



بروني دارالسلام سنترال بڠا
BRUNEI DARUSSALAM CENTRAL BANK

2025

ANNUAL REPORT



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



*His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah
ibni Al-Marhum Sultan Haji Omar 'Ali Saifuddien Sa'adul Khairi Waddien
Sultan and Yang Di-Pertuan of Brunei Darussalam*



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Abbreviations

AC	Audit Committee
ACMF	ASEAN Capital Markets Forum
AI	Artificial intelligence
AIRM	ASEAN Insurance Regulators' Meeting
AML	Anti-Money Laundering
APG	Asia/Pacific Group on Money Laundering
ASEAN	Association of Southeast Asian Nations
ATB	ASEAN Taxonomy Board
BDIF	Brunei Darussalam Islamic Finance
BNM	Bank Negara Malaysia
BOT	Bank of Thailand
CARO	Criminal Asset Recovery Order
CBA	Currency Board Arrangement
CBNI	Physical Currency and Bearer Negotiable Instrument
CFT	Combating the Financing of Terrorism
CIA	Currency Interchangeability Agreement
CMSRL	Capital Market Services Representative's Licence
CPF	Counter Proliferation Financing of Weapons of Mass Destruction
CSB	Cyber Security Brunei
CSE	Crisis Simulation Exercise
CSR	Corporate Social Responsibility
CSS	Centralised Statistical System
CTR	Cash Transaction Reports
DEPS	Department of Economic Planning and Statistics, Ministry of Finance and Economy, Brunei Darussalam
DNFBPs	Designated Non-Financial Businesses and Professions
FATF	Financial Action Task Force
FDI	Foreign Direct Investment
FIU	Financial Intelligence Unit, BDCB
FMSC	Financial and Monetary Stability Committee
FSBP	Financial Sector Blueprint
GDP	Gross Domestic Product
HRC	Human Resource Committee
IAC	Investment Advisory Committee
ICD	Islamic Corporation for the Development of the Private Sector
IFDI	Islamic Finance Development Indicator
IMF	International Monetary Fund
LSEG	London Stock Exchange Group
MAS	Monetary Authority of Singapore



Abbreviations

MCB	Minimum Cash Balance
MER	Mutual Evaluation Report
ML	money laundering
MOFE	Ministry of Finance and Economy, Brunei Darussalam
MoU	Memorandum of Understanding
MSB	money services business
MSMEs	Micro, Small, and Medium-sized Enterprises
NAMLC	National Anti-Money Laundering and Combating the Financing of Terrorism Committee
ndpx	National Digital Payments Network Sdn Bhd
NFLC	National Financial Literacy Council
NFLD	National Financial Literacy Day
OSF	Overnight Standing Facilities
QR	quick response
RBCS	Risk-Based Capital and Solvency
RBPF	Royal Brunei Police Force
RMC	Risk Management Committee
RTGS	Real-Time Gross Settlement
SBL	Single Borrowing Limit
SEACEN	South East Asian Central Banks Research and Training Centre
SC	Securities Commission Malaysia
SFR	Sustainable Finance Roadmap
SFSB	Syariah Financial Supervisory Board
SIR	Self-inquiry reports
SMO	Securities Market Order, 2013
STR	Suspicious Transaction Reports
TF	terrorist financing
UBD	Universiti Brunei Darussalam
UNISSA	Universiti Islam Sultan Sharif Ali
UTB	Universiti Teknologi Brunei
WC-FINC	ASEAN Working Committee on Financial Inclusion
WC-PSS	ASEAN Working Committee on Payment and Settlement Systems



Chairman's Remarks




**Yang Berhormat
Dato Seri Setia Dr Haji Abdul Manaf
bin Haji Metussin**
Minister of Primary Resources and Tourism
Chairman, Board of Directors
Brunei Darussalam Central Bank

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ
السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ
الْحَمْدُ لِلَّهِ رَبِّ الْعَالَمِينَ، وَالصَّلَاةُ وَالسَّلَامُ عَلَى أَشْرَفِ الْمُرْسَلِينَ،
سَيِّدِنَا مُحَمَّدٍ وَعَلَى آلِهِ وَصَحْبِهِ أَجْمَعِينَ، وَبَعْدُ

First and foremost, I am truly humbled and honoured to be entrusted by His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah Ibni Al-Marhum Sultan Haji Omar 'Ali Saifuddien Sa'adul Khairi Waddien, Sultan and Yang Di-Pertuan of Brunei Darussalam to serve as the Chairman of the Central Bank. I would also like to take this opportunity to express my deepest gratitude to Yang Mulia Dato Seri Paduka Awang Haji Khairuddin bin Haji Abdul Hamid, Deputy Minister of Finance and Economy (Economy), for his leadership and guidance during his chairmanship of the Central Bank. In Shaa Allah, with the support of the Central Bank's Board of Directors, Executive Management, officers, and staff, we will continue to fulfil our duties and responsibilities to deliver the Central Bank's objectives effectively.

His Majesty, in his Titah in the Twelfth National Development Plan (RKN12) 2024–2029, underscored the need for national preparedness in navigating an increasingly complex and uncertain global landscape— a message that remains timely and continues to resonate amid recent developments:

"A country must enhance its preparedness to confront prevailing challenges, including but not limited to uncertain economic conditions; a shift in the paradigm of the digital economy; international geopolitical tensions resulting in disruptions to the supply of essential goods and heightened global inflation; as well as climate change-induced weather risks that are uncertain in nature."



On a macro level, 2025 ushered in a new era in which existing rules were challenged. Sweeping trade protectionist measures in early January were a precursor to a sequence of countertrade announcements by other countries in the year. This culminated in policy unpredictability with predictions of a global slowdown. Nonetheless, the latest projections by the International Monetary Fund (IMF) point towards resilience, with global growth at 3.3%, supported by technology investments, fiscal and monetary measures, and private sector adaptability.

For Brunei Darussalam, our economy was not insulated from these external developments. Based on the Business Sentiment Index for the year, the private sector continued to face external pressures from volatility in energy prices and shifting trade dynamics. However, resilience in the oil and gas sector provided some balance as economic growth eased to 0.7%. In line with the downward trend in global inflation, domestic inflation averaged -0.3%, driven largely by easing food and transport prices. The country's monetary policy framework, underpinned by the Currency Board Arrangement (CBA) and the Currency Interchangeability Agreement (CIA) with Singapore, continued to serve as an anchor in achieving overall macroeconomic stability.

Against this backdrop, close collaboration with the financial sector, relevant government agencies, and key stakeholders is crucial. This ensures that our strategies remain aligned with and supportive of those set by His Majesty's Government, particularly in the areas of economic development, finance, digitalisation, financial literacy, sustainability and climate change. In doing so, we remain committed to upholding our core mandates without compromise.

Since its establishment in 2011, the Central Bank has set out on a mission to redefine Brunei Darussalam's financial sector, anchored in maintaining monetary and financial stability whilst fostering progressive financial sector development. The Financial Sector Blueprint 2016–2025 was launched a decade ago, envisioning a dynamic and diversified financial sector. Alhamdulillah, with the support from the financial sector and other relevant stakeholders, over 88% of our strategic action initiatives under the FSBP 2016–2025 have been accomplished to date. This has translated into a significant transformation in the financial sector, namely, the upgrading of our regulatory and supervisory framework, the modernisation of our payments systems, and the development of new key sectors, such as digital finance and FinTech.

With 2025 marking the final year of this Blueprint, it is important that we maintain this momentum and evaluate both our past achievements and any shortcomings. This is to ensure gaps are addressed, and new priority areas are identified to shape the financial sector and drive our nation's progress towards achieving Wawasan Brunei 2035 goals and aspirations.



Indeed, in this rapidly evolving environment, from the rise of Artificial Intelligence (AI) to growing environmental challenges, Brunei Darussalam's financial system continues to undergo significant transformation. As guardians of financial stability, the Central Bank must therefore maintain a careful balance between safeguarding the system and enabling progress. Striking this balance allows the financial sector to navigate new risks whilst seizing emerging opportunities.

To conclude, I would like to take this opportunity to express my sincere appreciation to the Board of Directors, Executive Management, officers, and staff of the Central Bank for their dedication and hard work throughout 2025. With that, it is my pleasure to present BDCB's Annual Report 2025.

Dato Seri Setia Dr Haji Abdul Manaf bin Haji Metussin



Managing Director's Foreword



Hajah Rashidah binti Haji Sabtu
Managing Director
Brunei Darussalam Central Bank

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ
السَّلَامُ عَلَيْكُمْ وَرَحْمَةُ اللَّهِ وَبَرَكَاتُهُ

Alhamdulillah, 2025 saw the Central Bank advance further in several reforms as we neared the end of the Financial Sector Blueprint 2016-2025. This reflects the Central Bank's steadfastness in discharging its mandates even amidst an increasingly complex and fragmented global economy.

In 2025, Brunei Darussalam's financial sector continued to exhibit solid growth with total financial sector assets growing 2.6% y-o-y to BND25.9 billion, demonstrating the financial sector's resilience despite lingering economic and market uncertainties. At the same time, this sound environment has created a conducive backdrop for the Central Bank to advance its developmental efforts throughout 2025 as we continue to position our financial sector forward.

The Central Bank, with the support of the industry, marked the beginning of a new chapter in transforming the financial sector with the launch of the Sustainable Finance Roadmap 2025–2030 (SFR). This initiative underscores our commitment to advancing the national sustainability agenda in Brunei Darussalam as the country transitions towards a low-carbon, sustainable economy. As the engine of the economy, the financial sector plays a vital role in spearheading sustainable finance initiatives by integrating a robust sustainable risk management framework and mobilising capital into sustainable investments.



Recognising that sustainability is a shared responsibility, the Central Bank works closely with regional partners through its chairmanship of the ASEAN Taxonomy Board (ATB), under which Version 4 of the ASEAN Taxonomy was launched in 2025, completing the region's framework for classifying sustainable economic activities. Indeed, the SFR has been aligned closely to support the broader direction of ASEAN's sustainability agenda.

Another landmark moment for the financial sector was the launch of the *tarus* digital payment system – the nation's first instant fund transfer system. This is in line with our aspirations under the Digital Payment Roadmap 2019–2025 to transform Brunei Darussalam into a Digital Payment Nation. In doing so, various efforts have been made, such as the introduction of an enabling regulatory framework for the payments sector, including the launch of the FinTech Regulatory Sandbox in 2017, the formulation of payments regulations and ensuring an effective technology risk management framework for the financial sector.

Building on this progress, the Central Bank granted approval for the National Digital Payments Network to operate *tarus* transfers in early 2025, enabling individuals to make instant fund transfers via mobile phone numbers or business registration numbers, instead of bank account numbers. This feature empowers users with more convenient and efficient digital payment options, widening financial accessibility. To further facilitate payment interoperability, the Central Bank introduced a requirement for financial institutions to adopt a unified, standardised quick response (QR) code by January 2027, aiming to make digital payments more convenient for the public. Going forward, the Central Bank will continue to invest in promoting responsible innovation in the financial sector, such as through the development of the Digital Payment Roadmap 2026-2030.

In terms of Islamic finance, Brunei Darussalam continues to position itself as a premier destination for Islamic finance, as reflected in the nation's ranking of 13th out of 140 countries in the Islamic Finance Development Report 2025, published by the Islamic Corporation for the Development of the Private Sector (ICD) and the London Stock Exchange Group (LSEG). In further strengthening this sector, the Central Bank is expanding the Islamic window framework to allow conventional banks to offer Islamic financial products, aimed at broadening access, encouraging greater public adoption, and supporting the nation's aspiration to become a leading Islamic finance centre. To ensure successful and responsible implementation, the Central Bank has commenced industry consultations to refine operational and governance requirements, reinforcing our commitment to a resilient, inclusive and progressive financial system.



An important milestone in the evolution of Brunei Darussalam's currency was the announcement of the New Family Banknotes Series in September 2025. Featuring enhanced security features to further safeguard the integrity of the nation's currency and strengthen protection against counterfeiting, the new series reflects the Central Bank's continued commitment to ensuring that Brunei Darussalam's currency remains secure, durable and accessible to all segments of society. The new banknotes are expected to enter circulation in the first half of 2026.

The Central Bank continues to place high importance on financial literacy to ensure inclusive development. 2025 signified the 10th year since Brunei Darussalam first celebrated National Savings Day (now known as National Financial Literacy Day) – a testament to our continued commitment to cultivating a financially literate generation. The year saw the launch of Usinwise, the official brand for national financial literacy campaigns, to connect Bruneians with trusted, accessible financial education, and Centsibly, a teaching resource co-developed with the Ministry of Education, to equip students with lifelong financial skills.

These accomplishments are just a glimpse of what this year's Annual Report will offer to our readers. With uncertainties still on the horizon, the Central Bank remains focused on delivering our mandates while ensuring the competitiveness of our financial sector.

On this note, I would like to extend my heartfelt gratitude to our Board of Directors for their guidance and wisdom in steering the organisation forward. And to all of our employees, without your tireless efforts and unwavering dedication, these achievements would not have been made possible. As we approach BDCB's 15th anniversary in 2026, I am confident that we will continue to do our part to serve our country with the highest level of integrity and excellence.

Hajah Rashidah binti Haji Sabtu



BDCB in Brief

Vision, Mission, and Objectives

Our Vision

With the blessings of Allah Subhanahu Wa Ta'ala, to be a dynamic central bank that supports a progressive and sustainable economy.

Our Mission

To ensure a well-functioning monetary and financial system, and promote the development of a sound and progressive financial services sector.

Our Objectives

As outlined in Section 4 of the BDCB Order, 2010, Brunei Darussalam Central Bank (BDCB) carries the following core objectives: to achieve and maintain **domestic price stability**, ensure the **stability of the financial system**, assist in the establishment and functioning of **efficient payment systems**, and to oversee them and foster and **develop a sound and progressive financial services sector**.

Our Roles and Responsibilities

Conduct monetary policy and operations, including operating the CBA, supported by the CIA, and issuing Government sukuk and BDCB I-Bills.

CBA - Currency Board Arrangement
CIA - Currency Interchangeability Agreement between Brunei Darussalam and Singapore

Regulate and supervise financial institutions

by issuing rules and monitoring the financial system.

Implement national payment and settlement systems, including the RTGS, ACH and CSD.

RTGS - Real-Time Gross Settlement
ACH - Automated Clearing House
CSD - Central Securities Depository

Issue and manage the Brunei currency, ensuring our money stays safe and trusted by everyone.

Combat money laundering and the financing of terrorism

to safeguard financial integrity.

Advance financial sector development, in areas of Islamic finance, sustainable finance, digital financial innovation, including FinTech.

Conduct economic research and produce monetary and financial statistics to inform policy decisions and monitor economic stability.

Provide financial infrastructure, such as the Collateral Registry and Credit Bureau

to facilitate access to credit and support a transparent and efficient financial system.

Raise awareness on central banking, avoiding scams, financial management, and our currency.



Board of Directors

Chairman

Yang Berhormat
Dato Seri Setia Dr Haji Abdul Manaf bin Haji Metussin
 Minister of Primary Resources and Tourism

Deputy Chairman

Yang Mulia
Pengiran Datin Seri Paduka Hajah Zety Sufina binti
Pengiran Dato Paduka Haji Sani
 Deputy Minister of Finance and Economy (Fiscal)

Members

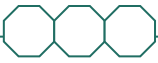
Yang Mulia
Dato Seri Setia Dr Awang Haji Japar bin
Haji Mat Dain @ Maidin
 Deputy State Mufti
 State Mufti's Office

Yang Mulia
Pengiran Hajah Siti Nirmala binti
Pengiran Haji Mohammad
 Permanent Secretary (Wawasan)
 Prime Minister's Office

Yang Mulia
Dr Dayang Hajah May Fa'ezah binti
Haji Ahmad Ariffin
 Permanent Secretary (Economy, Trade
 and Industry)
 Ministry of Finance and Economy

Yang Mulia
Dayang Hajah Zuraini binti Haji Sharbawi
 Solicitor General, Attorney General's Chambers
 Prime Minister's Office

Yang Mulia
Dayang Hajah Rashidah binti Haji Sabtu
 Managing Director
 Brunei Darussalam Central Bank



Executive Management

Managing Director

Yang Mulia
Dayang Hajah Rashidah binti Haji Sabtu

Deputy Managing Directors

Yang Mulia
Dayang Hajah Noorrafidah binti Sulaiman
Regulatory and Supervision

Yang Mulia
Awang Mardini bin Haji Eddie
Monetary Operations, Development and International

Assistant Managing Director

Yang Mulia
Dayang Hajah Sufinah binti Haji Sahat
Corporate Development

Governance

Financial and Monetary Stability Committee (FMSC)

The FMSC monitors the risks present in the global and domestic financial and economic environments. Additionally, it offers policy recommendations to the Board of Directors and upholds the Currency Board Arrangement (CBA) in accordance with the Currency Order, 2004, as amended by the Currency and Monetary (Amendment) Order, 2010, to ensure monetary stability in Brunei Darussalam.

The members of the FMSC, as of 31 December 2025, are:

Chairperson

Yang Mulia
Dayang Hajah Rashidah binti Haji Sabtu
 Managing Director
 Brunei Darussalam Central Bank

Members

Yang Mulia
Dayang Hajah Noorrafidah binti Sulaiman
 Deputy Managing Director
 Regulatory and Supervision
 Brunei Darussalam Central Bank

Yang Mulia
Awang Mardini bin Haji Eddie
 Deputy Managing Director
 Monetary Operations, Development and
 International
 Brunei Darussalam Central Bank

Yang Mulia
Dayang Hajah Salawati binti Haji Puasa
 Acting Deputy Accountant General
 Treasury Department
 Ministry of Finance and Economy

Yang Mulia
Dayang Heidi Farah Sia binti Abd Rahman
 Acting Director General
 Department of Economic Planning and Statistics
 Ministry of Finance and Economy

Yang Mulia
 Assistant Managing Director
 Monetary Operations, Development and
 International
 Brunei Darussalam Central Bank

Yang Mulia
 Assistant Managing Director
 Regulatory and Supervision
 Brunei Darussalam Central Bank

Yang Mulia
Awang Tan Chi Hong
 Acting Chief Executive Officer
 Brunei Darussalam Deposit Protection
 Corporation
 Ministry of Finance and Economy

Yang Mulia
**Dr Awang Mohd Hairul Azrin
 bin Haji Besar**
 Director, Sultan Omar 'Ali Saifuddien Centre
 for Islamic Studies and Assistant Professor,
 UBD School of Business and Economics,
 Universiti Brunei Darussalam (UBD)

Governance

Investment Advisory Committee (IAC)

The IAC is responsible for advising the Central Bank's Board of Directors on investment decisions, policies, and revisions. It oversees the selection and appointment of external fund managers and supports performance evaluations to ensure effective investment management. Additionally, the IAC reviews investment proposals from Executive Management and assesses other related matters as directed by the Board.

The members of the IAC, as of 31 December 2025, are:

Chairperson

Yang Mulia
Awang Haji Sofian bin Mohammad Jani
 Managing Director
 Brunei Investment Agency

Deputy Chairperson

Yang Mulia
Dayang Hajah Rashidah binti Haji Sabtu
 Managing Director
 Brunei Darussalam Central Bank

Members

Yang Mulia
Awang Mardini bin Haji Eddie
 Deputy Managing Director
 Monetary Operations, Development and
 International
 Brunei Darussalam Central Bank

Yang Mulia
Awang Haji Mokhzani Izhar bin
Pehin Orang Kaya Seri Kerna
Dato Seri Setia Dr Haji Abu Bakar
 Senior Manager
 Brunei Investment Agency

Yang Mulia
 Assistant Managing Director
 Monetary Operations, Development and
 International
 Brunei Darussalam Central Bank



Governance

Human Resource Committee (HRC)

The HRC oversees the review, amendment, and approval of the Central Bank's Employee Services Terms and Conditions, human resources policies, and rewards and recognition policies. Further, it endorses recommendations for State Decorations and Honorary State Medal recipients and is responsible for approving and/or endorsing the appointment of senior officers as directed by the Board of Directors.

The members of the HRC, as of 31 December 2025, are:

Chairman

Yang Mulia

Awang Ajman bin Haji Meludin

Permanent Secretary [Civil Service Governance]
Prime Minister's Office

Members

Yang Mulia

Dayang Hajah Rashidah binti Haji Sabtu

Managing Director
Brunei Darussalam Central Bank

Yang Mulia

Awang Mohammad Yazdi Haji Yahya

Chief HR and Administration Officer
Progresif Sdn. Bhd.

Yang Mulia

Dayang Hajah Sufinah binti Haji Sahat

Assistant Managing Director
Corporate Development
Brunei Darussalam Central Bank

Governance

Audit Committee (AC)

The AC, as outlined under Section 21 [4] of the BDCB Order, 2010, is responsible for overseeing the Internal Audit Division, reviewing and recommending the appointment of external auditors, determining the scope of external audits and other inter-related services, facilitating discussions between auditors on findings and recommendations, and assessing the year-end financial statements with external auditors. The AC is supported by the Internal Audit Division, which provides independent assurance on the Central Bank's risk exposure, compliance with internal policies, and the effectiveness of control systems. This enables the AC to effectively oversee audit functions and uphold governance standards.

The members of the AC, as of 31 December 2025, are:

Chairperson

Yang Mulia

Dayang Hajah Zuraini binti Haji Sharbawi

Solicitor General, Attorney General's Chambers
Prime Minister's Office

Members

Yang Mulia

**Awang Haji Hairul Mohd Daud bin
Haji Abdul Karim**

Deputy Permanent Secretary
(Infocommunications)
Ministry of Transport and Infocommunications

Yang Mulia

**Pengiran Hajah Noorasiah binti
Pengiran Mohd Hassan**

Acting Accountant General
Ministry of Finance and Economy
[Until May 2025]

Yang Mulia

**Pengiran Hajah Normaswati binti
Pengiran Anak Haji Manshor**

Acting Accountant General
Ministry of Finance and Economy

Yang Mulia

Awang Shamsul Bahri bin Haji Kamis

Chief Executive Officer
I.T. Protective Security (ITPSS)

Yang Mulia

**Pengiran Haji Johari bin
Pengiran Haji Abd Ghani**

Head, Business Continuity Planning
Brunei Investment Agency

Governance

Risk Management Committee (RMC)

The RMC is responsible for reporting and advising the Board of Directors on the Central Bank's overall risk tolerance, the risk management framework (encompassing principles, policies, systems, processes, and procedures), and overseeing the development of the overall risk management framework.

The members of the RMC, as of 31 December 2025, are:

Chairperson

Yang Mulia

Dr Dayang Hajah May Fa'ezah binti Haji Ahmad Arifin

Permanent Secretary (Economy, Trade and Industry)

Ministry of Finance and Economy

Members

Yang Mulia

Dayang Hajah Rashidah binti Haji Sabtu

Managing Director

Brunei Darussalam Central Bank

Yang Mulia

Awang Haji Hairul Mohd Daud bin

Haji Abdul Karim

Deputy Permanent Secretary

(Infocommunications)

Ministry of Transport and Infocommunications

Yang Mulia

Dayang Mazriyani binti Haji Abd Ghani

Acting Director of Communications

Ministry of Transport and Infocommunications

Yang Mulia

Pengiran Haji Johari bin

Pengiran Haji Abdul Ghani

Head, Business Continuity Planning

Brunei Investment Agency

Yang Mulia

Kolonel (B) Muhd Harrith Rashidi

bin Haji Muhd Jamin

Director, National Disaster Management Centre

Ministry of Home Affairs

Governance

Syariah Financial Supervisory Board (SFSB)

The SFSB was established under the Syariah Financial Supervisory Board Order, 2006. It is mandated to ascertain the Islamic law on any financial matter, to issue rulings on matters referred to it, and to advise on any Syariah issues relating to Islamic financial business, activities or transactions.

The members of the SFSB, as of 31 December 2025, are:

Chairman

Yang Dimuliakan
Pehin Orang Kaya Paduka Setia Raja Dato Paduka Seri Setia
Haji Awang Suhaili bin Haji Mohiddin

Deputy Chairman

Yang Mulia
Dato Seri Setia Dr Awang Haji Japar bin
Haji Mat Dain @ Maidin
 Deputy State Mufti
 State Mufti Office

Yang Mulia
Dato Seri Setia Dr Awang Haji Mazanan bin
Haji Yusof
 Assistant Mufti (Buhuth)
 State Mufti Office

Members

Yang Arif
Awang Haji Hassan bin Haji Metali
 Syariah High Court Judge

Yang Mulia
Dayang Hajah Rashidah binti Haji Sabtu
 Managing Director
 Brunei Darussalam Central Bank

Yang Mulia
Dr Awang Haji Hardifadhillah bin
Haji Mohd Salleh
 Director, Islamic Legal Unit
 Ministry of Religious Affairs

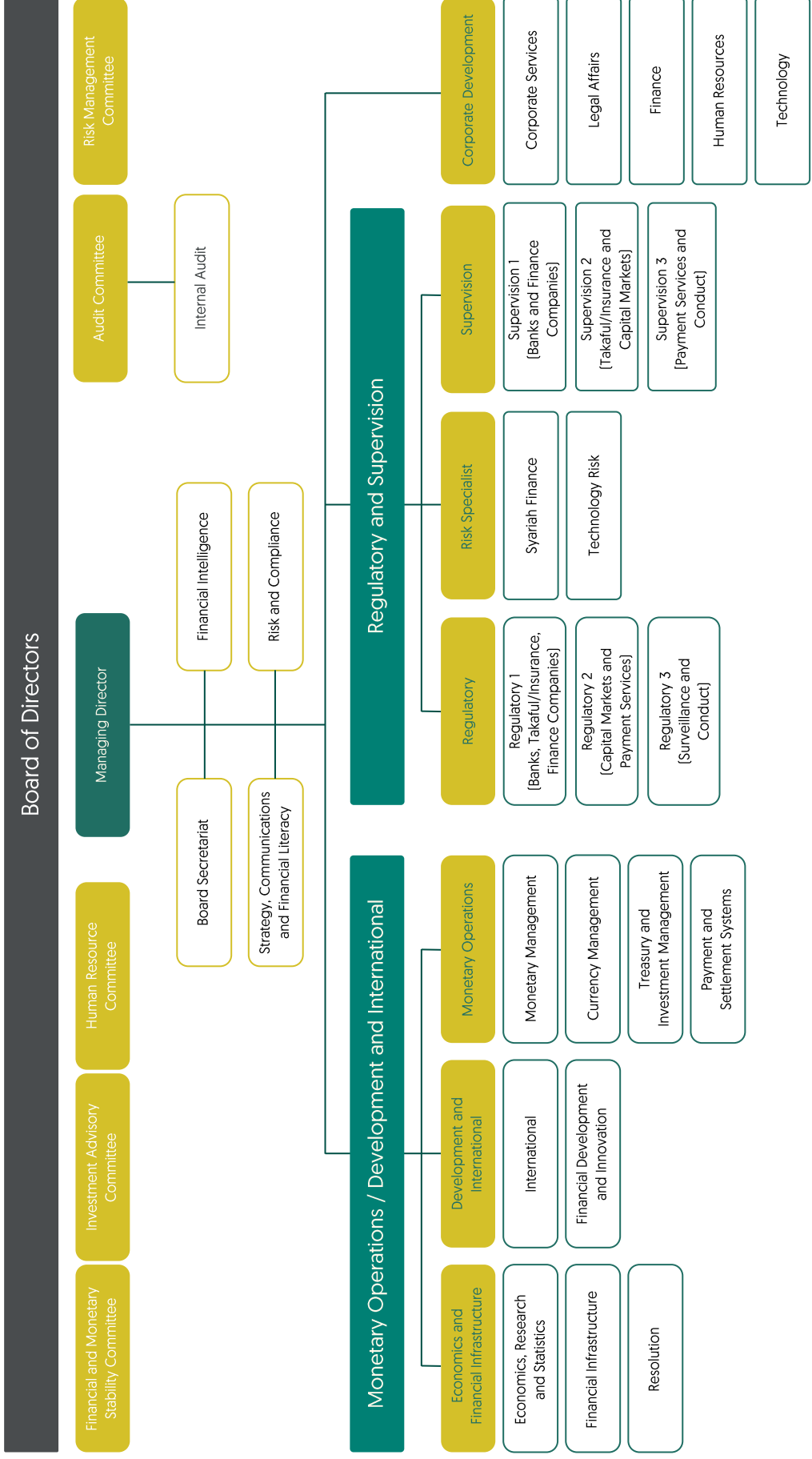
Yang Mulia
Dr Awang Mohd Hairul Azrin bin
Haji Besar
 Director, Sultan Omar 'Ali Saifuddien Centre
 for Islamic Studies and Assistant Professor,
 UBD School of Business and Economics,
 Universiti Brunei Darussalam (UBD)

Yang Mulia
Dr Awang Haji Mas Reduan bin Haji Jumat
 Head of Buhuth, State Mufti Office

Yang Mulia
Dayang Hajah Badariah binti Haji Yahya
 Senior Legal Counsel, Attorney General's
 Chambers
[Effective 2 January 2025]

Governance

Organisational Structure





Maintaining Domestic Price Stability

Amid an increasingly dynamic global and regional economic landscape, the Central Bank continues to prioritise maintaining price stability and a sound monetary environment. Guided by this mandate, efforts have been made to strengthen and refine its monetary framework, while undertaking calibrated policy measures to foster sustainable economic growth and uphold overall financial system stability.

Price stability in an increasingly dynamic economic environment

According to the IMF's January 2026 World Economic Outlook Update, the global economy is estimated to grow at 3.3% in 2025, with the same pace expected in 2026 before moderating slightly to 3.2% in 2027. The outlook reflects a balance of opposing forces. While evolving trade policies continue to weigh on activity, this is offset by surging technology-related investment – particularly in artificial intelligence (AI) – alongside supportive fiscal and monetary policies, broadly accommodative financial conditions, and the adaptability of the private sector.

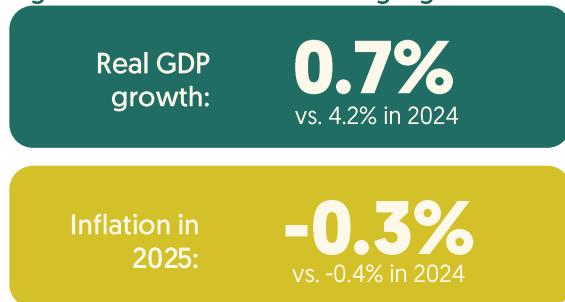
Notwithstanding this, risks to global growth remain skewed to the downside. Escalating geopolitical tensions, renewed trade fragmentation, financial market volatility, and rising vulnerabilities in public debt could dampen prospects. At the same time, faster-than-expected productivity gains from new technologies present a potential upside risk.

Global inflation is projected to ease further, declining to 4.1% in 2025 from previously elevated levels, before moderating to 3.8% in 2026 and 3.4% in 2027.

This trend is supported by the gradual pass-through of higher tariff increases, the cooling of labour market pressures, and softening commodity prices.

Domestically, Brunei Darussalam's Gross Domestic Product (GDP) reported a 0.7% year-on-year growth in 2025. The Oil and Gas sector expanded by 3.1%, driven by strong oil and gas production towards the end of the year. In contrast, the Non-Oil and Gas sector declined by 1.5%, weighed down by slower performance in several subsectors. Notably, reduced activities in the Manufacture of Petroleum and Chemical Products subsector – owing to scheduled maintenance activities – resulted in lower production of methanol and urea fertiliser. The Finance sector also contracted by 5.5% year-on-year, as the lower global interest rate environment compressed income from banking activities. Nonetheless, the financial sector remains well-capitalised and resilient, supported by strong liquidity buffers and continued financial intermediation to the domestic economy. Further details on the financial sector's performance are available in the Central Bank's [Financial Stability Report 2025](#).

Figure 1: Domestic economic highlights for 2025



Source: Department of Economic Planning and Statistics, Ministry of Finance and Economy

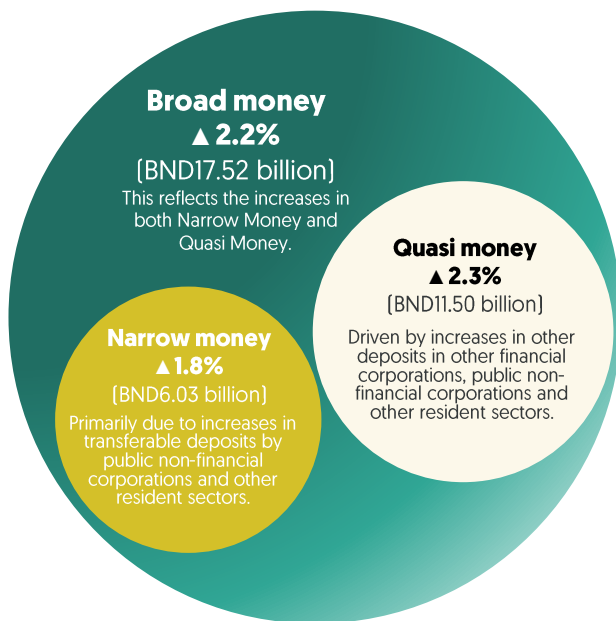
Looking ahead, Brunei Darussalam's growth outlook remains stable. This will be supported by steady upstream and downstream oil and gas activities, complemented by developments in major foreign direct investment projects and the ongoing implementation of strategic initiatives under the 12th National Development Plan [RKN12].

Nevertheless, the outlook remains subject to external risks, including fluctuations in global energy prices, shifts in global demand, and broader geopolitical and macroeconomic uncertainties.

Brunei Darussalam recorded an average inflation rate of -0.3% in 2025, compared to -0.4% in 2024, remaining within the Central Bank’s forecast range of -0.6% to 0.4%. The negative inflation reading reflected lower prices across the Food and Non-alcoholic Beverages and the Non-Food indices, particularly Transport, and Recreation and Culture. Looking ahead, inflationary pressures are expected to remain relatively contained, supported by government subsidies, administrative price controls, and the country’s existing monetary policy framework.

The effects of imported inflation on domestic prices have also been mitigated by the Brunei Dollar’s one-to-one parity with the Singapore Dollar under the Currency Interchangeability Agreement (CIA) with Singapore.

Figure 2: 2025 monetary aggregates



Economic and Investment Outlook 2025

The Central Bank hosted its annual Economic and Investment Outlook 2025 on 6 February 2025, at the Ministry of Finance and Economy (MOFE) Theatre Hall. The event was attended by over 200 participants from government agencies, financial institutions and local higher educational institutions.

Carrying the theme “Friends, Foes and Frenemies? Shifting Alliances in a Fragmented World”, the event brought together speakers from the public, private and academic sectors to discuss global economic and market developments, as well as the outlook for 2025 and the medium to long term.

The event commenced with welcoming remarks by Yang Mulia Hajah Rashidah binti Haji Sabtu, Managing Director of BDCB, who highlighted the growing geopolitical uncertainties and shifting trade dynamics shaping the global economic landscape. She emphasised the importance of closely monitoring global developments to assess potential risks and opportunities for the global, regional and domestic economies.

This was followed by a presentation by Yang Mulia Dr Yong Soo Keong, Senior Assistant Professor, School of Business and Economics, Universiti Brunei Darussalam (UBD), discussing increasing geopolitical, economic and technological fragmentation and its implications for global trade, financial stability and economic growth, particularly for small open economies.



Panel discussion during the EIO 2025

The event also featured a panel discussion which explored the implications of shifting global alliances for economies and financial markets. Discussions highlighted developments such as ongoing trade tensions, the trend towards re-shoring and friend-shoring, and increasing competition in the technology sector. Panellists also shared perspectives on how economies and market participants can navigate heightened uncertainty, mitigate potential risks, and identify opportunities for collaboration and resilience in an increasingly fragmented global environment.

The Economic and Investment Outlook is an initiative organised by the Central Bank to provide a platform for dialogue and the exchange of views on key economic and financial developments.



In response to the evolving economic environment, the Central Bank has adopted proactive measures to safeguard monetary stability while supporting market liquidity. Central to these efforts is the use of monetary instruments – namely the Overnight Standing Facilities (OSF) and Islamic Bills (I-Bills) – which play an important role in liquidity management and financial stability.

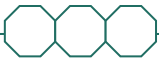
The OSF serves as an essential liquidity management tool, comprising Syariah-compliant Funding and Acceptance facilities and conventional Lending and Deposit Facilities. These facilities allow banks to borrow or place excess Brunei Dollars with the Central Bank overnight.

Amid declining global interest rates, the Financial and Monetary Stability Committee (FMSC) undertook a cumulative 175-basis-point reduction in the Overnight Deposit Rate and Overnight Lending Rate across five meetings held in 2025. As a result, the rates were lowered from 2.25% and 3.25% to 0.50% and 1.50%, respectively.

These adjustments ensure that the Central Bank's monetary operations remain aligned with the Currency Board principles while encouraging domestic money market activity. The FMSC will continue to monitor conditions closely to ensure ample liquidity is maintained for the smooth functioning of the domestic financial system.

Supporting economic activity through improved liquidity management

Further strengthening the effectiveness of the domestic money market, and in line with enhancements to the Central Bank's regulatory framework, a Notice was issued to revise the Minimum Cash Balance (MCB) Requirement. Effective 17 April 2025, the MCB rate was reduced from 6% to 5%, while the MCB utilisation rate was increased from 30% to 50%, providing banks with greater flexibility in liquidity management, enabling banks to mobilise their resources more efficiently in supporting economic activity.



Deepening bilateral financial cooperation between Brunei Darussalam and Singapore

The Central Bank and the Monetary Authority of Singapore (MAS) reaffirmed their partnership at the fifth Bilateral Roundtable in August 2025, including the signing of a Memorandum of Understanding (MoU) to establish a reciprocal cross-border collateral arrangement. Further details can be found in the [International Relations](#) chapter.

Enhancing liquidity and market development through strategic monetary operations

The Central Bank continues to advance efforts to strengthen monetary and financial stability, while fostering a competitive and innovative financial sector. In support of these priorities, the Central Bank:

- acts as the agent to the Government of His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam, in the management and administration of the issuance of the Brunei Darussalam Government Sukuk Al-Ijarah; and
- implements the BDCB I-Bills Programme.

These instruments are designed to enhance liquidity management in the banking system by providing secure, liquid investment options. Both the Government Sukuk Al-Ijarah and the BDCB I-Bills serve as eligible collateral for the Lending/

Funding Facilities under the OSF, enabling financial institutions to access Brunei Dollar liquidity when needed.

Additionally, these programmes contribute to the development of a benchmark yield curve, further supporting market growth.

To further broaden liquidity management options, a four-week BDCB I-Bills tenor was introduced in January 2025, complementing the existing 2-week tenor.

Ensuring operational readiness

As part of its commitment to operational readiness and financial system resilience, the Central Bank conducted an exercise with six banks in 2025, simulating scenarios that require short-term liquidity through the Overnight Lending/Funding Facility. This helped both the banks and the Central Bank familiarise themselves with end-to-end procedures. Recognising its value, the Central Bank plans to continue this exercise annually to strengthen system preparedness.

What's next

Looking ahead, the Central Bank will continue efforts to strengthen the domestic financial market ecosystem, supporting more market-driven pricing, deeper financial markets, and more effective monetary policy transmission.

Table 1: Key statistics as at 31 December 2025
(Government Sukuk Al-Ijarah and BDCB I-Bills)

	Government Sukuk Al-Ijarah (Introduced April 2006)	BDCB I-Bills (Introduced October 2020)
Issuances – total number	256	241
Issuances – total amount	BND18.1 billion spanning short- and long-term maturities	BND7.00 billion
Outstanding value	BND360.0 million	BND94.5 million



Ensuring the Stability and Integrity of the Financial System

The Central Bank supports the stability and integrity of Brunei Darussalam's financial system by formulating regulations and supervising financial institutions. These efforts help mitigate systemic risks and strengthen the financial system's resilience to shocks and disruptions.

Regulatory Developments

Strengthening prudential frameworks for financial institutions

As part of its ongoing efforts to strengthen and modernise the Single Borrowing Limit (SBL) framework, the Central Bank continued to engage with the banking industry in 2025 to ensure the framework remains relevant and effective. Building on this, a data pilot exercise has been developed that requires banks to submit historical data using the revised reporting template and the draft framework to support practical implementation prior to formal adoption.

In insurance and takaful, following the finalisation of the Risk-based Capital and Solvency Framework (RBCS) in 2020, the industry undertook a parallel run and monitoring period, during which financial institutions applied the new framework while continuing to operate under the existing regulatory requirements. Annual submissions were required to allow the Central Bank to assess the credibility of the framework and the industry's readiness.

Effective 1 January 2026, insurance companies and takaful operators are required to report

capital adequacy levels under the RBCS more frequently, moving from annual reporting to biannually for the years 2026 and 2027, and to quarterly reporting thereafter. The requirements are intended to encourage more active risk management by insurers, provide more refined information on insurers' performance and financial strength, and enable the Central Bank to undertake timely and effective supervisory intervention where necessary.

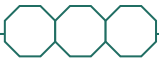
Advancing regulatory frameworks for capital market development

The Central Bank issued a Notice on Licensing Examination under the Securities Markets Order, 2013 (SMO), which came into effect on 8 April 2025, superseding the previous Notice issued in 2018. The revised Notice introduces a new Rules and Regulations Module, which is mandatory for all existing Capital Markets Services Representative's Licence (CMSRL) holders and applicants. The new module aims to enhance practitioners' knowledge and understanding of the regulatory requirements under the SMO.

In support of the Brunei Stock Exchange project, the Central Bank is developing regulatory frameworks to establish the necessary market infrastructure and professional ecosystem to support the functioning of the exchange. These initiatives aim to introduce clear licensing and regulatory requirements for corporate finance advisory activities, including the role of intermediaries in guiding companies through listing applications and corporate proposals. The proposed frameworks are currently being refined based on industry feedback obtained in 2025 and are expected to undergo further consultation with stakeholders in 2026.

Facilitating the development of the domestic sukuk market

To stimulate and develop the domestic sukuk market, the Central Bank is exploring regulatory enhancements to mitigate the cost barriers associated with mandatory credit rating requirements for local debenture issuances. In particular, the Central Bank is developing a regulatory framework that would provide more



cost-effective pathways for issuers while maintaining robust investor protection. Following the issuance of a consultation paper and a subsequent industry briefing, feedback is currently being reviewed to refine the proposed framework, with further study required before the proposed approach can be incorporated into the relevant regulatory framework.

In the interim, the Central Bank is also amending the Notice on Offering of Debentures to Retail Investors to introduce greater flexibility in meeting the existing mandatory credit rating requirement. These measures aim to facilitate broader market participation and support the growth of a more active domestic sukuk and debenture market.

Safeguarding operational resilience

In recognising the increasing reliance on technology in the delivery of financial services, the Central Bank issued the Notice on Compliance and Security by Design on 5 August 2025, requiring banks to embed compliance and security considerations throughout the development and lifecycle management of their critical systems.

The Notice requires financial institutions to implement appropriate governance, risk management and security controls to safeguard the confidentiality, integrity and availability of systems that support key financial services. These measures aim to strengthen the resilience of financial institutions' technology infrastructure, reduce the likelihood and impact of incidents or disruptions, and help ensure that essential financial services continue to operate reliably for the public and businesses.

Strengthening enforcement and consumer protection frameworks

The Central Bank continues to strengthen its consumer protection framework through initiatives to enhance regulatory standards and supervisory effectiveness. These initiatives are designed to promote fair, transparent and responsible market conduct by banks and financial institutions, with a focus on enhancing

regulatory oversight, strengthening safeguards for consumers, and fostering greater accountability amongst financial institutions. By reinforcing existing protection and introducing more robust regulatory and supervisory mechanisms, the Central Bank strives to uphold market integrity and enhance public confidence and trust in the financial system.

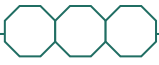
As part of these ongoing efforts, drawing on its longstanding relationship with regional counterparts to facilitate knowledge sharing and the exchange of regulatory best practices, the Central Bank undertook work visits to Bank Negara Malaysia (BNM) and the Securities Commission Malaysia (SC) in November 2025 to gain deeper insights into the operationalisation of their enforcement frameworks. This engagement supported the Central Bank's continued efforts to continuously enhance its enforcement capabilities and further strengthen consumer protection.



Work visit to Securities Commission Malaysia

What's next

Looking ahead, the Central Bank will continue to strengthen the regulatory and supervisory framework through ongoing policy and legislative initiatives, while advancing measures to enhance governance, consumer protection, market conduct, access to finance, and operational standards across the financial sector.



In the capital market ecosystem in particular, these include developing a pathway to allow foreign intermediaries to operate in Brunei Darussalam on a temporary basis to support the development of specialised expertise in the domestic market, establishing an independent appeals mechanism to strengthen transparency and administrative fairness in regulatory decisions, and providing clearer guidance on internal control functions to enhance compliance, risk management and internal audit practices among licensed capital market intermediaries. These initiatives will continue to be refined through industry consultation to ensure that the resulting frameworks are practical, robust and supportive of a well-functioning capital market.

Meanwhile, in the money services business (MSB) sector, the Central Bank is finalising regulatory requirements governing the appointment of Key Responsible Persons (KRPs) in MSBs, following industry consultation and stakeholder engagement. The proposed framework aims to strengthen governance standards and enhance accountability and oversight within the sector, with issuance targeted in 2026.

Supervising Financial Institutions

Upholding regulatory compliance through onsite inspections

As part of its risk-based supervisory approach, the Central Bank conducted its regular series of onsite inspections on licensed financial institutions in Brunei Darussalam across the banking, insurance/takaful, capital markets, and money services sectors in 2025. These inspections aim to ensure the continued safety, soundness and resilience of the financial system.

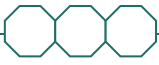
In the banking sector, an onsite inspection was conducted at one of the banks to evaluate the credibility of its credit risk management framework as its portfolio expanded. The inspection evaluated the robustness of underwriting and approval standards, the quality and concentration of the credit portfolio, and the

effectiveness of credit monitoring systems. Overall, the inspection aimed to provide supervisory assurance that emerging credit risks are proactively identified, appropriately managed, and adequately mitigated in a manner proportionate to the bank's growth.

Additionally, onsite inspections were carried out at two banks, focusing on the banks' inherent technology risk, existing technology controls, and customer-facing applications. With these inspections, the Central Bank reiterated the need for banks to ensure that robust policies and procedures are in place to keep downtime of their critical systems within the stipulated threshold and to adhere to relevant Notices issued in relation to the management of technology risk.

In the insurance and takaful sector, onsite inspections were conducted on two insurance companies, assessing key operational and risk areas including underwriting, claims management, and finance and investment activities. Compliance with market conduct requirements, including the establishment of complaint-handling functions, as well as technology risk controls, particularly for customer-facing applications and cybersecurity safeguards, was also assessed. The inspections also covered investment-linked insurance products and the related conduct of Capital Market Services Representative Licence (CMSRL) holders. Onsite inspections were also carried out on five insurance and takaful agents to verify compliance with regulatory requirements under the Insurance Order, 2006 and the Takaful Order, 2008 and adherence to registration conditions.

In the money services sector, the Central Bank conducted 65 onsite inspections involving 31 licensees, covering matters such as licence renewals and change-of-address applications. These inspections supported the monitoring of compliance with licensing conditions and operational standards within the sector.



Following any supervisory inspections, the Central Bank issues supervisory letters outlining key findings and required remedial actions. Financial institutions are expected to implement corrective action plans within specified timelines, which are subsequently monitored by the Central Bank to ensure compliance with regulatory requirements.

Overall compliance among financial institutions remained strong. In instances where breaches or non-compliance were identified, the Central Bank took appropriate regulatory actions, including the issuance of four directives, one supervisory letter and two compounds totalling BND15,000.00. These actions help reinforce regulatory compliance and governance standards, while promoting a clearer understanding of supervisory expectations and sound risk management practices across financial institutions.

Offsite supervisory monitoring

The Central Bank complements its onsite supervisory activities with continuous offsite monitoring to safeguard financial stability and ensure regulatory compliance across the financial sector. Through regular review and analysis of financial performance, operational practices and regulatory submissions, supervisors assess the overall condition of financial institutions, identify emerging risks and evaluate the adequacy of internal controls and mitigation measures. This data-driven approach enables the Central Bank to make informed supervisory judgments, encourage improvements in governance and risk management practices, and take timely intervention where necessary, thereby supporting accountability across the sector and the long-term resilience of Brunei Darussalam's financial system.

To enhance the effectiveness of offsite supervision, the Central Bank continues to strengthen its monitoring tools and reporting infrastructure. This includes implementing an Early Warning Indicators (EWI) framework, which provides timely alerts on potential vulnerabilities in banks' activities, risk profiles, and financial

conditions, enabling more proactive oversight, earlier supervisory engagement, and swift remedial actions to mitigate risks.

In addition, the Central Bank also implemented its Centralised Statistical System (CSS) Regulatory Returns system for licensed financial institutions that has significantly improved the collection, validation and management of regulatory data.

By providing a centralised digital portal with automated validation checks, the system improves the accuracy, consistency and integrity of regulatory submissions while streamlining reporting processes. Together, these enhancements support a more robust and forward-looking supervisory framework, enabling the Central Bank to detect risks earlier, strengthen regulatory oversight and maintain a resilient financial sector.

12 targeted one-on-one clinic sessions were also conducted with seven money changers and five money remittance businesses that required additional support. This aims further improve the accuracy of regulatory returns submitted to the Central Bank.

Safeguarding consumers and public confidence

The Central Bank plays an important role in safeguarding financial consumers by addressing public complaints and enquiries, protecting consumer interests and promoting accountability among financial institutions. In 2025, the Central Bank received 118 complaints and 175 queries, of which 98.6% were successfully resolved. Most cases involved fraud and scams, including investment-related schemes and impersonation of individuals and authorities. In addressing these cases, the Central Bank works closely with financial institutions and relevant stakeholders to facilitate resolution.

Through the timely handling of consumer complaints and queries, the Central Bank helps ensure that financial institutions meet regulatory expectations and respond appropriately to consumer concerns. These efforts help maintain

confidence in the financial system and reinforce trust in the financial services sector in Brunei Darussalam.

In addition, the Central Bank conducts regular media sweeps to monitor emerging issues and public sentiment relating to the financial sector. This monitoring helps identify concerns affecting financial consumers, assess how financial institutions respond to complaints and service issues, and inform appropriate supervisory or regulatory responses. In 2025, the media sweeps primarily highlighted concerns relating to the service quality of financial institutions and the offering of unlicensed financial products and services. In response, the Central Bank undertook necessary actions, including verifying the claims, adding unlicensed entities to the BDCB Alert List where appropriate, and sharing relevant information with financial institutions and relevant authorities.

Figure 3: Consumer protection key statistics, 2025

118 complaints, 175 queries received – 98.6% resolved

33 entities added to the Alert List



In 2025, 33 new entities were added to the BDCB Alert List, bringing the cumulative total to 304 entities since 2016. These entities were identified as involved in activities such as fraudulent investment schemes, unlicensed money-lending and remittance services, and other illegal financial practices.

The Alert List serves as an important public reference to help individuals identify entities that may be wrongly perceived as licensed or regulated by the Central Bank. By providing clear warnings about potential risks, the initiative supports greater awareness of financial fraud and scams. The Central Bank also maintains the integrity of the Alert List by carefully reviewing removal requests and only considering

Applications that are supported by credible evidence. Collectively, these efforts support a safer financial environment and reinforce public trust in the financial sector.

Strengthening Financial System Resilience

Enhancing financial surveillance tools

The Central Bank has strengthened its financial surveillance and macroprudential capabilities, including the development of a Financial System Stability Index and stress-testing framework, with support from Bank Indonesia.

Further details can be found in the [International Relations](#) chapter.

Cyber crisis preparedness



TTX in November 2025

To strengthen cyber resilience across the financial sector, the Central Bank conducted a Tabletop Cyber Exercise (TTX) on 11 November 2025, involving 77 participants from the money services business, takaful/insurance, and payments sectors. The exercise utilised simulated cyber threat scenarios to test and strengthen the readiness of financial institutions and relevant stakeholders to respond to cyber incidents. Through structured walkthroughs of response strategies, decision-making processes and communication protocols, the exercise provided a controlled environment to assess existing incident response arrangements, identify potential gaps, and enhance cross-institutional coordination.



Box 1 – Strengthening Crisis Preparedness and Resolution Readiness to Safeguard Financial Stability

Maintaining confidence and stability in the financial system requires authorities to be prepared not only for normal operating conditions but also for periods of severe stress.

As part of its ongoing efforts to strengthen financial stability oversight and crisis preparedness, the Central Bank conducted a Tabletop Crisis Simulation Exercise (CSE) in June 2025. This simulation involved cross-divisional participation across the organisation, including Executive Management, as well as divisions covering communications, regulatory and supervisory functions, and key operational areas such as monetary management, currency management, payment and settlement systems, and finance.

A key objective of the CSE was to enhance institutional readiness across the core components of the financial safety net, including banking supervision, liquidity support, and resolution. The exercise formed an integral part of the Central Bank's broader financial stability framework, supporting the development of a robust financial safety net and effective crisis management arrangements.



Tabletop Crisis Simulation Exercise (CSE)

Designed as a structured, scenario-based walkthrough, the simulation enabled participants to test decision-making under heightened financial stress, while identifying emerging vulnerabilities, assessing systemic risk, and coordinating policy responses to mitigate threats to financial stability. It also assessed how adverse macroeconomic developments, financial market pressures, and confidence effects could interact and propagate through the domestic financial system.

The exercise provided a valuable opportunity to examine how the Central Bank's governance structures, policy frameworks, and internal coordination mechanisms would operate under time-critical conditions, while reinforcing the importance of timely information-sharing, clear escalation processes, and coordinated action in managing financial sector stress.

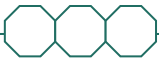


Among the key learnings from the CSE include:

- **Strengthening internal coordination and clarity of roles.** Effective crisis management depends on strong internal coordination and clearly defined responsibilities at different stages of bank stress. In particular, the exercise underscored the importance of early identification of risks, structured internal communication, and preparedness for decisive action should a bank become non-viable. These insights informed the Central Bank's ongoing efforts to enhance its crisis management framework, including clearer internal coordination arrangements and decision-making structures.
- **Advancing the bank resolution framework.** The exercise reinforced the strategic importance of advancing the bank resolution framework as a cornerstone of crisis preparedness. International experience demonstrates that orderly resolution, rather than disorderly liquidation, is critical to maintaining financial stability, protecting depositors, and minimising reliance on public funds. In this regard, the CSE supported the Central Bank's work to enhance internal readiness for resolution planning, clarify the interaction between supervisory, liquidity support and resolution functions, and strengthen the operational foundations necessary for effective resolution implementation.
- **Enhancing crisis communication arrangements.** The exercise also highlighted the need for strong communication arrangements during a crisis, both within the institution and with key domestic stakeholders. Clear, consistent and timely communication is essential to maintaining confidence and ensuring that policy actions are well understood. As such, the Central Bank is strengthening its internal and external crisis communication strategies to support effective engagement during periods of stress.

The exercise demonstrated the value of regular simulation exercises as a tool for institutional learning and capacity building. Bringing together perspectives from across key divisions in the organisation strengthened shared understanding of priorities and constraints, supporting a more integrated and coordinated approach to financial stability and crisis management. CSEs will be institutionalised as part of the Central Bank's financial stability toolkit, with future exercises exploring a wider range of scenarios, including stress affecting domestically significant institutions.

Overall, the CSE represents an important milestone in strengthening the Central Bank's crisis preparedness and resolution readiness. Together with ongoing work to enhance the financial safety net and resolution framework, these efforts support the Central Bank's mandate to promote a resilient, stable and well-functioning financial system in Brunei Darussalam.



Upholding Financial Sector Integrity

Advancing AML/CFT oversight

In strengthening measures to address money laundering and terrorism financing (ML/TF) risks, the Central Bank issued Guidelines on Identifying High-Risk Customers, including Politically Exposed Persons (PEPs), on 19 December 2025 pursuant to section 30(c) of the Criminal Asset Recovery Order, 2012 (CARO). The Guidelines provide guidance to financial institutions and designated non-financial businesses and professions (DNFBPs) on the identification and management of high-risk customers and PEPs, emphasising the application of a risk-based approach, enhanced customer due diligence measures, and appropriate internal controls to support effective compliance.

At the same time, continuous onsite and offsite supervisory oversight supports the effectiveness and relevance of Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) measures. These efforts help ensure that controls remain robust and responsive to evolving risks, thereby protecting the financial system from illicit activities and upholding its integrity.

Following an onsite examination conducted between October 2024 and March 2025, the Central Bank issued its final examination report to the financial institution, outlining key findings and recommended priority actions to strengthen the institution's overall AML/CFT controls.

In addition, the Central Bank issued 17 supervisory letters to money remittance companies seeking clarification on reporting obligations and updates on remedial actions taken following earlier supervisory assessments. These engagements

focused on key AML/CFT control areas, including sanctions screening, transaction monitoring systems, risk assessments, policies and procedures, and the effectiveness of compliance functions. The responses received will inform the Central Bank's ongoing assessment of progress made by the financial institutions and guide further supervisory actions where necessary to ensure continued compliance with AML/CFT requirements.

Stakeholder engagement

The Central Bank engaged key associations representing DNFBPs, including the Brunei Darussalam Institute of Certified Public Accountants (BICPA), the Board of Valuers and Estate Agents (BoVEA), and the Law Society of Brunei Darussalam, as part of efforts to update its understanding of AML/CFT practices within the sector. This was followed by the issuance of an AML/CFT questionnaire to entities across the DNFBP sector, including advocates and solicitors, company service providers, accountants and real estate agents. The exercise aims to support the Central Bank's assessment of ML/TF risks and the effectiveness of AML/CFT controls implemented by these institutions, while also helping identify areas requiring greater awareness and informing the development of targeted guidance in line with the AML/CFT legislative framework.

Financial transactions oversight

The Central Bank, through its Financial Intelligence Unit (FIU), analyses Suspicious Transaction Reports (STR)¹, Cash Transaction Reports (CTR)² and Physical Currency and Bearer Negotiable Instrument (CBNI)³ to identify potential illicit activities, assess risks, and guide law enforcement investigations. These reports help the FIU, BDCB to detect trends, ensure compliance, and safeguard the financial system.

¹ STRs are filed when a transaction or attempted transaction is suspected to involve a serious offence, defined as any offence with a penalty of at least BND1,000. This includes crimes such as money laundering, associated predicate offences, and terrorism financing.

² A CTR is filed on any cash transaction(s) amounting to BND15,000 or more, or the equivalent in a foreign currency, within a day.

³ The CBNI reporting requires any person carrying BND15,000 or more, or the equivalent in a foreign currency, across Brunei Darussalam borders to submit a CBNI report to either a Customs or Immigration officer at the border control post. These reports are then forwarded to the FIU for digitisation, storage, and analysis.

Figure 4: 2025 STR, CTR, CBNi statistics

No. of STRs received

2,371

▼ 8.0%

[vs. 2024]

STR reporting levels in 2025 decreased by 8% compared to the previous year, indicating a positive shift towards more targeted and risk-based reporting as enhanced transaction-monitoring systems and greater supervisory engagement continue to improve reporting quality.

Total monetary value of CTR

BND3.25 billion

▼ 2.0%

[vs. 2024]

CTR reporting in 2025 decreased by approximately 2% compared to 2024, which may indicate a broader shift towards reduced cash usage.

Total monetary value of CBNi

BND692.4 million

▼ 11.1%

[vs. 2024]

This reduction in reporting may reflect shifts in cross-border cash carriage patterns, including travellers opting for remittance or banking channels.

National Risk Assessment on ML/TF

In line with the Financial Action Task Force's (FATF) Recommendation 1, the FIU, BDCB, as Secretariat to the NAMLC, coordinates the conduct of the National Risk Assessment (NRA) on ML/TF. Building on the previous NRA conducted in 2016 and subsequent updates to the ML Threat Assessment and TF Risk Assessment in 2020, an update to the NRA on ML commenced in 2025. The assessment, which analyses data from January 2020 to December 2024, draws on the World Bank's NRA Toolkit and incorporates updated guidance issued by the FATF, with participation from both public and private sector stakeholders, including representatives from the financial institutions and DNFBP sectors.



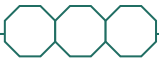
NRA stakeholder workshop

As part of this process, a series of stakeholder workshops was organised to support the assessment and facilitate collaborative discussions among relevant agencies and industry participants. The workshops focused on key components of the NRA methodology, including the assessment of ML threats, sectoral vulnerabilities, and the effectiveness of existing controls, which collectively determine the residual ML risk rating. The updated NRA is expected to be completed in 2026 and will support the continued strengthening of Brunei Darussalam's AML/CFT framework and risk-based policy responses.

Close coordination with national and international partners

The Central Bank works closely with domestic and international partners through established coordination platforms to support Brunei Darussalam's efforts in addressing ML/TF risks.

At the national level, the Central Bank participates in the Intelligence Working Committee (JKP) and its relevant sub-groups, including those focused on counter-terrorism intelligence and national intelligence estimates. Through these mechanisms, the Central Bank contributes to a whole-of-government approach to identifying and assessing emerging threats, shaping policy responses and coordinating operational activities. The Central Bank also supports joint initiatives to address financial crime risks, including participation in joint ops exercises, the national Anti-Scam Centre and other



public-private platforms that facilitate information sharing and collaborative analysis of emerging threats and vulnerabilities.

Additionally, Brunei Darussalam continued to strengthen its engagement in regional and international AML/CFT platforms, including the Asia Pacific Group on Money Laundering (APG, where it was selected to serve as Co-Chair of the Mutual Evaluation Committee for the 2025–2028 term. Further details can be found in the [International Relations](#) chapter.

Asia Pacific Group on Money Laundering (APG) Follow-Up Report of Brunei Darussalam

In its capacity as the Secretariat to the National Anti-Money Laundering and Combating the Financing of Terrorism Committee (NAMLC), the FIU, BDCB submitted Brunei Darussalam's 2nd Enhanced Follow-Up Report to the Asia Pacific Group on Money Laundering (APG) on 1 June 2025. The report outlines the strategic steps undertaken by Brunei Darussalam to enhance its compliance with the Financial Action Task Force (FATF) Recommendations.

The APG's Mutual Evaluation and Follow-Up processes support financial integrity by subjecting Brunei Darussalam's AML/CFT framework to rigorous peer review and ongoing monitoring against international standards. Systemic vulnerabilities and effectiveness gaps are identified, while the Follow-Up Reports ensure sustained accountability to track mitigation steps.

Together, these processes strengthen financial system resilience and reinforce confidence that Brunei Darussalam is actively mitigating ML/TF risks and safeguarding the integrity and stability of its financial sector.

What's next?

The Central Bank is currently undertaking initiatives to further strengthen transaction monitoring practices across the financial sector, ensuring they remain effective in addressing evolving ML/TF risks and are aligned with international best practices. These efforts aim to enhance financial institutions' ability to detect and respond to suspicious activities while reinforcing internal controls and risk mitigation measures across the sector.



Establishing and Overseeing Efficient Payment Systems

In fulfilling its mandate to develop and supervise effective payment systems, the Central Bank continues to prioritise infrastructure enhancement, regulatory improvements, and greater system interoperability. Through proactive oversight and close collaboration with stakeholders, the Central Bank promotes digital advancement while safeguarding financial stability. Together, these initiatives enable smoother transactions and strengthen Brunei Darussalam's readiness to participate more deeply in the rapidly evolving global digital landscape.

Enhancing interoperability through a unified QR standard

The Central Bank issued the Notice on Adoption of the National QR Code Standard on 10 March 2025, requiring financial institutions and payment system operators to implement a unified, standardised QR code for payment transactions, with full implementation required by January 2027. The measure aims to facilitate interoperability among banks and payment service providers within the domestic retail payments landscape, enhance the customer experience through consistent QR acceptance nationwide, and reduce operational friction in the adoption of digital payments.

The standardised QR framework will simplify digital payment acceptance for micro, small and medium-sized enterprises (MSMEs) by enabling them to receive payments from customers via

various mobile wallets and banking applications through a single QR code, eliminating the need for multiple payment terminals or QR codes and reducing operational costs. At the same time, it enhances convenience for the public by enabling faster, simpler transactions, allowing users to scan a single QR code with their preferred banking or e-wallet application. Collectively, the initiative supports wider adoption of digital payments while fostering a more integrated and efficient retail payments ecosystem in Brunei Darussalam.

Operationalisation and growth of *tarus*

Following the Central Bank's approval for its operation, *tarus* was successfully launched on 12 March 2025 by National Digital Payments Network Sdn Bhd (ndpx), marking a significant milestone in the modernisation of Brunei Darussalam's payment infrastructure. The platform enables instant, 24/7 fund transfers across participating financial institutions and incorporates a central addressing capability to improve convenience and accessibility for users.

Building on this development, the Central Bank also approved the rollout of *tarusQR* in 2025, with implementation planned for 2026. *tarusQR* will introduce an interoperable national QR code standard to reduce fragmentation in QR payments and promote a seamless payment experience nationwide. The initiative is expected to further strengthen interoperability within the retail payments ecosystem and accelerate the adoption of cashless payments.

Looking ahead, to reinforce legal certainty and recognise its systemic importance, the Central Bank is working with the Attorney General's Chambers to formally designate *tarus* as both:

- A Designated Payment System under Section 7(1) of the Payment and Settlement Systems (Oversight) Act (Chapter 251); and
- A Designated System under Section 3(1) of the Payment and Settlement Systems (Finality and Netting) Act (Chapter 250).

These designations will enhance the oversight framework governing *tarus* and support its safe, reliable, and resilient operation as usage continues to increase.

Strengthening risk-based supervision of payment system operators

During the year, the Central Bank advanced the development of a risk-based offsite surveillance framework for Payment System Operators (PSOs) to enhance supervisory oversight.

The framework is designed to assess compliance with prudential and operational requirements, develop institutional risk profiles, and serve as an early-warning mechanism to identify emerging risks. Following preliminary industry consultations, further refinements are underway, with finalisation targeted for 2026. Upon implementation, the framework will strengthen supervisory responsiveness and contribute to a safer and more resilient payments landscape.

In parallel with these enhancements, the Central Bank continued its supervisory monitoring activities and identified instances of non-compliance among certain PSOs. Overall compliance among PSOs remained strong, with supervisory and enforcement actions applied only where necessary, including the issuance of three supervisory letters and one compound totalling BND1,000.00.

Collectively, these measures reinforce the Central Bank's commitment to regulatory discipline, sound governance, and the integrity of Brunei Darussalam's payment systems.

International cooperation in payment systems

The Central Bank advanced regional payments cooperation through its co-chairmanship of the ASEAN Working Committee on Payment and Settlement Systems (WC-PSS), including leading key discussions on cross-border payment linkages and regional capacity-building initiatives. Further details can be found in the [International Relations](#) chapter.

Industry engagement: PSO clinic sessions



PSO clinic sessions

The Central Bank conducted clinic sessions with PSOs as part of its ongoing stakeholder engagement efforts. The sessions facilitated two-way dialogue, enabling clarification of regulatory expectations and discussion of operational and compliance challenges.

Insights from these engagements enhanced industry understanding and informed supervisory calibration, supporting more consistent compliance across the sector.

What's next

Following the conclusion of the Digital Payment Roadmap 2019–2025, the Central Bank conducted a comprehensive assessment of the digital payments landscape, including engagements with banks, payment service providers, merchants, and the public. Building on these insights, the Central Bank is developing its successor roadmap, which will prioritise high-impact initiatives to enhance efficiency, inclusivity, and user experience across the payments ecosystem.



The Central Bank will continue to strengthen the regulatory framework for payment systems in response to ongoing innovation and rapid developments in digital payments. As part of these efforts, the Notice on Requirements for Payment Systems will be reviewed to ensure it remains aligned with evolving industry practices. The amendments are expected to enhance regulatory clarity, reinforce compliance standards, and strengthen risk management and operational resilience across the payment ecosystem.

In addition, the Central Bank will finalise the Notice on the Payment System Designation Framework to support the implementation of the Payment and Settlement Systems (Oversight) Act, Chapter 251. The framework will establish clearer parameters for identifying and regulating payment systems deemed critical to financial stability and public confidence, align with international standards, and strengthen the Central Bank's capacity to manage and oversee systemic risks across the payments landscape.



Developing A Sound and Progressive Financial Services Sector

The Central Bank is committed to developing a resilient and progressive financial services sector that supports sustainable economic growth. By strengthening financial infrastructure, encouraging innovation, and expanding access to financial services, the Central Bank aims to shape a dynamic and inclusive financial environment while maintaining strong foundations for long-term stability.

Islamic Finance

Syariah governance and industry development

The Central Bank continues to advance several initiatives aimed at strengthening Syariah governance, developing industry capabilities and promoting the growth of the Islamic finance ecosystem in Brunei Darussalam.

Among these, the Central Bank has developed a concept paper outlining strategies to strengthen the development of Syariah advisers in the Islamic finance sector, alongside a proposed Competency Framework for Syariah Advisers (CASF), which sets out the technical and behavioural competencies required for Syariah advisers to effectively discharge their responsibilities and support sound Syariah governance within Islamic financial institutions. The draft framework has undergone industry consultations to ensure its practicality and relevance.

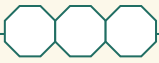
These initiatives were deliberated during the Muzakarah Syariah Kewangan Islam 2025, organised by the Central Bank on 12 November 2025 under the theme “Empowering the Syariah Workforce of the Local Islamic Finance Industry.” The Muzakarah served as a platform for dialogue between the Central Bank, members of the Syariah Financial Supervisory Board (SFSB), Syariah advisers of Islamic financial institutions, and the wider Islamic finance industry, fostering alignment and shared understanding on key Syariah governance matters. Discussions focused on issues and challenges in strengthening the Syariah workforce, including the roles and capabilities of members of the Syariah Advisory Body and Syariah control officers.



Panel discussion during the Muzakarah Syariah Kewangan Islam 2025

Moving forward, BDCB will continue to work with relevant stakeholders to operationalise the strategies outlined in the concept paper and finalise the CASF, which is expected to be issued in 2026.

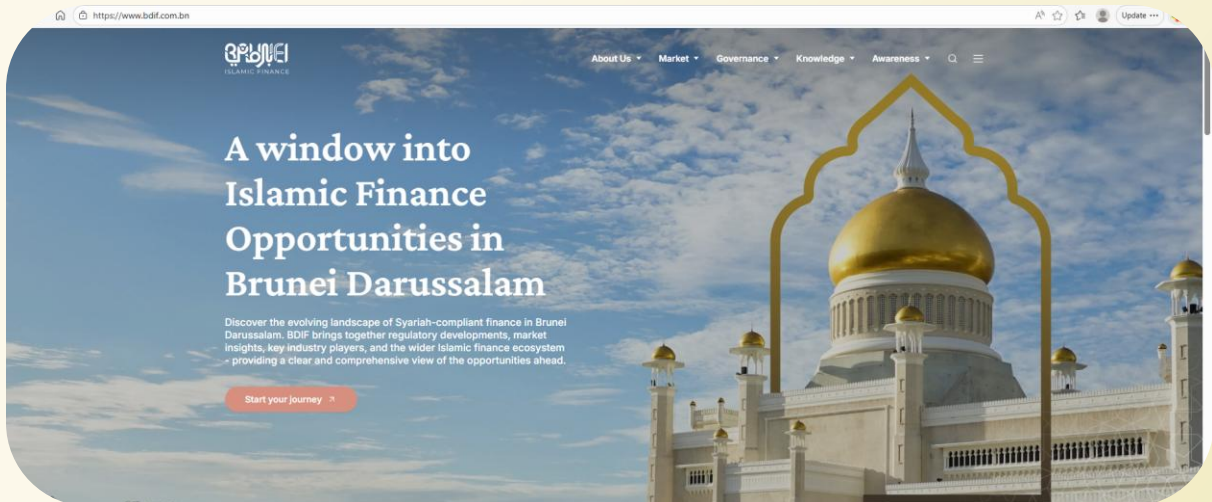
Additionally, as Secretariat to the SFSB, the Central Bank is currently compiling the Board’s resolutions into a consolidated reference to guide Islamic financial institutions in structuring innovative financial products and services in accordance with SFSB resolutions, while also supporting Syariah control functions in reviewing institutional operations.



Brunei Darussalam Islamic Finance (BDIF) Symposium

The Central Bank organised the Brunei Darussalam Islamic Finance (BDIF) Symposium 2025 under the theme “Navigating Digital Frontiers in Islamic Finance” on 2 December 2025. The event was held in collaboration with Universiti Islam Sultan Sharif Ali (UNISSA) as the co-organiser for the second Call-for-Papers (CFP), Bank Islam Brunei Darussalam (BIBD) as the Symposium Host, and Brunei Institute of Leadership & Islamic Finance (BILIF) as Event Partner.

The symposium served as a platform to advance dialogue on emerging developments in Islamic finance, bringing together policymakers, industry practitioners, academics, and students to exchange perspectives on innovation, sustainability, and the industry’s future direction. The event underscored Brunei Darussalam’s continued progress in Islamic finance and the Central Bank’s commitment to fostering thought leadership and knowledge exchange in the sector. As part of the programme, the winners of the second Call-for-Papers presented their research findings on key themes such as digitalisation, governance, resilience, and innovation in Islamic finance, supporting knowledge generation and evidence-based discussion within the sector.

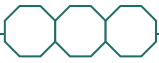


The new BDIF website

The symposium also marked the launch of the new Brunei Darussalam Islamic Finance (BDIF) website, which serves as a central platform to enhance accessibility to information on the Islamic finance ecosystem. The website consolidates key resources on industry developments, regulatory frameworks, research initiatives, and talent development, supporting greater collaboration and awareness among stakeholders while strengthening the visibility of Brunei Darussalam’s Islamic finance landscape.



A masterclass facilitated by Dr Ziyaad Mahomed of INCEIF University was also held to deepen participants' understanding of digital transformation in Islamic finance. The session was attended by 44 participants, representing the Central Bank, financial institutions, academia, and higher education institutions. The masterclass offered a structured and comprehensive exploration of digital transformation in Islamic finance, examining its jurisprudential and policy implications, the impact of digital technologies on Islamic financial instruments and ecosystems, and key considerations for digital Syariah governance, risk management, and regulatory frameworks.



Looking ahead, in line with ongoing efforts to further promote Islamic finance in Brunei Darussalam, the Central Bank is advancing the development of a regulatory framework to facilitate the offering of Islamic window operations by conventional banks. The framework continues to be refined through engagement with the industry to ensure robust governance processes and consistent Syariah compliance. Its implementation is expected to enhance product diversity and further promote

financial inclusion and competition within the banking sector.

In addition, building on work undertaken in 2025, including a comprehensive review of the existing Islamic finance strategies and consultations with industry stakeholders, the Central Bank will further advance initiatives to strengthen the Islamic finance ecosystem and support its sustainable growth within the financial sector.

Islamic Finance Development Indicator (IFDI) Reporting

Brunei Darussalam maintained its 13th position globally in the Islamic Finance Development Indicator (IFDI) in 2025, reflecting the continued resilience and steady progress of its Islamic finance sector. Based on 2024 data, Brunei Darussalam's overall IFDI score increased to 31 points, up from 29 points in the previous year, despite a decline in the global average score from 12 to 11 points. This performance underscores the country's sustained development amid a more challenging global environment.

Brunei Darussalam's ranking
in 2024

#13

[out of 136 countries]

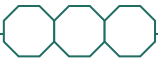
The findings were published in the Islamic Finance Development Report 2025, titled '50 Years of Exponential Growth', jointly released by the Islamic Corporation for the Development of the Private Sector (ICD) and the London Stock Exchange Group (LSEG). The report assessed the performance of 140 countries, including four newly added economies in 2025.

IFDI is a composite index that evaluates the development of the Islamic finance industry across five key dimensions: Financial Performance, Governance, Sustainability, Awareness, and Knowledge.

Brunei Darussalam demonstrated strength in the takaful sector, ranking 10th globally in terms of total takaful assets, valued at USD0.5 billion. Notable improvements were also recorded in the Awareness dimension, supported by increased publications on Islamic finance and stakeholder engagement initiatives. In the area of Governance, Brunei Darussalam maintained a full score for the regulatory sub-indicator, contributing to a marginal improvement in its overall governance score.

Overall, these results reflect the Central Bank's ongoing efforts to strengthen the regulatory and institutional foundations of the Islamic finance ecosystem.

The Central Bank remains committed to advancing Brunei Darussalam's position as a reputable Islamic finance jurisdiction through sustained engagement with industry stakeholders, strengthened data collection and reporting practices, and ongoing policy and regulatory enhancements to support sustainable growth and reinforce market confidence in the Islamic finance landscape.



Sustainable Finance

Regional leadership in the ASEAN sustainable finance agenda

As Chair of the ASEAN Taxonomy Board, the Central Bank continued to advance ASEAN's sustainable finance agenda, culminating in the launch of Version 4 of the ASEAN Taxonomy in November 2025. Further details can be found in the [International Relations](#) chapter.

A milestone for sustainable finance in Brunei Darussalam

To further advance sustainable finance in Brunei Darussalam, the Central Bank launched the Brunei Darussalam Sustainable Finance Roadmap (SFR) on 25 November 2025, marking an important milestone.

The launch ceremony was officiated by the Yang Berhormat Dato Seri Setia Dr Awang Haji Abdul Manaf bin Haji Metussin, Minister of Primary Resources and Tourism, as Chairman of BDCB's Board of Directors, and brought together representatives from government agencies, financial institutions, academia and other key stakeholders. In his keynote remarks, the

Chairman underscored the importance of integrating environmental, social, and governance (ESG) considerations within the financial sector, the role of Islamic finance guided by Maqasid al-Syariah, and the need for strong collaboration across stakeholders to support the country's transition towards a sustainable and climate-resilient future.

The launch event also featured an expert presentation titled 'Beyond the S-Curve: Advancing Sustainable Finance in Brunei Darussalam' by Dr Adam Ng, Advisor for the Capacity-building Alliance of Sustainable Investment (CASI). This was followed by a panel discussion on advancing sustainable finance and supporting Brunei Darussalam's climate commitments, with representatives from the Central Bank, the Brunei Climate Change Office (BCCO), and Bank Islam Brunei Darussalam (BIBD), moderated by Universiti Brunei Darussalam (UBD). The discussion provided a platform for stakeholders to exchange perspectives and explore collaborative approaches to accelerating the development of sustainable finance in Brunei Darussalam.



Sustainable Finance Roadmap launch event

Box 2 – A Closer Look at the Sustainable Finance Roadmap

The Brunei Darussalam Sustainable Finance Roadmap (SFR), which sets out a vision of “A Sustainable and Climate-Resilient Financial Sector,” outlines the strategic direction for advancing sustainable finance within Brunei Darussalam’s financial sector. The SFR provides a foundation for the sector to integrate sustainable finance practices, strengthen resilience to sustainability-related risks, and support the development of sustainable financial products and services.

Recognising the financial sector’s pivotal role in supporting a just and orderly transition towards a low-carbon and climate-resilient economy, the SFR adopts a whole-of-nation approach that encourages collaboration among financial institutions, government agencies and other stakeholders. Anchored on two key objectives, namely, to support Brunei Darussalam’s national sustainability agenda and to strengthen financial sector initiatives in addressing sustainability-related risks, the SFR also aligns the financial sector with Brunei Darussalam’s national sustainability agenda and complements key national policies, including the Brunei Darussalam National Climate Change Policy, the Economic Blueprint, and the Financial Sector Blueprint.

The SFR incorporates ESG considerations across 16 strategic directions, organised under four key pillars as follows:

Pillar I: Establish a Robust Sustainability Risk Management Framework

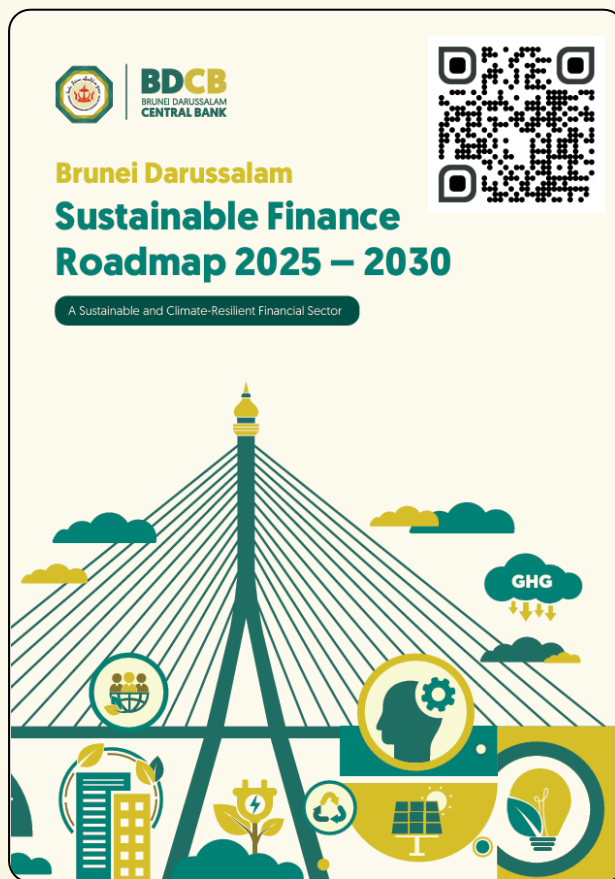
Strengthen the financial sector’s capabilities to manage sustainability-related risks effectively through supportive financial policies and regulatory initiatives.

Pillar II: Develop Innovative and Sustainable Financial Products and Services

Promote the innovation of sustainable financial products and services by financial institutions to support the national sustainability initiatives outlined in the BNCCP and Economic Blueprint.

Pillar III: Enhance International Cooperation

Increase Brunei Darussalam’s financial sector’s contribution to regional and international efforts for sustainable finance.





Pillar IV: Strengthen Knowledge, Skills and Talent Development

Enhance the capacity of regulators, supervisors and the financial sector for the adoption and integration of sustainable finance, and increase consumers' level of understanding.

In laying the groundwork for implementing the SFR's strategic action items, the Central Bank has engaged in bilateral knowledge-sharing discussions with regional counterparts. These engagements provided opportunities to exchange insights and best practices on various aspects of sustainable finance development, supporting the continued advancement of the sustainable finance ecosystem in Brunei Darussalam.

To further raise public awareness and understanding of the SFR, the Central Bank also shared key highlights on its official website and social media platforms. These efforts aim to enhance accessibility of information, promote greater awareness of sustainable finance initiatives, and encourage broader engagement among stakeholders and the public.

Financial Inclusion and Literacy

Measuring financial inclusion in Brunei Darussalam

In 2025, the Central Bank commissioned Universiti Teknologi Brunei (UTB) to undertake the second Brunei Darussalam Financial Inclusion Demand-Side Survey, reinforcing its commitment to strengthening evidence-based policymaking in financial inclusion.

The nationwide survey involved face-to-face interviews with randomly selected respondents aged 15 years and above, covering a diverse cross-section of the population. A total of 2,610 individuals were engaged, with 1,616 validated responses used for analysis.

The survey methodology was primarily aligned with the World Bank's Global Findex, complemented by selected questions from the OECD/INFE Survey Instrument to Measure Digital Financial Literacy and the Consumer Financial Protection Bureau (CFPB) Financial Well-Being Scale. Building on the first survey conducted in 2020, the study will provide an updated national snapshot of how individuals access and use financial products and services, offering insights into trends in savings, borrowing, financial resilience, and the adoption of digital financial services. The findings will help identify remaining gaps and emerging priorities to inform policies and initiatives aimed at enhancing financial inclusion in Brunei Darussalam. The report is expected to be published in 2026.

In addition, the Central Bank conducts an annual Financial Inclusion Supply-Side Survey to assess the availability and accessibility of financial services offered by licensed financial institutions in Brunei Darussalam. As part of this exercise, all licensed financial institutions offering retail products are required to submit data on active individual accounts annually.

Based on the latest supply-side survey results as at 30 June 2025, the overall financial inclusion

rate remains strong, with 93.46% of the adult population maintaining an active account with at least one financial institution. This includes accounts with banks, the Islamic trust fund, finance companies, as well as insurance and takaful operators.

In terms of product categories, 86.20% of the adult population held deposit accounts with banks or the Islamic trust fund, totalling 314,473 account holders. Meanwhile, 38.03% of adults had loans or financing facilities with banks, the Islamic trust fund, or finance companies, amounting to 138,726 borrowers. Participation in insurance and takaful products also remained steady, with 38.30% of the adult population subscribed to life insurance, family takaful, or general insurance and takaful products, representing 139,712 policyholders. These findings reflect continued access to and uptake of financial services across the country.

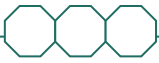
Driving ASEAN financial inclusion initiatives

The Central Bank continued to advance regional financial inclusion efforts through its role as Co-Chair of the ASEAN Working Committee on Financial Inclusion (WC-FINC), guiding key initiatives and policy discussions with ASEAN Member States and partners. Further details can be found in the [International Relations](#) chapter.

Strengthening financial literacy through strategy and evidence

In advancing financial literacy in Brunei Darussalam, the Central Bank, as Secretariat to the National Financial Literacy Council (NFLC), is developing the National Financial Literacy Strategies 2026–2035. The strategies will provide a coordinated, evidence-based framework to strengthen financial resilience, consumer protection, and responsible financial behaviours, targeting key population groups.

To guide implementation and policy decisions, the Central Bank commissioned the Centre for Strategic and Policy Studies (CSPS) to undertake the 4th National Financial Literacy Survey 2025, a nationally representative study examining financial knowledge, behaviours, digital literacy,



inclusion, and resilience. Fieldwork across a targeted random sample of 1,800 households will inform future programmes, with the final report expected in the second half of 2026.

Financial Technology (FinTech)

Laying the foundations for the FinTech ecosystem

The Central Bank supported the establishment of the FinTech Association of Brunei Darussalam (FinTech.BN), which aims to promote collaboration and partnerships among FinTech ecosystem stakeholders and to support the growth of FinTech-related activities in Brunei Darussalam. The association also serves as a networking platform to bring together industry participants and coordinate FinTech initiatives, including fostering partnerships with regional and international FinTech associations.

FinTech.BN was formally approved by the Registrar of Societies (ROS) in July 2025, marking an important milestone in the continued development of Brunei Darussalam's fintech ecosystem. Since its establishment, the association has contributed to the inaugural FinTech Hackathon: FinTellec 2025, providing expertise and support as speakers, mentors and judges.

Nurturing innovation

As part of its ongoing efforts to support the development of a progressive and resilient financial ecosystem, the Central Bank actively participated in key regional and domestic platforms to advance innovation and strengthen industry capabilities.

This included engagement in initiatives such as the National Hackathon 2025 and the 3rd ASEAN Forum: *The Future of Finance*, where the Central Bank contributed to discussions on FinTech development, regulatory resilience, and emerging regional trends. The Central Bank also supported local innovation through its involvement in the Brunei ICT Awards (BICTA)

FinTech Hackathon: FinTellec 2025

The Central Bank, together with key partners including DST Inno Lab, FinTech.BN and Brunei Innovation Lab, played a leading role in convening the inaugural FinTech Hackathon: FinTellec 2025 held from 17 to 19 October 2025.

Centred around the Mekar FinTech Innovation Centre, iCentre and Brunei Innovation Lab, the event underscored the Central Bank's commitment to nurturing a vibrant FinTech ecosystem and promoting the safe adoption of emerging technologies, including artificial intelligence (AI) in financial services. The initiative also demonstrated the Central Bank's role not only as a regulator but also as an advocate for innovation and collaboration among FinTech ecosystem stakeholders, supporting the development of future FinTech talent.



Participants in active discussion within their teams

The hackathon brought together more than 30 students from higher learning institutions across Brunei Darussalam, who were mentored in developing AI-driven solutions and presented their ideas to a panel of judges from the financial and technology sectors.

The event concluded with the recognition of three outstanding teams:

- POSTah, offering AI-powered financial insights for MSMEs;
- Almanah, an AI-based fraud detection system for banks; and
- BeeLanja, a gamified savings application promoting financial literacy among youth.

The initiative demonstrated the Central Bank's commitment to fostering innovation, empowering young talent and supporting the responsible development of FinTech in Brunei Darussalam.



POStah presents their AI-driven solution



2025, reflecting its continued commitment to nurturing talent, encouraging responsible innovation, and strengthening the foundations for sustainable growth in the financial sector.

The Mekar FinTech Innovation Centre (Mekar) continues to serve as a platform for stakeholder engagement and capacity building in Brunei Darussalam’s FinTech ecosystem. The Central Bank, in collaboration with National Digital Payments Networks Sdn Bhd (ndpx) conducted two sharing sessions for students from UTB, focusing on FinTech development in the country and the introduction of Brunei Darussalam’s instant payment system, *tarus*. These sessions not only raised awareness among young talents of emerging financial technologies but also strengthened collaboration between industry players and academia. By facilitating dialogue and knowledge exchange, Mekar played a pivotal role in nurturing future capacity, fostering innovation and reinforcing its position as a centre for FinTech awareness and stakeholder collaboration.

The Central Bank also strengthened its institutional capacity by participating in key regional FinTech platforms. The Central Bank was invited to speak and participate in the ASEAN FinTech Forum 2025 in Jakarta, Indonesia, engaging in high-level discussions on the evolving financial technology landscape and sharing insights on innovation and regulatory perspectives. Additionally, the Central Bank’s participation in the Singapore FinTech Festival 2025 provided valuable exposure to global best practices, emerging trends and collaborative opportunities within the FinTech ecosystem. These engagements not only enhanced institutional knowledge and expertise but also reinforced our commitment to building capacity, fostering regional collaboration and positioning Brunei Darussalam within the broader FinTech dialogue.

Enhancing the FinTech Regulatory Sandbox

The Central Bank continues to strengthen the regulatory environment to support responsible innovation within Brunei Darussalam’s financial sector. As part of these efforts, the Central Bank is reviewing and enhancing the existing Guidelines on the FinTech Regulatory Sandbox to further facilitate the testing of innovative financial products, services and business models within a controlled regulatory environment.

The proposed enhancements will broaden the scope of participation to allow financial institutions regulated by the Central Bank to test innovative solutions directly in the market, while ensuring appropriate safeguards for financial stability and consumer protection. This initiative aims to encourage greater experimentation and collaboration within the financial industry, while supporting the development and adoption of emerging financial technologies. The enhanced framework is expected to be rolled out in 2026.

Financial Infrastructure

Raising credit literacy

The Central Bank continued to promote greater public awareness and understanding of credit, responsible borrowing and secured lending through a series of outreach initiatives. Public awareness talks were conducted for officers and staff across various government agencies and institutions, covering key topics such as the 4Cs of Credit, the role of collateral in financing, and the functions of the Credit Bureau and Collateral Registry. These sessions aimed to strengthen participants' understanding of how credit works, how credit reports are used in lending decisions, and how responsible borrowing practices can improve access to financing while supporting sound financial habits.

Complementing these efforts, the Central Bank introduced CreditLit, an interactive edutainment game designed to raise awareness of credit management through real-life-inspired scenarios. The game allows players to navigate everyday financial decisions in a “choose your own ending”

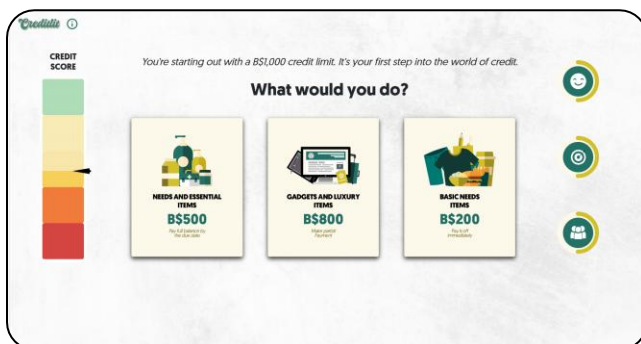
format, demonstrating how different choices can affect not only credit scores but also broader aspects of personal well-being. Launched during National Financial Literacy Day 2025, CreditLit forms part of the Central Bank's broader financial literacy initiatives and will continue to be enhanced with new scenarios and features to further encourage informed financial decision-making across the community.

Looking ahead, the Central Bank is developing “Credit Wisdom” resource materials, which are expected to be launched in 2026. These materials will provide accessible guidance on key credit concepts, including responsible borrowing, debt management and the role of collateral. Once introduced, the resources will complement ongoing financial literacy initiatives, support efforts to build greater public awareness, promote responsible borrowing behaviour, and strengthen financial capability among consumers in Brunei Darussalam.

Building industry capacity in credit reporting

To strengthen industry capacity in the effective use of the Credit Bureau, the Central Bank conducted a two-level modular training programme for banks and finance companies in 2025. The sessions, held on 15 May 2025 (Level 1) and 3–4 June 2025 (Level 2), were attended by key personnel from financial institutions involved in credit underwriting, data preparation, dispute handling and other back-office functions. The training aimed to enhance participants' understanding of the Credit Bureau's role and functionalities, while equipping them with the knowledge required to effectively interpret credit reports and integrate credit information into their lending processes. This is expected to support more informed and consistent credit decisions by financial institutions, ultimately contributing to fairer credit assessments and improved access to financing for consumers.

Through interactive sessions and practical exercises, participants reinforced foundational credit assessment principles and gained deeper insights into assessing borrower



Screenshots of CreditLit

creditworthiness, including the interpretation of payment history, financial stability and other key indicators. The programme also strengthened participants' understanding of data submission requirements and data quality practices, including interpreting system error logs and addressing data issues. By improving both technical knowledge and operational practices, the training is expected to support more consistent credit assessments, enhance data integrity and strengthen the overall effectiveness of credit reporting across participating financial institutions.

Empowering MSMEs through financial infrastructure



BDCB delivering a presentation on credit at EGC 2025

The Central Bank participated in the Economic Growth Conference (EGC) 2025, organised by the Brunei Economic Development Board (BEDB), to support micro, small and medium enterprises (MSMEs) in strengthening their access to financing and business opportunities. As an ecosystem partner, the Central Bank conducted an advisory clinic that provided practical guidance on the use of the Credit Bureau System and Collateral Registry System, including how MSMEs can leverage movable assets, as collateral, manage credit risk, and enhance credit awareness.

The engagement also provided an opportunity to interact directly with MSMEs, enabling the Central Bank to better understand the challenges businesses face in accessing financing and utilising credit infrastructure. Insights gathered from the sessions will support future outreach efforts and inform policies to strengthen financial access and resilience among MSMEs in Brunei Darussalam.

Evaluating the Secured Transactions Framework

As part of ongoing efforts to strengthen the secured lending framework in Brunei Darussalam, the Central Bank progressed work to assess the effectiveness of the Secured Transactions Act (STA) and Secured Transactions Regulations (STR) within the business ecosystem. The assessment involved targeted engagements with businesses and financial institutions to better understand prevailing financing practices, identify adoption challenges, and raise awareness of the Collateral Registry's role in facilitating the use of movable assets in secured lending. These engagements also provided insights into business-to-business financing practices, including receivables-based and contract-based financing.

In 2025, the assessment focused on the oil and gas sector, with consultations conducted with industry players and lending institutions. Preliminary observations highlighted growing interest in alternative financing approaches, while also identifying practical challenges that may limit the broader use of movable assets as collateral, including issues related to awareness, valuation and enforcement.

The assessment will continue into 2026, with the next phase expanding to the construction sector, which has been identified as a key industry that could benefit from secured transactions and movable asset-based financing. The study is expected to culminate in a comprehensive report that will inform future capacity-building initiatives, system enhancements and policy improvements to support a more inclusive and resilient secured lending ecosystem in Brunei Darussalam.

Enhancing industry understanding of the Collateral Registry

To enhance industry understanding and the effective use of the Collateral Registry System (CRS), the Central Bank conducted a training programme on the system's key functionalities and on Brunei Darussalam's secured transactions framework under the STA and STR. The sessions introduced participants to core operational



processes, including registration, amendments and enforcement, while providing guidance on how the CRS supports secured lending practices. Participants were also given the opportunity to seek clarification on operational matters and exchange perspectives on the practical application of the framework. Approximately 75 participants from banks, finance companies and law firms attended the three sessions.

Through practical demonstrations and interactive discussions, the programme strengthened participants' understanding of the CRS and its role in facilitating the use of movable assets as collateral in secured lending. The sessions also encouraged dialogue among stakeholders from the financial and legal sectors, promoting a more consistent understanding and application of the secured transactions framework in Brunei Darussalam.

Figure 5: 2025 key highlights in financial infrastructure

COLLATERAL REGISTRY

3,543 ▼ 3.3% from 2024
searches

Search activity declined slightly from 3,664 in 2024 to 3,543 in 2025, representing a 3.3% decrease. Despite this moderation, usage remains elevated compared to earlier years, reflecting the broader upward trend since 2020 and suggesting that the registry has reached a more mature stage of adoption with sustained use in credit risk assessment.

Top 3 movable assets registered

- Motor vehicles [91.51%]
- General collateral [6.40%]
- Investment securities [0.03%].

CREDIT BUREAU

Credit reports generated

▲ **20.81%**

132,460 reports in 2025, 96.81% for consumers, 3.19% for commercial

Self-inquiry reports (SIR)

▼ **33.82%**

2,405 SIRs in 2025, 98.71% generated from online applications

No. of active accounts

Consumer ▲ 0.98%

395,970 accounts in 2025

Commercial ▲ 6.79%

18,871 in 2025

Top 3 credit facilities requested

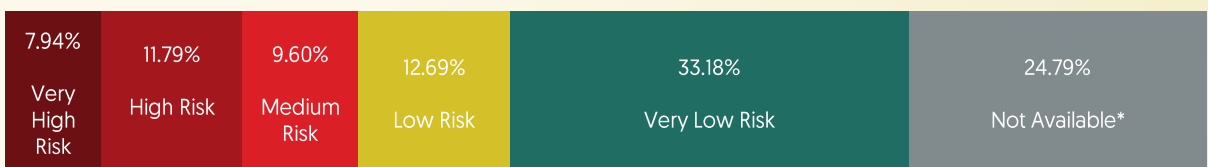
Consumer

- Hire purchase, including vehicle financing [52.86%]
- Personal loans [26.91%]
- Credit cards [9.01%]

Commercial

- Hire purchase, including vehicle financing [53.08%]
- Term financing/loans [23.46%]
- Other revolving credit [6.54%]

Credit Score distribution



On average, 48.15% of applicants [18,894] had very low-risk and low-risk credit scores. There was a 60.80% decrease in the level of applicants that are considered Very Low Risk compared to 2024.

*Not Available refers to Applicants who have no credit score that may either be due to the Subject being new with no existing financing, the Subject having all contracts closed before 12 months, or the Subject having been inactive for the last 12 months.

Issuing and Managing the Brunei Currency

As the sole issuer of the Brunei currency under the Currency Order, 2004, the Central Bank upholds prudent and responsible currency management practices to ensure the stability, integrity, and availability of Brunei banknotes and coins in circulation.

The Central Bank oversees the end-to-end currency lifecycle – from design, printing, and minting to issuance, distribution, recirculation, and withdrawal of unfit notes and coins. Continuous enhancements are undertaken to safeguard against counterfeiting, maintain public confidence, and preserve the credibility of the national currency, supporting a resilient monetary system and overall financial stability.

Sustainability and currency lifecycle management

As part of its commitment to sustainable practices, the Central Bank conducted a trial initiative to recycle shredded unfit banknotes. The project forms part of broader efforts to reduce environmental impact across the currency lifecycle. Operational arrangements for the next phase are being finalised.



Box 3 – Announcement of the New Family Banknotes Series

In September 2025, the Central Bank announced the forthcoming issuance of the New Family Banknotes Series, comprising five denominations – BND1, BND5, BND10, BND100, and BND500 – scheduled to enter circulation in the first half of 2026.

The new series incorporates enhanced security features aligned with global advancements in banknote technology. These upgrades strengthen protection against counterfeiting and reinforce the integrity of Brunei Darussalam’s currency, particularly as cash continues to play an important role alongside the growth of digital payments.

To enhance public familiarity and facilitate authentication, members of the public are encouraged to apply the “See, Tilt, Feel” principle when examining the new banknotes:

SEE

Transparent Window

When held to the light, each banknote reveals a vertical transparent window featuring a cameo image of an iconic national landmark — either the Omar ‘Ali Saifuddien Mosque or the Jame’ Asr Hassanil Bolkihah Mosque.



Small Feature Windows

Each denomination incorporates a uniquely shaped small transparent window, inspired by traditional motifs such as the *bunga tabur* or *daun lukut*.

Ultraviolet (UV) Features and VIVID White™ Elements

Under UV light:

- A vertical asymmetric serial number fluoresces in different colours depending on the denomination.
- The national crest fluoresces in red across all denominations.
- Hidden white elements appear, including a thread, a circular numerical motif at the centre, and the denomination value at the corners of the note.
- The BDCB logo becomes visible at the upper-right portion on the back of the banknote, while the inscription “Brunei Darussalam Central Bank” fluoresces in yellow.



Cultural Motifs

Traditional design elements are incorporated into each note, featuring either the bunga jambangan or calak kuya motif, reflecting Brunei Darussalam’s cultural heritage.

Serial Numbers

A horizontal serial number at the bottom left shifts in colour from red to blue.

TILT



SPARK® Live Sandune

This feature, which appears on the reverse side of the note, produces a dynamic colour-shifting effect when tilted, with each denomination displaying a distinct colour transition.

AURORA™

[Colour-Shifting Ink]

When tilted, the edges of the transparent window and the traditional patterns within it display distinctive colour-shifting effects unique to each denomination.

METALIX™ [Metallic Ink]

A vertical metallic sheen in different colours appears on the right side of the banknote. The colour varies according to each denomination.

FEEL

Polymer Substrate

The banknotes are printed on a durable polymer substrate, providing a smooth texture and enhanced longevity compared to traditional paper notes.

Raised Ink

Raised printing can be felt on the portrait and the words “Negara Brunei Darussalam,” providing both tactile authentication and additional security.

Additional Features for the Visually Impaired: DOMINO™

Clusters of embossed (raised) dots on each polymer banknote can be found on the lower right corner of each banknote. Each denomination has a unique and distinctive set of clusters.

The design retains familiar national elements to preserve continuity and public recognition. The portrait of His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, Sultan and Yang Di-Pertuan of Brunei Darussalam, will remain on the BND1, BND5, BND10, and BND100 denominations, while the BND500 will continue to feature Al-Marhum Sultan Haji Omar 'Ali Saifuddien Sa'adul Khairi Waddien.

Additionally, the series reaffirms the official unit of currency as the “Brunei Dollar,” replacing the term “Ringgit” across all denominations in accordance with the Currency Order, 2004, to strengthen clarity and public familiarity.

All existing banknotes currently in circulation will remain legal tender and will circulate concurrently with the New Family Banknotes Series.

Ahead of the launch, the Central Bank conducted targeted socialisation programmes, including public education, community and industry engagement, and informational materials, ensuring the public was well-informed about the new notes and how to verify their authenticity.



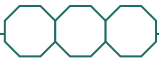
Press conference announcing the New Family Banknote Series



Outreach session with the National Association of the Blind on the new banknote accessibility features



Socialisation sessions with financial institutions and business machine operators



Commemorative currency initiatives

In 2025, the Central Bank introduced the Mono-Ply Steel Circulation Coins – Commemorative Edition as part of its ongoing currency development initiatives.

The commemorative release reflects sustained public interest in numismatic products and underscores the Central Bank's commitment to preserving and promoting appreciation of Brunei Darussalam's currency heritage, while maintaining high standards in coin design and production.



International engagement and cooperation

The Central Bank strengthened regional and international collaboration in currency management through participation in ASEAN exhibitions, regional forums, and global industry platforms, thereby supporting knowledge exchange, operational resilience, and alignment with international best practices. Further details are provided in the [International Relations](#) chapter.

What's next

Looking ahead, the Central Bank remains committed to safeguarding the integrity, quality, and availability of Brunei Darussalam's currency. Efforts will continue to ensure that only secure, durable, and fit banknotes and coins circulate within the financial system, supported by robust issuance, recirculation, and withdrawal processes.

With the introduction of the New Family Banknotes Series expected in 2026, the Central Bank will intensify public awareness and education initiatives to enhance understanding of security features and promote proper currency handling, thereby strengthening counterfeit deterrence and sustaining public confidence.

The Central Bank will also continue issuing commemorative currency products to mark significant national milestones, reinforcing national identity and fostering public engagement with Brunei Darussalam's currency heritage.

Together, these initiatives demonstrate BDCB's ongoing commitment to maintaining trust in the national currency while supporting financial stability, operational excellence, and sustainable currency management.

Figure 6: Currency statistics in 2025



Issuance to Banks

▼ **6.66%**

2025: BND1.95 billion
2024: BND2.09 billion



Redemption

▼ **9.12%**

2025: BND1.06 billion
2024: BND1.16 billion



Destruction of Banknotes

▲ **11.34%**

2025: BND210.10 million
2024: BND188.71 million



Circulation coins minted

▼ **222.01%**

2025: 12,743,000 pieces
2024: 3,950,000 pieces



Commemorative sales

▼ **60.11%**

2025: BND665,221.00
2024: BND1.67 million



Coins deposited through deposit machine

▲ **36.06%**

2025: BND231,209.02
2024: BND169,929.21



Consignment received from Monetary Authority of Singapore (MAS)

▼ **2.26%**

2025: BND941.78 million
2024: BND963.57 million



Repatriation of SGD to Monetary Authority of Singapore

▲ **294.22%**

2025: SGD11.60 million
2024: SGD2.94 million



Enhancing International Relations

The Central Bank continues to enhance regional and international cooperation through active engagement in key global and regional forums. As part of these efforts, the Central Bank maintains membership in several prominent organisations and forums, which enables it to remain closely connected to global financial developments and to contribute to collaborative efforts that strengthen the resilience, integrity, and innovation of the financial system.

Supporting ASEAN financial integration

The Central Bank played an active role in advancing regional financial integration by participating in key engagements under the ASEAN Finance and Central Bank Track, held in conjunction with Malaysia's ASEAN Chairmanship. Aligned with Malaysia's Priority Economic Deliverables (PEDs) themed "Inclusivity and Sustainability", the Central Bank contributed to regional initiatives to strengthen sustainable finance frameworks, promote financial integration, and advance cross-border payment connectivity. The Central Bank also assumed co-chairmanship roles in selected ASEAN working committees, enabling it to help steer discussions and drive progress on initiatives that support deeper financial integration and regional connectivity.

The Central Bank further supported regional financial integration efforts under the ASEAN+3 Finance Process as part of Brunei Darussalam's delegation, alongside the Ministry of Finance and Economy (MOFE). This included participation in technical task force discussions as well as high-level platforms such as the ASEAN+3 Finance and Central Bank Deputies' Meeting (AFCDM+3) and the ASEAN+3 Finance Ministers and Central Bank Governors' Meeting (AFMG+3), co-chaired in

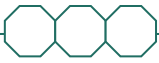
2025 by Malaysia and the People's Republic of China. During the year, ASEAN+3 members also signed amendments to the Chiang Mai Initiative Multilateralisation (CMIM) Agreement, with Brunei Darussalam participating in the regional grouping to further strengthen financial stability and reinforce regional financial safety nets.

Regional leadership in the ASEAN sustainable finance agenda

In its capacity as Chair of the ASEAN Taxonomy Board (ATB), the Central Bank continued to play a leading role in advancing the development of the ASEAN Taxonomy as the region's reference framework for classifying sustainable economic activities.



ATB Meeting in Bandar Seri Begawan in April 2025



Having chaired the ATB since 2021, the Central Bank has played a pivotal role in shaping ASEAN's sustainable finance agenda, bringing together four ASEAN finance workstreams – the ASEAN Capital Markets Forum (ACMF), the ASEAN Insurance Regulators' Meeting (AIRM), the Senior Level Committee on Financial Integration (SLC), and the ASEAN Working Committee on Capital Market Development (WC-CMD) – under a coordinated regional effort. With the endorsement of the ASEAN Finance Ministers' and Central Bank Governors' Meeting (AFMGM), this collaboration supported the progressive rollout of Versions 1 to 4 of the ASEAN Taxonomy, establishing a practical and science-based framework tailored to ASEAN's unique transition pathways.

On 29 April 2025, the Central Bank hosted the ATB Meeting in Bandar Seri Begawan, in collaboration with the Sustainable Finance Institute Asia (SFIA), where members discussed key issues, including the progress of Version 4 of the ASEAN Taxonomy and the development of the Mitigation Co-Benefits and Adaptation for Resilience (mARs) Guide to support the mobilisation of adaptation finance in the region. In conjunction with the finalisation of Version 3 of the ASEAN Taxonomy, a webinar was also organised. Attended by over 300 participants from ASEAN sectoral bodies, international organisations, financial institutions and the wider public, the webinar highlighted practical applications of Version 3 of the taxonomy, including guidance for financial institutions and corporates, case studies and implementation approaches. The Central Bank also supported the promotion and awareness of the ASEAN Taxonomy through engagements across regional and international forums and media platforms, highlighting its practical use for financial institutions, corporates and other stakeholders.

Building on these efforts, Version 4 of the ASEAN Taxonomy was successfully launched on 6 November 2025, marking the completion of the region's comprehensive framework for classifying sustainable economic activities.

This final iteration expands the technical screening criteria to cover all remaining focus and enabling sectors, while introducing enhanced methodologies for reporting on entities, portfolios and financial instruments, as well as strengthened social safeguards for informal workers. As a living document, the Taxonomy's technical screening criteria will continue to be reviewed and refined over time to reflect evolving technologies and transition pathways across ASEAN Member States, with its ongoing maintenance forming an important part of the ATB's future work.

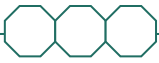
Driving ASEAN financial inclusion initiatives

In 2025, the Central Bank, together with the Bank of Thailand, continued to serve as Co-Chairs of the ASEAN Working Committee on Financial Inclusion (WC-FINC), having assumed this role in August 2024, guiding regional efforts to advance financial inclusion in line with the ASEAN Economic Community (AEC) Blueprint.



19th WC-FINC Meeting in Bangkok, Thailand

In this capacity, the Central Bank co-chaired the 19th WC-FINC Meeting, held on 18 February 2025 in Penang, Malaysia, and the 20th WC-FINC Meeting, held on 7 August 2025 in Bangkok, Thailand. The meetings provided a platform for ASEAN Member States (AMS) and development partners to review progress on key regional priorities, exchange updates on national financial inclusion developments, discuss emerging



challenges, and leverage opportunities to strengthen inclusive financial ecosystems across the region through capacity building and innovative solutions.

The meetings also facilitated discussions on several regional initiatives aimed at deepening financial inclusion. These included progress under Project Revive, the development of the WC-FINC Roadmap 2026–2030, refinement of key performance indicators and annual priorities for the coming years, as well as initiatives to strengthen financial education, consumer protection and digital financial literacy.



Complementing these discussions, knowledge-sharing engagements were held with regional and international partners, including:

- A peer-learning workshop with the ASEAN Working Committee on Payment and Settlement Systems (WC-PSS) on promoting trusted and inclusive digital payments for ASEAN's micro-merchants through policy recommendations, good practices and pathways for regional implementation;
- The 4th OECD–WC-FINC Joint Roundtable on Financial Inclusion, Financial Consumer Protection and Financial Literacy, which discussed the development of an ASEAN Digital Financial Literacy Core Competencies Framework to support a coordinated regional approach to digital financial literacy;
- The Joint UK–ASEAN Workshop on Financial Services Pillar Support for WC-FINC, which explored opportunities for technical assistance and regional knowledge exchange to support financial inclusion and financial literacy strategies across ASEAN.

The Central Bank, together with the Bank of Thailand and the Ministry of Finance of Thailand,

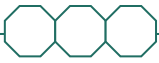
also undertook the role of Co-Leads for Desired Outcome 1 under the WC-FINC work programme, which focuses on supporting the development and implementation of national financial inclusion strategies across ASEAN. Through these leadership roles, the Central Bank continues to help shape regional policy directions and strengthen collaborative efforts to advance financial inclusion in the region.

Leading regional cooperation on payment and settlement systems

The Central Bank continued to play a leadership role in advancing regional payments cooperation through its co-chairmanship with Bank Negara Malaysia (BNM) of the ASEAN Working Committee on Payment and Settlement Systems (WC-PSS). In this capacity, the Central Bank co-chaired the 30th WC-PSS Meeting held on 18 February 2025 in Penang, Malaysia, and the 31st WC-PSS Meeting held on 22 August 2025 in Hanoi, Viet Nam, where members reviewed progress on regional payment initiatives and endorsed key priorities, including expanding cross-border payment linkages, strengthening oversight coordination, and advancing instant payment connectivity across ASEAN.



The Central Bank also contributed to regional capacity-building initiatives through the development of the WC-PSS Learning Roadmap, which supports the ASEAN Steering Committee for Capacity Building (SCCB) in strengthening its capacity-building programmes and aligning learning priorities with the committee's key performance indicators. These efforts further informed regional discussions on the Finance Sectoral Plan 2026–2030 and the Project Revive initiative, helping to enhance governance and cooperation across the ASEAN finance track.



Deepening bilateral financial cooperation between Brunei Darussalam and Singapore



The Central Bank and the Monetary Authority of Singapore (MAS) reaffirmed their long-standing relationship at the fifth BDCB-MAS Bilateral Roundtable, which was hosted by the Central Bank on 14 August 2025.

The Central Bank and MAS exchanged views on recent global and regional economic trends, as well as developments in payments connectivity and plans to commemorate the 60th Anniversary of the Currency Interchangeability Agreement (CIA) in 2027.

During the Roundtable, the Central Bank's Managing Director, Yang Mulia Hajah Rashidah binti Haji Sabtu, and MAS Managing Director, His Excellency Chia Der Jiun, signed a Memorandum of Understanding (MoU) to establish a reciprocal cross-border collateral arrangement (CBCA). This arrangement will allow both authorities to accept a wider range of collateral in their liquidity provisioning facilities, providing financial institutions across the jurisdictions greater flexibility in their liquidity management and helping maintain financial stability in both countries.

Technical assistance for financial surveillance

As part of ongoing efforts to strengthen financial surveillance and macroprudential oversight, the Central Bank benefited from technical assistance from Bank Indonesia (BI) in developing a Financial System Stability Index (FSSI) and a macro stress-testing framework.

BI shared practical experience and technical guidance on the development of stability indices and macro stress testing, including methodology, implementation, scenario design, and the calibration of indicators and thresholds. This strengthened the Central Bank's analytical capabilities and financial surveillance toolkit, enabling more structured, forward-looking assessments of systemic risks to support macroprudential policy and financial system resilience.

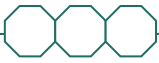
The initiative reflects the close and longstanding institutional relationship between the Central Bank and BI, characterised by constructive knowledge exchange and peer-level collaboration.



Technical assistance session with Bank Indonesia

International engagement in combating financial crime

The Financial Intelligence Unit (FIU), BDCB represents Brunei Darussalam in key AML/CFT forums, including the Egmont Group of Financial Intelligence Units and the Financial Intelligence Consultative Group (FICG), supporting cross-border cooperation and the exchange of strategic and operational intelligence. Engagement in these platforms supports Brunei Darussalam's alignment with international AML/CFT standards and strengthens its capacity to detect, deter and disrupt illicit financial flows.



Brunei Darussalam also continues to participate actively in the Asia Pacific Group on Money Laundering (APG), with the FIU, BDCB, serving as the main contact point in its role as NAMLC Secretariat.

In recognition of this continued engagement, Brunei Darussalam was selected to serve as Co-Chair of the APG Mutual Evaluation Committee (MEC) for the 2025–2028 term alongside New Zealand, reflecting its active role in advancing regional AML/CFT cooperation and discussions on mutual evaluation processes. The MEC is a working group under the APG that discusses key issues related to the mutual evaluation reports and follow-up reports of APG members.



Representatives from the FIU, BDCB, the Ministry of Finance and Economy, and the Attorney General's Chambers at the 2025 APG Annual Meetings and Technical Assistance and Training Forum (TATF) in Tokyo, Japan

In addition, the APG Plenary endorsed Brunei Darussalam as the incoming APG Rotating Co-Chair for the 2026–2028 term, with the role commencing in mid-2026. In this capacity, Brunei Darussalam will contribute to advancing regional AML/CFT priorities, strengthening international cooperation and supporting preparations for its next Mutual Evaluation scheduled for 2030/2031. Brunei Darussalam will also host the 2026 APG Annual Meeting and the Technical Assistance and Training Forum (TATF), scheduled for mid-2026.

Strengthening global engagement in currency management

During the year, the Central Bank strengthened its international and regional engagement in currency management to promote knowledge exchange, benchmark against global best practices, and enhance operational resilience.

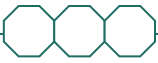
In April 2025, the Central Bank participated in the “Numismatic Marvels: Minted History, Printed Heritage” exhibition organised by Bank Negara Malaysia (BNM) at the BNM Museum and Art Gallery in conjunction with ASEAN 2025.

Launched on 9 April 2025, the exhibition was a collaborative initiative among ASEAN central banks to showcase the region’s shared cultural and economic heritage through currency.



Numismatic Marvels: Minted History, Printed Heritage exhibition

The Central Bank displayed selected numismatic collections alongside circulating banknotes and coins, illustrating the evolution of Brunei Darussalam’s currency and its reflection of national identity, history, and sovereignty. The exhibition served as an important platform for public education and regional engagement, further strengthening cooperation among ASEAN monetary authorities.



In May 2025, the Central Bank attended the Currency Conference, a global forum for central banks and issuing authorities, addressing key developments and challenges in currency management. This year's discussions focused on adapting to changing cash usage, sustainability, and emerging technologies, including the future of cash, payment trends, digital currencies, and reducing the carbon footprint of currency operations. In December 2025, the Central Bank also participated in the Regional Currency Directors' Forum hosted by Bank Negara Malaysia (BNM) in Kuala Lumpur. The forum facilitated dialogue among regional central banks on operational challenges, emerging risks, sustainable currency practices, and capacity-building initiatives. Such engagements enhance institutional capability and support more resilient currency management frameworks across the region.



Currency Conference in May 2025

Additionally, the Central Bank became a member of the International Association of Currency Affairs (IACA), a global non-profit organisation dedicated to promoting excellence and best practices across the cash cycle. IACA's membership comprises central banks, monetary authorities, industry participants, and cash service providers, providing a unique platform that

brings together both public and private sector stakeholders within the currency ecosystem. The membership provides the Central Bank access to industry research, technical resources, peer dialogue, and collaborative forums, supporting continuous enhancement of currency operations, governance standards, and strategic capability in line with international developments.

What's next

The Central Bank will continue to strengthen its international engagements as part of its efforts to enhance the resilience and adaptability of the financial sector amid an increasingly dynamic global environment. In addressing emerging risks and opportunities, the Central Bank will further foster strategic partnerships that promote collaboration, facilitate knowledge exchange, support regional integration, and contribute to financial stability and sustainable economic development.



Organisational Development

Our People

At BDCB, its people remain at the core of its success. In 2025, the Central Bank continued to foster a supportive and dynamic workplace, prioritising engagement, resilience, and continuous development to empower employees to adapt and excel in a rapidly evolving financial environment.

Workforce growth and composition

The Central Bank's workforce grew to 279 employees, up from 257 in 2024, reflecting ongoing organisational strengthening, capacity building, and strategic talent development.

The workforce comprises a generational mix, with Millennials forming the largest cohort, alongside Generation Z and Generation X employees. This diversity fosters resilience and adaptability while combining experience with fresh perspectives to meet evolving organisational and sectoral challenges.

Employee development and continuous learning

The Central Bank continued to invest in building professional capacity and enhancing knowledge across its workforce through structured training, certification programs, and experiential learning initiatives.

Professional certification: Over 40 employees attained advanced qualifications across various areas:

Professional Certifications

Financial Supervision

- Effective Supervision Program Level 2

Project and Crisis Management

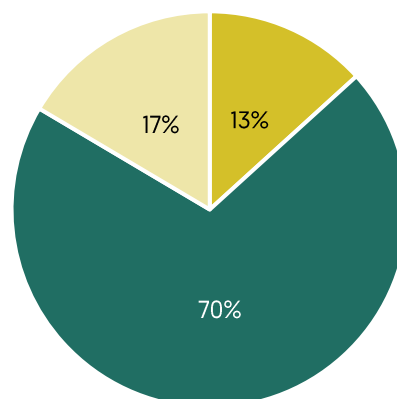
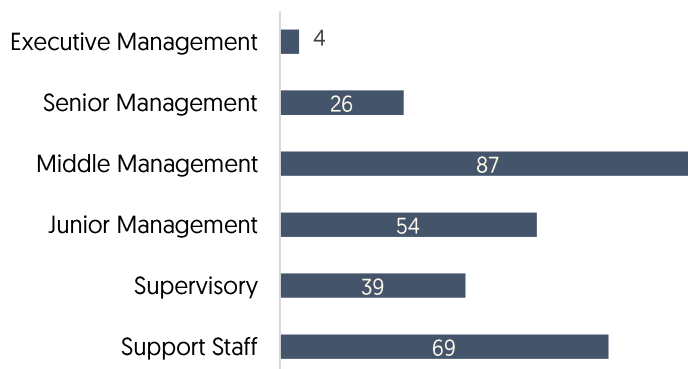
- Information Security and Risk Management
- Certified Information Security Manager
- Business Continuity Certified Specialist
- Chartered Quality Institute, IRCA Certified ISO/ IEC Requirements
- RPO-I Certification

Islamic Finance

- Certified Islamic Specialist in Sharia Auditing

Human Resource and Talent Development

- Chartered Institute of Personnel and Development Level 3 [CIPD]
- Society for Human Resource Management [SHRM]



- Generation X [1965-1979] *excludes experts
- Millennial [1980-1994]
- Generation Z [1995-2012]

Workforce composition (2025)

Professional Certifications

Financial Development

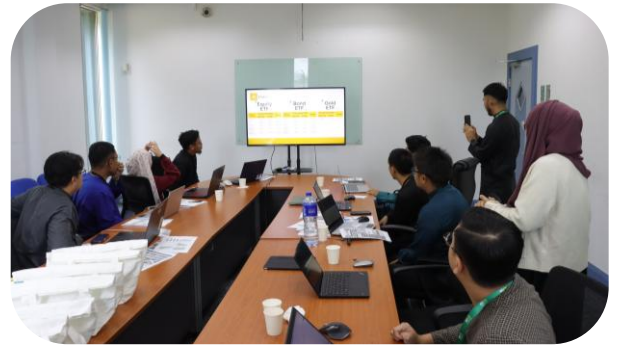
- Certificate in Green and Sustainable Finance
- Green and Sustainable Finance: Supervisory Perspectives
- Certified Expert in Financial Inclusion Policy

Data, IT Infrastructure and Systems

- CompTIA Security Server+
- CompTIA A+
- CT-Data+ CompTIA Data+ Certification
- IBM Data Analyst Professional Certificate
- Microsoft Certified: Power BI Data Analyst Associate (PL-300) Professional Certificate

Weekly sharing sessions: Weekly internal sessions provided employees with opportunities to broaden their expertise and engage with peers. Topics covered global and domestic developments, banking and insurance practices, advancements in the Brunei currency, emerging technology trends, and the evolving role of data, artificial intelligence (AI), and analytics. Employees also shared lessons from external visits and seminars, supporting both professional growth and the Central Bank's strategic initiatives.

Experiential learning: The BDCB Investment Challenge engaged Central Bank employees and interns in hands-on exercises to strengthen their understanding of investment processes, trading strategies, portfolio management, and economic analysis.



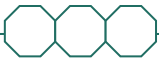
BDCB Investment Challenge

Internal knowledge sessions: Targeted sessions in 2025 focused on emotional intelligence, trust and accountability in handling confidential information, adaptability, continuous learning, and holistic well-being. Topics included stress management, work-life balance, and self-leadership, thereby equipping staff with future-ready skills and fostering a supportive, motivated, and values-driven workplace culture.



Presentation of Agility, Continuous Learning, and Future Skills in the Workforce





External learning and international exposure

Employees also gained valuable international exposure, enhancing their skills and broadening their perspectives. One employee pursued postgraduate studies under the Central Bank's Scholarship Scheme, introduced in April 2024 to support employees' academic and professional development. Meanwhile, another employee completed a work attachment with the Monetary Authority of Singapore (MAS), gaining hands-on experience in supervisory frameworks, regulatory practices, and collaborative work culture.

“

Choosing to pursue my postgraduate studies was a decision shaped by both aspiration and intention. As organisations continue to transform through analytics, automation and digital innovation, I reflected on my own readiness to remain adaptable, relevant and agile in this shifting landscape. These reflections led me to undertake an MSc in Business Analytics at Warwick Business School.

The programme's integration of analytical theory and hands-on application provided a solid foundation for addressing real-world business challenges. Through modules covering predictive modelling, machine learning and data visualisation, I gained a deeper understanding of artificial intelligence (AI) and generative AI, while further strengthening my technical capabilities across modern analytics and programming tools such as Python, R and SQL. Simultaneously, the curriculum's emphasis on practical relevance enabled me to explore how analytics can drive value across industries, including financial services, operations, and regulatory contexts.

One of the most rewarding aspects of my time at Warwick was collaborating with industry partners through case challenges and applied coursework, which further reinforced the importance of bridging analytical insights with strategic decision-making. Just as meaningful was the diversity of my cohort, which fostered a continuous exchange of ideas. Learning alongside peers from varied professional and cultural backgrounds broadened my perspectives and made discussions both engaging and dynamic. That said, I am grateful that the late nights of debugging code, group meetings, and navigating assignments and back-to-back exams are now behind me.

All in all, my time abroad has been both professionally formative and personally meaningful. What I value most in retrospect is the intellectual curiosity shared within the cohort, combined with rigorous academic and practical exposure, which has consistently challenged my thinking and encouraged me to approach problems from new angles. For anyone driven by a similar passion for analytics and data-driven decision-making, I highly recommend pursuing an MSc in Business Analytics or a related field.

**Rabi'ah Umami Kalthum
binti Hanafiah**

*Manager, Supervision 1
MSc in Business Analytics, Warwick Business School*

”



“

My three-month work attachment with the Monetary Authority of Singapore (MAS)'s Banking Department was an enriching experience that has significantly broadened my perspective as a banking supervisor. Working closely with MAS colleagues gave me first-hand exposure to their supervisory frameworks and industry engagement practices, which enhanced my understanding of the supervisory landscape in a highly developed jurisdiction.

Throughout the attachment period, I had the opportunity to participate in supervisory activities, including banks' comprehensive risk assessments and thematic reviews of regulatory submissions, such as bank recovery plan documents. These engagements deepened my understanding of MAS's structured approach to supervision, which focuses on evidence-based observations, clear supervisory expectations, and forward-looking risk identification.

The day-to-day interactions with MAS colleagues were equally valuable, where I gained insights into their collaborative work culture and strong emphasis on documentation quality. These exposure points have inspired me to adopt similar best practices in my own supervisory work, particularly to strengthen analytical depth, improve stakeholder communication, and enhance consistency in supervisory assessments.

Overall, the learnings and experience gained from MAS have meaningfully contributed to my work at BDCB, especially in supporting the organisation's broader regulatory and supervisory objectives.

”

**Siti Rossimah
binti Haji Kassim**

*Senior Manager, Supervision 1
Three-month work attachment with the
Monetary Authority of Singapore (MAS)*

Internal engagement and organisational alignment

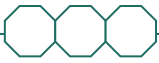


BDCB Townhall 2025

The Central Bank strengthened internal engagement and organisational alignment through the BDCB Townhall 2025, held on 24 January 2025.

With the theme “New Beginnings: Transforming Our Future Together”, the Townhall provided a platform for the Central Bank’s leadership and employees to reflect on organisational performance and discuss priorities for the year ahead. Discussions also covered organisational efficiency, staff development and training needs, staff welfare, and institutional expectations.

The Townhall further reinforced the Central Bank’s core values—Teamwork, Integrity, Excellence and Innovation—while fostering a shared sense of purpose and strengthening collaboration across the organisation.



Employee recognition and wellbeing

The Central Bank continued to prioritise workplace culture and employee wellbeing through a range of initiatives:

Employee Appreciation Day: Celebrated employee milestones, including service anniversaries and retirements, while recognising individual contributions. The event fostered team spirit and strengthened a sense of belonging across the Central Bank.

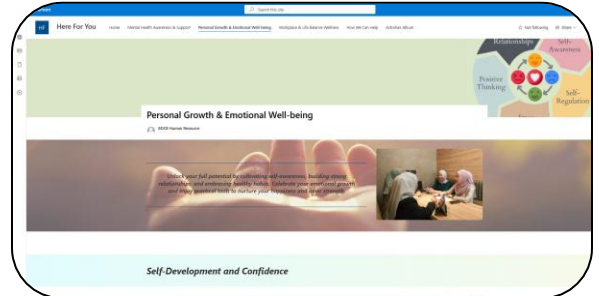


Celebrating long-serving employees at the BDCB Hari Raya event

Wellbeing initiatives: Under the *Here for You* programme, the Central Bank promoted mental, physical, and emotional wellness through activities such as Movember Micro-Actions, Personal Wellbeing Check-ins, desk and transformation challenges, Grow Forward activities, and reflective engagement exercises.

Professional mental health support: For the fifth consecutive year, the Central Bank renewed its partnership with Clarity Sdn Bhd, a trusted third-party local counselling service provider, thus providing employees with confidential access to counselling and reinforcing a safe, supportive, and psychologically healthy workplace.

Digital wellbeing resources: Curated online materials offered guidance on women’s mental health, workplace wellness, and practical coping strategies, complementing in-person and experiential wellbeing activities.



Student engagement and internships

The Central Bank hosted 44 internship placements in 2025, providing students from local higher education institutions with practical, hands-on experience across central banking functions. Subsequently, high-performing interns were offered paid placements, supporting talent development, retention, and workforce continuity.

Our Public Engagement

In 2025, public awareness initiatives focused on financial literacy, scam prevention, and the Central Bank’s mandate, promoting safe financial practices and increasing understanding of the Central Bank’s role in safeguarding Brunei Darussalam’s financial system.

Public awareness and stakeholder engagement

The Central Bank continued its in-person engagement to enhance public understanding of its functions and promote safe financial practices, conducting targeted sessions with employees across both the public and private sectors, as well as community leaders, including Penghulus and Village Heads, through the Information Department’s Sua Muka Programme.

Broader public outreach included participation in events such as the Digital Future Conference and Exhibition (DFCE) 2025 and the Cyber Security (CySec) Conference, where the Central Bank shared insights on scams, digital security, and its role in maintaining the stability and integrity of Brunei Darussalam’s financial system, particularly through regulating and supervising financial institutions to ensure their systems remain secure and resilient.



Digital Future Conference and Exhibition 2025



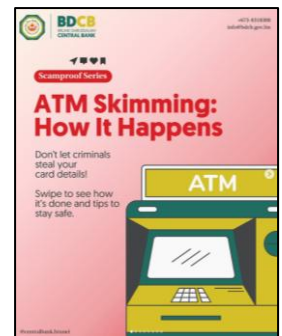
Cyber Security Conference 2025

Complementing in-person efforts, the Central Bank leveraged digital platforms to broaden its reach. In 2025, targeted digital series – Scamproof, Money Kitani, and Behind the Scenes of Central Banking – were launched on its official social media platform (@centralbank.brunei on Instagram).

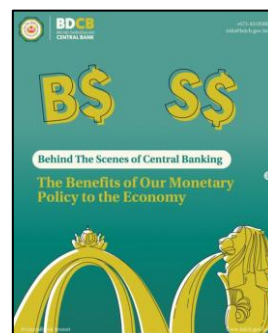
- Scamproof highlights emerging scams and features concise educational videos on specific fraud types.
- Money Kitani provides practical guidance on prudent spending, saving, and financial management.
- Behind the Scenes of Central Banking educates the public on the Central Bank’s role in developing the financial sector, safeguarding financial stability, and protecting public interest.



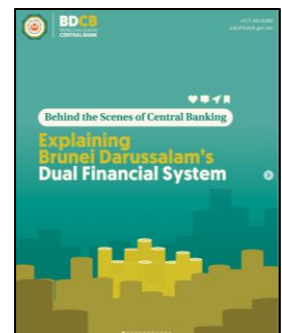
Scamproof Series



Money Kitani Series



Behind the Scenes of Central Banking Series



Digital content also supported awareness of the new banknotes, scheduled for rollout in the first half of 2026, ensuring familiarity with their enhanced security features and design.

Raising financial literacy and awareness



Presentation on Usinwise during Teachers' Day 2025

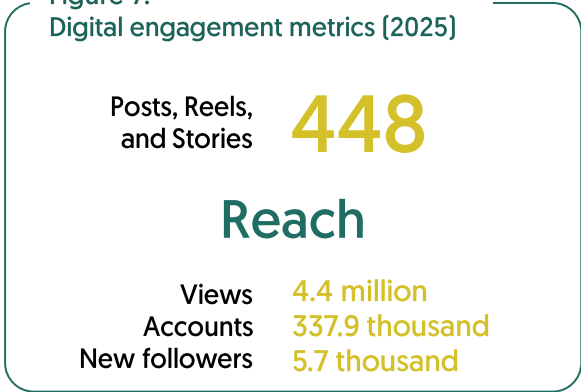


Financial awareness roadshow

The Central Bank continued to promote financial literacy through talks, courses, roadshows and events, reaching approximately 4,100 participants across government, statutory bodies, the private sector, and educational institutions, with a particular focus on digital financial literacy. It also supported national, regional, and global campaigns, including National Financial Literacy Day, ASEAN Savings Day, and World Investor Week, disseminating information through social media, TV, radio, and print.

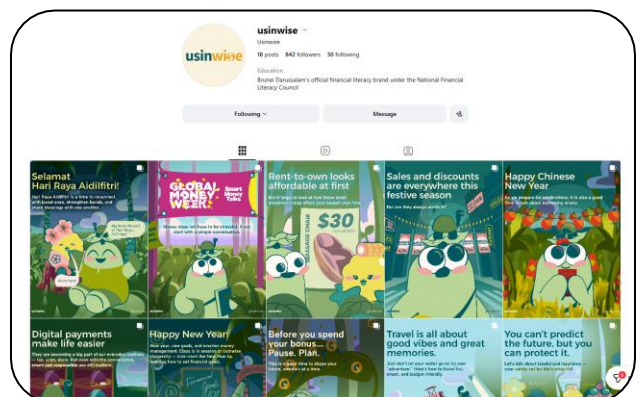
Complementing its outreach efforts, the Central Bank introduced Centsibly: Smart Money Habits, a teaching resource jointly developed with the Ministry of Education, to strengthen financial literacy. The resource supports practical money management skills in schools, covering topics

Figure 7: Digital engagement metrics (2025)



such as budgeting, saving, debt management, takaful, retirement planning, and digital financial literacy. Pilot testing is underway to integrate Centsibly into curricula, with refinements to enhance usability and localisation. Centsibly was showcased at the Central Bank's booth during the 35th Teachers' Day celebration in September 2025, where it was presented to His Majesty Sultan Haji Hassanal Bolkiah Mu'izzaddin Waddaulah, Sultan and Yang Di-Pertuan of Brunei Darussalam.

Additionally, Usinwise, a digital financial education platform for the younger generation, leverages storytelling and online content to provide accessible, credible guidance and encourage practical steps toward stronger financial well-being.



Usinwise's Instagram profile

Box 4 – National Financial Literacy Day 2025

The National Financial Literacy Day (NFLD) 2025 Financial Awareness Roadshow, held at the Sekolah Tinggi Perempuan Raja Isteri (STPRI) Hall, marked a two-day initiative co-organised by the Central Bank and the Ministry of Education (MOE) under the theme “Money Smart, Digitally Safe”. The roadshow aimed to equip students with practical financial knowledge and skills through interactive, activity-based learning, reaching over 2,000 students from Years 7, 8, 9, 10, and 12 across all four districts, with special attention to those from remote and underserved areas.

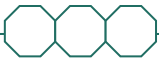
The opening ceremony was officiated by Yang Mulia Hajah Rashidah binti Haji Sabtu, Managing Director of BDCB, who emphasised the importance of empowering youth to be financially savvy and digitally resilient. The event also saw the launch of Usinwise, the official brand for national financial literacy campaigns under the National Financial Literacy Council (NFLC), providing accessible tools and guidance on saving, budgeting, investing, retirement planning, and digital financial safety.

The roadshow featured the Financial Maze, offering an immersive, hands-on learning experience, with themed booths covering financial management, digital payments, entrepreneurship, investment, takaful, and consumer protection. Key partners included the Royal Brunei Police Force, Employees’ Trust Fund (TAP), Brunei Economic Development Board (BEDB), Cyber Security Brunei, Perbadanan Tabung Amanah Islam Brunei (TAIB), Bank Islam Brunei Darussalam (BIBD), Baiduri Bank, Standard Chartered Bank, Bank Usahawan, Insurans Islam TAIB, Syarikat Takaful Brunei Darussalam, AIA Brunei, BIBD Securities, Standard Chartered Securities, National Digital Payment Network (ndpx), and Datastream Digital (DST).



A highlight of the event was the FIN-novators competition, showcasing innovative and practical financial education tools and games developed by students and teachers. The Students’ Category was won by Maktab Sains Paduka Seri Begawan for their solution, Reality Cheque/Ringggit Rangers, while the Teachers’ Category went to Belait Sixth Form Centre for Takaful Trail. The closing ceremony, attended by Yang Mulia Dr Shamsiah Zuraini Kanchanawati, Permanent Secretary (Core Education) of the Ministry of Education (MOE), reinforced the roadshow’s impact: fostering financial knowledge, responsible behaviours, and digital awareness among youth.

The NFLD 2025 Financial Awareness Roadshow reflects the Central Bank’s ongoing commitment to nurturing a financially literate and digitally resilient generation, equipping young Bruneians with the skills to make informed financial decisions and navigate the evolving digital financial landscape.



Our Community Outreach

The Central Bank's outreach initiatives in 2025 focused on community development, social well-being, and inclusive growth, reflecting its commitment to supporting sustainable practices and enhancing society's overall well-being.

Making a difference in Ramadhan

As part of its annual Ramadhan programme, the Central Bank implemented community-focused initiatives, including providing essential household items to families, distributing iftar meals to underserved communities, and donating to orphaned children. These efforts, supported by employee contributions, aimed to ease the burdens of vulnerable groups and foster a spirit of giving.



Volunteering for the Social Kitchen initiative by SCOT

Advancing sustainable and inclusive digital education

In support of digital and sustainable capacity-building in the education sector, the Central Bank donated information technology assets to Politeknik Brunei to enhance its IT infrastructure and learning environment. In addition, desktop computers and monitors were donated to Sungai Tali Primary School in Lumut to improve students' access to digital learning resources and support a more conducive learning environment.



Our Organisational Capabilities

Memorandum of Understanding (MOU) with higher education institutions (HEIs)

As part of its continued efforts to strengthen research-based policymaking, the Central Bank signed an MOU with Universiti Brunei Darussalam on 4 February 2025. This marks the third collaboration established with local higher education institutions, following earlier agreements with Universiti Islam Sultan Sharif Ali (UNISSA) and Universiti Teknologi Brunei (UTB) in 2024.



MOU exchange held at Balai Khazanah Islam Sultan Haji Hassanal Bolkiah

These partnerships provide a platform for knowledge exchange and collaboration in areas of mutual interest, including the sharing of information and data, joint research and surveys, publication of research papers, as well as internships and work attachment programmes.

The collaborations also support the organisation of academic and policy dialogue platforms, such as symposia, seminars, and finance-related

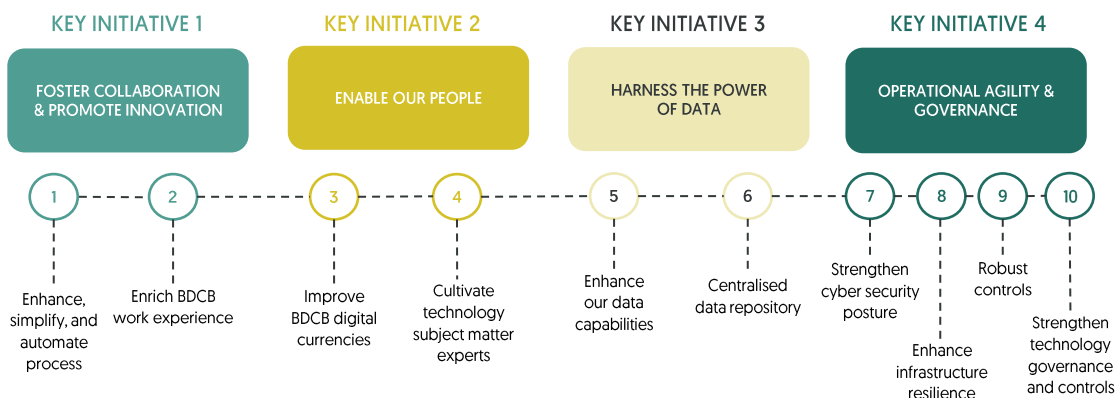
conferences. Notably, the Central Bank and UNISSA jointly organised the Brunei Darussalam Islamic Finance (BDIF) Symposium in 2024 and 2025.

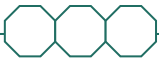
The continued cooperation with higher education institutions reflects a shared commitment to strengthening research capacity and contributing to the aspirations of Wawasan Brunei 2035.

Advancing digital transformation

In January 2025, the Central Bank launched its Digital Transformation Roadmap (DTR) 2024–2028, a five-year plan to leverage data and technology to enhance efficiency, strengthen collaboration and foster innovation. The roadmap ensures that digital infrastructure remains fit for purpose to support evolving mandates and future needs. Implementation of the roadmap in 2025 focused on four key initiatives:

- fostering collaboration and innovation, enabling employees, harnessing the power of data, and
- strengthening operational agility and governance.





Efforts to foster collaboration and innovation included streamlining internal processes and exploring the responsible use of emerging technologies such as artificial intelligence (AI). In parallel, initiatives to empower employees focused on digital awareness, communication and capability development across the organisation.

The Unified Intelligence Initiative, a flagship project under Key Initiative 3, advances data capabilities by strengthening governance, establishing robust data foundations, and enabling analytics to support timely, informed decision-making. At the same time, operational agility and governance were also enhanced through improvements in IT infrastructure, network performance, cybersecurity, and system monitoring, ensuring resilient, secure digital operations.

Together, these initiatives position the Central Bank as a digitally enabled organisation capable of responding to evolving developments in the financial sector and delivering its mandates effectively.

Box 5 – Shaping the future of the financial sector

The Central Bank advanced key strategic planning initiatives in 2025 to guide the long-term development of Brunei Darussalam's financial sector and its institutional priorities.

The first Financial Sector Blueprint (FSBP) concluded its cycle in 2025, marking the completion of a decade of initiatives that strengthened and developed the nation's financial sector. Building on these achievements, the Central Bank commenced the development of the second FSBP (2026–2035), which will set out the strategic direction for the financial sector over the coming decade.

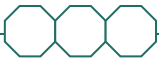
The new Blueprint will ensure continuity and alignment with Brunei Darussalam's broader national development agenda, including the Brunei Darussalam Economic Blueprint and other national strategies, while supporting the aspirations of Wawasan Brunei 2035 – particularly the goal of achieving a dynamic and sustainable economy. It will also provide a platform for collaboration between the Central Bank, government ministries, financial institutions, and other stakeholders to further strengthen the financial sector.

Following the project's commencement in 2025, the Central Bank conducted a series of engagements with internal and external stakeholders to gather perspectives on industry challenges, opportunities, and emerging priorities. These included discussions with government agencies, financial institutions, industry associations, and relevant internal divisions, which helped shape the framework, strategic objectives, and key focus areas of the new Blueprint.

Strategic guidance was also obtained through discussions with the Central Bank's Board of Directors. The Blueprint is scheduled to be launched in 2026.

In parallel, the Central Bank also initiated the development of its second Strategic Plan (SP) 2026–2030, following the conclusion of the first Strategic Plan covering 2021–2025. The Strategic Plan serves as the Central Bank's internal roadmap, guiding divisional work plans, resource allocation, and institutional priorities over the medium term.

Internal workshops were conducted during the year to develop and refine the framework, strategic themes, and implementation approach for the upcoming Strategic Plan. The Plan is currently under development and is expected to be published in the second half of 2026, ensuring alignment with the forthcoming Financial Sector Blueprint and the broader national development agenda.



Knowledge exchange on data and digital transformation

A study visit to Bank Indonesia (BI) was conducted in 2025 as part of the Central Bank's efforts to strengthen institutional collaboration and facilitate knowledge exchange between both central banks.



Study visit to Bank Indonesia

The visit provided an opportunity to gain insights into BI's approaches to data governance, enterprise data architecture, applied analytics, artificial intelligence (AI) readiness, innovation governance, and organisational change management. Through a series of discussions and briefings, the Central Bank also learned from BI's experience in implementing digital transformation initiatives, including key considerations and lessons from its implementation journey.

Our Governance and Assurance

Internal audit and review, advisory, and consultancy service

The Central Bank underwent its second External Quality Assessment conducted by the Institute of Internal Auditors (IIA) Australia. The assessment concluded that the organisation's internal audit function generally conforms with the Global Internal Audit Standards, achieving a 96% general conformance rating, reflecting the Central Bank's commitment to strong governance and maintaining an effective and independent internal audit function.

During the year, internal audit activities focused on key operational and emerging risks, including reviews of money service business inspections, technology risk management, payment processes and the asset management framework.

The 2025 internal audit work plan also included a Limited Scope Assessment of the SWIFT Customer Security Programme, covering selected SWIFT controls, with reliance on the 2024 Independent Assessor's report for the remaining 17 SWIFT controls, which had previously been confirmed as compliant.

External audit activities

In accordance with Section 61 of the BDCB Order, 2010, the financial and statutory audits of the BDCB Group and Al-Munawwarah Sdn Bhd for the financial year 2025 were conducted by PricewaterhouseCoopers (PwC).

Our Commitment to Managing Risks

Enhancing risk governance and operational resilience

The Central Bank continued to strengthen its risk management framework to support sound governance and operational continuity.

Automation of processes was leveraged to enhance risk assessment and monitoring, enabling more consistent identification, categorisation and escalation of risk issues across the organisation. The Central Bank further reinforced its risk management by ensuring that policies and processes remain aligned with the organisation's risk appetite and associated key risk indicators, thereby supporting effective risk monitoring and decision-making.

These efforts underpin the Central Bank's approach to risk mitigation and the continuous evaluation of its risk management practices as it pursues its mandates and strategic objectives.

Practices were also enhanced to align more closely with international standards, including ISO/IEC 27001:2022 Information Security Management Systems, to strengthen information security and cybersecurity.

In parallel, efforts to enhance organisational resilience focused on strengthening situational awareness, testing critical infrastructure and conducting business continuity exercises. These initiatives ensure that the Central Bank remains prepared to respond effectively to potential disruptions and to embed a culture of operational resilience across the organisation.

Advancing compliance and ethical standards

The Central Bank continued to enhance its compliance management framework in line with ISO 37301:2021 Compliance Management Systems, ensuring a structured approach to identifying, monitoring, and managing compliance obligations. This framework aligns compliance processes with the Central Bank's risk appetite and broader governance objectives.



Socialisation of Code of Conduct, Grievance Resolution Policy, and Whistleblowing Policy

Ethical conduct was reinforced through structured awareness initiatives on the organisation's Code of Conduct, Grievance Resolution Policy, and Whistleblowing Policy. Employees were guided on how to raise concerns and report misconduct through confidential channels without fear of retaliation.

Targeted training programmes, including specialised workplace misconduct investigation courses delivered by Wise Workplace Training, strengthened internal capabilities in managing compliance and upholding ethical standards.

Strengthening risk and compliance culture

The Central Bank further developed its Security Awareness and Training (SAT) Platform, introducing a dedicated Compliance Module covering key topics, including whistleblowing, conflicts of interest, fraud prevention, and anti-bribery practices.

These initiatives promote a strong risk and compliance culture, reinforcing employee accountability and ethical conduct while enhancing awareness of shared responsibilities across the organisation.



Consolidated Financial Statements

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FS 5 – FS 9	Independent Auditor’s Report
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FS 12	Statement of Profit or Loss and Other Comprehensive Income
FS 13 – FS 16	Statement of Changes in Equity
FS 17	Statement of Cash Flows
FS 18 – FS 56	Notes to the Financial Statements



Report of the Board

For the financial year ended 31 December 2025

The Members of the Board hereby submit their report and the audited consolidated and parent financial statements of Brunei Darussalam Central Bank [the “Authority” or “BDCB”] and its subsidiary [the “Group”] for the financial year ended 31 December 2025.

Principal Activities

Brunei Darussalam Central Bank [the “Authority”], was established on 1 January 2011 pursuant to Section 3(1) of the Brunei Darussalam Central Bank Order, 2010 [the “Order”].

Under Section 4 of the Order, the principal objects of the Authority are;

- (a) to achieve and maintain domestic price stability;
- (b) to ensure the stability of the financial system, in particular by formulating financial regulation and prudential standards;
- (c) to assist in the establishment and functioning of efficient payment systems and to oversee them; and
- (d) to foster and develop a sound and progressive financial services sector.

Without prejudice to the above-mentioned principal objects, the Authority shall support the general economic policies of the Government of Brunei Darussalam to the extent that it considers appropriate.

Al-Munawwarah Sdn Bhd [the “Subsidiary”] [“AMSB”] is a special purpose vehicle [“SPV”], which facilitates the Authority’s liquidity management activities and other investment activities through the issuance of Sukuk under a variety of Syariah principles. AMSB is controlled by the Authority as it has existing rights that give the Authority the current ability to direct the relevant activities of AMSB.

Financial Statement Highlights

	The Group	The Authority
	BND’000	BND’000
Net profit for the year	69,244	69,166
Other comprehensive income	322,209	322,209
Total comprehensive income for the year	391,453	391,375
Less (non-distributable profit / unrealised market gain):		
Profit for the year of AMSB	(78)	-
Transfer to market revaluation reserves	(365,281)	(365,281)
Distributable earnings for the year	26,094	26,094
Distributable to:		
BDCB Reserve Fund	26,094	26,094
The Government of Brunei Darussalam	-	-
	26,094	26,094



Board of Directors

Chairman

Yang Mulia
Dato Seri Paduka Awang Haji Khairuddin
bin Haji Abdul Hamid

Deputy Minister of Finance and Economy (Economy)
Ministry of Finance and Economy
(17 July 2022 – 8 August 2025)

Yang Berhormat
Dato Seri Setia Dr. Awang Haji Abdul Manaf
bin Haji Metussin

Ministry of Primary Resources and Tourism
(8 October 2025 – Present)

Deputy Chairman

Yang Mulia
Pengiran Datin Seri Paduka Hajah Zety Sufina
binti Pengiran Dato Paduka Haji Sani

Deputy Minister of Finance and Economy (Fiscal)
Ministry of Finance and Economy
(8 August 2025 – Present)

Members

Yang Mulia
Dato Seri Setia Dr. Awang Haji Japar
bin Haji Mat Dain @ Maidin

Deputy State Mufti
State Mufti's Office
(8 August 2025 – Present)

Yang Mulia
Dayang Hajah Zuraini binti Haji Sharbawi
Solicitor General, Attorney General's Chambers
Prime Minister's Office
(8 August 2025 – Present)

Yang Mulia
Pengiran Hajah Siti Nirmala
binti Pengiran Haji Mohammad

Permanent Secretary (Wawasan)
Prime Minister's Office
(8 August 2025 – Present)

Yang Mulia
Dayang Hajah Rashidah binti Haji Sabtu

Managing Director
Brunei Darussalam Central Bank
(8 August 2025 – Present)

Yang Mulia
Dr. Dayang Hajah May Fa'ezah
binti Haji Ahmad Ariffin

Permanent Secretary (Economy, Trade and Industry)
Ministry of Finance and Economy
(8 August 2025 – Present)



Audit Committee

Chairperson

Yang Mulia

Dayang Hajah Zuraini binti Haji Sharbawi
Solicitor General, Attorney General's Chambers
Prime Minister's Office
[1 January 2020 – 31 December 2025]

Yang Mulia

Dr. Dayang Hajah May Fa'ezah binti Haji Ahmad Arifin
Permanent Secretary (Economy, Trade and Industry)
Minister of Finance and Economy
[1 January 2026 – Present]

Members

Yang Mulia

**Haji Hairul Mohd Daud bin
Haji Abd Karim**

Deputy Permanent Secretary (Infocommunications)
Ministry of Transport and Infocommunications
[1 January 2020 – Present]

Yang Mulia

**Pengiran Hajah Normaswati binti Pengiran
Anak Haji Mashor**

Acting Accountant General, Treasury Department
Ministry of Finance and Economy
[22 May 2023 – Present]

Yang Mulia

Awang Rudy bin Haji Harun

Director
Healthcare Technology
Ministry of Health
[1 January 2026 – Present]

Yang Mulia

Awang Azmilen bin Ramlee

Interim Managing Director
Tabung Amanah Pekerja
[1 January 2026 – Present]

Yang Mulia

Dayang Siti Umairah binti Haji Salleh

Head of Internal Audit
Safety, Health and Environment National Authority
[1 January 2026 - Present]

Yang Mulia

**Pengiran Hajah Noorasiah binti
Pengiran Hassan**

Deputy Accountant General, Treasury Department
Ministry of Finance and Economy
[20 May 2023 – May 2025]

Yang Mulia

Awang Shamsul Bahri bin Haji Kamis

Chief Executive Officer
I.T. Protective Security Services Sdn Bhd
[1 January 2023 – 31 December 2025]

Yang Mulia

**Pengiran Haji Johari bin Pengiran Haji Abd
Ghani**

Manager
Brunei Investment Agency
[1 January 2023 – 31 December 2025]

Observer

Yang Mulia

Awang Muhammad Yusri bin Dato Abdul Majid

Head of Risk and Compliance
Brunei Darussalam Central Bank
[1 January 2020 – 31 December 2025]

Yang Mulia

Awang Haji Mohammad Khairul Zaki bin Haji Mohidin

Head of Risk and Compliance
Brunei Darussalam Central Bank
[1 January 2026 – Present]



In 2025, the Audit Committee convened on a number of occasions, in line with its terms of reference, to fulfil its oversight responsibilities. The Committee held discussions with the Group's external auditors on the planned scope and outcomes of the audit, significant audit matters, and the effectiveness of the Group's financial reporting processes and internal accounting controls.

For and on behalf of the Board

Dato Seri Setia Dr. Awang Haji Abdul Manaf bin Haji Metussin
Chairman

Dayang Hajah Rashidah binti Haji Sabtu
Managing Director



Independent Auditor's Report

To the Board of Directors of
Brunei Darussalam Central Bank
Level 14, Ministry of Finance and Economy Complex
Commonwealth Drive, Bandar Seri Begawan BB3910
Brunei Darussalam

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements of Brunei Darussalam Central Bank and its Subsidiary (the "Group") and the parent financial statements of Brunei Darussalam Central Bank (the "Authority") are properly drawn up in accordance with the provisions of the Brunei Darussalam Central Bank Order, 2010 (the "Order"), the Brunei Darussalam Companies Act, Chapter 39 (the "Act"), the Currency Order, 2004 (the "CO") and the International Financial Reporting Standards (IFRS) Accounting Standards so as to give a true and fair view of the financial position of the Group and of the Authority as at 31 December 2025 and of their financial performance and of their cash flows for the year then ended.

What we have audited

The financial statements comprise:

- the consolidated and parent statement of financial position as at 31 December 2025;
- the consolidated and parent statement of profit or loss and other comprehensive income for the year ended 31 December 2025;
- the consolidated and parent statement of changes in equity for the year ended 31 December 2025;
- the consolidated and parent statement of cash flows for the year ended 31 December 2025; and
- the notes to the consolidated and parent financial statements, comprising material accounting policy information and other explanatory information.

PricewaterhouseCoopers Services, 13th Floor, PGGMB Building,
Jalan Kianggeh, Bandar Seri Begawan BS8111, Brunei Darussalam
+673 2241951



Independent Auditor's Report
To the Board of Directors of
Brunei Darussalam Central Bank
Page 2

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

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

Independence

We are independent of the Group and of the Authority in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the consolidated and parent financial statements in Brunei Darussalam. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Report of the Board (but does not include the consolidated and parent financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the Annual Report, which is expected to be made available to us after that date.

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

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



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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

The directors are responsible for the preparation and fair presentation of these consolidated and parent financial statements in accordance with the provisions of the Order, the Act, the CO, and the IFRS Accounting Standards, and for such internal control as the directors determine are necessary to enable the preparation of consolidated and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and parent financial statements, the directors are responsible for assessing the ability of each entity within the Group and of the Authority to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the entities within the Group and the Authority or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and the Authority to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Authority to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and parent financial statements, including the disclosures, and whether the consolidated and parent financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Group and the Authority have been properly kept in accordance with the provisions of the Act. We have obtained all the information and explanations that we required.

PricewaterhouseCoopers Services

A handwritten signature in blue ink, appearing to read 'Chai Xiang Yuin', is written over a faint blue circular stamp.

Chai Xiang Yuin
Partner

Brunei Darussalam
3 June 2026

Brunei Darussalam Central Bank and its Subsidiary

Statement of Financial Position

As at 31 December 2025

	Note	The Group		The Authority	
		2025 BND'000	2024 BND'000	2025 BND'000	2024 BND'000
ASSETS					
Cash and cash equivalents	4	2,674,394	2,246,476	2,579,950	2,162,528
Deposits with financial institutions		499,024	500,355	499,024	500,355
Investment securities	5	1,395,011	1,368,289	1,395,011	1,368,289
Derivative financial assets	6	2,557	6,228	2,557	6,228
Inventories		18,901	11,319	18,901	11,319
Assets held with International Monetary Fund (IMF)	7	1,084,766	1,064,114	1,084,766	1,064,114
Other assets	8	14,319	16,402	14,288	16,347
Investment in AMSB	1	-	-	-	-
Gold	9	820,164	519,716	820,164	519,716
Property and equipment, net	10	20,757	23,796	20,757	23,796
TOTAL ASSETS		6,529,893	5,756,695	6,435,418	5,672,692
LIABILITIES AND EQUITY					
<u>Liabilities</u>					
Currency in circulation	11	1,385,584	1,401,451	1,385,584	1,401,451
Deposits and balances of local banks and other local financial institutions	13	1,657,301	1,207,632	1,657,828	1,221,030
Deposits and balances of international financial institutions	14	19,650	19,650	19,650	19,650
Derivative financial liabilities	6	2,186	11,314	2,186	11,314
Payables to the Government of Brunei Darussalam		214,506	186,992	214,506	186,992
Liabilities held with IMF	7	870,682	877,543	870,682	877,543
Other liabilities	15	242,419	254,197	242,331	254,122
Provisions	16	54,365	103,679	54,365	103,679
Sukuk issuance	17	94,470	96,960	-	-
TOTAL LIABILITIES		4,541,163	4,159,418	4,447,132	4,075,781

See accompanying notes to the financial statements.



	Note	The Group		The Authority	
		2025 BND'000	2024 BND'000	2025 BND'000	2024 BND'000
Equity					
Share capital	18	1,000,000	1,000,000	1,000,000	1,000,000
Reserve fund	18	205,490	179,396	205,490	179,396
Currency valuation reserve fund	18	-	-	-	-
Market valuation reserve fund	18	782,796	417,515	782,796	417,515
Retained earnings		444	366	-	-
TOTAL EQUITY		1,988,730	1,597,277	1,988,286	1,596,911
TOTAL LIABILITIES AND EQUITY		6,529,893	5,756,695	6,435,418	5,672,692

For and on behalf of the Board

Dato Seri Setia Dr. Awang Haji Abdul Manaf bin Haji Metussin
Chairman

Dayang Hajah Rashidah binti Haji Sabtu
Managing Director

See accompanying notes to the financial statements.

Brunei Darussalam Central Bank and its Subsidiary

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 December 2025

	Note	The Group		The Authority	
		2025 BND'000	2024 BND'000	2025 BND'000	2024 BND'000
INCOME					
Interest income	19	55,076	68,910	53,678	66,818
Dividend income	5	4,842	3,921	4,842	3,921
Net gain on investment securities measured at fair value through profit or loss (FVTPL)	20	52,974	27,299	52,974	27,299
Net gain from derecognition of investment securities measured at fair value through other comprehensive income (FVOCI)	21	1,953	39,048	1,953	39,048
Operating income	22	4,452	4,839	4,452	4,839
Other gains or losses	22	(2,152)	(1,674)	(2,152)	(1,674)
TOTAL INCOME		117,145	142,343	115,747	140,251
EXPENSES					
Staff costs	23	(23,764)	(22,280)	(23,764)	(22,280)
Other operating expenses	24	(20,739)	(17,169)	(20,726)	(17,158)
Sukuk coupon cost		(1,307)	(2,006)	-	-
Fee and commission expense		(2,091)	(2,043)	(2,091)	(2,043)
TOTAL EXPENSES		(47,901)	(43,498)	(46,581)	(41,481)
NET PROFIT FOR THE YEAR		69,244	98,845	69,166	98,770
OTHER COMPREHENSIVE INCOME					
Item that may be reclassified to profit or loss					
Net gain on debt investment securities measured at FVOCI	21	21,761	15,672	21,761	15,672
Item that may not be reclassified to profit or loss					
Net gain on gold revaluation	9	300,448	119,399	300,448	119,399
TOTAL OTHER COMPREHENSIVE INCOME		322,209	135,071	322,209	135,071
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		391,453	233,916	391,375	233,841

See accompanying notes to the financial statements.

Brunei Darussalam Central Bank and its Subsidiary

Statement of Changes in Equity

For the year ended 31 December 2025

The Group	Share capital	Distributable	Reserve fund	Currency	Market	Retained	Total
	BND'000	earnings	BND'000	valuation	valuation	earnings **	BND'000
	BND'000	BND'000	BND'000	reserve	reserve	BND'000	BND'000
Balance as at 1 January 2023	1,000,000	-	137,355	-	154,421	193	1,291,969
<i>Total Comprehensive income:</i>							
Net profit for the year	-	100,294	-	-	-	98	100,392
Other comprehensive income	-	69,095	-	-	-	-	69,095
<i>Transfers during the year:</i>							
Foreign exchange valuation	-	-	-	-	-	-	-
Fair value movement of gold at FVOCI	-	(45,121)	-	-	45,121	-	-
Fair value movement of investment securities at FVOCI	-	(23,974)	-	-	23,974	-	-
Fair value movement of investment securities at FVTPL	-	(28,042)	-	-	28,042	-	-
Transfer to reserve fund	-	(21,676)	21,676	-	-	-	-
Transfer to the Government of Brunei Darussalam*	-	(50,576)	-	-	-	-	(50,576)
Balance as at 31 December 2023	1,000,000	-	159,031	-	251,558	291	1,410,880
Balance as at 1 January 2024	1,000,000	-	159,031	-	251,558	291	1,410,880
<i>Total Comprehensive income:</i>							
Net profit for the year	-	98,770	-	-	-	75	98,845
Other comprehensive income	-	135,071	-	-	-	-	135,071
<i>Transfers during the year:</i>							
Foreign exchange valuation	-	-	-	-	-	-	-
Fair value movement of gold at FVOCI	-	(119,399)	-	-	119,399	-	-
Fair value movement of investment securities at FVOCI	-	(15,672)	-	-	15,672	-	-
Fair value movement of investment securities at FVTPL	-	(30,886)	-	-	30,886	-	-
Transfer to reserve fund	-	(20,365)	20,365	-	-	-	-
Transfer to the Government of Brunei Darussalam*	-	(47,519)	-	-	-	-	(47,519)
Balance as at 31 December 2024	1,000,000	-	179,396	-	417,515	366	1,597,277



The Group	Share capital	Distributable earnings	Reserve fund	Currency valuation reserve	Market valuation reserve	Retained earnings **	Total
	BND'000	BND'000	BND'000	BND'000	BND'000	BND'000	BND'000
	Balance as at 1 January 2025	1,000,000	-	179,396	-	417,515	366
<i>Total Comprehensive income:</i>							
Net profit for the year	-	69,166	-	-	-	78	69,244
Other comprehensive income	-	322,209	-	-	-	-	322,209
<i>Transfers during the year:</i>							
Foreign exchange valuation	-	-	-	-	-	-	-
Fair value movement of gold at FVOCI	-	(300,448)	-	-	300,448	-	-
Fair value movement of investment securities at FVOCI	-	(21,761)	-	-	21,761	-	-
Fair value movement of investment securities at FVTPL	-	(43,072)	-	-	43,072	-	-
Transfer to reserve fund	-	(26,094)	26,094	-	-	-	-
Transfer to the Government of Brunei Darussalam*	-	-	-	-	-	-	-
Balance as at 31 December 2025	1,000,000	-	205,490	-	782,796	444	1,988,730

* Transfer to the Government of Brunei Darussalam in accordance to Section 9 of the Order.

** Retained earnings of AMSB.

See accompanying notes to the financial statements.

Brunei Darussalam Central Bank and its Subsidiary

Statement of Changes in Equity

For the year ended 31 December 2025

The Authority	Share capital BND'000	Distributable earnings BND'000	Reserve fund BND'000	Currency valuation reserve BND'000	Market Valuation reserve BND'000	Total BND'000
Balance as at 1 January 2023	1,000,000	-	137,355	-	154,421	1,291,776
<i>Total Comprehensive income:</i>						
Net profit for the year	-	100,294	-	-	-	100,294
Other comprehensive income	-	69,095	-	-	-	69,095
<i>Transfers during the year:</i>						
Foreign exchange valuation	-	-	-	-	-	-
Fair value movement of gold at FVOCI	-	(45,121)	-	-	45,121	-
Fair value movement of investment securities at FVOCI	-	(23,974)	-	-	23,974	-
Fair value movement of investment securities at FVTPL	-	(28,042)	-	-	28,042	-
Transfer to reserve fund	-	(21,676)	21,676	-	-	-
Transfer to the Government of Brunei Darussalam*	-	(50,576)	-	-	-	(50,576)
Balance as at 31 December 2023	1,000,000	-	159,031	-	251,558	1,410,589
Balance as at 1 January 2024	1,000,000	-	159,031	-	251,558	1,410,589
<i>Total Comprehensive income:</i>						
Net profit for the year	-	98,770	-	-	-	98,770
Other comprehensive income	-	135,071	-	-	-	135,071
<i>Transfers during the year:</i>						
Foreign exchange valuation	-	-	-	-	-	-
Fair value movement of gold at FVOCI	-	(119,399)	-	-	119,399	-
Fair value movement of investment securities at FVOCI	-	(15,672)	-	-	15,672	-
Fair value movement of investment securities at FVTPL	-	(30,886)	-	-	30,886	-
Transfer to reserve fund	-	(20,365)	20,365	-	-	-
Transfer to the Government of Brunei Darussalam*	-	(47,519)	-	-	-	(47,519)
Balance as at 31 December 2024	1,000,000	-	179,396	-	417,515	1,596,911



The Authority	Share capital	Distributable earnings	Reserve fund	Currency valuation reserve	Market valuation reserve	Total
	BND'000	BND'000	BND'000	BND'000	BND'000	BND'000
Balance as at 1 January 2025	1,000,000	-	179,396	-	417,515	1,596,911
<i>Total Comprehensive income:</i>						
Net profit for the year	-	69,166	-	-	-	69,166
Other comprehensive income	-	322,209	-	-	-	322,209
<i>Transfers during the year:</i>						
Foreign exchange valuation	-	-	-	-	-	-
Fair value movement of gold at FVOCI	-	(300,448)	-	-	300,448	-
Fair value movement of investment securities at FVOCI	-	(21,761)	-	-	21,761	-
Fair value movement of investment securities at FVTPL	-	(43,072)	-	-	43,072	-
Transfer to reserve fund	-	(26,094)	26,094	-	-	-
Transfer to the Government of Brunei Darussalam*	-	-	-	-	-	-
Balance as at 31 December 2025	1,000,000	-	205,490	-	782,796	1,988,286

*Transfer to the Government of Brunei Darussalam in accordance to Section 9 of the Order

See accompanying notes to the financial statements.

Brunei Darussalam Central Bank and its Subsidiary

Statement of Cash Flows

For the year ended 31 December 2025

	The Group		The Authority	
	2025	2024	2025	2024
	BND'000	BND'000	BND'000	BND'000
Cash flows from operating activities:				
Net profit for the year	69,244	98,845	69,166	98,770
<i>Adjustments for:</i>				
Depreciation on property and equipment	3,633	2,748	3,633	2,748
Unrealised net gain on foreign exchange and fair value	(23,751)	(5,132)	(23,751)	(5,132)
Sukuk coupon cost	1,307	2,006	-	-
	50,433	98,467	49,048	96,386
Changes in operating assets and liabilities				
Decrease (increase) in operating assets:				
Deposits with financial institutions	1,331	76,126	1,331	76,126
Investment securities	18,790	(72,780)	18,790	(72,780)
Derivative financial assets	3,671	(503)	3,671	(503)
Inventories	(7,582)	2,135	(7,582)	2,135
Other assets	2,083	11,019	2,061	11,009
(Decrease) increase in operating liabilities:				
Currency in circulation	(15,867)	(15,582)	(15,867)	(15,582)
Deposits and balances of local banks and other local financial institutions	449,669	(419,648)	436,798	(408,447)
Payables to the Government of Brunei Darussalam	-	-	-	-
Derivative financial liabilities	(9,128)	10,083	(9,128)	10,083
Other liabilities	(11,777)	143,877	(11,792)	145,724
Provisions	(49,314)	633	(49,314)	633
Net cash used in operating activities	432,309	(166,173)	418,016	(155,216)
Cash flows used in investing activity:				
Additions to property and equipment, representing net cash used in investing activity	(594)	(10,011)	(594)	(10,011)
Cash flows used in financing activities:				
Sukuk net (placement) redemption	(2,490)	(2,983)	-	-
Sukuk coupon cost	(1,307)	(2,006)	-	-
Net cash flows (used in) generated from financing activities	(3,797)	(4,989)	-	-
Net increase (decrease) in cash & cash equivalents	427,918	(181,173)	417,422	(165,227)
Cash and cash equivalents at beginning of the year	2,246,476	2,427,649	2,162,528	2,327,755
Cash and cash equivalents at the end of the year	2,674,394	2,246,476	2,579,950	2,162,528

See accompanying notes to the financial statements.

Notes to the Financial Statements

For the year ended 31 December 2025

These notes form an integral part of and should be read in conjunction with the accompanying consolidated and parent financial statements.

The consolidated and parent financial statements for the year ended 31 December 2025 were approved by the Members of the Board on 1 April 2026 and subsequently authorised for issue on 26 May 2026.

1. Domicile and activities

The Brunei Darussalam Central Bank (“BDCB”) [the “Authority”] as the central bank of Brunei Darussalam was established and domiciled in Brunei Darussalam and is committed to its objectives mandated under the Brunei Darussalam Central Bank Order, 2010.

Under Section 4 of the Order, the principal objects of the Authority are:

- a) to achieve and maintain domestic price stability;
- b) to ensure the stability of the financial system, in particular by formulating financial regulation and prudential standards;
- c) to assist in the establishment and functioning of efficient payment systems and to oversee them; and
- d) to foster and develop a sound and progressive financial services sector.

Without prejudice to the above-mentioned principal objects, the Authority shall support the general economic policies of the Government of Brunei Darussalam to the extent that it considers appropriate.

The address of the Group’s registered office is Level 14, Ministry of Finance and Economy Complex, Commonwealth Drive, Bandar Seri Begawan, BB3910, Negara Brunei Darussalam.

The issued and paid-up capital is wholly owned by the Government of Brunei Darussalam.

Al-Munawwarah Sdn Bhd (“AMSB”)

AMSB [the “Subsidiary”] is a special purpose vehicle [“SPV”], which facilitates the Authority’s liquidity management activities and other investment activities through the issuance of sukuk under a variety of Syariah principles. AMSB is controlled by the Authority as it has existing rights that give the Authority the current ability to direct the relevant activities of AMSB. AMSB has \$2.00 paid up capital which is held by nominees who are key officers of the Authority.

2. Summary of material accounting policies

The material accounting policies applied in the preparation of these consolidated and parent financial statements are set out below. These policies have been consistently applied to both years presented, unless otherwise stated.



2.1 Basis of preparation

2.1.1. Statement of Compliance

The consolidated and parent financial statements of the Group and of the Authority have been prepared in accordance with the Brunei Darussalam Central Bank Order, 2010 (the “Order”), the Brunei Darussalam Companies Act, Chapter 39 (the “Act”), the Currency Order, 2004 (the “CO”), and the International Financial Reporting Standards Accounting Standards (“IFRS Accounting Standards”) including any relevant interpretations issued by the IFRS Interpretations Committee (“IFRIC”) applicable to entities reporting under IFRS Accounting Standards.

The consolidated and parent financial statements comply with the Order, the Act, the CO issued by the Government of Brunei Darussalam and IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”).

The accounting policies set out below have been consistently applied to all periods presented in these consolidated and parent financial statements, unless otherwise stated. The accounting policies have been applied consistently by the Authority and the entities within the Group.

2.1.2. Functional currency

The consolidated and parent financial statements of the Group and of the Authority are presented in Brunei Darussalam Dollars (“BND”), rounded to the nearest thousands, except as otherwise stated. BND is also the functional currency of the Group.

2.1.3. Basis of measurement

These consolidated and parent financial statements have been prepared under the historical cost convention except that the following assets and liabilities are stated at their fair values as disclosed in the accounting policies set out below:

- Investment securities at FVTPL and FVOCI (Note 2.3);
- Derivatives financial instruments (Note 2.5); and
- Gold (Note 2.8).

2.1.4. Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of the Authority and its Subsidiary as at and for the year ended 31 December 2025. The Group controls and consequently consolidates an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group is considered to have power over an entity when it has existing rights that give it the current ability to direct the relevant activities of the entity. For the Group to have power over an entity, it must have the practical ability to exercise those rights. In situations where potential voting rights exist, these are taken into account if the Group has the practical ability to exercise those rights.

Entities that are controlled by the Group are consolidated from the date the group gains control and ceases to be consolidated from the date the Group loses control of the entities.

All intra-group transactions are eliminated on consolidation.

2.1.5. Adoption of amended accounting standards and interpretations

(a) Amendments to existing standards adopted by the Group and of the Authority effective 1 January 2025.

The following amendment to existing standard has been adopted by the Group and of the Authority effective 1 January 2025:

- IAS 21, Lack of Exchangeability



On 15 August 2023, the IASB amended IAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, IAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

The Group and the Authority do not have assets and liabilities in currencies that not considered exchangeable under the amendment.

There are no other new standards, interpretations and amendments to existing standards effective 1 January 2025 that are considered to be relevant or have a material impact on the consolidated and parent financial statements of the Group and of the Authority.

(b) Amendments to existing standards not yet effective and not early adopted by the Group and of the Authority

The following amendments to existing standards are not mandatory for 31 December 2025 reporting period and have not been early adopted by the Group and of the Authority:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (*Effective beginning on or after 1 January 2026*)

On 30 May 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The adoption of the above amendments is not expected to have a material impact on the consolidated and parent financial statements of the Group and of the Authority except on the timing of derecognition of financial liability through electronic fund transfers and checks.

- IFRS 18 Presentation and Disclosure in Financial Statements (*Effective beginning on or after 1 January 2027*)

IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Group and of the Authority's consolidated and parent financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the Group and of the Authority's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is



calculated and reported. From the high-level impact assessment that the Group has performed, the following items might potentially impact operating profit:

- Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) - net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
- IFRS 18 has specific requirements on the category in which derivative gains or losses are recognised - which is the same category as the income and expenses affected by the risk that the derivative is used to manage.

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there may be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
- for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.

From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027.

Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

2.2 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (except for financial assets and financial liabilities measured at Fair Value through Profit and Loss ("FVTPL") and Fair Value through Other Comprehensive Income ("FVOCI") are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at FVTPL and FVOCI are recognised immediately in profit or loss.



2.3 Financial assets

2.3.1 Classification and subsequent measurement

The Group classifies its financial assets in the following measurement categories:

- Financial assets at fair value through profit or loss (FVTPL);
- Financial assets at fair value through other comprehensive income (FVOCI);
- Financial assets at amortised cost; or
- Other assets at amortised cost.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. The Group's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The classification requirements for debt and equity instruments are described below:

Debt instruments

Classification and subsequent measurement of debt instruments depend on:

- a) the Group's business model for managing the asset; and
- b) the cash flow characteristics of the asset.

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are measured at amortised cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Interest and similar income' using the effective interest rate (EIR) and/or effective profit rate (EPR) method.
- **FVOCI:** Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVTPL, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortised cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "Net gain from derecognition of investment securities measured at FVOCI". Interest income from these financial assets is included in 'Interest income' using the EIR and/or EPR method.
- **FVTPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented within "Net gain on investment securities measured at FVTPL" in the period in which it arises. Interest income from these financial assets is included in the 'Net gain on investment securities measured at fair value through profit or loss (FVTPL)' in the statement of profit or loss.

The Group has more than one business model for managing its financial instruments which reflect how the Group manages its financial assets in order to generate cash flows. The Group's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group considers all relevant information available when making the business model assessment. However, this assessment is not performed on the basis of scenarios that the Group does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios.



The Group takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Group determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Group reassesses its business models each reporting period to determine whether the business models have changed since the preceding period. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and none occurred during the period.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent SPPI (the 'SPPI test'). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective, such as government and corporate bonds, loans, and other receivables.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Group subsequently measures all equity investments at FVTPL, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Group's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to generate investment returns. When this election is used, fair value gains and losses are recognised in other comprehensive income and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

2.3.2 Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVOCI. The Group recognises a loss allowance for such loss at each reporting date. The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instruments that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instruments, (referred to as Stage 2 and Stage 3); or



- a loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL. More details on the determination of a significant increase in credit risk (“SICR”) are provided in Note 27.2.1[c].

ECLs are probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that

the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset’s EIR and/or EPR.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of securities that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset’s expected cash flows using the asset’s original EIR and/or EPR, regardless of whether it is measured on an individual basis or a collective basis.

Credit-impaired financial assets

A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender or the borrower, for economic or contractual reasons relating to the borrower’s financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event - instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments that are measured at amortised cost or FVOCI are credit-impaired at each reporting date. To assess if sovereign and corporate debt instruments are credit impaired, the Group considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a SICR.

The Group considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Group; or
- the borrower is unlikely to pay its credit obligations to the Group in full.

When assessing if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in debt securities a qualitative indicator used is the breach of covenants. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

Significant increase in credit risk (SICR)

The Group monitors all financial assets that are subject to the impairment requirements to assess whether there has been a SICR since initial recognition. If there has been a SICR, the Group will measure the loss allowance based on lifetime rather than 12-month ECL. The Group assumes that the credit risk on a financial instrument has



not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default;
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when it has an external credit rating of 'investment grade', which is above Baa3 for Moody's and above BBB for S&P and Fitch. Accordingly, the Group assumes the application of the low credit risk expedient on the debt securities portfolio that broadly represents bonds issued with strong credit ratings of at least A3 for Moody's and A- for S&P and Fitch.

For cash and cash equivalents, assets held with IMF, deposits with financial institutions and other receivables, these are either repayable on demand, mature within a year or placed with reputable financial institutions with high external credit rating. Accordingly, determination of staging triggers for identifying significant increase in credit risk is not consequential taking into account the rating of the counterparties are consistent.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has significantly increased since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group incorporates forward-looking information in its determination whether credit risks have increased significantly since initial recognition through its rating mechanism using external rating or based on criteria involving qualitative forward-looking elements.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a SICR before the amount becomes past due.

Presentation of allowance for ECL in the statements of financial position

Loss allowances for ECL are presented in the statements of financial position as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets; and
- for debt instruments measured at FVOCI: the carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised as a part of net income in the statements of comprehensive income. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed by adjusting the allowance account. The amount of the reversal is recognised as a part of net income in the statements of comprehensive income. When a financial asset is uncollectible, it is written off against the related allowance account. Such financial assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Recoveries of accounts previously written off are recognised directly in the statements of comprehensive income as a part of net income.

2.3.3 Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing debt security would constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to



another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

2.3.4 Write-off

Debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or in a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in other income.

2.4 Financial Liabilities

Classification and subsequent measurement

Financial liabilities are any liabilities that are contractual obligations to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavorable to the Group; or a contract that will or may be settled in the Group's own equity instrument. Financial liabilities are classified as either financial liabilities at FVTPL (including financial liabilities held for trading and those designated at FVTPL) or financial liabilities at amortised cost.

a) Financial liabilities at FVTPL

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or if so designated by management. Financial liabilities designated as at FVTPL at inception are those that are managed and whose performance is evaluated on a fair value basis, and are intended to be held for an indefinite period of time but may be extinguished in response to needs for liquidity or changes in interest rates or exchange rates. Information about these financial liabilities is provided internally on a fair value basis to the Treasury Investment Management. Financial liabilities classified as FVTPL consist of derivative financial liabilities.

Financial liabilities at FVTPL are initially recognised and subsequently measured at fair value with any gains or losses recognised in profit or loss. Fair value is computed using quoted market prices.

b) Other financial liabilities at amortised cost

Other financial liabilities are initially recognised at fair value and subsequently measured at amortised cost using the EIR and/or EPR method, where applicable.

Derecognition of financial liabilities

The Group derecognises financial liabilities only when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.



2.5 Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. Fair values are obtained from quoted market prices in active markets including recent market transactions, and valuation techniques (for example for structured notes), including discounted cash flow models and options pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

The Group's derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that do not qualify for hedge accounting are recognised immediately in the statements of comprehensive income under "Net gain on investment securities measured at FVTPL".

2.6 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of a non-financial asset is measured based on its highest and best use. The asset's current use is presumed to be its highest and best use.

The fair value of financial and non-financial liabilities takes into account non-performance risk, which is the risk that the entity will not fulfil an obligation.

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). This level includes the majority of the over-the-counter ("OTC") derivative contracts. The primary source of input parameters like LIBOR yield curve or counterparty credit risk is Bloomberg; and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The Group considers relevant and observable market prices in its valuations where possible. The Group has no assets or liabilities classified under Level 3 as at 31 December 2025 and 2024.

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

For financial instruments traded in active markets, the determination of fair values of financial assets and financial liabilities is based on quoted market prices or dealer price quotations. This includes listed equity securities and quoted debt instruments on major exchanges and broker quotes mainly from Bloomberg.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If the above criteria are not met, the market is regarded as being inactive. Indications that a market is inactive are when there is a wide bid-offer spread or significant increase in the bid-offer spread or there are few recent transactions.

For all other financial instruments, fair value is determined using valuation techniques. In these techniques, fair values are estimated from observable data in respect of similar financial instruments, using models to estimate the present value of expected future cash flows or other valuation techniques, using inputs (for example, LIBOR yield curve, FX rates, volatilities and counterparty spreads) existing at reporting date. The Group uses widely recognised valuation models for determining fair values of non-standardised financial instruments of lower



complexity such as forward contracts. For these financial instruments, inputs into models are generally market observable.

For more complex instruments, the Group uses internally developed models, which are usually based on valuation methods and techniques generally recognised as standard within the industry. Valuation models are used primarily to value derivatives transacted in the OTC market, unlisted debt securities (including those with embedded derivatives) and other debt instruments for which markets were or have become illiquid. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The fair value of OTC derivatives is determined using valuation methods that are commonly accepted in the financial markets, such as present value techniques and option pricing models. The fair value of foreign exchange forwards is generally based on current forward exchange rates, with the resulting value discounted back to present value.

2.7 Property and equipment

Property and equipment are stated at cost and depreciated on a straight-line basis over their estimated useful lives. The periods used for this purpose are: -

Buildings	–	3 to 50 years
Furniture, fixtures & fittings	–	5 to 10 years
Motor vehicles	–	7 years
Office equipment, machinery & computers	–	3 to 10 years

Fully depreciated assets are retained in the consolidated and parent financial statements until they are no longer in use.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of reporting period. Assets that are subject to depreciation are reviewed at each reporting date to assess whether there is any indication that an asset may be impaired. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value (less costs to sell) and value in use.

Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the statements of comprehensive income.

2.8 Gold

Gold is recognised initially at cost and subsequently measured at fair value at reporting date. The Group's intention is to hold the asset as part of its long-term reserves.

Changes in carrying amount of gold relating to the price of gold bullion are recognised in OCI as "Net gain/loss on gold revaluation". This in turn forms part of market valuation reserve in accordance with Section 7 of the Order. When gold is derecognised, the cumulative gain or loss previously recognised in market valuation reserve is retained in equity and will be reclassified to reserve fund.

2.9 Impairment

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. If this is not possible to do so, the recoverable amount for the cash-generating unit to which the asset belongs to shall be determined. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash generating unit is the greater of the value in use and the fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value



using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or a cash-generating unit exceeds the estimated recoverable amount. Impairment losses are recognised in profit or loss.

An impairment loss recognised in prior periods is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's or cash generating unit's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.10 Interest income and expense

Interest income and expense are recognised in profit or loss for all interest-bearing financial instruments using the EIR and/or EPR method.

The interest income of the Group includes the profit income earned by its subsidiary, which is compliant with Syariah principles. Profit income represents income on short-term deposits placed using proceeds from sukuk issuance/ Islamic bills (i-bills). This is calculated and recognized based on the EPR method, which is consistent with EIR method.

The EIR and/or EPR method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The EIR and/or EPR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instruments or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

When calculating the EIR and/or EPR, the Group estimates cash flows considering all contractual terms of the financial instruments but does not consider future credit losses. The calculation includes all fees paid or received between parties to the contract that are an integral part of the EIR and/or EPR, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring impairment loss.

2.11 Dividend income

Dividends are recognised in profit or loss when the Group's right to receive payment is established.

2.12 Operating income

Operating income is recognised in the accounting period in which it is earned, except where it is charged to cover the costs of a continuing service to, or risk borne for, the customer, or is interest in nature. In these cases, the income is recognised as revenue as the services are provided, or when the significant act has been completed, or as an adjustment to the EIR and/or EPR.

2.13 Fee and commission expense

Fee and commission expense is recognised in the period in which related revenue is recognised. This includes management fee, custody fee and other charges arising from other operations.



2.14 Foreign currency transactions and transition

2.14.1 Functional and presentation currency

Items in the consolidated and parent financial statements of the Group and of the Authority are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The consolidated and parent financial statements are presented in BND, which is the Group’s functional currency.

2.14.2 Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Non-monetary items measured at historical cost denominated in a foreign currency are translated at exchange rates as at the date of initial recognition. Non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value is determined.

Translation differences on non-monetary financial instruments, such as equities held at FVTPL, are reported as part of the fair value gain or loss recognised under “Net gain on investment securities measured at FVTPL” in the statements of comprehensive income.

2.15 Offsetting

Financial assets and liabilities are offset and the net amount is reported in the statements of financial position when the Group has a legally enforceable right to set off the recognised amounts and the transactions are intended to be settled on a net basis. The right to offset must not be contingent on a future event and must be enforceable both in the normal course of business and in the event of default, insolvency or bankruptcy of the entity and all counterparties.

As at 31 December 2025 and 2024, there are no financial assets and liabilities that have been offset.

2.16 Cash and cash equivalents

Cash and cash equivalents consist of cash and other cash items, deposit placements with local and international financial institutions with maturities of less than three months from the date of acquisition and that are subject to insignificant risk of changes in value. Restricted cash is disclosed separately from cash and cash equivalents in Note 4 and in the statements of cash flows.

2.17 Advances to suppliers and other assets

Advances to suppliers are expenses paid in advance and recorded as assets before they are used or consumed, as the service or benefit will be received in the future. Advances to suppliers expire and are recognised as expense either with the passage of time or through use or consumption.

Other assets include assets that are realised as part of the normal operating cycle and are expected to be realised within twelve months after the reporting period.

2.18 Inventories

Inventories consist of bank notes and coins and are recorded at cost upon receipt of stock. They are subsequently expensed when issued into circulation.

Inventories also consist of numismatic notes and coins, which are specially minted or packaged as collectors’ items which are not issued for monetary purposes and are not included as part of currency in circulation. Any profit or loss arising from the sale of these coins is included in the statements of comprehensive income.

The cost of inventories is based on the first-in first-out principle, and is defined as the sum of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.



2.19 Currency in circulation

Currency issued is a claim on the Authority for notes and coins issued for circulation, fully guaranteed by the Government of Brunei Darussalam, in favour of the holder. Currency in circulation is recorded at face value as a liability in the statements of financial position.

2.20 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.21 Sukuk issuance, accrued expenses and other liabilities

Sukuk are financial certificates that provide an investor with proportionate beneficial ownership of an asset, and returns based on this ownership. They are commonly referred to as Islamic bonds.

Accrued expenses and other liabilities represent actual and estimated liabilities for goods and services provided to the Group prior to the end of financial year that are still unpaid. The amounts are unsecured and are usually paid subsequent to year-end.

They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR and/or EPR method, unless the discounting effect is immaterial.

2.22 Employee benefits

2.22.1 Defined contribution plans and other employment benefits

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions and will have no legal or constructive obligation to pay further contributions. Obligations for contributions to defined contribution plans are recognised as personnel expenses in profit or loss in the periods during which related services are rendered.

a) Skim Persaraan Kebangsaan (“SPK”)

Under Section 26 of the Order, the laws of Brunei Darussalam which relate to retirement benefits schemes shall apply to the employees of the Group. The Group participates in SPK.

b) Incentive scheme

The incentive scheme is a bonus scheme of which the calculation is referenced to monthly salary of the employee. Employees are eligible to participate in the incentive scheme after completing the six-month trial period. The main objective of this incentive is to provide incentives to employees to improve the level and quality of their services according to their capabilities. The Group contributes 5 or 10 percent of employee’s monthly salary depending on the employee’s annual performance. This incentive scheme is recognised as an employee benefits expense under “Staff costs” in the statements of comprehensive income.

2.22.2 Annual leave

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.



2.23 Distributable earnings

The earnings available for distribution shall be determined under Section 8 of the Order, 2010 as follows:

- a) where profits include realised and unrealised foreign currency valuation gains, by deducting the amount of such gains from the net profits and adding the amount to the currency valuation reserve fund;
- b) where profits include realised and unrealised foreign currency valuation losses, by adding back such losses to the net profits and deducting the amount from the currency valuation reserve fund to the extent that there are credit funds available in the currency valuation reserve fund to cover such losses;
- c) where profits include market unrealised valuation gains, by deducting the amount of such gains from the net profits and adding the amount to the market valuation reserve fund; and
- d) where profits include market unrealised valuation losses, by adding back such losses to the net profit and deducting such losses from the market valuation reserve fund to the extent that there are credit funds available in the market valuation reserve fund to cover such losses.

2.24 Allocation of distributable earnings

The allocation of distributable earnings shall be determined under Section 9 of the Order, 2010 as follows:

- a) Within 3 months after the end of every financial year of the Group, the Group shall allocate the distributable earnings as follows:
 - where the total balance of the paid-up capital and the Reserve Fund is less than 20 percent of the total assets at the end of the financial year, 100 percent of the distributable profit is to be transferred to the Reserve Fund until the 20 percent level is met.
 - where the total balance of the paid-up capital and the Reserve Fund is greater than 20 percent of the total assets at the end of the financial year, 30 percent of the distributable profit is to be transferred to the Reserve Fund and the balance of 70 percent is to be transferred to the Government of Brunei Darussalam;
- b) No distribution shall be made out of the current income of the Group except as permitted by subsection (a) above; and
- c) If in any financial year the Group incurs negative distributable earnings, these earnings shall first be charged to the Reserve Fund and subsequently be covered by capital.

2.25 Other operating expenses

Other operating expenses are recognised in the consolidated and parent financial statements as incurred.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in the below notes to the consolidated and parent financial statements, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



3.1 Critical judgements in applying the accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that management has made in the process of applying the accounting policies and with the most significant effect on the consolidated and parent financial statements.

- a) **Business model assessment:** Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Group determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Group monitors financial assets measured at amortised cost or FVOCI that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.
- b) **Significant increase in credit risk:** ECL is measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a SICR. In assessing whether the credit risk of an asset has significantly increased the Group applied the 'low credit risk' expedient. Refer to Note 27.2.1 for more details.

Establishing groups of assets with similar credit risk characteristics: When ECLs are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics. Refer to Note 27.2.1 for details of the characteristics considered in this judgement.

The Group monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets.

- c) **Models and assumptions used:** The Group uses various models and assumptions in measuring fair value of financial assets as well as in estimating ECL. Judgement is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk. Refer to Note 27.2.1 for more details on the ECL.
- d) **Impairment of property and equipment:** Assets that have definite useful lives are subject to depreciation and amortisation and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. In assessing whether there is any indication that an asset may be impaired, management considers evidence of obsolescence or physical damage of an asset, assets becoming idle, or the economic performance of the asset is, or will be, worse than expected. If any such evidence exists for any item of property and equipment, changes in those estimates and judgments could result in adjustments to the net carrying amount of property and equipment.

There is no recorded provision for impairment loss pertaining to property and equipment during the reporting period considering the absence of impairment indicators such as evidence of obsolescence or physical damage to any item of property and equipment or significant changes in the Group's industry to which it operates.



3.2 Key sources of estimation uncertainty

The following are key estimations that the management has used in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated and parent financial statements:

- a) Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and determining the forward-looking information relevant to each scenario: When measuring ECL the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.
- b) Probability of default: PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.
- c) Loss Given Default: LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.
- d) Useful lives of property and equipment: Management estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

In addition, the estimation of the useful lives of property and equipment is based on the Group's collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that the future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amount and timing of recorded expenses for any period would be affected by changes in these circumstances. A change in the estimated useful lives of property and equipment would impact recorded costs and expenses, and assets. The carrying amounts of property and equipment are presented in Note 10. Based on management's assessment as at 31 December 2025 and 2024, there is no change in estimated useful lives of those assets during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

4. Cash and cash equivalents

Cash and cash equivalents per statements of cash flows comprise the following:

	The Group		The Authority	
	2025 BND'000	2024 BND'000	2025 BND'000	2024 BND'000
Cash	1,675,415	1,027,677	1,675,415	1,027,677
Short-term deposits	108,912	112,909	14,468	28,961
Short-term government treasury bills	890,067	1,105,890	890,067	1,105,890
Total cash and cash equivalents	2,674,394	2,246,476	2,579,950	2,162,528

Short-term deposits with banks have average maturities of less than or equal to 90 days and carry effective interest and/or profit rates ranging from 0.93% to 3.30% [2024: 2.38% to 4.23%].

Short-term government treasury bills have maturities of less than or equal to 90 days from the date of acquisition.

Interest earned from cash and deposits with banks and financial institutions is disclosed in Note 19.



5. Investment securities

As at 31 December, the account is is composed as follows:

	The Group and the Authority	
	2025 BND'000	2024 BND'000
Investment securities at FVTPL:		
Government debt securities	4,555	-
Corporate debt securities	257,430	175,044
Listed equity instruments	262,944	211,452
	524,929	386,496
Investment securities at FVOCI:		
Government debt securities	408,821	466,357
Corporate debt securities	461,261	515,436
	870,082	981,793
Total investment securities	1,395,011	1,368,289

Debt securities classified as FVOCI that are expected to mature within 12 months after reporting date amount to BND258,081,285 [2024: BND230,450,183]. The remaining balance of FVOCI has a maturity of more than 12 months after reporting date.

The dividend income from listed equity instruments recognised by the Group and the Authority for the financial year amounts to BND4,842,035 [2024: BND3,920,912].

6. Derivative financial assets and liabilities

Derivatives held by the Authority for non-hedging purposes mainly consist of foreign exchange forwards representing commitments to purchase or sell one currency against another at an agreed forward rate on a specified date in the future. Settlement can be made via full delivery of forward proceeds or via payment of the difference (non-deliverable forward) between the contracted forward rate and the prevailing market rate on maturity.

As at 31 December 2025, the Authority had contractual commitments under open forward currency contracts as follows:

	2025	2024
	Contract/Notional Amount in BND'000	Contract/Notional Amount in BND'000
Commitments to purchase currencies under forward contracts	550,503	642,561
Commitments to sell currencies under forward contracts	(550,133)	(647,647)

As at 31 December 2025, the derivative financial assets amount to BND2,556,863 [2024: BND6,227,591], while the derivative financial liabilities amount to BND2,186,490 [2024: BND11,313,673]. The contract amounts of these instruments reflect the extent of the Authority's involvement in forward currency contracts and do not represent the risk of loss due to counterparties non-performance. The fair values of these derivatives are presented on the statements of financial position.

The fair value changes during the year are included under "Net gain on investment securities measured at fair value through profit or loss [FVTPL]" in the statement of profit or loss.



7. Assets held and liabilities with IMF

Brunei Darussalam became a member country of the International Monetary Fund (“IMF”) in October 1995. The Ministry of Finance and Economy (“MOFE”) is the fiscal agent and the Authority was appointed to be a depository for the IMF deposits. These deposits which were paid by the Government of Brunei Darussalam to IMF through MOFE were maintained by the Authority (as a depository) under IMF Account No. 1, IMF Account No. 2 and IMF Securities Account. As at 31 December 2025 and 2024, the deposits represented the Domestic Currency Portion amounting to SDR266,305,037 of Brunei Darussalam’s Quota Subscription payment to IMF.

Borrowings from and repayments to the IMF are denominated in Special Drawing Rights (“SDRs”). The SDR balances in IMF accounts are translated into Brunei Darussalam currency at the prevailing exchange rates and any unrealised gains or losses are accounted for in accordance with accounting policy on foreign currencies.

The IMF account is as detailed below:

	The Group and the Authority	
	2025	2024
	BND'000	BND'000
ASSETS		
Foreign currency investment and claims:		
IMF quota subscription	529,860	532,192
<i>Less:</i>		
IMF No. 1 currency account	(78,302)	(79,232)
IMF securities account	(382,499)	(387,045)
Currency valuation adjustment account	(7,160)	(3,744)
Reserve Tranche Position	61,899	62,171
<i>Add:</i>		
SDR holdings	896,007	899,955
Poverty Reduction and Growth Trust	3,517	3,533
Account receivable:		
Accrued remuneration on Brunei’s reserve tranche position	216	264
Accrued interest on SDR holdings	4,092	5,008
IMF expenses on SDR allocation	119,035	93,183
	1,084,766	1,064,114
LIABILITIES		
IMF No. 2 currency account	352	356
Currency valuation adjustment account No. 2	5	3
IMF SDR allocation	865,724	869,534
Subsidy Reserve Account (SRA) foreign currency liabilities	430	2,811
IMF accrued expenses on SDR allocation	4,171	4,839
	870,682	877,543

8. Other assets

	The Group		The Authority	
	2025	2024	2025	2024
	BND'000	BND'000	BND'000	BND'000
Interest and dividend receivables	11,044	13,027	11,012	12,972
Advances to suppliers	2,334	2,466	2,334	2,466
Sundry assets	941	909	942	909
	14,319	16,402	14,288	16,347

Interest and dividend receivables represent amounts due to the Group and of the Authority from investments in debt and equity securities.



9. Gold

	The Group and the Authority	
	2025 BND'000	2024 BND'000
As at 1 January	519,716	400,317
Net gain on revaluation	300,448	119,399
As at 31 December	820,164	519,716

Gold is measured at fair value at the end of each reporting period. The fair value of gold is calculated using unadjusted quoted prices in active markets for identical assets. The fair value measurement of gold is under Level 1 of the fair value hierarchy.



10. Property and equipment, net

The Group and the Authority						
	Note	Buildings BND'000	Furniture, fixtures & fittings BND'000	Motor vehicles BND'000	Office equipment, machinery & computers BND'000	Total BND'000
Cost						
Balance as at 1 January 2024		42,883	1,189	388	30,357	74,817
Additions		218	11	-	9,782	10,011
Balance as at 31 December 2024		43,101	1,200	388	40,139	84,828
Accumulated depreciation						
Balance as at 1 January 2024		30,588	1,133	344	26,219	58,284
Depreciation charge for the year	24	816	43	9	1,880	2,748
Balance as at 31 December 2024		31,404	1,176	353	28,099	61,032
Net book value as at 31 December 2024		11,697	24	35	12,040	23,796
Cost						
Balance as at 1 January 2025		43,101	1,200	388	40,139	84,828
Additions		56	10	-	528	594
Balance as at 31 December 2025		43,157	1,210	388	40,667	85,422
Accumulated depreciation						
Balance as at 1 January 2025		31,404	1,176	353	28,099	61,032
Depreciation charge for the year	24	817	14	9	2,793	3,633
Balance as at 31 December 2025		32,221	1,190	362	30,892	64,665
Net book value as at 31 December 2025		10,936	20	26	9,775	20,757



11. Currency in circulation

In accordance with Section 13 of the CO, the Authority has the sole authority to issue banknotes and coins for circulation in Brunei Darussalam.

Currency in circulation represents the face value of banknotes and coins in circulation. Notes and coins held by the Authority as cash in vault and cashier/teller at the end of the financial year have been excluded from the liability of banknotes and coins in circulation because they do not represent currency in circulation.

12. External assets

Under Section 24 of the CO, the external assets of the Currency Fund shall at all times be not less than 100 per cent of the face value of the currency in circulation.

The assets and liabilities of the Currency Fund as at 31 December are as follows:

	The Group and the Authority	
	2025	2024
	BND'000	BND'000
External Assets (Liabilities):		
Cash and cash equivalents	519,707	498,333
Fixed deposits	120,750	146,435
Investment securities	971,780	945,475
Other (liabilities) assets	(25,039)	(12,282)
	1,587,198	1,577,961
Currency in circulation	1,385,584	1,401,451
	201,614	176,510
Percentage of external assets	115%	113%

13. Deposits and balances of local banks and other local financial institutions

	The Group		The Authority	
	2025	2024	2025	2024
	BND'000	BND'000	BND'000	BND'000
Minimum cash balance:				
Finance companies	103,623	95,390	103,623	95,390
Current account:				
Commercial banks	965,506	1,074,398	965,506	1,074,398
AMSB	-	-	527	13,398
Insurance companies	9,000	8,000	9,000	8,000
Other institutions	4,648	4,839	4,648	4,839
Deposits:				
Commercial banks	574,524	25,005	574,524	25,005
	1,657,301	1,207,632	1,657,828	1,221,030

Deposits from local banks and other local financial institutions include:

- (a) The minimum cash balance maintained by banks and finance companies with the Authority as required under Section 45 of the Banking Order, 2006, the Islamic Banking Order, 2008 and Section 13A of the Finance Companies Act, Chapter 89 respectively. Deposits from companies holding licences under the Securities Order (SO), 2001 represents statutory deposits as required under Section 27 of the SO 2001.



With effect from 21 December 2017, the current account maintained by each bank and other institution with the Authority shall be used to satisfy the minimum cash balance and as a settlement account for each bank and other institution within the Real-Time Gross Settlement (“RTGS”). This means that the balances on the current account can be maintained, up to the minimum cash balance utilisation rate of 30%, and may be used for intraday settlement within the RTGS.

- (b) The current account maintained by the banks and other institutions with the Authority shall be used as a settlement account for each bank within the RTGS. RTGS is a process and computer installations providing continuous [real-time] settlement of fund transfers individually on an order basis [without netting].

14. Deposits balances of international financial institutions

	The Group and the Authority	
	2025	2024
	BND'000	BND'000
Deposit from World Bank	19,631	19,631
Other institutions	19	19
	19,650	19,650

15. Other liabilities

	The Group		The Authority	
	2025	2024	2025	2024
	BND'000	BND'000	BND'000	BND'000
Accrued expenses	117,233	114,101	117,145	114,026
Fees received in advance	1,484	1,739	1,484	1,739
Trade pending settlement	123,702	138,357	123,702	138,357
	242,419	254,197	242,331	254,122

Fees received in advance relates to cash received in advance for licensing and regulatory operations.

Trade pending settlements are securities purchased pending settlement, in a regular way transaction, that have been contracted but not yet delivered on the reporting date.

16. Provisions

	The Group and the Authority	
	2025	2024
	BND'000	BND'000
Provision for incentive scheme	6,678	5,417
Provision for leave expenses	168	167
Provision for distributable earnings to the Government of Brunei Darussalam	47,519	98,095
	54,365	103,679

The provision for distributable earnings to the Government of Brunei Darussalam is as follows (Note 2.24):

	The Group and the Authority	
	2025	2024
	BND'000	BND'000
As at 1 January	98,095	50,576
Distributable profit for the year	-	47,519
Repayment made during the year	(50,576)	-
As at 31 December	47,519	98,095



In 2025, the Group and the Authority's paid-up capital and reserve fund ratio against total assets is less than 20%. Accordingly, all of the distributable profit is transferred to reserve fund [Note 18].

17. Sukuk issuance

	The Group		The Authority	
	2025 BND'000	2024 BND'000	2025 BND'000	2024 BND'000
Issuance of BDCB Islamic Bills Programme (BDCB I-Bills)	94,444	96,900	-	-
Coupon payable (within 12 months)	26	60	-	-
	94,470	96,960	-	-

As part of the Authority's continued efforts to develop a more efficient money market for Brunei Darussalam, the Authority launched the BDCB I-Bills with the maiden issuance, through AMSB, on 22 October 2020. The BDCB I-Bills Programme aims to support the effective and efficient liquidity management for the banks in Brunei Darussalam and at the same time, widen the list of available money market instruments for BDCB and the domestic financial sector. The BDCB I-Bills is based on the Syariah concept of Wakalah bil Ujrah with a tenor of two weeks and four weeks. The maximum issuance size of the BDCB I-Bills is BND50,000,000 and is one of the eligible collaterals for the BDCB Funding/ Lending Facilities in addition to the Brunei Government Sukuk.

18. Equity including reserves

The authorised capital of the Authority is 2,000,000,000 ordinary shares of BND1 each and the paid-up capital is 1,000,000,000 ordinary shares of BND1 each. The entire capital is held by the Government of Brunei Darussalam.

18.1 Capital management

The Authority's objectives when managing capital are as follows:

- to comply with the capital requirements outlined in Sections 6 of the Order;
- to safeguard the Authority's ability to continue as a going concern in its provision of Central Banking facilities for the Government of Brunei Darussalam as outlined in Sections 49 to 51 of the Order; and
- to maintain a strong capital base to support the development of the Brunei economy.

Capital adequacy is monitored by the Authority's management, and in accordance with the guidelines established by the Order.

18.2 Reserve fund and reserve accounts

The reserve fund was established in accordance with the provisions of Section 7 of the Order as follows:

- a Reserve Fund which shall not be used except for the purpose of covering losses sustained by the Authority;
- a Currency Valuation Reserve Fund which shall be used to account for realised and unrealised gains and losses arising from its positions with foreign currencies;
- a Market Valuation Reserve Fund which shall be used to account for unrealised gains and losses arising from its positions with gold, financial instruments and other assets; and
- such other funds as the Authority may determine. Effective from 1 January 2019 market valuation reserve consists of the following:
 - Market valuation reserve for investment securities measured at FVTPL;
 - Market valuation reserve for investment securities measured at FVOCI; and
 - Market valuation reserve for revaluation of gold.



The table below shows the distribution of available earnings for the financial years ended 31 December:

	The Authority	
	2025 BND'000	2024 BND'000
Total comprehensive income	391,375	233,841
Transfer to currency valuation reserve fund	-	-
Transfer to market valuation reserve fund for investment securities measured at FVOCI	(21,761)	(15,672)
Transfer to market valuation reserve fund for investment securities measure at FVTPL	(43,072)	(30,886)
Transfer to market valuation reserve fund for gold revaluation	(300,448)	(119,399)
Earnings available for distribution	26,094	67,884
<i>Distributed as follows:</i>		
Transfer to reserve fund	(26,094)	(20,365)
Transfer to the Government of Brunei Darussalam	-	(47,519)
	-	-

19. Interest income

	The Group		The Authority	
	2025 BND'000	2024 BND'000	2025 BND'000	2024 BND'000
On deposits with banks and financial institutions	25,776	36,638	24,378	34,546
On debt investment securities measured at FVOCI	29,300	32,272	29,300	32,272
	55,076	68,910	53,678	66,818

Interest on deposits with banks and financial institutions and debt investment securities measured at FVOCI is accrued over the term of deposits and is paid upon maturity or on installment basis based on payment terms.

20. Net gain on investment securities measured at FVTPL

	The Group and the Authority	
	2025 BND'000	2024 BND'000
Investment in debt securities measured at FVTPL		
- Interest income	10,138	7,372
- Realised gain (loss) on fair value	2,110	(756)
- Unrealised gain on fair value	4,546	3,847
- Realised gain (loss) on foreign exchange	5,370	(10,431)
- Unrealised loss on foreign exchange	(696)	(3,872)
Investment in equity securities measured at FVTPL		
- Realised gain on fair value	-	-
- Unrealised gain on fair value	38,525	27,039
- Realised loss on foreign exchange	-	-
- Unrealised (loss) gain on foreign exchange	(7,019)	4,100
	52,974	27,299



21. Net gain on investment securities measured at FVOCI

	The Group and the Authority	
	2025	2024
	BND'000	BND'000
Recognised in profit or loss:		
Net gain from derecognition of investment securities:		
- Realised gain on fair value from derecognition	21,839	28,721
- Realised loss on foreign exchange from derecognition	(8,299)	(3,265)
- Unrealised (loss) gain on foreign exchange of debt securities	(11,587)	13,592
	1,953	39,048
Recognised in other comprehensive income:		
Net gain on debt investment securities:		
- Unrealised gain on fair value	21,761	15,672
	23,714	54,720

22. Operating income; and Other gains and losses

Other income account for the year ended 31 December follows:

	The Group and The Authority	
	2025	2024
	BND'000	BND'000
Registration and licensing of banks and financial institutions	1,487	1,546
Credit bureau	974	678
Payment settlements	802	829
Commemorative coins	629	1,561
Other income	458	120
Collateral Registry	102	105
	4,452	4,839

Other gains and losses account for the year ended 31 December follows:

	The Group and The Authority	
	2025	2024
	BND'000	BND'000
Foreign exchange losses	(2,152)	(1,674)
	(2,152)	(1,674)

23. Staff costs

	The Group and the Authority	
	2025	2024
	BND'000	BND'000
Salaries and wages	13,712	13,240
Allowances	4,288	4,050
Bonuses	3,291	3,217
Other staff costs	1,185	1,131
Long-term incentive scheme	1,288	642
	23,764	22,280



24. Other operating expenses

	Note	The Group		The Authority	
		2025 BND'000	2024 BND'000	2025 BND'000	2024 BND'000
General and administrative expenditure		6,415	5,843	6,402	5,831
Maintenance of building, office equipment & computer		4,750	3,148	4,750	3,148
Consultancy and developmental expenditure		3,698	2,780	3,698	2,781
Depreciation	10	3,633	2,748	3,633	2,748
Currency operation expenses		2,243	2,650	2,243	2,650
		20,739	17,169	20,726	17,158

25. Related parties

In the normal course of its operation, the Group and the Authority can enter into transactions with related parties. Related parties includes the Government of Brunei Darussalam and AMSB.

The Authority may serve as banker to and act as the financial agent to the Government of Brunei Darussalam. The transfer to the Government of Brunei Darussalam in accordance with Section 9 of the Order. Other than those, there were no other significant related party transaction during the current financial year.

26. Events after the reporting date

Post year-end events that provide additional information about the Group's financial position at reporting date [adjusting events] are reflected in the consolidated and parent financial statements. Post year-end events that are not adjusting events are disclosed in the notes to the consolidated and parent financial statements when material. There was no material event after the end of the reporting period that necessitates the revision of the figures included in the consolidated and parent financial statements.

27. Financial instruments and financial risks

27.1 Fair value of financial instruments

The Group ranks its investment securities based on the hierarchy of valuation techniques required by IFRS, which is determined based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the Group and the Authority's market assumptions.

The table below presents the hierarchy levels of the Group and the Authority's assets and liabilities measured at fair value. There were no transfers between Level 1 and Level 2 during the current or prior year.

The Group and the Authority 31 December 2025	Level 1 BND'000	Level 2 BND'000	Level 3 BND'000	Total BND'000
Financial assets				
Investment securities	1,395,011	-	-	1,395,011
Derivative financial assets	-	2,557	-	2,557
	1,395,011	2,557	-	1,397,568
Financial Liabilities				
Derivative financial liabilities	-	2,186	-	2,186
	-	2,186	-	2,186



The Group and the Authority 31 December 2024	Level 1 BND'000	Level 2 BND'000	Level 3 BND'000	Total BND'000
Financial assets				
Investment securities	1,368,289	-	-	1,368,289
Derivative financial assets	-	6,228	-	6,228
	1,368,289	6,228	-	1,374,517
Financial Liabilities				
Derivative financial liabilities	-	11,314	-	11,314
	-	11,314	-	11,314

The carrying amount of the cash and cash equivalents, deposits with financial institutions, assets held with IMF, currency in circulation, deposits and balances of local banks and other local financial institutions, deposits and balances of international financial institutions, liabilities held with IMF, payable and provision to the Government of Brunei Darussalam, sukuk issuance and other financial assets and liabilities approximate its fair value as at 31 December 2025 and 2024.

27.2 Financial risk management

The Group's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Group's aim is therefore to achieve an appropriate balance between risk and return and minimise potential adverse effects on the Group's financial performance.

The most important types of financial risks are credit risk, liquidity risk and market risk. Market risk includes currency risk, price risk and interest rate risk.

The Group's investment policy statements are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices.

27.2.1 Credit risk

Credit risk is the risk of financial loss resulting from the failure of counterparty to settle its financial and contractual obligations to the Group, as and when they fall due.

Credit exposures arise principally in debt securities and other treasury bills in the Group's asset portfolio. The Group Risk Committee manages and controls credit risk by monitoring the investment guidelines and directives issued to the fund managers of the Group.

The Members of the Board do not consider that the Group is exposed to any significant credit risk because its financial assets consist primarily of cash and securities issued or guaranteed by Government of sovereign countries (i.e. Singapore, Hong-Kong, and China). The Group does not have any significant credit risk exposure to any single non-investment grade counterparty or any group of counterparties having similar characteristics.

a) Credit risk management

For debt securities and other treasury bills, external ratings such as Standard & Poor's ratings or their equivalents are used by the Group for managing credit risk exposures. Investments in these securities and bills are viewed as a way to gain better credit quality mix and at the same time, maintain a readily available source to meet funding requirements. The PD's associated with each grade are determined based on realised default rates over the prior 12 months, as published by the rating agency.



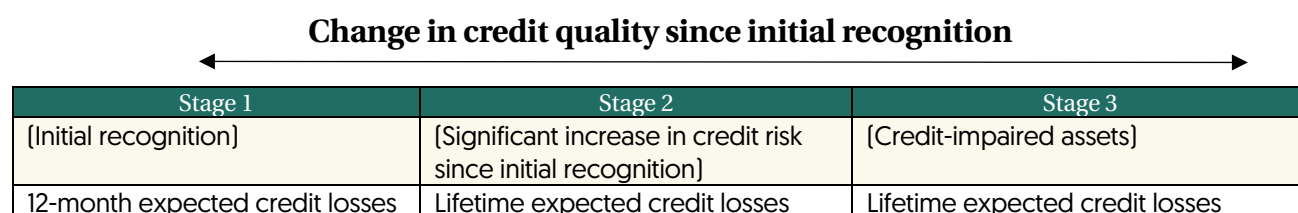
b) Expected credit loss (ECL) measurement

IFRS 9 outlines a ‘three-stage’ model for impairment based on changes in credit quality since initial recognition as summarised below:

- A financial instrument that is not credit-impaired on initial recognition is classified in “Stage 1” and has its credit risk continuously monitored by the Group;
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to “Stage 2” but is not yet deemed to be credit-impaired;
- If the financial instrument is credit-impaired, the financial instrument is then moved to “Stage 3”;
- Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis;
- A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information; and
- Purchased or originated credit-impaired financial assets are those financial assets that are credit impaired on initial recognition. Their ECL is always measured on a lifetime basis [Stage 3].

The Group and the Authority perform an ECL assessment on its financial instruments. As at 31 December 2025 and 2024, the Group and the Authority assessed that the overall impact of the calculated ECL is not material to the consolidated and the parent financial statements. Further explanation is also provided of how the Group determines appropriate groupings when ECL is measured on a collective basis.

The following diagram summarises the impairment requirements under IFRS 9 [other than purchased originated credit-impaired financial assets]:



c) Significant increase in credit risk (‘SICR’)

Due to the generally high quality of the securities as stipulated in Investment Policy Statement of respective funds and the overall low credit risk exposures whereby investments are commonly rated “investment grade” by the global credit rating agencies, the Group has opted for the practical expedient of the general approach through applying low credit risk operational simplification.

d) Definition of default and credit-impaired assets

The Group defines a financial instrument as in default if the issuer of the investment securities is downgraded to below investment grade, which is below Baa3 for Moody’s and below BBB for Standard & Poor’s and Fitch Ratings. Notwithstanding the above, the Group does not intend to rebut the “90 days overdue” presumed definition of default.

e) Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The key inputs used for measuring ECL are:

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

These ECL is derived from internally developed statistical models and other historical data and it is adjusted to reflect probability-weighted forward-looking information.

PD is an estimate of the likelihood of default over a given time horizon. It is estimated as at a point in time. The calculation is based on statistical rating models, and assessed using rating tools tailored to the various categories



of counterparties and exposures. These statistical models are based on market data (where available), as well as internal data comprising both quantitative and qualitative factors. Given that there has not been any historical instance of defaults on the portfolio, the Group applied the external credit rating agency's historical observed default rates to derive the portfolio's average default rates for respective historical years. The estimation is based on current conditions, adjusted to take into account estimates of future conditions that will impact PD.

LGD is an estimate of the loss severity arising from default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from any collateral. Given that there has not been any historical instance of defaults on the portfolio, the Group bases its LGD estimates from data published by external rating agency. The LGD parameter will be determined based on average historical LGD on the basis that there is a limited statistical significance between LGD and macroeconomic indicators. The cash flows are not discounted as any discounting effects are not expected to be significant for measuring 12 months ECL on the debt securities portfolio.

EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest. The Group's modelling approach for EAD reflects expected changes in the balance outstanding over the lifetime of the debt security exposure that are permitted by the current contractual terms, such as amortisation profiles and early repayment.

The measurement of ECL is based on probability weighted average credit loss. As a result, the measurement of the loss allowance should be the same regardless of whether it is measured on an individual basis or a collective basis (although measurement on a collective basis is more practical for large portfolios of items). In relation to the assessment of whether there has been a SICR it can be necessary to perform the assessment on a collective basis as noted below.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these financial assets.

f) Forward-looking information incorporated in the ECL model

The assessment of SICR and the calculation of ECL both incorporate forward-looking information. The Group has performed historical analysis and identified economic variables impacting credit risk and expected credit losses for each portfolio. The macroeconomic indicators should be both sensitive and reflective of Group's portfolio based on the following considerations:

- Intuitiveness for users to interpret and understand the relationship between macroeconomic indicators and the segment of the portfolios' default risk;
- Readily available forecasts to operationalise the model. In the absence of available forecasts, Group would require a separate forecasting process or introduce an element of expert judgement to derive the forecast estimate; and
- Accommodates assignment of probability weights.

Based on those considerations and the nature of the investment portfolio and the selected segmentation approach, we further narrowed down the potential economic factors to the following:

g) Singapore economic factors - Singapore Macroeconomic Variables (MEVs)

The Singapore MEVs will be tested for correlation with credit quality of Singapore issuer counterparties within the Group's investment portfolio, which are the following:

Singapore MEVs	Description	Category
SIN_STI	Singapore STI Index which is one of the main stock indices for Singapore equities	Equity Price
SIN_GDP	Singapore GDP (absolute value in SGD million) which measures economic growth for the country	Economic Growth
SIN_CPI_YOY%	Singapore Consumer Price Index	Inflation
SIN_PPI_MANF	Singapore Producer Price Index	Economic Growth
SIN_3M_SIBOR	Singapore 3-month Interbank Offer Rate	Interest Rate



SIN_IMP_PRICE	Singapore Import Price Index	Economic Growth
SIN_EXP_PRICE	Singapore Export Price Index	Economic Growth
SIN_EMPL	Singapore Employment Number	Employment

h) World economic factors - World MEVs

The World MEVs will be tested for correlation with credit quality of both Singapore and non-Singapore counterparties. They are:

World MEVs	Description	Category
WORLD_GDP	World GDP (%) which measures the economic growth globally	Economic Growth
WORLD_TRADE_VOL	World Trade Volume which measures trade flow globally	Trade
WORLD_WTI_OIL	World WTI crude oil prices measuring global demand for energy	Economic Growth
WORLD_BRENT_OIL	World Brent crude oil prices measuring global demand for energy	Economic Growth
WORLD_3M_LIBOR	World 3M LIBOR which measures interbank lending rate globally	Interest Rate
WORLD_US_CPI	US CPI Index which measures inflation in the world's largest economy	Inflation
WORLD_US_IND_PROD	US Industrial Production which measures industrial activities in the US	Economic Growth
WORLD_US_10Y	US 10Y Benchmark Yield	Interest Rate
WORLD_US_UNEMPL	US Unemployment Rate	Employment
S&P 500	S&P 500 which measure equity prices of the largest 500 companies in US	Equity Prices
DJIA	DowJones Industrial Average which measure the largest 30 biggest market cap companies in the US	Equity Prices
NASDAQ	NASDAQ index measures the equity prices of largest tech companies in the US	Equity Prices
US_OIS_3M	USD3M Overnight Index Swap serves as the indicator of overnight benchmark lending rate	Interest Rate
LIBOR_OIS_SPREAD	Spread between LIBOR and OIS tend to measure the market liquidity status	Interest Rate

The macro-economic indicators are shortlisted for further statistical analyses process to determine the highest predictive power for the Group's portfolio. Those shortlisted will be further examined before arriving at the final economic indicators that are both statistically significant, intuitive and reflective of the Group's portfolio.

Other forward-looking considerations not otherwise incorporated within the above scenarios, such as the impact of any regulatory, legislative or political changes, have been considered, but are not deemed to have a material impact and therefore no adjustment has been made to the ECL for such factors.

i) Groupings based on shared risks characteristics

For expected credit loss provisions modelled on a collective basis, a grouping is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. In performing this grouping, there must be sufficient information for the group to be statistically credible. When ECL are measured on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics, such as:

- instrument type;
- credit risk grade;
- date of initial recognition;
- remaining term to maturity;
- industry; and
- geographic location of the borrower.



The groupings are reviewed on a regular basis to ensure that each group is comprised of homogenous exposures.

j) Credit risk exposure

Maximum exposure to credit risk - Financial instruments subject to impairment

The following tables contain an analysis of the credit risk exposure of each financial instrument. The gross carrying amount of financial assets below also represents the Group's maximum exposure to credit risk on these assets.

The table below presents the ratings of debt securities, treasury bills and other government securities as at 31 December 2025 and 2024 based on international and domestic credit assessment agencies.

The Group and the Authority	Financial assets at fair value through OCI *		Deposits with financial institutions *	
	2025 BND'000	2024 BND'000	2025 BND'000	2024 BND'000
Credit grade				
AAA	316,293	379,751	19,631	19,631
Aa1 to Aa3	98,861	72,285	239,142	112,217
A1 to A3	135,057	243,197	240,251	368,507
Lower than A1	86,878	62,857	-	-
Unrated	232,993	223,703	-	-
Gross carrying amount	870,082	981,793	499,024	500,355
Loss allowance	-	-	-	-
Net carrying amount	870,082	981,793	499,024	500,355

* Stage 1: 12-month expected credit losses

As at 31 December 2025 and 2024, the Group and the Authority's cash and cash equivalents, assets held with IMF, and other financial assets mainly pertaining to interest and dividends receivable are placed with highly reputable financial institutions and considered to be strong credit rating.

The entity is also exposed to credit risk in relation to Assets held with IMF that are measured at amortised cost. The maximum exposure at the end of the reporting period is the carrying amount of the asset at BND1,084,765,916 [2024: BND1,064,113,206].

Maximum exposure to credit risk - Financial instruments not subject to impairment

The following table contains an analysis of the maximum credit risk exposure from financial assets not subject to impairment:

The Group and the Authority	Maximum exposure to credit risk	
	2025 BND'000	2024 BND'000
Financial assets at FVTPL		
Debt securities	261,985	175,044
Carrying amount	261,985	175,044

27.2.2 Market risk

The Group takes on exposure to market risk, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices. The Group's exposure to market risk is from its financial investment portfolios.

The market risks arising from the Group's activities are monitored by the Investment Advisory Committee (IAC). Regular reports are submitted to the Management and IAC.



a) Currency risk

Apart from the Group's assets and liabilities with the IMF, which are denominated in SDRs, its exposure to foreign currency risk is limited. The only other significant foreign currency is Singapore Dollar [SGD], on which there is no exposure because the Brunei and the SGD are pegged 1:1. The Group manages any other foreign currency exposure using internal hedging techniques, by matching assets and liabilities, wherever possible.

As at 31 December, the Group's exposure to other foreign currencies follows:

The Group and the Authority	2025 BND'000	2024 BND'000
Assets and liabilities held with IMF		
Special Drawing Rights (SDR)	214,085	186,570
Investment securities		
US Dollar (USD)	548,623	649,884
Australian dollar (AUD)	114,822	125,776
Chinese Yuan (CNY)	18,333	11,406
Pound Sterling (GBP)	3,272	2,651
Euro (EUR)	13,883	1,212
Hong Kong dollar (HKD)	12,232	-

A 10% strengthening of the BND against the USD, AUD, HKD, EUR, GBP and CNY at 31 December would have decreased profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Authority considered to be reasonably possible at the end of reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant.

The Group and the Authority	2025 BND'000	2024 BND'000
Assets and liabilities held with IMF		
Special Drawing Rights (SDR)	21,408	18,657
Investment securities		
US Dollar (USD)	54,862	64,988
Australian dollar (AUD)	11,482	12,578
Chinese Yuan (CNY)	1,833	1,141
Pound Sterling (GBP)	327	265
Euro (EUR)	1,388	121
Hong Kong dollar (HKD)	1,223	-

A weakening of the BND against the above currencies at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

There is no analysis performed on movement against the Singapore dollar [SGD] as the BND is pegged to the Singapore dollar at parity under the Currency Interchangeability Agreement [CIA] signed between the Government of Negara Brunei Darussalam and the Government of Republic of Singapore and is customary tender in Singapore and vice-versa.

SDR, the IMF's unit of account, is essentially a specified basket of five [5] major international currencies [i.e., the USD, EUR, Japanese Yen [JPY], GBP and Chinese Renminbi [CNY]]. The weightage of each currency is as follows:

Currency	Weight (%)
USD	43.38
EUR	29.31
CNY	12.28
JPY	7.59
GBP	7.44
	100.00



b) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. The Group takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase as a result of such changes but may decrease or create losses in the event that unexpected movements arise. The level of mismatch of interest rate repricing that may be undertaken by the Group is monitored frequently by the IAC.

The following table shows the information relating to the Group's financial assets that are exposed to fair value interest rate risk presented by maturity profile.

31 December 2025	Interest bearing					
	Non-interest bearing	Range of rates	Up to a year	1-5 years	Over 5 years	Total
	BND'000	%	BND'000	BND'000	BND'000	BND'000
Cash and cash equivalent	1,675,415	0.93% - 3.30%	998,979	-	-	2,674,394
Deposits with financial institutions	-	1.35% - 4.14%	499,024	-	-	499,024
Investment securities at FVTPL	262,945	1.60% - 6.30%	-	22,582	239,402	524,929
Investment securities at FVOCI	15,476	0.13% - 6.48%	87,345	295,098	472,163	870,082

31 December 2024	Interest bearing					
	Non-interest bearing	Range of rates	Up to a year	1-5 years	Over 5 years	Total
	BND'000	%	BND'000	BND'000	BND'000	BND'000
Cash and cash equivalent	2,133,567	2.38% - 4.23%	112,909	-	-	2,246,476
Deposits with financial institutions	-	3.10% - 4.95%	500,355	-	-	500,355
Investment securities at FVTPL	211,452	2.69% - 5.74%	1,631	20,452	152,961	386,496
Investment securities at FVOCI	18,356	0.50% - 6.48%	86,977	335,426	541,034	981,793

As at 31 December 2025, BND33,525,081 or 3.85% [2024: BND73,580,811 or 7.49%] of investment securities at FVOCI and BND191,375,003 or 36.46% [2024: BND154,805,828 or 40.05%] at FVTPL are subject to repricing.

As at 31 December 2025, cash and cash equivalents include BND94,443,646 [2024: BND83,948,274] of the Subsidiary which are all non-interest bearing.

The analysis below is performed for reasonably possible movements in interest rate with all other variables held constant, showing the impact on profit for the financial year ended 31 December:

31 December 2025	Impact on profit (in BND'000)	
	Fixed Rate	Floating Rate
Change in interest rate:		
+1%	(88)	(24)
-1%	88	24

31 December 2024	Impact on profit (in BND'000)	
	Fixed Rate	Floating Rate
Change in interest rate:		
+1%	(89)	(23)
-1%	89	23



c) Price risk

Price risk relates to financial assets and liabilities whose values will fluctuate as a result of changes in market prices. The Group is exposed to price risk in respect of its investments in listed equities amounting to BND262,945,453 (2024: BND211,453,192).

As at 31 December 2025, based on a 10% fall in equity prices, the impact on profit or loss would be reduction of BND26,294,545 (2024: BND21,145,319).

27.2.3 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the commitments associated with liabilities and other payment obligations. Such risk may result from inadequate market depth or disruption or refinancing problems.

The Group's objective is to ensure that adequate liquidity is maintained at all times. The Group manages such risk by investing mainly in liquid money market instruments for maturities not exceeding 12 months so as to meet its day-to-day liquidity needs. Alongside with this, the Group imposes exposure limits on its approved counterparty list. Diversification of the fund is also achieved by investing in other asset classes such as debt securities and equities.

As at 31 December 2025 and 2024, the Group is also compliant with the liquidity asset requirements of the CO.

	The Group		The Authority	
	2025	2024	2025	2024
	BND'000	BND'000	BND'000	BND'000
Financial assets	5,665,180	5,193,170	5,570,705	5,109,167
Financial liabilities	4,532,131	4,142,520	4,390,581	4,058,883

Financial assets consists of cash and cash equivalents, deposits with financial institutions, debt securities, government treasury bills, equity securities, assets held with IMF, and other assets excluding advances from suppliers.

Financial liabilities consists of currency in circulation, deposit and balances of local banks and other local financial institutions, deposit balances of international financial institutions, payables to Government of Brunei Darussalam, liabilities with IMF, other liabilities, sukuk issuance, and provision for distributable earnings to the Government of Brunei Darussalam.

The carrying value of the Group's of the Authority's assets and liabilities approximate its undiscounted cash flows as there are generally short-term in nature.



The Group 31 December 2025	No specific maturity BND'000	Up to 1 month BND'000	1-3 months BND'000	3-12 months BND'000	1-5 years BND'000	> 5 years BND'000	Total BND'000
<u>Financial assets</u>							
Cash and cash equivalents	1,675,415	277,083	721,896	-	-	-	2,674,394
Deposits with financial institutions	19,631	-	337,524	141,869	-	-	499,024
Debt securities	-	-	-	98,975	321,527	711,565	1,132,067
Equity securities	262,944	-	-	-	-	-	262,944
Assets held with IMF	1,084,766	-	-	-	-	-	1,084,766
Other assets	11,985	-	-	-	-	-	11,985
	3,054,741	277,083	1,059,420	240,844	321,527	711,565	5,665,180
<u>Financial liabilities</u>							
Currency in circulation	1,385,584	-	-	-	-	-	1,385,584
Deposits and balances of local banks and other financial institutions	1,657,301	-	-	-	-	-	1,657,301
Deposits and balances of international financial institutions	19,650	-	-	-	-	-	19,650
Payables to the Government of Brunei Darussalam	214,506	-	-	-	-	-	214,506
Liabilities held with IMF	870,682	-	-	-	-	-	870,682
Other liabilities	242,419	-	-	-	-	-	242,419
Provision for distributable earnings to the Government of Brunei Darussalam	-	-	-	-	47,519	-	47,519
Sukuk issuance	94,470	-	-	-	-	-	94,470
	4,484,612	-	-	-	47,519	-	4,532,131
Net liquidity gap	(1,429,871)	277,083	1,059,420	240,844	274,008	711,565	1,133,049
<u>Derivative financial instruments</u>							
Foreign exchange contracts							
- Inflow	-	8,055	445,425	69,698	27,325	-	550,503
- Outflow	-	(8,060)	(445,459)	(69,449)	(27,165)	-	(550,133)
	-	(5)	(34)	249	160	-	370



The Group 31 December 2024	No specific maturity BND'000	Up to 1 month BND'000	1-3 months BND'000	3-12 months BND'000	1-5 years BND'000	> 5 years BND'000	Total BND'000
<u>Financial assets</u>							
Cash and cash equivalents	1,027,677	392,262	826,537	-	-	-	2,246,476
Deposits with financial institutions	19,631	-	-	480,724	-	-	500,355
Debt securities	-	545	18,857	87,562	355,878	693,995	1,156,837
Equity securities	211,452	-	-	-	-	-	211,452
Assets held with IMF	1,064,114	-	-	-	-	-	1,064,114
Other assets	13,936	-	-	-	-	-	13,936
	2,336,810	392,807	845,394	568,286	355,878	693,995	5,193,170
<u>Financial liabilities</u>							
Currency in circulation	1,401,451	-	-	-	-	-	1,401,451
Deposits and balances of local banks and other financial institutions	1,207,632	-	-	-	-	-	1,207,632
Deposits and balances of international financial institutions	19,650	-	-	-	-	-	19,650
Payables to the Government of Brunei Darussalam	186,992	-	-	-	-	-	186,992
Liabilities held with IMF	877,543	-	-	-	-	-	877,543
Other liabilities	254,197	-	-	-	-	-	254,197
Provision for distributable earnings to the Government of Brunei Darussalam	-	-	-	-	98,095	-	98,095
Sukuk issuance	-	96,960	-	-	-	-	96,960
	3,947,465	96,960	-	-	98,095	-	4,142,520
Net liquidity gap	(1,610,655)	295,847	845,394	568,286	257,783	693,995	1,050,650
<u>Derivative financial instruments</u>							
Foreign exchange contracts							
- Inflow	-	55,855	119,074	467,632	-	-	642,561
- Outflow	-	(56,418)	(120,744)	(470,485)	-	-	(647,647)
	-	(563)	(1,670)	(2,853)	-	-	(5,086)



The Authority 31 December 2025	No specific maturity BND'000	Up to 1 month BND'000	1-3 months BND'000	3-12 months BND'000	1-5 years BND'000	> 5 years BND'000	Total BND'000
Financial assets							
Cash and cash equivalents	1,675,415	182,639	721,896	-	-	-	2,579,950
Deposits with financial institutions	19,631	-	337,524	141,869	-	-	499,024
Debt securities	-	-	-	98,975	321,527	711,565	1,132,067
Equity securities	262,944	-	-	-	-	-	262,944
Assets held with IMF	1,084,766	-	-	-	-	-	1,084,766
Other assets	11,954	-	-	-	-	-	11,954
	3,054,710	182,639	1,059,420	240,844	321,527	711,565	5,570,705
Financial liabilities							
Currency in circulation	1,385,584	-	-	-	-	-	1,385,584
Deposits and balances of local banks and other local financial institutions	1,657,828	-	-	-	-	-	1,657,828
Deposits and balances of international financial institutions	19,650	-	-	-	-	-	19,650
Payables to the Government of Brunei Darussalam	214,506	-	-	-	-	-	214,506
Liabilities held with IMF	870,682	-	-	-	-	-	870,682
Other liabilities	242,331	-	-	-	-	-	242,331
Provision for distributable earnings to the Government of Brunei Darussalam	-	-	-	-	47,519	-	47,519
	4,390,581	-	-	-	47,519	-	4,438,100
Net liquidity gap	(1,335,871)	182,639	1,059,420	240,844	274,008	711,565	1,132,605
Derivative financial instruments							
Foreign exchange contracts							
- Inflow	-	8,055	445,425	69,698	27,325	-	550,503
- Outflow	-	(8,060)	(445,459)	(69,449)	(27,165)	-	(550,133)
	-	(5)	(34)	249	160	-	370



The Authority 31 December 2024	No specific maturity BND'000	Up to 1 month BND'000	1-3 months BND'000	3-12 months BND'000	1-5 years BND'000	> 5 years BND'000	Total BND'000
<u>Financial assets</u>							
Cash and cash equivalents	1,027,677	308,314	826,537	-	-	-	2,162,528
Deposits with financial institutions	19,631	-	-	480,724	-	-	500,355
Debt securities	-	545	18,857	87,562	355,878	693,995	1,156,837
Equity securities	211,452	-	-	-	-	-	211,452
Assets held with IMF	1,064,114	-	-	-	-	-	1,064,114
Other assets	13,881	-	-	-	-	-	13,881
	2,336,755	308,859	845,394	568,286	355,878	693,995	5,109,167
<u>Financial liabilities</u>							
Currency in circulation	1,401,451	-	-	-	-	-	1,401,451
Deposits and balances of local banks and other local financial institutions	1,221,030	-	-	-	-	-	1,221,030
Deposits and balances of international financial institutions	19,650	-	-	-	-	-	19,650
Payables to the Government of Brunei Darussalam	186,992	-	-	-	-	-	186,992
Liabilities held with IMF	877,543	-	-	-	-	-	877,543
Other liabilities	254,122	-	-	-	-	-	254,122
Provision for distributable earnings to the Government of Brunei Darussalam	-	-	-	-	98,095	-	98,095
	3,960,788	-	-	-	98,095	-	4,058,883
Net liquidity gap	(1,624,033)	308,859	845,394	568,286	257,783	693,995	1,050,284
<u>Derivative financial instruments</u>							
Foreign exchange contracts							
- Inflow	-	55,855	119,074	467,632	-	-	642,561
- Outflow	-	(56,418)	(120,744)	(470,485)	-	-	(647,647)
	-	(563)	(1,670)	(2,853)	-	-	(5,086)