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# ANNUAL REPORT

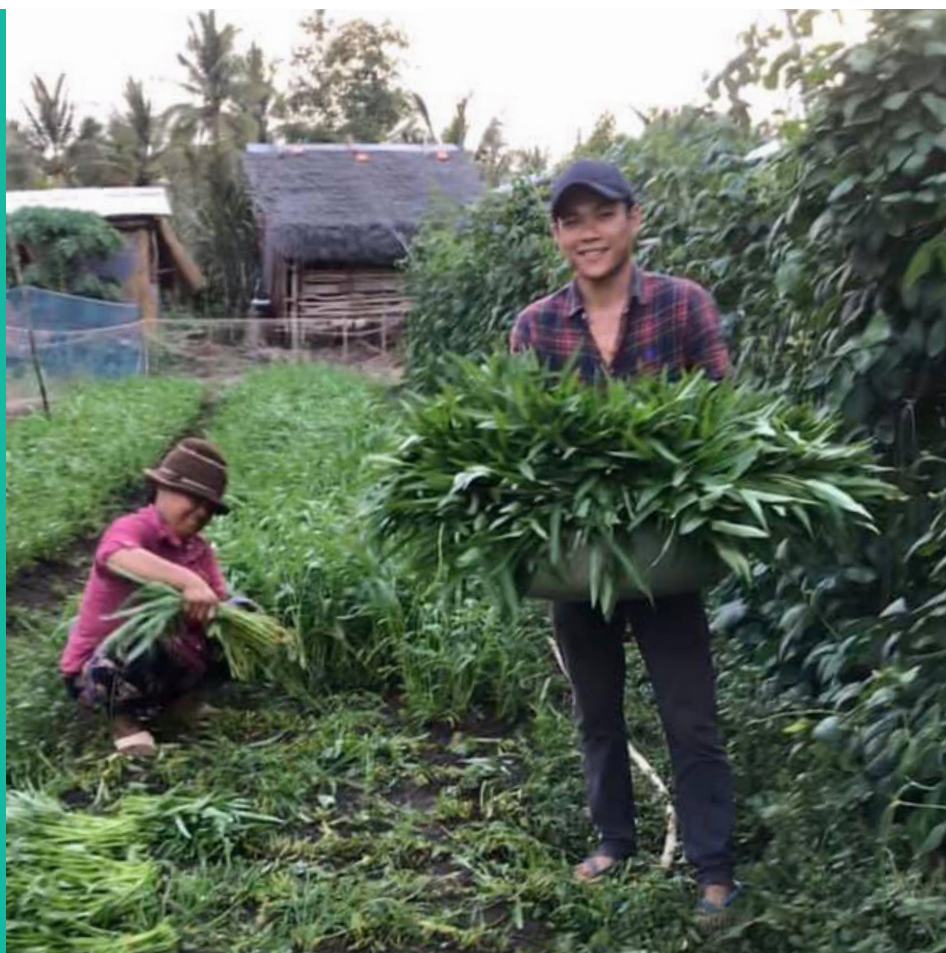
2024



National Road 2, Kleang Sambatt Village, Potsor  
Commune, Bati District Takeo, Cambodia.

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## ABOUT **DAIKOU**

**Daikou Finance Plc.** is a licensed rural credit institution committed to advancing financial inclusion in Cambodia's underserved communities. Established with the mission to empower rural families through access to affordable, responsible, and client-focused financial services, Daikou provides microloans tailored to the needs of low-income households, smallholder farmers, and women entrepreneurs. With a deep understanding of the local context, Daikou designs its products to support income generation, improve living standards, and reduce dependence on informal lending. By combining financial services with social impact initiatives such as financial literacy and green loans, Daikou Finance Plc. continues to play a vital role in driving sustainable development and economic resilience across rural Cambodia.

# OUR VISION, MISSION CORE VALUE



## Vision

To create a society where every rural family can access fair and affordable financial services.

## Mission

To empower underserved communities by providing responsible microfinance that supports women, farmers, and low-income households to build sustainable livelihoods and brighter futures.

## Core Value



### Integrity

We act with honesty, transparency, and accountability in all our relationships with clients, partners, and stakeholders.



### Social Impact

We measure success not only in financial terms but in the positive change created in the lives of our clients and their communities.



### Client-Centered

We design services around the real needs of rural families, ensuring affordability, dignity, and accessibility.



### Sustainability

We design services around the real needs of rural families, ensuring affordability, dignity, and accessibility.



### Empowerment

We enable women, farmers, and low-income households to build sustainable livelihoods and achieve financial independence.



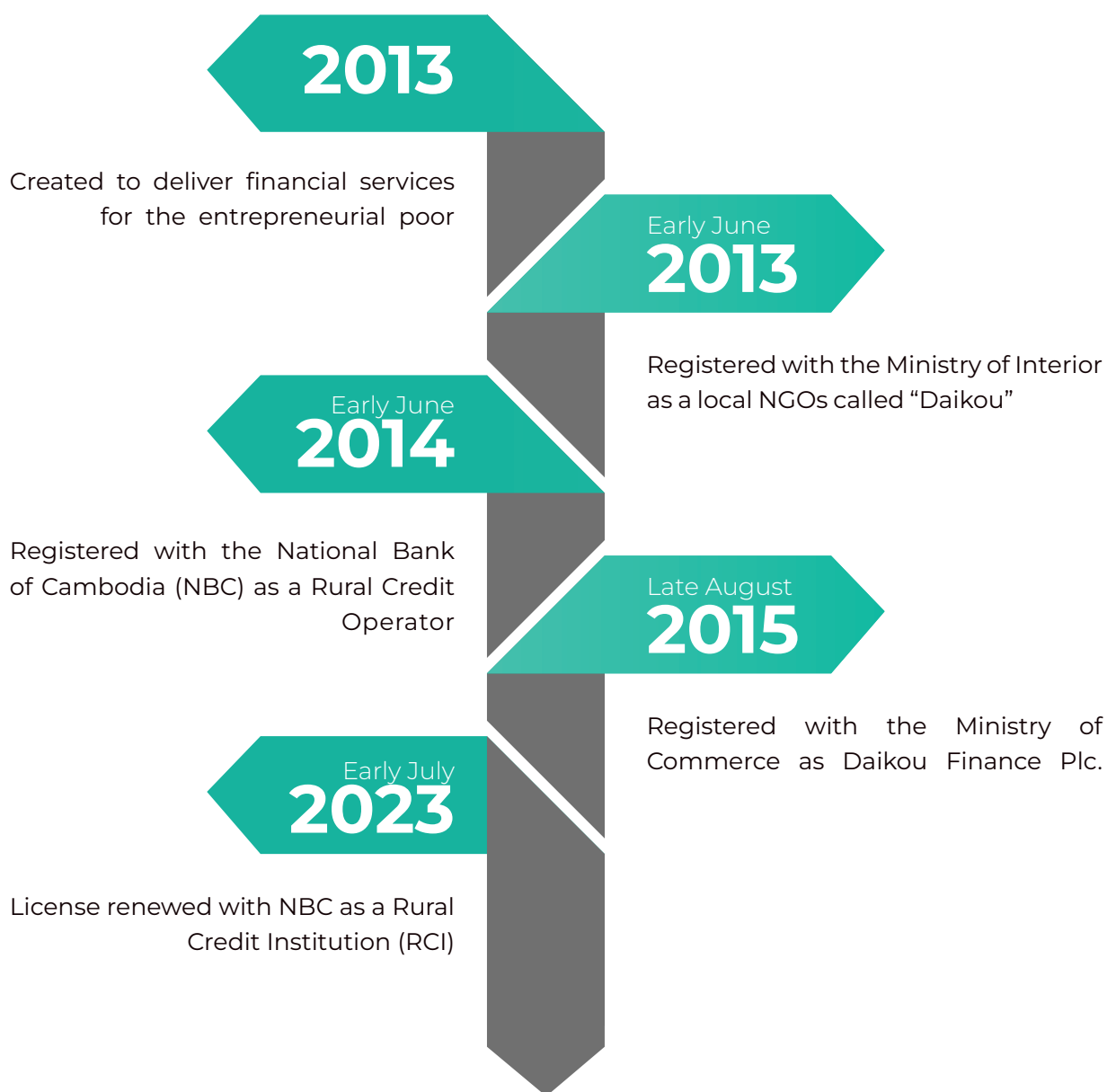
### Innovation

We continuously improve our services and embrace new solutions to reach underserved communities more effectively.



# CORPORATE HISTORY & MILESTONE

Our future plans include expanding its reach to new communities, launching new products and services, and continuing to promote financial literacy and social entrepreneurship, but now we would like to look back and visualize our impacts through our milestones.





## MESSAGE FROM CHAIRWOMAN

Dear Stakeholders,

It is my honor to present the 2024 Annual Report of Daikou Finance Plc., marking another year of meaningful progress in our journey toward inclusive rural finance in Cambodia.

This year, we have witnessed both challenges and achievements. Amid economic uncertainties, our team remained focused on building trust with our clients, strengthening internal systems, and deepening our impact in underserved communities. I am especially proud of Daikou's efforts to empower rural women, support agricultural livelihoods, and pilot innovative repayment models such as the "Credit for Change" initiative.

As Chairwoman, I commend our management team, led by Mr. Dy Sitha, for their integrity, passion, and discipline in navigating the path of sustainable growth. The Board of Directors continues to provide strategic guidance and oversight to ensure Daikou's governance, risk management, and mission alignment remain strong. Looking forward, we reaffirm our commitment to good governance, social impact, and long-term financial sustainability. Together, with the continued support of our partners, investors, and clients, we believe Daikou will become a leading model of rural financial inclusion in Cambodia and beyond.

Warm Regards,

**Chen Sopheap**

Chairwoman of the Board  
Daikou Finance Plc.



## MESSAGE FROM CEO

Dear Stakeholders,

2024 has been a year of resilience, transformation, and growth for Daikou Finance Plc. Despite global economic uncertainties and local market pressures, our team remained committed to our mission: improving financial access for underserved rural communities in Cambodia.

Through strategic initiatives, client-centric innovations, and operational strengthening, we continued expanding outreach while upholding financial discipline. I am proud to report that Daikou served over 1,335 clients across 43 communes, with a portfolio quality that reflects our commitment to responsible lending and client trust.

As we look ahead to 2025 and beyond, we remain steadfast in creating inclusive financial solutions, building strategic partnerships, and accelerating social impact for every household we serve.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dy Sitha', with a stylized flourish at the end.

**Dy Sitha**  
Chief Executive Officer  
Daikou Finance Plc.



# OUR PRODUCTS & SERVICES

Daikou Finance is committed to providing financial services to rural communities across Cambodia. We offer a wide range of financial services, and our approach is to simplify the documentation process and meet our customers door-to-door. This allows us to explain our services directly to our customers and ensure that we can answer any questions they may have.

## ► Personal Finance



### Home Improvement Loan

We offer home improvement loans to individuals from the communities. With our loan, you can cover the cost of materials and labor. Talk to us today to find out about our loan to renovate the house, expand the house and or repair the house.



### Personal Loan

Personal purposes such as medical expenses, education, business and other personal expenses are covered by Daikou Personal loan.



### Motorbike Loan

Our motorbike loans have competitive interest rates and flexible repayment terms, so you can find the perfect loan for your needs.



## ► Business Loan



### Working Capital Loan

Need working capital to grow your business? Daikou Finance can help. Our working capital loans are designed to help businesses of all sizes meet their short-term financial needs. We offer competitive interest rates and flexible repayment terms, so you can find the perfect loan for your business.



### Agriculture Loan

Grow your farm with Daikou Finance's agricultural loan. Daikou Finance offers agricultural loans to help farmers improve their businesses and increase their yields. Our loans are designed to be flexible and affordable, so you can focus on growing your crops.

## ► Social Loan



### Green Loan

Improve your living conditions while protecting environment such as bio-gas loan, renewable energy loan, solar loan, water and sanitation with Daikou Finance's rural community green loan. Daikou Finance offers rural community green loans to help communities invest in sustainable projects that benefit the environment and the people who live there. Our loans are designed to be flexible and affordable, so you can focus on making a difference.



### Group Solidarity

Daikou Finance offers Group Solidarity loans to help low-income rural people who are in needs of small amount of money to invest in income generating activity, including trading, agricultural business and non-related agricultural business. Our loans are designed to be flexible, affordable and easy to apply.

# PERFORMANCE HIGHLIGHT

Daikou Finance is a well-performing rural credit institution with a strong track record. We are committed to providing financial services to the underserved in Cambodia and is playing an important role in the country's economic development.

## FINANCIAL HIGHLIGHTS

	31-Dec-24	31-Dec-23	31-Dec-22
Loan Portfolio (in USD)	2,743,580	2,757,605	2,321,277
Total Assets (in USD)	2,808,696	2,826,641	2,549,164
Borrowings (in USD)	2,189,473	2,125,004	1,895,281
Total Liabilities (in USD)	2,229,349	2,211,644	2,031,090
Total Equity (in USD)	579,347	614,996	500,366
Total Income (in USD)	694,687	644,568	495,151
Net Profit (in USD)	25,457	69,964	70,792
Return on Equity	4.40%	11.41%	16.81%
Return on Assets	1%	2.47%	2.78%

## FINANCIAL HIGHLIGHTS

	31-Dec-24	31-Dec-23	31-Dec-22
Number of Credit Officers	10	9	8
Total Staff	27	25	24

## OPERATIONAL HIGHLIGHTS

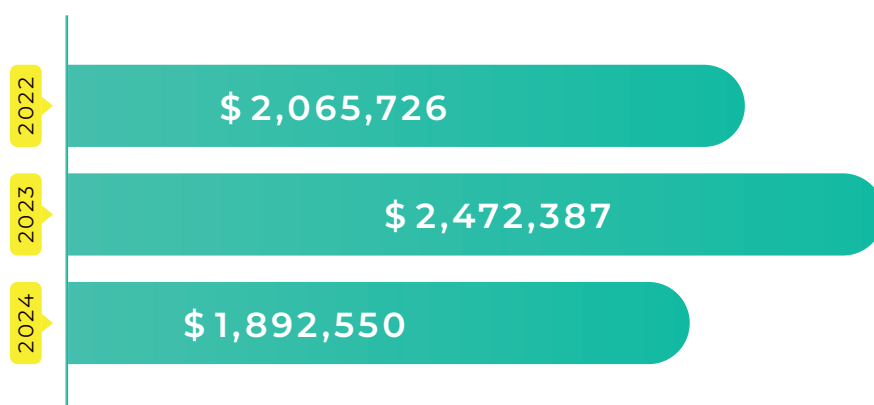
	31-Dec-24	31-Dec-23	31-Dec-22
Active Loan Accounts	706	661	482
Ave. Loan Size (in USD)	3,954	4,175	4,816
Active Borrowers	1,335	1,233	730
Borrowers per Credit Officer	133	137	81
Ave. Loan Portfolio per Credit Officer (in USD)	279,147	306,601	257,920
Portfolio at Risk (PAR) >30	7.76%	4.87%	0.74%

## SERVICE OUTREACH

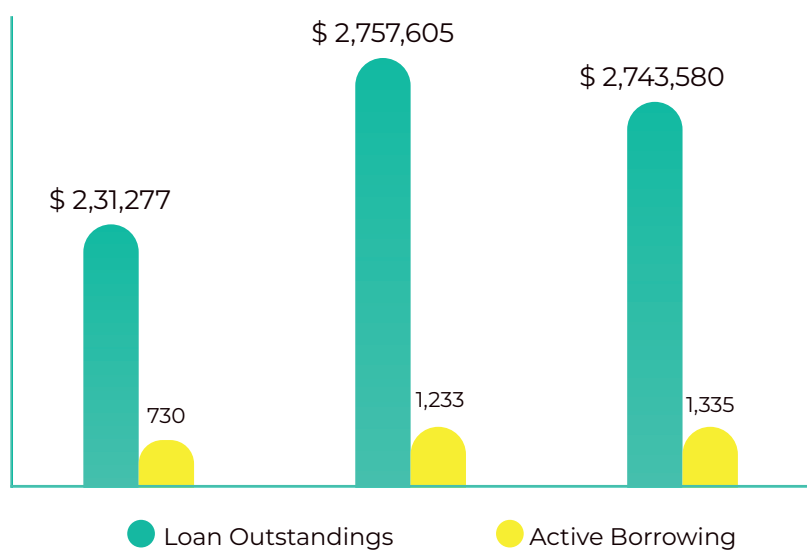
	31-Dec-24	31-Dec-23	31-Dec-22
Number of Branch Offices	1	1	1
Number of Provinces Covered	3	3	3
Number of Districts Covered	13	11	8
Number of Communes Covered	43	40	33
Number of Villages Covered	134	123	110

# LOAN PERFORMANCE

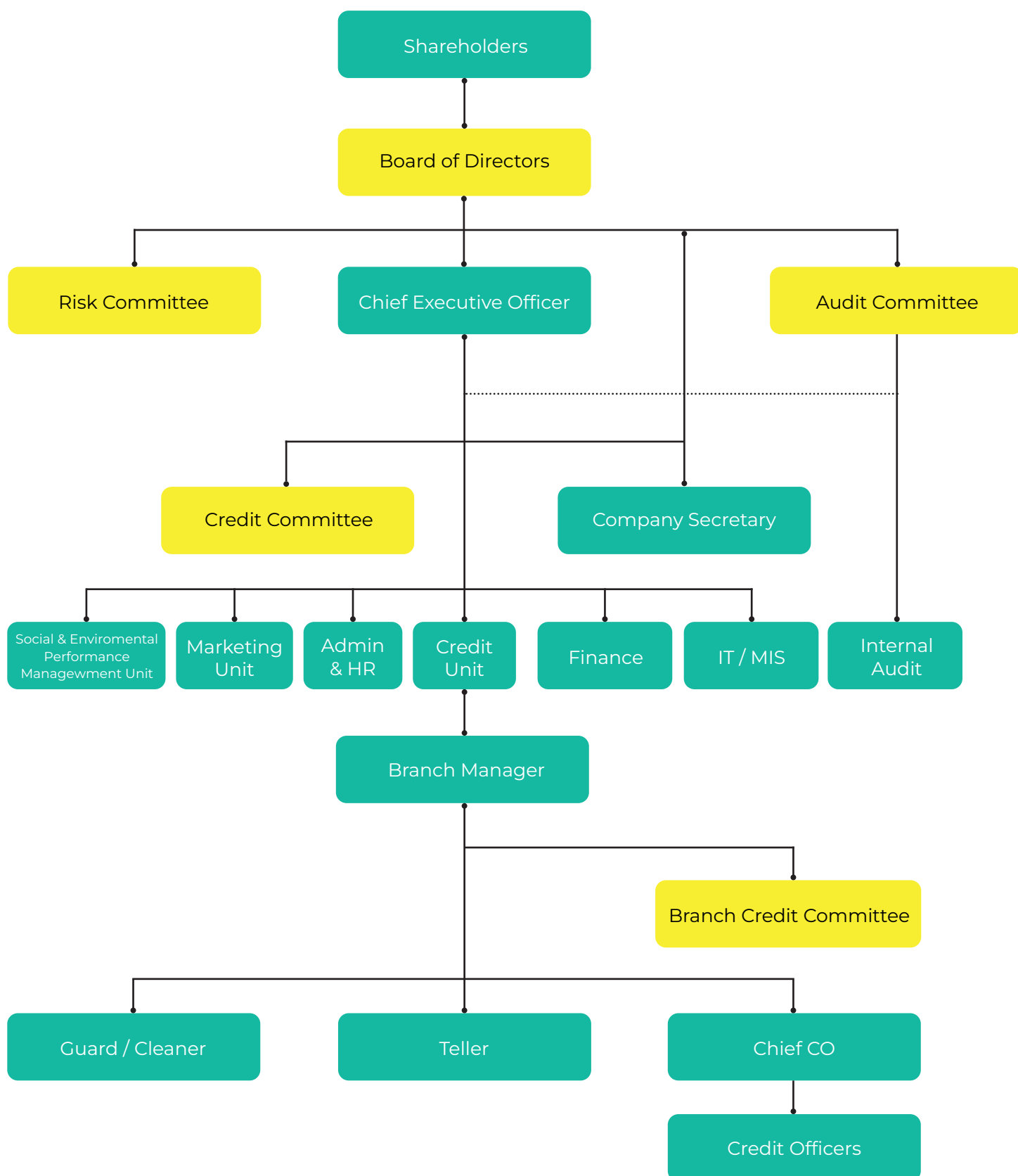
## Loan Disbursement



## Loan Performance



# ORGANIZATION CHART





# ABOUT SHAREHOLDERS

DY Sitha

27%



THUCH Panchakampoul

21%



CHIN Molika

20%



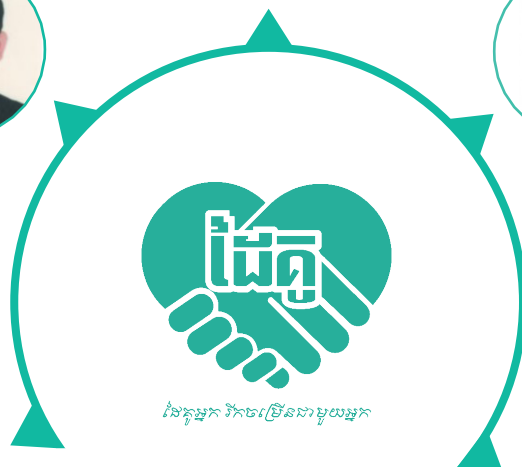
LIM Rotha

16%



CHEN Sopheap

16%



# BOARD OF DIRECTORS



**Ms. CHEN Sopheap**

Chairwoman of Board of Director

Ms. Sopheap joined the Board of DAIKOU on 1st July 2018. She was elected to be a board chairwoman for leading Daikou Finance Plc. Before joining with Daikon Finance Plc, Ms. Sopheap used to work as a community health trainer with Health Unlimited Organization between 2004 and 2006. From 2010 to 2014, she was a program manager for Handicap International Cambodia. She is currently a managing director of Keiy Tambanh Khmer. She earned her bachelor's degree of Business Management from University of Cambodia in 2011 and obtained another Bachelor of Medical Science majoring in nursery in 2002.

**Ms. LIM Rotha**

Board of Director

Ms. Lim Rotha, Board of Director, Cambodian, born on January 05, 1976. She obtained the Diploma of Business in Commercial Accounting in 1996 from Secondary School of Business, Cambodia. She used to work as an accountant for Carlsberg beer company. Currently she is a Senior Manager Treasury for Attwood Import Export Co., Ltd. She became a Board member of Daikou on 10 April 2023.



**Ms. CHIN Molika**

Board of Director



Ms. Chin Molika, Board of Director, was born in 1983. He joined the Board of DAIKOU in April 2023. Ms. Molika is currently working as a Senior Finance Manager at Attwood Import Export Co., Ltd. She obtained his master's degree of science in Ethnic Relations from Malmö University in Sweden. Currently she is pursuing ACCA Certificate from Cam Ed Business School. She also obtained a Bachelor of Business Administration in 2006 from Pannasatra University of Cambodia.

## Mr. DY Sitha

Board of Director

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Sitha joined Daikou Finance Plc. as a Board Member in January 2013. He is currently the CEO as appointed by the Board of Directors, effective August 1st, 2018. Before the current position, Sitha was a Regional Program Manager for an international NGO, Heifer International Cambodia, involved in humanitarian assistance and income generation program. Prior to that, Sitha worked for World Vision International Cambodia as a Community Development Worker and was later promoted to Water and Sanitation Project Coordinator. Before that, Sitha worked as a Senior Trainer for Thaneakea Phum Cambodia (currently LOLC) and later on returned to World Vision International Cambodia in charge of Design, Monitoring and Evaluation.

Sitha has earned his Bachelor's degree in Business Administration (BBA), majored in Business Management from the University of Cambodia. Prior to that, he has received a Bachelor's degree of Education (B.Ed) majored in Teaching English as a Foreign Language (TEFL) from the Build Bridge University. Sitha has attended numerous training and events in and out of the country in relations to areas, such as microfinance, leadership, credit management, financial management, human resources management, risk management, good governance, Planning, Monitoring & Evaluation, Social Project and Program Management, just to mention a few.



## Dr. CHHENG Kimlong

Independent Board of Director

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Dr. Kimlong is also serving as Chairman of Audit & Risk Committee of DAIKOU. He holds a PhD in Economics from the Australian National University, a Master in Economics from Kobe University, and a Master in Business Administration from Preston University. Dr. Chheng is Director of Centre for Governance Innovation and Democracy (CGID) of the Asian Vision Institute (AVI) and is Senior Researcher at the Centre for Policy Studies (CPS), Cambodia. He has had over 12 years of practical experience in quantitative and qualitative research and consultancy for local research think tanks and international development agencies. He has tracked and researched on key areas of Cambodian economy, including agriculture, trade, investment, financial sector, garment and footwear industries, oil and gas sectors, and real estate sector. He was Economic-Commercial Specialist for the United States Embassy in Phnom Penh from 2008 to 2012. Prior to that, he was Research Consultant at Cambodia Development Resource Institute (CDRI),

Research Assistant in charge of private sector and economic development at Japan International Cooperation Agency (JICA), and Socio-Economic Specialist for aid-funded rural community development projects. He has been working extensively with the Cambodian government ministries and institutions at national and subnational levels, foreign governments, international development agencies, civil society organizations, and private sector. In addition, he has had many years of teaching economics and business classes and supervising undergraduate and post-graduate students at several private and public universities in Cambodia.

# MEET OUR MANAGEMENT TEAM



## Mr. DY Sitha

Board of Director

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Sitha joined Daikou Finance Plc. as a Board Member in January 2013. He is currently the CEO as appointed by the Board of Directors, effective August 1st, 2018. Before the current position, Sitha was a Regional Program Manager for an international NGO, Heifer International Cambodia, involved in humanitarian assistance and income generation program. Prior to that,

Sitha worked for World Vision International Cambodia as a Community Development Worker and was later promoted to Water and Sanitation project Coordinator. Before that, Sitha worked as a Senior Trainer for Thaneakea Phum Cambodia (currently LOLC) and later on returned to World Vision International Cambodia in charge of Design, Monitoring and Evaluation.

Sitha has earned his Bachelor's degree in Business Administration (BBA), majored in Business Management from the University of Cambodia. Prior to that, he has received a Bachelor's degree of Education (B.Ed) majored in Teaching English as a Foreign Language (TEFL) from the Build Bridge University. Sitha has attended numerous training and events in and out of the country in relations to areas, such as microfinance, leadership, credit management, financial management, human resources management, risk management, good governance, Planning, Monitoring & Evaluation, Social Project and Program Management, just to mention a few.

## Mr. SOUN Phan

Operational Manager

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Phan joined Daikou Finance Plc. as a District Branch Manager in early 2018, and was later appointed as a Branch Manager in 2019. In mid-2020, Phan was promoted to be the Operational Manager, and he's held the position since then. Before the current job, Phan worked for AMK, a socially oriented MFI, as a Credit Officer. Before that, he worked for FUNAN Microfinance Plc. as a Branch Manager in Mondulkiri province.

Phan has earned his Bachelor's degree in General Management from the Build Bright University. He has also attended numerous workshops and training courses on Effective Branch Management, Micro Credit Management, Operational Risk Management, Staff Motivation and Property Law, etc.







## Ms. SON Sopheary

Finance Officer

Sopheary joined Daikou Finance Plc. in early 2015 as a Teller and was later promoted to be the Chief of Teller in 2019. In early 2020, she was promoted to be a Finance Officer, and she's held the position since then. Sopheary has received her Bachelor's degree of Business Administration (BBA), majored in Finance and Accounting from the National University of Management (NUM). She has also attended a lot of training on Practical and Comprehensive Taxation in Financial Institutions, Financial Reporting by Practical Accounting CIFRS for SME and E-filing etc.



## Mr. YORN Sina

Administrative and MIS Manager

Sina started his career with Daikou Finance Plc. in 2013 as a Credit Officer and was later promoted as the Administrative and MIS Manager in 2022. He is one of the longest serving employees with over 9 years of length of work at Daikou Finance Plc. Sina has received his Bachelor's degree of Computer Science from Asia Sachak Development Institute. He's also received a Bachelor's degree of Finance and Accounting from the Build Bridge University.



## Mr. SET Ra

Branch Manager

Ra joined Daikou Finance Plc. in 2013 as a Credit Officer. He was later promoted as a Senior Credit Officer. In 2017, based on his outstanding work performance, Ra was promoted to a District Branch Manager and was later on promoted again to a Senior District Branch Manager in 2020. In July 2023, he was promoted to be the Branch Manager for Tramkhnar branch. Ra has received his Bachelor's degree in Finance and Banking from Angkor Khemera University. He has also attended a number of training and workshops on effective branch management, microcredit management, operational risks management, etc.



## Ms. SAMATH Channa

Company Secretary

Channa started her job at Daikou Finance Plc. as a Teller in May 2019 and was later promoted to be the Company Secretary in June 2021. She's held the position since then. Prior to her job at Daikou, Channa worked for a local NGO as an Administrative and Teacher Assistant.

Channa has received a Bachelor degree in Finance and Banking from the Build Bright University in 2021. She has also attended some intensive training courses, such as Good Customer Services, Effective Communication, Team Building, Personal Leadership, Financial Analysis, Tax E-filing, Administrative and Secretary tasks, Minutes and Report Writing Skills, etc.

# OUR PARTNERS

Daikou Finance partners with a number of other organizations, including development agencies, financial institutions, and NGOs. These partnerships help Daikou Finance to reach more people in Cambodia and provide them with access to financial services. They also help to strengthen the microfinance sector in Cambodia and promote responsible lending practices.



# SOCIAL PERFORMANCE

## Client Outreach & Inclusion



- 1,335 active clients served, with 99% in rural areas.
- 80% of clients are women, many first-time borrowers or small entrepreneurs.
- Services reached 43 communes across 3 provinces, with rising demand for green and agricultural loans.

## Poverty Targeting & Empowerment



- 68% of new clients live near or below the national poverty line.
- Loans supported income generation, agricultural productivity, and education access.

## Financial Literacy & Client Protection



- Partnered with the Cambodia Microfinance Association on a rural financial literacy campaign.
- Collaborated with Good Return to introduce the My Money Tracker app to clients.
- Introduced simplified loan terms and strengthened grievance channels
- Provided staff training on ethical lending and responsible client communication.

## Environmental & Social Goals



- Disbursed \$62,000 in green loans to 102 smallholder farmers for water filters, sanitation, and clean energy.
- Advanced SDG 6 (Clean Water & Sanitation) and SDG 13 (Climate Action) through targeted products.
- Improved monitoring tools for social and environmental risk assessment.

## Looking Ahead to 2025



- Expand financial literacy programs with Good Return.
- Increase outreach to women-led households.
- Strengthen our Social Performance Management (SPM) system.

# CLIENT SUCCESS STORY

*“I’m truly happy after borrowing from Daikou Finance. My business has expanded, and our living condition is much better. In the future, I hope to buy land and save for my children’s university studies.”*

## Ms. PHOEUN Sreymom

Ms. Phoeun Sreymom, 33, runs a small grocery shop in Kandal province with her husband, Sim Thy, a welder. With two children in school, their household struggled to cover education, food, and daily expenses. Her shop brought in little cash, and she lacked the capital to expand.

Through a loan from Daikou Finance, Sreymom was able to grow her store and increase her family’s income. Today, the family enjoys improved living conditions and can afford to send their children to private extra classes alongside state school.







**Ms. NOV Sopheap**

Ms. Nov Sopheap, 55, and her husband El Phorng, a cow trader, live in Kandal village, Takeo province with their two children. Life was difficult before—they struggled to afford school materials, transport, and even a proper bathroom. Their youngest child had to stop school to work in a garment factory to help support the family.

With limited options and high interest from moneylenders, Sopheap attended a loan promotion event by Daikou Finance. She decided to take her first loan of US\$1,000 to start dry-season rice farming. Over time, her loan size increased to US\$10,000, enabling the family to expand their farming, improve their home, and build better facilities.

Today, Sopheap's family has a stable income, a new motorcycle for transport, and confidence in their future. She shared:

*"I'm truly happy for what we've achieved with Daikou Finance's support. The loans helped us grow our business and improve our living conditions. I wish Daikou Finance continued success in helping more families like mine."*



# EXTRACTED FINANCIAL STATEMENTS

# REPORT OF THE DIRECTORS

The board of directors hereby submit the report and the audited financial statements of the Daikou Finance Pie. («the Company») for the financial year ended 31 December 2024.

## 1. Background And Principal Activities

Daikou Finance Pie. («the Company») is a public limited company incorporated in the Kingdom of Cambodia and registered with the Ministry of Commerce («MOC») under registration No. 00044553 dated 26 August 2015. The Company obtained its license from the National Bank of Cambodia («NBC») to operate as a credit operator on 04 June 2013. The Company also obtained the renewal of the rural credit institution license, which was approved by National Bank of Cambodia («NBC») on 27 July 2023

The Company is principally engaged in all aspects of rural credit institution business and the provision of related financial services in Cambodia.

The Company's office is located at Lot N° 507, National Road N° 2, Kleang Sambatt Village, Pot Sar Commune, Bati District, Takeo Province, Kingdom of Cambodia.

## 2. Result of OPerations

The results of the Company's operations for the year ended 31 December 2024 and the state of its affairs as at that date are set out in the financial statements.

The board of directors recommend the payment of a dividend in the amount of USO 59,408 for the year ended 31 December 2024.

## 3. Board of Directos

The board of directors' members of the Company during the year and to the date of this report were as follows:

Name	Position
Mrs. CHEN Sopheap	Chairwoman
Mr. DY Sitha	Director
Ms. CHIN Molika	Director
Mrs. LIM Rotha	Director
MR. CHHENG KIMLONG	Independent Director

## 4. Auditors

The financial statements for the year ended 31 December 2024 have been audited by Cam Accounting & Tax Service Co., Ltd.

## 5. Board of directors' Responsibility For The Financial Statements

The board of director is responsible for ensuring that the financial statements are properly drawn up so as to present fairly, in all a material respects, the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended on that date.

When preparing the financial statements, the board of director is required to:

- i. adopt appropriate accounting policies in compliance with Cambodian International Financial Reporting Standards for Small and Medium-Sized Entities for Small and Medium-Sized Entities («CIFRS for SMEs») which are supported by reasonable and appropriate judgments and estimates and then apply them consistently;

comply with the disclosure requirements CIFRS for SM Es and guidelines of the National Bank of Cambodia or, 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 Company will continue its operations in the foreseeable future; and
- v. control and direct effectively the Company 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 board of directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

## 6. Preparation of Financial Statements

In the preparation of the financial statement, 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 loan to customers and 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 is 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 Company for the financial year in which this report is made;
- vii. the results of the operations of the Company during the financial years were not, in the opinion of the directors, substantially affected by any item, transactions or event of a material and unusual nature;
- viii. 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 Company to meet its obligations when they fall due.

## 7. Approval of The Financial Statements

On behalf of the board of directors of Daikou Finance Pie. I do hereby state that the accompanying financial statements present fairly, in all material respects, the statement of financial position of the Company as at 31 December 2024 and statement of profit & loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities (CIFRS for SM Es) and guidelines of the National Bank of Cambodia («NBC»).

On behalf of Board of Directors



**Mrs. Chen Sopheap**  
Chairwoman

Takeo Province, Kingdom of Cambodia  
Date: 23 May 2025

# REPORT OF INDEPENDENT AUDITORS



Kreston Cambodia is trading under name of  
Cam Accounting & Tax Service Co., Ltd.  
**Certified Public Accountants and Auditors**  
Tax Agent License (GDT Member)  
Audit Firm License (KICPAA Member)  
Financial Institution Audit License  
(NBC Member)

## Independent auditor's report To shareholders of Daikou Finance Plc.

Address: 3#D, Street 416, Sangkat Tumnup Tuek, Khan  
Beong Keng Kong, Phnom Penh, Cambodia

Phone: (855) 93 33 51 58  
(855) 12 75 32 57

E-mail: [info@krestoncambodia.com](mailto:info@krestoncambodia.com)  
[www.krestoncambodia.com](http://www.krestoncambodia.com)

### Opinion

We have audited the financial statements of Daikou Finance Plc., («the Company») which comprise the statement of financial position 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 a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 32.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities (CIFRS for SMEs) and guidelines of the National Bank of Cambodia («NBC»).

### Basis for 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

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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Information other than the financial statements and auditors' report thereon

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

Our opinion on the financial statements of the Company 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 Company, 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 Company 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 Company are responsible for the preparation of financial statements that give a true and fair view in accordance with CIFRS for SMEs and guidelines of the National Bank of Cambodia. 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 Company, the directors are 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 the directors either intend to liquidate the Company 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 Company 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 scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Company, 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 the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' report to the related disclosures in the financial statements of the Company 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 Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.



# REPORT OF FINANCIAL POSITION

Assets	Notes	2024		2023	
		USD	KHR'000	USD	KHR'000
Cash on hand	4	11,595	46,670	17,399	71,075
Deposits and placements with NBC	5	24,845	100,001	24,480	100,001
Deposits and placements with banks	6	1,181	4,754	8,097	33,076
Loans to customers	7	2,743,580	11,042,910	2,757,604	11,264,812
Other assets	8	10,938	44,025	12,841	52,455
Intangible asset	9	1,363	5,486	2,373	9,694
Property and equipment	19	4,179	16,820	3,847	15,715
Deferred tax asset	21(a)	11,015	44,335	-	-
<b>Total assets</b>		<b>2,808,696</b>	<b>11,305,001</b>	<b>2,826,641</b>	<b>11,546,828</b>

Liabilities	Notes	2024		2023	
		USD	KHR'000	USD	KHR'000
Borrowings	11	2,189,473	8,812,629	2,075,004	8,476,391
Other liabilities	12	39,305	158,203	67,783	276,894
Income tax payable	21(a)	571	2,298	19,993	81,661
Deferred tax liability	21(b)	-	-	563	2,300
Amount due to related parties	23	-	-	50,000	204,250
<b>Total liabilities</b>		<b>2,229,349</b>	<b>8,973,130</b>	<b>2,213,343</b>	<b>9,041,506</b>

Equity	Notes	2024		2023	
		USD	KHR'000	USD	KHR'000
Share capital	12	500,000	2,000,000	500,000	2,000,000
Regulatory reserve	14	48,071	196,535	33,576	137,526
Retained earnings		31,276	127,750	79,722	324,974
Currency translation reserves		-	7,586	-	42,822
<b>Total equity</b>		<b>579,347</b>	<b>2,331,871</b>	<b>613,298</b>	<b>2,505,322</b>
<b>Total liabilities and equity</b>		<b>2,808,696</b>	<b>11,305,001</b>	<b>2,826,641</b>	<b>11,546,828</b>

# STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2024

	Notes	2024 USD	2024 KHR'000	2023 USD	2023 KHR'000
Interest incomw	15	658,969	2,682,663	479,155	1,969,327
Interest expense	16	(295,095)	(1,201,332)	(244,145)	(1,003,847)
<b>Net interest income</b>		<b>363,874</b>	<b>1,481,331</b>	234,910	965,480
Other opeation income	17	35,718	145,408	177,272	728,588
Employee expenses	18	(179,168)	(729,393)	(140,367)	(618,008)
General and administrative expenses	19	(109,858)	(447,232)	(132,152)	(543,145)
Allowance for impairment losses	20	(89,890)	(465,942)	(32,625)	(134,089)
<b>Profit before taxes</b>		<b>20,676</b>	<b>84,172</b>	69,964	287,552
Income taxes	21 (c)	4,781	19,463	(27,074)	(111,274)
<b>Net interest income</b>		<b>363,874</b>	<b>1,481,331</b>	234,910	965,480
Other comprehensive income		-	-	-	-
Currency translation differences		-	(35,236)	-	(44,157)
<b>Total comprehensive income for the year</b>		<b>25,457</b>	<b>68,399</b>	69,964	331,709

# STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

Cash flow from operating activities	Notes	2024		2023	
		USD	KHR'000	USD	KHR'000
Profit before taxes		20,676	84,172	97,038	398,826
<b>Adjustment for:</b>					
Amortization expense	9	1,010	4,111	1,153	4,739
Depreciation expense	10	2,516	10,243	1,479	6,079
Allowance for impairment losses	20	89,890	365,942	32,625	134,089
<b>Operating profit before working capital changes</b>		<b>114,092</b>	<b>464,468</b>	<b>132,295</b>	<b>543,733</b>
<b>Change in:</b>					
Statutory deposit with NBC	5	(365)	(1,486)	(4,018)	(16,514)
Loans to customers	7	(75,936)	(309,135)	(454,321)	(1,867,259)
Other assets	8	1,903	7,747	(4,711)	(19,362)
Other liabilities		(48,462)	(197,289)	22,530	92,598
Deferred tax asset	21 (a)	(11,015)	(44,842)	-	-
<b>Cash flow used in operating activities</b>		<b>(19,783)</b>	<b>(80,537)</b>	<b>(308,225)</b>	<b>(1,266,804)</b>
Income taxes	21 (c)	4,781	19,463	(27,074)	(111,274)
<b>Net cash flow used in operating activities</b>		<b>(15,002)</b>	<b>(61,074)</b>	<b>(335,299)</b>	<b>(1,378,078)</b>
<b>Cash flow from investing activities</b>					
Acquisition of property & equipment	10	(2,848)	(11,594)	(1,955)	(8,035)
<b>Net cash flow used in investing activities</b>		<b>(15,002)</b>	<b>(61,074)</b>	<b>(335,299)</b>	<b>(1,378,078)</b>
<b>Cash flow from financing activities</b>					
Borrowing	11	64,469	262,453	159,723	656,462
Dividend paid		(59,408)	(241,850)	(47,777)	(196,363)
Proceed of paid-up capital		-	-	78,800	323,868
<b>Net cash flow generated from financing activities</b>		<b>5,061</b>	<b>464,468</b>	<b>190,746</b>	<b>783,967</b>
<b>Net change in cash and cash equivalents*</b>		<b>(12,789)</b>	<b>(52,065)</b>	<b>(152,271)</b>	<b>(625,832)</b>



Cash and cash equivalents at 01 January	25,577	104,482	177,848	732,200
Currency translation differences	-	(945)	-	(1,886)
Cash and cash equivalents at 31 December	12,788	51,472	25,577	104,482

The following non-cash transaction affected the retained earning, as shown below:

Name	2023	
	Dr (USD)	Cr (USD)
Retained earnings	5,763	
General and administrative expenses		550
Income taxes		2,213
Allowance for impairment losses		3,000

Cash and Cash equivalents at 31 December 2024 & 2023 reconciliation:

Cash flow from operating activities	2024		2023	
	USD	KHR'000	USD	KHR'000
Cash on hand	11,595	46,670	17,399	71,075
Deposits and placement with bank	1,193	4,802	8,178	33,407
	12,788	51,472	25,577	104,482

# STATEMENT OF CHANGES IN EQUITY

	Share capital USD	Regulatory reserve USD	Retained earnings USD	Total USD
At 01 January 2023	421,200	20,492	76,381	518,074
Profit for the year	-	-	69,964	69,964
Addition	78,800	-	-	78,800
Dividend	-	-	(47,777)	(47,777)
Adjustment	-	-	(5,763)	(5,763)
Transfer	-	-	(13,084)	-
Balance at 31 December 2023	500,00	33,576	79,722	613,298

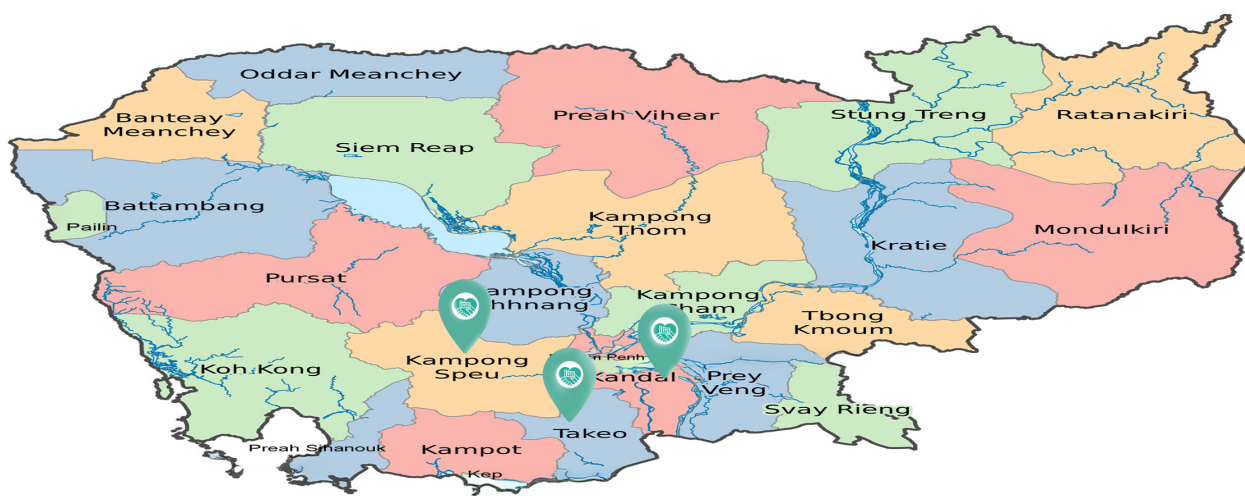
<b>Profit for the year</b>	-	-	<b>25,457</b>	<b>25,457</b>
<b>Dividend</b>	-	-	<b>(59,408)</b>	<b>(59,408)</b>
<b>Transfer</b>	-	<b>14,495</b>	<b>(14,495)</b>	-
<b>Balance at 31 December 2024</b>	<b>500,000</b>	<b>48,071</b>	<b>31,276</b>	<b>579,347</b>

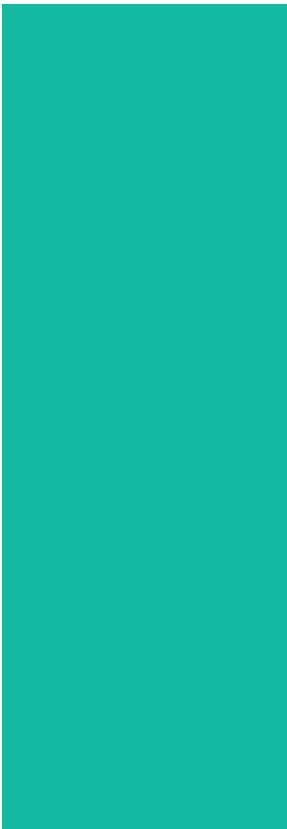
	Share capital KHR'000	Regulatory reserve KHR'000	Retained earnings KHR'000	Transition reserve KHR'000	Total KHR'000
At 01 January 2023	1,684,800	83,751	31,246	53,113	2,132,910
Profit for the year	-	-	287,552	-	287,552
Addition	351,200	-	-	-	215,200
Dividend	-	-	(196,363)	-	(196,363)
Adjustment	-	53,775	(23,686)	-	(23,686)
Transfer	-	-	(53,775)	-	-
Translation differences	-	-	-	(10,291)	(10,291)
Balance at 31 December 2023	500,00	33,576	79,722	79,722	613,298

<b>Profit for the year</b>	-	-	<b>103,635</b>	-	<b>103,635</b>
<b>Dividend</b>	-	-	<b>(241,850)</b>	-	<b>(241,850)</b>
<b>Transfer</b>	-	<b>59,009</b>	<b>(59,009)</b>	-	-
<b>Translation differences</b>	-	-	-	<b>(35,236)</b>	<b>(35,236)</b>
<b>Balance at 31 December 2024</b>	<b>2,000,000</b>	<b>196,535</b>	<b>127,750</b>	<b>7,586</b>	<b>2,331,871</b>

# OUR OPERATION AREA

**WE** began operations in Boeung Kchang commune, Kandal Stoeung district, Kandal province and now we are also offering services through our branches Kampong Speu and Takeo.





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