



មីយ៉ា ម.ក  
គ្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ

# ANNUAL **REPORT** 2023

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# MESSAGE FROM CEO



Dear Management, Staff, Valued Customers, and Stakeholders

For the last eight years, MIA has proudly served as an excellent financial partner for clients, providing a wide variety of innovative and impactful financial products and services to micro, small, and medium enterprises, especially women, in an efficient, sustainable, and responsible manner.

I would like to take this opportunity to highlight our significant achievements over the past year. Despite the challenging economic environment and the lingering impacts of the COVID-19 pandemic, MIA has continued to demonstrate resilience and adaptability. In 2023, we successfully maintained our credit portfolio, a testament to our robust risk management strategies and the dedication of our team.

The fiscal year 2023 presented several challenges, but MIA's performance reflects our resilience and strategic focus. Our loan portfolio at the end of 2023 was US\$2,719,576, which represents a decrease of 43% compared to 2022. This reduction was anticipated as part of our strategic risk management efforts in response to the economic uncertainties.

We served 407 clients in 2023, an 19% decrease from the previous year. This decline is a reflection of the cautious approach we adopted to maintain loan quality and mitigate risk. Despite these challenges, we continued to prioritize client support and engagement, ensuring that our services remained accessible and responsive to their needs.

Our total assets amounted to US\$3,489,959, a decrease of 37.85% compared to 2022. This decline is attributable to our strategic adjustments and the broader economic impact of the pandemic. Total liabilities were significantly reduced to US\$511,014, down 76.96% from the previous year. This substantial decrease in liabilities highlights our effective debt management and conservative financial strategy during uncertain times.

Our net worth stood at US\$2,978,945, a 12% decrease from 2022. While this represents a decline, it is a controlled and manageable reduction, given the economic context. Overall, we faced a loss of US\$418,914 for the year.

These performance metrics, though reflecting a challenging year, also highlight our proactive and strategic approach to navigating economic uncertainties. We remain committed to our mission and are confident in our strategies to drive future growth and success.

Outlook for 2024, our goals include restructuring our teamwork, strengthening staff capacity, and expanding our operational network by opening new satellite offices. We plan to modify existing products, launch a new loan products, and prioritize releasing loans in our local currency to align with the National Bank of Cambodia's strategy to promote the Riel currency in the market.

In conclusion, I would like to take this opportunity to thank our committed and responsible management, staff, and especially our valued customers and stakeholders for overcoming challenges and continuously supporting our financial services until now and in the future.

Sincerely Yours,



Oknha Ngov Srun  
Chief Executive Officer

WHO WE ARE

Established in 2015, it is owned by Cambodian Entrepreneurs who has a passionate in helping small and medium entrepreneurs to grow their businesses more furthered. MIA PLC “MIA” is committed to improving the low and medium income-generated people in urban areas and provinces where we serve as well as maintain our sustainability.

MIA Plc also focuses on offering a variety of financial products to microbusiness sectors, small and medium entrepreneurs. its aim is to provide the best service and financial terms and conditions to all Cambodian enterprises.



VISION

To be one of the leading microfinance institutions which provide variety of attractive products and services for small and medium entrepreneurs in Cambodia.

MISSION

Our mission is to help Cambodia, we commit to provide the financial products matching the customer’s needs.

Be a part of economic development and partners of small and medium entrepreneurs in Cambodia.

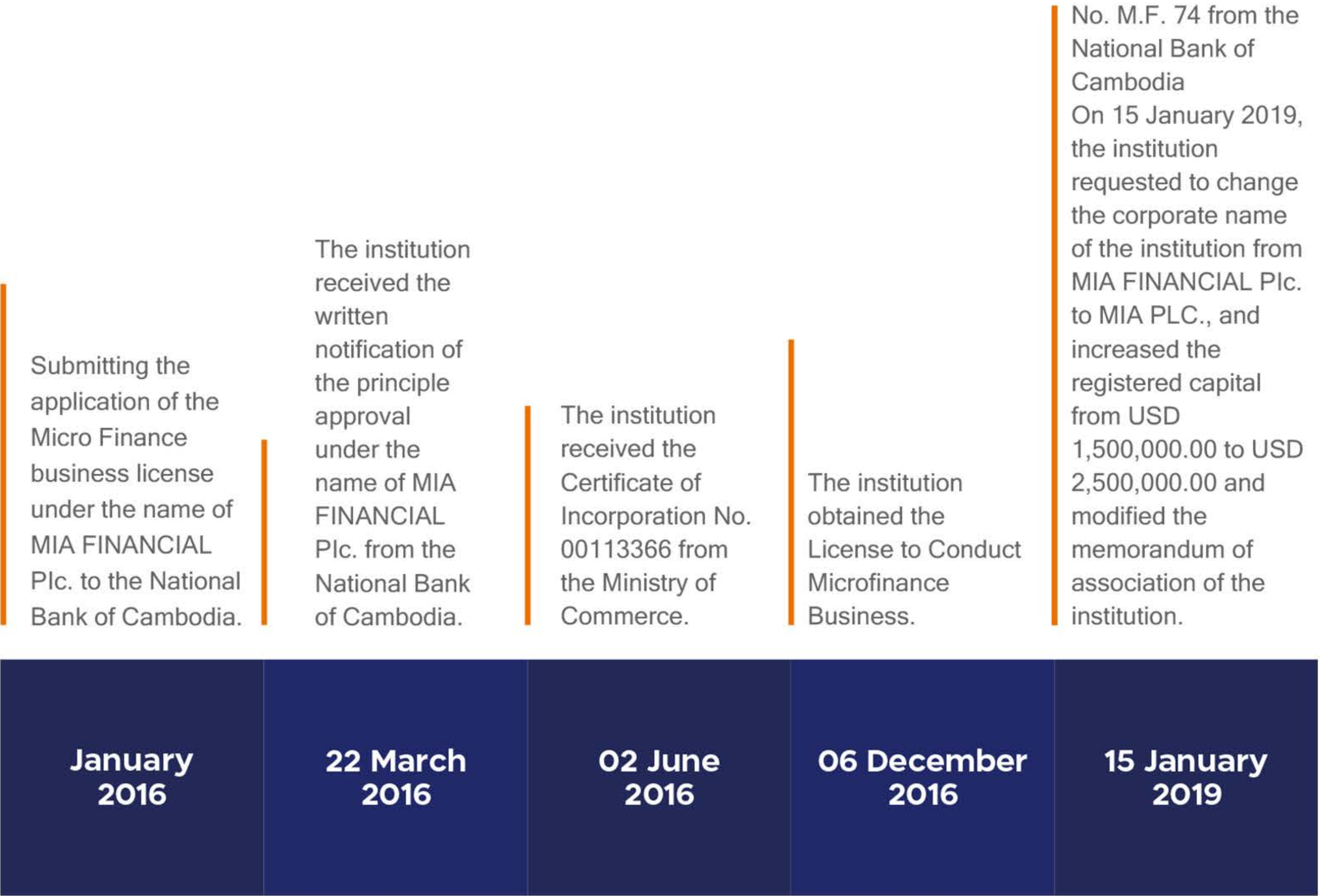
To improve the low and medium income-generated people who intend to create new business and expand their existing business in both urban areas and provinces. We are here to serve Cambodia.

CORE VALUES

- Accountaility
- Diversity
- Sustainability

MIA PLC was established in late 2015 which was initiated by Lok Chumteav Oknha Ngov Mok, the respectful Chairwoman and shareholders.

The initiative came to exist in the early 2016 with the following progress



# FINANCIAL HIGHLIGHTS

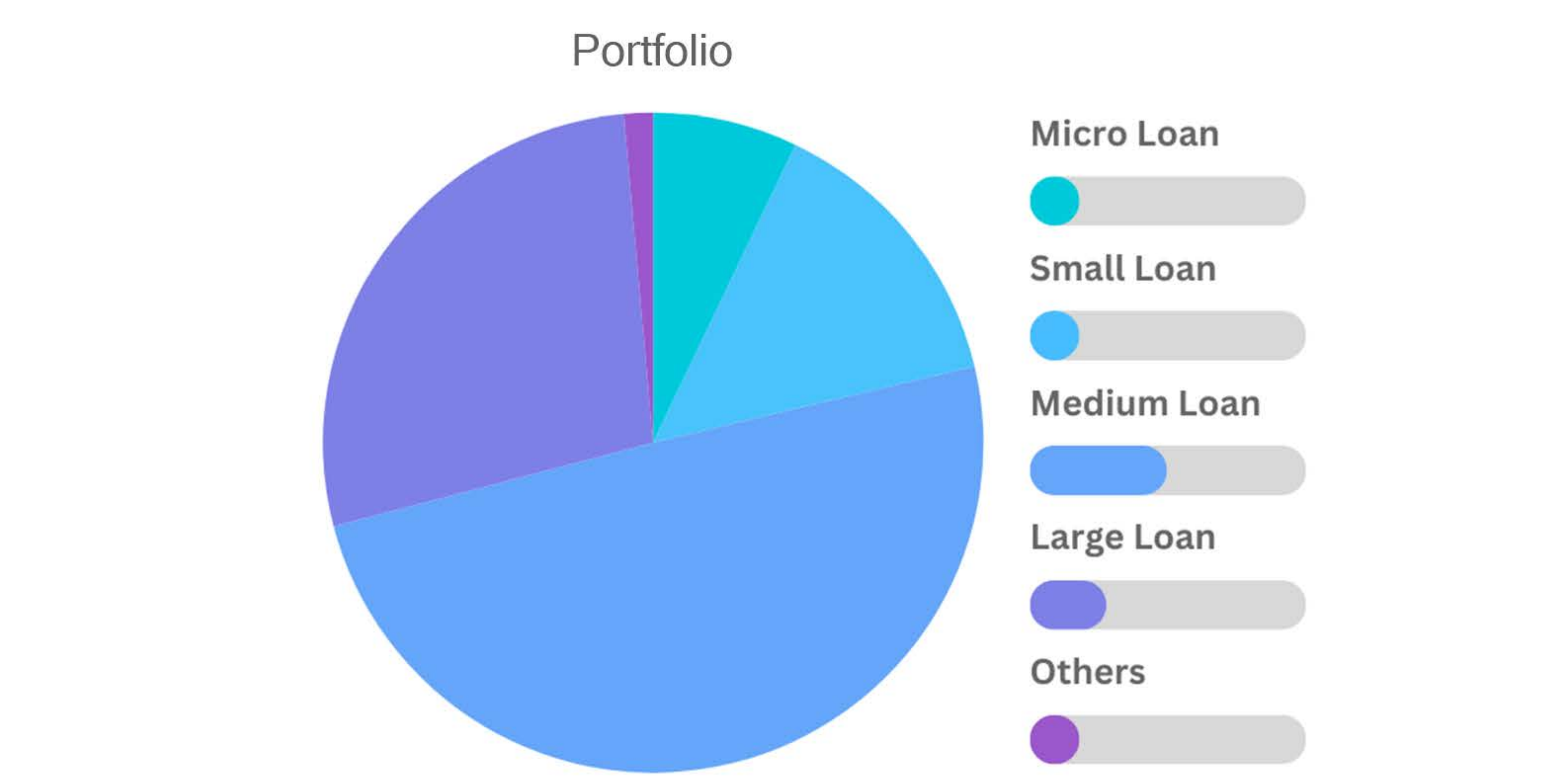
Year Ended 31st December	FY.2021	FY.2022	FY.2023	Incre/Decr(%)
Operating Results / US\$				
Net Income before tax	462,909	266,807	-434,614	-262.89%
Net Income after tax	348,919	212,905	-418,914	-296.76%
Key Figure in Balance Sheet / US\$				
Total Assets	7,791,449	5,615,810	3,489,959	-37.85%
Loan to Customers (Net)	6,740,427	4,776,041	2,719,576	-43.06%
Total Liabilities	4,606,495	2,217,951	511,014	-76.96%
Paid-up Capital	2,500,000	2,500,000	2,500,000	0.00%
Shareholder's Equity	3,184,954	3,397,859	2,978,945	-12.33%
Financial Ratio / %				
Return on Assets (ROA)	2%	2%	-6%	-7.90%
Return on Equity (ROE)	5%	3%	-7%	-10.16%
Debt to Asset	59%	39%	15%	-24.85%
Debt to Equity	145%	65%	17%	-48.12%

# PRODUCT HIGHLIGHTS

As of 31 December 2023, we have served 407 households, worth \$3,630,250 in our gross loan portfolio.

Our number of clients and portfolio by products were decreased consecutive years by covid as well as world economic crisis. However, from 2024 onward, we will work on modifying our existing products to a demand/digest/back up product such as Micro Loan, Small and Medium Loan, SME Loan, Car Loan and Home Loan.

We are strongly confident that the existing product modification will add more competitive advantage and benefit both institution and clients.



## Continue Improvement

Since our business is growing and we are continually introducing new products to the competitive market. it is crucial for our staff to receive comprehensive training related to appropriate loan assessment, sales, client recruitment and management as well as on how to streamline workflow to improve outputs. Our HR department has therefore paid particular attention to staff training systems, corporate with relevant departments and appointment of a support officer, equipping training rooms, and increasing the number and breadth of training courses the staff undergo within the MIA Plc.

In 2024, the comprehensive training program comprised courses in specific skills and disciplines, such as Internal audit, risk management, accounting standard, revised credit policy & procedures, Loan recruitment, Loan Assessment, Collateral Valuation, Credit Discipline, Loan Recovery, Standard Branch Management, One Minute Manager, Leadership & Management...etc



## Risk Management & Internal Control

Internal control is fundamental to successful day-to-day operations and in achieving its business objectives. Weakness of the internal control system may affect to financial institutions and unable to manage risks.

MIA has established an internal control system to help drive better business operation through effective asset management, protection, cash management, human resource management etc. An internal control system has been put in place by management for all staff to mitigate and prevent intentional or unintentional errors and ensure that all staff are adhered to policies and guidelines.

MIA's policies and procedures are embedded in the internal control system to prevent risks. Duties are segregated which mean one staff cannot process the whole transaction. All staffs and managements have to take their own responsibility and follow the policies. As well as, they must communicate upward about any problems of non-compliance or policy violations. The Board of Directors determines MIA risk policies and monitors the effectiveness of risk management frameworks.



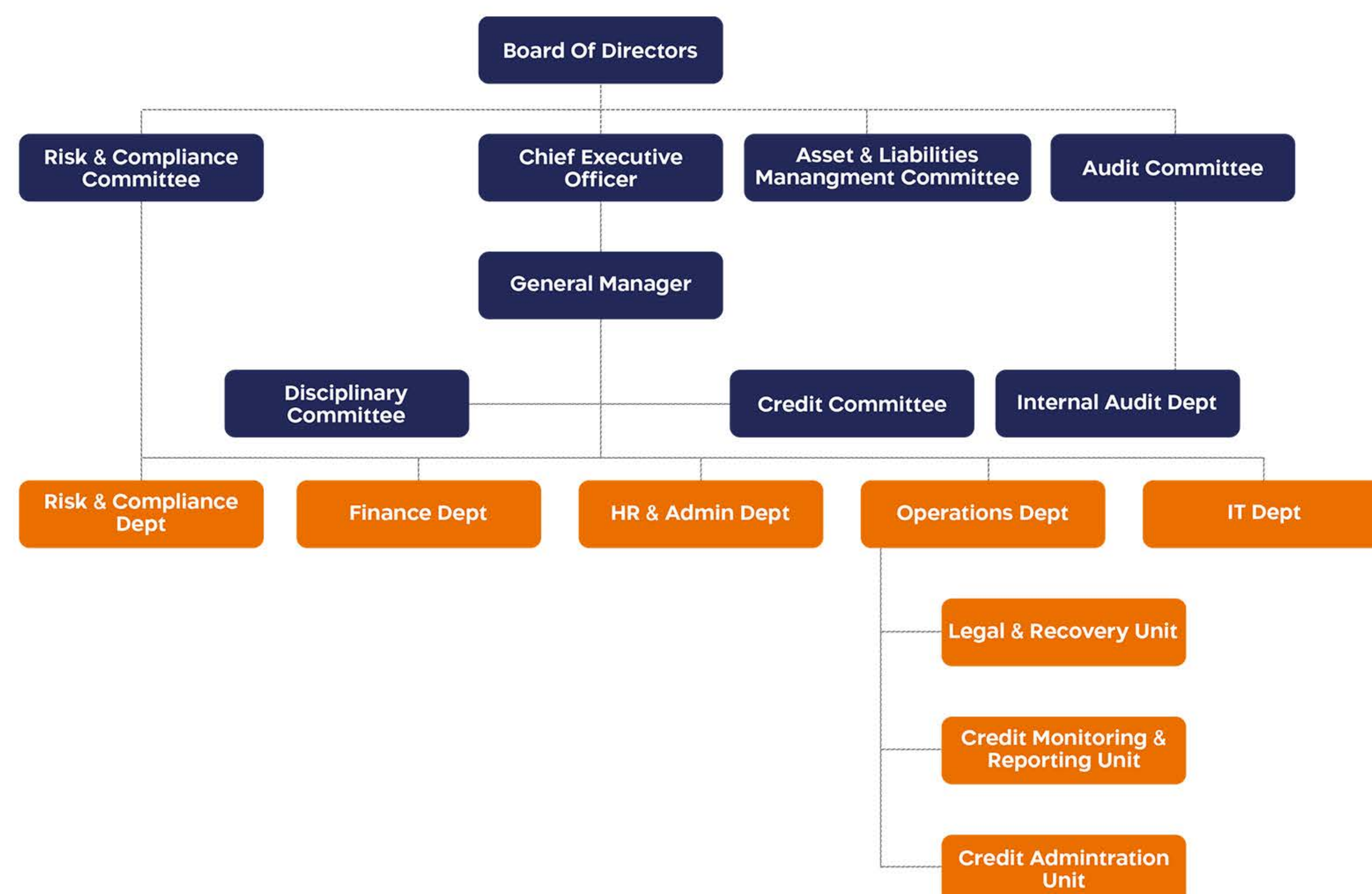
## Strengthening Loan Appraisal

Strengthening our loan quality and quantity, the Credit Committee (CC) was created by the Board of Directors of MIA Plc to perform specific functions set out hereunder. Its primary role is to assist the Board of Directors in fulfilling its corporate responsibilities by providing oversight on the Institution's credit activities, particularly in identifying, assessing, measuring, monitoring and managing the Institution's credit risk.

Diving to lower level & authority, the Sub Credit Committee (SCC) was created by the Credit Committee of MIA Plc to assist the Credit Committee in fulfilling a part of Credit Committee's corporate responsibilities.



# ORGANIZATIONAL CHART



# MANAGEMENT TEAM



**Oknha. Ngov Srun**  
**Chief Executive Officer/  
 Co-Founder/Board of Directors**

With his Master's Law Degree at Universite' Libre De Bruxfelles and Bachelor of Science.

Oknha. Ngov Srun came with a wealth of experience in business of real estates, financial, trading etc., in Cambodia and overseas more than 26 years.



**Mr. Po Sathya**  
**General Manager**

MBA, Major in Finance Management at Royal University of Law and Economic, 2012. Bachelor Degree, Major in Economic science at Royal University of Law and Economic, 2006. He has attended several Training on, Accounting, auditing, Tax, Cambodia Accounting Reporting Standard, business management, strategic planning...etc both local and international.

Started his career in 2006 from junior position in Auditing, Accounting and Finance for VisionFund, CMK and KUBIK Co Ltd.

Upgrading to managerial positions from 2012 - 2018, As Financial and Administration Manager, General Manager and Chief Operation Officer for few local companies.

Since 2015 - 2019, a Managing Director/Co-Founder of S&P consulting and Advisory service.

Firstly, he jointed MIA Plc as Chairman of audit committee, shifted to executive position as Acting General Manager. He was appointed as General Manager in 2023.

# MANAGEMENT TEAM



**Mr. Tha Thon**  
Head of Operations

MBA in Banking & Finance from Build Bright University, Phnom Penh, 2010. Advanced level student at the Association of Chartered Certified Accountants (ACCA), Certified Accounting Technician (CAT), 2007. BBA in Accounting, Maharishi Vedic University, Prey Veng Province 2002. Started his career in 2002 in Credit, Loan, Accounting, Auditing in a few well-known financial institutions. Between 2008 and 2012. Mr. Thon held management positions at VisionFund Cambodia as Internal Audit Supervisor, CARE Real Estate, as Finance Manager, SAMIC Microfinance as Internal Audit Manager and Operation Manager. From 2012 to 2014, he worked for ABA Bank as Head of Micro Business Loan. In late 2014. Mr. Thon, started a Journey in real estate business (Agency, developer, property management etc) as Vice President, Sales & Marketing Director. As of today, he served as Board of Directors and Investment Advisor for KTC Investment (Land Asset Management & Investment). Early 2024, he has appointed as Head of Operations for MIA Plc.



**Mrs. San Soriya**  
Finance Manager

Bachelor of Accounting from National University of Management in 2014. Started her career in 2013 for ADB project as Assistant Administrator.

From 2014 -2016, She worked for Hatha Kaksekor Limited as Accountant. In late 2016, She jointed with MIA Plc and held several positions from Accountant, Assistant GM and Chief Accountant. She was promoted to Finance Manager in late 2019 and held this position from 2019 - 2021.

She jointed with Wing Bank Plc as Associate Financial Accounting Manager from 2021 - 2023. She is back and jointed MIA Plc as Finance Manager in early 2023 - Present.



**Mr. You Phirun**  
Human Resources  
& Admin Manager

Master Degree, Major in Finance and Banking, National University 2014. Bachelor Degree, Major in English for Communication, Norton University, 2026.

He has earned more than 10 years of experience with MFIs and Banks. Prior to joining MIA Plc, he held many positions as HR and Administrative Assistant, HR Officer, and Senior HR and Administrative Officer.

# CUSTOMER PROFILE

Customer Name: Thang Pha is a Khmer noodle maker and located in Prey Veng Keut Village, Sangkat Prey Veng, Khan Dangkor, Phnom Penh. Initially, the client left his hometown from Preah Sdach district to live in Chamkar Dong, Phnom Penh. She is housewife, her husband is electrician in one company and children are factory workers. Due to the small size of their house, they moved to live near Toul Sambo Market.

Participating in a party, they used Khmer noodles for the reception and seeing the need, They start a making noodle. In addition to their existing capital, they applied for a loan from MIA Plc to expand her business and due to the increasing demand from customers and timely supply to the market, She requested more loans to replace the new machine.

Since starting her Khmer noodle making business and having the financial support of MIA Plc, her family's life has improved a lot. In the future, she intends to set up a wholesale and retail noodle shop for the whole day.

We would like to thank MIA Plc for supports, ideas, as well as capital in establishing this business, and we encourage other clients who wish to expand their business, please contact MIA Plc.



# AUDITED FINANCIAL STATEMENTS

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INSTITUTION	MIA PLC
REGISTRATION	No. 00013666
REGISTERED OFFICE	NNo. 93, Norodom Blvd, Corner Street 208, Sangkat Boeung Raing, Khan Doun Penh, Phnom Penh, Kingdom of Cambodia.
SHAREHOLDERS	Mrs. Ngov Mok Mr. Ngov Srun Mr. Ngov Vansu
DIRECTORS:	Mrs. Ngov Mok, Chairwomen Mr. Ngov Srun, Member Mr. Ngov Vansu, Member
MANAGEMENT TEAM	Mr. Ngov Srun, Chief Executive Officer Mr. Po Sathya, General Manager Mr. Tha Thon, Head of Operations Mrs. San Soriya, Finance Manager Mr. You Phirun, Human Resources & Admin Manager Mr. Hoy Saksa, Compliance Unit Manager Mr. Sim Vandy, Compliance & Risk Supervisor Mr. Thai Bunthoeun, Internal Audit Unit Manager Mr. Yos Putveasna, Senior IT Officer Mr. York Sopheap, Credit Monitoring & Reporting Manger Mr. Sok Serey, Credit Team Leader
AUDITORS	Kreston Cambodia

The board of directors hereby submit the report and the audited financial statements of the MIA Plc. ("the Company") for the financial year ended 31 December 2023.

1. Background and principal activities

MIA 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. 00013666 dated 02 June 2016. the Company obtained its license from the National Bank of Cambodia ("NBC") to operate as a micro finance institution on 14 November 2019.

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

The Company's office is located at Building No. 93, Norodom Blvd, Corner Street 208, Sangkat Boeung Raing, Khan Doun Penh, Phnom Penh, Kingdom of Cambodia.

2. Results of operations

The results of the Company's operations for the year ended 31 December 2023 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 dividend for the year ended 31 December 2023.

3. Board of Directors

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

Name	Position
Mrs. Ngov Mok	Chairwomen
Mr. Ngov Srun	Director
Mr. Ngov Vansu	Director

4. Auditors

The financial statements for the year ended 31 December 2023 have been audited by Kreston Cambodia trading name under Cam Accounting & Tax Service Co., Ltd.

5. Board of directors' responsibility for the financial statements

The board of directors are responsible for the financial statements of the Company to be properly drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2023 and of its financial performance and cash flows for the financial year then ended. In the preparation of these financial statements, the directors are required to:

- i. adopt appropriate accounting policies in compliance with Cambodian International Financial Reporting Standards for Small and Medium-Sized Entities for Small and Medium-Sized Entities ("CIFRS for SMEs") which are supported by reasonable and appropriate judgments and estimates and then apply them consistently;
- 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 directors confirm that the Company has complied with the above requirements in preparing the financial statements of the Company.

**6. Preparation of the 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**

The directors hereby approve the accompanying financial statements which give a true and fair view of the financial position of the Company as at 31 December 2023, its financial performance and cash flows for the financial year then ended in accordance with CIFRS for SMEs and guidelines of the National Bank of Cambodia ("NBC").

On behalf of Board of Directors

  
Mrs. Ngov Vansu  
Director

Phnom Penh, Kingdom of Cambodia  
Date: 22 April 2024



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

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**Independent auditors' report**

**To shareholders of MIA Plc.**

**Opinion**

We have audited the financial statements of MIA Plc., ("the Company") which comprise the statement of financial position as at 31 December 2023 of the Company, 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 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the financial 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 and other ethical responsibilities**

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.

**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.

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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, ACCA  
Audit Partner

Phnom Penh, Kingdom of Cambodia  
Date: 22 April 2024

# BALANCE SHEET

# INCOME STATEMENT

MIA Plc.  
Financial Statements for the year ended 31 December 2023

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## Statement of financial position As at 31 December 2023

	Notes	2023		2022	
		USD	KHR'000	USD	KHR'000
<b>Assets</b>					
Cash on hand	4	3,990	16,299	5,855	24,105
Deposits and placements with NBC	5	127,901	522,476	126,773	521,924
Deposits and placements with other banks	6	514,590	2,102,100	585,707	2,411,356
Loans to customers	7	2,719,576	11,109,468	4,822,757	19,855,291
Other assets	8	101,182	413,328	70,049	288,392
Property and equipment	9	1,647	6,728	4,669	19,222
Deferred tax asset	19 (a)	21,073	86,083	-	-
<b>Total assets</b>		<b>3,489,959</b>	<b>14,256,482</b>	<b>5,615,810</b>	<b>23,120,290</b>
<b>Liabilities</b>					
Borrowings	10	441,897	1,805,149	2,111,475	8,692,943
Other liabilities	11	69,117	282,343	63,897	263,064
Income tax payable	18 (b)	-	-	42,579	175,298
<b>Total liabilities</b>		<b>511,014</b>	<b>2,087,492</b>	<b>2,217,951</b>	<b>9,131,305</b>
<b>Equity</b>					
Share capital	12	2,500,000	10,000,000	2,500,000	10,000,000
Accumulated losses		478,945	2,978,945	897,859	3,648,318
Translation reserve		-	(809,955)	-	340,667
<b>Total equity</b>		<b>2,978,945</b>	<b>12,168,990</b>	<b>3,397,859</b>	<b>13,988,985</b>
<b>Total liabilities and equity</b>		<b>3,489,959</b>	<b>14,256,482</b>	<b>5,615,810</b>	<b>23,120,290</b>

MIA Plc.  
Financial Statements for the year ended 31 December 2023

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## Statement of profit & loss and other comprehensive income For the year ended 31 December 2023

	Notes	2023		2022	
		USD	KHR'000	USD	KHR'000
Interest income	13	451,527	1,855,776	872,983	3,567,882
Interest expense		(27,249)	(111,993)	(139,533)	(570,271)
<b>Net interest income</b>		<b>424,278</b>	<b>1,743,783</b>	<b>733,450</b>	<b>2,997,611</b>
Other operating income	14	122,067	501,695	69,010	282,044
Employee expenses	15	(236,098)	(970,363)	(260,216)	(1,063,503)
General and administrative expenses	16	(206,332)	(848,025)	(159,441)	(651,635)
Allowance for impairment losses	17	(538,529)	(2,213,354)	(115,996)	(474,076)
<b>Profit/(Loss) before taxes</b>		<b>(434,614)</b>	<b>(1,786,264)</b>	<b>266,807</b>	<b>1,090,441</b>
Income taxes	18 (c)	15,700	64,527	(53,902)	(220,297)
<b>Profit/(Loss) for the year</b>		<b>(418,914)</b>	<b>(1,721,737)</b>	<b>212,905</b>	<b>870,144</b>
Other comprehensive income		-	-	-	-
Currency translation differences		-	(98,258)	-	143,337
<b>Total comprehensive income for the year</b>		<b>(418,914)</b>	<b>(1,819,995)</b>	<b>212,905</b>	<b>1,013,481</b>

# STATEMENT OF CHANGE IN QUITY

# STATEMENT OF CASH FLOWS

## 4. Cash on hand

	2023		2022	
	USD	KHR'000	USD	KHR'000
US Dollars	2,675	10,927	4,375	18,012
Khmer Riels	1,315	5,372	1,480	6,093
	<u>3,990</u>	<u>16,299</u>	<u>5,855</u>	<u>24,105</u>

## 5. Deposits and placements with NBC

	2023		2022	
	USD	KHR'000	USD	KHR'000
Capital guarantee deposit*	125,000	510,625	125,000	514,625
Current account	2,901	11,851	1,773	7,299
	<u>127,901</u>	<u>522,476</u>	<u>126,773</u>	<u>521,924</u>

(\*) Under NBC Prakas B7-00-06 dated 11 January 2000, micro-finance institutions are required to maintain a statutory deposit of 5% of their registered capital with the NBC. This deposit is not available for use in the Company's day-to-day operations but is refundable when the Company voluntarily ceases to operate its business in Cambodia.

## 6. Deposits and placements with other banks

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>In Cambodia:</b>				
Current deposits	524,664	2,143,252	585,707	2,411,356
	<u>524,664</u>	<u>2,143,252</u>	<u>585,707</u>	<u>2,411,356</u>
Less: Allowance for impairment losses	(10,074)	(41,152)	-	-
	<u>514,590</u>	<u>2,102,100</u>	<u>585,707</u>	<u>2,411,356</u>

Movements in the impairment loss allowance are as follows:

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>In Cambodia:</b>				
At 01 January	-	-	-	-
Net remeasurement of allowances	10,074	41,152	-	-
Translation differences	-	-	-	-
At 31 December	<u>10,074</u>	<u>41,152</u>	<u>-</u>	<u>-</u>

The above deposit and placements amount are analyses as follow:

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>By currency:</b>				
Khmer Riels	32,206	131,562	94,879	390,617
US Dollars	492,458	2,011,690	490,828	2,020,739
	<u>524,664</u>	<u>2,143,252</u>	<u>585,707</u>	<u>2,411,356</u>

MIA Plc.  
Financial Statements for the year ended 31 December 2023

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## Statement of cash flows

For the year ended 31 December 2023

	Notes	2023		2022	
		USD	KHR'000	USD	KHR'000
<b>Cash flow from operating activities</b>					
Profit/(loss) before taxes		(434,614)	(1,786,264)	266,807	1,090,441
<b>Adjustment for:</b>					
Depreciation expense	9	3,667	15,072	6,530	26,688
Allowance for impairment losses	17	538,529	2,213,354	115,996	474,076
Amortization expense		-	-	550	2,248
<b>Operating profit before working capital changes</b>		<u>107,582</u>	<u>442,162</u>	<u>389,883</u>	<u>1,593,453</u>
<b>Changes in:</b>					
Loans to customers	7	1,574,726	6,472,124	1,848,390	7,554,370
Other assets	8	(31,133)	(127,957)	32,733	133,780
Other liabilities	11	(37,359)	(153,545)	(52,105)	(212,953)
<b>Cash used in operations</b>		<u>1,613,816</u>	<u>6,632,784</u>	<u>2,218,901</u>	<u>9,068,650</u>
Income taxes paid	18 (c)	(5,373)	(22,083)	(93,598)	(382,535)
<b>Net cash flow used in operating activities</b>		<u>1,608,443</u>	<u>6,610,701</u>	<u>2,125,303</u>	<u>8,686,115</u>
<b>Cash flow from investing activities</b>					
Acquisition of property & equipment	9	(645)	(6,530)	(1,585)	(6,478)
<b>Net cash flow used in investing activities</b>		<u>(645)</u>	<u>(6,530)</u>	<u>(1,585)</u>	<u>(6,478)</u>
<b>Cash flows from financing activities</b>					
Proceed of Borrowings	10 & 20	48,960	201,226	48,936	200,001
Repayment of Borrowings	10 & 20	(1,718,538)	(6,816,591)	(2,345,679)	(9,586,790)
<b>Net cash generated from financing activities</b>		<u>(1,669,578)</u>	<u>(6,615,365)</u>	<u>(2,296,743)</u>	<u>(9,386,789)</u>
<b>Net changes in cash and cash equivalents</b>		<u>(61,780)</u>	<u>(11,194)</u>	<u>(173,025)</u>	<u>(707,153)</u>
<b>Cash and cash equivalents at 01 January</b>		<u>593,335</u>	<u>2,442,760</u>	<u>766,360</u>	<u>3,122,151</u>
<b>Currency translation differences</b>		<u>-</u>	<u>(260,164)</u>	<u>-</u>	<u>27,762</u>
<b>Cash and cash equivalents at 31 December</b>		<u>531,555</u>	<u>2,171,402</u>	<u>593,335</u>	<u>2,442,760</u>

## Cash and cash equivalents at 31 December 2023 and 2022 Reconciliation:

	2023		2022	
	USD	KHR'000	USD	KHR'000
Cash on hand	3,990	16,299	5,855	24,105
Deposits and placements with NBC (Excluding statutory deposits)	2,901	11,851	1,773	7,299
Deposits and placements with banks	524,664	2,143,252	585,707	2,411,356
	<u>531,555</u>	<u>2,171,402</u>	<u>593,335</u>	<u>2,442,760</u>

# NOTE TO THE FINANCIAL STATEMENTS

## Notes to the financial statements

### 1. Background and principal activities

MIA 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. 00013666 dated 02 June 2016. The Company obtained its license from the National Bank of Cambodia ("NBC") to operate as a micro finance institution on 14 November 2019.

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

The Company's office is located at Building No. 93, Norodom Blvd, Corner Street 208, Sangkat Boeung Raing, Khan Doun Penh, Phnom Penh, Kingdom of Cambodia.

### 2. Statement of compliance with CIFRS for SMEs

The financial statements of the Company have been prepared in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities ("CIFRS for SMEs") and guidelines issued by NBC.

### 3. Significant accounting policies

#### 3.1 New and amended standard and interpretation

##### 3.1.1 Standards and interpretations that are effective for the current financial year

The Company adopted all accounting standards and interpretations as at 31 December 2023. The amended accounting standards assessed to be applicable and have no material impact to the Company as the following:

- Amendments to IAS 1 Classification of Liabilities as Current or Non-Current.
- IAS 8 Definition of Accounting Estimates.
- IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

##### 3.1.2 New accounting standards for application in future periods

Those standards, amendments and interpretations are not yet effective and have not been adopted early by the Company include:

- Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1).
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16.

##### 3.1.3 Critical accounting estimates & judgements

###### Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:

#### a. Impairment of loan and advances

The loss allowances for loan to customer are based on assumptions about risk of default and expected loss rates. The Bank uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions as well as forward-looking estimates at the end of each reporting period.

#### b. Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Bank recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business.

Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

### c. The useful life of depreciable assets

Management reviews its estimate of the useful life of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain property and equipment and software.

#### Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Bank's accounting policies which will have a significant effect on the amounts recognised in the financial statements

The principal accounting policies adopted in the preparation of the financial statements are set out below. These accounting policies have been consistently applied by the Bank during the year.

### 3.2 Functional and foreign currencies

#### 3.2.1 Functional and presentation currency

The financial statements of the Company are presented in the currency of the primary economic environment in which the Company operates, which is the functional currency.

The financial statements are presented in US dollar ("USD"), which is the Company's functional and presentation currency.

#### 3.2.2 Translation of United States Dollar into Khmer Riel

The financial statements are expressed in USD. The translations of USD amounts into Khmer Riel ("KHR") are included solely for compliance with the Law on Accounting and Auditing. Assets and liabilities are translated using the closing rate as at the reporting date. The statement of profit or loss and other comprehensive income and the statement of cash flows are translated into KHR using the applicable average rates for the reporting date. Exchange differences arising from the translation are recognised as "Currency translation differences" in the other comprehensive income.

These translations should not be construed as representations that the USD amounts have been, could have been, or could in the future be, converted into KHR at this or any other rate of exchange.

The financial statements are presented in KHR based on the following applicable exchange rates per USD1:

			Closing rate	Average rate
31 December 2023	US\$1	=	KHR 4,085	KHR 4,110
31 December 2022	US\$1	=	KHR 4,117	KHR 4,087

Amounts in the financial statements have been rounded off to the nearest dollar and nearest thousand for USD and KHR amounts, respectively.

#### 3.2.3 Foreign currencies transactions and balances

Transactions in currencies other than USD are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than USD are recognised in the statement of profit or loss and other comprehensive income.

### 3.3 Property and equipment

All items of property and equipment are initially measured at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset and other cost directly attributable to bringing the asset to working condition for its intended use. Freehold land is stated at cost less impairment losses, if any and is not depreciated.

Subsequent to initial recognition, property and equipment are stated at cost less accumulated depreciation and any impairment losses.

#### Depreciation

Depreciation is charged to profit or loss and is calculated under the straight-line method to write off the depreciable amount of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:

Items	Method
Leasehold improvement	20% (Straight-line method)
Computer and IT equipment	33% (Straight-line method)
Furniture and fixtures	33% (Straight-line method)
Office Equipment	33% (Straight-line method)
Motor vehicles	25% (Straight-line method)

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amounts, method and periods of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the terms of property and equipment.

An item of property, plant, and equipment is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of comprehensive income in the year which the asset is disposed of.

#### Impairment testing of property and equipment

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at the cash-generating unit level.

An impairment loss is recognised for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, Management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by Management.

All assets are periodically reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge would be reversed if the cash-generating unit's recoverable amount exceeded its carrying amount.

#### 3.4 Financial instruments initial recognition, subsequent measurement, and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

A financial instrument is recognised initially at the transaction price, including transaction costs. For a financial asset or a financial liability that is subsequently measured at fair value through profit or loss, transaction costs are recognised in profit or loss when incurred.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

An arrangement constitutes a financing transaction if payment is deferred beyond normal business terms. Under a financing transaction, a financial asset or a financial liability is measured at the present

value of the future payments discounted at a market rate of interest for a similar debt instrument as determined at initial recognition. Any fair value adjustment upon the initial recognition is recognised in profit or loss immediately as a gain or loss if that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets; otherwise, the difference is charged to profit or loss on a straight-line method over the contractual terms of the financial instrument.

#### Subsequent measurement

Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount of cash or other consideration expected to be paid or received unless the arrangement constitutes, in effect, a financing arrangement. Other debt instruments are measured at amortised cost using the effective interest method.

Other than the above, all financial assets and financial liabilities are measured at fair value with changes in fair value recognized in profit or loss.

#### Impairment financial assets

All financial assets (except for financial assets measured at fair value through profit or loss) are assessed for impairment at each reporting date when there is an objective evidence of impairment.

For a financial asset measured at amortised cost, the impairment loss is the difference between the financial asset's carrying amount and the present value of estimated cash flows discounted at the financial asset's original effective rate.

For a financial asset measured at cost less impairment, the impairment loss is the difference between the financial asset's carrying amount and the best estimate of the amount that would be received for the financial asset if it were to be sold at the reporting date.

All impairment losses are recognised in profit or loss immediately.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previous recognised impairment loss is reversed to the extent that the carrying amount of the financial asset does not exceed its amortised cost at the reversal date. The amount of impairment reversal is recognised in profit or loss.

#### 3.5 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks which are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value.

#### 3.6 Deposits and placements with National Bank of Cambodia

Deposits and placements with the NBC, including statutory deposits, are stated at cost. A statutory deposit is maintained with the NBC in compliance with the Cambodian Law on Banking and Financial Institutions and is determined by defined percentages of minimum share capital as required by the NBC and are not available to finance the Company day-to-day operations. Hence, statutory deposit is not considered as part of cash and cash equivalents for the purpose of the statement of cash flows.

#### 3.7 Deposits and placements with banks

Deposits and placement with banks are stated at cost. The Company provides allowance for impairment losses for placements with banks at 1% (2022: 1%), in accordance with Prakas No. B7-017-344 dated 1 December 2017 and Circular No. B7-018-001 dated 16 February 2018 on credit risk classification and provision on impairment for banks and financial institutions.

#### 3.8 Loans to customers

Loans to customers are recognized initially at fair value plus any directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method. Loans to customers are stated at the amount of principal plus accrued interest less allowance for bad and doubtful loans. Loans are written off to profit or loss when the loans are provisioned in full and remain unpaid after maturity date or when the certainty of being uncollectable is proven. Loans written-off

are taken out of the outstanding loan portfolio and deducted from the allowance for bad and doubtful loans.

Recoveries of loans previously written-off are disclosed as other operating income in of profit or loss.

### 3.9 Other assets

Other assets are carried at cost. An estimate is made for doubtful receivables based on a review of outstanding amounts at the reporting date.

### 3.10 Impairment of non-financial assets

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at the cash-generating unit level.

An impairment loss is recognised for the amount by which the asset or cash-generating unit's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in-use. To determine the value-in-use, Management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect their respective risk profiles as assessed by Management.

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit) to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's (or cash-generating unit's) fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

All assets are periodically reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment charge would be reversed if the cash-generating unit's recoverable amount exceeded its carrying amount.

### 3.11 Other liabilities

Other liabilities are recognised initially at the transaction price (including transaction costs) and subsequently measured at amortised cost using the effective interest method.

### 3.12 Provisions, contingent liabilities, and contingent assets

Provisions are recognised when present obligations as a result of a past event will probably lead to an outflow of economic resources from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, product warranties granted, legal disputes or onerous contracts.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company can be virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

In those cases where the possible outflow of economic resources as a result of present obligations is considered improbable or remote, no liability is recognised.

Possible inflows of economic benefits to the Company that does not yet meet the recognition criteria of an asset are considered contingent assets.

### 3.13 Borrowings

Borrowings are initially recognised at the transaction price (including transaction costs) and subsequently measured at amortised cost using the effective interest method.

### 3.14 Equity reserves, and accumulated losses

Share capital represents the nominal value of shares that have been issued. Accumulated losses include all current and prior years' losses.

### 3.15 Regulatory Provision

The Company follows the credit classification and provisioning for financial institutions in accordance with Prakas No. B7-017-344, dated 1 December 2017 as issued by the NBC providing guidance on credit classification and regulatory provisioning for financial institutions in Cambodia, as summarised below:

Classification	Number of days past due	Provision rate
<b>Short term loans (less than or equal one year):</b>		
Normal/Standard	0 to 14 days	1%
Special mention	15 days to 30 days	3%
Substandard	31 days to 60 days	20%
Doubtful	61 days to 90 days	50%
Loss	From 91 days	100%
<b>Long term loans (more than one year):</b>		
Normal/Standard	0 to 29 days	1%
Special mention	30 days to 89 days	3%
Substandard	90 days to 179 days	20%
Doubtful	180 days to 359 days	50%
Loss	From 360 days	100%

Article 73 of the Prakas on Credit Risk Grading and Impairment Provisioning requires the Company to compare the provision calculated in accordance with CIFRS for SMEs and Prakas No B7-017-344 and, accordingly:

- In case the regulatory provision calculated in accordance with the said Prakas is lower than the provision calculated in accordance with CIFRS for SMEs, the Company shall record the provision calculated in accordance with CIFRS for SMEs.
- In case the regulatory provision calculated in accordance with the said Prakas is higher than the provision calculated in accordance with CIFRS for SMEs, the Company shall record the provision calculated in accordance with CIFRS for SMEs and transfer the difference, which represents the additional provision required, from retained earnings or accumulated losses account into regulatory reserve in the equity section of the statement or financial position.

### 3.16 Income and expense recognition

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or financial liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Interest income and expense presented in profit or loss include interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest basis.

### 3.17 Fees and commission income and expense

Fees and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the measurement of the effective interest rate. Loan processing fee income are recognised as income over the term period of the loan to customer.

Unamortised loan fees are recognized as unearned income.

### 3.18 Operating leases

Leases where substantially all the risks and rewards of ownership of assets remain with the leasing company are accounted for as operating leases. Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease commitments are not recognised as liabilities until the obligation to pay becomes due.

### 3.19 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided those rates are enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be able to be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Deferred tax liabilities are generally provided for in full.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority. Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income (such as revaluation of land) or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

### 3.20 Employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

## 4. Cash on hand

	2023		2022	
	USD	KHR'000	USD	KHR'000
US Dollars	2,675	10,927	4,375	18,012
Khmer Riels	1,315	5,372	1,480	6,093
	<u>3,990</u>	<u>16,299</u>	<u>5,855</u>	<u>24,105</u>

## 5. Deposits and placements with NBC

	2023		2022	
	USD	KHR'000	USD	KHR'000
Capital guarantee deposit*	125,000	510,625	125,000	514,625
Current account	2,901	11,851	1,773	7,299
	<u>127,901</u>	<u>522,476</u>	<u>126,773</u>	<u>521,924</u>

(\*) Under NBC Prakas B7-00-06 dated 11 January 2000, micro-finance institutions are required to maintain a statutory deposit of 5% of their registered capital with the NBC. This deposit is not available for use in the Company's day-to-day operations but is refundable when the Company voluntarily ceases to operate its business in Cambodia.

## 6. Deposits and placements with other banks

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>In Cambodia:</b>				
Current deposits	524,664	2,143,252	585,707	2,411,356
	<u>524,664</u>	<u>2,143,252</u>	<u>585,707</u>	<u>2,411,356</u>
Less: Allowance for impairment losses	(10,074)	(41,152)	-	-
	<u>514,590</u>	<u>2,102,100</u>	<u>585,707</u>	<u>2,411,356</u>

Movements in the impairment loss allowance are as follows:

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>In Cambodia:</b>				
At 01 January	-	-	-	-
Net remeasurement of allowances	10,074	41,152	-	-
Translation differences	-	-	-	-
At 31 December	<u>10,074</u>	<u>41,152</u>	<u>-</u>	<u>-</u>

The above deposit and placements amount are analyses as follow:

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>By currency:</b>				
Khmer Riels	32,206	131,562	94,879	390,617
US Dollars	492,458	2,011,690	490,828	2,020,739
	<u>524,664</u>	<u>2,143,252</u>	<u>585,707</u>	<u>2,411,356</u>

## 7. Loans to customers

	2023		2022	
	USD	KHR'000	USD	KHR'000
Short term	519,450	2,121,953	1,441,989	5,936,669
Long term	3,110,800	12,707,618	3,734,858	15,376,410
Gross loans at amortised cost	3,630,250	14,829,571	5,176,847	21,313,079
Accrual interest receivables	18,587	75,928	46,716	192,330
Less: Allowance for impairment losses	(929,261)	(3,796,031)	(400,806)	(1,650,118)
Net loans at amortised cost	2,719,576	11,109,468	4,822,757	19,855,291

Movements in the impairment loss allowance are as follows:

At 01 January	400,806	1,650,118	284,863	1,160,531
Net remeasurement of allowances	528,455	2,171,950	115,943	473,859
Translation differences	-	(26,037)	-	15,728
At 31 December	929,261	3,796,031	400,806	1,650,118

The Loans to customers are analysed as follows:

	2023		2022	
	USD	KHR'000	USD	KHR'000
a) By maturity:				
Within 1 year	531,199	2,169,947	1,436,775	5,915,203
1 to 5 years	2,163,828	8,839,236	1,960,441	8,071,136
Over 5 years	935,224	3,820,388	1,779,631	7,326,740
	3,630,250	14,829,571	5,176,847	21,313,079

	2023		2022	
	USD	KHR'000	USD	KHR'000
b) By industry:				
Production	1,913,830	7,817,996	2,730,304	11,240,662
Service	912,866	3,729,058	1,318,494	5,428,240
Household/family	473,262	1,933,275	399,910	1,646,429
Agriculture	164,633	672,525	28,633	117,882
Trade and commerce	97,049	396,445	405,373	1,668,921
Transportation	68,610	280,272	282,098	1,161,397
Construction	-	-	12,035	49,548
	3,630,250	14,829,571	5,176,847	21,313,079

	2023		2022	
	USD	KHR'000	USD	KHR'000
c) By currency:				
US Dollars	3,345,567	13,666,640	4,839,171	19,922,867
Khmer Riels	284,683	1,162,931	337,676	1,390,212
	3,630,250	14,829,571	5,176,847	21,313,079

	2023		2022	
	USD	KHR'000	USD	KHR'000
d) By residency status:				
Residents	3,630,250	14,829,571	5,176,847	21,313,079
	3,630,250	14,829,571	5,176,847	21,313,079

	2023		2022	
	USD	KHR'000	USD	KHR'000
e) By relationship:				
External customers	3,605,482	14,728,394	4,691,763	19,315,988
Staff loans	24,768	101,177	485,084	1,997,091
	3,630,250	14,829,571	5,176,847	21,313,079

	2023		2022	
	USD	KHR'000	USD	KHR'000
f) By performance and security				
Secured	3,583,312	14,637,830	5,093,781	18,451,600
Unsecured	46,938	191,741	83,066	307,577
	3,630,250	14,829,571	5,176,847	18,759,177

	2023	2022
g) By interest rate (per annum):		
Individual loan	9%-18%	9%-18%

## 8. Other assets

	2023		2022	
	USD	KHR'000	USD	KHR'000
Interest receivables	830	3,391	49	202
Advances	51,402	209,977	44,397	182,782
Prepayments	31,927	130,422	25,603	105,408
Other assets	17,023	69,538	-	-
	101,182	413,328	70,049	288,392

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## 9. Property and equipment

	Leasehold improvement	Furniture and fixtures	Office equipment	Computer and IT equipment	Motor vehicles	Total
Cost	USD	USD	USD	USD	USD	USD
At 01 January 2023	8,845	5,245	9,177	26,303	61,700	111,270
Additions	-	315	330	-	-	645
At 31 December 2023	8,845	5,560	9,507	26,303	61,700	111,915
Accumulated depreciation						
At 01 January 2023	7,862	4,496	8,171	25,013	61,059	106,601
Depreciation	749	555	770	952	641	3,667
At 31 December 2023	8,611	5,051	8,941	25,965	61,700	110,268
Carrying amount						
At 31 December 2023	234	509	566	338	-	1,647
In KHR'000	956	2,079	2,312	1,381	-	6,728
Cost	USD	USD	USD	USD	USD	USD
At 01 January 2022	8,845	5,096	8,357	25,687	61,700	109,685
Additions	-	149	820	616	-	1,585
At 31 December 2022	8,845	5,245	9,177	26,303	61,700	111,270
Accumulated depreciation						
At 01 January 2022	6,407	3,915	7,443	22,784	59,522	100,071
Depreciation	1,455	581	728	2,229	1,537	6,530
At 31 December 2022	7,862	4,496	8,171	25,013	61,059	106,601
Carrying amount						
At 31 December 2022	983	749	1,006	1,290	641	4,669
In KHR'000	4,047	3,084	4,142	5,310	2,639	19,222

## 10. Borrowings

	2023		2022	
	USD	KHR'000	USD	KHR'000
Mrs. Ngov Mok*	216,922	886,126	1,826,500	7,519,701
Boost Capital Pte Ltd.**	224,975	919,023	284,975	1,173,242
	441,897	1,805,149	2,111,475	8,692,943

\*This loan is unsecured and bore interest at a rate of 4% (2022: 4%) per annum and repayable within one year from the drawdown date.

\*\*The borrowings from non-related party is unsecured bearing non-interest rate. The repayable is within one year.

## 11. Other liabilities

	2023		2022	
	USD	KHR'000	USD	KHR'000
Unearned income	35,964	146,913	16,667	68,618
Accrued payables	18,773	76,688	15,799	65,044
Other tax payables	2,567	10,486	3,495	14,389
Accrual interest payables	289	1,181	2,435	10,025
Salary payables	127	519	121	498
Other payables	11,397	46,556	25,380	104,490
	69,117	282,343	63,897	263,064

## 12. Share capital

As at 31 December 2023 and 2022, the Company's registered capital is presented as follow:

	2023 & 2022			
	% Of ownership	Number of shares	USD	KHR'000
Mrs. Ngov Mok	51%	1,275	1,275,000	5,100,000
Mr. Ngov Srun	26%	650	650,000	2,600,000
Mr. Ngov Vansu	23%	575	575,000	2,300,000
	100%	2,500	2,500,000	10,000,000

The Company registered capital amounting to USD 2,500,000 in 2023 and 2022 respectively.

## 13. Interest income

	2023		2022	
	USD	KHR'000	USD	KHR'000
Loan to customers	449,307	1,846,652	871,245	3,560,778
Deposits and placements with other banks	2,220	9,124	1,738	7,104
	451,527	1,855,776	872,983	3,567,882

#### 14. Other operating income

	2023		2022	
	USD	KHR'000	USD	KHR'000
Penalty income	90,598	372,358	33,074	135,173
Fee and commission on loans	19,058	78,328	32,749	133,845
Gain on exchange rate	8,644	35,527	3,187	13,026
Other income	3,767	15,482	-	-
	<u>122,067</u>	<u>501,695</u>	<u>69,010</u>	<u>282,044</u>

#### 15. Employee expenses

	2023		2022	
	USD	KHR'000	USD	KHR'000
Salary and bonus expense	219,181	900,834	240,415	982,576
Seniority expense	10,418	42,818	13,226	54,055
Medical expense	1,734	7,127	2,492	10,185
Uniform expense	-	-	1,193	4,876
Insurance expense	-	-	1,272	5,199
Other employee expenses	4,765	19,584	1,618	6,612
	<u>236,098</u>	<u>970,363</u>	<u>260,216</u>	<u>1,063,503</u>

#### 16. General and administrative expenses

	2023		2022	
	USD	KHR'000	USD	KHR'000
Rental expense	81,525	335,068	81,512	333,140
Professional fee	50,546	207,744	7,145	29,202
Utilities expense	20,523	84,350	17,998	73,558
Communication expense	7,569	31,109	7,547	30,845
Security expense	5,838	23,994	5,808	23,737
License fee	5,669	23,300	5,700	23,296
Repaired and maintenance expense	5,800	23,838	3,322	13,577
Depreciation expense	5,554	22,827	7,080	28,936
Marketing and advertising expense	4,712	19,366	3,980	16,266
Transportation expense	4,708	19,350	7,495	30,632
Office supplies	3,771	15,499	3,534	14,443
Membership fee	1,900	7,809	1,900	7,765
Entertainment expense	1,347	5,535	948	3,874
Bank charge	134	551	1,776	7,259
Other expenses	6,736	27,685	3,696	15,105
	<u>206,332</u>	<u>848,025</u>	<u>159,441</u>	<u>651,635</u>

#### 17. Allowance for impairment losses

	2023		2022	
	USD	KHR'000	USD	KHR'000
Loans to customers	528,455	2,171,950	115,996	474,076
Deposits and placements with other banks	10,074	41,404	-	-
	<u>538,529</u>	<u>2,213,354</u>	<u>115,996</u>	<u>474,076</u>

#### 18. Income taxes

##### a) Deferred tax assets/(liabilities)

Deferred tax assets and liabilities and liabilities attributable from:

	At 01 January	Recognized in Profit or loss	At 31 December
	USD	USD	USD
2023			
Property and equipment	-	(2,412)	(2,412)
Loss allowance for ECL	-	23,485	23,485
Total	-	21,073	21,073
In KHR'000	-	86,083	86,083

##### b) Income tax payable

	2023		2022	
	USD	KHR'000	USD	KHR'000
At 01 January	42,579	175,298	82,275	335,188
Current income tax expense	5,373	22,083	53,902	220,297
Income tax paid during the year	(47,952)	(197,083)	(93,598)	(382,535)
Translation difference	-	(298)	-	2,348
At 31 December	-	-	42,579	175,298

##### c) Income taxes

	2023		2022	
	USD	KHR'000	USD	KHR'000
Current tax:				
For the financial year	5,373	22,083	53,902	220,297
Recognised income tax carried forward	-	-	-	-
	<u>5,373</u>	<u>22,083</u>	<u>53,902</u>	<u>220,297</u>
Deferred tax asset				
For the current financial year	(21,073)	(86,610)	-	-
	<u>(15,700)</u>	<u>(64,527)</u>	<u>53,902</u>	<u>220,297</u>

In accordance with Cambodian Law on Taxation, the Company has an obligation to pay corporate income tax of either the profit tax at the rate of 20% of taxable profits or the minimum tax at 1% of gross revenue, whichever is higher. A reconciliation of income tax expense applicable to the Profit before tax at the corporate tax rate to income tax expense at the effective tax of the Company is as follows:

	2023		2022	
	USD	KHR'000	USD	KHR'000
Profit before tax	(434,614)	(1,786,264)	266,807	1,090,441
Add: Non-deductible expenses	30,467	125,217	948	3,874
Less: Deductible expenses	(478,284)	(1,965,746)	-	-
Estimated taxable income	(176,486)	(725,359)	53,551	218,863
Estimated income tax at 20%	-	-	-	-
Deferred tax asset	(21,073)	(86,610)	-	-
Other tax reconciliation	(363)	(1,492)	351	1,434
Minimum tax at 1% of revenue	5,735	23,572	26,681	109,044
Estimated current income tax	<u>(15,700)</u>	<u>(64,527)</u>	<u>53,902</u>	<u>220,297</u>

## 19. Tax contingencies

The Company's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations for many types of transactions is susceptible to varying interpretations, the amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

## 20. Related parties' balance and transactions

The following balances are outstanding with related parties:

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>Borrowings from shareholder</b>				
Mrs. Ngov Mok	216,922	886,126	1,826,500	7,519,701
	<u>216,922</u>	<u>886,126</u>	<u>1,826,500</u>	<u>7,519,701</u>

The loan is unsecured and bore interest at a rate of 4% (2022: 4%) per annum and repayable within one year from the drawdown date.

The Company had the following transactions with related party during the financial year:

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>Loan from shareholder</b>				
At 01 January	1,826,500	7,519,701	4,118,243	16,777,722
Proceed of loan	48,960	201,226	48,936	200,000
Interest charge	23,033	94,666	139,533	570,271
Interest repayment	(23,033)	(94,666)	(139,533)	(570,271)
Repayment	(1,658,538)	(6,816,591)	(2,330,000)	(9,522,710)
Currency translation differences	-	(18,210)	(10,679)	64,689
At 31 December	<u>216,922</u>	<u>886,126</u>	<u>1,826,500</u>	<u>7,519,701</u>

## 21. Lease commitment

	2023		2022	
	USD	KHR'000	USD	KHR'000
Within one year	33,333	136,167	80,000	329,360
Two to five years	-	-	33,333	137,232
	<u>33,333</u>	<u>136,167</u>	<u>113,333</u>	<u>466,592</u>

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## 22. Categories of financial instruments

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>Financial assets</b>				
<u>Amortised Cost</u>				
Cash on hand	3,990	16,299	5,855	24,105
Deposits and placements with NBC	2,901	11,851	1,773	7,299
Deposits and placements with banks	524,664	2,143,252	585,707	2,411,356
Loans to customers	3,630,250	14,829,571	5,176,847	21,313,079
Other assets*	69,255	282,906	44,446	182,984
	<u>4,231,060</u>	<u>17,283,879</u>	<u>5,814,628</u>	<u>23,938,823</u>
<b>Financial liabilities</b>				
<u>Amortised Cost</u>				
Borrowings	441,897	1,805,149	2,111,475	8,692,943
Other liabilities**	33,153	135,430	47,230	194,446
	<u>475,050</u>	<u>1,940,579</u>	<u>2,158,705</u>	<u>8,887,389</u>

\*Excludes prepayment

\*\*Excludes unearned income

## 23. Financial risk management

The guidelines and policies adopted by the Company to manage the risks that arise in the conduct of their business activities are as follows:

### a) Credit risk

Credit risk is the potential loss of revenue and principal losses in the form of specific allowances as a result of defaults by the borrowers or counterparties through its lending and investing activities. The primary exposure to credit risk arises through its loans to customers. The amount of credit exposure in this regard is represented by the carrying Amount of the assets on the statement of financial position. The lending activities are guided by the Company's credit policy to ensure that the overall objectives in the area of lending are achieved; i.e., that the loan portfolio is strong and healthy and credit risks are well diversified. The credit policy documents the lending policy, collateral policy and credit approval processes and procedures implemented to ensure compliance with NBC Guidelines.

The company holds collateral against loans to customers in the form of mortgage interests over property and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing, and generally are updated except when a loan is individually assessed as doubtful.

### i. Credit risk measurement

The company assesses the probability of default of individual counterparties by focusing on a borrowers' forecasted profit and cash flows. The credit committee is responsible for approving loans to customers.

### ii. Risk limit control and mitigation policies

The company manage limits and controls the concentration of credit risk whenever it is identified.

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

- Mortgages over residential properties (land, building and other properties); and
- Charges over business assets such as land and buildings.

### iii. Exposure to credit risk with regards to loans to customers

	2023		2022	
	USD	KHR'000	USD	KHR'000
<b>Loan to customers</b>				
Neither past due nor impaired	2,468,268	10,082,876	4,414,253	18,173,480
Past due but not impaired	544,224	2,223,155	545,592	2,246,202
Individually impaired	617,758	2,523,540	217,002	893,397
	<b>3,630,250</b>	<b>14,829,571</b>	<b>5,176,847</b>	<b>21,313,079</b>

#### Neither past due nor impaired

Neither past due nor impaired loans to customers are good quality loans to customers for which there is no experience of default. These loans are supported by collaterals and management views that likelihood of default is relatively low.

#### Past due but not impaired loans

Past due but not impaired loans to customers are those for which contractual interest or principal payments that are past due less than 30 days for short-term loans and 90 days for long-term loans, unless other information is available to indicate otherwise.

#### Impaired loans

Individually impaired loans to customers are loans to customers for which the Company determines that there is objective evidence of impairment and it does not expect to collect all principal and interest due according to the contractual terms of the loans to customers.

In compliance with NBC Guidelines, an allowance for doubtful loans to customers is made for loans to customers with payment overdue more than 30 days for short-term loans and 89 days for long-term loans. A minimum level of specific allowance for impairment is made depending on the classification concerned, unless other information is available to substantiate the repayment capacity of the counterparty.

### b) Operational risk

The operational risk losses which would result from inadequate or failed internal processes, people and Systems or from external factors is managed through established operational risk management processes, proper monitoring and reporting of the business activities by control and support units which are independent of the business units and oversight provided by the Management.

The operational risk management entail the establishment of clear organisational structure, roles and control policies. Various internal control policies and measures have been implemented. These include the establishment of signing authorities, defining System parameters controls, streamlining procedures and documentation. These are reviewed continually to address the operational risks of its micro-finance business.

### c) Market risk

Market risk is the risk of loss arising from adverse movement in the level of market prices or rates, the two key components being foreign currency exchange risk and interest rate risk.

#### i. Foreign currency exchange risk

The Company revenue is principally earned in USD. The Company expenditure is principally paid in USD. Monetary assets and liability are significantly dominated in USD. The Company does not therefore have significant exposure to foreign currency risk.

#### ii. Interest rate risk

Interest rate risk refers to the volatility in net interest income as a result of changes in the levels of interest rates and shifts in the composition of the assets and liabilities. The exposure to interest rate risk relate primarily to its loans.

Since the majority of financial assets are not subject to significant change with the market rates, the Company does not use derivative financial instruments to hedge such risk.

The table below summarises the Company's exposure to interest rate risks. It includes the company's financial instruments at carrying amounts, categorised by the earlier of contractual re-pricing or maturity dates.

	Up to 1 month	>1-3	>3-12	>1-5	Over 5	Non-interest	Total	Interest
	USD	months	months	years	years	bearing	USD	rates
		USD	USD	USD	USD	USD		%
<b>2023</b>								
<b>Financial assets</b>								
Cash on hand	-	-	-	-	-	3,990	3,990	
Deposits and placements with NBC	-	-	-	-	2,901	125,000	127,901	
Deposits and placements with banks	-	-	-	-	524,664	-	524,664	
Loans to customers	-	-	531,199	2,163,828	935,224	-	3,630,250	9%-18%
Other assets*	-	-	-	-	-	69,255	69,255	
<b>Total financial assets</b>	-	-	531,199	2,163,828	1,462,789	198,245	4,356,060	
<b>Financial liabilities</b>								
Borrowings	-	-	-	-	441,897	-	441,897	4%
Other liabilities*	-	-	33,153	-	-	-	33,153	
<b>Total financial liabilities</b>	-	-	33,153	-	441,897	-	475,050	
<b>Total interest pricing gap</b>	-	-	498,046	2,163,828	1,020,892	198,245	3,881,010	
<b>In KHR'000</b>	-	-	2,034,517	8,839,236	4,170,342	809,831	15,853,926	

\*Excludes prepayment

\*\*Excludes unearned income

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	Up to 1 month USD	>1-3 months USD	>3-12 months USD	>1-5 years USD	Over 5 years USD	Non-interest bearing USD	Total Interest rates USD %
<b>2022</b>							
Financial assets							
Cash on hand	-	-	-	-	-	5,855	5,855
Deposits and placements with NBC	-	-	-	-	125,000	1,773	126,773
Deposits and placements with banks	-	-	-	-	-	585,707	585,707
Loans to customers	-	-	1,436,775	1,960,441	1,779,631	-	5,176,847
Other assets*	-	-	-	-	-	44,446	44,446
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>1,436,775</b>	<b>1,960,441</b>	<b>1,904,631</b>	<b>637,781</b>	<b>5,939,628</b>
Financial liabilities							
Borrowings	-	-	2,111,475	-	-	-	2,111,475
Other liabilities**	-	-	-	-	-	47,230	47,230
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>2,111,475</b>	<b>-</b>	<b>-</b>	<b>47,230</b>	<b>2,158,705</b>
<b>Total interest pricing gap</b>	<b>-</b>	<b>-</b>	<b>(674,700)</b>	<b>1,960,441</b>	<b>1,904,631</b>	<b>590,551</b>	<b>3,780,923</b>
<b>In KHR'000</b>	<b>-</b>	<b>-</b>	<b>(2,777,740)</b>	<b>8,071,136</b>	<b>7,841,366</b>	<b>2,431,298</b>	<b>15,566,060</b>

\*Excludes prepayment

\*\*Excludes unearned income

#### d) Liquidity risk

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

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

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The following table provide an analysis of financial assets and liabilities of the Company into relevant maturity grouping, including instalments due:

	Up to 1 month USD	>1-3 months USD	>3-12 months USD	>1-5 years USD	Over 5 years USD	No fixed maturity date USD	Total USD
<b>2023</b>							
Financial asset							
Cash on hand	3,990	-	-	-	-	-	3,990
Deposits and placements with NBC	2,901	-	-	-	-	125,000	127,901
Deposits and placements with banks	524,664	-	-	-	-	-	524,664
Loans to customers	-	-	531,199	2,163,828	935,224	-	3,630,250
Other assets*	-	69,255	-	-	-	-	69,255
<b>Total financial assets</b>	<b>531,555</b>	<b>69,255</b>	<b>531,199</b>	<b>2,163,828</b>	<b>935,224</b>	<b>125,000</b>	<b>4,356,060</b>
Financial liabilities							
Borrowings	-	-	-	-	441,897	-	441,897
Other liabilities**	-	-	33,153	-	-	-	33,153
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>33,153</b>	<b>-</b>	<b>441,897</b>	<b>-</b>	<b>475,050</b>
<b>Total interest pricing gap</b>	<b>531,555</b>	<b>69,255</b>	<b>498,046</b>	<b>2,163,828</b>	<b>493,327</b>	<b>125,000</b>	<b>3,881,010</b>
<b>In KHR'000</b>	<b>2,171,402</b>	<b>282,907</b>	<b>2,034,517</b>	<b>8,839,236</b>	<b>2,015,239</b>	<b>510,625</b>	<b>15,853,926</b>

\*Excludes prepayment

\*\*Excludes unearned income

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	Up to 1 month USD	>1-3 months USD	>3-12 months USD	>1-5 years USD	Over 5 years USD	No fixed maturity date USD	Total USD
2022							
Financial asset							
Cash on hand	5,855	-	-	-	-	-	5,855
Deposits and placements with NBC	1,773	-	-	-	-	125,000	126,773
Deposits and placements with banks	585,707	-	-	-	-	-	585,707
Loans to customers	-	-	1,436,775	1,960,441	1,779,631	-	5,176,847
Other assets*	-	44,446	-	-	-	-	44,446
Total financial assets	593,335	44,446	1,436,775	1,960,441	1,779,631	125,000	5,939,628
Financial liabilities							
Borrowings	-	-	2,111,475	-	-	-	2,111,475
Other liabilities**	-	47,230	-	-	-	-	47,230
Total financial liabilities	-	47,230	2,111,475	-	-	-	2,158,705
Total interest pricing gap	593,335	(2,784)	(674,700)	1,960,441	1,779,631	125,000	3,780,923
In KHR'000	2,442,760	(11,462)	(2,777,740)	8,071,136	7,326,741	514,625	15,566,060

\*Excludes prepayment

\*\*Excludes unearned income

#### e) Capital management

##### i. Regulatory capital

The Company's lead regulator, the NBC, sets and monitors capital requirements for the Company as a whole.

The Company's policy is to maintain a strong capital base so as to maintain market confidence and to sustain further development of the business. The impact of the level of capital on shareholders' return is also recognised and the Company recognised the need to maintain a balance between the higher returns that might be possible with greater gearing and advantages and security afforded by a sound capital position.

The Company has complied with all externally imposed capital requirements throughout the year.

##### ii. Capital allocation

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



**មីយ៉ា ប.ក**  
គ្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ

ផ្ទះលេខ៩៣ មហាវិថីព្រះនរោត្តម កែងផ្លូវ២០៨ សង្កាត់បឹងរាំង ខណ្ឌដូនពេញ ភ្នំពេញ ព្រះរាជាណាចក្រកម្ពុជា។

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