



Credit Guarantee &
Investment Facility

An Asian Bond Markets Initiative

CORPORATE BOND MARKET REPORT

CAMBODIA



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Abbreviations

ABA	Advanced Bank of Asia
ABMI	Asian Bond Market Initiative
ADB	Asian Development Bank
ASEAN	Association of Southeast Asian Nations
AUD	Australian Dollar
BAMC	Banjaran Asset Management (Cambodia) PLC
BAMPL	Banjaran Asset Management Pte. Ltd.
BCLM	Brunei Darussalam, Cambodia, Lao PDR, and Myanmar
CAIC	Cambodia Airport Investment Co.
CGCC	Credit Guarantee Corporation of Cambodia PLC
CGIF	Credit Guarantee and Investment Facility
CIS	Collective Investment Scheme
CRA	Credit Rating Agency
CSX	Cambodia Securities Exchange
EUR	Euro
FCY	Foreign Currency
FMO	Dutch Entrepreneurial Development Bank
GDP	Gross Domestic Product
HKL	Hattha Kaksekar Limited
HNWI	High-Net-Worth Individual
IAC	Insurance Association of Cambodia
ICR	Issuer Credit Rating
IDC	ID Capital PLC
IFC	International Finance Corporation
IPO	Initial Public Offering
IRC	Insurance Regulator of Cambodia
KHR	Cambodian Riel
KPI	Key Performance Indicator
KRX	Korea Exchange
LCY	Local Currency
MDI	Deposit-Taking Microfinance Institution
MEF	Ministry of Economy and Finance
MFI	Microfinance Institution
MSME	Micro, Small and Medium Enterprise
MYR	Malaysian Ringgit
N/A	Not Available
NBFSA	Non-Bank Financial Services Authority
NBC	National Bank of Cambodia
PEFINDO	PT Pemeringkat Efek Indonesia
PIDG	Private Infrastructure Development Group
PLC	Public Limited Company
R&I	Rating and Investment Information, Inc.
RAC	Rating Agency of (Cambodia) PLC
RCI	Rural Credit Institution
REIT	Real Estate Investment Trust
S&P	Standard & Poor's
SECC	Securities and Exchange Commission of Cambodia
SERC	Securities and Exchange Regulator of Cambodia
SGD	Singapore Dollar
SLB	Sustainability-Linked Bond
SME	Small and Medium Enterprise

SOE	State-Owned Enterprise
SOFR	Secured Overnight Financing Rate
SPT	Sustainability Performance Target
THB	Thai Baht
UK	United Kingdom
USD	United States Dollar

Data Description

Given the steady development of Cambodia's corporate bond market, this is a full market report that is separate from the Brunei Darussalam, Cambodia, Lao People's Democratic Republic, and Myanmar (BCLM) corporate bond market research published in 2022. The data used in this report about specific securities market data are from Cambodia Securities Exchange and Bloomberg, while macroeconomic data are sourced from World Bank database. Interviews with market participants and experts from Cambodia were conducted in May 2026 to corroborate with the information from secondary sources.

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This paper is part of the Association of Southeast Asian Nations Plus Three (ASEAN+3) corporate bond market research under the Finance Department of CGIF. Led by Dong Woo Rhee, Chief Financial Officer of CGIF, with assistance from Michael Andrew Lontoc, Treasury and Research Analyst of CGIF, this research effort aims to show the characteristics of corporate bond markets in the ASEAN+3 region. For any questions or comments on the contents of this report, please contact research@cgif-abmi.org.

Report Summary

1. Cambodia's Corporate Bond Market Overview

- Cambodia has the smallest corporate bond market among ASEAN+3 economies with outstanding local currency corporate bonds: outstanding LCY corporate bonds were only USD 0.43 billion at end-2025, equivalent to 0.8% of GDP.
- The market is distinctive for its high degree of dollarization. Most domestic corporate bonds are economically USD-linked, while the KHR government bond market remains too shallow to provide a practical pricing benchmark.
- Cambodia has established public- and private-offering frameworks, as well as rules for infrastructure and sustainable bonds.

2. Specific Characteristics

- Cambodia's unusually high shares of sinkable and subordinated bonds largely reflect the outsized impact of three subordinated bonds issued by a single bank, all of which have amortizing structures. Given the small size of the market, these bonds materially affect both the maturity-type and payment-rank distributions.
- Cambodia's rated corporate bond market is concentrated entirely in the two highest rating categories, khAAA and khAA, with no bonds rated khA or below. However, this does not mean that only highly rated issuers can access the market: several issuers rated khA or below have issued khAAA-rated bonds with guarantees from CGIF or GuarantCo, highlighting the important role of credit enhancement in facilitating market access for lower-rated issuers.

3. Investors

- Banks are the largest corporate bond investor group and, despite generally preferring shorter assets, invest across the full maturity range, including 15-year bonds. Life insurers also invest in long-term bonds to match long-duration USD liabilities, although their investment capacity is much smaller than that of banks.
- Investor preferences differ by group: banks and insurers favor guaranteed bonds, while retail investors are more willing to buy higher-yielding unguaranteed or subordinated bonds. Fund management companies are permitted to invest in corporate bonds but are not yet active investors based on available market information.

4. Other Market Participants

- Banks and other financial institutions remain the dominant issuer group, broadly consistent with the regional pattern, while telecommunication has become the second-largest sector following recent 2025 issuances.
- Cambodia's core market infrastructure comprises SERC as the securities regulator, CSX as the country's sole securities exchange, and RAC as the first SERC-accredited domestic credit rating agency. There is currently no bond pricing agency in Cambodia.
- RAC uses a Cambodia-specific national rating scale from khAAA to khD without "+" or "-" modifiers. This makes the rating scale less granular than those used by many rating agencies in other ASEAN+3 markets.

5. Corporate Bond Pricing

- Corporate bonds are not practically priced off a same-maturity Cambodian government yield curve because corporate bonds are largely USD-linked whereas government bonds are KHR-denominated and the government bond market is shallow. USD bank deposit and lending rates are therefore more relevant reference points, while SOFR is used contractually for floating-rate issues.
- Available fixed-rate issues broadly show the expected relationship between credit quality and borrowing cost, with khAA subordinated ACLEDA bonds carrying higher coupons than guaranteed khAAA bonds. However, guarantee coverage, seniority, coupon structure, issue timing, and USD rates make pricing highly transaction-specific, preventing a reliable rating- or maturity-based yield curve.

6. Guaranteed Corporate Bonds

- Guaranteed bonds account for nearly half of Cambodia's corporate bond market, representing the highest share among the ASEAN+3 markets compared. International guarantors, CGIF and GuarantCo, have played a significant role in supporting corporate bond issuance in Cambodia by providing credit enhancement to issuers and facilitating their access to the bond market.
- Credit Guarantee Corporation of Cambodia (CGCC) has begun supporting Cambodia's corporate bond market through credit enhancement and risk-sharing arrangements. As a government-backed national guarantor, CGCC can facilitate bond market access for Cambodian companies with relatively weaker standalone credit profiles, potentially broadening the range of issuers able to raise funding through the domestic bond market.

7. Cross Border Bonds

- Cambodia currently has no outstanding KHR-denominated bonds issued by foreign entities. IFC's 2019 offshore KHR bond was an important historical precedent linked to its investment in Cambodia's first domestic corporate bond, but it did not lead to a sustained offshore KHR market.
- Outbound cross-border issuance by Cambodian companies has also been very limited, with Hattha Bank being the only Cambodian issuer to have tapped an overseas bond market. As a wholly owned subsidiary of Bank of Ayudhya, which is rated AAA in Thailand, Hattha was able to obtain a BBB+ rating and issue THB-denominated bonds in the Thai market.

8. Thematic Bonds

- Cambodia began issuing thematic corporate bonds in 2022, and the market reached about KHR 326 billion (approximately USD 81 million) by end-2025 despite the small size of the overall corporate bond market.
- Thematic bonds already represent about 19% of outstanding corporate bonds, comprising approximately 14% green bonds and 5% sustainability-labeled bonds. Green bonds also benefit from an 80% regulatory risk weight, compared with 100% for ordinary corporate bonds.

9. Outlook for Cambodia's Bond Market

- SERC's Securities Sector Development Strategy 2025-2035 aims to deepen the market by encouraging more corporate bond listings, expanding thematic and sustainability-linked issuance, and providing longer-term financial and non-financial incentives.
- A particularly important development objective is to reduce constraints arising from mandatory KHR issuance. The strategy calls for studying these barriers and establishing a framework for securities issuance in foreign currency, alongside continued support for sustainable and transition finance.

1 Cambodia's Corporate Bond Market Overview

1.1 Overall Characteristics

Cambodia's corporate bond market is still at an early stage of development, but it has made considerable progress since the country's first corporate bond was issued in 2018. In particular, Cambodia has developed a more active and institutionalized corporate bond market than other frontier markets in ASEAN+3, such as Brunei Darussalam, Lao PDR, and Myanmar, which were at broadly comparable stages of capital market development. Cambodia now has an established regulatory framework for corporate bond issuance, a functioning issuance and listing infrastructure, and a growing track record of issuances by domestic corporate and financial institutions. The market has also gradually diversified in terms of issuers and instruments, including sustainability-related bonds and guaranteed bonds.

Despite this progress, Cambodia's corporate bond market remains very small compared with the more developed bond markets in ASEAN+3. Among ASEAN+3 economies with an established corporate bond market, Cambodia has one of the smallest markets not only in absolute terms but also relative to the size of its economy. Bank lending remains an important source of corporate financing, while bonds remain a relatively minor funding channel. The limited size of the domestic institutional investor base, particularly pension funds, asset managers, and insurance companies, also constrains the depth and liquidity of the market. As a result, secondary-market trading remains limited, with investors generally tending to hold bonds to maturity.

Another distinctive characteristic is the strong influence of Cambodia's highly dollarized economy. Although bonds are issued domestically under Cambodia's capital market framework, most corporate bonds are effectively USD-denominated, reflecting the widespread use of the US dollar in corporate financing, banking transactions, and the broader economy. This distinguishes Cambodia from most other ASEAN+3 local-currency bond markets, where domestic corporate bonds are predominantly denominated in the respective national currencies. While the effective USD-linked structure can facilitate issuance by reducing currency mismatches for companies whose revenues and financing activities are largely dollar-based, it may provide less support for promoting the use of the Cambodian riel and developing a deeper KHR-denominated yield curve.

Overall, Cambodia can no longer be viewed as having only a nascent corporate bond market comparable to the least-developed bond markets in the region. The basic market infrastructure has been established and issuance activity has demonstrated that corporate bonds can serve as a viable alternative financing channel. Nevertheless, the market remains small, relatively illiquid, highly dollarized, and dependent on a narrow investor base. The next stage of development will therefore depend less on establishing the basic framework and more on broadening the issuer and investor bases, encouraging repeat issuance, developing non-USD-linked KHR-denominated instruments, and improving secondary-market liquidity.

1.2 Corporate Bond Market Size

Cambodia has the smallest corporate bond market among ASEAN+3 economies with outstanding local currency corporate bonds. At end-2025, LCY corporate bonds outstanding amounted to only USD 0.43 billion. The market is also the smallest relative to the size of the economy, accounting for just 0.8% of GDP, compared with 2.3% in Indonesia, the next lowest among countries with corporate bond markets. This indicates that Cambodia's corporate bond market remains at an early stage of development, both in absolute terms and relative to its economy.

Table 1.1: ASEAN+3 Corporate Bond Market, Market Capitalization and GDP, 2025

(Unit: USD billion)

Country	LCY Corporate Bond Market (A)	Market Capitalization (B)	GDP (C)	A/B (%)	A/C (%)
Cambodia	0.43	5.05	51.27	8.4	0.8
Indonesia	32.16	949.59	1,427.27	3.4	2.3
Malaysia	233.67	487.45	427.79	47.9	54.6
Philippines	23.67	232.06	476.18	10.2	5.0
Singapore	164.17	824.34	614.23	19.9	26.7
Thailand	140.86	512.38	602.18	27.5	23.4
Viet Nam	44.36	316.00	488.54	14.0	9.1
China	7,712.47	15,508.86	20,061.24	49.7	38.4
Japan	707.85	7,610.54	4,235.58	9.3	16.7
Korea	1,400.31	2,756.67	1,859.12	50.8	75.3

ASEAN+3 = Association of Southeast Asian Nations plus China, Japan and Korea; LCY = local currency; GDP = gross domestic product

Sources:

- 1) Asian Bonds Online: LCY corporate bond market size and GDP for all countries except Cambodia
- 2) World bank data: Market capitalization for all countries except Cambodia, and GDP for Cambodia
- 3) Cambodia Securities Exchange: LCY corporate bond market size and market capitalization of Cambodia
- 4) Bloomberg: USD/KHR = 4011 as of 31 Dec 2025, to calculate the USD value of LCY corporate bond market size and market capitalization of Cambodia

Table 1.2 shows the relative size of the corporate bond market in ASEAN+3 economies compared with their respective government bond and corporate loan markets. The ratio of corporate bonds to government bonds (A/B) indicates the significance of corporate bonds as fixed-income assets relative to government bonds in each market. In Cambodia, outstanding corporate bonds amounted to 172.1% of outstanding government bonds at end-2025, the highest ratio among the ASEAN+3 economies shown in the table. However, this exceptionally high ratio should not be interpreted as indicating a large or mature corporate bond market. Rather, it primarily reflects the very small size and relatively recent development of Cambodia's government bond market. In absolute terms, Cambodia's corporate bond market, at only USD 0.43 billion, remains by far the smallest among the ASEAN+3 economies with an established corporate bond market. Meanwhile, the ratio of corporate bonds to corporate loans (A/C) indicates the extent to which companies rely on bond issuance relative to bank borrowing for their funding. For Cambodia, however, this ratio cannot be calculated due to the unavailability of comparable data on the size of the corporate loan market. While bank lending is generally considered an important source of corporate financing in Cambodia, the available data do not allow a direct quantitative comparison between corporate loans and corporate bonds.

Table 1.2: ASEAN+3 Corporate Bond, Government Bond, and Corporate Loan Markets, 2025

(Unit: USD billion)

Country	LCY Corporate Bond Market (A)	Government Bond Market (B)	Corporate Loan Market (C)	A/B (%)	A/C (%)
Cambodia	0.43	0.25	N/A	172.1	N/A
Indonesia	32.16	404.45	288.21	8.0	11.2
Malaysia	233.67	320.09	228.02	73.0	102.5
Philippines	23.67	203.45	216.06	11.6	11.0

Singapore	164.17	257.49	419.07	63.8	39.2
Thailand	140.86	340.91	411.34	41.3	34.2
Viet Nam	44.36	105.43	N/A	42.1	N/A
China	7,712.47	17,289.50	26,643.30	44.6	28.9
Japan	707.85	8,322.34	3,155.06	8.5	22.4
Korea	1,400.31	953.43	1,402.51	146.9	99.8

ASEAN+3 = Association of Southeast Asian Nations plus China, Japan and Korea; LCY = local currency; N/A = Not Available
Sources:

- 1) Asian Bonds Online: LCY corporate bond and government bond markets for all countries except Cambodia
- 2) Cambodia Securities Exchange: LCY corporate bond market size for Cambodia
- 3) Ministry of Economy and Finance, Cambodia Public Debt Statistical Bulletin Q42025: LCY government bond market for Cambodia
- 4) Central bank of each country and author's calculation: corporate loan markets
- 5) Bloomberg: foreign exchange rates as of 31 December 2025 for local currencies

1.3 Regulatory Environment

Cambodia has progressively developed its regulatory framework to support the development of the domestic bond market and promote corporate bonds as an alternative source of long-term financing. The framework provides different issuance channels depending on the type of issuer and offering, while establishing minimum requirements intended to ensure transparency and investor protection. The development of these regulatory arrangements has provided an important foundation for the expansion of Cambodia's corporate bond market since its inception.

Table 1.3 summarizes the securities offering framework applicable to government and corporate issuers in Cambodia. While government bonds are offered through public offerings, private-sector entities may raise funds through either public offerings or private placements, subject to the applicable requirements. The availability of a private-placement route, in particular, provides corporate issuers with an alternative and potentially more flexible means of accessing the bond market, while the requirements for public offerings are intended to maintain appropriate standards of disclosure, corporate governance, and investor protection.

Table 1.3: Securities Offering Framework for Government and Corporate Issuers in Cambodia

	Private Placement	Public Offering
Private companies and other entities	Yes, with the following requirements: - The offer shall be made to people of no more than 30 within a 12-month period (even without a prospectus) - The offer shall not be made in public, including the invitation to treat or consultation on the investment	Yes, with the following requirements: - A public limited company - A Board of Directors' resolution on the bond issuance - An audited financial report for the last two consecutive years - With solid corporate governance - With an issue rating from a SERC-accredited firm
Government bodies and agencies	No	Yes

SERC = Securities and Exchange Regulator of Cambodia

Source: ASEAN Capital Markets Forum (<https://www.theacmf.org/images/downloads/pdf/SDG-Bonds-Cambodia.pdf>)

In addition to establishing the basic issuance framework, Cambodia has progressively introduced regulations and guidelines to broaden the scope of its corporate bond market and facilitate the development of new types of instruments. These measures have expanded the market beyond conventional corporate bonds by establishing dedicated frameworks for infrastructure bonds, private placements, and sustainable bonds. In particular, the regulations seek to provide issuers with more diverse financing options while establishing appropriate

requirements for different instruments and offering methods. Table 1.4 summarizes some of the key regulations and guidelines that have supported the diversification and development of Cambodia's corporate bond market.

Table 1.4: Recent Regulations on Cambodia's Corporate Bond Market

Regulation	Description
Prakas No. 46 2022 Issuance of Infrastructure Bonds and Guidelines on Qualified Assets Used for Infrastructure Bond Offerings	This regulation identifies the issuance methods of infrastructure bonds in Cambodia: public offering, private placement, and offers to qualified investors. Issuers can structure their instruments into three specific forms depending on their underlying project and financial setup: • Corporate Infrastructure Bonds: Debt issued by an established infrastructure company to explicitly fund or refinance the construction, maintenance, or operation of its corporate infrastructure assets. • Infrastructure Project Bonds: Ring-fenced debt tied directly to a single, standalone infrastructure project where bondholders rely heavily on that project's specific cash flow for repayment. • Infrastructure Securitization Bonds: Asset-backed securities structured by pooling existing infrastructure assets or receivables into tradeable debt instruments. Eligible asset sectors are communications, energy, social, telecommunications, water, waste and environment.
Prakas No. 80 2022 Private Placement of Bonds	This defines the private placement method as an offering strictly limited to a maximum of 30 investors without any form of public dissemination or general solicitation. Under this regulation, issuers must be legally registered public limited companies and provide audited financial reports for the last two consecutive years. They are also required to obtain an issue rating from a firm accredited by the Securities and Exchange Regulator of Cambodia (SERC).
Guideline No. 27 2026 on the issuance of sustainable bonds	This is the official regulatory framework adopted by the SERC regarding the offering of Sustainability-Linked Bonds (SLBs) in the Cambodia's securities market. This regulation indicates that issuers must establish clear Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs) that are ambitious, material, and consistent with the broader strategic objectives of Cambodia's government.
Guidelines on the Issuance of Green Bonds, Social Bonds, and Sustainability Bonds	Under this guideline, there are three primary categories of sustainable bonds: • Green Bonds: Proceeds are strictly used for environmental or climate change mitigation projects (e.g., renewable energy, clean transportation, energy efficiency). • Social Bonds: Funds are directed at positive social outcomes, such as affordable housing, access to essential services, and employment generation. • Sustainability Bonds: Proceeds are used to finance a combination of both green and social projects.

Source: SERC

In parallel with the development of the regulatory framework, the Cambodian government has also used tax incentives to encourage participation in the securities market. Sub-Decree No. 42 on Securities Incentives, introduced in February 2022¹, provides tax incentives to both securities issuers and investors. From the corporate bond market perspective, these incentives are intended to address both the supply and demand sides of the market: issuer incentives can help reduce the effective cost of accessing the capital market and encourage companies to consider bond issuance as a financing alternative, while investor incentives can enhance the

¹ According to a local market expert, this regulation will remain in effect until March 2027. As of June 2026, its status beyond that date remains uncertain.

attractiveness of investing in securities. Table 1.5 summarizes the principal tax incentives available to issuers and investors under the Sub-Decree.

Table 1.5: Incentives for Bond Market Participants

Incentives for Issuers	Incentives for Investors
• Three years of incentive on Corporate Income Tax ○ 50% reduction on the income tax for a corporate that issues a bond in the amount of more than 20% of total assets. ○ KHR 8 billion (or approximately USD2 million) cap on an income tax incentive for a corporate that issues a bond in the amount equal to or less than 20% of total assets. • Tax debt waivers ○ For N-3 to N-10 years for enterprises who meet the criteria for listing on the Cambodia Securities Exchange (CSX) Main Board. (where N is the year of offering). ○ For N-2 to N-10 years for small and medium enterprises who meet the criteria for listing on the CSX Growth Board.	• Withholding Tax Reduction Dividend & Interest: A 50% reduction on withholding tax for dividends and interest earned from government and corporate securities for three years. • Capital Gains Tax Exemption: Investors are typically granted exemptions on capital gains when trading approved, listed equity or debt securities.

KHR = Cambodian riel

Source: ASEAN Secretariat

2 Specific Characteristics

In this section, the corporate bond market of Cambodia will be compared against its ASEAN peers and the rest of the “+3” economies. As of the end of 2025, there are 17 corporate bonds issued by nine entities in CSX. The analysis for Cambodia covers corporate bonds listed on the CSX and outstanding as of 31 December 2025. Unlisted and privately placed instruments are excluded from this analysis unless otherwise stated. The purpose of such comparison is to see the unique characteristics of Cambodia’s nascent corporate bond market against the entire region.

2.1 Maturity Distribution

Cambodia’s corporate bond market has a distinctively long maturity profile compared with most other ASEAN+3 markets. As shown in Table 2.1, 69% of Cambodia’s outstanding corporate bonds have remaining maturities of more than five years and up to 10 years, by far the highest share in this maturity bucket among the economies compared. A further 11% have maturities exceeding 10 years, meaning that 80% of Cambodia’s outstanding corporate bonds have remaining maturities of more than five years. In contrast, most ASEAN+3 markets are concentrated at the shorter end of the maturity spectrum. Corporate bonds with remaining maturities of up to three years account for more than half of outstanding bonds in Indonesia (70%), the Philippines (63%), Thailand (55%), Viet Nam (53%), China (65%), and Korea (75%), compared with only 15% in Cambodia, the lowest share in the region. Cambodia also has no perpetual bonds, unlike several of the more developed markets. Overall, the distribution indicates that Cambodia’s corporate bond market is unusually concentrated in medium- to long-term bonds, particularly the >5-to-10-year segment, rather than in short-term instruments that dominate many other ASEAN+3 corporate bond markets.

Table 2.1: Maturity Distributions of Corporate Bonds in ASEAN+3, 2025

Country	Up to 3 years	>3 to 5 years	>5 to 10 years	>10 years	Perpetual
Cambodia	15%	5%	69%	11%	-
Indonesia	70%	22%	6%	2%	-
Malaysia	32%	15%	28%	22%	3%
Philippines	63%	19%	18%	-	-
Singapore	27%	18%	20%	10%	25%
Thailand	55%	19%	20%	2%	4%
Viet Nam	53%	31%	16%	-	-
China	65%	12%	10%	3%	10%
Japan	34%	21%	20%	18%	7%
Korea	75%	12%	5%	4%	4%

Notes: Data are based on remaining maturity at the end of 2025. Ratios are calculated based on the outstanding amounts.
Source: Bloomberg; Author's calculations.

To date, the longest issuances in Cambodia are the three tranches of SchneiTec Dynamic Co., Ltd. a special purpose company established for the development of a 60-megawatt solar photovoltaic power plant with a battery energy storage system, located in Kampong Chhnang province, Cambodia. All three tranches are 15-year bonds and two of them are guaranteed corporate bonds. SchneiTec Dynamic Co., Ltd. is part of the SchneiTec Group, which is active in the energy, engineering and construction sectors.²

2.2 Maturity Type

Cambodia's corporate bond market has a distinctive maturity-type composition compared with other ASEAN+3 markets. Straight bonds account for only 48% of outstanding corporate bonds, considerably lower than in most regional markets, where straight bonds generally account for more than 70%. The most notable feature is the exceptionally high share of sinkable bonds, including amortizing bonds, at 52%. This is by far the highest proportion in ASEAN+3; sinkable bonds represent only 1–2% in the few other markets where they are observed. However, this high proportion of sinkable bonds does not appear to represent a broad market-wide preference for such structures. Rather, it is largely attributable to three subordinated bond issuances by a single bank, all of which have sinking structures. Therefore, the unusually high share of sinkable bonds should be interpreted in the context of Cambodia's small and concentrated corporate bond market, where a few relatively large issuances can materially affect the overall market composition. Cambodia also has no outstanding bonds classified as callable or convertible.

Table 2.2: Composition of Maturity Type of Corporate Bonds in ASEAN+3, 2025

Country	Straight	Callable	Sinkable*	Convertible	Others
Cambodia	48%	-	52%	-	-
Indonesia	98%	2%	-	-	-
Malaysia	87%	11%	-	1%	1%
Philippines	31%	66%	-	-	3%
Singapore	63%	36%	-	-	1%
Thailand	85%	14%	1%	-	-

² Source: S&P Global. 16 April 2025. *Second Party Opinion: SchneiTec Dynamic Co. Ltd. Green Bond Framework*. <https://www.spglobal.com/ratings/en/regulatory/delegate/getPDF?articleId=3353655&type=COMMENTS&defaultFormat=PDF> (accessed on 18 May 2026)

Viet Nam	86%	7%	2%	3%	2%
China	72%	18%	1%	1%	8%
Japan	78%	20%	-	1%	1%
Korea	86%	9%	-	1%	4%

Note: Sinkable includes amortizing bonds. Ratios are calculated based on the outstanding amounts.

Source: Bloomberg; Author's calculations.

2.3 Coupon Type

Cambodia's corporate bond market is dominated by fixed-rate bonds, which account for 71% of outstanding corporate bonds, while the remaining 29% are floating-rate bonds. Fixed-rate bonds are also the predominant coupon type in most ASEAN+3 markets, particularly Indonesia and the Philippines (both 99%), Korea (90%), Thailand (87%), and Malaysia (82%). A notable feature of Cambodia is the relatively high proportion of floating-rate bonds at 29%, which is the second highest among the markets compared, after Viet Nam (58%). Unlike several of the more developed ASEAN+3 markets, Cambodia currently shows no step-up, variable-rate, or zero-coupon bonds, indicating a relatively simple coupon structure concentrated entirely in fixed- and floating-rate instruments. Overall, while fixed-rate bonds remain dominant, the relatively large presence of floating-rate bonds distinguishes Cambodia from most other ASEAN+3 corporate bond markets.

Table 2.3: Composition of Coupon Type of Corporate Bonds in ASEAN+3, 2025

Country	Fixed	Floating	Step-Up	Variable	Zero	Flat Trading
Cambodia	71%	29%	-	-	-	-
Indonesia	99%	-	-	-	1%	-
Malaysia	82%	8%	1%	2%	7%	-
Philippines	99%	-	1%	-	-	-
Singapore	72%	1%	-	27%	-	-
Thailand	87%	-	2%	4%	7%	-
Viet Nam	38%	58%	1%	3%	-	-
China	28%	2%	-	-	51%	19%
Japan	78%	-	-	20%	2%	-
Korea	90%	4%	-	2%	4%	-

Note: Flat trading is a coupon type of Bloomberg. However, it is not a coupon type but a trading convention under which accrued interest is not separately settled. Ratios are calculated based on the outstanding amounts.

Source: Bloomberg; Author's calculations.

Floating-rate bonds in Cambodia have their coupon rates linked to the Secured Overnight Financing Rate (SOFR), the primary benchmark for USD floating-rate debt. Moreover, even when these bonds are denominated in Cambodian riel (KHR), their principal and interest payments are effectively linked to the US dollar. Therefore, Cambodia's LCY floating-rate bonds closely resemble typical USD floating-rate bonds in economic terms, both because their coupon rates are referenced to a USD benchmark and because their payment amounts are linked to the US dollar.

2.4 Payment Rank

Cambodia's corporate bond market has a distinctive payment-rank profile compared with other ASEAN+3 markets. Unsecured bonds account for 53% of outstanding corporate bonds, while subordinated bonds represent a

substantial 47%, with no secured bonds outstanding. The share of subordinated bonds is by far the highest among the markets compared, while the share of unsecured bonds is the lowest.

The unusually high share of subordinated bonds in Cambodia, however, reflects the small and concentrated nature of the market rather than a broad preference for subordinated instruments. The same three subordinated bonds issued by a single bank also have sinking or amortizing repayment structures. This indicates that a few relatively large bank subordinated issuances have a material impact on Cambodia's overall bond-market composition.

Table 2.4: Composition of Outstanding Corporate Bonds in ASEAN+3 by Payment Rank, 2025

Country	Secured	Unsecured	Subordinated
Cambodia	-	53%	47%
Indonesia	3%	95%	2%
Malaysia	24%	66%	10%
Philippines	-	100%	-
Singapore	1%	70%	29%
Thailand	7%	87%	6%
Viet Nam	10%	90%	-
China	-	84%	16%
Japan	18%	59%	23%
Korea	5%	85%	10%

Note: Ratios are calculated based on the outstanding amounts.

Source: Bloomberg; Author's calculations.

2.5 Credit Ratings

Cambodia's corporate bond market shows a particularly strong concentration in high credit ratings based on domestic credit rating scales. All rated corporate bonds are in the two highest rating categories, with 40% rated AAA and 60% rated AA, and no bonds rated A or below. Among the ASEAN+3 markets compared, Cambodia is therefore one of the few markets, together with the Philippines, where the entire rated corporate bond market is concentrated in the AAA and AA categories. However, this concentration at the bond-rating level does not necessarily mean that only issuers with similarly high standalone credit quality are able to access the market. In Cambodia, several issuers with issuer ratings of A or below have issued bonds rated AAA after obtaining guarantees from CGIF or GuarantCo. This suggests that credit enhancement plays an important role in enabling lower-rated issuers to access the corporate bond market, while at the same time contributing to the strong concentration of outstanding bond ratings in the highest rating categories.

Table 2.5: Composition of Credit Ratings of Corporate Bonds in ASEAN+3, 2025

Country	AAA	AA	A	BBB	Below BBB
Cambodia	40%	60%	-	-	-
Indonesia	48%	14%	34%	< 0.4%	4%
Malaysia	52%	43%	5%	< 0.1%	< 0.2%
Philippines	96%	4%	-	-	-
Singapore	35%	11%	22%	32%	-
Thailand	5%	24%	54%	15%	2%
China	93%	6%	1%	< 0.1%	-
Japan	2%	50%	44%	4%	< 0.1%
Korea	34%	56%	9%	1%	< 0.2%

Notes:

1. The table covers bonds outstanding at end-2025, using credit ratings available as of March 2026 from Bloomberg. Ratios are calculated based on the outstanding amounts.
 2. Bonds whose credit ratings are unavailable or withdrawn as of March 2026 are excluded in the calculation of the percentages.
 3. The following domestic credit rating agencies (CRAs) are used for each market: China Chengxin Credit Rating Co. Ltd. for China, Rating and Investment Information Inc. (R&I) for Japan, Korea Ratings Corporation for Korea, Rating Agency of Cambodia PLC (RAC) for Cambodia, PT Pemeringkat Efek Indonesia (PEFINDO) for Indonesia, RAM Rating Services Berhad for Malaysia, Philippine Rating Services Corporation (PhilRatings) for Philippines, Moody's Corporation for Singapore, and TRIS Rating Co. Ltd. for Thailand. The table reflects equivalent rating scales across these domestic CRAs. Short-term ratings are excluded from the computation of the credit rating distribution.
 4. Despite having three domestic CRAs, Viet Nam is excluded from the table due to the lack of published information on rated corporate bonds. It was only in Q4 2024 that Viet Nam's CRAs have actively rated corporate bond issuances in the country.
- Sources: Bloomberg and Author's calculations.

The Cambodian ratings in Table 2.5 are based on ratings assigned by the Rating Agency of Cambodia (RAC). One notable difference from the rating systems used in many other ASEAN+3 markets is that RAC uses broad rating categories such as AAA, AA, and A without "+" or "-" modifiers, whereas rating agencies in many other markets use such modifiers to provide greater rating differentiation within each category. Since Table 2.5 aggregates ratings into broad categories and does not distinguish "+" and "-" ratings for any country, this difference in rating granularity is not apparent from the table and should be taken into account when comparing Cambodia's rating distribution with those of other markets.

3 Investors

3.1 General Investment Appetite by Investor Group

Cambodia's corporate bond market has been developing steadily. The introduction of corporate bonds to the financial market in 2018 broadened the investment universe of various investor groups. Institutional investors have since begun considering corporate bonds as viable investments alongside traditional options like bank deposits and negotiable certificates of deposit from the National Bank of Cambodia (NBC).

The main investor groups in Cambodia include banks, life insurance companies, foreign banks, and individual investors. International Finance Corporation (IFC) was the anchor investor of the first KHR corporate bond but has not invested in another corporate bond in Cambodia since then. Table 3.1 provides the overall preferences of investor groups based on their actual investments and feedback from interviews.

Table 3.1: Summary of Investment Appetite Among Select Investor Groups

	Banks	Insurance Companies	Retail Investors	Foreign Investors
Tenor	Up to 15 years	Up to 15 years	Up to 7 years	Up to 7 years
Target Yield	Moderate	Moderate	High	Moderate
Currency	USD	USD	USD	USD and KHR
Guarantor(s)	Preferred	Preferred	Not Preferred	Preferred

Source: Interviews with market players, May 2026.

Unlike the situation during the first few years following the inaugural KHR corporate bond issuance in 2018, most outstanding corporate bonds in Cambodia are now fundamentally USD bonds, although they are nominally denominated in KHR. This market situation implies that most investors in Cambodia prefer USD. Banks typically prefer short-term bonds, while insurance companies favor long-term bonds to better match the characteristics of their respective liabilities. However, banks in Cambodia also invest in long-term bonds to accommodate the long-

term funding needs of issuers. Retail investors also invest in long-term bonds, despite their preference for short-term bonds, because the limited availability of short-term corporate bonds leaves them with few alternative investment opportunities. Guaranteed bonds are popular with banks and insurance companies because they are perceived as safe investments, given that the active guarantors in the market, such as CGIF and GuarantCo, carry international credit ratings higher than the Cambodian sovereign ceiling. Recently, Credit Guarantee Corporation of Cambodia (CGCC), the national guarantee institution of Cambodia, has begun providing guarantees for corporate bond issuances. In contrast, retail investors tend to favor unguaranteed bonds, especially subordinated bonds, because of the higher yields they offer relative to guaranteed bonds.

3.2 Banks

As of 2025, Cambodia's banking system comprises 59 commercial banks, 7 specialized banks, 4 deposit-taking microfinance institutions (MDIs), 85 non-deposit-taking microfinance institutions (MFIs), 12 financial leasing companies, 89 rural credit institutions (RCIs), 4 third-party processors, 30 payment service providers, 1 credit reporting system service provider, 5 representative offices and 3,393 money changers.³ Deposit-taking institutions – comprising commercial banks and MDIs – held total assets of KHR 389.9 trillion (USD 97.2 billion), accounting for 96.9% of total banking system assets, as of 2025. Out of KHR 389.9 trillion, total assets of commercial banks occupy KHR 371.9 trillion, accounting for 95.4% of total assets of deposit-taking institutions in Cambodia. Table 3.2 shows ten largest banks in Cambodia in terms of total asset size.

Table 3.2: Ten Largest Banks in Cambodia by Total Assets, 2025

Bank	Total Asset (USD Billion)	Ownership	Institution Type
Advanced Bank of Asia (ABA) Bank	16.15	Foreign	Cambodian subsidiary of National Bank of Canada
ACLEDA Bank	11.80	Majority Cambodian	Cambodian listed commercial bank
Canadia Bank	9.18	Cambodian	Cambodian commercial bank
KB PRASAC Bank	5.86	Foreign	Cambodian subsidiary of KB Financial Group
Wing Bank	3.64	Majority foreign	Cambodian commercial bank
Sathapana Bank	2.79	Foreign	Cambodian subsidiary of Maruhan Corporation
Cambodian Public Bank	2.60	Foreign	Cambodian subsidiary of Public Bank Malaysia
Bank of China Phnom Penh Branch	2.50	Foreign	Branch of Bank of China (Hong Kong)
Foreign Trade Bank	2.47	Cambodian	Cambodian commercial bank
Asia-Pacific Development Bank	2.03	Majority Cambodian	Cambodian commercial bank

Source: Annual Supervision Report 2025 by National Bank of Cambodia, Author's Calculation

Banks are the largest investor group for corporate bonds in Cambodia. However, they are currently not investing in non-USD-linked KHR denominated bonds because no such bonds are being issued in the market. Although banks prefer short-term bonds to match the short-term nature of their liabilities, they invest in all corporate bonds regardless of tenors, including the bonds with the longest tenor of 15 years. Guaranteed bonds are popular for banks because they are guaranteed by either CGIF or GuarantCo, both of which are internationally highly rated.

³ Source: Annual Supervision Report 2025 by National Bank of Cambodia

Table 3.3 shows the bonds held by ABA Bank, based on their 2025 financial statements. This bank held USD 120 million of investment securities, including both government bonds and corporate bonds. They invest in bonds with maturities of 3 years to 15 years.

Table 3.3: Bond Holdings of ABA Bank, 2025

Issuer	Maturity	Coupon	Holding
Cambodia Government	15 years	4.6%	USD 50 million
Cambodia Airport Investment Co.	3 years	5.5%	USD 30 million
SchneiTec Dynamic Co.	15 years	SOFR +3%	USD 5 million
	15 years	SOFR +1.6%	USD 5 million
Daun Penh Agri Co.	8 years	5.25%	USD 30 million

Source: ABA Bank Annual Report 2025

Active investments in corporate bonds by commercial banks are also confirmed by the public announcements⁴ regarding the subscribers to Cambodia Airport Investment Co. (CAIC) bonds that were issued in 2021. The subscribers include ABA bank, ACLEDA Bank, Prince Bank, Foreign Trade Bank, Cambodia Post Bank, Wing Bank, Alpha Commercial Bank, Asia-Pacific Development Bank, and Chip Mong Commercial Bank.

3.3 Insurance Companies

Based on Insurance Regulator of Cambodia (IRC) data for Q4 2025, there are 39 licensed insurers in Cambodia: 17 general insurers, 12 life insurers, 8 micro-insurers, and 2 reinsurers. The total asset size of Cambodia's insurance market is USD 1.29 billion, based on the full-year 2025 insurance statistics published by IRC. This means that the total assets of the insurance sector amount to only 1.3% of those of the banking sector in Cambodia. Table 3.4 shows the top five life insurers and general insurers in Cambodia in terms of total asset size as of 2025.

Table 3.4: Largest Life Insurers and General Insurers in Cambodia by Total Assets, 2025

Insurers	Total Assets (USD Million)	Ownership and legal form
Panel A: Life Insurers		
Prudential (Cambodia) Life Assurance PLC	462.8	Foreign owned local subsidiary
Manulife (Cambodia) PLC	220.9	Foreign owned local subsidiary
Sovannaphum Life Assurance PLC	74.2	Domestic controlled local joint venture
AIA (Cambodia) Life Insurance PLC	61.7	Foreign owned local subsidiary
Dai-ichi Life	34.8	Foreign owned local subsidiary
Panel B: General Insurers		
Forte Insurance (Cambodia) PLC	96.7	Local insurer
Campu Lonpac Insurance PLC	35.8	Foreign controlled local subsidiary
Bangkok Insurance (Cambodia) PLC	31.8	Foreign invested local insurer
Dara Insurance PLC	17.4	Local insurer
Cambodia-Vietnam Insurance PLC	17.1	Foreign controlled local joint venture

Source: 2025 Annual Reports from the listed insurers

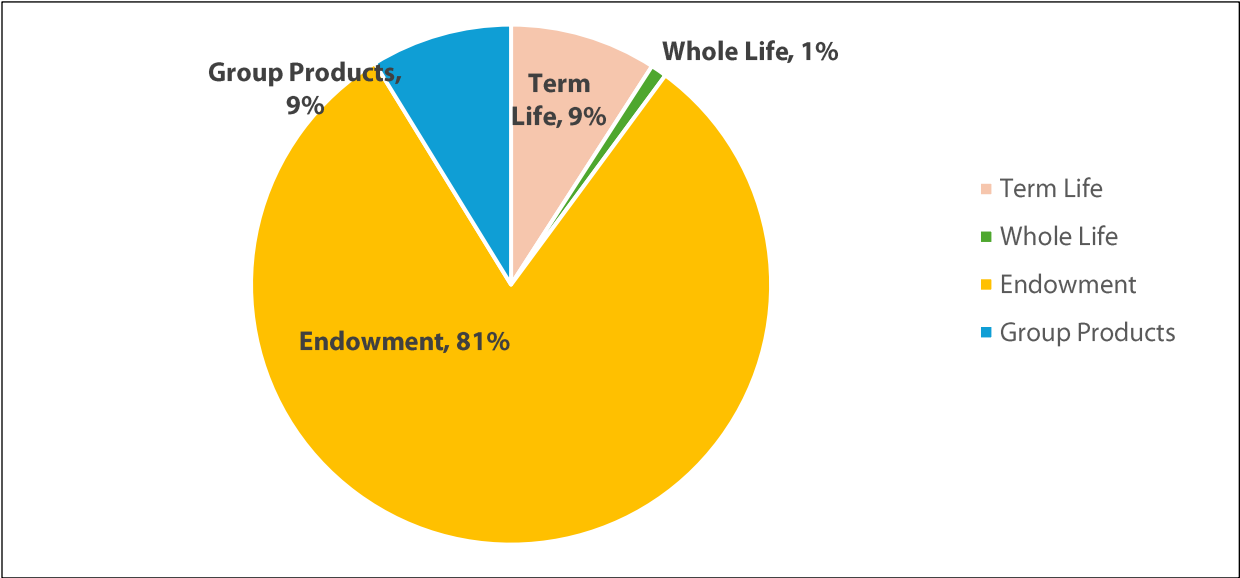
Life insurance products in Cambodia include endowment, whole life, term life, and group life insurance. Based on the Cambodian Insurance Law of 2014, endowment is defined as a life insurance that is payable to the insured if the insured is still living on the maturity date stated in the policy or paid to the beneficiary(s) if the insured dies

⁴ Source: <https://phnompenhpost.com/business/pm-calls-local-firms-buy-caic-bonds-raise-funds-new-airport/>, <https://www.cgcc.com.kh/en/article/tag/bank/page/14/>, <https://www.cpp.org.kh/en/details/298999/>

prior to the maturity date. Whole life insurance is an insurance contract that provides cover on the death of the insured person. Term life insurance is the insurance payable to the beneficiary at the death of the insured, provided death occurs within a specified period before a specified age. In term life insurance, if the insured survives after the specified age, none of the benefits will be provided to the beneficiary.

Figure 3.1 shows that endowment products take the largest market share in the life insurance industry, with 81% of the total market share. Given the dominance of endowment products in Cambodia’s life insurance market and their inherently long-term nature, the liability duration of life insurance companies in Cambodia is projected to be relatively long.

Figure 3.1: Life Insurance Industry Market Share by Products, 2025



Note: Ratios are calculated based on gross premiums.
Source: 2025 Insurance Market Overview by Insurance Association of Cambodia

It is known that the policies sold by insurance companies in Cambodia are mostly USD-denominated. As a result, they primarily invest in USD deposits and bonds to match the currency of their liabilities. They invest predominantly in USD time deposits as they are more available than bonds in Cambodia. Based on Annual Report 2025 of Prudential (Cambodia), their time deposit balance is 5.5 times larger than their bond balance. In Cambodia, maturities of time deposits are generally available up to five years. However, time deposits with longer than five years maturities are issued upon special request of insurance companies. Prudential Cambodia’s annual report shows that they have time deposits with maturity terms ranging from 1 to 15 years from placement dates and earn interest at rates ranging from 4.25% to 8.00% per annum.

Insurance companies in Cambodia also invest in bonds. Among all insurance companies in the country, it is known that only two foreign life insurance companies, Prudential Cambodia and Manulife Cambodia, are active in investing in corporate bonds. Table 3.5 shows the information available from their 2025 annual reports regarding their investments in government and corporate bonds.

Table 3.5: Comparison of Bond Investments by Prudential and Manulife, 2025

	Prudential	Manulife
Types of Bonds Held	Government and corporate bonds	Government and corporate bonds
Amount invested (USD Million)	57.7	47.9
Maturity	3 to 15 years	5 to 15 years
Interest rate	4.3% to 8.5%	4.6% to 7.23%

Source: 2025 Annual Report of two insurance companies

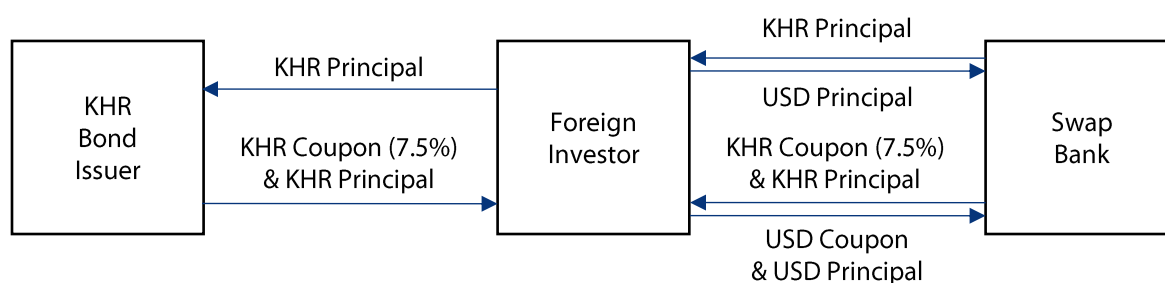
Although insurance companies prefer long-term bonds to match the long-term nature of their liabilities, they also invest in corporate bonds with maturities as short as three years. In this respect, there is no significant difference between banks and insurance companies in terms of the maturities of the corporate bonds they invest in. It is known that insurance companies' investments in long-term bonds are smaller than those of banks, primarily due to their limited investment capacity compared to banks. Consistent with their conservative investment approach, insurance companies also show a preference for guaranteed bonds.

USD bonds traded in global bond markets could serve as alternative investment options for life insurance companies in Cambodia. However, according to market participants, they do not invest in such instruments for the following two reasons. First, it is unclear under the insurance regulation in Cambodia whether insurance companies are permitted to invest in overseas USD bonds. Second, Cambodia's local supply of USD bonds is already enough to meet these firms' investment requirements.

3.4 Foreign Investors

Foreign banks also participate in the Cambodian corporate bond market. Some of these banks have locally incorporated subsidiaries or branches in Cambodia and may therefore also be included in the discussion of banks in Section 3.2. Although they prefer USD bonds, one foreign bank invested in the pure KHR corporate bond issued by Prasac microfinance institution in 2020. At that time, the foreign bank invested a part of the KHR bond through its local subsidiary. This foreign investor entered into a cross-currency swap that enabled it to fix the USD yield from the KHR bond investment.⁵ This transaction structure is further illustrated in Figure 3.2. Such investments are no longer observed in the market because no pure KHR corporate bonds have been issued in recent years. In addition, according to a local market expert, this investment strategy is no longer feasible because there are currently no banks offering cross currency swaps under which banks pay USD and receive KHR.

Figure 3.2: Transaction Flows Associated with KHR Bond and Linked Cross-Currency Swap



KHR = Cambodian riel; USD = United States dollar

Source: Author's illustration based on market interviews.

On the other hand, IFC is the foreign investor who supported the first-ever bond issuance in Cambodia. According to an article published by IFC, IFC invested an amount that is approximately equivalent to USD20 million in KHR-denominated bonds issued by the Cambodian microfinance institution, Hattha Kaksekar Limited (HKL). This noteworthy move was made to help create a domestic corporate bond market and allow HKL to expand its local currency lending to micro and small businesses, including farmers and women entrepreneurs. Following the investment in late 2018, IFC issued in early 2019 the inaugural offshore KHR bond worth approximately USD 12 million (about KHR48.6 billion), proceeds of which were used to replace a portion of the local currency funding of the KHR bond investment. Through the issuance of KHR bonds, IFC was able to substantially hedge its KHR

⁵ Source: Market interviews.

investment risk, though some risk exposure remains due to the size differential between the prior investment and the issuance. As a multilateral commercial and financial institution, the IFC stands out from other investors because its core goal is to create development opportunities in less developed nations.

3.5 Retail Investors

It is known that the small amount of Advanced Bank of Asia (ABA) bond issued in 2019 was distributed to retail investors who were existing depositors of ABA bank. It is also known that the subordinated bonds issued by Acleda bank in 2025 were invested by retail investors together with institutional investors. Retail investors are interested in investing in corporate bonds if their yields are attractive. Although they prefer short tenors, they are open to investing in long-term bonds, as implied by their 7-year subordinated bond investment.

3.6 Fund Management Companies

As of time of writing, the SERC lists ten licensed fund management companies in its website. These fund management companies were allowed to establish and manage public funds or private funds of collective investment schemes and provide investment advisory services. Most fund managers primarily serve institutional investors, qualified investors, and high-net-worth individuals, although several firms have launched public funds accessible to retail investors. Based on publicly available information, investment mandates generally span equities, fixed-income securities, money market instruments, real estate, private investments, and alternative assets. However, portfolio disclosures such as investment strategies and holdings remain limited for many fund managers. Although corporate bond investments are permitted under the mandate of some asset management companies, their actual holdings of corporate bonds are not confirmed based on publicly available information. It is known that asset management companies in Cambodia are not yet active in corporate bond investments. Table 3.6 outlines the licensed fund management companies operating in Cambodia, detailing their licensing years, target client profiles, and primary investment portfolio focuses.

Table 3.6: Licensed Fund Management Companies in Cambodia

Fund Management Company	Year Licensed (by SECC/ SERC)	Client Profile	Portfolio Focus
Cambodian Investors Capital Partners PLC	2019	SMEs; qualified / member investors in the CIC platform	Equity and debt financing to SMEs; crowdfunding/ venture-style investing; finance, real estate, and technology
IS4KH Asset Management PLC	2020	Institutional investors and experienced HNWI	Local debt capital markets, clean energy, climate change mitigation, medium technology; consulting for infrastructure and energy projects
OBOR Management Co., Ltd.	2020	SMEs, startups, and local/international investors	Two managed vehicles; a regulated impact fund under development; alternative assets beyond bank deposits and real estate
JB Phnom Penh Asset Management PLC	2021	Not broken out publicly; collective investment scheme (CIS) investors in public/ private funds and REIT products	Public and private equity funds; REITs

Aegies Fund Management PLC	2021	Investors in public fund, private fund, REIT, and money-market products	Public fund, REIT, private fund; money market fund; property and asset management
Ants Capital Co., Ltd.	2020	Not publicly disclosed	No public portfolio disclosure found; public references suggest entrepreneur/SME funding and real-estate-investment-related activity
Royal Group Funds	2022	Local and international investors; institutional and private investors with investable assets above US\$250,000 for the fixed-income fund	Fixed-income: Cambodian bank deposits, government/quasi-government bonds, corporate bonds, subordinated securities, asset-backed securities, private debt, cash, and gold
Banjaran Asset Management (Cambodia) PLC (BAMC)	2023	Public unit-trust investors; Banjaran Asset Management Pte. Ltd. (BAMPL) also serves as investment adviser to accredited/institutional investors	BAMC Asia Equity Fund; diversified Asian equity portfolio / high-quality Asian stocks
ID Capital PLC (IDC)	2024	IDC network companies and investors; private-financing counterparties	Private financing (equity or debt), IPOs, bond issuance, and project deals
Mekong Strategic Asset Management Co., Ltd.	2025	Corporations, institutions, HNWI, and families	Fixed-income, property, private and listed equities; sectors include financial services, technology, renewable energy, infrastructure, and real estate

HNWI = high-net-worth individuals, REIT = real estate investment trust, SECC = Securities and Exchange Commission of Cambodia (now SERC), SME = small and medium enterprise

Source: Company websites

3.7 Concept of Qualified Investors

The Prakas on Qualified Investors in the Securities Sector provides the definitions and classification of qualified investors in the corporate bond market of Cambodia. Qualified investors are comprised of institutional investors and high net worth investors.

By definition in Article 2 of Prakas on Qualified Investors, qualified investors as institutional investors are legal entities and professionals investing in the securities sector. Article 3 further elaborates on this to include the NBC, securities firms, investment advisors, and collective investment scheme dealers that are licensed by the SECC (now SERC), banking and financial institutions licensed by the NBC, and insurance companies licensed by Ministry of Economy and Finance (MEF) Cambodia. On the other hand, qualified investors as high net worth investors are any legal entities or individual persons who fit one or more of the criteria described in Table 3.7.⁶

⁶ Source: SERC. *Prakas on Qualified Investors in the Securities Sector*.
https://www.serc.gov.kh/boards/data_dir/m23Prakas/100032.pdf

Table 3.7: Qualified High Net Worth Investors in Cambodia

Legal Entities	Individuals
Total shareholders' equity of at least KHR 2 billion, as shown in the latest financial statement	Total net assets of at least KHR 1 billion
Annual revenues of KHR 500 million in the last 2 years	Annual net income of at least KHR 80 million
Investments in the securities sector in Cambodia of at least KHR 200 million	Participation in the investments securities sector in Cambodia of at least KHR 100 million

KHR = Cambodian riel

Source: Securities and Exchange Commission of Cambodia (SECC). *Prakas on Qualified Investors in the Securities Sector*.

The concept of qualified investors differentiates professional investors from general investors, who are subject to a higher level of investor protection. This distinction has also provided the regulatory basis for debt securities offerings specifically targeted at qualified investors, allowing issuers to access a more limited and sophisticated investor base under a separate offering framework.

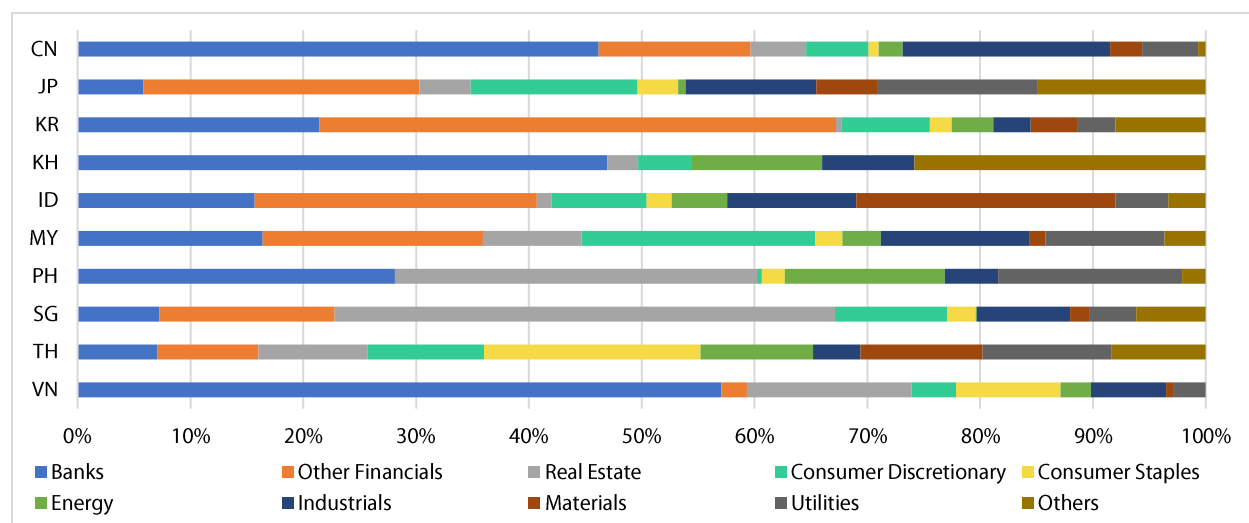
4 Other Market Participants

Other market participants in Cambodia include issuers, the government regulator, the stock and bond markets operator, and its local credit rating agency. There is no bond pricing agency in Cambodia.

4.1 Issuers

Figure 4.1 below compares corporate bond issuers across ASEAN+3. Outstanding bonds in these markets are predominantly issued by banks and other financial institutions, a trend largely mirrored in Cambodia's local currency (LCY) market. The second-largest sector for outstanding corporate bonds is telecom.

Figure 4.1: Breakdown of Corporate Bond Issuers in ASEAN+3 by Sector, 2025



Note: Rates are calculated based on the outstanding amounts

CN = China, JP = Japan, KR = Republic of Korea, KH = Cambodia, ID = Indonesia, MY = Malaysia, PH = Philippines, SG = Singapore, TH = Thailand, VN = Viet Nam

Source: Bloomberg, Author's calculations

Table 4.1 below shows the names of issuers of outstanding corporate bonds in Cambodia. ACLEDA Bank, a significant issuer from the banking sector, captures about 47% of the market share. This is followed by the three tranches of SchneiTec Dynamic, and Daun Penh Agrico, each capturing 12% of the market.

Table 4.1: Corporate Bond Issuers in Cambodia

Issuer Name	Industry	Share to the Corporate Bond Market	Bond Description
ACLEDA Bank	Banking	46.92%	Subordinated bonds issued under ACLEDA's domestic bond program to strengthen the bank's regulatory capital and support sustainable business growth
CAMGSM PLC	Telecom	4.84%	Guaranteed corporate bond issued to support telecommunications network expansion and capital expenditure requirements
CIA First	Education	4.77%	Guaranteed corporate bond issued to finance campus development and educational infrastructure expansion
Daun Penh Agrico Co., Ltd	Agriculture	11.50%	Guaranteed bond issued to support agricultural operations, working capital, and business expansion
Golden Tree Co., Ltd.	Real Estate	0.36%	Green bond issued to support business expansion and general corporate financing requirements
Royal Group Phnom Penh SEZ PLC	Special Economic Zone	2.40%	Guaranteed green bond issued to finance the development and expansion of industrial and logistics infrastructure within the Phnom Penh Special Economic Zone
Royal Railway PLC	Transport	8.18%	Guaranteed infrastructure bond issued to finance railway rehabilitation, rolling stock, and transport infrastructure development
SchneiTec Dynamic Co., Ltd	Energy	11.53%	Green bonds issued to finance renewable energy and solar power projects. Out of three bonds, two are guaranteed bonds.
Telcotech Ltd.	Telecom	9.51%	Guaranteed bonds issued to finance telecommunications infrastructure and digital connectivity projects

Source: CSX, 2025.

Prior to 2025, other issuers have also tapped the corporate bond market of Cambodia. Of these corporate bond issuers, Telcotech can be considered as a “repeat issuer”, given its first issuance in 2021, which is followed by a second bond in 2023.

4.2 Securities and Exchange Regulator of Cambodia

The Securities and Exchange Regulator of Cambodia (SERC), formerly known as the Securities and Exchange Commission of Cambodia (SECC), serves as the central authority managing the country's capital markets. Established under the 2007 Law on the Issuance and Trading of Non-Government Securities, the SERC operates under the Non-Bank Financial Services Authority (NBFSA). Its primary mandate is to regulate, supervise, and

develop the securities sector to promote capital mobilization, maintain investor confidence, and foster socio-economic growth.

The SERC's core mandates and responsibilities include: (1) Investor Protection through maintaining public trust by safeguarding investor rights and ensuring all securities trading is orderly, transparent, and fair, (2) Market Regulation by issuing operating licenses to market participants — such as securities firms, clearing and settlement facilities, and derivatives brokers — while conducting active market surveillance, and (3) Enforcement and Dispute Resolution through investigating illegal or irregular trading practices in both primary and secondary markets, mediating disputes, and administering transactional fines.

4.3 Cambodia Securities Exchange

The Cambodia Securities Exchange (CSX) operates as the sole national securities market in Cambodia. Incorporated in 2010, the CSX functions as a public-private joint venture between the Ministry of Economy and Finance (MEF), which owns a 55% stake, and the Korea Exchange (KRX), which holds the remaining 45%. While the SERC acts as the supreme government regulator, the CSX serves as the actual marketplace infrastructure where capital is physically mobilized, traded, and cleared.

For the bond market, the CSX provides a platform for corporate and sovereign debt trading. It has also become an immediate source of data and information about listed corporate bonds, which helps in improving market transparency.

4.4 Rating Agency of Cambodia

Rating Agency of (Cambodia) Plc. (RAC) was established in February 2022 and became the first credit rating agency accredited by the Securities and Exchange Regulator of Cambodia (SERC) on 12 July 2022. RAC was established as a joint venture involving Royal Group of Companies, 3E Capital, and individual shareholders. It provides two principal types of rating services: Issuer Credit Ratings (ICRs), which assess the overall creditworthiness of a corporate entity, and Debt Instrument Ratings, which assess the credit risk of specific bonds or other debt securities.

RAC uses a Cambodia-specific national rating scale, ranging from khAAA to khD. The scale includes khAAA, khAA, khA, khBBB, khBB, khB, khCCC, khCC, khC and khD, without the “+” and “–” modifiers commonly used by some international and regional rating agencies. Table 4.2 summarizes the publicly identifiable corporate and bond ratings through 31 December 2025.

Table 4.2: Credit Ratings by RAC, 2025

Issuer	Initial Rating Date	Issuer Rating	Bond Rating	Number of Bonds rated	Key Features
Royal Railway PLC.	Dec 2022	khCCC	khAAA	2	Both guaranteed by GuarantCo
CamGSM PLC	Oct 2023	khB	khAAA	1	Guaranteed by GuarantCo
CIA First International School	Nov 2023; Feb 2025	khBB	khAAA	2	Both guaranteed by CGIF
Telcotech Ltd	Dec 2023	khB	khAAA	1	Guarantee by CGIF
Royal Group Phnom Penh Special Economic Zone PLC	Mar 2024	khA	khAAA	1	Guarantee by CGIF
ACLEDA bank	Dec 2024; Jul 2025	khAA	khAA	3	All subordinated bonds
Daun Penh Agrico Co., Ltd	Dec 2025	khA	khAAA	3	All guaranteed by GuarantCo
CGCC	Dec 2023	khAAA	N/A	N/A	Issuer/guarantor rating rather than a bond rating

N/A: Not applicable

Source: RAC

5 Corporate Bond Pricing

Corporate bond pricing in Cambodia differs from the conventional framework in more developed bond markets, where corporate yields are typically expressed as a spread over a government yield curve of comparable maturity. Although Cambodian corporate bonds are legally issued in KHR, many are effectively linked to USD interest rates, with coupons either fixed at levels reflecting USD funding conditions or explicitly referenced to SOFR. In contrast, Cambodian government bonds have historically been KHR-denominated. Moreover, the domestic government bond market remains relatively shallow, with limited investor participation and secondary-market liquidity. As a result, the KHR government yield curve does not provide a practical benchmark for pricing corporate bonds.

Instead, USD bank deposit and lending rates in the country provide more relevant reference points, although they are not formal pricing benchmarks. From an investor's perspective, USD deposit rates represent the return available from a relatively low-risk alternative to corporate bonds. From an issuer's perspective, USD lending rates represent an alternative cost of funding against which bond issuance can be assessed. In 2025, average USD deposit and lending rates at Cambodian commercial banks were approximately 4.3% and 10.0%, respectively. Corporate bonds may therefore become attractive to investors when they offer sufficient additional return over bank deposits, while issuers may find bond financing attractive when it provides funding below the cost of comparable bank borrowing. This does not imply, however, that corporate bond coupons are priced at a fixed spread over bank deposit or lending rates.

Table 5.1: Reference Rates for Corporate Bond Pricing in Cambodia

Reference Rate	2025 Level	Relevance to corporate bond pricing
USD bank deposit rate	4.34%	Alternative investment return for investors
USD bank lending rate	9.99%	Alternative funding for issuers
SOFR	Market-based USD rate	Contractual benchmark for floating rate bonds in Cambodia
KHR government bond yield	Varies by maturity	Limited relevance due to currency mismatch and shallow government bond market

Note: The deposit and lending rates of 4.34% and 9.99%, respectively, are 2025 averages.

Source: National Bank of Cambodia; Bloomberg; author's analysis

The pricing of rated Cambodian corporate bonds provides some evidence of the conventional relationship between credit quality and borrowing costs, although the limited number of rated issues and differences in issuance timing and coupon structure make it difficult to establish a clear rating- or maturity-based yield curve. The table below summarizes the pricing of selected bonds rated by the Rating Agency of Cambodia (RAC).

Table 5.2: Rated Corporate Bonds and Pricing in Cambodia, 2025

Issuer	Issue Date	Bond Rating	Maturity	Guarantee / Seniority	Coupon
CIA FIRST – Bond 1	2023 / 12	khAAA	5Y	CGIF guarantee	6.30% fixed
CIA FIRST – Bond 2	2025 / 03	khAAA	5Y	CGIF guarantee	5.60% fixed
Royal Group PPSEZ	2024 / 06	khAAA	5Y	CGIF guarantee	SOFR + 1.50%
Telcotech	2023 / 12	khAAA	5Y	CGIF guarantee	SOFR + 2.50%
ACLEDA	2025 / 01-09	khAA	7Y	Subordinated, unguaranteed	7.50–8.50% fixed
Daun Penh Agrico	2025 / 12	khAAA	8Y	GuarantCo guarantee	5.25% fixed
CamGSM	2023 / 11	khAAA	10Y	GuarantCo guarantee	SOFR + 3.00%, 5.5% floor
Royal Railway	2022 / 12	khAAA	10Y	GuarantCo guarantee	SOFR + 3.50% / 3.75%, 5% floor

Source: Rating Agency of Cambodia

Several observations can be drawn from the table. First, among fixed-rate bonds, the observed pricing is broadly consistent with the conventional relationship between credit quality and borrowing costs. The seven-year subordinated bonds issued by ACLEDA, rated khAA, carried coupons of 7.5–8.5%, noticeably higher than the fixed-rate khAAA bonds, including CIA FIRST's five-year bonds at 5.6–6.3% and Daun Penh Agrico's eight-year bond at 5.25%. While this pattern is consistent with lower-rated bonds requiring higher returns, the difference cannot be attributed to credit ratings alone. ACLEDA's bonds are unguaranteed and subordinated, whereas the khAAA bonds benefit from guarantees from CGIF or GuarantCo. The observed pricing differential therefore reflects differences in credit enhancement and seniority as well as the rating itself.

Second, the available data provide much less evidence of a systematic relationship between maturity and coupon rates. Direct maturity comparisons are complicated by differences in coupon structures and issuance dates. In particular, the ten-year khAAA bonds issued by Royal Railway and CamGSM are SOFR-linked floating-rate instruments and therefore cannot be directly compared with fixed-rate bonds of shorter maturities based simply on their stated coupons or spreads. Even among fixed-rate khAAA bonds, the eight-year Daun Penh Agrico bond

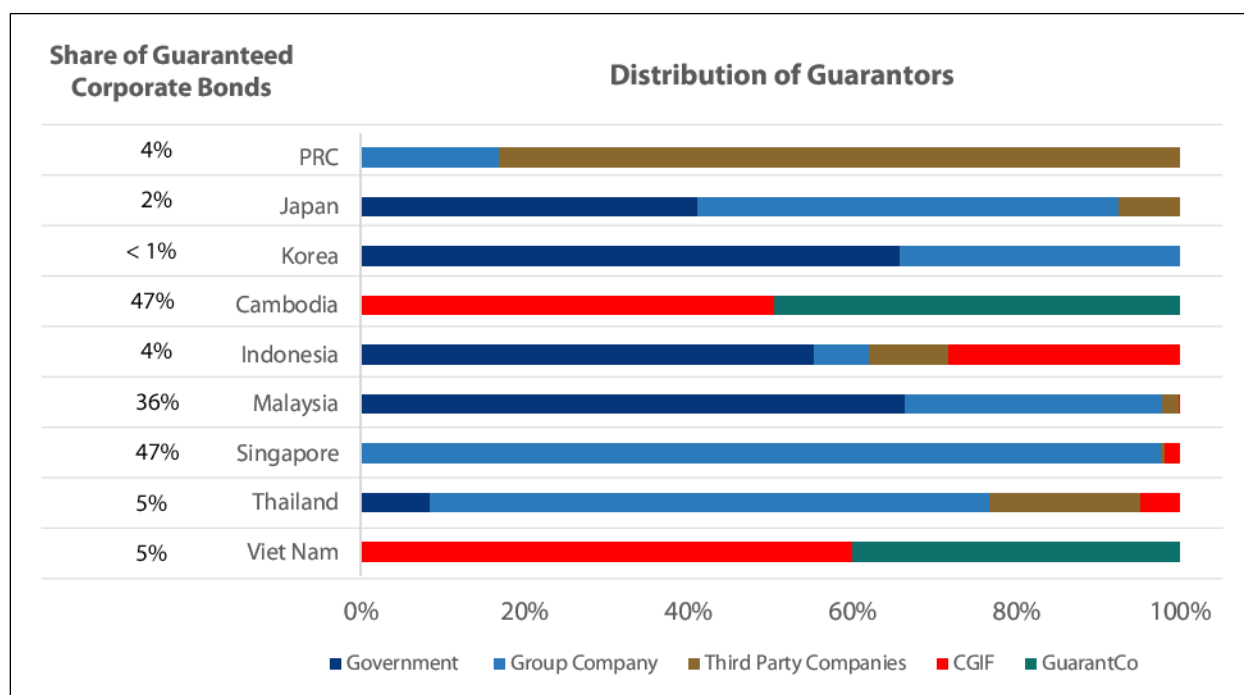
was issued at 5.25%, below the 5.6–6.3% coupons of CIA FIRST's five-year bonds. However, these bonds were issued at different points in time, under different market conditions and with different guarantee providers. The apparent difference therefore does not provide sufficient evidence of an inverse maturity relationship.

Overall, the limited available evidence suggests that credit quality does influence corporate bond pricing in Cambodia in the direction normally expected, with lower-rated bonds generally requiring higher returns. However, the market remains too small and heterogeneous to derive a reliable rating-based credit spread curve or maturity-based yield curve. Differences in guarantee coverage, seniority, coupon structure, issuance timing and prevailing USD interest rates make direct comparisons across bonds difficult. Corporate bond pricing in Cambodia should therefore be viewed as largely transaction-specific, even though conventional credit-risk considerations remain relevant.

6 Guaranteed Corporate Bonds

Figure 6.1 below shows the share of guaranteed corporate bonds in each LCY corporate bond market in ASEAN+3. Cambodia has the highest ratio of guaranteed corporate bonds, at 47%. In addition, Cambodia is the country, together with Vietnam, where guarantors are only international guarantors; CGIF and GuarantCo.

Figure 6.1: Distribution of Guarantor Market Share Across ASEAN+3 Markets, 2025



Notes:

1. The share is computed based on the outstanding value of only LCY-denominated corporate bonds.

2. Definitions of guarantors are as follows: *government* refers to the central government or the ministry of finance in a country; *group company* includes the issuer's parent, its subsidiaries, and all related group companies; and *third party company* refers to any domestic entity outside of the group, including banks and specialized guarantors in the domestic market.

3. CGIF and GuarantCo are specialized credit guarantors, which are companies or organizations providing credit guarantees on bonds (and other financial products) as part of their mandate. Some countries have established their own national or provincial (local) guarantors.

Source: Bloomberg; Author's calculations.

The following subsections discuss the key guarantors in Cambodia's domestic corporate bond market.

6.1 National Guarantor

The Credit Guarantee Corporation of Cambodia PLC (CGCC) is Cambodia's national credit guarantor. The CGCC is a state-owned enterprise (SOE) established by Sub-Decree No. 140 ANKR.BK. It operates under the technical and financial guidance of the Ministry of Economy and Finance (MEF) of Cambodia. The primary mandate of the CGCC is to improve financial inclusion and stimulate the growth of Micro, Small, and Medium Enterprises (MSMEs). It addresses a critical market gap: the lack of collateral among small business owners. By offering credit guarantees, CGCC acts as a bridge between MSMEs and financial institutions, allowing viable businesses to secure loans they otherwise would not qualify for.

CGCC's bond guarantee improves the credit rating of the guaranteed bond as well as the access to the bond market, especially to domestic issuers. It also helps diversify issuers' funding sources. Table 6.1 below summarizes the key features of CGCC's bond guarantee.

Table 6.1: Key Features of CGCC's Bond Guarantees

General Features	
Eligible issuers	According to SERC's regulations
Eligible investors	According to SERC's regulations
Eligible bond	According to SERC's regulations
Issuance Currency	in local currency (KHR)
Guarantee fee	Risk-based pricing charged on guaranteed amount per annum
Tenor	Up to 10 years
Size	From KHR8 billion to KHR80 billion per issuer (or USD2 million to USD20 million per issuer)
Guarantee coverage	Unconditional and irrevocable, up to 100% of bond principal and coupon
Issuer's credit rating	At least khB

Source: CGCC

For bonds, CGCC is actively involved in risk-sharing structures for high-profile infrastructure and sustainability bonds. With its partnership with GuarantCo, it was able to provide a counter-guarantee to the corporate bond of CAMGSM PLC, a telecommunication company. For this, CGCC provided a USD 10 million counter-guarantee to support GuarantCo's existing USD 70 million guarantee for large projects, helping manage sector and geography exposure limits.

6.2 Specialized Guarantors

Guaranteed bonds in Cambodia's corporate bond market have been supported by two multilateral credit guarantors: the Credit Guarantee and Investment Facility (CGIF) and GuarantCo. These institutions provide guarantees that enhance the creditworthiness of bond issuances, enabling issuers to access the domestic capital market on more favorable terms and helping attract a broader range of investors.

Credit Guarantee and Investment Facility (CGIF) is a trust fund of the Asian Development Bank established in 2010 under the Asian Bond Markets Initiative to promote the development of local currency bond markets in the ASEAN+3 region. CGIF provides guarantees for local-currency bonds issued by creditworthy corporates, thereby facilitating access to long-term financing and encouraging participation by institutional investors. In Cambodia, CGIF has guaranteed nine bond issuances totaling approximately USD 156 million by the end of 2025. These transactions span a diverse range of sectors, reflecting CGIF's role in broadening the issuer base of the Cambodian bond market.

GuarantCo is part of the Private Infrastructure Development Group (PIDG) and specializes in providing credit guarantees and risk mitigation solutions to mobilize local-currency financing for infrastructure and sustainable

development projects in emerging markets. In Cambodia, GuarantCo has supported several landmark bond issuances. Through these guarantees, GuarantCo has facilitated access to long-term capital for issuers, while supporting the development of Cambodia's domestic debt capital market. The institution's involvement has also helped demonstrate the viability of bond financing for sectors that traditionally relied on bank lending, thereby contributing to the diversification of financing sources within the Cambodian economy.

Table 6.2: Comparison of CGIF and GuarantCo, 2025

	CGIF	GuarantCo
Established	2010	2005
Contributors	Governments of 10 ASEAN countries, China, Japan and Korea and ADB	Primarily owned by PIDG whose current government owners are UK, Netherlands, Switzerland, Australia, Sweden and Canada; FMO (Dutch Entrepreneurial Development Bank) also partially owns.
Business Scope	Credit guarantees for local currency denominated bonds	Full and partial guarantees for bonds, loans, and other debt facilities, primarily for infrastructure
Geographic scope	ASEAN+3	Primarily lower-income and emerging markets in Africa and Asia
International credit rating	AA (S&P)	AA- (Fitch) and A1 (Moody's)
Total Capital	USD 1.44 billion (Paid-in USD 1.158 billion + Reserve/Retained earnings USD 285 million)	USD 678 million (Paid-in USD 383 million + Contingent capital facilities USD 263 million + Debt facilities USD 32 million)
Total Portfolio Exposure	USD 2.65 billion (All guarantees)	USD 1.22 billion (USD 1.14 billion of guarantees and USD 80 million of loans and other receivables)

Source: websites, 2025 financial statements, and 2025 annual reports of two institutions

7 Cross Border Bonds

There are two types of cross-border bonds: inbound and outbound bonds. The inbound bond ratio is defined as the ratio of LCY bonds issued by foreign entities to total LCY bonds outstanding, indicating the degree to which foreign entities participate in the domestic LCY bond market. LCY bonds issued by foreign entities but settled in major foreign currencies, such as the US dollar, are excluded from the calculation, as such bonds are neither issued nor traded in the domestic bond market and therefore do not represent foreign issuers' actual participation in the local market. The outbound bond ratio, on the other hand, is defined as the ratio of foreign-currency bonds issued by domestic entities to total bonds issued by domestic entities. It indicates the degree to which domestic entities rely on foreign-currency bond issuance for their bond financing.

Table 7.1: Cross Border Corporate Bonds in ASEAN+3, 2025

Country	Ratios of LCY bonds issued by foreign entities to total LCY bonds (Inbound)*	Ratio of FCY bonds issued by local entities to total bonds issued by local entities (Outbound)
Cambodia	-	9%
Indonesia	-	58%
Malaysia	-	27%
Philippines	-	36%
Singapore	35%	78%
Thailand	1%	15%
Viet Nam	-	28%
China	2%	3%
Japan	18%	42%
Korea	-	35%

Note: LCY bonds issued by foreign entities but settled in major foreign currencies are excluded in Inbound. Ratios are calculated based on the outstanding amounts.

Source: Bloomberg; Author's calculation

7.1 KHR Bonds of Foreign Entities

At present, there have been no KHR-denominated bonds issued by foreign entities in Cambodia's domestic bond market. Likewise, there appear to be no outstanding offshore KHR-denominated bonds issued by foreign entities and settled in a major international currency. Therefore, Cambodia currently has no KHR-denominated bonds issued by foreign entities as of the end of 2025.

There is, however, an important historical precedent. In May 2019, the International Finance Corporation (IFC) issued the first-ever offshore KHR-denominated bond, raising KHR 48.6 billion (approximately USD 12 million) from international investors. The bond was issued offshore and listed on the Luxembourg Stock Exchange, allowing international investors to obtain direct exposure to the Cambodian riel. The bond matured in 2021.

The transaction was closely linked to the development of Cambodia's domestic corporate bond market. In November 2018, IFC had invested approximately USD 20 million equivalent in the KHR 120 billion (approximately USD 30 million) three-year bond issued by Hattha Kaksekar Limited (HKL), a Cambodian microfinance institution. The HKL transaction was Cambodia's first domestic corporate bond issuance, and IFC subscribed to approximately two-thirds of the issue as an anchor investor. IFC subsequently issued its offshore KHR bond in 2019 to replace a portion of the local-currency funding used for its investment in the HKL bond.

The IFC transaction nevertheless remained an isolated precedent rather than the beginning of a sustained offshore KHR bond market. No comparable issuance by a foreign entity has been identified since the bond matured in 2021.

7.2 Foreign Currency Bonds of Cambodian Companies

Cambodia's outbound corporate bond activity has been extremely limited. Based on the domicile of the issuer, only two foreign currency denominated bond issuances by a Cambodian entity have been identified, both issued by Hattha Bank in the Thai bond market, as shown in Table 7.2.

Hattha Bank's access to the Thai bond market was closely related to its ownership structure. Hattha Bank is a wholly owned subsidiary of Bank of Ayudhya (Krungsri), one of Thailand's major commercial banks, and Krungsri acted as advisor and sole lead manager for Hattha's inaugural THB bond. Hattha's ability to obtain an investment-grade BBB+ rating from TRIS Rating was also significantly supported by its relationship with Krungsri. In its assessment, TRIS considered Hattha a "highly strategic" subsidiary of Bank of Ayudhya, rated AAA by TRIS. After incorporating

group support, TRIS assessed Hattha's credit profile at AA+. However, Hattha's final rating was capped at BBB+, reflecting TRIS's BBB+/Stable sovereign assessment of Cambodia at the time.

Table 7.2: Foreign Currency Denominated Bonds issued by Cambodian Entities

Issuer	Currency	Issue Date	Maturity	Amount Issued	Coupon Rate	TRIS rating
Hattha Bank PLC	THB	12 Oct 2022	12 Oct 2025	1.5 billion	4.7%	BBB+
Hattha Bank PLC	THB	24 Jan 2023	24 Jan 2026	1.3 billion	4.7%	BBB+

Source: Bloomberg

Cambodia's outbound bond market is extremely small and concentrated entirely in THB, in contrast to most ASEAN+3 markets where USD is the dominant currency. Cambodia shares this feature with Lao PDR and Myanmar, whose outbound bonds are also predominantly denominated in THB. This reflects their close economic and financial links with neighboring Thailand, which has the most developed bond market among their immediate neighbors and therefore provides a natural destination for cross-border issuance. In Cambodia's case, however, the 100% THB share should be interpreted cautiously, as Bloomberg data show only one outstanding outbound bond as of end-2025, issued by Hattha Bank.

Table 7.3: Foreign Currencies used for Outbound Bonds in ASEAN+3, 2025

Country	Number of Currencies Used in Issuing FCY-denominated Bonds	Number of outstanding FCY-denominated Bonds	The most widely used FCY and its ratio
Cambodia	1	1	THB (100%)
Indonesia	4	125	USD (98%)
Lao PDR	2	24	THB (88%)
Malaysia	6	121	USD (72%), SGD (12%)
Myanmar	1	2	THB (100%)
Philippines	1	30	USD (100%)
Singapore	20	4,688	USD (74%), EUR (10%)
Thailand	4	51	USD (90%), MYR (4%)
Viet Nam	1	6	USD (100%)
China	7	3,857	USD (78%)
Japan	7	1,165	USD (81%), EUR (10%)
Korea	11	573	USD (81%), AUD (5%)

Note: Ratios are calculated based on the number of outstanding bonds.

Source: Bloomberg; Author's calculations.

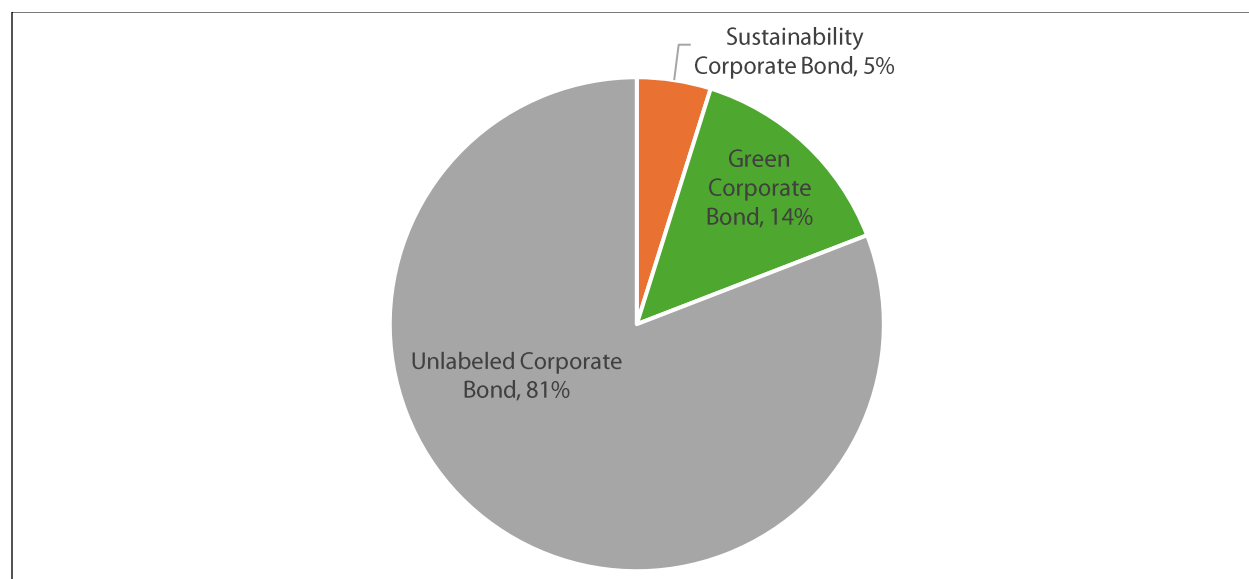
8 Thematic Bonds

Cambodia began issuing thematic bonds in its market in 2022. As of end of 2025, Cambodia's thematic bond market reached KHR 326 billion (or ~USD 81 million). Compared to other ASEAN+3 markets, this size is still very small. However, this is one remarkable characteristic in Cambodia's corporate bond market, since even being in its early developmental stage, it can now host thematic bonds. This gives an indication that market participants are open to and have growing awareness of these products. According to a local market expert, the risk weight

applied to green bonds is 80 percent which is lower than 100 percent of the risk weight applied to ordinary corporate bonds.⁷ This is how thematic bonds, such as green bonds, are regulatorily promoted in Cambodia.

Figure 8.1 shows the types of thematic bonds in Cambodia. Green corporate bonds take up 14% of the market, while about 5% are sustainability-labeled corporate bonds. In total, about 19% of the outstanding corporate bonds are thematic bonds.

Figure 8.1: Breakdown of Cambodia's Corporate Bond Market by Thematic Asset Class, 2025



Note: Ratios are calculated based on the outstanding amounts

Source: CSX; Author's calculations

9 Outlook for Cambodia's Bond Market

The SERC implements the Securities Sector Development Strategy 2025-2035, which lays down the objectives and activities to develop the entire securities market.⁸ This overarching strategy also includes goals for sustainable development, economic inclusion and market innovation. Table 9.1 below shows some of the strategic measures under this plan.

⁷ Source: Prakas on Capital Adequacy Ratios B7 024 745 Article 29.

https://www.nbc.gov.kh/download_files/legislation/prakas_eng/B7_024_745_PROKOR_Prakas_on_capital_adequacy_ratios_in_Deposit_taking_Eng.pdf

⁸ The SERC is keen to implement the Strategic Plan in three phases: short term (2025-2027), medium term (2028-2030) and long term (2031-2035). The SERC will embark on thorough monitoring and evaluation activities such that the strategy will be reviewed in the medium term to update the plan to Securities Sector Development Strategy 2031-2040.

Table 9.1: Measures for Enhancing and Expanding Cambodia's Corporate Bond Market

Strategies for Securities Market Development	Specific Measures Related to Bond Market Development
Enhancement	Encourage more listing of corporate bonds through the following actions: • Step up awareness programs for potential issuers and institutional investors • Facilitate issuance of thematic bonds (green bonds, social bonds, and sustainability bonds, among others) to attract more investors • Consider providing suitable incentives • Conduct feasibility study on enabling multi-currency bond issuance • Endorse the draft Prakas on Offering of Infrastructure Debt Securities Provide financial and non-financial incentives • Provide long-term tax incentive for issuers, investors, intermediaries and other participants in securities sector. • Provide special incentives such as: ○ Identify the targeted segments for incentives ○ Prioritize segments that have the strongest growth potential and/or the highest positive impact on the overall development of the securities sector and the national agenda regarding sustainable finance framework Reduce barriers to the development of the securities market caused by the mandatory use of the Khmer Riel in securities issuance • Investigate barriers caused by the mandatory use of the Khmer Riel in securities issuance and recommend actions to address them • Engage industry players to compile all issues affecting the securities sector • Establish framework for issuing securities in foreign currency
Expansion	Promote sustainable bond issuance • Extend the Cambodia Sustainable Bond Accelerator Program • Provide technical assistance support for sustainable bonds • Develop and put in place the guidelines for issuance of sustainability-linked bonds, aligned with the ASEAN sustainability-linked standards. • Develop transition finance framework, based on the ASEAN Transition Finance Guidance.

Source: SERC

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