



Your Bridge to a Better Future



ANNUAL REPORT
2024

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1. MESSAGE FROM THE CHAIRMAN



NEAK OKNHA
SEAR RITHY
CHAIRMAN

Welcome to the BRIDGE Bank 2024 Annual Report.

In 2024, Cambodia's economy showcased resilience and steady growth, despite ongoing global economic challenges. Technological advancement played a crucial role in driving innovation and boosting productivity across key sectors. At BRIDGE Bank, we contributed to this momentum by launching the BRIDGE Mobile app

an innovative digital banking solution designed to enhance customer convenience and accessibility. This milestone was further complemented by the strategic expansion of our branch network, including the opening of a new location at Olympic. These achievements were made possible thanks to the unwavering dedication of our shareholders, management team, and employees, whose collective efforts continue to shape our success.

I would like to extend my heartfelt appreciation to the National Bank of Cambodia, especially to Her Excellency Dr. Chea Serey, the Governor of the National Bank of Cambodia, for your continued trust and support. Your confidence in BRIDGE Bank has empowered us to play an active role in advancing digital financial services while promoting both financial and gender inclusion across the country. With the invaluable guidance of the National Bank of Cambodia, we have made significant strides in accelerating financial inclusion by delivering innovative, effective, and accessible digital solutions. As we move forward into the transformative era of the Fourth Industrial Revolution, we remain steadfast in our commitment to driving inclusive economic growth and digital empowerment. Once again, I sincerely thank all those who have contributed to our journey and reaffirm our deep appreciation to the National Bank of Cambodia for their enduring partnership in shaping a more inclusive and prosperous future for Cambodia.

The year 2024 marked a pivotal milestone for BRIDGE Bank as we entered our second year following the acquisition of our full-fledged commercial banking license. We dedicated this year to strategically investing in our future growth—expanding and strengthening both our physical

and digital footprints. This included broadening our branch network, enhancing our mobile app, and growing our team to better serve an ever-increasing customer base. These efforts translated into remarkable growth across key areas, including revenue, customer acquisition and workforce expansion. I am confident that the strong foundations we established in 2024 will support sustainable and consistent growth for BRIDGE Bank in the years ahead.

We experienced significant growth in deposits and loans, as our strategic focus on those two areas yielded positive results, and we are well positioned for continued success on that solid foundation. By the end of 2024 as a new commercial bank, BRIDGE Bank continued to improve performance, ending with total assets of **USD 213 million**, representing a **104% increase** compared to 2023. Driven by higher lending activities, our loan portfolio **reached USD 91 million** across the same period. While we acknowledge the Cambodian economic challenges that are expected to continue well into 2025, our robust management practices have set us on the right path for continued growth against many global and domestic economic challenges that will affect us in 2025.

In 2024, we remained deeply committed to investing in our most valuable asset—our people. We continued to cultivate a culture rooted in innovation, accountability, and collaboration through comprehensive training and development initiatives. Our dedication to diversity and inclusion has strengthened our workplace, fostering creativity and more dynamic decision-making. As we look to the future, we are confident in our ability to adapt and thrive. With strategic investments in our people, technology, and infrastructure, we are well-positioned to meet emerging challenges and drive sustainable, inclusive growth. At BRIDGE Bank, we remain steadfast in our mission to deliver Everyday Banking Convenience to our shareholders, customers, employees, and the communities we proudly serve.

To our valued customers, your trust and loyalty have been the foundation of our success. Your continued support inspires us to innovate and deliver banking products and services that meet your evolving needs and set new standards of excellence. On behalf of the Board of Directors, I extend our heartfelt gratitude to the National Bank of Cambodia and the Royal Government of Cambodia for their unwavering trust and continued support of BRIDGE Bank. Your confidence empowers us to grow with purpose and to serve the Cambodian people with integrity and commitment.

Sincerely,

Neak Oknha Sear Rithy
Chairman

2. MESSAGE FROM THE CEO



MR. RICHARD LIEW

CHIEF EXECUTIVE OFFICER

Looking back on the remarkable journey of 2024, I am immensely proud of what BRIDGE Bank has accomplished. Although the previous year posed challenges for all, it also marked a period of growth and resilience that helped strengthen the Bank's reputation among commercial banks in Cambodia. Our commitment to embracing cutting-edge technology has led to significant improvements in our digital banking platforms, making it easier than ever for our customers to manage their finances with confidence and convenience. What an accomplishment it has been for the Bank as it enhances ongoing progress and maintains potential customers, builds market penetration through branding, products and services. Hence, I would like to take this opportunity to share some of our key achievements and challenges.

In 2024, we successfully launched a new branch at Olympic, expanding our service offerings and providing superior financial solutions that have enhanced our clients' experiences and supported their needs. This expansion is part of our ongoing commitment to delivering personalized, reliable, and efficient banking services that meet the evolving needs of our communities. Along with the Olympic branch launch, we achieved the full completion of our bank's website, offering a more seamless and informative experience for our customers. Additionally, we established a strong online presence through the setup and boosting of our social media platforms, which

consist of Facebook, Instagram, YouTube, TikTok and LinkedIn. This strategic move has allowed us to connect with a broader audience, engage with our clients more effectively, and improve our brand visibility. We also forged two significant remittance partnerships, one with a bank for Vietnam and another with a bank for Malaysia, providing our clients with enhanced international money transfer services. Two more remittance partnerships are in the work for 2025, with more to follow, as we further strengthen our offerings in the international market.

Nevertheless, BRIDGE Bank has faced some challenges in the year 2024, but the bank has remained resilient and committed to supporting our customers, employees, and communities through these times. In spite of these challenges, the bank's total assets for 2024 reached **USD 213 million**, reflecting a significant **104% increase** compared to the past year. In addition, our bank's deposit also increased to **USD 133 million**, a **390% jump** compared to the previous year. Despite these positive developments, the bank reported a net loss for the year, primarily stemming from ongoing investments in technology and infrastructure to ensure long-term growth and stability as well as some provisioning done for some of our troubled accounts. Regardless of this, the bank remains focused on strengthening our balance sheet and enhancing our operational efficiency for the future.

All in all, I want to extend my sincere thanks to the National Bank of Cambodia for their invaluable guidance, to our shareholders for their ongoing support, to our customers for their trust, and to our employees for their dedication and hard work. Together, we've accomplished significant milestones over the past year, and we are optimistic that we will continue to achieve even greater success in the year to come.

Sincerely,

Richard Liew
Chief Executive Officer

3. ABOUT BRIDGE BANK

3.1 Who We Are

BRIDGE Bank is part of WorldBridge Group that started its operations in November 2014 and received its license as a Commercial Bank from the National Bank of Cambodia in 2022.

BRIDGE Bank the bank for every Cambodian is driven by the vision to be your preferred financial partner of today and generations to come.

The literal meaning of "BRIDGE" is a structure of pathway to connect from one place to another. Hence, BRIDGE Bank is a pathway connecting you to your financial needs. The bank will close the gap between you, your dreams and your future plan. As a financial leader, we care about you and your well-being, as well as your dreams, moving together to a better future.



TRUSTED

We are new, but our group and partners credibility build trust to our image.

INNOVATIVE

We are not only advanced in Banking Technology, but also in Banking Customer Service. (International standard services)

FRIENDLY

We are not here to talk only about money; we are here for your happier life as our hands, ears and heart are always open.

EXCITING

We may appear to have the same function as other banks, but we certainly have more exciting products to offer you for an even more exciting lifestyle.

3.2 Vision, Mission, Core Values



OUR VISION

To provide financial services you can trust through our global service standards, making banking simple and secure.



OUR MISSION

To be your preferred financial partner of today and generations to come.



OUR CORE VALUES



B: Best In class

We are committed to serving our customers with world class products and services supported by our skilled and highly trained staff.

R: Relationship

We value our customer relationships in order to strengthen loyalty to our services.

I: Integrity

We uphold the traits of honesty and strong morals to ensure that customers can trust us and consider us as the right partner for them.

D: Dedicated:

We are devoted to our purpose, and we will ensure that we will be here for the long haul. Our commitment will be to serve not just Cambodians for today but also the generations to come.

G: Gracious

We are what we are because of our customers. We are their partners, and we will always show our gratitude towards our customers in every aspect of our business.

E: Excellence

We are a customer-centric institution that will always aim to understand the feelings and predicaments of our customers to ensure that we give them the service that is exactly what they are looking for.

3.3 Financial Highlights



3.3 BRIDGE Bank at a Glance

BRIDGE Bank—the bank for every Cambodian—is driven by a clear vision: to be your preferred financial partner today and for generations to come. Since our establishment in 2014, BRIDGE Bank has experienced remarkable growth, transforming lives by providing accessible financial services across the country. Our commitment to serving the people of Cambodia has earned us the trust and confidence of the communities we serve.

In 2024, we proudly expanded our footprint with the inauguration of our new branches at Olympic, further strengthening our reach. BRIDGE Bank remains at the forefront of digital innovation, offering a comprehensive suite of services including loans, deposits, money transfers, payroll and international remittance services, as well as mobile top-ups.

As a dynamic and forward-thinking financial institution, BRIDGE Bank is dedicated to creating meaningful impact through inclusive, accessible, and convenient banking solutions, making us the bank of choice for all Cambodians.



4. PRODUCTS and SERVICES

We have traditionally focused our marketing efforts on smaller business loans that provide a higher yield. We have also capitalized on the extensive experience of our senior managers to become a leader in the financing of movable assets such as vehicles and heavy equipment.

With our strong liquidity, the bank has been planning to expand its product base and has launched or is planning to launch the following products.

Loans

- Staff Loan
- Auto Loan
- Term Loan
- Housing Loan
- Business Loan
- Overdraft Loan
- Revolving Credit

BRIDGE Mobile APP

- P2P Transfer
- Phone Top-up
- Utility Payment
- Balance Inquiry
- KHQR Payment
- Domestic Payment
- Own Account Transfer
- Own Account Statement

Deposits

- BRIDGE Premier
- Saving Account
- Current Account
- Smart Saving
- Fixed Deposit Account

Other Banking Solutions

- Payroll Service
- Trade Finance
- 24/7 ATM Banking
- Remittance service

Product Coming Soon

Visa Credit

- Reserve Card
- Platinum Card
- Gold Card

Visa Debit

- Platinum Card
- Classic Card

Internet Banking

BRIDGE Mobile App



The BRIDGE Mobile App is designed to provide a user-friendly experience that meets everyday needs of BRIDGE Bank customers. It offers services such as money transfers, phone top-ups, and various merchant discounts, all with speed, security, and convenience.



Download BRIDGE Mobile App Now!



Google Play



App Store

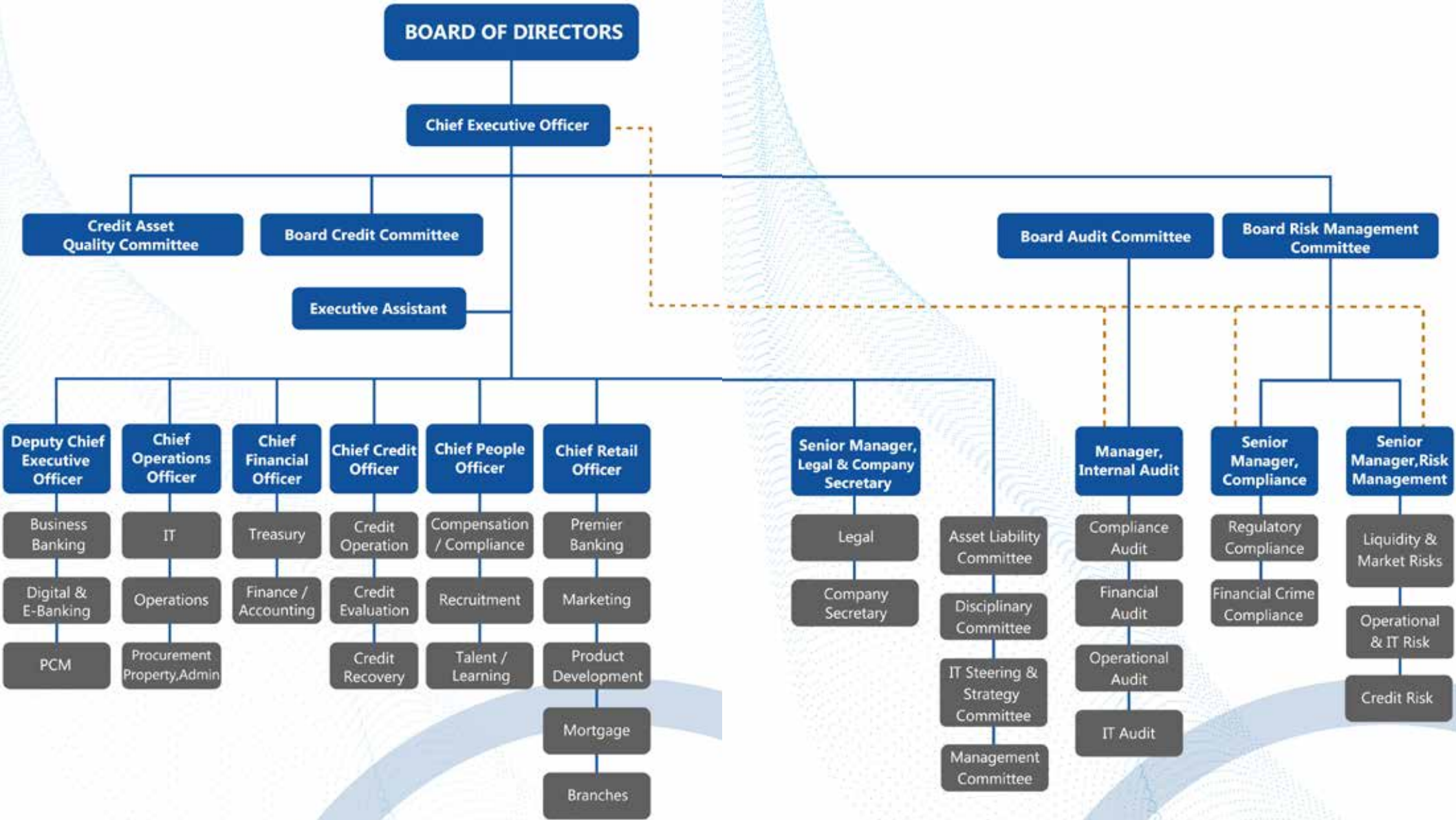
BRIDGE Premier



Welcome to BRIDGE Premier, where you can enjoy exclusive service and a privileged banking experience with our dedicated staff in all the BRIDGE Bank Premier lounge. We look forward to providing you with our exclusive banking services.

5.ORGANIZATION

5.1 Organization Chart



5.2 Board of Directors



NEAK OKNHA SEAR RITHY
Chairman

Neak Oknha is a local Cambodian who returned after the Paris Peace Accord to assist the United Nations with logistics. He has built a group of companies, including industry leaders in sectors such as logistics and transportation, food and beverage, media and digital, health care, financial services, property development, and industry.

Neak Oknha Sear Rithy is a member of the Cambodian Chamber of Commerce, has earned a Master of Business Administration. He is fluent in Khmer, English, Thai and Chinese. At a young age, he was awarded the high honor of receiving the Dignitary Medal of Mohaserey wat by His Majesty King Norodom Sihamoni of Cambodia.



Mr. ART SOVANNRA
Director

Mr. Sovannra has been longtime business associate of Neak Oknha Sear Rithy. He has logistics and other business interests in Thailand. Mr. Sovannra joined the Board of Directors BRIDGE Bank in April of 2020 and has complimentary views for future expansion of the bank.



NEAK OKNHA SEAR DANIEL
Director

Neak Oknha Sear Daniel obtained his Bachelor Degree of Commerce from University of Newcastle, Australia and was officially appointed as a member of BRIDGE Bank's Board of Directors in early 2023. With his Digital Banking system vision, Bridge Bank has pushed out an upgrade on the Mobile Banking System that provides more convenience for the customer banking experience with BRIDGE Bank.



Mr. YOUK CHAMROEUNRITH

Independent Director

Chamroeunrith's the CEO of Forte Group, who graduated in economic from the Economic Science Institute and with more than 30 years' experience in Insurance and Risk Management. He joined Forte in 1999 as the head of operations and quickly moved up through the under writing and strategic roles. He then held the positions of General Manager from 2001 to 2014 and Managing Director from 2015 to 2020, where he was in charge of the company's daily operations and oversaw its profitable expansion. Besides these roles, He has also served as a Board Member of Forte since 2001 along with being a member of the Malaysian Insurance Institute as an Associate. With all his years of experience, He was appointed as the Independent Director of the Board of Director and chair the Board Audit Committee of BRIDGE Bank Plc. in early 2023.



Mr. JOSEPH FARRUGIA

Independent Director

Farrugia joined BRIDGE Bank in early 2023 as an Independent Director of the Board of Director. Prior to this role, He was previously the Chief Executive Officer for Hong Leong Bank, Cambodia for over 8 years and was instrumental in building the bank from what was a green field project before retiring from Hong Leong Bank in 2021 leaving behind a solid foundation encompassing 6 branches, Internet banking, an ATM distribution channel, corporate website and overall responsibility of over 210 staff. Prior to this, He worked for ANZ bank for almost 31 years. His last 17 years has been across Southeast Asia where he was instrumental in building the retail bank for ANZ in Cambodia for almost five years before moving across to run the retail bank for ANZ Vietnam and the greater Mekong region, which incorporates Cambodia and Laos, where he drove the retail agenda to build up the franchise model.

5.3 Management Profile



Mr. Richard Liew

Chief Executive Officer

He Joined BRIDGE Bank in 2022 as Chief Executive Officer (CEO). Richard was brought in as the bank obtained its full commercial banking license to revamp the BRIDGE Bank overall strategy by focusing on new business and operational models to reinforce BRIDGE Bank position as Cambodia's most trusted financial services through our global standard. This process involves implementing a new core banking system, recruitment of key personnel as well as opening of new branches. Richard oversees the entire operations and business of the bank and will be instrumental in planning the overall growth strategy of the bank. He brings with him over 33 years of banking experience, having worked in senior positions in various Southeast Asian countries.



Mr. Ith Buntha

Deputy CEO/Chief Business Officer

He has been with us since 2022 as Chief of Business Officer and appointed as a Deputy Chief Executive Officer/ Chief Business Officer from February 2023. In his role he works closely with the CEO and the senior management team developing and refining BRIDGE Bank. He works closely with business team to achieve BRIDGE Bank revenue target and is responsible for ensuring overall business growth. In addition, Buntha is responsible for the Enterprise Group, handling payment and cash management solutions e.g. payroll, liquidity management, B2B solutions and bills payment, etc. He continues to engage both business partners and government to further enhance the portfolio of BRIDGE Bank.



Ms. Pov Sopheak

Chief People Officer

She joined in 2023. As the leader of the Bank's Human Resources Department, she drives people strategies to ensure the Bank achieves its objectives through talented professionals. She engaged quite a number of employees during the year, increasing the Bank from about 138 employees to about 159 employees. She ensures that the Bank has highly skilled workforces to support business growth and ensure that all professionals receive equal opportunities to access learning and development programs to upskill themselves, so they can solve complex problems for customers. Dealing with people who came from various sectors, she must embrace and build upon a culture of diversity and inclusion to make sure all employees can come to work with their authentic selves.



Mr. Min Sopheak

Chief Financial Officer

He joined BRIDGE Bank since 2022. He is responsible for managing the overall strategic planning, implementation, cost management, and leading of all the finance activities of the bank, including business planning, budgeting, and forecasting to ensure profitability of the BRIDGE Bank. He is to ensure that BRIDGE Bank is adhering to all related Cambodian Accounting Standards, Cambodian Taxation, and NBC regulations to adequately and accurately reflect the financial position of the bank at all times.



Mr. Kosal Deno

Chief Credit Officer

He is initially joined with BRIDGE Bank since 2014 in various position from operation to general manager and was promoted to his current role as Chief Credit Officer in 2022 where he works towards a vision creating fast and efficient credit-granting process for all customers. To do this he uses data driven decision making and analysis of client behavior to facilitate faster loan approval.



Mr. Anthony Perkins

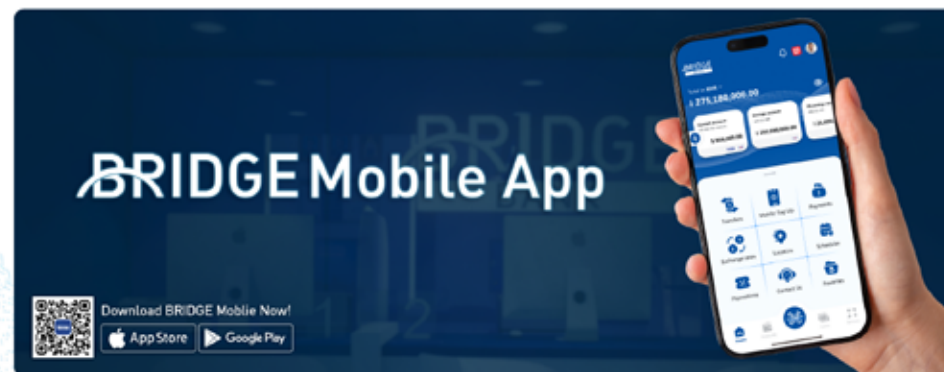
Chief Operations Officer

He joined as Chief Operation Officer in January 2024. He is a key member of the bank's executive leadership team, responsible for overseeing the day-to-day operational functions of the bank. This role ensures that banking operations, risk management, IT systems, and branch performance align with the institution's strategic goals and regulatory requirements. He plays a vital role in driving operational efficiency, and ensuring strong internal controls and effectiveness within each business.



6. BANK ACTIVITIES

6.1 Experience the Startup of the Future of Banking in BRIDGE Bank's Mobile App



BRIDGE Bank is excited to unveil its innovative new mobile banking app, BRIDGE Mobile, designed to provide customers with a seamless, secure, and personalized banking experience. As a forward-thinking financial institution, BRIDGE Bank is revolutionizing the way individuals manage their finances on the go, setting a new standard for modern banking.

Mr. Richard Liew, Chief Executive Officer of BRIDGE Bank, shared his excitement about the introduction of BRIDGE Mobile, saying, "Since our BRIDGE Bank's official opening in mid-2023, we have been relentlessly working around the clock to ensure that our digital innovations would be ready for deployment by the end of 2024. We are excited to introduce BRIDGE Mobile, which will provide our customers with a safer, more convenient, and secure banking experience that meets their evolving needs."

The BRIDGE Mobile app offers a variety of features designed to empower customers to take control of their finances with ease. Key functionalities include the ability to top-up mobile phones, pay for goods and services, make payment via KHQR or transfer funds to any local bank via Bakong or within the BRIDGE network, view account balances and transaction history, check exchange rates, locate branches and ATMs, and explore promotions tailored to their needs. These features are all accessible within the user-friendly app interface, enhancing the overall customer experience.

Available for download on both iOS and Android devices, BRIDGE Bank continues to lead the way in banking, offering a robust, secure platform that positions the bank as a future leader in the digital banking space.



6.2 BRIDGE Bank Expand its new branch in the heart of Phnom Penh



The new Olympic Branch boasts a modern and sophisticated design, integrate state-of-the-art technology, enhanced customer service, and a diverse range of banking products tailored to meet the unique needs of our esteemed clientele. From personalized financial management solutions to convenient digital banking options, BRIDGE Bank aims to deliver an efficient and customer-centric banking experience at the new Olympic branch.

Mr. Richard Liew, Chief Executive Officer of BRIDGE Bank, expressed enthusiasm about the expansion, stating, "We are thrilled to enhance more of our presence in Phnom Penh with our new Olympic Branch. Including our unwavering commitment to excellence and a customer-centric approach, we are confident that this branch will serve as a central point for financial empowerment and growth within the local community."



6.3 BRIDGE Bank, Sign MoU to Boost Cambodian SMEs



BRIDGE Bank PLC, Baray Global Management CO., LTD and World Bridge Industrial Developments CO., LTD. have officially signed a Memorandum of Understanding (MoU) to provide financial support to customers joining the SME Cluster Zone. The signing took place during the Business Forum under the theme "The 3 Major Capitals to Build Successful Small and Medium Enterprises (SMEs)", held in Takhmao City, Kandal Province.

The forum brought together industry leaders, financial experts, and government officials to discuss strategies for enhancing SMEs growth and fostering sustainable economic development in Cambodia.

6.4 BRIDGE Bank and BTI Partner to Enhance ATM and CRM services



BRIDGE Bank has officially entered a strategic partnership with BTI Payments Cambodia to strengthen its self-service banking infrastructure and explore new ways of bringing banking closer to its customers. The collaboration was signed to embark on the journey of self-bank

ing services, which marks a significant milestone in the bank's ongoing commitment to provide financial service you can trust through our global service standards, making banking simple and secure. As part of the partnership, BTI will support the rollout of advanced automated teller machine (ATM) and cash recycle machine (CRM) devices across BRIDGE Bank branches. BRIDGE Bank's ATM and CRM machines provide convenience to customers by serving 24 hours/day and 7days/week without interruption



6.5 BRIDGE Bank supports vulnerable children at Aloha Learning Center



To celebrate International Children's Day and its aims to promote international togetherness, awareness among children worldwide and improving children's welfare, BRIDGE Bank continues giving back to Cambodia by providing school kids materials and other supporting education need to Aloha Learning Center (ALC).

Aloha Learning Center, situated in the heart of Phnom Penh provides a nurturing environment and education opportunities for almost 80 children from orphaned and vulnerable backgrounds. With a mission to empower those children with knowledge and skills for a brighter future, ALC offers academic support, mentorship programs, and many extracurricular activities.

Recognizing the invaluable work undertaken by ALC, BRIDGE Bank has pledged its support to further enhance the center's initiatives through the provision of school materials, food, clothes and bicycles. This collaboration will further improve educational support to the children and ensure the overall well-being for those enrolled at the center.



6.6 Financial Street and Literacy Program



BRIDGE Bank is proud to join forces in promoting financial literacy among the general public and Cambodian youth. As part of this ongoing commitment, BRIDGE Bank is honored to support the Financial Street Program—a meaningful initiative that serves as a platform for deeper discussions on financial knowledge. The program focuses on the benefits of formal loans and raises awareness about the risks and challenges associated with informal lending, empowering individuals to make more informed financial decisions.

With the support of the National Bank of Cambodia, Apsara Media Services (AMS) has partnered with the Cambodian Microfinance Association (CMA), the Association of Banks in Cambodia (ABC), and Credit Bureau Cambodia (CBC) to launch the “Financial Street” initiative. This collaborative effort is dedicated to broadening financial literacy across the country, aiming to reach a wider audience and strengthen public understanding of key financial concepts.

The program aligns with the 2019-2025 National Financial Inclusion Strategy, introduced by the National Bank of Cambodia, and focuses on key financial topics, including money management, the importance of banking and financial institutions, credit knowledge, savings, and financial technology.

6.7 Business Networking



The event was organized for connecting with fellow professionals and exchanging ideas that inspire growth and collaboration. BRIDGE Bank is ready to connect with industry leaders, discuss innovations, and pave the way for a smarter future in banking and transportation industry.

6.8 Talent Development and Growth

At BRIDGE Bank, we believe that every individual brings unique talents, strengths, and potential to the organization. By fostering a culture of continuous learning and professional development, we empower our employees to grow both personally and professionally. Through targeted training programs, skill-building workshops, and leadership development initiatives, we ensure that our team is equipped to perform at their highest potential. This commitment not only enhances individual performance but also drives innovation, collaboration, and long-term success across the entire organization.



7. DIRECTORS' REPORT

The names of directors of the Bank who served during the financial year and up to the date of this report are as follows:

Neak Oknha Sear Rithy	Chairman
Mr. Art Sovannra	Director
Neak Oknha Sear Daniel	Director
Mr. Youk Chamroeunrith	Independent Director
Mr. Farrugia Joseph	Independent Director

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for the financial statements of the Bank to be properly drawn up so as to give a true and fair view of the financial position of the Bank as at 31 December 2024 and of its financial performance and cash flows for the financial year then ended. In the preparation of these financial statements, the directors are required to:

- (i) adopt appropriate accounting policies in compliance with Cambodian International Financial Reporting Standards ("CIFRSs") which are supported by reasonable and appropriate judgments and estimates and then apply them consistently;
- (ii) comply with the disclosure requirements CIFRSs, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements;
- (iii) 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 Bank will continue its operations in the foreseeable future; and
- (v) control and direct effectively the Bank in all material decisions affecting its operations and performance and ascertain that such decisions and/or instructions have been properly reflected in the financial statements.

The directors confirm that the Bank has complied with the above requirements in preparing the financial statements of the Bank.

STATEMENT BY DIRECTORS

In the opinion of the directors, the accompanying financial statements of the Bank are drawn up in accordance with CIFRSs so as to give a true and fair view of the financial position of the Company as at 31 December 2024 and of the results of its operations and its cash flows for the year then ended.

PREPARATION OF THE FINANCIAL STATEMENTS

In the preparation of the financial statements, the directors have taken account of the following matters:

- (i) all material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements;
- (ii) adequate allowance for impairment losses on receivables and other current and non-current assets, if required, has been made;
- (iii) known bad debts had been written off, if any;
- (iv) existing methods of valuation of assets or liabilities are not misleading or inappropriate;
- (v) there are no known circumstances that would render any amount stated in the financial statements to be misleading;
- (vi) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Bank for the financial year in which this report is made;
- (vii) the results of the operations of the Bank during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature;
- (viii) no contingent or other liability of the Bank has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Bank to meet its obligations when they fall due.

APPROVAL OF THE FINANCIAL STATEMENTS

The directors hereby approve the accompanying financial statements which give a true and fair view of the financial position of the Bank as at 31 December 2024, its financial performance and cash flows for the financial year then ended in accordance with CIFRSs.

Signed on behalf of the Board,



Neak Oknha Sear Rithy
Chairman

Phnom Penh, Cambodia
Date: 31 March 2025

8. INDEPENDENT AUDITORS' REPORT

PREPARATION OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Bridge Bank Plc, ("the Bank") which comprise the statement of financial position of the Bank as at 31 December 2024, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy, as set out on pages 6 to 61.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Bank as at 31 December 2024, and of its financial performance and its cash flows for the financial year then ended in accordance with Cambodian International Financial Reporting Standards ("CIFRSs").

Basis of Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing ("CISA"). Our responsibilities under those standards are further described in the Auditors' 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 and Other Ethical Responsibilities

We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Bank are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Bank and our auditors' report thereon.

Our opinion on the financial statements of the Bank does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Bank, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Bank or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors for the Financial Statements

The directors of the Bank are responsible for the preparation of financial statements that give a true and fair view in accordance with CIFRSs. The directors are also responsible for such internal controls as the directors determine are 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 of the Bank, the directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Bank or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Bank as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CISA 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 a part of an audit in accordance with CISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Bank, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Bank or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Bank, including the disclosures, and whether the financial statements of the Bank represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Other Matters

The financial statements of the Bank for the year ended 31 December 2023 were audited by another firm of accountants, whose opinion, dated on 27 March 2024 on those statements provided an unqualified opinion.

Our audit was conducted for the purpose of forming an opinion on the financial statements denominated in the functional currency of United States Dollar ("USD"). The translation of the financial statements from USD into Khmer Riel ("KHR") using the closing and average rates as at 31 December 2024 and for the year then ended, respectively, is presented for the purpose of additional analysis and it does not form an integral part of the audited financial statements. The translation has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express any opinion on it.

Crowe (KH) Co., Ltd



Onn Kien Hoe

Director

Date: 31 March 2025

9. AUDITED FINANCIAL STATEMENTS

1. Statement of Financial Position At 31 December 2024

ASSETS		USD		KHR'000	
	Note	2024	2023	2024	2023
Cash on hand	5	11,713,780	16,107,377	47,147,964	65,798,635
Balances with National Bank of Cambodia	6	30,630,348	10,469,889	123,287,150	42,769,497
Balances with other banks	7	72,555,540	21,250,666	292,036,047	86,808,971
Loans and advances to customer	8	89,931,987	49,829,346	361,976,249	203,552,878
Other assets	9	1,251,047	474,133	5,035,464	1,936,835
Right-of-use assets	10	652,781	720,237	2,627,444	2,942,168
Property, plant and equipment	11	4,877,565	3,830,779	19,632,200	15,648,733
Intangible assets	12	1,660,056	1,804,925	6,681,725	7,373,119
Deferred tax assets	24(a)	-	14,398	-	58,816
TOTAL ASSETS		213,273,104	104,501,750	858,424,243	426,889,652

LIABILITIES and EQUITY

LIABILITIES					
Other liabilities	13	2,047,280	1,356,656	8,240,303	5,541,939
Deposits from customers	14	133,231,340	27,189,670	536,256,144	111,069,802
Subordinated loan	15	5,000,000	-	20,125,000	-
Lease liabilities	10	777,594	811,619	3,129,816	3,315,464
TOTAL LIABILITIES		141,056,214	29,357,945	567,751,263	119,927,205

EQUITY					
Share capital	16	75,000,000	75,000,000	304,710,000	304,710,000
Regulatory reserve	17	5,644,455	805,121	22,980,002	3,279,073
Accumulated losses		(8,427,565)	(661,316)	(34,346,368)	(2,729,971)
Translation difference		-	-	(2,670,654)	1,703,345
TOTAL EQUITY		72,216,890	75,143,805	290,672,980	306,962,447

TOTAL LIABILITIES AND EQUITY		213,273,104	104,501,750	858,424,243	426,889,652
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2. Statement of Profit or Loss And Other Comprehensive Income for The Financial Year Ended 31 December 2024

Note	USD		KHR'000	
	2024	2023	2024	2023
Interest Income 18	8,715,353	4,145,653	35,480,203	17,038,634
Interest Expenses 19	(4,587,523)	(762,881)	(18,675,805)	(3,135,441)
Net Interest Income	4,127,830	3,382,772	16,804,398	13,903,193
Other Operating Income 20	147,066	57,133	598,706	234,817
Net Income	4,274,896	3,439,905	17,403,104	14,138,010
Personnel Costs 21	(3,243,696)	(2,200,909)	(13,205,085)	(9,045,735)
Depreciation And Amortisation 22	(1,121,368)	(533,359)	(4,565,091)	(2,192,106)
Administration And General Expenses 23	(2,094,248)	(1,437,985)	(8,525,683)	(5,910,117)
Operating Loss Before Impairment Losses	(2,184,416)	(732,348)	(8,892,755)	(3,009,948)
Loss Allowance For Expected Credit Losses ("Ecl") 8	(627,471)	(421,714)	(2,554,434)	(1,733,245)
Loss Before Tax	(2,811,887)	(1,154,062)	(11,447,189)	(4,743,193)
Income Tax Expense 24(b)	(115,028)	(107,481)	(468,279)	(441,747)
Loss After Tax	(2,926,915)	(1,261,543)	(11,915,468)	(5,184,940)
Other Comprehensive Income	-	-	374,461	(2,413,431)
Total Comprehensive Expense For The Financial Year	(2,926,915)	(1,261,543)	(11,541,007)	(7,598,371)

3. Statement Of Changes In Equity for the Financial Year Ended 31 December 2024

	Share Capital		Regulatory reserve		Accumulated losses		Translation Reserve		Total	
	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000	USD	KHR'000
Balance as at 1.1.2023	75,000,000	304,710,000	-	-	1,067,488	4,357,401	-	-	76,405,348	314,560,818
Loss for the financial year	-	-	-	-	-	-	-	-	(1,261,543)	(5,184,940)
Other comprehensive loss, net tax	-	-	-	-	-	-	-	-	-	-
Total comprehensive loss	-	-	-	-	-	-	-	-	-	-
Transaction with owners										
Transfer to regulatory reserve, representing total transaction with owners	-	-	(262,367)	(1,078,328)	262,367	1,078,328	-	-	-	-
Balance as at 31.12.2023/1.1.2024	75,000,000	304,710,000	805,121	3,279,073	(661,316)	(2,729,971)	1,703,345	75,143,805	306,962,447	
Loss for the financial year	-	-	-	-	(2,926,915)	(11,915,468)	-	(2,926,915)	(11,915,468)	
Other comprehensive loss, net tax	-	-	-	-	-	-	(4,373,999)	-	(4,373,999)	
Total comprehensive loss	-	-	-	-	(2,926,915)	(11,915,468)	(4,373,999)	(2,926,915)	(16,289,467)	
Transaction with owners										
Transfer to regulatory reserve, representing total transaction with owners	-	-	4,839,334	19,700,929	(4,839,334)	(19,700,929)	-	-	-	-
Balance as at 31.1.2024	75,000,000	304,710,000	5,644,455	22,980,002	(8,427,565)	(34,346,368)	(2,670,654)	72,216,890	290,672,980	

4. Statement Of Cash Flows for the Financial Year Ended 31 December 2024 (Cont'd)

Note	USD		KHR'000	
	2024	2023	2024	2023
Cash Flows From Operating Activities				
Loss before tax	(2,811,887)	(1,154,062)	(11,447,189)	(4,743,193)
Adjustments for: Allowance for ECL for loans and advances 08	627,471	421,714	2,554,434	1,733,245
Depreciation of right-of-use assets 10	220,472	186,131	897,543	764,998
Depreciation of property and equipment 11	621,113	269,314	2,528,551	1,106,881
Amortisation of intangible asset 12	279,783	77,914	1,138,997	320,227
Interest expense 19	4,587,523	762,881	18,675,805	3,135,441
Property, plant and equipment written-off 11	29,584	6,842	120,436	28,121
Operating profit before working capital changes Working capital changes :	3,554,059	570,734	14,468,577	2,345,720
balances with National Bank of Cambodia	(7,571,261)	(2,247,826)	(30,474,326)	(9,182,369)
loan and advances	(40,730,112)	(22,902,333)	(163,938,701)	(93,556,030)
other receivables	(769,330)	(326,637)	(3,096,553)	(1,334,313)
deposits from customers	106,041,670	27,189,670	426,817,721	111,069,801
other liabilities	690,624	1,006,189	2,779,762	4,110,281
CASH FLOWS FROM OPERATION	61,215,650	3,289,797	246,556,480	13,453,090
Interest paid	(4,444,592)	(100,981)	(18,093,934)	(415,033)
Income tax paid	(100,630)	(628,923)	(409,665)	(2,584,874)
NET CASH FROM OPERATING ACTIVITIES	56,670,428	2,559,893	228,052,881	10,453,183

5. Statement of Cash Flows for the Financial Year Ended 31 December 2024 (Cont'd)

Note	USD		KHR'000	
	2024	2023	2024	2023
CASH FLOWS FOR INVESTING ACTIVITIES				
Purchase of property, plant and equipment 11	(1,697,483)	(2,521,887)	(6,832,369)	(10,301,908)
Purchase of intangible assets				
Withdrawal/(Placement) of fixed deposits with original maturity of more than three months 12	(134,914)	(757,410)	(543,029)	(3,094,020)
	66,614	(5,547,980)	268,121	(22,663,498)
NET CASH FOR INVESTING ACTIVITIES	(1,765,783)	(8,827,277)	(7,107,277)	(36,059,426)
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES				
Subordinated loan	5,000,000	-	20,125,000	-
Payments of lease liabilities 10	(329,972)	(272,778)	(1,343,316)	(1,121,120)
NET CASH FROM/(FOR) FINANCING ACTIVITIES	4,670,028	(272,778)	18,781,684	(1,121,120)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	59,574,673	(6,540,162)	239,727,288	(26,727,363)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	22,177,907	28,718,069	90,596,751	118,232,290
EFFECT OF CURRENCY TRANSLATION	-	-	(1,269,906)	(908,176)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR 25	81,752,580	22,177,907	329,054,133	90,596,751

Financial Risk Management Policies

The Bank's policies in respect of the major areas of treasury activity are as follows:

(a) Operational risk

Operational risk is the risk of direct or indirect loss arising from inadequate or failed internal processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of corporate behavior.

The operational risk losses is managed through established operational risk management processes, proper monitoring and reporting of the business activities by control and support units which are independent of the business units and oversight provided by the senior management of the Bank.

The Bank's operational risk management entails the establishment of clear organisational structures, roles and control policies. Various internal control policies and measures have been implemented including the establishment of signing authorities, defining system parameters controls, streamlining procedures and documentation and compliance with regulatory and other legal requirements.

(b) Credit risk

Credit risk is the potential loss of revenue and principal losses in the form of specific provisions as a result of defaults by the borrowers or counterparties through its lending and investing activities.

The primary exposure to credit risk arises through its loans to customers. The amount of credit exposure in this regard is represented by the carrying amounts of the assets on the statement of financial position. The lending activities are guided by the Bank's credit policy to ensure that the overall objectives in the area of lending are achieved; i.e., that the loans portfolio is strong and healthy and credit risks are well diversified. The credit policy documents the lending policy, collateral policy and credit approval processes and procedures implemented to ensure compliance with NBC Guidelines.

The Bank holds collateral against loans to customers in the form of mortgage interests over property and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are not updated except when a loan is individually assessed as doubtful.

FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit risk (Cont'd)

(i) Credit risk measurement

The measurement of expected credit loss allowance under the CIFRS 9's three-stage approach is to recognise lifetime expected credit loss allowance for financial instrument for which there has been a significant increase in credit risk since initial origination or is credit-impaired as at the reporting date. The financial instrument which has not undergone any significant deterioration in credit risk shall be recognised with 12-month expected credit loss allowance.

Under the three-stage approach, the financial instrument is allocated into three stages based on the relative movement in the credit risk.

- Stage 1 includes financial instruments that neither have a significant increase in credit risk since initial recognition nor credit-impaired as at reporting date. For these assets, 12-month expected credit loss allowance are recognised.
- Stage 2 includes financial instruments that have had a significant increase in credit risk since initial recognition but do not have objective evidence of impairment. For these assets, lifetime expected credit loss allowance are recognised.
- Stage 3 includes financial instruments that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit loss allowance are recognised.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their expected credit loss allowance is always measured on a lifetime basis (Stage 3).

The key judgements and assumptions adopted by the Bank in addressing the requirements of the standard on the measurement of allowances are:

(1) Significant increase in credit risk ("SICR")

The assessment of SICR shall be a multifactor and holistic analysis and based on a mixture of quantitative and/or qualitative information. To determine whether the risk of default of a loan has increased significantly since initial recognition, the current risk of default at thereporting date is compared with the risk of default at initial recognition.

The key judgements and assumptions adopted by the Bank in addressing the requirements of the standard on the measurement of allowances are (Cont'd):

(2) Definition of credit impaired

Loans and advances

The Bank classifies a loan and advance as impaired when it meets one or more of the following criteria:

- The principal or interest or both of the loan is past due for more than 3 months for short term loans and 1 year for long term loans;
- The loan is forced impaired due to various reasons, such as bankruptcy;
- The loan is classified as "Loss" as per NBC's requirement.

(3) Definition of default

Loans and advances

The Bank defines a financial instrument as in default when it meets one or more of the following criteria:

- Credit-impaired;
- Write-off/charged-off accounts.

(4) Measuring ECL – inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. The 12-month or Lifetime ECL reflects multiple forward-looking scenarios and is weighted based on the probability of occurrence for each scenario. The ECL can be assessed and measured either on collective or individual basis.

For collective assessment, the ECL is determined by projecting the Probability of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") for each future month and for each individual exposure or collective segment. The three components are multiplied together to calculate an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. For individual assessment, the ECL allowance is determined by comparing the outstanding exposure with the present value of cash flow which is expected to be received from the borrower.

Probability of Default

The PD represents the likelihood of a borrower will be unable to meet its financial obligation either over the next 12 months (12-month PD) or over the remaining lifetime (Lifetime PD) of the obligation.

The PD is derived based on the modelling approach of which statistical analysis and expert judgement was performed to identify the risk parameters which correlate with the historical observed default. The model relies on the risk parameters and its correlation with the historical observed default to predict the 12-month PD. The Lifetime PD is developed using forecasted macro-economic variables ("MEV") with the application of survival probabilities up to maturity of the loan facility.

Exposure at Default

EAD is the total amount that the Bank is exposed to at the time the borrower defaults. The 12-month and lifetime EADs are determined based on the expected payment profile. For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12-month or remaining maturity.

Loss Given Default

LGD represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default. The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.
- For unsecured products, LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers. These LGD's are influenced by collection strategies, including contracted debt sales and price.

The assumptions underlying the ECL calculation are monitored and reviewed periodically. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

(5) Grouping of exposure for ECL measured on collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous.

In performing this grouping, there must be sufficient information for the group to be statistically credible. Where sufficient information is not available internally, the Bank has considered benchmarking internal/external supplementary data to use for modelling purposes.

The appropriateness of groupings is monitored and reviewed on a periodic basis

(ii) Risk limit control and mitigation policies

The Bank operates and provides loans and advances to individuals or enterprises within the Kingdom of Cambodia. The Bank manages limits and controls concentration of credit risk whenever they are identified.

The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security in the form of collateral for loans to customers, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types secured for loans to customers are:

- Mortgages over residential properties (land, building and other properties);
- Charges over business assets such as land and buildings; and
- Cash in the form of margin deposits.

(iii) Impairment and provisioning policies

The Bank is required to follow the mandatory credit classification and provisioning in accordance with Prakas B7-017-344 and B7-018-001 dated 1 December 2017 and 16 February 2018 respectively on loan classification and provisioning. The impairment policy is set out in Note 8.

At each reporting date, the Bank assesses whether any of financial assets at amortised cost are credit impaired.

Loans and advances

The Bank applies the 3-stage general approach to measuring expected credit losses for loans and advances.

The calculation of expected loss rates are based on the estimation techniques mentioned in Note 28.1(b)(i).

Generally, the Bank considers loans and advances to related parties have low credit risks. The Bank assumes that there is a significant increase in credit risk when a related parties' financial position deteriorates significantly. As the Bank is able to determine the timing of payments of the related parties' loans and advances when they are payable, the Bank considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Bank considers a related party's loan or advance to be credit impaired when the subsidiary is unlikely to repay its loan or advance in full or the subsidiary is continuously loss making or the subsidiary is having a deficit in its total equity.

The Bank determines the probability of default for these loans and advances individually using internal and external information available.

The information about the exposure to credit risk and the loss allowances calculated under CIFRS 9 for loans and advances are summarised below:

Loss Allowance for ECL					
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total Carrying amount	
	(Stage 1) USD	(Stage 2) USD	(Stage 3) USD	USD	KHR'000
2024					
Gross carrying amount	84,161,866	769,696	6,105,947	91,037,509	366,425,975
Impairment	(866,817)	-	(238,705)	(1,105,522)	(4,449,726)
	83,295,049	769,696	5,867,242	89,931,987	361,976,249
2023					
Gross carrying amount	49,123,596	151,434	1,032,367	50,307,397	205,505,716
Impairment	(472,106)	-	(5,945)	(478,051)	(1,952,838)
	48,651,490	151,434	1,026,422	49,829,346	203,552,878

The movement is the loss allowance for ECL in respect of loans and advances are disclosed in Note 8.

Other receivables

Other receivables are also subject to the impairment requirements of CIFRS 9, the identified impairment loss was immaterial and hence, it is not provided for.

Bank Balances

Bank balances are also subject to the impairment requirements of CIFRS 9, the identified impairment loss was immaterial and hence, it is not provided for.

(iv) Maximum exposure to credit risk before collateral held or other credit enhancements

The credit exposure arising from on and off balance sheet activities are as follows:

	USD		KHR'000	
	2024	2023	2024	2023
Credit risks exposures relating to on-balance sheet assets:				
Bank balances – gross	72,555,540	21,250,666	292,036,047	86,808,971
Deposits and placements with National Bank of Cambodia – gross	30,630,348	10,469,889	123,287,150	42,769,497
Loans and advances – gross	91,037,509	50,307,397	366,425,974	205,505,716
Other assets	444,845	5,529	1,790,501	22,585
	194,668,242	82,033,481	783,539,672	335,106,769
Credit risks exposures relating to off-balance sheet items:				
Undisbursed portion of loans and advances	2,810,935	3,764,827	11,314,013	15,473,439
Total maximum credit risk exposure	197,479,177	85,798,308	794,853,685	350,580,208

(v) Exposure to credit risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Bank after deducting any allowance for impairment losses (where applicable).

Loans with renegotiated terms/restructured loans

Loans with renegotiated terms are loans that have been rescheduled or refinanced in accordance with an agreement setting forth a new repayment schedule on a periodic basis occasioned by weaknesses in the borrower's financial condition and/or inability to repay the loan as originally agreed. Loans to be restructured are analyzed on the basis of the business prospects and repayment capacity of the borrower according to new cash flow projections supported by updated business perspectives and overall market conditions being based on realistic and prudent assumptions.

Once the loan is restructured it remains in the same category independent of satisfactory performance after restructuring. The classification is not improved unless there are no arrears in repayment of principal and interest within 3 installment periods and within a period of not less than 3 months.

Write-off policy

In compliance with NBC Guidelines, the Bank shall remove a loan/advance or a portion of a loan from its balance sheet when the Bank loses control of the contractual rights over the loan or when all or part of a loan is deemed uncollectible; or there is no realistic prospect of recovery.

Collateral

The Bank holds collateral against loans and advances in the form of mortgage interests over property and/or guarantees. Estimates of fair value are based on the value of collateral assessed on an annual basis. There were no non-financial assets obtained by the Bank during the year by taking possession of collateral held as security against loans and advances. The repossessed properties have to be sold within one year as the required by the NBC Guidelines and are classified in the statement of financial position as foreclosed property.

Concentration of credit risk

The analysis of concentrations of credit risk from loans and advances at the end of the reporting period is shown in Note 8 to the financial statements.

(c) Market Risk

Market risk is the risk of loss arising from adverse movement in the level of market prices or rates, the two key components being foreign currency exchange risk and interest rate risk. Market risk arising from the trading activities is controlled by marking to market the trading positions against their predetermined market risk limits.

(i) Foreign currency risk

Foreign currency exchange risk refers to the adverse exchange rate movements on foreign currency exchange positions taken from time to time. The Bank maintains a policy of not exposing itself to large foreign exchange positions. Any foreign currency exchange open positions are monitored against the operating requirements, predetermined position limits and cut-loss limits.

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Bank's functional currency.

The Bank's exposure to foreign currency exchange rate risk at the end of the reporting period is disclosed in the respective notes to the financial statements.

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the functional currencies of the Bank does not have a material impact on the profit/loss after taxation and other comprehensive income of the Bank and hence, no sensitivity analysis is presented.

(ii) Interest rate risk

Interest rate risk refers to the volatility in net interest income as a result of changes in the levels of interest rate and shifts in the composition of the assets and liabilities. Interest rate risk is managed through close monitoring of returns on investment, market pricing, cost of funds and through interest rate sensitivity gap analysis. The potential reduction in net interest income from an unfavorable interest rate movement is monitored against the risk tolerance limits set.

The Bank's exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in respective notes to the financial statements.

Fair value sensitivity analysis for fixed rate instruments

The Bank does not account for any fixed rate liabilities at fair value through profit or loss, and the Bank does not have derivatives as at the year end.

Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for floating rate instruments

The Bank does not have significant floating rate instruments. Any reasonably possible change in the interest rates of floating rate instruments at the end of the reporting period does not have a material impact on the profit after tax and other comprehensive income of the Bank and hence, no sensitivity analysis is presented.

(iii) Equity price risk

The Bank does not have any quoted investments and hence is not exposed to equity price risk.

(d) Liquidity Risk

Liquidity risk relates to the ability to maintain sufficient liquid assets to meet its financial commitments and obligations when they fall due at a reasonable cost.

In addition to full compliance of all liquidity requirements, the management of the Bank closely monitors all inflows and outflows and the maturity gaps through periodical reporting. Movements in loans and customers' deposits are monitored and liquidity requirements adjusted to ensure sufficient liquid assets to meet its financial commitments and obligations as and when they fall due.

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

2024	Weighted Average Effective Interest Rate %	Carrying Amount USD	Contractual undiscounted cash flow USD	Within 1 Year USD	1-5 Years USD	Over 5 Years USD
Non-derivative Financial Liabilities						
Deposits from customers	1% - 8.80%	133,231,340	136,225,973	130,672,165	5,553,808	-
Subordinated loan	4.5%	5,000,000	6,125,000	225,000	5,900,000	-
Other liabilities	N/A	2,047,280	2,047,280	2,047,280	-	-
Lease liabilities	16.67%	777,594	1,017,964	774,169	243,795	-
		141,056,214	145,416,217	133,718,614	11,697,603	-

2023	Weighted Average Effective Interest Rate %	Carrying Amount USD	Contractual undiscounted cash flow USD	Within 1 Year USD	1-5 Years USD	Over 5 Years USD
Non-derivative Financial Liabilities						
Deposits from customers	1% - 8.80%	27,189,670	28,787,230	26,316,061	2,471,169	-
Other liabilities	N/A	1,356,656	1,356,656	1,356,656	-	-
Lease liabilities	16.67%	811,619	949,323	765,320	184,003	-
		29,357,945	31,093,209	28,438,037	2,655,172	-

2024	Weighted Average Effective Interest Rate %	Carrying Amount KHR '000	Contractual undiscounted cash flow KHR '000	Within 1 Year KHR '000	1-5 Years KHR '000	Over 5 Years KHR '000
Non-derivative Financial Liabilities						
Deposits from customers	1% - 8.80%	536,256,144	548,309,541	525,955,464	22,354,077	-
Subordinated loan	4.5%	20,125,000	24,653,125	905,625	20,125,000	-
Other liabilities	N/A	8,240,303	8,240,303	8,240,303	23,747,500	-
Lease liabilities	16.67%	3,129,816	4,097,305	3,116,030	981,275	-
		567,751,263	585,300,274	538,217,422	67,207,852	-

2023	Weighted Average Effective Interest Rate %	Carrying Amount KHR '000	Contractual undiscounted cash flow KHR '000	Within 1 Year KHR '000	1-5 Years KHR '000	Over 5 Years KHR '000
Non-derivative Financial Liabilities						
Deposits from customers	1% - 8.80%	111,069,802	117,595,834	107,501,109	10,094,725	-
Other liabilities	N/A	5,541,939	5,541,939	5,541,939	-	-
Lease liabilities	16.67%	3,315,464	3,877,984	3,126,332	751,652	-
		119,927,205	127,015,757	116,169,380	10,846,377	-

CAPITAL RISK MANAGEMENT

(a) Regulatory Capital

The Bank's objectives when managing capital, which is a broader concept than the 'equity' on the face of the statement of financial position, are:

- To comply with the capital requirements set by the NBC;
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of the business.

The NBC requires all the Banks to (i) fulfill the minimum capital requirements, and (ii) comply with solvency, liquidity and other requirements.

(b) Capital allocation

The allocation of capital between specific operations and activities is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital.

There was no change in the Bank's approach to capital management during the financial year.

The cover features a dark blue background. The left half is filled with a dense, repeating pattern of small white circles. The right half is a solid dark blue with faint, larger-scale circular patterns and a subtle wavy line. In the bottom right corner, the text 'ANNUAL REPORT 2024' is displayed in a bold, white, sans-serif font, with '2024' being significantly larger than the other words. Below this, 'BRIDGE Bank Plc.' is written in a smaller, white, sans-serif font.

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