



សំរិទ្ធិស័ក

SAMRITHISAK

ដើម្បីអារិយធម៌កម្ពុជាធម្មតា

**ANNUAL
REPORT
2024**

www.samrithisakmicrofinance.com.kh

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SAMRITHISAK – VISION AND MISSION

Vision

Samrithisak’s vision is the first choice of customers and leading microfinance institution in providing microfinance services.

Mission

Provide opportunities for people to improve their lives through Samrithisak Microfinance Limited services that are competitive equality and ensuring sustainable and interests of customers, shareholders, employees and society.

COMPANY SUMMARY

Name of Company	: SAMRITHISAK Microfinance Limited
Business Type	: Private Limited Company
Resister Number	: 00032489
Registration Office	: 502G-502H, Monivong Boulevard, Sangkat Tonle Basac, Khan Chamkarmorn, Phnom Penh, Kingdom of Cambodia
Auditor	: KPMG Cambodia Ltd
Employee	: 91

STAFF INFORMATION

Staffs		Head Office	Branches	Credit Officer
Total Staffs	91	67	24	9
Female	33	31	2	0
Male	58	36	22	9

SAMRITHISAK – OVERVIEW

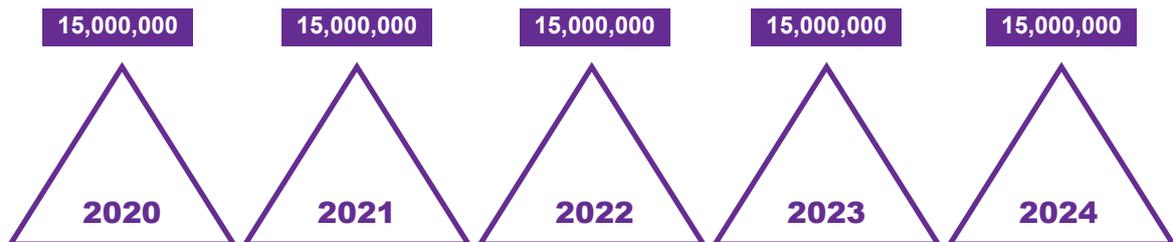


SAMRITHISAK Microfinance Limited was established on 01 June 2010. The project was created in order to help the economic development, increase in income generation, establishment and expansion of services to poor people. SAMRITHISAK had been established under an initiative concept of Mr. Taing Ngoun and other 4 Cambodian investors in order to help institution more sufficient capital and equity in the Business of providing the financial facility service to customers with small business, businessmen, entrepreneurs, craftsmen, vendors, service consultants, farmers and own family business. Since June 2010, SAMRITHISAK has obtained a license as an MFI from the National Bank of Cambodia with the official name:

SAMRITHISAK Microfinance Limited and has been registered capital for

US 500,000.00 (Five hundred thousand dollars). On 30 September 2010, SAMRITHISAK has been invested more capital up to USD 1,000,000.00 (One million dollars). Re-plying to the strongly demands of customers in financial service, SAMRITHISAK also decided to invest more capital up to USD 15,000,000.00 (Fifteen million dollars) on 24 June 2019 to made more enough abilities to serve the credit service to their customers.

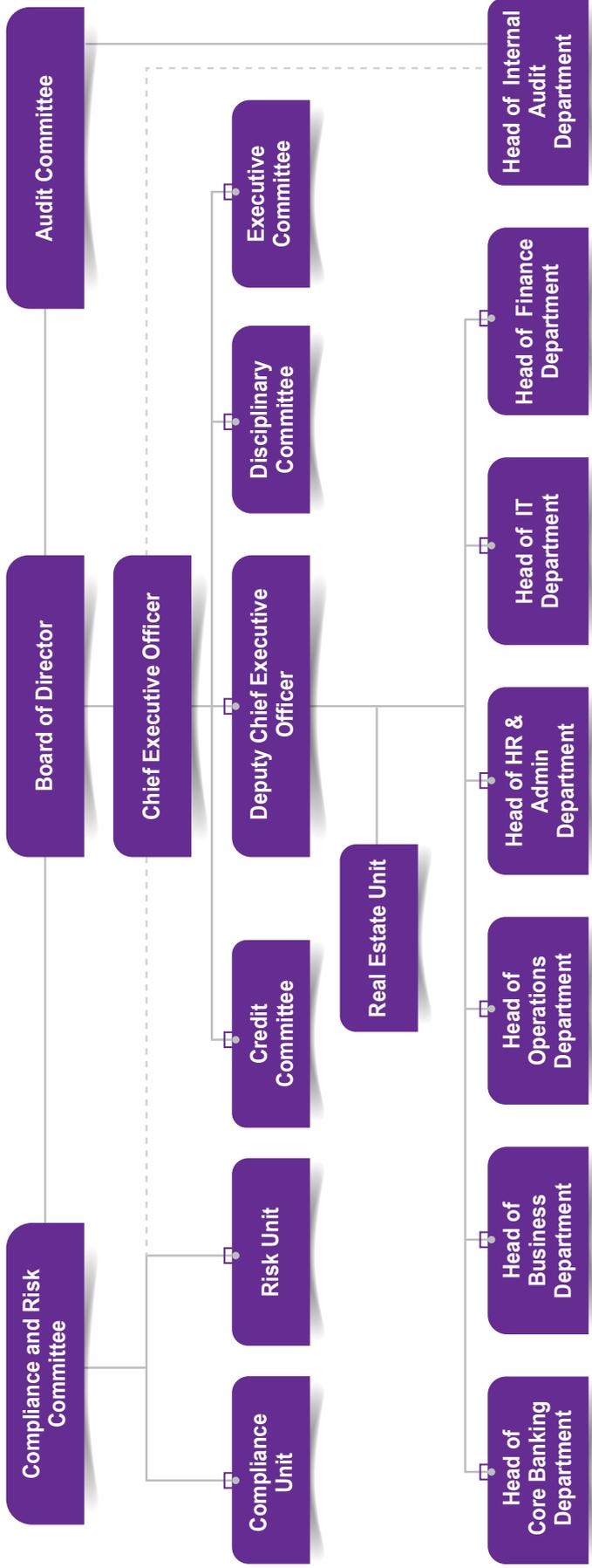
SAMRITHISAK has been established in valued purpose to facilitate poor people who have no ability to request for financial service from the Commercial banks as more capital to run and expand their business.





គ្រឹះស្ថាន សមរិទ្ធិសកម្ម មីក្រូហិរញ្ញវត្ថុ សម័យប័ណ្ណ

SAMRITHISAK MICROFINANCE LIMITED



CHAIRMAN BOARD OF DIRECTOR



Summary Financial Performance

In USD	2022	2023	2024
Financial Performance (CIFRS Data)			
Total Income	3,504,902	2,916,718	2,082,201
Total Expense	2,898,020	2,658,618	1,508,303
Profit/Loss	606,882	258,100	573,898
Total Asset	24,450,458	20,901,681	21,501,794
Total liabilities	3,866,134	142,228	168,443
Total Equity	20,584,324	20,759,453	21,333,351
Paid up Capital	15,000,000	15,000,000	15,000,000
Return on Asset	2.48%	1.23%	2.67%
Return on Equity	2.95%	1.24%	2.69%
Loan outstanding	22,167,699	15,950,587	10,507,099
Clients	1,550	1,166	754
Credit officer	29	21	9
Branch Office	6	6	3
PAR >30 days	126,896	692,289	435,914



SUMMERY LOAN INFORMATION

Business loan

Business loan is a type of loan that customers use to expand their business or business operations and secure real estate such as land, houses, farms, plantations or stalls in the market.

Benefits gained:

- Loan amount up to \$ 300,000 or 1,200,000,000 Riel
- Interest 10.2% to 18%(Year)
- Loan term up to 14-120 months
- Interest rate is reasonable rate
- Collateral is required
- Fast approval.

Requirements:

- Customers are Cambodian nationality
- Be a majority aged 18 to 65 years old
- Permanent resident at Phnom Penh capital city or some provinces.

Personal Loan

Personal Loan is a loan provided to customers in cash to use for personal needs, such as: Buy real estate, furniture and many other items to support the living and improve the family economy.

Benefits gained:

- Loan amount up to \$ 300,000 or 1,200,000,000 Riel
- Loan term up to 14-120 months
- Interest 10.2% to 18%(Year)
- Interest rate is reasonable rate
- Collateral is required
- Fast approval.

Requirements:

- Customers are Cambodian nationality
- Be a majority aged 18 to 65 years old
- Permanent resident at Phnom Penh capital city or some provinces

Staff Loan

Staff Loan is a loan provided to staffs for buying such as Laptop,phone...without collateral.

Benefits gained:

- Loan amount up to \$ 1,000 or 4,000,000,000 Riel
- Loan term up to 13-120 months
- Interest 10%(Year)
- Interest rate is reasonable rate
- Collateral is not required
- Staff Motor loan need

Requirements:

- Employee working more than one year
- Staff with good performance
- Be a majority aged 18 to 65 years old



សំរិទ្ធិស័ក
SAMRITHISAK

ដើម្បីអភិវឌ្ឍន៍សហគមន៍ធានាជីវិត



កំណត់
អាជីវកម្ម
BUSINESS LOAN

ទំហំកម្ចីរហូតដល់៖
\$300,000

ទំនាក់ទំនង៖

097 761 3333 | 093 222 909

KEY MANAGEMENT INFORMATION



TAING HONG **Chairman**

Mr. Taing Hong is a Chairman of the Board of Directors of SAMRITHISAK Microfinance in 2017. He was born in 1970, Cambodian nationality. He is a successful investor. He holds a bachelor's degree in Finance and Banking.

TAING NGOUN **Chief executive officer**

Mr. Taing Ngoun is a deputy of chairman and CEO of SAMRITHISAK Microfinance in 2017. He was born in 1969, Cambodian nationality. He is a successful investor. He holds a bachelor degree in General Management.



CHEANG SIVANLIENG **Member Executive Manager**

Mr. Taing Hong is a Chairman of the Board of Directors of SAMRITHISAK Microfinance in 2017. He was born in 1970, Cambodian nationality. He is a successful investor. He holds a bachelor's degree in Finance and Banking.



EXECUTIVE MANAGER



TAING NGOUN **Chief executive officer**

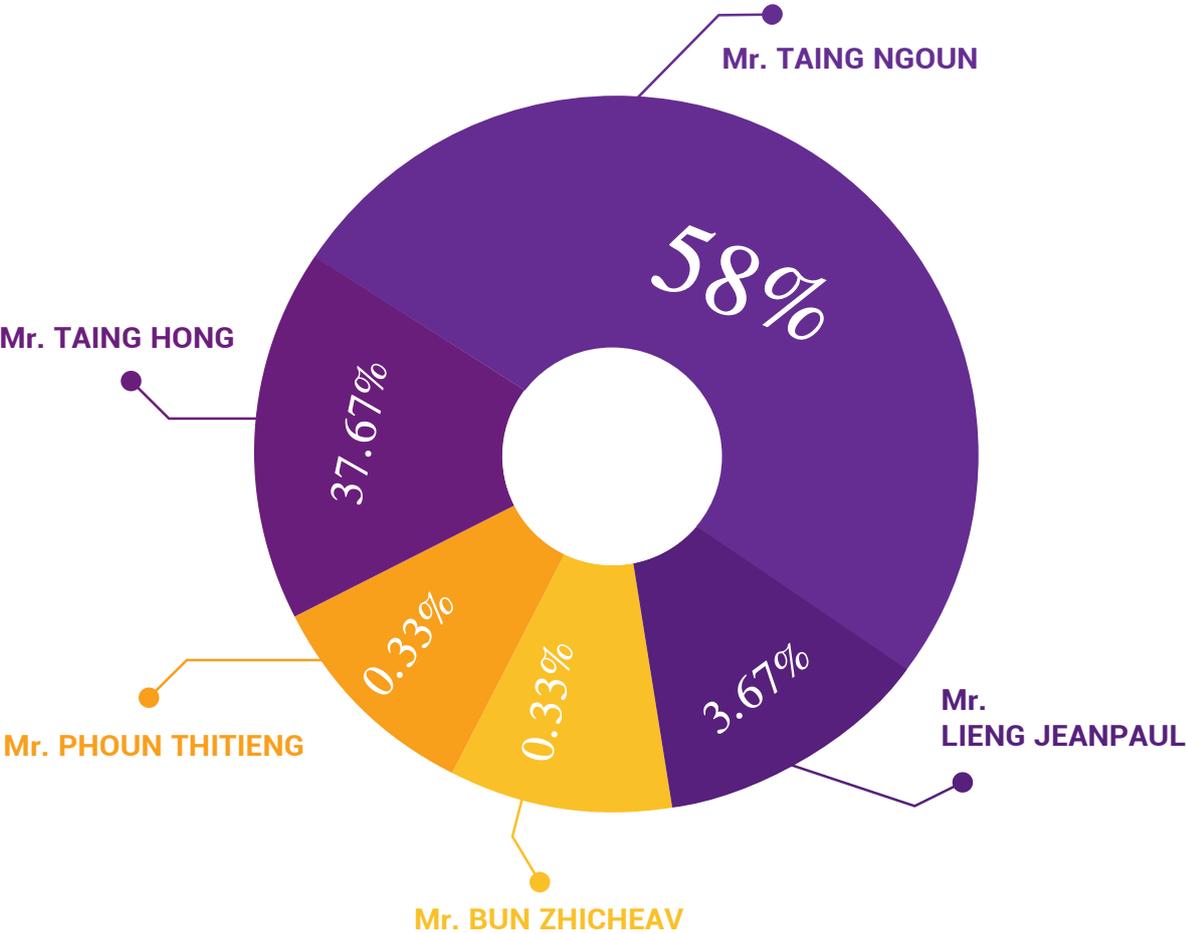
Mr. Taing Ngoun is a deputy of chairman and CEO of SAMRITHISAK Microfinance in 2017. He was born in 1969, Cambodian nationality. He is a successful investor.

Mr. BUN ZHICHEAV **Deputy Chief executive officer**

Mr. Bun Zhicheav was born in 1980 in Kompong Cham Province. He joined SAMRITHISAK in 2010 as Deputy CEO. He obtained a Bachelor of Banking and Finance and Master's degree in General Management at BBU University. He has attended a member of management training course. Before he joined SAMRITHISAK, he worked as a chief of Marketing of THISARA Co., Ltd in 2004 in Cambodia.



SHARE PERCENTAGE



Report of the Directors

The Directors hereby submit their report together with the audited financial statements of Samrithisak Microfinance Limited. (“the Company”) for the year ended 31 December 2024.

The Directors hereby submit their report together with the audited financial statements of Samrithisak Microfinance Limited. (“the Company”) for the year ended 31 December 2024.

Principal activities

The Company is principally engaged in the provision of micro-finance services and other related financial services within the scope of micro-finance license in Cambodia.

Financial results

The financial results of the Company for the year ended 31 December 2024 were presented in page 9.

Share capital

There is no change in the shareholding structure during the year. Refer to Note 15 for details.

Dividends

At the reporting date, no dividend was declared or paid and the Directors do not recommend any dividend to be paid in respect of the year ended 31 December 2024.

Reserves and provisions

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

Bad and doubtful loans

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

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

Assets

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

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

Valuation methods

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

Contingent and other liabilities

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

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

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

Events since the reporting date

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

The Board of Directors

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

Mr. Taing Hong	Chairman
Mr. Taing Ngoun	Director
Mr. Kuch Setha	Director
Mr. Lieng Jean paul	Director
Mr. Yoeurn Bunyim	Director

Items of an unusual nature

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect materially the results of the operations of the Company for the current financial year in which this report is made.

Directors' interests

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

	31 December 2024			31 December 2023		
	% of ownership	Number of shares	Amount US\$	% of ownership	Number of shares	Amount US\$
Mr. Taing Ngoun	58.00%	87,000	8,700,000	58.00%	87,000	8,700,00
Mr. Taing Hong	37.67%	56,500	5,650,000	37.67%	56,500	5,650,00
Mr. Lieng Jean paul	3.67%	5,500	550,000	3.67%	5,500	550,00

Directors' benefits

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

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than as disclosed in the financial statements.

Responsibilities of Directors in respect of the financial statements

The Directors are responsible for ascertaining that the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Directors are required to:

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

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

Approval of the financial statements

We hereby approve the accompanying financial statements together with the notes thereto as set out on pages 8 to 40 which, in our opinion, present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with CIFRS for SMEs.

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

Mr. Taing Hong
Chairman

Phnom Penh, Kingdom of Cambodia

Date: 28 March 2025

Report of the Independent Auditors To the shareholders of Samrithisak Microfinance Limited.

Opinion

We have audited the financial statements of Samrithisak Microfinance Limited. (“the Company”), which comprise the statement of financial position as at 31 December 2024, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out on pages 8 to 40 (hereafter referred to as “the financial statements”).

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

Basis for Opinion

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

Other Information

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

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

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

For KPMG Cambodia Ltd

Phour Sothy
Director

Phnom Penh, Kingdom of Cambodia

28 March 2025

Statement of financial position as at 31 December 2024

	Note	31 December 2024		31 December 2023	
		US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
ASSETS					
Cash on hand	6	5,889	23,703	3,618	14,780
Balances with the National Bank of Cambodia	7	759,785	3,058,135	772,431	3,155,381
Balances with banks and other financial institutions	8	9,955,702	40,071,701	3,514,574	14,357,035
Loans to customers	9	10,367,958	41,731,031	15,950,587	65,158,148
Other assets	10	12,137	48,851	87,032	355,526
Property and equipment	11	374,286	1,506,501	525,100	2,145,034
Intangible assets	12	4,682	18,845	5,804	23,709
Deferred tax assets, net	14D	21,355	85,954	42,535	173,755
TOTAL ASSETS		<u>21,501,794</u>	<u>86,544,721</u>	<u>20,901,681</u>	<u>85,383,368</u>
LIABILITIES AND EQUITY					
Liabilities					
Employee benefit obligations		-	-	941	3,846
Current income tax liability	14C	107,437	432,434	73,085	298,552
Other liabilities	13	61,006	245,549	68,202	278,604
Total liabilities		<u>168,443</u>	<u>677,983</u>	<u>142,228</u>	<u>581,002</u>
Equity					
Share capital	15	15,000,000	60,675,000	15,000,000	60,675,000
Capital contribution	16	1,328,630	5,370,504	1,328,630	5,370,504
Regulatory reserves	17	136,939	555,751	115,588	468,831
Retained earnings		4,867,782	19,855,782	4,315,235	17,606,364
Currency translation reserves		-	(590,299)	-	681,667
Total equity		<u>21,333,351</u>	<u>85,866,738</u>	<u>20,759,453</u>	<u>84,802,366</u>
TOTAL LIABILITIES AND EQUITY		<u>21,501,794</u>	<u>86,544,721</u>	<u>20,901,681</u>	<u>85,383,368</u>

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

Statement of comprehensive income for the year ended 31 December 2024

	Note	2024		2023	
		US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Interest income	18	2,037,330	8,293,970	2,811,090	11,553,580
Interest expense	19	-	-	(255,040)	(1,048,214)
Net interest income		2,037,330	8,293,970	2,556,050	10,505,366
Net fee and commission expense	20	(4,789)	(19,496)	(6,105)	(25,091)
Other income	21	44,871	182,670	86,876	357,060
Net operating income		2,077,412	8,457,144	2,636,821	10,837,335
Net impairment losses on financial assets	9	(34,448)	(140,238)	(131,776)	(541,599)
Personnel expenses	22	(773,988)	(3,150,905)	(1,431,198)	(5,882,224)
Depreciation and amortisation	23	(151,760)	(617,815)	(154,672)	(635,702)
Other operating expenses	24	(382,757)	(1,558,204)	(529,187)	(2,174,958)
Profit before income tax		734,459	2,989,982	389,988	1,602,852
Income tax expense	14B	(160,561)	(653,644)	(131,888)	(542,060)
Net profit for the year		573,898	2,336,338	258,100	1,060,792
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss</i>					
Currency translation differences		-	(1,271,966)	-	(663,077)
Total comprehensive income for the year		573,898	1,064,372	258,100	397,715

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

Statement of changes in equity for the year ended 31 December 2024

	Share capital US\$	KHR000 (Note 5)	Capital contribution US\$	KHR000 (Note 5)	Regulatory reserves US\$	KHR000 (Note 5)	Retained earnings US\$	KHR000 (Note 5)	Currency translation reserves US\$	KHR000 (Note 5)	Total US\$	KHR000 (Note 5)
At 1 January 2024	15,000,000	60,675,000	1,328,630	5,370,504	115,588	468,831	4,315,235	17,606,364	-	681,667	20,759,453	84,802,366
Transactions recognised directly in equity												
Transfer from retained earnings to regulatory reserves (Note 17)	-	-	-	-	21,351	86,920	(21,351)	(86,920)	-	-	-	-
Total comprehensive income:	-	-	-	-	-	-	573,898	2,336,338	-	-	573,898	2,336,338
Net profit for the year	-	-	-	-	-	-	-	-	(1,271,966)	-	-	(1,271,966)
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	-	(1,271,966)	-	-	(1,271,966)
Total comprehensive income	-	-	-	-	-	-	573,898	2,336,338	-	-	573,898	2,336,338
At 31 December 2024	15,000,000	60,675,000	1,328,630	5,370,504	136,939	555,751	4,867,782	19,855,782	-	(590,299)	21,333,351	85,866,738
At 1 January 2023	15,000,000	60,675,000	1,411,601	5,711,515	168,133	684,791	4,004,590	16,329,612	-	1,344,744	20,584,324	84,745,662
Transactions recognised directly in equity												
Reversal of capital contribution (Note 16)	-	-	(82,971)	(341,011)	-	-	-	-	-	-	(82,971)	(341,011)
Transfer from regulatory reserves to retained earnings (Note 17)	-	-	-	-	(52,545)	(215,960)	52,545	215,960	-	-	-	-
Total comprehensive income:	-	-	(82,971)	(341,011)	(52,545)	(215,960)	52,545	215,960	-	-	(82,971)	(341,011)
Net profit for the year	-	-	-	-	-	-	258,100	1,060,792	-	-	258,100	1,060,792
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	-	(663,077)	-	-	(663,077)
Total comprehensive income	-	-	-	-	-	-	258,100	1,060,792	(663,077)	-	258,100	1,060,792
At 31 December 2023	15,000,000	60,675,000	1,328,630	5,370,504	115,588	468,831	4,315,235	17,606,364	-	681,667	20,759,453	84,802,366

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



កំណាទាន
ប្រើប្រាស់រង្វាល់ខ្ពស់

\$50,000

ទំហំកម្ចី
រហូតដល់

អត្រាការប្រាក់តមរម្យ
ការអនុម័តកម្ចីលឿន
បត់បែនក្នុងការលេងត្រឡប់

📞 097 761 3333 | 093 222 909



តំណទានអាជីវកម្ម
កម្ចីរហូតដល់

\$300,000

Statement of cash flows for the year ended 31 December 2024

	Note	2024		2023	
		US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Cash flows from operating activities					
Net profit for the year		573,898	2,336,338	258,100	1,060,792
<i>Adjustments for:</i>					
Interest income	18	(2,037,330)	(8,293,970)	(2,811,090)	(11,553,580)
Interest expense	19	-	-	255,040	1,048,214
Net impairment loss on financial assets	9	34,448	140,238	131,776	541,599
Income tax expense	14B	160,561	653,644	131,888	542,060
Depreciation and amortisation	23	151,760	617,815	154,672	635,702
Employee benefit obligations		39,691	161,582	67,421	277,100
Gain on disposal of property and equipment		(18,303)	(74,512)	(53,636)	(220,444)
Impairment loss on property and equipment		-	-	37,210	152,933
Loss on written off of property and equipment		-	-	30,942	127,171
Unrealised foreign exchange loss		-	-	513	2,108
		<u>(1,095,275)</u>	<u>(4,458,865)</u>	<u>(1,797,164)</u>	<u>(7,386,345)</u>
<i>Changes in:</i>					
Loans to customers		5,478,575	22,303,279	5,868,705	24,120,378
Other assets		74,895	304,898	28,618	117,620
Short-term fixed deposits		853,431	3,474,318	-	-
Other liabilities		<u>(7,196)</u>	<u>(29,295)</u>	<u>(17,371)</u>	<u>(71,395)</u>
Cash generated from operations		5,304,430	21,594,335	4,082,788	16,780,258
Interest received		2,073,105	8,439,610	2,832,307	11,640,782
Interest paid		-	-	(385,565)	(1,584,672)
Income tax paid	14C	(105,029)	(427,573)	(171,819)	(706,176)
Employee benefit obligations paid		<u>(40,632)</u>	<u>(165,413)</u>	<u>(72,484)</u>	<u>(297,909)</u>
Net cash generated from operating activities		<u>7,231,874</u>	<u>29,440,959</u>	<u>6,285,227</u>	<u>25,832,283</u>
Cash flows from investing activities					
Acquisition of property and equipment		-	-	(44,384)	(182,418)
Proceeds from disposal of property and equipment		18,493	75,285	53,636	220,444
Placement of term deposits		(11,503,000)	(46,828,713)	-	-
Withdrawal of term deposits		<u>5,350,000</u>	<u>21,779,850</u>	<u>-</u>	<u>-</u>
Net cash (used in)/generated from investing activities		<u>(6,134,507)</u>	<u>(24,973,578)</u>	<u>9,252</u>	<u>38,026</u>

**Statement of cash flows (continued)
for the year ended 31 December 2024**

		2024		2023	
	Note	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Cash flows from financing activities					
Repayments of borrowings		-	-	(3,591,955)	(14,762,935)
Net cash used in financing activities		-	-	(3,591,955)	(14,762,935)
Net increase in cash and cash equivalents		1,097,367	4,467,381	2,702,524	11,107,374
Cash and cash equivalents at 1 January		3,540,623	14,463,446	838,099	3,450,454
Currency translation differences		-	(262,916)	-	(94,382)
Cash and cash equivalents at 31 December	26	<u>4,637,990</u>	<u>18,667,911</u>	<u>3,540,623</u>	<u>14,463,446</u>

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

NOTE TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2024

These notes form an integral part of, and should be read in conjunction with the accompanying financial statements.

1. Reporting entity

Samrithisak Microfinance Limited. (“the Company”) was incorporated as a private limited company in the Kingdom of Cambodia under the registration number 00032489 dated 4 March 2010 with the Ministry of Commerce. On 25 May 2010, the Company obtained its license from the National Bank of Cambodia to operate as a microfinance institution.

The Company is principally engaged in the provision of micro-finance services and other related financial services within the scope of micro-finance license in Cambodia.

The Company’s registered office is located at No. 502G-502H, Preah Monivong Boulevard, Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Kingdom of Cambodia.

As at 31 December 2024, the Company has 3 branches (31 December 2023: 4 branches).

As at 31 December 2024, the Company had 86 employees (31 December 2023: 124 employees).

2. Basis of accounting

A. Statement of compliance

The financial statements have been prepared in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (“CIFRS for SMEs”).

The financial statements of the Company were authorised for issue by the Board of Directors on 28 March 2025.

Details of the Company’s accounting policies are included in Note 29.

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2024

B. Basis of measurement

The financial statements have been prepared on a historical cost.

3. Functional and presentation currency

The Company transacts its business and maintains its accounting records in two currencies, Khmer Riel (“KHR”) and United States Dollars (“US\$”). Management has determined the US\$ to be the Company’s functional and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Company.

These financial statements are presented in US\$, which is the Company’s functional currency. All amounts have been rounded to the nearest dollar or thousand riels, except when otherwise indicated.

4. Use of estimates and judgements

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2024 is set out below in relation to the impairment of financial instruments and in the following notes in relation to other areas:

- Note 29B(vii) – identification and measurement of impairment.

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 31 December 2024

5. Translation of United States Dollars into Khmer Riel

The financial statements are expressed in United States Dollars (“US\$”) which is the Company’s functional currency. The translations of United States Dollars amounts into Khmer Riel (“KHR”) meets the presentation requirements pursuant to Law on Accounting and Auditing and has been done in compliance with CIFRS for SMEs Section 30, Foreign Currency Translation.

Assets and liabilities are translated at the closing rate as at the reporting date and share capital and other equity items are translated at the historical rate. The statements of comprehensive income and cash flows are translated into KHR using the average rate for the year, which have been deemed to approximate the exchange rates at the date of transaction as exchange rates have not fluctuated significantly during the period. Exchange differences arising from the translation are recognised as “Currency translation differences” in the other comprehensive income.

The Company uses the following exchange rates:

Financial year end			Closing rate	Average rate
31 December 2024	US\$1	=	KHR4,025	KHR4,071
31 December 2023	US\$1	=	KHR4,085	KHR4,110

These convenience translations should not be construed as representations that the United States Dollars amounts have been, could have been, or could in the future be, converted into Khmer Riel at this or any other rate of exchange.

6. Cash on hand

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Petty cash	<u>5,889</u>	<u>23,703</u>	<u>3,618</u>	<u>14,780</u>

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 31 December 2024

7. Balances with the National Bank of Cambodia

		31 December 2024		31 December 2023	
		US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Current accounts	(i)	9,785	39,385	22,431	91,631
Capital guarantee deposit	(ii)	<u>750,000</u>	<u>3,018,750</u>	<u>750,000</u>	<u>3,063,750</u>
		<u>759,785</u>	<u>3,058,135</u>	<u>772,431</u>	<u>3,155,381</u>

(i) The current accounts maintained with the National Bank of Cambodia do not earn any interest (2023: nil).

(ii) Under NBC Prakas B7-01-136 dated 15 October 2001, micro-finance institutions are required to maintain a statutory deposit of 5% of 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 the business in Cambodia. The capital guarantee deposit earns interest rate at 1.31%% (2023: 0.37%) per annum.

8. Balances with banks and other financial institutions

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Current accounts	3,760,664	15,136,673	3,412,060	13,938,265
Saving accounts	8,221	33,090	102,514	418,770
Term deposits with original maturity terms of 3 months or less	853,431	3,435,060	-	-
Term deposits with original maturity terms of more than 3 months	<u>5,333,386</u>	<u>21,466,878</u>	<u>-</u>	<u>-</u>
	<u>9,955,702</u>	<u>40,071,701</u>	<u>3,514,574</u>	<u>14,357,035</u>

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2024

9. Loans to customers

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Individual loans	10,495,255	42,243,401	16,117,345	65,839,354
Less: Impairment loss allowance	<u>(127,297)</u>	<u>(512,370)</u>	<u>(166,758)</u>	<u>(681,206)</u>
	<u>10,367,958</u>	<u>41,731,031</u>	<u>15,950,587</u>	<u>65,158,148</u>

The movement in the impairment loss allowance during the year was as follows:

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
At 1 January	166,758	681,206	92,214	379,645
Recognised during the year	66,479	270,636	150,484	618,489
Write-offs during the year	(105,940)	(431,282)	(75,940)	(312,113)
Currency translation differences	-	(8,190)	-	(4,815)
At 31 December	<u>127,297</u>	<u>512,370</u>	<u>166,758</u>	<u>681,206</u>

The details of net impairment losses on financial assets were as follows:

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Impairment losses on financial assets	66,479	270,636	150,484	618,489
Recoveries of loans previously written off	<u>(32,031)</u>	<u>(130,398)</u>	<u>(18,708)</u>	<u>(76,890)</u>
	<u>34,448</u>	<u>140,238</u>	<u>131,776</u>	<u>541,599</u>

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)

for the year ended 31 December 2024

9. Loans to customers (continued)

Gross loans to customers are analysed as follows:

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
A. By maturity:				
Within 1 month	-	-	6,054	24,731
2 to 3 months	-	-	8,520	34,804
4 to 12 months	3,182	12,808	151,142	617,415
Over 12 months	10,492,073	42,230,593	15,951,629	65,162,404
	<u>10,495,255</u>	<u>42,243,401</u>	<u>16,117,345</u>	<u>65,839,354</u>
B. By currency:				
US Dollars	9,370,794	37,717,446	14,244,401	58,188,378
Khmer Riel	1,124,461	4,525,955	1,872,944	7,650,976
	<u>10,495,255</u>	<u>42,243,401</u>	<u>16,117,345</u>	<u>65,839,354</u>
C. By economic sector:				
Household/family	6,149,185	24,750,470	7,987,503	32,628,950
Trade and commerce	2,610,687	10,508,015	4,961,308	20,266,943
Services	1,123,483	4,522,019	1,620,421	6,619,419
Transportation	209,088	841,579	499,268	2,039,510
Agriculture	122,426	492,765	307,814	1,257,420
Construction	46,190	185,915	138,274	564,849
Manufacturing	23,325	93,883	32,127	131,239
Others	210,871	848,755	570,630	2,331,024
	<u>10,495,255</u>	<u>42,243,401</u>	<u>16,117,345</u>	<u>65,839,354</u>
D. By residency status:				
Residents	10,495,255	42,243,401	16,117,345	65,839,354
	<u>10,495,255</u>	<u>42,243,401</u>	<u>16,117,345</u>	<u>65,839,354</u>
E. By relationship:				
External customers	10,340,080	41,618,822	15,944,501	65,133,286
Staff	155,175	624,579	172,844	706,068
	<u>10,495,255</u>	<u>42,243,401</u>	<u>16,117,345</u>	<u>65,839,354</u>
F. By secured/unsecured:				
Secured	10,424,366	41,958,073	16,020,518	65,443,816
Unsecured	70,889	285,328	96,827	395,538
	<u>10,495,255</u>	<u>42,243,401</u>	<u>16,117,345</u>	<u>65,839,354</u>

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED) for the year ended 31 December 2024

9. Loans to customers (continued)

Gross loans to customers are analysed as follows: (continued)

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
G. By overdue:				
Loans of more than one year:				
< 30 days	10,045,028	40,431,237	15,398,092	62,901,206
≥ 30 days – 89 days	301,405	1,213,155	521,584	2,130,671
≥ 90 days – 179 days	69,904	281,364	81,377	332,425
≥ 180 days – 359 days	78,918	317,645	116,292	475,052
More than 359 days	-	-	-	-
	<u>10,495,255</u>	<u>42,243,401</u>	<u>16,117,345</u>	<u>65,839,354</u>
H. By concession:				
Restructured (*)	2,075,934	8,355,634	2,181,954	8,913,282
Non-restructured	8,419,321	33,887,767	13,935,391	56,926,072
	<u>10,495,255</u>	<u>42,243,401</u>	<u>16,117,345</u>	<u>65,839,354</u>

(*) A “restructured loan” is a loan that original contractual terms have been modified to provide for concessions for the borrowers for reasons related to temporary financial difficulties.

I. By interest rate (per annum):

Annual interest rates applicable to loans to customers at the year end were as follows:

	31 December 2024	31 December 2023
External customers	9.00% -18.00%	9.00% -18.00%
Staff	<u>9.00% -12.00%</u>	<u>6.00% -12.00%</u>

10. Other assets

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Prepayments	5,686	22,886	6,012	24,559
Advances and deposits	4,900	19,723	12,807	52,317
Others	1,551	6,242	68,213	278,650
	<u>12,137</u>	<u>48,851</u>	<u>87,032</u>	<u>355,526</u>

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2024

11. Property and equipment

	Leasehold improvements US\$	Motor vehicles US\$	Office equipment US\$	Computer equipment US\$	Furniture and fixtures US\$	US\$	Total KHR'000 (Note 5)
2024							
Cost							
At 1 January 2024	259,590	555,272	127,831	162,995	54,745	1,160,433	4,740,369
Disposals	-	-	(46,757)	-	(21,106)	(67,863)	(276,270)
Currency translation differences	-	-	-	-	-	-	(66,505)
At 31 December 2024	259,590	555,272	81,074	162,995	33,639	1,092,570	4,397,594
Less: Accumulated depreciation							
At 1 January 2024	145,974	168,085	121,671	145,713	53,890	635,333	2,595,335
Depreciation for the year (Note 23)	43,657	92,715	4,954	8,805	507	150,638	613,247
Disposals	-	-	(46,757)	-	(20,930)	(67,687)	(275,554)
Currency translation differences	-	-	-	-	-	-	(41,935)
At 31 December 2024	189,631	260,800	79,868	154,518	33,467	718,284	2,891,093
Carrying amounts							
At 1 January 2024	113,616	387,187	6,160	17,282	855	525,100	2,145,034
At 31 December 2024	69,959	294,472	1,206	8,477	172	374,286	1,506,501

(*) Included in property and equipment were assets costing US\$356,989 which were fully depreciated as of 31 December 2024 (31 December 2023: US\$370,393) but are still in active use.

NOTE TO THE FINANCIAL STATEMENTS (CONTINUED)
for the year ended 31 December 2024

2023	Cost	Leasehold	Motor	Office	Computer	Furniture	Total	
		improvements US\$	vehicles US\$	equipment US\$	equipment US\$	and fixtures US\$	US\$	KHR'000 (Note 5)
At 1 January 2023	373,743	710,378	127,831	162,558	54,745	1,429,255	5,884,246	
Additions	35,712	1,324	-	7,348	-	44,384	182,418	
Write-off	(149,865)	-	-	(6,911)	-	(156,776)	(644,349)	
Disposals	-	(156,430)	-	-	-	(156,430)	(642,927)	
Currency translation differences	-	-	-	-	-	-	(39,019)	
At 31 December 2023	259,590	555,272	127,831	162,995	54,745	1,160,433	4,740,369	
Less: Accumulated depreciation								
At 1 January 2023	195,281	229,123	111,700	139,479	51,250	726,833	2,992,375	
Depreciation for the year (Note 23)	32,406	95,392	9,971	13,145	2,640	153,554	631,107	
Write-off	(118,923)	-	-	(6,911)	-	(125,834)	(517,178)	
Disposals	-	(156,430)	-	-	-	(156,430)	(642,927)	
Impairment	37,210	-	-	-	-	37,210	152,933	
Currency translation differences	-	-	-	-	-	-	(20,975)	
At 31 December 2023	145,974	168,085	121,671	145,713	53,890	635,333	2,595,335	
Carrying amounts								
At 1 January 2023	178,462	481,255	16,131	23,079	3,495	702,422	2,891,871	
At 31 December 2023	113,616	387,187	6,160	17,282	855	525,100	2,145,034	

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

12. Intangible assets

Computer software and licenses	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Cost				
At 1 January	13,230	54,045	13,230	53,899
Currency translation differences	-	(794)	-	146
At 31 December	<u>13,230</u>	<u>53,251</u>	<u>13,230</u>	<u>54,045</u>
Less: Accumulated amortisation				
At 1 January	7,426	30,336	6,308	25,970
Amortisation for the year (Note 23)	1,122	4,568	1,118	4,595
Currency translation differences	-	(498)	-	(229)
At 31 December	<u>8,548</u>	<u>34,406</u>	<u>7,426</u>	<u>30,336</u>
Carrying amounts				
At 1 January	<u>5,804</u>	<u>23,709</u>	<u>6,922</u>	<u>27,929</u>
At 31 December	<u>4,682</u>	<u>18,845</u>	<u>5,804</u>	<u>23,709</u>

13. Other liabilities

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Accrued expenses	22,161	89,198	20,148	82,304
Tax payables	6,394	25,736	18,211	74,392
Other payables	<u>32,451</u>	<u>130,615</u>	<u>29,843</u>	<u>121,908</u>
	<u>61,006</u>	<u>245,549</u>	<u>68,202</u>	<u>278,604</u>

14. Income tax

A. Applicable tax rates

In accordance with Cambodian Law on Taxation, the Company has an obligation to pay corporate income tax of either the tax on income at the rate of 20% of taxable income or the minimum tax at 1% of annual turnover, whichever is higher.

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

14. Income tax (continued)

B. Income tax expense

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Current tax	128,096	521,479	110,707	455,006
Under provision in prior year	11,285	45,941	11,645	47,861
Deferred tax expense	21,180	86,224	9,536	39,193
Income tax expense	<u>160,561</u>	<u>653,644</u>	<u>131,888</u>	<u>542,060</u>

The reconciliation of income tax expense computed at the statutory tax rate of 20% to the income tax expense shown in profit or loss is as follows:

	2024			2023		
	US\$	KHR'000 (Note 5)	%	US\$	KHR'000 (Note 5)	%
Profit before income tax	<u>734,459</u>	<u>2,989,982</u>		<u>389,988</u>	<u>1,602,852</u>	
Income tax using statutory rate at 20%	146,892	597,997	20.00	77,998	320,572	20
Non-deductible expenses	2,384	9,706	0.32	42,245	173,627	11
Under provision in prior year	<u>11,285</u>	<u>45,941</u>	<u>1.54</u>	<u>11,645</u>	<u>47,861</u>	<u>3</u>
	<u>160,561</u>	<u>653,644</u>	<u>21.86</u>	<u>131,888</u>	<u>542,060</u>	<u>34</u>

The calculation of taxable income is subject to the final review and approval of the tax authorities.

C. Current income tax liability

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
At 1 January	73,085	298,552	122,552	504,547
Recognised in profit or loss	128,096	521,479	110,707	455,006
Under provision in prior year	11,285	45,941	11,645	47,861
Income tax paid	(105,029)	(427,573)	(171,819)	(706,176)
Currency translation differences	-	(5,965)	-	(2,686)
At 31 December	<u>107,437</u>	<u>432,434</u>	<u>73,085</u>	<u>298,552</u>

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

14. Income tax (continued)

D. Deferred tax assets, net

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Deferred tax assets	35,951	144,703	62,401	254,908
Deferred tax liabilities	<u>(14,596)</u>	<u>(58,749)</u>	<u>(19,866)</u>	<u>(81,153)</u>
Deferred tax assets, net	<u>21,355</u>	<u>85,954</u>	<u>42,535</u>	<u>173,755</u>

Deferred tax assets/(liabilities) are attributable to the following:

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Accelerated depreciation	(12,217)	(49,173)	(19,866)	(81,153)
Unrealised foreign exchange loss	(2,379)	(9,576)	103	421
Unamortised loan fees	21,307	85,761	42,612	174,070
Employee benefits obligation	-	-	188	768
Allowance for loan losses	<u>14,644</u>	<u>58,942</u>	<u>19,498</u>	<u>79,649</u>
	<u>21,355</u>	<u>85,954</u>	<u>42,535</u>	<u>173,755</u>

Movement of net deferred tax assets is as follows:

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
At 1 January	42,535	173,755	52,071	214,376
Recognised in profit or loss	(21,180)	(86,224)	(9,536)	(39,193)
Currency translation differences	<u>-</u>	<u>(1,577)</u>	<u>-</u>	<u>(1,428)</u>
At 31 December	<u>21,355</u>	<u>85,954</u>	<u>42,535</u>	<u>173,755</u>

15. Share capital

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Registered, issued and fully paid-up share capital of 150,000 at US\$100 each	<u>15,000,000</u>	<u>60,675,000</u>	<u>15,000,000</u>	<u>60,675,000</u>

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

15. Share capital (continued)

As at 31 December 2024, the Company's shareholders and their respective interest are as follows:

	31 December 2024			31 December 2023		
	% of Ownership	Number of shares	Amount US\$	% of Ownership	Number of shares	Amount US\$
Mr. Taing Ngoun	58.00%	87,000	8,700,000	58.00%	87,000	8,700,000
Mr. Taing Hong	37.67%	56,500	5,650,000	37.67%	56,500	5,650,000
Mr. Lieng Jean paul	3.67%	5,500	550,000	3.67%	5,500	550,000
Mr. Phoun Thitieng	0.33%	500	50,000	0.33%	500	50,000
Mr. Bun Zhicheav	0.33%	500	50,000	0.33%	500	50,000
	<u>100%</u>	<u>150,000</u>	<u>15,000,000</u>	<u>100%</u>	<u>150,000</u>	<u>15,000,000</u>
Equivalent in KHR'000 (Note 5)			<u>60,675,000</u>			<u>60,675,000</u>

There was no change in shareholders and shareholding structure of the Company during the financial year.

16. Capital contribution

Capital contribution is the difference between the present value of the future payments discounted at market interest rate for a similar borrowing and the amount received from the borrowing from shareholders. The borrowing has been fully repaid before its maturity date on 24 April 2023; thus, the amount of US\$82,971 was deducted following the remeasurement as of 31 December 2023.

17. Regulatory reserves

Regulatory reserves represented the variance of provision between financial instruments in accordance with CIFRS for SMEs and regulatory provision in accordance with National Bank of Cambodia.

In 2024, the Company transferred from retained earnings to regulatory reserves of US\$21,351 (2023: transferred from regulatory reserves to retained earnings of US\$52,545).

Notes to the financial statements (continued)
for the year ended 31 December 2024

17. Regulatory reserves (continued)

	Balances with banks and other financial institutions US\$	Loans to customers US\$	Other assets US\$	Total US\$
31 December 2024				
Allowance per NBC	99,552	164,684	-	264,236
Allowance per CIFRS for SMEs (Note 9)	-	127,297	-	127,297
Regulatory reserves (A)				<u>136,939</u>
31 December 2023				
Allowance per NBC	35,146	247,071	129	282,346
Allowance per CIFRS for SMEs	-	166,758	-	166,758
Regulatory reserves (B)				<u>115,588</u>
Transfer from retained earnings to regulatory reserves (A) – (B)				<u>21,351</u>
In KHR'000 (Note 5)				<u>86,920</u>

18. Interest income

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Loans to customers	1,901,063	7,739,227	2,801,721	11,515,073
Balances with the National Bank of Cambodia	9,853	40,112	9,365	38,490
Balances with banks and other financial institutions	126,414	514,631	4	17
	<u>2,037,330</u>	<u>8,293,970</u>	<u>2,811,090</u>	<u>11,553,580</u>

19. Interest expense

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Borrowings	-	-	255,040	1,048,214

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

20. Net fee and commission expense

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Fees and commission income	-	-	44	181
Fees and commission expenses	<u>(4,789)</u>	<u>(19,496)</u>	<u>(6,149)</u>	<u>(25,272)</u>
Net fee and commission expense	<u>(4,789)</u>	<u>(19,496)</u>	<u>(6,105)</u>	<u>(25,091)</u>

21. Other income

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Foreign exchange gain	19,033	77,483	14,572	59,891
Gain on disposal of property and equipment	18,303	74,512	53,636	220,444
Others	<u>7,535</u>	<u>30,675</u>	<u>18,668</u>	<u>76,725</u>
	<u>44,871</u>	<u>182,670</u>	<u>86,876</u>	<u>357,060</u>

22. Personnel expenses

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Salaries and wages	671,581	2,734,006	1,230,172	5,056,007
Seniority payment expense	39,691	161,582	67,421	277,100
Unused annual leave	37,936	154,437	79,231	325,639
Others	<u>24,780</u>	<u>100,880</u>	<u>54,374</u>	<u>223,478</u>
	<u>773,988</u>	<u>3,150,905</u>	<u>1,431,198</u>	<u>5,882,224</u>

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

23. Depreciation and amortisation

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Depreciation (Note 11)	150,638	613,247	153,554	631,107
Amortisation (Note 12)	<u>1,122</u>	<u>4,568</u>	<u>1,118</u>	<u>4,595</u>
	<u>151,760</u>	<u>617,815</u>	<u>154,672</u>	<u>635,702</u>

24. Other operating expenses

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Repairs and maintenance	63,390	258,061	85,528	351,518
Rental	57,776	235,206	110,884	455,733
Professional fees	39,060	159,013	51,397	211,242
Travelling and transportation	33,072	134,636	37,733	155,083
Communication	31,193	126,987	40,787	167,635
Board of directors' remuneration	22,800	92,819	22,800	93,708
Utilities	21,784	88,683	26,372	108,389
License and patent fees	12,590	51,254	13,275	54,560
Security	7,247	29,503	27,423	112,709
Office supplies	5,508	22,423	7,720	31,729
Marketing and advertising	1,189	4,840	5,456	22,424
Loss on written off of property and equipment	-	-	30,942	127,171
Impairment loss on property and equipment	-	-	37,210	152,933
Others	<u>87,148</u>	<u>354,779</u>	<u>31,660</u>	<u>130,124</u>
	<u>382,757</u>	<u>1,558,204</u>	<u>529,187</u>	<u>2,174,958</u>

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

25. Related parties

A. Identity of related parties

The related parties of, and their relationship with the Company are as follows:

Relationship	Related party
Shareholders	Refer to Note 15
Key management personnel	All directors of the Company who make critical decisions in relation to the strategic direction of the Company and senior management staff (including their close family members).

B. Transactions with related parties

	2024		2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Shareholders				
Repayment of borrowings	-	-	(2,420,000)	(9,946,200)
Interest expense	-	-	34,012	139,789
	<u>-</u>	<u>-</u>	<u>34,012</u>	<u>139,789</u>
Shareholder's close family members				
Repayment of borrowings	-	-	(1,340,000)	(5,507,400)
Interest expense	-	-	35,193	144,643
	<u>-</u>	<u>-</u>	<u>35,193</u>	<u>144,643</u>
Key management personnel				
Interest income from loans	-	-	192	790
Salaries, bonus and other benefits	107,228	436,525	350,083	1,438,841
Board of directors' remuneration	22,800	92,819	22,800	93,708
Seniority payment expenses	40,632	165,413	19,795	81,357
	<u>170,660</u>	<u>694,757</u>	<u>392,768</u>	<u>1,614,796</u>

C. Balances with related parties

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Key management personnel				
Loans	-	-	1,121	4,579
	<u>-</u>	<u>-</u>	<u>1,121</u>	<u>4,579</u>

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

26. Cash and cash equivalents

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Cash on hand (Note 6)	5,889	23,703	3,618	14,780
Balances with the National Bank of Cambodia (original maturity of three months or less) (Note 7)	9,785	39,385	22,431	91,631
Balances with banks and other financial institutions (original maturity of three months or less) (Note 8)	4,622,316	18,604,823	3,514,574	14,357,035
	<u>4,637,990</u>	<u>18,667,911</u>	<u>3,540,623</u>	<u>14,463,446</u>

27. Classification of financial assets and financial liabilities

The following table provides a reconciliation between line items in the statement of financial position and categories of financial instruments.

	Amortised cost			
	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Financial assets				
Cash on hand	5,889	23,703	3,618	14,780
Balances with the National Bank of Cambodia	759,785	3,058,135	772,431	3,155,381
Balances with banks and other financial institutions	9,955,702	40,071,701	3,514,574	14,357,035
Loans to customers	10,367,958	41,731,031	15,950,587	65,158,148
Other assets	4,900	19,723	12,807	52,317
Total financial assets	<u>21,094,234</u>	<u>84,904,293</u>	<u>20,254,017</u>	<u>82,737,661</u>
Financial liabilities				
Employees benefit obligations	-	-	941	3,846
Other liabilities	54,612	219,813	49,991	204,212
Total financial liabilities	<u>54,612</u>	<u>219,813</u>	<u>50,932</u>	<u>208,058</u>

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

28. Commitments

A. Lease commitments

The Company has commitments for the lease of its Head office and branch offices under an operating lease arrangement, with future minimum lease amounts due as follows:

	31 December 2024		31 December 2023	
	US\$	KHR'000 (Note 5)	US\$	KHR'000 (Note 5)
Within 1 year	36,000	144,900	69,200	282,682
1 to 5 years	144,000	579,600	274,200	1,120,107
Over 5 years	144,000	579,600	151,000	616,835
	<u>324,000</u>	<u>1,304,100</u>	<u>494,400</u>	<u>2,019,624</u>

B. Taxation contingencies

The Company assesses its tax obligations based on applicable tax laws and regulations as of the reporting date. Given the evolving nature of tax legislation, certain tax treatments may necessitate judgment and interpretation. Management exercises judgment in establishing the Company's tax positions and continually monitors regulatory developments. While the Company strives to comply with current tax requirements, interpretations of tax regulations may vary. Any adjustments resulting from regulatory reviews, once conducted and finalised, will be reflected into the financial statements as appropriate.

29. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements, unless otherwise indicated.

A. Foreign currency transactions

Transactions in currencies other than US\$ are translated into US\$ at the exchange rate ruling at the dates of the transactions.

Monetary assets and liabilities denominated in currencies other than US\$ at the reporting date are translated into US\$ at the rates of exchange ruling at that date. Non-monetary items that are measured in terms of historical cost in other currency are translated using the exchange rates as at the respective dates of the initial transactions. Foreign currency differences are generally recognised in profit or loss.

29. Significant accounting policies (continued)

B. Financial instruments

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 December 2024 is set out below in relation to the impairment of financial instruments and in the following notes in relation to other areas:

(i). Recognition

The Company initially recognises a financial asset or a financial liability when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issue.

(ii). Classification

The Company classifies its financial assets and liabilities as basic financial instruments in accordance with Section 11 Basic Financial Instruments.

(iii). Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or settled, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(iv). Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

29. Significant accounting policies (continued)

(v). Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

B. Financial instruments (continued)

(vi). Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

29. Significant accounting policies (continued)

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

(vii). Identification and measurement of impairment

Objective evidence of impairment

At each reporting date, the Company assesses whether there is objective evidence that financial assets that are measured at cost or amortised cost. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the assets and that the loss event has an impact on the future cash flows of the assets that can be estimated reliably.

B. Financial instruments (continued)

(vii). Identification and measurement of impairment (continued)

Objective evidence that financial assets are impaired includes:

- significant financial difficulty of the borrower or issuer;
- default or delinquency by a borrower;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- indications that a borrower or issuer will enter bankruptcy;
- the disappearance of an active market for a security; or
- observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

Individual and collective assessment

All individually significant assets are individually assessed for impairment.

Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified.

The individual component of the total allowance for impairment applies to financial assets evaluated individually for impairment, and found to be individually impaired, and is based on management's best estimate of the present value of the cash flows that are expected to be received. In estimating these cash flows, management makes judgments about a debtor's financial situation and the net realisable value of any underlying collateral. Each impaired asset is assessed on its merits, and the workout strategy and estimate of cash flows considered recoverable are independently approved by the management.

29. Significant accounting policies (continued)

A collective component of the total allowance is established for:

- groups of homogeneous loans that are not considered individually significant; and
- groups of assets that are individually significant but that were not found to be individually impaired.

The collective allowance for groups of homogeneous loans is established using statistical methods such as roll rate methodology or, for small portfolios with insufficient information, a formula approach based on historical loss rate experience.

In assessing the collective loss allowance, management considers factors such as credit quality, portfolio size, concentrations and economic factors. To estimate the required allowance, assumptions are made to define how inherent losses are modelled and to determine the required input parameters, based on historical experience and current economic conditions. The accuracy of the allowance depends on the model assumptions and parameters used in determining the collective allowance.

B. Financial instruments (continued)

(vii). Identification and measurement of impairment (continued)

Measurement

Impairment losses on assets measured at amortised cost are calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

Reversal of impairment and write-offs

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 was recognised, the entity shall reverse the previously recognised impairment loss either directly or by adjusting an allowance account.

The reversal shall not result in a carrying amount of the financial asset (net of any allowance account) that exceeds what the carrying amount would have been had the impairment not previously been recognised. The entity shall recognise the amount of the reversal in profit or loss immediately.

The Company writes off a loan, either partially or in full, and any related allowance for impairment losses, when the management determines that there is no realistic prospect of recovery.

29. Significant accounting policies (continued)

C. Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances, demand deposits and short-term highly liquid investments with original maturities of three months or less when purchased, and that are readily convertible to known amounts of cash and subject to an insignificant risk of changes in value, and are used by the Company in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost using the effective interest method in the statement of financial position.

D. Balances with banks and other financial institutions

Balances with banks and financial institutions are carried at amortised cost using the effective interest method in the statement of financial position.

E. Statutory deposits

Statutory deposits represent capital guarantee deposits maintained with the National Bank of Cambodia (“NBC”) in compliance with the Law on Banking and Financial Institutions (“LBFI”) and are determined by defined percentages of minimum share capital as required by the NBC. Statutory deposits are not available to finance the Company’s day-to-day operations hence are not considered as part of cash and cash equivalents for the purpose of the statement of cash flows.

Statutory deposits are carried at amortised cost using the effective interest method in the statement of financial position.

F. Loans to customers

Loans to customers are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Company does not intend to sell immediately or in the near term.

Loans to customers are initially measured at fair value plus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method.

G. Other assets

Other assets are recorded at cost less impairment loss if any in the statement of financial position.

29. Significant accounting policies (continued)

H. Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Where an item of property and equipment comprises major components having different useful lives, the components are accounted for as separate items of property and equipment.

Depreciation of property and equipment is charged to profit or loss on a straight-line basis over the estimated useful lives of the individual assets as follows:

	Useful life
Leasehold improvements	Lower between 10 years or lease term
Motor vehicles	6 years
Office equipment	4 years
Computer equipment	4 years
Furniture and fixtures	4 years

Construction in progress is not depreciated until such time as the relevant assets are completed and put into operational use.

Subsequent expenditure relating to an item of property and equipment that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure is recognised as an expense in the year in which it is incurred.

Gains or losses arising from the retirement or disposal of an item of property and equipment are determined as the difference between the estimated net disposal proceeds and the carrying amount of the assets and are recognised in profit or loss on the date of retirement or disposal.

Fully depreciated items of property and equipment are retained in the financial statements until disposed of or written-off.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

29. Significant accounting policies (continued)

I. Intangible assets

Intangible assets comprise of computer software is measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible asset is amortised at the rate of 20% per annum using the straight-line method.

Costs incurred in planning or evaluating software proposals, or in maintaining systems after implementation, are not capitalised.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. after implementation, are not capitalised.

J. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets (other than deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less cost to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

K. Borrowings and other liabilities

Borrowings and other liabilities are carried at amortised cost using the effective interest method in the statement of financial position.

29. Significant accounting policies (continued)

L. Provisions

Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

M. Employee benefits

(i). *Short-term employee benefits*

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(ii). *Defined contribution plans – Pension fund*

Obligations for contributions to defined contribution plans are expensed as the related service is provided and recognised as personnel expenses in profit or loss. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii). *Other long-term employee benefits*

The Company's net obligation in respect of long-term employee benefits is the amount of the benefit that employees have earned in return for their service in the current and prior periods, including seniority payment. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

N. Share capital

Incremental costs that are directly attributable to the issue of an equity instrument are deducted from the initial measurement of the equity instruments.

29. Significant accounting policies (continued)

O. Regulatory reserves

Regulatory reserves are set up for the variance of provision between loan impairment in accordance with CIFRS for SMEs and regulatory provision in accordance with National Bank of Cambodia's Prakas No. B7-017-344 dated 1 December 2017 Circular No. B7-018-001 Sor Ror Chor Nor dated 16 February 2018 on Credit Risk Classification and Provision on Impairment for Banks and Financial Institutions. On 5 February 2025, the NBC issued a notification letter to all banks and financial institutions requiring that the regulatory provision in accordance with the NBC shall be calculated based on the gross carrying amount (including accrued interest receivables), multiplied by the provision rates for each loan. This requirement applies to the financial year ended 31 December 2024 and remains in effect until 30 June 2025.

Based on these NBC Guidelines, all loans to customers are classified according to the repayment capacity of the counterparty and the number of days past due is taken into account as follows:

Classification	Number of days past due	Allowance
Short-term loans (less than or equal one year):		
Normal/standard	<15 days	1%
Special mention	15 days – 30 days	3%
Substandard	31 days – 60 days	20%
Doubtful	61 days – 90 days	50%
Loss	≥ 91 days	100%
Long-term loans (more than one year):		
Normal/standard	<30 days	1%
Special mention	≥ 30 days – 89 days	3%
Substandard	≥ 90 days – 179 days	20%
Doubtful	≥ 180 days – 359 days	50%
Loss	More than 359 days	100%

In accordance with the Prakas, the entity shall compare the provision calculated in accordance with above requirements and the Company's record which is under CIFRS for SMEs:

29. Significant accounting policies (continued)

- (i) If the regulatory provision is lower, the entity records the provision calculated in accordance with CIFRS for SMEs; and
- (ii) If the regulatory provision is higher, the entity records the provision calculated in accordance with CIFRS for SMEs and transfer the difference from retained earnings into regulatory reserve in equity accounts.

The regulatory reserves are not an item to be included in the calculation of the Company's net worth.

P. Interest

Interest income and expense are recognised in profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. 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.

Q. Fees and commission

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.

Other fees and commission income are recognised as the related services are performed. If a loan commitment is not expected to result in the draw-down of a loan, then the related loan commitment fees are recognised on a straight-line basis over the commitment period.

Other fees and commission expense relate mainly to transaction and service fees, which are expensed as the services are received.

29. Significant accounting policies (continued)

R. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Company. All other leases are classified 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 incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

S. Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

(i). Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

(ii). Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for the Company and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

29. Significant accounting policies (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

T. New Accounting Standard Issued not yet effective

In February 2025, the International Accounting Standards Board (IASB) issued the Third Edition of the IFRS for SMEs Accounting Standard, which will be simultaneously adopted as CIFRS for SMEs. This standard becomes effective for annual reporting periods beginning on or after 1 January 2027. While early adoption is permitted, the Company has opted to implement the new standard from its mandatory effective date. This revised edition introduces significant amendments across multiple accounting areas, aiming to better align the IFRS for SMEs with updates to IFRS accounting standards. Key changes include modifications to financial statement presentation, revenue recognition, financial instruments, consolidation, leases, and other reporting areas. As of the financial statement date, management is assessing the potential impact of these changes on the Company's financial statements, including any necessary adjustments to accounting policies, disclosures, and financial reporting processes.

ជួលកម្ចីរហូតដល់

\$50,000

ឥណទាន
ប្រើប្រាស់ផ្ទាល់ខ្លួន

- ▶ ការសងត្រឡប់មានភាពបត់បែន
- ▶ អត្រាការប្រាក់សមរម្យ
- ▶ ងាយស្រួល និងឆាប់រហ័ស



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