

LOLC (CAMBODIA) PLC.

**Condensed Interim Financial Statements
for the three-month and nine-month
periods ended 30 September 2025**

and

**Independent Auditors' Report on Review of
Condensed Interim Financial Statements**

LOLC (Cambodia) Plc.

Company	LOLC (Cambodia) Plc.
Registration No.	00012829
Registered office	Building No. 666B, Street 271 Sangkat Boeung Tumpun 2 Khan Mean Chey, Phnom Penh Kingdom of Cambodia
Shareholders	LOLC Asia Private Limited TPC-ESOP Co., Ltd.
Board of Directors	Mr. Brindley Chrishantha Gajanayake de Zylva, Chairman Mr. Indrajith Wijesiriwardana, Member Mr. Chitral Nalin Wijesinha, Member Mr. Dulip Rasika Samaraweera, Member Mr. Francisco Kankanamalage Conrad Prasad Nirosh Dias, Member
Executive committee	Mr. Sok Voeun, Chief Executive Officer Mr. Sok Sophal, Deputy Chief Executive Officer/Chief Finance Officer Mr. Damburæ Liyanage Duleep Roshan, Chief Information Officer Mrs. Svoeuy Sodyna, Chief Risk Officer Mr. Perera Hewa Ambepitiyage Chanaka Romesh, Chief Channel Officer Mrs. Chheang Kagna, Chief Digital Financial Services and Deposit Officer Mrs. Leng Thavy, Head of Human Resources Department Mrs. Keo Taraty, Head of Finance Department Mrs. Try Sola, Head of Treasury Department Mr. Bun Bella, Head of Information Technology Department Mr. Teng Pheap, Head of Internal Audit Department Mr. Men Sambo, Head of Legal and Compliance (resigned on 28 September 2025) Mrs. Inn Sreyrath, Head of Digital Banking Department Mr. Kong Kosal, Head of Business Department Mr. Chann Savoeung, Head of Business Department Mr. Silva Amarasinghage Tharindu Niroshan, Head of Client Business Revival Department (appointed on 7 August 2025) Mrs. Khleang Sovanna, Head of Administration and Procurement Department Mr. Tun Korng, Deputy Head of Credit Department Mr. Muth Pisey, Head of Litigation Department (appointed on 7 August 2025)
Auditors	KPMG Cambodia Ltd

LOLC (Cambodia) Plc.

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LOLC (Cambodia) Plc.

Statement by the Board of Directors

The Board of Directors has pleasure in submitting the condensed interim financial statements of LOLC (Cambodia) Plc. ("the Company") for the three-month and nine-month periods ended 30 September 2025.

Board of Directors

The Board of Directors of the Company during the periods and up to the date of this report are:

- | | |
|--|----------|
| 1. Mr. Brindley Chrisantha Gajanayake de Zylva | Chairman |
| 2. Mr. Indrajith Wijesiriwardana | Member |
| 3. Mr Chitral Nalin Wijesinha | Member |
| 4. Mr. Dulip Rasika Samaraweera | Member |
| 5. Mr. Francisco Kankanamalage Conrad Prasad Nirosh Dias | Member |

In the opinion of the Board of Directors, the condensed interim financial statements of the Company together with the notes thereto, are prepared in all material respects, the financial position of the Company as at 30 September 2025 and its financial performance for the three-month and nine-month periods then ended, changes in equity and cash flows of the Company for the nine-month period then ended, in accordance with Cambodian International Accounting Standard 34, "Interim Financial Reporting".

On behalf of the Board of Directors

Mr. Brindley Chrisantha Gajanayake de Zylva
Chairman

Phnom Penh, Kingdom of Cambodia

Date: 5 December 2025



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INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

To the Shareholders of LOLC (Cambodia) Plc.

Introduction

We have reviewed the accompanying 30 September 2025 condensed interim financial statements of LOLC (Cambodia) Plc. ("the Company"), as set out on pages 4 to 43 (hereafter referred to as "the condensed interim financial statements") which comprise the condensed interim statement of financial position as at 30 September 2025 and the condensed interim statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, changes in equity and cash flows for the nine-month period then ended and other explanatory notes to the condensed interim financial statements.

Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the Cambodian International Accounting Standard 34, "*Interim Financial Reporting*". Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with the Cambodian International Standard on Review Engagements 2410, "*Review of Interim Financial statements Performed by the Independent Auditor of the Entity*". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Cambodian International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the Cambodian International Accounting Standard 34, “*Interim Financial Reporting*”.

For **KPMG Cambodia Ltd**


Guek Teav
Partner



Phnom Penh, Kingdom of Cambodia

5 December 2025

LOLC (Cambodia) Plc.

Condensed interim statement of financial position As at 30 September 2025

		30 September 2025	31 December 2024	30 September 2025	31 December 2024
	Notes	KHR'000	KHR'000	US\$ (Note 2(b))	US\$ (Note 2(b))
ASSETS					
Cash on hand		89,781,516	108,021,390	22,389,405	26,837,612
Deposits and placements with the National Bank of Cambodia		279,870,710	221,714,379	69,793,195	55,084,318
Deposits and placements with banks		599,382,634	556,774,147	149,471,979	138,328,981
Investment securities at amortised cost	6	3,365,523	3,339,960	839,283	829,804
Investment in associate	7	4,010,000	-	1,000,000	-
Financial assets at fair value through other comprehensive income		60,150	60,375	15,000	15,000
Loans and advances at amortised cost	8	5,142,939,677	5,135,970,992	1,282,528,598	1,276,017,638
Statutory deposits with the National Bank of Cambodia	9	340,593,060	339,868,390	84,935,925	84,439,352
Property and equipment	10	9,256,691	9,624,545	2,308,402	2,391,192
Right-of-use assets	11	29,865,626	30,640,659	7,447,787	7,612,586
Intangible assets	12	10,953,591	11,814,205	2,731,569	2,935,206
Deferred tax assets		17,318,074	23,543,707	4,318,722	5,849,368
Other assets		24,174,800	20,787,876	6,028,628	5,164,690
TOTAL ASSETS		6,551,572,052	6,462,160,625	1,633,808,493	1,605,505,747
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from banks and other financial institutions	13	489,253,156	336,956,689	122,008,268	83,715,948
Deposits from customers	14	3,798,370,222	3,693,593,747	947,224,494	917,663,043
Borrowings	15	389,539,759	592,478,916	97,142,084	147,199,731
Subordinated debts	16	78,993,397	178,978,277	19,699,101	44,466,653
Lease liabilities	11	27,941,034	28,859,765	6,967,839	7,170,128
Current income tax liabilities		21,521,702	28,116,358	5,367,008	6,985,431
Employee benefits		3,288,817	1,826,652	820,154	453,827
Other liabilities		37,752,847	37,343,832	9,414,678	9,277,970
TOTAL LIABILITIES		4,846,660,934	4,898,154,236	1,208,643,626	1,216,932,731
EQUITY					
Share capital	17	424,377,400	424,377,400	103,969,218	103,969,218
Retained earnings		581,555,491	578,409,737	142,398,634	141,614,157
General reserves		380,415,116	380,415,116	93,768,951	93,768,951
Regulatory reserves		126,894,683	49,192,708	31,516,158	12,139,107
Other reserves	18	191,668,428	131,611,428	47,656,599	32,679,791
Currency translation reserves		-	-	5,855,307	4,401,792
TOTAL EQUITY		1,704,911,118	1,564,006,389	425,164,867	388,573,016
TOTAL LIABILITIES AND EQUITY		6,551,572,052	6,462,160,625	1,633,808,493	1,605,505,747

The accompanying notes form an integral part of these condensed interim financial statements.

LOLC (Cambodia) Plc.

Condensed interim statement of profit or loss and other comprehensive income for three-month and nine-month periods ended 30 September 2025

	Notes	Three-month period ended				Nine-month period ended			
		30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
Interest income	19	227,991,373	229,182,181	56,884,075	56,062,177	673,357,123	667,696,794	167,919,482	163,651,175
Interest expense	19	(68,754,594)	(82,812,920)	(17,154,340)	(20,257,564)	(222,985,550)	(264,738,652)	(55,607,369)	(64,886,925)
Net interest income	19	<u>159,236,779</u>	<u>146,369,261</u>	<u>39,729,735</u>	<u>35,804,613</u>	<u>450,371,573</u>	<u>402,958,142</u>	<u>112,312,113</u>	<u>98,764,250</u>
Fee and commission income		5,494,132	4,236,633	1,370,792	1,036,358	14,521,062	13,476,822	3,621,212	3,303,143
Fee and commission expense		(207,121)	(182,000)	(51,677)	(44,521)	(513,838)	(503,264)	(128,139)	(123,349)
Net fee and commission income		<u>5,287,011</u>	<u>4,054,633</u>	<u>1,319,115</u>	<u>991,837</u>	<u>14,007,224</u>	<u>12,973,558</u>	<u>3,493,073</u>	<u>3,179,794</u>
Other operating income		3,781,354	2,550,446	943,452	623,886	9,948,726	6,409,345	2,480,979	1,570,918
Other gains – net		2,434,559	11,222,083	607,425	2,745,128	5,326,244	3,880,262	1,328,240	951,045
Credit impairment losses	20	(12,931,937)	(47,436,264)	(3,226,531)	(11,603,783)	(122,441,608)	(128,073,333)	(30,534,067)	(31,390,523)
Net gains/(losses) on derecognition of financial assets measured at amortised cost		<u>12,539,915</u>	<u>1,318,841</u>	<u>3,128,721</u>	<u>322,613</u>	<u>3,852,666</u>	<u>(7,412,415)</u>	<u>960,765</u>	<u>(1,816,768)</u>
Net other operating gains/(losses)		<u>5,823,891</u>	<u>(32,344,894)</u>	<u>1,453,067</u>	<u>(7,912,156)</u>	<u>(103,313,972)</u>	<u>(125,196,141)</u>	<u>(25,764,083)</u>	<u>(30,685,328)</u>
Personnel expenses	21	(44,905,677)	(39,293,898)	(11,204,011)	(9,612,010)	(120,739,841)	(110,050,525)	(30,109,686)	(26,973,168)
Depreciation and amortisation charges		(3,728,887)	(3,463,139)	(930,361)	(847,148)	(10,928,034)	(11,176,329)	(2,725,196)	(2,739,296)
Other operating expenses		<u>(27,270,291)</u>	<u>(14,921,372)</u>	<u>(6,803,965)</u>	<u>(3,650,042)</u>	<u>(53,983,687)</u>	<u>(43,352,739)</u>	<u>(13,462,266)</u>	<u>(10,625,671)</u>

LOLC (Cambodia) Plc.

Condensed interim statement of profit or loss and other comprehensive income (continued) for three-month and nine-month periods ended 30 September 2025

	Notes	Three-month period ended				Nine-month period ended			
		30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
Profit before income tax		94,442,826	60,400,591	23,563,580	14,775,094	175,413,263	126,155,966	43,743,955	30,920,581
Income tax expense	22	(20,999,679)	(12,226,086)	(5,239,441)	(2,990,726)	(34,508,534)	(26,520,777)	(8,605,619)	(6,500,190)
Profit for the period		<u>73,443,147</u>	<u>48,174,505</u>	<u>18,324,139</u>	<u>11,784,368</u>	<u>140,904,729</u>	<u>99,635,189</u>	<u>35,138,336</u>	<u>24,420,391</u>
Other comprehensive income:									
<i>Items that will not be reclassified to profit or loss</i>									
Currency translation differences		-	-	(4,193)	4,319,069	-	-	1,453,515	2,157,520
Other comprehensive income for the period, net of tax		-	-	(4,193)	4,319,069	-	-	1,453,515	2,157,520
Total comprehensive income for the period		<u>73,443,147</u>	<u>48,174,505</u>	<u>18,319,946</u>	<u>16,103,437</u>	<u>140,904,729</u>	<u>99,635,189</u>	<u>36,591,851</u>	<u>26,577,911</u>
Profit attributable to:									
Owners of the Company		<u>73,443,147</u>	<u>48,174,505</u>	<u>18,324,139</u>	<u>11,784,368</u>	<u>140,904,729</u>	<u>99,635,189</u>	<u>35,138,336</u>	<u>24,420,391</u>
Total comprehensive income attributable to:									
Owners of the Company		<u>73,443,147</u>	<u>48,174,505</u>	<u>18,319,946</u>	<u>16,103,437</u>	<u>140,904,729</u>	<u>99,635,189</u>	<u>36,591,851</u>	<u>26,577,911</u>

The accompanying notes form an integral part of these condensed interim financial statements.

LOLC (Cambodia) Plc.

Condensed interim statement of changes in equity For the nine-month period ended 30 September 2025

	Attributable to owners of the Company												
	Share capital KHR'000	Retained earnings KHR'000	General reserves KHR'000	Regulatory reserves KHR'000	Other reserves KHR'000	Total KHR'000	Share capital US\$ (Note 2(b))	Retained earnings US\$ (Note 2(b))	General reserves US\$ (Note 2(b))	Regulatory reserves US\$ (Note 2(b))	Other reserves US\$ (Note 2(b))	Currency translation reserves US\$ (Note 2(b))	Total US\$ (Note 2(b))
As at 1 January 2024	424,377,400	623,203,250	380,415,116	21,938,040	5,124,641	1,455,058,447	103,969,218	153,048,830	93,768,951	5,367,761	1,254,502	(1,213,804)	356,195,458
Profit for the period	-	99,635,189	-	-	-	99,635,189	-	24,420,391	-	-	-	-	24,420,391
Other comprehensive income – currency translation differences	-	-	-	-	-	-	-	-	-	-	-	2,157,520	2,157,520
Total comprehensive income for the period	-	99,635,189	-	-	-	99,635,189	-	24,420,391	-	-	-	2,157,520	26,577,911
Dividend paid	-	(53,895,930)	-	-	-	(53,895,930)	-	(13,209,787)	-	-	-	-	(13,209,787)
Transfer from regulatory reserves to retained earnings	-	18,529,908	-	(18,529,908)	-	-	-	4,562,893	-	(4,562,893)	-	-	-
Transfer from retained earnings to other reserves	-	(126,486,787)	-	-	126,486,787	-	-	(31,146,709)	-	-	31,146,709	-	-
	-	(161,852,809)	-	(18,529,908)	126,486,787	(53,895,930)	-	(39,793,603)	-	(4,562,893)	31,146,709	-	(13,209,787)
As at 30 September 2024	424,377,400	560,985,630	380,415,116	3,408,132	131,611,428	1,500,797,706	103,969,218	137,675,618	93,768,951	804,868	32,401,211	943,716	369,563,582
As at 1 January 2025	424,377,400	578,409,737	380,415,116	49,192,708	131,611,428	1,564,006,389	103,969,218	141,614,157	93,768,951	12,139,107	32,679,791	4,401,792	388,573,016
Profit for the period	-	140,904,729	-	-	-	140,904,729	-	35,138,336	-	-	-	-	35,138,336
Other comprehensive income – currency translation differences	-	-	-	-	-	-	-	-	-	-	-	1,453,515	1,453,515
Total comprehensive income for the period	-	140,904,729	-	-	-	140,904,729	-	35,138,336	-	-	-	1,453,515	36,591,851
Transfer from retained earnings to regulatory reserves	-	(77,701,975)	-	77,701,975	-	-	-	(19,377,051)	-	19,377,051	-	-	-
Transfer from retained earnings to other reserves	-	(60,057,000)	-	-	60,057,000	-	-	(14,976,808)	-	-	14,976,808	-	-
	-	(137,758,975)	-	77,701,975	60,057,000	-	-	(34,353,859)	-	19,377,051	14,976,808	-	-
As at 30 September 2025	424,377,400	581,555,491	380,415,116	126,894,683	191,668,428	1,704,911,118	103,969,218	142,398,634	93,768,951	31,516,158	47,656,599	5,855,307	425,164,867

The accompanying form an integral part of these condensed interim financial statements.

LOLC (Cambodia) Plc.

Condensed interim statement of cash flows for the nine-month period ended 30 September 2025

		Nine-month period ended			
		30 September 2025	30 September 2024	30 September 2025	30 September 2024
Notes		KHR'000	KHR'000	US\$ (Note 2(b))	US\$ (Note 2(b))
Cash flows from operating activities					
Cash generated from/(used in) operations	23	23,439,607	(65,042,055)	5,845,288	(15,941,678)
Interest received		633,018,668	589,820,683	157,860,017	144,563,893
Interest paid		(220,485,913)	(259,469,154)	(54,984,018)	(63,595,381)
Income tax paid		(34,877,557)	(56,546,041)	(8,697,645)	(13,859,324)
Employee benefits paid		(4,014,047)	(4,377,360)	(1,001,009)	(1,072,882)
Net cash generated from operating activities		397,080,758	204,386,073	99,022,633	50,094,628
Cash flows from investing activities					
Deposits and placements with the National Bank of Cambodia - maturity more than three months		24,751,221	(1,626,958)	6,172,374	(398,764)
Investment in associate		(4,000,000)	-	(997,506)	-
Purchases of investment securities at amortised cost		-	(3,346,213)	-	(820,150)
Purchases of property and equipment	10	(3,600,254)	(2,744,397)	(897,819)	(672,646)
Purchases of intangible assets	12	(480,888)	(3,458,680)	(119,922)	(847,716)
Proceeds from disposals of property and equipment		58,763	236,125	14,654	57,874
Net cash generated from/(used in) investing activities		16,728,842	(10,940,123)	4,171,781	(2,681,402)
Cash flows used in financing activities					
Proceeds from borrowings		60,110,000	52,320,000	14,990,025	12,823,529
Repayments of borrowings		(261,238,655)	(267,013,522)	(65,146,797)	(65,444,491)
Repayments of subordinated debts		(99,005,800)	(39,582,400)	(24,689,726)	(9,701,569)
Payment of transaction costs		-	(320,000)	-	(78,431)
Payment of dividends to shareholders		-	(53,895,930)	-	(13,209,787)
Principal element of lease payment		(5,770,358)	(6,361,524)	(1,438,992)	(1,559,197)
Net cash used in financing activities		(305,904,813)	(314,853,376)	(76,285,490)	(77,169,946)
Net increase/(decrease) in cash and cash equivalents		107,904,787	(121,407,426)	26,908,924	(29,756,721)
Cash and cash equivalents at the beginning of period		845,200,338	932,327,813	209,987,660	228,232,023
Currency translation differences		-	-	785,492	1,209,600
Cash and cash equivalents at the end of period	23	953,105,125	810,920,387	237,682,076	199,684,902

The accompanying notes form an integral part of these condensed interim financial statements.

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements for the three-month and nine-month periods ended 30 September 2025

1. General information

LOLC (Cambodia) Plc. (formerly known as Thaneakea Phum (Cambodia) Ltd.) (the Company), a licensed micro-finance institution, incorporated in the Kingdom of Cambodia and registered with the Ministry of Commerce (MoC) as a public limited liability company under the registration number Co. 1413 E/2002, dated 23 May 2002 and changed to the new registration number 00012829 dated 28 September 2015.

On 11 September 2015, the Company obtained a Micro-finance Deposit Taking Institution (MDI) license to conduct deposit taking business from the National Bank of Cambodia ("NBC").

The Company is owned by LOLC Asia Private Limited (based in Singapore) and TPC-ESOP Co., Ltd with 96.97% and 3.03% shares respectively.

The principal activity of the Company is to provide micro-finance services (deposit-taking and lending) to the rural population, micro-enterprises and small and medium enterprises through its head office in Phnom Penh and its various branches in the Kingdom of Cambodia. Its corporate objective is to provide reliable and affordable access to financial services to micro-entrepreneurs and small and medium enterprises.

As at 30 September 2025, the Company has 83 office locations (82 branches and a Head Office in Phnom Penh). The Company's registered office is at Building No. 666B, Street 271, Sangkat Boeung Tumpun 2, Khan Mean Chey, Phnom Penh, the Kingdom of Cambodia.

The condensed interim financial statements were authorised to issue by the Board of Directors on 5 December 2025.

This condensed interim financial statements for the three-month and nine-month periods ended 30 September 2025 has been reviewed, but not audited.

2. Basis of preparation

This condensed interim financial statements for the three-month and nine-month periods ended 30 September 2025 has been prepared in accordance with Cambodian International Accounting Standard 34, "Interim financial reporting" ("CIAS 34") and should be read in conjunction with the last annual audited financial statements for the year ended 31 December 2024 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with Cambodian International Financial Reporting Standards ("CIFRS"). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the financial position and performance since the last annual financial statements.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

2. Basis of preparation (continued)

(a) New and amended standards not yet adopted by the Company

A number of amended standards became applicable for the current reporting period as follows:

- Lack of Exchangeability (*Amendment to CIAS21*)
- Classification and Measurement of Financial Instruments (*Amendments to CIFRS9 and CIFRS7*)
- Contract Referencing Nature-dependent Electricity (*Amendments to CIFRS9 and CIFRS7*)
- Presentation and Disclosures in Financial Statements (*CIFRS 18*)

Those amended standards have no material impact on the Company's financial statements.

(b) Presentation in United States dollars ("US\$")

The translation of Khmer Riel ("KHR") into US\$ is solely for management's use only and is based on the official exchange rates published by the National Bank of Cambodia as at the reporting dates and average rate for the period. The translations of KHR into US\$ amounts meets the presentation requirements pursuant to the Law on Accounting and Auditing and has been done in accordance with the translation method of CIAS 21-*The Effects of Changes in Foreign Exchange Rates*.

Assets and liabilities are translated into US\$ at the closing rate as at the reporting date and share capital account is translated at the historical rate. The statements of profit or loss and other comprehensive income and cash flows are translated into US\$ using the average rate for the period, which have been deemed to approximate the exchange rates at the end of transactions as exchange rates have not fluctuated significantly during the period. Exchange differences arising from the translation are recognised as "Currency Translation Reserves" in other comprehensive income.

The Company has used the official rate of exchange published by the National Bank of Cambodia. As at the reporting date, the average rates and closing rates are based on the following exchange rates:

		Closing rate	Average rate Nine-month	Average rate three-month
30 September 2025	USD1=	KHR4,010	KHR4,010	KHR4,008
30 September 2024	USD1=	KHR4,061	KHR4,080	KHR4,088
31 December 2024	USD1=	KHR4,025	N/A	N/A

These convenience translations should not be construed as representations that the Khmer Riel amounts have been, could have been, or could in the future be, converted into United State Dollars at this or any other rate of exchange.

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

3. Critical accounting estimates, assumptions and judgements

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Company's interim results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial period are outlined below:

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the condensed interim financial statements is included in the following notes.

- classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are SPPI on the principal amount outstanding.
- establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of ECL and selection and approval of models used to measure ECL.

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have material risks that could give rise to any adjustments on the carrying amounts of assets and liabilities recognised in the next financial statements is included in the following notes.

- Determination of the fair value of financial instruments with significant unobservable inputs.
- Impairment of financial instruments: determining inputs into the ECL measurement model, including incorporation of forward-looking information.
- Impairment of financial instruments: key assumptions used in estimating recoverable cash flows.
- lease term: whether the Company is reasonably certain to exercise extension option.

4. Seasonality

The principal business of the Company are mainly to providing lending and other financial services to the citizens and small and medium size enterprises, and to engage in all other activities that support these objectives. There is no significant seasonality factor associated with these businesses.

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

5. Segment and revenue information

The Company has only one reportable segment, namely, interest income. The chief operating decision-maker (the management team) reviews the internal management report, which reports the performances of the interest income segment as a whole, to assess performance and allocate resources. The management team also reviews profit before tax and net profit as a whole compared to prior periods.

6. Investment securities at amortised cost

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Investment in government bonds	<u>3,365,523</u>	<u>3,339,960</u>	<u>839,283</u>	<u>829,804</u>

Investment in government bonds is measured at amortised cost. These government bonds have maturity term of 3 years effective from 28 June 2024 to 28 June 2027 and earned annual interest rate at 4.5%. As at 30 September 2025, there were no allowance for expected credit loss being recognised (31 December 2024: nil).

The Company has pledged government bonds amounting to KHR787,000 thousands as collateral for overdraft (31 December 2024: KHR2,810,000 thousands).

7. Investment in associate

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Investment at Serendib Microinsurance Plc.	<u>4,010,000</u>	<u>-</u>	<u>1,000,000</u>	<u>-</u>

This represents the investment at 25% stake in Serendib Micro Insurance Plc.'s total share capital as approved by the NBC on 6 January 2025 in response to the Company's request letter dated 18 November 2024. The objective of the Company's investment is strategically aligned with its long-term goals of enhancing financial inclusion, diversifying its products, creating a positive social impact, and tapping into the growing demand for affordable insurance in Cambodia.

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

7. Investment in associate (continued)

On 28 October 2024, the Board of Directors resolved to inject US\$1,000,000 equivalent to 25% of Serendib Micro Insurance Plc.'s total share capital. This capital was injected and paid on 28 March 2025.

As of the reporting date, no significant transactions related to Serendib Micro Insurance Plc. that require recognition in the Company's condensed interim financial statements.

8. Loans and advances at amortised cost

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Group loans	431,819,338	496,363,762	107,685,620	123,320,189
Individual loans	4,970,216,739	4,787,736,239	1,239,455,546	1,189,499,687
Staff loans	29,931,361	32,264,541	7,464,180	8,016,035
Total gross loans	5,431,967,438	5,316,364,542	1,354,605,346	1,320,835,911
Less: Allowance for expected credit loss	(289,027,761)	(180,393,550)	(72,076,748)	(44,818,273)
	<u>5,142,939,677</u>	<u>5,135,970,992</u>	<u>1,282,528,598</u>	<u>1,276,017,638</u>

(a) Analysis by industry

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Household/family	1,535,255,030	1,417,524,512	382,856,616	352,180,003
Agriculture	1,371,631,816	1,419,397,914	342,052,822	352,645,444
Trade and commerce	987,973,753	998,980,153	246,377,495	248,193,827
Services	864,107,462	834,410,205	215,488,145	207,306,883
Manufacturing	402,824,352	367,318,354	100,454,951	91,259,218
Construction	194,113,892	201,516,695	48,407,454	50,066,260
Transportation	76,061,133	77,216,709	18,967,863	19,184,276
Total gross loans	<u>5,431,967,438</u>	<u>5,316,364,542</u>	<u>1,354,605,346</u>	<u>1,320,835,911</u>

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

8. Loans and advances at amortised cost (continued)

(b) Analysis by loan classification

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
<i>Performing</i>				
Gross amount	4,373,677,536	4,515,237,712	1,090,692,652	1,121,798,189
Exposure at default	4,373,677,536	4,515,237,712	1,090,692,652	1,121,798,189
Allowance for expected credit loss	(31,033,034)	(18,919,816)	(7,738,911)	(4,700,575)
<i>Under-performing</i>				
Gross amount	413,812,018	438,448,450	103,195,017	108,931,292
Exposure at default	413,812,018	438,448,450	103,195,017	108,931,292
Allowance for expected credit loss	(27,970,983)	(17,235,755)	(6,975,307)	(4,282,175)
<i>Non-performing</i>				
Gross amount	644,477,884	362,678,380	160,717,677	90,106,430
Exposure at default	644,477,884	362,678,380	160,717,677	90,106,430
Allowance for expected credit loss	(230,023,744)	(144,237,979)	(57,362,530)	(35,835,523)
Total gross loans	5,431,967,438	5,316,364,542	1,354,605,346	1,320,835,911
Exposure at default	5,431,967,438	5,316,364,542	1,354,605,346	1,320,835,911
Allowance for expected credit loss	(289,027,761)	(180,393,550)	(72,076,748)	(44,818,273)

(c) Analysis by maturity

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Not later than 1 year	220,865,504	247,274,938	55,078,679	61,434,766
Later than 1 year and no later than 3 years	1,081,931,943	1,124,803,455	269,808,465	279,454,275
Later than 3 years and no later than 5 years	1,447,901,046	1,524,075,244	361,072,580	378,652,235
Later than 5 years	2,681,268,945	2,420,210,905	668,645,622	601,294,635
Total gross loans	5,431,967,438	5,316,364,542	1,354,605,346	1,320,835,911

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

8. Loans and advances at amortised cost (continued)

(d) Analysis by relationship

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Related parties (including staff loans)	29,931,361	32,264,541	7,464,180	8,016,035
Non-related parties	5,402,036,077	5,284,100,001	1,347,141,166	1,312,819,876
Total gross loans	5,431,967,438	5,316,364,542	1,354,605,346	1,320,835,911

(e) Analysis by residency

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Residents	5,431,967,438	5,316,364,542	1,354,605,346	1,320,835,911
Non-residents	-	-	-	-
Total gross loans	5,431,967,438	5,316,364,542	1,354,605,346	1,320,835,911

(f) Interest rates

The loans and advances earn annual interest rates as below:

	30 September 2025	31 December 2024
Short term loans	6.79% – 18.00%	6.75% – 18.00%
Long term loans	6.79% – 18.00%	7.66% – 18.00%

(g) Allowance for expected credit loss

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
12-month ECL (Stage 1)	31,033,034	18,919,816	7,738,911	4,700,575
Lifetime ECL-not credit impaired (Stage 2)	27,970,983	17,235,755	6,975,307	4,282,175
Lifetime ECL-credit impaired (Stage 3)	230,023,744	144,237,979	57,362,530	35,835,523
	289,027,761	180,393,550	72,076,748	44,818,273

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

8. Loans and advances at amortised cost (continued)

(h) Expected credit loss reconciliation – loans and advances

	Stage 1 12-month ECL KHR'000	Stage 2 Lifetime ECL not Credit-Impaired KHR'000	Stage 3 Lifetime ECL Credit-Impaired KHR'000	Total KHR'000
Expected Credit Losses				
Loss allowance as at 1 January 2025	18,919,816	17,235,755	144,237,979	180,393,550
<i>Changes due to exposure:</i>				
Transfer to stage 1	1,953,056	(1,015,836)	(937,220)	-
Transfer to stage 2	(2,813,107)	7,940,244	(5,127,137)	-
Transfer to stage 3	(2,962,022)	(8,763,835)	11,725,857	-
Net remeasurement of loss allowance (*)	7,358,978	9,386,421	105,780,433	122,525,832
New financial assets originated or purchased	13,784,198	7,505,681	3,289,117	24,578,996
Financial assets derecognised during the period other than write off	(5,886,715)	(4,853,124)	(14,672,882)	(25,412,721)
Write-offs	(9)	-	(28,134,890)	(28,134,899)
Unwinding of discount (**)	-	-	9,662,289	9,662,289
Foreign exchange differences	678,839	535,677	4,200,198	5,414,714
Loss allowance as at 30 September 2025	<u>31,033,034</u>	<u>27,970,983</u>	<u>230,023,744</u>	<u>289,027,761</u>
<i>In US\$ equivalent (Note 2(b))</i>	<u>7,738,911</u>	<u>6,975,307</u>	<u>57,362,530</u>	<u>72,076,748</u>

(*) Impact of the measurement of ECL due to changes in loss given default (LGD) and probability of default (PD) during the period arising from refreshing of inputs to models.

(**) The unwinding of discount on Stage 3 loans is reported within 'Interest income' so that interest income is recognised on the amortised cost (after deducting the ECL allowance).

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

8. Loans and advances at amortised cost (continued)

(h) Expected credit loss reconciliation – loans and advances (continued)

	Stage 1 12-month ECL KHR'000	Stage 2 Lifetime ECL not Credit-Impaired KHR'000	Stage 3 Lifetime ECL Credit-Impaired KHR'000	Total KHR'000
Gross carrying amount				
Gross carrying amount as at 1 January 2025	4,515,237,712	438,448,450	362,678,380	5,316,364,542
<i>Changes due to financial instruments recognised:</i>				
Transfer to stage 1	64,999,612	(62,257,344)	(2,742,268)	-
Transfer to stage 2	(283,815,733)	299,461,105	(15,645,372)	-
Transfer to stage 3	(176,067,851)	(169,888,653)	345,956,504	-
New financial assets originated or purchased	1,563,337,812	38,877,747	44,304,469	1,646,520,028
Financial assets derecognised during the period other than write off	(1,309,994,089)	(130,829,287)	(46,711,348)	(1,487,534,724)
Write-offs	(19,927)	-	(43,362,481)	(43,382,408)
Gross carrying amount as at 30 September 2025	<u>4,373,677,536</u>	<u>413,812,018</u>	<u>644,477,884</u>	<u>5,431,967,438</u>
<i>In US\$ equivalent (Note 2(b))</i>	<u>1,090,692,652</u>	<u>103,195,017</u>	<u>160,717,677</u>	<u>1,354,605,346</u>

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

8. Loans and advances at amortised cost (continued)

(h) Expected credit loss reconciliation – loans and advances (continued)

	Stage 1 12-month ECL KHR'000	Stage 2 Lifetime ECL not Credit-Impaired KHR'000	Stage 3 Lifetime ECL Credit-Impaired KHR'000	Total KHR'000
Expected Credit Losses				
Loss allowance as at 1 January 2024	23,447,275	5,771,271	59,623,641	88,842,187
<i>Changes due to exposure:</i>				
Transfer to stage 1	1,351,807	(592,461)	(759,346)	-
Transfer to stage 2	(2,993,294)	5,298,566	(2,305,272)	-
Transfer to stage 3	(4,110,823)	(3,365,190)	7,476,013	-
Net remeasurement of loss allowance (*)	9,542,890	16,781,719	90,745,177	117,069,786
New financial assets originated or purchased	11,697,194	5,144,402	3,626,953	20,468,549
Financial assets derecognised during the period other than write off	(5,563,569)	(809,122)	(1,712,762)	(8,085,453)
Write-offs	(10,106)	-	(11,668,848)	(11,678,954)
Unwinding of discount (**)	-	-	9,233,986	9,233,986
Foreign exchange differences	349,278	470,495	2,064,486	2,884,259
Loss allowance as at 30 September 2024	<u>33,710,652</u>	<u>28,699,680</u>	<u>156,324,028</u>	<u>218,734,360</u>
<i>In US\$ equivalent (Note 2(b))</i>	<u>8,301,072</u>	<u>7,067,146</u>	<u>38,493,974</u>	<u>53,862,192</u>

(*) Impact of the measurement of ECL due to changes in loss given default (LGD) and probability of default (PD) during the period arising from refreshing of inputs to models.

(**) The unwinding of discount on Stage 3 loans is reported within 'Interest income' so that interest income is recognised on the amortised cost (after deducting the ECL allowance).

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

8. Loans and advances at amortised cost (continued)

(h) Expected credit loss reconciliation – loans and advances (continued)

	Stage 1 12-month ECL KHR'000	Stage 2 Lifetime ECL not Credit-Impaired KHR'000	Stage 3 Lifetime ECL Credit-Impaired KHR'000	Total KHR'000
Gross carrying amount				
Gross carrying amount as at 1 January 2024	4,921,687,690	50,381,792	119,912,081	5,091,981,563
<i>Changes due to financial instruments recognised:</i>				
Transfer to stage 1	6,500,573	(5,013,020)	(1,487,553)	-
Transfer to stage 2	(318,354,873)	324,387,265	(6,032,392)	-
Transfer to stage 3	(182,079,538)	(22,248,025)	204,327,563	-
New financial assets originated or purchased	1,608,770,617	27,836,849	21,895,882	1,658,503,348
Financial assets derecognised during the period other than write off	(1,383,939,854)	(8,394,534)	(3,595,503)	(1,395,929,891)
Write-offs	(15,293)	-	(23,773,134)	(23,788,427)
Gross carrying amount as at 30 September 2024	<u>4,652,569,322</u>	<u>366,950,327</u>	<u>311,246,944</u>	<u>5,330,766,593</u>
<i>In US\$ equivalent (Note 2(b))</i>	<u>1,145,670,851</u>	<u>90,359,598</u>	<u>76,642,931</u>	<u>1,312,673,380</u>

9. Statutory deposits with the National Bank of Cambodia

	Note	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Capital guarantee	(a)	42,758,639	42,437,740	10,663,002	10,543,538
Reserve requirement	(b)	297,834,421	297,430,650	74,272,923	73,895,814
		<u>340,593,060</u>	<u>339,868,390</u>	<u>84,935,925</u>	<u>84,439,352</u>

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

9. Statutory deposits with the National Bank of Cambodia (continued)

(a) Capital guarantee

Under Prakas No. B7-07-163 dated 13 December 2007 on Licensing of Deposit-Taking Microfinance Institutions, the Company is required to maintain a capital guarantee deposit equivalent to 10% of registered capital with the NBC. The capital guarantee deposit earns annual interest rate at 3% (31 December 2024: 3%) during the periods.

(b) Reserve requirement

This represents the minimum reserve requirement which is calculated at 7.00% of the total deposits from customers, non-resident's bank placement and non-resident borrowings (31 December 2024: 7.00%) as required by the NBC's Prakas No. B7-07-163. The reserve requirement fluctuates depending on the level of deposits from customers, non-resident's bank placement and non-resident borrowings. Reserve requirement and does not earn interest.

This reserve requirement is kept at the rate of 7% until 31 December 2025.

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

10. Property and equipment

2025	Furniture and equipment KHR'000	Motor vehicles KHR'000	Computer equipment KHR'000	Leasehold improvement KHR'000	KHR'000	Total US\$ (Note 2(b))
Cost						
At 1 January	6,979,535	12,413,478	22,641,729	2,849,871	44,884,613	11,151,457
Additions	820,017	984,755	1,567,348	228,134	3,600,254	897,819
Disposals	(128,333)	(450,100)	(98,915)	(9,134)	(686,482)	(171,193)
Currency translation difference	-	-	-	-	-	41,714
At 30 September	7,671,219	12,948,133	24,110,162	3,068,871	47,798,385	11,919,797
Less: Accumulated depreciation						
At 1 January	5,446,204	10,416,048	17,468,650	1,929,166	35,260,068	8,760,265
Depreciation for the period	793,057	626,350	2,365,218	181,884	3,966,509	989,155
Disposals	(126,738)	(450,100)	(98,913)	(9,132)	(684,883)	(170,794)
Currency translation difference	-	-	-	-	-	32,769
At 30 September	6,112,523	10,592,298	19,734,955	2,101,918	38,541,694	9,611,395
Carrying amounts						
At 1 January	1,533,331	1,997,430	5,173,079	920,705	9,624,545	2,391,192
At 30 September	1,558,696	2,355,835	4,375,207	966,953	9,256,691	2,308,402

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

10. Property and equipment (continued)

2024	Furniture and equipment KHR'000	Motor vehicles KHR'000	Computer equipment KHR'000	Leasehold improvement KHR'000	Total KHR'000	US\$ (Note 2(b))
Cost						
At 1 January	6,407,983	12,513,234	22,010,611	2,552,863	43,484,691	10,644,967
Additions	692,055	855,946	919,184	277,212	2,744,397	672,646
Disposals	(126,762)	(774,520)	(337,671)	(2,086)	(1,241,039)	(304,176)
Currency translation difference	-	-	-	-	-	64,635
At 30 September	6,973,276	12,594,660	22,592,124	2,827,989	44,988,049	11,078,072
Less: Accumulated depreciation						
At 1 January	4,581,990	10,586,562	14,471,174	1,699,449	31,339,175	7,671,769
Depreciation for the period	752,488	577,640	2,536,246	175,151	4,041,525	990,570
Disposals	(122,797)	(774,520)	(334,817)	(1,616)	(1,233,750)	(302,390)
Currency translation difference	-	-	-	-	-	48,559
At 30 September	5,211,681	10,389,682	16,672,603	1,872,984	34,146,950	8,408,508
Carrying amounts						
At 1 January	1,825,993	1,926,672	7,539,437	853,414	12,145,516	2,973,198
At 30 September	1,761,595	2,204,978	5,919,521	955,005	10,841,099	2,669,564

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

11. Leases

This note provides information for leases where the Company is a lessee.

The Company leases various buildings for its head office and branch operation. Rental contracts are typically made for fixed periods of one to twelve years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

(i) Amounts recognised in the statement of financial position

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
<i>Right-of-use assets (Non-current)</i>				
Buildings	<u>29,865,626</u>	<u>30,640,659</u>	<u>7,447,787</u>	<u>7,612,586</u>
<i>Lease liabilities</i>				
Current	6,329,538	6,380,120	1,578,439	1,585,123
Non-current	<u>21,611,496</u>	<u>22,479,645</u>	<u>5,389,400</u>	<u>5,585,005</u>
	<u>27,941,034</u>	<u>28,859,765</u>	<u>6,967,839</u>	<u>7,170,128</u>

Right-of-use assets' additions during the period were KHR4,959,179 thousand (2024: KHR9,477,077 thousand).

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

11. Leases (continued)

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	Three-month period ended				Nine-month period ended			
	30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	KHR'000	KHR'000	US\$ (Note 2(b))	US\$ (Note 2(b))	KHR'000	KHR'000	US\$ (Note 2(b))	US\$ (Note 2(b))
<i>Depreciation of right-of-use assets</i>								
Buildings	<u>1,901,004</u>	<u>1,797,976</u>	<u>474,302</u>	<u>439,818</u>	<u>5,620,023</u>	<u>5,374,205</u>	<u>1,401,502</u>	<u>1,317,207</u>
Interest expense (Note 19)	<u>569,518</u>	<u>398,115</u>	<u>142,095</u>	<u>97,386</u>	<u>1,750,188</u>	<u>1,659,136</u>	<u>436,457</u>	<u>406,652</u>
Expense relating to short-term lease and leases of low-value assets (included in operating expenses)	<u>2,652,165</u>	<u>2,404,318</u>	<u>661,718</u>	<u>588,140</u>	<u>7,657,759</u>	<u>7,318,674</u>	<u>1,909,667</u>	<u>1,793,793</u>
Total expenses related to leases	<u>5,122,687</u>	<u>4,600,409</u>	<u>1,278,115</u>	<u>1,125,344</u>	<u>15,027,970</u>	<u>14,352,015</u>	<u>3,747,626</u>	<u>3,517,652</u>

Total cash outflow for lease during the period was KHR13,428,117 thousand (2024: KHR13,680,198 thousand).

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

12. Intangible assets

2025	Software and license KHR'000	Work in progress KHR'000	Total KHR'000	US\$ (Note 2(b))
Cost				
At 1 January	23,449,001	126,935	23,575,936	5,857,375
Additions	355,666	125,222	480,888	119,922
Transfers	252,157	(252,157)	-	-
Currency translation difference	-	-	-	21,911
At 30 September	24,056,824	-	24,056,824	5,999,208
Less: Accumulated depreciation				
At 1 January	11,761,731	-	11,761,731	2,922,169
Amortisation for the period	1,341,502	-	1,341,502	334,539
Currency translation difference	-	-	-	10,931
	13,103,233	-	13,103,233	3,267,639
Carrying amounts				
At 1 January	11,687,270	126,935	11,814,205	2,935,206
At 30 September	10,953,591	-	10,953,591	2,731,569
2024				
Cost				
At 1 January	15,753,537	1,719,829	17,473,366	4,277,446
Additions	257,593	3,201,087	3,458,680	847,716
Transfers	37,738	(37,738)	-	-
Currency translation difference	-	-	-	29,245
At 30 September	16,048,868	4,883,178	20,932,046	5,154,407
Less: Accumulated depreciation				
At 1 January	9,655,272	-	9,655,272	2,363,592
Amortisation for the period	1,760,599	-	1,760,599	431,519
Currency translation difference	-	-	-	15,988
At 30 September	11,415,871	-	11,415,871	2,811,099
Carrying amounts				
At 1 January	6,098,265	1,719,829	7,818,094	1,913,854
At 30 September	4,632,997	4,883,178	9,516,175	2,343,308

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

13. Deposits from banks and other financial institutions

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Savings deposits	12,118,533	10,517,544	3,022,078	2,613,055
Fixed deposits	477,134,623	326,439,145	118,986,190	81,102,893
	<u>489,253,156</u>	<u>336,956,689</u>	<u>122,008,268</u>	<u>83,715,948</u>
	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Current	489,253,156	336,956,689	122,008,268	83,715,948
Non-current	-	-	-	-
	<u>489,253,156</u>	<u>336,956,689</u>	<u>122,008,268</u>	<u>83,715,948</u>

The annual interest rate for deposits from banks and other financial institutions are as below:

	30 September 2025	31 December 2024
Savings deposits	0.00% - 3.00%	0.00% - 3.00%
Fixed deposits	<u>3.00% - 5.00%</u>	<u>3.75% - 6.25%</u>

14. Deposits from customers

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Savings deposits	265,401,096	233,005,254	66,184,812	57,889,504
Fixed deposits	3,532,969,126	3,460,588,493	881,039,682	859,773,539
	<u>3,798,370,222</u>	<u>3,693,593,747</u>	<u>947,224,494</u>	<u>917,663,043</u>

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

14. Deposits from customers (continued)

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Current	3,398,331,130	3,255,384,361	847,464,122	808,791,146
Non-current	400,039,092	438,209,386	99,760,372	108,871,897
	<u>3,798,370,222</u>	<u>3,693,593,747</u>	<u>947,224,494</u>	<u>917,663,043</u>

The annual interest rate for deposits from customers are as below:

	30 September 2025	31 December 2024
Savings deposits	0.00 % - 5.00%	0.00 % - 5.00%
Fixed deposits	3.25 % - 9.13%	2.75 % - 9.13%

15. Borrowings

As at 30 September 2025, the Company is in breach of covenants with fourteen lenders, of which the actual performance ratio exceeded the limit as follow:

Ratio	Limit	Actual	30 September 2025 KHR'000	30 September 2025 US\$
(Note 2(b))				
PAR(*) 90 days plus restructured loan excludes Covid 19 minus loan loss reserve divide by net worth	<= 25%	Exceeded limit	27,144,254	6,769,141
(Substandard loan + doubtful loan + loss) divided by gross loan portfolio	<= 9%	Exceeded limit	107,546,501	26,819,576
PAR(*) 30 days plus economic recovery restructured loan divide by gross loan portfolio	<= 6.5%	Exceeded limit	12,067,867	3,009,443
PAR(*) 30 days plus restructured loan excludes Covid 19 divide by gross loan portfolio	<= 18%	Exceeded limit	7,998,837	1,994,722
PAR(*) 30 days plus restructure loan exclude Covid 19 divided by gross loan portfolio	<= 7%	Exceeded limit	18,671,708	4,656,286
PAR(*) 30 days plus restructured loan excludes Covid 19 less loan loss reserve divided by total equity	<= 15%	Exceeded limit		

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

15. Borrowings (continued)

As at 30 September 2025, the Company is in breach of covenants with fourteen lenders, of which the actual performance ratio exceeded the limit as follow: (continued)

Ratio	Limit	Actual	30 September 2025	30 September 2025
			KHR'000	US\$
(Note 2(b))				
PAR(*) 30 days plus economic recovery restructured loan plus net-charged-offs last 12 months divided by gross loan portfolio	<= 7%	Exceeded limit	20,585,523	5,133,547
PAR(*) 90 days plus restructured loan divided by loan loss reserve	>=100%	Not met		
(Substandard loan + doubtful loan + loss) divided by gross loan portfolio	<= 6%	Exceeded limit	27,470,999	6,850,623
PAR(*) 30 days plus net-charged-offs last 12 months divide by gross loan portfolio	<= 12%	Exceeded limit	31,188,103	7,777,582
PAR(*) 30 days plus restructured loan exclude Covid 19 divided by gross loan portfolio	<= 5%	Exceeded limit	12,057,470	3,006,850
PAR(*) 30 days plus restructured loan exclude Covid 19 less the allowance for loan losses divided by net worth	<= 15%	Exceeded limit		
PAR(*) 30 days divided by gross loan portfolio	<= 5%	Exceeded limit	11,996,085	2,991,542
PAR(*) 90 days divided by gross loan portfolio	<= 3%	Exceeded limit		
PAR(*) 30 days plus restructure loan exclude Covid 19 divide by gross loan portfolio	<= 5%	Exceeded limit	10,185,728	2,540,082
PAR(*) 90 days plus economic recovery restructured loan plus net-charged-offs last 12 months divided by gross loan portfolio	<= 12%	Exceeded limit	13,768,675	3,433,585
Loan loss reserve divided by PAR(*) 90 days plus economic recovery restructured loan	>= 100%	Not met		
(Substandard loan + doubtful loan + loss) divided by gross loan portfolio	<= 5%	Exceeded limit	8,170,129	2,037,439
Open credit exposure	<= 30%	Exceeded limit	7,925,270	1,976,377

(*) Portfolio at risk

As of the date of these condensed interim financial statements, the non-current liabilities portion of KHR103,576,257 thousand (equivalent to US\$25,829,491) had been reclassified to current liabilities.

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

15. Borrowings (continued)

Borrowings are further analysed as follows:

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Current	379,096,042	495,942,606	94,537,666	123,215,555
Non-current	10,443,717	96,536,310	2,604,418	23,984,176
	<u>389,539,759</u>	<u>592,478,916</u>	<u>97,142,084</u>	<u>147,199,731</u>

The annual interest rates are ranging from 5.38% to 8.20% (2024: 5.38% to 8.20%).

The Company complied with the performance ratios set by the lenders when it was tested on 30 September 2025. As at 30 September 2025, Company has assessed covenant compliance for the next twelve months after reporting date and expect that the Company will remain in compliance throughout the period. Therefore, the borrowings amounts of KHR10,443,717 thousand (equivalent to US\$2,604,418) is classified as non-current as at 30 September 2025 because the Company has an existing right to defer settlement of the loans for at least 12 months after the reporting period.

16. Subordinated debts

As at 30 September 2025, the Company is in breach of covenants with four lenders, of which the actual performance ratio exceeded the limit as follows:

Ratio	Limit	Actual	30 September 2025 KHR'000	30 September 2025 US\$
			(Note 2(b))	
PAR(*) 30 days plus economic recovery restructured loan plus net-charged-offs last 12 months divided by gross loan portfolio	<= 7%	Exceeded limit	39,689,339	9,897,591
Loan loss reserve divided by PAR(*) 90 days plus restructured loan	>=100%	Not met		
PAR(*) 30 days plus restructure loan exclude Covid 19 divided by gross loan portfolio	<= 8%	Exceeded limit	12,552,391	3,130,272
PAR(*) 90 days plus economic recovery restructured loan plus net-charged-offs last 12 months divided by gross loan portfolio	<= 12%	Exceeded limit		
Loan loss reserve divided by PAR(*) 90 days plus economic recovery restructured loan	>= 100%	Not met	3,998,790	997,204
Open credit exposure	<= 30%	Exceeded limit		
			4,009,294	999,824

(*) Portfolio at risk

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

16. Subordinated debts (continued)

As of the date of these condensed interim financial statements, the non-current liabilities portion of KHR28,009,930 thousand (equivalent to US\$6,985,020) had been reclassified to current liabilities. Subordinated debts are further analysed as follows:

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Current	67,588,804	174,948,657	16,855,063	43,465,505
Non-current	11,404,593	4,029,620	2,844,038	1,001,148
	<u>78,993,397</u>	<u>178,978,277</u>	<u>19,699,101</u>	<u>44,466,653</u>

The annual interest rates are ranging from 7.50% to 10.47% (2024: 7.50% to 10.47%).

The Company complied with the performance ratios set by the lenders when it was tested on 30 September 2025. As at 30 September 2025, Company has assessed covenant compliance for the next twelve months after reporting date and expect that the Company will remain in compliance throughout the period. Therefore, the subordinated debts amounts of KHR11,404,593 thousand (equivalent to US\$2,844,038) is classified as non-current as at 30 September 2025 because the Company has an existing right to defer settlement of the loans for at least 12 months after the reporting period.

17. Share capital

The total number of authorised shares of the Company as at 30 September 2025 was 4,243,774 shares (2024: 4,243,774 shares) with a par value of KHR100 thousand per share (2024: KHR100 thousand). All authorised shares are issued and fully paid up.

The detail of shareholders and shareholding structure are as follows:

	30 September 2025/31 December 2024		
	%	Number of shares	KHR'000
Shareholders:			
LOLC Asia Private Limited	97	4,115,192	411,519,200
TPC-ESOP Co., Ltd	3	128,582	12,858,200
	<u>100</u>	<u>4,243,774</u>	<u>424,377,400</u>
In US\$ equivalent (Note 2(b))			<u>103,969,218</u>

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

18. Other reserves

Other reserves represented the variance of allowance between loan and advances impairment loss in accordance with CIFRSs or NBC provision whichever is higher then compare with the loan and advances impairment covering 100% risk coverage ratio of Non-Performing Loan “PAR 90 days” in accordance with lender covenants.

As at 30 September 2025, the Company transferred from retained earnings to other reserves accumulatively amounting to KHR191,668,428 thousands (equivalent to US\$47,656,599) (31 December 2024: KHR131,611,428 thousands (equivalent to US\$32,679,791)).

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

19. Net interest income

	Three-month period ended				Nine-month period ended			
	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
<i>Interest income from financial assets at amortised cost</i>								
Loans and advances	223,238,654	225,619,423	55,698,267	55,190,661	658,700,867	655,163,665	164,264,555	160,579,330
Deposits and placements with banks	4,392,811	3,213,094	1,096,011	785,982	13,582,770	11,528,038	3,387,224	2,825,500
Deposits and placements with the central bank	326,324	349,664	81,418	85,534	973,675	1,005,091	242,812	246,345
Investment securities at amortised cost	33,584	-	8,379	-	99,811	-	24,891	-
Total interest income	<u>227,991,373</u>	<u>229,182,181</u>	<u>56,884,075</u>	<u>56,062,177</u>	<u>673,357,123</u>	<u>667,696,794</u>	<u>167,919,482</u>	<u>163,651,175</u>
<i>Interest expense on financial liabilities at amortised cost</i>								
Deposits from customers and banks and other financial institutions	(56,718,394)	(65,727,390)	(14,151,296)	(16,078,129)	(182,770,805)	(207,177,695)	(45,578,754)	(50,778,847)
Borrowings	(6,965,917)	(11,150,661)	(1,738,004)	(2,727,657)	(25,903,826)	(38,561,677)	(6,459,807)	(9,451,391)
Subordinated debts	(4,500,765)	(5,536,754)	(1,122,945)	(1,354,392)	(12,560,731)	(17,340,144)	(3,132,352)	(4,250,035)
Lease liabilities	(569,518)	(398,115)	(142,095)	(97,386)	(1,750,188)	(1,659,136)	(436,456)	(406,652)
Total interest expense	<u>(68,754,594)</u>	<u>(82,812,920)</u>	<u>(17,154,340)</u>	<u>(20,257,564)</u>	<u>(222,985,550)</u>	<u>(264,738,652)</u>	<u>(55,607,369)</u>	<u>(64,886,925)</u>
Net interest income	<u>159,236,779</u>	<u>146,369,261</u>	<u>39,729,735</u>	<u>35,804,613</u>	<u>450,371,573</u>	<u>402,958,142</u>	<u>112,312,113</u>	<u>98,764,250</u>

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

20. Credit impairment losses

	Three-month period ended				Nine-month period ended			
	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
<i>Expected Credit Loss (ECL):</i>								
Loans and advances	12,704,746	47,715,983	3,169,847	11,672,207	121,692,107	129,452,882	30,347,159	31,728,648
Deposits and placements with banks	<u>227,191</u>	<u>(279,719)</u>	<u>56,684</u>	<u>(68,424)</u>	<u>749,501</u>	<u>(1,379,549)</u>	<u>186,908</u>	<u>(338,125)</u>
	<u>12,931,937</u>	<u>47,436,264</u>	<u>3,226,531</u>	<u>11,603,783</u>	<u>122,441,608</u>	<u>128,073,333</u>	<u>30,534,067</u>	<u>31,390,523</u>

21. Personnel expenses

	Three-month period ended				Nine-month period ended			
	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
Salaries and wage expenses	37,777,477	34,335,906	9,425,518	8,399,194	100,870,099	94,436,819	25,154,638	23,146,279
Other benefits	<u>7,128,200</u>	<u>4,957,992</u>	<u>1,778,493</u>	<u>1,212,816</u>	<u>19,869,742</u>	<u>15,613,706</u>	<u>4,955,048</u>	<u>3,826,889</u>
	<u>44,905,677</u>	<u>39,293,898</u>	<u>11,204,011</u>	<u>9,612,010</u>	<u>120,739,841</u>	<u>110,050,525</u>	<u>30,109,686</u>	<u>26,973,168</u>

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

22. Income tax expense

(a) Income tax expense

	Three-month period ended				Nine-month period ended			
	30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	KHR'000	KHR'000	US\$ (Note 2(b))	US\$ (Note 2(b))	KHR'000	KHR'000	US\$ (Note 2(b))	US\$ (Note 2(b))
Current income tax	14,437,754	9,323,390	3,602,234	2,280,673	28,282,901	36,570,056	7,053,092	8,963,249
Deferred income tax	6,561,925	2,902,696	1,637,207	710,053	6,225,633	(10,049,279)	1,552,527	(2,463,059)
	<u>20,999,679</u>	<u>12,226,086</u>	<u>5,239,441</u>	<u>2,990,726</u>	<u>34,508,534</u>	<u>26,520,777</u>	<u>8,605,619</u>	<u>6,500,190</u>

(b) Reconciliation between income tax expenses and accounting profit

Under the Cambodian tax regulations, the Company is subject to 20% Income Tax. The reconciliation of income tax computed at the statutory tax rate to income tax expenses shown in the profit or loss were as follows:

	Three-month period ended				Nine-month period ended			
	30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024	30 September 2025	30 September 2024
	KHR'000	KHR'000	US\$ (Note 2(b))	US\$ (Note 2(b))	KHR'000	KHR'000	US\$ (Note 2(b))	US\$ (Note 2(b))
Profit before income tax	94,442,826	60,400,591	23,563,580	14,775,094	175,413,263	126,155,966	43,743,955	30,920,581
Tax expenses at 20%	18,888,566	12,080,118	4,712,716	2,955,020	35,082,653	25,231,193	8,748,791	6,184,116
Tax effect of reconciling items:								
Expenses not deductible for tax purposes	7,170,809	15,126	1,789,124	3,700	3,689,926	531,107	920,181	130,173
Others	(5,059,696)	130,842	(1,262,399)	32,006	(4,264,045)	758,477	(1,063,353)	185,901
Income tax expense	<u>20,999,679</u>	<u>12,226,086</u>	<u>5,239,441</u>	<u>2,990,726</u>	<u>34,508,534</u>	<u>26,520,777</u>	<u>8,605,619</u>	<u>6,500,190</u>

The calculation of income tax is subject to the review and final assessment of the tax authorities.

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

23. Cash used in operations

	Nine-month period ended			
	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
Profit before income tax	175,413,263	126,155,966	43,743,955	30,920,581
<i>Adjustments for:</i>				
Depreciation and amortisation charge	10,928,034	11,176,329	2,725,196	2,739,296
Credit impairment losses	122,441,608	128,073,333	30,534,067	31,390,523
Net (gains)/losses on derecognition of financial assets measured at amortised cost	(3,852,666)	7,412,415	(960,765)	1,816,768
Gain on disposals of property and equipment	(57,164)	(228,836)	(14,255)	(56,087)
Provision employee benefits	5,476,212	4,194,418	1,365,639	1,028,044
Unrealised exchange losses/(gains)	6,626,357	(9,932,745)	1,652,458	(2,434,496)
Net interest income (Note 19)	(450,371,573)	(402,958,142)	(112,312,113)	(98,764,250)
<i>Changes in working capital:</i>				
Reserve requirement deposits	(724,670)	29,357,999	(180,716)	7,195,588
Loans and advances	(93,167,452)	(159,642,249)	(23,233,779)	(39,128,002)
Other assets	(3,386,924)	(8,146,621)	(844,619)	(1,996,721)
Deposits from banks and other financial institutions	152,296,467	148,236,187	37,979,169	36,332,399
Deposits from customers	101,409,100	68,709,852	25,289,052	16,840,650
Other liabilities	409,015	(7,449,961)	101,999	(1,825,971)
Cash used in operations	<u>23,439,607</u>	<u>(65,042,055)</u>	<u>5,845,288</u>	<u>(15,941,678)</u>

For purpose of preparing the condensed interim statement of cash flows, cash and cash equivalents comprise the following:

	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
Cash on hand	89,781,516	106,324,060	22,389,405	26,181,743
<i>Balances with the NBC</i>				
Current accounts	236,767,559	151,646,926	59,044,279	37,342,262
Settlement accounts	42,291,953	44,205,679	10,546,622	10,885,417
<i>Balances with other banks</i>				
Current accounts	326,614,009	183,683,810	81,449,878	45,231,177
Savings accounts	105,624,207	175,117,425	26,340,201	43,121,750
Term deposits (original maturity up to three months)	<u>152,025,881</u>	<u>149,942,487</u>	<u>37,911,691</u>	<u>36,922,553</u>
	<u>953,105,125</u>	<u>810,920,387</u>	<u>237,682,076</u>	<u>199,684,902</u>

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

24. Related party transactions and balances

The Company entered into a number of transactions with related parties in the normal course of business. The volumes of related party transactions, outstanding balance at the period end and relating expenses and income for the period are as follows:

(a) Related parties and relationship

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

Relationship	Related party
Ultimate parent	LOLC Holdings Plc.
Shareholders	LOLC Asia Private Limited TPC-ESOP Co., Ltd.
Related company	Entity under the same parent company
Key management personnel	All directors of the Company who make critical decisions in relation to the strategic direction of the Company and senior management staff (including their close family members)

(b) Loans and advances to key management personnel

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Loans to key management personnel	<u>3,167,337</u>	<u>2,895,100</u>	<u>789,860</u>	<u>719,280</u>

Loans and advances to key management personnel are secured and having interest rate range from 6.79% to 14.40% (2024: 7.66% to 14.40%) per annum. Allowances for expected credit losses for loans to key management personnel during the period was KHR1,642 thousand (2024: KHR473 thousand).

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

24. Related party transactions and balances (continued)

(c) Related parties balances

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Payables to related companies	<u>3,659,159</u>	<u>2,210,336</u>	<u>912,508</u>	<u>549,152</u>

Deposits from related parties

	30 September 2025 KHR'000	31 December 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	31 December 2024 US\$ (Note 2(b))
Deposits from related parties				
Shareholders	105,428	100,670	26,291	25,011
Board of directors	2,322,908	2,224,157	579,279	552,586
Key management personnel	22,368,662	18,242,169	5,578,220	4,532,216
Related companies	<u>5,978,864</u>	<u>1,168,501</u>	<u>1,490,989</u>	<u>290,311</u>
	<u>30,775,862</u>	<u>21,735,497</u>	<u>7,674,779</u>	<u>5,400,124</u>
Interest payables	<u>897,512</u>	<u>756,582</u>	<u>223,818</u>	<u>187,971</u>

Annual interest rates during the period are as follows:

	30 September 2025	31 December 2024
Shareholders	2.00% – 5.75%	3.00% – 7.00%
Board of directors	2.00% – 7.00%	3.00% – 7.75%
Key management personnel	2.00% – 9.13%	0.00% – 9.13%
Related companies	<u>2.00% – 3.00%</u>	<u>0.00% – 3.00%</u>

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

24. Related party transactions and balances (continued)

(d) Transactions with related parties

	Three-month period ended				Nine-month period ended			
	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
(i) <i>Incomes from related companies:</i>								
Rental income	-	-	-	-	-	19,751	-	4,841
Management fee income	42,652	51,117	10,642	12,504	133,802	152,984	33,367	37,496
Insurance commission incomes	3,505,958	2,302,652	874,740	563,271	8,576,432	5,987,890	2,138,761	1,467,620
	<u>3,548,610</u>	<u>2,353,769</u>	<u>885,382</u>	<u>575,775</u>	<u>8,710,234</u>	<u>6,160,625</u>	<u>2,172,128</u>	<u>1,509,957</u>
(ii) <i>Expenses to related companies:</i>								
License fees	172,499	226,917	43,039	55,508	509,527	539,649	127,064	132,267
IT consultancy and support fees	274,174	631,165	68,407	154,395	1,099,598	1,107,871	274,214	271,537
	<u>446,673</u>	<u>858,082</u>	<u>111,446</u>	<u>209,903</u>	<u>1,609,125</u>	<u>1,647,520</u>	<u>401,278</u>	<u>403,804</u>
(iii) <i>Interest income/expense</i>								
Interest income	56,930	66,690	14,204	16,314	168,332	227,756	41,978	55,823
Interest expense	<u>252,696</u>	<u>395,399</u>	<u>63,048</u>	<u>96,722</u>	<u>875,108</u>	<u>959,747</u>	<u>218,231</u>	<u>235,232</u>

Transactions with related parties were made in the normal commercial terms and conditions.

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

24. Related party transactions and balances (continued)

(e) Key management compensation

	Three-month period ended				Nine-month period ended			
	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))	30 September 2025 KHR'000	30 September 2024 KHR'000	30 September 2025 US\$ (Note 2(b))	30 September 2024 US\$ (Note 2(b))
Directors' fees	208,760	188,635	52,086	46,144	568,388	561,883	141,743	137,716
Salaries and other benefits to key management	<u>3,230,175</u>	<u>1,888,160</u>	<u>805,932</u>	<u>461,879</u>	<u>9,619,212</u>	<u>8,114,214</u>	<u>2,398,806</u>	<u>1,988,778</u>
	<u>3,438,935</u>	<u>2,076,795</u>	<u>858,018</u>	<u>508,023</u>	<u>10,187,600</u>	<u>8,676,097</u>	<u>2,540,549</u>	<u>2,126,494</u>

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

25. Fair value measurement of financial instruments

This note provides an update on the judgements and estimates made by the Company in determining the fair values of the financial instruments since the last annual audited financial statements.

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Company's financial assets measured and recognised at fair value at 30 September 2025 and 31 December 2024 on a recurring basis:

	Level 1 KHR'000	Level 2 KHR'000	Level 3 KHR'000	Total KHR'000
As at 30 September 2025				
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities	-	-	60,150	60,150
Total financial assets	-	-	60,150	60,150
<i>In US\$ equivalent (Note 2(b))</i>	-	-	15,000	15,000
As at 31 December 2024				
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities	-	-	60,375	60,375
Total financial assets	-	-	60,375	60,375
<i>In US\$ equivalent (Note 2(b))</i>	-	-	15,000	15,000

LOLC (Cambodia) Plc.

Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

25. Fair value measurement of financial instruments (continued)

(a) Fair value hierarchy (continued)

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(b) Fair value measurements using significant unobservable inputs (level 3)

The unlisted equity securities are the investment in Credit Bureau Cambodia (“CBC”) to be measured at fair value through other comprehensive income as they are not held for trading and the Company has irrevocably elected at initial recognition to recognize as the financial assets at FVOCI. These are the strategic investments and the Company considers this classification to be more relevant.

The fair value of FVOCI have been determined based on present values and the discount rate used were adjusted for counterparty or own credit risk.

There is no gain/loss recognised in other comprehensive income due to fair value approximate the carrying amount.

(c) Financial instruments not measured at fair value

As at the balance sheet date, the fair values of financial instruments of the Company approximate their carrying amounts.

The estimated fair values are based on the following methodologies and assumptions:

(i) Deposits and placements with the central bank and banks

The carrying amounts of deposits and placements with the central bank and banks approximate their fair values, since these accounts consist mostly of current, savings and short-term deposits.

(ii) Investment securities at amortised cost

Investment securities include government bonds where were valued at amortised cost and were purchased for the purpose of holding them until maturity and for earning interest.

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

25. Fair value measurement of financial instruments (continued)

(c) Financial instruments not measured at fair value (continued)

(iii) Investment in associate

Investment in associate is accounted for at cost less any accumulated impairment losses. Dividend income from investment in associate is recognised when the Company's right to receive such payment has been established. It is included in other income.

(iv) Loans and advances

For fixed rate loans with remaining period to maturity of less than one year, the carrying amounts are generally reasonable estimates of their fair values.

For fixed rate loans with remaining period to maturity of one year and above, fair values are estimated by discounting the estimated future cash flows using a current lending rate as the prevailing market rates of loans with similar credit risks and maturities have been assessed as insignificantly different to the contractual lending rates. As a result, the fair value of non-current loan and advances to customers is approximate to their carrying value as reporting date.

(v) Deposits from banks, other financial institutions and customers

The fair value of deposits from banks, other financial institutions and customers with maturities of less than one year approximate their carrying values due to the relatively short maturity of these instruments. The fair value of deposits from customers with remaining maturities of one year or more are expected to approximate their carrying amount due to the Company offered similar interest rate of the instrument with similar maturities and terms.

(vi) Other financial assets and other financial liabilities

The carrying amounts of other financial assets and other financial liabilities are assumed to approximate their fair values as these items are not materially sensitive to the shift in market interest rates.

(vii) Borrowings and subordinated debts

Borrowings and subordinated debts issued are not quoted in active market and their fair value approximate their carrying amount.

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Notes to the condensed interim financial statements (continued) for the three-month and nine-month periods ended 30 September 2025

26. Tax contingency

The Company assesses its tax obligations based on applicable tax laws and regulations as of the reporting date. Given the evolving nature of tax legislation, certain tax treatments may necessitate judgment and interpretation. Management exercises judgment in establishing the Company's tax positions and continually monitors regulatory developments. While the Company strives to comply with current tax requirements, interpretations of tax regulations may vary. Any adjustments resulting from regulatory reviews, once conducted and finalised, will be reflected into the financial statements as appropriate.

27. Subsequent event

On 9 September 2025, the Company submitted a request letter to the National Bank of Cambodia ("NBC") for approval of a dividend distribution amounting to KHR32,252,682 thousand (equivalent to US\$8,043,063) following the Board approved on 8 September 2025. This subsequently was approved by the NBC on 21 November 2025 and the amount has been paid to the shareholders on the same date.

On 19 November 2025, the Company obtained approval from the NBC on the additional investment in equity of Serendib Micro Insurance Plc. amounting to US\$999,000 equivalent to 23.1264% of Serendib Micro Insurance Plc.'s total share capital in response to the Company's request letter dated 27 August 2025.