



ណងហ៊ុប ហ្វាយនែស (ខេមបូឌា) ម.ក
NongHyup Finance (Cambodia) Plc





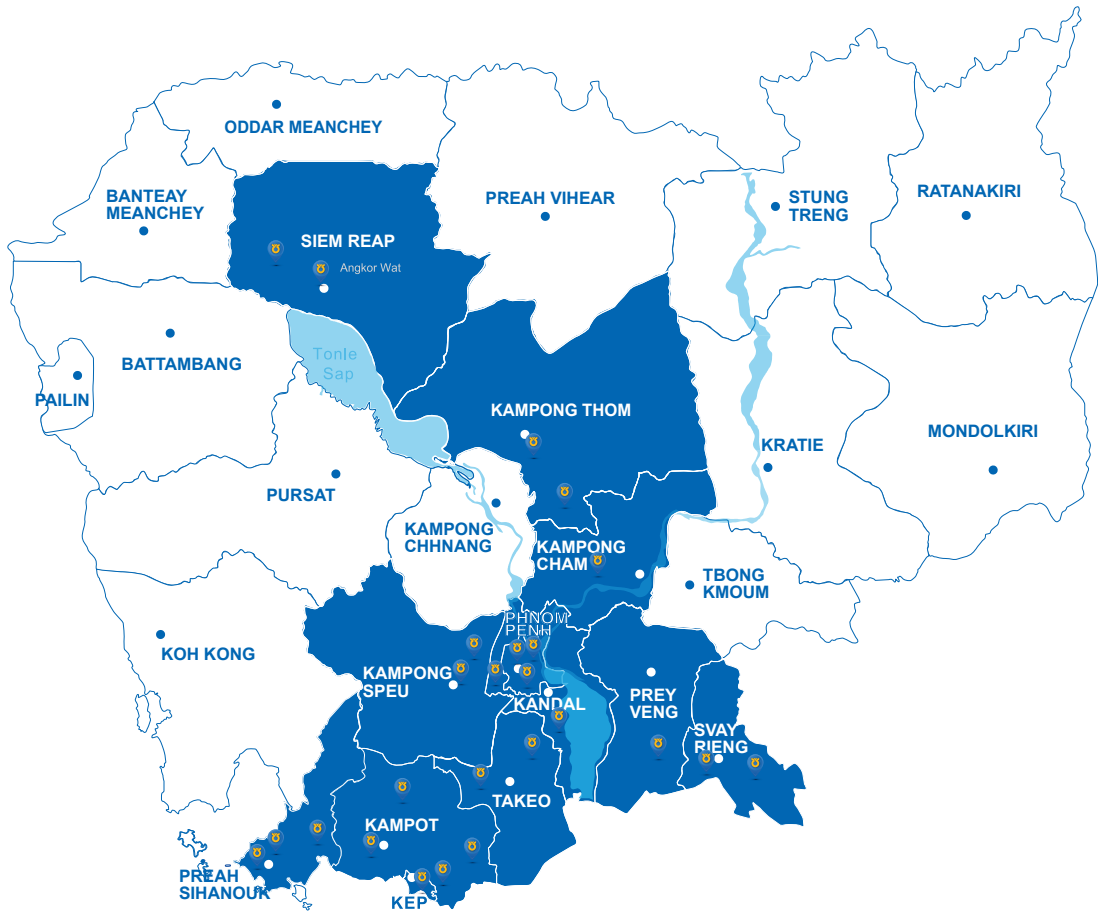
Annual Report 2024



**ANNUAL
REPORT 2024**

OPERATION MAP

-  Branch office of NongHyup Finance
-  Operating area of NongHyup Finance



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01.

CEO'S MESSAGE



2024, Year of Bold Reform and Internal Control Enhancement

After the impressive credit expansion that lifted the credit-to-GDP ratio from 24 % in 2010 to 135 % in 2023, the growth has come to a near halt mainly due to sluggish recovery of sectors such as construction and real estate, tourism, wholesales, and retails, and an emerging sign of debt overhang.

Considering heightened credit markets, NHFC remains cautious and strategic in lending, reforming credit operating structure, bolstering internal control system, offering targeted pricing, developing talents; thereby enhancing risk management, sharpening competitiveness, satisfying client's evolving behavior, and accelerating staff's capability and professionalism training and development.

2025, Year of Accelerated Reform for Survival Against the Backdrop of Unprecedented Uncertainties

The initial wish of nascent economic recovery in 2025 has been questionable, if not dashed out, by the reciprocal tariffs slapped by the U.S. and abrupt border clash with Thailand, the Kingdom's number 1 export and number 3 import market, let alone bearing a brunt of the U.S.'s longer-for-even-higher monetary stance.

To navigate these multi-faceted daunting challenges, we need

to recalibrate the business strategy, addressing client's real evolving needs, diversifying markets, expediting talent cultivation, and strengthening internal control system.

1. Strategy Recalibration and Technology Adoption → Staying Relevant and Keeping Momentum

It proves increasingly challenging to acquire qualified clients in the face of stiff competitions. Moreover, the clients become demanding and impatient of marathon loan process and mediocre staff professionalism.

To stay relevant and keep momentum, we've re-calibrated the strategy and embarked on (1). creditworthiness-based discount rate, and (2). easing of loan approval authority, and (3). our unique strength (Micro and Small Business Loans), and (4). harnessing technology into business operation.

To ensure that the targeted authority easing is not misguided, we've implemented rigorous post-disbursement loan reviews, putting any shortcomings, misbehaviors, and other risks on radar and taking corrective or punitive actions deemed necessary. In addition, we've enhanced internal regulations and LOS system aimed at simplifying the loan processes. Also, we've kick-offed regular bespoke trainings led by respective roles so that the branch staff is precisely equipped with right tools and right understanding to execute their duties capably and professionally.

Similarly, we're re-enforced the indispensable enabling roles required by the credit assessment and loan recovery dept. in

overseeing, supervising, and educating the branches based on its respective roles. Its sole existence is to play as enabler, a think tank, not the bottleneck of all bottlenecks.

From technology side, in addition to our existing Loan Origination System (LOS), Learning Management System (LMS), Morningmate Communication Tool, we've introduced various inhouse-developed tools (collateral management system, loan recovery activities recording system, etc. to promote work efficiency. Moreover, we're planning to subscribe and integrate CAMDigiKey into our system to verify the government-issued documents to enhance fraud detection management.

2. New Product, New Market → An Engine of the Diversified Growth

In addition to the Special Sales Team enacted last year, we've introduced a brand-new product, dubbed Migrant Worker Loan (MWL). It is to serve Cambodia's hard-learning trainees with valid overseas employment contract in need of affordable funding to make their dream come true.

3. Effective Internal Control System → A Trust Defender, Accountability, and Sustainability

As pinnacle of trust, NHFC must fortify the internal control system. We prioritize functions of Compliance, Risk, and Internal Audit as they keep the board of directors, executives, and implementors apprised of incidents and loopholes and offer remedies. Therefore, the internal control system must be enhanced to ensure that the given trust is strongly upheld and safeguarded, the business pursuit is not in violation of the compliance and risk management standard.

4. Talent Intensity and Merit-Based Culture → A Recipe for Growth and Lasting Resilience

The aforesaid enhanced strategies, regulations or process, technology adoption, internal control system is nothing short of papers if not actively executed and systematically overseen by talented and motivated manpower so its success must be characterized by the talent development and intensity, and merit-based culture. Regarding this, we've implemented various internal and external training and development programs. Moreover, we've focused on merit-based program where employees are objectively recognized and rewarded by their results and its leadership, boosting their enhanced performance, motivation, and ensuring relentless pursuit of talent development and retention.

Corporate Social Responsibility (CSR)

We place corporate social responsibility on equal footing with our core business activities, underpinned by our belief that businesses have a duty to contribute positively to society. In 2024, NHFC contributed a total of USD 10,951 in the form of materials and financial support to various non-governmental organizations and public stakeholders. These efforts were primarily directed toward the promotion of education and the protection of women's rights.

Finally, we'd like to thank our board of directors for their tireless in guiding the Company's strategy, and we're grateful to our regulatory authorities, esteemed shareholders, and valued customers for their support

Mr. JUNG JOO YONG

CHIEF EXECUTIVE OFFICER

02.

**NONGHYUP FINANCE
OVERVIEW**

Vision, Mission, Core Value



Vision

To be the best financial institution love by its stakeholders.



Mission

To exceed our customer's expectations by providing a wide range of financial products / services with competitive prices through the development of our personnel.



Core Value

Our relationships with our stakeholder (our people, clients, communities, regulators, and shareholders) are what differentiates NongHyup Finance (Cambodia) Plc. from our competitors. These relationships are built on six core values which serve as fundamental beliefs that we can turn to when making decisions.



1. Creativity

Make us a pioneer

Creativity is one of our most prized assets. We believe that creativity should be relevant to the needs of NH Finance and of our clients to be effective.



2. Responsibility

Make us a respected person

We all share responsibility for our company as a whole and for its results. We have social and environmental responsibility and we carefully protect the positive image of our company.



3. Honesty

Make us proud

Honesty means straightforward in personal and business dealings. Dealing with cash every day, honesty is essential.



4. Dependability

We are what we do, not what we say we'll do

Dependability is honoring our words and fulfilling our promises. Our people, clients and communities deserve our respect and expert abilities. When our job, big or small, is completed, our goal is to be remembered as a dependable colleague or partner that always delivers what we promise.



5. Humility

Make us stronger

As we never know everything, we are continuously learning, sharing and widening our field of experience at every opportunity. When we see a half-full basket, we, at NH Finance, call it a half-empty basket because we know that this can only serve as a catalyst to making it full.



6. Services to people

Make us great

Our greatness is not what we have but what we give.



Corporate Profile

NongHyup Finance (Cambodia) Plc ('NongHyup Finance' or the 'Company')

Is a subsidiary of NongHyup Bank Co., Ltd. ("NongHyup Bank") in the Republic of Korea. NongHyup Bank is a pure local capital bank established in 1961 with 100% domestic capital and a specialized bank that manages the central and regional government's deposit safe with the biggest nationwide branch network. It is well known for not only its outstanding financial services but also the role in promoting the well-being of the agriculture society in the Republic of Korea.

It has also been recognized as the most advanced cooperative financial institution around the world with its half-century proven track record in financial operations. NongHyup Bank has penetrated itself overseas through foreign branches in the United States and Vietnam, Microfinance Institutions in Myanmar and Cambodia, and representative offices in China and India.

NongHyup Finance received a license from the National Bank of Cambodia on 8 August 2018 to operate the microfinance in Cambodia after NongHyup Bank had acquired 100% shares from SAMIC Plc. It is currently operating in Phnom Penh and 11 provinces of Kandal, Kampong Speu, Takeo, Kampot, Kep, Preah Sihanouk, Siem Reap, Kampong Thom, Prey Veng, Svay Rieng and Kampong Cham. These operating areas are expected to grow in the future.

NongHyup Finance provides financial services to economically challenged Cambodians and low-medium income earners living in the rural and urban areas; and its clients are dominantly female. Micro-loans perform well among clients living in rural areas and making their living on micro/ small businesses and agriculture activities such as rice cultivation, animal husbandry, and other similar businesses within their communities. Small and medium loans are more popular among those who live in urban areas and are provided to the clients who need to initiate new businesses and / or expand their existing businesses for more profitability with sustainable growth.

NongHyup Finance has strived to develop itself to become a well-known microfinance institution in Cambodia with a strong commitment to helping Cambodian people, especially those living in rural areas, to overcome poverty and to improve their living standards. NongHyup Finance has the full capability to serve a wide range of products and services to different groups of clients across the country. In addition to loans as its core business product, NongHyup Finance has participated in social and community development through the delivery of training services to clients according to their particular needs including agriculture training, financial literacy training.



Company's Milestones

2024

- Launch of the new product Migrant Worker Loan (MWL)

- Launch of the Loan Origination System (LOS)

2023**2022**

- Moving to the new head office at Khan Boeng Keng Kang
- Opened Odongk district and Boeng Keng Kang branches

- Opened Bati district and Krong Bavet branches

2021**2020**

- Increased share capital to USD 25 million
- Opened Kampong Cham and Chbar Ampov branches

- Opened Prey Veng and Svay Rieng provincial branches

2019**2018**

- NongHyup Bank acquired 100% shares in SAMIC Plc.
- SAMIC Plc change to NongHyup Finance (Cambodia) Plc

- Increased share capital to USD 5 million

2017**2016**

- Opened Kralanh district branch

- Opened Baray district branch

2015



CORPORATE Governance

Sound corporate governance practices are at the heart of our success. NongHyup Finance operates within an integrated governance framework formulated after taking into consideration the corporate governance framework issued by the National Bank of Cambodia and other corporate governance best practices.

The Board of Directors (the “BoD”), composed of three members and led by a chairman, is responsible for the high-level governance of the Company and for developing effective governance frameworks to meet challenges, both in the short and long term. The two BoD Level Committees – Audit and Risk – are responsible for providing oversight and guidance to NongHyup management.

At the management level, the Chief Executive Officer manages the day-to-day business of the Company and is supported by the Chief Financial Officer, Chief Operations Officer and Chief Risk Officer. Four Management Committees – Credit and Products, ICT and MIS and Procurement – are in place.

The Board and Management understand the importance of having clear governance guidelines to maintain a free, fair, and transparent environment at all levels of the Company. The Management is committed to reviewing and improving existing systems to provide transparency and accountability to ensure that best practices are maintained and enhanced according to good corporate governance principles.

Board Of Directors



Mr. JEONG Do Yeong

Chairman

Mr. Jeong Do Yeong was appointed as Chairman of the BoD of the Company on 02 April 2024. This appointment was made after he was promoted to the General Manager of the Global Business Department of NongHyup Bank in 2024.

He was the Team Head of the Government Complex Seoul Branch in 2016, Team Head of the Global Business Department in 2017, General Manager of the Wonju Innovation City Branch in 2020, and General Manager of Cheolwon County Office in 2022.

Mr. Jeong holds a Bachelor's degree in Economics from Konkuk University, Seoul, Korea.



Mr. JUNG Joo Yong

Member

Mr. Jung Joo Yong was appointed as the company's Chief Executive Officer in January 2025. Prior to his appointment, he held various management positions with NongHyup Bank in the Republic of Korea for over seven years.

In his recent position with NH Bank, he was Branch Manager of the Chuncheon City Branch and held various important positions, including Team Head in the Public Relations Department, Team Head in the Credit Guarantee Department, and Senior Manager in the Public Relations Department.

Mr. Jung holds a BBA in Accounting from Kangwon National University in 2001 and a Certified Credit Management Specialist from the Korea Credit Information Association in 2018.



Mr. PAIK Jin Kyu

Member

Mr. Paik Jin Kyu was appointed as Chief Operations Officer of the Company in January 2023 and appointed as Chief Operations Officer/Chief Financial Officer in 2024.

He has 16 years of professional banking expertise since he joined NH Group in 2006. He worked as a FX & Derivatives Trader and Senior Manager of the International Business Department.

Mr. Paik obtained BBA in Communication from Yonsei University and MBA in Finance from KAIST, one of the top public universities in Korea. He is also a CFA Charter Holder.

Board Of Directors



Mr. KIM Kwang Hwan

Independent Member

Mr. Kim Kwang Hwan was appointed as an Independent Member of the BoD of the Company on 28 June 2023. He is also the Chairman & CEO of the Founder Barun (Cambodia) Accounting & Consulting Co., Ltd.

He worked at Korea Exchange Bank (Seoul, Korea) from 1981 to 2004, at KFCC (Seoul, Korea) from Feb 2005 to Sep 2005, at Citi Bank (Seoul, Korea) from 2006 to 2007, at NSRIA Co., Ltd (Cambodia), at Sunbird International Co., Ltd (Cambodia) from 2015 to 2016, at Woori Accounting Ltd from 2016 to 2017, at SM Global Accounting & Consulting Co., Ltd (Cambodia) from 2017 to 2022.

Mr. Kim holds a Bachelor's degree in Management from Dong-Guk University and many certificates and Licenses such as the USCPA exam in California State, in March 2023, a CPA certificate from Delaware State in August 2012, a KICPAA affiliate member in November 2013, a CPA License from the State of Montana in August 2019, and KICPAA active member in August 2020.



Mr. AN Bunnarith

Independent Member

Mr. An Bunnarith was appointed as an Independent Member of the BoD of the Company on 28 June 2023. He is also a qualified arbitrator registered with the National Commercial Arbitration Centre ("NCAC").

During the course of his profession, he has advised and represented numerous local and foreign investors and companies in Cambodia in a wide range of legal practices specifically real estates, constructions, commercial and corporate, investment, joint ventures and M&A, and commercial dispute including arbitration and litigation.

Before becoming the member of the BoD of the Company, he has worked in a law firm in Singapore. Bunnarith is the first Cambodian counsel who succeeded in getting the NCAC arbitral award recognized by the Court of Singapore.

Bunnarith is also an adjunct lecturer at Royal University of Law and Economics and Paragon International University, lecturing Business Law, Contract Law, International Commercial Law, Investment Law and Comparative Law.

He holds a Master of Commercial Law from Melbourne Law School, the University of Melbourne, Australia, a Bachelor of Art in International Studies Program from Royal University of Phnom Penh, Cambodia and an English Based Bachelor of Law from Royal University of Law and Economics.

Board Committees

Audit Committee

Chairman

- Mr. KIM Kwang Hwan

Member

- Mr. JEONG Do Yeong
- Mr. AN Bunnarith

Risk Committee

Chairman

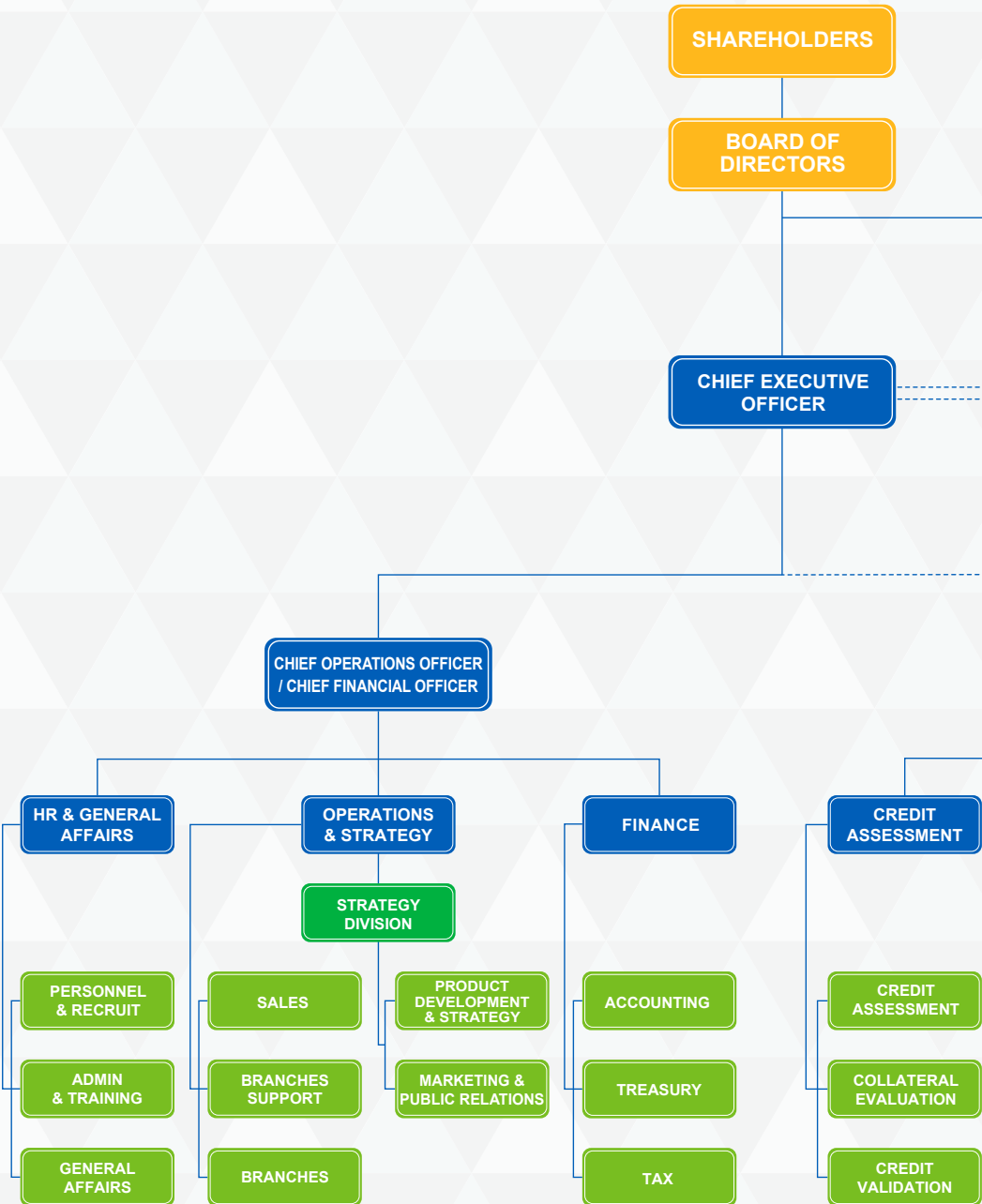
- Mr. AN Bunnarith

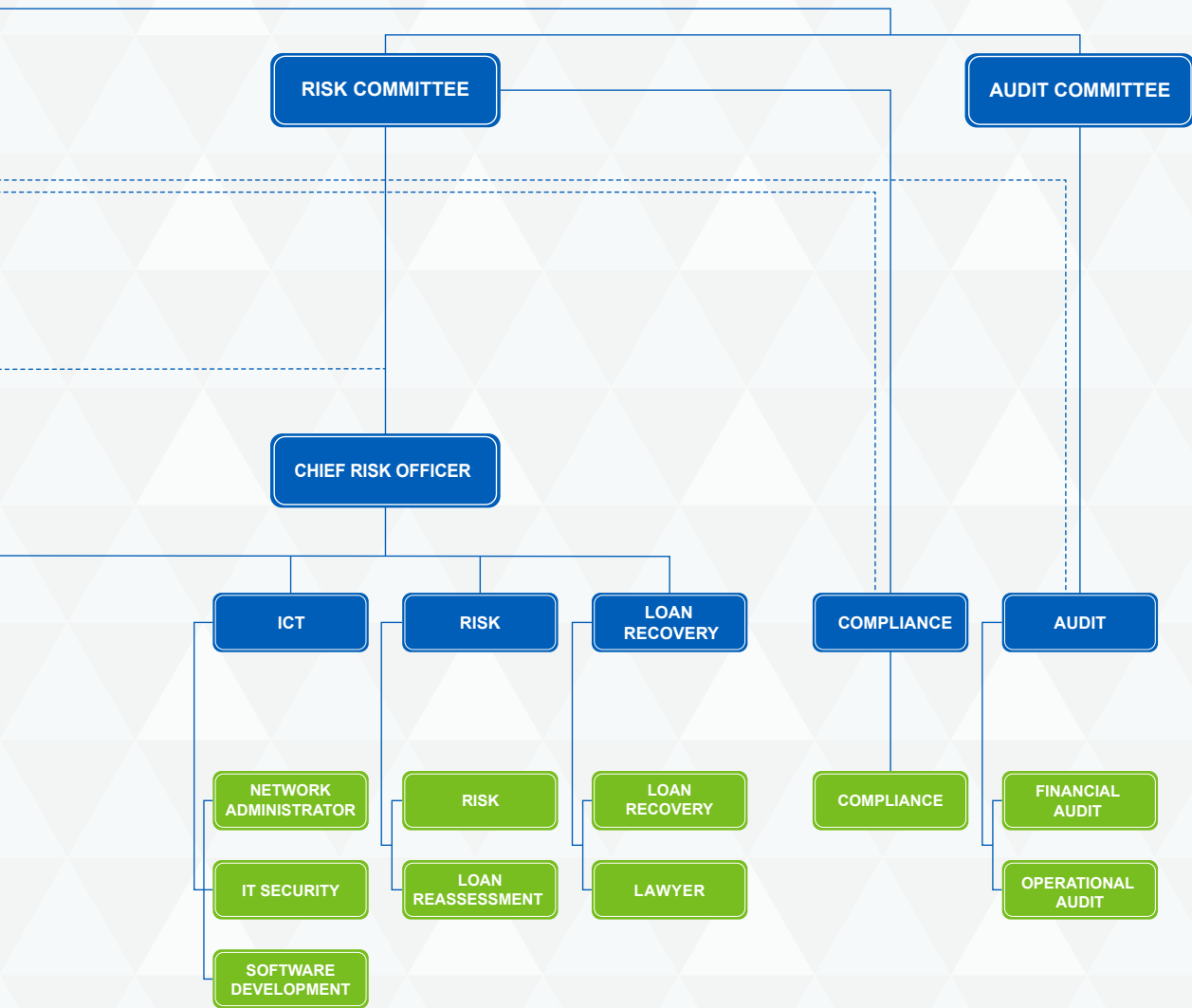
Member

- Mr. JEONG Do Yeong
- Mr. KIM Kwang Hwan



Organization Chart





Management

Executive Team



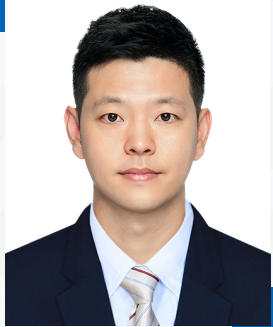
Mr. JUNG Joo Yong

Chief Executive Officer

Mr. Jung was appointed as the company's Chief Executive Officer in January 2025. Prior to his appointment, he held various management positions with NongHyup Bank in the Republic of Korea for over seven years.

In his recent position with NH Bank, he was Branch Manager of the Chuncheon City Branch and held various important positions, including Team Head in the Public Relations Department, Team Head in the Credit Guarantee Department, and Senior Manager in the Public Relations Department.

Mr. JUNG holds a BBA in Accounting from Kangwon National University in 2001 and a Certified Credit Management Specialist from the Korea Credit Information Association in 2018.



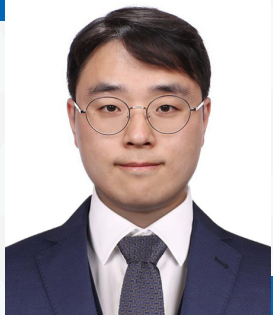
Mr. PAIK Jin Kyu

Chief Operations & Chief Financial Officer

Mr. Paik was appointed as Chief Operations Officer of the Company in January 2023 and appointed as Chief Operations Officer/Chief Financial Officer in 2024.

He has 16 years of professional banking expertise since he joined NH Group in 2006. He worked as a FX & Derivatives Trader and Senior Manager of International Business Department.

Mr. Paik obtained BBA in Communication from Yonsei University and MBA in Finance from KAIST, one of the top public universities in Korea. He is also a CFA Charter Holder.



Mr. HWANG Sangmin

Chief Risk Officer

Mr. Hwang was appointed as Chief Risk Officer of the company in January 2024.

Before joining the company, Mr. Hwang spent 3 years with the National Agriculture Cooperative Federation (NACF), and 11 years with NongHyup Bank. His latest position with NongHyup Bank was Deputy Chief Representative in Hochiminch Office.

Mr. Hwang holds a bachelor's degree in law from Yonsei University. Besides, he holds a Certificate of Loan Officer and Credit Analyst from Korea Banking Institute.

Management Team



Mr. SA Sok

Senior HR & General Affairs Manager

Sok was appointed as finance Manager in 2014, and Senior Finance Manager in 2018, then as a Senior HR & General Affairs Manager in January, 2024.

Mr. Sok has more than 11 years of work experience in financial sector. His previous positions included Promotion and Underwriting Officer at CHC-MEADA, General Trainer at Credit Mutuel du Kampuchea (CMK).

Sok holds an MBA in Finance and Banking and a BBA in Mathematics. He is currently a ACCA candidate at Cam-Ed Business School.



Ms. PARK Seulgi

Finance Manager

Seulgi joined the Company in January 2022 as Strategy Unit Manager, and HR Manager in May 2023, and then as a Finance Manager in January 2024. She also work as an Assistant to CEO of NongHyup Finance (Cambodia) Plc. from 2018 to 2019.

Before joining the Company, she was a consultant at VDB Loi Limited and SM Global Accounting & Consulting Co., Ltd.

Seulgi holds a Bachelor's degree in Law from the Royal University of Law and Economics (RULE) and diplomas in Cambodian Business Law and diploma in Cambodian Tax from CamEd Business School. She is an ACCA affiliate.



Mr. KANG Menglieng

ICT Manager

Menglieng was appointed as the ICT Manager of the Company in July 2023 after working as Deputy ICT Manager from July 2019.

Menglieng has over 13 years in the financial sector and Software Development. His held positions as a Software Developer, Software Unit Manager, and Deputy ICT Manager.

Menglieng holds a Bachelor's degree in Information Technology from Norton University, Microsoft Power BI from IFA Institute, and Professional Accounting Skills from Cambodia Microfinance Association (CMA). Menglieng attended various training programs and workshops related to the financial sector.



Mr. PEL Chivita

Credit Assessment Manager

Chivita was appointed as Operations Manager of NongHyup Finance (Cambodia) Plc in January 2019 and then as Credit Assessment Manager in January 2024 .

Before joining NongHyup Finance, he used to hold various positions with a number of well-known organizations such as HKI, FAO, GRET and CEDAC as Program Coordinator, National Agriculture Advisor, Project Manager and Farmer Community Facilitator, respectively. Chivita has 14 years of extensive experience in managing projects relevant to agriculture, rural development, market linkage, agricultural value chains, agriculture cooperative, agriculture credit, marketing and research.

Chivita holds a Master Degree of Business Administration specialized in Agriculture and Rural Development from Royal University of Agriculture (RUA) of Cambodia. He also holds a Bachelor Degree in Agriculture specialized in Agronomy Science from Prea Leap National College of Agriculture.

Chivita attended various exposure visits and trainings in the related fields including the topics on voucher schemes and agricultural inputs, village and farm diagnosis, participatory learning and action for mutual self-empowerment, agriculture cooperative, microfinance management and product development for banking and financial services.



Mr. SAY Salorn

Loan Recovery Manager

Salorn was appointed as the Loan Recovery Manager of the Company in June 2023.

Before his appointment, he had almost 11 years of experience with the company in various positions such as Branch Support Unit Manager, Provincial Manager, and Branch Manager. Before joining the company, he worked as a credit officer at AMK Microfinance from 2008 to 2013.

Salorn holds two degrees in the Banking and Finance field is Master's degree in 2014 and a bachelor's degree in 2009 from Build Bright University and addition, he attended various training courses related to his roles.



Mr. YEM Pheanith

Internal Audit Manager

Pheanith was appointed as Internal Audit Manager in September 2022.

Before this appointment, he held various positions in the company including Deputy Internal Audit Manager, Internal Audit Unit Manager, Senior Internal Audit Officer, Internal Audit Officer, Compliance Officer, and Credit Officer. Before joining the company, he was a Primary Teacher from 2004 to 2007.

Pheanith holds BBA in Finance and Banking from Cambodian University for Specialties and is now pursuing Master of Accounting and Auditing at Norton University. Moreover, he has attended various trainings related to management, auditing, and leadership.



Mr. KUNG Chansen

Operations & Strategy Manager

Chansen was appointed as Operation & Strategy Manager in January 2024 after his over 15 years of services with NH Finance (Cambodia) Plc.

Before joining the Company, he was a public teacher. In his continual services with the Company, he held various positions including Credit Officer, Credit supervisor, Branch Manager, Provincial Manager, Operations Unit Manager, Deputy Operations Manager, Senior Deputy Operations Manager, and Credit Assessment Manager in June 2022.

Chansen has built his strong capacity in credit operations throughout his career path of the recent years. He holds a Master degree in Management from the National University of Management and a Bachelor degree in English Literature from Khemarak University. Furthermore, he attended various trainings and workshops-both internal and external-including business and products development, credit analysis, credit assessment, collateral valuation, leadership, project management, facilitation, and coaching. Chansen is a key trainer who play critical roles in delivery of trainings on various topics related to credit operations.



Mr. CHEA Sopharith

Compliance Manager

Sopharith was appointed as Compliance Manager on 01 September 2022. He has almost 10 years of experience in the Microfinance Sector, initially serving in the positions of Internal Auditor, Senior Internal Auditor, Senior Risk Officer, and Risk Unit Manager.

He was then promoted as Risk Manager in January 2019. He obtained a BBA degree in accounting in 2009 from the National University of Management, a certificate in Regulatory Compliance from Institute of Bank and Finance (IBF) in 2019, and a Certified in Risk Management from Frankfurt Business School, Germany, in 2021.



Mr. KIM Hackyun

Acting Risk Manager

Hackyun joined NongHyup Finance (Cambodia) PLC in 2023 as a Loan Reassessment Unit Manager and was promoted to Acting Risk Manager in December 2024. Prior to this, he served as HR & Admin Manager at Maanisa Builders Co., Ltd. from 2021 to 2023, overseeing large-scale operations, and gained valuable managerial experience at Cupbop Co., Ltd. in 2021.

He graduated summa cum laude, earning the highest honors for his outstanding academic achievement, with a Bachelor of Science in Business Administration from the University of Arizona, where he was also recognized on the Dean's List (Spring 2020). He also holds the same degree from the American University of Phnom Penh.

Management Committees

Credit and Products Committee

Chairman

- Chief Operations Officer / Chief Financial Officer

Member

- Finance Manager
- Operations & Strategy Manager
- ICT Manager
- Credit Assessment Manager

ICT Committee

Chairman

- Chief Operations Officer / Chief Financial Officer

Member

- Finance Manager
- Operations & Strategy Manager
- ICT Manager
- Risk Manager

Remuneration Committee (RC)

Chairman

- Chief Operations Officer / Chief Financial Officer

Member

- Finance Manager
- Senior HR & General Affairs Manager

Procurement Committee (PC)

Chairman

- Senior HR & General Affairs Manager

Member

- Finance Manager
- ICT Manager

03.

BUSINESS OVERVIEW

Operations Performance Highlight

Key Operational Performance

Indicators	2024	2023	2022
City/Provinces	15	15	15
Districts	89	93	90
Communes	538	541	512
Villages	2,255	2,371	2,348
Branch offices	25	25	27
Active accounts	11,076	14,369	17,682
Gross loan outstanding (USD)	56,431,064	63,831,245	73,930,980
Average outstanding loan size (USD)	5,095	4,442	4,181
Loan disbursements (USD)	20,853,578	23,436,944	53,504,938
Disbursement Accounts	2,205	3,755	9,266
Average disbursement loan size (USD)	9,457	6,242	5,774
PAR ratio (30 days)	11.37%	10.42%	1.88%

Key Financial Performance

Indicators	2024	2023	2022
Total income (USD)	11,260,707	13,858,526	12,450,464
Total expense (USD)	9,940,202	16,230,419	9,414,183
Net profit (USD)	1,320,506	(2,371,893)	3,036,281
Total borrowings (USD)	37,000,000	50,000,000	60,087,588
Total assets (USD)	72,311,958	85,943,515	96,859,121
Total equity (USD)	34,375,712	32,926,854	35,298,748
Paid-up capital (USD)	25,000,000	25,000,000	25,000,000
Operational Self-Sufficiency (OSS)	113.28%	85.39%	133.05%
Financial Self-Sufficiency (FSS)	94.16%	98.20%	123.49%
Return on Assets (ROA)	1.69%	(2.61%)	3.72%
Return on Equity (ROE)	3.92%	(6.95%)	8.99%

Key Social Performance

Indicators	2024	2023	2022
Responsibility to Clients			
Average loan size/GNI per capital	281.5%	261.3%	264.6%
Percentage of female clients	62.5%	64.2%	67.3%
Percentage of group loans	1.0%	2.9%	11.9%
Client retention rate (6 months definition)	87.1%	81.5%	90.0%
Credit history checked (Credit Bureau)	100%	100%	100%
Human Resource Management			
Total staff	321	364	415
Female staff	84	112	126
Field staff	172	192	241
Credit officers	119	138	168
Staff retention rate	58.6%	71.9%	99.8%
Average years of staff service	4	4	4
Taxes and NSSF Paid			
Tax on salary and fringe benefits (USD)	269,383	271,081	266,141
Withholding tax (USD)	511,599	644,422	301,055
Tax on profits (USD)	0	0	820,136
Total NSSF	91,573	100,935	57,028



Products and Service



Housing Loan

(Up to 80% of housing price/collateral value Max.\$300,000)

An affordable housing loan has been established by NongHyup Finance in response to the population growth and the real estate market. A housing loan is a long-term loan designed by NongHyup Finance to be used for purchasing a house.



Micro Loan

The purpose of microloans is to serve low-income people and socio-economic activities in rural and urban areas to improve their standard of living. This product targets those who make their living on micro / small businesses and agriculture activities such as rice cultivation, animal husbandry and other similar businesses in their communities. This loan product is provided in two currencies - Khmer Riel and US dollars. In general, the Khmer Riel currency serves more clients in the Village Bank and Group Solidarity Lending.



Migrant Worker Loan

To provide funds to legitimate Migrant Worker Loan (MWL) with valid overseas employment contracts and job visas for processing passports, visas, flight tickets, luggage, clothes, and other general consumptions for a comfortable overseas.



Small Business Loan

The purpose of this small business loan is to help clients initiate new businesses and/or expand their existing ones for more profitability with sustainable growth. This loan product is provided to clients—in both rural and urban areas—who have regular micro/small businesses in several sectors. It is provided in two currencies—Khmer Riel and US dollars.



Small & Medium Enterprise (SME)

SME Loan has been designed for existing and new clients or entrepreneurs who initiate new businesses or expand their existing businesses. This loan product is offered in US dollars only.



Staff Loan

Staff Loan has been designed for all eligible employees where there is a serious need or where emergency relief is required for housing improvement and personal consumption.

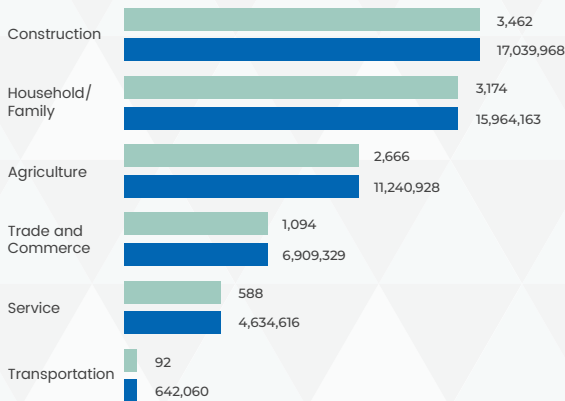
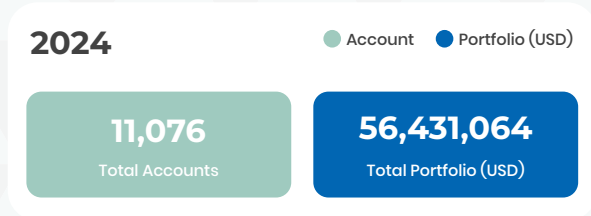


WASH Loan

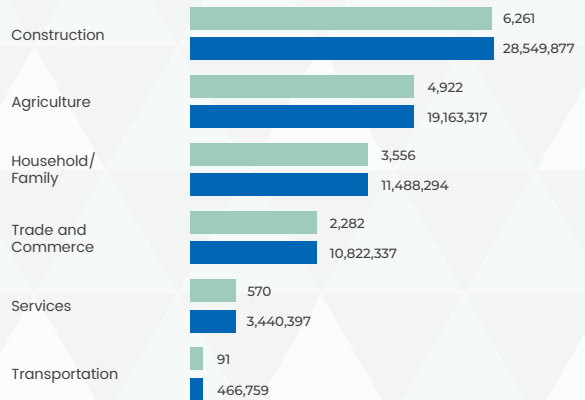
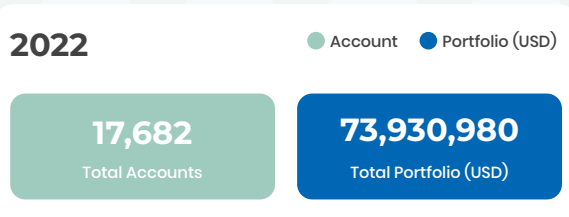
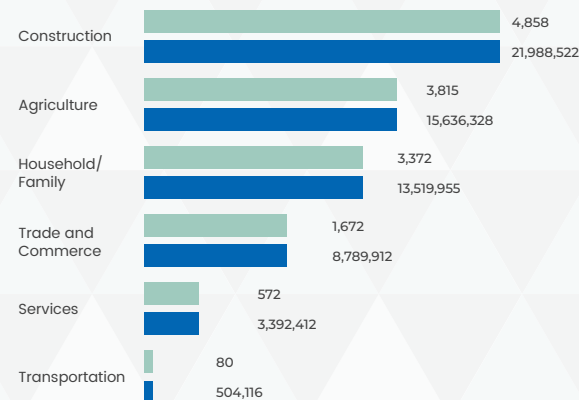
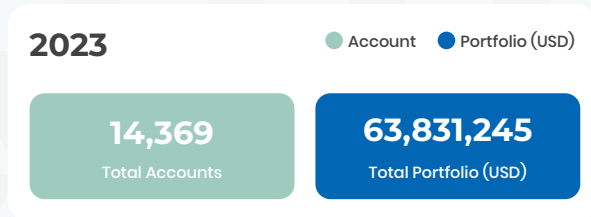
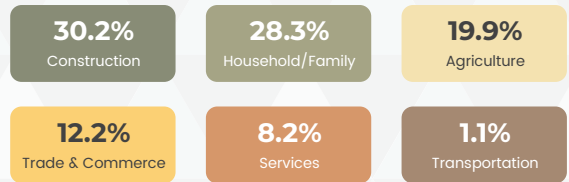
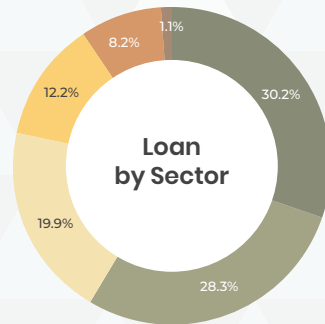
WASH Loan is designed for economically challenged people and medium-income earners to improve clean water and sanitation facilities such as latrine construction, well installation, water pipe connection, pumping machines, water tanks, water jars, water filters and other water and sanitation-related facilities.

Business Performance

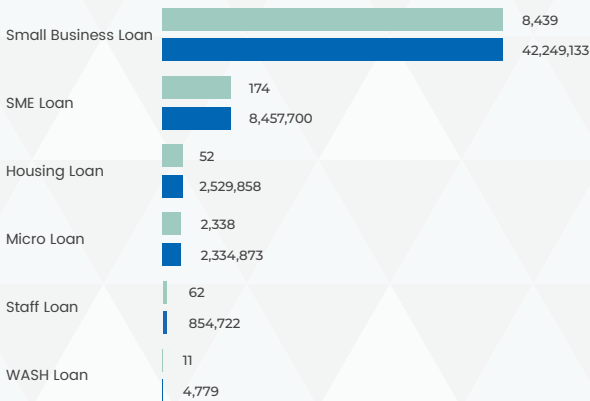
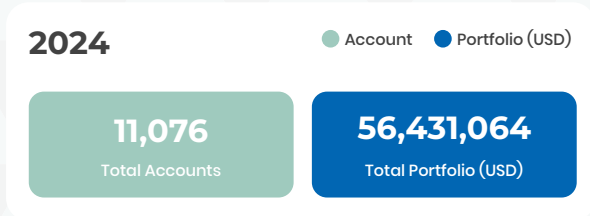
Loan By Sector



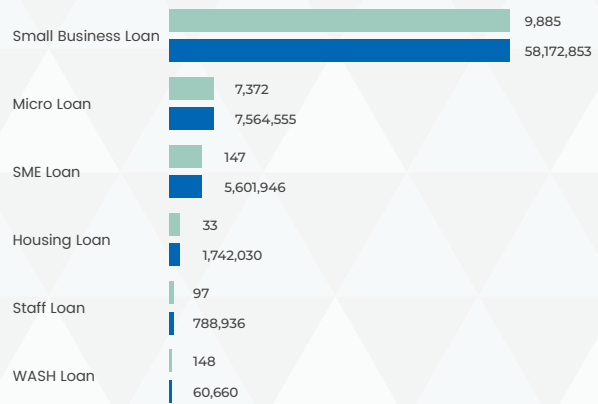
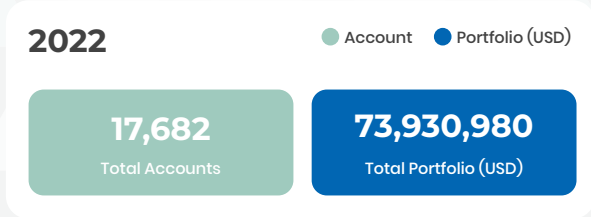
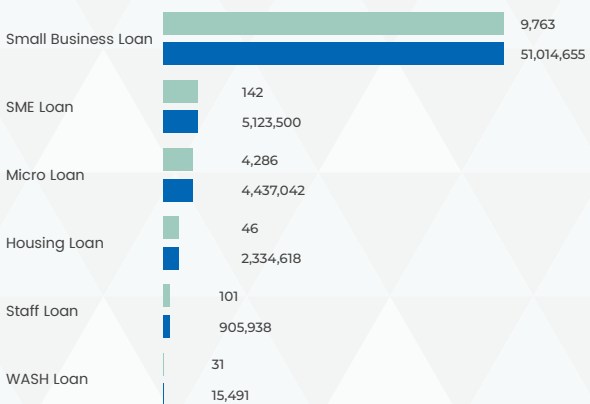
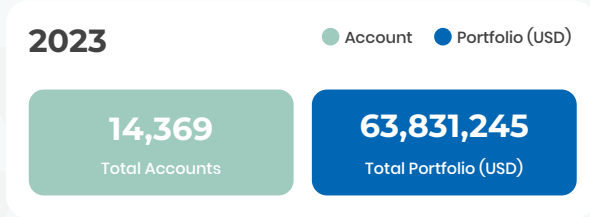
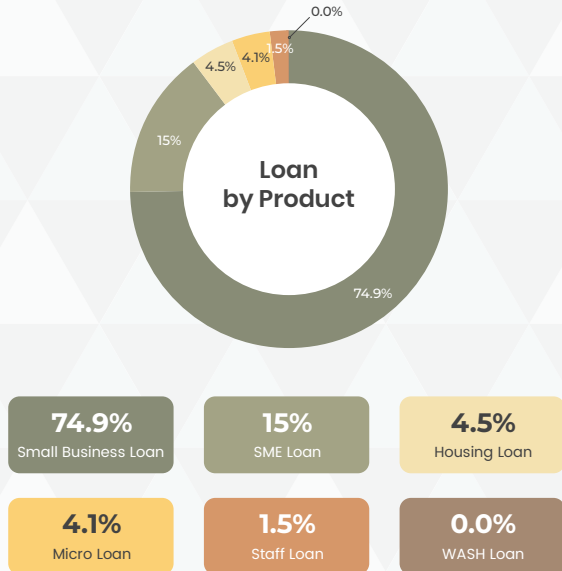
Graph_Loan By Sector 2024



Loan By Product



Graph_Loan By Product 2024



04.

**SOCIAL AND
ENVIRONMENTAL
RESPONSIBILITIES**

Client Protection Principles

01

Appropriate Product Design and Delivery

NongHyup Finance designs and develops products and services based on customers' needs that do not harm.

02

Prevention of Over-indebtedness

NongHyup Finance provides loans to customers with appropriate repayment analysis and customer historical verification through the Credit Bureau of Cambodia before disbursing loans.

03

Transparency

NongHyup Finance discloses to clients complete, accurate, and understandable information in Khmer language about the costs, product specifications, obligations, and rights of the customers before they decide to accept our services.

04

Responsible Pricing

NongHyup Finance offers product pricing with reference to the market pricing base ensuring that there is no discriminatory pricing and does not charge excessive fees from customers.

05

Fair and Respectful Treatment of Clients

NongHyup Finance is committed to respecting and treating both existing clients and potential clients through excellent customer service with acceptable staff behaviors to reflect NongHyup Finance's code of conduct.

06

Privacy of Client Data

NongHyup Finance ensures all client data are private and secured by using an appropriate technology system. All client data will not be disclosed unless required by law or permitted by the client.

07

Mechanisms for Complaints Resolution

NongHyup Finance collects complaints and feedback from customers through the process of standard complaints resolution. Phone calls, e-mails, complaint boxes and customer surveys will be conducted to collect data from customers to improve the products and services.

Environmental Data At A Glance

To monitor and report on the internal environmental performance, the Company has adopted a simple carbon accounting for this purpose.

Environmental Performance Indicators

Materials		2024	2023	2022
Office Papers	Ream (500 pages)/FTE*	6.18	5.14	5.35
Plastic Bags	Kg/FTE	1.93	1.52	1.34

Water Consumption		2024	2023	2022
State Water Supply	m ³ /FTE	19.01	14.38	18.35
Bottled Drinking Water	Barrel (20 liters)/FTE	11.64	8.96	6.30
Bottled Drinking Water	Case (24 bottles)/FTE	1.92	1.81	2.11

Energy		2024	2023	2022
State Grid Electricity	KWh/FTE	1,572.26	1242.32	786.30
Generator – Gasoline	Liter/FTE	0.69	0.90	1.73

Business Travel		2024	2023	2022
Motor Vehicles – Diesel	Liter/FTE	32.61	22.45	32.85
Motorcycles – Gasoline	Liter/FTE	53.83	50.80	56.20
Bus	Km/FTE	173.91	259.66	202.50
Air Travel	Km/FTE	22.43	22.45	33.82

CO₂ Emission		2024	2023	2022
State Grid Electricity	Kg CO ₂ E**/kWh	504,763	516,804	342,825

* FTE is the abbreviation of Full-Time Equivalent which means an average number of full-time employees during a reporting period. For the year ended 31 December 2024, the total number of employees was 321 (2023: 364) and FTE was 321 (2023: 416).

** Kg CO₂E is the abbreviation of kilogram Carbon Dioxide Equivalent which is used to convert a CO₂ activity into CO₂ emission. The kg CO₂E for the state grid electricity for Cambodia is issued by the International Energy Agency.

Other Social Activities

Besides the financial business, NHFC has participated in social and community activities through charity programs:



Local Communities

Year after year, NHFC remains committed to carrying out meaningful social activities that benefit local communities. As a responsible corporate social and role model in the financial sector, NHFC consistently shares best practices with the public and builds strong, trust-based relationships with its stakeholders. In line with this commitment, NHFC recently donated 10 chairs, 2 rubbish bins, and 1 office desk to Kampong Thngov Commune in Siem Reap Province. This contribution aims to improve the working environment and support the administrative needs of the local authorities, ultimately enhancing the quality of public services delivered to the community.



Contribution to the AFESIP Cambodia Organization

This marks the third time that NongHyup Bank and NongHyup Finance (Cambodia) Plc. have extended their support to AFESIP Cambodia. AFESIP Cambodia is an organization committed to assisting young women and children who are at risk of becoming victims of sex trafficking, violence, and other forms of abuse. The organization provides vital support through legal aid, health counseling, and comprehensive education and training programs that empower survivors to become self-sufficient and thrive as equal members of society.

As part of this ongoing support, a generous donation including a \$5,000 financial contribution was made to AFESIP Cambodia, located in Phnom Penh's Dangkor District. The donation included essential supplies such as one ton of rice, 50 boxes of canned fish, and 336 bottles of hair shampoo and conditioner. Additionally, each of the 168 children under the organization's care received a practical stationery pack containing a variety of study materials.

Blood Donation

On July 16, 2024, NHFC actively participated in a blood donation event organized by the Cambodia Microfinance Association (CMA). This initiative aimed to contribute to the Cambodia Blood Service and support hospitals in saving lives across the country. Demonstrating a strong sense of social responsibility and community spirit, ten dedicated staff members from NHFC volunteered to donate blood. Their meaningful contribution not only reflects the company's commitment to public welfare but also encourages others to take part in life-saving activities that benefit those in urgent medical need. NHFC remains proud to support such humanitarian efforts and continues to stand alongside CMA and other institutions in promoting health, solidarity, and compassion within Cambodian society.





MR. LEE SEOK YONG
MR. LEE SEOK YONG

NHFG

NongHyup Finance

NongHyup Finance

NHFG

NongHyup Finance

NongHyup Finance

05.

**STAFF AND STAFF
DEVELOPMENT**

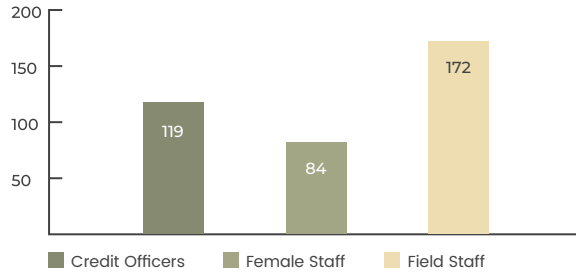
Staff

2024



321

Total staff

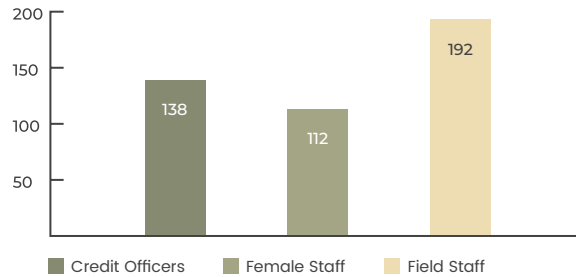


2023



364

Total staff

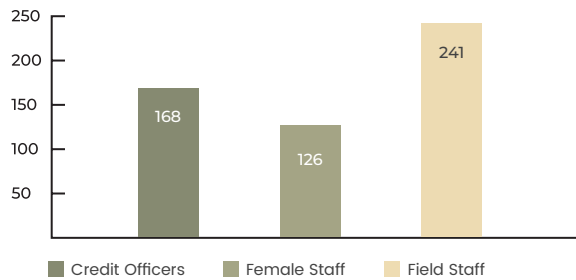


2022



415

Total staff



Staff Capacity Building

To strengthen the staff's competency, skills, and knowledge and improve staff performance, the Company provides external and internal training to its staff every year.

In 2024, the Company provided 141 training sessions for 25,368 participants focusing on effectively implementing various policies and procedures and 13 external training courses related to technical skills to improve the organization's performance and stay relevant within a rapidly changing environment.



5 YEARS SENIORITY



06.

**FUNDER, AND
BUSINESS PARTNERS**

FUNDER

Funder

NH Bank

Business Partners

Wing

CAMBOPAY
Simplify your life

true
money

អេស៊ីលីដា
ACLEDA BANK

ABA BANK
NATIONAL BANK OF CANADA GROUP

07.

**AUDITED FINANCIAL
STATEMENTS**

The financial statements of NH Finance for the year ended 31 December 2024 have been audited by Deloitte (Cambodia) Co., Ltd whose audit opinion issued on 17 April 2024.

The following balance sheet and income statement are extracted from the audited financial statements for the year ended 31 December 2024.

Statement of Financial Position

(Extracted from the audited financial statements for the year ended 31 December 2024)

ASSETS	31 December 2024		31 December 2023	
	USD	KHR'000	USD	KHR'000
Cash on hand	81,193	326,802	82,428	336,718
Deposits and placements with the NBC	141	568	13,711	56,009
Deposits and placement with banks	14,232,783	57,286,952	20,220,428	82,600,448
Statutory deposits with the NBC	1,250,000	5,031,250	1,250,000	5,106,250
Loan to customers	53,891,250	216,912,281	58,183,960	237,681,477
Investment in equity instrument	10,000	40,250	10,000	40,850
Deferred tax assets-net	-	-	703,577	2,874,112
Property and equipment	1,804,733	7,264,050	2,153,878	8,798,592
Intangible Assets	132,371	532,793	152,815	624,249
Other assets	856,291	3,446,571	762,514	3,114,870
TOTAL ASSETS	72,258,762	290,841,517	83,533,311	341,233,575

LIABILITIES AND EQUITY	31 December 2024		31 December 2023	
	USD	KHR'000	USD	KHR'000
Liabilities				
Borrowings	37,005,222	148,946,019	50,079,705	204,575,595
Current tax liabilities	-	-	3,944	16,111
Deferred tax liabilities-net	653,164	2,628,989		
Other liabilities	295,506	1,189,408	394,456	1,611,353
Total liabilities	37,953,892	152,764,416	50,478,105	206,203,059
Equity				
Share capital	25,000,000	101,540,000	25,000,000	101,540,000
Donated capital	93,637	378,013	93,637	378,013
Retained earnings	4,857,075	19,699,129	7,878,340	31,998,699
General Reserves	83,229	335,995	83,229	335,995
Regulatory Reserves	4,270,929	17,190,489	-	-
Currency translation differences	-	(1,066,525)	-	777,809
Total Equity	34,304,870	138,077,101	33,055,206	135,030,516
TOTAL LIABILITIES AND EQUITY	72,258,762	290,841,517	83,533,311	341,233,575

Statement of Comprehensive Income

(Extracted from the audited financial statements for the year ended 31 December 2024)

	31 December 2024		31 December 2023	
	USD	KHR'000	USD	KHR'000
Interest income	10,549,023	42,945,073	13,351,066	54,872,881
Interest expense	(2,993,750)	(12,187,556)	(3,999,707)	(16,438,796)
Net interest income	7,555,273	30,757,517	9,351,359	38,434,085
Fees and commission income	219,499	893,580	71,126	292,328
Fees and commission expense	(33,429)	(136,089)	(32,671)	(134,278)
Net fees and commission income	186,070	757,491	38,455	158,050
Reversal of impairment losses/(credit impairment losses)	1,474,807	6,003,939	(5,307,386)	(21,813,356)
Other income	19,272	78,456	26,831	110,275
Other gain-net	120,038	488,675	60,439	248,404
Net other operating income/(expense)	1,614,117	6,571,070	(5,220,116)	(21,454,677)
Personnel expenses	(3,823,719)	(15,566,360)	(3,985,971)	(16,382,341)
Depreciation charge	(819,439)	(3,335,936)	(851,831)	(3,501,025)
Amortisation charge	(29,904)	(121,739)	(22,709)	(93,334)
Other operating expenses	(2,075,993)	(8,451,368)	(2,043,836)	(8,400,166)
Profit/(loss) before income tax	2,606,405	10,610,675	(2,734,649)	(11,239,408)
Income tax (expense)/benefit	(1,356,741)	(5,523,293)	491,107	2,018,450
Profit/(loss) for the year	1,249,664	5,087,382	(2,243,542)	(9,220,958)
Other comprehensive income: <i>Items that will not be reclassified to profit or loss</i>				
Currency translation difference	-	(1,844,334)	-	(1,089,233)
Total comprehensive income/(loss) for the year	1,249,664	3,243,048	(2,243,542)	(10,310,191)

08.

**HEAD OFFICE AND
BRANCH ADDRESSES**

Phnom Penh

Head Office (HO)

Building N°388A, E1, E2, E3 Preah Monivong Blvd. Corner Street N°352, Sangkat Boeng Keng Kang Ti Muoy, Khan Boeng Keng Kang, Phnom Penh

Tel: 023 998 226 / 023 996 023

Khan Boeng Keng Kang Branch (BKK)

Building N°388A, E0, Preah Monivong Blvd. Corner Street N°352, Sangkat Boeng Keng Kang Ti Muoy, Khan Boeng Keng Kang, Phnom Penh

Tel: 071 411 25 26 / 071 411 24 06

Chbar Ampov Branch (CBA)

N°578A, E0, E1, E2, E3, National Road N°1, Phum Deum Slaeng, Sangkat Chbar Ampov Ti Pir, Khan Chbar Ampov, Phnom Penh

Tel: 071 333 63 02 / 071 333 92 76

Kandal Province

Kandal Provincial Branch (KD)

N°12, National Road N°4, Svay Chrum village, Baek Chan commune, Angk Snuol district, Kandal province

Tel: 071 336 66 80 / 071 336 66 86

S'ang District Branch (SA)

National Road N°21, Preaek Run village, Preaek Koy commune, S'ang district, Kandal province

Tel: 071 336 66 90 / 071 336 66 91

Kampong Speu Province

Kampong Speu Provincial Branch (KS)

National Road N°4, Phum Peanicheakkam, Sangkat Rokar Thum, Krong Chbar Mon, Kampong Speu province

Tel: 071 336 67 60 / 071 332 20 63

Odongk District Branch (OD)

Okarong village, Veang Chas commune, Odongk district, Kampong Speu province

Tel: 071 411 27 88 / 071 411 20 28

Takeo Province

Takeo Provincial Branch (TK)

Angk Ta Saom village, Angk Ta Saom commune, Tram Kak district, Takeo province

Tel: 071 336 67 40 / 071 336 67 41

Bati District Branch (BT)

National Road N°2, Smau Khnhei village, Trapeang Sab commune, Bati district, Takeo province

Tel: 071 418 03 33 / 071 411 09 09

Kampot Province

Kampot Provincial Branch (KP)

Phum Kampong Bay Khang Tboung, Sangkat Kampong Bay, Krong Kampot, Kampot province

Tel: 071 336 66 03 / 071 336 67 17

Kampong Trach District Branch (KT)

Kampong Trach Ti Muoy village, Kampong Trach Khang Kaeut commune, Kampong Trach district, Kampot province

Tel: 071 336 66 10 / 071 336 66 04

Banteay Meas District Branch (BM)

Tuk Meas village, Tuk Meas Khang Lech commune, Banteay Meas district, Kampot province

Tel: 071 336 66 40 / 071 336 66 41

Chhuk District Branch (CK)

National Road N°3, Chheu Teal village, Chhuk commune, Chhuk district, Kampot province

Tel: 071 336 67 10 / 071 555 83 46

Kep Province

Kep Provincial Branch (KEP)

National Road N°33, Damnak Chang'aeur village, Sangkat Prey Thum, Krong Kep, Kep province

Tel: 071 336 66 23 / 071 336 66 24

Preah Sihanouk Province

Preah Sihanouk Provincial Branch (PSN)

Phum 3, Sangkat 3, Krong Preah Sihanouk, Preah Sihanouk province

Tel: 071 336 66 60 / 071 336 66 62

Prey Nob District Branch (PN)

National Road N°4, Veal Meas village, Veal Renh commune, Prey Nob district, Preah Sihanouk province

Tel: 071 336 66 70 / 071 336 66 71

Stueng Hav District Branch (STH)

Phum 3, Tomnob Rolok commune, Stueng Hav district, Preah Sihanouk province

Tel: 071 336 67 30 / 071 336 67 31

Siem Reap Province

Siemreap Provincial Branch (SR)

Phum Banteay Chas, Sangkat Sla Kram, Krong Siem Reap, Siem Reap province

Tel: 071 336 66 50 / 071 336 66 52

Puok District Branch (PK)

N°1228, Kouk Chuon village, Puok commune, Puok district, Siem Reap province

Tel: 071 336 67 20 / 071 336 67 21

Kampong Thom Province

Kampong Thom Provincial Branch (KTH)

Kdei village, Sangkat Prey Ta Hu, Krong Stueng Saen, Kampong Thom province

Tel: 071 336 67 50 / 071 336 67 51

Baray District Branch (BR)

Prey Ta Trav village, Ballangk commune, Baray district, Kampong Thom province

Tel: 071 336 66 97 / 071 336 67 52

Kampong Cham Province

Kampong Cham Provincial Branch (KPC)

National Road N°7, Prey Totueng village, Chrey Vien commune, Prey Chhor district, Kampong Cham province

Tel: 071 333 63 28 / 031 423 23 33

Prey Veng Province

Prey Veng Provincial Branch (PV)

N°345, Prasat village, Prasat commune, Kampong Trabaek district, Prey Veng province

Tel: 071 333 01 16 / 071 333 01 17

Svay Rieng Province

Krong Bavet Branch (BV)

Phum Tuol Ampil, Sangkat Chrak Mtes, Krong Bavet, Svay Rieng province

Tel: 071 333 01 18 / 071 333 01 19

Svay Rieng Provincial Branch (SVR)

Phum Chong Preaek, Sangkat Svay Rieng, Krong Svay Rieng, Svay Rieng province

Tel: 071 41 88 333 / 071 555 94 49

✉ info@nhfinance.com.kh

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📘 NongHyup Finance Cambodia