CAMMA MICROFINANCE LIMITED.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

CAMMA MICROFINANCE LIMITED.

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

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BOARD OF DIRECTORS' REPORT

The Board of Directors (the Directors) submits their report together with the audited financial statements of CAMMA Microfinance Limited. (the Company) for the year ended 31 December 2025.

THE COMPANY

CAMMA Microfinance Limited. (the Company) is a licensed microfinance institution incorporated in Cambodia and registered with the Ministry of Commerce as a private limited company under a registration No. 00019512 dated 31 March 2010. The Company obtained a permanent business license to conduct business as a microfinance institution from the National Bank of Cambodia (NBC or the central bank) on 29 July 2010.

PRINCIPAL ACTIVITIES

The Company's principal activity is to provide micro-finance service to communities, small and medium enterprises, and farmer, especially women, in an efficient, sustainable and responsible manner.

FINANCIAL RESULTS

The financial results of operations for the year ended 31 December 2025 are set out in the statement of comprehensive income on page 10.

BAD AND DOUBTFUL LOANS AND ADVANCES

Before the financial statements of the Company were drawn up, the Directors took reasonable steps to ascertain that actions had been taken in relation to the writing off of bad loans and advances and the making of allowance for bad and doubtful loans and advances, and satisfied themselves that all known bad loans and advances had been written off and that adequate allowance had been made for bad and doubtful loans and advances.

At the date of this report, the Directors are not aware of any circumstances that would render the amount written off for bad loans and advances or the amount of allowance for doubtful loans and advances in the financial statements of the Company inadequate to any material extent.

ASSETS

At the date of this report, the Directors are not aware of any circumstances that would render the values attributed to the assets in the financial statements of the Company misleading.

គ្រឹះស្ថានឯកជន
PRIVATE COMPANY
ផ្ទះលេខ១០១អា ផ្លូវ២៨៩ សង្កាត់បឹងកក់ទី១ ខណ្ឌទួលគោក ភ្នំពេញ
ADDRESS # 101A, ST.289, BOEUNG KAK 1, TOUL KORK, PHNOM PENH
TEL:(+855) 89 666 401, 098 907 555
WEBSITE: WWW.CAMMA.COM.KH

CONTINGENT AND OTHER LIABILITIES

At the date of this report there does not exist:

(a) any charge on the assets of the Company that has arisen since the end of the period which secures the liabilities of any other person; or
(b) any contingent liability in respect of the Company that has arisen since the end of the period.

No contingent or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the year that, in the opinion of the Directors, will or may have a material effect on the ability of the Company to meet its obligations as and when they fall 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 Company that would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

There were no items, transactions or events of a material and unusual nature that, in the opinion of the Directors, materially affected the financial performance of the Company for the year ended 31 December 2025.

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

THE BOARD OF DIRECTORS

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

Madam Dith Nita	Chairwoman
Mrs. You Bory	Independent Director
Mr. Frederic Simon Paul Dubois	Independent Director

THE DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors are responsible for reviewing the financial statements prepared by management and for ensuring that the financial statements are properly drawn up to present fairly, in all material respects, the Company's financial position as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (CIFRS for SMEs). In preparing these financial statements, Directors are required to:

i) adopt appropriate accounting policies in accordance with CIFRS for SMEs which are supported by reasonable and prudent judgements and estimates, and then apply them consistently;
ii) comply with the disclosure requirements of CIFRS for SMEs or, if there has been any departure in the interest of fair presentation, these has been appropriately disclosed, explained and quantified in the financial statements;
iii) maintain adequate accounting records and an effective system of internal controls;
iv) prepare the financial statements on a going-concern basis unless it is inappropriate to assume that the Company will continue operations in the foreseeable future; and
v) effectively control and direct the Company and be involved in all material decisions affecting its operations and performance and ascertain that these decisions are properly reflected in the financial statements.

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

CAMMA MICROFINANCE

APPROVAL OF THE FINANCIAL STATEMENTS

On behalf of the Board of Directors of CAMMA Microfinance Limited., we do hereby state that accompanying financial statements, together with the notes thereto, present fairly, in all material respects, the financial position of the Company as at 31 December 2025 and its financial performance and cash flows for the year then ended and have been properly drawn up in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities.

On behalf of the Board of Directors:

CAMMA MICROFINANCE LIMITED

Madam Dith Nita	Mr. Ly Chheang
Chairwoman	Chief Executive Officer

Phnom Penh, Kingdom of Cambodia

30 APR 2026

PRIVATE COMPANY
ADDRESS # 101A, ST.289, BOEUNG KAK 1, TOUL KORK, PHNOM PENH
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Independent auditor's report

To the shareholders of CAMMA Microfinance Limited.

Our opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of CAMMA Microfinance Limited. (the Company) as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (CIFRS for SMEs).

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of 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 a summary of significant accounting policy 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.

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

Independence

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

Other information

Management is responsible for the other information. The other information obtained at the date of this auditor's report are the Board of Directors' report and 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 for SMEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

For PricewaterhouseCoopers (Cambodia) Ltd.

By Lang Hy
Partner

Phnom Penh, Kingdom of Cambodia
30 April 2026

CAMMA MICROFINANCE LIMITED.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

		2025		2024	
	Notes	**US$**	**KHR'000**	**US$**	**KHR'000**
Assets					
Cash on hand	5	193,629	777,033	80,025	322,101
Deposits and placements with the central bank	6	802,555	3,220,653	378,239	1,522,412
Deposits and placements with banks	7	205,540	824,832	159,908	643,630
Loans to customers at amortised cost	8	32,142,986	128,989,803	31,452,586	126,596,659
Investment in Credit Bureau Holding Cambodia		70,000	280,910	-	-
Current income tax assets		78,437	314,768	41,418	166,707
Property and equipment	10	120,003	481,572	126,689	509,923
Intangible assets	11	100,061	401,545	92,522	372,401
Other assets	12	111,051	445,647	99,204	399,296
Total assets		33,824,262	135,736,763	32,430,591	130,533,129
Liabilities and equity					
Liabilities					
Borrowings	13	22,915,961	91,961,751	22,923,760	92,268,134
Subordinated debt	26(d)	300,303	1,205,116	600,579	2,417,330
Deferred tax liabilities	9	219,662	881,504	99,155	399,099
Other liabilities	14	294,014	1,179,878	216,987	873,373
Total liabilities		23,729,940	95,228,249	23,840,481	95,957,936
Equity					
Share capital	15	8,343,000	33,372,000	7,343,000	29,372,000
Regulatory reserves	16	1,680,834	6,745,187	1,274,252	5,161,490
Retained earnings/(accumulated losses)		70,488	378,493	(27,142)	(13,100)
Other reserves		-	12,834	-	54,803
Total equity		10,094,322	40,508,514	8,590,110	34,575,193
Total liabilities and equity		33,824,262	135,736,763	32,430,591	130,533,129

The accompanying notes on pages 11 to 37 form an integral part of these financial statements.

CAMMA MICROFINANCE LIMITED.

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

		2025		2024	
	Notes	**US$**	**KHR'000**	**US$**	**KHR'000**
Interest income	17	5,054,791	20,274,767	4,431,629	18,041,162
Interest expense	18	(1,616,290)	(6,482,939)	(1,592,046)	(6,481,219)
Net interest income		3,438,501	13,792,828	2,839,583	11,559,943
Other operating income	19	87,208	349,791	155,660	633,692
Net operating income		87,208	349,791	155,660	633,692
Credit impairment losses	20	(66,058)	(264,959)	(40,127)	(163,357)
Other gains – net		12,177	48,842	-	-
Net other operating expenses		(53,881)	(216,117)	(40,127)	(163,357)
Personnel expenses	21	(1,984,606)	(7,960,255)	(1,832,074)	(7,458,373)
Depreciation and amortisation charges	22	(80,891)	(324,454)	(86,866)	(353,632)
Other operating expenses	23	(767,319)	(3,077,717)	(724,133)	(2,947,945)
Profit before income tax		639,012	2,563,076	312,043	1,270,328
Income tax expense	24	(134,800)	(540,683)	(68,508)	(278,896)
Profit for the year		504,212	2,022,393	243,535	991,432
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Currency translation differences		-	(41,969)	-	(511,998)
Total comprehensive income for the year		504,212	1,980,424	243,535	479,434
Profit attributable to:					
Owners of the Company		504,212	2,022,393	243,535	991,432
Total comprehensive income attributable to:					
Owners of the Company		504,212	1,980,424	243,535	479,434

The accompanying notes on pages 11 to 37 form an integral part of these financial statements.

CAMMA MICROFINANCE LIMITED.

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

	Attributable to owners of the Company									
	Share capital		Regulatory reserves		Retained earnings/(accumulated losses)		Other reserves		Total	
	US$	KHR'000	US$	KHR'000	US$	KHR'000	US$	KHR'000	US$	KHR'000
As at 1 January 2024	7,343,000	29,372,000	743,195	3,023,986	260,380	1,132,972	-	566,801	8,346,575	34,095,759
Profit for the year	-	-	-	-	243,535	991,432	-	-	243,535	991,432
Other comprehensive loss -currency translation differences	-	-	-	-	-	-	-	(511,998)	-	(511,998)
Total comprehensive income for the year	-	-	-	-	243,535	991,432	-	(511,998)	243,535	479,434
Transaction with the owners										
Transfer to regulatory reserves (Note 16)	-	-	531,057	2,137,504	(531,057)	(2,137,504)	-	-	-	-
Total transaction with the owners	-	-	531,057	2,137,504	(531,057)	(2,137,504)	-	-	-	-
As at 31 December 2024	7,343,000	29,372,000	1,274,252	5,161,490	(27,142)	(13,100)	-	54,803	8,590,110	34,575,193
As at 1 January 2025	7,343,000	29,372,000	1,274,252	5,161,490	(27,142)	(13,100)	-	54,803	8,590,110	34,575,193
Profit for the year	-	-	-	-	504,212	2,022,393	-	-	504,212	2,022,393
Other comprehensive loss -currency translation differences	-	-	-	-	-	-	-	(41,969)	-	(41,969)
Total comprehensive income for the year	-	-	-	-	504,212	2,022,393	-	(41,969)	504,212	1,980,424
Transaction with the owners										
Share capital Injection (Note 15)	1,000,000	4,000,000	-	-	-	-	-	-	1,000,000	4,000,000
Transfer to regulatory reserves (Note 16)	-	-	406,582	1,630,800	(406,582)	(1,630,800)	-	-	-	-
Currency translation differences	-	-	-	(47,103)	-	-	-	-	-	(47,103)
Total transaction with the owners	1,000,000	4,000,000	406,582	1,583,697	(406,582)	(1,630,800)	-	-	1,000,000	3,952,897
As at 31 December 2025	8,343,000	33,372,000	1,680,834	6,745,187	70,488	378,493	-	12,834	10,094,322	40,508,514

The accompanying notes on pages 11 to 37 form an integral part of these financial statements.

CAMMA MICROFINANCE LIMITED.

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

		2025		2024	
	Notes	**US$**	**KHR'000**	**US$**	**KHR'000**
Cash flows from operating activities					
Profit before income tax		639,012	2,563,076	312,043	1,270,328
Adjustments for:					
Credit impairment losses	20	66,058	264,959	40,127	163,357
Depreciation and amortisation charges	22	80,891	324,454	86,866	353,632
Interest income	17	(5,054,791)	(20,274,767)	(4,431,629)	(18,041,162)
Interest expenses		1,616,290	6,482,939	1,592,046	6,481,219
Net gain on disposal of property and equipment		(7,010)	(28,117)	-	-
Unrealised exchange loss	13	6,643	26,645	32,836	133,675
		(2,652,907)	(10,640,811)	(2,367,711)	(9,638,951)
Changes in working capital:					
Statutory deposits		(50,000)	(200,550)	-	-
Loans to customers		(598,785)	(2,401,727)	(4,711,792)	(19,181,705)
Other assets		(11,847)	(47,518)	6,037	24,577
Other liabilities		77,027	308,955	43,019	175,130
Cash used in operations		(3,236,512)	(12,981,651)	(7,030,447)	(28,620,949)
Interest received		4,897,118	19,642,340	4,350,480	17,710,804
Interest paid		(1,640,404)	(6,579,660)	(1,622,604)	(6,605,621)
Income tax paid		(51,312)	(205,812)	(54,017)	(219,903)
Net cash used in operating activities		**(31,110)**	**(124,783)**	**(4,356,588)**	**(17,735,669)**
Cash flow from investing activities					
Purchase of equity instruments		(70,000)	(280,910)	-	-
Purchases of property and equipment	10	(62,898)	(252,284)	(10,506)	(42,770)
Proceeds from disposal of property and equipment		7,164	28,735	-	-
Purchases of intangible assets	11	(19,000)	(76,209)	(25,698)	(104,617)
Net cash used in investing activities		**(144,734)**	**(580,668)**	**(36,204)**	**(147,387)**
Cash flow from financing activities					
Proceeds from borrowings	13	22,000,877	88,245,518	29,264,205	119,134,579
Repayment of borrowings	13	(21,991,524)	(88,208,003)	(24,557,035)	(99,971,689)
Repayments of subordinated debt	26(d)	(299,957)	(1,203,128)	(300,092)	(1,221,675)
Proceeds from share capital injection	15	1,000,000	4,000,000	-	-
Net cash generated from financing activities		**709,396**	**2,834,387**	**4,407,078**	**17,941,215**
Net increase in cash and cash equivalents		533,552	2,128,937	14,286	58,159
Cash and cash equivalents at the beginning of the year		251,022	1,010,364	236,736	967,066
Currency translation differences		-	9,194	-	(14,861)
Cash and cash equivalents at the end of the year	25	**784,574**	**3,148,495**	**251,022**	**1,010,364**

The accompanying notes on pages 11 to 37 form an integral part of these financial statements.

1. GENERAL INFORMATION

CAMMA Microfinance Limited. (the Company) was incorporated in Cambodia under registration number No. 00019512 dated 31 March 2010 with the Ministry of Commerce as a private limited company.

On 29 July 2010, the Company obtained its license to operate the microfinance institution business from the National Bank of Cambodia (NBC or the central Bank).

The Company's corporate focus is to provide innovative and impactful financial service to communities, small and medium enterprises, and farmers, especially women, in an efficient, sustainable and responsible manner. There were no changes in the nature of these principal activities during the financial year.

The registered office and principal place of business of the Company is located at No.101A, Street 289, Sangkat Boeng Kak I, Khan Toul Kouk, Phnom Penh, Kingdom of Cambodia.

The financial statements were authorised for issue by the Board of Directors on 30 April 2026.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Basis of preparation

The financial statements are prepared in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (CIFRS for SMEs). They have been prepared using the historical cost convention.

The preparation of financial statements in conformity with CIFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgments 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Amendment to CIFRS for SMEs

The third edition of the CIFRS for SMEs (IFRS for SMEs Accounting Standard equivalent) has been issued on 27 February 2025 and is effective for annual periods beginning on or after 1 January 2027. This 2025 edition amended and revised various sections of the CIFRS for SMEs and has not been early adopted by the Company. The major updates to this standard include:

- a revised model for revenue recognition;
- bringing together the requirements for fair value measurement in a single location; and
- updating the requirements for business combinations, consolidations and financial instruments.

The Company has not early adopted the 2025 edition. The Company is assessing the detailed implications of applying the amended and revised sections on the Company's financial statements. The Company will apply the amended and revised sections for annual periods beginning on or after 1 January 2027.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company 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 Company’s functional and presentation currency.

(b) 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 on a net basis within ‘other gains/(losses) – net’.

(c) Presentation in Khmer Riel

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

The Company has used the official rates of exchange published by the National Bank of Cambodia, and as at the reporting date, the average rate was US$1 to KHR4,011 (2024: KHR4,071) and the closing rate was US$1 to KHR4,013 (2024: KHR4,025).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Financial instruments

2.4.1 Scope of financial instruments

All the financial assets and financial liabilities of the Company are basic financial instruments and are within the scope of section 11 of CIFRS for SMEs.

Basic financial assets of the Company are cash on hand, deposits and placements with the central bank, deposits and placements with banks, loans to customers, and other financial assets.

Basic financial liabilities of the Company are borrowings, subordinated debt and other financial liabilities.

2.4.2 Recognition and derecognition

The Company recognises a financial asset or a financial liability only when the Company becomes a party to the contractual provision of the instrument.

The Company derecognises a financial asset only when either:

- The contractual rights to the cash flows from the financial asset expire or are settled;
- The Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset;
- The Company has retained some significant risks and rewards of ownership but has transferred control of the asset to another party. The asset is therefore derecognised, and any rights and obligation created or retained are recognised.

The Company derecognises a financial liability only when it is extinguished; when the obligation specified in the contract is discharged, is cancelled or expires.

2.4.3 Initial and subsequent measurement

Financial instruments measured at amortised cost

When a financial asset or financial liability is recognised initially, the Company measures it at the transaction price (including transaction costs).

Financial assets and financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method.

The amortised cost of a financial asset or financial liability is the net of the following amount:

- The amount at which the financial asset or financial liability is measured at initial recognition;
- Minus any repayments of the principal;
- Plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and maturity amount;
- Minus, in the case of a financial asset, any reduction for impairment or uncollectability.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.4 Financial instruments (continued)

2.4.4 Impairment of financial assets measured at cost or amortised cost

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

The criteria that Company uses to determine whether there is objective evidence of impairment loss include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, the probability that they will enter bankruptcy or other financial reorganisation, default of delinquency in interest or principal payments and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as adverse economic conditions or adverse changes in industry conditions.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial assets' original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss.

Financial assets that have not been individually assessed are grouped together for portfolio impairment assessment. These loans are grouped according to their credit risk characteristics for the purposes of calculating an estimated collective loss. These characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being assessed. Future cash flows on a group of financial assets that are collectively assessed for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group.

The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Company to reduce any differences between loss estimates and actual loss experience.

When a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after the realisable value of collateral has been taken into consideration, if any, when in the judgement of the management, there is no prospect of recovery.

If, in a subsequent period, the amount of impairment losses decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised in profit or loss.

2.5 Cash and cash equivalents

Cash and cash equivalents include cash on hand, non-restricted deposits and placement with the central bank, deposits and placements with banks, with original maturities of three months or less from the date of acquisition.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and impairment, if any. 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 possible that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Work-in-progress is not depreciated. Depreciation of property and equipment is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives are as follows:

	Years
Leasehold improvement	4 years
Office equipment	4 years
Computer and IT equipment	4 years
Motor vehicles	4 to 5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, if there is an indication of a significant change since the last reporting date.

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

2.7 Intangible assets

Intangible assets, which comprise acquired computer software licenses and related costs, are stated at cost less accumulated amortisation and impairment loss.

Acquired computer software licenses are capitalised on the basis of the cost incurred to acquire the specific software and bring it to use. Intangible asset is amortised at the rate based on the mutual contract agreement for definite useful life and 10% per annum for indefinite useful life using the straight-line method. Costs incurred in planning or evaluating software proposals, or in maintaining systems after implementation, are not capitalised. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.8 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 to sell and 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Impairment of non-financial assets (continued)

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

2.9 Borrowings and subordinated debts

Borrowings and subordinated debts are recognised initially at the transaction price (that is, the present value of cash payable to the Company, including transaction costs). Borrowings and subordinated debts are subsequently stated at amortised cost.

Borrowings and subordinated debts are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.10 Provisions and contingent liabilities

Provisions are recognised when the Company 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 re-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 the passage of time is recognised as interest expense.

A contingent liability is either a possible but uncertain obligation or a present obligation that is not recognised. The disclosure is required unless the possibility of an outflow of resource is remote.

2.11 Interest income and expense

Interest income and expense for all interest-bearing financial instruments are recognised within interest income and interest expense in the 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 through the expected life of the financial instruments or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument, which are an integral part of the effective interest rate, but does not consider future credit losses.

When there is change in estimated future cash payments or receipts, the carrying amount of the financial asset and financial liability is adjusted to reflect actual and revised estimated cash flows. The carrying amount is recalculated by computing the present value of estimated future cash flows at the financial instrument's original effective interest rate. Such adjustment is recognised in the profit or loss at the date of revision.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Interest income and expense (continued)

Interest on impaired financial assets is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

When a loan receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan receivable is recognised using the original effective interest rate.

2.12 Fee and commission income

Fees and commission consist of fees related to loans that are not integral to loan disbursement such as penalty fee on late payment and other fee charges (if any). Income is recognised when (a) the amount of income can be measured reliably; (b) it is probable that the economic benefits associated with the transaction will flow to the entity. The income is derived from different contracts and pattern of recognition and is based on the stated policy.

2.13 Lease

As a lessee

Leases in which a significant portion of risks and rewards of ownership of assets are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the leases.

2.14 Employee benefits

(a) 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 Company.

(b) Pension fund scheme

The Company 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 Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

(c) 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 month on 30 June and 31 December (7.5 days each payment).

- Past years of seniority service – employees are entitled to 15 days of their salary per year of service since the commencement of employment up to 31 December 2018 and still continue working with the Company. The past seniority payment depends on each staff's past services and shall not exceed six months of average basic salaries. On 22 March 2019, the Ministry of Labour and Vocational Training issued guideline number 042/19 K.B/S.N.N.Kh.L, to delay the payment of the past years of seniority service which will be payable three days each in June and in December.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.14 Employee benefits (continued)

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 Company.

The past years of seniority service is classified as long-term employee benefits, except for the amount payable within 12 months. Past seniority liability is recognised at the present value of defined obligations at the reporting period. 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.

2.15 Current and deferred income tax

The income tax expenses are the tax payables 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 Company 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 the 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.

2.16 Regulatory reserve

Banks and financial institutions are required to compute regulatory provisions, according to Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 dated 16 February 2018 on credit risk classification and provisions on impairment, and Circular No. B7-021-2314 dated 28 December 2021 (implemented from 1 January 2022) on the classification and provisioning requirements for restructured loans, and Notification No. B30-025-170 dated 5 February 2025 on calculation of the total provision. If the accumulated regulatory provision is higher than the accumulated impairment based on CIFRS for SMEs, 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 for SMEs. The regulatory reserve is set aside as a buffer, is non-distributable, is not allowed to be included in the net worth calculation.

The regulatory provision is calculated by applying the prescribed credit grading rates issued by the NBC to the gross carrying amount per CIFRS for SMEs. These rates are as follows: Normal at 1%, Special Mention at 3%, Sub-standard at 20%, Doubtful at 50%, and Loss at 100%.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Company makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment losses on loans to customers

The Company makes allowance for impairment for losses on loans and advances based on assessment of recoverability. Whilst management is guided by the accounting standard, management makes judgement on the future and other key factors in respect of the estimation of the amount and time of the cash flows in allowance for impairment of loans and advances. Among the factors considered are the Company's segmentation of loan portfolios, point of no return of non-performing loans, aggregate exposure to the borrowers, the viability of the customer's business model, the capacity to generate sufficient cash flow to service debt obligations and the aggregate amount and ranking of all other creditor claims. For individual assessment, management makes judgement on the future in respect of the estimation of amount and timing of cash flows from the net realisable value of the underlying collateral value.

4. FINANCIAL INSTRUMENTS

	2025		2024	
	US$	KHR'000	US$	KHR'000
Financial assets				
Financial assets measured at amortised cost:				
Cash on hand (Note 5)	193,629	777,033	80,025	322,101
Deposits and placements with the central bank (Note 6)	385,405	1,546,630	378,239	1,522,412
Deposits and placements with banks (Note 7)	205,540	824,832	159,908	643,630
Loans to customers at amortised cost (Note 8)	32,142,986	128,989,803	31,452,586	126,596,659
Other financial assets	61,438	246,551	43,128	173,590
	32,988,998	132,384,849	32,113,886	129,258,392
Financial liabilities measured at amortised cost:				
Borrowings (Note 13)	22,915,961	91,961,751	22,923,760	92,268,134
Subordinated debt (Note 26(d))	300,303	1,205,116	600,579	2,417,330
Other financial liabilities	31,000	124,403	23,990	96,560
	23,247,264	93,291,270	23,548,329	94,782,024

5. CASH ON HAND

	2025		2024	
	US$	KHR'000	US$	KHR'000
US dollars	153,287	615,141	60,303	242,720
Khmer Riel	40,342	161,892	19,722	79,381
	193,629	777,033	80,025	322,101

6. DEPOSITS AND PLACEMENTS WITH THE CENTRAL BANK

	2025		2024	
	US$	**KHR'000**	**US$**	**KHR'000**
Current:				
Current accounts	385,405	1,546,630	11,089	44,633
Non-current:				
Statutory deposit - capital guarantee	417,150	1,674,023	367,150	1,477,779
	802,555	3,220,653	378,239	1,522,412

In compliance with Prakas B7-00-06 dated 11 January 2000 on the licensed microfinance institutions, the Company is required to maintain a statutory capital deposit with the central bank at 5% of paid-up capital. This deposit is refundable should the Company voluntarily liquidate.

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

	2025	**2024**
Current accounts	Nil	Nil
Capital guarantee	1.03% - 1.06%	1.31% - 1.33%

7. DEPOSITS AND PLACEMENTS WITH BANKS

	2025		2024	
	US$	**KHR'000**	**US$**	**KHR'000**
Current:				
Current accounts	46,303	185,814	13,151	52,933
Savings accounts	159,237	639,018	146,757	590,697
	205,540	824,832	159,908	643,630

Current accounts with local commercial banks are non-interest bearing. Saving accounts with local commercial banks have an annual interest rate from 0.10% to 3.50% (2024: 0.05% to 1.33%).

8. LOANS TO CUSTOMERS AT AMORTISED COST

	2025		2024	
	US$	**KHR'000**	**US$**	**KHR'000**
At amortised costs				
Individual loans	32,372,696	129,911,629	31,242,962	125,752,922
Group loans	138,405	555,419	273,519	1,100,914
Staff loans	271,471	1,089,414	398,936	1,605,718
Total gross loans to customers	32,782,572	131,556,462	31,915,417	128,459,554
Less: Allowance for impairment losses on loans to customers	(639,586)	(2,566,659)	(462,831)	(1,862,895)
Total net loan to customers	32,142,986	128,989,803	31,452,586	126,596,659

8. LOANS TO CUSTOMERS AT AMORTISED COST (continued)

a. Allowance for impairment losses on loans and advances

The movements in allowance for credit impairment losses on loans to customers are as follows:

	2025		2024	
	US$	KHR'000	US$	KHR'000
As at 1 January	462,831	1,862,895	421,508	1,721,860
Charged for the year (Note 20)	176,482	707,869	40,127	163,357
Loss on foreign exchange	273	1,095	1,196	4,869
Currency translation differences	-	(5,200)	-	(27,191)
As at 31 December	639,586	2,566,659	462,831	1,862,895

b. Analysis by collateral

	2025		2024	
	US$	KHR'000	US$	KHR'000
Secured	30,044,004	120,566,588	30,220,648	121,638,108
Unsecured	2,738,568	10,989,874	1,694,769	6,821,446
Total gross loans to customers	32,782,572	131,556,462	31,915,417	128,459,554

c. Analysis by industry

	2025		2024	
	US$	KHR'000	US$	KHR'000
Services	7,810,041	31,341,695	5,789,696	23,303,526
Household/family	6,323,608	25,376,639	9,581,513	38,565,590
Trade and Commerce	4,965,081	19,924,870	4,326,815	17,415,430
Construction	1,894,152	7,601,232	2,095,058	8,432,608
Agriculture	1,987,297	7,975,023	2,014,067	8,106,620
Transportation	706,044	2,833,355	631,823	2,543,088
Others	9,096,349	36,503,648	7,476,445	30,092,692
Total gross loans to customers	32,782,572	131,556,462	31,915,417	128,459,554

d. Analysis by residency

	2025		2024	
	US$	KHR'000	US$	KHR'000
Residents	32,782,572	131,556,462	31,915,417	128,459,554
Total gross loans to customers	32,782,572	131,556,462	31,915,417	128,459,554

8. LOANS TO CUSTOMERS AT AMORTISED COST (continued)

e. Analysis by relationship

	2025		2024	
	US$	**KHR'000**	**US$**	**KHR'000**
Non-related parties	32,725,139	131,325,983	31,814,454	128,053,177
Related parties (Note 26(b))	57,433	230,479	100,963	406,377
Total gross loans to customers	32,782,572	131,556,462	31,915,417	128,459,554

f. Analysis by exposure

	2025		2024	
	US$	**KHR'000**	**US$**	**KHR'000**
Non-large	32,782,572	131,556,462	31,915,417	128,459,554
Total gross loans to customers	32,782,572	131,556,462	31,915,417	128,459,554

In accordance with the NBC's Prakas, loans to a single borrower exceeding 10% of the Company's net worth are considered as large exposure.

g. Analysis by maturity

	2025		2024	
	US$	**KHR'000**	**US$**	**KHR'000**
Not later than one year	1,087,356	4,363,560	746,850	3,006,071
Later than one year and not later than three years	7,061,734	28,338,739	5,304,840	21,351,981
Later than three years and not later than five years	8,972,289	36,005,796	9,886,162	39,791,802
Later than five years	15,661,193	62,848,367	15,977,565	64,309,700
Total gross loans to customers	32,782,572	131,556,462	31,915,417	128,459,554

h. Analysis by currency

	2025		2024	
	US$	**KHR'000**	**US$**	**KHR'000**
US dollars	28,222,848	113,258,289	28,044,685	112,879,858
Khmer Riel	4,559,724	18,298,173	3,870,732	15,579,696
Total gross loans to customers	32,782,572	131,556,462	31,915,417	128,459,554

i. Interest rate

Annual interest rates during the year are as follows:

	2025	**2024**
Individual loans	8.04% - 18%	7.20% - 18%
Group loans	18%	18%
Staff loans	11.88% - 18%	10.20% - 18%

9. DEFERRED TAX LIABILITIES

	2025		2024	
	US$	KHR'000	US$	KHR'000
Non-current:				
Deferred tax assets	55,675	223,424	91,628	368,802
Deferred tax liabilities	(275,337)	(1,104,928)	(190,783)	(767,901)
Deferred tax liabilities – net	(219,662)	(881,504)	(99,155)	(399,099)

Movement of net deferred tax liabilities is as below:

	2025		2024	
	US$	KHR'000	US$	KHR'000
As at 1 January	(99,155)	(399,099)	(30,647)	(125,193)
Credited to profit or loss (Note 24(a))	(120,507)	(483,354)	(68,508)	(278,896)
Currency translation differences	-	949	-	4,990
As at 31 December	(219,662)	(881,504)	(99,155)	(399,099)

Deferred tax assets:

	Accelerated tax depreciation US$	Accumulated tax loss carried forward US$	Unamortised loan processing fees US$	Seniority provision US$	Operating lease rental at straight line basis US$	Total US$
For the year ended 31 December 2024						
As at 1 January 2024	-	-	63,847	1,666	658	66,171
Credited/(charged) to profit or loss	3,172	5,309	18,241	(1,531)	266	25,457
As at 31 December 2024	3,172	5,309	82,088	135	924	91,628
In KHR'000 equivalent	12,767	21,369	330,404	543	3,719	368,802
For the year ended 31 December 2025						
As at 1 January 2025	3,172	5,309	82,088	135	924	91,628
(Charged)/credited to profit or loss	(2,360)	(5,309)	(29,536)	1,308	(56)	(35,953)
As at 31 December 2025	812	-	52,552	1,443	868	55,675
In KHR'000 equivalent	3,259	-	210,891	5,791	3,483	223,424

9. DEFERRED TAX LIABILITIES (continued)

Deferred tax liabilities:

	Accelerated tax depreciation	Credit impairment losses US$	Unamortised borrowing processing fee US$	Total US$
For the year ended 31 December 2024				
As at 1 January 2024	87	92,321	4,410	96,818
(Credited)/charged to profit or loss	(87)	95,123	(1,071)	93,965
As at 31 December 2024	-	187,444	3,339	190,783
In KHR'000 equivalent	-	754,462	13,439	767,901
For the year ended 31 December 2025				
As at 1 January 2025	-	187,444	3,339	190,783
Charged/(credited) to profit or loss	-	85,610	(1,056)	84,554
As at 31 December 2025	-	273,054	2,283	275,337
In KHR'000 equivalent	-	1,095,766	9,162	1,104,928

10. PROPERTY AND EQUIPMENT

	Leasehold improvement US$	Office equipment US$	Computer and IT equipment US$	Motor vehicles US$	Total US$
Non-current					
For the year ended 31 December 2024					
Cost					
As at 1 January 2024	160,990	158,322	219,548	31,488	570,348
Additions	-	1,601	8,905	-	10,506
As at 31 December 2024	160,990	159,923	228,453	31,488	580,854
Less: Accumulated depreciation					
As at 1 January 2024	108,694	110,453	134,970	23,151	377,268
Depreciation charged for the year	19,038	21,289	33,642	2,928	76,897
As at 31 December 2024	127,732	131,742	168,612	26,079	454,165
Carrying amounts					
As at 31 December 2024	33,258	28,181	59,841	5,409	126,689
In KHR'000 equivalent	133,863	113,429	240,860	21,771	509,923
For the year ended 31 December 2025					
Cost					
As at 1 January 2025	160,990	159,923	228,453	31,488	580,854
Additions	27,029	10,686	22,393	2,790	62,898
Disposals	-	(950)	(15,148)	(15,000)	(31,098)
As at 31 December 2025	188,019	169,659	235,698	19,278	612,654
Less: Accumulated depreciation					
As at 1 January 2025	127,732	131,742	168,612	26,079	454,165
Depreciation charged for the year	18,051	17,844	30,014	3,521	69,430
Disposals	-	(950)	(14,994)	(15,000)	(30,944)
As at 31 December 2025	145,783	148,636	183,632	14,600	492,651
Carrying amounts					
As at 31 December 2025	42,236	21,023	52,066	4,678	120,003
In KHR'000 equivalent	169,493	84,365	208,941	18,773	481,572

11. INTANGIBLE ASSETS

	Software US$	Work in progress US$	Total US$
Non-current			
For the year ended 31 December 2024			
Cost			
As at 1 January 2024	114,236	24,025	138,261
Additions	25,698	-	25,698
Transfers	24,025	(24,025)	-
As at 31 December 2024	163,959	-	163,959
Less: Accumulated amortisation			
As at 1 January 2024	61,468	-	61,468
Amortisation charged for the year	9,969	-	9,969
As at 31 December 2024	71,437	-	71,437
Carrying amounts			
As at 31 December 2024	92,522	-	92,522
In KHR'000 equivalent	372,401	-	372,401
For the year ended 31 December 2025			
Cost			
As at 1 January 2025	163,959	-	163,959
Additions	19,000	-	19,000
As at 31 December 2025	182,959	-	182,959
Less: Accumulated amortisation			
As at 1 January 2025	71,437	-	71,437
Amortisation charged for the year	11,461	-	11,461
As at 31 December 2025	82,898	-	82,898
Carrying amounts			
As at 31 December 2025	100,061	-	100,061
In KHR'000 equivalent	401,545	-	401,545

12. OTHER ASSETS

	2025		2024	
	US$	KHR'000	US$	KHR'000
Advance deposits	61,438	246,551	43,128	173,590
Prepayments	31,403	126,020	46,910	188,813
Others	18,210	73,076	9,166	36,893
	111,051	445,647	99,204	399,296

	2025		2024	
	US$	KHR'000	US$	KHR'000
Current	49,613	199,096	56,076	225,706
Non-current	61,438	246,551	43,128	173,590
	111,051	445,647	99,204	399,296

13. BORROWINGS

	2025		2024	
	US$	KHR'000	US$	KHR'000
Principal	22,800,731	91,499,334	22,784,735	91,708,558
Interest payables	115,230	462,417	139,025	559,576
	22,915,961	91,961,751	22,923,760	92,268,134

Movement of borrowing is as follows:

	2025		2024	
	US$	KHR'000	US$	KHR'000
As at 1 January	22,923,760	91,994,718	18,213,997	74,404,178
Additions	22,000,877	88,245,518	29,264,205	119,134,579
Interest charges	1,577,621	6,327,838	1,533,850	6,244,303
Repayment	(21,991,524)	(88,208,003)	(24,557,035)	(99,971,689)
Interest payment	(1,601,416)	(6,423,280)	(1,564,093)	(6,367,423)
Loss on foreign exchange rate	6,643	26,645	32,836	133,675
Currency translation differences	-	(1,685)	-	(1,309,489)
As at 31 December	22,915,961	91,961,751	22,923,760	92,268,134

a. Analysis by maturity

	2025		2024	
	US$	KHR'000	US$	KHR'000
Current	17,969,743	72,112,579	14,833,978	59,706,761
Non-current	4,946,218	19,849,172	8,089,782	32,561,373
	22,915,961	91,961,751	22,923,760	92,268,134

As at 31 December 2025, the Company’s financial covenant ratio was not in line with covenant on a borrowing totaling US$1,534,881 from a lender since September 2025. The Company received waiver approval from the respective lender for this financial covenant ratio, which is valid until 31 December 2025. Accordingly, the outstanding amount has been classified as current liabilities. The Company is actively in discussions with the lender and is in the process of requesting an extension of the waiver approval beyond 2025. The management believes that a waiver extension will be granted.

b. Analysis by relationship

	2025		2024	
	US$	KHR'000	US$	KHR'000
Non-related parties	20,456,676	82,092,640	18,774,534	75,567,499
Related parties (Note 26(c))	2,459,285	9,869,111	4,149,226	16,700,635
	22,915,961	91,961,751	22,923,760	92,268,134

13. BORROWINGS (continued)

c. Analysis by collateral

	2025		2024	
	US$	KHR'000	US$	KHR'000
Secured (*)	4,567,669	18,330,056	5,488,439	22,090,966
Unsecured	18,348,292	73,631,695	17,435,321	70,177,168
	22,915,961	91,961,751	22,923,760	92,268,134

(*) As at 31 December 2025, the Company has outstanding borrowings from local commercial banks amounting to US$4,567,669, which are secured by land and buildings owned by the shareholders, Madam Ou San, and Madam Dith Nita.

d. Interest rate (per annum)

Annual interest rates during the year are as follows:

	2025	2024
Secured	6% - 8%	6% - 8.35%
Unsecured	2% - 10%	2% - 10%

14. OTHER LIABILITIES

	2025		2024	
	US$	KHR'000	US$	KHR'000
Current				
Prepayment from customers (*)	164,085	658,473	160,557	646,242
Accrued bonus	57,171	229,427	2,164	8,710
Accrued tax payable	24,577	98,628	22,621	91,050
Accrued and other payable	24,464	98,174	21,314	85,789
Deposit from insurance company	9,968	40,002	-	-
Seniority indemnity	7,214	28,950	7,655	30,811
Others	6,535	26,224	2,676	10,771
	294,014	1,179,878	216,987	873,373

(*) This prepayment from customers is for loan settlement for subsequent due date. However, the customers still have the right to withdraw it before the settlement due date.

15. SHARE CAPITAL

The total authorised numbers of shares of the Company as at 31 December 2025 was 8,343,000 shares (2024: 7,343,000 shares) with a par value of US$1 per share (2024: US$1 per share). All authorised shares are issued and fully paid up.

	2025			2024		
	% of ownership	US$	KHR'000	% of ownership	US$	KHR'000
Shareholder						
Madam Ou San	51.38%	4,286,229	17,144,916	51.56%	3,786,229	15,144,916
Madam Dith Nita	48.62%	4,056,771	16,227,084	48.44%	3,556,771	14,227,084
	100%	8,343,000	33,372,000	100%	7,343,000	29,372,000

15. SHARE CAPITAL (continued)

Movement of share capital is as follows:

	2025		2024	
	US$	KHR'000	US$	KHR'000
As at 1 January	7,343,000	29,372,000	7,343,000	29,372,000
Additions (*)	1,000,000	4,000,000	-	-
As at 31 December	8,343,000	33,372,000	7,343,000	29,372,000

(*) During the financial year, the Company received a share capital injection amounting to US$1,000,000 from its shareholders. This increase in share capital was approved by the National Bank of Cambodia (NBC) on 2 April 2025 and approved by the Ministry of Commerce (MoC) on 10 June 2025.

16. REGULATORY RESERVES

Regulatory reserves represented the variance of expected credit loss (ECL) on financial instruments in accordance with CIFRS for SMEs and regulatory provisions in accordance with National Bank of Cambodia (NBC).

As at 31 December 2025, the Company transferred from retained earnings to regulatory reserves of US$406,582 (2024: transfer from retained earnings to regulatory reserves of US$531,057).

	2025		2024	
	US$	KHR’000	US$	KHR’000
Regulatory provision based on NBC’s guidelines	2,320,632	9,312,696	1,737,083	7,024,968
Expected credit losses based on CIFRS for SMEs	(639,798)	(2,567,509)	(462,831)	(1,862,895)
Regulatory reserves transferred from retained earnings	1,680,834	6,745,187	1,274,252	5,161,490

The movement on regulatory reserves are as follows:

	2025		2024	
	US$	KHR’000	US$	KHR’000
At 1 January	1,274,252	5,161,490	743,195	3,023,986
Additional transfer to regulatory reserves during the year	406,582	1,630,800	531,057	2,161,933
Currency translation differences	-	(47,103)	-	(24,429)
At 31 December	1,680,834	6,745,187	1,274,252	5,161,490

17. INTEREST INCOME

	2025		2024	
	US$	KHR'000	US$	KHR'000
Loans to customers	5,039,069	20,211,706	4,425,957	18,018,071
Deposits and placements with other banks	11,539	46,283	800	3,257
Deposits and placements with the central bank	4,183	16,778	4,872	19,834
	5,054,791	20,274,767	4,431,629	18,041,162

18. INTEREST EXPENSE

	2025		2024	
	US$	KHR'000	US$	KHR'000
Borrowings	1,577,621	6,327,838	1,533,850	6,244,303
Subordinated debt	38,669	155,101	58,196	236,916
	1,616,290	6,482,939	1,592,046	6,481,219

19. OTHER OPERATING INCOME

	2025		2024	
	US$	KHR'000	US$	KHR'000
Penalty fee	33,094	132,740	131,889	536,920
Other income	54,114	217,051	-	-
Unrealised foreign exchange gain - net	-	-	24,362	99,178
Realised foreign exchange loss - net	-	-	(591)	(2,406)
	87,208	349,791	155,660	633,692

20. CREDIT IMPAIRMENT LOSSES

	2025		2024	
	US$	KHR'000	US$	KHR'000
Credit impairment losses on loans to customers (Note 8(a))	176,482	707,869	39,982	162,767
Credit impairment losses on deposits and placements with banks	67	270	145	590
Unwinding of discounts	(108,991)	(437,163)	-	-
Recovery from loans to customers previously written off	(1,500)	(6,017)	-	-
	66,058	264,959	40,127	163,357

21. PERSONNEL EXPENSES

	2025		2024	
	US$	KHR'000	US$	KHR'000
Salaries	1,578,736	6,332,310	1,494,683	6,084,854
Bonus	211,230	847,244	130,766	532,348
Pension fund	133,189	534,221	110,007	447,838
Employee training expense	13,620	54,630	26,003	105,858
Other personnel expenses	47,831	191,850	70,615	287,475
	1,984,606	7,960,255	1,832,074	7,458,373

22. DEPRECIATION AND AMORTISATION CHARGES

	2025		2024	
	US$	KHR'000	US$	KHR'000
Depreciation	69,430	278,484	76,897	313,048
Amortisation	11,461	45,970	9,969	40,584
	80,891	324,454	86,866	353,632

23. OTHER OPERATING EXPENSES

	2025		2024	
	US$	KHR'000	US$	KHR'000
Rental	242,651	973,273	214,416	872,888
Travelling and vehicle expenses	98,576	395,388	108,578	442,021
Professional fees	68,929	276,474	48,066	195,677
Fees and taxes	65,068	260,988	72,571	295,437
Security	50,573	202,848	51,208	208,468
Advertising	49,222	197,429	49,265	200,558
Repairs and maintenance	46,140	185,068	37,504	152,679
Utilities	40,827	163,757	44,826	182,487
Office supplies and equipment	36,639	146,959	36,720	149,487
Communication	25,313	101,530	23,935	97,439
Printing and copying	2,532	10,156	1,792	7,295
Others	40,849	163,847	35,252	143,509
	767,319	3,077,717	724,133	2,947,945

Audit fee information

The following fees were paid or are payables to PricewaterhouseCoopers (Cambodia) Ltd. PricewaterhouseCoopers (Cambodia) Ltd. was not the auditor of the Company in 2024.

	2025	
	US$	KHR'000
Statutory audit	29,000	116,319
	29,000	116,319

24. INCOME TAX EXPENSE

a) Income tax expense

	2025		2024	
	US$	KHR'000	US$	KHR'000
Current tax	14,293	57,329	-	-
Deferred tax	120,507	483,354	68,508	278,896
	134,800	540,683	68,508	278,896

b) Reconciliation between accounting profit and income tax expense

	2025		2024	
	US$	KHR'000	US$	KHR'000
Profit before income tax	639,012	2,563,076	312,043	1,270,328
Tax calculated at the rate of 20%	127,802	512,615	62,409	254,067
Tax effect in respect of:				
Expenses not deductible for tax purposes	6,998	28,068	6,099	24,829
Income tax expense	134,800	540,683	68,508	278,896

In accordance with Cambodian Law on Taxation, the Company has an obligation to pay corporate income tax at 20%.

c) Other matters

Taxes are calculated on the basis of current interpretation of the tax regulations enacted as at reporting date. The management periodically evaluates positions 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.

According to Prakas 638 issued on 4 July 2017, an entity is eligible to be exempted from payment of minimum tax if it maintained proper accounting records and obtained approval from the General Department of Taxation (“GDT”).

The Company has obtained the proper accounting record and gold status certificate from the GDT on 5 September 2022 and 8 September 2022 respectively. It is exempted from payment of minimum tax for tax years 2023 and 2024. The exemption was subsequently renewed following the award of proper accounting records and gold status certificate on 30 May 2024 and 31 May 2024 respectively, ensuring continued minimum tax exemption for the tax years 2025 and 2026.

25. CASH AND CASH EQUIVALENTS

	2025		2024	
	US$	KHR'000	US$	KHR'000
Cash on hand (Note 5)	193,629	777,033	80,025	322,101
Deposits and placements with the central bank				
Current account	385,405	1,546,630	11,089	44,633
Deposits and placements with banks				
Current accounts	46,303	185,814	13,151	52,933
Savings accounts	159,237	639,018	146,757	590,697
	784,574	3,148,495	251,022	1,010,364

26. RELATED PARTY TRANSACTIONS AND BALANCES

The Company entered into a number of transactions with related parties in the normal course of business. The volumes of related-party transactions, outstanding balances at the year-end, and related expense and income for the year are as follows:

(a) Related parties and relationships

The related parties and their relationship with the Company are as follows:

Relationship	Related party
Shareholder	Madam Ou San
Shareholder	Madam Dith Nita
Key management personnel	All directors of the Company who make critical decisions in relation to the strategic direction of the Company and senior management staff (including their close family members).

(b) Loans to related parties

	2025		2024	
	US$	KHR'000	US$	KHR'000
Key management	57,433	230,479	100,963	406,377

	2024		2023	
	US$	KHR'000	US$	KHR'000
Interest income from loans to key management	7,167	28,747	11,687	47,578

Loans to key management earned an annual interest at rate of 10.2% to 15.6% (2024: 10.2% to 15.6%). The Company recognised allowance for impairment losses on loans to key management of US$202 (2024: US$50).

26. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(b) Loans to related parties (continued)

Movement of loans to related parties is as follows:

	2025		2024	
	US$	KHR'000	US$	KHR'000
As at 1 January	100,963	406,376	122,280	499,514
Additions during the year	8,000	32,088	18,500	75,314
Repayment during the year	(51,539)	(206,723)	(40,562)	(165,128)
Interest charged	7,167	28,747	11,687	47,578
Interest collection	(7,261)	(29,124)	(11,805)	(48,058)
Gain on currency translation	103	413	863	3,513
Currency translation differences	-	(1,298)	-	(6,357)
As at 31 December	57,433	230,479	100,963	406,376

(c) Borrowings from related party

	2025		2024	
	US$	KHR'000	US$	KHR'000
Close family member of shareholder	2,459,285	9,869,111	4,149,226	16,700,635
	2,459,285	9,869,111	4,149,226	16,700,635

Movement of borrowings from related parties is as follows:

	2025		2024	
	US$	KHR'000	US$	KHR'000
As at 1 January	4,149,226	16,700,635	3,972,535	16,227,805
Additions during the year	3,689,523	14,798,677	2,967,850	12,082,117
Repayment during the year	(5,390,860)	(21,622,739)	(2,790,778)	(11,361,257)
Interest charged	271,068	1,087,254	327,517	1,333,322
Interest payment	(259,672)	(1,041,544)	(327,898)	(1,334,873)
Currency translation differences	-	(53,172)	-	(246,479)
As at 31 December	2,459,285	9,869,111	4,149,226	16,700,635

(d) Subordinated debt from related party

	2025		2024	
	US$	KHR'000	US$	KHR'000
Shareholder				
Principal	299,985	1,203,840	599,942	2,414,767
Interest payables	318	1,276	637	2,563
	300,303	1,205,116	600,579	2,417,330

On 25 August 2021, the Company entered into an agreement with Madam Dith Nita, its shareholder, and subsequently amended the agreement on 17 February 2022, with principal amount of US$2,750,000. The subordinated debt is unsecured with an annual interest rate of 6.50% and it is matured on 25 August 2026. The subordinated debt was approved by NBC to be treated as part of complementary capital for the purpose of net worth calculation on 9 March 2022.

26. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

(d) Subordinated debt from related party (continued)

Movement of subordinated debt is as follows:

	2025		2024	
	US$	KHR'000	US$	KHR'000
As at 1 January	600,579	2,417,330	900,986	3,680,528
Repayments during the year	(299,957)	(1,203,128)	(300,092)	(1,221,675)
Interest charged	38,669	155,101	58,196	236,916
Interest payment	(38,988)	(156,381)	(58,511)	(238,198)
Currency translation differences	-	(7,806)	-	(40,241)
As at 31 December	300,303	1,205,116	600,579	2,417,330

(d.1) Analysis by maturity

	2025		2024	
	US$	KHR'000	US$	KHR'000
Current	300,303	1,205,116	338,945	1,359,509
Non-current	-	-	261,634	1,057,821
	300,303	1,205,116	600,579	2,417,330

(e) Interest expense with related party

	2025		2024	
	US$	KHR'000	US$	KHR'000
Borrowings	271,068	1,087,254	385,713	1,570,237
Subordinated debt	38,669	155,101	58,196	236,916
	309,737	1,242,355	443,909	1,807,153

(f) Key management personnel compensation

	2025		2024	
	US$	KHR'000	US$	KHR'000
Director's fee	6,000	24,066	6,000	24,426
Key management:				
Salaries and other benefits	472,527	1,895,306	404,710	1,647,574
	478,527	1,919,372	410,710	1,672,000

27. COMMITMENTS

Operating lease commitments – the Company as lessee

These operating leases mainly related to the office rental of head office and its branches. Where the Company is the lessee, the future minimum lease payments under non-cancellable operating leases are as follows:

	2025		2024	
	US$	**KHR'000**	**US$**	**KHR'000**
Not later than one year	185,515	744,472	171,463	690,139
Later than one year and not later than two years	144,697	580,669	154,848	623,263
Later than two years and not later than three years	35,333	141,791	114,031	458,975
Later than three years and not later than four years	29,555	118,604	14,889	59,928
Later than four years and not later than five years	5,111	20,510	-	-
	400,211	1,606,046	455,231	1,832,305