ANNUAL REPORT 2025


ONESME
Driving Local Value

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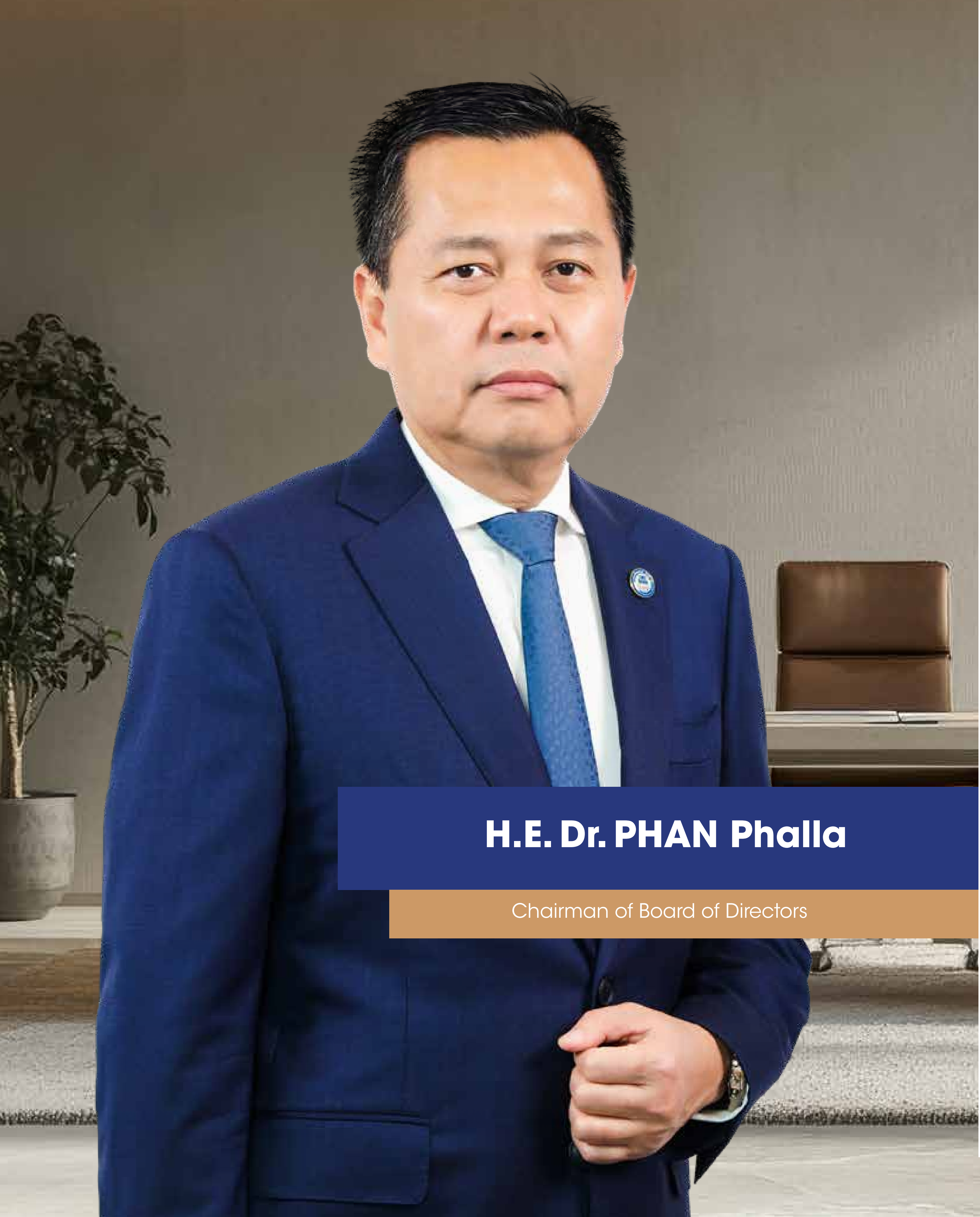
Message from Chairman



H.E. Dr. PHAN Phalla

Chairman of Board of Directors

In 2025, Cambodia's economy faced two major headwinds, including: imposition of reciprocal tariff by the United States, and the escalating border tensions with Thailand, which resulted in two consecutive armed clashes.

Despite these pressures, the U.S. reciprocal tariff did not significantly harm Cambodia's economic performance. In contrast, Thailand's unilateral closure of land border crossings, coupled with ongoing tensions, had a substantial impact on economic activity. These effects were particularly evident in 'Thailand+1' manufacturing, cross-border tourism, agricultural exports, private remittances, transportation, and the financial sector.

Concurrently, several notable trends emerged, including stronger support for and increased consumption of domestic products, improvements in local production capacity, shifts in transportation routes and modes, and greater diversification of value chains away from reliance on the Thai market.

Meanwhile, the financial and banking sectors remained relatively strong and resilient, despite persistently low credit growth and a gradual increase in non-performing loans (NPL). In 2025, credit provided by the banking system expanded by only 5.4%, while NPL ratios remained elevated at 8.3% for deposit-taking banking and financial institutions and 13.5% for non-deposit-taking institutions.

Nevertheless, capital adequacy and liquidity positions remained robust. The capital adequacy ratio stood at 22% for deposit-taking institutions and 31.2% for non-deposit-taking institutions, both well above the regulatory minimum of 15%. Liquidity levels were also strong, with a liquidity coverage ratio of 179.3% for deposit-taking institutions, significantly exceeding the regulatory requirement of 100%.

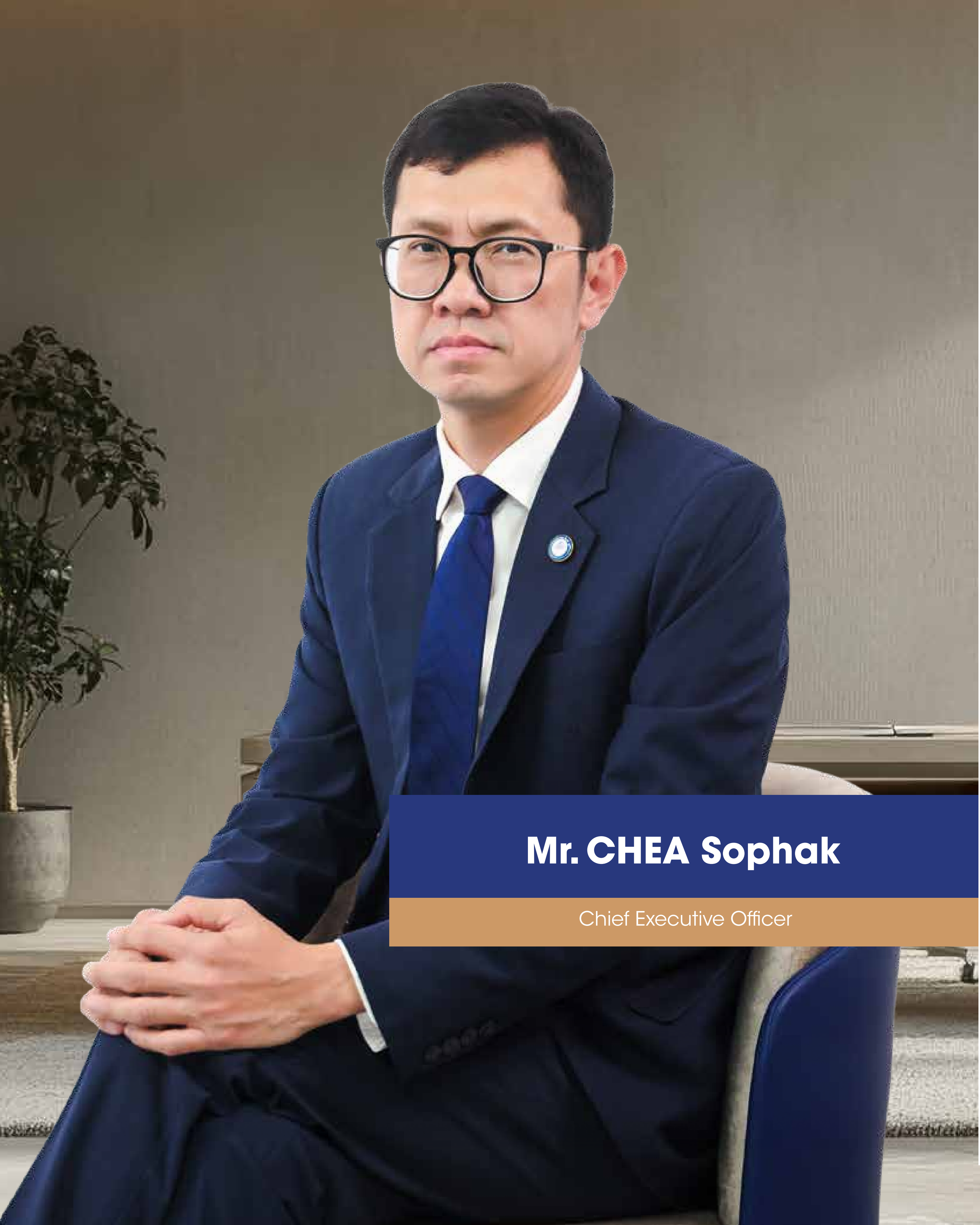
Amid these less favorable and uncertain economic and financial conditions, the Small and Medium Enterprise Bank of Cambodia (SME Bank), as a policy bank, continued to play an active role in providing credit to small and medium enterprises (SMEs), particularly in priority sectors aligned with key national policies. These include the Pentagonal Strategy Phase I, Program to Promote Competitiveness, Enhance Diversification, and Strengthen Resilience for Economic Growth in a Highly Uncertain Global Environment of the Royal government of the 7th Legislature of the National Assembly; as well as the Program to Promote and Improve the Business and Investment Climate in Cambodia (2025–2028) and other related policy frameworks.

As of end-2025, the SME Bank's total outstanding loan portfolio reached USD 230 million, of which approximately USD 165 million comprised direct lending. These loans supported a total of 2,850 enterprises, with women entrepreneurs accounting for 29% of beneficiaries.

On behalf of the Board of Directors, I am pleased to observe the continued growth of SMEs, particularly in priority sectors, supported by the SME Bank's financing in recent years. This progress reflects the sound and effective policy direction of the Royal Government, as well as the collective efforts of all stakeholders—especially SMEs—in strengthening the resilience and inclusiveness of Cambodia's economy.

Finally, on behalf of the Board of Directors, management, and staff of the SME Bank, we reaffirm our commitment to further enhancing our efforts to meet the evolving needs and expectations of our customers. We will continue to improve the effectiveness of credit provision and expand access to finance for SMEs across Cambodia.

CEO's Report



Mr. CHEA Sophak

Chief Executive Officer

Amid domestic and external challenges—particularly the implementation of reciprocal tariffs imposed by the United States, as well as ongoing Cambodia–Thailand border tensions—the SME Bank of Cambodia (SME Bank) has intensified its efforts to support economic stability by expanding access to financing for small and medium enterprises (SMEs). The Bank has introduced greater flexibility and enhanced concessional terms to better meet the needs of SMEs, especially those operating in priority sectors.

As a result, SME Bank recorded the following key achievements in 2025:

- *Total direct loan disbursements reached approximately USD 58 million, while the total outstanding loan portfolio increased to USD 230 million, of which USD 165 million comprised direct loans.*
- *A total of 2,850 enterprises received financing (including both co-financing and direct lending), of which 556 enterprises benefited from direct loans.*
- *Direct lending to priority sectors accounted for 71.8%, with manufacturing and processing representing the largest share at 50.2%.*
- *The non-performing loan (NPL) ratio stood at 8.64% of the total loan portfolio, or approximately 12% of direct loans.*

At the same time, SME Bank has placed strong emphasis on enhancing credit efficiency for customers, particularly through digital transformation. The Bank has upgraded its core banking system and anti-money laundering (AML) solutions, while also initiating the development of mobile and internet banking platforms, which are expected to be officially launched by the end of 2026. In parallel, staff capacity development has been prioritized through targeted training and skills enhancement programs.

Meanwhile, the 2026 Business Plan, approved by the Ministry of Economy and Finance, continues to emphasize quality credit growth by expanding direct lending to SMEs in priority sectors, in alignment with the government's policy direction. These sectors include manufacturing, assembly, processing, and agro-industries, with a particular focus on import-substitution production.

At the same time, direct lending will gradually shift toward unsecured loans, while expanding outreach to microenterprises and startups. In addition, the Business Plan emphasizes the development and piloting of new financial products—such as green loans and supply chain financing—as well as strengthening support to SMEs beyond financing.

Overall, the 2026 Business Plan outlines six key strategic priorities:

With a well-defined and realistic 2026 Business Plan, SME Bank is confident in further strengthening its role as a catalyst for improving access to finance for SMEs in Cambodia.

About SME BANK

Small and Medium Enterprises (SMEs) play a vital role in contributing to Cambodia's inclusive and resilient socio-economic development by meeting domestic demand, creating employment opportunities, generating income, and promoting exports. Nevertheless, the development of SMEs in Cambodia continues to face several structural challenges, particularly among enterprises operating in the informal economy. These challenges include limited access to finance and low competitiveness, among others.

In response, the Royal Government of Cambodia has continued to address these challenges through the implementation of various policies and targeted measures, including initiatives aimed at improving access to credit. As a result, SME Bank of Cambodia Plc. (SME Bank) was established under the technical and financial supervision of the Ministry of Economy and Finance.

SME Bank was founded with the mission of providing efficient, transparent, and accessible financing to support the development of SMEs, thereby promoting economic diversification and export growth. Over more than six years of operations, the Bank has continuously strengthened its capacity to deliver quality financing solutions to SMEs across Cambodia in a wide range of sectors, particularly in the following priority sectors:

1. Manufacturing and processing;
2. Industrial production;
3. Research and development in information technology;
4. Enterprises operating within SME clusters and regional development zones (Cluster Zones);
5. Medical products and pharmaceuticals; and
6. Support services for enterprises operating in priority sectors.

Mission, Vision and Core Value

Mission

To be the best and preferred SME Bank in Cambodia, providing affordable financing, easy accessibility, technical support and excellent customer experience.

Vision

To provide efficient and sustainable financing and commercial banking services to support SMEs to support economic diversification and exports in line with government policy.

Values

We believe that we have a part to play in providing affordable and value-added banking services towards the development of Small and Medium Enterprises whilst exceeding the expectations of our employees, customers, and other stakeholders. We aspire to achieve this by living up to our core values, "IPACE."

Integrity

We strive for operational excellence to ensure profitability, growth, and sustainability for all our stakeholders.

People

We consider all employees as our core asset and will respect, value, and actively engage them in all our business dealings.

Accountability

We will be professional by being accountable to all our stakeholders and responsible in discharging our duties.

Customer

As customers are the main purpose for our existence, we will provide excellent and consistent customer experience.

Efficiency

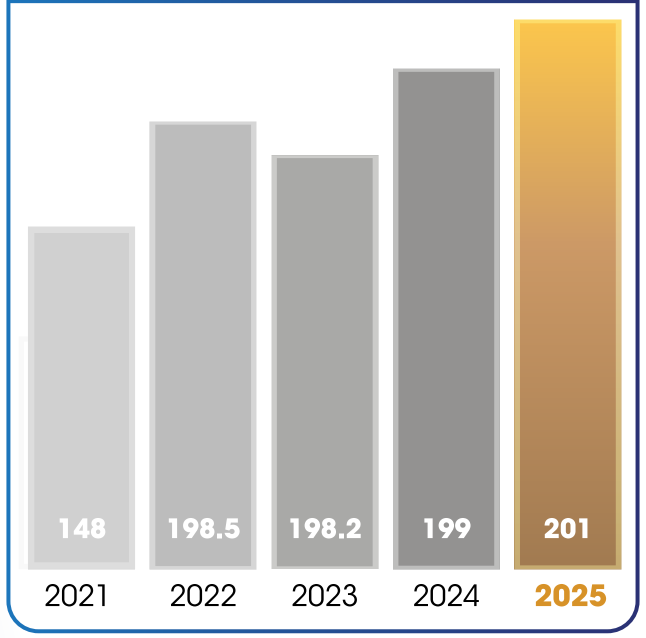
We will ingrain integrity in our DNA to ensure a high level of trust and reputation in our business.

Achievement Report in 2025

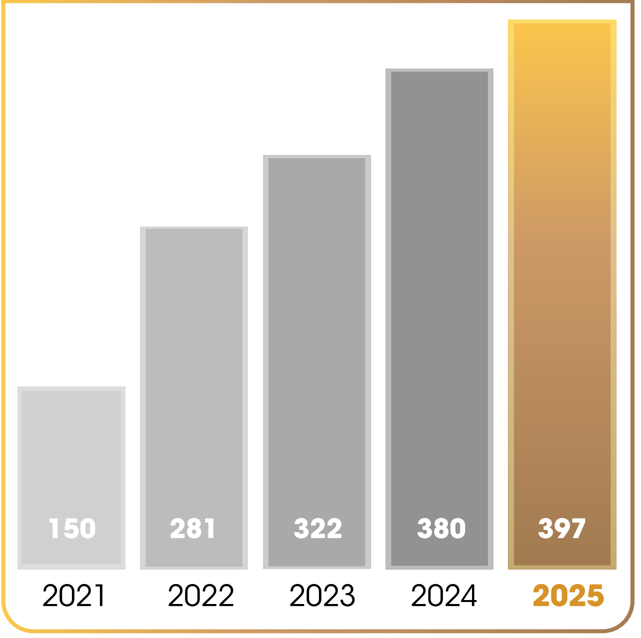
LOAN OUTSTANDING	TOTAL ASSETS	BUSINESS PARTNERS	NO. OF ENTERPRISES
+230 million dollars	**+397 million dollars**	**18**	**+2850**

WOMEN ENTERPRENEURS	LOAN OUTSTANDING IN THE PRIORITY SECTORS	NO.OF BRANCHES	NO. OF EMPLOYEES
+29%	**+62%**	**7**	**+232**

BANK EQUITY
(IN USD MILLION)



TOTAL ASSETS
(IN USD MILLION)



Branch Networks

Head Office

MEF Business Development Center, 20th floor, Slot S, OCIC Street, Phum Kien Khleang, Sangkat Chrouy Changvar, Khan Chrouy Changvar, Phnom Penh.

Banteay Meanchey Provincial Branch

Phum Bei, Sangkat Preah Ponlea, Krong Serei Saophoan, Banteay Meanchey Province.

Phsar Thmei Branch

No 30, St. Pasteur corner St. Prey Nokor, Sangkat Phsar Thmei Ti Muoy, Khan Daun Penh, Phnom Penh.

Kampot Provincial Branch

#413, Phum Svay Thom, Sangkat Krang Ampil, Krong Kampot, Kampot Province.

Battambang Provincial Branch

No. 161 & 162, National Road No. 5, Group 6, Phum Rumchek 5, Sangkat Rottanak, Krong Battambang, Battambang Province.

Kampong Speu Provincial Branch

#465, National Road No.4, Phum Peanicheakkam, Sangkat Rokar Thum, Krong Chbar Mon, Kampong Speu Province.

Tboung Khmum Provincial Branch

National Road 7, Phum Suong Kaeut, Sangkat Suong, Krong Suong, Tboung Khmum Province.

Siem Reap Provincial Branch

Street 60m, Phum Treang, Sangkat Sla Kram, Krong Siem Reap, Siem Reap Province.

Corporate Milestone

2020

- Obtained a commercial bank license on February 27, 2020
- Launched the first phase of the SME Co-Financing Scheme in collaboration with 33 participating financial institutions, with a total amount of USD 100 million, and completed it in October 2020
- Introduced the direct financing scheme which includes:
  - Cambodia SME Scheme (CSS)
  - Cambodia Digital and Automation Scheme (CDAS)
  - Cambodia Women Entrepreneurs Scheme (CWES)
  - Cambodia Recovery Support Scheme (CRSS)
- Achieved total assets value of over **USD 100 million.**

2021

- Received the "SME Bank of the Year – Cambodia" award from the Asian Banking & Finance
- Launched the second phase of the SME Co-Financing Scheme, with a total amount of USD 240 in collaboration with 28 participating financial institutions and financed 981 enterprises
- Achieved total assets value of over **USD 150 million.**

2022

- Launched a Co-Financing Scheme to support and boost the recovery of the tourism sector with a total amount of USD 150 million in collaboration with 24 participating financial institutions
- Joined the Fast Payment service of the National Bank of Cambodia to enable customers to transfer money via the bank quickly
- Introduced the Cambodia Micro Enterprise Scheme (CMES), an Unsecured Loan
- Launched two more new branches, including Phsar Thmei and Battambang Provincial branches
- Formed business partnerships with five additional SME associations to promote direct lending to target customers, including CEO Master Club of Life Education Co., Ltd., Young Entrepreneurs Association of Cambodia (YEAC), AgriBee (Cambodia) Plc., Cambodian Water Supply Association, and Cambodia Food Manufacture Association
- Achieved total asset of over **USD 281 million**

2023

- Launched 4 additional branches including: Tbaung Khmum, Kampot, Banteay Meanchey, and Kampong Speu provinces.
- Established partnerships with the Cashew Nut Association of Cambodia and the Cambodia Cashew Federation, to promote direct lending and target priority segments.
- Signed a Memorandum of Understanding with TrueMoney Cambodia Plc, ACLEDA Bank Plc, and ABA Bank for loan repayment by SME Bank of Cambodia's customers.
- Signed a Memorandum of Understanding with the Policy Research Institute (PRI) of the Ministry of Finance, Japan, and the Micro Business and Individual Unit of the Japan Finance Corporation (JFC-Micro) to provide staff training on credit analysis for SMEs.
- Implemented a Tourism Financing Scheme for Siem Reap with a budget of USD 50 million.
- Achieved a total asset value of over **USD 322 million.**

2024

- Launched a new provincial branch in Siem Reap province.
- Established 4 new partners: Cambodia Chamber of Commerce, Water.org, General Department of Small & Medium Enterprises and Handicraft, and Credit Guarantee Corporation Cambodia.
- Launched a new financing scheme for Private Water Operators (PWOs) with favorable terms, "Cambodia Water Operator Scheme (CWOS)".
- Achieved a total asset value of over **USD 380 million.**

2025

- Launched the SMEs Stimulus Scheme (SSS), a non-collateralized financing scheme with a large loan size of up to USD 500,000.
- Enhanced the Cambodia Micro Enterprise Scheme (CMES), a non-collateralized financing scheme with a small loan size of up to USD 50,000 to improve flexibility and accessibility, and rebranded the scheme as the SMEs Development Financing Scheme (SDFS).
- Approved the pilot implementation of the Trade Finance Loan (TFL).
- Signed an agreement under the Economic Stimulus Guarantee Scheme (ESGS) with the Credit Guarantee Corporation of Cambodia (CGCC).
- Signed a Memorandum of Understanding (MoU) with the Agriculture Services Program for an Inclusive Rural Economy and Agricultural Trade (ASPIRE-AT) under the Ministry of Agriculture, Forestry and Fisheries (MAFF).
- Achieved a total asset value of over **USD 397 million.**

Strategic Partnerships

To provide broader support to small and medium-sized enterprises (SMEs), SME Bank has been actively establishing partnerships with various associations and institutions to contribute to the promotion and development of SMEs in Cambodia, enabling them to grow more effectively and sustainably.

- Ministry of Industry, Science, Technology & Innovation
- Khmer Enterprise
- Cambodia Water Supply Association
- Young Entrepreneurs Association of Cambodia
- Federation of Associations for SMEs of Cambodia
- Cashew Nut Association of Cambodia
- Cambodia Food Manufacturer Asscoiation
- Cambodia Women Entrepreneurs Association
- Cambodia Chamber of Commerce
- Cambodia Cashew Nut Federation
- CEO Master Club
- Aspire-AT

Technical Cooperation Partners (TCP)

- JAPAN FINANCE CORPORATION
  Micro Business Individual Unit
- Banhji FinTech Co., Ltd
- Water.org

Cash Management Partners

BUSINESS HIGHLIGHT

As of the end of 2025, the total loan outstanding amounted to approximately USD 230 million. This figure comprises approximately USD 165 million from direct lending schemes, USD 65 million from co-financing schemes, and USD 5.4 million from other financing schemes.

In the year 2025, the Small and Medium Enterprise Bank of Cambodia disbursed a total of USD 58.4 million in direct lending to 183 enterprises. Of this amount, 71.8 percent was allocated to priority sectors, while 52 percent was directed specifically toward the processing and manufacturing sectors.

The Bank officially launched a new financing scheme, the SMEs Stimulus Scheme (SSS). The scheme is designed to support small and medium-sized enterprises by providing financing of up to USD 500,000 without the requirement for property collateral. In addition, the Bank enhanced its existing scheme, the Cambodia Micro Enterprise Scheme (CMES), to make it more flexible and accessible. The scheme was also renamed to the SMEs Development Financing Scheme (SDFS). As of the end of 2025, the Bank has a total of 7 loan schemes as outline below:

- Cambodia SME Scheme (CSS)
- Cambodia Women Entrepreneurs Scheme (CWES)
- Cambodia Digital & Automation Scheme (CDAS)
- SMEs Development Financing Scheme (SDFS)
- Tourism Financing Scheme for Siem Reap Province (TFSS)
- Cambodia Water Operator Scheme (CWOS)
- SMEs Stimulus Scheme (SSS)

Loan Outstanding
230 USD Millions

Co-financing Scheme
65 USD Millions

The Direct Lending Scheme
165 USD Millions

Direct Lending Schemes

EVENTS

ONESME
Driving Local Value

Annual General Meeting

Kampot, February 28, 2026, SME Bank convened its 2026 Annual General Meeting at Castle Bayview Resort & Spa in Kampot province. The meeting was presided over by H.E. Dr. PHAN Phalla, Chairman of the Board of Directors of SME Bank, alongside members of the Board of Directors, senior management, and approximately 220 staff representing all levels of the Bank.

Overall, the achievements accomplished over the past year clearly reflect the strong spirit of unity, collaboration, and commitment demonstrated by the e mployees and management of SME Bank. By upholding integrity as one of its core values, the Bank continues to strengthen the trust of its customers while contributing to the development of small and medium-sized enterprises (SMEs) in Cambodia, helping them become more resilient and competitive.

Looking ahead to 2026, SME Bank will continue promoting quality lending by providing direct financing to priority sectors in line with the Royal Government's policies. Particular focus will be placed on the manufacturing, processing, handicraft, and agro-industrial sectors, especially projects that support import substitution and export promotion.

At the same time, the Bank has organized annual employee recognition and incentive awards as a way of acknowledging the dedication, hard work, and strong sense of responsibility demonstrated by its staff in carrying out their duties with professionalism and integrity.

In addition, various team-building activities have been organized to strengthen unity, cooperation, and teamwork among employees and the Bank's management, fostering a positive and collaborative working environment throughout the organization.

Employee Recognition Program

The bank places the highest priority on the well-being of its employees and the continuous development of their skills and capabilities. In recognition of dedication and achievement, the Bank organizes annual awards to honor outstanding employees who exemplify hard work, responsible performance, and the highest standards of professional ethics.

Event Highlights

SME Bank is proud to sponsor a workshop on "Benefits of Standard Labels for Products and Production Process." The workshop was organized by the Cambodia Chamber of Commerce (CCC).

February 19, 2025

SME Bank and ASPIRE-AT jointly organized a seminar on "Due Diligence Check and Credit Pre-Assessment".

March 4, 2025

SME Bank is proud to sponsor a seminar on the topic "Businesswomen in the Digital Era (AI)." The seminar was organized by the Cambodian Women Entrepreneurs Association (CWEA) in Siem Reap province.

March 4, 2025

SME Bank had the honor of sponsoring the event "13th Annual General Assembly of 2024". The seminar was organized by the Cambodia Water Supply Assocition.

March 14, 2025

SME Bank had the honor of sponsoring the event "The Ultimate Frisbee Fair." The event was organized by AUPP Liger Leadership Academy.

March 15, 2025

SME Bank organized the seminar "Access to Finance" in Kampong Thom Province.

March 29, 2025

SME Bank organized an internal meeting on "Sales Performance for the First Quarter of 2025".

April 7, 2025

SME Bank hosted a delegation from the management team of the Central Bank of Bangladesh for a study visit.

May 7, 2025

SME Bank, FASMEC, and CGCC attended a consultation meeting to discuss the drafting of a Memorandum of Understanding (MoU).

May 7, 2025

SME Bank had the honor of sponsoring the event "Access to Finance" on the occasion of the 2nd Young Entrepreneurs Gathering in 2025. The event was organized by the Young Entrepreneurs Association of Cambodia (YEAC).

May 8, 2025

SME Bank had the honor of participating in the launching ceremony of CWEA's "WE Academy". The event was organized by the Cambodia Women Entrepreneurs Association (CWEA).

May 8, 2025

SME Bank and FASMEC co-organized a training on "Access to Finance" in Banteay MeanChey, Battambang, and Pursat provinces.

May 13, 2025

SME Bank attended the "Financial Solutions in Agriculture, Manufacturing, and Wholesale & Retail" as a guest speaker. The seminar was organized by the Local Economic Development and the Khmer Product Market in Kampong Thom province team.

May 17-26, 2025

SME Bank attended a seminar, "An Introduction to the Water Suppliers Industry". The seminar was organized by the Water Suppliers Association of Cambodia.

May 26, 2025

SME Bank and the Japan Finance Corporation Micro Business and Individual Unit (JFC-Micro) co-organized the seminar "Interview Techniques in Qualitative and Quantitative Analysis".

May 27-28, 2025

SME Bank organized the SME discussion "Access to Finance" in Tboung Khmum Province.

June 6, 2025

SME Bank had the honor of sponsoring and hosting a guest speaker at the "Regional Meeting". The meeting was organized by the Water Suppliers Association of Cambodia in Siem Reap Province.

June 6, 2025

SME Bank and Ministry of Industry, Science, Technology & Innovation (MISTI) co-organized a consultation seminar on "Access to Finance" in Kampot province.

June 12, 2025

SME Bank had the honor of sponsoring "Turing Hackathon - Cycle 8" on the final day. The event was organized by the Techo Startup Center.

June 15, 2025

SME Bank had the honor of sponsoring the 2nd National Micro, Small, and Medium Enterprises (MSME) Day under the theme "MSMEs Readiness for LDC Graduation", organized by the Ministry of Industry, Science, Technology & Innovation.

June 26, 2025

SME Bank attended the "Discussion Program and Solidarity Dinner in Celebration of Micro, Small, and Medium Enterprises Day (MSME Day 2025)", organized by the FASMEC.

June 27, 2025

SME Bank had the honor of hosting a delegation from the National Bank of Cambodia for a study visit.

July 14, 2025

SME Bank and the General Secretariat of Digital Economy and Business Committee co-organized a sharing information program related to the procedures for onboarding of Informal Economy Actors through "Digital Platform for Informal Economy Development" in Siem Reap Province.

July 15, 2025

SME Bank had the honor of sponsoring and hosting a guest speaker at the "Regional Meeting" in Battambang province. The meeting was organized by the Water Suppliers Association of Cambodia.

July 17, 2025

SME Bank held its second TOWN Hall meeting

July 18, 2025

SME Bank organized an internal meeting on "Sales Performance for the Second Quarter of 2025".

July 25, 2025

SME Bank organized a workshop on "Strategy Workshop 2026".

August 25, 2025

SME Bank had the honor of sponsoring and hosting a guest speaker at the "Regional Meeting" at Takeo Province. The Water Suppliers Association of Cambodia organized the meeting.

August 26, 2025

The Cambodia Accounting Forum 2025, under the theme "Regulatory Harmonization 2025–2035 Digital Financial and Sustainability Reporting"

September 4, 2025

SME Bank had the honor of sponsoring and hosting a guest speaker at the "Regional Meeting" in Kampong Cham Province. The Water Suppliers Association of Cambodia organized the meeting.

September 19, 2025

SME Bank had the honor of sponsoring the launching ceremony of the program "The Financial Street – Season 3", under the theme "Promoting Financial Literacy for a Stronger Cambodian Economy." The event was organized by Apsara Media Services (AMS).

September 30, 2025

SME Bank had the honor of sponsoring and hosting a guest speaker at the "Cambodia's No. 1 International Water Industry Exhibition and Conference". The Water Suppliers Association of Cambodia organized the meeting.

October 15, 2025

SME Bank organized an internal meeting on "Sales Performance for the Third Quarter of 2025".

October 17, 2025

SME Bank had participated in a cycling event under the theme: "Cycling to Promote Banking Sector Sustainability and Riel Promotion", organized by the Association of Banks in Cambodia at Kep Province.

November 1, 2025

SME Bank had the honor of participating in the opening ceremony of the "2nd Khmer Product Exhibition 2025."

November 5, 2025

SME Bank had the honor of sponsoring the Cambodia Women Entrepreneurs' Day (CWED) 2025 Outstanding Women Award in Green Economy, under the theme "From Vision to Action: WE Drive to Greener Future". The event was organized by CWEA.

November 11, 2025

SME Bank had the honor of sponsoring "Cambodia Agriculture Forum & Exhibition 2025."

November 13-16, 2025

H.E. Dr. Phan Phalla, Secretary of State at the Ministry of Economy and Finance presided over the event and delivered a keynote Speech on "Strategic Investment Framework for Future Development and Business Sustainability".

November 14, 2025

SME Bank had to participate in a study visit to the Supply Chain Finance program, organized by the SME Finance Forum (SMEFF) under the coordination of the International Finance Corporation (IFC) in India.

November 17, 2025

SME Bank participated and hosted as a keynote speaker at the "CEO & Entrepreneur Forum (Business Matching & Entrepreneur Networking)" under the topic "Building a Strong SME Eco-System for Sustainable Growth". The forum was organized by the GLOBAL ENTREPRENEUR 1% CLUB.

November 28, 2025

SME Bank had the honor of sponsoring the "2025 Pinnacle Entrepreneur Forum" and the "ASEAN Women Entrepreneur Network Award Ceremony."

November 21, 2025

SME Bank had the honor of participating in the Cambodia Trade Expo, held under the theme "Empowering Cambodian Exporters for Global Success: From Standards to International Markets", organized by the Ministry of Commerce.

December 4-7, 2025

Corporate Social Responsibility (CSR)

Contributing to fundraising to support the Kuntha Bopha Foundation of Cambodia.

March 7, 2025

SME Bank participated in the "Donate Blood,Save Lives" program. The program was organized in collaboration with the ABC & CMA.

March 7, 2025

SME Bank participated in the "Donate Blood,Save Lives" program. The program was organized in partnership with the Business Development Center.

March 14, 2025

SME Bank was an advocate for and encouraged contributions to the "10,000 Riel, 10,000 Donors' Campaign.

June 1, 2025

SME Bank and the Business Development Center (BDC) co-organized a blood donation campaign titled "My Blood is Love Blood and Rescue" at the Business Development Center (BDC).

September 12, 2025

SME Bank distributed charitable aid to the administration of Oddar Meanchey Province to support the frontline army and refugees, in collaboration with the CMA and ABC.

October 11, 2025

SME Bank delivered humanitarian aid directly to displaced citizens in Battambang Province.

December 15, 2025

Memorandum of Understanding (MOU)

The Meeting to discuss the memorandum of understanding (MoU) between the Policy Research Institute of the Ministry of Finance of Japan and SME Bank.

May 27, 2025

Memorandum of Understanding (MoU) between SME Bank, FASMEC, and CGCC

June 16, 2025

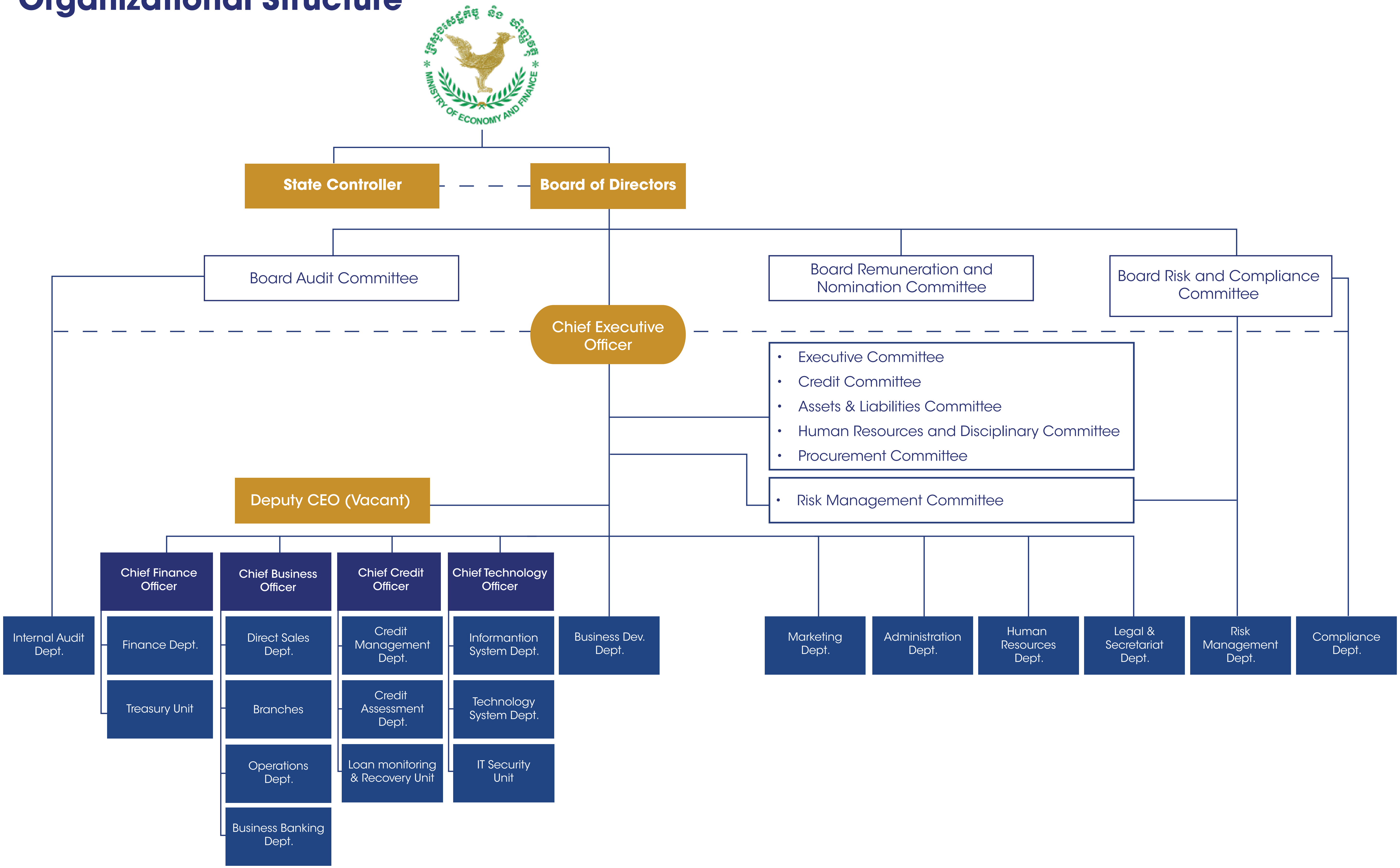
Memorandum of Understanding (MoU) between SME Bank and Cambodia Women Entrepreneurs Association (CWEA)

October 1, 2025

Memorandum of Understanding (MoU) between SME Bank and Credit Guarantee Corporation of Cambodia (CGCC)

December 10, 2025

Organizational Structure



The Board of Directors

Mr. CHEA Sophak
Chief Executive Officer

H.E CHAN Sokty
Member of Board of Directors

H.E TEP Phiyorin
Member of Board of Directors

H.E. Dr. PHAN Phalla
Chairman of Board of Directors

H.E SON Senghuot
Member of Board of Directors

Mrs. CHHORN Dalis
Member of Board of Directors

H.E. Dr. KONG Marry
State of Controller

Mr. HUOT Sokha
Chief Business Officer

The Board of Directors

H.E. Dr. PHAN Phalla
Chairman of Board of Directors

H.E. Dr. Phan Phalla joined the Ministry of Economy and Finance and the Supreme National Economic Council in 2004.

Over the past two decades, he has made significant contributions to a number of key national initiatives, including the development of the Financial Management Information System (FMIS), the Public Financial Management Reform Program (PFMRP), revenue mobilization strategies, and the Strategic Framework and Programs for Cambodia's Economic Recovery and Growth in the New Normal Following COVID-19.

He has also played a leading role in the formulation of national and sectoral strategies, as well as in macroeconomic policy analysis and management.

Currently, H.E. Dr. Phan Phalla serves as Secretary of State at the Ministry of Economy and Finance, Member of the Supreme National Economic Council, Secretary-General of the Economic and Financial Policy Committee, Chairman of the Board of Directors of SME Bank of Cambodia Plc., Chairman of the Board of Directors of the Skills Development Fund (SDF), and Member of the Board of Directors of the Sihanoukville Autonomous Port. H.E. Dr. Pan Phalla holds a Doctoral Degree (Ph.D.) in Economics from Australia.

H.E SON Senghuot
Member of Board of Directors

H.E. SON Senghuot is Secretary of State at the Ministry of Industry, Science, Technology and Innovation. Prior to 2013, he served as Director of the Provincial Department of Industry, Mines and Energy in Phnom Penh. From 2013 to 2014, he served as Deputy Director General of the Department of Small and Medium Enterprises and Handicrafts under the Ministry of Industry and Handicrafts.

He currently serves as Secretary of State in charge of the General Department of Small and Medium Enterprises and Handicrafts, as well as the Department of Industrial Affairs under the General Directorate of Industry within the Ministry of Industry, Science, Technology and Innovation.

H.E. Son Senghouat holds specialized training in Small and Medium Enterprise (SME) management from Vietnam, and training in "One Village One Product" (OVOP) management from Japan. He has also completed short-term training programs on SME management in Singapore and South Korea. In addition, he obtained a master's degree in public administration from the Asia Euro University.

H.E TEP Phiyorin
Member of Board of Directors

H.E. TEP Phiyorin is Undersecretary of State at the Ministry of Economy and Finance, responsible for monitoring macroeconomic conditions, overseeing policy review, and analyzing key development-related issues. He has made direct contributions to the formulation of medium-term macroeconomic and public financial policies, the evaluation of public investment programs, and the provision of strategic recommendations on economic, financial, trade, and public sector governance matters.

He joined the Ministry of Economy and Finance in 1999 as a Budget Officer and has since been promoted through successive senior positions, including Head of the Macroeconomic Office, Deputy Director General, and Director General of the General Department of Economic Policy and Public Finance. He has extensive experience in fiscal policy, budget planning, and macroeconomic analysis.

In 2015, he was appointed as an Advisor to the Executive Director of the World Bank Group in Washington, D.C., where he contributed to international policy discussions on economic governance and public finance. Upon returning to Cambodia, he was appointed Director General of the General Department of Policy before assuming his current role as Under Secretary of State.

H.E. TEP Phiyorin holds a Master's Degree in Public Economic Management and Finance from the University of Birmingham, and a Master's Degree in Economics from the Kharkiv National University of Economics.

H.E CHAN Sokty
Member of Board of Directors

H.E. CHAN Sokty currently serves as the Royal Government Delegate in charge and General Director of Green Trade Company under the Ministry of Commerce, with a rank equivalent to Secretary of State. He is also a member of the Steering Committee for the Management of Cambodia's Food Reserve System (CFRS).

Previously, he served as Director General of Domestic Trade at the Ministry of Commerce and as Project Director of the Agricultural Market Information System (AIMS), which aims to promote markets for small-scale agriculture.

He joined the Ministry of Commerce in 1997 as an officer in the Laboratory Office under the General Department of Camcontrol. Throughout his career, he has held several key positions within the Ministry, including Deputy Chief of the Dry Port Branch, Deputy Director of Department, Deputy Director General of the General Department of International Trade, and Acting Director General of the General Department of Trade Promotion.

H.E. Chan Sokthy holds a Bachelor's Degree in Chemical and Food engineering from the Institute of Technology of Cambodia and a Master's Degree in Agriculture from the University of Tokyo.

Mrs. CHHORN Dalis

Member of Board of Directors

Mrs. CHHORN Dalis was appointed as an Independent Member of the Board of Directors of SME Bank of Cambodia Plc. (SME Bank) in 2020. She has more than 20 years of professional experience as an accountant and in leading small and medium-sized enterprises (SMEs) across various sectors, including agro-industry and water supply.

She holds a Master's Degree in Business Administration from the Asian Institute of Technology and a Master's Degree in International Finance from the SKEMA Business School (formerly CERAM Sophia Antipolis), which she obtained in 2002.

H.E. Dr. KONG Marry

State of Controller

H.E. Dr. Kong Marry is Secretary of State at the Ministry of Economy and Finance, Chairman of the Board of Directors of the Techo Startup Center, Head of the Secretariat of the Entrepreneurship Development Fund, and Secretary-General of the General Secretariat of the Digital Economy and Business Committee.

Within the Ministry of Economy and Finance, he is responsible for supporting reforms through the application of digital technologies, promoting startups and entrepreneurship, advancing the digital transformation of SMEs, and fostering innovation in financial technology (FinTech).

He holds both a Master's Degree and a Doctoral Degree in Information Technology from the Waseda University.

Mr. CHEA Sophak

Chief Executive Officer

Prior to joining SME Bank, Mr. Chea Sophak served as Deputy Director General of the General Department of Policy and Deputy Secretary-General of the Economic and Financial Policy Committee at the Ministry of Economy and Finance.

During his tenure at the Ministry of Economy and Finance, he was also appointed as an Alternate Executive Director representing the Kingdom of Cambodia at the Asian Development Bank (ADB), where he served for two years in Manila, Philippines.

He holds a Master's Degree in International Economics and Development from the Australian National University (ANU).

Mr. Huot Sokha

Chief Business Officer

Mr. HUOT Sokha has more than 25 years of experience in management and leadership roles across international trading companies, microfinance institutions, banks, and the garment industry.

He earned a Bachelor's Degree in Management and Marketing from the Mekong University (MVU) in 1997. In 2004, he completed a Master's Degree from the Charles Sturt University. He also completed a Master's Program in Finance at the Naropa University

Senior Management

Senior Management

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Mr. OEUR Vibol

Chief Credit Officer

Mr. OEUR Vibol has more than 20 years of professional experience in the banking sector. He began his banking career in 2004 at one of Cambodia's leading local banks, where he held various positions in the accounting and finance functions.

In 2010, he joined one of the region's major banking groups and became part of the team involved in establishing a new commercial bank. This role enabled him to further expand his expertise and professional experience in accounting, finance, and risk management. His most recent position was Head of Risk Analytics and Management, where his primary responsibilities included developing and implementing risk management frameworks and policies to ensure alignment with the bank's operations and regulatory requirements.

Mr. OEUR Vibol graduated in 2004 with a Bachelor's Degree in Accounting and Finance from the National University of Management.

Mr. SUON Sisowath

Chief Finance Officer

Mr. SUON Sisowath has more than 18 years of professional experience in the banking industry, with expertise in accounting, auditing, and finance. Prior to joining SME Bank, he served as Deputy Director of Finance at a commercial bank in Cambodia.

He holds a Bachelor's Degree in Business Administration, majoring in Accounting, from the Institute of Technology and Management.

In addition, he completed the core professional modules of the Association of Chartered Certified Accountants (ACCA) program and was awarded an Advanced Diploma in Accounting and Business from CamEd Business School.

Mr. HAN Koemsreang

Chief Technology Officer

Mr. HAN Koemsreang has more than 15 years of experience in the banking sector, bringing extensive expertise in information technology development and the implementation of enterprise technology strategies.

He holds a Bachelor's Degree in Computer Science and Engineering, majoring in Information Systems, from the Build Bright University, which he completed in 2010.

In addition, he has participated in numerous professional training programs and workshops related to information technology in Cambodia, India, and Vietnam, further strengthening his expertise in IT management, digital systems, and technology innovation within the banking industry.

Corporate Governance

The Bank has a strong corporate governance structure under the technical and financial oversight of the Ministry of Economy and Finance, with further supervision by the National Bank of Cambodia. The Bank is governed and managed by the Chairman and members of the Board of Directors, who are appointed by Sub-Decree of the Royal Government of Cambodia.

The Bank operates in compliance with regulations issued by relevant authorities and internal policies approved by the Board of Directors.

Board of Directors' Committee

The Board of Directors is composed of seven members, including two Executive Directors and five Non-Executive Directors. The Board is responsible for setting strategic directions and overseeing the management and overall operations of the Bank in accordance with government policies and applicable regulations. The Board is primarily accountable to the Ministry of Economy and Finance (the sole shareholder) for the Bank's performance.

In 2025, the Board of Directors held four meetings to review and approve several key matters, including: reviewing the Bank's operational performance on a regular basis; approving updates to the roles and responsibilities of Board-level committees; acknowledging the use of cloud computing services; approving the development of new credit products; approving an increase in lending limits for businesses in manufacturing and processing sectors; approving the three-year business plan (2026–2028); approving the procurement plan for 2026; and approving the revisions and updates of other important policies.

Board Risk and Compliance Committee

The Board appoints the Board Risk and Compliance Committee (BRCC) and comprises four Non-Executive Directors. BRCC's responsibility is authorized by the Board to ensure that the integrated risk management functions within the Bank are effectively discharged.

A total of fifteen (15) BRCC meetings were held in 2025 and the Directors' attendance at the meetings was as follows:

No.	Directors	Composition
1	H.E.TEP Phiyorin	Chairman
2	H.E. SON Seng Huot	Member
3	H.E.CHAN Sokty	Member
4	Mrs.CHHORN Dalis	Member

Risk Management

- To review, formulate and recommend those policies which are reserved for the Board's approval in respect of risk management issues and strategies, risk tolerance and other policies for the Board's approval;
- To review and provide prior endorsement on any product/policy deviation before the Board's approval;
- To review and provide prior endorsement on credit application before the Board's approval;
- To review and approve procedures to assist implementation of policy;
- To approve for policy review with no change or immaterial change or incidental change;
- To review and consider the adequacy of risk management policies and frameworks, identifying, measuring, monitoring, and controlling risk, and the extent to which these are operating effectively;
- To ensure infrastructure, resources and systems are in place for risk management i.e., to ensure that the staff responsible for implementing risk management system, performing those duties independently of the Bank's risk-taking activities;
- To review management's periodic reports on risk exposure, risk portfolio composition, asset quality, risk rating systems, risk appetite, stress testing, and risk management activities;
- To ensure that the Bank's overall impaired loans portfolio meets with the guidelines of regulatory authorities and approved policies and procedures;
- To review and approve risk-taking activities as delegated;

- To consider and provide prior endorsement on recruitment, appointment, and removal of the Head/Manager of Risk Management.
- To establish and oversight any sub-committee;
- To undertake the risk-related tasks assigned by Board of Directors.

Compliance

- To discuss compliance, anti-money laundering, and combating the financing of the terrorism and proliferation of weapons of mass destruction ("AML/CFT &PF) risk, and ensure the risks are mitigated effectively and expeditiously;
- To review and endorse compliance and AML/CFT & PF framework/policies and material amendments to compliance and AML/CFT & PF framework/policies evaluate the effectiveness of the Bank's overall management of compliance and AML/CFT &PF framework/policies.
- To evaluate the effectiveness of the Bank's overall management of compliance and AML/CFT and PF risk. To pay high attention and strengthen compliance functions, resources and infrastructure;
- To receive and review, at least annually, a report on money laundering and financial crime produced by the Money Laundering Reporting Officer of the Bank and request any specific action taken by senior management in relation to the report.
- To review/assist in leading and overseeing technical development of Foreign Account Tax Compliance Act (FATCA) compliance and reporting to relevant regulators;
- To review reports from the Compliance Officer for ensuring adherence to internal compliance policies and procedures and compliance with laws and regulations, as requested by the Committees or required by law and regulations;
- To report to the Board on its consideration of compliance-related matters, identifying those areas where action or improvement is needed, and making recommendations as appropriate;
- To consider and provide prior endorsement on recruitment, appointment, and removal of the Compliance Officer as per National Bank of Cambodia's requirement; and
- To consider and examine such other matter as the BOD requires, the Committee considers appropriate, or which are otherwise brought to attention, and to make recommendations or/ and reports to the Board as appropriate.

Key Matters Reviewed/Deliberated/Approved

Throughout the financial year-end 2025, BRCC has committed to ensure the Bank's structure remained resilient against unexpected economic shocks as set out below:

- Discussed Risk Management Report
- Discussed Compliance and Regulatory Compliance Report
- Reviewed and endorsed Risk Appetite Statement
- Reviewed and endorsed BRCC's Terms of Reference
- Reviewed and endorsed Cash Management Policy
- Review and endorsed Complaint Management Policy

- Review and endorsed the SME Stimulus Scheme
- Reviewed and endorsed Business Sector List
- Review and endorsed Bank's Panel Placement
- Review and endorsed Trade Finance Loan
- Reviewed and endorsed Deposit Product
- Reviewed and endorsed Credit Applications
- Reviewed and endorsed Cambodia Water Operator and Cambodia Micro Enterprise Scheme
- Reviewed and endorsed Business Plan 2026-2028
- Reviewed and endorsed Operating Guideline of Energy Efficiency Financing Scheme
- Reviewed and Endorsed CIFRS 9 Model Development Document
- Reviewed and Endorsed IFRS9 Impairment Policy
- Reviewed and Endorsed Market Risk Policy
- Approved Business Continuity Plan Policy
- Approved IT Patch Management Procedure
- Approved Termination of eICBA System Proposal
- Approved Revised Credit Procedure
- Approved Credit Card Guideline
- Approved Font Change Use in Brand Guideline
- Approved Credit Delegated Approving Authority
- Approved the Deferment of DDOS Protection
- Approved Internal Loss Capture Procedure
- Approved Key Risk Indicator Procedure
- Approved Risk and Control Self-Assessment Procedure
- Approved Liquidity Risk Management Reporting Treatment and Business Rules
- Approved Stress Test Guideline
- Approved Credit Loss Rate for Calculation of Expected Credit Loss
- Approved Stress Test Scenario Result and Analysis for Position as of September 2025

Risk Management Department

Risk Management plays a vital role in the banking business and is even more crucial in challenging business environments. The role of Risk Management has also been broadened, and a strong risk culture needs to be embedded into business units to ensure adequate risk transparency for the sustainable growth of the Bank. Risk Management functions work independently and closely with all relevant business units to ensure the understanding of risk culture and awareness.

Overall, Risk Management Department is responsible for administrating the day-to-day risk management functions as well as the monitoring and controlling the Bank's risk exposures with regular reporting to the Risk Management Committee and the Board Risk and Compliance Committee (BRCC).

Key Roles of Risk Management:

Credit Risk

Credit Risk is the possibility of losses due to a borrower or market counterparty failing to perform its contractual obligations to the Bank.

The credit risk management is mainly focused on analyzing, approving and monitoring loans independently and professionally to ensure that the terms and conditions are met. Credit Management Department performs a follow-up role to ensure that approved terms and conditions are properly monitored. Credit management is also responsible for reviewing and monitoring the Bank's loan portfolio and any credit-related limit/threshold. Besides, Credit Quality Control and Loan Monitoring and Recovery units help to strengthen the Bank's asset quality and its long-term sustainability.

Liquidity Risk

Liquidity Risk is the risk that the Bank does not have sufficient financial resources available to fund increases in assets or to meet its obligations as they come without incurring unacceptable losses.

The Bank must maintain sufficient liquidity at all times so that its cash flow positions and/or liquefiable assets are readily available to meet financial and regulatory obligations under BAU and stress conditions.

Liquidity risk undertaken by the Bank is governed by an established liquidity risk appetite that defines the risk-taking level that the Bank is willing to accept in pursuit of its strategic and business objectives.

Risk Management is responsible for monitoring the Bank's liquidity risk profile and reports regularly to the Risk Management Committee and the BRCC to manage its liquidity position to meet its daily operational needs and regulatory requirements.

Market Risk

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

Operational Risk

Operational Risk refers to the risk of loss resulting from inadequate or failed internal processes, people and systems or external events. One of the key requirements of a robust risk management structure is having effective Operational Risk Management tools to identify comprehensively, measure, monitor, control, and report the entity's operational risk exposures.

Board of Audit Committee

The Board of Audit Committee ("BAC") is appointed by the Board. Board of Audit Committee has composed of four members who are Non-Executive Directors to provide oversight of the internal audit, financial statements, internal control system, and risk management framework to ensure compliance with regulatory requirements in the Bank. A total of Six (06) Board Audit Committee meetings were held in 2025 at the meetings are as follows:

No	Directors	Composition
1	Mrs.CHHORN Dalis	Chairwoman
2	H.E TEP Phiyorin	Member
3	H.E SON Senghuot	Member
4	H.E CHAN Sokty	Member

The Board Audit Committee performs the roles and responsibilities as follows:

- Ensure the information provided to the Public and the National Bank of Cambodia is accurate and reliable.
- Ensure the internal auditors regularly audit the accounting methods, records, and financial statements to meet the expectations of the regulations and the Board.
- Evaluate, check, and approve the internal audit policies, procedures, and annual internal audit plans, mainly whether the system measuring, monitoring, and risk management are consistent and recommended on audit findings.
- Assist the Board in overseeing the implementation of accounting policies, preparing accurate and sufficient reports, and ensuring the effectiveness of internal control.
- Ensure corrective action between the internal auditor and senior management to comply with the target response.

Results of the Board Audit Committee's performance achievement in 2025

- Reviewed and advised on internal audit findings, and special audit findings;
- Discussed the KPIs for the Internal Audit team, budgeting, and staffing manpower;
- Reviewed the implementation following recommendations from the Internal Audit Department and the Board of Audit Committee;
- Conducted meeting between senior management with External Auditors on findings;
- Reviewed and endorsed on Annual Audit Report 2025 before the Board of Director's approved for submitted to CAFIU;
- Reviewed and approved Internal Control Report 2025 for submitted to NBC and CAFIU;
- Reviewed training course for internal auditors;
- Reviewed and approved Annual Internal Audit Plan for 2026;
- Evaluated annual performance of the Head of Internal Audit.

Internal Audit Department

The Internal Audit Department is responsible for regularly evaluating, checking, and monitoring the implementation of the Bank's internal control system and governance to ensure the Bank's vision and main objectives' effectiveness. To ensure the transparency and independence of the audit work, the internal auditors must report directly to the Board of Audit Committee and indirectly to the Chief Executive Officer on certain administrative matters.

Internal Audit's Key Roles:

- Manage audit work, coordinate, review, and report on the internal audit's work, and provide the Audit Standards, criteria, and requirements of the internal audit.
- Plan, manage, and monitor the daily work activities of the Internal Audit Department and develop and maintain effective and efficient customers and staff.
- Ensure that Bank's management and employees fully implement all internal policies and procedures.
- Introduce management to the impact of risks related to new products and services or activities and plans to mitigate risks.
- Prepare and update an internal risk-based audit plan for evaluating the effectiveness of risk management and report the internal audit report to the Board of Audit Committee.
- Ensure the management has responded and acted on the internal audit report and implemented the recommendation by the target date. Perform other tasks as assigned by the Board of Audit Committee.
- Assist the Board of Audit Committee and the Board of Directors in fulfilling their responsibilities for properly implementing accounting policies, reports, adequacy, and effectiveness of internal control.

BOARD OF REMUNERATION AND NOMINATION COMMITTEE (BRNC)

The Board of Remuneration and Nomination Committee consists of 1 (one) executive director and 4 (four) non-executive directors as follows:

No	Directors	Composition
1	H.E. SON Senghuot	Chairman
2	H.E. TEP Phiyorin	Member
3	H.E. CHAN Sokty	Member
4	Mrs. CHHORN Dalis	Member
5	Mr. HUOT Sokha	Member

The BRNC performs the roles and responsibilities as follows:

- Cover all aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, expenses, consultancy fees (where applicable) and benefits in kind.
- Recommend the remuneration of the Directors of the SME Bank to the Board of Director.
- Recommend to the Board the performance targets and incentive plan (including bonus and any other scheme designed to encourage long-term corporate value creation) for the SME Bank Managements, the Head of Internal Audit, and the Compliance Manager for the coming year.
- Review the adequacy and form of compensation to the SME Bank Managements and Key Managers to ensure that it is realistically commensurate with the responsibilities and risks involved in being an effective member of the management team.
- Review and guide the evaluation of the effectiveness of the Board and the Board committee at least once per year.
- Review and update the relevant policies and procedures at least once a year for BOD's approval.

Results of the Board of Remuneration and Nomination Committee in 2025:

- Reviewed and endorsed the annual performance appraisal results.
- Reviewed and endorsed the annual salary increment and the performance bonus for employees, prior to approval by the Board of Directors.
- Reviewed and endorsed the 2025 KPI setting and form, prior to approval by the Board of Directors.
- Reviewed and endorsed the functional review, prior to approval by the Board of Directors.
- Reviewed and endorsed the revised staff loan policy, prior to approval by the Board of Directors.
- Reviewed and endorsed the revised sales incentive scheme, prior to approval by the Board of Directors.
- Reviewed and endorsed the loan recovery incentive scheme, prior to approval by the Board of Directors.
- Reviewed and endorsed the revised guideline on employee compensation, benefit and entitlements, prior to approval by the Board of Directors.

Financial Statements

Report of the Board of Directors

The Board of Directors of Small and Medium Enterprise Bank of Cambodia Plc. ("the Bank") presents its report and the Bank's financial statements as at 31 December 2025 and for the year then ended.

Principal activity

The Bank was incorporated in the Kingdom of Cambodia as a state-owned bank organized under the Law on the General Statute of Public Enterprise with the registration certificate Co. 0001 M/2020 issued by the Ministry of Commerce on 13 January 2020. The Bank is under the technical and financial supervision of Ministry of Economy and Finance ("MEF").

The Bank obtained its banking license from the National Bank of Cambodia ("NBC") on 27 February 2020 to operate as a commercial bank.

The Bank's principal business activities are provisions of financing and commercial banking services to support small and medium enterprises in the Kingdom of Cambodia.

The Bank's registered office address is located at MEF Business Development Center, Slot S, OCIC Street, Phum Kien Khleang, Sangkat Chraoy Chongvar, Khan Chraoy Chongvar, Phnom Penh, Cambodia.

Results of operation and dividend

The results of the Bank's operations for the year ended 31 December 2025, and the state of its affairs as at that date are set out in the accompanying financial statements.

There were no dividends proposed, declared or paid by the Bank during the year.

Expected credit losses on loans and advances

Before the financial statements of the Bank were prepared, the Board of Directors took reasonable steps to ascertain that action had been taken in relation to writing off bad loans or recognition of all owance for expected credit losses and satisfied themselves that all known bad loans had been written off and that adequate allowance had been made for expected credit losses on loans and advances.

At the date of this report and based on the best of our knowledge, the Board of Directors is not aware of any circumstances which would render the amounts written off for bad loans or the amounts of the allowance for expected credit losses in the financial statements of the Bank inadequate to any material extent.

Assets

Before the financial statements of the Bank were prepared, the Board of Directors took reasonable steps to ensure that any assets, which were unlikely to be realized in the ordinary course of business at their values as shown in the accounting records of the Bank, had been written down to amounts which they might be expected to realize.

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

Valuation methods

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets and liabilities in the financial statements of the Bank misleading or inappropriate.

Contingent and other liabilities

At the date of this report, there are:

(a) no charges on the assets of the Bank which has arisen since the end of the year which secures the liabilities of any other person except as disclosed in the financial statements; and,

(b) no contingent liabilities in respect of the Bank that has arisen since the end of the year other than in the ordinary course of its business operations.

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

Items of an unusual nature

The results of the operations of the Bank for the year were not, in the opinion of the Board of 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 year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Board of Directors, to affect substantially the results of the operations of 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 to the date of this report are:

Name	Position	Date of Appointment
H.E. Dr. PHAN Phalla	Secretary of State, Ministry of Economy and Finance and Chairman of the Board of Directors	18 November 2020
H.E. TEP Phiyorin	Member	5 December 2019
H.E. SON Seng Huot	Member	5 December 2019
H.E. CHAN Sokty	Member	5 December 2019
Mrs. CHHORN Dalis	Member	1 September 2020
Mr. CHEA Sophak	Chief Executive Officer and Member	3 April 2025
Mr. HOUT Sokha	Chief Business Officer and Member	31 October 2025

Auditor

The financial statements as at 31 December 2025 and for the year then ended have been audited by the accounting firm of Grant Thornton (Cambodia) Limited.

Directors' interests

No directors held any interest in the equity of the Bank. No arrangement existed to which the Bank is a party with the object of enabling the members to obtain an interest in the Bank or in any corporate body.

Directors' benefits

During and at the end of the year, no arrangement existed to which the Bank was a party with the objective of enabling the directors of the Bank to acquire benefits by means of the acquisition of shares in or debentures of the Bank or any other body corporate.

During the financial year, no director of the Bank has received or become entitled to receive any benefit by reason of a contract made by the Bank or a related corporation with a firm of which the director is a member, or with a company in which the director has substantial financial interest other than as disclosed in the financial statements.

Responsibilities of the Board of Directors and the Management in respect of the financial statements

The Management is responsible for the preparation of financial statements that presentfaily, in all material respects, the financial position of the Bank as at 31 December 2025, and of itsfinancial performance and its cash flows for the year then ended in accordance with

Cambodian International Financial Reporting Standards ("CIFRSs") and guidelines of the NBC. In preparing these financial statements, the Management is required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- comply with the requirements of CIFRSs, or, if there have been any departures in the interest of fair presentation, these have been appropriately disclosed, explained, and quantified in the financial statements;
- maintain adequate accounting records and an effective system of internal control;
- assess the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so; and
- control and direct effectively the Bank in all material decisions affecting the operations and performance and ascertain that such decisions and/or instructions have been properly reflected in the financial statements.

The Board of Directors is also responsible for safeguarding the assets of the Bank and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement by the Board of Directors

In the opinion of the Board of Directors, the accompanying statements of financial position, statement of comprehensive income, changes in equity and cash flows, together with the notes thereto, have been properly drawn up, and present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and of its financial performance and its cash flows for the year then ended in accordance with CIFRSs and guidelines of the NBC.

Signed on behalf of the Board of Directors:

Phan Phalla, PhD
Secretary of State, Ministry of Economy and Finance
and Chairman of the Board of Directors

Chea Sophak
Chief Executive Officer
and Board Member

Phnom Penh, Kingdom of Cambodia
23 March 2026

Independent auditor's report

To the Shareholders of
Small and Medium Enterprise Bank of Cambodia Plc.

Opinion

We have audited the financial statements of Small and Medium Enterprise Bank of Cambodia Plc. ("the Bank"), which comprise the statement of financial position as at 31 December 2025, and the stat ment of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2025, and of its financial performance and cash flows for the year then ended,in accordance with CIFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing ("CISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. Weare independent of the Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and auditor's report thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors andrespond to that matter in accordance with the requirements of CISA 720 (revised).

Responsibilities of Management and the Board of Directors for the financial statements

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

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

The Board of Directors is responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are approiate in the circumstances,but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in amanner that achieves fair presentation.

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

Grant Thornton

GRANT THORNTON (CAMBODIA) LIMITED

Certified Public Accountants Registered Auditors

Ronald C. Almera

Partner – Audit and assurance

Phnom Penh, Kingdom of Cambodia
23 March 2026

Statement of financial position

as at 31 December 2025

		31 December 2025		31 December 2024	
	Notes	USD	KHR'000 (Note 2.3)	USD	KHR'000 (Note 2.3)
Assets					
Cash on hand	4	359,218	1,441,542	1,947,169	7,837,355
Balances with National Bank of Cambodia	5	11,888,923	47,710,248	12,171,470	48,990,167
Balances with other banks	6	157,722,183	632,939,120	150,363,754	605,214,110
Loans and advances to customers – net	7	220,158,059	883,494,291	211,200,141	850,080,568
Intangible assets	9	3,680,294	14,769,019	308,821	1,243,005
Property and equipment	10	1,154,230	4,631,926	1,534,045	6,174,531
Right-of-use assets	11	1,297,857	5,208,300	1,661,935	6,689,288
Statutory deposits	12	495,986	1,990,392	439,155	1,767,599
Deferred tax assets	13 (iv)	-	-	445,640	1,793,701
Other assets	8	444,305	1,782,996	308,200	1,240,505
Total assets		**397,201,055**	**1,593,967,834**	**380,380,330**	**1,531,030,829**
Equity and liabilities					
Equity					
Share capital	18	200,000,000	800,000,000	200,000,000	800,000,000
Contributions from Ministry of Economy and Finance	19	1,246,882	4,987,528	1,246,882	4,987,528
Regulatory reserves	20	13,459,117	54,011,437	8,160,362	32,845,457
Accumulated losses		(12,945,068)	(52,052,277)	(9,748,666)	(39,318,838)
Cumulative translation differences		-	2,719,928	-	5,111,629
Total equity		**201.760.931**	**809,666,616**	**199,658,578**	**803,625,776**
Liabilities					
Deposits from other financial qiinstitutions	14	16,308	65,446	30,662	123,415
Deposits from customers	15	3,061,637	12,286,349	4,775,962	19,223,247
Borrowings	16	189,297,719	759,651,746	173,577,977	698,651,357
Income tax liabilities	13 (i)	12,448	49,954	12,496	50,297
Deferred tax liability	13 (iv)	146,052	586,106	-	-
Lease liabilities	11	1,355,561	5,439,866	1,725,330	6,944,453
Other liabilities	17	1,550,399	6,221,751	599,325	2,412,284
Total liabilities		**195,440,124**	**784,301,218**	**180,721,752**	**727,405,053**
Total equity and liabilities		**397,201,055**	**1,593,967,834**	**380,380,330**	**1,531,030,829**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	For the year ended 31 December 2025		For the year ended 31 December 2024	
		USD	KHR'000	USD	KHR'000
			(Note 2.3)		(Notes 2.3 and 3)
Interest income	21	14,774,797	59,261,711	13,787,216	56,127,756
Interest expense	21	(3,567,041)	(14,307,401)	(2,760,385)	(11,237,527)
Net interest income		11,207,756	44,954,310	11,026,831	44,890,229
Net fee and commission	22	209,048	838,492	151,841	618,145
Foreign exchange losses		(52,487)	(210,525)	(309,943)	(1,261,778)
Total operating income		**11,364,317**	**45,582,277**	**10,868,729**	**44,246,596**
Provision for expected credit losses	7 (vi)	(859,331)	(3,446,777)	(1,639,324)	(6,673,688)
Personnel expenses	23	(4,495,511)	(18,031,495)	(4,154,814)	(16,914,248)
Depreciation and amortisation	24	(1,267,657)	(5,084,570)	(1,437,801)	(5,853,288)
General and administrative expenses	25	(1,898,647)	(7,615,473)	(1,740,013)	(7,083,593)
Profit before income tax		2,843,171	11,403,962	1,896,777	7,721,779
Income tax expense	13 (ii)	(740,818)	(2,971,421)	(531,321)	(2,163,008)
Net profit for the year		2,102,353	8,432,541	1,365,456	5,558,771
Other comprehensive loss -					
Currency translation differences		-	(2,391,701)	-	(11,960,398)
Total comprehensive income/(loss) for the year		**2,102,353**	**6,040,840**	**1,365,456**	**(6,401,627)**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital	Contributions from Ministry of Economy and Finance	Accumulated losses	Regulatory reserves	Cumulative translation differences	Total equity	
	USD	USD	USD	USD	KHR'000	USD	KHR'000
					(Note 2.3)		(Note 2.3)
As at 1 January 2025	200,000,000	1,246,882	(9,748,666)	8,160,362	5,111,629	199,658,578	803,625,776
Profit for the year	-	-	2,102,353	-	-	2,102,353	8,432,541
Transfer to regulatory reserves	-	-	(5,298,755)	5,298,755	-	-	-
Currency translation differences	-	-	-	-	(2,391,701)	-	(2,391,701)
As at 31 December 2025	**200,000,000**	**1,246,882**	**(12,945,068)**	**13,459,117**	**2,719,928**	**201,760,931**	**809,666,616**
As at 1 January 2024	200,000,000	1,246,882	(4,213,344)	1,259,584	17,072,027	198,293,122	810,027,403
Profit for the year	-	-	1,365,456	-	-	1,365,456	5,558,771
Transfer to regulatory reserves	-	-	(6,900,778)	6,900,778	-	-	-
Currency translation differences	-	-	-	-	(11,960,398)	-	(11.960.398)
As at 31 December 2024	**200,000,000**	**1,246,882**	**(9,748,666)**	**8,160,362**	**5,111,629**	**199,658,578**	**803,625,776**

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

		For the year ended 31 December 2025		For the year ended 31 December 2024	
	Note	USD	KHR'000	USD	KHR'000
			(Note 2.3)		(Note 2.3)
Cash flows from operating activities					
Profit before income tax		2,843,171	11,403,962	1,896,777	7,721,779
Adjustments for:					
Provision for expected credit losses	7	859,331	3,446,777	1,639,324	6,673,688
Interest expense on borrowings	16	3,527,237	14,147,748	2,602,870	10,596,284
Depreciation and amortisation	24	1,267,657	5,084,570	1,437,801	5,853,288
Currency revaluation on borrowings	16	261,580	1,049,197	1,198,948	4,880,917
Unrealised loss on foreign currency exchange		59,676	239,360	314,447	1,280,114
Write-off of software in progress	9	-	-	46,800	190,523
Interest expense on lease liabilities	11	34,719	139,258	44,544	181,339
Operating profit before changes in working capital		**8,853,371**	**35,510,872**	**9,181,511**	**37,377,932**
Changes in working capital					
Net changes in:					
Statutory deposits		(56,831)	(227,949)	(100,883)	(410,695)
Loans and advances to customers - net		(9,817,249)	(39,376,986)	(905,612)	(3,686,746)
Deposit from other financial institutions		(14,354)	(57,574)	(22,193)	(90,348)
Deposit from customers		(1,714,325)	(6,876,158)	811,102	3,301,996
Other assets		(195,781)	(785,278)	(237,970)	(968,776)
Other liabilities		951,074	3,814,758	(84,213)	(342,831)
Cash (used in)/generated from operating activities		(1,994,095)	(7,998,316)	8,641,742	35,180,531
Income tax paid	13 (i)	(149,174)	(598,337)	(139,069)	(566,150)
Net cash (used in)/from operating activities		**(2,143,269)**	**(8,596,653)**	**8,502,673**	**34,614,381**

STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2025

		For the year ended 31 December 2025		For the year ended 31 December 2024	
	Note	USD	KHR'000	USD	KHR'000
			(Note 2.3)		(Note 2.3)
Cash flows from investing activities					
Placements in short-term deposits		(103,882,393)	(416,672,278)	(16,909,432)	(68,838,298)
Purchases of property and equipment	10	(318,208)	(1,276,332)	(176,253)	(717,526)
Purchases of intangible assets	9	(3,577,029)	(14,347,463)	(16,766)	(68,254)
Net cash used in investing activities		**(107,777,630)**	**(432,296,073)**	**(17,102,451)**	**(69,624,078)**
Cash flows from financing activities					
Proceeds from borrowings	16	27,856,419	111,732,097	55,853,460	227,379,436
Principal repayment	16	(12,662,054)	(50,787,500)	-	-
Interest paid on borrowings	16	(3,263,440)	(13,089,658)	(2,588,874)	(10,539,306)
Payments of lease liabilities	11	(404,488)	(1,622,401)	(419,107)	(1,706,185)
Net cash from financing activities		**11,526,437**	**46,232,538**	**52,845,479**	**215,133,945**
Net (decrease)/increase in cash and cash equivalents		(98,394,462)	(394,660,188)	44,245,701	180,124,248
Cash and cash equivalents at the beginning of the year		119,516,269	481,052,983	75,270,568	307,480,271
Currency translation differences		-	(1,630,983)	-	(6,551,536)
Cash and cash equivalents at the end of the year	4	**21,121,807**	**84,761,812**	**119,516,269**	**481,052,983**
Additional information on operating cash flow from interest:					
Interest received		14,945,159	59,945,033	13,349,122	54,344,276
Interest paid		3,577,836	14,350,700	2,865,731	11,666,391

The accompanying notes are an integral part of these financial statements.

Details from financial statements
Please scan

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