



SAHAKA MFI
together for prosperity



ANNUAL REPORT 2022



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ផ្ទះលេខ ២០៦ អី០អី១, ផ្លូវ ១៥៥, ក្រុមទី៥, ភូមិ១, សង្កាត់ ទួលទំពូងមួយ ខណ្ឌចំការមន រាជធានីភ្នំពេញ



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Mr. Bol Vanneath
Chairman and Chief Executive Officer

1. The Chairman's STATEMENT

On behalf of the Board of Directors and Management of SAHAKA Microfinance Institution Plc, I am pleased to present the 2022 Annual Report and the audited financial statements for the year ended December 2022 to the shareholders and stakeholders of SAHAKA Microfinance Institution Plc.

SAHAKA Microfinance Institution Plc

2022 is a year in which we achieved profit exceeded the plan. It is our strengths at a time of intense competition in the fight against the difficult economic situation due to the Covid-19 virus and the war in Ukraine. The result is because of the strengthening the loan quality, effective sales capacity, well cooperation of all level of employees, supported by National Bank of Cambodia and our customers.

In 2022, SAHAKA Microfinance Institution Plc. Will continue to implement its main goal to become a leading institution that can help improve the lives of the people, economy and society of Cambodia by training human resources through education and economy. Maintain the reputation of the institution.

Financial Sector Growth

Due to the Kingdom of Cambodia taking refuge under the roof of peace and stability of economic growth from year to year and the expansion of many financial institutions, which we now see commercial banks.

Governance

The Board of Directors and the management are responsible for ensuring that all operations of the institution are in compliance with the laws and regulations that are strictly observed. Depending on the role and responsibilities, the Board of Directors shall regularly meet at least two every year. The purpose of this meeting is to review the management's performance and effective control over the operation of the entire institution.

Vision 2023

Cambodia predicts 6.6% economic growth despite declining of orders in the garment and textile industries which will lead to job and income losses because Cambodia will increase other industry export such as non-garment industries, services, agriculture which will fill the new workplace instead.

The World Bank forecasts that the Cambodian economy will grow by 5.2% due to the slowdown in global trade especially the US and China are our export market.

Overall, this growth is in a better position and better than other Asian countries which reflects that Sahaka can expand more the business activities into Cambodia market with the precise assessment techniques and strong internal control to make more workplace for Cambodia people and sustainability.

Recognition

On behalf of the Board of Directors, I would like to thank all the stakeholders, clients, investors and financial partners, both domestic and foreign, for their trust, cooperation and support for the past years. Once again, I would like to thank the Board of Director for their advice and guidance, and for all the management and staff here who have led with such ability and commitment.

We would also like to express our gratitude to the Royal Government of Cambodia, the National Bank of Cambodia, regulators and authorities at all levels for their continued support and efforts to develop the financial sector in Cambodia for sustainable growth.

We would like to assure all our customers and stakeholders that we will continue to be extremely careful for and provide quality, effective, efficient credit to the people.



Mr. Bol Vanneat
Chairman of the Board of Directors and CEO
22 May 2023

2. Who we are?

SAHAKA MICROFINANCE INSTITUTION PLC was established in December 2015 by two Cambodian and Japanese investors. SAHAKA was registered with the Ministry of Commerce as a public limited company and obtained a license recognized by the National Bank of Cambodia in April 2016 then started operating in Cambodia in Providing financial services through lending to customers.

For more than 7 years of business operation, we have provided services to many customers both in Phnom Penh and in some provinces.

Since obtaining the license, we have made great efforts to contribute to improving the lives of our people and the economy of Cambodia through quality and efficient lending. In addition, our institution strictly adheres to and abides by the laws and regulations of the Royal Government of Cambodia and other regulators, especially in accordance with the guidelines of the National Bank of Cambodia.

In order to comply with the International Financial Reporting Standards and comply with the regulations of the National Bank of Cambodia, from 2019 onwards, the Cambodian International Financial Reporting Standards for Small and Medium Enterprises (CIFRS for SME) have been implemented accuracy and completeness through proper independent audit.

Headquarter

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Khan Chamkarmon, Phnom Penh, Kingdom of Cambodia.

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Email	✉ sahakamfi@sahakamfi.com
Website	🌐 www.sahakamfi.com
Customer Service	☎ +855 (0)61 500 979 / +855 (0)93 500 979
Email Info	✉ info@sahakamfi.com



3. Vision and Mission

Vision

To become a leading institution that can help improve the living standards of the people, economy and society of Cambodia by training human resources through education and economy while maintaining the reputation of the institution.



Mission

Our business concept is to provide financial services with reasonable interest rates that people can afford to use our services to increase their income and living standards.



4. Summary operating results

Description	2019	2020	2021	2022	Movement	
					Amount	%
Net Loan Portfolio (\$)	3,336,883	5,259,695	6,615,322	8,256,427	1,641,105	24.80%
Borrower-Female	381	100	124	223	99	79.83%
Borrower-Male	360	290	309	382	73	23.62%
Total Borrowers	741	390	433	605	172	39.72%
Loan Disbursed (\$)	2,655,172	4,289,587	4,605,038	5,159,411	554,373	12.03%
Client Disbursed	572	235	215	381	166	77.20%

5. Summary financial results (USD)

Date	2019	2020	2021	2022
Total loan portfolio (Net)	3,336,883	5,259,695	6,615,322	8,256,427
Total Assets	4,171,663	5,946,067	7,178,518	9,256,955
Total Liabilities	3,779,356	4,619,494	6,145,325	7,792,580
Total Equity	392,307	1,326,573	1,033,193	1,782,375
Interest Income	750,582	735,595	978,766	1,199,674
Interest Expense	(385,874)	(185,147)	(242,033)	(348,292)
Tax on Income	(8,320)	(10,465)	(10,518)	(154,979)
Net Income After Tax	(1,398,910)	(65,734)	(293,380)	449,182

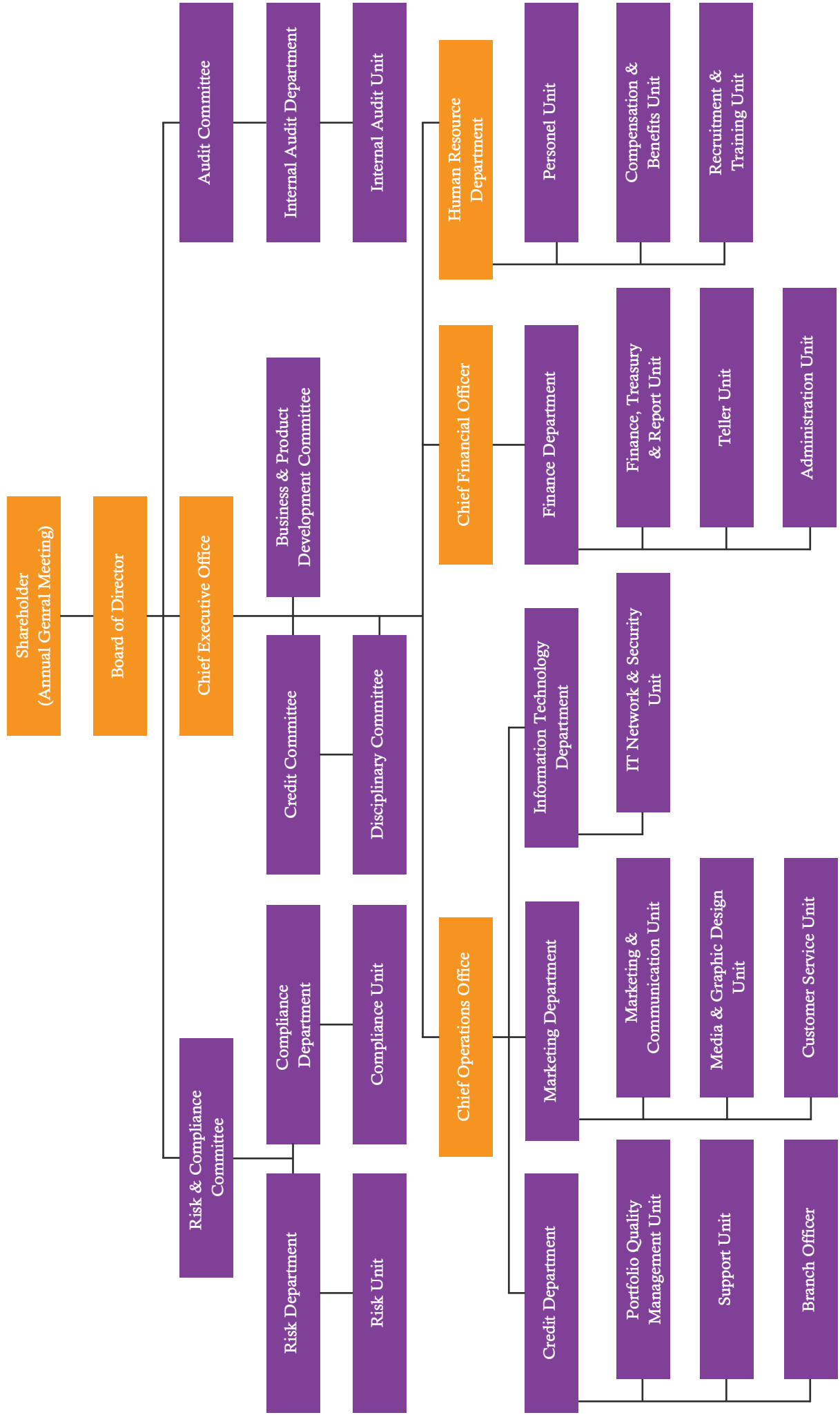


6. Financial Performance Indicators

Indecators	2019	2020	2021	2022
Productivity and efficiency				
Operating expense ratio	18.32%	14.13%	10.64%	10.12%
Average Loan size (USD)	5,218	14,418	17,027	14,028
Loan amount per credit officer (USD)	476,698	350,646	819,200	855,728
Number of clients per credit officer	73	26	48	60
Number of clients per staff	20	9	11	15
Operation Region				
Province	24	11	12	13
District	119	40	43	44
Commune	331	132	141	139
Village	460	233	282	310



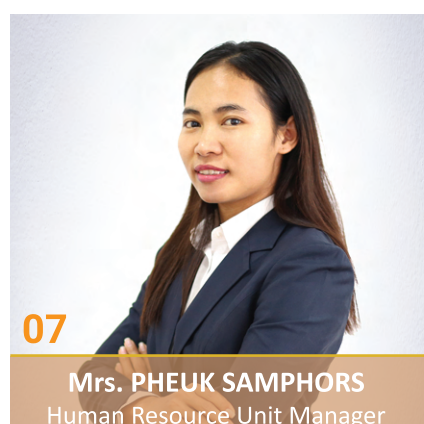
7. Organizational Structure



8. Member Board of Director



9. Management Team



Appointed to be the Board of Directors and Chairman in December 2015 and as the representative of SAHAKA Microfinance Institution Plc in late January 2016. He obtained a Bachelor's Degree in Education Japanese Languages from the Institution of Foreign Languages in 2011.

Moreover, he has worked over 7 years with Bank Sector and Education Center.

02**Mr. YAMASHITA TAKAHIRO****Board Member and CFO**

Appointed to be the Board of Directors in December 2015 and as CFO on the 1st October 2016. He obtained a Bachelor's Degree in Economics in 1999 from Kansai University and obtained the Post Graduate Diploma of Business Management in 2006 from the University of Wales Prifysgol Cymru.

He has worked over 19 years with Bank Sector in Japan and the Education Center.

03**Mr. MIYAUCHI TOSHIHIRO****Independent Board Member**

Appointed to be the Independent Board of Director in Jun 2019 and approved by National Bank of Cambodia in October 2019. He obtained a Bachelor's Degree in Engineering in 1976 from Kanagawa University.

He has worked for over 28 years with Financial Management in Japan as Private Asset Management and Investment Company. Moreover, he also Chief Executive Officer of Miyauchi Electric Engineering Co.,LTD.

04**Mr. SUM SINATH****Chief Operations Officer**

He completed his Master of Business Administration in 2007, Bachelor of Business Administration and Associate Degree in Accounting in 2005.

He has over 19 years of experience in the financial sector with both deposit and non-deposit microfinance institutions in Cambodia.

05**Mr. KHAN SOVANNARITH****Credit Unit Manager**

He graduated master degree in business administration and bachelor in accounting.

He has experiences more than 14 years in microfinance sector since credit officer level to manager level.

06**Mr. KHAT SOKHOEUN****Head of Finance**

He holds a local Master degree specializing in the Finance, bachelor degree in management and diploma degree in IFRs for SME and completely in Financial Performance Analysis from oversea and other short courses.

He Has more than 10 years' experiences in microfinance sectors and 7 years in public teaching. He used to be the head of finance, internal audit department manager and branch management.

07**Mrs. PHEUK SAMPHORS****Human Resource Unit Manager**

She graduated bachelor's degree major in accounting in 2011.

She has more than 11 years of experience as an accountant and administrator with many private companies such as Merchandising, hotels and microfinance institutions.

08**Mr. CHY LONGHENG****Internal Audit Unit Manager**

He graduated a Master's degree of Finance in 2019 and a Bachelor's degree in Accounting in 2012.

He has more than 10 years of experience in finance, accounting and auditing with both deposit-taking and non-deposit-taking microfinance institutions and leasing companies in Cambodia.

09**Mr. NOV VICHKA****Compliance Unit Manager**

He graduated a Bachelor's degree in Economics in 2010 and a Master's degree in General Management in 2015.

He has more than 10 years of experience as a Marketing Coordinator and in banking and finance sector since 2014. Prior he was deputy of Risk and Compliance Manager and Marketing Coordinator Manager.

10. Risk management

SAHAKA Microfinance Plc Has established an excellent risk management structure to ensure the lowest possible level of risk. This risk management structure facilitates effective management of anticipation and operation of risk management and risk control processes.

The Risk Management Department is independent and plays an important role in risk management and reports directly to the Board of Directors.

Credit risk

The main role is responsible for developing credit risk management policies, setting conditions for credit approval judgments, risk monitoring and management, credit risk classification, credit portfolio risk analysis with recommendations and directly check the credit independently.

Operational risk

SAHAKA regularly on risk assessment and management, monitoring of risk indicators Important and regularly tested business sustainability plans, especially in the context of Covid 19 outbreak. Launching new products and modifying existing products, services or process modifications requires a thorough risk assessment to prevent and mitigate potential risks.

Market risk

Market risk refers to losses that are caused by prices or rates that may occur on a trading list or on a non-trading list, either on or off the balance sheet. Regardless of the level of risk, **SAHAKA** Microfinance Plc faces only non-trading risk, which includes interest rates.

Liquidity risk

SAHAKA is a microfinance institution that only provides credit services, so this type of risk does not affect our institution. Due to good cash management, our organization does not have a problem with cash flow.



11. Internal control

A strong internal control structure ensures the efficiency of the entire organization and the potential risks to the institution, which requires the involvement of all staff and management. SAHAKA's internal audit is responsible for assessing the adequacy and accuracy of the internal control system, including reviewing the institution's compliance with regulations and reporting independently to the Chairman of the Audit Committee of the Board of Directors.

Internal audit activities are independent, impartial in guaranteeing and consulting, which is designed to improve the operation of the entire SAHAKA. Internal audit contributes to SAHAKA by providing assessment and disciplinary approaches and improves the effectiveness of risk management, internal control and governance processes.

Internal audit activities are not obstructed by any part of the unit, including audit procedures, scope, frequency, timing or reporting to maintain independence and accuracy as necessary. Due to these independent activities, the risk management and internal control of the SAHAKA are better and more effective.

Internal auditors must be independent of day-to-day operations and must avoid involvement that could affect their ability to provide independent and accurate services. For internal audit, the auditor has no role or authority beyond the audit and audit activities.



12. Management Committee

In order to effectively manage and ensure the growth of SAHAKA Microfinance Institution Plc. This management system is prepared and reported to the Board of Directors and the Chief Executive Officer.

Audit Committee

This commission was established to conduct audit arrangements and ensure the effective management of risk and internal control of the entire institution. In addition, the Commission has the right to decide and propose the appointment or termination of independent auditors to the annual shareholders' meeting.

Risk Management and Compliance Committee

The Commission was established to develop an effective risk management system and practices, errors and compliance with the risk monitoring and control process. This committee is responsible for overseeing the day-to-day risk management of the entire institution. The Commission is independent in managing risk and reporting directly to the Board.

Credit Committee

This committee is set up to review and receive necessary reports from other management to assess and manage credit risk. The committee is responsible for managing and managing the effectiveness and implementation of credit policies by overseeing procedures, receiving reports and other important information, including credit ratings, process oversight. Credit support for internal audit and independent audit. The committee is also responsible for monitoring the capacity and quality of credit by reviewing selected loan models and appropriate information, including credit classifications and non-performing loans.

Business and Pruduct Development Committee

This committee is set up to discuss between departments or divisions to develop products to meet the needs of customers and compete in the market. The committee was set up specifically for the credit part to develop new products that could partially in financial sector of SAHAKA.

Disciplinary Committee

This committee is set up to decide on the punishment and the investigation for the wrongdoing stated in the policy of the institution.

13. Our Product



Business Loan

Business loan products are designed for individual customers who wish to use for business start-up, business expansion, which is in line with our institution's mission to increase income and people's livelihood.



Car Loan

Car loan products are designed to meet the needs of customers who need to use their own car or for the family, they can apply for this type of loan easily and quickly.



Moto Loan

Motor loan products are designed to meet the needs of clients who need for their own need , for children to school, work.



Housing Loan

Housing Loan products are designed for individual customers who wish to purchase their house unconditionally. The customer can take the existing property or other property instead as collateral for this type of loan.



Personal loan

Personal loan products are designed to meet the needs of customers who wish to use cash for family support and for specific personal purposes. This type of loan is extremely convenient for customers because it is fast and long term that customers can repay effectively.

14. Our target customers

Providing efficient financial services is an important point that our institution adheres to in line with our mission and practices to meet the needs of our clients, offering a wide range of personal and small and medium-sized businesses. The reasonable interest rates and prices that allow customers to easily make decisions before choosing to use products of SAHAKA.



As Cambodia has a steady economic growth, the population's income has increased from year to year through agriculture, trading, transportation services. Their income has been steadily increasing, enabling them to use SAHAKA'S car loan products with confidence and sustainability.



An type of enterprise located in a town, district or province. This type of enterprise generally owns its own assets and has 51 to 100 members.



Most small enterprises have 10 to 50 members and are located in the city and suburbs. This type of enterprise can be food, furniture, decoration, etc.



Most small enterprises are family-run businesses with family members assisting in business activities. Most of those enterprises are have staffs less than 10 people, mostly family members. This type of enterprise is very abundant in the provinces in the Kingdom of Cambodia.

15. Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements of Sahaka **Microfinance Institution Plc.** (“the Company”) for the financial year ended 31 December 2022.

Principal activity

The principal activity of the Company is to provide sustainable micro-finance services to small and medium enterprises, and low-income families in the Kingdom of Cambodia. There have been no significant changes in the nature of these activities during the financial year.

Results of operations

	US\$	KHR'000
Profit for the financial year	449,182	1,893,710

Dividends

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

Reserves and provisions

During the financial year, there was a transfer of US\$1,248 from retained earnings to regulatory reserve.

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 there were no known bad loans 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 it necessary to write off 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.

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

Contingent and other liabilities:

- 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.

Directors

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

Name	Position
Mr. Bol Vanneat	Chairman and CEO
Mr. Yamashita Takahiro	Board Member and CFO
Mr. Miyauchi Toshihiro	Independent Board Member

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.

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 2022, 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.

Statement by the Directors

In the opinion of the Directors, the financial statements set out on pages 8 to 32 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 2022, and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board,



Mr. Bol Vanneat

Chairman and Chief Executive Officer

Phnom Penh, Cambodia

Date: 26 April 2023

16. The Audit Report of the Financial Statement

Opinion

We have audited the financial statements of Sahaka Microfinance Institution Plc. (“the Company”), which comprise statement of financial position as at 31 December 2022, and statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, 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.

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.

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of 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 shareholders of the Company, as a body. We do not assume responsibility to any other person for the content of this report.

The financial statements of the Company for the financial year ended 31 December 2021 was audited by another firm of Certified Public Accountants, whose report dated 8 April 2022 expressed an unqualified opinion on those statements.



BDO (Cambodia) Limited
Phnom Penh, Cambodia
Date: 26 April 2023

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	2022		2021	
	US\$	KHR'000	US\$	KHR'000
ASSETS				
Cash on hand	156,891	645,920	645,920	392,787
Balances with National Bank of Cambodia	465,690	1,917,246	1,917,246	699,925
Balances with other banks	567,916	2,338,110	2,338,110	24,175
Loans to customers	8,256,427	33,991,710	33,991,710	26,950,822
Other receivables	44,123	181,655	181,655	102,221
Property, plant and equipment	68,085	280,306	280,306	432,581
Deferred tax assets	15,823	65,143	65,143	642,771
TOTAL ASSETS	9,574,955	39,420,090	39,420,090	29,245,282
LIABILITIES AND EQUITY				
LIABILITIES				
Borrowings	7,600,000	31,289,200	6,007,192	24,473,300
Other payables	191,610	788,859	137,163	558,802
Current tax liabilities	970	3,993	970	3,952
TOTAL LIABILITIES	7,792,580	32,082,052	6,145,325	25,036,054
EQUITY				
Share capital	3,300,000	13,277,000	3,300,000	13,277,000
Regulatory reserve	8,884	35,782	7,636	30,681
Capital reserve	300,000	1,235,100	-	-
Accumulated losses	(1,826,509)	(7,374,116)	(2,274,443)	(9,204,822)
Currency translation difference	-	164,272	-	106,369
TOTAL EQUITY	1,782,375	7,338,038	1,033,193	4,209,228
TOTAL LIABILITIES AND EQUITY	9,574,955	39,420,090	7,178,518	29,245,282

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	2022		2021	
	US\$	KHR'000	US\$	KHR'000
Interest income	1,199,674	4,903,068	978,766	3,981,620
Interest expense	(348,292)	(1,423,469)	(242,033)	(984,590)
Net interest income	851,382	3,479,599	736,733	2,997,030
Reversal/(Allowance) for doubtful loans	527,834	2,157,258	(400,431)	(1,628,953)
Other operating income	97,411	398,118	86,809	353,139
Personnel expenses	(594,526)	(2,429,828)	(518,031)	(2,107,350)
Depreciation and amortisation expenses	(39,745)	(162,438)	(45,755)	(186,131)
General and administrative expenses	(238,195)	(973,503)	(217,408)	(884,416)
Profit/(Loss) before tax	604,161	2,469,206	(358,083)	(1,456,681)
Tax expense	(154,979)	(633,399)	64,703	263,212
Profit/(Loss) for the financial year	449,182	1,835,807	(293,380)	(1,193,469)
Other comprehensive income, net of tax				
Items that may be reclassified subsequently to profit or loss				
- Foreign currency translations	-	57,903	-	36,710
Total comprehensive income/(loss) for the financial year	449,182	1,893,710	(293,380)	(1,156,759)



STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Share capital		Regulatory reserve		Capital reserve		Accumulated losses		Currency translation difference			
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000		
Balance as at 1 January 2021	3,300,000	13,277,000	7,636	30,681	-	(1,981,063)	(8,011,353)	-	69,659	1,326,573	5,365,987	
Loss for the financial year	-	-	-	-	-	(293,380)	(1,193,469)	-	-	(293,380)	(1,193,469)	
Other comprehensive loss, net of tax	-	-	-	-	-	-	-	-	-	36,710	36,710	
Total comprehensive loss	-	-	-	-	-	(293,380)	(1,193,469)	-	36,710	(293,380)	(1,156,759)	
Balance as at 31 December 2021	3,300,000	13,277,000	7,636	30,681	-	(2,274,443)	(9,204,822)	-	106,369	1,033,193	4,209,228	
Profit for the financial year	-	-	-	-	-	449,182	1,835,807	-	-	449,182	1,835,807	
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	57,903	57,903	
Total comprehensive income	-	-	-	-	-	449,182	1,835,807	-	57,903	449,182	1,893,710	
Transactions with owners												
Capital reserve	-	-	-	-	300,000	1,235,100	-	-	-	-	300,000	1,235,100
Transfer to regulatory reserve	-	-	1,248	5,101	-	(1,248)	(5,101)	-	-	-	-	
Total transactions with owners	-	-	1,248	5,101	300,000	1,235,100	(1,248)	(5,101)	-	-	300,000	1,235,100
Balance as at 31 December 2022	3,300,000	13,277,000	8,884	35,782	300,000	1,235,100	(1,826,509)	(7,374,116)	-	164,272	1,782,375	7,338,038

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	2022		2021	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit/(Loss) before tax	604,161	2,469,206	(358,083)	(1,456,681)
Adjustments for:				
(Reversal)/Allowance for doubtful loans	(527,834)	(2,157,258)	400,431	1,628,953
Amortisation of intangibles	-	-	42	171
Depreciation of property, plant and equipment	39,745	162,438	45,784	186,524
Interest expense	348,292	1,423,469	242,033	984,590
Operating profit before working capital changes	464,364	1,897,855	330,207	1,343,282
Changes in working capital				
Loan to customers	(1,113,271)	(4,583,337)	(1,756,058)	(7,143,644)
Other receivables	(19,032)	(78,355)	(5,986)	(24,351)
Other payables	54,447	224,159	29,723	120,913
Cash used in from operations	(613,492)	(2,539,678)	(1,402,114)	(5,703,800)
Income tax paid	(13,028)	(53,245)	(10,518)	(42,787)
Interest paid	(348,292)	(1,423,469)	(242,033)	(984,590)
Net cash used in operating activities	(974,812)	(4,016,392)	(1,654,665)	(6,731,177)
Cash flows from investing activities				
Purchase of property, plant and equipment	(1,649)	(6,739)	(42,160)	(173,338)
Net cash used in investing activities	(1,649)	(6,739)	(42,160)	(173,338)
Cash flows from financing activities				
Proceeds from capital reserve	300,000	1,235,100	-	-
Drawdown of borrowings	6,302,820	25,759,625	2,504,571	10,188,595
Repayments of borrowings	(4,710,012)	(19,249,819)	(1,012,708)	(4,119,696)
Net cash from financing activities	1,892,808	7,744,906	1,491,863	6,068,899
Net increase/(decrease) in cash and cash equivalents	916,347	3,721,775	(205,412)	(835,616)
Cash and cash equivalents at beginning of financial year	109,150	444,677	314,562	1,272,403
Exchange difference on translation	-	55,519	-	680,100
Cash and cash equivalents at end of financial year	1,025,497	4,221,971	109,150	1,116,887



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ផ្ទះលេខ ២០៦ អី០អី១, ផ្លូវ ១៥៥, ក្រុមទី៥, ភូមិ១, សង្កាត់ ទួលទំពូងមួយ ខណ្ឌចំការមន រាជធានីភ្នំពេញ



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