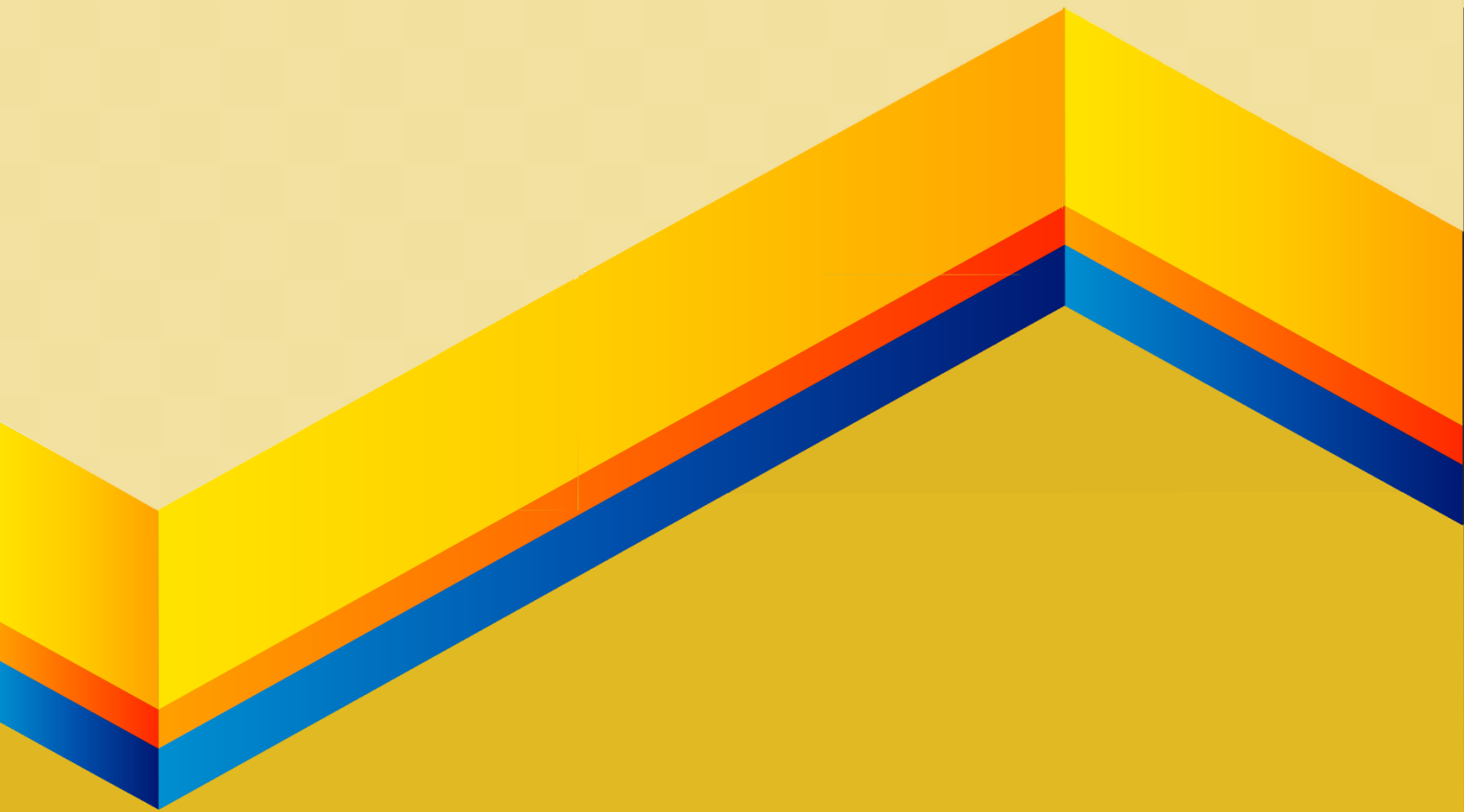




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**FAMILY** Microfinance Plc.

# ANNUAL REPORT



**2024**

# Vision & Mission



## Mission

To design innovative financial solutions and deliver good service to enrich a better quality of life.

## Vision



To be the first choice and best strategic partner that offers innovative financial solutions and produces sustainable value for shareholders, employees and communities.



## Core Value



**FAIRNESS** Judgments with open-minded and transparency.

**ACCOUNTABILITY** Take high responsibility with cares.

**MORALITY** Apply the highest moral and ethical standards.

**INTEGRITY** Building integrity and honesty in staff perspective.

**LOYALTY** the more you trust the more you growth.

**YES** Yes, we can.

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# I. OUR CORPORATE PROFILE



## 1. ABOUT FAMILY MICROFINANCE PLC.

Family Microfinance established in October 2018 as a private microfinance institution regulated by the National Bank of Cambodia (NBC) to provide financial solutions to individuals and enterprises in Cambodia. We are dedicated to providing innovative financial solutions to individuals and enterprises across Cambodia, empowering economic growth and financial inclusion.

Our founders, Mr. Wu Chen and Mr. Wu Tzu Yun, were among the first Taiwanese entrepreneurs to establish a strong presence in Cambodia. With over 20 years of successful business operations in the country, they played a pivotal role in fostering economic and social development. Recognizing Cambodia’s rapid

growth and the increasing demand for financial services, Mr. Wu Chen became a Cambodian citizen and established Family Microfinance to contribute further to the nation's progress.

At Family Microfinance, we prioritize excellent customer service, client protection, and financial innovation. We offer competitive and tailored loan products designed to meet the needs of entrepreneurs, business owners, vendors, and farmers, as well as family-run enterprises. Our mission is to empower underserved individuals who face challenges accessing financial services from commercial banks, providing them with the capital needed to grow and sustain their businesses.

## 2. BOARD OF DIRECTOR



**Mr. WU Chen**  
Chairman Board of Director

**Mr. Wu Chen** has been the Chairman of Family Microfinance since its establishment in 2018. He holds a degree in International Business from Griffith University in Australia and has actively participated in numerous local and international conferences, including the 30th Session of the Council for Industrial and Commercial Development.

A distinguished entrepreneur, Mr. Wu Chen has received multiple international accolades, with one of his most notable achievements being the Top 10 Outstanding Enterprises Award at Taiwan's 19th Golden Peak Awards in 2018.

Beyond his leadership at Family Microfinance, Mr. Wu Chen manages a diverse portfolio of businesses and investment ventures, including Taiwan Ji Qi Shoe Co., Ltd., Vietnam Focus Group, J&L Property Development Co., Ltd., Shinestone Plc, JL Cambodia Charity Association, and One Belt One Roschach Opportunity Ltd. His extensive experience and strategic vision have contributed to the success and growth of these enterprises across various industries.



**Mr. WU Tzu Yun**  
Board of Director

**Mr. Wu Tzu Yun** has been a Board Director of Family Microfinance since 2018. In addition to his role at Family Microfinance, he serves on the boards of several organizations, including Matsu Biotechnology Corporation, JL Cambodia Charity Association, and the Rotary Club of Taichung Taixin.

He previously held key leadership positions, serving as Vice General Manager of Taiwan Ji Qi Shoe Co., Ltd. and General Manager of Matsu Property Co., Ltd. Mr. Wu Tzu Yun holds a degree in Marketing and Media from Griffith University in Australia.

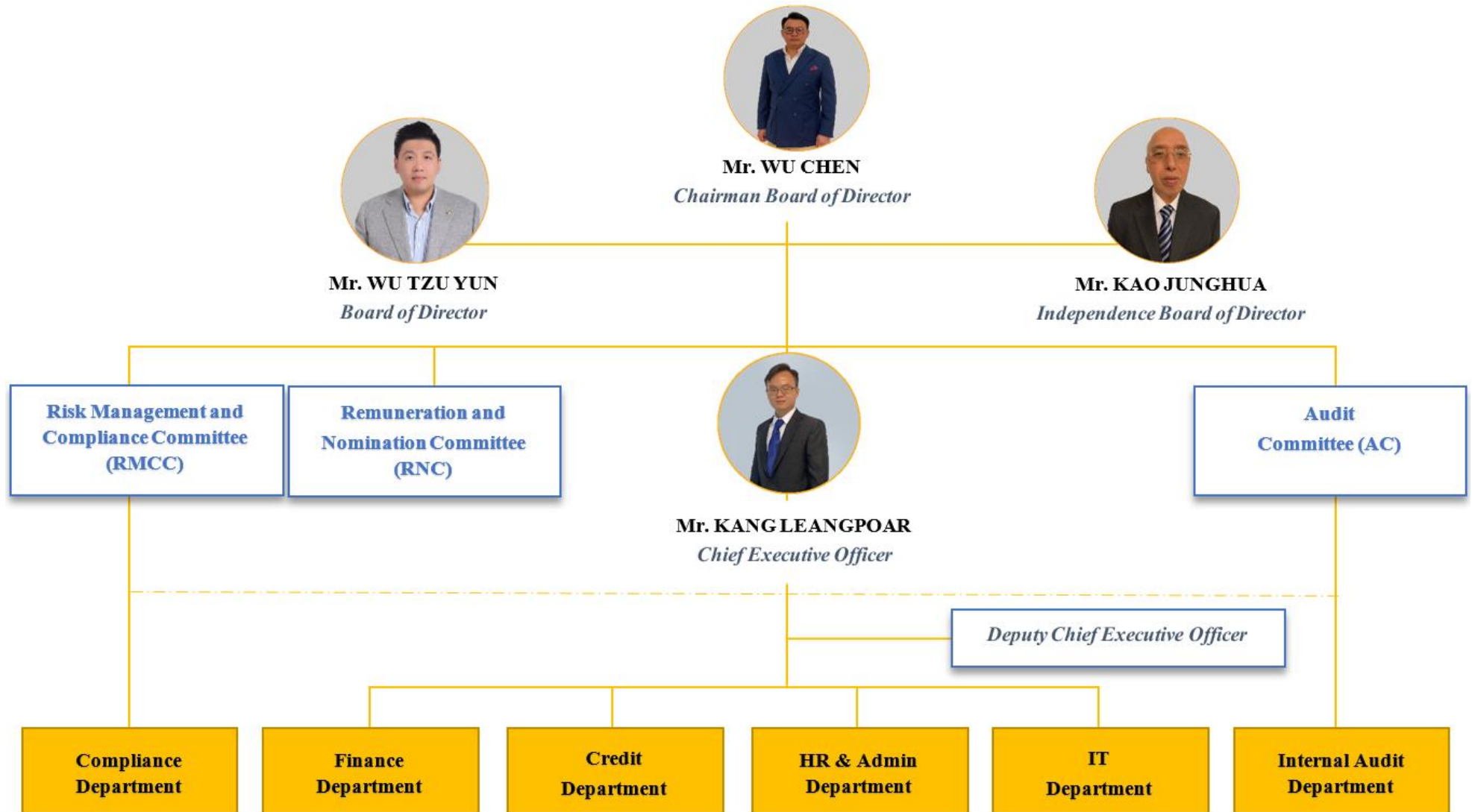


**Mr. KAO Junghua**  
Independence Board of Director

**Mr. KAO Junghua** is an Independent Director of Family Microfinance, bringing extensive experience in the international banking sector, particularly in Taiwan. His expertise strengthens the Board's strategic direction and governance.

Before joining Family Microfinance, Mr. Kao served on the boards of several financial institutions, including the Taiwan Small & Medium Enterprise Guarantee Fund and Bank Taiwan Securities. He also held key executive roles, including Vice General Manager of Taiwan Ji Qi Shoe Co., Ltd. and Jing-Du Construction Co., Ltd., as well as Chief Executive Officer of JL Cambodia Charity Association. Additionally, he previously served as a Branch Manager at Land Bank of Taiwan.

### 3. SHAREHOLDER ORGANIZATION CHART AND CORPORATE GOVERNANCE



## ❖ AUDIT COMMITTEE

The board of director of the company has established a committee of the board to be known as the Audit Committee (AC). This committee is constituted to ensure safe and sound corporate governance and it is vested with necessary power as defined in its TOR. On top of that, this committee will monitor all elements of financial information, to be reported by the Company to its stakeholders, is completely disclosed, transparent, accurate, reliable, relevant and timely manner.

### MEETING:

- Meetings shall be held as and when appropriate, but at least 4 times a year.
- The Chairperson of the AC may convene additional meetings if deemed necessary.
- Internal Audit Manager will submit to AC members, at least once on a quarterly basis, an information package that is of sufficient content so as to permit the AC to carry out its stated and implied duties.
- The meeting can be either physical or virtual (electronic or teleconference). All participants must be able to exchange comments and discuss decisions.

### MEMBERSHIP:

The Committee shall be appointed by the Board, but it shall be not less than three (3) not greater than five (5). The Chairman of this committee shall be an independent director of the Company and all the member also independent from the management of the Company. The Board shall have the power at any time to remove any members from the AC and to fill any vacancies created by such removal. Currently the committee members are as follows:

- Independent Board of Director : Chairperson
- Board Of Director : Member
- Internal Audit Manager : Member

## ❖ RISK MANAGEMENT AND COMPLIANCE COMMITTEE

---

The Board of Directors of the Company has established a Committee of the Board to be known as the Risk Management and Compliance Committee (“RMCC”) to meet requirements of authority to deliver best practice for the company. This committee will assist the Board in monitoring the risk management and compliance management framework including the strategies, policies, procedures and systems. On top of that this Committee shall assist the Board and its other committees that oversee specific risk and compliance related issues and serve as a resource to management by overseeing risk and compliance across the entire company and across all type of risk and compliance.

### Meeting:

Meeting shall be done when appropriate, but at least 2 times a year. The Chairman of the RMCC may convene additional meetings if deemed necessary.

### Membership:

The RMCC shall be appointed by the Board and shall be comprised of 3 peoples. The chairman and the member shall be an independent from the management of the Company. The RMCC members are as follow:

- Independent Board of Director : Chairperson
- Board of Director : Member
- Compliance Manager : Member

## ❖ REMUNERATION & NOMINATION COMMITTEE

---

The Board of Directors of the Company has established a Committee of the Board to be known as the Remuneration and Nomination Committee (“RNC”) to meet requirements of authority to deliver best practice for the company. This committee will assist the Board in monitoring the implementation of company staff policy and guidelines, including total staff remuneration and competence building for Senior Management and staff, and recommend any changes.

### Meeting:

The meeting shall be held when appropriate, but at least 3 (three) times a year. The chairperson of RNC may convene additional meetings if deemed necessary.

### Membership:

The RNC members are as follows:

- Independent Board of Director : Chairperson
- Board of Director : Member
- HR & Admin Manager : Member

## 4. CHAIRMAN MESSAGE



The world economy continues to grow at 3.2 percent during 2024 and 2025, at the same pace as in 2023. A slight acceleration for advanced economies—where growth is expected to rise from 1.6 percent in 2023 to 1.7 percent in 2024 and 1.8 percent in 2025—will be offset by a modest slowdown in emerging market and developing economies from 4.3 percent in 2023 to 4.2 percent in both 2024 and 2025. Global inflation is forecast to decline steadily, from 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually. The global economy has been surprisingly resilient, despite significant central bank interest rate hikes to restore price stability.

In 2024, Cambodia's economy demonstrated resilience, with growth projections ranging from 5.3% to 6.0%. The Asian Development Bank (ADB) maintained its growth forecast at 5.8% for 2024 and 6.0% for 2025, attributing this stability to a revival in exports and a recovery in tourism. Despite the Cambodia economic growth, in 2024, Cambodia's real estate, tourism, and small business, all of which are closely tied to citizens' daily livelihoods, continued to grapple with challenges stemming from the COVID-19 pandemic, affecting their recovery trajectories. To ease the situation and to support the recovery, in late August 2024, the NBC issued a new framework for debt restructuring by easing financial requirements. These new measures will be in effect from September 2024 until the end of 2025. Family Microfinance has Collaborated with

our clients to restructure loans and provide support to those facing financial difficulty, ensuring that they are not burdened by unmanageable debt.

The past year has been particularly difficult for our institution as we have faced unforeseen financial challenges, resulting in a loss for the year. The ongoing economic uncertainty, combined with the impacts of Covid-19 and a tightening lending environment, has made it more difficult for many of our borrowers to meet their financial obligations. Despite our best efforts, we have not been able to fully offset these challenges.

However, we acknowledge that we must take responsibility for our current position. We are actively working to review our lending practices, improve risk management strategies, strengthen our capital and enhance our financial sustainability. Our focus remains on supporting Cambodia's underserved populations, and we are determined to ensure that our services continue to make a meaningful impact in the lives of those who rely on us.

While this year has brought about significant challenges, we are confident that these measures, combined with our dedicated team and loyal stakeholders, will enable us to overcome the current financial difficulties. We are committed to rebuilding our position and continuing to serve our mission of promoting financial inclusion and economic empowerment.

I would like to take this opportunity to express my deepest appreciation for the continued support of our shareholders, employees, and customers during this difficult period. Your patience and understanding are invaluable as we work toward a stronger and more resilient future.

We look forward to turning this page and returning to a path of sustainable growth and positive impact in the coming year.

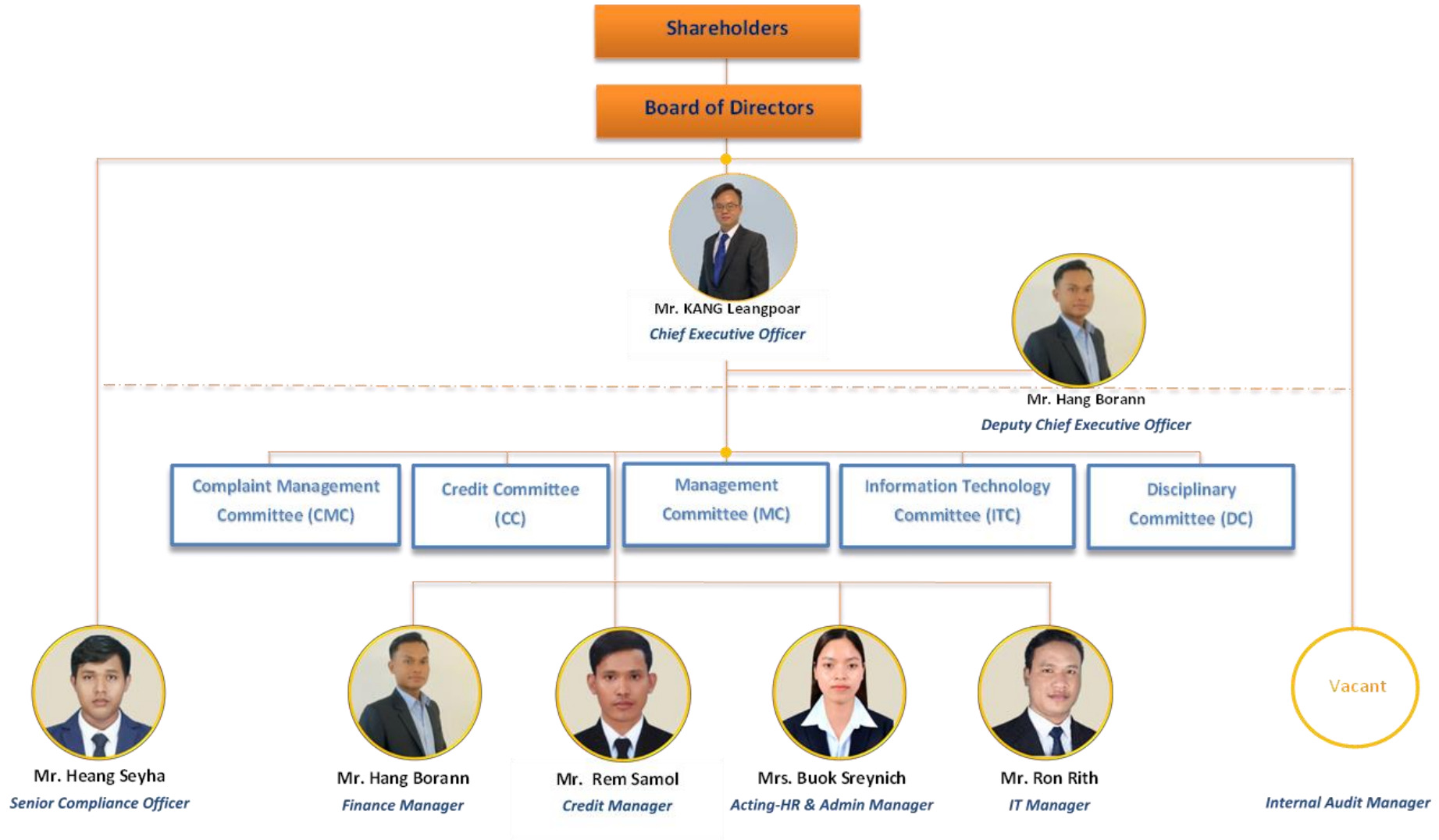
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WU CHEN 

**Mr. WU Chen**  
*Chairman*

## II. OUR OPERATION MANAGEMENT & STRATEGY

### 1. OUR MANAGEMENT ORGANIZATION CHART & CORPORATE GOVERNANCE



## ❖ DISCIPLINARY COMMITTEE (DC)

The Board of Directors has approved to establish a Disciplinary Committee (“DC”) for the adjudication, investigation, and when necessary, the subsequent discipline of any member found to be in violation of the Code of Ethics and internal rule and policy. The committee is established to review and the nature of complaint or issues related to staff and discuss among member in detail and to ensure the Code of Ethic, internal role and regulation are well aware by staff of the company.

### Meeting:

Meeting shall be done when appropriate, but at least 2 times a year. The Chairman of the DC may convene additional meetings if deemed necessary.

### Membership:

The DC members are as follows:

- Chief Executive Officer : Chairperson
- HR & Admin Manager : Member
- Finance Manager : Member

## ❖ CREDIT COMMITTEE (CC)

The Board of Directors has approved to establish a Credit Committee (“CC”) to ensure comply with National Bank of Cambodia and healthy loan portfolio. The purpose of this committee is to approve credit guidelines allowed beyond the signing approving authority limit. In addition, this committee will monitor the credit risk management frameworks and policies in concerning with the Company business as whole.

### Meeting:

The meeting shall be held at least once a month. The Chairman of the CC may convene additional meetings of deemed necessary.

### Membership:

The CC members are following:

- Chief Executive Officer : Chairperson
- Credit Manager : Member
- Finance Manager : Member

## ❖ MANAGEMENT COMMITTEE (MC)

---

The board of director of the company has established a committee to be known as Management Committee (MC) is to discuss all the company's matters and find the solution to make sure the company's operation is running smoothly. In addition to this, the MC also needs to review and oversee the development and implementation of the Company's business plan and strategies, discussing the current marketing trend and competition and proposing new business opportunities to the Board to best meet the Company's vision and objectives for which the Board's approval is required.

### Meeting

- A. The Committee will meet every month. The Chairperson of the Committee or a majority of the members of the Committee may call a special meeting of the committee.
- B. A majority of the members of the Committee present in person or by means of a telephone conference or other communications equipment (by means of which all persons participating in the meeting can communicate with each other) constitutes a quorum. The action of a majority of members at a meeting at which a quorum is present will be the action of the committee. In lieu of a meeting, the Committee may take action by unanimous written consent.

### Membership:

The Committee shall be comprised of the following members:

- Chief Executive Officer
- Compliance Manager
- Credit Manager
- Finance Manager
- HR & Admin Manager
- IT Manager

## ❖ COMPLAINT MANAGEMENT COMMITTEE (CMC)

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The Board of Directors has approved to establish a COMPLAINT MANAGEMENT COMMITTEE ("CMC") to ensure the compliance with government and implement the Consumer Complaints Management Framework (CCMF). The purpose of this Committee is to solve the consumer complaint under the Prakas on Resolution of Consumer Complaints and CCMF. In addition, this Committee will monitor the consumer complaint management framework in concerning with the company business as whole.

**Meeting**

A formal meeting stated in the duties set below shall be held at 4 times per year. The Chairperson of the CMC may convene additional meeting if deemed necessary.

**Membership:**

Currently the members are as follows:

- Chief Executive Officer (CEO) : Chairperson
- Finance Manager : Member
- HR & Admin Manager : Member
- Credit Manager : Member
- Compliance Manager : Member

### ❖ INFORMATION TECHNOLOGY COMMITTEE (ITC)

---

The Information Technology Committee (ITC), headed by Chief Executive Officer (CEO), is created to assist the Executive Management in implementing IT strategy that has been approved by the Board. It includes prioritization of IT-enabled investment, reviewing the status of projects (including, resource conflict), monitoring service levels and improvements, IT service delivery and projects.

**Meeting:**

A formal meeting on other matters stated in the duties set above shall be held in 2 times per year. The Chairperson of the Information Technology Committee may convene additional meeting if deemed necessary.

**Membership:**

The committee shall be comprised of the following members:

- Chief Executive Officer (CEO) : Chairperson
- IT Manager : Member
- Credit Manager : Member
- Compliance Manager : Member
- Finance Manager : Member

## 2. TEAM MANAGEMENT



**Mr. KANG Leangpoar**  
Chief Executive Officer

**Mr. Kang Leangpoar** is the Chief Executive Officer of Family Microfinance since 2019. With over a decade of experience in Cambodia's banking and financial sector, he has held multiple senior management positions, demonstrating expertise in business management, financial operations, and securities markets.

Mr. Kang Leangpoar holds a Master's degree in Finance, Banking, and Insurance from the University of Nantes, France (2015). He also earned a Bachelor's degree in Accounting from Vanda Institute (2011), an Associate Degree in Banking from the Center for Banking Studies (2011), and a Bachelor's degree in English Literature from the University of Cambodia (2012).

Before transitioning into banking, he spent five years in Cambodia's financial markets, holding key leadership roles such as Head of Sales and Marketing, Chief Operating Officer, and CEO at Cana Securities, a wholly owned subsidiary of Canadia Bank Plc. He was also a licensed Head of Operations and qualified Securities Specialist recognized by the Securities & Exchange Commission of Cambodia (SECC). He later served as a Business Manager at Cambodia Post Bank Plc., where he further expanded his expertise in banking operations before joining Family Microfinance as CEO.



**Mr. HANG Borann**  
Deputy CEO and Finance  
Manager

**Mr. HANG Borann** suing Master's degrees in Business Year 4<sup>th</sup> at Nationality University of Management in Finance, Was completed the diploma in IFRS-SMEs at CamEd Business School in year 2022,. Graduated in BBA of accounting at Chea Sim University of Kamchaymear (CSUK) in 2009. Related to work experiences, He worked as accounting officer (AO) at AMK Microfinance Plc, worked as Senior Accounting and Admin Officer at Sovann Phoum Rural Credit Operator, worked as Head of Finance Department at Apple Microfinance Plc (Transformed to Sunny Microfinance Plc), worked as Finance Manager at T & GO Microfinance Plc, Worked as Finance Manager at Hong Leong Bank, and currently, he is working as Deputy CEO and Finance Manager at Family Microfinance Plc. So he worked for banking and financial sector for 16years ago in the role of accounting and finance department, that his main responsibilities for accounting finance management role, treasury management role, budget forecasting role, cash management role, tax declaration role, prepare all of reports to NBC.



**Mr. RON Rith**  
IT Manager

**Mr. RON Rith** graduated with a Bachelor of Computer Science in 2017 and a Master of Computer Science in 2022 from the Royal University of Phnom Penh. With almost 10 years of experience, he has gained a wealth of experience in the banking and microfinance sector, which is responsible for the core banking system, network, with many technical skills such as banking system management and infrastructure management, secure networking, IT policy management and software development management. He has attended many training courses, both hard skill and soft skill, as well as training staff on information policy. At the end of 2023, he joined Family Microfinance Plc as IT Manager to strengthen and expand network infrastructure management, data management, core banking systems, IT policy, data security, and implementation the policy for Family Microfinance Plc to make operations faster, safer and more consistent.



**Mrs. BUOK Sreynich**  
Acting- HR & Admin Manager

**Mrs. BUOK Sreynich** graduated with a bachelor degree in accounting from Asia Euro University in 2019. Related to work experiences, she has more than 7 years of experience in financial sector and take up many roles with various financial institutions. Before joining with Family Microfinance, she has worked as teller at Delta Microfinance, teller at Asia Pacific Finance Plc (transformed to Kongkea Capital MFI Plc) and final worked as a senior teller at Side Hustle Microfinance Plc. In early 2023, she joined Family Microfinance as Chief Teller and currently, she is appointed as acting HR and Admin manager In 2024, to manage all the HR and admin works of Family Microfinance.



**Mr. REM Samol**  
Credit Manager

**Mr. REM Samol** is the Credit Manager at Family Microfinance, bringing seven years of experience in Cambodia's banking and financial sector, specifically in credit management.

He holds a Bachelor's degree in Hotel and Tourism Management from Asia Euro University (2017). Over the years, he has developed extensive expertise in credit management, loan disbursement, and non-performing loan (NPL) management.

Prior to joining Family Microfinance, Mr. Rem Samol held several key positions in the credit sector with many financial institutions including Chamroeun Microfinance, ABA Bank and LEDA Capital.

In his current role, he oversees credit operations, risk assessment, loan disbursement, and NPL management, ensuring efficient credit strategies and financial sustainability for Family Microfinance Plc.

### 3. PRODUCT AND SERVICE

#### 3.1. BUSINESS LOAN

Our business loan is designed for businessmen and entrepreneurs to start a new business or business expansion. All small and medium enterprises are able to access this type of loan for the investment capital or working capital for their business operation with the special rate offer. Our loan size ranges from small loan to medium loan with maximum amount of USD 150,000 or other currency equivalent. With convenient required document and fast-approval process, customers can obtain our fund to use for business on time and achieve their goals.



##### Product Features:

- Loan Term: up to 10 years
- Attractive interest rates with flexible repayment
- Fast loan approval request within 2 – 5 days
- Easy and convenient required documents

##### Required Documents:

- Both hard title & soft title are acceptable
- ID Card & other identity proof documents
- Employment Letter or business income documents

### 3.2. MORTGAGE LOAN

Owning a home is everyone's dream and with Family MFI Home Loan, we can make your dream home come true at any time. You can borrow up to 80% of the home value for up to a 20-year repayment term at a low and attractive interest rate. For example, if you want to buy a home with amount of USD 100,000, you just pay a down payment of USD 20,000, Family Microfinance will support a loan of USD 80,000 for 20 years with a low-interest rate.



#### Product Features:

- Loan Amount : \$10,000 - \$150,000
- Loan Term : up to 20 years
- Attractive interest rates with flexible repayment
- Fast loan approval within 2 – 5 days
- Easy and convenient required documents

#### Required Documents:

- Both hard title & soft title are acceptable
- ID Card & other identity proof documents
- Employment Letter or business income documents

### 3.3. VEHICLE LOAN

Make your dream come true with Family Microfinance by providing customers an easy and convenient way to get into the car they wish to have. All customers can make their vehicle dream become reality with an affordable monthly payment and without any collateral. Family Microfinance has cooperated with many car garages to provide easy way and faster process for customer to get car loan with our car garage partners.



#### Product Features:

- Loan Amount : \$10,000 - \$50,000
- Loan Term : up to 5 years
- Attractive interest rates with flexible repayment
- Fast loan approval within 1 – 3 days
- Easy and convenient required documents
- No Collateral Required

#### Required Documents:

- ID Card & other identity proof documents
- Employment Letter or business income documents
- Guarantor

### 3.4. MOTORBIKE AND TUK-TUK LOAN

Transportation with Tuk-Tuk or Motorbike is increasing every day. With Family Microfinance's Tuk-Tuk and Motorbike loan, customer can easily get the motorbike for driving to work or purchase Tuk-Tuk for business to earn daily living.



HONDA PCX



SCOPY 2020



HONDA CLICK 2020



HONDA DREAM 2019

#### Product Features:

- Loan Amount : \$1,000 - \$6,000
- Loan Term : up to 3 years
- Attractive interest rates with flexible repayment
- Fast loan approval within 1 – 2 days
- Easy and convenient required documents
- No Collateral Required

#### Required Documents:

- ID Card & other identity proof documents
- Employment Letter or business income documents
- Guarantor

### 3.5. PERSONAL LOAN

Personal loan provides source of financing to individual to purchase household goods like material or furniture to beauty their houses or usage requirement in everyday living (e.g., wood salon or air conditional). Without requiring collateral, customers can easily get the loan for their personal uses to make their living and life better.



#### Product Features:

- Loan Amount : \$500 - \$2,000
- Loan Term : up to 2 years
- Attractive interest rates with flexible repayment
- Fast loan approval within 1 – 2 days
- Easy and convenient required documents
- No Collateral Required

#### Required Documents:

- ID Card & other identity proof documents
- Employment Letter or business income documents
- Guarantor

### 3.6. AGRICULTURE LOAN

Provide loan to farmers and other self-employed individuals engaged in agricultural production. It can be used to purchase agricultural machinery and equipment, fertilizers and seeds, poultry and livestock, and other similar items. Family Microfinance provide flexible and convenient payment term to suit the situation of our farmer's business to support and make their living better.



#### Product Features:

- Loan Amount : \$1,000 - \$100,000
- Loan Term : up to 25 years
- Attractive interest rates with flexible repayment
- Fast loan approval within 2 – 5 days
- Easy and convenient required documents

#### Required Documents:

- Both hard title & soft title are acceptable
- ID Card & other identity proof documents
- Employment Letter or other business income documents

## 4. COMPANY SOCIAL ACTIVITY

### ❖ Sport Event

Football for Health & Team Spirit at Family Microfinance, Sports foster courage, intelligence, agility, leadership, and overall physical and mental well-being—qualities that are essential both in life and the workplace.

Recognizing its numerous benefits, Family Microfinance organizes a monthly football program for employees. Beyond promoting fitness and cardiovascular health, football helps improve respiratory function, reduce obesity, build muscle strength, and enhance teamwork and camaraderie among colleagues.

Although the two-hour matches leave participants physically exhausted, the excitement, joy, and team spirit make it a rewarding experience. Family Microfinance firmly believes that a healthy workforce leads to greater productivity, efficiency, and overall job satisfaction.



## ❖ Charity to Prey Chrum Orphanage located Kampong Speu Province

### Family Microfinance's Commitment to Community Support

The management team of Family Microfinance has extended its support to Prey Chrum Orphanage, located in Prey Chrum Village, Yuth Samaki Commune, Oudong District, Kampong Speu Province. Moved by the hardships faced by the 65 children residing at the orphanage, we have donated essential school supplies and food to help improve their daily lives.

In addition, Family Microfinance has contributed 2,800,000 Riels to repair the orphanage's broken water system, restore access to clean water, and fix damaged toilets and beds, ensuring a safer and healthier living environment for the children.

As part of our ongoing commitment to social responsibility, Family Microfinance remains dedicated to supporting orphans and vulnerable communities in Cambodia. We believe in the power of sustainable development to uplift society by improving livelihoods, strengthening social resilience, and fostering community growth. Through our contributions, we strive to make a lasting impact and alleviate hardship for those in need.



### ❖ Charity to Thnout Khpous and Moan Dab Primary School

Recognizing the importance of education and to contribute to help the education sector in Cambodia, the management of Family Microfinance has donated fund, classroom fans and other study materials to teachers and students at Thnout Khpous Primary School at Sangkat Ponsang, Khan Praek Pnov, Phnom Penh and Moan Dab Primary School at Moan Dab Village, Meanchey Commune, Srei Santhor District, Kampong Cham Province.

We are very happy to support and contribute to alleviate the hardships of the school and students who have been experiencing difficulties in education. We will continue to provide assistance to other schools in Phnom Penh and provinces in line with our vision and mission. We believe that our contribution will play an important role in contributing to the growth of education and schools in Cambodia.



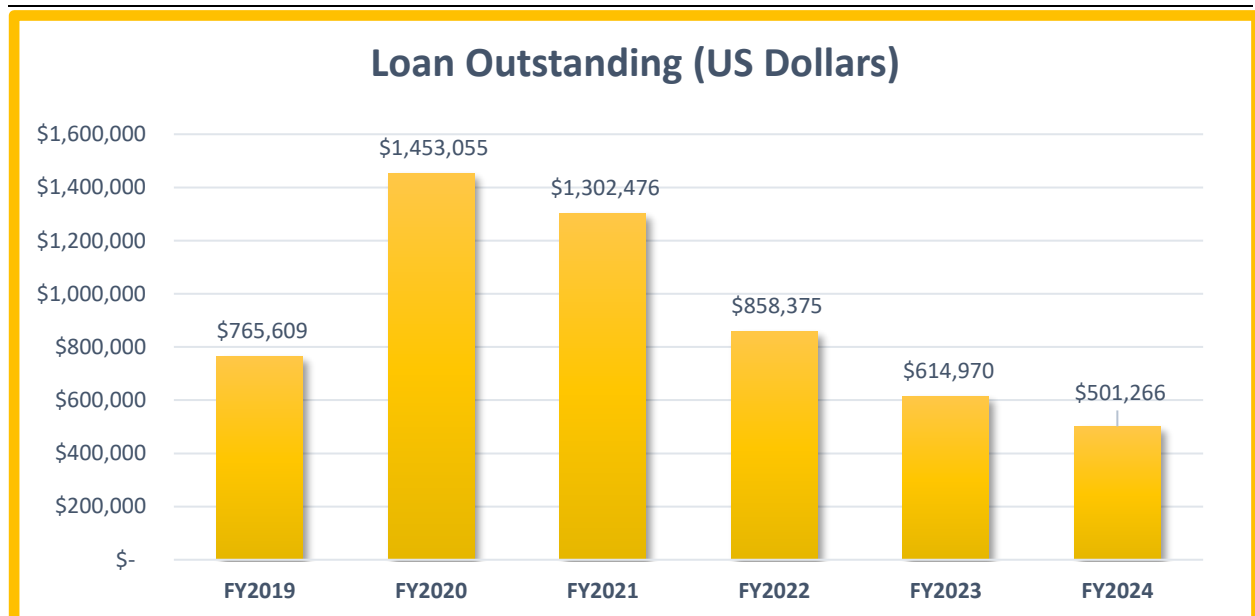
### III. OUR FINANCIAL PERFORMANCE

#### 1. PERFORMANCE HIGHLIGHT

##### Loan Outstanding

As 2024 was the year with worldwide economic crises, Family Microfinance still provide loan disbursement to customers with our various loan products. For the year 2024, our loan outstanding decrease around 18% comparing to previous year 2023 with total loan portfolio USD 501,266.

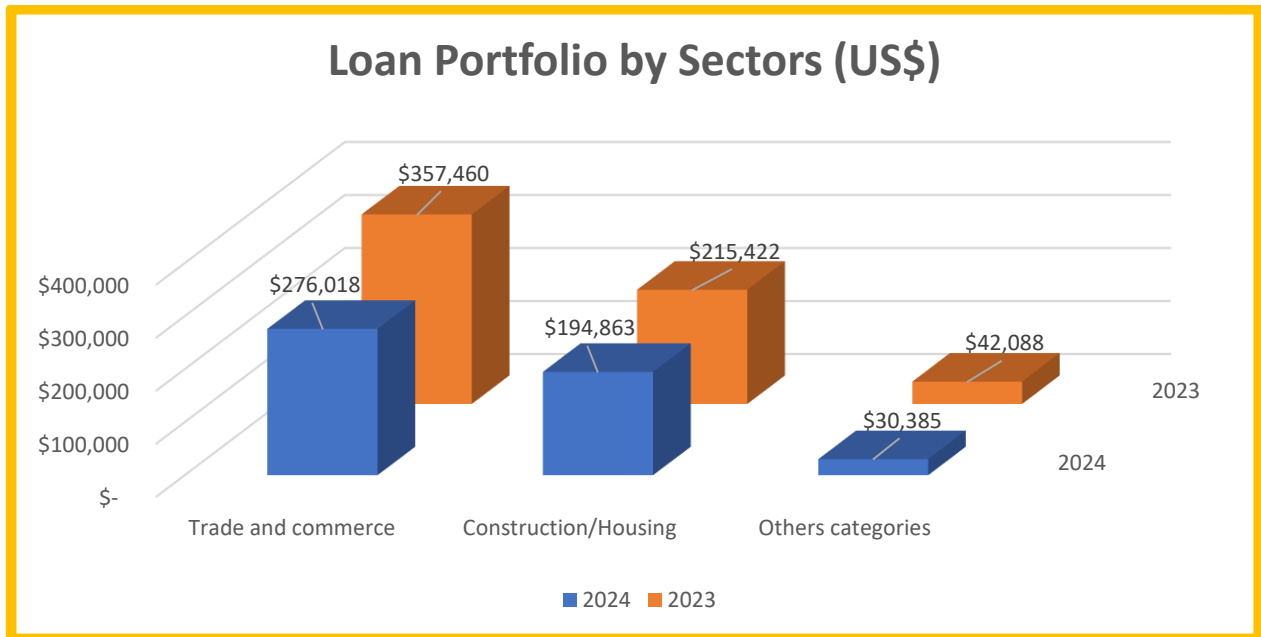
Loan	FY2024	FY2023	Net Decrease	Change (%)
Loan Outstanding (US\$)	501,266	614,970	(113,704)	(18.49%)



##### Loan Portfolio by Sector (US\$)

Most of our loan disbursement during the year are Trade and commerce, Construction/Housing Sector and Others categories. Among all the sector, Trade and Commerce ranks on the top follow by Construction/Housing as a second. Compare to 2023, Trade and Commerce decrease around 22% while Construction/Housing decrease around 9%.

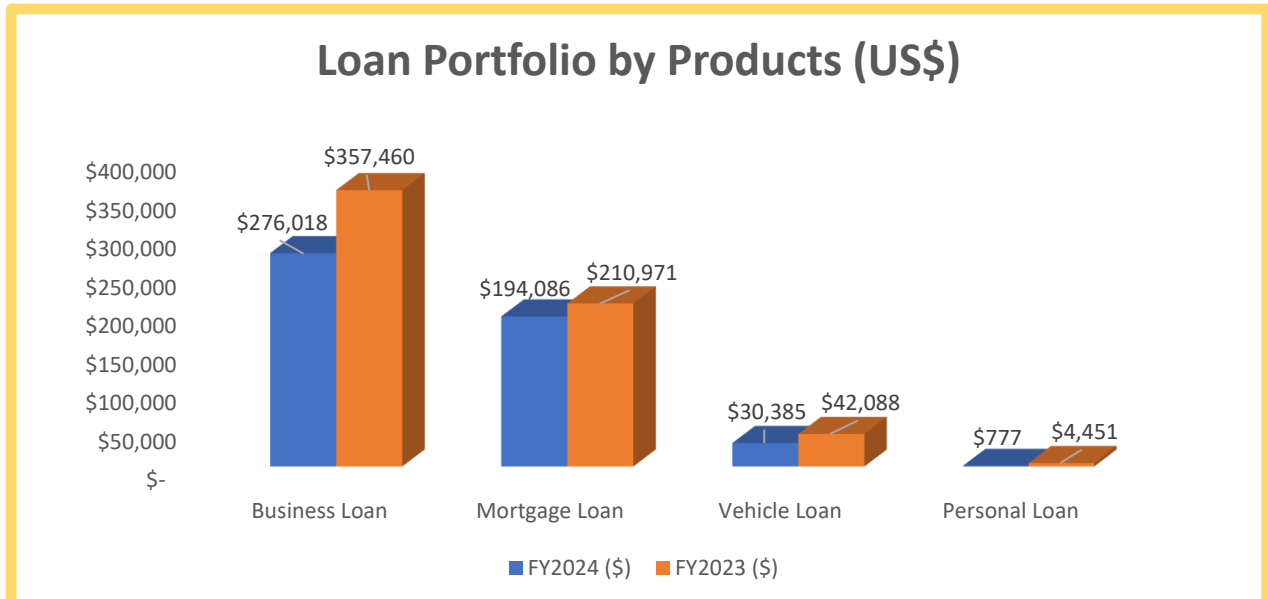
No	Sector	FY2024 (\$)	FY2023 (\$)	Change (\$)	Change (%)
1	Trade and commerce	276,018	357,460	(81,442)	(22.78)
2	Construction/Housing	194,863	215,422	(20,559)	(9.54)
3	Others categories	30,385	42,088	(11,703)	(27.81)
<b>Total USD:</b>		<b>501,266</b>	<b>614,970</b>	<b>(113,704)</b>	<b>(18.49)</b>



#### Loan Portfolio by Products:

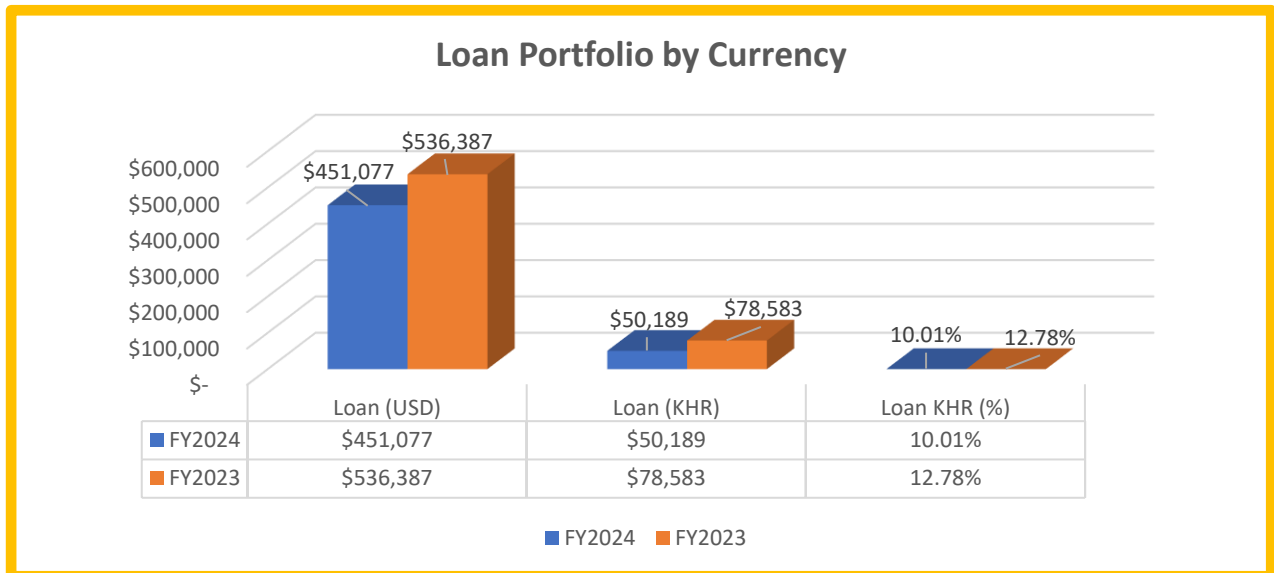
Our loan products are business loan, mortgage loan, vehicle loan and personal loan. Business loan is the biggest loan of our loan products with around 55%. In contrast, personal loan is the lowest loan of our loan products with only around 0.16%.

No	Product	FY2024 (\$)	FY2023 (\$)	Change (\$)	Change (%)
1	Business Loan	276,018	357,460	(81,442)	(22.78)
2	Mortgage Loan	194,086	210,971	(16,885)	(8.00)
3	Vehicle Loan	30,385	42,088	(11,703)	(27.81)
4	Personal Loan	777	4,451	(3,674)	(82.54)
<b>Total</b>		<b>501,266</b>	<b>614,970</b>	<b>(113,704)</b>	<b>(18.49)</b>



### Loan Portfolio by Currency:

With total loan portfolio amount USD 501,266, 89.99% of our loan are loan in USD and 10.01% are loan in KHR comply to NBC requirement with only 10%. Although our loan outstanding decrease, total loan in KHR is still can maintain our loan KHR over 10% which is 10.01%.



### Profit & Loss Summary

Because of the worldwide economic crisis that affects our Cambodia's economic and business of our Cambodia people and for this reason, Family Microfinance has struggled to provide loan to customer. As a result, our loan outstanding has dropped by 18.49% compared to 2023, which also decrease our profit for the year 2024.

Profit & Loss Summary (US\$)	FY2024	FY2023	Change (%)
Interest Income	62,084	72,246	(14.07)
Other Income	7,871	5,425	45.09
<b>Total Operating Income</b>	<b>69,955</b>	<b>77,671</b>	<b>(9.93)</b>
Interest Expense	(40,865)	(41,340)	(1.15)
Operating & Administration Expense	(216,422)	(253,119)	(14.50)
Allowance for impairment losses	(64,755)	(79,546)	(18.59)
Loan write-off expense	-	(134,779)	(100.00)
<b>Gain/Loss for the year</b>	<b>(252,087)</b>	<b>(431,113)</b>	<b>(41.53)</b>

## Balance Sheet Summary

Family Microfinance’s total assets had decreased around 40% compared to last year. However, our liabilities had decreased around 14% compared to last year. In side that, and our borrowing has decreased around 4% compare to 2023.

Balance Sheet Summary (US\$)	FY2024(US\$)	FY2023(US\$)	Change (%)
Asset	522,575	877,990	(40.48)
Loan Portfolio	501,266	614,970	(18.49)
Liabilities	623,052	726,380	(14.23)
Borrowing Balance	608,495	636,000	(4.32)
Equity	(100,477)	151,610	(166.27)

## 2. DIRECTOR’S REPORT

The board of directors hereby submit the report and the audited financial statements of the Family Microfinance Plc. (“the Company”) for the financial year ended 31 December 2024.

### 1. Background and principal activities

Family Microfinance Plc. (“the Company”) is a public limited company incorporated in the Kingdom of Cambodia and registered with the Ministry of Commerce (“MOC”) under registration No. 00035393 dated 31 July 2018. The Company obtained its license from the National Bank of Cambodia (“NBC”) to operate as a micro-finance institution on 30 October 2018. The Company also obtained the renewal of the Microfinance license, which was approved by National Bank of Cambodia (“NBC”) on 25 December 2024.

The Company is principally engaged in all aspects of micro-finance business and the provision of related financial services in Cambodia.

The Company’s Head office is located at No. Kh1-Kh2, St 105, Phum Toul Sampov, Sangkat Toul Sangkae 1, Khan Russey Keo, Phnom Penh, Kingdom of Cambodia.

### 2. Results 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 do not recommend the payment of a dividend for the year ended 31 December 2024.

### 3. Board of Directors

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

<b>Name</b>	<b>Position</b>
Mr. Wu Chen	Chairman
Mr. Wu Tzu Yun	Director
Mr. Kao Jung Hua	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 directors 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 directors is required to:

- i. adopt appropriate accounting policies in compliance with Cambodian International Financial Reporting Standards for Small and Medium-Sized Entities ("CIFRS for SMEs") which are supported by reasonable and appropriate judgments and estimates and then apply them consistently;
- ii. comply with the disclosure requirements CIFRS for SMEs 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 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 Family Microfinance Plc. 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 SMEs) and guidelines of the National Bank of Cambodia (“NBC”).

On behalf of Board of Directors

WU CHEN



Mr. Wu Chen  
Chairman

Phnom Penh, Kingdom of Cambodia

Date: 21 April 2025

### 3. INDEPENDENT AUDITORS' REPORT

#### To shareholders of Family Microfinance Plc.

##### Opinion

We have audited the financial statements of Family Microfinance 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 30.

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

##### Emphasis of matter

###### 1- Going concern:

We draw attention to Note 4.1 in the financial statements, which indicates that the Company incurred an accumulated losses of USD 1,643,537 and, as of that date, the Company’s total liabilities exceeded its total assets by USD 100,477. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. In our opinion is not modified in respect of this matter.

###### 2- Deferred tax assets:

We draw attention to Note 4.2 in the financial statements; the Company has not recognised the deferred tax asset because of no probable future taxable profit to utilize the asset. In our opinion is not modified in respect of this matter.

**Other matters**

The financial statements of Family Microfinance Plc. for the year ended 31 December 2024 were audited by another auditing firm whose report, dated 21 April 2025, expressed an unqualified opinion.

**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.

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

**On behalf of Cam Accounting & Tax Service Co., Ltd.**  
Certified Public Accountants and Auditors



Keat Heng, CPA, FCCA  
Audit Partner

Phnom Penh, Kingdom of Cambodia  
Date: 21 April 2025

#### 4. AUDITED FINANCIAL STATEMENT STATEMENT OF COMPREHENSIVE ❖ STATEMENT OF FINANCIAL POSITION

**AS AT 31 DECEMBER 2024**

Assets	Notes	2024		2023	
		USD	KHR'000	USD	KHR'000
<b>Non-current asset</b>					
Property and equipment	10	7,755	31,214	9,463	38,656
Loans to customers	8	340,395	1,370,090	522,277	2,133,502
<b>Total non-current asset</b>		<b>348,150</b>	<b>1,401,304</b>	<b>531,740</b>	<b>2,172,158</b>
<b>Current asset</b>					
Cash on hand	5	1,271	5,116	2,192	8,954
Deposit and placements with NBC	6	84,948	341,916	76,483	312,433
Deposits and placements with banks	7	87,056	350,400	266,795	1,089,858
Other assets	9	1,150	4,629	780	3,186
<b>Total current asset</b>		<b>174,425</b>	<b>702,061</b>	<b>346,250</b>	<b>1,414,431</b>
<b>Total assets</b>		<b>522,575</b>	<b>2,103,365</b>	<b>877,990</b>	<b>3,586,589</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Amount due to related party	20	608,495	2,449,192	636,000	2,598,060
<b>Total non-current liabilities</b>		<b>608,495</b>	<b>2,449,192</b>	<b>636,000</b>	<b>2,598,060</b>
<b>Current liabilities</b>					
Other liabilities	11	14,557	58,592	90,380	369,202
<b>Total current liabilities</b>		<b>14,557</b>	<b>58,592</b>	<b>90,380</b>	<b>369,202</b>
<b>Total liabilities</b>		<b>623,052</b>	<b>2,507,784</b>	<b>726,380</b>	<b>2,967,262</b>
<b>Equity</b>					
Share capital	12	1,500,000	6,000,000	1,500,000	6,000,000
Regulatory reserve	13	43,060	172,075	71,536	288,001
Accumulated losses		(1,391,450)	(5,674,433)	(988,813)	(4,018,485)
Loss for the year		(252,087)	(1,026,246)	(431,113)	(1,771,874)
Currency translation reserves		-	124,185	-	121,685
<b>Total equity</b>		<b>(100,477)</b>	<b>(404,419)</b>	<b>151,610</b>	<b>619,327</b>
<b>Total liabilities and equity</b>		<b>522,575</b>	<b>2,103,365</b>	<b>877,990</b>	<b>3,586,589</b>

## ❖ STATEMENT OF COMPREHENSIVE INCOME

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Notes	2024		2023	
		USD	KHR'000	USD	KHR'000
Interest income	14	62,084	252,744	72,246	296,931
Interest expense	15	(40,865)	(166,361)	(41,340)	(169,907)
<b>Net interest income</b>		<b>21,219</b>	<b>86,383</b>	<b>30,906</b>	<b>127,024</b>
Other operating incomes	16	7,871	32,043	5,425	22,297
Employee expenses	17	(153,221)	(623,763)	(180,133)	(740,347)
Depreciation	10	(1,708)	(6,953)	(774)	(3,181)
General and administrative expenses	18	(60,785)	(247,456)	(205,746)	(845,616)
Allowance for impairment losses	19	(64,755)	(263,618)	(79,545)	(326,930)
<b>Loss before taxes</b>		<b>(251,379)</b>	<b>(1,023,364)</b>	<b>(429,867)</b>	<b>(1,766,753)</b>
Income taxes	21	(708)	(2,882)	(1,246)	(5,121)
<b>Loss for the year</b>		<b>(252,087)</b>	<b>(1,026,246)</b>	<b>(431,113)</b>	<b>(1,771,874)</b>
Other comprehensive income		-	-	-	-
Currency translation differences		-	2,500	-	(7,870)
<b>Total comprehensive income for the year</b>		<b>(252,087)</b>	<b>(1,023,746)</b>	<b>(431,113)</b>	<b>(1,779,744)</b>

## ❖ STATEMENT OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## Cash and cash equivalents at 31 December 2023 &amp; 2024 reconciliation:

	Notes	2024		2023	
		USD	KHR'000	USD	KHR'000
<b>Cash flow from operating activities</b>					
Loss before taxes		(251,379)	(1,023,364)	(429,867)	(1,766,752)
<b>Adjustment for:</b>					
Depreciation	10	1,708	6,953	774	3,181
Allowance for impairment losses	19	64,755	263,618	79,545	326,930
Interest expense	15	40,865	166,361	41,340	169,907
<b>Operating loss before working capital changes</b>		<b>(144,051)</b>	<b>(586,432)</b>	<b>(308,208)</b>	<b>(1,266,734)</b>
<b>Changes in:</b>					
Loans to customers	8	115,312	469,435	243,405	994,309
Other assets	9	(369)	(1,502)	10,270	41,953
Other liabilities	11	(75,823)	(308,675)	34,104	139,315
<b>Cash flow used in operating activities</b>		<b>(104,931)</b>	<b>(427,174)</b>	<b>(20,429)</b>	<b>(91,157)</b>
Income taxes	21	(708)	(2,882)	(1,246)	(5,121)
<b>Net cash flow used in operating activities</b>		<b>(105,639)</b>	<b>(430,056)</b>	<b>(21,675)</b>	<b>(96,278)</b>
<b>Cash flow from investing activities</b>					
Acquisition of property and equipment	10	-	-	(1,038)	(4,240)
Statutory deposit with NBC	6	(7,500)	(30,533)	-	-
<b>Net cash flow used in investing activities</b>		<b>(7,500)</b>	<b>(30,533)</b>	<b>(1,038)</b>	<b>(4,240)</b>
<b>Cash flow from financing activities</b>					
Amount due to related party	20	(27,505)	(111,973)	-	-
Interest paid	15	(40,865)	(166,361)	(41,340)	(169,907)
<b>Net cash flow used in financing activities</b>		<b>(68,370)</b>	<b>(278,334)</b>	<b>(41,340)</b>	<b>(169,907)</b>
<b>Net changes in cash and cash equivalents</b>		<b>(181,509)</b>	<b>(738,923)</b>	<b>(64,053)</b>	<b>(270,425)</b>
<b>Cash and cash equivalents at 01 January</b>		<b>273,167</b>	<b>1,115,887</b>	<b>337,220</b>	<b>1,388,334</b>
<b>Currency translation differences</b>		<b>-</b>	<b>(8,041)</b>	<b>-</b>	<b>(2,022)</b>
<b>Cash and cash equivalents at 31 December</b>		<b>91,658</b>	<b>368,923</b>	<b>273,167</b>	<b>1,115,887</b>

## Cash and cash equivalents at 31 December 2023 &amp; 2024 reconciliation:

	2024		2023	
Cash on hand	1,271	5,116	2,192	8,954
Deposits and placements with NBC (Excluding statutory deposits)	2,448	9,853	1,483	6,058
Deposits and placements with banks	87,939	353,954	269,492	1,100,875
	<b>91,658</b>	<b>368,923</b>	<b>273,167</b>	<b>1,115,887</b>

## ❖ STATEMENT OF CHANGES IN EQUITY

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Share capital USD	Regulatory reserve USD	Accumulated losses USD	Total USD
At 01 January 2023	1,500,000	216,163	(1,133,440)	582,723
Loss for the year	-	-	(431,113)	(431,113)
Transfer	-	(144,627)	144,627	-
Balance at 31 December 2023	1,500,000	71,536	(1,419,926)	151,610
<b>Loss for the year</b>	-	-	<b>(252,087)</b>	<b>(252,087)</b>
<b>Transfer</b>	-	<b>(28,476)</b>	<b>28,476</b>	-
<b>Balance at 31 December 2024</b>	<b>1,500,000</b>	<b>43,060</b>	<b>(1,643,537)</b>	<b>(100,477)</b>

	Share capital KHR'000	Regulatory reserve KHR'000	Accumulated losses KHR'000	Translation reserve KHR'000	Total KHR'000
At 01 January 2023	6,000,000	882,418	(4,612,902)	129,555	2,399,071
Loss for the year	-	-	(1,771,874)	-	(1,771,874)
Transfer	-	(594,417)	594,417	-	-
Translation differences	-	-	-	(7,870)	(7,870)
Balance at 31 December 2023	6,000,000	288,001	(5,790,359)	121,685	619,327
<b>Loss for the year</b>	-	-	<b>(1,026,246)</b>	-	<b>(1,026,246)</b>
<b>Transfer</b>	-	<b>(115,926)</b>	<b>115,926</b>	-	-
<b>Translation differences</b>	-	-	-	<b>2,500</b>	<b>2,500</b>
<b>Balance at 31 December 2024</b>	<b>6,000,000</b>	<b>172,075</b>	<b>(6,700,679)</b>	<b>124,185</b>	<b>(404,419)</b>



“MAKE YOUR FAMILY BETER”

