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Microfinance Plc

ANNUAL REPORT 2023

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I. ABOUT Y.L.P

1. Vision & Mission



Our Vision

To become a strong financial institution which contributes to the elevation and promotion of the family economy and societal stabilities.

Mission

Y.L.P Microfinance Plc provides a best financial service to small and medium-sized businesses and general public to use and manage their finances efficiently.

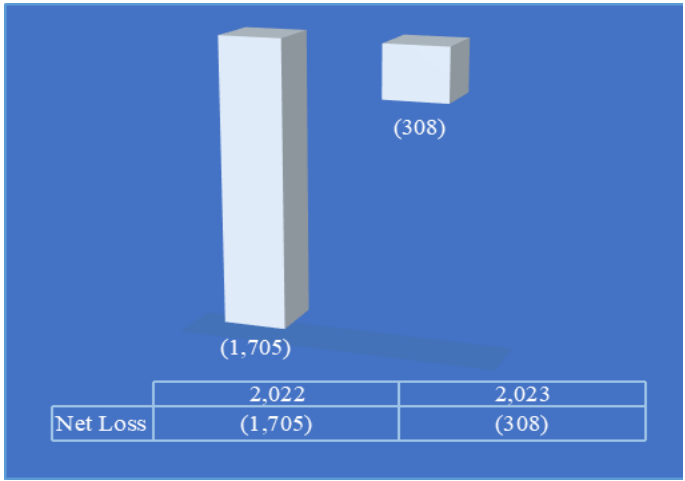


2. Financial Highlights

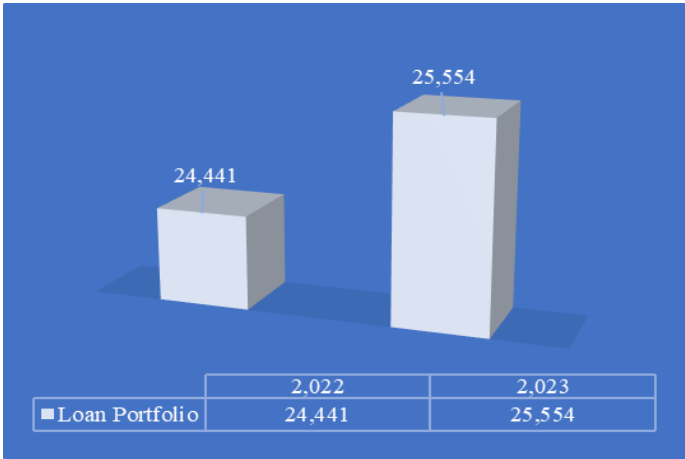
For the year in December 31, 2023
(Amount in Million Riel)



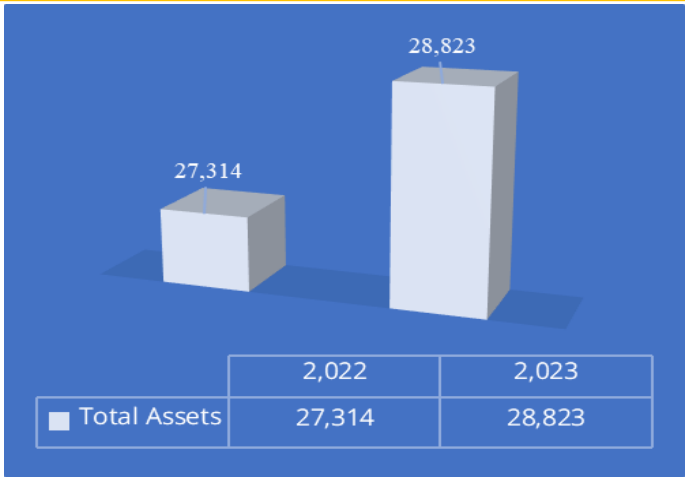
Net Loss



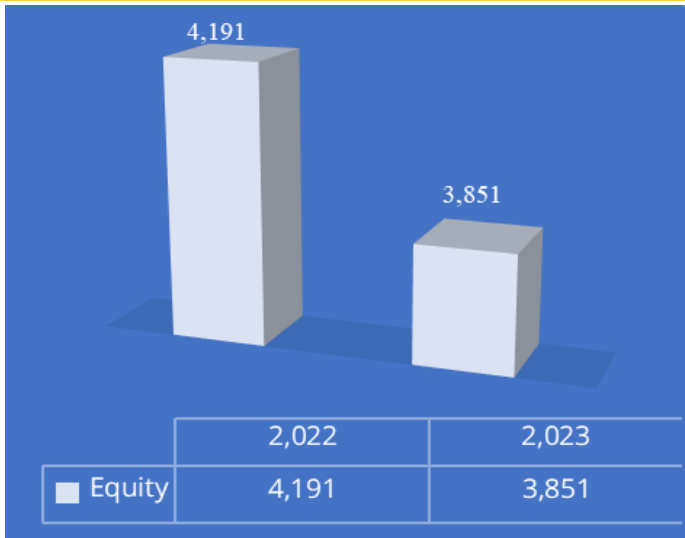
Loan Portfolio



Total Assets

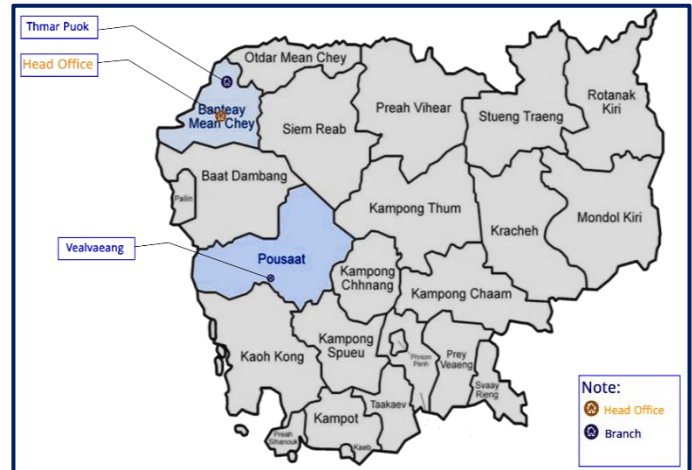


Total Equity



3. Overview of Y.L.P

Y.L.P Microfinance Plc. is a microfinance institution licensed by the National Bank of Cambodia and legally registered with the Ministry of Commerce N° 00049265 as a public limited company. Y.L.P Microfinance Plc. was established in late 2019 with its head office in Phnom Penh, and owned by six local Cambodian shareholders, to provide additional



financial resource to people living in Banteay Meanchey province. However, due to the Covid-19 pandemic, the company has postponed its operations until early 2022. On February 2, 2022, the company resumed its operation only in Krong Serei Saophoan, Banteay Meanchey province, and then nine months later expanded throughout the province (all 9 municipality-districts). This makes people in the province find it easier to access new financial services for use in rehabilitating and expanding their businesses after the Royal Government reopened the country due to Covid-19 alleviation. The main purposes of shareholders in setting up Y.L.P is to help farmers and small businesses people living in the province have more sources of financial service for borrowing with low interest rates to set up their businesses so that they can avoid migration to other countries where they may encounter various risks.

II. Governance

1. Message from Chairwoman



During 2023, Cambodia's economy had a slight and positive growth rate of 5.6% since the recovery of Covid-19 pandemic, despite weakening global demand and a slowdown in real estate. The economic growth rate experienced a higher increase, compared to the year 2022 (5.2%) and 2021 (3%), of which growth resulted from a recovery in the service and goods exports sectors even there was a slowdown of regional demands and global economic crisis. The economy is projected to expand by 5.8% in 2024 and may further grow to 6.1% and 6.4% in the year 2025 and 2026 respectively. The ongoing recovery will be the main drive of garments exports, travel goods, footwear, and a more robust tourism recovery.

The Royal Government of Cambodia has had a good management and governance on the macro-economics, and at the same time, it has taken a number of important measures to restore the national economy, including the introduction of strict measures to protect the health and safety of the people in order to reduce the negative impacts on the national economy, in particular citizen's businesses. Obviously, the Government of Cambodia has launched the comprehensive national Pentagon Strategy-Phase I, which set clear and long-term goals for future economic and social development, focusing on five key priorities such as people, road, water, electricity, and technology.

Seeing that the economic situation in 2023 has gradually returned to a better growth, Y.L.P Microfinance Plc. has expanded its operation in Banteay Meanchey province with caution and attention to prevent and manage any risks that may occur eventually. The institution has provided loans to 355 clients with a total amount of USD 3,095,389, a total loan portfolio of USD 6,381,436 and a total of 809 active clients. In addition, the institution has a total of 3 operation office with 66 employees who have perpetually focused on developing their knowledge, skills and understanding the needs of customers in order to provide a better and more flexible service in the new context.

Y.L.P Microfinance Plc. is committed to providing transparent and trustworthy services to customers in accordance with the Customer Protection Policy. Y.L.P also continues to focus on strengthening the management and participation of employees with social responsibility in the market, and we expect to continue to grow in 2024-2025. Y.L.P pays great attention to its target customers, especially the retail business (i.e.: micro-business, small-medium business, and small-medium agriculture) and families with a low income, workers, civil servants, businesspeople.

Furthermore, Y.L.P Microfinance Plc. also continues a strong commitment to strengthening its important roles in contributing to the improvement of the lives of Cambodians and to endeavor social responsibility standards for all sectors in Cambodia.

Thank you!



Mrs. Mao Malay
Chairwoman

2. Message from Chief Executive Officer



As the Chief Executive Officer of Y.L.P Microfinance Plc., I am pleased to share with you some of the key points and achievements of the institution in the past and aspirations for the future.

The year 2023 experienced a difficult situation for Y.L.P Microfinance Plc. as we faced the impact of global economic fluctuations and changing market conditions; however, it was the year in which our institution has accomplished some achievements. Y.L.P Microfinance Plc. has implemented its main goals and strategy to become the leading microfinance in the province and to help improve the living standards of the people through the provision of various loan products in order to meet their daily financial needs, contribute to the local and national development in accordance with the policies and strategies of the Royal Government.

In 2023, Y.L.P Microfinance Plc. achieved significant financial results such as total assets of US \$ 7,050,002, total loan portfolio of US \$ 6,381,436, total active clients of 809, and total operating income of US \$ 880,928. Meanwhile, our institution received the approval from the National Bank of Cambodia on October 4, 2023, for the operation of money exchange services to meet customer needs. In addition, Y.L.P has contributed to many social and community activities such as contributing to the boat racing team in Banteay Meanchey province, contributing cash to the Cambodian Red Cross to the local authority and the Banteay Meanchey Provincial Youth Federation. These achievements would not have been possible without the trust and support of our clients, partners, and local authorities at all levels.

As the CEO of Y.L.P Microfinance Plc., I would like to express my gratitude to all the shareholders, management and staff, especially the Board of Directors, for their support and excellent strategies that make the establishment runs smoothly and efficiently. We will continue to look for new perspectives and values to provide you with the best financial service solutions.

Finally, I would like to express my gratitude to the Royal Government of Cambodia, the National Bank of Cambodia, local authorities at all levels and all clients who have always supported Y.L.P Microfinance Plc. during the past years.

Thank you!



Mr. Ke Suonsophea
Chief Executive Officer

3. Board of Directors

Mrs. Mao Malay

Chairwoman of Y.L.P Microfinance Plc.



Mrs. Mao Malay is the Founder and Chairwoman of the Boards of Y.L.P Microfinance Plc. and recognized by the National Bank of Cambodia since August 19, 2019. As the Chairwoman of the Board of Directors, she has worked extensively to set plans, goals, strategies and policies to ensure sustainability, risk management and proper implementation of the NBC's legal principles as the followings:

- Leads the initiatives for creating an appropriate internal control system in accordance with the regulations and laws;
- Leads the strategic planning, vision, mission, and core values setting for the entire institution;
- Establishes a high-level committee with strategic leadership, appoints members, and clearly sets the functions, responsibilities, and roles of the committee;
- Leads, monitors and evaluates the progress of the institution on a regular basis to strengthen and improve it in a timely manner;
- Leads the development of various policies and operating manuals such as credit policy, financial policy, human resource policy, and information technology policy for execution and management throughout the institution.

Meanwhile, **Mrs. Mao Malay** is also the General Director of Y.L.P Group Co., Ltd. and the Founder of Visakha Orphanage of Hope.

In addition, she has also been actively engaged in social and humanitarian sectors, sacrificing her physical, mental, intellectual, and financial resources to build roads, schools, churches, and orphanages; and to donate educational materials to the needy orphans and disadvantaged people as well as to contribute to the Royal Government for the prevention of Covid-19 infection.

Mr. Ke Suonsophea**Board Member of Y.L.P Microfinance Plc.**

Mr. Ke Suonsophea is the Founder and Board Member of Y.L.P Microfinance Plc. since August 19, 2019. As a member of the Board of Directors, he has dedicated his physical, mental, intellectual and professional skills to improve and develop the institution such as engaging in setting up institutional policies, marketing and management strategies, and other operating manuals for effective implementation within the institution.

In addition to his execution of Y.L.P Microfinance Plc., **Mr. Ke Suonsophea** is also the Deputy Executive Committee of the Y.L.P Foundation and a co-founder of the Visakha Orphanage of Hope.

Mrs. Ke Suon Sophy**Board Member of Y.L.P Microfinance Plc.**

Mrs. Ke Suon Sophy is the Founder and Board Member of Y.L.P Microfinance Plc. since August 19, 2019. As a member of the Board of Directors, she has dedicated her physical, mental, intellectual and professional skills to the development of the institution by recommending and guiding the institutional policies, marketing, management strategies, and other operating manual development for the implementation in the entire institution.

In addition, **Mrs. Ke Suon Sophy** has also held other positions as Top Manager of many other companies and associations: the Chairwoman of Visakha Football Club, the team leader of the Visakha Foundation, the head of Sangkran events of Banteay Chhmar, Battambang, Siem Reab, Prey Veng, the head of the Provincial Youth Development Team in Prey Veng, and the founder of the Visakha Orphanage of Hope.

Furthermore, **Mrs. Ke Suon Sophy** has also participated in many social and humanitarian activities, sacrificing her physical, mental and personal funds to build roads, schools, and churches;

and to provide study materials to students, gifts to needy people; and to contribute some money to the Royal Government for the cause of preventing Covid-19 infection.

Mrs. Ke Suon Sophy graduated her Bachelor's degree from a local university and continued her studies abroad.

Mrs. Prom Ratha

Board Member of Y.L.P Microfinance Plc.



Mrs. Prom Ratha is the Founder and Board Member of Y.L.P Microfinance Plc. since August 19, 2019. As a member of the Board of Directors, she has dedicated her physical, mental, intellectual and professional skills to the development and improvement of the institution such as participating in guiding and setting the institutional strategies, management functions, operating procedures for the implementation in the entire institution.

In addition, **Mrs. Prom Ratha** has also been in a managerial position at other institutions such as a Founder of the Visakha Orphanage of Hope, by accompanying the Chair of Banteay Meanchey Provincial Youth Development, and the President of Union of Youth Federation of Cambodia of Banteay Meanchey Province.

Besides, she has involved in many social and humanitarian activities, sacrificing her physical, mental and personal funds to build roads, schools, churches, and to provide study materials to students, gifts to needy people, and to contribute some money to the Royal Government for the cause of preventing Covid-19 infection.

Mrs. Prom Ratha holds a Bachelor's degree from a local university and continued her studies abroad.

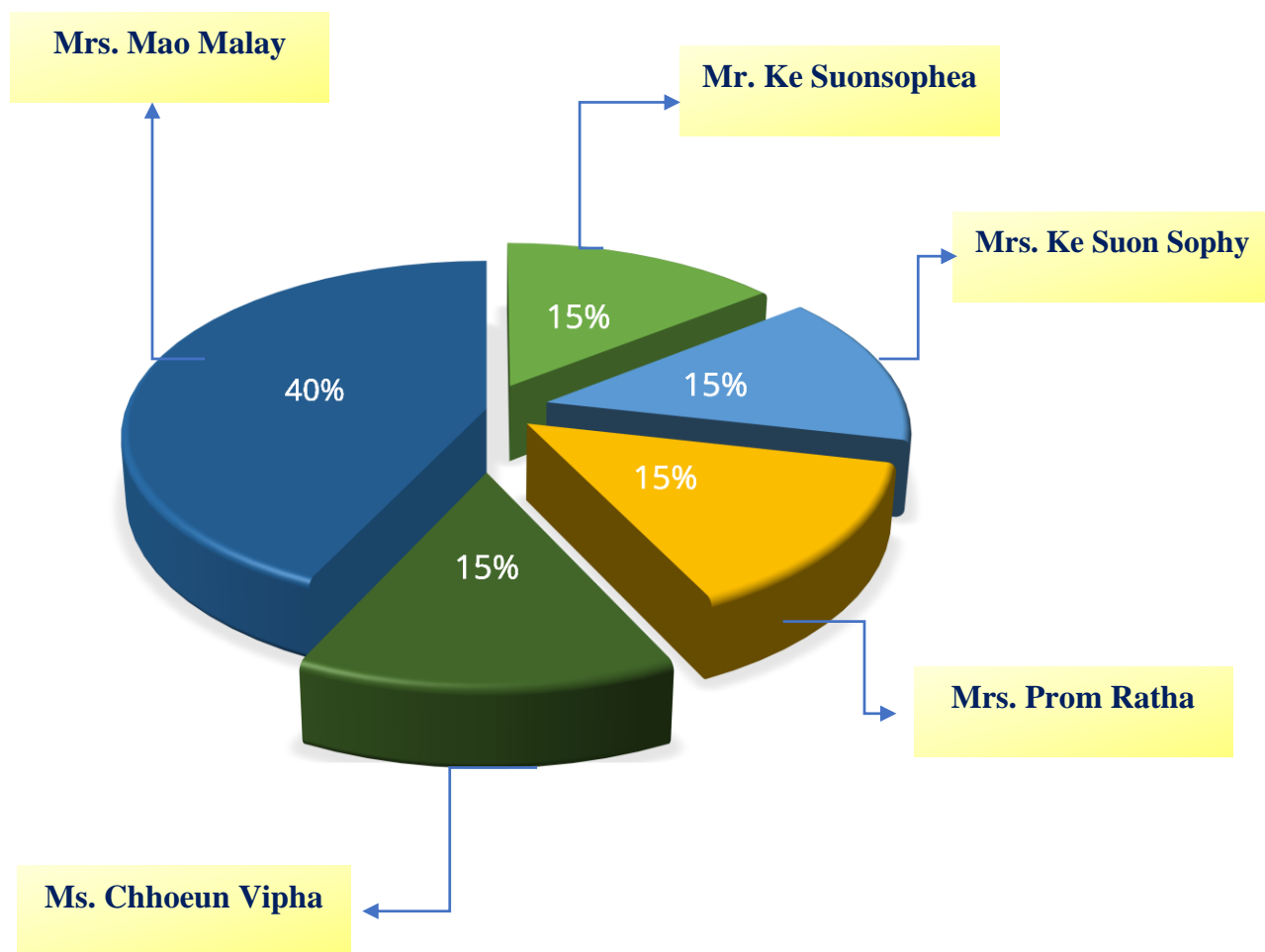
Dr. En Yoeun**Independent Board Member of Y.L.P Microfinance Plc.**

Dr. En Yoeun was appointed by the shareholders as an independent member of the Board of Directors of Y.L.P Microfinance Plc. on November 20, 2023.

Prior to joining the Independent Board of Directors at Y.L.P., he had more than 27 years of work experience since 1996 in various roles such as a writer and reporter for student newspapers, a former official of the Ministry of Foreign Affairs and International Cooperation, a professional journalist teacher at the Human Rights Organization, a Director General of Women's Voice of Cambodia, a Professor of Law at the Royal University of Law and Economics, and at other 8 Universities in Phnom Penh.

Dr. En Yoeun completed his Bachelor degree in Law at the Royal University of Law and Economics in 1999, Master degree in Law in 2006, and Doctor degree in Law at the Royal Academy of Cambodia in 2018. From 1996 to 2007, he also received some national and international Technical Certificates in Laws: Diploma in Judicial Professional, Baccalaureate in Droit from the Royal University of Law and Economics, Certificate in Principle of Journalism and News Writing, MS. Word and QuickXpress at the Royal University of Law and Economics, English Professional Certificate in the Republic of India, E-Government Certificate at the Ministry of Foreign Affairs of Singapore, and Certificate in International Law and International Negotiation at the Ministry of Foreign Affairs and International Cooperation.

4. Shareholders



N ^o	Shareholder	Share		
		Amount	Number of Share	Percentage (%)
1	Mrs. Mao Malay	2,400,000,000 Riels	400	40%
2	Mr. Ke Suonsophea	90,000,000 Riels	150	15%
3	Mrs. Ke Suon Sophy	90,000,000 Riels	150	15%
4	Mrs. Prom Ratha	90,000,000 Riels	150	15%
5	Ms. Chhoeun Vipha	90,000,000 Riels	150	15%
Total		6,000,000,000 Riels	1,000	100%

5. Management



Mr. Ke Suonsophea,
Chief Executive Officer of Y.L.P Microfinance Plc.



Mr. Ke Suonsophea was appointed as the "**Chief Executive Officer**" of Y.L.P Microfinance Plc. and recognized by the National Bank of Cambodia on June 24, 2023. In his Execution, he is responsible for leading, managing, and planning (human resource, products, assets, and profits), and strategies (short, medium, and long term) in order to ensure a smooth and effective operation with other risk prevention of the institution.

Besides, **Mr. Ke Suonsophea** also serves as the Vice-Chairman of the Executive Committee of Y.L.P Foundation Association and the founders of the Orphanage of Hope.

Mr. Ke Suonsophea graduated his Bachelor's degree in Tourism at the National University of Management, Phnom Penh in 2008 and has studied abroad in Singapore, Japan and the United States.

Mr. Kon Rotha,
Deputy Chief Executive Officer of Y.L.P Microfinance Plc.



Mr. Kon Rotha is a Deputy Chief Executive Officer of Y.L.P Microfinance Plc. Before his commencement as the Deputy Chief Executive Officer at Y.L.P, he had been as a Managing Director of RHMS Shop Plc. and the CEO of Ly Hour Leasing Plc. In addition, he has worked for ACLEDA Bank Plc for more than 15 years (both in Cambodia and Laos), holding a variety of roles from Regular Staff to Management level such as a Credit Agent, an Accountant, an Internal Auditor, an Audit Unit Manager, an Internal Audit Office Manager, a Head of Internal Audit Department, and a Head of Finance Department of ACLEDA Bank in Laos.

He graduated his Master's degree in Finance and Banking at the National University of Management, Phnom Penh in 2015 and has participated in the Australian Institute of Company Directors Program in Sydney, Australia.

Mr. Ma Sophy,**Head of Finance and Administration Department of Y.L.P Microfinance Plc.**

Mr. Ma Sophy has been working with Y.L.P Microfinance Plc. since November 2021 as a Deputy Head of Finance and Administration Department and has been nominated as a Head of Finance and Administration Department in July 1, 2023.

Prior to joining Y.L.P, he had more than 10 years of experience in the microfinance and banking sectors since 2008, holding positions of Branch Accountant, Credit Agent, Head Office Accountant, Chief Accountant of Headquarter at Seilanithih Microfinance Institution, and Chief of Branch Operations at Cambodia Post Bank Plc.

Mr. Ma Sophy graduated his Bachelor's degree in Accounting and Finance at the University of Management and Economics in Banteay Meanchey Province. He has attended many training courses in the field of microfinance and banking with the Cambodian Microfinance Association and other training institutions in Cambodia.

Mr. Sen Chin,**Head of Human Resource Department of Y.L.P Microfinance Plc.**

Mr. SEN Chin has been working as the Head of Human Resources Department for Y.L.P Microfinance Plc. since November 1, 2021. He is responsible for creating, monitoring, and developing the Human Resources Department policies, procedures, and other operating manuals as well as directing the implementation of human resource strategies, policies, manuals, and procedures. He also focusses on effective use of human resources to achieve the expected plans in the competitive context.

Before his commencement at Y.L.P Microfinance Plc., he has served as a Founder and Director of Brighter Bridge International School (BBIS), an Account-Admin. and Human Resource Manager at the Australian Centers for Development (Cambodia), an English Language Lecturer at Mean Chey University, Teacher at other institutions. In addition, he has also worked as an Education Trainer in the field of Tourism and Hospitality, a Unit Manager of Life Insurance at Manulife (Cambodia) Plc,

a Sponsorship Program Officer at Good Neighbors International (Cambodia), and a Community Facilitator for Youth Education Programs at KYA as well.

Mr. Sen Chin graduated his Bachelor's degree in Education, majoring in English Language Teaching in 2012 at Meanchey National University (NMU), Banteay Meanchey Province, Cambodia. He also has attended many Workshops and Training Courses: Human Resources Management Strategies, Effective Use of the Public Service of LACM & SICMS of MoLVT, and Business Plan Development, Effective Proposal Writing, Training for MSME Manager, Legal Processing for Standard Small Business, Marketing & Sale Increase for Small Business, Train-the-Trainer & ASEAN MRA-TP Training Courses, ICT Course for Life Insurance, and the International English Language Test System (IELTS).

Mr. Se Vanhai,

Head of IT Department of Y.L.P Microfinance Plc.



Mr. Se Vanhai has been working for Y.L.P Microfinance Plc. as a Head of Information Technology Department since November 2021. In his execution, he is responsible for many important tasks such as setting up the core banking system, organizing and developing information technology operating manual, organizing networks in the office, as well as recruiting and training information technology staff within the department. He also has other roles as a Chairman of the Quality Checking Committee, Chairman of the Business Support Team (BST), and a member of IT Steering Committee. Before his commencement at Y.L.P Microfinance Plc., he worked for eight years in the field of information technology with companies in Siem Reap, leading several projects related to data center management, setting up networking in various micro-finance institutions, insurance companies, hotels, and supermarkets.

He graduated his Bachelor's degree of Science in Information Technology at Build Bright University, Siem Reap in 2014. In 2021, he completed a training course in digital marketing with GIZ SIEM REAP DIGITAL MARKETING and participated in GIZ BATTAMBONG DIGITAL MARKETING. In 2023, he finished an online training course on NSE1, NSE2, NSE3 from Fortinet.

Mr. Sarith Vicheth

Senior Auditor of Y.L.P Microfinance Plc.



Mr. Sarith Vicheth has been working for Y.L.P Microfinance Plc. as a Senior Audit Officer of the Internal Audit Department. He has had more than 11 years of experience in the field of banking and microfinance so far and has worked with ACLEDA Bank and PRASAC MFI.

Mr. Sarith Vicheth has held many positions before joining Y.L.P Microfinance Plc. such as a Credit Agent, an Internal Auditor, a Regional Auditor, and a Senior Internal Auditor of the Internal Audit Department. Meanwhile, he has participated in many Training Courses: Introductory Training for Credit Officers and Internal Auditors at ACLEDA Bank and Introductory Training for Regional

Auditors at PRASAC MFI.

Mr. Sarith Vicheth graduated his Bachelor's degree in Community Development at Meanchey National University and is pursuing a Master's degree at IFA Institute of Finance and Accounting, majoring in Auditing and Taxation.

Mr. Men Phannat

Head of Risk and Compliance Department of Y.L.P Microfinance Plc.



Mr. Men Phannat has been working for Y.L.P Microfinance Plc. as the Head of Risk and Compliance Department since November 2022. He has nine years of experience in the financial and non-financial sectors: working for DGB Bank, New York International School, and Internet Online (AA Net) in the positions of Cashier, Stock and Inventory Controller, Customer Service Officer, Loan Admin Officer, and Compliance Officer.

Mr. Men Phannat graduated his Bachelor's degree in Management in 2019 from Asia Euro University, Phnom Penh.

In addition, he has also attended some training courses on Risk and compliance Management, organized by the Institute of Banking and Finance; Workshop on Compliance of Labor Law, organized by YEAC; AML/CFT Law Practice in Cambodia; and currently continuing his Certificate of Compliance Level 1 “Compliance”, organized by the Institute of Finance and Accounting.

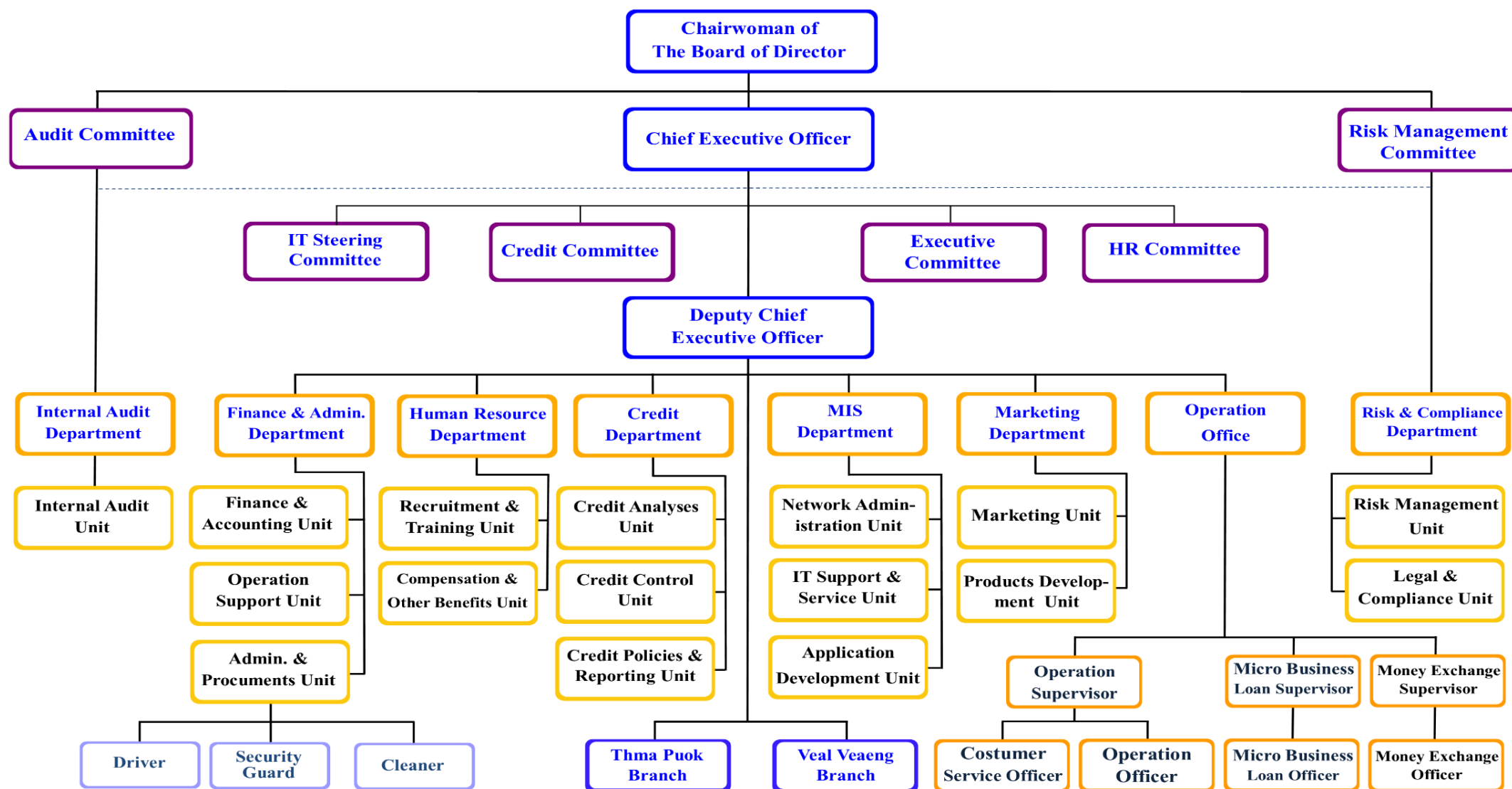
Mr. Sath Veng,
Head of Credit Department of Y.L.P Microfinance Plc.



Mr. Sath Veng has been working for Y.L.P Microfinance Plc. since February 16, 2023 as a Head of Credit Department. Until now, he has been working in the field of Microfinance for more than 23 years, and has worked for Seilanithih Microfinance Institution Ltd, MOHANOKOR Microfinance Plc, and T&GO FINANCE Plc. with various positions such as Credit Agent, Credit Officer, Branch Manager, Regional Manager, Operation Manager, Assistant to CEO, and Credit Department Manager.

Mr. Sath Veng graduated his Master's Degree in Business Administration from Asia Euro University in 2021. Besides, he has also attended several Training Courses with the Cambodian Microfinance Association, Credit Training Courses in Philippines, CMDI Institute of CARD MRI, Philippine and CARD BANK, Philippine.

6. Organizational Chart



III. Overview of Cambodia's Economy



In 2023, the global economy faced challenges while recovering from the COVID-19 pandemic and still has been facing prolongation due to the geopolitical crisis of the Russia-Ukraine war, the Israeli-Hamas war, the real estate crisis, a rise in monetary policy rate to combat inflation, and weak domestic demand in China. According to a report by the International Monetary Fund (IMF), Global economic growth is forecast to

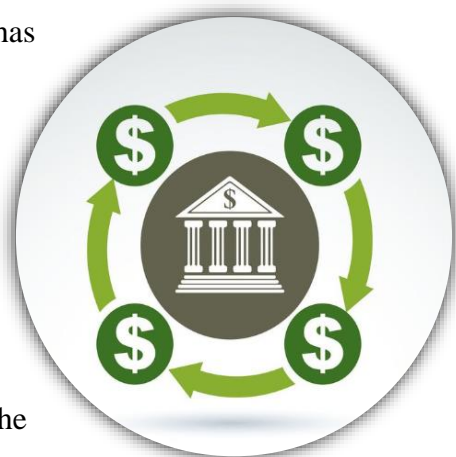
increase at a rate of 3%, in developed countries at a rate of 1.5%, in emerging and developing countries at a rate of 4%, and ASEAN at a rate of 4.4%.

The slowdown in global and regional economic growth has been also a pressure on the Cambodian economy, especially garment exports, growth in the real estate and construction sectors. However, the recovery of tourism industry, the increase of non-garment exports, and local demand have contributed to the Cambodia's economic growth of 0,2% compared to the year 2022.

According to the World Bank's Report of the Cambodian Economic situation, Cambodia's economy is projected to grow at a rate of 5.8% in 2024, with recovery contribution from three sectors: industry, services, and agriculture. With these, the industrial sector is projected to continue to rise at a rate of 8.5% with a recovery of garment sub-services and manufacturing sub-sectors, while the services sector is predicted to increase at a rate of 6.9% due to the recovery of domestic economic activities, especially the hotel, restaurants, and other supporting services sub-sectors such as the wholesale-retail sub-sector, the transport, and communications sub-sector. Meanwhile, the agricultural sector is projected to grow at a rate of 1.1% this year due to the improvement of the crop sub-sector and the recovery of the fisheries sub-sector, whereas the livestock sub-sector continues to remain stable.

Banking System Condition in Cambodia

The banking and financial system remains healthy and has contributed to the recovery of economic activities despite the protracted crisis. With strong capital and liquidity ratios, the solvency ratio is as high as 22.7% for banks and 25.4% for financial institutions, higher than the minimum set by regulation (15%) and the liquidity ratio is 167.6% for commercial banks and 333.3% for microfinance institutions with saving accounts, which is over the minimum level set by the regulations (100%). As a result of this inspection, banking and financial institutions show a resilience of their systems from various impacts.



At the end of 2023, the total asset of financial industry has increased to 8.6% (\$ 84.3 billion). The total loan outstanding grew at 4.8% (\$ 57.6 billion), the total deposit balance of clients rose to 13.1% (\$ 47.9 billion), the Non-Performing Loan Ratio (NPLR) increased to 5.4% for the banking sector, and 6,6% for the microfinance sector due to the completion of credit restructuring measures and slowing credit growth.

IV. Products and Services

1. Product Type

Y.L.P Microfinance Plc has developed a wide range of products and payment methods to serve customers and be flexible to meet the needs of clients in the actual area of operation such as:

- ❖ Group Loan
- ❖ Micro Loan
- ❖ Small Loan
- ❖ Medium Loan
- ❖ Personal Loan
- ❖ Staff Loan
- ❖ Quick Loan



For payment methods, Y.L.P has many options to offer customers to suit the cash flow and type of business for payment modes such as:

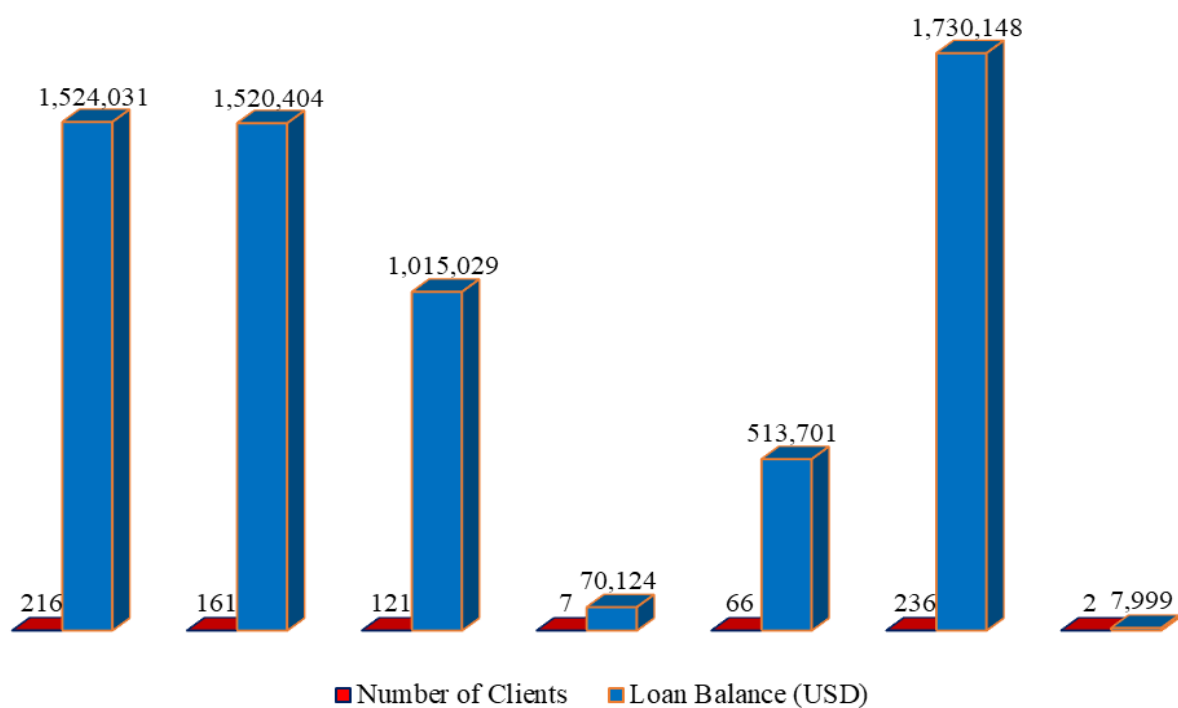
- ❖ Pay monthly interest and total principal at the end of the session (Balloon).
- ❖ Pay monthly interest and partial principal (Semi-Balloon).
- ❖ Pay interest and principal monthly (Declining)
- ❖ Pay interest and principal monthly fixed (Annuity).
- ❖ Monthly interest payment and principal payment through negotiation (Negotiation).

2. Loan portfolio

In 2023, the Y.L.P provided loans to a total of 355 clients with a total loan amount of USD 3,095,389. As of the end of 2023, the institution has a total of 809 active clients with a total loan portfolio of USD 6,381,436, as detailed below:

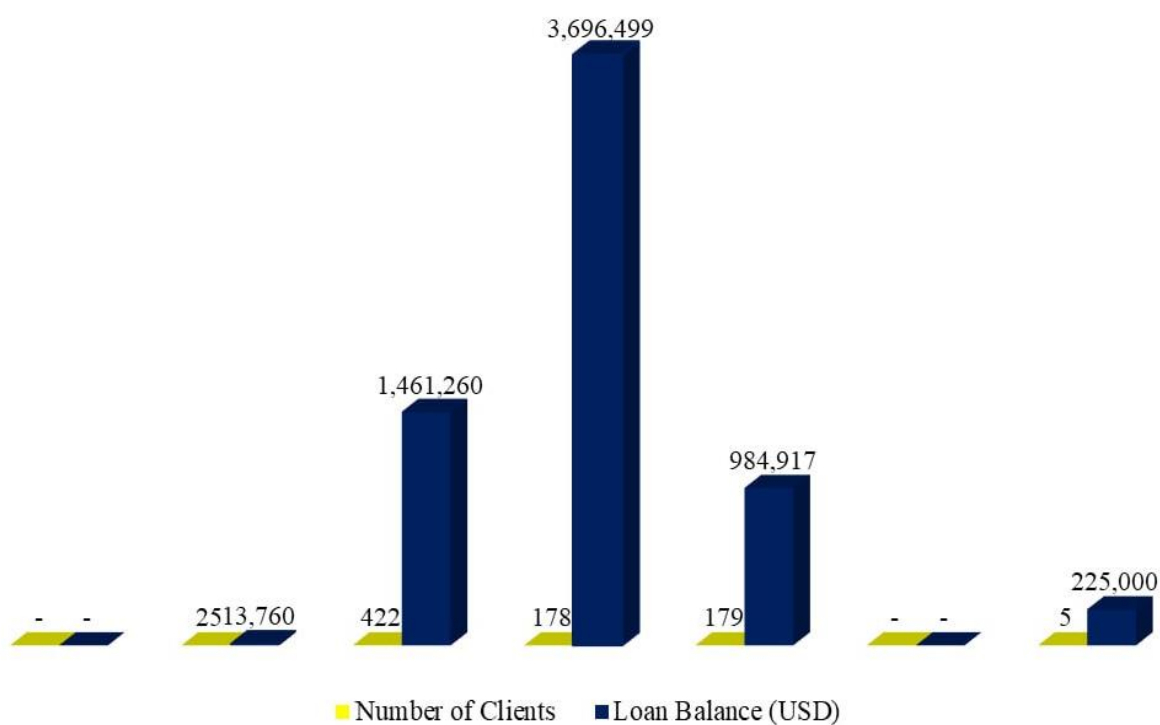
❖ **Loan portfolio by sectors**

No.	Sectors	Number of Clients	Loan Balance (USD)
1	Agriculture	216	1,524,031
2	Trade and Commerce	161	1,520,404
3	Services	121	1,015,029
4	Transportation	7	70,124
5	Construction	66	513,701
6	Household/Family	236	1,730,148
7	Other categories	2	7,999
Total		809	6,381,436



❖ **Loan portfolio by product type**

No	Loan by Products	Number of Clients	Loan Balance (USD)
1	Group Loan	N/A	N/A
2	Micro Loan	25	13,760
3	Small Loan	422	1,461,260
4	Medium Loan	178	3,696,499
5	Personal Loan	179	984,917
6	Staff Loan	N/A	N/A
7	Quick loan	5	225,000
Total		809	6,381,436



3. Customers' Opinions



Mr. Phim Klou (Agricultural Loan)

After receiving the loan from Y.L.P Microfinance Plc., I was able to expand my farming business a lot, and it helped me to earn more income to support my family living condition. Now my family situation is better than before and I can afford to pay for my children's studies.

Mrs. Nhuon Lahai (Business Loan)

I have applied for a loan from Y.L.P Microfinance Plc. in order to increase a capital for my Purified Drinking Water Enterprise. Now my enterprise can produce more water to supply to the market demand than before, can run more smoothly than I expected, can increase our income, and can expand our enterprise to be bigger than before. Until now, my family situation is better than before.





Mrs. Touch Theary (Personal loan)

I have applied for a personal loan from Y.L.P Microfinance Plc. to build a house. Now my house is 100% completed after using the loan. I have a proper house and my family live happily. It has made my family grow better and be able to work better.

Mrs. Nhork Renya (Civil servant Loan)

I'm a teacher and I applied for a loan from Y.L.P Microfinance Plc to purchase equipment and a motorcycle for my transportation. At the present, my family has enough materials to use and convenient transportation to work.



V. Institution Committee

A. Board Committee

1. Board of Directors Committee

Member:

❖	Mrs. Mao Malay	Chairwoman
❖	Mr. Ke Suonsophea	Member
❖	Mrs. Ke Suon Sophy	Member
❖	Mrs. Prom Ratha	Member
❖	Dr . En Yoeun	Independent Member

Role :

- Set goals and business strategies of the institution.
- Review and approve the annual plan and business strategy of the institution.
- Approve the selection, appointment, termination of the functions of the Chief Executive Officer of the institution and make the approval of the wage framework for senior management of the institution, allowances and other benefits by types (all Boards and committees).
- Review and approve all policies for implementation in the entire institution.
- Establish an internal control system for evaluating and monitoring the performance of the institution to ensure that all risks are appropriately prevented.

Meeting: In 2023, the Board of Directors Committee held 2 meetings (face-to-face) on September 29, 2023 and December 20, 2023 to review and discuss the following tasks:

- Follow up the action plans that has been set.
- Conduct a review on the institution's monthly progress report.
- Review and select an external audit firm for the year 2023.
- Review and finalize the 2024 business plan.
- Review and approve the 2022 External Audit Report.
- Monitor and revise the terms and conditions to align with business activities.
- Review and approve amendments on the Financial Policy, Credit Policy and Human Resources Policy.

2. Risk Management Committee

Member:

❖ Dr. En Yoeun	Chairman
❖ Mrs. Prom Ratha	Member
❖ Chief Executive officer	Member
❖ Deputy Chief Executive officer	Member
❖ Head of Finance and Administration	Member
❖ Head of Credit	Member
❖ Head of the Internal Audit	Member
❖ Head of Risk and Compliance,	Member and Secretary

Role :

- Assist the Board of Directors in revising the mission and strategy to be an acceptable level, appropriate to all risk levels that the institution faces.
- Ensure effective monitoring of risk management and compliance functions as well as independent appropriate control strategies, procedures and measures on all activities and operations of the institution.
- Review and make recommendations to the Board of Directors on the risk management and governance framework, including the appropriateness, effectiveness, and independence of the risk and governance management.
- Review and make recommendations to the Board of Directors on the risk management policy of the institution such as defining, evaluating, monitoring, and reporting on any risks which may occur.
- Supervise the implementation of risk management policies, compliance with each legal and regulatory rule.
- Recommend on operation, execution, and implementation of risk management with clear responsibility.

Meeting: In 2023, the Committee conducted a review on the main following tasks:

- Revised and made recommendations to the Chairwoman of the Board of Directors for final approval on the External Audit Report for the year 2022.
- Monitored and made recommendations on risk management, anti-money laundering and combating terrorism financing policies.
- Reviewed and monitored the risk management report and monthly compliance report.
- Monitored and followed up monthly credit risk management report.

- Reviewed and analysed the impact of possible risk scenarios on the balance sheet, profit-loss statement, and prudential ratio set by the National Bank of Cambodia.
- Reviewed the compliance report and received the analysis report on the types of suspicious transactions within the institutional circle.

3. Audit Committee

Member:

❖	Dr. En Yoeun	Chairman
❖	Mrs. Ke Suon Sophy	Member
❖	Chief Executive Officer	Member
❖	Deputy Chief Executive Officer	Member
❖	Head of Credit Department	Member
❖	Head of Finance and Administration Department	Member
❖	Head of Internal Audit Department	Member and Secretary

Role :

- Follow up and monitor the accuracy of financial statements, internal financial management system, internal audit, and external auditors.
- Review the internal audit program to ensure coordination between the internal auditor and the external auditor and ensure that the functions of the internal audit are accurate, adequate and independent.
- Ensure that the information provided to the public and the National Bank of Cambodia is clear, accurate and reliable.
- Ensure that Internal Auditors have implemented the auditing tasks regularly on financial record method and financial report in order to respond to the regulation and Board of Director's expectation.
- Evaluate, monitor and approve the internal audit policies, procedures and annual internal audit plans, especially the systems for measuring, monitoring, and managing risks in a consistent manner and recommending deficiencies.
- Review, advise and evaluate the qualifications and independence of listed public accounting firms (external independent auditors) that the institution selects to conduct annual audits.
- Assist the Board of Directors in monitoring the implementation of accounting policies and preparing reports properly, adequately and ensuring the effectiveness of internal controls.
- Review and monitor the implementation of various legal principles, procedures and regulations.

- Meeting:** In 2023, the Committee conducted a review on the main tasks:
- Monitored, approved, and proposed to the Board of Directors for final approval on the 2022 Financial Audit Report.
 - Monitored and approved the internal audit reports for submitting to NBC.
 - Monitored Internal Audit Reports and analyzed other trends and facts.
 - Reviewed and approved the Internal Audit Plan for 2024.
 - Discussed and approved the selection of external audit firms for the year 2023.
 - Conducted an annual review of various policies, audit principles, internal control principles and general guidelines.

B. Management Committee

1. Executive Committee

Member:

❖ Chief Executive Officer	Chairman
❖ Deputy Chief Executive Officer	Vice Chairman
❖ Head of Credit	Member
❖ Head of Risk and Compliance	Member
❖ Head of Information Technology	Member
❖ Head of Finance and Administration	Member
❖ Head of Internal Audit	Member
❖ Head of Human Resources	Member and Secretary

Role :

- Review and decide on key business issues in accordance with the approved strategy and within its competence as assigned by the Board of Directors.
- Approve important business issues in accordance with the set strategic plans within its jurisdiction assigned by the Board of Directors.
- Review the human resource policies and institutional frameworks.
- Review and propose to the Board of Directors to launch new products and services.
- Monitor and follow up the financial performances of the business and propose adjustable measures as needed to meet the set goals.
- Examine and monitor the implementation of loans and portfolios and request adjustable actions to meet the set objectives.
- Review and monitor the progress of the action plans, which have a significant impact on the financial performances and/or operational efficiency of the institution, and take appropriate actions to ensure that the plan achieves its objectives.

- Monitor and follow up emerging risks in the market, future changes in the regulatory environment and trends in the financial institution industry.

Meetings: In 2023, the Executive Committee held 48 weekly meetings to review the results of set tasks, action plans, and the problems encountered to be tackled and discuss to launch new strategic plans for implementation.

2. Human Resources Committee

Member:

❖ Deputy Chief Executive Officer	Chairman
❖ Head of Human Resources	Vice Chairman
❖ Head of Credit	Member
❖ Head of Finance and Administration	Member
❖ Head of Internal Audit	Observer

Role :

- Determine the qualifications of the candidates who may be qualified to be the leadership staff level or may be appointed to be in the senior management position in accordance with the criteria set out in the policy and make recommendations to the Board of Directors on the appointment or the discharge of any senior staffs from the positions.
- Implement the performance appraisals of staff, unit leaders, departments and branches management.
- Set and create a common standard format for determining the qualifications, positive qualities of leaders who are able to lead staff effectively.
- Study and review the principles of calculation and preparation of salary ranks of high-level staff, senior management, executive management and other management, which are the main objectives approved by the Board.

Meetings: The Human Resources Committee held 4 meetings in 2023 to review and decide on a number of issues such as recruitment and appointment, staff performance appraisal, promotion, demotion, motivation, and punishment of staff. In addition, the committee also met to review and approve human resources principles and procedures such as: human resource management policies, operating manuals, Training Policy, Staff Codes of conduct, Staff Job Descriptions (JDs), and staff evaluation procedures.

3. Credit Committee

Member:

❖ Deputy Chief Executive Officer	Chairman
❖ Head of Credit	Vice Chairman
❖ Head of Risk and Compliance	Member
❖ Head of Finance and Administration	Member
❖ Credit Analyst Unit Manager	Member and Secretary
❖ Head of Internal Audit	Observer

Role :

- Examine and approve loans that are within the scope of its designated approval rights.
- Review and approve credit policies, operating manuals, other standard credit forms, and credit procedures.
- Examine and evaluate the credit market situation and credit risks.
- Monitor and follow up credit quality.
- Review and decide on new products proposed by the credit department.
- Analyze credit risk levels and legitimacy.

Meetings: In 2023, the Credit Committee held 79 meetings to review and approve a number of issues such as: reviewing and approving credit policies and procedure, credit operating manual, credit evaluation procedures, and approve loan.

4. IT Steering Committee

Member:

❖ Head of Finance and Administration	Chairman
❖ Head of Information Technology	Vice Chairman
❖ Head of Risk and Compliance	Member
❖ Head of Human Resources	Member
❖ Head of Credit	Member
❖ Head of Internal Audit	Observer

Role :

- Review IT performance measurement and IT contribution to business.
- Recommend infrastructure products and provide guidance on technology standards and practices, as well as ensure that new technologies measurement with high risks are appropriately implemented.
- Ensure compliance with regulatory and legal requirements by verifying compliance with technology standards and guidelines.

- The committee review or discuss about the institutional policies, other governance of related technological documents, the quality and effectiveness of information technology security, and resilience of business.
- Review the progress of the IT project by comparing the project status with the initial plan, monitoring the implementation, completion, analysis based on the success and failure of the project, and evaluating the impact of changes.
- Identify and evaluate future IT needs, ensure that IT policies and plans are in line with the institution's mandate and business plan, internal and external audit standards, existing government policies, and also improve risk management standards.

Meetings: In 2023, the Commission held 4 meetings to review and approve a number of issues such as reviewing and approving the acquisition of the core banking system, information technology policies, information technological related risks, and setting standards for the use of equipment, electronics, and so on.

5. Risk and Compliance Committee

Member:

❖ Head of Risk and Compliance	Chairman
❖ Head of Credit	Vice Chairman
❖ Head of Information Technology	Member
❖ Head of Finance and Administration	Member
❖ Head of Human Recourse	Member
❖ Head of Internal Audit	Observer

Role :

- Develop strategies and policies for the prevention and management of risks in each type of institutional risk, based on risk identification, risk analysis and assessment, risk classification and prioritization, risk mitigation processes, and risk monitoring and reporting.
- Review issues raised by the internal audit that affect the risk management framework.
- Monitor current issues and trends related to risk management.
- Examine the management's response to the internal auditor's recommendation that can be accepted for correction.
- Recommend to the Chief Executive Office about potential risks and report to the Chairman of the Board.

Meetings: In 2023, the Commission held 4 monthly meetings to review and assess the risks of

the institution as a whole, such as reviewing and assessing credit risk, operational risk and other risks, enforced by NBC laws and regulations. The committee met to assess and determine the management of audit finding issues found by the internal auditors.

6. Risk Management

A. Responsibility

The management structure of banking and financial institutions is defined and implemented in line with the three levels of protection, in accordance with the organization of the Basel Committee, with each classification of protection having roles and responsibilities with expertise respectively as the following:

- ☞ **The First Line of Defense:** starts with the risk owners in the business lines. These owners manage the types of risk that may occur when conducting banking activities.
- ☞ **The Second Line of Defense:** refers the Risk Management and Compliance functions that are responsible for risk management and compliance matters, including AML/CFT. The Risk Management and Compliance function is independent and reports directly to the Board Risk Management Committee.
- ☞ **The Third Line of Defense:** lies with the Internal Audit function. The unit's main role and responsibility is to conduct risk-based approaches, perform general audit, and provide assurance to the Board about the overall governance framework. This also includes assurance on the risk management framework, and that the YLP's strategy and objectives are effective and consistent with the Board's approval. It also ensures all policies and processes are in place and consistently applied by the First and Second Lines of Defense.



B. Risk Category

Y.L.P Microfinance Plc. closely pays attention to prevent various types of risks that may arise and affect the operation, and result in losses. The main risks that the institution must closely pay attention to are as follows:

🔑 Economic Risk

Cambodia depends on three main economic sectors, each of which is fragile according to its respective circumstances. Tourism could be severely affected by Covid-19, regional politics, and terrorism, most of which are beyond the control of the country. However, the institution must continue to move forward for a better improvement. Another leading sector is the garment industry which is currently recovering after the effected by Covid-19 pandemic, market problems, exports, and shortages of raw materials for production. The institution will provide lending in this area with the utmost care. Finally, the agricultural sector is an important driver of the rural economy, although the sector has some problems related to the market, natural factors and product factors. The institution will pay more attention to promote this field to grow constantly.



🔑 Operational Risks

This risk could be direct or indirect losses due to events or activities that caused by the failure of technological processes, infrastructure, personnels, and other risks affect to it. All managers must be responsible for the operational risk to ensure that the appropriate risk management framework, monitoring tools, and risk control are all in place. The CEO and managers are responsible for creating, updating and regularly testing business continuity plans.



☞ Credit risk

It is risk that a counterparty will not be able to fulfill its obligations under the contract or, in other words, it can be said that it is a possibility for the debtor or financial instrument user to be unable to repay interest or principal on time as stated in the loan agreement. Therefore, Y.L.P Microfinance Plc. manages and control credit risk by level of clients and conduct business visits. In order to achieve the credit growth with high quality and credit risk-well managed, Credit Policy has been stated specifically and clearly about credit risk mechanisms, approved by the Board of Directors.



☞ Compliance and regulatory risks

This risk refers to non-compliance with the requirements and regulations that exist in our country. The Risk Management Compliance function is responsible for establishing and maintaining an appropriate framework of compliance policies and procedures. Compliance with the policies and procedures is the responsibility of all managers. The institution will monitor all activities to ensure that those are complied with all relevant laws and regulations. The appropriate policies and controls are in place to provide the highest standards of business governance and ethical conduct.



☞ Liquidity Risk

Y.L.P Microfinance Plc. provides credit services only, so there is no liquidity risk which may affect the institution.



7. Anti-Money Laundering and Combating the Financing of Terrorism

Anti-Money Laundering and Combating the Financing of Terrorism is to comply with the Anti-Money Laundering and Combating the Financing of Terrorism laws, Prakas, and new guidelines of the National Bank of Cambodia as well as Cambodia Financial Intelligence Unit. Y.L.P has always updated its policies and procedures to monitor customer transactions as well as KYC



(Known Your Customer). In addition, Y.L.P Microfinance Plc. also pays more attention to the implementation of international standards in fighting against Money Laundering and Financing of Terrorism, and also strictly did the implementation in compliance with the regulations of the competent authorities.

In the mechanism of Anti-Money Laundering and Combating the Financing of Terrorism, the compliance department regularly updates the blacklist of relevant legal entities issued by the National Bank of Cambodia, the UN Security Council, and other stakeholders to ensure that all customers' business has been properly checked within their operation branch and office.

It is important for Y.L.P to do the implementation of "Known Your Customer" or "Customer Due Diligence Measures" so that it must provide training course on Anti-Money Laundering and Combating the Financing of Terrorism to new and relevant employees.

For reporting suspicious transactions and cash transaction, Y.L.P Microfinance Plc. has sent to the Cambodian Financial Intelligence Unit regularly and in a timely manner.

8. Internal Control

To ensure that the operations comply with regulations, laws, principles, procedures and achieve its business goals effectively, Y.L.P has established an internal system including Risk Management and Compliance Department and an Internal Audit Department with the following roles and responsibilities:

❖ The main roles of Risk and Compliance Department:

- Responsible for initiating and updating policies and procedures to ensure that implementation is in line with laws, regulations, tactics and standards;
- Disseminate laws, regulations and legal documents to management and staff;
- The Risk Management and Compliance is independent in reporting to senior management any violations, non-compliance with the principles or policies, laws and other relevant regulations. This means that the Risk Management and Compliance Department can carry

out its functions on its own initiative without hindrance and fear of retaliation from management and other staff.

❖ **The Main Roles of Internal Audit Department:**

- Manage and lead the preparation of the annual audit plan;
- Responsible for monitoring and evaluating the effective implementation of policies and procedures;
- Coordinate and establish the internal audit process;
- Conduct the internal audit in the institution;
- Investigate irregularities, errors, and fraud;
- Make recommendations and reports on findings to Board of Directors;
- Recommendation to Chief Executive officer;
- Be independent in evaluating the effectiveness of the institution's operations for reporting directly to the Board of Directors.

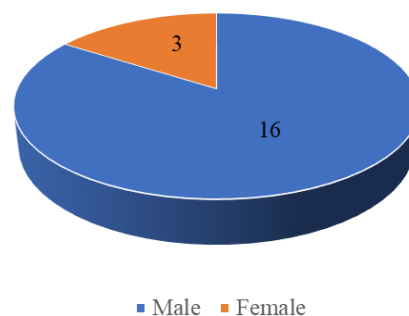
VI. Human Resource Management

Y.L.P Microfinance Plc. has paid strong attention to the human resources execution, applying the Human Resource Policy, Internal Regulations, Operating Manuals, Regulations and procedures established by the institution and in accordance with the Labour Law of the Kingdom of Cambodia.

1. Recruitment

Recruitment has been conducted, aligning with the human resource policy, by the announcement to all candidates internally and externally, publicizing through social networks (Facebook page, Facebook account, Telegram group and Channels) and through the Provincial Job Search Center, schools, universities, staff networks, and other partners. We have also created a recruitment committee to screen, shortlisted, interview, and select the most suitable candidates with knowledge, skills, and attitudes that fit our criteria for each position fairly. We provide equal employment opportunities to all candidates regardless of races, colors, sexes, beliefs, religions or social origins. In response to the practical needs, the institution continued to conduct a series of recruitment during 2023, recruiting a total of 16 new employees (3 females).

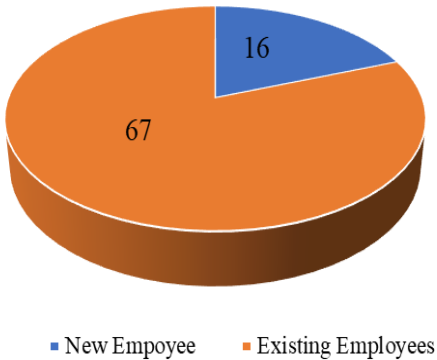
of New staff Recruited 2023



2. Staff Development

Before handing over the jobs, all new employees of Y.L.P Microfinance Plc. have to attend the staff training courses by their roles and responsibilities, which were conducted by the training committee with 19 subjects in order to ensure that those employees have sufficient knowledge, skills and professionalism to fulfil their jobs. In addition, our existing employees have received training courses with their immediate supervisors/managers so that they can perpetually improve themselves with up-to-date knowledge and skills of evolutionized society as well as the organization and regulations.

of New Staff Attended Training 2023

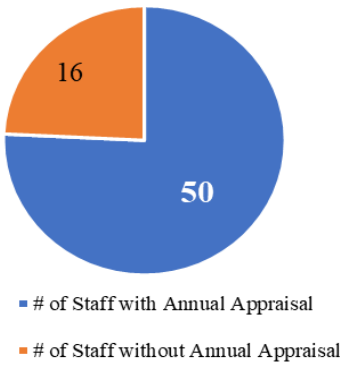


In 2023, the institution has provided training to a total of 83 staff (17 females), of which 16 are new employees and 67 are existing staff. On the other hand, we also have provided support for 2 staff to get external training and organized training of the trainer course and workshops for 3 times to all our main trainers and relevant employees.

3. Staff Appraisal and Appointment

Y.L.P Microfinance Plc. acknowledges the importance of staff appraisal performance in order to encourage the employees to implement their tasks better and achieve higher results. The employee's work evaluation is conducted based on their actual performance based on procedure and Key Performance Indicators (KPIs) set. The Staff's Annual Increment is applied depending on two main factors: KPIs and profits of the institution.

Annual Staff Appraisal



Practically, the institution conducts the staff appraisal performance once a year (calendar year) to promote and increase their annual salaries. In 2023, Y.L.P has conducted the appraisal performance with a total of 66 employees, of which 50 staff's salaries have been increased and the salary of other 16 staff has been kept the same (on probationary period). The employees, who have good performance, have been promoted and their salary has been increased due to the actual performance results respectively.

VII. Social Engagement and Environmental Protection

1. Social Engagement

Y.L.P Microfinance Plc. has launched operations in early 2022, and it has paid more attention to the contribution of the development to the society, local economy, and the wellbeing of our employees. The institution has vision and mission to accelerate the business operation with high responsibility in caring about our employees, clients, environment, and society as a whole.

❖ Social Contribution by Not Providing Lending to Illegal Business

- Not providing loan to drug users or criminal offenders.
- Not providing loan to illegal or unethical businesses such as illegal fishing, drug smuggling, wildlife trade, child workforce-used business, weapon industry, gambling, or illegal cash-valuable treasure bidding.
- Not providing loan to any business related to Money Laundering and Terrorism.

❖ Reducing Poverty and Improving National Economy

- Increase Citizen's incomes through providing loan to them for setting up new business and expanding their existing businesses within their villages and communes, so that it can help reduce the emigration to work in another country.
- Offer employment opportunities to citizens, graduate and undergraduate students, so they have a particular career with proper income to support their family.
- Contribute to the national income through monthly and annually tax payments such as salary tax, income tax, withholding tax, trademark tax, means of transportation tax, profit tax, patent tax, and other taxes.
- Indirectly educate customers to analyze, allocate and manage their income through consultation from the credit officer of the institution.



❖ Other Contribution

- Y.L.P Microfinance Plc. has contributed 100 dozen of purified drinking water and a budget of USD 740 for printing caps, T-shirts, and other expenses to the provincial boat racing team of Banteay Meanchey province.
- Has donated funds to the Cambodian Red Cross in Banteay Meanchey province to help alleviate the suffering of the victims of natural disasters and other causes.



2. Environmental Protection

- Not providing loan to any businesses related to radiation, chemical, and hazardous substance on environment.
- Not providing loan to deforestation-businesses.
- Not providing loan to those who may use it for any illegal actions or environmental pollution.
- Educate our employees on saving electricity, reducing plastic and paper use, and so on.



4. Cultural Involvement

- Y.L.P Microfinance Plc pays great attention in conserving Cambodian traditional culture by organizing and celebrating the Khmer New Year, Pchum Ben, and Water Festival. With these cultural events, the institution had organized various programs including religious event, traditional plays and games, entertainments, unity receptions, and rewarding ceremony.



Chanting Ceremony



Chanting Ceremony



Picture of Management & Staff



Khmer Traditional Games



Khmer Traditional Games



Khmer Traditional Games

VIII. Financial Statements (Audited)

1. Statement of Financial Position

As at 31 December 2023

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
ASSETS				
Cash on hand	49,421	201,885	118,817	489,170
Deposits and placements with the NBC	76,152	311,081	75,728	311,772
Deposits and placements with banks	412,842	1,686,460	110,614	455,398
Loans to customers	6,255,597	25,554,114	6,009,472	24,740,996
Other assets	40,362	164,879	47,891	197,167
Property and equipment	197,997	808,818	241,098	992,600
Intangible assets	23,631	96,533	31,438	129,430
TOTAL ASSETS	7,056,002	28,823,770	6,635,058	27,316,533
LIABILITIES AND EQUITY				
LIABILITIES				
Other payables	109,613	447,772	122,799	505,563
Minimum tax liability	876	3,578	823	3,388
Borrowings from shareholders	991,825	4,051,605	5,493,479	22,616,653
Subordinate debts	5,010,861	20,469,367	-	-
Total liabilities	6,113,175	24,972,322	5,617,101	23,125,604
EQUITY				
Share capital	1,500,000	6,000,000	1,500,000	6,000,000
Regulatory reserves	-	-	-	-
Accumulated losses	(557,173)	(2,277,683)	(482,043)	(1,968,899)
Currency translation differences	-	129,131	-	159,828
Total equity	942,827	3,851,448	1,017,957	4,190,929
TOTAL LIABILITIES AND EQUITY	7,056,002	28,823,770	6,635,058	27,316,533

2. Statement of Comprehensive Income

For the year ended 31 December 2023

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Interest income	938,041	3,855,349	305,412	1,248,219
Interest expense	(93,240)	(383,216)	(28,035)	(114,579)
Net interest income	844,801	3,472,133	277,377	1,133,640
Other income	36,127	148,482	200	817
Total operating income	880,928	3,620,615	277,577	1,134,457
Impairment losses on loans to customers	(30,352)	(124,747)	(84,094)	(343,692)
Depreciation and amortisation	(74,875)	(307,736)	(39,332)	(160,750)
Operating and administrative expenses	(839,689)	(3,451,122)	(568,060)	(2,321,661)
Minimum tax expense	(11,142)	(45,794)	(3,300)	(13,487)
Loss before income tax	(75,130)	(308,784)	(417,209)	(1,705,133)
Income tax expense	-	-	-	-
Net loss for the year	(75,130)	(308,784)	(417,209)	(1,705,133)
Other comprehensive (loss)/income				
Currency translation difference	-	(30,697)	-	49,196
Total comprehensive loss for the year	(75,130)	(339,481)	(417,209)	(1,655,937)

3. Statement of Changes in Equity

For the year ended 31 December 2023

	Share capital		Accumulated losses		Currency translation differences		Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
At 1 January 2022	1,500,000	6,000,000	(64,834)	(263,766)	-	110,632	1,435,166	5,846,866
Comprehensive loss for the year								
Net loss for the year	-	-	(417,209)	(1,705,133)	-	-	(417,209)	(1,705,133)
<i>Other comprehensive income</i>								
Currency translation difference	-	-	-	-	-	49,196	-	49,196
Total comprehensive loss for the year	-	-	(417,209)	(1,705,133)	-	49,196	(417,209)	(1,655,937)
At 31 December 2022	1,500,000	6,000,000	(482,043)	(1,968,899)	-	159,828	1,017,957	4,190,929
At 1 January 2023	1,500,000	6,000,000	(482,043)	(1,968,899)	-	159,828	1,017,957	4,190,929
Comprehensive loss for the year								
Net loss for the year	-	-	(75,130)	(308,784)	-	-	(75,130)	(308,784)
<i>Other comprehensive loss</i>								
Currency translation difference	-	-	-	-	-	(30,697)	-	(30,697)
Total comprehensive loss for the year	-	-	(75,130)	(308,784)	-	(30,697)	(75,130)	(339,481)
At 31 December 2023	1,500,000	6,000,000	(557,173)	(2,277,683)	-	129,131	942,827	3,851,448

4. Statement of Cash Flow

For the year ended 31 December 2023

	2023		2022	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Net loss for the year	(75,130)	(308,784)	(417,209)	(1,705,133)
<i>Adjustments for:</i>				
Minimum tax expense	11,142	45,794	3,300	13,487
Impairment losses on loans to customers	30,352	124,747	84,094	343,692
Depreciation and amortisation	74,875	307,736	39,332	160,750
	41,239	169,493	(290,483)	(1,187,204)
<i>Changes in:</i>				
Loans to customers	(276,477)	(1,136,320)	(6,093,566)	(24,904,404)
Other assets	7,529	30,944	(16,527)	(67,546)
Other payables	(13,186)	(54,194)	121,304	495,769
Cash used in operations	(240,895)	(990,077)	(6,279,272)	(25,663,385)
Minimum tax paid	(11,089)	(45,576)	(2,477)	(10,123)
Net cash used in operating activities	(251,984)	(1,035,653)	(6,281,749)	(25,673,508)
Cash flows from investing activities				
Purchases of property and equipment	(23,967)	(98,504)	(178,460)	(729,366)
Purchases of intangible assets	-	-	(19,250)	(78,675)
Net cash used in investing activities	(23,967)	(98,504)	(197,710)	(808,041)
Cash flows from financing activities				
Proceeds from borrowings	498,346	2,048,202	5,444,647	22,252,272
Proceeds from subordinated debts	10,861	44,639	-	-
Repayments of borrowings	-	-	(161,000)	(658,007)
Net cash generated from financing activities	509,207	2,092,841	5,283,647	21,594,265
Net increase/(decrease) in cash and cash equivalents	233,256	958,684	(1,195,812)	(4,887,284)
Cash and cash equivalents at 1 January	230,159	947,565	1,425,971	5,809,406
Currency translation difference		(13,198)	-	25,443
Cash and cash equivalents at 31 December	463,415	1,893,051	230,159	947,565

IX. Operational Office Network



1. Head Office Address: No 668, National Road No 5, Phum Kourothan, Sangkat Ou Ambel, Krong Serei Saophoan, Banteay Meanchey Province.
Tel: 015 48 0000/ 069 46 1111

2. Thmar Puok Branch Address: Building No 225, Street No 56A, Phsar Thmei Village, Kumru Commune, Thmar Puok District, Banteay Meanchey Province.
Tel: 015 48 0000/069 47 1111



3. Veal Veang Branch address: Building No 155, Street No 55A, Aekakpheap Village, Thma Da Commune, Veal Veang District, Pursat Province.
Tel: 015 48 0000/069 48 1111



Y.L.P Family



Y.L.P Microfinance Plc.

Address: Building No 668, National Road No 5,
Phum Kourothan, Sangkat Krong Serei Saophoan
Ou Ambel, , Banteay Meanchey Province.



Elder Association Fund

Address: National Road No 5, Phum
Kourothan, Sangkat Ou Ambel, Krong Serei
Saophoan, Banteay Meanchey Province.



Y.L.P Association

Address: National Road No 5, Phum
Kourothan, Sangkat Ou Ambel, Krong Serei
Saophoan, Banteay Meanchey Province.

Main Business Relation Partners of Y.L.P



Forte
Life Assurance



Forte
General Insurance

Y.L.P Microfinance Plc.

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