



ប្រសិទ្ធភាពហ្វាយណែន
Prasethpheap Finance

...ធ្វើឲ្យជីវិតអ្នកកាន់តែប្រសើរ
...Making Life Better

ANNUAL REPORT 2024

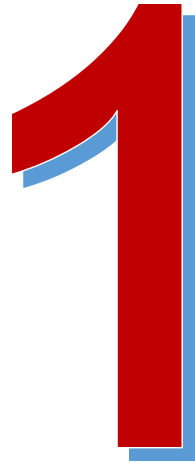
Head Office

No.132, St.193 corner St.388, Sangkat. Toul SvayPrey I, Khan Boeung Keng Kang, Phnom Penh.

Tel: 023 970 000 Website: prasethpheapfinance.com.kh

Email: info@prasethpheapfinance.com.kh

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MESSAGE FROM FOUNDER AND CHAIRMAN



Neak Oknha Dr. Mengly J. Quach

Founder and Chairman Board of Directors

MESSAGE FROM FOUNDER AND CHAIRMAN

On behalf of Prasethpheap Finance Plc and the board of directors, I have the honor and pleasure to present the 2024 annual financial report of the institution.

In 2024, despite economic and market fluctuations, increased competition, and various challenges, Prasethpheap Finance Plc remained committed to diligently implementing the right strategies and offering a wide range of financial products and quality services tailored to customer needs, with flexibility and adaptability to their circumstances throughout the Kingdom of Cambodia.

In addition, PF continues to provide sustainable financial services to all Cambodian with competitive interest rates. Clients be able to access financial services for various purposes, including expanding their occupations or businesses, pursuing education, engaging in agriculture, improving their homes, as well as purchasing various consumer goods based on their needs.

On this occasion, I would like to express my gratitude to all staff and managements of Prasethpheap Finance Plc, for their dedication in providing professional financial services to our customers.

In conclusion, I would like to express my sincere gratitude and appreciation to the royal government, the National Bank of Cambodia, and all relevant authorities for their continued support and guidance to our institution.

**Founder and Chairman
of the Board of Directors**

A handwritten signature in blue ink, appearing to read 'Zghw', representing Neak Oknha Dr. Mengly J. Quach.

Neak Oknha Dr. Mengly J. Quach



MESSAGE FROM CEO

MESSAGE FROM CEO

I would like to express my deepest and sincerest gratitude to stockholder and client of Prasethpheap Finance Plc for their continuous support and trust in our provision of financial services that are trusted, reliable, fast and transparent to our institution.

Prasethpheap Finance Plc, has received its business license from the National Bank of Cambodia as a microfinance institution in 2016, has continued to operate professionally by providing financial services that build trust with clients especially in compliance with the laws and various regulations of the relevant authorities. As the end of December 2024, PF has been operating in Cambodia with a total of 1,234 active clients, 4 operational branches, and a total outstanding loan portfolio of USD 5,148,863.



Prasethpheap Finance Plc, has contributed to economic development by providing loan services that is a factor to serve client's needs in expanding or operating businesses, constructing and renovating homes, purchasing vehicles and consumer goods, engaging in agriculture, and supporting education for students, university students, and their guardians. This plays a role in uplifting the education sector, fostering a generation of human resources that will drive Cambodia's future growth and prosperity.

Furthermore, Prasethpheap Finance Plc has implemented a loan management system that ensures the security of both institutional and client information. To enhance convenience for its clients, PF has partnered with ACLEDA Bank, Wing Bank, TrueMoney which are all authorized by the National Bank of Cambodia to provide convenience for clients in loan repayment to PF, making the process easier, saving time, and reducing various risks.

In 2025, we will continue to strive diligently to fulfill our mission and achieve our goals with professionalism, aiming to drive the institution toward sustained growth and progress. Currently, the royal government of Cambodia is promoting digital governance, and in line with this, PF is continuous efforts to develop itself to ensure sustainable progress this includes improving and modernizing its core banking system to align with the digital era, contribute to enhancing work efficiency, increasing convenience, providing fast services, improving security, supporting the implementation of government policies, and promoting innovation and the development of new products.

In conclusion, on behalf of the management team and all staff, I would like to express my deepest gratitude to shareholders and board of directors for their leading and supporting. I would also like to extend my sincere thanks to the royal government, the National Bank of Cambodia, authorities at all levels, business partners, and all clients for their trust, support, and cooperation in the operations of Prasethpheap Finance Plc.

Acting Chief Executive Officer

A stylized, handwritten signature in blue ink, consisting of fluid, overlapping loops and strokes.

Mr. Khun Dauth



ABOUT PRASETHPHEAP FINANCE PLC

HISTORY OF PRASETHPHEAP FINANCE PLC

2005 Prasethpheap Finance PLC (PF) was one of the many projects of the Mengly J. Quach Foundation which is a non-profit organization.



2013 to achieve its vision of *"...making life better"* and with the growth of loan portfolio, this Foundation evolved into Pracheacheat Finance licensed by the Ministry of Interior. It provides loans with low interest rates to the public.



2016 Pracheacheat Finance, was officially licensed by the National Bank of Cambodia as a microfinance institution on August 31, 2016, with number M-F73 and renamed as *"Prasethpheap Finance Plc."*



2017 Prasethpheap Finance Plc, received licenses to establish branches, including: Phnom Penh, Bati District, Kampong Speu and Cheung Prey District.



2018 Prasethpheap Finance Plc, changed its Head Office address as follows:

- **Previous Head Office:** No. B78, Street 199, Sangkat Tumnup Teuk, Khan Chamkarmon, Phnom Penh.
- **Current Office:** Building #132, Street 193, corner Street 388, Sangkat Tuol Svay Prey Ti Muoy, Khan Boeng Keng Kang, Phnom Penh.



2019 Prasethpheap Finance Plc, migrated its core banking system from the FIPLUS System to the Morakot System.



2021 Prasethpheap Finance Plc upgraded its core banking system to full capacity in compliance with the Cambodian International Financial Reporting Standards for Small and Medium Enterprises (CIFRS for SME)."



2023 Prasethpheap Finance Plc has test to implement the loan origination system (LOS) into the Morokot core banking system.



2024 Prasethpheap Finance Plc, signed a memorandum of understanding to provide educational loans for both general knowledge and University.



VISION MISSION AND CORE VALUES

VISION

To be a trusted and leading institution in Cambodia.

MISSION

Provided financial services to urban and rural people with transparency and professional ethics.

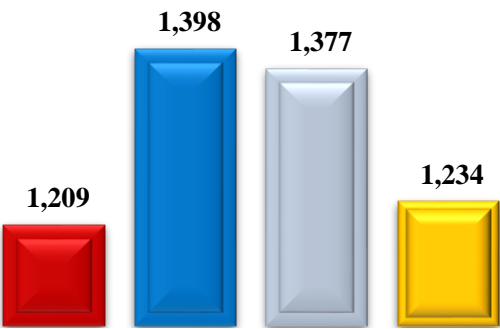
Core Values

Honest Commitment Transparency Profession Justice Responsibility Accountability
Smiling.

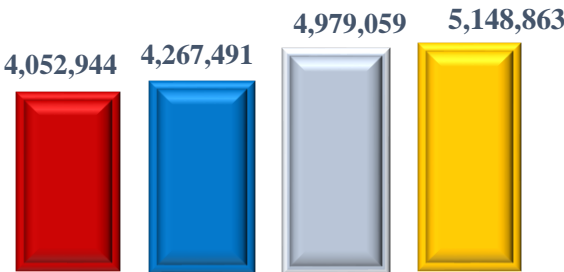
PERFORMANCE OF PRASETHPHEAP FINANCE PLC

2021 2022 2023 2024

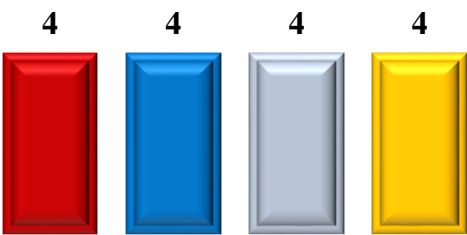
Clients



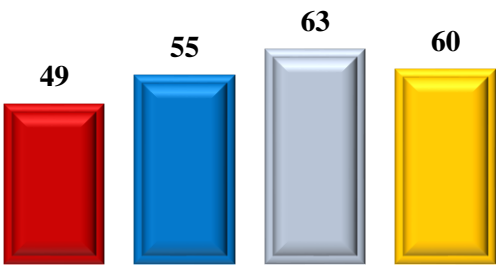
Total Portfolio (USD)



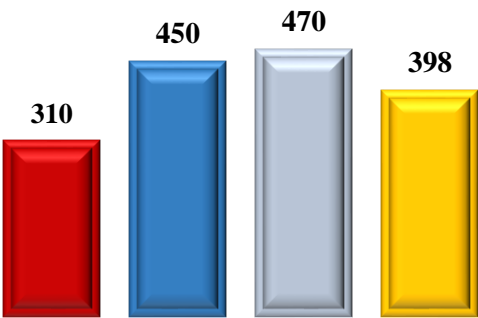
Branchs



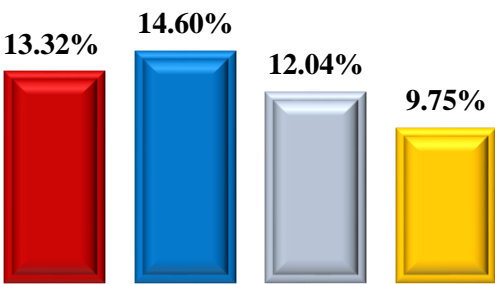
Staffs



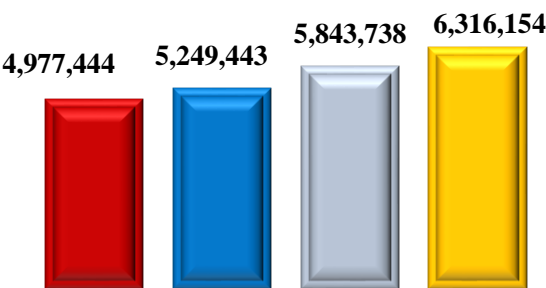
Clients in KHR



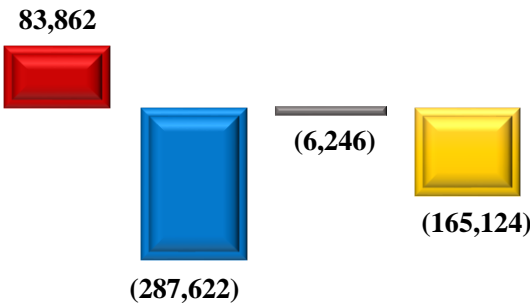
Percentage of loan in KHR



Assests



Total Net Profit (USD)



CERTIFICATE OF TAX COMPLIANCE

Tax Compliance Type Awarded: GOLD

It serves as evidence of the dedication, effort, and sacrifices made by the relevant staff in properly fulfilling their duties in compliance.

This confirms that all reports of Prasethpheap Finance Plc, have complied with the deadlines for submitting monthly and annual tax declarations, and have paid the full amount of taxes accurately and on time. This demonstrates that PF maintains a firm positioning and strong cooperation with the general department of taxation and all relevant authorities.

We would like to express our sincere gratitude to our customers, business partners, and all relevant authorities for their support and cooperation as the institution continues to advance and grow its business sustainably. Obtaining the **Gold** Tax Compliance Type Awarded makes us extremely proud, gaining transparency and trust from business partners, clients, and government institutions, and continuing to be committed to maintaining its position to ensure proper compliance with tax laws and administrative regulations.

ព្រះរាជាណាចក្រកម្ពុជា
KINGDOM OF CAMBODIA
ជាតិ សាសនា ព្រះមហាក្សត្រ
NATION RELIGION KING

ព្រះរាជាណាចក្រកម្ពុជា
KINGDOM OF CAMBODIA
ជាតិ សាសនា ព្រះមហាក្សត្រ
NATION RELIGION KING

TCG24071964429
លេខ: ២៦១៧០/០០០០

អគ្គនាយកដ្ឋានពន្ធដារ
GENERAL DEPARTMENT OF TAXATION

អគ្គនាយកដ្ឋានពន្ធដារ
GENERAL DEPARTMENT OF TAXATION

វិញ្ញាបនបត្រ
អនុលោមតាមការពិនិត្យ
(ប្រកាសលេខ ១៥៣៦ សហវ.ប្រក ចុះថ្ងៃទី២៣ ខែធ្នូ ឆ្នាំ២០១៦)

អនុនាយកដ្ឋានពន្ធដារបញ្ជាក់ថា :
ឈ្មោះក្រុមហ៊ុន : ប្រាសេត្យភេប ហ្វីនាស៊ី
លេខអត្តសញ្ញាណកម្មសារពើពន្ធ : L001-901637543
ស្ថិតក្រោមការគ្រប់គ្រង : នាយកដ្ឋានគ្រប់គ្រងអ្នកជាប់ពន្ធ កាលបរិច្ឆេទធ្វើបច្ចុប្បន្នភាព : ២៣ មិថុនា ២០១៦
សកម្មភាពអាជីវកម្ម : មីក្រូហិរញ្ញវត្ថុ
អាសយដ្ឋាន : #១៣២ ផ្លូវ ១៥៣ កែងផ្លូវ ៣៨៨ ភូមិ ១ សង្កាត់ ទួលស្វាយព្រៃទី ១ ខណ្ឌ បឹងកេងកង រាជធានីភ្នំពេញ
ទទួលបានកម្រិតអនុលោមតាមការពិនិត្យប្រភេទ : មាស
មានសុពលភាពរយៈពេល ២ ឆ្នាំ សម្រាប់ឆ្នាំជាប់ពន្ធ ២០២៤ ដល់ ឆ្នាំ២០២៥។

CERTIFICATE OF TAX COMPLIANCE
(Prakas No 1536 MEF/PK dated 23rd December 2016)

GENERAL DEPARTMENT OF TAXATION certifies that :
Company's name : PRASETHPHEAP FINANCE PLC.
Tax Identification Number (TIN) : L001-901637543
Under : Department of large Taxpayers
Business activity(ies) : Micro-finance
Tax Compliance Type awarded : GOLD
Validity period of 2 years for the tax year of 2024 and 2025.

ឈ្មោះ
- នាយកដ្ឋានពន្ធដារ និងកិច្ចការពន្ធ
- នាយកដ្ឋានគ្រប់គ្រងអ្នកជាប់ពន្ធ
- នាយកដ្ឋានប្រតិបត្តិការពន្ធ
- ភ្នាក់ងារ-ការបញ្ជូន

នាយករដ្ឋមន្ត្រី
ព្រះរាជាណាចក្រកម្ពុជា
អគ្គនាយកដ្ឋានពន្ធដារ
Minister Attached to the Prime Minister
Deputy of the Royal Government
in charge as Director General of General Department of Taxation

គង់ វិបុល

SIGNING OF THE MEMORANDUM OF UNDERSTANDING (MoU)

In 2024, Prasethpheap Finance Plc, launched a new product as an education loan designed for parents or guardians of students to support their capacity, who wish to or pursue studies at general education levels, vocational training institutions and universities, but face financial challenges in covering annual tuition fees, PF has also organized a Memorandum of Understanding (MoU) signing ceremony with several educational institutions, including:

(1) The signing of a memorandum of understanding (MoU) between Prasethpheap Finance Plc (PF) with American Intercon School (AIS), under the high presidency of **Neak Oknha Dr. Mengly J. Quach**, along with the management team of PF and the management team of the AIS.

Date: June 5, 2024

Photo Gallery



(2) The announcement of partnership between Prasethpheap Finance Plc (PF) with Build Bright University (BBU) through the signing of a memorandum of understanding (MoU) to provide educational loans with low-interest rates to all students, the signing ceremony was under the high presidency of Mr. **Khun Davuth**, Acting CEO of PF and Mr. **Diep Seiha**, Rector of BBU.

Date: August 2, 2024

Photo Gallery



(3) The announcement of partnership between Prasethpheap Finance Plc with the Institute of Finance and Accounting (IFA) through the signing of a memorandum of understanding (MoU) to provide educational loans with low-interest rates to all students, this partnership was carried out under the presidency of Mr. **Khun Davuth**, Acting CEO of PF and Mr. **Bun Sontorng**, Director of IFA.

Date: October 31, 2024

Photo Gallery



BRANCH NETWORK

1. Head Office

Building #132, St 193 Corner St 388, Sangkat Tuol Svay Prey Ti Muoy, Khan Boeng Kengkang, Phnom Penh.

Email : info@prasethpheapfinance.com.kh

Tel & Fax : 023 97 0000 / 017 642 319

Website : www.prasethpheapfinance.com.kh

2. Phnom Penh Branch

Building #132, St 193 Corner St 388, Sangkat Tuol Svay Prey Ti Muoy, Khan Boeng Kengkang, Phnom Penh.

Email : pnpbm@prasethpheapfinance.com.kh

Tel & Fax : 086 222 813 / 086 567 689

Website : www.prasethpheapfinance.com.kh

3. Bati District Branch

National Road N°2, Bacham Village, Chambak Commune, Bati District, Takeo Province.

Email : btibm@prasethpheapfinance.com.kh

Tel : 086 222 812 / 086 567 817

Website : www.prasethpheapfinance.com.kh

4. Kompong Speu Branch

National Road N°4, Eng Serey Village, Sangkat Rokatom, Chbarmorn City, Kompong Speu Province.

Email : kpsbm@prasethpheapfinance.com.kh

Tel : 086 222 751 / 086 567 803

Website : www.prasethpheapfinance.com.kh

5. Cheung Prey District Branch

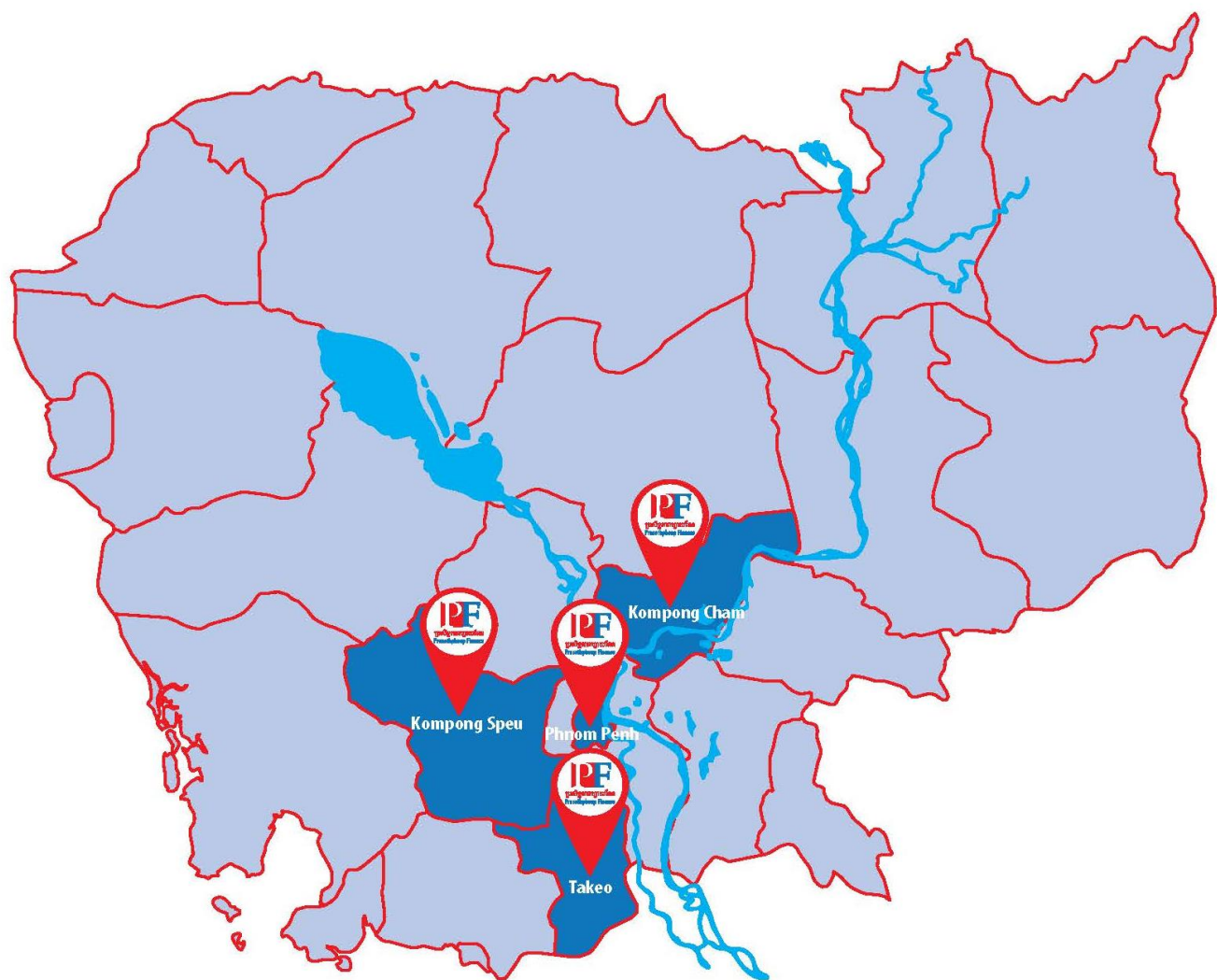
National Road N°6, Tasen Village, Sotep Commune, Cheung Prey District, Kompong Cham Province.

Email : chpbm@prasethpheapfinance.com.kh

Tel : 086 222 758 / 086 567 813

Website : www.prasethpheapfinance.com.kh

Operational Area Coverage



PRODUCTS AND SERVICES

Business loan



Business loan is designed aim for small and medium enterprises who need capital to expand their businesses or increase their working capital. Loan size up to USD 50,000 or equivalent in Khmer Riel with loan terms of up to 120 months.

Real Estate Loan



Real estate loan is designed aim to provide comprehensive financial support to individual clients for the purpose of purchasing residential land, buying a house, constructing, house repairing or renovating, etc. Loans size up to USD 20,000 or equivalent in Khmer Riel with loan terms of up to 72 months.

Agriculture loan



Agricultural loan is designed aim to provide comprehensive financial support to individual clients for purposes such as purchasing seeds, livestock raising, fishing, acquiring agricultural equipment, or buying land for agricultural activities, etc. Loans size up to USD 20,000 or equivalent in Khmer Riel with loan terms of up to 72 months.

Auto Loan



Auto Loan is designed aim to provide comprehensive financial support to individual clients for the purpose of purchasing motorcycles, cars, etc. Loans size of up to USD 20,000 or equivalent in Khmer Riel with loan terms of up to 72 months.

Education Loan



Education loan is designed aim to cover expenses for general education, higher education, postgraduate studies, or vocational training whether on an annual, semester, or per-course basis as well as for purchasing educational equipment, materials, or other services of study-related. Loans size up to USD 10,000 or the equivalent in Khmer Riel with loan terms of up to 60 months.

Consumption Loan



Consumption Loan is designed aim to provide comprehensive financial support to individual clients for the purpose of purchasing consumer items such as mobile phones, televisions, cameras, washing machines, air conditioners, refrigerators, and other household appliances. Loans size up to USD 10,000 or the equivalent in Khmer Riel with loan terms of up to 60 months.

Staff Loan



Staff loan is offered to employees working at Prasethpheap Finance Plc, for the purpose of purchasing personal items and meeting other needs. Loans size up to USD 30,000 or the equivalent in Khmer Riel with loan terms of up to 120 months.



CORPORATE GOVERNANCE

SHAREHOLDERS

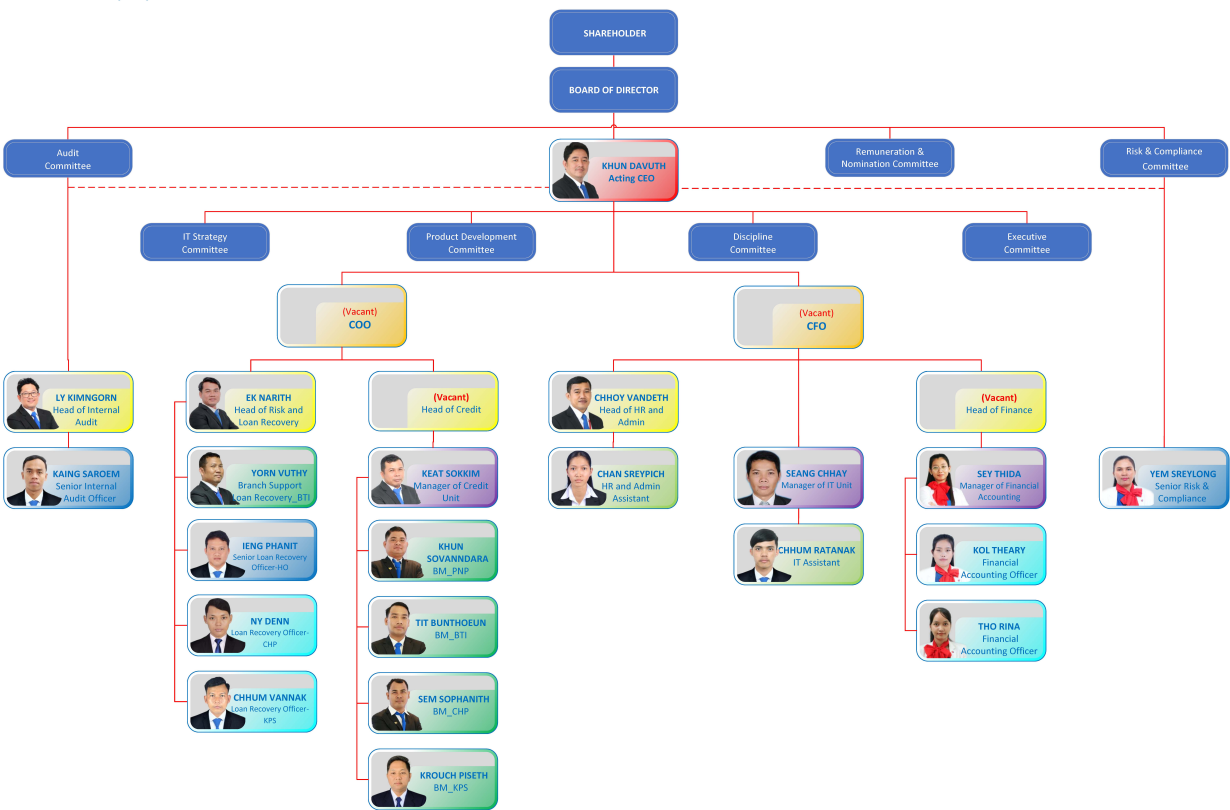
Shareholder name	Number of shares	Amount in USD	Percentage
Neak Oknha Dr. Mengly J. Quach	2,873,178	2,873,178	98.54%
Mr. Long Pisey	42,588	42,588	1.46%
Total	2,915,766	2,915,766	100%

1 Share = 1 USD

ORGANIZATIONAL STRUCTURE



ORGANIZATIONAL STRUCTURE 2024



BOARD OF DIRECTORS

Neak Oknha Dr. Mengly J. Quach Founder and Chairman

Neak Oknha Dr. Mengly J. Quach, an educationist, medical doctor, entrepreneur and philanthropist. Currently, Neak Oknha is the Founder and Chairman of the Prasethpheap Finance Plc. Neak Oknha is also the Founder, Chairman and Chief Executive Officer of the Mengly J. Quach Education (MJQE). This organization serves as the umbrella for Aii Language Centers (Aii), American Intercon Schools (AIS), and Study Overseas Go Overseas (SOGO), focusing on education, social progress, and community development in Cambodia.



Dr. Quach holds several influential positions, including Advisory Member and Co-Vice Chair of the Health Technical Working Group (since 2023) and Education Technical Working Group (since 2019) of the Cambodia Chamber of Commerce. He is also an Honorary Advisor to the Cambodia Women Entrepreneurs Association, a Board Member of the Cambodian Institute for Cooperation and Peace, Co-Founder and Advisor to the Federation of Education Services in Cambodia, Founding Member of International Transparency Cambodia, Honorary Founding President of the Cambodia Bokator Federation, Supreme Advisor to the Board of Monk Chiefs of Cambodia.

Educational Background

Born in Battambang, Cambodia, Dr. Quach was raised and educated in the United States. He completed his Pre-Medical studies at the University of California, Berkeley, earned a Master of Public Health (MPH) in Public Health Practice from the University of Massachusetts Amherst, and obtained his Doctor of Medicine (MD) from Spartan Health Sciences University. His medical training includes clerkships at the University of Illinois Hospital in Chicago and fellowship training in Public Health and Integrated Management of Childhood Illness (IMCI) with Partners for Development, a Maryland-based NGO active in Cambodia.

Professional Journey

Before returning to Cambodia in 2002, Dr. Quach served as a Professor at Cleveland Chiropractic College in California. Upon his return, he took on significant roles in Cambodia's academic sector, including Associate Professor at Pannasastra University of Cambodia, Vice Chairman of the University Academic Advisory Council, and Founding Dean and Associate Professor of Public Health at the University of Cambodia. In 2005, he established Mengly J. Quach Education, which has grown to become a cornerstone of educational excellence and social impact in Cambodia.

Philanthropy and Impact

Dr. Quach is widely recognized for his dedication to community development in the fields of education, health, and social services. His organization, Mengly J. Quach Education, has received numerous national and international accolades for its outstanding contributions to these fields, further solidifying his legacy as a visionary leader and changemaker in Cambodia. Dr. Quach's lifelong commitment to empowering communities through education, public health, and philanthropy continues to inspire and transform lives across Cambodia and beyond.



Mr. Kong Vara, Independent Board

Mr. Kong Vara has served as an independent board of Prasethpheap Finance Plc since 2018. He is also an independent board of Mengly J. Quach Education and a member of the board of directors of Maritime Specialized Bank. He has nearly 40 years of experience in leadership and management across various business sectors, including newspapers, magazines, investment, publishing, garment manufacturing, banking, hotels, casinos, general insurance, construction materials, export and import (Export & Import Company), food and beverage, environmental impact assessment, real estate, and education. He has gained extensive knowledge both domestically and internationally, including Turin

Italy, and Hawaii, USA and he has also been invited as a trainer and speaker in workshops and seminars held both domestically and internationally.

Mr. Long Pisey, Board Member

Mr. Long Pisey is a shareholder and director of Prasethpheap Finance Plc. As board member, he plays crucial role in overseeing the business plan and strengthening all operation of institution relate to annual budget and ensuring the business run smoothly. He has been a board member since 2018. He has extensive experience in leadership and management across various sectors, particularly in the education sector. Mr. Long Pisey graduated with the Bachelor of Arts in English Literature in 2006 from Build Bright University. He also obtained a Master's degree in Business Administration in 2022 from the Royal University of Law and Economics.



MANAGEMENT TEAM

Mr. Khun Davuth, Acting Chief Executive Officer

Mr. Khun Davuth began his career with Prasethpheap Finance Plc since 2021 as Head of Finance, He was later appointed as Chief Financial Officer (CFO), Acting Chief Operations Officer (COO), and currently serves as the Acting Chief Executive Officer (CEO). He holds a Master's degree in Banking and Finance and a Bachelor's degree in Accounting. Mr. Davuth has nearly 20 years of experience in the microfinance sector, specializing in credit management, financial management, branch operations, and branch accounting management. He has also completed a three-month training course on regulations and compliance recognized by the National Bank of Cambodia.



Mr. Ek Narith, Head of Risk and Loan Recovery

Mr. Ek Narith holds a Master degree of Business Management and Bachelor degree of Sales and Marketing. He joined Prasethpheap Finance Plc since 2022 and has nearly 20 years of experience in the microfinance and banking sectors in Cambodia. He has participated in various training programs and workshops related to microfinance and banking management, credit risk management, staff training and development, branch management, sale skills, small and medium enterprise operational management, collateral evaluation, and leadership.



Mr. Chhoy Vandeth, Head of Human Resource and Administration

Mr. Chhoy Vandeth joined Prasethpheap Finance Plc as Human Resource and Administration Manager since December 2021. In 2023, he was promoted to Head of Human Resource and Administration. He holds Bachelor degree in Accounting and has nearly 20 years of experience in the microfinance and banking sectors. He has worked with various microfinance institutions throughout his career. He has extensive experience in human resources management and has participated in numerous training programs and workshops related to human resource management.



Mr. Ly Kimngorn, Head of Internal Audit

Mr. Ly Kimngorn joined Prasethpheap Finance Plc since 2022 as Manager of Internal Audit Unit, he was promoted to be Head of Internal Audit in 2024. He holds Bachelor degree in Banking and Finance. Prior to join Prasethpheap Finance Plc, he had over 11 years of experience in various roles including Internal Audit, Accountant, Credit Officer, Human Resource and Administration (microfinance, real estate, education, and agriculture sectors). He has participated in numerous training programs related to audit and risk management.



Mr. Keat Sokkim, Credit Manager

Mr. Keat Sokkim joined Prasethpheap Finance Plc at the beginning of 2023 as Manager Credit Unit. He holds Bachelor degree of Information Technology. He has over 10 years of experience in the microfinance and banking sectors including: credit risk management, training of trainer, branch management, selling skill, business operational management, collateral evaluation, and leadership. In addition, he has participated in numerous training courses and workshops related to management in finance and banking sectors.



Mr. Seang Chhay, Manager of IT unit

Mr. Seang Chhay joined Prasethpheap Finance Plc since 2024. He holds a Bachelor's degree of Computer Science and a Master's degree of Software Development. He has over 10 years of experience in the microfinance sector, core banking systems management, logistics, and oil industry. He has participated in various training programs and seminars related to microfinance and banking management, as well as staff training and development.



Miss. Sey Thida, Manager of Finance Accounting Unit

Miss. Sey Thida currently holds the position as Manager of Financial Accounting Unit. She began her career at Prasethpheap Finance Plc in 2014 as a Teller Assistant at the Phnom Penh branch. Through dedication and hard work, she has taken on various roles within the institution. She holds a Bachelor's degree in Accounting and Finance and has participated in numerous training courses and seminars related to the banking and finance sector.



Mrs. Yem Sreylong, Senior Risk and Compliance Officer

Mrs. Yem Sreylong joined Prasethpheap Finance Plc, early September 2020. She holds the Bachelor degree of Banking and Finance. She has over 7 years of experience in compliance within the financial sector. She has obtained Compliance and Regulatory Certificate recognized by the National Bank of Cambodia and has participated in numerous training programs and workshops related to banking and finance.



BOARD OF DIRECTORS' MEETING

Board meetings are held regularly on quarterly basis, or “Four times a year”. Board will convene an extraordinary meeting as needed. For the Audit Committee and Risk & Compliance Committee meeting will be conducted at least twice per year.







STAFF CAPACITY DEVELOPMENT

Internal Training

Prasethpheap Finance Plc, consistently provides internal training programs for all staff to ensure that they have clear understanding of the institution's policies, procedures, vision, mission, code of ethics, fostering positive mindset, and enhancing their skill. The internal training programs for 2024 as the following:

❖ **Credit Department**

Topic

- 1) Credit Assessment
- 2) Reporting and use of Collateral Evaluation Forms
- 3) Work Productivity of Credit Officers
- 4) Collateral Evaluation
- 5) Sales Skills
- 6) Credit Policy.

❖ **Risk and Loan Recovery Department**

Topic

- 1) Procedures and Strategies for Resolving Delinquent Loans.

❖ **HR and Admin Department**

Topic

- 1) Human Resource Policy and Pension.

❖ **Internal Audit Department**

Topic

- 1) Understanding Fraud.

❖ **Finance Department**

Topic

- 1) Daily Operations Management
- 2) Credit Information Sharing
- 3) Detection and Verification of Counterfeit USD Banknotes.

❖ **Compliance Department**

Topic

- 1) Regulations and Procedures Anti-Money Laundering and Combating the Financing of Terrorism
- 2) Whistleblowing Policy.

This training is a contributing factor in enhancing and strengthening the employees' competencies to be sufficiently qualified in performing their duties more effectively and achieving the institution's goals.

Activities Staff Participation in Internal Training



Lunch Activities



Training Completion Activities



External Training

Beside of internal training, PF also sent relevant staff to participate in external training programs and seminars organized by the National Bank of Cambodia, the Cambodia Microfinance Association, Credit Bureau (Cambodia) Co., Ltd. (CBC), General Department of Taxation, Ministry of Commerce, Institute of Banking and Finance, as well as other relevant ministries and authorities.



STAFF ANNUAL TRIP

Prasethpheap Finance Plc, organized its annual trip in 2024 to Koh Rong Sanloem for two days from December 7th to 8th, 2024. The event included participation from staff at all levels and featured various activities such as team dining, fun games of team building, fishing, staff award as well as providing motivational prizes.

Travel Photo Gallery



Team Building Game Activities





AUDITED FINANCIAL STATEMENTS

Prasethpheap Finance Plc

(Incorporated in Cambodia)

Report of the Directors

The Board of Directors have pleasure in submitting their report together with the audited financial statements of Prasethpheap Finance Plc. (“the Company”) for the year ended 31 December 2024.

Principal activities

The principal activities of the Company are to provide credit service and other financial services to low income families in the Kingdom of Cambodia.

Financial results

The financial results of the Company were as follows:

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Loss before income tax	(191,526)	(779,702)	(9,141)	(37,569)
Income tax benefit	<u>26,402</u>	<u>107,483</u>	<u>2,895</u>	<u>11,898</u>
Net loss for the year	<u>(165,124)</u>	<u>(672,219)</u>	<u>(6,246)</u>	<u>(25,671)</u>

Share capital

There is no change in the shareholding structure during the financial year. Refer to Note 17 for detail.

Dividends

No dividend was declared or paid and the Directors does not recommend any dividend to be paid in respect of the year ended 31 December 2024.

Reserves and provisions

There were no material movements to or from reserves and provisions during the financial year other than as disclosed in the financial statements.

Bad and doubtful loans

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

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

Assets

Before the financial statements of the Company were prepared, the Directors took reasonable steps to ensure that any current assets, other than loans, which were unlikely to be realized in the ordinary course of business at their values as shown in the accounting records of the Company had been written down to amounts which they might be expected to realize.

At the date of this report, the Directors are not aware of any circumstances, which would render the values attributed to the current assets in the financial statements of the Company misleading.

Valuation methods

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets and liabilities in the financial statements of the Company misleading or inappropriate.

Contingent and other liabilities

At the date of this report, there does not exist:

- (a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability in respect of the Company that has arisen since the end of the financial year other than in the ordinary course of its business operations.

No contingent or other liability of the Company has become enforceable, or is likely to become enforceable within the period of 12 months after the end of the financial year which, in the opinion of the Directors, will or may materially affect the ability of the Company to meet its obligations as and when they fall due.

Events since the reporting date

At the date of this report, there have been no significant events occurring after the reporting date which would require adjustments or disclosures to be made in the financial statements.

The Board of Directors

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

Neak Oknha Dr. Mengly J. Quach	Founder and Chairman
Mr. Long Pisey	Director
Mr. Kong Vara	Independent Director

Items of an unusual nature

The results of the operations of the Company for the financial year were not, in the opinion of the Directors, materially affected by any item, transaction or event of a material and unusual nature.

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 materially the results of the operations of the Company for the current financial year in which this report is made.

Directors' interests

The Directors who held office at the end of the financial year and their interests in the shares of the Company are as follows:

	31 December 2024/ 2023		
	% of ownership	Number of shares	Amount US\$
Neak Oknha Dr. Mengly J. Quach	98.54%	2,873,178	2,873,178
Mr. Long Pisey	1.46%	42,588	42,588

Directors' benefits

During and at the end of the financial year, no arrangements existed to which the Company is a party with the objective of enabling Directors of the Company to acquire benefits by means of share purchase option.

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and

receivable by the Directors as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in the financial statements.

Responsibilities of Directors in respect of the financial statements

The Directors are responsible for ascertaining that the 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 preparing these financial statements, the Directors are required to:

- adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- comply with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities (“CIFRS for SMEs”), 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;
- oversee the Company’s financial reporting process and maintain adequate accounting records and an effective system of internal controls;
- assess the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so; and
- control and direct the Company effectively in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the financial statements.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Approval of the financial statements

We hereby approve the accompanying financial statements together with the notes thereto as set out on pages 8 to 46 which, in our opinion, 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 CIFRS for SMEs.

Signed on behalf of the Board of Directors in accordance with a resolution of the Board,



Neak Oknha Dr. Mengly J. Quach
Founder and Chairman



Mr. Khun Davuth
Acting Chief Executive Officer

Phnom Penh, Kingdom of Cambodia

29 April 2025

Report of the Independent Auditors

To the shareholders of

Prasethpheap Finance Plc.

Opinion

We have audited the financial statements of Prasethpheap Finance Plc. (“the Company”), which comprise the statement of financial position as at 31 December 2024, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out on pages 8 to 46 (hereafter referred as “the financial statements”).

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 Standard for Small and Medium-sized Entities (“CIFRS for SMEs”).

Basis for Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (“CISAs”). Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Report of the Directors as set out on pages 1 to 4. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

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

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

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

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional

skepticism throughout the audit. We also:

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

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

For KPMG Cambodia Ltd



Guek Teav
Partner

Phnom Penh, Kingdom of Cambodia

29 April 2025

Statement of Financial Position

as at 31 December 2024

		31 December 2024		31 December 2023	
	Note	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
ASSETS					
Cash on hand	6	16,274	65,503	2,968	12,124
Balances with banks and financial institutions	7	849,654	3,419,857	718,953	2,936,923
Balances with the National Bank of Cambodia	8	146,803	590,882	150,628	615,315
Loans to customers	9	4,979,348	20,041,876	4,695,159	19,179,725
Other assets	10	144,828	582,933	134,921	551,153
Property and equipment	11	46,921	188,857	22,675	92,627
Intangible assets	12	21,988	88,502	34,498	140,924
Deferred tax assets	13D	110,338	444,110	83,936	342,879
TOTAL ASSETS		6,316,154	25,422,520	5,843,738	23,871,670
LIABILITIES AND EQUITY					
Liabilities					
Bank overdraft	14	432,263	1,739,859	127,743	521,830
Borrowings	15	2,719,990	10,947,960	2,373,347	9,695,122
Other payables	16	40,261	162,050	53,884	220,117
Total liabilities		3,192,514	12,849,869	2,554,974	10,437,069
Equity					
Share capital	17	2,915,766	11,663,064	2,915,766	11,663,064
Share premium		63,078	256,980	63,078	256,980
Other capital	18	190,000	774,060	190,000	774,060
Reserves	19	197,205	796,412	67,770	275,436
(Accumulated losses)/					
Retained earnings		(242,409)	(994,112)	52,150	199,083
Currency translation reserves		-	76,247	-	265,978
Total equity		3,123,640	12,572,651	3,288,764	13,434,601
TOTAL LIABILITIES AND EQUITY		6,316,154	25,422,520	5,843,738	23,871,670

The accompanying notes form an integral part of these financial statements.

Statement of Comprehensive Income

for the year ended to 31 December 2024

		2024		2023	
	Note	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Interest income	20	1,172,706	4,774,086	1,160,280	4,768,751
Interest expenses	21	<u>(350,832)</u>	<u>(1,428,237)</u>	<u>(272,077)</u>	<u>(1,118,236)</u>
Net interest income		821,874	3,345,849	888,203	3,650,515
Other operating income	22	<u>86,695</u>	<u>352,935</u>	<u>122,621</u>	<u>503,972</u>
Net Operating income		908,569	3,698,784	1,010,824	4,154,487
Net impairment loss on financial assets	9	(352,592)	(1,435,402)	(257,394)	(1,057,889)
Personnel expenses	23	(493,664)	(2,009,706)	(499,478)	(2,052,855)
Depreciation and amortization	24	(25,254)	(102,809)	(29,807)	(122,507)
Operating expenses	25	<u>(228,585)</u>	<u>(930,569)</u>	<u>(233,286)</u>	<u>(958,805)</u>
Loss before income tax		(191,526)	(779,702)	(9,141)	(37,569)
Income tax benefit	13B	<u>26,402</u>	<u>107,483</u>	<u>2,895</u>	<u>11,898</u>
Net loss for the year		<u>(165,124)</u>	<u>(672,219)</u>	<u>(6,246)</u>	<u>(25,671)</u>
Other comprehensive loss					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Currency translation differences		<u>-</u>	<u>(189,731)</u>	<u>-</u>	<u>(105,284)</u>
Total comprehensive loss for the year		<u><u>(165,124)</u></u>	<u><u>(861,950)</u></u>	<u><u>(6,246)</u></u>	<u><u>(130,955)</u></u>

The accompanying notes form an integral part of these financial statements

Statement of Changes in Equity

for the year ended 31 December 2024

	Share capital	Share premium	Other capital	Reserves	Retained earnings	Currency translation reserves	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
At 1 January 2024	2,915,766	63,078	190,000	67,770	52,150	-	3,288,764
<i>Transaction with the shareholders:</i>							
Transfer from retained earnings to reserves (Note 19)	-	-	-	129,435	(129,435)	-	-
<i>Total comprehensive loss:</i>							
Net loss for the year	-	-	-	-	(165,124)	-	(165,124)
		-					
Currency translation difference	-	-	-	-	-	-	-
	-	-	-	-	(165,124)	-	(165,124)
At 31 December 2024	2,915,766	63,078	190,000	197,205	(242,409)	-	3,123,640
At 1 January 2023	2,915,766	63,078	190,000	27,838	98,328	-	3,295,010
Transfer from retained earnings to reserves (Note 19)				39,932	(39,932)		
<i>Total comprehensive loss:</i>							
Net loss for the year	-	-	-	-	(6,246)	-	(6,246)
Currency translation difference	-	-	-	-	-	-	-
	-	-	-	-	(6,246)	-	(6,246)
At 31 December 2023	2,915,766	63,078	190,000	67,770	52,150	-	3,288,764

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended to 31 December 2024

		2024		2023	
	Note	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Cash flows from operating activities					
Net loss for the year		(165,124)	(672,219)	(6,246)	(25,671)
<i>Adjustments for:</i>					
Interest income	20	(1,172,706)	(4,774,086)	(1,160,280)	(4,768,751)
Interest expense	21	350,832	1,428,237	272,077	1,118,236
Net impairment loss on financial assets	9	352,592	1,435,402	257,394	1,057,889
Income tax benefit	13B	(26,402)	(107,483)	(2,895)	(11,898)
Depreciation and amortization	24	25,254	102,809	29,807	122,507
		(635,554)	(2,587,340)	(610,143)	(2,507,688)
<i>Changes in:</i>					
Loans to customers		(743,580)	(3,027,114)	(740,541)	(3,043,624)
Other assets		(9,907)	(40,331)	(20,369)	(83,717)
Other payables		(13,623)	(55,460)	29,872	122,775
Cash used in operations		(1,402,664)	(5,710,245)	(1,341,181)	(5,512,254)
Interest received		1,280,634	5,213,461	1,102,389	4,530,819
Interest paid		(340,888)	(1,387,755)	(267,618)	(1,099,910)
Income tax paid	13C	(13,149)	(53,530)	(11,822)	(48,588)
Net cash used in operating activities		<u>(476,067)</u>	<u>(1,938,069)</u>	<u>(518,232)</u>	<u>(2,129,933)</u>
Cash flows from investing activities					
Acquisition of property and equipment	11	(36,990)	(150,586)	(5,246)	(21,561)
Placement of term deposits		(300,000)	(1,221,300)	-	-
Net cash used in investing activities		<u>(336,990)</u>	<u>(1,371,886)</u>	<u>(5,246)</u>	<u>(21,561)</u>
Cash flows from financing activities					
Proceeds from borrowings	15	3,754,290	15,283,715	2,844,343	11,690,250
Repayment of borrowings	15	(3,417,591)	(13,913,013)	(2,405,585)	(9,886,954)
Net cash generated from financing activities		<u>336,699</u>	<u>1,370,702</u>	<u>438,758</u>	<u>1,803,296</u>
Net decrease in cash and cash equivalents		(476,358)	(1,939,253)	(84,720)	(348,198)
Cash and cash equivalents at 1 January		93,336	381,277	178,056	733,057
Currency translation difference		-	16,312	-	(3,582)
Cash and cash equivalents at 31 December	27	<u>(383,022)</u>	<u>(1,541,664)</u>	<u>93,336</u>	<u>381,277</u>

The accompanying notes form an integral part of these financial statement.

...ធ្វើឲ្យជីវិតអ្នកកាន់តែប្រសើរ
...Making Life Better

