



ក្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ អមតៈ ខាប់កែវ
Microfinance Institution Amatak Capital Plc.

អមតៈ

**ANNUAL
REPORT
2023**

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Background

The word ‘Amatak’ is derived from the Khmer language meaning long lasting or limitlessness which inspired the use of the infinity symbol in the company’s logo. Furthermore, Amatak Capital Plc is a combination of Khmer and English which embodies the management culture of the institution. The Institution is founded by two Cambodian brothers Mr. Than Thapanha and Mr. Than Thapheatra, who believe they can make a difference and contribute to Cambodia’s social development and the alleviation of poverty. Being born and raised in the Cambodian culture alongside being educated in the Australian school system allows them to adapt and implement knowledge and effective practices from the West to the local market.

Personal Loan
កម្មវិធីផ្ទាល់ខ្លួន
ទទួលបានកម្ចីរហ័ស និងការប្រាក់ទាប
ដល់ទៅ **9,000** ដុល្លារ!

កម្មវិធីប្រាក់ខ្លួន
010 666 145_010 666 904_010 666 371_086 666 742_096 666 48 58 <https://amatakcapital.com.kh/km/>

Amatak Capital Plc was incorporated in the Kingdom of Cambodia as a public limited company on 01st July 2012 under the Ministry of Commerce registration number 2677 KH/2012, dated 09th October 2012. The MFI obtained its license from the regulator (National Bank of Cambodia) to carry out microfinance related services on the 14th of January 2013. The initial registered capital during the early stage of the incorporation stood at \$500,000. However, due to the strong demand for Amatak Capital’s service, the shareholders were happy to inject another \$1,000,000 into the registered capital which brought the total equity to \$1,500,000 at the end of the 2013.

The registered head office of the MFI is located at No. 502 C&D Monivong Boulevard, Sangkat Tonle Bassac, Khan Chamkarmon, Phnom Penh, Cambodia. This is where company began its first operations, providing loans throughout Phnom Penh city to individuals, households, and micro to medium enterprises.

Vision

To make financial services more accessible and help create growth opportunities for all Cambodian. Ultimately, we want to be known as a great company to bank with and work in.



Mission

To deliver the best banking experience with simplified financial products through excellence in customer service.

Message from Chairman:

In 2023, we see Cambodia's economy has continued to recover steadily compared to 2022. Cambodia's economy grew by about 5.5% compared to the previous year with a similar growth of 5.2%. The main reasons that led to such great performance are due to several factors which included: the steady growth in tourism, domestic trade, and a strong performance in manufacturing. In contrast, garment exports have been affected by declining orders from Cambodia's major trading partners. In addition, local economists confirmed that the construction and real estate sectors are facing a severe crisis for 2023. Demand for real estate has fallen sharply, especially for condominiums, prompting many investors to suspend further investment. It should be noted that the world economy as a whole will continue to falter due to the prolonging of Russian-Ukrainian war and geopolitical rivalries among the superpowers. On a positive note, we have observed that declining oil prices and the steady growth of rising food prices have pushed Cambodia's inflation rate to new low of just 2.1% in 2023.

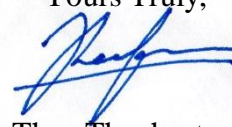


The financial sector continues to play an important role in supporting a positive economic recovery. The banking sector as a whole grew by more than 4.8% in 2023, with a credit balance of 57.6 billion dollars. Total deposits rose more than 13.1% to 47.9 billion dollars. The figures in the microfinance sector saw a big fall as the deposit taking institutions have transformed themselves into commercial banks. Therefore, For the microfinance sector, the credit balance stood at 5.4 billion dollars. While deposits also fell to 2.22 billion dollars at the end of 2023. For the microfinance sector, non-performing loans (NPLs) exploded to a new level compared to previous year, with a rate of 6.7% in 2023, compared to 2.6% in 2022.

We have seen the financial sector developed rapidly, led by the initiative from the National Bank of Cambodia, especially the online payment system. In fact, the total number electronic payments increased by more than 79%. The popularity of online payment systems has prompted NBC to continue to partner up with other countries such as Thailand, Malaysia, Laos and Vietnam. The importance of this online payment system will boost the local economy, especially for the tourism sector. As of 2023, Cambodia has 58 commercial banks, 9 specialized banks and 83 microfinance institutions which include 4 MDIs.

Lastly, I would like to thank our Board of Directors, general manager and all employees who have contributed to this whole year of operation. We hope that after the world economy start to recover, our institution is ready to take on this opportunity. I would also like to thank our regulator (NBC) and other stakeholders like CMA for their understanding and assistance throughout the year.

Yours Truly,



Than Thapheatra

Message from CEO:

For 2023, the entire financial sector, including Amatak Capital Plc, were negatively affected by the global economic crisis, especially what happened in the real estate sector in China. Many Cambodians are facing a substantial loss in income, most of them have defaulted on their mortgage payments with some of the largest real estate developers and this has also contributed to the decline in local real estate sector. Similarly, the non-performing loan ratio for the banking sector grew to 5.4% and for the microfinance sector up to 6.7%. Our staff of all levels are doing their best, spending a lot of time meeting with customers and finding ways to help customers pay back on time. On the other hand, Amatak Capital as an institution, under any circumstances will strive to keep the loan portfolio in riel growing at a steady rate. For the end of 2023, loans in local currency accounted for about 11.7% of the total loan balance.



The financial results for the year end 2023 are as follow: Loan outstanding came in at \$4,499,860 with 2,113 borrowers. The loan outstanding for personal and motorcycle loans came in just over \$886,001 compared to previous year of \$731,000. In 2023 loan outstanding for personal and motorcycle loan represents 21,2% of the entire portfolio. Another new product that is popular among the clients is the vehicle registration card loan (VRC loan), it is most popular to those customers whose does not have title deed as collateral. The accumulated loan outstanding fell slightly to \$606,039 compared to last year's amount of just \$880,864. In 2023 loan quality, which is measured by portfolio at risk for more than 30 days came in just over 3.06% and solvency ratio of 50.06%. Overall, Amatak Capital made \$11,000 profit after taxes and loan written off came in just over \$27,000. Profit figure for the year was low, the reasons are due to the increase in interest expenses which is the result from borrowing from commercial banks and shareholders. The number represents more than 50% increase compared to last year (it should be noted that due to the uncertain economic situation, some commercial banks have raised their interest rates), this has contributed to the increase in institutional expenditures. Secondly, due to the three branches poor performance which could not achieved management expectation, the annual revenue fell short of our original target for 2023.

Nevertheless, our common goal is to increase our total loan balance to \$ 5.5 million by the end of next year. With the currently quality of credit (NPL) at a reasonable level of 3.06%, management has stressed the importance of maintaining this figure at a rate of no more than 3% at the end of 2024. Management encourages further capacity building for Risk department in order for subsequent work to be more effective. Credit Department must develop new strategies to collect customer complete information especially those whose are in arrears. In addition, the Department of Human Resources must continue to recruit highly talented staff and create new training courses according to specific needs of each department to further strengthen the institutional capacity.

Finally, I would like to thank our Board of Directors for their tireless support throughout the year. Our staff whose have conducted themselves with professionalism and showed a great deal of loyalty to the company. I hope that all of our staff can continue to strengthen their works in order to achieve our targets for the coming year.



Yours Sincerely,

Than Thapanha

Performance Highlights 2023

Net Profit

\$11,089

In 2023, Amatak Capital Plc was able to generate a net profit of more than \$11,000. This figure represents a slight decrease from previous year but still lower than what was expected.

Return On assets

0.24%

Every \$100 of assets generated a return of \$0.24. This figure measures how effective the company is in utilizing its assets.

Return on equity

0.48%

For every \$100 of equity, Amatak generated a return of \$0.48 for its shareholders. This figure is expected to improve as the country's economy continues to recover.

Disbursed Clients

2,113

In 2023 more than two thousand families have benefited from loans provided by Amatak Capital Plc.

Solvency

50.06%

The company's solvency ratio remains at a healthy level of 50.06%. The ability to meet long term debt obligation is still sufficient.

Loan Portfolio

\$ 4,499,860

The total loan portfolio came in at just under 4.50 million which is similar to the previous year and the loan stagnation is due to the economic crisis worldwide.

Portfolio at risk

3.06%

Loans overdue by more than 30 days made up 3.06% of the gross loan portfolio in 2023. The figure is below the industry's standard. Managements hope to maintain this figure in the near future.

Write Off

\$27,282.33

In 2023, Amatak Capital had loan write off amounting to \$27,282.33.

Total Assets

\$4,703,792

Total assets for the year ending 2023 came in just over 4.7 million dollars. This figure is similar to last year.



ព្រះរាជាណាចក្រកម្ពុជា
KINGDOM OF CAMBODIA
 ជាតិ សាសនា ព្រះមហាក្សត្រ
Nation Religion King



ធនាគារជាតិ នៃ កម្ពុជា
 National Bank of Cambodia
 លេខ : ម.ហ ៣៨
 N° : M.F 38

អាជ្ញាប័ណ្ណប្រកបអាជីវកម្មគ្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ
LICENSE TO CONDUCT MICROFINANCE BUSINESS

ធនាគារជាតិនៃកម្ពុជា

THE NATIONAL BANK OF CAMBODIA

អនុញ្ញាតឱ្យ គ្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ អមតៈ ខាងគីវង គីរីវងស៊ី ដែលមានទីស្នាក់ការកណ្តាលនៅផ្ទះលេខ ៥០២សេ-៥០២ដ មហាវិថីព្រះមុនីវង្ស សង្កាត់ទន្លេសាវាត់ ខណ្ឌចំការមន រាជធានីភ្នំពេញ ដើម្បីប្រកបអាជីវកម្ម ជាគ្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ។

allows MICROFINANCE AMATAK CAPITAL Plc with head office at N° 502C-502D, Preah Monivong Blvd, Sangkat Tonle Basac, Khan Chamkarmon, Phnom Penh to conduct business as Microfinance Institution.

គ្រឹះស្ថានមីក្រូហិរញ្ញវត្ថុ អមតៈ ខាងគីវង គីរីវងស៊ី ត្រូវគោរពយ៉ាងម៉ឺងម៉ាត់ តាមច្បាប់ស្តីពីគ្រឹះស្ថានធនាគារនិងហិរញ្ញវត្ថុ និងប្រកាស បទបញ្ជា សារាចរណែនាំ ព្រមទាំងលក្ខខណ្ឌទាំងឡាយរបស់ធនាគារជាតិនៃកម្ពុជា។

MICROFINANCE AMATAK CAPITAL Plc shall abide by the Law on Banking and Financial Institutions and any prakas, regulations, circulars, and conditions prescribed by the National Bank of Cambodia.

ភ្នំពេញ ថ្ងៃទី ១៤ ខែ មេសា ឆ្នាំ ២០១៣
នាយកធនាគារ
ជា. ហាន់តុ

Phnom Penh, January 14, 2013
 Governor
 Signed and sealed.

- អាជ្ញាប័ណ្ណនេះ មានប្រសិទ្ធភាពចាប់ពីថ្ងៃចុះហត្ថលេខានេះតទៅ
- អាជ្ញាប័ណ្ណនេះ ត្រូវបង្ហាញសាធារណជនគ្រប់ពេលវេលា

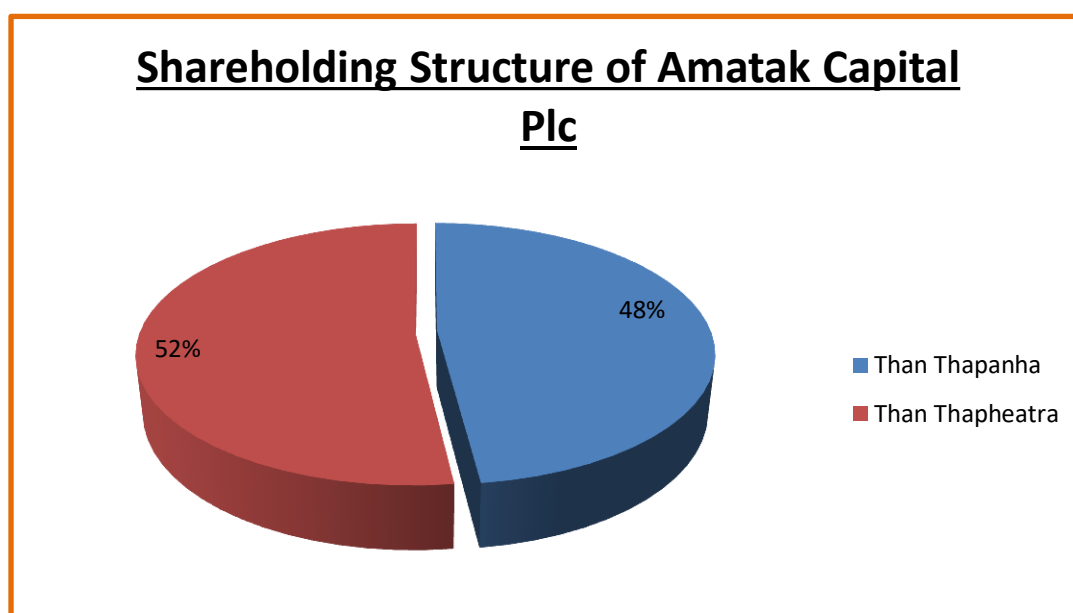
- This license is valid from the signing date.
- This license shall be displayed in public at all times.

Company Shareholders

Amatak Capital Plc has two main shareholders who both co-founded the company.

- **Mr Than Thapanha** is a shareholder and co-founder of the company. He has various business backgrounds in both the international and local markets. Refer to board of directors for biography.
- **Mr Than Thapheatra** is the largest shareholder and also the co-founder of the company. He has a very strong academic background in the area of finance. Refer to board of directors for an in-depth profile.

Name	Capital Investment (USD)	Percentage
Than Thapanha	720,000	48%
Than Thapheatra	780,000	52%
Total	1,500,000	100%



Board of Directors

Mr. Than Thapheatra

Chairman

Mr. Than Thapheatra is the co-founder and Chairman of the Board. Born in Cambodia and educated in Australia, Mr. Than Thapheatra completed Bachelor degrees in Commerce and Information Systems. With a passion in finance, he went on to complete his Master of Finance (by research). In 2008, he graduated with honors from the University of Melbourne. After returning to Cambodia, Mr. Than Thapheatra's thirst for knowledge in finance led him to a more hands-on experience in the field of microfinance. In mid-2009, Mr. Than Thapheatra entered an internship program with a local MFI. Thereafter, it became clear to him that the establishment of his own MFI was the means to realizing his passion meanwhile making a real difference in people's lives. With the support of his family, in particular his older brother (Mr. Than Thapanha), Amatak Capital Plc was born.



Mr. Than Thapanha

Director/General Manager

Mr. Than Thapanha is the other co-founder and Managing Director of Amatak. Mr. Than Thapanha was also born in Cambodia but received his education in Australia. He completed his bachelor degrees in Engineering and Commerce (majoring in Economics). While studying for his Master of International Trade at Monash University, Mr. Than Thapanha was involved in several start-up businesses which included the successful operation of a Cafe and Juice Bar at the University of RMIT. His experience in dealing with university committees as well as his appreciation for good customer service is invaluable to Amatak and its team. Following the completion of his Master's degree, in 2009 Mr. Than Thapanha returned to Cambodia. Although he was unsure of this career path, he joined the team at Maybank which allowed him to build an invaluable network in the banking and financing sector. After leaving Maybank, Mr. Than Thapanha worked for the Australian Embassy as a visa auditing officer for about 3 years. His experience in these working environments further reinforced his core values of loyalty, integrity and good business ethics. At Amatak, Mr. Than Thapanha not only leads by example, he also offers support and guidance in encouraging best practices.



Mr. Samnang Seima

Independent director

Mr. Samnang Seima is an independent director. He was born in Phnom Penh but was educated abroad throughout his life. He grew up in Singapore and diligently went on to complete his Bachelor degree in Business Administration at the University of Portsmouth, England. After returning to Cambodia he ventured into many successful businesses and held many post in various company BOD. He has many years of experience in the agriculture industry notably in the area of cotton farming where he was the managing director for Seladamex Co., Ltd. Mr. Seima continued to have a present in the business arena where he invested in area of tourism, property, agriculture and technology. His experience and connection in the business stage will no doubt be beneficial for Amatak Capital for many years to come.



Ms. Tan Sokunthea

Member BOD

Ms. Tan Sokunthea is a member board of director at Amatak. Ms. Sokunthea was educated in Melbourne, Australia. She earned a Bachelor Degree in Banking and Finance from Monash University. While in Australia, Ms. Tan Sokunthea was part of the team at a local bank, the Bank of Queensland. Her return to Cambodia in 2011 led her to join the team at the newly established ANZ Royal till present day where she is a manager in corporate and commercial sales.



Mr. Phakdey Than

Member BOD

Mr. Phakdey is a member of board director at Amatak Capital. Prior to joining Amatak in 2016, he worked as a consultant for the company where he was instrumental in setting up meeting with many potential investors. He was born in Cambodia but received his extensive education in Australia where he received his Doctor of Philosophy in the area of Organizational Behavior and Management from the prestigious University of Melbourne, Australia. Mr. Phakdey is involved with many projects where he is active consultant providing useful information for both local and international firms seeking a business opportunity and partnership in Cambodia. Mr. Phakdey's particularly strong academic background and his reach in the international business network will serve Amatak well in the near future.



Mr. Heng Vuthy
Department of Operation

Mr. Heng Vuthy joined Amatak Capital Plc at the end of 2014 holding the position of Operation Manager. Mr. Vuthy has vast experience in microfinance industry; his career began in 2003 where he worked as Credit Officer for Aceda bank for more than 5 five years. He later on moved to Green Central Microfinance and in 2008 became a Credit Manager. His work ethic and leadership quality propelled him in a new spotlight where he was promoted to operation department. Wanting to challenge himself he moved to Amatak and he was instrumental in restructuring and changing the culture of the credit department.



Mrs. Or Tithkakada
Department of Finance

Mrs. Or Tithkakada was born and raised in Phnom Penh city, Cambodia. Her journey into the financial industry was not planned as her previous goal was to work in the field of Tourism. This is evident when she completed her degree in the area of tourism at the National University of Management. She began her career by working for AMRET Microfinance in 2007 as a Teller. Her knowledge in the area of finance became broader and in 2011 she was recruited by Green Central MFI to become the company's chief accountant. Mrs. Or Tithkakada joined Amatak in early 2013 where she made tremendous contributions to both our finance and accounting departments.



Mr. Thol Vuthea
Department Of Audit

Mr. Thol Vuthea was born in the province of Kompong Cham where he spends most of his schooling years. In 2009 He obtained his Bachelor Degree in the field of Agriculture Economic and Rural Development at Kompong Cham National School of Development. Mr. Vuthea began his career in 2008 with Hattha Kaksekar as a Credit Officer. His curiosity of knowledge saw him moving to the Internal Audit Department of Hattha Kaksekar where he served as Auditor for 2 years. In 2017, he further advanced his career by becoming an audit supervisor in Ly Hour MFI. There he was given responsibility of leading a team of auditors to conduct audit for all the branches. In 2018, Mr. Thol Vuthea decided to join Amatak where he was given the responsibility of overseeing the whole audit department.



Mr. Ruon PuthSaomey

Department of IT

Mr. Ruon Puthsaomey was born in Pursat Province; he received his education from Build Bright University. In 2021, he finished a bachelor's degree in computer science, programming and database management. While studying, he took a job at TSD, a company specializing in software development for small and medium businesses. The experience gained from that job is important for his future. He moved into the financial sector in mid-2021, working as an IT Officer in charge of system development and reporting at Amatak Capital Plc. Recognizing his ability and efforts, he was promoted by Management to be IT Manager responsible for the management of IT department. In mid-2023, seeing the potential of technology, he pursued a master's degree in computer science.



Mrs. Sorin Socheat

Department of H.R

Mrs. Sorin Socheat was born in Prey Veng Province. She received a high diploma of accounting from CID (Cambodian Institute for Development and Human Rights) and a bachelor degree from Pannasastra University of Cambodia majoring in Finance & Banking. She has many years of experience in the field of Finance, HR and Administration in a variety of sectors. She worked with two non-government organizations: Working for Weapon Reduction and Child Rights Foundation for more than 13 years. Mrs. Socheat last position was as a Finance &



Admin Manager. Later that year, she was offered a job by the Westline Education Group as an HR & Operation Coordinator which stayed on for more than one year. She joined Krawma Company (leading recruitment website Bongthom) where she worked as H.R and Admin officer for nearly two years. Wanting to explore the financial industry Mrs. Sorin Socheat joined Amatak Capital Plc in late 2019 holding the position of HR & Admin Manager. Mrs. Socheat's philosophy is to create a happy & healthy workplace in order to attract and retain strong talents. With this strategy, she has hoped that staff can be encouraged to work hard and with unyielding commitment to promote our institution.

Products and Clientele



Products and Services

At the commencement of 2013, Amatak piloted 4 new loan products and by 2016 two new products were added to the list. In 2017 another new innovative product called VRC (Vehicle Registration Card Loan) was further added to the list. These products included the Personal Loan, Motorcycle Loan, Tuk Tuk Loan, VRC Loan, Micro Business Loan, Small Business Loan, and Medium Business Loan. Based on the positive responses, Amatak has officially made all the above products available to its customers in both USD and KHR.

Loan Types

The Personal Loan

At the present, personal loans are offered to clients who are dwelling in Phnom Penh and employed in the private sector. We have termed these individuals as corporate employees. The purpose of this loan is to provide an alternative/additional source of financing to purchase household goods (e.g., a refrigerator) that are essential in everyday living. Under this loan segment Amatak does not require collateral(s) given that the arrangement is based on the borrowers' level of steady income. Table 1 provides an example of personal loan conditions and interest rate.

The Motorcycle Loan

Similar to personal loans, motorcycle loans are offered to clients who are dwelling in Phnom Penh and employed in the private sector. The purpose of this loan is to provide another channel for the consumer who would like to purchase a motorcycle but are not able to come

up with the full amount. This is a non-collateralized loan and the maximum term for this type of loan is less than 24 months. Table 1 summarizes all the details for the motorcycle loan.

The Tuk Tuk Loan

The Tuk Tuk Loan is created for families who already have some income but would like to own a Tuk Tuk in order to generate additional income. This product is a non-collateralized loan and the maximum term for this type of loan is set to less than 24 months. Table 1 summarizes all the details for the Tuk Tuk loan.

The VRC Loan

The VRC Loan was created for customers who already own a vehicle and may want to use the vehicles registration as collateral to finance other activities. This loan product allow customer to access short term liquidity needs. The amount is higher than the person loan which can be as large as \$5,000.

Car Loan

As Cambodia's economy continues to develop and living standard has improved, more and more families are choosing to buy a car for the very first time. Amatak would like to provide another finance option for those families with a very simple car loan product. The Car loan has a maximum amount limit of \$20,000 and the term loan of 60 months.

The Micro Business Loan

The Micro Business Loans are specifically offered to clients in Segment 3 who represent about 80% of the population. As delineated, the majority of people within this group work in labor intensive activities such as agriculture and farming. To be eligible for a micro loan collateral(s) (can be soft or hard title deeds) is required and customers must be at least 18 years of age. In this loan segment, interest rate is set at no more than 18% per annum. Table 1 shows the summary of the micro loan essential conditions.

The Small Business Loan

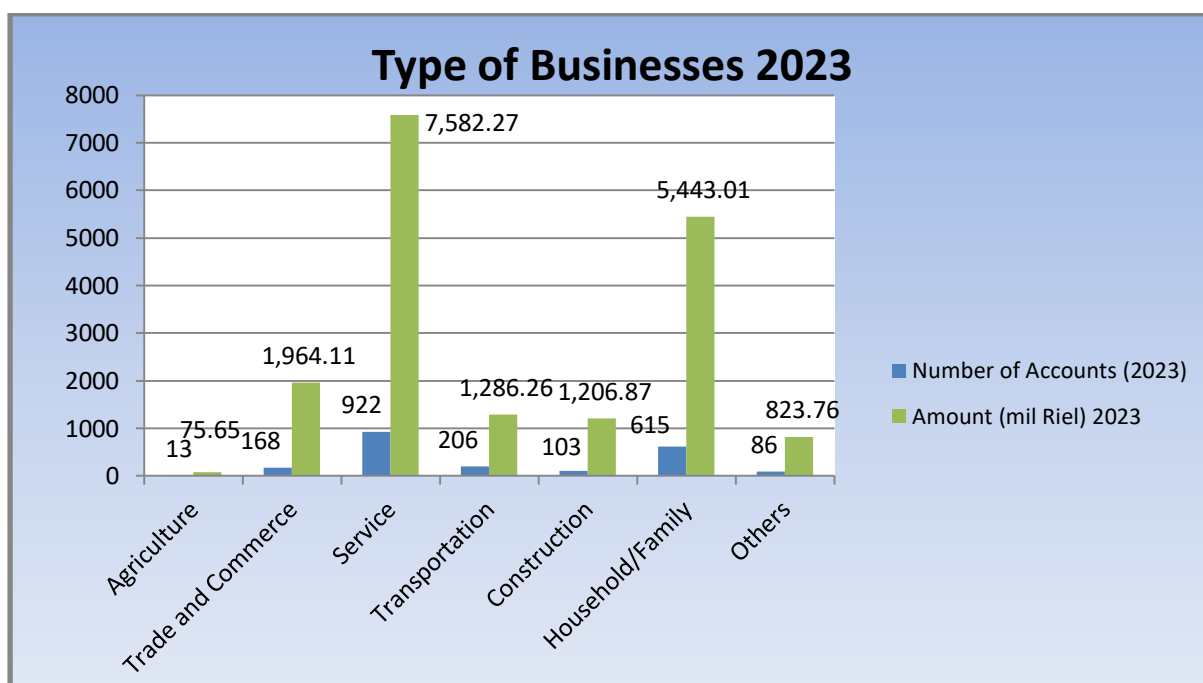
Small business loans are tailored towards small businesses and self-employed individuals or households. The type of businesses may include street vendors, vegetable and meat sellers, retail store owners, and grocery distributors. A Small Business Loan is capped at \$10,000 (USD) and must also be secured with collateral. Once again, customers must be at the age of 18 or above and have evidence of income that can support the loan repayments.

The Medium Business Loan

Similarly, loans that are classified as medium size are also offered to clients for business or personal needs. The Medium Business Loan, however, target operators that require more working capital in order to expand and grow their business or for home improvement purposes. The support that is provided to businesses and individuals is an important means to help Amatak establish a good network in the community and establish its image as a reputable MFI. Medium business loans need to be collateralized with hard title deeds or, at the minimum, soft title deeds that are authorized at the district level.

TABLE 1 – Key Features Amatak Capital Loan Products

Loan Types	Term (month)	Interest Rate p.m	Loan Limit USD /(Equivalent in KHR)	Land/house collateral
Personal Loan	Up to 12 months	1.5%	100-1,000	No
Motorcycle Loan	Up to 24 months	1.5%	100-2,000	No
Tuk Tuk Loan	Up to 24 months	1.5%	100-2,000	No
VRC Loan	Up to 24 months	1.5%	100-5,000	No
Car Loan	Up to 60 months	1.3%	1000-20000	No
Micro Business Loan	Up to 30 months	1.5%	100-3,000	Yes
Small Business Loan	Up to 54 months	1.4%	3,001-10,000	Yes
Medium Business Loan	Up to 72 months	1.2%	10,001-70,000	Yes



In 2023, loans under the service sector contributed the largest amount to the total portfolio of loan outstanding, amounting roughly to 7,582 million riels. The number of loans for this particular segment is about 922 accounts which suggests that the average loan size for this segment is just over 8.22 million riels. Contrarily, the loan size for trade and commerce tends to be bigger. The total loan outstanding for this loan segment is about 1,964 million riels which made up of 168 accounts. Hence, the average loan size is about 11.7 million riels which indicates that businesses tend to engage in our small to medium size loans. The household category has a total loan outstanding of just over 5,443 million riels and is made up of 615 accounts. Loans for agriculture and construction made up the rest of the total portfolio. Amatak only has 3 offices and are all located around Phnom Penh. In the near future the company wants to expand its operation further by opening more branches and we continue to provide a variety of innovative products.

Operational Highlights

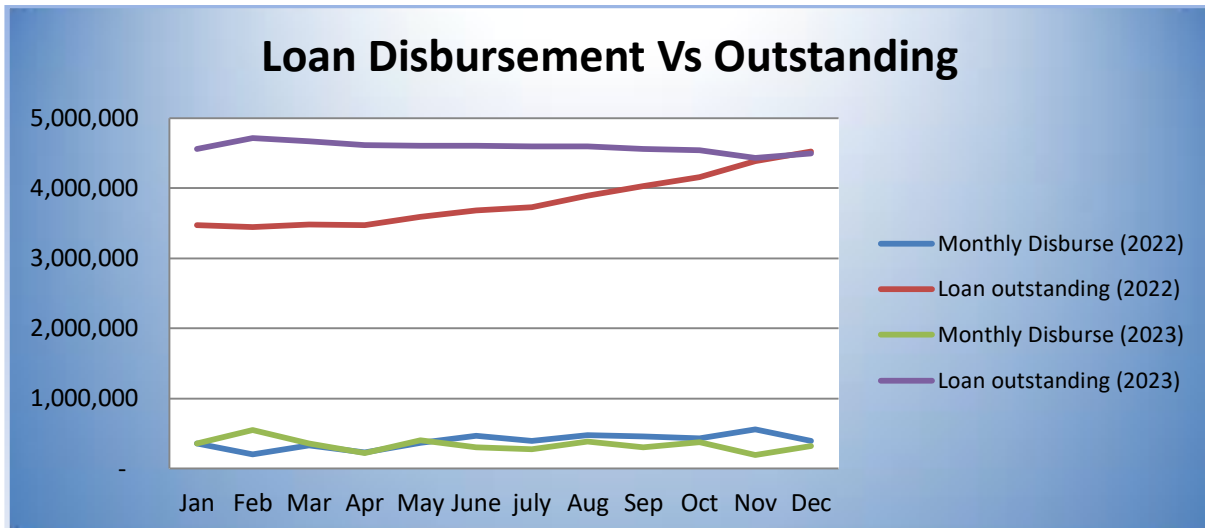
	2021 (IFRS SME)	2022 (IFRS SME)	2023 (IFRS SME)	%Changes
Operational Area				
Number of Villages	405	405	405	0.00%
Number of Communes	148	148	148	0.00%
Number of Districts	3	3	3	0.00%
Number of Branches	3	3	3	0.00%
Loan Portfolio				
Gross loan Portfolio	3,551,563.00	4,520,995.58	4,499,860.09	-0.47%
Number of Loan	1656.00	1982.00	2113.00	6.61%
Average Loan Portfolio	2,144.66	2,281.03	2,129.61	-6.64%
Woman Borrowers	755	898	916	2.00%
Loan Portfolio per Credit Officer	142,062.52	196,565.03	214,279.05	9.01%
Number of Loans per Credit Officer	66.24	86.17	100.62	16.76%
Number of Credit Officer	25	23	21	-8.70%
Loan Disbursement				
Amount Of Loan Disbursed	3,532,585.13	4,698,505.26	4,092,309.80	15.84%
Number of Loan Disbursed	1,687	1,965	2,052	4.43%
Average Loan Disbursed	2,094.00	2,391.10	1,994.30	10.93%
Portfolio At Risk				
Amount of Par >30 days	162,029.16	151,639.69	137,538.87	-9.30%
PAR 30 days	4.56%	3.35%	3.06%	-8.87%
Loan Writthen off				
Value of Witten off	10,059.03	8,208.63	27,282.33	232.36%
Written off Ratio	0.28%	0.18%	0.61%	

Operation

Currently, Amatak Capital has 3 branches which are all located within the capital city of Phnom Penh. Through our resilient field staff, we were able to provide financial services covering almost the entire city. We were able to reach out to more than 405 villages in 148 districts. We provided loans to 2,113 households with the total amount of outstanding loans being just under 4.5 million dollars. The percentage of woman borrowers for Amatak stood at 916 accounts representing a 2% increase from previous year. This figure is in line with what management has hoped for. In the future Amatak wishes to have women borrowers making up at least 50% of the total number of accounts borrowed. The average loan Portfolio came in at just over \$2,129 which was within Amatak's target. Furthermore, in 2023, the number of loan accounts grew by almost 6.6%. Contrary, the total amount outstanding also decreased at a rate of -0.47% amounting to just under 4.5 million dollars. We are hopeful that once the

world economy rebounded, the company is able to take advantage of the situation and grow the loan portfolio further.

Disbursement



In the first 2 months of 2023, loan outstanding grew to its peaked to the amount of 4.7 million dollars. The demand for the loan at the start of year was very high which saw loan disbursement for February reached a record high of \$552,000 for the month. However, starting from March we witnessed consumers confident begin to weakened which in turn drove down demand for loans. The drop in loan demand subsequently continues to fall until the end of November resulting in loan outstanding of 4.43 million dollars. The graph above shows that disbursement trend is very different between the two years. Majority of loan disbursement amounts is almost always higher for 2022 except for February. The average loan disbursement amount for each year is about \$391,000 in 2022 and \$341,000 in 2023. The slowdown in local economy especially in the real estate sector combined with increased in borrowing rate by central banks as well as many commercial banks caused the demand for loan to falter. Furthermore, many institutions began to tighten their assessments as non-performing loan reached a record high in 2023.

Portfolio at Risk



Portfolio at risk for 2023 came in just over 3%, which is considerably lower than the industry’s average figure of well over 6%. Amatak’s commitment in pursuing quality of loan portfolio resulted in loan arrears 30 days PAR falling even lower than the previous year. Our managements have set a new goal for next year’s PAR rate of just 3%, given the world economic forecast suggesting a

sluggish growth especially from China a major investor in Cambodia. All relevant department must work together closely in order to achieve this result. This year the total amount of loan provision stood at just over \$137,000 which represents a 9.3% decrease from previous year. Loan write-off amount for the year was higher than the previous year with the amount of just over \$27,000 compared to last year of roughly \$8,200.

លោកអ្នកអាចប្រើសេវាសង្ស្រាក់ តាមរយៈ ដៃគូរបស់អ្នក:



Financial Highlights

The finance department is in charge of producing financial reports in compliance with regulations set by the National Bank of Cambodia, taxation laws and International Accounting Standard IFRS for SME.

Items	2021 (IFRS SME)	2022 (IFRS SME)	2023 (IFRS SME)	%Changes
Total Assets	3,706,587.00	4,638,728.00	4,703,792.00	1.40%
Net Loan Portfolio	3,422,730.00	4,390,213.00	4,368,944.00	-0.48%
Total Liabilities	1,450,951.00	2,343,949.00	2,397,924.00	2.30%
Total Equity	2,255,636.00	2,294,779.00	2,305,868.00	0.48%
Total Income	761,268.00	873,811.00	988,226.00	13.09%
Operation Cost	752,541.00	834,668.00	977,137.00	17.07%
Profit After Tax	8,727.00	39,143.00	11,089.00	-71.67%
Return On Average Assets	0.24%	0.84%	0.24%	-72.06%
Return On Average Equity	0.39%	1.71%	0.48%	-71.81%
Equity to Total Assets	60.85%	49.47%	49.02%	-0.91%
Debt to Total Assets	39.15%	50.53%	50.98%	0.89%

Profitability

For 2023, Amatak Capital Plc profitability decreased by almost 72% compared to last year and the number fell to \$11,089. The profitability number is much lower than what management had expected. The reasons for this low figure are due to the increase in interest expenses which is the result from borrowing from commercial banks and shareholders. It should be noted that due to the uncertain economic situation, some commercial banks have raised their interest rates which has contributed to the increase in institutional expenditures. Secondly, due to the three branches poor performance which could not achieved management expectation, the annual revenue fell short of our original target for 2023. Likewise, we saw a slight deteriorate in ROA and ROE. Both figures fell to 0.24% and 0.48% respectively. In the near future Amatak needs to operate much more efficiently to ensure of a higher profitability.

Assets, Liabilities and equity

The company's total asset for 2023 came in just over 4.7 million dollars, which is slightly higher than previous year's figure. Liability for the current year grew by about 2.39% from last year as the company didn't engage in any more debt financing as a result low demand for loan. Similarly, total equity grew by about 0.48% from previous year reaching an amount of just over 2.3 million dollars, the increase is due to the accumulated retain earnings from the

previous years and the company did not pay out any dividends. Amatak Capital Plc's operation is primarily financed by both equity and raising debt, with debt making up about 1.04 times the level of equity. This figure suggests that solvency ratio remains healthy at 50.06%. Relatively, the company level of debt remains safe and therefore it has the capacity to engage more debt in the future to help fuel its growth.

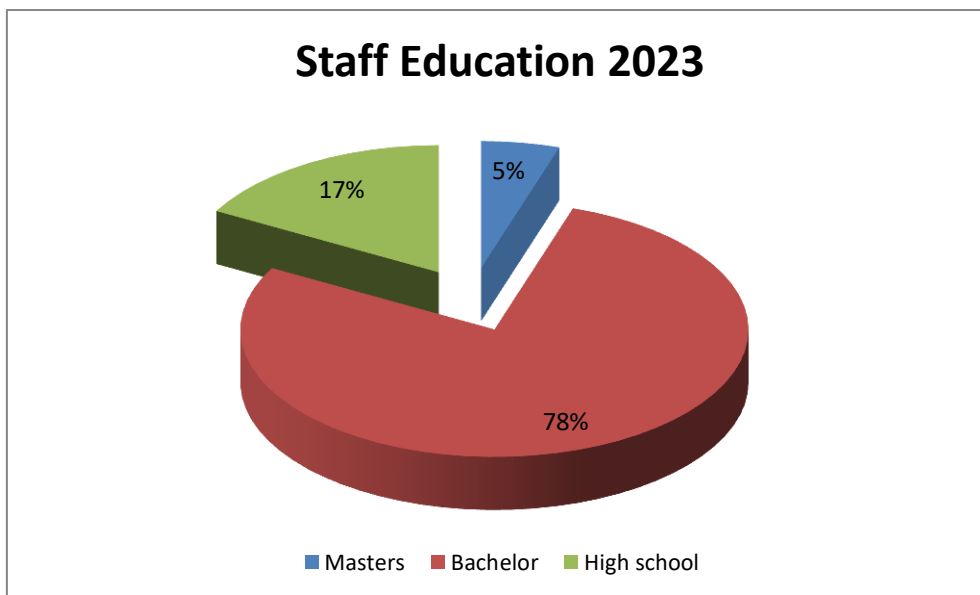
Borrowings

Amatak Capital financed its operation through long-term borrowing from Commercial banks and its shareholders. The interest rate was negotiated at a range between 8%-9.05% per annum which is in line with market rate. This will allow the MFI to be more competitive in regards to the interest rate it can provide to customers. It should be noted that in 2023 many commercial banks like Phillip Bank raised its interest rate on existing debt by 0.25% due to the increased in borrowing cost from the international market.

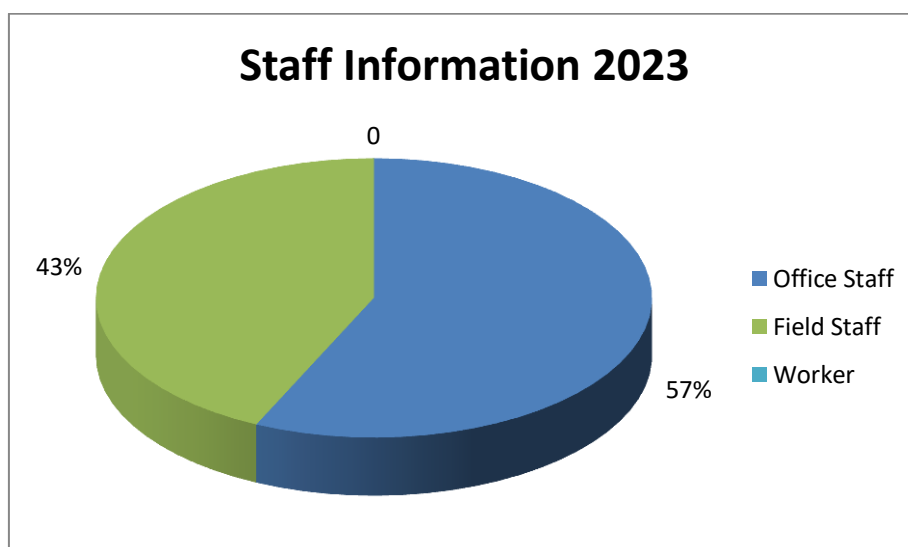
In 2023, the company total shareholder loan added up to be \$1.3 million dollars with interest rate of 8% p.a. This loan amount from shareholder was used to support loan growth and company's operation since the beginning of its inception.

Lenders	Amount approved (USD)	Balance (Owing)	Interest rate
Phillip Bank \$	\$350,000.00	\$199,611.28	8.75%
Phillip Bank_OD \$	\$200,000.00	\$124,394.22	9.05%
Phillip Bank OD ₺	\$100,000.00	\$30,309.36	9.05%
Phillip Bank ₺	\$200,000.00	\$16,803.73	8.75%
HRB Bank \$	\$300,000.00	\$108,219.47	8.00%
HRB Bank OD \$	\$100,000.00	\$44,882.80	8.25%
Maybank OD \$	\$700,000.00	\$504,375.52	9.00%
Than Thapheatra	\$150,000.00	\$150,000.00	8.00%
Than Thapheatra	\$150,000.00	\$150,000.00	8.00%
Than Thapheatra	\$200,000.00	\$200,000.00	8.00%
Than Thapheatra	\$200,000.00	\$200,000.00	8.00%
Than Thapheatra	\$200,000.00	\$200,000.00	8.00%
Than Thapheatra	\$200,000.00	\$200,000.00	8.00%
Than Thapheatra	\$200,000.00	\$200,000.00	8.00%
Than Thapheatra	\$200,000.00	\$200,000.00	8.00%
Total	\$3,250,000.00	\$2,328,596.39	

Staff Capacity

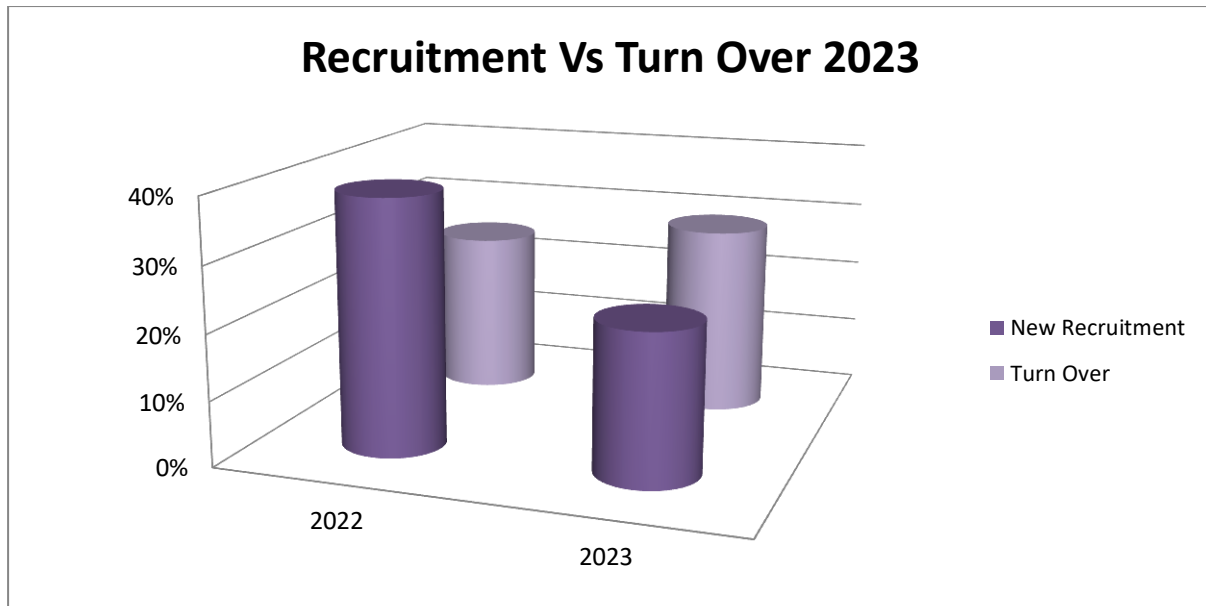


In 2023, Amatak Capital employed 63 staff in total, 42 of which are male employees and the rest are female. Overall, 57% of our staff is office staff and the other 43% is field staff. In terms of education, employees holding a bachelor's degree makeup 78% of our overall number while a postgraduate degree (Master) came in at 5%. The minimum level of education in our institution is a high school certificate.



In 2023, the number of staff turnover stood at just over 29%. This result for staff turnover is a slightly higher compared to previous year. Since most of financial institutions in the country are also demanding more staff especially field staff, the rate for staff movement also fell in

accordingly. However, quality field staff like credit officers is still extremely difficult to recruit regardless of the business environment. At the same time, the number of new recruits equate to 23% of our overall employees. The focus for H.R department in the near future is to continue look for quality candidates in order strength each of the department especially our credit department.



Extracts From the 2023 audited Financial Statements

Registration No:
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MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of Microfinance Amatak Capital Plc ("the Company") for the financial year ended 31 December 2023.

Principal activity

The principal activity of the Company is to engaged in all aspects of microfinance business and the provision of related financial service in Cambodia. There have been no significant changes in the nature of this activity during the financial year.

Results of operations

	US\$	KHR'000
Profit for the financial year	<u>11,256</u>	<u>46,263</u>

Dividends

The Directors do not recommend the payment of any dividend for the current financial year.

Reserves and provisions

There were no material transfers to or from reserves or provisions during the current financial year other than disclosed in the financial statements.

Bad and doubtful loans

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

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

Current assets

Before the statement of comprehensive income and statement of financial position were made out, the Directors took reasonable steps to ensure that for any current assets which were unlikely to be realised in the ordinary course of business, their values as shown in the accounting records of the Company have been written down to an amount expected if realised.

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

MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

DIRECTORS' REPORT (continued)

Valuation methods

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

Contingent and other liabilities

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

- (i) 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
- (ii) any contingent liability of the Company which has arisen since the end of the financial year.

No contingent or other liability 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 substantially affect the ability of the Company to meet its obligations when they fall due.

Change of circumstances

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or in the financial statements of the Company, which would render any amount stated in the financial statements as misleading.

Items of an unusual nature

The results of the operations of the Company during the financial year were not, in the opinion of the Directors, substantially 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 substantially the results of the operations of the Company for the financial year for which this report is made.

Share capital

The Company did not issue any shares during the current financial year.

No option to take up unissued shares in the Company was granted during the financial year and there were no shares under options at the end of the financial year in respect of shares in the Company.

MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

DIRECTORS' REPORT (continued)

Directors

The Directors who have held for office since the date of the last report are:

Mr. Than Thapheatra
Mr. Than Thapanha
Ms. Tan Sokunthea
Mr. Samnang Seima
Mr. Than Thaphakdey

Directors' benefits

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, the Directors have not received or become entitled to receive any benefit by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, except for any benefit which may be deemed to have arisen by virtue of those transactions as disclosed in Note 26 to the financial statements.

Directors' responsibility in respect of the financial statements

The Directors are responsible to ascertain that the 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 cash flows for the financial year then ended. In preparing these financial statements, the Directors are required to:

- (a) adopt appropriate accounting policies which are supported by reasonable judgements and estimates and then apply them consistently;
- (b) comply with the disclosure requirements of the Cambodian International Financial Reporting Standards for Small and Medium-sized Entities ("CIFRSs for SMEs") and the guidelines issued by the National Bank of Cambodia relating to the preparation and presentation of financial statements 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;
- (c) maintain adequate accounting records and an effective system of internal controls;
- (d) 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
- (e) 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 they have complied with the above requirements in preparing the financial statements.

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MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

DIRECTORS' REPORT (continued)

Statement by the Directors

In the opinion of the Directors, the financial statements set out on pages 8 to 30 have been drawn up in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities and the guidelines issued by the National Bank of Cambodia 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.

Signed on behalf of the Board



Mr. Than Thapheatra
Chairman

Phnom Penh, Cambodia
Date: 26 April 2024

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF
MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)
(Registration No: 00004990)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Microfinance Amatak Capital Plc ("the Company"), which comprise statement of financial position as at 31 December 2023, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended and notes to the financial statements, including summary of significant accounting policies, as set out on pages 8 to 30.

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 cash flows for the financial year then ended in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities and the guidelines issued by the National Bank of Cambodia.

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 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 International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code") together 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 and the IESBA Code.

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 other information 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 other information and, in doing so, consider whether the other information 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 other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF
MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)
(Registration No: 00004990) (continued)**

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities and the guidelines issued by the National Bank of Cambodia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company 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 Director either intends to liquidate the Company, or to cease operations, or has 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 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 the financial statements.

As part of an audit in accordance with CISAs, 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.

**INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF
MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)
(Registration No: 00004990) (continued)**

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with CISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also: (continued)

- 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 of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other Matter

This report is made solely to the shareholder of the Company, as a body. We do not assume responsibility to any other person for the content of this report.


BDO (Cambodia) Limited
Phnom Penh, Cambodia
Date: 26 April 2024

MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Note	2023		2022	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand	6	40,100	163,809	36,317	149,517
Balances with National Bank of Cambodia	7	78,826	322,004	78,173	321,838
Balances with other banks	8	149,014	608,722	51,816	213,326
Loans to customers	9	4,368,944	17,847,136	4,390,213	18,074,506
Other receivables	10	19,832	81,014	22,591	93,007
Property and equipment	11	26,969	110,168	44,843	184,619
Intangible asset	12	2,099	8,574	-	-
Deffered tax assets	13	18,008	73,563	14,775	60,829
TOTAL ASSETS		4,703,792	19,214,990	4,638,728	19,097,642
LIABILITIES AND EQUITY					
LIABILITIES					
Borrowings	14	2,328,596	9,512,315	2,292,480	9,438,139
Other payables	15	65,134	266,072	50,648	208,519
Current tax liabilities		4,027	16,450	821	3,380
TOTAL LIABILITIES		2,397,757	9,794,837	2,343,949	9,650,038
EQUITY					
Share capital	16	1,500,000	6,000,000	1,500,000	6,000,000
Regulatory reserve	17	10,623	43,181	20,882	85,345
Retained earnings		795,412	3,242,336	773,897	3,153,909
Currency translation differences		-	134,636	-	208,350
TOTAL EQUITY		2,306,035	9,420,153	2,294,779	9,447,604
TOTAL LIABILITIES AND EQUITY		4,703,792	19,214,990	4,638,728	19,097,642

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

MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023		2022	
		US\$	KHR'000	US\$	KHR'000
Interest income	18	724,353	2,977,091	594,554	2,429,942
Interest expense	19	(199,108)	(818,334)	(132,744)	(542,525)
Net interest income		525,245	2,158,757	461,810	1,887,417
(Allowance)/Reversal for doubtful loans	9	(116)	(477)	26,821	109,616
Other operating income	20	263,873	1,084,518	279,257	1,141,323
Personnel expenses	21	(538,835)	(2,214,611)	(499,484)	(2,041,390)
Depreciation and amortisation expenses	22	(18,065)	(74,247)	(12,889)	(52,677)
General and administrative expenses	23	(211,002)	(867,218)	(198,162)	(809,888)
Profit before tax		21,100	86,722	57,353	234,401
Tax expense	24	(9,844)	(40,459)	(18,210)	(74,424)
Profit for the financial year		11,256	46,263	39,143	159,977
Other comprehensive income, net of tax					
Items that may be reclassified subsequently to profit or loss					
- foreign currency translations		-	(73,714)	-	98,166
Total comprehensive income/(loss) for the financial year		11,256	(27,451)	39,143	258,143

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

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MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023**

	Share capital		Regulatory reserve		Retained earnings		Currency translation differences		Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Balance as at 1 January 2022	1,500,000	6,000,000	-	-	755,636	3,079,277	-	110,184	2,255,636	9,189,461
Profit for the financial year	-	-	-	-	39,143	159,977	-	-	39,143	159,977
Foreign currency translations	-	-	-	-	-	-	-	98,166	-	98,166
Total comprehensive income	-	-	-	-	39,143	159,977	-	98,166	39,143	258,143
Transaction with owner										
Transfer to regulatory reserve, represent total transaction with owner	-	-	20,882	85,345	(20,882)	(85,345)	-	-	-	-
Balance as at 31 December 2022	1,500,000	6,000,000	20,882	85,345	773,897	3,153,909	-	208,350	2,294,779	9,447,604
Profit for the financial year	-	-	-	-	11,256	46,263	-	-	11,256	46,263
Foreign currency translations	-	-	-	-	-	-	-	(73,714)	-	(73,714)
Total comprehensive income	-	-	-	-	11,256	46,263	-	(73,714)	11,256	(27,451)
Transaction with owner										
Transfer from regulatory reserve, represent total transaction with owner	-	-	(10,259)	(42,164)	10,259	42,164	-	-	-	-
Balance as at 31 December 2023	1,500,000	6,000,000	10,623	43,181	795,412	3,242,356	-	134,636	2,506,035	9,420,153

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

MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023		2022	
		US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities					
Profit before tax		21,100	86,722	57,353	234,401
Adjustments for:					
Allowance/(Reversal) for for doubtful loans	9	116	477	(26,821)	(109,616)
Depreciation of property and equipment	11	17,874	73,462	12,889	52,677
Amortisation of intangible asset	12	191	785	-	-
Bad debts written off		27,281	112,125	8,209	33,550
Reversal of impairment for balances with other banks		-	-	(1,313)	(5,366)
Gain on disposal of property and equipment		-	-	(60)	(245)
Operating profit before working capital changes		66,562	273,571	50,257	205,401
Changes in working capital					
Loans to customers		(6,128)	(25,187)	(1,027,347)	(4,198,767)
Other receivables		2,759	11,339	(3,079)	(12,584)
Other payables		14,486	59,536	420	1,718
Cash generated from/(used in) operations		77,679	319,259	(979,749)	(4,004,232)
Income tax paid		(9,871)	(40,570)	(10,769)	(44,013)
Net cash from/(used in) operating activities		67,808	278,689	(990,518)	(4,048,245)
Cash flows from investing activities					
Purchase of property and equipment	11	-	-	(54,178)	(221,425)
Purchase of intangible asset	12	(2,290)	(9,412)	-	-
Proceeds from disposal of property and equipment		-	-	535	2,187
Net cash used in investing activities		(2,290)	(9,412)	(53,643)	(219,238)
Cash flows from financing activities					
Proceed from borrowings		3,072,982	12,629,958	3,106,726	12,697,188
Repayment of borrowings		(3,036,866)	(12,481,519)	(2,133,224)	(8,718,487)
Net cash from financing activities		36,116	148,439	973,502	3,978,701
Net increase/(decrease) in cash and cash equivalents		101,634	417,716	(70,659)	(288,782)
Cash and cash equivalents at beginning of financial year		91,306	659,845	161,965	659,847
Exchange difference on translation		-	(289,401)	-	4,841
Cash and cash equivalents at end of financial year		192,940	788,160	91,306	375,906

Registration No:
00004990

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MICROFINANCE AMATAK CAPITAL PLC
(Incorporated in Cambodia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023 (continued)

Cash and cash equivalents comprise the following:

	Note	2023		2022	
		US\$	KHR'000	US\$	KHR'000
Cash on hand	6	40,100	163,809	36,317	149,517
Balances with National Bank of Cambodia (excluding statutory deposit)	7	3,826	15,629	3,173	13,063
Balances with other banks	8	149,014	608,722	51,816	213,326
		<u>192,940</u>	<u>788,160</u>	<u>91,306</u>	<u>375,906</u>

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



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