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柬埔寨郵政銀行 CAMBODIA POST BANK PLC.



ANNUAL REPORT 2023

ACRONYMS

AC	Audit Committee
ALCO	Asset and Liability Committee
APM	Administration & Procurement Manager
ATM	Automated Teller Machine
BDC	Business Development Committee
CC	Credit Committee
CCC	Customer Service and Complaint Handling Committee
CDM	Cash Deposit Machine
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CHRO	Chief Human Resources Officer
CIH	CANADIA Investment Holding Plc.
CITO	Chief Information Technology Officer
COO	Chief Operating Officer
CP	Cambodia Post
CPBank	Cambodia Post Bank PLC.
CRO	Chief Risk Officer
CSS	Cambodia Shared Switch
DCEO	Deputy Chief Executive Officer
EC	Executive Committee
EVP	Executive Vice President
FFC	Fullerton Financial Capital Pte. Ltd.

FFH	Fullerton Financial Holdings Pte. Ltd.
HCB	Head of Core Banking Department
HCD	Head of Compliance Department
HEB	Head of E-Channel Banking
HERU	Head of Employee Relation Unit
HLU	Head of Legal Unit
HOC	Head of Credit
HOL	Head of Lending Department
HRA	Head of Risk Analytics Department
HRC	Human Resource Committee
ICT	Information and Communication Technologies
IFC	International Finance Corporation
ITSC	Information Technology Steering Committee
ORM	Operational Risk Manager
ORMC	Operational Risk Management Committee
PROCO	Procurement Committee
RNC	Remuneration and Nomination Committee
ROC	Risk Oversight Committee
SES	Senior Executive Secretary
SME	Small and Medium-size Enterprise
SMM	Senior Marketing Manager
SMR & HRBP	Senior Manager, Recruitment and HR Business Partners
TM	Treasury Manager

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ABOUT CPBANK

Cambodia Post Bank Plc. is one of the fastest growing commercial banks in Cambodia. It was established in September 2013 under the strategic partnership among CANADIA Investment Holding Plc. (CIH), Cambodia Post (CP) of Ministry of Post and Telecommunications and Fullerton Financial Capital Pte. (FFC). From 2013 till date, CPBank has evolved and transformed as the Best Mass Market Bank that embraces global best practices and chooses to be at the forefront of technological initiatives. CPBank measures its success not only by the bottom-line numbers but also the milestones set towards becoming the most competitive bank in Cambodia to fulfill the growing aspirations of the people of Cambodia.

In last 10 years, CPBank has rapidly transformed itself into a bank with full-fledged digital services and features that allows our customers to access and manage their financial needs easily and safely through their mobile phone at their convenience. Customer can request for a loan, open an account, transfer funds, make bill payments and other financial transactions online without coming to our branches. Introduction of QR scan, bill payments, tax collections, local and international fund transfer, phone top-up along with CPBank's adoption of Bakong, Retail Pay, FAST system made the financial transactions easy and convenient. To ensure the overall security and peace of mind for our customers to perform their transactions digitally, we not only have 24/7 security operating center to manage the cyber security but also upgraded our Core Banking System. Our "365 days banking services" are also there for our customers in case they need to come to our branches every day irrespective of weekends and public holidays.

CPBank is now with solid capital base with total assets of over USD1.46 billion, established 62 branches, 324+ ATMs/CDMs access points, 329,000+ account base, 131,000+ ATM/Debit card holders, and 58,000+ merchants nationwide. The Bank has also partnered with financial and payment service institutions such as Wing and True Money which

make our customer choose alternate place for their loan repayment at their doorsteps. The Bank also has partnered with other Financial Institutions such as AMK, Amret for sharing ATM utilizing the NBC's Cambodian Shared Switch (CSS) and open the network for customers to transact freely at their convenience. CPBank also participated in various Government initiatives of rebuilding the economy from Pandemic impact through the SME Bank and Credit Guarantee Corporation Cambodia. These initiatives have supported the Royal Government of Cambodia's initiatives to develop & strengthen SMEs, as part of the Strategy for Economic Recovery for the New Normal 2021-2023.

CPBank has received many recognitions locally and internationally. In 2023, CPBank has received Honorable Mention in the "SME Financier of the Year - Asia" from the International Finance Corporation (IFC) and the SME Finance Forum for the noteworthy contribution towards SME in Cambodia. CPBank has also been awarded the "Peak of Success Best Retail Bank 2023" and "Peak of Success – Trustful Bank in 2022 Award" from World Confederation of Business.

CPBank is committed to building a strong service culture with its committed professional staff in order to maintain and improve its performance and offer the best-in-class customer experience in Cambodia. We are thriving to achieve "One Family, One Account" strategy towards the financial inclusion. CPBank's subsidiary Funan also has a wide coverage across the country through its 51 branches. CPBank offers various types of products to cater the need of the Mass Market segment. As a financial group, CPBank is committed to design and provide innovative financial products for our customers and set the best in class service standard in Cambodia.



VISION AND MISSION



Vision

“ To be the best mass market bank that enriches lives and fulfills the growing aspirations of the people of Cambodia and create sustainable value for shareholders, employees and society. ”



Mission

“ Design and provide innovative financial solutions and deliver best in class services to our customers. ”

CORE VALUE “R.I.C.E.”



Reliability

To be a reliable, dependable, and trustworthy service provider, offering quality products and services.



Innovation

Adopt effective product, process, services, technologies, and ideas to design innovative solutions to achieve customer objectives.



Care

Go the extra mile in providing excellent service to internal and external stakeholders to build a quality lasting relationship.



Entrepreneurship

Encourage empowerment, initiative, and accountability among our employees to continuously reinvent, with an entrepreneurial spirit to make our company stronger.

SHAREHOLDERS



CORPORATE CAPITAL STRUCTURE



CANADIA INVESTMENT HOLDING PLC.

50%

Canada Investment Holding Plc. (CIH) is one of the largest and most trustworthy financial investment company in Cambodia. By the end of 2023, CIH reported the total assets of over US\$10 billion. CIH has 8 subsidiaries and affiliates that offer services in finance and banking (corporate, SME, and retail), micro-finances, life insurance, general insurance, and stock markets in Cambodia. CIH has in-depth knowledge of the Cambodian market and operates with high discipline and corporate social responsibility.



FULLERTON

45%

FULLERTON FINANCIAL CAPITAL PTE. LTD.

Fullerton Financial Capital Pte. Ltd. is a wholly-owned subsidiary of Fullerton Financial Holdings Pte. Ltd. (FFH). FFH is an independently operated strategic and operating investor in financial and related services in emerging markets. FFH creates shareholder value by being committed to building differentiated business models focused on the Mass Market and SME segments, and an enabler of digital innovation for its portfolio companies.



CAMBODIA POST BY MINISTRY OF POST AND TELECOMMUNICATIONS

5%

Cambodia Post (CP) is an autonomous business entity under the Ministry of Post and Telecommunications, and financially regulated by the Ministry of Economy and Finance.

CP operated under the privilege authority granted by government for supporting their objectives, mission and vision and government policies. Their vision is to promote effective network infrastructure connectivity and accessible services of Post, Telecommunications, and ICT sectors across the Kingdom of Cambodia, the region, and the world in order to contribute to socioeconomic development and poverty reduction.

CORPORATE MILESTONES

2022

- Upgraded the Core Banking system and introduced Loan Collection System
- Partnership with AMK, Amret for ATM and True money for collection and cash withdraw

2020

- Achieved total assets US\$ 1billion
- Launched Visa credit card
- Implemented Retail Pay & Loan Origination System

2018

- Became a pioneer member of Cambodian Shared Switch
- Partnership with Sovannaphum Life Assurance Plc. for insurance distribution

2016

- Introduced digital service delivery channel
- Launched ATM services

2014

- Implemented Core Banking System.

2023

- Achieved US\$ 1billion milestone for both loan and deposit.
- Implemented Online NID verification CamDX for KYC.Remittance partnership with Eurogiro
- Relocated Head Office and Main Branch at “CPBank Tower”

2021

- Implemented SIEM to ensure cyber security
- Correspondent banking partnership with OCBC
- Remittance partnership with Eurogiro

2019

- Introduced 365 days Banking Services
- Launched Visa debit card
- Became a member of Bakong
- Introduced 24 hours call center with web chat

2017

- Acquired 100% of Funan
- Official launch of mobile banking
- Became a member of the FAST payment system
- Correspondent banking partnership with DBS

2015

- Operational process re-engineered to improve Service Turn Around Time

2013

- CPBank was established under strategic partnership to serve MSMEs in Cambodia



365 Days Banking Services




365
DAYS

Banking Services
Main Branch
8:00 a.m. – 4:30 p.m.

OPERATION NETWORKS

Head Office

Building No 263, 1st – 6th Floor, Street No 110 ⊥ 61, Group 11, Phum 1, Sangkat Vat Phnum, Khan Doum Penh, Phnom Penh

 (+855) 70 200 002/1800 200 888  info@cambodiapostbank.com.kh


Phnom Penh Branches

Main Branch

 Building No 263, 1st – 6th Floor, Street No 110 ⊥ 61, Group 11, Phum 1, Sangkat Voat Phnum, Khan Doum Penh, Phnom Penh


 (+855) 70 600 098

Cana City Branch

 #A1-A2, Street Veng Sreng, Phum Choam Chao, Sangkat Choam Chao, Khan Porsenchey, Phnom Penh


 (+855) 70 600 025

Doun Penh Branch

 Building A, Street 13 corner of Street 102, Sangkat Voat Phnum, Khan Doum Penh, Phnom Penh

 (+855) 70 600 026


Russey Keo 2 Branch

 NR5, Phum Svay Pak, Sangkat Svay Pak, Khan Russey Keo, Phnom Penh


 (+855) 70 600 054

Tuol Kouk Branch

 Phum 14, Sangkat Boeng Kak Ti Muoy, Khan Tuol Kouk, Phnom Penh


 (+855) 93 600 073

Chbar Ampov Branch

 NR1, Deum Slaeng Village, Sangkat Chbar Ampov Ti Pir, Khan Chbar Ampov, Phnom Penh


 (+855) 70 600 014

Olympic Branch

 #057-058-059, Preah Sihanouk Blvd., Sangkat Veal Vong, Khan Prampir Meakkakra, Phnom Penh

 (+855) 70 600 015

Sovanna Branch

 N° D33, Street Diamond, Sangkat Tomnob Tuek, Khan Chamkar Mon, Phnom Penh


 (+855) 70 600 089

Vimean Ekareach Branch

 N° 130E0&E1, Preah Sihanouk Blvd, Sangkat Boeng Keng Kang Ti Muoy, Khan Boeng Keng Kang, Phnom Penh.


 (+855) 69 600 029

Saensokh Branch

 Bayab Village, Sangkat Phnom Penh Thmei, Khan Saensokh, Phnom Penh


 (+855) 69 700 099

Chrouy Changvar Branch

 #2H a & b, Group 1, NR6A, Daeum Kor Village, Sangkat Chrouy Changvar, Khan Chrouy Changvar, Phnom Penh.


 (+855) 70 700 064

Ou Baek K'am Branch

 #117A, St. 271, Phum 1, Sangkat Boeng Salang, Khan Tuol Kouk Phnom Penh


 (+855) 70 600 051

Teuk Thla Branch

 No. A127-129, Russian Blvd., Sangkat Teuk Thla, Khan Sen Sok, Phnom Penh

 (+855) 70 600 013


Boeng Tumpun Branch

 St.271, Phum Kbal Tumnob Mouy, Sangkat Boeng Tumpun2, Khan Meanchey, Phnom Penh

 (+855) 69 600 092

Provincial Branches

Banteay Meanchey Provincial Branch

 Phum Kourothan, Sangkat Ou Ambel, Krong Serei Saophoan, Banteay Meanchey Province

 (+855) 70 600 046


Kampong Chhnang Provincial Branch

 Kandal Village, Sangkat Kampong Chhnang, Krong Kampong Chhnang, Kampong Chhnang Province


 (+855) 69 600 045

Kampot Provincial Branch

 Phum Kampong Bay Khang Cheung, Sangkat Kampong Bay, Krong Kampot, Kampot Province


 (+855) 70 600 031

Oddar Meanchey Provincial Branch

 Samraong Village, Sangkat Samraong, Krong Samraong, Oddar Meanchey Province


 (+855) 70 600 042

Preah Vihear Provincial Branch

 NR62, Phum Peareakkech, Sangkat Pal Hal, Krong Preah Vihear, Preah Vihear Province


 (+855) 69 700 272

Ratanak Kiri Provincial Branch

 NR78, Phum Phnom Svay, Sangkat Boeng Kansaeng, Krong Ban Lung, Ratanak Kiri Province


 (+855) 93 600 012

Battambang Provincial Branch

 NR5, Phum Rumchek 5, Sangkat Rottanak, Krong Battambang, Battambang Province


 (+855) 70 600 097


Kampong Speu Provincial Branch

 NR4, Samnang Village, Sangkat Rokar Thum, Krong Chbar Mon, Kampong Speu Province


 (+855) 70 600 074

Koh Kong Provincial Branch

 NR48, Phum Phum Ti Muoy, Sangkat Smach Mean Chey, Krong Khemara Phoumin, Koh Kong Province


 (+855) 16 600 094

Pailin Provincial Branch

 Pahi Tboung Village, Sangkat Pailin, Krong Pailin, Pailin Province


 (+855) 70 600 073

Prey Veng Provincial Branch

 Lekh Buon Village, Sangkat Kampong Leav, Krong Prey Veng, Prey Veng Province

 (+855) 70 600 094

Siem Reap Provincial Branch

 Mondol 2 Village, Sangkat Svay Dankum, Krong Siem Reap, Siem Reap Province


 (+855) 70 600 035

Kampong Cham Provincial Branch

 Phum Ti Prammuoy, Sangkat Veal Vong, Krong Kampong Cham, Kampong Cham Province.


 (+855) 70 600 052

Kampong Thom Provincial Branch

 NR6A, Ballangk Lech Village, Sangkat Damrei Chohan Khla, Krong Stueng Saen, Kampong Thom Province.


 (+855) 70 600 027

Kratie Provincial Branch

 Sangkum Reastre Niyum Street, Voat Village, Sangkat Kracheh, Krong Kracheh, Kratie Province

 (+855) 70 700 058

Preah Sihanouk Provincial Branch

 N° 099, Ekareach Street, Phum Phum Pir, Sangkat Buon, Krong Preah Sihanouk, Preah Sihanouk Province

 (+855) 70 600 084

Pursat Provincial Branch

 Sthani Village, Sangkat Svay At, Krong Pursat, Pursat Province

 (+855) 70 600 078

Stung Treng Provincial Branch

 Pum Preaek Village, Stung Treng Commune, Stung Treng District, Stung Treng Province

 (+855) 10 600 013

Svay Rieng Provincial Branch

🏠 Kien Sang Village, Sangkat Svay Rieng, Krong Svay Rieng, Svay Rieng Province

☎ (+855) 70 600 076

Takeo Provincial Branch

🏠 NR2, Phum Bei, Sangkat Roka Knong, Krong Doun Kaev, Takeo Province

☎ (+855) 70 600 034

Krong / District Branches

Angk Snuol District Branch-Damnak Ampil Commune

🏠 Thnal Totueng Village, Damnak Ampil Commune, Angk Snuol District, Kandal Province.

☎ (+855) 15 600 043

Angk Snuol District Branch-Baek Chan Commune

🏠 #1& 2, NR4, Borei Kammeakkar Village, Baek Chan Commune, Angk Snuol District, Kandal province

☎ (+855) 70 700 054

Bakan District Branch-Boeng Khnar Commune

🏠 NR5, Boeng Khnar Village, Boeng Khnar Commune, Bakan District, Pursat Province

☎ (+855) 70 600 082

Baray District Branch-Ballangk Commune

🏠 NR6, Prey Ta Trav Village, Ballangk Commune, Baray District, Kampong Thom Province

☎ (+855) 93 700 032

Bati District Branch - Trapeang Sab Commune

🏠 Smau Khnhei Village, Trapeang Sab Commune, Bati District, Takeo Province.

☎ (+855) 70 600 041

Cheung Prey District - Soutib Commune

🏠 Skon Village, Soutib Commune, Cheung Prey District, Kampong Cham Province

☎ (+855) 70 700 096

Chhuk District Branch - Chhuk Commune

🏠 NR3, Chheu Teal Village, Chhuk Commune, Chhuk District, Kampong Speu Province

☎ (+855) 93 700 379

Local Branch of Cambodia Post Bank Plc. (Kaoh Thum District - Preaek Thmei Commune)

🏠 Kampong Svay Leu Village, Preaek Thmei Commune, Kaoh Thum District, Kandal Province.

☎ (+855) 70 700 063

Kien Svay District Branch - Dei Edth Commune

🏠 NR1, Dei Edth Kaoh Phos Village, Dei Edth Commune, Kien Svay District, Kandal Province

☎ (+855) 70 600 092

Kong Pisei District Branch - Chongruk Commune

🏠 NR3, Krabei Tram Village, Chongruk Commune, Kong Pisei District, Kampong Speu Province

☎ (+855) 69 600 071

Krong Battambang Branch

🏠 Kammeakor Village, Sangkat Svay Por, Krong Battambang, Battambang Province

☎ (+855) 70 700 062

Krong Bavet Branch

🏠 NR1, Phum Bavet Kandal, Sangkat Bavet, Krong Bavet, Svay Rieng Province

☎ (+855) 70 700 042

Krong Paoy Paet Branch

🏠 Kilou Lekh Buon Village, Sangkat Phsar Kandal, Krong Paoy Paet, Banteay Meanchey Province

☎ (+855) 70 600 045

Krong Ta Khmau Branch

🏠 NR2, Thmei Village, Sangkat Ta Khmau, Krong Ta Khmau, Kandal Province

☎ (+855) 70 600 087

Memot District Branch - Memot Commune

🏠 NR7, Memot Phsar Village, Memot Commune, Memot District, Tboung Khmum Province

☎ (+855) 93 700 019

Mukh Kampul District Branch - Preaek Anhchanh Commune

🏠 No 49A, 51A & 53A National Road No 6A, Kraom Village, Preaek Anhchanh Commune, Mukh Kampul District, Kandal Province

☎ (+855) 70 600 047

Peam Ro District Branch - Banlich Prasat Commune

🏠 Preaek Reang Village, Banlich Prasat Commune, Peam Ro District, Prey Veng Province

☎ (+855) 70 600 057

Ponhea Kraek District Branch - Kraek Commune

🏠 NR7, Kraek Tboung Village, Kraek Commune, Ponhea Kraek District, Tboung Khmum Province

☎ (+855) 93 700 026

Ponhea Lueu District - Vihear Luong Commune Branch

🏠 Tep Pranam Village, Vihear Luong Commune, Ponhea Lueu District, Kandal Province

☎ (+855) 69 600 073

Prey Nob District Branch-Samrong Commune

🏠 Samrong Kandal Village, Samrong Commune, Prey Nob District, Preah Sihanouk Province

☎ (+855) 87 800 050

Puok District Branch - Puok Commune

🏠 NR6, Chambak Haer Village, Puok Commune, Puok District, Siem Reap Province

☎ (+855) 70 600 093

Rotonak Mondol District Branch - Sdau Commune

🏠 Sdau Village, Sdau commune, Rotonak Mondol District, Battambang Province

☎ (+855) 70 700 050

S'ang District Branch - Preaek Koy Commune

🏠 NR21, Preaek Run Village, Preaek Koy Commune, S'ang District, Kandal Province

☎ (+855) 70 600 019

Sampov Lun District Branch - Santepheap Commune

🏠 NR57B, Trapeang Prolit Village, Santepheap commune, Sampov Lun District, Battambang Province

☎ (+855) 70 600 084

Siem Reap-Phsar Leu Branch

🏠 NR6, Chongkaosou Village, Sangkat Sla Kram, Krong Siem Reap, Siem Reap Province

☎ (+855) 70 700 034

Stoung District - Kampong Chen Tboung Commune Branch

🏠 NR6, Leab Tong Village, Kampong Chen Tboung Commune, Stoung District, Kampong Thom Province

☎ (+855) 70 600 043

Thma Koul District Branch - Ta Meun Commune

🏠 No28, NR5, Kouk Trab Village, Ta Meun Commune, Thma Koul District, Battambang Province

☎ (+855) 70 600 091

Tram Kak District Branch - Angk Ta Saom Commune

🏠 Prey Rumdeng Village, Angk Ta Saom Commune, Tram Kak District, Takeo Province

☎ (+855) 93 600 084

CORPORATE GOVERNANCE

Good corporate governance enhances the reputation and provides greater confidence to all stakeholder's including customers, investors, regulators, employees, suppliers and the community at large. CPBank continues to maintain the sound corporate governance culture and effective internal control function.

The established Corporate Governance Structure is comprised of the following parties, provides a comprehensive framework to (i) independent internal auditors and compliance function who report to the Chairman of the Audit Committee and notes to the management, (ii) independent external auditors who is appointed by the Board and submit their report to the Board, (iii) management committees which are responsible for various day to day operations of the bank, (iv) various codes of conduct, whistle blowing policy that are in place, (v) Board / committees have oversight and approve important operating policy and processes where the execution of these policies and plans being the responsibility of the management, (vi) independent risk management function directly reports to Risk Oversight Committee of the Board.

The role of the Board is defined by taking into account of the prevailing international best practices while ensuring compliance with local legal and regulatory framework. The current corporate governance structure includes the Board of Directors (BOD), different Board Committees and various Management Committees.

BOARD COMMITTEES

Three Board Committees will assist the Board in focusing on specific matters, fulfill their roles and responsibilities delegated by the Board, report to the Board on decisions and actions taken, monitor the management's performance, and make any necessary recommendations. These three committees are as below:

1. Audit Committee:

The purpose of the committee is to monitor and ensure that all elements of financial information to be disclosed and reported by the Bank to shareholders are correct, sufficient and credible and in a timely manner. The AC is authorized by the Board to look into any matter within its terms of reference. It is authorized to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the AC.

Members:

The AC consists of 3 members. All the members of the AC are independent of the management of the Bank. The existing AC members are as below:

• Mr. Giang Sovann	Chairman
• Dr. Pung Carolyne	Member
• Mr. Teo Meng Poh Philip	Member

Meeting:

The AC meets as frequently as required, but not less than four times a year. The Chairman of the AC may convene additional meetings if deemed necessary.

2. Risk Oversight Committee:

The Risk Oversight Committee includes three members and chaired by a person with expertise in risk management, finance and banking. The committee undertakes key duties as decided by the Board and documented in its Terms of Reference, and any relevant duties delegated to it. The committee is also responsible for monitoring the implementation of risk management framework concerning the Bank's business as whole, and/or as defined by the Board. It also plays a key role in giving professional advice to the risk function of the bank in light with the best international practices.

Members:

The Board appoints the ROC Chairperson and the term of office is for three years from the date of appointment.

The ROC can be composed of non-executive directors and experts who are not directors of the company of whom are considered by the board to be independent of management and free from any business or other relationship which could interfere with the exercise of their independent judgment. The existing ROC members are as below:

• Mr. Teo Meng Poh Philip	Chairman
• Mr. Giang Sovann	Member
• Mr. Neo Poh Kiat	Member

Meeting:

Meetings are held as and when deemed appropriate, but at least four times a year. The Chairperson of the ROC may convene additional meetings if deemed necessary.

3. Remuneration and Nomination Committee:

This committee is constituted by the Board to meet requirements of Governance to deliver best practices for the Bank. The Chairperson of this committee is an Independent Director. The committee is responsible for implementing a very good remuneration policy to be consistent with the long-term objectives and corporate values of the Bank. It also recommends some procedures to select and replace board members and independent individuals who will potentially become committee members. The committee approves the nomination of senior managements as well.

The committee is appointed by the Board and consists of 3 members and a Secretary of RNC. The Board shall have the power at any time to remove any members from the Committee and to fill any vacancies created for such removal.

Members:

• Mr. Neo Poh Kiat	Chairman
• Dr. Pung Carolyne	Member
• Mr. Yeo Hong Ping	Member

Meeting:

Meetings are held as and when appropriate, but at least twice one year. The Chairperson of the Committee may convene additional meetings if deemed necessary.

MANAGEMENT COMMITTEES

CPBank has Nine Management Committees to assist the Chief Executive Officer (CEO) in focusing on specific matters, monitoring and tracking overall bank's operation, performance and also fulfill their roles and responsibilities delegated by the CEO, report to the CEO on decisions and actions taken, monitor the Bank's performance, and make any necessary recommendations on general matters arises from daily business operations.

1. Executive Committee:

This committee consists of all Chiefs and Department Heads who are under direct reporting to Chief Executive Officer (CEO). Other employees can also be invited as deemed necessary. This committee is chaired by CEO. This committee is to support the CEO in monitoring and tracking overall bank's operations, performance and progress of day-to-day activities from each business unit as well as decide on the general matter arises from daily business operations.

Members:

The EC member shall comprise of:

• CEO	Chairman
• DCEO	Member
• CHRO	Member
• CFO	Member
• COO	Member
• CITO	Member
• HOC	Member

Secretary: Head of Legal Unit

Chairman can invite anyone as deemed necessary as invitee.

Meeting:

Meetings are held as and when appropriate, but at least once in a month. The Chairperson of the Committee may convene additional meetings or cancel meeting if deemed necessary.

2. Asset and Liability Committee:

The purpose of the committee is to support the Senior Management and the Board in managing and overseeing the Bank's overall liquidity and interest rate risks exposure to ensure that the Bank is able to meet its cash flow obligation in a timely and cost effective manner, and to meet regulatory requirements, in conjunction with the Bank's goals for long term growth and profitability.

Members:

The ROC will appoint the ALCO Chairman and shall have the power at any time to remove any members from the ALCO and to fill any vacancies created by such removal.

The ALCO will comprise of the following members.

• CEO	Chairman
• CFO	Alternative Chairman
• DCEO	Member
• COO	Member
• TM	Member
• HRA	Member
• SES	Secretary

Meeting:

Meeting are held as and when appropriate, but at least once a month. The Chairman of the ALCO may convene additional meetings if deemed necessary.

3. Business Development Committee:

The purpose of the committee is to assist management in overseeing the development, approval and implementation of strategic business development initiatives aligned with Strategic Plan.

Members:

• CEO	Chairman
• DCEO	Alternative Chairman
• COO	Member
• CFO	Member
• CITO	Member
• HOL	Secretary

Chairman can invite anyone as deemed necessary as invitee.

Meeting:

Meetings are held as and when appropriate, but at least a time per quarter. The Chairperson of the BDC may convene additional meetings if deemed necessary.

4. Credit Committee:

The Credit Committee (CC) is established to ensure the compliance with program governance and portfolio management of the Bank. The purpose of the CC is to:

- Approve credit guidelines allowed under the program Governance Framework and credit limit granted for a customer or a group of related customers as per delegated authority provided by the Board Committee.
- Be responsible for implementation and monitoring of the credit risk management frameworks and policies in concerning with the Bank business as a whole.
- Ensure compliance with the Program Governance and Monitoring Framework.

Members:

• HOC	Chairman
• CEO	Alternative Chairman
• DCEO	Member
• CFO	Member
• COO	Member
• HRA	Secretary

Meeting:

Approvals can be done via emails as and when there is a case requiring CC approval. A formal meeting on other matters stated in the duties set out shall be held at least once a month.

The Chairperson of CC may convene additional meetings if deemed necessary.

5. Customer Service and Complaint Handling Committee:

The purpose of the committee is to inform members on the importance of Customer Service and Complaint Handling and assist, coordinate, educate and train as well as build a culture of customer service and standard complaint handling for the purpose of improving and providing excellent service and customer satisfaction. In addition, CCC will oversee, monitor, evaluate and recommend all aspect of customer perceptions, complaint and customer satisfaction as well as service provided to customers.

Members:

The committee members shall comprise of a Chairperson and at least three other members from Management of the company.

• HCD	Chairman
• CEO	Alternative Chairman
• DCEO	Member
• COO	Member
• CHRO	Member
• SMM	Member
• HLU	Secretary

Meeting:

Meetings are held as and when appropriate, but at least once a month. The Chairperson of the CCC may convene additional meeting if deemed necessary.

6. Human Resource Committee:

The purpose of the HRC is to:

- Ensure that the HR policy is consistently practiced with the long term objectives and corporate values of the Bank.
- Recommend the procedures to management in relation to any HR inquiry from related business unit which is not stated in the Bank's policy.
- Advise management about staff disciplinary procedure at the point where they cannot make any decision within their own business unit.
- Any additional personnel responsibility as the CEO sees fit to designate.

Members:

The committee members should be careful to avoid conflicts of interest that would compromise their judgment, and should excuse themselves from any decision in which there may be conflicts of interest, whether actual, potential or apparent. The permanent members consist of:

• CHRO	Chairman
• DCEO	Member
• HLU	Member
• SMR & HRBP	Secretary

Any member can appoint proxy in case they are not able to join any meeting. In case, where Chairperson appoint proxy, the meeting needs to be chaired by another regular Member selected by the members present in the meeting.

Meeting:

Meeting shall be held as and when appropriate. The Chairperson of the HRC may convene additional meetings if deemed necessary.

7. Operational Risk Management Committee:

The Bank has established ORMC to ensure the identification, monitoring and management of all operational risks of the Bank. The purpose of the ORMC is to:

- Implement and maintain an effective operational risk management framework for the bank.
- Oversee and improve operational issues containing potential risks to enhance risk management practices to avoid or mitigate critical operational risks for the bank.
- Be responsible for development, implementation and monitoring of the operational risk management framework, methodologies, tools as well as policies in conformity with business and risk strategies of the bank.
- Ensure compliance with the Program Governance and Monitoring Framework.

Members:

The ORMC includes the following members and chaired by Deputy Chief Executive Officer:

• DCEO	Chairman
• CEO	Alternative Chairman
• CRO	Member
• COO	Member
• CITO	Member
• ORM	Secretary

Meeting:

A formal meeting on matters of operational risk management is held at least once a month. The Chairperson of the ORMC may convene additional meetings if considered necessary.

8. Procurement Committee:

The purpose of the PROCO is to seek value for money in all procurement. Value for money is achieved in an open competitive environment in which suppliers can be confident that their proposals will be assessed based on merit.

It does not automatically mean “lowest prices”; it incorporates and considers fitness for purpose; fair market price; return on investment; whole-of life costs; timely delivery; post-delivery support; environmental sustainability; social responsibility; evidence of previous performance of experience, effective warranty and conformity to law.

Members:

The PROCO will comprise of the following members:

• COO	Chairman
• CEO	Alternative Chairman
• DCEO	Member
• CFO	Member
• AHPM	Secretary

Meeting:

Meetings are held as and when appropriate. The Chairperson of the PROCO may convene additional meetings if deemed necessary.

9. Information Technology Steering Committee:

Information Technology Steering Committee (ITSC) has been established and is in place in Cambodia Post Bank Plc. ITSC serves as a platform to provide governance/oversight over IT activities/projects, to enforce IT imperatives and to assist key decision-making related to them. ITSC performs a critical function in setting directions and continuous monitoring of IT delivery, minimize risks, attain targets and ensure alignment to the corporate objectives.

Members:

The ITSC will comprise of the following members:

• CITO	Chairman
• CEO	Alternative Chairman
• DCEO	Member
• COO	Member
• CFO	Member
• CRO	Member
• HEB	Member
• HCB	Secretary

Others shall be invited to the meeting while deemed relevant.

Meeting:

The meetings are arranged, organized and held as required while there is a request from chairperson.

RISK MANAGEMENT OVERVIEW

CPBank believes risk management isn't just a safeguard, it is the foundation for building a future where our customers, businesses, colleagues, and communities thrive together. By prioritizing risk management, CP Bank empowers its customers, builds trust with businesses, fosters a safe environment for colleagues, delivers returns to shareholders, and contributes positively to the communities it serves, while driving sustainable growth and achieving its strategic vision. We aim to use a comprehensive risk management approach across the organization and all risk types, underpinned by our culture and values. This is outlined in our risk management framework, including the key principles and practices that we employ in managing material risks, both financial and non financial. The framework entails continuous monitoring, promotes risk awareness and encourages a sound operational and strategic decision-making and escalation process. It also supports a consistent approach to identifying, assessing, managing and reporting the risks arising from our activities, with clear accountability. We continue to actively review and develop our risk management framework and enhance our approach to managing risk, involving people and their capabilities; corporate governance; reporting and information management; credit, operational, liquidity, market, information technology (including cybersecurity risk), climate & social risk management processes, policies and data.

Managing risk and uncertainty effectively and efficiently is integral to the successful delivery of our strategy and supports our desire to grow a sustainable and resilient business. We regularly face business uncertainties and it is through a structured approach to risk management that we are able to proactively respond to, mitigate and manage these risks and embrace opportunities as they arise. On an annual basis, the Board agrees on the principal and emerging risks that we are facing and ensures a robust risk management governance framework is in place which enables CPBank to effectively prioritize and manage risks within our risk appetite levels. The Board carries out a review of the effectiveness of the Bank's risk management and internal control systems at least annually with the commitment of building a safe and prudent risk management system which is independent and incorporated best international practices.

CPBank recognizes the importance of a strong culture, which refers to our shared attitudes, values and standards that shape behaviors related to risk awareness, risk taking and risk management. All our people are responsible for the management of risks, with the ultimate accountability residing with the Board.



RISK GOVERNANCE

The Board oversees CPBank's affairs and provides sound leadership for the CEO and management. Authorized by the Board, various Board committees oversee specific responsibilities based on clearly defined terms of reference. The Bank's Board of Directors have overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board of Directors has established a Risk Oversight Committee (ROC) to oversee various management committees such as Credit Committee (CC), Operational Risk Management Committee (ORMC), Asset and Liability Committee (ALCO), Information Technology Steering Committee (ITSC) which are responsible for recommending, implementing and monitoring the Bank's risk management policies and processes. To facilitate the Board's risk oversight, these risk management committees have been established and supported by the risk team where appropriate. The risk team is independent of business lines and is actively involved in key decision making processes related to risk matters.

Under our risk management approach, the Board, through the Board's Risk Oversight Committee (ROC), sets our Risk Appetite, oversees the establishment of enterprise-wide risk management policies and processes, and establishes risk appetite limits to guide CPBank's risk-taking. The ROC also oversees the identification, monitoring, management and reporting of credit, market, liquidity, operational, IT, climate and social risks. The Bank's ROC is responsible for providing oversight of risk management policies established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to such limits to reinforce the prudent and effective risk culture through 'tone from the top' articulation of risk appetite.

The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Bank's activities. The Bank, through training, management standards and procedures, aim to develop a disciplined and effective risk control environment in which all employees understand their roles and obligations. Accordingly, material risks including credit, operational, liquidity, market, information technology, climate & social risks are regularly monitored and effectively mitigated to ensure that the Bank always maintains and complies with its economic capital, regulatory capital adequacy, liquidity position, and other regulatory requirements.

The Bank's Audit Committee oversees the implementation of internal controls and compliance with regulatory requirements. The Bank's Audit Committee is assisted in its oversight role by Internal Audit Function as well as the Compliance Unit. Internal Audit undertakes both regular and ad hoc reviews of internal controls and procedures and Compliance Unit ensures that all regulatory requirements are fully complied with, the results of which are reported to the Bank's Audit Committee.

The Bank manages the identification, assessment and mitigation of top and emerging risks through an internal governance process with the use of risk management tools and processes. Our approach to identification and impact assessment aims to ensure that we mitigate the impact of these risks on our financial results, long-term strategic goals and reputation. As part of our regular analysis, sensitivities of the key portfolio risks are reviewed using a bottom-up risk assessment, complemented by a top-down macro-economic and political scenario analysis. This two-pronged approach allows us to capture risk drivers that have an impact across our risk inventories as well as those relevant only to specific portfolios. Risk awareness is constantly raised through a series of internal and external trainings, communications and meetings. We are committed to continue to strengthen our risk management capabilities and internal controls through the enhancement of related risk procedures, risk policies, risk tools, risk analytics, and risk reports.

RISK APPETITE

CPBank's Risk Appetite is set by the Board and governed by the Risk Appetite Policy, which articulates the risks that we are willing to accept. Our business strategy is linked to the risk appetite. It also serves to reinforce our risk culture by setting a clear message from the 'tone from the top'. A strong organizational risk culture, complemented with a balanced incentive framework helps to further embed our Risk Appetite.

Our risk appetite encapsulates the consideration of financial and non-financial risks. We define financial risk as the risk of a financial loss arising from business activities. We actively undertake these types of risks to maximize shareholders' value. Non-financial risk is the risk of not achieving our strategy or objectives as the result of failed internal processes, people and systems, or from external events. Our risk appetite continues to evolve and expand its scope as part of our regular annual review process to ensure the Bank's approach to risk appetite remains in line with market best practices, regulatory expectations and strategic goals. It takes into account a spectrum of risk types which are monitored and managed using established thresholds, approved policies, embedded processes and internal controls. Setting thresholds is essential in making CPBank's Risk Appetite an intrinsic part of our businesses as they help to keep all our risks within acceptable levels. Portfolio risk limits for the quantifiable risk types are established top down, and these are implemented using policies and frameworks. As for the non quantifiable risk types, these are managed using qualitative principles. Our risk appetite is expressed in both quantitative and qualitative terms and applied at the core business level. Performance against the RAS is reported regularly to the Risk Oversight Committee for discussion on breaches and associated action plans. This reporting allows risks to be promptly identified and mitigated, and promotes an overall strong risk culture within the Bank.

CREDIT RISK MANAGEMENT

Credit risk: Risk arising from borrowers or counterparties failing to meet their debt or contractual obligations. Credit risk arises principally from direct lending, trade finance and guarantee business. Credit losses may also arise well before a borrower actually misses a payment. Losses can be triggered simply by the fact that the perceived likelihood of a future default has increased while an exposure is outstanding. This form of potential loss is generally also subsumed under a broader definition of credit risk as well. For risk management reporting purposes, the Bank considers and consolidates all elements of credit risk exposure – e.g., individual obligor default risk and sector risk exposure. It is measured as the amount that could be lost if a customer or counterparty fails to make contractual repayments; monitored using various internal risk management measures and within limits approved by individuals within a framework of delegated authorities; and managed through a robust risk control framework, which outlines clear and consistent policies, principles and guidance for risk managers.

CPBank's approach to credit risk management comprises the following building blocks:

- Policies
- Risk Methodologies
- Process, systems and reports

Policies: The dimensions of credit risk and the scope of its application are defined in the Credit Risk Management Policy. Senior management sets the overall direction and policy for managing credit risk at the Bank level. The Credit Risk Policies established set forth the principles by which CPBank conducts its credit risk management and control activities. These policies, supplemented by a number of operational standards and guidelines, ensure consistency in identifying, assessing, underwriting, measuring, reporting and controlling credit risk across the Bank, and provide guidance in the formulation of business specific and/ or location-specific credit risk policies and standards.

The operational standards and guidelines are established to provide greater details on the implementation of the credit principles within the Bank and are adapted to reflect different credit environments and portfolio risk profiles. All our loan products are governed by product programs which are developed based on the customer life cycle needs as well as market studies and approved by the Board Committee. At the same time our credit underwriting, credit control procedures and policies are also periodically reviewed and fine-tuned to balance between speed, cost and risk control along with regulatory changes and approved by the board committees.

Risk methodologies: Credit risk is managed by thoroughly understanding our customers and the businesses they are in, as well as the economies in which they operate. It is also managed through data analytics. The assignment of credit risk criteria and setting of lending limits are integral parts of CPBank's credit risk management process

driven by Bank's Risk Appetite Statement and the Target Market and Risk Acceptance Criteria. The borrowers are assessed individually, and further reviewed and evaluated by experienced credit risk managers who consider relevant credit risk factors in the final determination of the borrower's risk. Bank uses a program-based approach to achieve a balanced management of risks and rewards. Counterparty risk exposures that may be adversely affected by market risk events are identified, reviewed and acted upon by management, and highlighted to the appropriate risk committee.

Concentration risk management: For credit risk concentration, we use Risk Appetite concentration triggers. This is also managed at two levels – product level where exposure limits are set up, and segment level to manage the growth of high-risk segments. Governance processes are in place to ensure that these thresholds are monitored regularly, and appropriate actions are taken when the thresholds are breached. CPBank regularly monitors its concentration risk by product, customer segment, business sector etc. In 2023, we have reviewed all our financial institution counterparty exposures. CPBank continuously reviews how we can enhance the scope of our thresholds and approaches to manage concentration risk.

Environmental, social and governance risks: Responsible financing, covering environmental, social and governance (ESG) issues, is a topic of increasing importance that affects investing and financing decisions across the bank. CPBank recognizes that our financing practices have a substantial impact on society and failure of our customers to appropriately manage ESG issues can directly impact their operations and long-term economic viability, as well as the communities and environment in which they operate. CPBank considers ESG risks as critical in our pursuit of business strategies. The Board approves and oversees CPBank's overall and specific risk governance frameworks as an independent risk management process.

Processes, systems and reports: CPBank constantly invests in systems to support risk monitoring and reporting for our Banking businesses. The end-to-end credit process is continually being reviewed and improved through various front-to-back initiatives involving business, operations, risk management and other key stakeholders. Our Loan Origination System is widely used at all of our loan sourcing channels for any new or existing customers. We also implemented the Collections Management System. These systems and automations will help us to facilitate risk management for different stages of the credit life cycle. We aspire to be a Bank with infinite possibilities backed by technology to enhance the capability to serve our customers at their convenience and with a satisfactory experience. Day-to-day monitoring and management of credit exposures, portfolio performance and external environmental factors potentially affecting credit risk profiles is key to our philosophy of effective credit risk management.

Portfolios are regularly monitored based on the different portfolio triggers to ensure the Bank operates within the set boundary. We have daily, weekly, monthly portfolio reports so that the timely action can be taken to mitigate any credit risk that may arise. To ensure that all credit applications receive an independent evaluation, all credit proposals require approval from a credit risk management delegated person. The Bank has implemented a delegated authority framework to empower individual management staff to approve credit applications under their authority for independent evaluation of credit applications. Credit Exposures are actively monitored, reviewed regularly and reported to Risk and Credit Committee on a monthly basis. Deteriorating portfolios are identified, analyzed and discussed with the relevant business units for appropriate remedial actions, if required.

In addition, credit trends with industry analysis, early warning alerts and significant weak credits, are submitted to the various risk committees, allowing key strategies and action plans to be formulated and evaluated. We conduct credit stress test on the portfolio on an annual basis using different stress scenarios to ascertain if the Bank's capital is sufficient to withstand adverse developments in the macro environment. Credit control functions also ensure that any credit risk taken complies with the credit risk policies and standards. These functions ensure that approved limits are activated, credit excesses and policy exceptions are appropriately endorsed, compliance with credit standards is carried out, and covenants established are monitored.

CREDIT RISK MITIGANTS

CPBank maintains a strong culture of responsible lending, robust risk policies and control frameworks; partners and challenges the businesses in defining, implementing and continually re-evaluating our risk appetite under actual and scenario conditions; and ensures there is independent, expert scrutiny of credit risks, their costs and their mitigation. The Bank has built prudent credit policies and robust Management Information System for credit products and customer segments and applied advanced risk measurement techniques.

In the last 3 years, the Covid-19 coupled with war and geopolitical issues had adversely affected global economy as well as Cambodian economy. Despite all these effects, the macroeconomic condition of Cambodia remains stable and the banking system maintains its resilience. In 2023, the economy gradually recovering and gained momentum as investment and trade expanded partly due to the implementation of assistance measures under the National Bank of Cambodia's guidelines. Although we have observed some surge in delinquency during 2023 our portfolio quality remains satisfactory. CPBank has successfully managed the loan portfolio through paced credit growth in a challenging market environment. The Bank shall continue to closely monitor borrowers' status so that the necessary remedial actions can be taken in a timely manner with detailed analysis and strict assessment of their repayment ability. Additionally, Banks and businesses are continuously re-

aligning themselves to embrace new business models due to the changing circumstances, especially amidst the heightened risk to the economy. Under these circumstances, the Bank has adopted a more cautious stance when it comes to new credit approval. We have focused on analytics based on information from various sources to ensure improved analyses and monitoring are in place to manage the overall risks. Although we have seen economic rebound with the reopening of business establishments, but certain business sectors still could not return to normalcy, particularly those are reliant on foreigners' arrivals such as the tourism and hospitality industries.

We have implemented various strategies to tackle different credit risk situations. We have continued with the CIFRS9 models for impairment and reviewed forward looking approach in our existing CIFRS model and estimated expected credit losses based on this enhancement. Reviews on asset quality management structures through root-cause analysis of credit and business hindrances, vintage analysis of requisite accounts and delinquency pattern investigations of specific areas were undertaken during the year. Some of the other initiatives that furthered our risk mitigation objectives comprised of extensive credit risk profiling, exploration of potential opportunities and adjustment of the bank's growth aspirations due to elevated risk brought about by the challenging economic environment. Our portfolio segmentation in our PD model incorporates the impact from the pandemic. As the Bank has taken the proactive approach since the outbreak of the pandemic through implementation of various measures and continued it throughout the 2023, we believe that the portfolio is gradually returning to normalcy although the overall economy may take some more time to recover and get back to normal state.

OPERATIONAL RISK MANAGEMENT

Operational risk: Risk arising from inadequate or failed internal processes, people or systems, or from external events. It includes legal risk, but excludes strategic and reputational risk.

This risk is managed through established operational risk management processes, proper monitoring and reporting of the business activities by control and oversight provided by the senior management. This includes legal, compliance, accounting and fraud risk.

CPBank's approach to operational risk management comprises the following building blocks:

- Policies
- Risk methodologies
- Processes, systems and reports

Policies: The Operational Risk Management (ORM) Policy sets our overall approach for managing operational risk in a structured, systematic and consistent manner. There are policies, standards, tools and programs in place to govern ORM practices across the Bank. These include operational

risk policies and standards that are owned by the respective units and control functions. The key policies address risk areas relating to technology, compliance, fraud, money laundering, financing of terrorism and sanctions, new product, outsourcing and ecosystem partnership.

Risk methodologies: CPBank is going to adopt the regulatory guidelines to compute operational risk regulatory capital as per the central bank timeline. To manage and control operational risk, currently, we use various tools, including risk and control self-assessment (RCSA), operational risk event management and key risk indicator monitoring. Each functional unit performs the Risk Control Self-Assessment (RCSA) which is periodically tested by the Operational Risk team to ensure proper operational risk management at the Bank level. Bank has established a system for loss data collection and have business wise key risk indicators (KRIs) to monitor risk exposures. There are on-going RCSA workshops delivered to all the functions and branches across the bank to enhance the awareness of Operational Risk Management practices.

Bank's Three Lines of Defence Model adopts one common risk taxonomy, and a consistent risk assessment approach to managing operational risk. RCSA is conducted by each business or support unit to identify key operational risk and assess the effectiveness of internal controls. When control issues are identified, the units develop action plans and track the resolution of the issues.

Operational risk events are classified in accordance with Basel standards. Such events, including any significant incidents that may impact our reputation, must be reported based on certain established thresholds. Key risk indicators with predefined escalation triggers are employed to facilitate risk monitoring in a forward-looking manner.

Additional methodologies are in place to address subject-specific risks, including, but not limited to, the following:

TECHNOLOGY RISK

Information Technology (IT) risk is managed through an enterprise technology risk management approach. This covers risk identification, assessment, mitigation, monitoring and reporting. In addition, the appropriate governance, IT policies and standards, control processes and risk mitigation programs are in place to support the risk management approach.

Information technology risks are associated with the use, ownership, operation, involvement, influence, and adoption of IT within an enterprise, as well as business disruption due to technological failures. CPBank's financial system and networks supporting the business operation have grown in scope and complexity over the years and offer diversity of products and services which have the system operating in multiple locations and supported by different service providers. Management of security and quick threat identification have become imperative aspects of technological applications. There are well defined policies, sound and robust technology risk management frameworks,

strong system security, reliability, resiliency, and recoverability, procedures, templates, and risk assessment methodology, strong authentication to protect customer data, transactions and systems for IT risk management. The framework enables risk assessment of IT solutions, entities providing IT and related services and new technology and digital implementation.

CYBER SECURITY RISK

Cyber security risk is a continuous focus of the bank. Information Security Officer oversees the cyber security function and the one-stop competency centre for all cyber security related matters, such as operational risks, data protection risks and compliance with cyber security related regulations. The Bank places significant emphasis to secure our people, information, network, equipment and applications in accordance with the Bank's risk appetite. The Bank continues to devote significant resources to improve our cyber hygiene and control environment to stay ahead of the cyber threat curve. The security team, as the second line, conducts regular assessments to validate the efficacy of our controls and obtain assurance that our control framework remains effective against emerging and evolving threats. CPBank also provides relevant training to drive security awareness amongst our staff and promote a strong security culture.

Besides, putting control and monitoring the technology risk, we are also performing periodical penetration test to ensure the robustness of our system security and proactively taking appropriate steps to enhance the security to keep our system safe. We have data backup management for safeguarding the information as well as dedicated Disaster Recovery site in addition to our BCP site to ensure disaster recovery resiliency. We have the proper user access management process to ensure proper access control, change request management process to ensure all changes are adequately evaluated before deployment. We have Security Information and Event Management (SIEM) solution with managed 24/7 Security Operating Center (SOC) since 2021 which have strengthened our overall Technology Risk management on real time basis and protect the Bank from Cyber security issues. Our core banking upgradation in 2022 has not only provided the Bank technological advancement with strong core banking solution but also support multiple system interfaces more reliably for better customer experience.

New product, outsourcing and ecosystem partnership risks: Each new product, service, outsourcing arrangement or ecosystem partnership is subject to a risk review and sign-off process, where relevant risks are identified and assessed. Variations of existing products or services and existing outsourcing arrangements and ecosystem partnerships are also subject to a similar process.

Other mitigation programs: A robust business continuity management program is in place to ensure that essential banking services can continue in the event of unforeseen events or business disruptions. This includes a crisis

management plan to enable quick response to manage incidents. Exercises are conducted bi-annually, simulating different scenarios to test business continuity plans and crisis management protocol. The effectiveness of these exercises as well as Bank's business continuity readiness and our alignment to regulatory guidelines are communicated and attested by senior management to the ORMC bi-annually. To mitigate losses from specific risk events which are unexpected and significant, CPBank effects group-wide insurance coverage relating to directors' and officers' liability, electronic and computer crimes with some exclusions.

Processes, systems and reports: Robust internal control processes and systems are integral to identifying, assessing, monitoring, managing and reporting of operational risk. All units are responsible for the day-to-day management of operational risk in their products, processes, systems and activities, in accordance with the various frameworks and policies. The Operational Risk unit provides oversight and control functions:

- Oversee and monitor the effectiveness of operational risk management
- Assess key operational risk issues with the units
- Report and/ or escalate key operational risks to risk committees with recommendations on appropriate risk mitigation strategies

CPBank has in place an integrated governance, risk and compliance system with aligned risk assessment methodology, common taxonomy, and unified processes for the three lines model. We have in place an operational risk landscape profile which provides the Board and senior management with an integrated view of Bank's operational risk profile periodically, across key operational risk areas and business lines.

Operational risk mitigants

Operational risk management ensures the establishment of clear organizational structures, roles, internal control policies and measures and the proper implementation of them. This includes the establishment of delegation of authorities, defining system parameters controls, streaming procedures and documentation to ensure compliance with regulatory and legal requirements. These framework, policies and procedures are regularly reviewed to address the operational risks arising from banking business. The Bank manages operational risks at various levels and monitor them through the Operational Risk Management Committee. In 2023 we had performed BCP exercises which includes BCP activation with a scenario where it is assumed that the head office premise was inaccessible and part of our workforce needed to work remotely from BCP site. We also have performed BCP testing, call tree exercise in order to ensure the effectiveness of the execution of continuity plan as well as its readiness to cope with any disruption that may occur in our business environment. Each Business Unit has BCP documentation for any emergency. The BCP includes procedures, floor plan and essential information that will

enable the Business Unit to respond to the disruption, recover and resume the function.

LIQUIDITY RISK MANAGEMENT

Liquidity risk: Risk that arises if CPBank is unable to meet financial obligations when they are due. It is the risk that the Bank will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Bank's operations and investments. CPBank's liquidity risk arises from our obligations to honor withdrawals of deposits, repayments of borrowed funds at maturity and our commitments to extend loans to our customers. We seek to manage our liquidity to ensure that our liquidity obligations will continue to be honored under normal as well as adverse circumstances.

Bank's approach to liquidity risk management comprises the following building blocks:

- Policies
- Risk methodologies
- Processes, systems and reports

Policies: The Bank's Liquidity Risk Management Policy sets our overall approach towards liquidity risk management and describes the range of strategies we employ to manage our liquidity. These strategies include maintaining an adequate counterbalancing capacity to address potential cash flow shortfalls and having diversified sources of liquidity. Our counterbalancing capacity includes liquid assets, the capacity to borrow from the money markets, and forms of managerial interventions that improve liquidity. In the event of a potential or actual crisis, we have in place a set of liquidity contingency and recovery plans to ensure that we maintain adequate liquidity.

The Liquidity Risk Management Policy is supported by standards that establish the detailed requirements for liquidity risk identification, measurement, reporting and control within CPBank. The set of policies, standards and supporting guides communicate these baseline requirements to ensure a consistent application throughout the Bank.

Risk methodologies: The Bank's framework for liquidity and interest rate risk management is spelled out in our liquidity risk management policy, cash management guideline, contingency funding policy, adequate risk measurement tools, liquidity monitoring, liquidity trend, liquidity behavior analysis, liquidity stress testing, core and non-core deposit analysis, LDR, LCR and NOP forecasting. The liquidity risk control measures also include concentration measures regarding top depositors, borrowing and funding ratios. The Bank manages liquidity through the Asset and Liability Committee (ALCO) which is responsible for establishing the liquidity policy as well as monitoring liquidity on an ongoing basis. A minimum liquid asset requirement has been established to ensure that the ratio of liquid assets

to qualifying liabilities is subject to a minimum threshold at all times. CPBank fully monitors its liquidity position with monitoring metrics such as Liquidity Coverage Ratio (LCR), Loan to Deposit Ratio (LDR) and Net Open Positions (NOP) and monitor it on daily basis with enhanced forecasting. Moreover, Bank also monitor the cash flow, competitive cost of funds to ensure the maximization of the cash in Bank operation. These practices have been supporting the Bank in forecasting and reacting smoothly and effectively in normal and stressed scenarios and also help the Bank to maintain a sound liquidity position. CPBank also performs the maturity gap analysis for the management of market risk to ensure funding with required maturity to minimize the gap. CPBank has defined management action triggers as part of the risk appetite statement, to ensure safe and sound practices of liquidity risk management at its early stage.

Liquidity risk stress testing is performed annually to cover adverse scenarios including general market and idiosyncratic stress scenarios. Stress tests assess our vulnerability when liability run-offs increase or decrease. Liquidity risk control measures such as liquidity-related ratios and balance sheet analysis are complementary tools for cash flow maturity mismatch analysis, and they are performed regularly to obtain deeper insights and finer control over our liquidity profile across different locations.

Processes, systems and reports: Adequate internal control processes and systems support our overall approach in identifying, measuring, aggregating, controlling and monitoring liquidity risk across CPBank. Continuous improvement in data and reporting platforms has allowed most elements of internal liquidity risk reporting to be centralized. The finance team and Risk team manages the day-to-day liquidity risk monitoring, control reporting and analysis.

Liquidity management and funding strategy: CPBank strives to develop a diversified funding base with access to funding sources across retail and FI channels. Our funding strategy is anchored on the strength of our core deposit franchise and is augmented by our established long-term funding capabilities.

In 2023, National Bank of Cambodia (NBC) continued with the previously implemented liquidity boosting measures, especially in the provision of liquidity in riel through Liquidity Providing Collateralized Operation (LPCO) transaction according to the situation of riel exchange rate and liquidity status. The National Bank of Cambodia (NBC) sold \$139.1 million through auction in 2023 to stabilize the riel exchange rate and to rebound the economy. The NBC has held several US dollar auctions for banks, microfinance institutions and money changers to curb the rising exchange rate of Khmer Riel against US dollar.

NCD issuances declined and LPCO issuances rose significantly compared to NCDs in 2023, as a result of increased demand for Riel through LPCO, indicating successful excess liquidity management; NBC continued to maintain the reduced reserve requirements against deposits and borrowings at

the daily average balance equal to 7% (seven percent) in Riel and foreign currencies and delay the banks and financial institutions to maintain the 0% of Capital Conservation Buffer (CCB) as necessary. During 2023, CPBank maintained the liquidity fairly well and additionally set the internal buffer for full compliance with regulatory requirements.

MARKET RISK MANAGEMENT

Market risk: Risk arising from adverse changes in interest rates, foreign exchange rates, equity prices, credit spreads and commodity prices, as well as related factors. It is the risk of an adverse financial impact on trading activities as well as affect the value of financial instruments held by the Bank arising from changes in market parameters such as interest rates, foreign exchange rates, equity or asset prices, volatilities, correlations and credit spreads. The instruments like debt securities, equities, foreign exchange and derivative instruments are primarily held for trading or for management of statutory reserves. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing returns.

Market risk management at CPBank: Bank's approach to market risk management comprises the following building blocks:

- Policies
- Risk methodologies
- Processes, systems and reports

Policies: The FX Guideline sets our overall approach towards market risk management. This policy is supplemented with standards and guides, which facilitate the identification, measurement, control, monitoring and reporting of market risk in a consistent manner.

Risk methodologies: From the Bank site, the Bank is closely monitoring the situation and has conducted impact assessment to ensure that effective actions are taken in a timely manner to cope with the uncertainties and volatile financial markets. Bank measures and mitigates the market risk using sensitivities, and stress testing, giving a detailed picture of potential gains and losses for a range of market movements and scenarios, as well as tail risks over specified time horizons.

Processes, systems and reports: Robust internal control processes and systems have been designed and implemented to support our market risk management approach. CPBank reviews these control processes and systems regularly, and these reviews allow senior management to assess their effectiveness. The Bank have also placed emphasis on risk management under the supervision of the ROC and Asset and Liability Committee (ALCO) to ensure timely and efficient risk management, thus maintaining risk exposures within specified, prudent limits.

Overall, Cambodia economy gained traction with the accommodative expansionary monetary policy adopted by Central Bank and easing restrictions on businesses. Russia

Ukraine war, Israel–Hamas war, supply chain disruptions, interest rate increased by Fed and other Central Banks are putting inflationary pressure in the overall economy. However, National Bank of Cambodia continues to stabilize the exchange rate by intervening in the exchange market as needed and also continued with the waived limitation imposed on banks' and financial institutions' for net open position in local currency.

REPUTATIONAL RISK

Reputational risk: Risk that arises if our shareholder value (including earnings and capital) is adversely affected by any negative stakeholder perception of CPBank's image. This influences our ability to establish new relationships or services, service existing relationships and have continued access to sources of funding. Reputational risk usually occurs when the other risks are poorly managed.

CPBank views reputational risk typically as an outcome of any failure to manage risks in our day-to-day activities/decisions, and from changes in the operating environment. These risks include: i) Financial risk (credit, market and liquidity risks) ii) Inherent risk (operational and business/strategic risks)

CPBank's priority is to prevent the occurrence of a reputational risk event by adopting good risk attitudes and behaviors, instead of taking mitigating action when it occurs. There were no significant reputational risk incidents impacting the Bank in 2023.

CLIMATE AND SOCIAL RISK

Globally, there is an increasing awareness and sensitivity to the environmental and social implications of development. This has led to the strengthening of legislation and enforcement as well as increased public pressure on projects and promoters to demonstrate the social and environmental soundness of projects. Climate change could impact our customers where their business models may fail to align to a net zero economy and new climate-related regulation would have a material impact on their business. Secondly, extreme weather events or chronic changes in weather patterns may damage our customers' assets leaving them unable to operate their business or potentially even live in their home. At a broader level, risks from climate change are typically divided into a) physical risks that relates to economic losses (physical damage to property and assets) from extreme weather events (flood, cyclone, etc.) due to climate change and b) transition risks which is the possible process of adjustment to a low carbon economy and its possible effects on the value of financial assets and liabilities.

The emerging trends in Cambodia, such as tightening social and environmental laws & enforcement, increased public pressures and litigation all indicate that social and environmental risks are assuming significance. Nevertheless, when considering the broad spectrum of small entrepreneurs, specific environmental and social risks should not be overlooked. Examples of such risks

are the use of child labor, groundwater pollution by use of agrochemicals and soil pollution by an automotive repair workshop. The adverse environmental and social impacts of a single micro-entrepreneur may be considered minimal, but as the number of clients served is usually large there is a significant cumulative effect.

Climate and social risk mitigants

In general, businesses served by Banks like CP Bank are not associated with the same scale and types of environmental and social risks as larger corporate clients and projects served by other Banks and financial institutions as CP Bank operates only in the Salaried and Self Employed Mass Market segment. Over the past years, the business case for environmental and social management at financial institutions has been made: Environmental and Social (including labor) risks with clients translate into credit and reputation risks for financial institutions financing such clients. Moreover, the focus of our financing lies on the development of positive social impact.

CPBank is committed to identifying and addressing all short, medium and long-term environmental and social risks associated with its activities by implementing sound environmental and social risk management at client level. CP Bank's focus is to ensure the Environmental and Social Management System (ESMS) screening of the borrowers against the exclusion list in line with the applicable Cambodian environmental and social legislative requirements and relevant International Best Practices as applicable. CP Bank also assists its clients in identifying, mitigating and managing social and environmental risks and monitors, supervises and assists in the effective implementation of the ESMS. An environmental and social management system for sustainability policy framework has been formulated to address this risk. Evaluation of environmental and social risk is an integral part of our overall credit appraisal and approval process. This framework integrates social and environmental thinking into CP Bank's main line function, i.e., Lending operations, and other staff functions, integrates environmental and social aspects in CP Bank's loan cycle as appropriate.

Throughout 2023, we actively managed potential risks. We assessed their impact and incorporated them into our risk management to ensure our resilience. We also comprehensively reviewed all relevant policies and procedures. We remain vigilant, continuously monitoring the evolving landscape, including the ongoing impacts of post covid issues, geo-political issues, global conflicts and wars, supply chain disruptions and stand ready to mitigate any unforeseen risks that may emerge. Ultimately, management's efforts particularly in credit, liquidity and capital management in 2023 aligned our risk profile with our strategic goals, solidifying our capital base, and optimizing our balance sheet for future growth to better serve our customers in Cambodia.

COMPLIANCE

The Cambodia Post Bank Plc. is committed to follow the best practices and market standards in areas of accountability, transparency and business ethics in order to promote sustainability. Good governance and corporate social responsibility form an integral part of market standards. At the core of these efforts are integrity issues and the reputation risk the Bank faces in its activities.

Compliance Policy has been created with approval from board of director and update annually or when necessary based on the change in the regulation as we aim to comply with local regulation along with best practices in banking sector. Managements and all staffs are required to implement this policy effectively.

THE COMPLIANCE PROGRAM OF THE BANK HAS THE FOLLOWING:

(a) AML/CFT & CPF compliance:

Bank has created policy, procedure and guideline in line with the Law, Prakas of AML/CFT, other relevant regulations along with FATF Recommendation and other best practices within banking sector with strong commitment to fight against money laundering and counter financing of terrorism. Furthermore, onsite inspection at branches are also conducted by compliance team to make sure branches comply with the bank policy. All staff is required to strictly implement this policy and procedure while training is provided to new recruitment staff and refreshment training to existing staff two times per year.

Bank has launched Anti- Money Laundering System as additional mechanism to detect prevent bank not to involve with ML/CFT & CPF. Furthermore, new function has been added to the system to enhance implementation more effectively to the existing current practice.

(b) Legal compliance:

Bank also adhered to relevant laws and regulated by creating the compliance checklist to evaluate the performance of the bank and it is updated to align with current context. Compliance department of the bank is the main facilitator in monitoring the implementation of legal/ regulatory compliance across the bank with collaboration from each stakeholder within the bank.

(c) Whistleblowing:

The Bank is committed to achieve and maintain the highest standards of openness, probity and accountability. Either stakeholders or employees at all levels are expected to conduct themselves with integrity, impartiality and honesty. The implementation has been enforced within the whole bank to encourage the bank staff to report the significant matters which may include but are not confined to:

- Non-compliance with the legal and regulatory framework;
- Non-adherence to internal policies and procedures of the bank;
- Financial abuse, stealing, fraud or other financial irregularities;
- Corruption or mismanagement;
- Behavior that cause danger to health and safety of people;
- Improper conduct or unethical behavior;
- Abuse of authority or any forms of harassment; and
- Criminal or illegal activities;
- Deliberate concealment of any of the above;
- Expressing any grievances;

There are many channels for staff to report such as through the feedback box at branch, email or directly by telephone base on the situation.

(d) Customer Complaints Handling:

In the purpose to provide best class of customer service for customers, bank has call center 24/7 day to serve customer for any inquiry. Moreover, bank has developed policy and procedure of Customer Complaint Handling to align with prakas of Customer Complaint Handling of BFIs issued by National Bank of Cambodia to provide convenience for customer.

(e) FATCA Compliance:

Bank has created procedure to implement within bank in purpose to identify of US individual and legal entity that has any account with CPBank as a mechanism to collect any related information as key element to report to General Department of Taxation under the supervision of Ministry of Economics & Finance. Bank cooperate closely with General Department of Taxation to report every year with require condition. Furthermore, the training also delivers to relevant staff for their understanding to implement effectively.

BANK PERFORMANCE HIGHLIGHT

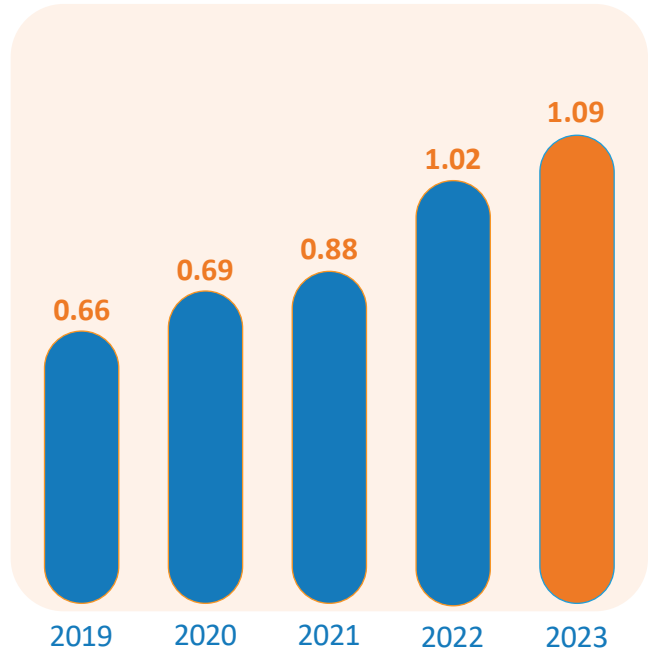
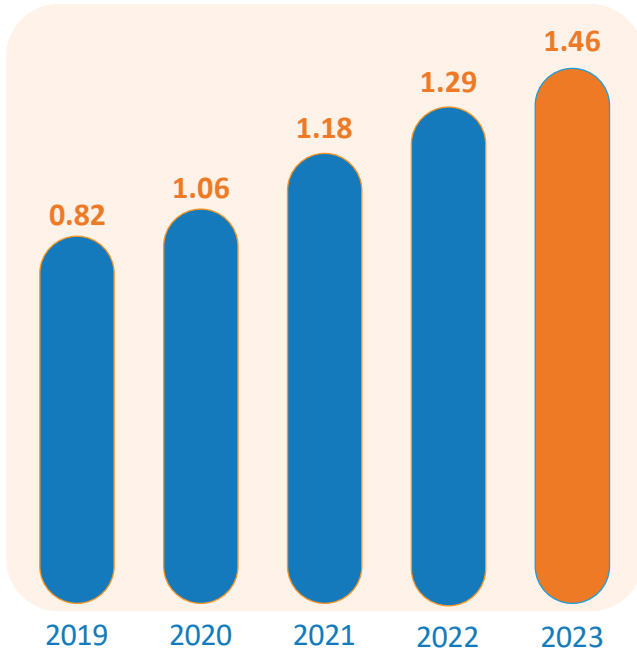
Consolidated with wholly owned subsidiary Funan Microfinance Plc.



TOTAL ASSETS
\$1.46 billion



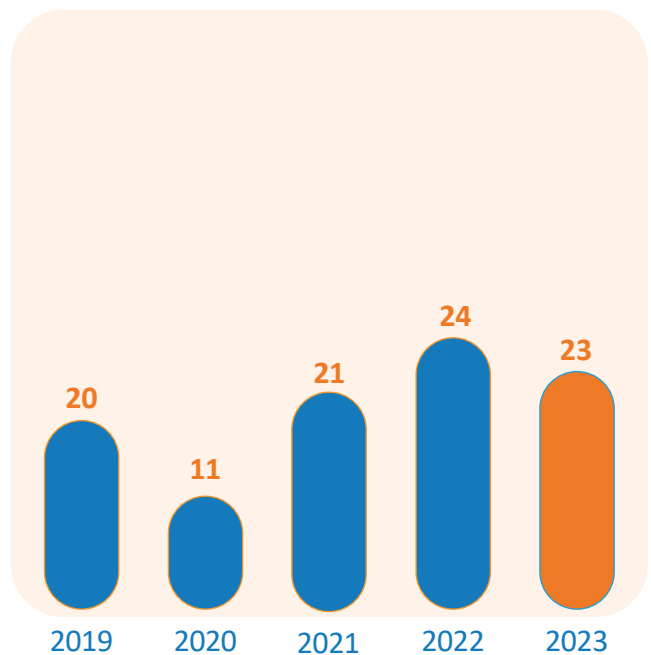
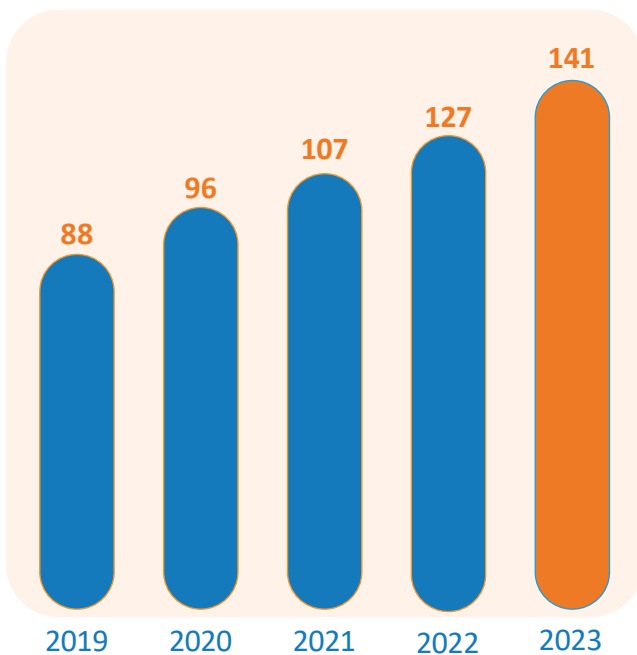
LOAN PORTFOLIO
\$1.09 billion



TOTAL REVENUE
\$141 million



NET PROFIT
\$23 million



CHAIRMAN'S MESSAGE



“CPBank has played a humble role in reviving the economic activities from its doomed year of Covid’19 pandemics and the overall financial sector stability. ”

Lok Neak Oknha Dr. Pung Kheav Se
Chairman of the Board of Directors

Following two years of a global health crisis, the global economy averted a hard landing in 2023. There was a sense of restored calm. However US-China tensions, the ongoing Russia-Ukraine war, as well as the Israel Hamas conflict, added to the uncertainty and resulted in a major escalation of humanitarian and economic crises.

After hiking interest rates for seven times in 2022, the Federal Reserve – in a bid to combat the highest inflation in generations – raised short-term borrowing costs by another four times to 5.25-5.5%, the highest level in last 22 years. Elevated interest rates dampened consumer and investment demand, and stymied global trade. We have also seen turmoil in the US regional banking sector and the failure of Credit Suisse, Silicon Valley Bank (SVB), Signature Bank and First Republic Bank in 2023. However, the Cambodian economy grew although slower than expected in 2023 with growth projected at 5.6% amid weaker exports. Against this backdrop, CPBank delivered a pleasing financial performance in 2023. CPBank stands as resilient franchise in Cambodia with its growing solid balance sheet along with prudent risk management, which positioned us well to be an important partner to our customers, the community and the Cambodia’s economic progress.

The Bank’s vision – enriches lives and fulfills the growing aspirations of the people of Cambodia - conveys our fundamental optimism and the role we play in supporting economic growth, contributing to Cambodia’s prosperity, and helping customers achieve their financial goals. The

Bank’s financial results have truly proven the extent of the efforts made by everyone, the relevance of our investment in the systems, security and the positive impact of our services and continuous harness on our business model. I want to acknowledge everyone’s hard work and ability to adapt. From employees to the Board and to the Shareholders and Regulators, we have all had to adapt, reviewing our business, rethinking our organization and our services, and reimagining our role in the future of the banking industry in Cambodia.

As Chairman of the Bank, I am proud of the role CPBank has accomplished in the growth journey of the nation. Through sensible and sustainable banking solutions, CPBank has played a humble role in reviving the economic activities from its doomed year of Covid’19 pandemics and the overall financial sector stability. Though we have played a major role in financial intermediation, we still have a long way to go as we prepare for the next 10 years and beyond. Our performance, resilience and ability to reinvent in adversity and the need to imagine the next 10 years and beyond is in my opinion deeply rooted in the Bank’s culture. The Bank is always ready for the future and serving customers is in the DNA. The Bank has always been able to innovate various financial products to meet the customer’s need. In this historic milestone of 10 years of CPBank, I’m sure our shareholders would have imagined the size, scale and influence of the Bank today and would have encouraged us to do more.

I am happy that CPBank has maintained a balance sheet of US\$1.46B asset where our loan portfolio grew 7.3%, deposit portfolio grew 14.6% and US\$ 23M net profit for the year 2023. We have efficiently managed to maintain a comfortable liquidity and capital position throughout the year. Bank's subsidiary Funan Microfinance also managed the profitability well during 2023. Bank also enhanced the partnership with Asian Development Bank (ADB) which helps us to expand Micro, Small, and Medium-Sized Enterprise Lending in Cambodia with an objective of accelerating progress in gender equality.

I am proud of the senior management team who works relentlessly to improve customer service experience and their commitment for the Bank. I would like express my gratitude to all our customers for their continued trust and support. I am thankful to the Royal Government of Cambodia, all regulatory bodies especially National Bank of Cambodia for their unwavering support. I am hopeful that CPBank will be here to contribute further for aspiring economic prosperity of Cambodia.



Lok Neak Oknha Dr. **Pung Kheav Se**
Chairman of the Board of Directors

| CEO'S MESSAGE



**“Bank has set a solid
foundation for
long-term sustainability”**

Toch Chaochek
Chief Executive Officer

Macroeconomic and geopolitical uncertainties remain. The World Bank and International Monetary Fund's projections are for the Cambodia economy to grow at 6.1% in 2024 and 6.4% in 2025 which are still below the historical (2000 – 2019) average of 7.7%. We have observed slightly lower credit growth (~14.8%) in 2023 which is the lowest growth rate in the last five years, mostly due to the weak recovery of some sectors. However, the Financial Institutions are actively playing a pivotal role for overall economic recovery of the country.

As a Bank for Mass Market, we look ahead and continue to invest in cementing our digital banking capability, particularly strengthening our technology resiliency, so we can deliver seamless and personalized banking services. We also understand our need to strengthen our existing competencies and invest in new capabilities for future to respond to any unexpected changes in the external environment. Our Mobile Banking users increased by 31% and Mobile Banking Transactions increased by 117% and customer accounts increased by 27% during 2023. We will always keep our mission to design and provide innovative financial solutions and deliver best in class services to our customers in order to build a purpose-driven bank to build a sustainable future.

Although overall Banking market observed comparatively lower interest rate for the loan, deposit rates have increased and there were challenges on overall margin. Moreover, the challenges remain to manage the non-performing loan which has shown an upward trend. I am thrilled to announce that our bank has achieved stable acceptable growth and success in the face of uncertainty. Despite the challenging times we have navigated, I am proud to share that our bank has set a solid foundation for long-term sustainability. In 2023, the Bank's total asset grew by 13.6% year on year to US\$ 1.46 billion, a loan portfolio grew by 7.3% to US\$ 1.09 billion, and a savings balance grew by 14.6% to US\$ 1.05 billion. Despite increase interest hike in the market, we have managed our net profit at US\$ 23million for the year 2023. We have also grown our QR merchants by 74% in 2023 and this will be our focus for 2024 to enhance our overall payment eco-system.

In the midst of economic turbulence and market volatility, our dedicated team has worked tirelessly to steer our bank through strategic planning, prudent risk management, and unwavering commitment to serving our customers. Our success can be attributed to a combination of factors that have positioned our bank for sustainable growth in the long run. By focusing on efficiency, diversification, innovation, and customer-centricity, we have fostered a culture of resilience and adaptability that has served us well in uncertain times.

We have increased our footprint and expanded our branch network to 62 branches by 2023, moreover our subsidiary, Funan Microfinance, has also have their 51 branches across Cambodia. We have also shifted our new Head office along with our Main branch in a spacious newly built purpose driven "CPBank Tower". We believe that this change has not only improved our people's motivation but also delighted our customers to get served in a beautifully designed Banking premises. The Bank has prioritized to cooperate with the Agricultural and Rural Development Bank (ARDB) under the Cambodia Agricultural Sector Diversification project (CASDP) to take part in the development of diversified agribusiness and agriculture value chains in selected geographical areas in Cambodia. We have also continued our co-operation with CGCC and co-financing scheme of SME Bank in order to support overall economic growth initiatives from Royal Government of Cambodia.

All the achievement in 2023 resulted from contribution from all our CPBank's staff, guidance from the Chairman, Vice-Chairman and all Board members. We want to thank everyone at CPBank for going extra miles, our Board & Shareholders, Royal Government of Cambodia, and regulatory bodies, especially the National Bank of Cambodia for their continued support. We would like to take this opportunity to extend our gratitude to the National Bank of Cambodia, the regulatory authority that has set out a timely strategy to maintain the stability of the Cambodian economy as a whole. We would also like to thank all our customers for their unwavering trust and support our products and services. Our on-going commitment is to provide our best in class service experience and innovative financial products to all our customers.



Toch Chaochek
Chief Executive Officer

BOARD OF DIRECTORS



Lok Neak Oknha Dr. Pung Kheav Se

Chairman of the Board of Directors

Lok Neak Oknha Dr. Pung Kheav Se serves as Chairman of the Board of CPBank, Canadia Bank, and Overseas Cambodian Investment Corporation, and is actively involved in the investment and development activities of all the concerns. A distinguished entrepreneur and respected business leader in Cambodia and Canada, Lok Neak Oknha Dr. Pung Kheav Se has served as Chairman, President, CEO and Board Member of several companies, including Oriental Ship Supplies, Oriental Commercial Inc., and has led CPBank's growth since 2013 and also Canadia Bank's growth since 1991.

He used to be a Chairman of the Association of Banks in Cambodia and also serves as President of Cambodia Constructors Association, working closely with industry leaders to guide the development of the banking and construction sectors in Cambodia.

Among the honors and awards Lok Neak Oknha Dr. Pung Kheav Se holds a Mahaserey Vattanac Award presented by His Majesty Norodom Sihanouk, King-Father of Cambodia in 2002; and "The Highest National Contribution" medal awarded by Prime Minister Hun Sen, presented by His Majesty, Norodom Sihamoni, King of Cambodia in 2012, for the significant contributions he has made and continues to make toward the development of Cambodia.

In November 21st, 2019, Lok Neak Oknha Dr. Pung Kheav Se was honorary as Doctor of Business Administration under representative of by Akka Moha Sena Padei Techo HUN SEN, Prime Minister of the Kingdom of Cambodia during the inauguration of the Indradevi Building of the Royal Academy of Cambodia.



Mr. Yeo Hong Ping

Vice Chairman of the Board of Directors

Mr. Yeo is the Chief Executive Officer of Fullerton Financial Holdings Pte Ltd ("FFH"). He oversees the building of the FFH franchise and the development of FFH's visions and strategies with the goal of increasing stakeholders value on a sustainable basis. Mr Yeo has overall responsibility of FFH and its investee companies.

Before joining FFH, Mr Yeo was Managing Director of J.P. Morgan and was responsible for the overall investment banking business in Singapore. Mr Yeo also served as Senior Management Committee member for J.P. Morgan Singapore, and Board Member for J.P. Morgan (SEA). He previously held other senior appointments including Head of Real Estate Investment Banking and Head of Corporate Finance in Southeast Asia.



H.E. Dr. Theara Horn

Advisor to the Board of Directors

H.E. Theara has been appointed as Director General of Post, Ministry of Post and Telecommunications (MPTC) in 2021. He had also served as director of international cooperation department of MPTC from 2018 to 2021.

He has Phd degree of Economics from Osaka University, Japan, in 2012. He has done researches on various topics including efficiency and productivity analysis on performance of public utility, government expenditure efficiency and industrial cluster.



Mr. Neo Poh Kiat

Independent Director

Mr. Neo was a Managing Director of Octagon Advisors Private Limited and an independent director of China Yuchai International Ltd, Capital and China Trust and ValueMax Group Ltd.

Prior to joining Octagon Advisors, Mr. Neo was the Senior Vice President and China Country Officer for Singapore's United Overseas Bank (UOB). Based in Hong Kong, Mr. Neo was also responsible for UOB's corporate banking relationships in the Greater China region.

Before joining UOB, Mr. Neo held various appointments in Singapore's DBS Bank, with his last held appointment being that of Managing Director and General Manager of DBS Bank's Hong Kong branch. Concurrently, he was also an Executive Director and a member of the Executive Committee of DBS Kwong On Bank, Supervisory Director of DBS Asia Capital Limited which is the investment banking subsidiary of DBS Bank in Hong Kong. He was instrumental in the setting up of DBS Securities Hong Kong and had served as its Executive Director in the early 90's.

Mr. Neo holds a Bachelor of Commerce (Honours) degree from the former Nanyang University, Singapore.



Mr. Giang Sovann

Independent Director

Mr. Giang is the founder and chairman of Corporate Governance Academy and teaches at the Singapore Management University and the Singapore University of Social Sciences on corporate governance, listing rules, risk management and climate change & sustainability reporting. He also teaches charity governance at the Social Service Institute and the Institute of Singapore Chartered Accountants. Mr. Giang is Senior Director of Business Consulting at RSM Singapore and is the head of Environmental Sustainability Service and Deputy Head of Not-for-Profit Service. He has written many articles on corporate governance, risk management and sustainability reporting. His management concepts, “Four pillars of effective corporate oversight” and “Eight drivers of effective risk management” have been adopted by many organizations.

Mr. Giang was Executive Director of the Singapore Institute of Directors where he also sat on the organizing committee of the Singapore Corporate Awards and co-managed the Best Managed Board Award for Singapore-listed companies. He has more than 10 years of experience serving as independent director of SGX listed companies. His board responsibilities and experiences include non-executive chairman, lead independent director, chairman of the audit & risk committee, chairman of remuneration committee, and a member of the nominating committee.

Mr. Giang qualified as a Chartered Accountant with the Canadian Institute of Chartered Accountants. He is also a Chartered Accountant, Singapore and a member of the Singapore Institute of Directors. He was a Member of the Complaints & Disciplinary Panel, the Public Accountants Oversight Committee, Accounting & Corporate Regulatory Authority (ACRA).



Mr. Teo Meng Poh Philip

Non-Executive Director

Mr. Teo is a Senior Vice President for Integrated Risk Management at FFH. In this capacity, he oversees the various Risk aspects of the FFH franchise in China and Indo China. In his role, Mr Teo is also responsible for Operational Risk Management, Audit and Compliance of the FFH Franchise, including setting its policies and governance framework. He is also the Risk lead for M&A activities. Prior to joining FFH, Mr Teo was the Head of Audit, Client Origination and Corporate Finance at Standard Chartered Bank. Mr. Teo started his career with Oversea-Chinese Banking Corporation where he held various senior roles and was responsible for client origination in the Bank’s overseas franchises in Shanghai and Bangkok.



Mr. Ros Phirun

Non-Executive Director

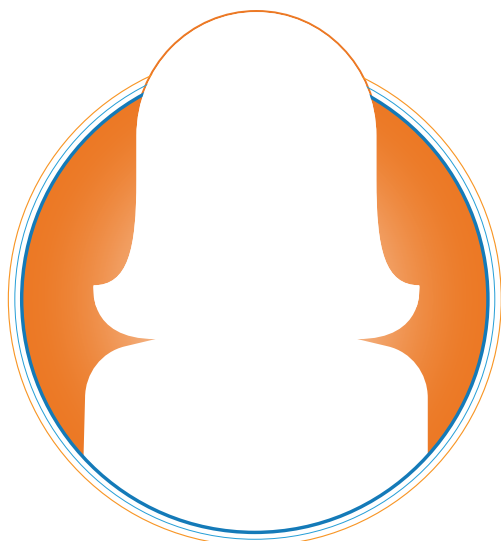
From 2021 till present, Mr. Phirun promoted as Secretary General at Commercial Gambling Management Commission of Cambodia. His main responsibility is to manage the whole general process at Commercial Gambling Management Commission of Cambodia, include overseeing and collecting national revenue from commercial gambling sector.

Since 2013 till 2020, Mr. Phirun holds the position of Deputy Director General of the General Department of Financial Industry (GDFI) of Ministry of Economy and Finance. He is mainly responsible for the Public Financial Management Reform Program and Auditing of the GDFI.

From 2008 to 2013, Mr. Phirun was responsible for establishing and developing Government Securities, Commodity Market, Sovereign Funds, Financial Stability Policy and the Financial District of Cambodia under the guideline of Financial Sector Development Strategy. Mr. Phirun was also the Vice Chairman of Board of Directors of the National Social Security Funds for Civil Servants (NSSFC) which oversees and adopts all regulations drafted by the management of the NSSFC.

From 2004 to 2008, he was the Chief of Casino Management Division under Financial Industries Department and also served as Deputy Chief of Bureau of the WTO Legal Compliance and Assistant to the Senior Economic Official for Cambodia under the ASEAN and International Organizations Department of Ministry of Commerce.

Mr. Ros Phirun graduated with a Master of Science in Strategic Tourism Management from CERAM ESC Sophia Antipolis, France in 2002 and Master of Business Administration in International Business from Asian Institute of Technology, Thailand.



Dr. Pung Carlyne

Non-Executive Director

Dr. Carlyne was born in Phnom Penh. She grew up and was educated in Montreal, Canada. She pursued medical studies and obtained her MD degree in 2000. She specialized in Family Medicine and graduated from the University of Montreal in 2002. For nearly 5 years, she practiced in different hospitals and private clinics in 2 Canadian provinces: Quebec and Ontario.

In 2007, due to family reasons, she moved to Cambodia. To keep up with her medical practice, she has been working part-time as a Medical Officer at International SOS Clinic/Raffles Medical in Phnom Penh until 2020.

She has been an Executive Director at the Board of Canadia Bank PLC, a leading commercial bank in Cambodia since 2007 and a Non-Executive Director at the Board of Cambodia Post Bank since 2013.

EXECUTIVE MANAGEMENT



Mr. Toch Chaochek

CEO

Mr. Toch Chaochek is a seasoned Executive Management professional having more than 22 years' working experience in Financial Industries in Cambodia. He has been appointed as Chief Executive Officer of CPBank since 2013. He has developed this green field Bank from its humble beginning to the best Mass Market Bank with his local expertise and experience of working in various leadership roles in various Financial Institutions.

Prior to joining CPBank, Mr. Toch was Chief Operating Officer of Hatha Bank. He worked at Hatha Bank and Acleda Bank at various senior management role covering Business, Credit, Operations, Trade Finance area. Mr. Toch started his career with Acleda Bank.

Mr. Toch Chaochek holds MBA in Finance and Banking from University of Cambodia, BBA in Public Law from Royal University of Law and Economic Science, and BBA in Business Marketing from National University of Management.



Mr. Malay Kumer Paul

DCEO

Mr. Malay Kumer Paul is an Executive Management Professional with over 29 years of working experience in Financial Institutions in APAC and Middle East region with Global, Local and Investment Banks. He joined CPBank as Chief Risk Officer in 2018 and appointed as Deputy Chief Executive Officer since July 2020 with responsibility of overall Business and Operations of the Bank.

In his previous roles, he served at various Senior Management role that includes, Vice President, Integrated Risk Management, FFH in Singapore; Deputy CEO & CRO, Mekong Development Bank (MDB) in Vietnam; Head of Credit and Collection for Retail & SME in The City Bank Ltd. and BRAC Bank Ltd. in Bangladesh; Cluster Head of Collections in Standard Chartered Bank covering Bahrain, Qatar, Jordan and Lebanon. He started his banking career with ANZ Grindlays Bank in Bangladesh.

Mr. Malay holds Master of Science (First Class) degree from the University of Dhaka, and an MBA from Brac University, Bangladesh.



Mr. Yi Sakun

EVP & CHRO

Mr. Yi Sakun is a Strategic Human Resource Professional with more than 20 years' experience in various industries including Bank, Microfinance and Hospitality. He joined CPBank in February 2013 as Head of Human Resources and appointed as EVP & Chief Human Resources Officer in 2015.

Prior to joining CPBank, he was the Deputy Head of Human Resources at AMRET Microfinance, Human Resources Manager and Human Resources Business Partner at ANZ Royal Bank, and the Head of Human Resources for SOKHA Hotels and Resorts Group. Mr. Sakun has in depth knowledge in Recruitment, Compensation, Training and Development, Performance and Business Relationship Management. Mr. Sakun is passionate on transforming HR practices through technology adoption. He possesses strategic HR Business partnering experience and well conversant with Cambodia Labor Law.

Mr. Sakun holds a BBA degree and also a certified Human Resources Professional by HR Certification Institute (HRCI).



Mr. Chanthol Krouch

CITO

Mr. Chanthol Krouch brings over two decades of specialized expertise in Information Technology, predominantly within the financial sector. As the Chief Information Technology Officer, he spearheads the IT and Digital divisions, focusing on vital enhancements to business operations. His strategic leadership has been essential in advancing CPBank's technological capabilities and significantly improving customer service experiences.

Mr. Chanthol is dedicated to elevating customer engagement through the application of innovative technologies across various sectors. He has established meaningful collaborations with both local and international partners. Throughout his distinguished career, Mr. Chanthol has assumed multiple leadership roles in prestigious financial and insurance organizations, including Prudential (Cambodia) Life Assurance Plc, Union Commercial Bank, RHB, and Camko Bank. In these roles, he has been pivotal in formulating and executing digital strategies that have transformed and established business models through pioneering digital solutions.

A graduate of the Royal University of Phnom Penh, Mr. Chanthol holds degrees in Computer Science and other university degrees in Business and Economic Administration. His solid educational foundation and extensive professional experience uniquely position him to leverage technology to drive business growth and enhance customer satisfaction.



Mr. Chea Bunhean

CFO

Mr. Chea Bunhean is an Executive Management Professional with over 18 years of working experience in Financial Institutions and Auditing across ASEAN region. He joined CPBank as Chief Financial Officer in November 2019. He was instrumental in CIFRS conversion at CPBank Group.

Prior to join CPBank, he was Deputy Chief Financial Officer of Canadia Bank and Chief Executive Officer of Cana Securities.

Mr. Bunhean has rich experience of working in various leadership roles in local, regional bank as well as in audit firms. He has worked as Deputy Head of Commercial Banking Division with a regional bank for 4 years. He also spent more than 7 years with local and global big 4 audit firms covering Singapore, Vietnam and Cambodia market where lately he was an Audit Manager.

Mr. Bunhean is a Certified Public Accountant from CPA Australia and KICPAA. He also holds an MBA from University of Paris 1.



Mr. Kong Chhay long

COO

Mr. Chhay Long is an Operation and Technology Management professional with more than 27 years' experiences in Banking and technology industries. He joined CPBank in 2016 as Head of Operation and appointed as Chief Operating Officer in 2018. In his role, he leads not only operations team but also manages Property, Administration, logistics and Procurement.

Prior to CPBank, he used to serve in ANZ Royal Bank for 10 years managing Technology, Electronic Banking & Delivery Channels, Local and International Payment Services. Mr. Chhay Long also worked with two large International Technology Companies. His diverse Technology background coupled with his operational experiences make him instrumental in transforming the operational processes to provide best in class customer service in the market. He has also driven many transformation and processes re-engineering projects successfully.

Mr. Chhay Long holds a Master Degree in Information & Technology and certified member of International Compliance Association (ICA).



Mr. Rajesh Kumar Barua

CRO

Mr. Rajesh is a certified expert in risk management (Frankfurt) with 22 years' banking experience in financial industry of Bangladesh. He is certified mentor by Project Management Institute and leadership expert from GABV, MIT CoLab and Presencing Institute. He joined CPBank as Chief Risk Officer in January 2022.

Prior to joining CPBank, Mr. Rajesh worked as Underwriting Head in BRAC and City Bank, Consumer Credit Risk Manager, HSBC contributing in risk management, policies, process automation areas. Mr. Rajesh began his career with Standard Chartered Grindlays in 2002.

Mr. Rajesh is awarded as "Idea Guru" by CEO, BRAC Bank, "Retail Leader" by Asia Retail Congress, Mumbai, "Appreciation Award" from President, AMEX South Asia, "HSBC CEO Thanks", "Best Innovative Idea Award" from Asia Pacific CEO HSBC, "Live the Brand Award" and "Special Recognition Award" from CEO HSBC.

Mr. Rajesh holds BBA (Finance) from Independent University and MBA (Accounting & Information System) from University of Dhaka.



- ① Head of Operations
- ② Chief Risk Officer
- ③ Head of Deposit
- ④ Acting Head of Marketing
- ⑤ Acting Head of Lending
- ⑥ Head of E-Channel Banking
- ⑦ Head of HR, C&B and Employee Relation
- ⑧ Head of Compliance
- ⑨ Head of Internal Audit
- ⑩ Chief Information Technology Officer
- ⑪ Head of Risk Analytics
- ⑫ Head of Finance
- ⑬ Acting Head of Administration and Procurement
- ⑭ Head of Core Banking
- ⑮ Head of Credit
- ⑯ Head of Branch Management
- ⑰ Chief Operating Officer
- ⑱ Deputy Chief Executive Officer
- ⑲ Chief Executive Officer
- ⑳ EVP & Chief Human Resources Officer
- ㉑ Chief Financial Officer

LATEST AWARDS



CPBank receives an Appreciation Letter from Samdech Akka Moha Sena Padei Techo Hun Sen, which recognizes the Bank as the 28th largest taxpayer in Cambodia in 2022



CPBank receives Gold Certificate of Tax Compliance from the General Department of Taxation, for the period 2022-2023.



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PEAK OF SUCCESS – Trustful Bank in 2022 Award
Houston, Texas, USA



សូមអបអរសាទរចំពោះ
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PEAK OF SUCCESS BEST RETAIL BANK 2023

Lisbon, Portugal



សូមអបអរសាទរចំពោះ
ធនាគារ ប្រៃសណីយ៍កម្ពុជា ក.អ ដែលទទួលបានពានរង្វាន់កិត្តិយស

Honorable Mention in the SME FINANCIER OF THE YEAR - ASIA
SME Finance Forum.



MERRY
Christmas

HAPPY NEW YEAR

រីករាយបុណ្យណូអែល ពីធនាគារ ប្រៃសណីយ៍កម្ពុជា ក.អ
Merry Christmas from CPBank!



CORPORATE SOCIAL RESPONSIBILITIES



CPBank Donates Tables and Chairs to AFESIP Cambodia

CPBank donated 10 computer tables, 5 dining tables, 50 chairs and 50 cases of water to AFESIP Cambodia on 01 March 2023.

CPBank would also like to encourage all Cambodians to donate to AFESIP Cambodia to help the NGO to continue their mission to help young women and girls to be able to stand up again and become a good human resources in Cambodia.

គណនីសម្រាប់បរិច្ចាគ៖



AFESIP CAMBODIA
061 601 601 | KHR



AFESIP CAMBODIA
061 601 601 | USD

CPBank Sponsors Media Awareness Raising Campaign



CPBank has always supported “Financial Literacy” campaign, which is one of the Bank’s CSR activities.

CPBank is the Diamond Sponsor of Media Awareness Raising Campaign that offers trainings related to finance and banking to journalists in order to provide them foundation understanding of the sector when reporting about finance and banking. The campaign is organized by the Association of Banks in Cambodia (ABC), Cambodia Microfinance Association (CMA) and Insurance Association of Cambodia (IAC), in corporation with Cambodia Club of Journalists (CCJ).

The launching event was held at Sofitel Phnom Penh Phokeethra on 28 March 2023.

CPBank Donates KHR 40 Million to Cambodian Red Cross



CPBank donated KHR 40 Million to the Cambodian Red Cross on the occasion of the 160th Anniversary of the World Red Cross and Red Crescent Day, May 8, 2023.

This donation is another testament to the Bank's commitment to social responsibility.

CPBank Organizes “Clean Up Day” Nationwide Twice in 2023



CPBank organized “Clean Up Day”, participated by the Branch’s management and staff, by collecting rubbish in public parks and streets in all provinces in Cambodia.

The “Clean Up Day” was organized twice in 2023 – on 03 June 2023 to celebrate National and World Environment Day and on 16 September 2023 to celebrate World Clean Up Day.

The objective of these activities is to contribute to the environmental protection as well as to global climate change initiatives.

This activity also aims to promote well-being, beauty and public order of the capital city and provinces, and to remind the public to avoid littering for clean environment and healthy living.

CPBank Donates USD 5,870.80 to Nikom Secondary School in Battambang Province



On 9 July 2023, CPBank donated USD 5,870.80 to support Nikom Secondary School in Nikom Krau Village, Chrouy Sdau Commune, Thmor Koul District, Battambang province for building 99-meter concrete roads and installing solar lamp posts for public benefits.

CPBank also brought souvenirs for teachers, each of whom received an eco-bag, an umbrella and a t-shirt.

This was the second time that CPBank has contributed to Nikom Primary and Secondary school. In 2022, the Bank donated 20 million KHR to build 80-meter concrete road and install 16 solar lamp posts along the road.



CPBank Organizes “Blood Donation Day”

CPBank organized Blood Donation Day on 05 August 2023 at the National Blood Transfusion Center to contribute to saving lives of patients who are in need of blood.

CPBank Blood Donation Day was organized in 4 locations of the National Blood Transfusion Center at the same time, which are in Phnom Penh, Siem Reap Province, Battambang Province, and Kampong Cham Province. The event was participated by Management and staff from CPBank Head office, and 33 branches in Phnom Penh, Province and District.

This activity also aims to encourage more people to donate blood to save more lives who are in need of blood.



CPBank Sponsors the “World Walking Day” in Order to Promote Sport and Healthy Activities in Cambodia



Cambodia Post Bank always promotes sports and health! The Bank co-sponsored the “World Walking Day” organized by the General Department of Sports and Administration of Prey Veng in collaboration with Infinity Sport on October 1, 2023 in Prey Veng.

World Walking Day was first established in 1991 in Lausanne, Switzerland by the World Sports Association for All (TAFISA). Named “World Walking Day”, it is celebrated with millions of people from more than 160 countries gathering every Sunday in the first week of October. This activity was carried out regularly for more than three decades until it was recognized by the World Sports Association for All and decided to establish this day under the name “World Walking Day” in 1991.

This year, Cambodia also organizes the Walking Day at Samdech Krala Hom Sar Kheng Park on Sunday, October 1, 2023, in Prey Veng province at 10:00 a.m. with other 160 countries.

This participation is a commitment to contribute to the promotion of sports and health in the Kingdom of Cambodia.



CPBank Donates Benches to the Stung Treng Provincial Administration Office and Police Commissariat of Stung Treng Province

On November 7th 2023, Cambodia Post Bank Plc. Stung Treng Provincial Branch donated 30 benches to the Stung Treng Provincial Administration Office, and other 20 benches to Police Commissariat of Stung Treng Province for public use.



IMPORTANT EVENTS

New CPBank's Branches



Boeng Tumpun Branch (Moved from Boeng Trabaek Branch)

Address: St.271, Phum Kbal Tumnob1, Sangkat Boeng Tumpun2, Khan Meanchey, Phnom Penh

Phone Number: 069 600 092





Prey Nob District Branch-Samrong Commune

Address: Samrong Kandal Village, Samrong Commune, Prey Nob District, Preah Sihanouk Province

Phone Number: 087 800 050





Mukh Kampul District Brach – Preaek Anhchanh Commune (New Location)

Address: NR6A, Kraom Village, Preaek Anhchanh Commune, Mukh Kampul District, Kandal Province

Phone Number: 070 600 047





Local Branch of Cambodia Post Bank Plc. (Kaoh Thum District - Preaek Thmei Commune)

Address: Kampong Svay Leu Village, Preaek Thmei Commune, Kaoh Thum District, Kamdal Province

Phone Number: 070 700 063



CPBank Relocates Head Office and Main Branch



CPBank relocates Head Office and Main Branch at CPBank Tower, No 263 , Street No 110 corner 61, Group 11, Phum 1, Sangkat Vat Phnum, Khan Doun Penh, Phnom Penh, with the participation of Mr. Toch Chao Chek, Chief Executive Officer, and Senior Management of Head Quarter and Main Branch.

The new CPBank Head Office and Main Branch is a standard building, equipped with security system and modern banking equipment. All staff are also professionals who always welcome and are ready to provide financial services to customers.



CPBank Shares Love and Cares with Female Staff



The Management of CPBank expressed appreciation and gratitude to all female staff on 8 March 2022, the 112th anniversary of International Women's Day.



CPBank Organizes a Mid-Year Performance Review 2023



On 8th July 2023, CPBank organized a Mid-Year Performance Review 2023, presided over by Mr. Toch Chaochek, Chief Executive Officer, and participated by all Senior Management and Branch Managers at Hotel Somadevi Angkor Resort & SPA in Siem Reap Province.

The main objective was to review the mid-year achievements of FY2023 and to set business strategies for the next half of FY2023.

This event also included a team-building activity by running from Bakeng Temple to Bayon Temple to promote team spirit and healthy lifestyle.





CPBank Celebrates 10th Year Anniversary



20 September 2023 marks the 10th Year Anniversary of Cambodia Post Bank PLC. (CPBank), as one of the fastest growing commercial bank in Cambodia. This is a momentous occasion that calls for reflection and celebration. Over the years, CPBank has transformed from an ambitious vision into a formidable institution, empowering individuals and businesses in Cambodia.

By September 2023, the Bank's total asset reached to US\$ 1.46 billion with both deposit and loan portfolio of US\$ 1 billion each. We are serving across Cambodia through our 62 branch network, 324+ ATM/CDM access points. We are proud to have a 329,000 Customer base, 131,000 card holders, 130,000 Mobile Banking users and 58,000 merchant points.

<p>Total Asset US\$ 1.46 billion</p>	<p>Deposit Portfolio US\$ 1 billion</p>	<p>Loan Portfolio US\$ 1.09 billion</p>	<p>Branch Network 62 branches</p>	<p>ATM/CDM 324+ ATMs/CDMs</p>	<p>Customer Base 329,000 acct.</p>
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Funan Microfinance, CPBank's subsidiary, are also serving customers through their 51 branches. Funan's total asset has increased 8 times since it was acquired by CPBank in 2017.

In last 10 years, CPBank has rapidly transformed into a bank with full-fledged digital services and customers can perform any financial transactions online without coming to CPBank branches, be it an account opening or loan or payments.

CPBank have received many recognitions locally and internationally in these years. In 2023, CPBank has received "Peak of Success – Best Retail Bank 2023 Award" from the World Confederation of Businesses, and "Honorable Mention



as SME Financier of the Year Asia” from the SME Finance Forum of International Finance Corporation (IFC).

In a world of constant change, our steadfast commitment to excellence, trust and innovation has set us apart. Our unwavering dedication to serving our customers with integrity and with personal touch has earned the loyalty and admiration. Our achievements are a testament to the collective efforts of an incredible team, who have gone above and beyond to provide unparalleled innovative financial solutions.



Toch Chaocheck, CEO of CPBank said, “As we celebrate this incredible milestone, we will continue to embrace the spirit of growth and progress. We will always seek new perspectives, embrace innovation, adapt to the evolving financial needs of our customers and mindful about the environment and communities we serve.”

“We would like to thank all our customers who have always supported our products and services since inception. We also want to extend our gratitude to our Board and shareholders for their wise guidance and regulators, especially the National Bank of Cambodia, for their continued support. We are committed to provide our best in class service experience to all customers. Our legacy stands tall, inspiring others in the industry to redefine what it means to be a Bank. As we embark on the next decade of excellence, may the journey ahead be filled with ever greater achievements and milestones,” he continued.

Happy 10th Anniversary of CPBank!



CPBank Partners with Eurogiro for Inward International Money Transfer

You sent
430.000,00 KHR

- ✓ Payment completed
- ✓ Ready for pickup
- ✓ Message sent to Dad
- ✓ Picked up by Dad

Thank you 😊

Here you go Dad 🍀

PostalPay

Receive cash in minutes to Cambodia

The cheaper, faster, safer way to collect cash from your loved one abroad.

CPBank

CPBank and Inpay, one of Europe’s fastest growing fintech companies, have entered into a partnership to introduce international money transfer services in Cambodia via Eurogiro, an Inpay-owned postal network comprised of 70,000 post office locations worldwide.

With the new partnership, Cambodians abroad can instantly and affordably send money to their friends and family in Cambodia through CPBank’s 62 nationwide branches instantly, easily and safely.

“We are excited to announce our partnership with Cambodia Postbank, which marks a significant step towards advancing financial inclusion in the region,” said the CEO of Inpay, Thomas Jul. “By granting one of the country’s largest post banks-access to global remittances from overseas diaspora through Inpay’s Eurogiro network, we make it easier, more affordable and faster than ever before for Cambodians to receive cash transfers from friends and family abroad.”

Toch Choachek, CEO of CPBank, also expressed his enthusiasm about the partnership, stating, “Cambodia has a lot of migrant workers who need to send money back home to support their families. With this new service, CPBank will not only provide a wider option for remittances in the country, but also contribute to improve overall economic activity in Cambodia. This is an easy and affordable way for the market to ensure an inclusive financial system.”

The partnership showcases the commitment of CPBank and Inpay to provide innovative and convenient financial solutions, creating a brighter and more connected future for Cambodians worldwide.

The fintech company Inpay offers affordable, fast and secure cross-border payments. Inpay’s Eurogiro network of 70,000 branches and post offices across the world, including in rural or remote areas that are typically underserved by other financial services. In 2021, Inpay was recognized by the Financial Times as the fastest-growing company in Denmark and the sixth fastest-growing fintech company in Europe. Inpay is regulated by the Danish Financial Supervisory Authority.



CPBank Organizes the 10th General Assembly



CPBank has organized the 10th General Assembly on 5th January 2024 at Independent Hotel, Preah Sihanouk Province. It was presided over by Mr. Toch Chaocek, Chief Executive Officer and participated by all Head Office Management, Branch Managers, and 2023's outstanding staff.

The objective of this General Assembly was to celebrate the achievement of 2023 and to set the business strategies plan for 2024.

This event also aimed to strengthen relationships and collaboration among Head Office Management and Branch Managers.

During the event, outstanding branches and staff in 2023 were also presented certificates of appreciation for outstanding performance in the 2023.

At the end of the event, Mr. Toch Chaocek, Chief Executive Officer of CPBank, expressed his appreciation to all CPBank's managements and staffs for their excellent efforts throughout the year and encourage all management and staff to work even harder in 2024 for both personal and bank progress.



CPBank Joins Various Fair and Exhibition in 2023



Mid-Year Mega Sale on 17-18 June 2023 at The Premier Centre Sen Sok



SEA GAME Top Brand Fair 2023 on 05-21 May 2023 on Street OCIC (Around Food Palace)



NUM Sankranta on 31 March-2 April 2023 at National University of Management



International Culture Day on 25 March 2023 at CIA First International School's Chhbar Ampov Branch



Women Run 10KM & 4KM with the theme "Women in Leadership" on 8 March 2023 in front of Phnom Penh's Wat Botumvatey Park.



Valentine's Day" on 14 February 2023 at MC Park



The 5th My Family Fairs on 15-17 September 2023 at Aeon Mall Phnom Penh



Launching event of Digital Community of Cambodia on 27 September 2023 at Cambodia Academy of Digital Technology



Pchum Ben Mega Sales on 6-8 October 2023 at K Mall



Kan Ben on 8 October 2023 at Wat Upbal Choatnaram



ASEAN Savings Day on 31 October 2023 in Kampong Thom Province



National Career and Productivity Fair on 10-11 November 2023 at Koh Pich Exhibition Hall

ប័ណ្ណឥណទានវីសា

CPBank Visa Cards

ផ្តល់ជូនឥណទានរហូតដល់

Credit up to

\$50.000



FREE
សេវាប្រចាំឆ្នាំ



Extracted Audited Financial Statements

The accompanying audited financial statements are partially extracted and reformatted from the whole audited financial statements. This should be read in conjunction with the annual audited financial statements for the year ended 31 December 2023.



CAMBODIA POST BANK PLC. AND ITS SUBSIDIARY

Consolidated and Separate Financial Statements for the year ended 31 December 2023 and Report of the Independent Auditors

Corporate information

Bank	Cambodia Post Bank Plc.	
Registration No.	Co. 1794 M/2013	
Registered office	Building No 263, Street No 110 1 61, Group 11, Phum 1, Sangkat Vat Phnum, Khan Doun Penh, Phnom Penh, Kingdom of Cambodia	
Shareholders	Canadia Investment Holding Plc. (“CIHP”) Fullerton Financial Capital Pte. Ltd. (“Fullerton”) Cambodia Post (“CP”)	
Board of Directors	Lok Neak Oknha Dr. Pung Kheav Se	Chairman
	Mr. Yeo Hong Ping	Vice-Chairman
	Mr. Ros Phirun	Non-Executive Director
	Dr. Pung Carolyne	Non-Executive Director
	Mr. Teo Meng Poh Philip	Non-Executive Director
	Mr. Neo Poh Kiat	Independent, Non-Executive Director
	Mr. Giang Sovann	Independent, Non-Executive Director
Auditors	PRICEWATERHOUSECOOPERS (CAMBODIA) LIMITED (PWC)	

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DIRECTORS' REPORT

The Board of Directors (the Directors) hereby submits their report and the audited consolidated financial statements of the Cambodia Post Bank Plc. (the Bank) and its subsidiary, Funan Microfinance Plc. (together the Group) and the separate financial statements of the Bank for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The principal activities of the Bank consist of the operation of core banking business and the provision of related financial services through the Bank's head office in Phnom Penh and its various branches in the Kingdom of Cambodia.

The principal activities of Funan Microfinance Plc. consist of the provisions of loans and other micro-finance services to improve living standards in term of rural development through its head office in Phnom Penh and its various branches in the Kingdom of Cambodia.

There were no significant changes in nature of the principal activities during the year.

RESULTS OF OPERATION

The results of financial performance for the year ended 31 December 2023 are set out in the consolidated and separate statement of profit or loss and other comprehensive income on page 71 and 75, respectively.

SHARE CAPITAL

There were no changes in the registered and paid up share capital of the Group and the Bank during the year.

BAD AND DOUBTFUL LOANS AND ADVANCES

Before the consolidated and separate financial statements of the Group and the Bank were drawn up, the Directors took reasonable steps to ascertain that action had been taken in relation to the 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 consolidated and separate financial statements of the Group and the Bank inadequate to any material extent.

ASSETS

Before the consolidated and separate financial statements of the Group and the Bank were prepared, 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 Group and the Bank, have been written down to an amount which they might be expected to realise.

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

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there is:

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

No contingent or other liability of the Group and the Bank has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and the Bank 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 consolidated and separate financial statements of the Group and the Bank, which would render any amount stated in the consolidated and separate financial statements misleading.

ITEMS OF UNUSUAL NATURE

The financial performance of the Group and the Bank for the financial year was not, in the opinion of the Directors, substantially affected by any item, transaction or event 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 item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the financial performance of the Group and the Bank for the current financial year in which this report is made.

THE BOARD OF DIRECTORS

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

Lok Neak Oknha Dr. Pung Kheav Se	Chairman
Mr. Yeo Hong Ping	Vice-Chairman
Dr. Pung Carolyne	Non-Executive Director
Mr. Teo Meng Poh Philip	Non-Executive Director
Mr. Ros Phirun	Non-Executive Director
Mr. Giang Sovann	Independent, Non-Executive Director
Mr. Neo Poh Kiat	Independent, Non-Executive Director

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The Directors are responsible for ascertaining that the consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and 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 consolidated and separate financial statements, the Directors are required to:

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

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

APPROVAL OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The accompanying consolidated and separate financial statements, together with the notes thereto, which present fairly, in all material respects, the financial position of the Group and the Bank as at 31 December 2023 and the financial performance and cash flows of the Group and 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 an approval of the Board of Directors.



Lok Neak Oknha Dr. Pung Kheav Se
Chairman of the Board of Directors

Mr. Toch Chaochek
Chief Executive Officer

Phnom Penh, Kingdom of Cambodia
27 March 2024

Independent auditor's report

To the Shareholders of the Cambodia Post Bank Plc.

Our opinion

In our opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Cambodia Post Bank Plc. (the Bank) and its subsidiary (the Group) and the separate financial position of the Bank as at 31 December 2023, and their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards (CIFRS).

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2023;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the separate statement of financial position as at 31 December 2023;
- the separate statement of profit or loss and other comprehensive income for the year then ended;
- the separate statement of changes in equity for the year then ended;
- the separate statement of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include material accounting policy information and other explanatory information

Basis for opinion

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

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

Independence

We are independent of the Group and the Bank in accordance with the 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 consolidated and separate 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

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

Our opinion on the consolidated and separate 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 consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information 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 consolidated and separate financial statements

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

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

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

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

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

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

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

ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the Group and the Bank audit. We remain solely responsible for our audit opinion.

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

For PricewaterhouseCoopers (Cambodia) Ltd.



By Lang Hy
Partner

Phnom Penh, Kingdom of Cambodia
28 March 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

		2023	2022	2023	2022
	Notes	US\$	US\$	KHR '000	KHR '000
ASSETS					
Cash on hand	4	33,534,642	37,048,923	136,989,013	152,530,416
Deposits and placements with the central bank and other banks	5	236,674,128	162,304,061	966,813,813	668,205,819
Loans and advances to customers	6	1,079,115,825	1,003,984,251	4,408,188,145	4,133,403,161
Investment securities at amortised cost	7	10,355,330	9,822,179	42,301,523	40,437,911
Statutory deposits with the central bank	8	82,581,432	58,893,286	337,345,150	242,463,658
Property and equipment	9	4,535,469	4,692,475	18,527,391	19,318,920
Right-of-use assets	10	9,293,390	6,217,289	37,963,498	25,596,579
Intangible assets	11	1,159,702	1,222,060	4,737,383	5,031,221
Goodwill	12	754,215	754,215	3,080,968	3,105,103
Deferred tax assets	13	44,063	1,612,256	179,997	6,637,658
Other assets	14	4,227,248	1,166,961	17,268,308	4,804,378
TOTAL ASSETS		1,462,275,444	1,287,717,956	5,973,395,189	5,301,534,824
LIABILITIES AND SHAREHOLDERS' EQUITY					
LIABILITIES					
Deposits from banks and other financial institutions	15	232,015,674	195,691,574	947,784,028	805,662,210
Deposits from customers	16	857,087,536	751,729,427	3,501,202,585	3,094,870,051
Borrowings	17	120,566,980	115,155,035	492,516,113	474,093,279
Lease liabilities	10	9,076,255	6,027,241	37,076,502	24,814,151
Current income tax liabilities	18	2,477,624	4,842,759	10,121,094	19,937,639
Employee benefits	19	214,955	243,505	878,091	1,002,510
Other liabilities	20	5,795,013	5,051,949	23,672,628	20,798,873
Subordinated debts	21	39,151,620	35,962,991	159,934,368	148,059,634
TOTAL LIABILITIES		1,266,385,657	1,114,704,481	5,173,185,409	4,589,238,347
SHAREHOLDERS' EQUITY					
Share capital	22	76,000,000	76,000,000	304,093,780	304,093,780
Retained earnings		54,602,928	63,659,834	221,295,673	258,519,556
Non-distributive reserves		44,000,000	20,000,000	180,095,000	81,455,000
Regulatory reserves		21,286,859	13,353,641	86,822,808	54,217,282
Other reserves		-	-	7,902,519	14,010,859
TOTAL SHAREHOLDERS' EQUITY		195,889,787	173,013,475	800,209,780	712,296,477
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,462,275,444	1,287,717,956	5,973,395,189	5,301,534,824

The accompanying notes on pages 78 to 94 form an integral part of these consolidated and separate financial statements.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022	2023	2022
	Notes	US\$	US\$	KHR '000	KHR '000
Interest income	23	137,661,178	124,154,500	565,787,442	507,419,442
Interest expense	23	(76,498,802)	(59,900,769)	(314,410,076)	(244,814,443)
Net interest income	23	61,162,376	64,253,731	251,377,366	262,604,999
Fee and commission income	24	1,913,527	1,323,442	7,864,596	5,408,907
Fee and commission expense	24	(38,234)	(57,460)	(157,142)	(234,839)
Net fee and commission income	24	1,875,293	1,265,982	7,707,454	5,174,068
Other income	25	1,107,988	1,138,441	4,553,831	4,652,808
Total other operating income		1,107,988	1,138,441	4,553,831	4,652,808
Credit impairment losses	26	(1,164,693)	(6,541,928)	(4,786,889)	(26,736,860)
Net other operating loss		(1,164,693)	(6,541,928)	(4,786,889)	(26,736,860)
Personnel expenses	27	(19,476,403)	(18,275,111)	(80,048,016)	(74,690,379)
Other expenses	28	(15,172,173)	(12,270,061)	(62,357,631)	(50,147,740)
Profit before income tax		28,332,388	29,571,054	116,446,115	120,856,896
Income tax expense	29	(5,456,076)	(5,951,472)	(22,424,472)	(24,323,666)
Profit for the year		22,876,312	23,619,582	94,021,643	96,533,230
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Currency translation differences		-	-	(6,108,340)	7,132,527
Other comprehensive income for the year, net of tax		-	-	(6,108,340)	7,132,527
Total comprehensive income for the year		22,876,312	23,619,582	87,913,303	103,665,757
Profit attributable to:					
Owners of the Bank		22,876,312	23,619,582	94,021,643	96,533,230
Total comprehensive income attributable to:					
Owners of the Bank		22,876,312	23,619,582	87,913,303	103,665,757

The accompanying notes on pages 78 to 94 form an integral part of these consolidated and separate financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

Attributable to owners of the Bank

	Share capital		Retained earnings		Non-distributive reserves		Regulatory reserves		Other reserves		Total	
	US\$	KHR '000	US\$	KHR '000	US\$	KHR '000	US\$	KHR '000	US\$	KHR '000	US\$	KHR '000
Balance at 1 January 2022	76,000,000	304,093,780	47,266,955	191,521,861	15,000,000	61,020,000	11,126,938	45,116,747	-	6,878,332	149,393,893	608,630,720
Profit for the year	-	-	23,619,582	96,533,230	-	-	-	-	-	-	23,619,582	96,533,230
Other comprehensive income – currency translation differences	-	-	-	-	-	-	-	-	-	7,132,527	-	7,132,527
Total comprehensive income for the year	-	-	23,619,582	96,533,230	-	-	-	-	-	7,132,527	23,619,582	103,665,757
Transactions with owners in their capacity as owners:												
Transfer to non-distributive reserves	-	-	(5,000,000)	(20,435,000)	5,000,000	20,435,000	-	-	-	-	-	-
Transfer to regulatory reserves	-	-	(2,226,703)	(9,100,535)	-	-	2,226,703	9,100,535	-	-	-	-
Total transactions with owners	-	-	(7,226,703)	(29,535,535)	5,000,000	20,435,000	2,226,703	9,100,535	-	-	-	-
Balance at 31 December 2022	76,000,000	304,093,780	63,659,834	258,519,556	20,000,000	81,455,000	13,353,641	54,217,282	-	14,010,859	173,013,475	712,296,477
Balance at 1 January 2023	76,000,000	304,093,780	63,659,834	258,519,556	20,000,000	81,455,000	13,353,641	54,217,282	-	14,010,859	173,013,475	712,296,477
Profit for the year	-	-	22,876,312	94,021,643	-	-	-	-	-	-	22,876,312	94,021,643
Other comprehensive income – currency translation differences	-	-	-	-	-	-	-	-	-	(6,108,340)	-	(6,108,340)
Total comprehensive income for the year	-	-	22,876,312	94,021,643	-	-	-	-	-	(6,108,340)	22,876,312	87,913,303
Transactions with owners in their capacity as owners:												
Transfer to non-distributive reserves	-	-	(24,000,000)	(98,640,000)	24,000,000	98,640,000	-	-	-	-	-	-
Transfer to regulatory reserves	-	-	(7,933,218)	(32,605,526)	-	-	7,933,218	32,605,526	-	-	-	-
Total transactions with owners	-	-	(31,933,218)	(131,245,526)	24,000,000	98,640,000	7,933,218	32,605,526	-	-	-	-
Balance at 31 December 2023	76,000,000	304,093,780	54,602,928	221,295,673	44,000,000	180,095,000	21,286,859	86,822,808	-	7,902,519	195,889,787	800,209,780

The accompanying notes on pages 78 to 94 form an integral part of these consolidated and separate financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022	2023	2022
	Notes	US\$	US\$	KHR '000	KHR '000
Cash flows from operating activities					
Cash used in operations	31	(23,214,563)	(77,841,776)	(95,411,851)	(318,139,339)
Interest received		134,532,202	121,727,359	552,927,348	497,499,716
Interest paid		(67,977,435)	(56,430,906)	(279,387,258)	(230,633,113)
Income tax paid	18	(6,253,018)	(5,037,576)	(25,699,904)	(20,588,573)
Cash generated from/(used in) operating activities		37,087,186	(17,582,899)	152,428,335	(71,861,309)
Cash flows from investing activities					
Purchase of property and equipment	9	(1,902,428)	(1,506,296)	(7,818,979)	(6,156,232)
Purchase of intangible assets	11	(311,044)	(433,380)	(1,278,391)	(1,771,224)
Proceeds from disposal of property and equipment		9,771	3,405	40,159	13,916
Cash used in investing activities		(2,203,701)	(1,936,271)	(9,057,211)	(7,913,540)
Cash flows from financing activities					
Proceeds from borrowings	31	68,013,470	64,366,122	279,535,362	263,064,341
Repayments of borrowings	31	(63,156,583)	(71,963,987)	(259,573,556)	(294,116,815)
Proceeds from subordinated debts	31	10,000,000	-	41,100,000	-
Repayments of subordinated debts	31	(6,800,000)	(6,800,000)	(27,948,000)	(27,791,600)
Principal elements of lease payments	10	(2,229,107)	(2,274,515)	(9,161,630)	(9,295,943)
Cash generated from/ (used in) financing activities		5,827,780	(16,672,380)	23,952,176	(68,140,017)
Net increase/ (decrease) in cash and cash equivalents		40,711,265	(36,191,550)	167,323,300	(147,914,866)
Cash and cash equivalents at the beginning of year		179,702,535	215,894,085	739,835,337	879,552,502
Currency translation differences		-	-	(6,768,264)	8,197,701
Cash and cash equivalents at the end of year	30	220,413,800	179,702,535	900,390,373	739,835,337

The accompanying notes on pages 78 to 94 form an integral part of these consolidated and separate financial statements.

**SEPARATE STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022	2023	2022
	Notes	US\$	US\$	KHR '000	KHR '000
ASSETS					
Cash on hand	4	33,077,772	36,514,988	135,122,699	150,332,206
Deposits and placements with the central bank and other banks	5	234,973,608	160,951,082	959,867,189	662,635,605
Loans and advances to customers	6	1,002,957,014	928,599,157	4,097,079,402	3,823,042,729
Investment securities at amortised cost	7	10,355,330	9,822,179	42,301,523	40,437,911
Statutory deposits with the central bank	8	82,181,432	58,493,286	335,711,150	240,816,858
Property and equipment	9	3,951,924	3,823,500	16,143,610	15,741,350
Right-of-use assets	10	8,500,886	5,449,923	34,726,119	22,437,333
Intangible assets	11	961,754	985,171	3,928,765	4,055,949
Investment in subsidiary	12	8,685,818	8,685,818	35,481,567	35,759,513
Deferred tax assets	13	-	1,341,597	-	5,523,355
Other assets	14	3,771,245	822,885	15,405,536	3,387,818
TOTAL ASSETS		1,389,416,783	1,215,489,586	5,675,767,560	5,004,170,627
LIABILITIES AND SHAREHOLDERS' EQUITY					
LIABILITIES					
Deposits from banks and other financial institutions	15	234,258,324	197,693,829	956,945,254	813,905,494
Deposits from customers	16	857,087,536	751,729,427	3,501,202,585	3,094,870,051
Borrowings	17	67,076,286	59,782,788	274,006,628	246,125,738
Lease liabilities	10	8,385,425	5,355,322	34,254,461	22,047,861
Current income tax liabilities	18	2,001,619	4,098,972	8,176,614	16,875,468
Deferred tax liabilities	13	74,859	-	305,799	-
Employee benefits	19	174,760	206,406	713,895	849,774
Other liabilities	20	4,171,337	3,887,023	17,039,912	16,002,874
Subordinated debts	21	37,340,000	33,540,000	152,533,900	138,084,180
TOTAL LIABILITIES		1,210,570,146	1,056,293,767	4,945,179,048	4,348,761,440
SHAREHOLDERS' EQUITY					
Share capital	22	76,000,000	76,000,000	304,093,780	304,093,780
Retained earnings		38,657,921	50,128,240	156,590,326	203,733,334
Non-distributive reserves		44,000,000	20,000,000	180,095,000	81,455,000
Regulatory reserves		20,188,716	13,067,579	82,337,675	53,069,802
Other reserves		-	-	7,471,731	13,057,271
TOTAL SHAREHOLDERS' EQUITY		178,846,637	159,195,819	730,588,512	655,409,187
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,389,416,783	1,215,489,586	5,675,767,560	5,004,170,627

The accompanying notes on pages 78 to 94 form an integral part of these consolidated and separate financial statements.

**SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022	2023	2022
	Notes	US\$	US\$	KHR '000	KHR '000
Interest income	23	120,605,706	107,800,102	495,689,452	440,579,017
Interest expense	23	(71,804,043)	(55,303,483)	(295,114,617)	(226,025,335)
Net interest income	23	48,801,663	52,496,619	200,574,835	214,553,682
Fee and commission income	24	1,636,021	1,023,617	6,724,046	4,183,523
Fee and commission expense	24	(38,234)	(57,460)	(157,142)	(234,839)
Net fee and commission income	24	1,597,787	966,157	6,566,904	3,948,684
Other income	25	898,660	995,834	3,693,493	4,069,974
Total other operating income		898,660	995,834	3,693,493	4,069,974
Credit impairment gains/ (losses)	26	144,369	(5,798,485)	593,357	(23,698,408)
Net other operating gains/ (losses)		144,369	(5,798,485)	593,357	(23,698,408)
Personnel expenses	27	(15,078,704)	(14,186,044)	(61,973,473)	(57,978,362)
Other expenses	28	(12,021,866)	(9,431,321)	(49,409,868)	(38,545,808)
Profit before income tax		24,341,909	25,042,760	100,045,248	102,349,762
Income tax expense	29	(4,691,091)	(5,025,169)	(19,280,383)	(20,537,865)
Profit for the year		19,650,818	20,017,591	80,764,865	81,811,897
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Currency translation differences		-	-	(5,585,540)	6,585,189
Other comprehensive income for the year, net of tax		-	-	(5,585,540)	6,585,189
Total comprehensive income for the year		19,650,818	20,017,591	75,179,325	88,397,086
Profit attributable to:					
Owners of the Bank		19,650,818	20,017,591	80,764,865	81,811,897
Total comprehensive income attributable to:					
Owners of the Bank		19,650,818	20,017,591	75,179,325	88,397,086

The accompanying notes on pages 78 to 94 form an integral part of these consolidated and separate financial statements.

**SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023**

Attributable to owners of the Bank

	Share capital		Retained earnings		Non-distributive reserves		Regulatory reserves		Other reserves		Total	
	US\$	KHR '000	US\$	KHR '000	US\$	KHR '000	US\$	KHR '000	US\$	KHR '000	US\$	KHR '000
Balance at 1 January 2022	76,000,000	304,093,780	37,212,584	150,947,045	15,000,000	61,020,000	10,965,644	44,479,194	-	6,472,082	139,178,228	567,012,101
Profit for the year	-	-	20,017,591	81,811,897	-	-	-	-	-	-	20,017,591	81,811,897
Other comprehensive income – currency translation differences	-	-	-	-	-	-	-	-	-	6,585,189	-	6,585,189
Total comprehensive income for the year	-	-	20,017,591	81,811,897	-	-	-	-	-	6,585,189	20,017,591	88,397,086
Transactions with owners in their capacity as owners:												
Transfer to non-distributive reserves	-	-	(5,000,000)	(20,435,000)	5,000,000	20,435,000	-	-	-	-	-	-
Transfer to regulatory reserves	-	-	(2,101,935)	(8,590,608)	-	-	2,101,935	8,590,608	-	-	-	-
Total transactions with owners	-	-	(7,101,935)	(29,025,608)	5,000,000	20,435,000	2,101,935	8,590,608	-	-	-	-
Balance at 31 December 2022	76,000,000	304,093,780	50,128,240	203,733,334	20,000,000	81,455,000	13,067,579	53,069,802	-	13,057,271	159,195,819	655,409,187
Balance at 1 January 2023	76,000,000	304,093,780	50,128,240	203,733,334	20,000,000	81,455,000	13,067,579	53,069,802	-	13,057,271	159,195,819	655,409,187
Profit for the year	-	-	19,650,818	80,764,865	-	-	-	-	-	-	19,650,818	80,764,865
Other comprehensive income – currency translation differences	-	-	-	-	-	-	-	-	-	(5,585,540)	-	(5,585,540)
Total comprehensive income for the year	-	-	19,650,818	80,764,865	-	-	-	-	-	(5,585,540)	19,650,818	75,179,325
Transactions with owners in their capacity as owners:												
Transfer to non-distributive reserves	-	-	(24,000,000)	(98,640,000)	24,000,000	98,640,000	-	-	-	-	-	-
Transfer to regulatory reserves	-	-	(7,121,137)	(29,267,873)	-	-	7,121,137	29,267,873	-	-	-	-
Total transactions with owners	-	-	(31,121,137)	(127,907,873)	24,000,000	98,640,000	7,121,137	29,267,873	-	-	-	-
Balance at 31 December 2023	76,000,000	304,093,780	38,657,921	156,590,326	44,000,000	180,095,000	20,188,716	82,337,675	-	7,471,731	178,846,637	730,588,512

The accompanying notes on pages 78 to 94 form an integral part of these consolidated and separate financial statements.

**SEPARATE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023	2022	2023	2022
	Notes	US\$	US\$	KHR '000	KHR '000
Cash flows from operating activities					
Cash used in operations	31	(15,228,677)	(64,831,109)	(62,589,862)	(264,964,741)
Interest received		117,655,426	105,439,409	483,563,801	430,930,865
Interest paid		(63,324,144)	(51,890,190)	(260,262,232)	(212,075,207)
Income tax paid	18	(5,371,988)	(4,247,856)	(22,078,871)	(17,360,987)
Cash generated from/ (used in) operating activities		33,730,617	(15,529,746)	138,632,836	(63,470,070)
Cash flows from investing activities					
Purchase of property and equipment	9	(1,796,265)	(1,102,521)	(7,382,649)	(4,506,003)
Purchase of intangible assets	11	(290,067)	(237,942)	(1,192,175)	(972,469)
Proceeds from disposal of property and equipment		9,771	2,369	40,159	9,682
Cash used in investing activities		(2,076,561)	(1,338,094)	(8,534,665)	(5,468,790)
Cash flows from financing activities					
Proceeds from borrowings	31	66,066,998	54,148,002	271,535,362	221,302,884
Repayments of borrowings	31	(59,328,332)	(66,536,233)	(243,839,445)	(271,933,584)
Proceeds from subordinated debts	31	10,000,000	-	41,100,000	-
Repayments of subordinated debts	31	(6,200,000)	(6,200,000)	(25,482,000)	(25,339,400)
Principal elements of lease payments	10	(1,759,086)	(1,610,806)	(7,229,843)	(6,583,364)
Cash generated from/ (used in) financing activities		8,779,580	(20,199,037)	36,084,074	(82,553,464)
Net increase/ (decrease) in cash and cash equivalents					
Cash and cash equivalents at the beginning of year		177,781,819	214,848,696	731,927,749	875,293,588
Currency translation differences		-	-	(6,699,860)	8,126,485
Cash and cash equivalents at the end of year	30	218,215,455	177,781,819	891,410,134	731,927,749

The accompanying notes on pages 78 to 94 form an integral part of these consolidated and separate financial statements.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL

Cambodia Post Bank Plc. (the Bank) and its subsidiary, Funan Microfinance Plc. (collectively referred to as the Group) were incorporated and registered in the Kingdom of Cambodia.

The Bank

The Bank is a commercial bank operating in accordance with the Cambodian Law on Commercial Enterprises and under the supervision of the National Bank of Cambodia (NBC or the central bank), pursuant to the Law on Banking and Financial Institutions of Cambodia and in accordance with Banking License No. 38 dated 29 November 2023 issued by the NBC.

The shareholders of the Bank are Canada Investment Holding Plc. (CIHP), a public limited company incorporated in the Kingdom of Cambodia, Cambodia Post (CP) of Ministry of Post and Telecommunications, and Fullerton Financial Capital Pte. Ltd. (Fullerton), incorporated in Singapore (Note 22).

The principal activities of the Bank consist of the operation of core banking business and the provision of related financial services through the Bank's head office and various branches in Phnom Penh and in the provinces.

The Bank's registered office is currently located at No. 263, Corner Street N. 110 & 61, Sangkat Wat Phnom, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia. The Bank has a total of 62 branches located in Phnom Penh and major provinces in Cambodia. There is no significant change in the principal activities of the Bank during the year.

The Subsidiary

Funan Microfinance Plc., the subsidiary, is a microfinance institution with 51 branches located across Cambodia providing small and medium-sized loans.

The subsidiary was incorporated in the Kingdom of Cambodia and registered with the Ministry of Commerce (MoC) as a public limited liability company under registration number Co. 2133 KH2015 dated 17 June 2015.

The consolidated and separate financial statements were authorised and approved for issue by the Board of Directors on 27 March 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of the consolidated and separate 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 consolidated and separate financial statements are prepared in accordance with Cambodian International Financial Reporting Standards (CIFRS) including other interpretations and amendments that may occur in any circumstances to each standard.

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

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

The preparation of consolidated and separate 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 consolidated and separate financial statements are disclosed in Note 3.

An English version of the consolidated and separate financial statements have been prepared from the consolidated and separate 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 consolidated and separate financial statements shall prevail.

2.2 New and amended accounting standards and interpretations

(a) New and amended accounting standards and interpretations adopted

The Group and the Bank have applied the following standards and amendments for the first time for their annual reporting period commencing on 1 January 2023:

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

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

(b) New standards and interpretations not yet adopted

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 Group and the Bank. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.3 Principles of consolidation of the subsidiary

Funan Microfinance Plc. is the only subsidiary over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group and the Bank.

Inter-company transactions, balances and unrealised gains on transactions between the Bank and the subsidiary are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of the subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.4 Foreign currency translation

(i) Functional and presentation currency

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

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated and separate statement of profit or loss, within interest expense. All other foreign exchange gains and losses are presented in the consolidated and separate statement of profit or loss on a net basis.

(iii) Presentation in Khmer Riel

In compliance with the Law on Accounting and Auditing, the consolidated and separate financial statements shall be expressed in Khmer Riel (KHR). The consolidated and separate statement of profit or loss and other comprehensive income and the consolidated and separate 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 dates, and shareholders' capital and reserves are translated at the rate at the date of transaction. Resulting exchange difference arising from the translation of reserves are recognised directly in equity; all other resulting exchange differences are recognised in the other comprehensive income.

The Group and the Bank have 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 KHR4,110 (2022: KHR4,087) and the closing rate was US\$ 1 to KHR4,085 (2022: KHR4,117).

2.5 Cash and cash equivalents

For the purpose of presentation in the consolidated and separate statement of cash flows, cash and cash equivalents includes cash on hand, the non-restricted deposits and placements with the central bank and with other banks with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.6 Financial instruments

2.6.1 Financial assets

i) Classification

The Group and the Bank classify all its financial assets to be measured at amortised cost, which include cash on hand, deposits and placements with the central bank, deposits and placements with other banks, loans and advances, investment securities at amortised cost and other financial assets.

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

- 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.

The Group and the Bank reclassify financial assets when and only when their business model for managing those assets changes.

ii) Recognition and derecognition

Financial assets are recognised when the Group and the Bank become 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 Group and the Bank commit 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 Group and the Bank have 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.

iii) Measurement

At initial recognition, the Group and the Bank measure 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. 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.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's and the Bank's business model for managing the assets and the cash flow characteristics of the assets. Based on these factors, the Group and the Bank classify 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 represent solely payments of principal and interest (SPPI), and that are not designated at FVPL, 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 'Interest income' using the effective interest rate method.

iv) Impairment

The Group and the Bank assess on a forward-looking basis the expected credit losses associated with its debt instrument assets carried at amortised cost and with the exposure arising from credit commitments. The Group and the Bank recognise 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 Group and the Bank apply a three-stage approach to measuring expected credit losses for the following categories:

- debt instruments measured at amortised cost; and
- credit commitments

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

Stage 1: 12-month ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL – not credit impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL – credit impaired

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

ECL are recognised as credit impairment losses in profit or loss.

2.6.2 Financial liabilities

Financial liabilities are recognised when the Group and the Bank become a party to the contractual provision of the instruments. Financial liabilities are measured at amortised cost. Financial liabilities of the Group and the Bank include deposits from banks and other financial institutions, deposits from customers, borrowings, subordinated debts, and other financial liabilities.

Financial liabilities are initially recognised at fair value less transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

2.6.3 Credit commitments

Credit commitments provided by the Group and the Bank are measured as the amount of the loss allowance. The Group and the Bank have 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, the expected credit losses are recognised as provisions (presented with other liabilities). However, for contracts that include both a loan and an undrawn commitment and that the Group and 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.

2.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the consolidated and separate 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.

2.8 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent expenditures relating to an item of property and equipment that has already been recognised are added to the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group and the Bank. All other subsequent expenditures are recognised as expenses in the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of assets less their residual values over the estimated useful lives.

Construction in progress represents property and equipment under construction and is stated at cost. This includes cost of construction, property and equipment, and other direct costs. Construction in-progress is not depreciated until such time when the relevant assets are completed and ready for operational use.

The estimated useful lives are as follows:

Leasehold improvement	Shorter of lease period and its economic lives of 5 years
Office equipment	4 years
Furniture, fixtures and fittings	4 years
Computer and information technology (“IT”) equipment	4 years
Vehicles	5 years

The assets’ residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

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

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are included in profit or loss.

2.9 Intangible assets

Computer software is stated at historical cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised using the straight-line method over estimated useful life of five years. Construction in-progress is not depreciated until such time when the relevant assets are completed and ready for operational use. Costs associated with maintenance of computer software are recognised as expenses when incurred.

2.10 Investment in subsidiary

In the Bank’s separate financial statements, investment in subsidiary is carried at cost less any accumulated impairment losses. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amount of investments are recognised in the statement of profit or loss. The amounts due from subsidiaries of which the Bank does not expect repayment in foreseeable future are considered as part of the Bank’s investments in subsidiaries.

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 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 Group and the Bank.

ii) Short-term employee benefits

In June 2018, the Cambodian government amended the Labour Law introducing the seniority pay scheme. Subsequently in 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:

- (a) 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).
- (b) 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 Group and the Bank. The past seniority payment depends on each staff past services and shall not exceed six months of average gross salaries. On 22 March 2019, the Ministry of Labour and Vocational Training issued a 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 Group and the Bank.

The past years of seniority service is classified as long-term employee benefits, except for those 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.

iii) Pension fund scheme

The Group and the Bank pay monthly contributions for the compulsory pension scheme to National Social Security Fund (NSSF), a publicly administered social security scheme for pension in Cambodia. The Group and 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.

2.13 Interest income and expense

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

The effective interest method is a method that is used in the calculation of the amortised cost of a financial asset or a financial liability and in the allocation and recognition of the interest revenue or interest expense in profit or loss 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 asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group and the Bank take 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 expected 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)

2.14 Fee and commission income

Fees and commissions are recognised as income when all conditions precedent are 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.

2.15 Leases

The Group and the Bank as a lessee

As inception of contract, the Group and the Bank assess 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 Group and the Bank allocate 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 Group and 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 Group and the Bank use its recent borrowing rate as a starting point, making specific adjustments to the lease such as term, country, currency and security.

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

ii) Right-of-use assets

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

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs 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 Group and the Bank are reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

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

iii) Recognition exemptions

Payments associated with all leases of low-value assets and short-term leases are recognised as an expense in profit or loss.

2.16 Provisions

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

2.17 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period where the Group and the Bank operate and generate taxable income.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated and separate financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

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.

2.18 Reserves

a) Regulatory reserves

Banks and financial institutions are required to compute regulatory provisions, according to Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 dated 16 February 2018 on credit risk classification and provisions on impairment, and Circular No. B7-021-2314 dated 28 December 2021 (implemented from 1 January 2022) on the classification and provisioning requirements for restructured loans. If the accumulated regulatory provision is higher than the accumulated impairment based on CIFRS 9, the 'topping up' will be recorded as regulatory reserves presented under equity. The reserve is subsequently reversed (up to zero) should the accumulated regulatory provision equal or be lower than accumulated impairment based on CIFRS 9. The regulatory reserve is set aside as a buffer, is non-distributable, is not allowed to be included in the net worth calculation.

b) Non-distributive reserves

The non-distributable reserve is maintained following the approval on 23 March 2021, on 04 November 2021, on 30 November 2022, and on 18 July 2023 from the central bank on the request to transfer from retained earnings in accordance with the central bank's Prakas No. B7-018-068 Prokor dated 22 February 2018 on the determination of capital buffer of banks and financial institutions. Any movement requires approval from the Board of Directors and the central bank.

2.19 Rounding of amounts

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

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group and the Bank make estimates, assumptions and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i) Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about the future economic conditions and credit behaviour.

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

ii) Other employment benefits - Employment seniority payment

Past years of seniority service: 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.

4. CASH ON HAND

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Current								
US\$	25,063,184	28,295,793	102,383,107	116,493,780	24,830,401	27,999,524	101,432,188	115,274,040
Other currencies	8,471,458	8,753,130	34,605,906	36,036,636	8,247,371	8,515,464	33,690,511	35,058,166
	33,534,642	37,048,923	136,989,013	152,530,416	33,077,772	36,514,988	135,122,699	150,332,206

5. DEPOSITS AND PLACEMENTS WITH THE CENTRAL BANK AND OTHER BANKS

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Deposits and placements with the central bank	184,564,921	130,819,853	753,947,703	538,585,334	184,555,516	130,807,751	753,909,283	538,535,510
Deposits and placements with other banks	52,608,606	31,706,283	214,906,155	130,534,768	50,876,535	30,331,603	207,830,646	124,875,211
	237,173,527	162,526,136	968,853,858	669,120,102	235,432,051	161,139,354	961,739,929	663,410,721
Less:								
Allowance for impairment losses	(499,399)	(222,075)	(2,040,045)	(914,283)	(458,443)	(188,272)	(1,872,740)	(775,116)
	236,674,128	162,304,061	966,813,813	668,205,819	234,973,608	160,951,082	959,867,189	662,635,605

6. LOANS AND ADVANCES

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Commercial loans:								
Overdrafts	308,824	232,531	1,261,546	957,330	308,824	232,531	1,261,546	957,330
Short term loans	2,521,397	1,356,929	10,299,907	5,586,477	2,441,835	1,155,895	9,974,896	4,758,820
Long term loans	1,091,423,069	1,018,475,082	4,458,463,236	4,193,061,912	1,014,101,982	941,622,519	4,142,606,596	3,876,659,910
Consumer loans	163,762	80,776	668,968	332,555	163,334	78,561	667,220	323,436
Total gross loans and advances	1,094,417,052	1,020,145,318	4,470,693,657	4,199,938,274	1,017,015,975	943,089,506	4,154,510,258	3,882,699,496
Less:								
Allowance for impairment losses	(15,301,227)	(16,161,067)	(62,505,512)	(66,535,113)	(14,058,961)	(14,490,349)	(57,430,856)	(59,656,767)
	1,079,115,825	1,003,984,251	4,408,188,145	4,133,403,161	1,002,957,014	928,599,157	4,097,079,402	3,823,042,729

7. INVESTMENT SECURITIES AT AMORTISED COST

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Non-current								
Gross amount	10,551,504	10,001,507	43,102,894	41,176,204	10,551,504	10,001,507	43,102,894	41,176,204
Allowance for expected credit loss	(196,174)	(179,328)	(801,371)	(738,293)	(196,174)	(179,328)	(801,371)	(738,293)
	10,355,330	9,822,179	42,301,523	40,437,911	10,355,330	9,822,179	42,301,523	40,437,911

8. STATUTORY DEPOSITS WITH THE CENTRAL BANK

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Current								
Reserve deposits	74,581,432	50,893,286	304,665,150	209,527,658	74,581,432	50,893,286	304,665,150	209,527,658
Non-current								
Capital guarantee deposits	8,000,000	8,000,000	32,680,000	32,936,000	7,600,000	7,600,000	31,046,000	31,289,200
	82,581,432	58,893,286	337,345,150	242,463,658	82,181,432	58,493,286	335,711,150	240,816,858

9. PROPERTY AND EQUIPMENT

	Leasehold improvements	Construction in progress	Office equipment	Furniture, fixtures and fittings	Computer and IT equipment	Vehicles	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
The Group							
Non-current							
As at 31 December 2022							
Cost	2,396,835	223,673	3,639,699	656,986	6,188,188	2,078,451	15,183,832
Accumulated depreciation	(1,641,937)	-	(2,605,032)	(568,688)	(3,917,296)	(1,758,404)	(10,491,357)
Net book amount	754,898	223,673	1,034,667	88,298	2,270,892	320,047	4,692,475
In KHR '000 equivalent	3,107,915	920,862	4,259,724	363,523	9,349,262	1,317,634	19,318,920
For the year ended 31 December 2023							
Opening net book amount	754,898	223,673	1,034,667	88,298	2,270,892	320,047	4,692,475
Additions	159,340	1,386,416	65,056	49,600	143,616	98,400	1,902,428
Transfer	663,031	(1,535,506)	336,085	60,401	475,989	-	-
Disposals- cost	(32,901)	-	(12,309)	(7,271)	(14,923)	(29,060)	(96,464)
Disposals- accumulated depreciation	32,154	-	11,534	7,217	11,098	29,049	91,052
Depreciation charge	(345,704)	-	(506,672)	(58,024)	(974,123)	(169,499)	(2,054,022)
Closing net book amount	1,230,818	74,583	928,361	140,221	1,912,549	248,937	4,535,469
As at 31 December 2023							
Cost	3,186,305	74,583	4,028,531	759,716	6,792,870	2,147,791	16,989,796
Accumulated depreciation	(1,955,487)	-	(3,100,170)	(619,495)	(4,880,321)	(1,898,854)	(12,454,327)
Net book amount	1,230,818	74,583	928,361	140,221	1,912,549	248,937	4,535,469
In KHR '000 equivalent	5,027,892	304,672	3,792,355	572,803	7,812,763	1,016,906	18,527,391

9. PROPERTY AND EQUIPMENT (continued)

	Leasehold improvements	Construction in progress	Office equipment	Furniture, fixtures and fittings	Computer and IT equipment	Vehicles	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
The Bank							
Non-current							
As at 31 December 2022							
Cost	2,293,519	223,673	3,465,457	573,682	4,534,247	1,815,913	12,906,491
Accumulated depreciation	(1,563,101)	-	(2,503,809)	(492,910)	(2,990,057)	(1,533,114)	(9,082,991)
Net book amount	730,418	223,673	961,648	80,772	1,544,190	282,799	3,823,500
In KHR '000 equivalent	3,007,131	920,862	3,959,105	332,538	6,357,430	1,164,284	15,741,350
For the year ended 31 December 2023							
Opening net book amount	730,418	223,673	961,648	80,772	1,544,190	282,799	3,823,500
Additions	149,356	1,371,416	60,675	48,567	110,251	56,000	1,796,265
Transfer	663,031	(1,535,506)	336,085	60,401	475,989	-	-
Disposals- cost	(32,025)	-	(12,309)	(7,271)	(14,923)	(29,060)	(95,588)
Disposals- accumulated depreciation	32,025	-	11,534	7,217	11,098	29,049	90,923
Depreciation charge	(328,534)	-	(482,568)	(55,219)	(654,249)	(142,606)	(1,663,176)
Closing net book amount	1,214,271	59,583	875,065	134,467	1,472,356	196,182	3,951,924
As at 31 December 2023							
Cost	3,073,881	59,583	3,849,908	675,379	5,105,564	1,842,853	14,607,168
Accumulated depreciation	(1,859,610)	-	(2,974,843)	(540,912)	(3,633,208)	(1,646,671)	(10,655,244)
Net book amount	1,214,271	59,583	875,065	134,467	1,472,356	196,182	3,951,924
IN KHR '000 EQUIVALENT	4,960,297	243,397	3,574,641	549,298	6,014,574	801,403	16,143,610

10. LEASES

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Right-of-use assets (Non-current)								
Buildings	9,293,390	6,217,289	37,963,498	25,596,579	8,500,886	5,449,923	34,726,119	22,437,333
Additions to the right-of-use assets during the year	5,278,121	906,821	21,693,077	3,706,177	4,789,189	700,340	19,683,567	2,862,290
Lease liabilities								
Current	1,843,468	1,956,158	7,530,567	8,053,502	1,443,662	1,494,068	5,897,359	6,151,078
Non-current	7,232,787	4,071,083	29,545,935	16,760,649	6,941,763	3,861,254	28,357,102	15,896,783
	9,076,255	6,027,241	37,076,502	24,814,151	8,385,425	5,355,322	34,254,461	22,047,861

11. INTANGIBLE ASSETS

	The Group			The Bank		
	Computer software	Construction in progress	Total	Computer software	Construction in progress	Total
	US\$	US\$	KHR '000	KHR '000	US\$	US\$
As at 31 December 2022						
Cost	3,235,995	609,295	3,845,290	2,616,801	604,818	3,221,619
Accumulated amortisation	(2,623,230)	-	(2,623,230)	(2,236,448)	-	(2,236,448)
Net book value	612,765	609,295	1,222,060	380,353	604,818	985,171
In KHR '000 equivalents	2,522,753	2,508,468	5,031,221	1,565,913	2,490,036	4,055,949
For the year ended 31 December 2023						
Opening net book value	612,765	609,295	1,222,060	380,353	604,818	985,171
Additions	25,046	285,998	311,044	4,069	285,998	290,067
Transfer	875,697	(875,697)	-	871,220	(871,220)	-
Amortisation charge	(373,402)	-	(373,402)	(313,484)	-	(313,484)
Closing net book value	1,140,106	19,596	1,159,702	942,158	19,596	961,754
As at 31 December 2023						
Cost	4,136,738	19,596	4,156,334	3,492,090	19,596	3,511,686
Accumulated amortisation	(2,996,632)	-	(2,996,632)	(2,549,932)	-	(2,549,932)
Net book value	1,140,106	19,596	1,159,702	942,158	19,596	961,754
In KHR '000 equivalents	4,657,333	80,050	4,737,383	3,848,715	80,050	3,928,765

12. INVESTMENT IN SUBSIDIARY/GOODWILL

Investment in subsidiary in the separate financial statements represents the net consideration paid for the acquisition of the unquoted shares of the subsidiary.

Goodwill represents the surplus of the consideration paid over their fair value of the net assets.

The Group's and the Bank's management assesses that there were no impairment losses on investment in subsidiary and goodwill during the years ended 31 December 2023 and 31 December 2022.

13. DEFERRED TAX (LIABILITIES)/ASSETS - NET

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Non-current								
Deferred tax assets	3,907,686	3,140,920	15,962,897	12,931,168	3,579,423	2,835,805	14,621,943	11,675,009
Deferred tax liabilities	(3,863,623)	(1,528,664)	(15,782,900)	(6,293,510)	(3,654,282)	(1,494,208)	(14,927,742)	(6,151,654)
Deferred tax (liabilities)/ assets - net	44,063	1,612,256	179,997	6,637,658	(74,859)	1,341,597	(305,799)	5,523,355

14. OTHER ASSETS

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Prepayments	1,095,271	774,968	4,474,182	3,190,543	745,221	503,734	3,044,228	2,073,873
Deposits and others	3,131,977	391,993	12,794,126	1,613,835	3,026,024	319,151	12,361,308	1,313,945
	4,227,248	1,166,961	17,268,308	4,804,378	3,771,245	822,885	15,405,536	3,387,818
Current	3,120,894	481,320	12,748,852	1,981,594	2,962,639	429,018	12,102,380	1,766,267
Non-current	1,106,354	685,641	4,519,456	2,822,784	808,606	393,867	3,303,156	1,621,551
	4,227,248	1,166,961	17,268,308	4,804,378	3,771,245	822,885	15,405,536	3,387,818

15. DEPOSITS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Demand deposits	607,188	481,463	2,480,363	1,982,183	1,515,696	1,973,466	6,191,618	8,124,760
Saving accounts	6,036,423	2,722,683	24,658,788	11,209,286	7,370,565	3,232,935	30,108,758	13,309,993
Fixed deposits	225,372,063	192,487,428	920,644,877	792,470,741	225,372,063	192,487,428	920,644,878	792,470,741
	232,015,674	195,691,574	947,784,028	805,662,210	234,258,324	197,693,829	956,945,254	813,905,494
Current	220,227,829	183,996,992	899,630,681	757,515,616	222,470,479	185,999,247	908,791,907	765,758,900
Non-current	11,787,845	11,694,582	48,153,347	48,146,594	11,787,845	11,694,582	48,153,347	48,146,594
	232,015,674	195,691,574	947,784,028	805,662,210	234,258,324	197,693,829	956,945,254	813,905,494

16. DEPOSITS FROM CUSTOMERS

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Demand deposits	10,026,703	13,555,739	40,959,082	55,808,977	10,026,703	13,555,739	40,959,082	55,808,977
Saving accounts	93,978,890	58,036,639	383,903,766	238,936,843	93,978,890	58,036,639	383,903,766	238,936,843
Fixed deposits	736,181,943	675,337,049	3,007,303,237	2,780,362,631	736,181,943	675,337,049	3,007,303,237	2,780,362,631
Margin deposits	16,900,000	4,800,000	69,036,500	19,761,600	16,900,000	4,800,000	69,036,500	19,761,600
	857,087,536	751,729,427	3,501,202,585	3,094,870,051	857,087,536	751,729,427	3,501,202,585	3,094,870,051
Current	756,057,888	641,985,282	3,088,496,472	2,643,053,406	756,057,888	641,985,282	3,088,496,472	2,643,053,406
Non-current	101,029,648	109,744,145	412,706,113	451,816,645	101,029,648	109,744,145	412,706,113	451,816,645
	857,087,536	751,729,427	3,501,202,585	3,094,870,051	857,087,536	751,729,427	3,501,202,585	3,094,870,051

17. BORROWINGS

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Related parties	44,941,077	43,904,407	183,584,300	180,754,444	-	-	-	-
Non-related parties	75,625,903	71,250,628	308,931,813	293,338,835	67,076,286	59,782,788	274,006,628	246,125,738
	120,566,980	115,155,035	492,516,113	474,093,279	67,076,286	59,782,788	274,006,628	246,125,738
Current	70,830,222	65,980,978	289,341,457	271,643,686	50,373,591	43,027,118	205,776,119	177,142,645
Non-current	49,736,758	49,174,057	203,174,656	202,449,593	16,702,695	16,755,670	68,230,509	68,983,093
	120,566,980	115,155,035	492,516,113	474,093,279	67,076,286	59,782,788	274,006,628	246,125,738

18. CURRENT INCOME TAX LIABILITIES

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
As at 1 January	4,842,759	3,798,726	19,937,639	15,476,010	4,098,972	3,164,399	16,875,468	12,891,762
Current income tax	3,887,883	6,081,609	15,979,199	24,855,536	3,274,635	5,182,429	13,458,749	21,180,587
Income tax paid	(6,253,018)	(5,037,576)	(25,699,904)	(20,588,573)	(5,371,988)	(4,247,856)	(22,078,871)	(17,360,987)
Currency translation difference	-	-	(95,840)	194,666	-	-	(78,732)	164,106
As at 31 December	2,477,624	4,842,759	10,121,094	19,937,639	2,001,619	4,098,972	8,176,614	16,875,468

19. EMPLOYEE BENEFITS

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Provision on seniority payment:								
Current	31,646	29,023	129,274	119,488	31,646	29,023	129,274	119,488
Non-current	183,309	214,482	748,817	883,022	143,114	177,383	584,621	730,286
	214,955	243,505	878,091	1,002,510	174,760	206,406	713,895	849,774

20. OTHER LIABILITIES

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Accrued staff bonuses and unused leaves	2,545,580	2,563,063	10,398,694	10,552,130	2,134,882	2,150,653	8,720,993	8,854,238
Customers' advanced payments	955,970	501,761	3,905,137	2,065,750	-	-	-	-
Accrued expenses	445,412	430,288	1,819,508	1,771,496	275,570	293,160	1,125,703	1,206,940
Other taxes payable	641,292	440,711	2,619,678	1,814,407	613,030	414,726	2,504,228	1,707,427
Accounts payable	334,692	323,698	1,367,217	1,332,665	334,692	314,641	1,367,217	1,295,377
Others	872,067	792,428	3,562,394	3,262,425	813,163	713,843	3,321,771	2,938,892
	5,795,013	5,051,949	23,672,628	20,798,873	4,171,337	3,887,023	17,039,912	16,002,874

21. SUBORDINATED DEBTS

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Current	8,200,000	6,822,991	33,497,000	28,090,254	8,200,000	6,200,000	33,497,000	25,525,400
Non-current	30,951,620	29,140,000	126,437,368	119,969,380	29,140,000	27,340,000	119,036,900	112,558,780
	39,151,620	35,962,991	159,934,368	148,059,634	37,340,000	33,540,000	152,533,900	138,084,180

22. SHARE CAPITAL

The total authorised amount of share capital comprises 76 million shares (2022: 76 million shares) with a par value of US\$1 per share (2022: US\$1 per share). All issued shares have been fully paid for.

	2023		2022	
	% of ownership	US\$	% of ownership	US\$
Canada Investment Holding Plc.	50%	38,000,000	50%	38,000,000
Fullerton Financial Capital Pte. Ltd.	45%	34,200,000	45%	34,200,000
Cambodia Post	5%	3,800,000	5%	3,800,000
	100%	76,000,000	100%	76,000,000
In KHR '000 equivalent		304,093,780		304,093,780

There were no changes in the share capital and ownership during the year.

23. NET INTEREST INCOME

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
<i>Interest income from financial assets measured at amortised cost:</i>								
Loans and advances	135,348,586	122,294,758	556,282,688	499,818,676	118,314,187	105,949,253	486,271,309	433,014,597
Deposits and placements with other banks	890,422	549,334	3,659,634	2,245,128	874,391	541,910	3,593,747	2,214,786
Deposits and placements with the central bank	872,173	760,408	3,584,631	3,107,788	867,131	758,939	3,563,908	3,101,784
Investment securities at amortised cost	549,997	550,000	2,260,489	2,247,850	549,997	550,000	2,260,488	2,247,850
	137,661,178	124,154,500	565,787,442	507,419,442	120,605,706	107,800,102	495,689,452	440,579,017
<i>Interest expense to financial liabilities measured at amortised cost:</i>								
Deposits from customers and other financial institutions	(64,214,961)	(47,992,887)	(263,923,490)	(196,146,929)	(64,214,961)	(47,992,887)	(263,923,490)	(196,146,929)
Borrowings	(11,842,505)	(11,449,992)	(48,672,695)	(46,796,118)	(7,200,358)	(6,926,467)	(29,593,471)	(28,308,471)
Interest on lease liabilities	(441,336)	(457,890)	(1,813,891)	(1,871,396)	(388,724)	(384,129)	(1,597,656)	(1,569,935)
	(76,498,802)	(59,900,769)	(314,410,076)	(244,814,443)	(71,804,043)	(55,303,483)	(295,114,617)	(226,025,335)
Net interest income	61,162,376	64,253,731	251,377,366	262,604,999	48,801,663	52,496,619	200,574,835	214,553,682

24. NET FEE AND COMMISSION INCOME

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
<i>Fee and commission income:</i>								
Loan commitment fees	157,020	46,741	645,352	191,030	157,020	46,741	645,352	191,030
Other fees and commission	1,756,507	1,276,701	7,219,244	5,217,877	1,479,001	976,876	6,078,694	3,992,493
Total fee and commission income	1,913,527	1,323,442	7,864,596	5,408,907	1,636,021	1,023,617	6,724,046	4,183,523
Fee and commission expense	(38,234)	(57,460)	(157,142)	(234,839)	(38,234)	(57,460)	(157,142)	(234,839)
Net fee and commission income	1,875,293	1,265,982	7,707,454	5,174,068	1,597,787	966,157	6,566,904	3,948,684

25. OTHER INCOME

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Foreign exchange gains/(losses)	102,028	(216,775)	419,335	(885,959)	96,711	(230,033)	397,482	(940,145)
Other income	1,005,960	1,355,216	4,134,496	5,538,767	801,949	1,225,867	3,296,011	5,010,119
	1,107,988	1,138,441	4,553,831	4,652,808	898,660	995,834	3,693,493	4,069,974

26. IMPAIRMENT LOSSES

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
<i>Expected Credit Loss (ECL): Impairment losses/(gains)</i>								
Loans and advances	870,523	7,085,528	3,577,850	28,958,553	(431,387)	6,358,278	(1,773,001)	25,986,282
Deposits and placements with other banks	277,323	(540,900)	1,139,798	(2,210,658)	270,171	(557,093)	1,110,403	(2,276,839)
Investment securities at amortised cost	16,847	(2,700)	69,241	(11,035)	16,847	(2,700)	69,241	(11,035)
	1,164,693	6,541,928	4,786,889	26,736,860	(144,369)	5,798,485	(593,357)	23,698,408

27. PERSONNEL EXPENSES

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Salaries and wages	18,297,270	17,224,784	75,201,780	70,397,692	14,389,228	13,546,332	59,139,727	55,363,859
Other short-term benefits	1,179,133	1,050,327	4,846,236	4,292,687	689,476	639,712	2,833,746	2,614,503
	19,476,403	18,275,111	80,048,016	74,690,379	15,078,704	14,186,044	61,973,473	57,978,362

28. OTHER EXPENSES

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Depreciation and amortisation	4,629,444	4,421,348	19,027,015	18,070,049	3,714,885	3,441,372	15,268,177	14,064,887
Repairs and maintenance	1,808,600	1,717,314	7,433,346	7,018,662	1,270,178	1,276,050	5,220,432	5,215,216
Rental	1,177,334	732,888	4,838,843	2,995,313	895,602	658,230	3,680,924	2,690,186
Communication	733,716	667,034	3,015,573	2,726,168	572,493	518,478	2,352,946	2,119,020
License fees	586,496	563,215	2,410,499	2,301,860	565,570	563,215	2,324,493	2,301,860
Utilities	581,891	554,225	2,391,572	2,265,118	469,968	447,617	1,931,568	1,829,411
Motor vehicles	684,639	721,485	2,813,866	2,948,709	414,491	443,423	1,703,558	1,812,270
Advertising and public relations	347,941	267,406	1,430,038	1,092,888	338,517	256,409	1,391,305	1,047,944
Legal and professional fees	391,635	340,374	1,609,620	1,391,109	312,618	252,866	1,284,860	1,033,463
Stationery and supplies	372,205	393,353	1,529,763	1,607,634	276,604	298,160	1,136,842	1,218,580
Travel, accommodation and food	267,177	231,230	1,098,097	945,037	145,200	127,187	596,772	519,813
Non-capitalised equipment and fixtures	131,108	112,614	538,854	460,253	101,969	112,614	419,093	460,253
Taxes and duties	113,802	121,740	467,726	497,551	92,326	97,228	379,460	397,371
Printing and forms	31,823	22,420	130,792	91,631	27,016	17,694	111,036	72,315
Others	3,314,362	1,403,415	13,622,027	5,735,758	2,824,429	920,778	11,608,402	3,763,219
	15,172,173	12,270,061	62,357,631	50,147,740	12,021,866	9,431,321	49,409,868	38,545,808

29. INCOME TAX

Income tax expense

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Current tax	3,887,883	6,081,609	15,979,199	24,855,536	3,274,635	5,182,429	13,458,749	21,180,587
Deferred tax	1,568,193	(130,137)	6,445,273	(531,870)	1,416,456	(157,260)	5,821,634	(642,722)
	5,456,076	5,951,472	22,424,472	24,323,666	4,691,091	5,025,169	19,280,383	20,537,865

30. CASH AND CASH EQUIVALENTS

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Cash on hand	33,534,642	37,048,923	136,989,013	152,530,416	33,077,772	36,514,988	135,122,699	150,332,206
<i>Deposits and placements with the central bank and other banks:</i>								
Current accounts	139,089,942	76,856,689	568,182,413	316,418,989	138,695,149	76,555,139	566,569,684	315,177,507
Savings accounts	9,590,216	7,073,323	39,176,032	29,120,871	8,243,534	5,988,092	33,674,836	24,652,975
Term deposits (original term of three months or less)	38,199,000	58,723,600	156,042,915	241,765,061	38,199,000	58,723,600	156,042,915	241,765,061
Cash and cash equivalents in the statement of cash flows	220,413,800	179,702,535	900,390,373	739,835,337	218,215,455	177,781,819	891,410,134	731,927,749

31. CASH FLOW INFORMATION

Cash used in operations

	The Group				The Bank			
	2023	2022	2023	2022	2023	2022	2023	2022
	US\$	US\$	KHR '000	KHR '000	US\$	US\$	KHR '000	KHR '000
Profit before income tax	28,332,388	29,571,054	116,446,115	120,856,896	24,341,909	25,042,760	100,045,248	102,349,762
<i>Adjustments for:</i>								
Impairment losses (Note 26)	1,164,693	6,541,928	4,786,889	26,736,860	(144,369)	5,798,485	(593,357)	23,698,408
Depreciation and amortisation	4,629,444	4,422,776	19,027,015	18,075,886	3,714,885	3,441,372	15,268,177	14,064,887
Written off on lease	(236,474)	(236,474)	(971,908)	(966,469)	(236,474)	(236,474)	(971,908)	(966,469)
Intangible assets transferred to expenses	-	149,996	-	613,034	-	149,996	-	613,034
Gains on disposal of property and equipment	(4,359)	(706)	(17,916)	(2,885)	(5,105)	(985)	(20,982)	(4,026)
Employee benefits	(28,550)	(39,638)	(117,341)	(162,001)	(31,646)	(29,023)	(130,065)	(118,617)
Net interest income	(61,162,376)	(64,253,731)	(251,377,366)	(262,604,999)	(48,801,663)	(52,496,619)	(200,574,835)	(214,553,682)
Operating profit before changes in operating assets and liabilities	(27,305,234)	(23,844,795)	(112,224,512)	(97,453,678)	(21,162,463)	(18,330,488)	(86,977,722)	(74,916,703)
<i>Changes in operating assets and liabilities:</i>								
Deposits and placements with other banks - maturity more than three months	(30,325,541)	(2,765,763)	(124,637,970)	(11,303,673)	(30,325,542)	(2,765,763)	(124,637,978)	(11,303,673)
Loans and advances to customers	(73,519,422)	(141,647,846)	(302,164,824)	(578,914,747)	(71,622,490)	(134,872,915)	(294,368,434)	(551,225,604)
Statutory deposits	(23,688,146)	(2,746,727)	(97,358,280)	(11,225,873)	(23,688,146)	(2,746,727)	(97,358,280)	(11,225,873)
Other assets	(3,060,287)	386,412	(12,577,780)	1,579,266	(2,948,360)	404,299	(12,117,760)	1,652,370
Deposits from banks and other financial institutions	32,981,804	55,740,236	135,555,214	227,810,345	33,222,199	56,671,990	136,543,238	231,618,423
Deposits from customers	101,164,061	35,588,280	415,784,291	145,449,300	101,164,061	35,588,280	415,784,291	145,449,300
Other liabilities	538,202	1,448,427	2,212,010	5,919,721	132,064	1,220,215	542,783	4,987,019
Cash used in operations	(23,214,563)	(77,841,776)	(95,411,851)	(318,139,339)	(15,228,677)	(64,831,109)	(62,589,862)	(264,964,741)



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