRANCH LOCATION



HEAD OFFICE

60, Preah Monivong Boulevard,
Village 10, Sangkat Wat Phnom,
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

EXCHANGE SQUARE BRANCH

Ground Floor, Exchange Square,
Street 51-61 & 102-106, Sangkat
Wat Phnom, Khan Daun Penh,
Phnom Penh

KRONG SIEM REAP BRANCH

38-39-40, Sivatha Street,
Sangkat Svay Dangkom,
Krong Siem Reap,
Siem Reap Province

CHAMKAR MON BRANCH

763, Street 93, Sangkat Boeng
Trabaek, Khan Chamkar Mon,
Phnom Penh

TUEK THLA BRANCH

Unit 1E&F, Ground Floor,
California Social House, Russian
Federation Boulevard, Sangkat
Tuek Thla, Khan Sen Sok,
Phnom Penh

BAK TOUK BRANCH

Ground Floor, Building VTrust
Tower, Street 169, Sangkat
Veal Vong, Khan 7 Makara,
Phnom Penh

KRONG PREAH SIHANOUK BRANCH

90, Ek Reach Boulevard, Sangkat
No 4, Krong Preah Sihanouk,
Preah Sihanouk Province

KRONG BATTAMBANG

98-99, Sangkat Svay Por,
Krong Battambang,
Battambang Province

PREAH SIHANOUK BOULEVARD BRANCH

57F, Preah Sihanouk Boulevard,
Sangkat Chaktomok, Khan
Daun Penh, Phnom Penh

KHAN MEANCHEY - SANGKAT STEUNG MEANCHEY TI I BRANCH

75, Samdech Monireth
Boulevard, Sangkat Steung
Meanchey I, Khan Meanchey,
Phnom Penh

TUOL KOUK BRANCH

150NB and 152B1 E0E1E2E3E4,
Street 516, Sangkat Boeung
Kak I, Khan Tuol Kouk,
Phnom Penh

KRONG KAMPONG CHAM - SANGKAT KAMPONG CHAM BRANCH

Village 4, Sangkat Veal Vong,
Krong Kampong Cham,
Kampong Cham Province

► CIMB PREFERRED CENTRE



HEAD OFFICE

60, Preah Monivong Boulevard,
Village 10, Sangkat Wat Phnom,
Khan Daun Penh, Phnom Penh

MAO TSE TOUNG BOULEVARD

187 E0E1, Mao Tse Toung
Boulevard, Sangkat Toul Svay
Prey I, Khan Chamkarmon,
Phnom Penh

CHAMKAR MON

763, Street 93, Sangkat Boeng
Trabaek, Khan Chamkar Mon,
Phnom Penh

OLYMPIC

201, Jawaharlal Nehru
Boulevard, Sangkat Phsar
Doeum Kor, Khan Toul Kork,
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

BAK TOUK

Ground Floor, Building VTrust
Tower, Street 169, Sangkat
Veal Vong, Khan 7 Makara,
Phnom Penh

► OFFSITE ATM

**EXCHANGE SQUARE**

Ground Floor, Exchange Square,
Street 51-61 & 102-106, Sangkat
Wat Phnom, Khan Daun Penh,
Phnom Penh

MAKRO MALL

No 5734, Street 1003,
Sangkat Phnom Penh Thmey,
Khan Sen Sok, Phnom Penh

**NAGA WORLD I &
NAGA WORLD II**

Samdech Techo Hun Sen Park,
Phnom Penh

LIM LONG (VENG SRENG)

Dey Lo #9, Veng Sreng
Boulevard, Sangkat Chom Chao,
Khan Posenchey,
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 17252

AEON MALL

Behind Adidas, AEON mall,
No.132, Samdech Sothearos
Boulevard, Sangkat Tonle
Bassac, Khan Chamkarmon,
Phnom Penh

MAKRO MALL CHROY CHANGVA

National Road No. 6, Bak Khaeng
Leu Village, Sangkat Bak Khaeng,
Khan Chroy Changva,
Phnom Penh

EDEN GARDEN

Phnom Penh City Center (PPCC),
Sangkat Sras Chork, Khan
Daun Penh, Phnom Penh

PTT (POCHENTONG)

No.7A, Russian Boulevard,
Sangkat Kakab, Khan
Posenchey, 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 SEN SOK

Second floor of AEON MALL,
Bayarb Village, Phnom Penh
Thmey Commune, Sen Sok
District, Phnom Penh Capital

MAJOR LAND

108, Samdech Sothearos
Boulevard, Sangkat Tonle
Bassac, Khan Chamkarmon,
Phnom Penh

**THE PARK DEVELOPMENT
COMMUNITY**

National road #1, Sangkat Nirot,
Khan Chbar Ampov,
Phnom Penh

TOTAL (PHNOM PENH THMEY)

Street 1986, Sangkat Phnom
Penh Thmey, Khan Sen Sok,
Phnom Penh

TOTAL 598

Street 598, Phum 4,
Sangkat Chrang Chamres 1,
Khan Russey Keo, Phnom Penh

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

CIMB ISLAMIC BANK BERHAD

Level 17, Menara CIMB
Jalan Stesen Sentral 2
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50470 Kuala Lumpur, Malaysia
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Fax : 603 2261 0099
Website : www.cimb.com

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60, Preah Monivong Boulevard
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Khan Daun Penh, Phnom Penh
120209 Cambodia
Tel : 855 23 988 388
Fax : 855 23 988 099
Website : www.cimbbank.com.kh

CIMB BANK BERHAD LONDON BRANCH

27 Knightsbridge
SW1X 7LY
United Kingdom
Tel : 44 0 20 7201 3150
Fax : Nil
Website : www.cimb.com

CIMB BANK BERHAD PHILIPPINES BRANCH

22th Floor, Bonifacio Stop
Over Corporate Center, 2nd
Avenue Corner 31st Street,
Bonifacio Global City, Taguig
1634 Philippines
Tel : 63 2 8858 0102
Fax : Nil
Website : www.cimbbank.com.ph

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Level 17, Menara CIMB
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50470 Kuala Lumpur, Malaysia
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Fax : 603 2261 0099
Website : www.cimb.com

PT BANK CIMB NIAGA TBK

Graha CIMB Niaga
Jl. Jend Sudirman Kav. 58
Jakarta 12190, Indonesia
Tel : 62 21 250 5252
62 21 250 5353
Fax : 62 21 250 5205
Website : www.cimbniaga.co.id

CIMB BANK (VIETNAM) LIMITED

Level 2, Cornerstone Building
16 Phan Chu Trinh
Hoan Kiem District
Hanoi, Vietnam
Tel : 84 24 3266 3388
Fax : 84 24 3266 3389
Website : www.cimbbank.com.vn

CIMB BANK BERHAD SHANGHAI BRANCH

Unit 1805-1807, Azia Centre
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 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
6087 597 502
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 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

30 Raffles Place #04-01
Singapore 048622
Tel : 65 6333 7777
Fax : 65 6337 5335
Website : www.cimb.com.sg

**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
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 597 501
6087 597 502
Website : www.cimb.com

TOUCH 'N GO SDN. BHD.

Level 6, Tower 6
Avenue 5, The Horizon
No. 8, Jalan Kerinchi, Bangsar South
59200 Kuala Lumpur, Malaysia
Tel : 603 2714 8888
Fax : 603 2714 8889
Website : www.touchngo.com.my

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 9894
Website : www.cimb.com

ICIMB (MSC) SDN. BHD.

CIMB HUB, Level 9
No. 26, Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel : 603 2180 7600
Fax : Nil
Website : www.cimb.com

**PRINCIPAL ISLAMIC ASSET
MANAGEMENT SDN. BHD.**

Level 32, Exchange 106
Lingkaran TRX
55188 Tun Razak Exchange
Kuala Lumpur, Malaysia
Tel : 603 8680 8000
Fax : 603 2717 0381
Website : www.principalislamic.com

TNG DIGITAL SDN. BHD.

Level 3A, Tower 6
Avenue 5, The Horizon
No. 8, Jalan Kerinchi, Bangsar South
59200 Kuala Lumpur, Malaysia
Tel : 603 5022 8888
Fax : Nil
Website : www.touchngo.com.my

**CIMB COMMERCE TRUSTEES
BERHAD**

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**CIMB BANK BERHAD
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OFFICE**

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Website : www.cimb.com

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Jalan Merdeka
87000 W P Labuan, Malaysia
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Fax : 6087 411 855
Website : www.cimb.com

ICIMB (MALAYSIA) SDN. BHD.

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No. 26, Jalan Sultan Ismail
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Tel : 603 2180 7600
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BERHAD**

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Website : www.principal.com.my

**CGS-CIMB SECURITIES
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(F.K.A. KAF EQUITIES SDN. BHD.)**

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Fax : 603 2261 0099
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Khan Doun Penh, Phnom Penh
120211, Kingdom of Cambodia