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SBI LY HOUR Bank

ANNUAL
REPORT
2021





CONTENT



01 | About The Bank

- 1.1 Key Figures
- 1.2 Who We Are
- 1.3 Visoin, Mission, and Core Value
- 1.4 Message from Chairman
- 1.5 Message from Acting Chief Executive Officer
- 1.6 Board of Directors
- 1.7 Senior Management
- 1.8 Organizational Chart
- 1.9 Risk Management
- 1.10 Human Resources
- 1.11 Products & Services
- 1.12 Digital Banking

02 | Financial Report

- 2.1 Report of the Board of Directors
- 2.2 Report of the Independent Auditors
- 2.3 Statement of Financial Position
- 2.4 Statement of Profit or Loss and Other Comprehensive Incomes
- 2.5 Statement of Changes in Equity
- 2.6 Statement of Cash Flows

03 | Branch Networks

- 3.1 Standard Branch Offices
- 3.2 Branches

SBI Holdings, Inc.

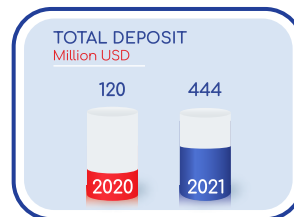
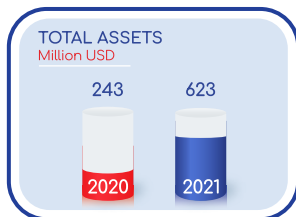


01. About Bank

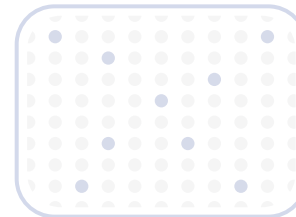
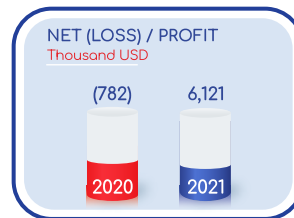
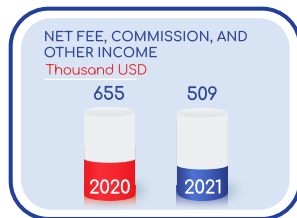
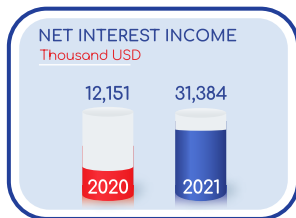
1.1 Key Figures	03
1.2 Who We Are	05
1.3 Vision, Mission, and Core Value	06
1.4 Message from Chairman	07
1.5 Message from Acting Chief Executive Officer	09
1.6 Board of Directors	11
1.7 Senior Management	15
1.8 Organizational Chart	29
1.9 Risk Management	31
1.10 Human Resources	33
1.11 Products & Services	35
1.12 Digital Banking	45

1.1 KEY FIGURES

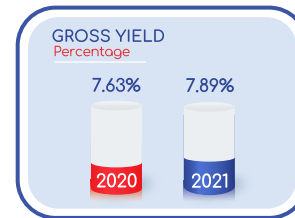
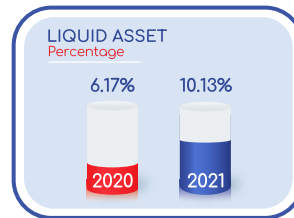
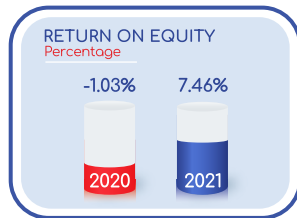
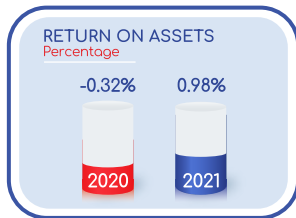
● FINANCIAL POSITION

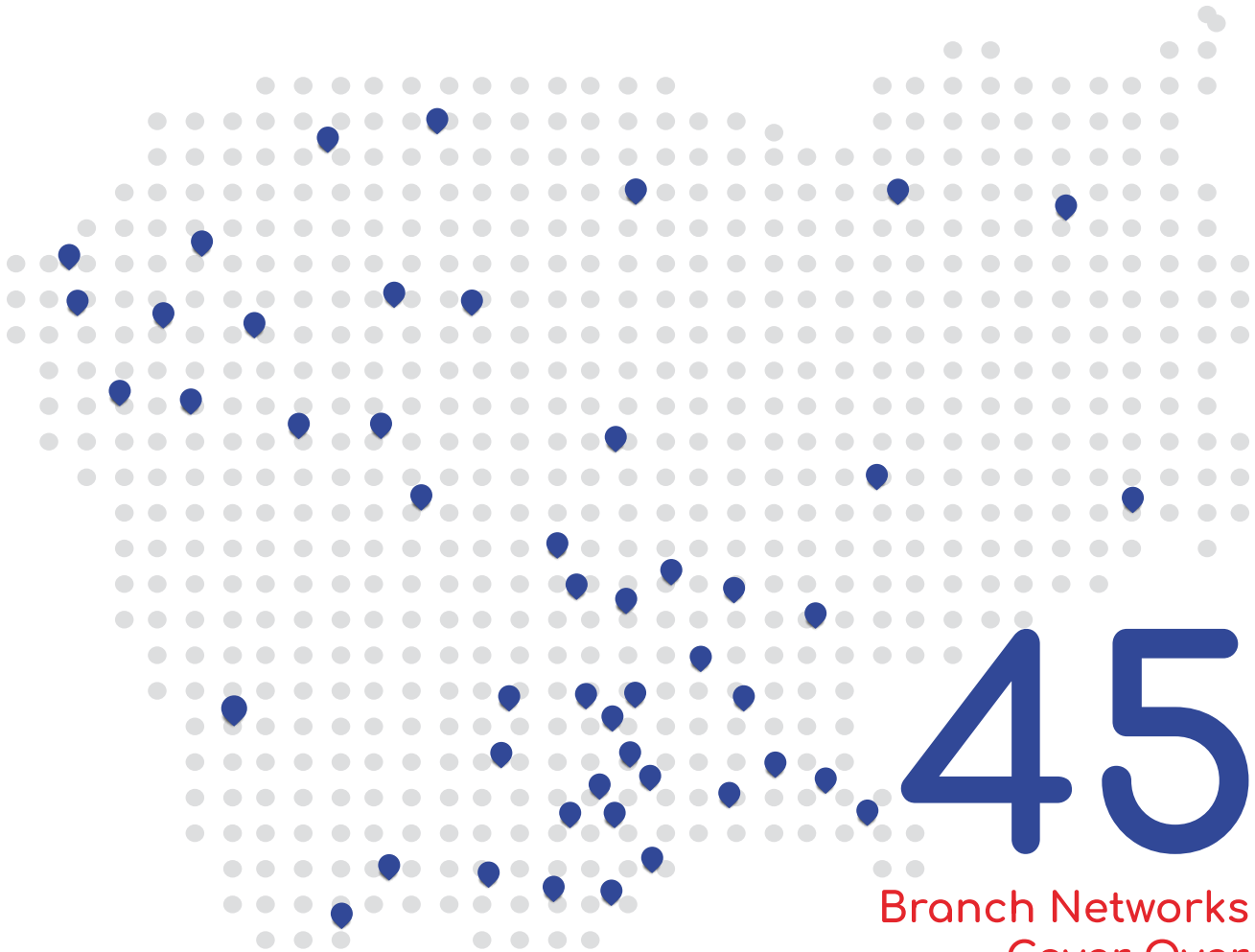


● FINANCIAL PERFORMANCE



● KEY PERFORMANCE INDICATORS





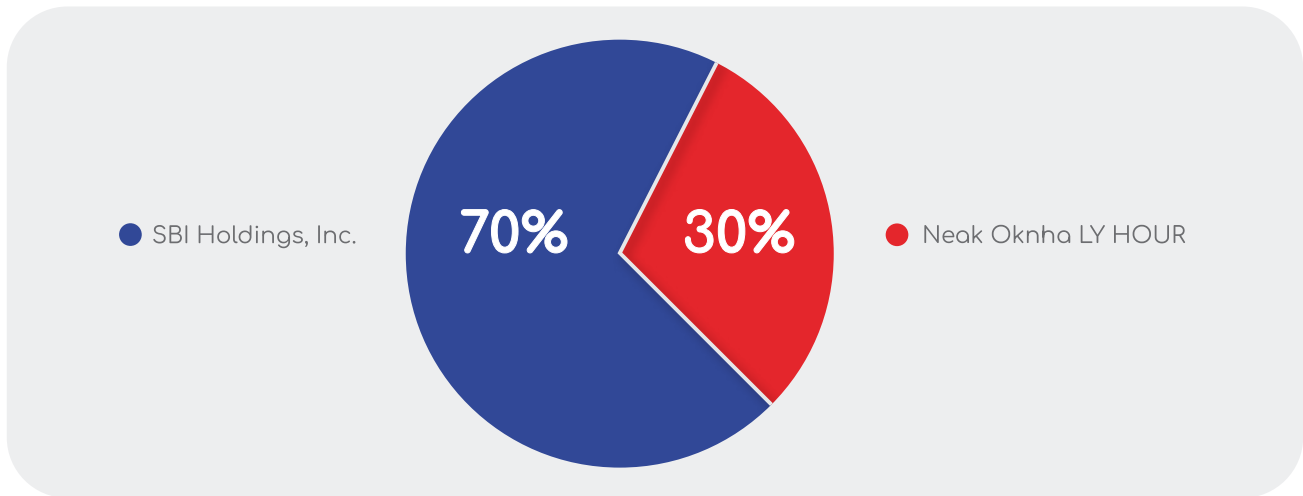
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Branch Networks
Cover Over
25 Provinces Nationwide

1.2 WHO WE ARE

SBI LY HOUR Bank Plc. “the Bank” is a joint venture between Neak Oknha LY HOUR and SBI Holdings, Inc. SBI LY HOUR Bank Plc. is a company duly incorporated under the law of the Kingdom of Cambodia.

The Bank’s objective is to provide in any or all commercial banking business to individuals, SMEs, companies, and corporations in general as a contribution to socio-economic development in the Kingdom of Cambodia and elsewhere as conducted by all commercial banks internationally. The aim is to help Cambodia, Cambodian businesses, and people to improve the living standard and grow the business by providing highly professional, technologically advanced banking services, affordable financing and bringing the latest financial technology to make the user’s experience easier and more attractive.



1.3 VISION, MISSION, AND CORE VALUES



VISION

Most trusted leading commercial bank through financial innovation by continual self-evolution with high social responsibility.



MISSION

Promote and encourage the financial inclusion through modern digital banking, trusted banking operations, and networks of agents in the Kingdom of Cambodia.



CORE VALUES

- Integrity : Loyalty and Honesty.
- Leadership : Everyone is a leader.
- Collaboration : Work as a team to reach our goal.
- Accountability : My actions are my responsibilities.
- Customer-Oriented : We commit to provide best services.





1.4 MESSAGE FROM CHAIRMAN

Since our announcement as a commercial bank, 2021 was the second year and the most hectic year for SBI LY HOUR BANK Plc. “the Bank”.

Cambodia's economy was slowing, and its gross domestic product “GDP” growth rate remained low after the continuous spread of the Covid-19 pandemic to the community, the government launched an effective campaign to prevent the outbreak by quarantining the country, restricting travel, and business, and persuading citizens to get vaccinated. The National Bank of Cambodia, moreover, has also been implementing several required regulations, such as loan restructuring to alleviate the risk of the affected customer's business as this has demonstrated that governments, banks, and other financial institutions have a significant role in contributing to the country's recovery.

Take a glance at the second year of the Bank as a commercial bank, the Bank has been constantly developing products, services, modern technologies, and expanding its branch networks countrywide to capture the market share and to meet the Bank's customer needs, despite the impact of Covid-19 pandemic on both customers and employees, the Bank's operations could continue to run efficiently and effectively.

Resulting from the Bank's management strategy, the leveraging of the Shareholder's subsidiaries' business ecosystem, the dedication as well as the commitment of the management and all stakeholders, the Bank has been well-known to the public as well as in the financial sector in Kingdom of Cambodia. Following that, the Bank's net profit after tax “NPAT”, outstanding loan portfolio, and customer deposit balances have all increased by more than 100% as compared to the year 2020.

On behalf of the Shareholders, the Chairman of the Board of Directors, and the Bank, we would like to convey our gratitude and appreciation to the relevant governments, associated banks, external auditors, as well as the customers who continue to support and contribute to the development of the Bank. We would also like to thank the Bank's management and staff as well as all relevant stakeholders for their dedication, commitment and hard work in helping us to reach this great milestone in 2021.



Neak Oknha Ly Hour
Chairman of the Board of Directors

1.5 MESSAGE FROM ACTING CHIEF EXECUTIVE OFFICER



In the context of the Covid-19 pandemic, Cambodia's banking industry experienced robust growth and SBI LY HOUR BANK Plc. "the Bank" achieved remarkable financial performance in 2021.

2021 was the year that our country and the Bank adapted to Covid-19 despite the continuous spread of the pandemic. In an effort to sustain business activity, the government has launched an effective vaccination campaign to strengthen the community's immune system, relaxed travel restrictions, and also launched the post-Covid-19 recovery plan while the Bank could still continue its smooth financial services to its customers. The Bank could still experience remarkable growth including loans, deposits, total assets, and customer base through its branches countrywide, mobile banking, ATMs, and 4,500 LHPP banking agents with regard to its effective implementation of the approved business plan by the Board of Directors and shareholders.

In the context of the pandemic, there has been restructured loans of USD5.5 billion, Cambodia's banking industry still had seen a robust growth in loans and deposits in 2021 despite the impact of the Covid-19. According to NBC's Report, outstanding loans rose by 21.2 percent year-on-year to USD45.7 billion last year, customers' deposits surged by 15.4 percent to USD38.5 billion and non-performing loan "NPL" was at 2.4%. On the other hand, the Bank positively achieved and continued its healthy financial performance in 2021 as below:

- The loan portfolio reached USD499 million, or 155% growth from 2020,
- The deposit portfolio increased to USD444 million, or 270%,
- Total assets grew by 155% as compared to 2020 and reached USD622.7 million,
- Our non-performing loan was at a controllable rate of 0.69%,
- Net profit after tax of USD6.12 million, and
- The total number of staff reached to 1,434 headcounts, or 24% growth from last year

Not only financial achievement, but the Bank has been also engaging in further development of its banking products and services by successfully launching a financial leasing service, a banking product that is considered to be one of the important sectors in the banking industry that can contribute to the livelihood improvements of Cambodian people as well as the country economy as a whole. With approval from the National Bank of Cambodia and the Securities and Exchange Regulator of Cambodia “SERC”, the Bank also successfully issued debt securities through the private placement to the potential foreign investors, which enhances the Bank’s alternative source of funding in addition to customers deposits.

It should be noted that the private placement is a great strategy for the Bank to access low-cost funds from international financial resources to support the Bank’s loan portfolio. Furthermore, our Bank’s digital financial service and LHPP agent banking service are playing a crucial role during this pandemic crisis to drive and sustain our banking business.

Looking forward and in parallel to the country’s economic recovery plan in 2022, our business priorities are to enhance our existing digital system and modern financial technology through the Bank’s mobile banking and internet banking and other means of digital ways for our valued customers to experience high-end financial services. Plus, the Bank also planned to increase its branch network and performed branch relocation to increase the Bank’s branding and image in addition to the existing branch network in 25 provinces and cities. The Bank will also deploy more ATMs, and further develop the banking products and services by engaging with the Bank’s potential business partners and stakeholders to meet the demand of the market growth in 2022. We believe that by continuing to improve and update the Bank’s digital financial services, the Bank will be able to ensure high security, deliver fast service, and offer competitive prices in the market.

Finally, on behalf of management and staff, I would like to express sincere thanks to our Shareholders, Chairman of the Board of Directors, and Board members for the insight, governance and support to the operations of the Bank; I would also like to express my gratitude to the government, National Bank of Cambodia, authorities, stakeholders, and customers for providing trust, support, and cooperation toward the operations of the Bank. Without these, the Bank would not have achieved such remarkable milestone in 2021.



Mr. Mao Polo
Acting Chief Executive Officer

1.6 BOARD OF DIRECTORS



Neak Oknha Ly Hour
Chairman

Neak Oknha Ly Hour, founder of Ly Hour Group, was born in Kampong Cham province in 1954. He started his empire with only 0.25 ounce of gold in the early 1980s in Phnom Penh, Capital city of Cambodia. Today, Neak Oknha Ly Hour is one of the most prominent and trustworthy businessmen in Cambodia. Under the visionary leadership of Neak Oknha Ly Hour, Ly Hour Group has progressively developed multi-faceted financial businesses ranging from currency exchange, gold trading, pawnshop, commercial bank, leasing, domestic and international remittance, general insurance, and investment management. Other businesses include property development and rubber and cashew nuts plantation. The company success and tremendous support from partners and public result from Ly Hour Group's integrity, honesty, transparency, and fair treatment. Through the diversified conglomerate, Ly Hour Group has continued to contribute to the economic growth of Cambodia. Evidently, Neak Oknha Ly Hour has received numerous recognitions, awards, and medals for his contributions.



Mr. Makoto Miyazaki
Member of the Board of Directors

Mr. Makoto Miyazaki brings some twenty years of senior management experience at SBI Holdings Inc., and its group companies, where he is currently Executive Officer at SBI Holdings Inc., and is responsible for the Overseas Business Administration Department. Other senior positions include director, non-executive director, chairman, and president for various Group companies. He also holds board positions across certain group and investment portfolio companies. Mr. Makoto Miyazaki started his career with SBI Holdings as Chief Representative of the Beijing Representative Office from 2005 through 2012. He was then appointed Executive Officer to head the Overseas Business Administrative Department ("OBAD") of SBI Holdings, where he is presently appointed. The OBAD is charged with managing the development of the Group's affiliated companies across various businesses lines, including fund management, corporate venture capital, and asset management in non-Japan markets including Germany, Hong Kong, Malaysia, People's Republic of China, Singapore, South Korea, Thailand, United States, and Vietnam. Mr. Miyazaki is an alumnus of Western Oregon University, USA (formerly, Western Oregon State College), where he obtained his Bachelor's Degree in Business.



Oknha Ly Sopheap
Member of the Board of Directors

Oknha Ly Sopheap has various experiences on the leadership roles such as Chairman of Ly Hour Paypro Plc., since 2016. At the same time, Oknha Ly Sopheap has been appointed by Neak Oknha Ly Hour, the owner of Ly Hour Exchange & Jewelry Co., Ltd as Chief Executive Officer of Jewelry Co., Ltd. (Rattanak Alangka) since 2007. He also owns number of businesses such as IKVM Distribution Co., Ltd., Food Distribution in 2008, and IG Consultant Co., Ltd., HR Company in 2009. Oknha Ly Sopheap holds a Diploma of Accounting in 1999 from Singapore. He also obtained a Bachelor Degree (Honor) in multi-media design from Huddersfield University of Manchester, UK in 2004.



Mr. Shuzo Shikata
Member of the Board of Directors

Mr. Shuzo Shikata has been appointed as Board Member and Executive Director of the Bank. He is a Shareholder's Representative of SBI Holdings, Inc., Tokyo, Japan. Currently, he also serves as Vice Chairman of Tien Phong Commercial Bank in Hanoi, Vietnam. Mr. Shikata worked at MUFG Bank in Tokyo before he took his roles in Cambodia and Vietnam. As a leading expert in the field of corporate and investment banking, he has been providing very important contributions to strengthen good governance and management transparency of SBI LY HOUR Bank. With his modern and diversified managerial experience at foreign banks, he and SBI Holdings, Inc., are supporting the Bank in building and implementing its corporate strategy. Mr. Shikata earned his Bachelor Degree of Economics from Ritsumeikan University, Japan.



Mr. Eiichiro So
Member of the Board of Directors

Mr. Eiichiro So joined the Board member in December 2019. He has been with SBI Group over 15 years and currently he is Co-CEO, Senior Executive Vice President of SBI Investment Korea Co., Ltd., which is a listed venture capital firm in KOSDAQ (Korean Securities Dealers Automated Quotations), Chairman of SBI Royal Securities Plc., Director of Tien Phong Commercial Joint Stock Bank (Vietnam), and Director of SBI Thai Online Securities Co., Ltd. (Thailand). His more than 20 years of experiences in investment banking and private equity, especially experiences in emerging markets (South Korea, Singapore, Vietnam, and Cambodia), with a focus on financial sector (bank, securities, and private equity) have been contributed to the business development and managerial expertise of the bank. Previously, he was Vice President of Sumitomo Mitsui Banking Corporation, Director of Phnom Penh Commercial Bank, Executive Director of SBI Ven Capital Pte. Ltd (Singapore), and Director of FPT Securities (Vietnam). Mr. So holds MBA from Hitotsubashi University, Graduate School of International Corporate Strategy (Japan) and a Bachelor of Accounting Department, Faculty of Commerce, Chuo University (Japan).



Mr. Khek Ravy
Independent Director

Mr. Khek Ravy has been appointed as Independent Director on the board of the Bank. At present, he is a Partner at DBLS Law Firm and is the chairman of RGL Equity (Siemreap) Co. Ltd., an associate property development company with Goodland Group (listed on SGX-ST). He was formerly a Deputy Minister (1998 to 2004) at the Ministry of Commerce, Royal Government of Cambodia. He was elected President in FFC (Football Federation of Cambodia). During that period, he also served as a member of appeal committee of FIFA (Federation International de Football Association). Between 1985 and 2019, Mr. Khek held important positions including Owner, Chairman, Director, and Non-Executive Director, at various companies in France, Singapore, and Cambodia.



Mr. Kernem Vidano
Independent Director

Mr. Kernem Vidano was born in Phnom Penh but left early to France where he spent more than two decades, ultimately earning three different degrees in Political Sciences, Economy, Finance and Business. He came back to Cambodia in the mid 90's with the ambition to help rebuild the country and after few years with an international audit firm he spent the next twenty years in different executive positions such as Secretary General, Finance Director, Supply Chain Director and Production Director, contributing to transform an European Union funded project into a social business employing more than 1200 Cambodians and a leader in its field.



Mr. Ho Varabott
Independent Director

Mr. Ho Varabott is currently Professor at CamEd Business School and Board Member / Treasurer at Eurocham Cambodia. He has more than 25-years of work experience in the Banking & Finance industry across Europe and Asia Pacific. He was previously a Country Director at The Blue Circle and General Manager at the Association of Banks in Cambodia (IBF). He also worked in major European financial institutions such as Credit Suisse (12 years), Aberdeen Asset Management, AXA Insurance and Banque Hottinguer. He holds an MBA from the University of Chicago Booth School of Business (2012). Mr. Ho is a Certified European Financial Analyst (The European Federation of Financial Analyst Societies – EFFAS, 1997), and has been awarded a certificate for the Corporate Director Program (2020) at Harvard Business School.

1.7 SENIOR MANAGEMENT



Mr. Mao Polo

Acting Chief Executive Officer

*Appointed from March 2022

Mr. Mao Polo joined Ly Hour Microfinance Institution Plc., as Deputy Chief Executive Officer and Chief Risk Officer in 2012. He was a scholarship student from National University of Management. He graduated his Bachelor of Business Administration (BBA), majored in Accounting and Finance in 1999. Then in 2004, he obtained a Master of Business Administration (MBA), majored in General Management from Preston University, United State of America. He got some 20 years experiences in administrative management, accounting, finance, credit portfolio and risk management across international non-governmental organizations and in banking sectors. Prior to this, he was a Credit Risk Manager with ANZ Royal Bank (Cambodia) Limited where he held the Credit Approval Discretion – CAD to approve loan request for a single customer up to USD2 million before promoting to Head of Retail Lending where he looked after the whole retail lending portfolio including SMEs & Home Loans.





Oknha Ly Sopheap

Deputy Chief Executive Officer

Oknha Ly Sopheap has various experiences on the leader roles such as Chairman of Ly Hour Paypro Plc., since 2016. At the same time, Oknha Ly Sopheap has been appointed by Neak Oknha Ly Hour, the owner of Ly Hour Exchange & Jewelry Co., Ltd as Chief Executive Officer of Jewelry Co., Ltd. (Rattanak Alangka) since 2007. He also owns number of businesses such as IKVM Distribution Co., Ltd., Food Distribution in 2008, and IG Consultant Co., Ltd., HR Company in 2009. Oknha Ly Sopheap holds a Diploma of Accounting in 1999 from Singapore. He also obtained a Bachelor Degree (Honor) in multi-media design from Huddersfield University of Manchester, UK in 2004.





Mr. Loy Sareth

ACMA, CGMA
Deputy Chief Executive Officer

Mr. Loy Sareth has more than 17 years of experience in banking and financial services. He joined SBI LY HOUR Bank Plc. as Chief Business Officer in late 2019 and then is promoted to be Deputy Chief Executive Officer in late March 2022. Before re-employing by SBI LY HOUR Bank Plc., he used to work in several senior executive roles in Cambodia Post Bank Plc, ANZ Royal Bank, AMRET Microfinance Institution, and UNDP. He is studying final level (3) of the Chartered Banker (CB) from the chartered banker Institute (CBI) and Asian Institute of Chartered Banker (AICB). He is a CIMA member and a Chartered Global Management Accountant (CGMA) from Chartered Institute of Management Accountant (CIMA), UK. Mr. Loy Sareth is also a CMA member and a Certified Management Accountant, AMA, from Australia. Furthermore, he holds an MBA in Financial Management from Royal University of Law and Economic (RULE) and a BA of accounting from Maharishi Vedic University.



VIP 1

VIP 2

VIP 3



Mr. Ny Borat

ACCA, UK
Acting Chief Financial Officer

Mr. Ny Borat had more than 13 years of experience in audit of banking and financial institutions as well as other industries in Cambodia with KPMG Cambodia Ltd, in which he had spent 1 year and 6 months working in KPMG Los Angeles Office, United State of America. He also had worked as the management consultant for the IFRS conversion projects, internal control assessment, credit risk modeling and financial projection due diligence for merger and acquisition (M&A) as well as for IPO purpose. He also worked in senior executive role with primary responsibility related to client engagements, strategy setting, budgeting and financial projections, analytical financial report for executive managements and Board, etc. In term of professional qualification, he holds a bachelor's degree in Business Administration (BA) from Build Bright University. He has been awarded with the CFA Institute for the Investment Foundation in September 2021. He also is a ACCA member from the Association of Chartered Certified Accountant (ACCA), UK since year 2018. Currently, he is perusing final level (3) of the Chartered Banker (CB) from the Chartered Banker Institute (CBI) and Asian Institute of Chartered Banker (AICB).





Mr. Phat Reatana

Chief of Internal Audit Officer

Mr. Phat Ratana has been working at Ly Hour Microfinance Institution as the Chief of Internal Audit Officer since June 2018. He graduated with a Bachelor's of Business Administration in Accounting from the National University of Management in Cambodia and obtained a Masters of Business Administration in field of Finance at Charles Stuart University, Australia. He has more than 20 years' experience in Microfinance in various positions such as an Internal Auditor, then was promoted as Head of Internal Audit in May 1999, appointed as Head of Risk Management and Compliance in May 2010. During this period, Reatana did very great achievement to set up an Internal Audit Function and Risk Management Function in Institution.

VIP 1

VIP 2

VIP 3





Mr. Chap Chamnap

Chief IT Officer

Mr. Chap Chamnap has over 15 years in information technology for financial institutions and banking industry. His experience is related to various parts within information technology including IT infrastructure, software development, project management, core banking system and mobile banking system. His key competencies the project implementation and leadership. Mr. Chap Chamnap holds a master's degree of Computer Science and two Bachelor Degrees in Computer Science and Accounting.





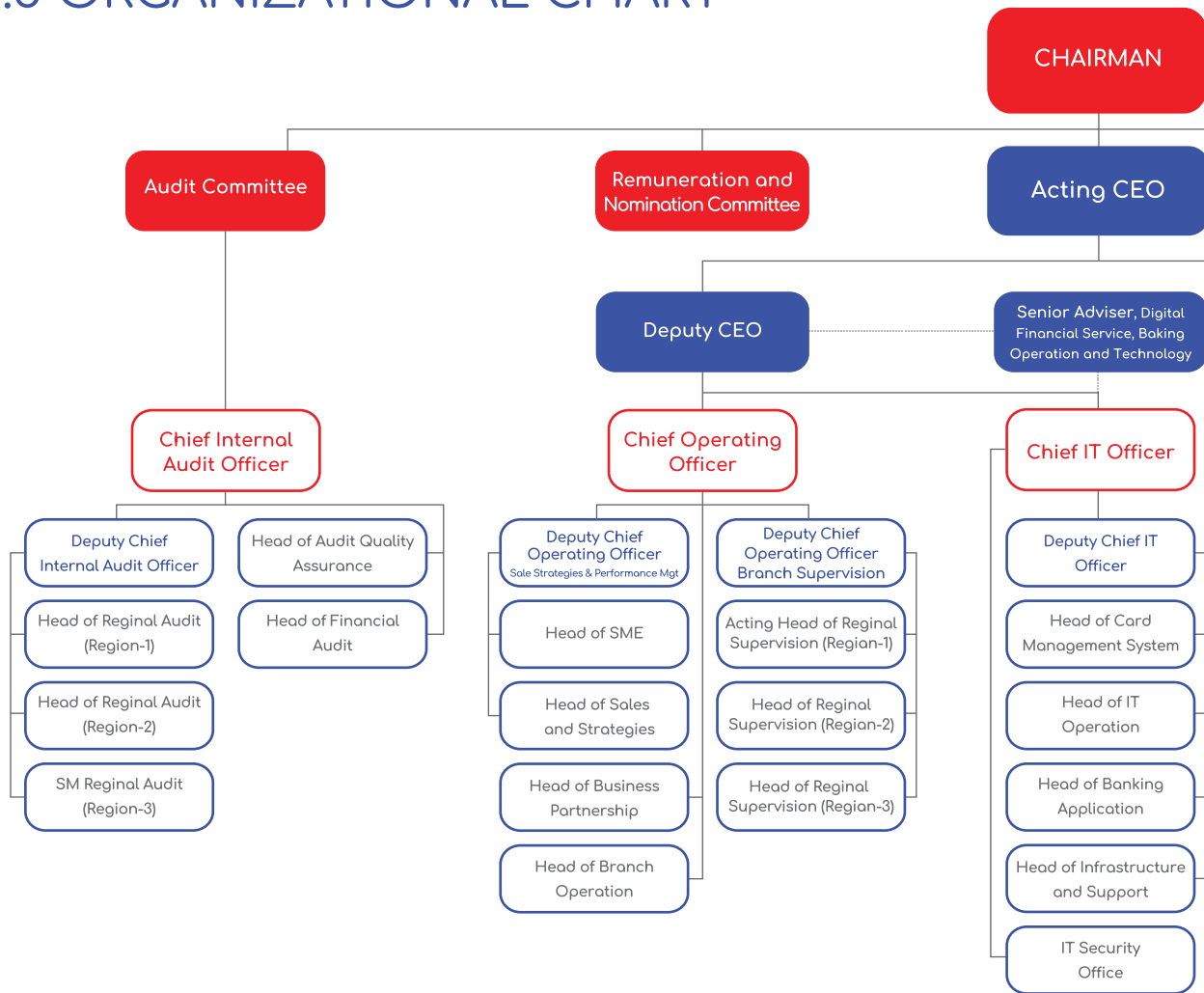
Mr. Ros Sokha

Senior Advisor Digital Banking,
Bank Operation and Technology

Mr. Ros Sokha has over 20 years of banking experiences. Mr. Ros Sokha started his banking career at Union Commercial Bank running Visa Card Center implementing the first EMV (Europay, MasterCard and Visa) Platinum Card in the country. He later joined ANZ Royal in 2005 where he worked with regional project team to rollout electronic banking regional agenda transforming and modernizing the banking landscape. He was later seconded to ANZ Laos for cards and electronic banking transformation. He led and drove cards and digital banking at Foreign Trade Bank of Cambodia prior to joining Sathapana Bank as Chief Digital Officer where he drove and led an aggressive transformation digital and card agenda. Mr. Ros Sokha graduated an MBA from Asian Institute of Technology, Thailand, and Ecole Supérieure de Commerce Nantes Atlantique (ESCNA) in France in 1999.

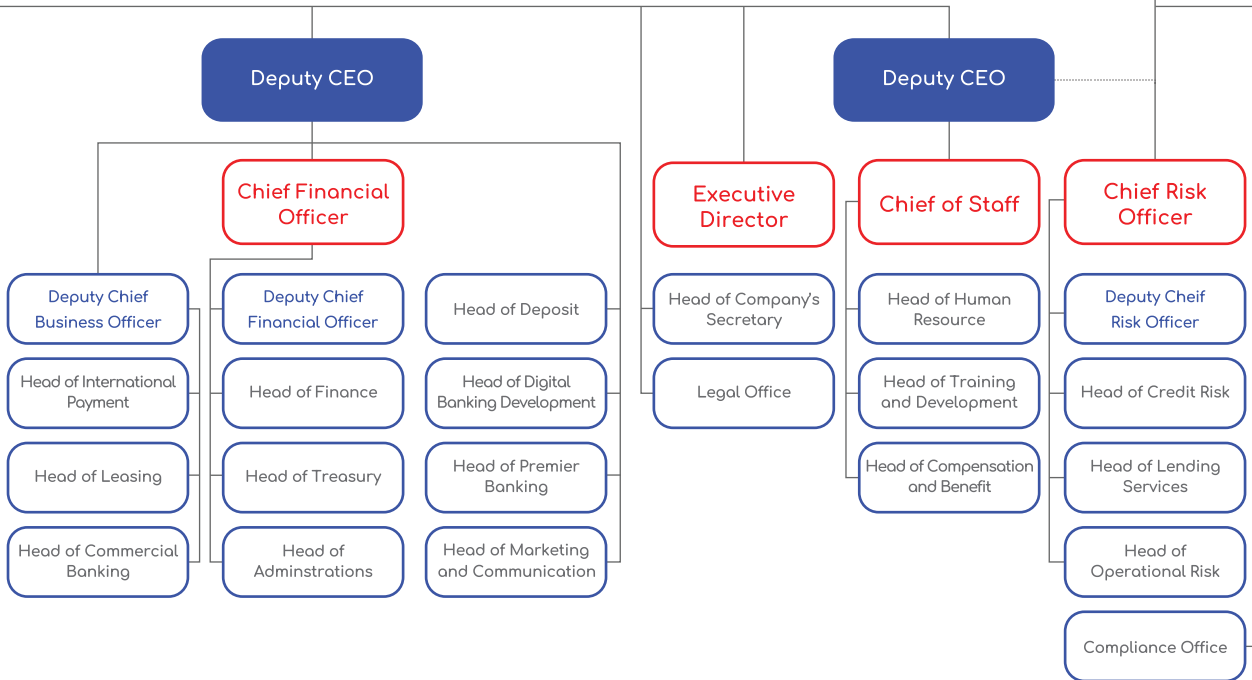


1.8 ORGANIZATIONAL CHART



Assistant to
Chairman

Risk Oversight
Committee



RISK MANAGEMENT



1.9 RISK MANAGEMENT

Risk management plays important role in bank which stakeholders are focusing and prioritizing as it is a catalyst that helps promote the whole institution towards success as well as maintaining its long-term sustainability. Therefore, by ensuring effective risk management, the bank follows key principles to mitigate any unexpected risks. Technically, by ensuring the best practice of risk management framework, the bank has determined a precise scope of work and responsibilities. Risk management is divided into 03 following functions:

- (1) Business function is responsible to identify the risk and manage their own risks from day-to-day operations as well as complying with internal and regulatory guidelines which is called 1st Line of Defense of risk within the business hierarchy.
- (2) Risk function is responsible to advise and consult to the first line for the effectiveness of risk management framework implementation within the business which is called 2nd Line of Defense of risk control.
- (3) Audit function is responsible to provide the independent assurance about the effectiveness of 1st and 2nd Line which is called 3rd Line of Defense of risk control. Currently, the bank is working on development of some risk management policies including risk management framework, operational risk policies, financial risk management policies, as well as credit risk management policies. Additionally, by ensuring that there is a systematic approach to manage risks and assist the management teams to seek proper solutions in a timely manner. the bank determined 4 processes of risk management including risk identification, categorization risk analysis/evaluation/assessment, risk treatment, and risk monitoring and reviewing.

Risk operation department plays an active role in identifying any risks relevant to employees' practices as well as the processes and procedures of other relevant departments. After risks are identified then the assessment shall be made to be aware of the possibilities of occurrence and their impacts. This step, risk management will help

ensure the consistency of risk identification, ensure proper and timely risk reporting, and risk monitoring in bank.

Furthermore, by effectively managing risk bank develops the implementation modes and prepares approaches to resolve any risks which possibly and likely to reduce the risks to an acceptable level including risk mitigation, risk avoidance, risk sharing, and risk acceptance.

Lastly, Credit Risk is one among others which would has an adverse impact on bank's performance in the long-term operation and it causes the bank to hamper its defined growth and plan. Credit risk arises from the lending activities and cash advance and then credit risk also arises from the balance sheet including lending contract. Therefore, credit risk is included into credit policy to ensure that the bank is operating smoothly and can manage risks in a long-term run.

The Risk Management Committee with strong support from the Risk Oversight Committee has placed close attention on risk management which is likely to occur.

The committees were formed by the Board of Directors to oversee the risks which can arise in bank and to review the effectiveness on internal control identified by the Risk Management Department. Technically, risk appetites have clearly been defined for the business, particularly the limit of products, and product terms and features so that all staff are transparent and easy to implement.

Moreover, these risks have also been reviewed regularly to ensure that what were set reflecting to an actual circumstance of economy in the country.

HUMAN RESOURCES



1.10 HUMAN RESOURCES

The Bank is the newly-transformed commercial bank during the period in which all financial institutions in the globe is facing with challenge of the COVID-19 pandemic. The Bank focused on driving performance-based culture, quality and continue improvement. We value diversities and offer every single one of our people the equal opportunities to continuously pursue the higher responsibilities, and we proud of having our folks well developed and have been progressively growing from junior roles during microfinance period up to Senior Managers and Department Heads currently.

At the Bank our employees are our valuable assets and concrete pillars in supporting and driving our success of banking business today. We value and embrace the diversity within our workforce and are developing the capabilities of our employees to enable us to better connect with targeted customers and successfully deliver our banking products and services. We are focusing on driving performance, continuous improvement, and quality of services delivery. In late December 2021, the number of employees increased from 1,157 in 2020 to 1,434 (346 as female employees). The number of new employees was around 632 people during the year.

The majority of positions recruited were still focused on front line positions, both to increase the number of existing employees or to replace employees who resigned or had stopped working for the Bank. The division of Human Resources focused on process re-engineering, quality of services delivery, strategic resources planning, development, and deployment to ensure that the resources management and development continuity process go smoothly to strongly support business operations.

Supporting our human capacity building, we provided learning and development opportunities to support every stage of the development journey for new and existing employees starting from junior to senior leaders of our business through our comprehensive training programs. Our approach is to develop our employees combined with on-the-job experiences, induction, learning through others and formal internal and external training programs, including offshore training programs. We facilitated and conducted the induction program, internal training, Online learning, and other skill development programs for 1,193 employees in 2021. Continued investment in our people is a key priority for us.

PRODUCTS AND SERVICES



1.11 Products and Services

The Bank offers a wide range of banking products and services for individuals and businesses. In addition to credit and savings products, the Bank also provides digital products, money transfer services, leasing and other banking services at convenient, secured, and reliable manner to all customers.



LOANS



SAVINGS



REMITTANCE



LEASING



LOANS



● MICRO LOAN

Currency	KHR, USD, and THB
Loan Amount	USD 500 to USD 10,000 (Equivalent Currency)
Loan Period	Up to 7 years
Interest Rate	Competitive Interest Rate

Micro Loan is one of our credit products that is suitable for all customers who have proper incomes and live-in city or provinces for the purposes of agriculture, services, handicrafts, trade, business, and construction, etc.

● SMALL LOAN

Currency	KHR, USD, and THB
Loan Amount	USD 10,001 to USD 50,000 (Equivalent Currency)
Loan Period	Up to 10 years
Interest Rate	Competitive Interest Rate

Small Loan is one of our credit products that is suitable for all customers who have proper incomes and live-in city or provinces for the purposes of agriculture, services, handicrafts, trade, business, and construction, etc.

● NANO LAON

Currency	KHR
Loan Amount	6 Million Riels
Loan Period	Up to 2 years
Interest Rate	Competitive Interest Rate

Nano Loan is one of our credit products that is suitable for all type of customers who are in public sectors, enterprises and other private companies and the customers that are currently under portfolio of other financial institution.

● NANO PLUS

Currency	KHR, USD, and THB
Loan Amount	Up to USD 5,000
Loan Period	2 years (Renew every 12 months)
Interest Rate	Competitive Interest Rate

Nano Plus is one of our credit products that is suitable for all type of customers who are in public sectors, enterprises, and other private companies. Nano Plus can be capital reserves for immediate cash shortages. supplies, children's tuition, emergency care, and other needs withdraw and repay through member card with LHPP agent across the country.

● SME LOAN

Currency	KHR, USD
Loan Amount	Up to USD 200,000
Loan Period	Up to 10 years
Interest Rate	Competitive Interest Rate

Small and Medium Business Loan (SME Loan) is a type of collateral loan with a size greater than or equal to USD 50,000 and up to USD 200,000 (or equivalent currency) with convenient terms for business owners and employees to start a new business, expand an existing business, buy assets, or repay with another institution.

● COMMERCIAL LOAN

Currency	KHR, USD
Loan Amount	Greater than USD 200,000
Loan Period	Up to 10 years
Interest Rate	Competitive Interest Rate

Commercial Loan is a type of collateral loan that is suitable for all customers Small & Medium-Sized Business Enterprise and individuals operate legally under local regulation in Cambodia. Our bank provides various kinds of credit options such as Overdraft Loan/Overdraft Loan against fixed deposit, Small-Medium sized enterprise Loan, Business Term Loan, Revolving Credit Line, Account Receivable Financing, Bank Guarantee Facility.

● MORTGAGE LOAN

Currency	KHR, USD
Loan Amount	Up to 80% of collateral's value
Loan Period	Up to 20 years
Interest Rate	Competitive Interest Rate

Our mortgage Loan is designed for you to become a homeowner. The Bank assists you in carrying out this goal.

*Term & Condition Apply



SAVINGS



● FIXED TERM DEPOSIT

Currency	KHR, USD, and THB
Minimum Deposit	KHR 400,000 USD 100 THB 4,000
Term	Up to 60 months
Annual Interest	Up to 7.75%

Our Fixed Term Deposit is suitable for all customers who want to earn a higher rate of interest as compared to their saving/current account. Start make the deposit with us to earning an interest depending on the duration of the deposit that you will select.

● SAVING ACCOUNT

Currency	KHR, USD, and THB
Minimum Deposit	KHR 20,000 USD 5 THB 200
Term	On demand
Annual Interest	0.75% to 1%

Our Saving Account is the financial product that we designed to allows customers to deposit their money and earn interest from their account. You can open saving account at our branches with a minimum deposit of KHR 20,000 or USD 5.

● FUTURE PLAN ACCOUNT

Currency	KHR, USD, and THB
Minimum Deposit	KHR 80,000 USD 20 THB 800
Term	Up to 36 months
Annual Interest	Up to 6%

Future Plan Account is the financial product that we designed for individual customer who needs the interest plus bonus rate by annually or maturity from their saving plan. With the minimum deposit of KHR 80,000 or USD 20 for open this account.

● GROWING PLAN ACCOUNT

Currency	KHR, USD, and THB
Minimum Deposit	KHR 2,000,000 USD 500 THB 20,000
Term	On demand
Annual Interest	Up to 3.50%

Growing Plan Account is the financial product that we designed for individual and legal entity customers who required deposit and withdrawal anytime from their accounts. With the minimum deposit of KHR 2,000,000 or USD 500 for open this account.

● PREMIER ACCOUNT

Currency	KHR, USD, and THB
Minimum Deposit	KHR 80,000,000 USD 20,000 THB 800,000
Term	On demand
Annual Interest	Up to 1%

Premium Account is a financial service that is suitable for individual (individual) customers who use Cheque, for transactions, deposit or withdrawal or transfer of money in daily business. These customers are provided high rate, best services and very convenient.

● CURRENT ACCOUNT

Currency	KHR, USD, and THB
Minimum Deposit	KHR 400,000 USD 100 THB 4,000
Term	On demand
Annual Interest	Negotiable

Current Account is the financial product that is suitable for customers who are individual, legal entity, and financial institutions using cheque to make transaction (withdraw, deposit or transfer).

*Term & Condition Apply



REMITTANCE



● CHEQUE

You can use Cheque/Banker's Cheque/Certified Cheque and Nostro Cheque with lower price and clearing cross another local bank.

● LOCAL TRANSFER

The benefits of using "Local Transfer" with our bank is convenient, fast, effective and reliabilities. The initiative taken by our bank in collaboration with all the banks in Cambodia allows you to transfer your funds instantly from your SBILH account to other banks across the country.

● SWIFT TRANSFER

With Swift International Transfers with reliable remittance services, you can experience a safe, easy and fast remit at relatively low fee. This service is available in all of our branches across the country. With SWIFT transfers, your funds will be transferred directly to the beneficiary's bank account quickly and securely.

Correspondent Bank Name

Transfer fund from/to SBI LY HOUR Bank account with currency THB/VND/USD currency will execute via our Correspondent Bank which can be used to facilitate the payments to and from SBI LY HOUR Bank accounts:

Currency	Correspondent Bank Name	Swift (Code)
THB/USD	Kasikorn Bank Public Company Limited	KASITHBK
USD/VND	VIETCOM BANK VIETNAM	BFTVNVX

● RIPPLE INTERNATIONAL TRANSFER

With Ripple International Transfers services, you can experience a safe, easy, and quick remit at relatively low fee. Your funds will be transferred directly to the beneficiary's bank account lesser than one hour.

Correspondent Bank Name

Transfer of funds to Vietnam in VND/USD currency will execute via our Correspondent Bank which can be used to facilitate the payments to and from SBI LY HOUR Bank accounts:

Currency	Correspondent Bank Name	Swift (Code)
VND/USD	Tienphong Commercial Joint Stock Bank Vietnam (TPBank)	TPBVNVX

*Term & Condition Apply



LEASING



● LEASING

● Motorbike Leasing

Motorbike Leasing is a finance service in which customer wants to own a moto without full settlement, customer pays some amount (down payment) or zero down payment and by monthly or others method with specific terms and conditions of agreement. The customer will own the motorbike when the settlement is done at the end of agreement period.

Currency	Lease Amount	Lease Period	Interest Rate
USD	Up to 100% of asset price	Up to 60 months	Competitive Interest Rate

● Specialized Machinery Leasing

There is no collateral requirement to get the heavy machinery to support business operation's expansion/growth with low monthly installment and lowest down payment.

Currency	Lease Amount	Lease Period	Interest Rate
USD	Up to 85% of asset price	Up to 48 months	Competitive Interest Rate

*Term & Condition Apply

CHANGE COMMIT FUTURE

DIGITAL BANKING





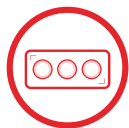
MOBILE BANKING



ATM



QR COUNTER



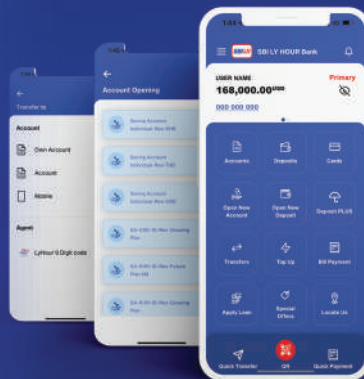
VIP DASHBOARD



OTHER UPCOMING
DIGITAL PROJECTS



MOBILE BANKING



● MOBILE BANKING

SBI LY HOUR Mobile App is for the customers who want to have around-the-clock access to their accounts on the go and a mobile banking application that caters to all Cambodians and your ever-reliable mobile banking companion. Designed to meet your needs and help you manage your finances efficiently. You can check your balance instantly, pay bills quickly, open accounts easily, and get much more great features detailing below. Get SBI LY HOUR Mobile App today!

Why SBI LY HOUR Mobile App?

- Applicable Android and iOS devices.
- High Security; stay protected and enjoy banking at zero risk.
- 24/7 Banking; get access to your funds around the clock.
- Free to download – so why not give it a try?

Latest Features and Benefits:

- Check Balance; see all your accounts in one place with a click.
- Send money to anyone; transfer funds to any SBI LY HOUR account within seconds.
- Top Up any Mobile; enjoy PIN less and PIN recharge to your number.
- Get Instant Push Notification; always be informed on your finance.
- Create Instant Templates; save your time by adding favorites transactions for your friends or bill payment.
- Protect your Funds; activate fingerprint or Face ID extra protection to your funds.
- Open Deposit Accounts; open Fixed Deposit, Deposit Plus, Saving Account.
- SBI LY HOUR Pay; scan and pay with SBI LY HOUR's merchants.
- Instant Account; open your first SBI LY HOUR account right through our mobile in a few minutes without any paperwork, branch visits or queues Apply Loan; simply filling out online form request.

Benefits:



Simple, quick,
and highly secure



Spend less money
and more time



Able to verify account
information and making
money transfers



Reduce the risk
of carrying cash



ATM



● ATM

The Bank's ATM is a one-stop-shop machine which allows our customers to perform abundant financial transactions in minutes and given our extensive ATM network that gives our customers instant access to their accounts at any time. The Bank's ATM also allow our customers to complete basic cash and card transactions 24/7 without aid of a teller:



Cash Withdrawal
USD & KHR



Cash Deposit
USD & KHR



Account
Balance inquiry



Print
a Mini Statement



Change
PIN / Password

📍 LOCATION / SELF-SERVICE BANKING ATM 24/7



Tuol Kork
Branch



7 Makara
Branch



Chrouy Changvar
Branch



Chamkar Morn
Branch



Chbar Ampov (1)
Branch



Koh Kong
Branch



Kampong Speu
Branch



Stueng Treng
Branch

More and more new ATM's locations to come.....!!!!



QR COUNTER



● QR COUNTER

You can now visit our branches to perform the cash deposit or withdrawal seamlessly without any paperwork, any signatures required, by just simply log on to our SBI LY HOUR Mobile App and scan our QR place on the counter to initiate the transaction. Our teller will operate and serves your needs.

- Seamless and secure transactions via our QR at Branches' Teller
- Cash deposit and withdrawal into/from your CASA accounts by scan and transact just a few clicks



VIP DASHBOARD

● VIP DASHBOARD

Whenever our VIP Clients visits our Premier banking lounge, our dashboard will simply recognize who the customer is and project onto our dashboard screen display at the premises while alerting the Relationship manager or Sales Consultant to serve the VIP Clients with complimentary refreshments while preparing your financial transactions and be ready to give financial advice to achieve your financial goals.



OTHER UPCOMING DIGITAL PROJECTS

● OTHER UPCOMING DIGITAL PROJECTS

- View your funds, transfer your funds with our newly digital enable keyboard banking where customers can transact without leaving their social media applications and direct banking from there.
- Instant approval of non-collateral personal loan product with our advanced machine learning technology on credit decision.
- Visa debit/credit card will be introduced to serve the customer even better by offering the convenient of access to the worldwide Visa network
- Manage your debit, credit, and virtual cards conveniently without having to carry cash or cheque.
- Send/Receive money instantly from any member banks of Bakong networks.
- Cash in/Cash out through all Bakong member banks.
- KHQR; make cashless payments to all Bakong / Bank merchants of KHQR Codes.

A hand holding a pen over a document with financial charts and coins. The background is a blue-tinted image of a person's hand holding a pen, with a bar chart and a pie chart visible. The text "FINANCIAL REPORT" is overlaid in white.

FINANCIAL REPORT

02. FINANCIAL REPORT

2.1 Report of the Board of Directors	55
2.2 Report of the Independent Auditors	59
2.3 Statement of Financial Position	61
2.4 Statement of Profit or Loss and Other Comprehensive Income	62
2.5 Statement of Changes in Equity	63
2.6 Statement of Cash Flows	65

2.1 REPORT OF THE BOARD OF DIRECTORS

The Board of Directors has pleasure in submitting their report together with the audited financial statements of SBI LY HOUR BANK PLC. “the Bank” for the year ended 31 December 2021.

Principal Activities

The Bank's objective is to provide any or all commercial banking business to individuals, SMEs, companies and corporations in general as a contribution to socio-economic development in Cambodia and elsewhere as conducted by all commercial banks internationally. The aim is to help Cambodia, Cambodian businesses and people to improve the living standard and grow the business by providing highly professional, technologically advanced banking services and affordable financing.

The Bank has The Following Major Business Activities:

- a. Transactions of banking activities through the provision of banking services; and
- b. Other business activities deemed appropriate for the Bank and in accordance with the regulations of the National Bank of Cambodia.

Financial Results

The financial results of the Bank for the year ended 31 December 2021 were as follows:

	2021		2020	
	USD	KHR'000	USD	KHR'000
(Loss)/Profit before income tax	7,948,861	32,335,966	(995,544)	(4,058,832)
Income tax benefit/(expense)	<u>(1,827,471)</u>	<u>(7,434,152)</u>	<u>213,199</u>	<u>869,212</u>
Net (Loss)/Profit for the year	<u>6,121,390</u>	<u>24,901,814</u>	<u>(782,345)</u>	<u>3,189,620</u>

Dividends

No dividend was declared or paid, and the Board of Directors does not recommend any dividend to be paid for the financial year under audit.

Share Capital

There were no changes in the share capital of the Bank during the financial year under audit.

Reserves and Provisions

There were no other movements to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

Loans and Advances

Before the financial statements of the Bank were prepared, the Board of Directors took reasonable steps to ascertain those actions had been taken in relation to the writing off of any bad loans and advances and the making of allowance for doubtful loans and advances, and satisfied themselves that all known bad loans and advances had been written off and adequate allowance had been made for losses on loans and advances.

At the date of this report, the Board of Directors is not aware of any circumstances, which would render the amount written off for bad loans and advances, or the amount of allowance for losses on loans and advances 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 realised in the ordinary course of business at their value as shown in the accounting records of the Bank had been written down to an amount which they might be expected to realize.

At the date of this report, 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.

Valuation Methods

At the date of this report, the Board of Directors is 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 does not exist:

- (a) any charge on the assets of the Bank which has arisen since the end of the financial year which secures the liabilities of any other person, or
- (b) any contingent liability in respect of the Bank that has arisen since the end of the financial year other than in the ordinary course of banking business.

No contingent or other liability of the Bank has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial 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 Board of Directors is 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 Unusual Nature

The results of the operations of the Bank for the financial 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 except for:

Coronavirus and Impact on Expected Credit Losses "ECL"

The ECL was estimated based on a range of forecast economic conditions as at reporting date. The Novel Coronavirus (Covid-19) outbreak has spread globally, causing disruption to business and economic activity. The impact on GDP and business and economic activity. The impact on GDP and other key indicators has been considered when determining the severity and likelihood of downside economic scenarios that are used to estimate ECL in which the calculation of the ECL in this current environment is subject to significant uncertainty. Management provides its best estimate on the possible outcomes of Covid-19 on the Bank, however, this estimate may move materially as events unfold.

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 Board of Directors, to affect substantially the results of the operations of the Bank for the current year in which this report is made.

Board of Directors

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

Neak Oknha Ly Hour	Chairman
Mr. Makoto Miyazaki	Member
Mr. Eiichiro So	Member
Mr. Shuzo Shikata	Member
Oknha Ly Sopheap	Member (Appointed on 25 June 2021)
Mr. Khék Ravy	Independent member
Mr. Kernem Vidano	Independent member
Mr. Ho Varabott	Independent member (Appointed on 11 May 2021)
Oknha Ly Sopheark	Member (Resigned on 10 June 2021)

Board of Directors' Interests

The member of the Board of Directors who held office at the end of the financial year and had interests in the shares of the Bank:

	31 December 2021	31 December 2020
	USD	USD
Neak Oknha Ly Hour	22,500,000	22,500,000

Board of Directors' Benefits

During and at the end of the financial year, no arrangements existed to which the Bank is a party with the object of enabling Board of 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 (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Board of Directors as disclosed in the financial statements) 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 Bank in which the director has a substantial financial interest other than as disclosed in the financial statements

The Board of Directors' responsibility in respect of the financial statements

The Board of Directors is responsible for ascertaining that the financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2021, and its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Board of Directors is 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 Cambodian International Financial Reporting Standards “CIFRSs” or, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements.
- (iii) oversee the Bank’s financial reporting process and maintain adequate accounting records and an effective system of internal controls.
- (iv) 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 the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so; and
- (v) control and direct effectively the Bank in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the financial statements.

Approval of the Financial Statements

We hereby approve the accompanying financial statements together with the notes thereto as set out on pages 61 to 66 which, in our opinion, present fairly, in all material respects, the financial position of the Bank as at 31 December 2021, and its financial performance and its cash flows for the year then ended, in accordance with Cambodian International Financial Reporting Standards “CIFRSs”.

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



Neak Oknha Ly Hour
Chairman

Phnom Penh, Kingdom of Cambodia
Date: 24 March 2022

2.2 REPORT OF THE INDEPENDENT AUDITORS

To the shareholders of SBI LY HOUR BANK PLC.

Opinion

We have audited the financial statements of SBI LY HOUR BANK PLC. “the Bank”, which comprise the statement of financial position as at 31 December 2021, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out on pages 61 to 66 (hereafter referred to as “the financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards “CIFRSs”.

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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the report of the Board of Directors on pages 55 to 58, 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 on the other information obtained prior to the date of this auditors’ report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Bank’s ability to continue as

a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditors' 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 auditors' 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.

- 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 auditors' 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 auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

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

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

For KPMG Cambodia Ltd



Guek Teay
Partner

Phnom Penh, Kingdom of Cambodia

Date: 24 March 2022

2.3 STATEMENT OF FINANCIAL POSITION

	As at 31 December 2021		As at 31 December 2020	
	USD	KHR'000	USD	KHR'000
ASSETS				
Cash and cash equivalents	63,071,521	256,953,377	14,983,257	60,607,274
Statutory deposits	33,091,157	134,813,374	12,774,364	51,672,302
Loans and advances	499,294,918	2,034,127,496	195,293,312	789,961,447
Other assets	3,102,814	12,640,864	962,743	3,894,296
Intangible assets	3,166,552	12,900,533	2,536,712	10,261,000
Property and equipment	9,248,776	37,679,513	5,603,929	22,667,893
Right-of-use assets	11,551,317	47,060,065	11,166,010	45,166,510
Deferred tax assets – net	210,707	858,420	463,948	1,876,670
TOTAL ASSETS	622,737,762	2,537,033,642	243,784,275	986,107,392
LIABILITIES AND SHAREHOLDERS' EQUITY				
Liabilities				
Deposits from customers	268,457,124	1,093,694,323	53,481,490	216,332,627
Deposits from other financial institutions	175,956,849	716,848,203	66,052,694	267,183,147
Debt securities in issue	15,117,372	61,588,174	-	-
Borrowings	31,501,724	128,338,024	36,957,017	149,491,134
Subordinated debts	33,165,552	135,116,459	-	-
Lease liabilities	11,728,497	47,781,897	11,036,831	44,643,981
Provision for employee benefits	70,192	285,962	94,010	380,270
Other liabilities	3,814,564	15,540,533	252,723	1,022,265
Minimum tax liability	-	-	24,509	99,139
Current income tax liability	919,497	3,746,031	-	-
Total liabilities	540,731,371	2,202,939,606	167,899,274	679,152,563
Shareholders' equity				
Share capital	75,000,000	303,053,935	75,000,000	303,053,935
Legal reserves	209,345	849,804	113,220	458,767
Regulatory reserves	4,970,662	20,204,774	3,048,696	12,386,216
Retained earnings/ (accumulated losses)	1,826,384	7,382,369	(2,276,915)	(9,309,850)
Currency translation reserves	-	2,603,154	-	365,761
Total shareholder's equity	82,006,391	334,094,036	75,885,001	306,954,829
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	622,737,762	2,537,033,642	243,784,275	986,107,392

2.4 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

as at 31 December 2021

	2021		2020	
	USD	KHR'000	USD	KHR'000
Interest income	49,150,512	199,944,283	18,601,675	75,839,029
Interest expense	<u>(17,766,962)</u>	<u>(72,276,002)</u>	<u>(6,450,718)</u>	<u>(26,299,577)</u>
Net interest income	31,383,550	127,668,281	12,150,957	49,539,452
Net fee and commission income	213,511	868,563	340,914	1,389,907
Other income	<u>295,270</u>	<u>1,201,158</u>	<u>314,538</u>	<u>1,282,371</u>
Total operating profit	<u>31,892,331</u>	<u>129,738,002</u>	<u>12,806,409</u>	<u>52,211,730</u>
Personnel expenses	<u>(14,392,993)</u>	<u>(58,550,695)</u>	<u>(7,318,178)</u>	<u>(29,836,212)</u>
Other operating expenses	<u>(7,634,543)</u>	<u>(31,057,321)</u>	<u>(5,469,017)</u>	<u>(22,297,182)</u>
Minimum tax expense	-	-	<u>(193,370)</u>	<u>(788,369)</u>
Total operating expenses	<u>(22,027,536)</u>	<u>(89,608,016)</u>	<u>(12,980,565)</u>	<u>(52,921,763)</u>
Profit/(loss) before impairment losses on financial instruments	9,864,795	40,129,986	(174,156)	(710,033)
Impairment losses on financial instruments	<u>(1,915,934)</u>	<u>(7,794,020)</u>	<u>(821,388)</u>	<u>(3,348,799)</u>
Profit/(loss) before income tax	7,948,861	32,335,966	(995,544)	(4,058,832)
Income tax (expense)/benefit	<u>(1,827,471)</u>	<u>(7,434,152)</u>	213,199	869,212
Net profit /(loss) for the year	6,121,390	24,901,814	(782,345)	(3,189,620)
Other comprehensive income/(loss)				
Currency translation differences	-	2,237,393	-	(2,122,537)
Total comprehensive income/ (loss) for the year	<u>6,121,390</u>	<u>27,139,207</u>	<u>(782,345)</u>	<u>(5,312,157)</u>

2.5 STATEMENT OF CHANGES IN EQUITY

	Share Capital		Legal Reserves	
	USD	KHR'000	USD	KHR'000
At 1 January 2020	68,902,071	278,357,323	113,220	458,767
Transaction with the owners of the Bank				
Issuance of share capital	6,097,929	24,696,612	-	-
	<u>75,000,000</u>	<u>303,053,935</u>	<u>113,220</u>	<u>458,767</u>
Transactions recognised directly in equity				
Transfers from retained earnings to regulatory reserves (Note 24)	-	-	-	-
Total comprehensive income				
Net loss for the year	-	-	-	-
Currency translation differences	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2020	<u>75,000,000</u>	<u>303,053,935</u>	<u>113,220</u>	<u>458,767</u>
At 1 January 2021	75,000,000	303,053,935	113,220	458,767
Other equity transaction:				
Transfers from retained earnings to legal reserves (Note 23)	-	-	96,125	391,037
Transactions recognised directly in equity				
Transfers from retained earnings to regulatory reserves (Note 24)	-	-	-	-
Total comprehensive income				
Net profit for the year	-	-	-	-
Currency translation differences	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2021	<u>75,000,000</u>	<u>303,053,935</u>	<u>209,345</u>	<u>849,804</u>

Regulatory Reserves		Retained earnings/ (Accumulated losses)		Currency Translation Reserves		TOTAL	
USD	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000
1,411,598	5,711,767	142,528	554,219	-	2,488,298	70,569,417	287,570,374
-	-	-	-	-	-	6,097,929	24,696,612
1,411,598	5,711,767	142,528	554,219	-	2,488,298	76,667,346	312,266,986
1,637,098	6,674,449	(1,637,098)	(6,674,449)	-	-	-	-
-	-	(782,345)	(3,189,620)	-	-	(782,345)	(3,189,620)
-	-	-	-	-	(2,122,537)	-	(2,122,537)
-	-	(782,345)	(3,189,620)	-	(2,122,537)	(782,345)	(5,312,157)
3,048,696	12,386,216	(2,276,915)	(9,309,850)	-	365,761	75,885,001	306,954,829
3,048,696	12,386,216	(2,276,915)	(9,309,850)	-	365,761	75,885,001	306,954,829
-	-	(96,125)	(391,037)	-	-	-	-
1,921,966	7,818,558	(1,921,966)	(7,818,558)	-	-	-	-
-	-	6,121,390	24,901,814	-	-	6,121,390	24,901,814
-	-	-	-	-	2,237,393	-	2,237,393
-	-	6,121,390	24,901,814	-	2,237,393	6,121,390	27,139,207
4,970,662	20,204,774	1,826,384	7,382,369	-	2,603,154	82,006,391	334,094,036

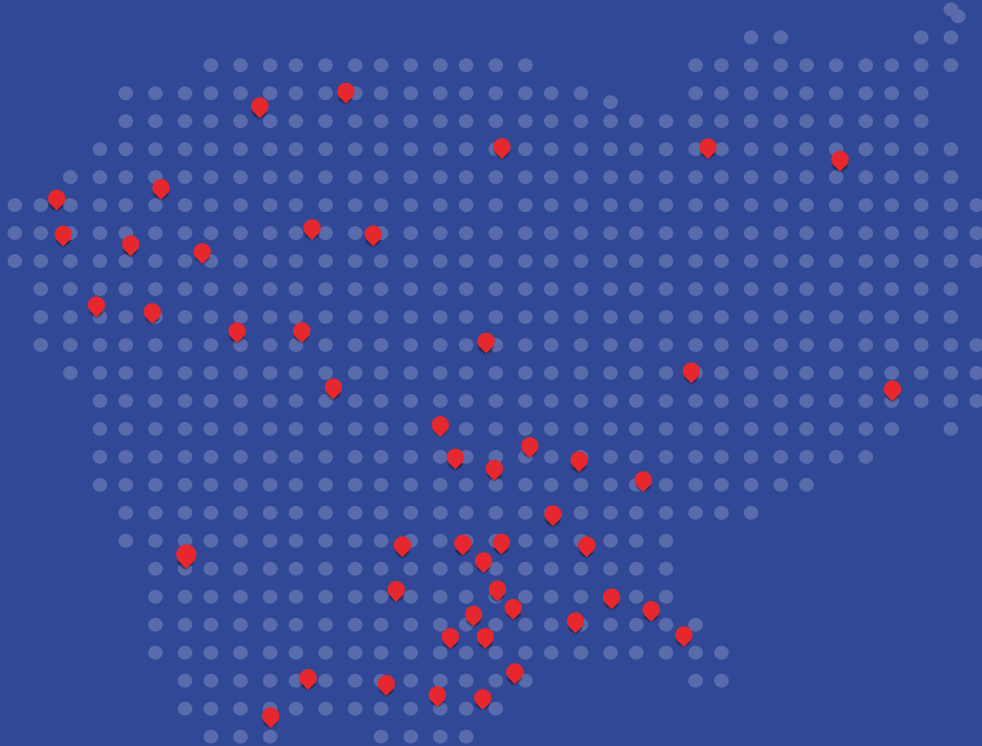
2.6 STATEMENT OF CASH FLOWS

	2021		2020	
	USD	KHR'000	USD	KHR'000
		(Note 5)		(Note 5)
Cash flows from operating activities				
Net profit/(loss) for the year	6,121,390	24,901,814	(782,345)	(3,189,620)
Adjustments for:				
Income tax expense/(benefit)	1,827,471	7,434,152	(213,199)	(869,212)
Minimum tax expense	-	-	193,370	788,369
Depreciation and amortisation	3,066,799	12,475,738	1,690,374	6,891,654
Unrealised gains/(losses)	433,620	1,763,966	(67,641)	(275,772)
Provision for employee benefits	524,546	2,133,853	315,121	1,284,748
Net interest income	(31,383,550)	(127,668,281)	(12,150,957)	(49,539,452)
Impairment losses on financial instruments	1,915,934	7,794,020	821,388	3,348,799
	(17,493,790)	(71,164,738)	(10,193,889)	(41,560,486)
Changes in:				
Loans and advances	(304,435,887)	(1,238,445,188)	(98,048,567)	(399,744,008)
Statutory deposits	(20,316,793)	(82,648,714)	(11,974,364)	(48,819,482)
Deposits from customers	210,235,909	855,239,678	8,821,044	36,952,533
Deposits from other financial institutions	109,904,155	447,090,102	109,904,155	447,090,103
Other assets	(2,297,024)	(9,344,294)	(1,331,814)	(5,429,806)
Other liabilities	3,561,841	14,489,569	(1,003,748)	(4,092,281)
Cash used in from operations	(20,841,589)	(84,783,585)	(3,827,183)	(15,603,427)
Payments of employee benefits	(548,364)	(2,230,745)	(315,025)	(1,284,357)
Interest income received	47,183,999	191,944,508	18,058,634	73,625,051
Interest expense paid	(12,100,984)	(49,226,803)	(4,871,188)	(19,859,833)
Income tax paid	(679,242)	(2,763,156)	(634,195)	(2,585,613)
Net cash generated from operating activities	13,013,820	52,940,219	8,411,043	34,291,821
Cash flows from investing activities				
Purchases of property and equipment, and intangible assets	(5,552,024)	(22,585,633)	(7,429,225)	(30,288,950)
Net cash used in investing activities	(5,552,024)	(22,585,633)	(7,429,225)	(30,288,950)

2.6 STATEMENT OF CASH FLOWS (Continued)

	2021		2020	
	USD	KHR'000	USD	KHR'000
		(Note 5)		(Note 5)
Cash flows from financing activities				
Proceeds from borrowings	21,915,343	89,151,615	13,465,407	54,898,464
Repayments of borrowings	(27,363,780)	(111,315,857)	(53,375,960)	(217,613,789)
Payment of lease liabilities	(2,115,914)	(8,607,538)	(1,383,977)	(5,642,474)
Proceeds from debt securities in issue	15,000,000	61,020,000	-	-
Proceeds from subordinated debts	33,151,693	134,861,087	-	-
Proceeds from share capital	-	-	6,097,929	24,861,257
Net cash generated from/ (used in) financing activities	40,587,342	165,109,307	(35,196,601)	(143,496,542)
Net increase/(decrease) in cash and cash equivalents	48,049,138	195,463,893	(34,214,783)	(139,493,671)
Cash and cash equivalents at beginning of the year	15,032,941	60,808,246	49,247,724	200,684,475
Currency translation differences	-	724,251	-	(382,558)
Cash and cash equivalents at end of the year	63,082,079	256,996,390	15,032,941	60,808,246

Branch Networks



03. BRANCH NETWORKS

3.1 Standard Branch Offices	69
3.2 Branches	73

3.1 STANDARD BRANCH OFFICES



● STANDARD OFFICES

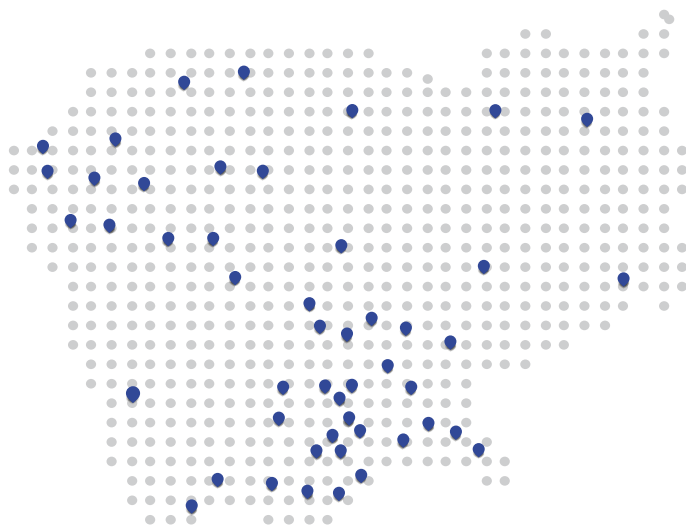




● STANDARD OFFICES



3.2 BRANCHES



Head Office

Building 219, Street128&169, Sangkat Mittapheap,
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Tel :023 980 888

Email : info@sbilhbank.com.kh

Website : www.sbilhbank.com.kh

45

Branch Networks
Cover Over
25 Provinces Nationwide

Branches

 7 Makara Branch 015 885 116 Building 219, Street128&169, Sangkat Mittapheap, Khan Prampir Meakkakra, Phnom Penh	 Tuol Kork Branch 015 885 667 N 85-86-87-88, Kim Il Sung Blvd (289), Sangkat Boeng Kak 2, Khan Tuol Kouk, Phnom Penh.	 Chraoy Changvar Branch 016 888 751 No F06 (Borey Phnom Penh Park), National Road No 6A, Sangkat Preaek Lieb, Khan Chraoy Changvar, Phnom Penh
 Chamkar Mon Branch 015 885 124 Building 118, Street Preah Norodom, Sangkat Tonle Basak, Khan Chamkar Mon, Phnom Penh	 Chhbar Ampov Branch 016 888 407 Address: Preaek Thum 2 Village, Sangkat Kbal Kaoh, Khan Chbar Ampov, Phnom Penh.	 Chbar Ampov (2) Branch 015 885 172 No 25, National Road No 1, Phum Daeum Ampil, Sangkat Chhbar Ampov Ti Muoy, Khan Chbar Ampov, Phnom Penh.
 Kandal Stueng District 016 888 297 National Road 3, Daeum Trang Village, Anlong Romiet Commune, Kandal Stueng District, Kandal Province.	 Angk Snuol District Branch 016 888 371 No 18A1, Svay Chrum Village, Baek Chan Commune, Angk Snuol District, Kandal Province.	 Krong Doun Kaev Branch 087 288 881 Phsar Ta Kao Village, Sangkat Roka Krong, Krong Doun Kaev, Takeo Province.
 Bati District Branch 016 999 749 Bacham Village, Chambak Commune, Bati District, Takeo Province.	 Tram Kak District Branch 016 888 160 National Road 3, Yeay La Village, Tram Kak Commune, Tram Kak District, Takeo Province.	 Kaoh Andaet Branch 016 888 391 Romenh Khang Cheung Village, Romenh Commune, Kaoh Andaet District, Takeo Province.

Branches

 Kiri Vong District Branch 015 885 347 Kampong Village, Preah Bat Chao Chum Commune, Kiri Vong District, Takeo Province.	 Prey Kabbas District Branch 016 888 410 Phsar Chreae Village, Angkanh Commune, Prey Kabbas District, Takeo Province.	 Kampong Trach Branch 016 888 420 Kampong Trach Ti Muoy Village, Kampong Trach Khang Kaeu Commune, Kampong Trach District, Kampot Province.
 Kampong Speu Branch 016 888 239 National Road 4, Krong Pol Tep Village, Sangkat Rokar Thum, Krong Chbar Mon, Kampong Speu Province.	 Samraong Tong Branch 016 888 227 Trapeang Ampil Village, Trapeang Kong Commune, Samraong Tong District, Kampong Speu Province.	 Prey Nob District Branch 016 885 234 Samrong Kandal Village, Sangkat Samrong, Prey Nob District, Preah Sihanouk Province
 Krong Khemara Phoumin 016 888 428 Phum Ti Muoy, Sangkat Smach Mean Chey, Krong Khemara Phoumin, Koh Kong Province	 Kampong Tralach Branch 086 744 442 National Road No 5, Chrak Romiet Village, Chhuk Sa Commune, Kampong Tralach District, Kampong Chhnang Province.	 Bakan District Branch 016 888 411 National Road 5, khnoch Romeas Village, Boeng Khnar Commune, Bakan District, Pursat Province.
 Battambang Branch 015 885 166 No 639, National Road 5, Rumchek 4 Village, Sangkat Rottanak, Krong Battambang, Battambang Province.	 Moung Ruessei Branch 016 885 649 National Road 5, Kansai Banteay Village, Moung Commune, Moung Ruessei District, Battambang Province.	 Bavel District Branch 016 888 701 Spean Kondaal Village, Bavel Commune, Bavel District, Battambang Province.
 Rotonak Mondol Branch 016 888 537 Banang Village, Sdao Commune, Rotonak Mondol District, Battambang Province.	 Phnum Proek Branch 015 885 619 Phnom Touch Village, Pech Chenda Commune, Phnum Proek District, Battambang Province.	 Krong Serei Saophoan Branch 081 866 660 Phum Buon, Sangkat Preah Ponlea, Krong Serei Saophoan, Banteay Meanchey Province.
 Krong Pailin Branch 016 888 515 Ou Ta Puk Leu Village, Sangkat Pailin, Krong Pailin, Pailin Province.	 Anlong Veoeng Branch 016 888 721 Ou Chenhchien Village, Anlong Veoeng Commune, Anlong Veoeng District, Oddar Meanchey Province.	 Krong Preah Vihear Branch 015 885 677 Srah Chhuk Village, Sangkat Kampong Pranak, Krong Preah Vihear, Preah Vihear Province.
 Kampong Cham Branch 015 888 419 Boeng Snay Village, Sangkat Sambour Meas, krong Kampong Cham, Kampong Cham Province.	 Batheay District Branch 081 255 554 Phiv Village, Phiv Commune, Batheay District, Kampong Cham Province.	 Cheung Prey District Branch 016 999 743 National Road 7, Ta Saen Village, Soatib Commune, Cheung Prey District, Kampong Cham Province.
 Krong Stueng Saen Branch 016 888 067 Kampong Krabau Village, Sangkat Kampong Krabau, Krong Stueng Saen, Kampong Thom Province.	 Prasat Bokong Branch 015 885 373 No 60 - 61, National Road No 6A, Kouk Tnaot Village, Kandaek Commune, Prasat Bokong District, Siemreap Province.	 Kampong Trabaek Branch 016 888 519 Chambak Village, Prasat Commune, Kampong Trabaek District, Prey Veng Province.
 Svay Antor District Branch 081 799 995 Svay Antor Ti Muoy Village, Svay Antor Commune, Svay Antor District, Prey Veng Province.	 Preah Sdach District Branch 016 888 403 Prey Meas Village, Angkor Reach Commune, Preah Sdach District, Prey Veng Province.	 Pea Reang District Branch 081 699 993 Snay Pal Village, Roka Commune, Pea Reang District, Prey Veng Province.
 Krong Bavet Branch 081 899 995 National Road No 1, Bavet Leu Village, Sangkat Bavet, Krong Bavet, Svay Rieng Province.	 Krong Suong District Branch 016 888 623 Chhreybitmeas Village, Suong Commune, Suong District, Tboung Khmum Province.	 Krong Kratie Branch 015 885 565 Ou Ruessei Ti Muoy Village, Sangkat Ou Ruessei, Krong Kratie, Kratie Province.
 Krong Stueng Treng Branch 016 888 478 Reacheanukoul Village, Sangkat Stung Treng, Krong Stung Treng, Stung Treng Province.	 Krong Sen Monorum Branch 016 888 365 Kandal Village, Sangkat Spean Mean Chey, Krong Saen Monourom, Mondul Kiri Province	 Ratanak Kiri Branch 070 925 555 Chey Chumnas Village, Sangkat Labansiek, Krong Ban Lung, Ratanak Kiri Province.



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