

# ANNUAL REPORT **2023**

YOUR TRUSTED PARTNER





## TABLE OF CONTENTS

OPERATIONAL HIGHLIGHTS	3
FINANCIAL HIGHLIGHTS	4
OPERATION NETWORKS	5
CORPORATE INFORMATION	
ABOUT US	7
OUR NEW LOGO	8
OUR VISION AND MISSION	9
CORE VALUES	10
COMPANY MILESTONES	11
MESSAGE FROM THE CEO	12
BUSINESS REVIEW	
SHAREHOLDERS	13
BOARD OF DIRECTORS	14
BOARD OF DIRECTORS PROFILES	15
ORGANIZATIONAL STRUCTURE	16
EXECUTIVE MANAGEMENT	17
PRODUCTS AND SERVICES	24
OUR LENDERS AND PARTNERS	26
HUMAN RESOURCE DEVELOPMENT	27
BAMBOO'S CORPORATE SOCIAL RESPONSIBILITY	29

*Appendix: Financial Statement Audited by the Independent Auditor*

អបអរសាទរ

អតិថិជនកើនលើសពី

**15,000** នាក់

គិតត្រឹមដើមឆ្នាំ ២០២៤

Customers over 15,000 as of the beginning of 2024

**\$24**

ផលប័ត្រឥណទានកើនច្រើនជាង

**MILLION**

LOAN OUTSTANDING OVER



## OPERATIONAL HIGHLIGHTS



### BAMBOO Finance Plc. OPERATIONAL HIGHLIGHTS As of 31 December 2023



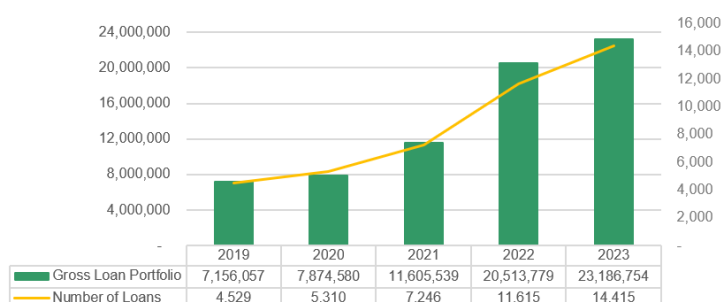
US\$ 23.19 Million  
Gross Loan Portfolio



14,415  
Number of Loans

#### 1. Gross Loan Portfolio

GROSS LOAN PORTFOLIO



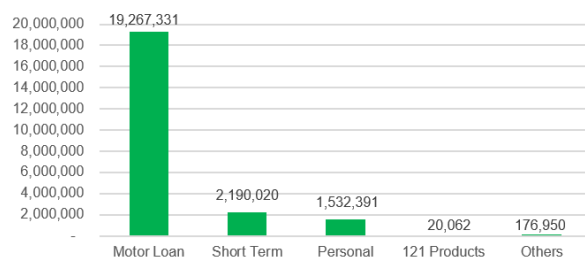
Gross Loan Portfolio  
US\$ 23.19 Million

Total Disbursed  
Amount  
US\$ 17.20 Million

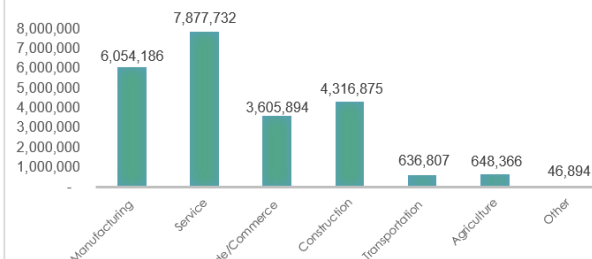
Number of Loans  
Disbursed  
8,038

#### 2. Loan Portfolio by Product and Economic Sector

LOAN PORTFOLIO BY PRODUCTS

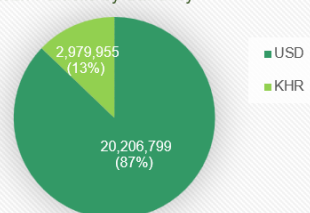


LOAN PORTFOLIO BY SECTOR

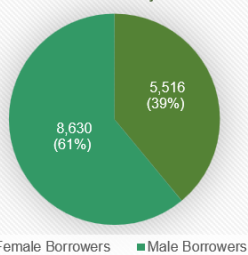


#### 3. Loan Portfolio by Currency, Active Borrowers by Gender and Loan Portfolio Quality

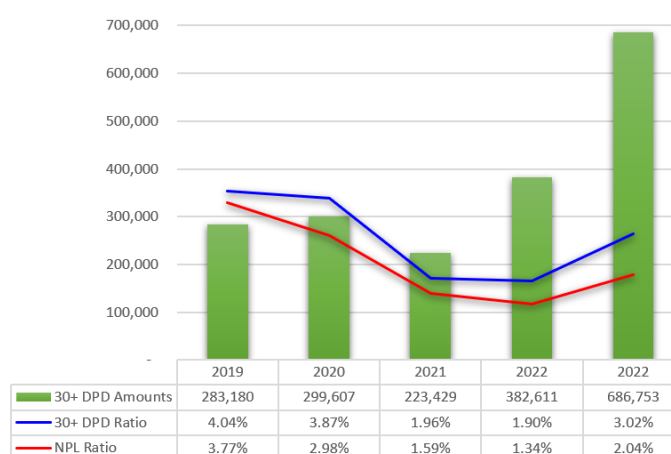
Loan Portfolio by Currency



Active Borrowers by Gender



LOAN PORTFOLIO QUALITY





## FINANCIAL HIGHLIGHTS

Amounts in US\$

Financial Highlights (CIFRS for SMEs)	2023 Audited	2022 Audited	2021 Audited	2020 Audited	2019 Audited	Change (%) <sup>1</sup>
<b>Selected financial data</b>						
Assets	24,981,788	20,984,374	12,314,189	8,834,515	7,689,065	19%
Loans to customers – net	23,043,506	20,396,128	11,519,026	7,731,692	6,944,899	13%
Liabilities	20,115,178	18,173,459	9,834,803	6,578,551	5,477,846	11%
Borrowings	17,676,474	15,689,806	9,595,086	6,450,653	5,329,655	13%
Subordinated debts	2,025,500	2,025,028	-	-	-	-
Share Capital	4,000,000	2,500,000	2,500,000	2,500,000	2,500,000	60%
Shareholders' Equity	4,866,610	2,810,915	2,479,386	2,255,964	2,211,219	73%
Gross Income	5,418,825	3,914,841	2,447,119	1,882,105	1,410,741	38%
Profit Before Income Tax	688,269	424,741	265,484	63,479	290,905	62%
Net Profit After Tax	555,695	331,529	223,422	44,745	276,651	68%
Earning per share	13.89	13.26	8.94	1.79	11.07	5%
<b>Key Ratio Indicators</b>						
Return on Assets	2%	2%	2%	1%	4%	
Return on Equity	11%	12%	9%	2%	13%	
Solvency Ratio	26.18%	23.46%	20.86%	24.08%	28.06%	
Net Operating Margin	12.66%	10.72%	10.33%	10.25%	10.26%	
Operating Cost Ratio	10.39%	10.44%	12.21%	13.31%	11.12%	
Cost to Income Ratio	76.51%	77.70%	81.27%	85.87%	65.73%	
Employee Productivities Ratio	2,659	2225	2088	503	4,256	
Number of Loans	14,415	11,615	7,246	5,310	4,529	
Number of Staff	209	149	107	89	65	

<sup>(1)</sup> Change from 2022 to 2023.

### HIGHLIGHTS OF 2023

- Assets rose by 19% from US\$20.98 million to US\$24.98 million.
- Loans to customers(net) grew by 13% to US\$23.04 million.
- Borrowings increased by 13% to US\$17.68 million.
- Shareholders' Equity grew by 73% from US\$2.81 million to US\$4.87 million.
- Registered share capital increased from US\$2.5 million to US\$4.00 million.
- Net profit after tax increased by 68% to US\$555,695.

# OPERATION NETWORKS



Number of Offices

15

Number of Provinces  
in Operation

8



## OPERATION NETWORKS

### BAMBOO's OFFICES

#### HEADQUARTER

Address: Building No 03, Phnom Penh-Hanoi Friendship Blvd.,  
Phum Rong Chakr, Sangkat Kouk Khleang, Khan Sen Sok,  
Phnom Penh  
E-mail: [info@bamboomfi.com](mailto:info@bamboomfi.com)  
Website: [www.bamboomfi.com](http://www.bamboomfi.com)  
Tel: 011 777 173/ 070 367 943

#### OPERATION OFFICE

Address: # 10A, Street 598, Village 3, Sangkat Boeung Kak II,  
Khan Touk Kork, Phnom Penh.  
Tel: 070 367 931

#### ANGK SNUOL DISTRICT BRANCH

Address: National Road No 4, Angk Snuol Ti Muoy, Peuk  
Commune, Angk Snuol District, Kandual Province.  
Tel: 070 367 924

#### KRONG TA KHMAU BRANCH

Address: No 13, Street No 115, Phum Ta Kdol, Sangkat Ta  
Kdol, Krong Ta Khmau, Kandal Province.  
Tel: 070 363 849

#### KAMPONG TRALACH DISTRICT BRANCH

Address: National Road No 5, Ka At Village, Peani  
Commune, Kampong Tralach District, Kampong Chhang  
Province.  
Tel: 070 367 876

#### KHSACH KANDAL DISTRICT BRANCH

Address: Street No 381, Preaek Ta Meak Village, Preaek Ta  
Meak Commune, Khsach Kandal District, Kandal Province.  
Tel: 070 367 954

#### KAMPONG TRABEAK DISTRICT BRANCH

Address: Street No 317, Prasat Village, Prasat Commune,  
Kampong Trabaek District, Prey Veng Province.  
Tel: 070 366 700

#### CHEUNG PREY DISTRICT BRANCH

Address: National Road No 6, Skon Village, Soutib  
Commune, Cheung Prey District, Kampong Cham Province.  
Tel: 070 366 400

#### PONHEA LUEU DISTRICT BRANCH

Address: National Road No 5, Tep Pranam Village, Vihear  
Luong Commune, Ponhea Lueu District, Kandal Province.  
Tel: 070 259 070

#### BATI DISTRICT BRANCH

Address: National Road No 2, Chak Village, Trapeang Sab  
Commune, Bati District, Takeo Province.  
Tel: 070 245 070

#### TRAM KAK DISTRICT BRANCH

Address: National Road No 3, Angk Ta Saom Village, Angk  
TaSaom Commune, Tram Kak District, Takeo Province.  
Tel: 070 433 797

#### KRONG KAMPONG CHAM BRANCH

Address: No 95 & 97 E0-E1, Khemarak Phoumint Street, Phum  
Ti Prampir, Sangkat Kampong Cham, Krong Kampong  
Cham, Kampong Cham Province.  
Tel: 070 768 874

#### KRONG SVAY RIENG BRANCH

Address: National Road N° 1, Phum Rub Kou, Sangkat Prey  
Chhlak, Krong Svay Rieng, Svay Rieng Province  
Tel: 070 701 975 / 070 756 166

#### SVAY ANTOR DISTRICT BRANCH

Address: Road No11, Pou Chentam Village, Svay Antor  
Commune, Svay Antor District, Prey Veng Province.  
Tel: 070 364 283 / 070 212 499

#### KRONG KAMPONG CHHNANG BRANCH

Address: National Road N° 5, Phum Srae Pring, Sangkat  
Kampong Chhnang, Krong Kampong Chhnang, Kampong  
Chhnang Province  
Tel: 070 259 799 / 070 232 79

#### BANTEAY MEAS DISTRICT BRANCH

Address: Road N° 31, Tuk Meas Village, Tuk Meas Khang  
Lech Commune, Banteay Meas District, Kampot Province  
Tel: 070 240 499 / 070 247 499

A close-up photograph of bamboo stalks and leaves, showing vibrant green colors and natural textures. The stalks are vertical and segmented, while the leaves are long and narrow, some showing signs of being eaten.

# History of Bamboo

## ABOUT US

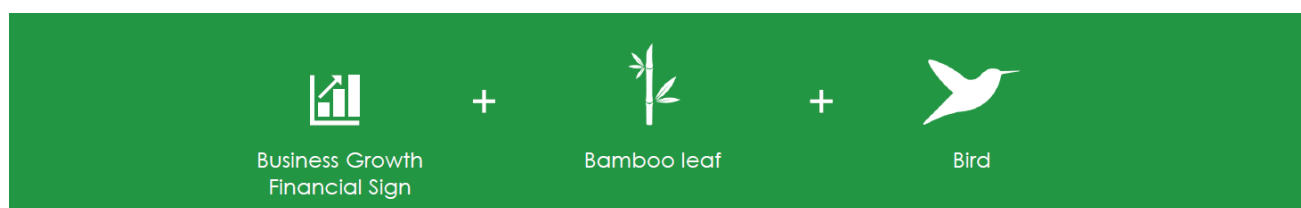
Bamboo Finance PLC., ("Bamboo") was established in Cambodia on March 22, 2015. Bamboo aims to become one of the leading microfinance institutions (MFIs) in Cambodia, with offices in three provinces. Bamboo has been officially recognized by the National Bank of Cambodia and obtained its legal license on May 07, 2015.

Bamboo currently provides its primary service designed to contribute Micro, Small, and Medium-sized financial credits sector which has been under-served by financial institutions. We aim at the productivity of our clients to enable them to achieve their full potential which has previously been elusive due to the perceived risky nature of providing financial services to the Micro, Small and Medium-sized financial credits.

We achieve this by emphasizing the immense benefits of empowering our clients through a discipline of consistent and deliberate manners to achieve both short-term and long-term goals. The products we offer will enable our clients to satisfy their needs and to promote their standard of living with a dignified, flourishing, and an adequate quality of their status in life.



## OUR NEW LOGO ICON



### LOGO SHAPE: A BIRD IN FLIGHT

The logo incorporates a bird in flight, three upward-growing bamboo leaves, and the color green. It symbolizes our ambitious vision and commitment to continuous development in pursuing and achieving our strategic financial goals for our customers while ensuring long-term sustainability.

### INCORPORATING SYMBOLIC ELEMENTS OF BAMBOO LOGO:

The logo of Bamboo Finance Plc strategically utilizes a combination of symbolic elements to visually the company's core values and aspirations.

#### BIRD SHAPE

The bird imagery evokes a sense of peace, freedom, and ambition, representing the unwavering spirit and unwavering pursuit of success.

#### BUSINESS GROWTH

The logo features a symbol that represents the pursuit of continuous expansion into markets, the development of innovative products and services, and consistent growth in revenue, customer base, employees, and profitability.

#### BAMBOO LEAF

The bamboo leaf symbolizes the commitment to upholding the virtues of simplicity, strength, flexibility, resilience, and stable growth.

#### GREEN COLOR

Stands for the balance of nature, It's the symbol of prosperity, freshness, the progress of growth, finances, banking, ambition, and harmony, green is associated with eternal life, and it is the sacred color of the world, representing respect.

### BAMBOO ACRONYM BY ALPHABET

**B** = BONDABILITY

**A** = ADAPTABILITY

**M** = MINDFULNESS

**B** = BENDABILITY

**O** = OPTIMISMS

**O** = ORGANIZABILITIES

# BAMBOO'S VISION AND MISSION

## BAMBOO'S VISION AND MISSION



### Vision Statement

Bamboo Finance Plc., will shape the bright future for cambodia sociaety as a result of our contribution as a player in the national financial to our customer.



### Mission Statement

Bamboo Finance Plc., will set a goal to be an Excellent Company which is always the best services provider in the National Financial Field, not by it's size but it's Excellent of Operation.



### Our Slogan

" Your trusted partner "

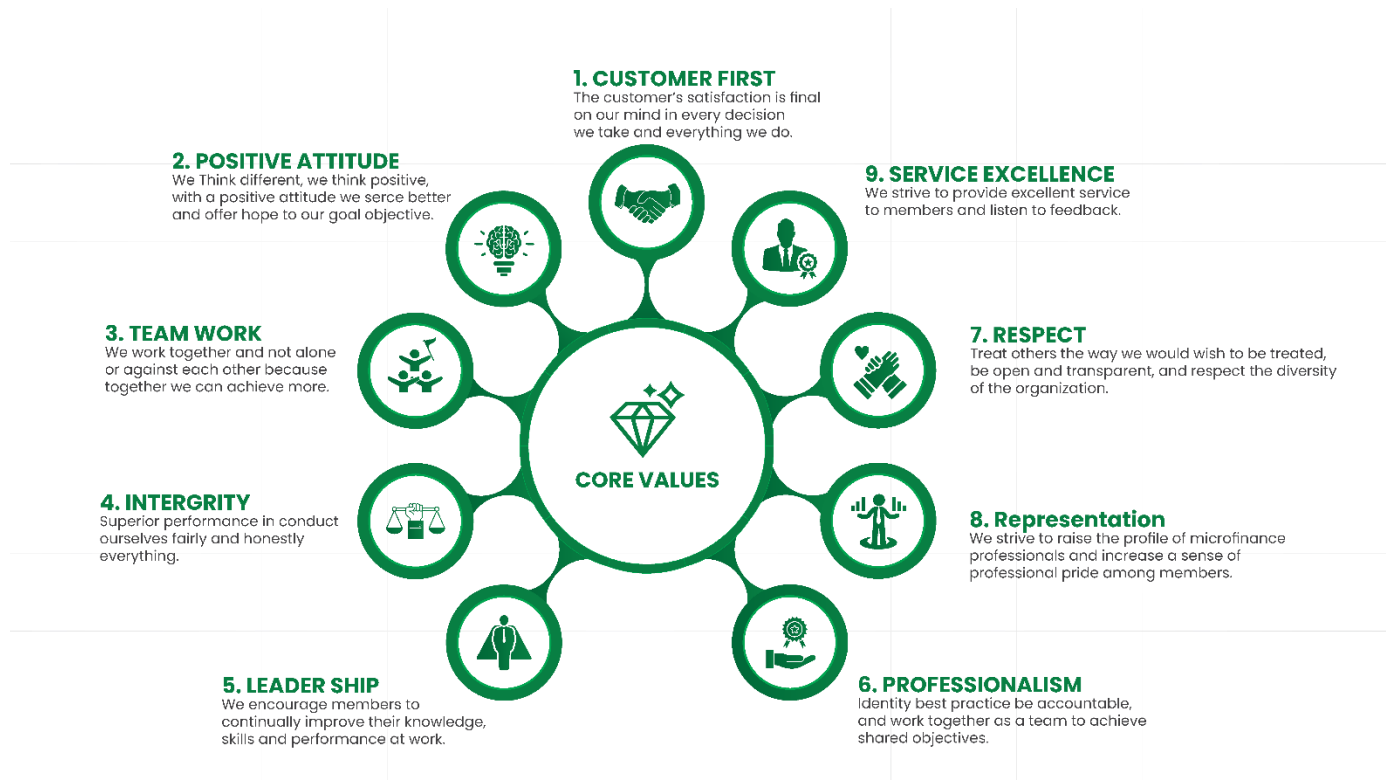


# BAMBOO'S CORE VALUES



## BAMBOO'S CORE VALUES

Our 9 core values are the principles that guide our behaviour and decisions on a daily basis. Our values help us to conduct ourselves and make decisions that facilitate the attainment of our vision of developing the present and next generation of entrepreneurs.

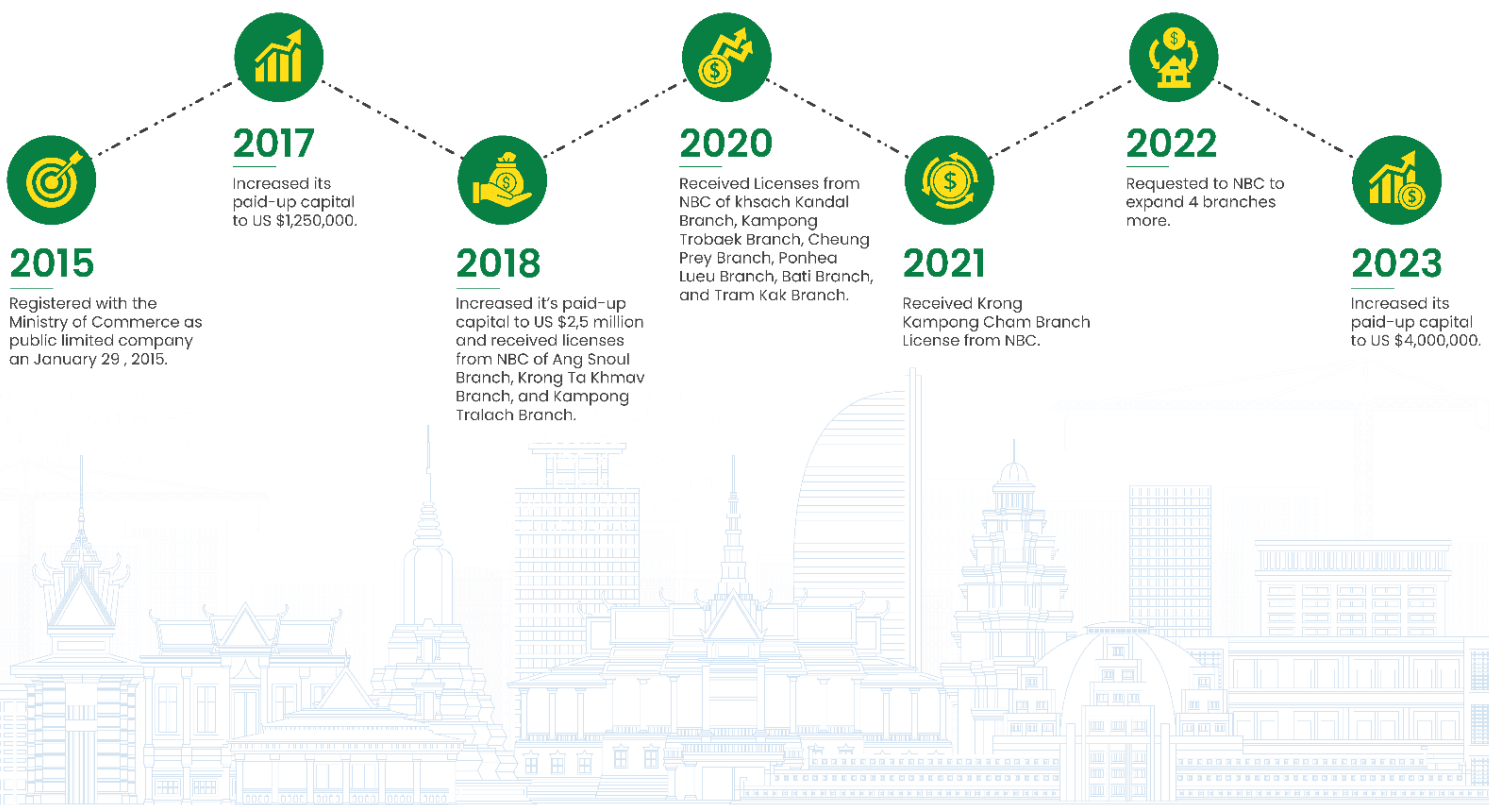






## KEY MILESTONES

### BAMBOO'S KEY MILESTONES







## MESSAGE FROM THE CEO

Bamboo Finance achieved very great and satisfactory results for both financial and operational performance through continued customer focus and disciplined execution. These results came from the strong commitment of staff at all levels with highest trust from customers and business partners, plus the great support from board of directors and shareholders. Here, I am proud to highlight some of the key achievements as follow:

- ❖ Total assets at year-end were USD 24.98 million, grew by 19% compared with the end of 2022.
- ❖ Net loan portfolios were USD 23.04 million increased by 13% with the total of 14 thousand clients.
- ❖ Non-Performing Loan (NPL) was at 2.04%.
- ❖ After-tax net profit increased by 68% from USD 331,529 to USD 555,695.
- ❖ Return on Equity (RoE) was 11.42% and Return on Assets (RoA) was 2.22%.
- ❖ Registered share capital increased from USD 2.5 million to USD 4.00 million.

Established in Cambodia in March 2015, Bamboo has emerged as a key player in Cambodia's microfinance sector, particularly in motorcycle financing. With a focus on motorcycle loans, which make up 83% of total portfolio, Bamboo plays a crucial role in Cambodia's development. In a country with limited public transportation, these motorbike loans offer individuals a critical pathway to mobility.

This increased mobility empowers individuals by granting them easier access to employment, education, and healthcare. The benefits extend beyond individuals, as the loans also act as catalysts for local economic activity. By fostering entrepreneurship in sectors like taxi services, repair shops, and spare parts sales, Bamboo contributes to inclusive economic growth and the overall social well-being of Cambodian communities.

This outstanding achievement is the result of, adhering to the principles of effective leadership, good governance, integrity, excellence, and trustworthiness, as well as high commitment and perseverance.

Lastly, I would like to express my sincere thanks to our customers for their support and loyal trust, and to Shareholders, Board of Directors for their continued engagement, guidance and support to our long-term success. My deepest appreciation and thanks to our management and all staff for their hard and smart leadership and working with high commitment to perform their work with integrity and accountability.

With best wishes of good health, happiness and for a prosperous in 2024!

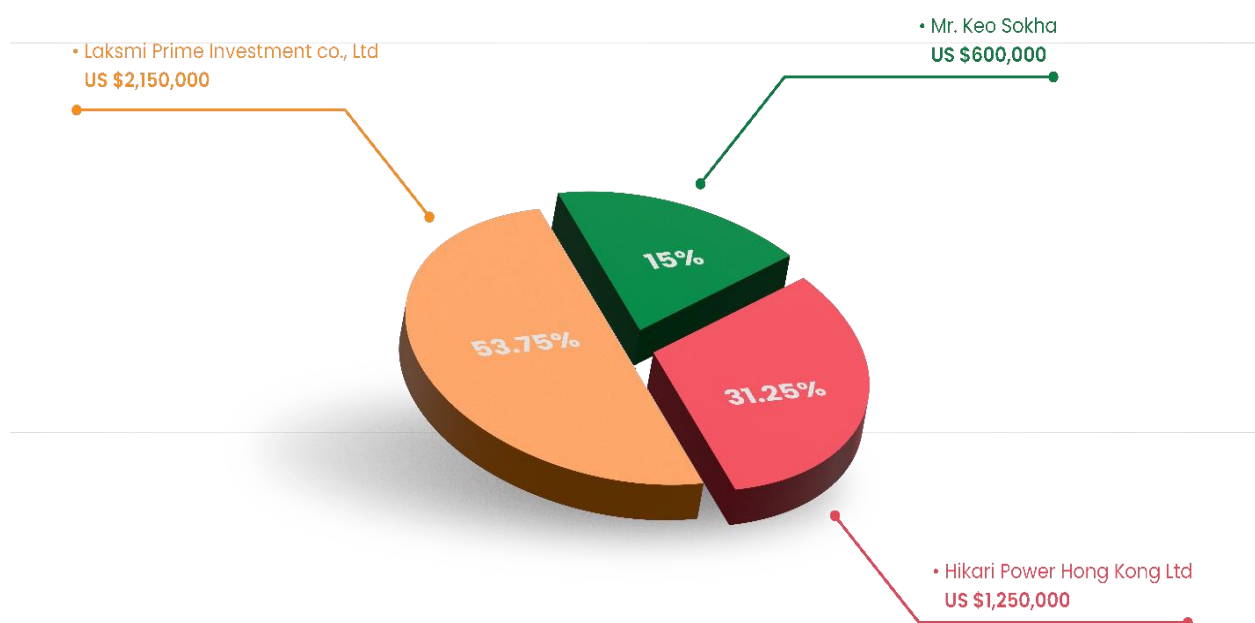
**KEO Sokha**  
Chief Executive Officer

## HOW FAST DOES BAMBOO GROW?



### SHAREHOLDERS

During the 2023, Bamboo increased its share capital from US\$2,500,000 to US\$4,000,000 (par value US\$100 per share) through cash injection. There were changes in the shareholders and share structure during the year as follows:



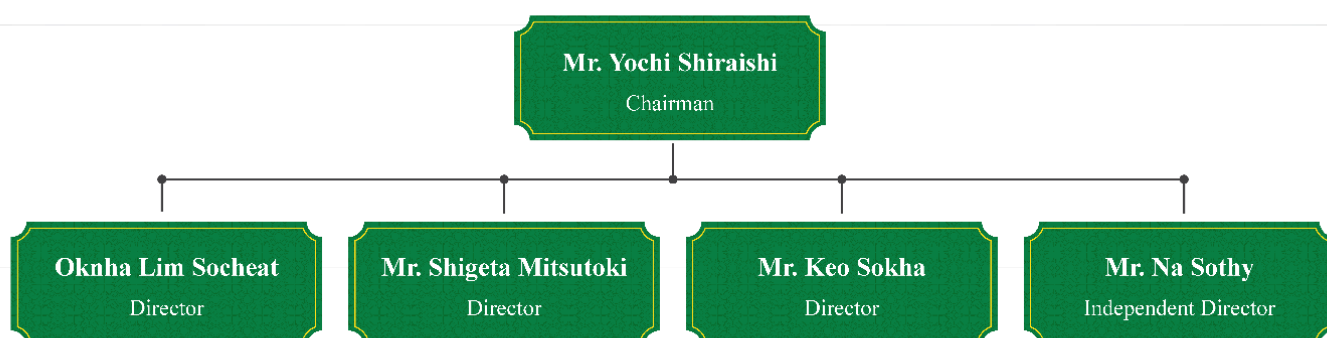
# BOARD OF DIRECTORS

## BOARD OF DIRECTORS

The members of the Board of Directors during 2023 are:

Mr. Yoichi Shiraishi  
Oknha LIM Socheat  
Mr. Mitsutoki Shigeta  
Mr. Keo Sokha  
Mr. Na Sothy

Chairman  
Director  
Director  
Director  
Independent Director





## BOARD OF DIRECTORS PROFILES

### **Oknha LIM Socheat** **Founder & Executive Director**



Oknha Lim Socheat is a highly accomplished executive director and serial investor as CEO of LAKSMI Prime Investment who successfully identifies and secures new business opportunities.

Since the inception of the investment firm in 2012, Socheat has been managing over US\$74 million. This strategic capital has fueled the growth of innovative companies in crucial fields such as finance, fintech, real estate, equity investment, e-commerce, logistics services, and maternity clinics. Under his leadership, these ventures have generated significant economic impact, employed over 700 who supported countless associates and agents, and outperformed the market with a portfolio value of over \$100 million.

Socheat believes in building companies responsive to the Cambodian market, delivering valuable products and services to local communities. His commitment to nurturing the next generation of business leaders ensures a continuous flow of innovative entities that shape the Cambodian landscape.

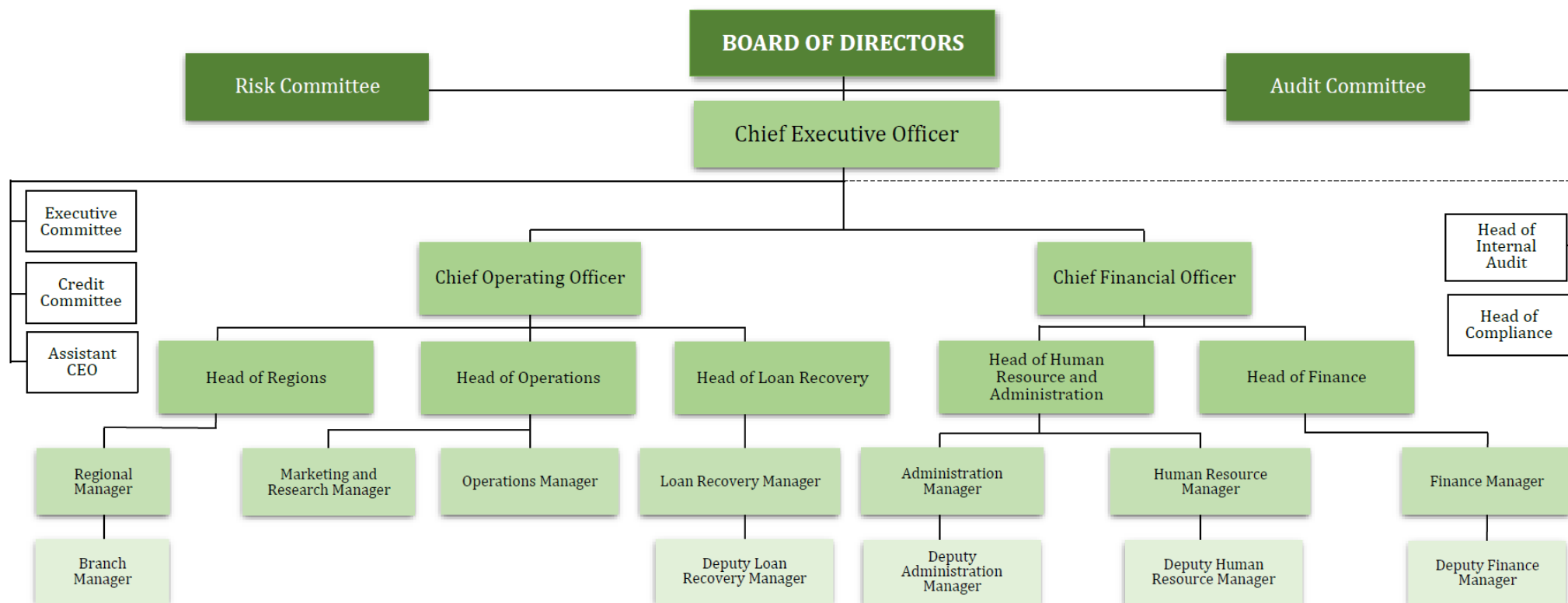
His exemplary leadership extends beyond the business realm. Socheat actively shapes industry developments on a policy level through influential roles.

He serves as a Board Member and Chair of the Risk Committee at the Cambodia Investment Club, contributing his expertise to fostering a sound investment environment. Additionally, Socheat holds the Vice President position responsible for SME development at the Young Entrepreneurs Association of Cambodia, championing the growth and empowerment of small and medium businesses. The Cambodian Chamber of Commerce has elected him as a Board Member, highlighting his esteemed standing within the business community. Previously, Socheat served as a Board Member and Chair of the Financial Leasing Club at the Cambodia Microfinance Association, contributing significantly to this sector until 2020.

Socheat's commitment to professional development is equally impressive. He earned a Master's Degree in Professional Accountancy from the University of London in 2017, demonstrating his dedication to advanced knowledge and best practices. Furthermore, he holds the ACCA Qualification from the Association of Chartered Certified Accountants (2010) and the CPA Australia Qualification for Certified Public Accountants (2009), solidifying his credentials as a highly qualified financial professional.

# BAMBOO FINANCE PLC

## ORGANIZATION CHART



## EXECUTIVE MANAGEMENT



**KEO Sokha**  
Co-founder & CEO

**Sokha** has more than 20 years of experience in banking and financial institution as an executive, financial analyst, and company governance. He is serving as Chief Executive Officer at BAMBOO Finance Plc. and has since brought the company to new heights after restructuring its operations. Sokha has been a critical leader in the company and championed the company's shared values of honesty, integrity, respect, and leadership at the core of every decision powered by a people-driven, customer-focused culture and spirit of innovation.

In addition, he was appointed the Chief Finance Officer at LAKSMI PRIME INVESTMENT CO., LTD in August 2016. He oversees the financial control, analysis, and strategy, as well as finding funds for many projects invested by the company.

Sokha holds an MBA in Finance Management, earned Bachelor's degree in Banking and Finance, and Diploma in Accounting "Diplôme Universitaire de Comptabilité" from the Royal University of Law and Economics ("RULE"). He also attended many training courses and workshops related to financial management, and ethical management.





## EXECUTIVE MANAGEMENT



**OEURN Silen**  
**Chief of Operation Officer**

**Silen** joined Bamboo Finance Plc., as Internal Audit Manager in September 2016. Silen was promoted to Head of Internal Audit in January 2018 to ensure the internal audit function is closely aligned with the institution's best practices in executing the duties across the Bamboo Finance Plc., business and financial operations, works to ensure roles, responsibilities, and results are efficiently coordinated and collectively optimizing the effectiveness of risk management, internal control and governance of the company.

In July 2020, Silen was promoted to Chief of Operation Officer to lead and manage the credit operation of Bamboo Finance Plc. following the growth and business strategy of the MFI. Prior to joining Bamboo Finance, Silen had experiences with ACLEDA Bank Plc, for more than thirteen years in various positions related to accounting, risk management, and internal audit function.

Silen obtained a Master's Degree in Financial Management in 2012, a Bachelor Degree in Enterprise Management in 2003, and a Diploma of Accounting in 2000 respectively from Royal University of Laws and Economics in 2012. He has completed many training courses related to Accounting, Management, Administration, Law, Marketing, Taxation, and Information Technology.

**Mr. BUN Sorphea**  
**Head of Regions**

**Mr. OEURN Silen**  
**Chief of Operation Officer**

**Mr. TRAV Sokkheng**  
**Head of Loan Recovery**



## EXECUTIVE MANAGEMENT



**TEK Prathna**  
**Head of Finance**

**Prathna** obtained his Master's Degree in Finance and Banking at Build Bright University in 2008. He received his Bachelor's Degree in Economics Science, majoring in Finance and Baking at the Royal University of Law and Economics in 2003. He has attended numerous training courses such as Risk Management and Basel II & III Accord with the support from National Institute of Bank Management - NIBM (India), and several other workshops and training courses in the areas of financial management, risk management, preparing financial reports by CIFRS, CAS, and CIAS.

He worked with ACLEDA Bank for over 15 years from 2004 to 2019, where he has served in many positions, such as credit officer from the start (2003 – 2006), accountant (2006-2009), Assistant Manager of the Management Accounting Unit (2009 – 2012), Manager of the Management Accounting Unit (2012 – 2013), and Assistant Senior Vice President of Finance Division (responsible for management accounting unit) from 2013 to 2018. In 2018, he was promoted to be Vice President and Head of the Management Accounting Department. He also worked with Ly Hour PayPro as Head of Finance from 2019 to 2020.

After 16 years of work experience, He continued his journey with Bamboo starting in January 2021 as Head of Finance till present.

**Mr. TEK Prathna**  
**Head of Finance**

**Ms. Chan Sreyleak**  
**Finance Manager**



## EXECUTIVE MANAGEMENT



**PROM Chheamantha**  
Head of HR & Administration

**Chheamantha** holds a Bachelor's Degree in Management from Phnom Penh International University in 2008 and has attended many training courses, such as Community Lending and Saving at Gramming Bank, Bangladesh in 1996, and others related to Credit and Human Resource Management.

She has more than 23 years of experience related to credit and human resource management while working at ACLEDA Bank, where she has served in many positions, such as credit officer for three months, cashier for two years, district team leader for five years, and branch manager for more than 16 years.

After retiring from ACLEDA Bank, she continued her journey with Bamboo in February 2020 as Human Resource Manager and Head of HR & Administration. She is responsible for strategic planning in human resources management, especially in recruiting and training for effectively working with ethical and professional professionals.

**Mr. LO Vuth**  
Deputy ADM Manager

**Mr. NOP Samoeun**  
HR Manager

**Ms. PROM Chheamantha**  
Head of HR & Administration

**Mr. MENG Srun**  
Deputy HR Manager





## EXECUTIVE MANAGEMENT



**Bun Sorphea**  
Head of Regions

**Sorphea** started working with Bamboo in October 2020 as Branch Manager and was promoted to Regional Manager in Mar 2022, and to Head of Regional Manager from Aug 2023. He obtained his Bachelor's Degree in Finance and Banking from the Human Resource University in 2012.

Sorphea has more than 11 years of experience in Micro-finance sector, starting as Credit Officer, Area Manager, Sub-branch Manager, Branch Manager, Provincial Manager.

**Mr. PEN Pichphirun**  
Senior Regional Manager

**Mr. BUN Sorphea**  
Head of Regions

**Mr. NGEAV Chandara**  
Regional Manager

**Mr. NOEUN Neang**  
Regional Manager



## EXECUTIVE MANAGEMENT



**SANG Hong Mov**  
Credit Consultant

**Hong Mov** was appointed as a credit consultant in June 2018. He obtained bachelor's degree in computer science and engineering from the Royal University of Phnom Penh in 2003 and master's degree in finance and banking from Build Bright University in 2009.

Hong Mov has more than 16 years of experience in the banking and financial sectors, starting in various positions such as credit officer, chief credit officer, trade finance analysis officer, and product development director.



**Trav Sokkheng**  
Head of Loan Recovery

**Sokkheng** obtained his Bachelor's degree in Finance and Banking from Build Bright University in 2007 and Master Degree in Management from University of South East Asia in 2014.

He has more than 16 years of experience in micro-finance sector, served in many positions, such as Credit Officer, Medium Loan Credit Officer at Hatthakaksekar MFI (2008 – 2012), Loan Officer, Senior Loan Officer, Chief Loan Officer at Cambodia Asia Bank (2012 – 2016), Branch Manager, Senior Branch Manager, Leasing Manager at Bayon Credit MFI (2016 – 2019).

He continued his journey with Bamboo starting in May 2019 as Operation Unit Manager, He was promoted to Loan Recovery Manager in August 2020 and appointed to become Head of Loan Recovery in August 2023.



**TEP Sarith**  
Head of Internal Audit

**Sarith** obtained his Bachelor's Degree in Teaching English as a foreign language at the Human Resource University in 2018 and Bachelor's in Computer Science and Engineering at the Royal University of Phnom Penh in 2014. He has attended numerous training courses such as Practical and Internal Audit Control Systems, Management and Leadership, Professional Accounting Skill & Duties Responsibilities of Tellers, Protocol, Guiding of Tourism, Galileo Reservation System, Securities Market Securities Business and law enforcement, and several other workshops and training courses in the areas of Internal Audit Management and Leadership.

Sarith worked with several positions as a Computer Teacher, Accountant, Credit officer, Chief of Credit officer, Branch Manager, and Chief of Internal Audit.

Sarith worked for Bamboo from December 2018 to 2020 in several positions as Supervisor of Internal Audit and Chief of Internal Audit. In the year 2020 until now, he was promoted to Head of Internal Audit.

## EXECUTIVE MANAGEMENT



**PEN Boran**  
**Head of Compliance**

**Boran** obtained his Bachelor's degree in Law from the Royal University of Law and Economics in 2014. He has attended many training courses related to AML/CFT, he received the Certificate of Education on AML/CFT from ACLEDA Institute and Business in 2018, Professional education Program in the Securities Sector Certificate from Securities and Exchange Regulator of Cambodia in 2021 and 2023 and the Regulatory Compliance Certification from the Institute of Banking and Finance in 2019 and 2024. He worked with the Ministry of Planning for four years, from 2013 to 2017 as Data Entry and Data Collector Officer.

Boran started working with Bamboo in April 2017, with several positions as Administrative Officer (from April 2017 to April 2018), Internal Audit Officer (from April 2018 to November 2018), as Compliance Officer (from November 2018 to November 2019), Senior Compliance Officer (from November 2019 to February 2021), Chief of Compliance (from February 2021 to February 2022), and He was promoted to Head of Compliance in February 2022.

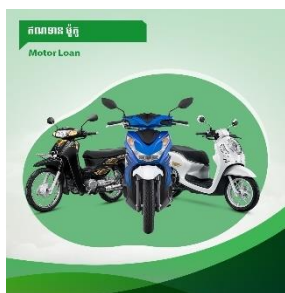
## MANAGEMENT TEAM





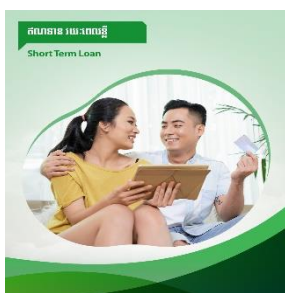
## PRODUCTS AND SERVICES

Established in Cambodia in March 2015, Bamboo Finance provides financial service to the public as below:



### Motorbike Loan

This loan has been arranged to enable individual such as retail seller at markets and downtowns or staff of companies, public civil servant, garment/construction worker, Moto taxi driver... which have sufficient income and need cash to buy motorcycle for using in daily life.



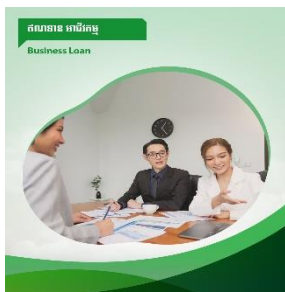
### Short-term Loan

For small retailers and individuals with regular income who have collateral mainly as movable assets to purchase necessities or consumable items and personal spending in a short-time period.



### Personal Loan

For individuals with regular income that need loans for personal spending, and have immovable assets for collateral such as house, land, or shop titles with hypothec contracts. This product mainly provides to retail sellers at markets and downtowns or staff of companies, garment/construction workers, and motor taxi drivers.



### Business Loan

For an individual or business partner who owns a business and has a franchise agreement with the parent company of the MFI to expand its business via using the loan to buy products to sell to clients with the loan.



### 121 Products Loan

For individuals who need money to buy electronic commodities at 121 SHOPPE, such as refrigerators, laundering machines, air conditioners, iron, fan, and television.



### Staff Loan

For staff at all levels of Bamboo Finance Plc, who have full capacity and need the cash to enhance leaving standard in daily life.

**ស្វែងរកកម្ចីដែល  
ផ្តល់នូវទំនុកចិត្តល្អ**



**គួរជ្រើសរើស**  
គ្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ  
បើមិច្ចិ ហ្វាយនែន ភីអិលស៊ី

**បើមិច្ចិ ផ្តល់ជូនឥណទានម៉ូតូ  
ជាមួយសេវាកម្ម  
ងាយស្រួល និងឆាប់រហ័ស**





## OUR LENDERS AND PARTNERS

### LENDERS:



### PARTNERS:

We work together, we grow together, and we fight together with our partners:



LAKSMI PRIME INVESTMENT



MEGA LEASING PLC.



TROP KHNHOM  
MICROFINANCE PLC.



121 SHOPPE CO., LTD.



M ALLIANCE CO., LTD.



REALTOR 168 CO., LTD.



KRUD POWER



GRASSROOTS ENTREPRENEUR



BANHJI FINTECH CO., LTD.



MEGA FUND LIMITED



AMARA CAPITAL PLC.



URBAN VILLAGE



BOUNDLESSLY



KHMER AMRIT INVESTMENT



POLY CLINIC AND MATERNITY  
KUNMDAI



PHSAR121



LPL 168 PAWN SHOP CO.,LTD



Holy Mothers Clinic &  
Maternity



With the ease of access, Bamboo Finance's customers can make loan repayments through TrueMoney and Wing Agents network of more than 21,000 across Cambodia.

**កាន់តែងាយស្រួល បង់កម្ចីមកកាន់ ប្រើប្រាស់ ហ្វាយនែន គឺអីលស៊ី**

**ជាមួយភ្នាក់ងារ ទ្រូម៉ាត៍ និង វីង ទូទាំងប្រទេស**

**លេខកូដ 2626 (KHR) 2626 (USD)**

**លេខកូដ 5565 (KHR) 5564 (USD)**

បញ្ជាក់: ត្រូវតែប្រើប្រាស់ទូរស័ព្ទដៃដើម្បីទទួលបានការបង់ប្រាក់តាមរយៈបណ្តាញសង្គមដូចជា: Facebook, Telegram, ឬការស្កេន QR កូដ។

For more information: ☎ 011 777 173 | 070 734 070



## HUMAN RESOURCE DEVELOPMENT



### BAMBOO INVESTS IN EMPLOYEE DEVELOPMENT

Bamboo Finance prioritizes employee growth and equips its staff with a robust training program designed to enhance their skills and empower them to excel in their roles.

#### New Hire Onboarding:

- **Comprehensive Orientation:** New credit officers and staff begin their journey with a thorough orientation at the head office. This immersive experience provides a solid foundation by introducing them to Bamboo's vision, mission, core values, policies, and best practices.
- **Mentorship and On-the-Job Training:** Following orientation, new hires transition to branch offices or relevant departments. Here, they receive hands-on training by shadowing experienced credit officers/staff. Branch managers and supervisors provide ongoing guidance, ensuring a smooth transition into their roles.
- **Continuous Learning:** In addition to internal training, Bamboo Finance recognizes the value of external expertise. The company collaborates with external trainers to deliver customized courses that address specific industry trends and skill development needs. This ensures staff remains current on best practices and industry knowledge.

#### Benefits of Bamboo's Training Program:

- **Empowered Employees:** This comprehensive program fosters a skilled and confident workforce.
- **Enhanced Customer Service:** Well-trained staff translates to efficient and exceptional customer service experiences.
- **Improved Efficiency:** Employees can navigate their roles with confidence, leading to increased efficiency and productivity.

This rewrite highlights the key aspects of Bamboo Finance's training program, emphasizing its benefits for both staff and customers. It also uses a more engaging and informative tone.

#### Expanding Learning Opportunities:

Beyond in-person training, Bamboo equips its staff with flexible learning options:

- **Zoom Training:** This technology allows trainers to connect and deliver sessions virtually to staff in different locations, fostering accessibility and wider participation.
- **Regular Refresher Training:** Staff benefit from ongoing knowledge updates. Relevant head office departments provide refreshers on policies, procedures, and technical and soft skills, ensuring staff stays sharp and adaptable.

## HUMAN RESOURCE DEVELOPMENT

### Investing in the Future:

Bamboo recognizes the value of nurturing young talent. The company offers internship programs that provide students with valuable industry exposure and practical job experience.



This allows them to develop essential skills for a professional career, while also introducing them to potential career paths at Bamboo.



### A Culture of Continuous Learning:

Training plays a central role in Bamboo's overall strategy.



The company prioritizes ongoing development for its workforce. Here's a glimpse into their training efforts in 2023:

1. **Orientation Training:** Offered 10 times, equipping 86 new hires with a strong foundation.



2. **Refresher Training:** Conducted 46 times, ensuring 721 staff members stay updated on key areas.



3. **Motivational Training (Outsourced):** Provided over 6 times, engaging 342 participants.



In total, Bamboo facilitated 67 training sessions in 2023, reaching 1,184 staff members. These impressive numbers showcase their commitment to continuous learning and employee growth.



# CSR | Corporate Social Responsibility

## BAMBOO



### BAMBOO'S CORPORATE SOCIAL RESPONSIBILITY

#### IMPACT OF BAMBOO'S MOTOBIKE LOAN

Bamboo Finance's Motorbike Loans play a pivotal role in Cambodia, a nation where motorbikes are essential due to limited transport infrastructure. These affordable loans bolster mobility, granting individuals greater access to employment, education, and healthcare.

Moreover, they act as catalysts for local economic vitality, kindling entrepreneurial opportunities in taxi services, repair shops, motorbike maintenance, and spare parts trade.



By addressing both individual needs and fostering entrepreneurship, these loans drive inclusive economic growth and social well-being, underlining Bamboo Finance's commitment to responsible and impactful financial inclusion.

The loans are tailored to meet the needs of low-income customers who often lack collateral or credit history, and application process is straightforward and transparent, and the interest rates are affordable.

Furthermore, Bamboo Finance's motorbike loans have been designed in a way that is inclusive and responsible.



The loans are also accompanied by financial education and support services, which help customers to manage their finances effectively and improve their financial literacy.



## BAMBOO'S CORPORATE SOCIAL RESPONSIBILITY

### CLIENT PROTECTION PRINCIPLE

Bamboo has developed the client protection principle for the purpose as follows:

- To establish standards for protecting clients' benefits with good quality, professionalism, virtue, sophistication
- To participate in the prevention and protection of fraud, theft, and concealment of clients' assets
- To participated in developing credit sector in Cambodia for prosperity and perpetuity.

These principles are: (1) Appropriate products design and delivery (2) Prevention of over-indebtedness (3) Transparency (4) Responsible pricing (5) Fair and respectful treatment of clients (6) Privacy of client data (7) Mechanisms for complaint resolution.

### ENVIRONMENTAL AND SOCIAL EXCLUSION LIST

BAMBOO is committed to avoid offering loans to any client who has a business in the below list:

- Production or activities involving harmful or exploitative forms of forced labor or child labor
- Production or trade in weapons and munitions
- Gambling, prostitution, wildlife trade, illegal logging, and fishing
- Production, processing or distribution of illegal drugs and tobacco
- Production or trade that prohibited by law of the Kingdom of Cambodia

### OTHER INITIATIVES AND SUPPORT:

Bamboo's CSR activities have made a significant contribution to the local community in Cambodia. We place a strong emphasis on giving back to the community in a variety of ways:

#### ❖ Blood donation

Bamboo organized a life-saving voluntary blood donation program in direct collaboration with the National Blood Transfusion Center of the Ministry of Health.

The institution is dedicated to upholding its mission and corporate values by aligning with the Royal Government of Cambodia's health policies and strategies to promote the well-being of the people.



They are committed to supporting initiatives that aim to save the lives of individuals, particularly children vulnerable to diseases that necessitate blood transfusions.



#### ❖ Bamboo finance makes a heartfelt impact on thlok kambot primary school

During the 2023 work review meeting in Angkor, Siem Reap City, Bamboo Finance went beyond business discussions by organizing a meaningful charity event for 60 students at Thlok Kambot Primary School in Prasat Bakong District, Siem Reap Province. Each student received a school bag, three notebooks, three pens, three pencils, and cash, equipping them with the tools they needed to excel in their studies. This thoughtful gesture will no doubt spark joy and empower the young minds at Thlok Kambot Primary School.



Furthermore, Bamboo has set aside funding for the restoration of school structures and to support the teachers, sub-chief villages, and village chiefs.





## BAMBOO'S CORPORATE SOCIAL RESPONSIBILITY

### ❖ Community development and engagement

Bamboo Finance has planted a diverse range of saplings and distributed solar lamps to monks in order to illuminate the surroundings of Wat Kiri Thammavant, also known as Wat Thmor Antong, situated in Otasaing Village, Complaint Commune, Bati District, Takeo Province.



This event was organized under the leadership of Mr. Keo Sokha, the chief executive officer with the participation of all staff members and included involvement from monks, Tajj, nuns, the military, and the public.



### ❖ Employee Wellness Program

This program would aim to improve the health and well-being of Bamboo finance's employees. we have set up a dedicated room equipped with first aid kits.





## BAMBOO'S CORPORATE SOCIAL RESPONSIBILITY

This room is specifically designed for employees who may need to rest and receive assistance in case of illnesses or injuries.



Our staff members are trained in first aid and are available to provide the necessary support.



In particular, the company provides 90 days of leave with full salary support for maternity leave staff. Additionally, in the unfortunate event of a death, the company offers a special package of up to \$10,000 for spouses, children, birth parents, and parents-in-law. These measures are designed to enhance and enforce occupational safety and health, aligning with the primary objective of the Ministry of Labor and Vocational Training.



### ❖ Participate in Career and Productivity Fair

Bamboo Finance is committed to supporting the entire community by providing assistance to individuals who are unemployed.



We have created a job forum and actively share job postings through our job opportunities notification system to reach students and candidates in the city and surrounding areas.



- ❖ One more evening!!!
- ❖ Don't miss this wonderful opportunity!!!
- ❖ Don't forget to include your CV!!!
- ❖ Opportunity to work with Bamboo!!!



**BAMBOO FINANCE PLC.**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**BAMBOO FINANCE PLC.**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>CONTENTS</b>	<b>Page (s)</b>
Directors' report	1 – 3
Independent auditor's report	4 – 6
Financial statements:	
Statement of financial position	7
Statement of comprehensive income	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11 – 34



ក្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ បែមប៊ូ ហ្វាយនែន ភីអិលស៊ី

BAMBOO FINANCE PLC

## DIRECTORS' REPORT

The Board of Directors (the Directors) hereby submits its report together with the audited financial statements of Bamboo Finance Plc. (the Company) for the year ended 31 December 2023.

## THE COMPANY

Bamboo Finance Plc. (the Company) is a licensed microfinance institution incorporated in Cambodia and registered with the Ministry of Commerce as a public limited liability company under a registration No. 00012949 dated 29 January 2015. The Company obtained a license to conduct business as a microfinance institution from the National Bank of Cambodia (NBC or the central bank) on 7 May 2015. The Company obtained a permanent business license from NBC on 27 May 2021.

## PRINCIPAL ACTIVITIES

The Company's corporate focus is to provide reliable and affordable access to financial services to micro-entrepreneurs, small, and medium-sized financial credits in the sectors which have been under served by financial institutions. There have been no significant changes in the nature of principal activities during the financial year.

## FINANCIAL PERFORMANCE

The financial performance for the year ended 31 December 2023 is set out in the statement of comprehensive income on page 8.

## SHARE CAPITAL

During the year, the Company increased its share capital from US\$2,500,000 to US\$4,000,000 through cash injection. There were changes in the shareholders and share structure during the year, please refer to Note 16.

There was no dividend declared or paid during the year.

## BAD AND DOUBTFUL LOANS AND ADVANCES

Before the financial statements of the Company were drawn up, the Directors took reasonable steps to ascertain that actions had been taken in relation to the writing off of bad loans and advances and the making of allowance for bad and doubtful loans and advances, and satisfied themselves that all known bad loans and advances had been written off and that adequate allowance had been made for bad and doubtful loans and advances.

At the date of this report, the Directors are not aware of any circumstances that would render the amount written off for bad loans and advances or the amount of allowance for doubtful loans and advances in the financial statements of the Company inadequate to any material extent.

## ASSETS



Before the financial statements of the Company were drawn up, the Directors took reasonable steps to ensure that any assets that were unlikely to be realised in the ordinary course of business at their values as shown in the accounting records of the Company have been written down to an amount which they might be expected to be realised.

At the date of this report and to the best of their knowledge, the Directors are not aware of any circumstances that would render the values attributed to the assets in the financial statements of the Company misleading in any material respect.

### **CONTINGENT AND OTHER LIABILITIES**

At the date of this report, there is:

- (a) no charge on the assets of the Company that has arisen since the end of the year that secures the liabilities of any other person; and
- (b) no contingent liability in respect of the Company that has arisen since the end of the year other than in the ordinary course of business.

No contingent or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the year which, in the opinion of the Board of Directors, will or may have a material effect on the ability of the Company to meet its obligations as and when they become due.

### **CHANGE OF CIRCUMSTANCES**

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Company that would render any amount stated in the financial statements misleading in any material respect.

### **ITEMS OF AN UNUSUAL NATURE**

There were no items, transactions or events of a material and unusual nature that, in the opinion of the Directors, materially affected the financial performance of the Company for the year ended 31 December 2023.

There has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operations of the Company for the current year.

### **THE BOARD OF DIRECTORS**

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

Mr. Shiraishi Yoichi	Chairman
Mr. Lim Socheat	Director
Mr. Shigeta Mitsutoki	Director
Mr. Keo Sokha	Director
Mr. Na Sothy	Independent Director

## RESPONSIBILITIES OF THE BOARD OF DIRECTORS IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for ensuring that the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023 and its financial performance and its cash flows for the year then ended in accordance with the Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (CIFRS for SMEs). In preparing these financial statements, the Directors are required to:

- i) adopt appropriate accounting policies that are supported by reasonable and prudent judgements and estimates, and then apply them consistently;
- ii) comply with the disclosure requirements of CIFRS for SMEs or, if there has been any departure in the interest of fair presentation, these has been appropriately disclosed, explained and quantified in the financial statements;
- iii) maintain adequate accounting records and an effective system of internal controls;
- iv) prepare the financial statements on a going-concern basis unless it is inappropriate to assume that the Company will continue operations in the foreseeable future; and
- v) effectively control and direct the Company and be involved in all material decisions affecting its operations and performance and ascertain that such matters have been properly reflected in the financial statements.

The Directors confirm that the Company has complied with the above requirements in preparing the financial statements.

## APPROVAL OF THE FINANCIAL STATEMENTS

The accompanying financial statements, together with the notes thereto, which present fairly, in all material respects, the financial position of the Company as at 31 December 2023 and its financial performance and cash flows of the Company for the year then ended in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities, were approved by the Board of Directors.

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

1272  
Mr. Shiraishi Yoichi  
Chairman



Phnom Penh, Kingdom of Cambodia

30 APR 2024





## **Independent auditor's report**

To the shareholder of Bamboo Finance Plc.

### **Our opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of Bamboo Finance Plc. (the Company) as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (CIFRS for SMEs).

#### *What we have audited*

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2023;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

### **Basis for opinion**

We conducted our audit in accordance with Cambodian International Standards on Auditing (CISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

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 Company 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) and the ethical requirements of the Kampuchea Institute of Certified Public Accountants and Auditors' Code of Ethics for Certified Public Accountants and Auditors (KICPAA Code) that are relevant to our audit of the financial statements in Cambodia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the KICPAA Code.





### **Other information**

Management is responsible for the other information. The other information obtained at the date of this auditor's report are the directors' report and supplementary financial information and other disclosures required by the National Bank of Cambodia but do not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this 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.

### **Responsibilities of management and those charged with governance for the financial statements**

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

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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

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

For PricewaterhouseCoopers (Cambodia) Ltd.



By Touch Sovannara  
Partner

Phnom Penh, Kingdom of Cambodia  
30 April 2024

**BAMBOO FINANCE PLC.**

**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

		2023		2022	
	Notes	US\$	KHR'000	US\$	KHR'000
Assets					
Cash on hand	5	14,056	57,419	17,294	71,199
Deposits and placements with the central bank	6	211,365	863,426	132,560	545,750
Deposits and placements with banks	7	1,311,826	5,358,809	72,660	299,141
Loans to customers at amortised cost	8	23,043,506	94,132,722	20,396,128	83,970,859
Property and equipment	9	85,402	348,867	109,708	451,668
Intangible assets	10	17,007	69,474	15,045	61,940
Other assets	11	298,626	1,219,888	240,979	992,110
Total assets		24,981,788	102,050,605	20,984,374	86,392,667
Liabilities and equity					
Liabilities					
Borrowings	12	17,676,474	72,208,396	15,689,806	64,594,931
Subordinated debt	13	2,025,500	8,274,168	2,025,028	8,337,040
Current tax liabilities	14	82,751	338,038	58,436	240,581
Other liabilities	15	330,453	1,349,901	400,189	1,647,578
Total liabilities		20,115,178	82,170,503	18,173,459	74,820,130
Equity					
Share capital	16	4,000,000	16,000,000	2,500,000	10,000,000
Regulatory reserves		371,461	1,518,495	258,797	1,055,446
Retained earnings		495,149	2,065,441	52,118	244,583
Currency translation differences		-	296,166	-	272,508
Total equity		4,866,610	19,880,102	2,810,915	11,572,537
Total liabilities and equity		24,981,788	102,050,605	20,984,374	86,392,667

The accompanying notes on pages 11 to 34 form an integral part of these financial statements.



**BAMBOO FINANCE PLC.**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	2023		2022	
		US\$	KHR'000	US\$	KHR'000
Interest income	17	5,368,229	22,063,421	3,844,118	15,710,910
Interest expense	18	(2,444,347)	(10,046,266)	(1,771,379)	(7,239,626)
<b>Net interest income</b>		<u>2,923,882</u>	<u>12,017,155</u>	<u>2,072,739</u>	<u>8,471,284</u>
Fee and commission income	19	47,764	196,310	-	-
Fee and commission expense		(21,761)	(89,438)	-	-
<b>Net fee and commission income</b>		<u>26,003</u>	<u>106,872</u>	<u>-</u>	<u>-</u>
Credit impairment losses	20	(7,433)	(30,550)	(53,233)	(217,563)
Other income		2,832	11,640	70,723	289,045
<b>Net other operating expense</b>		<u>(4,601)</u>	<u>(18,910)</u>	<u>17,490</u>	<u>71,482</u>
Personnel expenses	21	(1,667,276)	(6,852,504)	(1,228,557)	(5,021,112)
Depreciation and amortisation charges	22	(64,084)	(263,385)	(40,540)	(165,687)
Other operating expenses	23	(525,655)	(2,160,442)	(396,391)	(1,620,050)
<b>Profit before income tax</b>		<u>688,269</u>	<u>2,828,786</u>	<u>424,741</u>	<u>1,735,917</u>
Income tax expense	24	(132,574)	(544,879)	(93,212)	(380,957)
<b>Profit for the year</b>		<u>555,695</u>	<u>2,283,907</u>	<u>331,529</u>	<u>1,354,960</u>
<b>Other comprehensive income:</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Currency translation differences		-	23,657	-	116,558
<b>Total comprehensive income for the year</b>		<u>555,695</u>	<u>2,307,564</u>	<u>331,529</u>	<u>1,471,518</u>
<b>Profit attributable to:</b>					
Owners of the Company		<u>555,695</u>	<u>2,283,907</u>	<u>331,529</u>	<u>1,354,960</u>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		<u>555,695</u>	<u>2,307,564</u>	<u>331,529</u>	<u>1,471,518</u>

The accompanying notes on pages 11 to 34 form an integral part of these financial statements.

**BAMBOO FINANCE PLC.**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Attributable to owners of the Company								Total	
	Share capital		Regulatory reserves		Retained earnings		Other reserves			
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
As at 1 January 2022	2,500,000	10,000,000	173,631	707,373	(194,245)	(762,304)	-	155,950	2,479,386	10,101,019
Profit for the year	-	-	-	-	331,529	1,354,960	-	-	331,529	1,354,960
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	116,558	-	116,558
Total comprehensive income for the year	-	-	-	-	331,529	1,354,960	-	116,558	331,529	1,471,518
Transaction with the owners										
Transfer to regulatory reserves	-	-	85,166	348,073	(85,166)	(348,073)	-	-	-	-
Total transaction with the owners	-	-	85,166	348,073	(85,166)	(348,073)	-	-	-	-
As at 31 December 2022	2,500,000	10,000,000	258,797	1,055,446	52,118	244,583	-	272,508	2,810,915	11,572,537
As at 1 January 2023	2,500,000	10,000,000	258,797	1,055,446	52,118	244,583	-	272,508	2,810,915	11,572,537
Profit for the year	-	-	-	-	555,695	2,283,907	-	-	555,695	2,283,907
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	23,658	-	23,658
Total comprehensive income for the year	-	-	-	-	555,695	2,283,907	-	23,658	555,695	2,307,565
Transaction with the owners										
Capital contribution	1,500,000	6,000,000	-	-	-	-	-	-	1,500,000	6,000,000
Transfer to regulatory reserves	-	-	112,664	463,049	(112,664)	(463,049)	-	-	-	-
Total transaction with the owners	1,500,000	6,000,000	112,664	463,049	(112,664)	(463,049)	-	-	1,500,000	6,000,000
As at 31 December 2023	4,000,000	16,000,000	371,461	1,518,495	495,149	2,065,441	-	296,166	4,866,610	19,880,102

The accompanying notes on pages 11 to 34 form an integral part of these financial statements.

**BAMBOO FINANCE PLC.**
**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023		2022	
	Notes	US\$	KHR'000	US\$	KHR'000
<b>Cash flows from operating activities</b>					
Profit before income tax		688,269	2,828,786	424,741	1,735,917
Adjustments for:					
Credit impairment losses		49,669	204,140	53,233	217,563
Loans written-off		(31,865)	(130,965)	(21,409)	(87,499)
Depreciation and amortisation charges	22	64,084	263,385	40,540	165,687
Foreign exchange differences		3,828	15,733	-	-
Interest income	17	(5,368,229)	(22,063,421)	(3,844,118)	(15,710,910)
Interest expense	18	2,444,347	10,046,266	1,771,379	7,239,626
		(2,149,897)	(8,836,076)	(1,575,634)	(6,439,616)
Changes in working capital:					
Loans to customers		(2,613,792)	(10,742,685)	(8,781,289)	(35,889,128)
Other assets		(68,758)	(282,595)	8,382	34,257
Other liabilities		(69,737)	(286,619)	180,411	737,340
Cash used in operations		(4,902,184)	(20,147,975)	(10,168,130)	(41,557,147)
Interest received		5,324,077	21,881,956	3,717,163	15,192,045
Interest paid		(2,425,314)	(9,968,041)	(1,687,422)	(6,896,494)
Income tax paid	14	(108,577)	(446,251)	(55,318)	(226,085)
<b>Net cash flows used in operating activities</b>		<b>(2,111,998)</b>	<b>(8,680,311)</b>	<b>(8,193,707)</b>	<b>(33,487,681)</b>
<b>Cash flow from investing activities</b>					
Capital guarantee with the central bank		(75,000)	(308,250)	-	-
Purchases of property and equipment	9	(37,187)	(152,839)	(94,332)	(385,535)
Purchases of intangible assets	10	(4,553)	(18,713)	(1,925)	(7,867)
<b>Net cash used in investing activities</b>		<b>(116,740)</b>	<b>(479,802)</b>	<b>(96,257)</b>	<b>(393,402)</b>
<b>Cash flow from financing activities</b>					
Proceeds from borrowings	12	2,535,846	10,422,327	6,235,791	25,485,678
Repayment of borrowings	12	(571,567)	(2,349,140)	(200,000)	(817,400)
Proceeds from subordinated debt	13	-	-	2,000,000	8,174,000
Proceeds from issuance of share capital	16	1,500,000	6,000,000	-	-
<b>Net cash generated from financing activities</b>		<b>3,464,279</b>	<b>14,073,187</b>	<b>8,035,791</b>	<b>32,842,278</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>1,235,541</b>	<b>4,913,074</b>	<b>(254,173)</b>	<b>(1,038,805)</b>
Cash and cash equivalents at the beginning of year		97,514	401,465	351,687	1,432,773
Currency translation difference		-	130,991	-	7,497
<b>Cash and cash equivalents at the end of year</b>	25	<b>1,333,055</b>	<b>5,445,530</b>	<b>97,514</b>	<b>401,465</b>

The accompanying notes on pages 11 to 34 form an integral part of these financial statements.



## **BAMBOO FINANCE PLC.**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **1. GENERAL INFORMATION**

Bamboo Finance Plc. (the Company) is a licensed microfinance institution incorporated in Cambodia and registered with the Ministry of Commerce as a public limited liability company under a registration No. 00012949 dated 29 January 2015. The Company obtained a license to conduct business as a microfinance institution from the National Bank of Cambodia (NBC or the central bank) on 7 May 2015. The Company obtained a permanent business license from the NBC on 27 May 2021.

The Company's corporate focus is to provide reliable and affordable access to financial services to micro-entrepreneurs, small, and medium-sized financial credits in the sectors which have been under served by financial institutions.

The Company's head office is located at No. 3, Phnom Penh-Hanoi Friendship Blvd., Phum Roang Rong Chakr, Sangkat Kork Khleang, Khan Sen Sok, Phnom Penh, Kingdom of Cambodia.

The financial statements were authorised for issue by the Board of Director on 30 April 2024.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **2.1 Basis of preparation**

The financial statements are prepared in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (CIFRS for SMEs). They have been prepared using the historical cost convention.

The Company discloses the amount for each asset and liability that is expected to be recovered or settled no more than 12-month after the reporting period as current, and more than 12-month after the reporting period as non-current.

The preparation of financial statements in conformity with CIFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgments or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

An English version of the financial statements have been prepared from the financial statements that are in the Khmer language. In the event of a conflict or a difference in interpretation between the two languages, the Khmer language financial statements shall prevail.

##### **2.2 Foreign currency translation**

###### **(a) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The functional currency is the United States dollars (US\$) because of the significant influence of the US\$ on its operations. The financial statements are presented in US\$ which is the Company's functional and presentation currency.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.2 Foreign currency translation (continued)**

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of transactions. 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 currencies other than US\$ are recognised in profit or loss on a net basis within 'other gains/(losses) – net'.

**(c) Presentation in Khmer Riel**

In compliance with the Law on Accounting and Auditing, the financial statements shall be expressed in Khmer Riel (KHR). The statement of comprehensive income and the statement of cash flows are translated into KHR using the average exchange rates for the year. Assets and liabilities for each statement of financial position presented are translated at the closing rates as at the reporting date. Shareholders' capital and reserves are translated at the rate at the date of transaction. Resulting exchange differences arising from translation are recognised in the other comprehensive income.

The Company has used the official rates of exchange published by the National Bank of Cambodia, and as at the reporting date, the average rate was US\$ 1 to KHR 4,110 (2022: KHR 4,087) and the closing rate was US\$ 1 to KHR 4,085 (2022: KHR 4,117).

**2.3 Financial instruments**

**2.3.1 Scope of financial instruments**

All the financial assets and financial liabilities of the Company are basic financial instruments and are within the scope of section 11 of CIFRS for SMEs.

Basic financial assets of the Company are cash on hand, deposits and placements with the central bank, deposits and placements with banks, loans to customers, and other financial assets.

Basic financial liabilities of the Company are borrowings, subordinated debt and other financial liabilities.

**2.3.2 Recognition and derecognition**

The Company recognises a financial asset or a financial liability only when the Company becomes a party to the contractual provision of the instrument.

The Company derecognises a financial asset only when either:

- The contractual rights to the cash flows from the financial asset expire or are settled;
- The Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset;
- The Company has retained some significant risks and rewards of ownership but has transferred control of the asset to another party. The asset is therefore derecognised, and any rights and obligation created or retained are recognised.

The Company derecognises a financial liability only when it is extinguished; when the obligation specified in the contract is discharged, is cancelled or expires.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3 Financial instruments (continued)**

**2.3.3 Initial and subsequent measurement**

*Financial instruments measured at amortised cost*

When a financial asset or financial liability is recognised initially, the Company measures it at the transaction price (including transaction costs).

Financial assets and financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method.

The amortised cost of a financial asset or financial liability is the net of the following amount:

- The amount at which the financial asset or financial liability is measured at initial recognition;
- Minus any repayments of the principal;
- Plus or minus the cumulative amortisation using the effective interest method of any difference between the amount at initial recognition and maturity amount;
- Minus, in the case of a financial asset, any reduction for impairment or uncollectability.

**2.3.4 Impairment of financial assets measured at cost or amortised cost**

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

The criteria the Company uses to determine whether there is objective evidence of impairment loss include indications that the borrower or a group of borrowers is experiencing significant financial difficulty, the probability that they will enter bankruptcy or other financial reorganisation, default of delinquency in interest or principal payments and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as adverse economic conditions or adverse changes in industry conditions.

The Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment.

The impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial assets' original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in profit or loss.

Financial assets that have not been individually assessed are grouped together for portfolio impairment assessment. These loans are grouped according to their credit risk characteristics for the purposes of calculating an estimated collective loss. These characteristics are relevant to the estimation of future cash flows for groups of such assets by being indicative of the debtors' ability to pay all amounts due according to the contractual terms of the assets being assessed. Future cash flows on a group of financial assets that are collectively assessed for impairment are estimated on the basis of historical loss experience for assets with credit risk characteristics similar to those in the group.

The methodology and assumptions used for estimating future cash flows are reviewed regularly by the Company to reduce any differences between loss estimates and actual loss experience.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3 Financial instruments (continued)**

**2.3.4 Impairment of financial assets measured at cost or amortised cost (continued)**

When a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after the realisable value of collateral has been taken into consideration, if any, when in the judgement of the management, there is no prospect of recovery.

If, in a subsequent period, the amount of impairment losses 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 in profit or loss.

**2.4 Cash and cash equivalents**

Cash and cash equivalents include cash on hand, non-restricted deposits and placement with the central bank, deposits and placements with banks, with original maturities of three months or less from the date of acquisition.

**2.5 Property and equipment**

Property and equipment are stated at historical cost less accumulated depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is possible that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Capital work-in-progress is not depreciated. Depreciation of property and equipment is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives are as follows:

	Years
Leasehold improvement	Shorter of lease period or its economic live of 4 years
Furniture and fixtures	4 years
Computer equipment	2 years
Office equipment	4 years
Motor vehicles	4 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and recognised in the profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.6 Intangible assets**

Intangible assets, which comprise acquired computer software licenses and related costs, are stated at cost less accumulated amortisation and impairment loss.

Acquired computer software licenses are capitalised on the basis of the cost incurred to acquire the specific software and bring it to use. These costs are amortised with the useful life of five years using the straight-line method. Work-in-progress is not amortised. Costs associated with maintaining computer software are recognised as expenses when incurred.

**2.7 Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Any impairment loss is charged to profit or loss in the period in which it arises. Reversal of impairment loss is recognised in profit or loss to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, had no impairment loss been recognised.

**2.8 Borrowings and subordinated debt**

Borrowings and subordinated debt are recognised initially at the transaction price (that is, the present value of cash payable to the Company, including transaction costs). Borrowings and subordinated debt are subsequently stated at amortised cost.

Borrowings and subordinated debt are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

**2.9 Provisions and contingent liabilities**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are re-measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

A contingent liability is either a possible but uncertain obligation or a present obligation that is not recognised. The disclosure is required unless the possibility of an outflow of resource is remote.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**2.10 Interest income and expense**

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

The effective interest 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 effective interest rate 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 effective interest rate, the Company takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument, which are an integral part of the effective interest rate, but does not consider future credit losses.

When there is change in estimated future cash payments or receipts, the carrying amount of the financial asset and financial liability is adjusted to reflect actual and revised estimated cash flows. The carrying amount is recalculated by computing the present value of estimated future cash flows at the financial instrument's original effective interest rate. Such adjustment is recognised in the profit or loss at the date of revision.

Interest on impaired financial assets is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

When a loan receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. Interest income on impaired loan receivable is recognised using the original effective interest rate.

**2.11 Fee and commission income**

Fees and commission consist of fees related to loans that are not integral to loan disbursement such as penalty fee on late payment and other fee charges (if any). Income is recognised when (a) the amount of income can be measured reliably; (b) it is probable that the economic benefits associated with the transaction will flow to the entity. The income is derived from different contracts and pattern of recognition and is based on the stated policy.

**2.12 Lease**

*As a lessee*

Leases in which a significant portion of risks and rewards of ownership of assets are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the leases.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.13 Employee benefits**

**(a) Short-term employee benefits**

Short-term employee benefits are accrued in the year in which the associated services are rendered by the employees of the Company.

**(b) Pension fund scheme**

The Company pays monthly contributions for the compulsory pension scheme to National Social Security Fund (NSSF), a publicly administered social security scheme for pension in Cambodia. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due.

**(c) Other employment benefits - seniority payments**

In June 2018, the Cambodian government amended the Labour Law introducing the seniority pay scheme. Subsequently on 21 September 2018, Prakas No. 443 K.B/Br.K.Kh.L, was issued providing guidelines on the implementation of the law. In accordance with the law/prakas, each entity is required to pay each employee with unspecified duration employment contract the following seniority scheme:

- Annual service - effective January 2019, 15 days of their average monthly salary and benefits each year payable every six month on 30 June and 31 December (7.5 days each payment).
- Past years of seniority service – employees are entitled to 15 days of their salary per year of service since the commencement of employment up to 31 December 2018 and still continue working with the Company. The past seniority payment depends on each staff's past services and shall not exceed six months of average basic salaries. On 22 March 2019, the Ministry of Labour and Vocational Training issued guideline number 042/19 K.B/S.N.N.Kh.L, to delay the payment of the past years of seniority service which will be payable three days each in June and in December starting December 2021.

The annual service pay is considered as short-term employee benefits. These are accrued in the year in which the associated services are rendered by the employees of the Company.

The past years of seniority service is classified as long-term employee benefits, except for the amount payable within 12 months. Past seniority liability is recognised at the present value of defined obligations at the reporting period. The present value of the past seniority payment is determined by discounting the estimated future payments by references to the high-quality corporate bond of the currency that the liability is denominated.

**2.14 Current and deferred income tax**

The income tax expenses are the tax payables on the current's period taxable income, based on the applicable income tax rate, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax law enacted or substantively enacted at the reporting date in the country where the Company operates and generates taxable income.

Deferred tax is provided in full, using the liability method, providing for temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates based on laws that have been enacted or substantively enacted by the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.14 Current and deferred income tax (continued)**

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity.

Current and deferred tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**2.15 Regulatory reserve**

Banks and financial institutions are required to compute regulatory provisions, according to Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 dated 16 February 2018 on credit risk classification and provisions on impairment, and Circular No. B7-021-2314 dated 28 December 2021 on classification and provisioning requirements on restructured loan. If the accumulated regulatory provision is higher than the accumulated impairment based on CIFRS for SMEs, the 'topping up' will be recorded as regulatory reserves presented under equity. The reserve is subsequently reversed (up to zero) should the accumulated regulatory provision be lower than accumulated impairment based on CIFRS for SMEs. The regulatory reserve is set aside as a buffer, is non-distributable, and is not allowed to be included in the net worth calculation.

**3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS**

The Company makes estimates, assumptions and judgements that affect the reported amounts of assets and liabilities. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Impairment losses on loans to customers**

The Company makes allowance for impairment for losses on loans and advances based on assessment of recoverability. Whilst management is guided by the accounting standard, management makes judgement on the future and other key factors in respect of the estimation of the amount and time of the cash flows in allowance for impairment of loans and advances. Among the factors considered are the Company's segmentation of loan portfolios, point of no return of non-performing loans, aggregate exposure to the borrowers, the viability of the customer's business model, the capacity to generate sufficient cash flow to service debt obligations and the aggregate amount and ranking of all other creditor claims.

**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**4. FINANCIAL INSTRUMENTS**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<b>Financial assets</b>				
<i>Financial assets measured at amortised cost:</i>				
Cash on hand (Note 5)	14,056	57,419	17,294	71,199
Deposits and placements with the central bank (Note 6)	11,365	46,426	7,560	31,125
Deposits and placements with banks (Note 7)	1,311,826	5,358,809	72,660	299,141
Loans to customers at amortised cost (Note 8)	23,043,506	94,132,722	20,396,128	83,970,859
Other financial assets	199,817	816,252	103,674	426,826
	<u>24,580,570</u>	<u>100,411,628</u>	<u>20,597,316</u>	<u>84,799,150</u>
<i>Financial liabilities measured at amortised cost:</i>				
Borrowings (Note 12)	17,676,474	72,208,396	15,689,806	64,594,931
Subordinated debt (Note 13)	2,025,500	8,274,168	2,025,028	8,337,040
Other financial liabilities	124,446	508,362	188,498	776,046
	<u>19,826,420</u>	<u>80,990,926</u>	<u>17,903,332</u>	<u>73,708,017</u>

**5. CASH ON HAND**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
US dollars	8,316	33,971	11,519	47,424
Khmer Riel	5,740	23,448	5,775	23,775
	<u>14,056</u>	<u>57,419</u>	<u>17,294</u>	<u>71,199</u>

**6. DEPOSITS AND PLACEMENTS WITH THE CENTRAL BANK**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<i>Current:</i>				
Current accounts	11,365	46,426	7,560	31,125
<i>Non-current:</i>				
Statutory deposit - capital guarantee	200,000	817,000	125,000	514,625
	<u>211,365</u>	<u>863,426</u>	<u>132,560</u>	<u>545,750</u>

Current accounts are non-interest bearing.

In compliance with Prakas B7-06-209 dated 13 September 2006 on the licensed microfinance institutions, the Company is required to maintain a statutory capital deposit with the central bank at 5% of paid-up capital. This deposit is refundable should the Company voluntarily liquidate.

The statutory capital deposit earns interest at an annual rate of 1.33% (2022: 1.19%).



**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**7. DEPOSITS AND PLACEMENTS WITH BANKS**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<i>Current:</i>				
Current accounts	779,366	3,183,710	49,972	205,735
Savings accounts	28,268	115,475	22,688	93,406
Fixed deposits	504,192	2,059,624	-	-
	<u>1,311,826</u>	<u>5,358,809</u>	<u>72,660</u>	<u>299,141</u>

The fixed deposit terms are three months with maturity dates on 24 January 2024.

Annual interest rates of deposits and placements with banks are as follows:

	<b>2023</b>	<b>2022</b>
Current accounts	0% - 3%	Nil
Saving accounts	Nil	Nil
Fixed deposits	4.5%	Nil

**8. LOANS TO CUSTOMERS AT AMORTISED COST**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<i>At amortised costs</i>				
Motorbike loan	19,270,927	78,721,737	16,611,347	68,388,915
Short-term loan	2,190,020	8,946,232	1,497,461	6,165,047
Personal/business loan	1,532,391	6,259,817	2,187,759	9,007,004
Staff loans	176,950	722,841	190,293	783,436
Others	20,062	81,953	26,919	110,826
Total gross loans to customers	<u>23,190,350</u>	<u>94,732,580</u>	<u>20,513,779</u>	<u>84,455,228</u>
Less: Allowance for impairment losses on loans to customers	<u>(146,844)</u>	<u>(599,858)</u>	<u>(117,651)</u>	<u>(484,369)</u>
Total net loan to customers	<u>23,043,506</u>	<u>94,132,722</u>	<u>20,396,128</u>	<u>83,970,859</u>

**a. Allowance for impairment losses on loans and advances**

The movements in allowance for credit impairment losses on loans to customers are as follows:

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
As at 1 January	117,651	484,369	86,513	352,454
Charged for the year (Note 20)	38,558	158,473	53,233	217,563
Reversals	663	2,725	(686)	(2,804)
Written off	(31,865)	(130,965)	(21,409)	(87,499)
Unwinding of discount	21,837	89,750	-	-
Currency translation differences	-	(4,494)	-	4,655
As at 31 December	<u>146,844</u>	<u>599,858</u>	<u>117,651</u>	<u>484,369</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. LOANS TO CUSTOMERS AT AMORTISED COST (continued)**

**b. Analysis by collateral**

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Secured	22,917,237	93,616,913	20,455,871	84,216,821
Unsecured	273,113	1,115,667	57,908	238,407
Total gross loans to customers	23,190,350	94,732,580	20,513,779	84,455,228

**c. Analysis by industry**

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Services	7,877,732	32,180,535	6,454,784	26,574,346
Manufacturing	6,054,186	24,731,350	6,064,910	24,969,234
Construction	4,316,875	17,634,434	3,919,489	16,136,536
Trade and commerce	3,605,894	14,730,077	3,076,926	12,667,704
Transportation	636,807	2,601,357	450,561	1,854,960
Agriculture	648,366	2,648,575	440,916	1,815,251
Others	50,490	206,252	106,193	437,197
Total gross loans to customers	23,190,350	94,732,580	20,513,779	84,455,228

**d. Analysis by residency**

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Residents	23,190,350	94,732,580	20,513,779	84,455,228
Total gross loans to customers	23,190,350	94,732,580	20,513,779	84,455,228

**e. Analysis by relationship**

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Non-related parties	23,172,203	94,658,450	20,504,582	84,417,364
Related parties	18,147	74,130	9,197	37,864
Total gross loans to customers	23,190,350	94,732,580	20,513,779	84,455,228

**f. Analysis by exposure**

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Non-large	23,190,350	94,732,580	20,513,779	84,455,228
Total gross loans to customers	23,190,350	94,732,580	20,513,779	84,455,228

In accordance with the NBC's Prakas, loans to a single borrower exceeding 10% of the Company's net worth are considered as large exposure.

**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**8. LOANS TO CUSTOMERS AT AMORTISED COST (continued)**

**g. Analysis by maturity**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Not later than one year	2,366,204	9,665,944	1,279,515	5,267,763
Later than one year and not later than three years	16,158,969	66,009,388	17,184,419	70,748,253
Later than three years and not later than five years	4,551,036	18,590,982	1,964,550	8,088,052
Later than five years	114,141	466,266	85,295	351,160
Total gross loans to customers	<u>23,190,350</u>	<u>94,732,580</u>	<u>20,513,779</u>	<u>84,455,228</u>

**h. Analysis by currency**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
US dollars	20,210,395	82,559,464	17,827,465	73,395,673
Khmer Riel	2,979,955	12,173,116	2,686,314	11,059,555
Total gross loans to customers	<u>23,190,350</u>	<u>94,732,580</u>	<u>20,513,779</u>	<u>84,455,228</u>

**i. Interest rate**

Annual interest rates during the year are as follows:

	<b>2023</b>	<b>2022</b>
Khmer Riel	10% - 18%	10% - 18%
US dollars	13% - 18%	15% - 18%

**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**9. PROPERTY AND EQUIPMENT**

	Leasehold improvement US\$	Furniture and fixtures US\$	Computer equipment US\$	Office equipment US\$	Motor vehicles US\$	Total US\$
<i>Non-current</i>						
<b>For the year ended 31 December 2022</b>						
<b>Cost</b>						
As at 1 January 2022	50,588	22,758	44,342	11,805	6,198	135,691
Additions	11,578	6,348	29,968	4,982	41,456	94,332
Disposals	-	-	-	(249)	-	(249)
As at 31 December 2022	62,166	29,106	74,310	16,538	47,654	229,774
<b>Less: Accumulated depreciation</b>						
As at 1 January 2022	24,089	16,349	30,602	7,259	3,513	81,812
Depreciation charged for the year	10,758	3,455	15,422	2,859	5,930	38,424
Disposals	-	-	-	(170)	-	(170)
As at 31 December 2022	34,847	19,804	46,024	9,948	9,443	120,066
<b>Carrying amounts</b>						
As at 31 December 2022	27,319	9,302	28,286	6,590	38,211	109,708
In KHR'000 equivalent	112,472	38,296	116,453	27,131	157,316	451,668
<b>For the year ended 31 December 2023</b>						
<b>Cost</b>						
As at 1 January 2023	62,166	29,106	74,310	16,538	47,654	229,774
Additions	6,149	4,068	19,857	7,113	-	37,187
As at 31 December 2023	68,315	33,174	94,167	23,651	47,654	266,961
<b>Less: Accumulated depreciation</b>						
As at 1 January 2023	34,847	19,804	46,024	9,948	9,443	120,066
Depreciation charged for the year	13,418	5,192	24,390	3,894	14,599	61,493
As at 31 December 2023	48,265	24,996	70,414	13,842	24,042	181,559
<b>Carrying amounts</b>						
As at 31 December 2023	20,050	8,178	23,753	9,809	23,612	85,402
In KHR'000 equivalent	81,904	33,407	97,031	40,070	96,455	348,867



**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**10. INTANGIBLE ASSETS**

	Software US\$	Software under development US\$	Total US\$
<i>Non-current</i>			
<b>For the year ended 31 December 2022</b>			
<b>Cost</b>			
As at 1 January 2022	21,190	891	22,081
Additions	-	1,925	1,925
As at 31 December 2022	<u>21,190</u>	<u>2,816</u>	<u>24,006</u>
<b>Less: Accumulated amortisation</b>			
As at 1 January 2022	6,845	-	6,845
Amortisation charged for the year	2,116	-	2,116
As at 31 December 2022	<u>8,961</u>	<u>-</u>	<u>8,961</u>
<b>Carrying amounts</b>			
As at 31 December 2022	<u>12,229</u>	<u>2,816</u>	<u>15,045</u>
In KHR'000 equivalent	<u>50,347</u>	<u>11,593</u>	<u>61,940</u>
<b>For the year ended 31 December 2023</b>			
<b>Cost</b>			
As at 1 January 2023	21,190	2,816	24,006
Additions	-	4,553	4,553
Transfers	3,410	(3,410)	-
As at 31 December 2023	<u>24,600</u>	<u>3,959</u>	<u>28,559</u>
<b>Less: Accumulated amortisation</b>			
As at 1 January 2023	8,961	-	8,961
Amortisation charged for the year	2,591	-	2,591
As at 31 December 2023	<u>11,552</u>	<u>-</u>	<u>11,552</u>
<b>Carrying amounts</b>			
As at 31 December 2023	<u>13,048</u>	<u>3,959</u>	<u>17,007</u>
In KHR'000 equivalent	<u>53,301</u>	<u>16,173</u>	<u>69,474</u>

**11. OTHER ASSETS**

	<b>2023</b>		<b>2022</b>	
	US\$	KHR'000	US\$	KHR'000
Receivables from payment service providers	119,207	486,961	49,654	204,426
Security deposits	80,610	329,292	54,020	222,400
Prepayments	18,208	74,380	15,153	62,385
Others	80,601	329,255	122,152	502,899
	<u>298,626</u>	<u>1,219,888</u>	<u>240,979</u>	<u>992,110</u>

**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**11. OTHER ASSETS (continued)**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Current	224,906	918,742	188,909	777,738
Non-current	73,720	301,146	52,070	214,372
	<u>298,626</u>	<u>1,219,888</u>	<u>240,979</u>	<u>992,110</u>

**12. BORROWINGS**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Principal	17,463,398	71,337,981	15,495,291	63,794,113
Interest payables	213,076	870,415	194,515	800,818
	<u>17,676,474</u>	<u>72,208,396</u>	<u>15,689,806</u>	<u>64,594,931</u>

Movement of principal is as follows:

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
As at 1 January	15,495,291	63,794,113	9,459,500	38,538,003
Additions	2,535,846	10,422,327	6,235,791	25,485,678
Repayment	(571,567)	(2,349,140)	(200,000)	(817,400)
Foreign exchange differences	3,828	15,733	-	-
Currency translation differences	-	(545,052)	-	587,832
As at 31 December	<u>17,463,398</u>	<u>71,337,981</u>	<u>15,495,291</u>	<u>63,794,113</u>

Movement of interest payables is as follows:

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
As at 1 January	194,515	800,818	135,586	552,377
Charge during the year	2,161,506	8,883,790	1,607,489	6,569,808
Interest payment	(2,142,945)	(8,807,504)	(1,548,560)	(6,328,965)
Currency translation differences	-	(6,689)	-	7,598
As at 31 December	<u>213,076</u>	<u>870,415</u>	<u>194,515</u>	<u>800,818</u>

**a. Analysis by maturity**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Current	1,834,665	7,494,606	244,515	1,006,668
Non-current	15,841,809	64,713,790	15,445,291	63,588,263
	<u>17,676,474</u>	<u>72,208,396</u>	<u>15,689,806</u>	<u>64,594,931</u>

**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**12. BORROWINGS (continued)**

**b. Analysis by relationship**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<b>Related parties:</b>				
Laksmi Prime Investment Co., Ltd. (LPI) (*)	-	-	50,685	208,670
Hikari Power Hong Kong Limited (HPHK) (**)	11,610,065	47,427,116	11,608,273	47,791,260
	<u>11,610,065</u>	<u>47,427,116</u>	<u>11,658,958</u>	<u>47,999,930</u>
<b>Non-related parties (***):</b>				
Local banks:				
ACLEDA Bank Plc.	672,091	2,745,492	991,783	4,083,171
KB Prasac Bank	900,656	3,679,180	1,000,542	4,119,231
Phnom Penh Commercial Bank	1,943,068	7,937,432	-	-
Oversea banks/financial institutions:				
Samurai Asset Finance	2,550,594	10,419,176	2,038,523	8,392,599
	<u>6,066,409</u>	<u>24,781,280</u>	<u>4,030,848</u>	<u>16,595,001</u>
	<u>17,676,474</u>	<u>72,208,396</u>	<u>15,689,806</u>	<u>64,594,931</u>

(\*) This is unsecured borrowing from the parent company. The repayments of interest are made on a quarterly basis based on the repayment schedule. Borrowings from Laksmi Prime Investment Co., Ltd. (LPI) are short-term having maturity on 1 February 2024. The Company had repaid this borrowing before the maturity date.

(\*\*) This is unsecured borrowing from ultimate parent company. The repayments of interest are made on a quarterly basis based on the repayment schedule for each of the borrowing agreements. Borrowings from Hikari Power Hong Kong Limited (HPHK) have maturity from 2032 and 2037.

(\*\*\*) The borrowings from KB Prasac Bank and Phnom Penh Commercial Bank are secured by lands hypothec from the Company's related party, while the rest are unsecured. The repayments of principal and interest are made either on a monthly, quarterly, or annual basis based on the repayment schedule for each of the borrowing agreements. Borrowings from non-related parties have maturity up to 3 to 5 years.

**c. Interest rate (per annum)**

Annual interest rates during the year are as follows:

	<b>2023</b>	<b>2022</b>
Related parties	10%	10%
Non-related parties:		
Secured	6.5% to 10%	6.5%
Unsecured	8.5% to 10.9%	8.5% to 10.9%

**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**13. SUBORDINATED DEBT**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<i>Related party</i>				
Principal	2,000,000	8,170,000	2,000,000	8,234,000
Interest payables	25,500	104,168	25,028	103,040
	<u>2,025,500</u>	<u>8,274,168</u>	<u>2,025,028</u>	<u>8,337,040</u>

Movement of principal is as follows:

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
As at 1 January	2,000,000	8,234,000	-	-
Additions	-	-	2,000,000	8,174,000
Currency translation differences	-	(64,000)	-	60,000
As at 31 December	<u>2,000,000</u>	<u>8,170,000</u>	<u>2,000,000</u>	<u>8,234,000</u>

Movement of interest payables is as follows:

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
As at 1 January	25,028	103,040	-	-
Charge during the year	282,841	1,162,477	163,890	669,818
Interest payment	(282,369)	(1,160,537)	(138,862)	(567,529)
Currency translation differences	-	(812)	-	751
As at 31 December	<u>25,500</u>	<u>104,168</u>	<u>25,028</u>	<u>103,040</u>

**a. Analysis by maturity**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Current	25,500	104,168	25,028	103,040
Non-current	2,000,000	8,170,000	2,000,000	8,234,000
	<u>2,025,500</u>	<u>8,274,168</u>	<u>2,025,028</u>	<u>8,337,040</u>

This is unsecured subordinated debt from the ultimate parent company, Laksmi Prime Investment Co., Ltd., with principal amount of US\$2,000,000 will be repayable no later than 1 January 2038.

This subordinated debt was approved by the central bank on 15 September 2022.

The subordinated debt bear an annual interest rate at 10% (2022: 10%).



**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**14. CURRENT TAX LIABILITIES**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
As at 1 January	58,436	240,581	19,939	81,231
Charge during the year (Note 24 a)	132,574	544,879	93,212	380,957
Income tax paid	(108,577)	(446,251)	(55,318)	(226,085)
Adjustments for current tax of prior period	318	1,307	603	2,464
Currency translation differences	-	(2,478)	-	2,014
As at 31 December	<u>82,751</u>	<u>338,038</u>	<u>58,436</u>	<u>240,581</u>

**15. OTHER LIABILITIES**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<i>Current:</i>				
Accrued expenses	167,813	685,516	195,351	804,260
Accounts payables	56,199	229,573	135,696	558,660
Tax payables	27,719	113,232	16,104	66,300
Others	78,722	321,580	53,038	218,358
	<u>330,453</u>	<u>1,349,901</u>	<u>400,189</u>	<u>1,647,578</u>

**16. SHARE CAPITAL**

The total authorised numbers of shares of the Company as at 31 December 2023 was 40,000 shares (2022: 25,000 shares) with a par value of US\$100 per share (2022: US\$100 per share). All authorised shares are issued and fully paid up.

	2023			2022		
	% of ownership	US\$	KHR'000	% of ownership	US\$	KHR'000
Shareholder						
Laksmi Prime Investment Co., Ltd.	53.75%	2,150,000	8,600,000	50%	1,250,000	5,000,000
Hikari Power Hong Kong Limited	31.25%	1,250,000	5,000,000	50%	1,250,000	5,000,000
Mr. Keo Sokha	15.00%	600,000	2,400,000	-	-	-
	100%	4,000,000	16,000,000	100%	2,500,000	10,000,000

**BAMBOO FINANCE PLC.**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**16. SHARE CAPITAL (continued)**

The capital injection of US\$1,500,000 during the year were approved by NBC on 15 August 2023.

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
As at 1 January	2,500,000	10,000,000	2,500,000	10,000,000
Paid-up capital	1,500,000	6,000,000	-	-
As at 31 December	<u>4,000,000</u>	<u>16,000,000</u>	<u>2,500,000</u>	<u>10,000,000</u>

**17. INTEREST INCOME**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<i>Interest income from financial assets at amortised cost</i>				
Loans to customers	5,359,036	22,025,637	3,843,386	15,707,918
Deposits and placements with banks	7,369	30,287	273	1,116
Statutory deposits with the central bank	1,824	7,497	459	1,876
	<u>5,368,229</u>	<u>22,063,421</u>	<u>3,844,118</u>	<u>15,710,910</u>

**18. INTEREST EXPENSE**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
<i>Interest expense on financial liabilities at amortised cost</i>				
Borrowings	2,161,506	8,883,790	1,607,489	6,569,808
Subordinated debt	282,841	1,162,476	163,890	669,818
	<u>2,444,347</u>	<u>10,046,266</u>	<u>1,771,379</u>	<u>7,239,626</u>

**19. FEE AND COMMISSION INCOME**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Penalty fee received from late payment	<u>47,764</u>	<u>196,310</u>	<u>-</u>	<u>-</u>

**BAMBOO FINANCE PLC.****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****20. CREDIT IMPAIRMENT LOSSES**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Credit impairment losses on loans to customers (Note 8.a)	38,558	158,473	53,233	217,563
Credit impairment losses on other assets	11,111	45,667	-	-
Recovery from loans to customers previously written off	(42,236)	(173,590)	-	-
	<u>7,433</u>	<u>30,550</u>	<u>53,233</u>	<u>217,563</u>

**21. PERSONNEL EXPENSES**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Salaries and wages expenses	1,311,634	5,390,816	925,603	3,782,939
Bonuses and incentives	222,841	915,877	209,682	856,970
Seniority payment – annual service	69,720	286,549	52,684	215,320
Employee training expenses	11,763	48,346	5,270	21,538
Other benefits	51,318	210,916	35,318	144,345
	<u>1,667,276</u>	<u>6,852,504</u>	<u>1,228,557</u>	<u>5,021,112</u>

**22. DEPRECIATION AND AMORTISATION CHARGES**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Depreciation (Note 9)	61,493	252,736	38,424	157,039
Amortisation (Note 10)	2,591	10,649	2,116	8,648
	<u>64,084</u>	<u>263,385</u>	<u>40,540</u>	<u>165,687</u>

**BAMBOO FINANCE PLC.****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023****23. OTHER OPERATING EXPENSES**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Rentals	118,429	486,743	104,225	425,968
Office supplies	71,154	292,443	71,356	291,632
Legal and professional fees (*)	69,112	284,050	40,911	167,203
Transportation and travelling	58,736	241,405	26,901	109,944
Communications	29,634	121,796	19,547	79,889
Utility expenses	24,754	101,739	19,186	78,413
Membership and subscription	10,260	42,169	10,163	41,536
License fee	10,259	42,164	10,767	44,005
Repairs and maintenance	9,981	41,022	11,157	45,599
Board of director's fee	7,197	29,580	6,000	24,522
Marketing and advertising	3,490	14,344	4,670	19,086
Bank charges	2,195	9,021	3,053	12,478
Others	110,454	453,966	68,455	279,775
	<u>525,655</u>	<u>2,160,442</u>	<u>396,391</u>	<u>1,620,050</u>

**(\*) AUDIT FEE INFORMATION**

The following fees were paid or are payable to PricewaterhouseCoopers (Cambodia) Ltd. PricewaterhouseCoopers (Cambodia) Ltd. was not an auditor of the Company in 2022.

	<b>2023</b>	
	<b>US\$</b>	<b>KHR'000</b>
Statutory audit	23,280	95,681
	<u>23,280</u>	<u>95,681</u>

**24. INCOME TAX EXPENSE****a) Income tax expense**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Current tax	132,574	544,879	93,212	380,957
	<u>132,574</u>	<u>544,879</u>	<u>93,212</u>	<u>380,957</u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**24. INCOME TAX EXPENSE** (continued)

**b) Reconciliation between accounting profit and income tax expense**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Profit before income tax	688,269	2,828,786	424,741	1,735,917
Tax calculated at the rate of 20%	137,654	565,757	84,948	347,183
<i>Tax effect in respect of:</i>				
Expenses not deductible for tax purposes	10,572	43,451	5,816	23,770
Unrecognised temporary differences	(15,652)	(64,329)	2,448	10,004
	<u>132,574</u>	<u>544,879</u>	<u>93,212</u>	<u>380,957</u>

In accordance with Cambodian Law on Taxation, the Company has an obligation to pay corporate income tax at 20%.

**c) Other matters**

Taxes are calculated on the basis of current interpretation of the tax regulations enacted as at reporting date. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subjected to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

However, these regulations are subject to periodic variation and the ultimate determination of tax liabilities will be made following inspection by the tax authorities. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the taxes liabilities and balances in the period in which the determination is made.

**25. CASH AND CASH EQUIVALENTS**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Cash on hand (Note 5)	14,056	57,419	17,294	71,199
Deposits and placements with the central bank				
Current account	11,365	46,426	7,560	31,125
Deposits and placements with banks				
Current accounts	779,366	3,183,710	49,972	205,735
Savings accounts	28,268	115,475	22,688	93,406
Fixed deposits with maturity three months or less	500,000	2,042,500	-	-
	<u>1,333,055</u>	<u>5,445,530</u>	<u>97,514</u>	<u>401,465</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**26. RELATED PARTY TRANSACTIONS AND BALANCES**

The Company entered into a number of transactions with related parties in the normal course of business. The volumes of related-party transactions, outstanding balances at the year-end, and related expense and income for the year are as follows:

**(a) Related parties and relationships**

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

Relationship	Related party
Ultimate parent company	Hikari Power Hong Kong Limited
Parent company	Laksmi Prime Investment Co., Ltd.
Shareholder	Mr. Keo Sokha
Fellow subsidiary	Nine Bamboo Leaf Limited
Key management personnel	All directors of the Company who make critical decisions in relation to the strategic direction of the Company and senior management staff (including their close family members).

**(b) Loans to related parties**

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Key management	18,147	74,130	9,197	37,864
	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Interest income from loans to key management	1,649	6,777	771	3,151

Loans to key management earned an annual interest at rate of 13% (2022: 13%). The Company recognised allowance for impairment losses on loans to key management of US\$130 (2022: US\$16).

**(c) Borrowings from related party**

Please refer to Note 12.

**d) Subordinated debt from related party**

Please refer to Note 13.

**(e) Interest expense with related party**

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Borrowings	1,608,777	6,612,073	1,353,239	5,530,688
Subordinated debt	282,841	1,162,476	163,890	669,818
Interest expenses to shareholders	1,891,618	7,774,549	1,517,129	6,200,506

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**26. RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

**(f) Key management personnel compensation**

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Director's fee	7,197	29,580	6,000	24,522
Key management:				
Salaries and other benefits	337,510	1,387,166	257,222	1,051,266
Other employee benefits - seniority payment	16,107	66,200	6,831	27,918
	<u>360,814</u>	<u>1,482,946</u>	<u>270,053</u>	<u>1,103,706</u>

**27. COMMITMENTS**

**Operating lease commitments – the Company as lessee**

These operating leases mainly related to the office rental of head office and its branches. Where the Company is the lessee, the future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2023</b>		<b>2022</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
Not later than one year	101,940	416,425	80,784	332,588
Later than one year and not later than five years	272,145	1,111,712	259,145	1,066,900
Later than five years	<u>122,480</u>	<u>500,331</u>	<u>145,517</u>	<u>599,093</u>
	<u>496,565</u>	<u>2,028,468</u>	<u>485,446</u>	<u>1,998,581</u>



HEAD OFFICE

LSI BUILDING NO.03, PHNOM PENH-HANOI FRIENDSHIP BLVD, PHUM ROUNG CHAKR  
SANGKAT KOUK KHLEANG, KHAN SAEN SOK, PHNOM PENH



| (855) 11 777 173 /70 367 943



| admin@bamboomfi.com



| www.bamboomfi.com