



CHOKCHEY FINANCE

The Best Winning Solution

Annual Report

2023



ChokChey Finance Plc



www.chokchey.com.kh

CHOKCHEY FINANCE HISTORY

2017.07



By Korean shareholders

2016



By local shareholders

2023

Total Asset

US\$ 55.5M

Staffs

242

Branches

11

2022

Launched 02 new branches:

- Chhouk
- Srei Santhor

2020

- Launched a new logo
- Launched 02 new branches:
 - Kong Pisei
 - Kampong Tralach

2021

- Launched 01 new branch:
 - Tram Kark

2018

Launched 05 new branches:

- Toul Kork
- Kampong Speu
- Ta Khmau
- Cheung Prey
- Thnal Totoeung

2019

- Launched a new core banking Korean system "Apsara"

2017

Acquired by 2 Korean Companies:

- Hanshin E&C
- Plus International

2016

- Microfinance licensed from National Bank of Cambodia
- Total asset = US\$ 1.6M
- Branch= 01
- Staffs= 24

KEY HIGHLIGHTS (2023)

As of 31 December 2023

Loan Outstanding

48.7

Million USD

Paid Up Capital

5.5

Million USD

Net Profit

1.08

Million USD

Net Worth

13.8

Million USD

Active Clients

5,361

Return On Equity

11.5%

Number of Branches

11

Return On Asset

2.0%

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SHAREHOLDERS

Hanshin E&C Co., Ltd

Was established in 1950 as a housing construction, and it went on with architecture, civil works, electricity, and plant businesses. It then grew to be one of the most prominent general construction companies in Korea.

Hanshin has also been enhancing the national prestige through active overseas construction in Saudi Arabia, Kuwait and China since 1970.

Recently, Hanshin has been internationally reputed for its technologies and up to-date construction capabilities by participating businesses focusing on Vietnam and other Southeast Asian countries such as Philippines, Myanmar, Cambodia, etc.

Constuction Project of Hanshin E&C

- Sultan Building
- Yanjil Hanshin Apartments
- Mongolia Millenium Highway
- Kuwait Religious Complex
- Thinh Long Bridge Project
- Jubail Royal Committee Housing Corporation
- Hanoi HH4 Mixed-use Complex
- National Road Number 2, 21, 22, 5 in Cambodia etc



(Head Quarter Located Seoul, Korea)



Plus International

49%

Plus International Co., Ltd

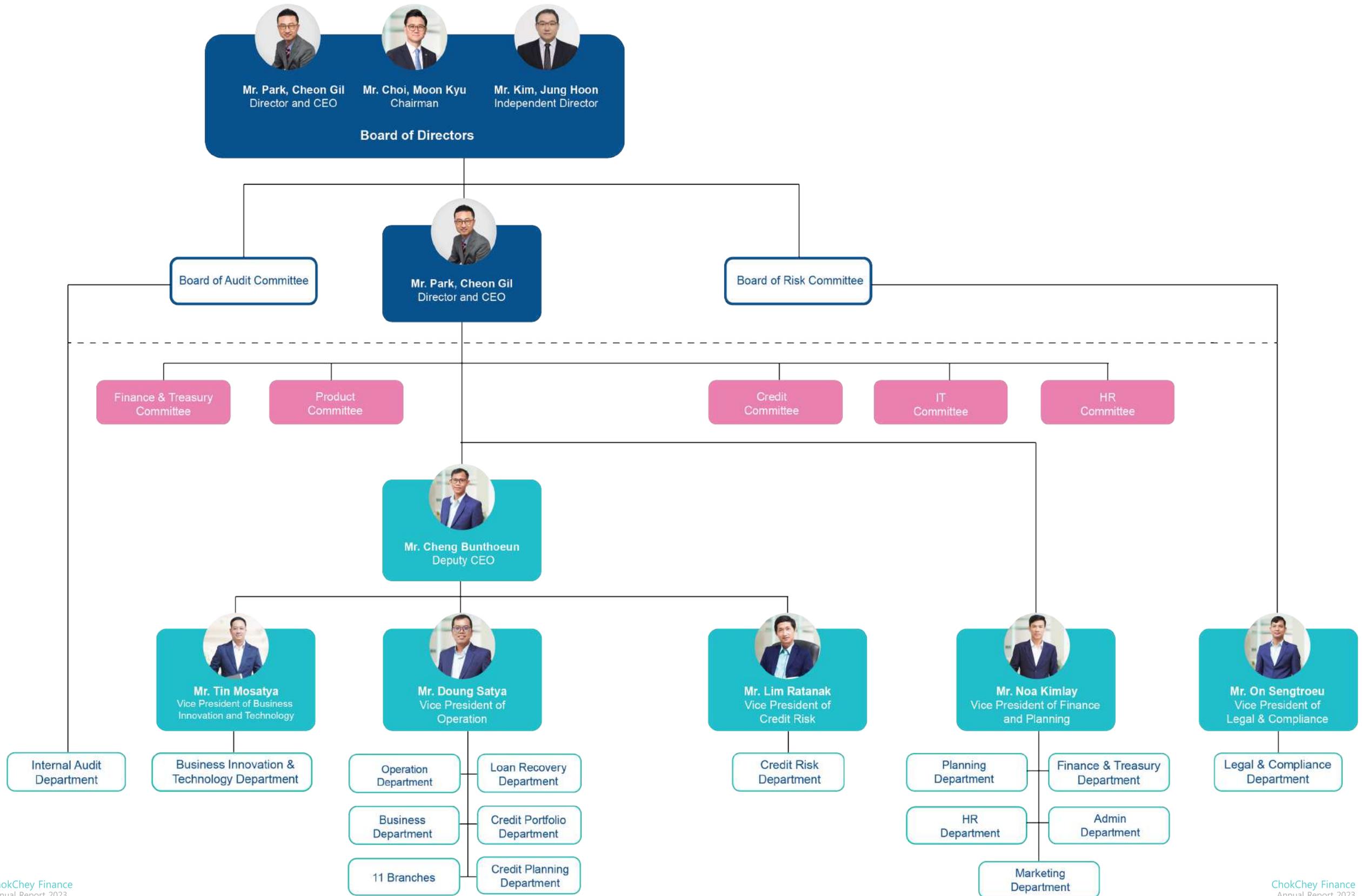
is based in South Korea, with the head office in Seoul. It operates in the real estate industry, and it was incorporated on April 4, 2011

Business Model

- Performing a project of real estate development
- Co-working with Hanshin E&C to search for a new business
- Investing and processing with M&A at home and abroad
- Finding and leading a new business in Cambodia and Vietnam



ORGANIZATIONAL STRUCTURE



KEY OPERATIONAL PRINCIPLES

Localization

Operational Excellence

People, People and People

Change Management

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VISION

We pursue to be a world class finance company **Beating the Banks** in terms of profitability, **Brand Recognition** (Trust, Convenience, and Speed) and **Workforce Satisfaction**.

MISSION

To gain **Lifetime Loyalty** from low to moderate income families, through lending and providing financial services to foster their **Sustainable Business Growth**, and implanting our " **Winning Habit Culture** " in their daily lives & business

CULTURE

We are the best people **Powerhouses, Thinking Big and Global** in pursuit of world class company through our eternal **Winning Habit** and **Learning the Positive** changes. We all work for common growth and enjoy our lives. We are ChokChey Finance.

PHILOSOPHY

- > **People, People and People**
- > Honesty is the Best Policy
- > Open Opportunities
- > Performance - driven Compensation
- > Fairness



MAKING PLACE INSPIRING



“ When faced with a challenge or a dilemma, I have never once felt that I was on my own, at all levels, has a team spirit and is truly happy to help. ”

SUCCESSFUL LOCALIZATION

Making-Decisions by Local Management Committee



Great local management teams make the difference in the performance of global corporations. There is only one Korean in ChokChey, Ryan (Cheon Gil) Park as a CEO. He strongly believes that local people know local practices better than foreigners; thus, he initiates open-minded discussions and debates with each other for better solutions. through providing insights.



PEOPLE, PEOPLE AND PEOPLE

Learning Habit Culture and Open Opportunities

People are the most valuable assets for ChokChey. We've been devoted to finding the best potential people and training them to be global leaders through training curriculums for each level of staff.

ChokChey has been investing heavily in human resource development and staff competence through internal and external training to support every stage of our employees' journey. ChokChey focuses on building a strong, diverse and capable workforce by providing open opportunities for promotion to outperforming staffs. We believe that our human resources development framework, which can help employees develop their personal skills, knowledge and abilities, is essential in developing a workforce which can accomplish the company goals.

CLR 30 International Voices in Finance Cambodia 2024

FINANCE A-I

#Banking #Fintech #Insurance #Investment #Professional Services



A. AZHIKHANOV
ABA Bank



B. FERNANDO
PwC



Ryan (CG) PARK
ChokChey Finance



C. FORSINETTI
OBOR



Chris TIFFIN
Royal Group



Cindy NGUYEN
BRED Bank



Currie Sun Min LEE
RULE, KB Prasac



Han En CHEN
Stronghold Trustee



Hugh DARWELL
Acclime



Ivana TRANCHINI
Visa

Training Matrix for Our Staffs

Head Office Staffs

Training Modules	Basic Competency	Leadership Competency	Core Competency (Functional Competency)	External Training & Event
Management Level: 1. DCEO & Vice President 2. Head of Department Manager Level: 1. Deputy Head of Department 2. Unit Manager Senior Officer Level: 1. Supervisors 2. Senior Officer Officer Level: 1. Officer 2. Junior Officer/ Assistant	Onboarding Training Work Flow and Functional Skills Awareness on AML/CFT & Whistle Blowing ChokChey's Culture by CEO	Management Training Future Leader Training CEO's Class	Monthly starting session from External Learning Awareness and using MS. Office and Company's App On the Job Training by Line Manager	Training with CMA, IBF, ActAsia & Others Skills talking with partner Eurochem, Amchem... Regulator's event Management Workshop ChokChey Lady Culture's Day

Branch Staffs

Training Modules	Basic Competency	Leadership Competency	Core Competency (Functional Competency)	External Training & Event
Manager Level: 1- Senior Branch Manager 2. Branch Manager Leader Level: 1. Deputy Branch Manager 2. Branch Team Leader Senior Officer Level: 1. Senior Credit Risk Officer 2. Credit Risk Officer 3. Senior Credit Officer Officer Level: 1. Credit Officer 2. Junior Credit Officer 3. Credit Officer Trainee Counter Staff: 1. Chief Teller 2. Senior Teller 3. Teller	Onboarding Training Awareness on AML/CFT & Whistle Blowing ChokChey's Culture by CEO	BM's monthly workshop (Opera) Future Leader Training	Credit Operation Refresher Loan Arrears Monitoring & Solving Branch Management NPL Monitoring Training Disbursement Monitoring Training Awareness and using Ms. Office and Company's App Training Branch Staff by Branch Manager Counter Staff Refresher Training	Training with CMA, IBF, ActAsia & Others CEO & Top Management Branch Visit Responsible Lending Certification by IBF Sales Team Workshop ChokChey Lady Culture's Day



Sharing session on "Change management for CBS staff and student of 30th promotion" by CEO

Continuously Exploring The New Trends

More than the training our staff also has chances to attend a variety of workshops, Singapore fintech festival, meetings and briefing sessions to update and gain more knowledge with regulators, partners and colleagues regarding catching a new trends and new experiences.



1 2 Singapore fintech festival

3 4 Management trip to Korea

STAFF ENGAGEMENT ACTIVITIES

Staff engagement comprises a series of “One Team One Goal” spirits in ChokChey. One way to develop staff engagement is through team-building activities. Not only for refresh, our team-building activities are designed to give our employees trust, collaboration, empathy and to bring everyone together and keep our staffs motivated.



“ Operation Team Building Workshop ”



Management’s Branch Visiting

ChokChey management set a monthly plan to visit our branch to monitor the operational activities of each branch and share new strategies with the staff to enhance the operational efficiency. After that we also had a solidarity dinner together to encourage all the staffs for their hard work.

Lady's Culture Day

Women play an essential role in contributing to the company's growth. We are constantly caring and encouraging by organizing dinner party events for all women in our company.



Employee Testimonials

Mr. Soa Vina

Admin Supervisor

From the first day of employment until now, I have been working more than 5 years with this company. According to, my hard working I have received continuously growth and encouragement from the company as my career record as following:

- **May-2018:** First joined as a Security Guard
- **January-2021:** Was promoted to Admin Officer
- **January-2023:** Was promoted to Senior Admin Officer
- **January-2024:** Was promoted to Admin Supervisor

As an employee of the company, I am very proud that the management recognize my efforts and gives me the opportunity to perform my job, receive professional training and allow me to become a part of company's success.



Based on my experience, ChokChey Finance is a company that always provides opportunities for employee uses their ability to achieve their career and personal financial goals. I would like to encourage all students and jobseekers, dare to apply to get an opportunity! Start working with ChokChey now to achieve your dreams.



Ms. Somnang Someas

Deputy Head of Credit Planning & Assistant to DCEO

Since January 2020, I decided to change my career path from working in the educational field to join with ChokChey Finance. Initially, my knowledge and understanding of financial workflows were limited. However, I am grateful for the opportunities to deepen my knowledge through assigned tasks, internal trainings, and external trainings.



DIGITALIZATION IN OPERATION

Open Communication

We use Microsoft Teams for daily operational communication. Any comments and opinions are truly appreciated for better decision making.



Throughout these career journeys, I gained valuable experience related to working skills, as well as a deep understanding of financial industry operations. I am grateful for the opportunities that allowed me to grow my career and have had the chance to be promoted continuously.

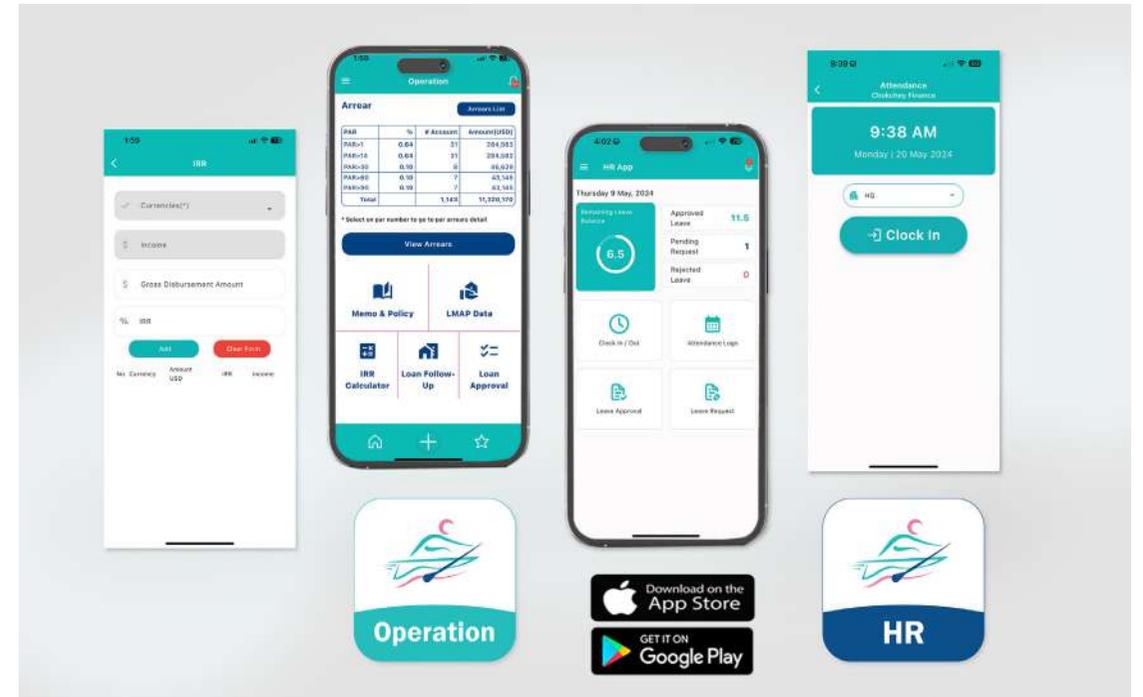
- **January 2020:** First joined as a Translator
- **October 2020:** Promoted to Business Unit Manager and Translator
- **January 2021:** Changed position to Credit Planning Unit Manager
- **June 2022:** Promoted to Deputy Head of Credit Planning and Training Department
- **August 2022:** Changed position to Deputy Head of Credit Planning & Assistant to COO



Lastly, I would like to give recommendation for job seekers is to prioritize finding a company with a supportive and encouraging work culture, as this greatly contributes to personal and professional growth. Additionally, continuously seek opportunities to expand your skills and knowledge to stay competitive in the ever-evolving job market.



Internally developed **Operation** (Credit Officers) app is well-utilized for loan approval and loan management. **HR** app for staff attendant management, leave request etc..



CHOKCHEY X HANSHIN

Invest in the Kingdom of Opportunity

Hanshin E&C and CHOKCHEY Finance are looking for new investment in the Kingdom of Opportunity with its dynamic economy, strategic location, and a young, eager workforce.



1 2

Mr. Moon Kyu Choi joined in Maekyung Cambodia Forum and paid a courtesy visit and greet with samdech Thipadei Hun Manet Prime Minister of Cambodia in March 2024



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សម្រាប់ខ្លឹមសារសំខាន់ៗរបស់
សម្តេចមហាបវរធិបតី ហ៊ុន ម៉ាណែត
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 សម្តេចមហាបវរធិបតី ហ៊ុន ម៉ាណែត នាយករដ្ឋមន្ត្រី នៃព្រះរាជាណាចក្រកម្ពុជា
 និង **លោក Choi Yong-Sun** ប្រធានក្រុមហ៊ុន Hanshin E&C

ទីក្រុងសេអ៊ូល សាធារណរដ្ឋកូរ៉េ ព្រឹកថ្ងៃសុក្រ ទី១៧ ឧសភា ឆ្នាំ២០២៤
 STPM

Seoul, South Korea
 Mr. Choi Yong-Sun, Chairman of Hanshin E&C, paid a courtesy visit and greet with Samdech Thipadei Hun Manet Prime Minister of Cambodia in May 2024



CHOKCHEY X HANSHIN

Invest in the Kingdom of Opportunity (Cont.)



Workshop concerning "Emerging Business Opportunities: Developments in the Trust Sector" organized by (AmCham)



AmCham's Real Estate & Construction Networking Evening

Executives of Korea Chamber of Commerce meet with Trust Regulator

COMPLIANCE AND CSR ACTIVITIES

ChokChey Finance is dedicated to maintaining strong relationships, a positive reputation, and effective communication with our community as we work towards our long-term goal of promoting sustainability and helping our customers, business partners, and community thrive together. We are committed to involving initiatives to promote education, provide aid to marginalized communities, and support local talent development. We also believe in contributing to the improvement of our marketplace by encouraging employee involvement and volunteering opportunities, as well as ensuring sustainable and friendly operations.



KHMER SIGHT
FOUNDATION

Provide Eye Checkups and Free Eyeglasses

ChokChey Finance in collaboration with the Khmer Sight Foundation, brought free eye checkups and provide free eyeglasses to most vulnerable citizens who suffer from eye diseases in Arey Ksat and Lvea Em districts, Kandal province with a total of more than 2,000 participants.

We believe that this charity program will play an important role in improving the well-being of the Cambodian and to help citizens understand more about eye health care and to participate in reducing Cambodia's eye disability rate.



ChokChey Finance received a "Gold" Tax Compliance Certificate From General Department of Taxation for the year of 2022 and 2023



1 Mr. Pov Somrach

Head of Loan Recovery

2 Mr. Thoeun Sothea

Head of IT

3 Mr. Lim Ratanak

Vice President of Credit Risk

4 Mr. Phoeuk Pheaktra

Head of Internal Audit

5 Mr. Noa Kimlay

Vice President of Finance and Planning

6 Mr. Doung Satya

Vice President of Operation

7 Mr. Tin Mosatya

Vice President of Business
Innovation and Technology

8 Mr. Park, Cheon Gil

Director and CEO

9 Mr. Cheng Bunthoeun

Deputy Chief Executive Officer

10 Mr. On Sengtroeu

Vice President of Legal and Compliance

11 Ms. Samnang Someas

Deputy Head of Credit Planning and
Assistant to DCEO

12 Ms. Kim Sokhethida

Senior Head of Finance and Treasury

13 Ms. Hong Sreysam

Deputy Head of HR and Admin

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ChokChey's Management at Monthly Strategy Meeting

BOARD OF DIRECTOR'S PROFILE



Mr. Choi, Moon Kyu
Chairman

Education

- MBA from Thunderbird School of Global Management, Arizona, USA
- Business from Sogang University, Seoul, Korea

Work Experience

- Vice Chairman of Hanshin E&C
- HYUNDAI Merchant Marine
- HYUNDAI Motor Company

Education

- Graduated in Business from Sogang University, Seoul, Korea

Work Experience

- Current Head of Finance of Hanshin E&C
- Careers in HYUNDAI Marine & Fire Insurance



Mr. Kim, Jung Hoon
Independent Director

Education

- MBA - YONSEI University (2011), Seoul, Korea
- UC Berkeley Extension Marketing (2004), California, USA
- Business - Sogang University (1998), Seoul, Korea

Work Experience

- Executive Director, Korea Chamber of Commerce in Cambodia (KOCHAM)
- CEO, Green Central MFI, Cambodia
- CJ Hello, Head of Marketing, Seoul, Korea
- SAMSUNG CARD, Manager, Seoul, Korea
- HYUNDAI CARD, Team Leader, Seoul, Korea



Mr. Park, Cheon Gil
Director and CEO

MANAGEMENT'S PROFILE

ChokChey Finance widely opens the opportunities for everyone not limited to those from financial sectors. Management team members are also from various sectors besides Financial such as Commercial, Telecom, Solution/Software, Manufacturing, Education and also law firm together with education background from both local and international universities. This combination creates ChokChey Finance as a mixed cultures with strong foundation to grow.

Education

- Master's Degree of Public Administration (2016)
- Bachelor's Degree in Economics of Development (2007)

Work Experience

- 14 years in Financial Sector
- Started career from Credit Officer, Credit Control Officer, Deputy Lending Manager, Risk Management Manager, Deputy Executive Director, Head of Credit Risk Management, Head of Risk Management, Compliance Division and Chief Operating Officer



Mr. Cheng Bunthoeun
Deputy Chief Executive Officer

Education

- Master's Degree in Business (2013)

Work Experience

- 15 years in Financial Sector
- Started career from Credit Officer, Loan Recovery Officer, Senior Branch Manager, Learning and Development Officer, Deputy Provincial Branch Manager, Credit and Recovery Manager, Regional Manager and Head of Business



Mr. Doung Satya
Vice President of Operation



Mr. Lim Ratanak

Vice President of Credit Risk

Education

- Bachelor’s Degree of Public Law (2020)
- Bachelor’s Degree in Rural Development (2011)

Work Experience

- 17 years in Microfinance Sector
- Started career from Credit Officer, Branch Team Leader, Branch Manager, Credit Risk Unit Manager and Head of Credit Risk



Mr. Tin Mosatya

Vice President of Business Innovation and Technology

Education

- Bachelor’s Degree in Enterprise Management in 2011 from Royal University of Law and Economics

Work Experience

- 12 years in Microfinance Sector
- Started career from Credit Management Officer, Product Development Team Leader, Product Development Unit Manager, Deputy Head of Product Development and Head of Product Development

Education

- Master’s Degree in Banking & Finance (2016)

Work Experience

- 11 years in Microfinance Sector
- Started career from Credit Officer, Senior Credit Officer, Internal Audit Officer, Senior Internal Audit Officer, Supervisor Internal Audit and Head of Internal Audit



Mr. On Sengtroeu

Vice President of Legal and Compliance

Education

- Bachelor’s Degree in Finance & Banking (2010)
- Doing ACCA at CamEd Business School

Work Experience

- 13 years in Financial Sector
- Started career from Credit Officer, Senior Financial Control, Senior Regulatory Reporting, Treasury Unit Manager, Deputy Head of Planning Department and Head of Planning



Mr. Noa Kimlay

Vice President of Finance and Planning

Education

- Holds a Bachelor's Degree in Accounting and Finance (2017) & Currently pursuing ACCA at CamEd Business School

Work Experience

- 8 Years in Audit Firm
- Starting her career since Audit intern until Audit Manager



Ms. Kim Sokhethida
Senior Head of Finance and Treasury



Mr. Pov Somrach
Head of Loan Recovery

Education

- Bachelor's Degree in Business Management (2007)

Work Experience

- 16 years in Microfinance Sector
- Started career from Credit Officer, Internal Auditor, Senior Internal Auditor, Internal Audit Regional Manager, Head of Internal Audit and Deputy Head of Operational Manager.



Mr. Thoeun Sothea
Head of IT

Education

- Bachelor's Degree in Computer Science at Phnom Penh International University (2010)

Work Experience

- 15 years in IT field and Microfinance Sector
- Starting his career from MIS officer, MIS Unit, Head of IT and IT Director

Education

- Bachelor's Degree in Banking and Financial from Build Bright University (2012)
- Pursuing Master's Degree in Banking and Finance at Asia Europe University (2024)

Work Experience

- Over 10 years in microfinance and banking
- Former Teller, Chief Teller, Cash Unit Manager, Treasury Manager, Finance Manager, Head of Finance and Treasury Department



Ms. Seng Kunthea
Head of Finance and Treasury

Education

- Bachelor's Degree in Business Management (2014)

Work Experience

- 11 years in Microfinance Sector
- Started career from Credit Officer, Internal Auditor, Audit Development & Reporting Auditor, Senior Internal Auditor, Internal Audit Unit Manager, Operational Audit Unit Manager, Deputy Head of Internal Audit, Branch Support Unit Manager and Deputy Head of Credit Risk.



Mr. Phoeuk Pheaktra
Head of Internal Audit



Ms. Hong Sreysam
Deputy Head of HR and Admin

Education

- Bachelor's Degree in Finance & Banking and English for Business (2015)

Work Experience

- 7 years experience in HR Management from various sectors
- Starting careers from documentary assistant, HR Executive, HR coordinator, HR Manager and Acting Head of Human Resource



Mr. Chhou Sokleap

Deputy Head of Loan Recovery

Education

- Bachelor's Degree in Banking & Finance

Work Experience

- 14 years in Microfinance Sector
- Started career from Customer Relation Officer, Credit Officer, Chief Credit Officer, Branch Manager and Internal Audit Unit Manager



Ms. Pen Oudom

Deputy Head of Finance

Education

- Master's Degree of Finance (2017)

Work Experience

- 9 years in Finance Sector, responsible on monthly and yearly closing for local subsidiaries and support to check data loan for oversea subsidiaries.
- 1 year in Trading sector, worked as Assistant Vice President & Manager of Finance and Administration Unit and 2 years as a Vice Director at General Knowledge Center of Education Sector.

Education

- Bachelor's Degree in Finance & Banking (2008)
- Master degree of Management (2014)

Work Experience

- 14 years in Microfinance Sector
- Starting careers from Credit Officer, Senior Financial Control, Senior Managerial Accounting and Planning Unit Manager



Mr. Sok Sopheap

Deputy Head of Planning

Education

- Hold BA in English Teaching (2017)

Work Experience

- 5 years experience in international schools
- Started career in Financial Sector (Jan-2020) from Translator, Digital Business Unit Manager, and Credit Planning Unit Manager



Ms. Samnang Someas

Deputy Head of Credit Planning and Assistant to DCEO



Mr. Rin Sophara

Deputy Head of Portfolio Analyst

Education

- Holding MBA in Human Resource Management (2019)

Work Experience

- 9 years experience in Educational Sector
- 2 years experience as a Human Resource Manager and 2 years in Credit Portfolio Analyst with Financial Sector.



Mr. Ret Horng

Deputy Head of Operation

Education

- Master's Degree in Business (2019)

Work Experience

- 10 years in Financial Sector
- Started career from Credit Officer, Chief Credit Officer, Branch Manager and Regional Manager

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FUNDING PARTNERS



BUSINESS PARTNERS

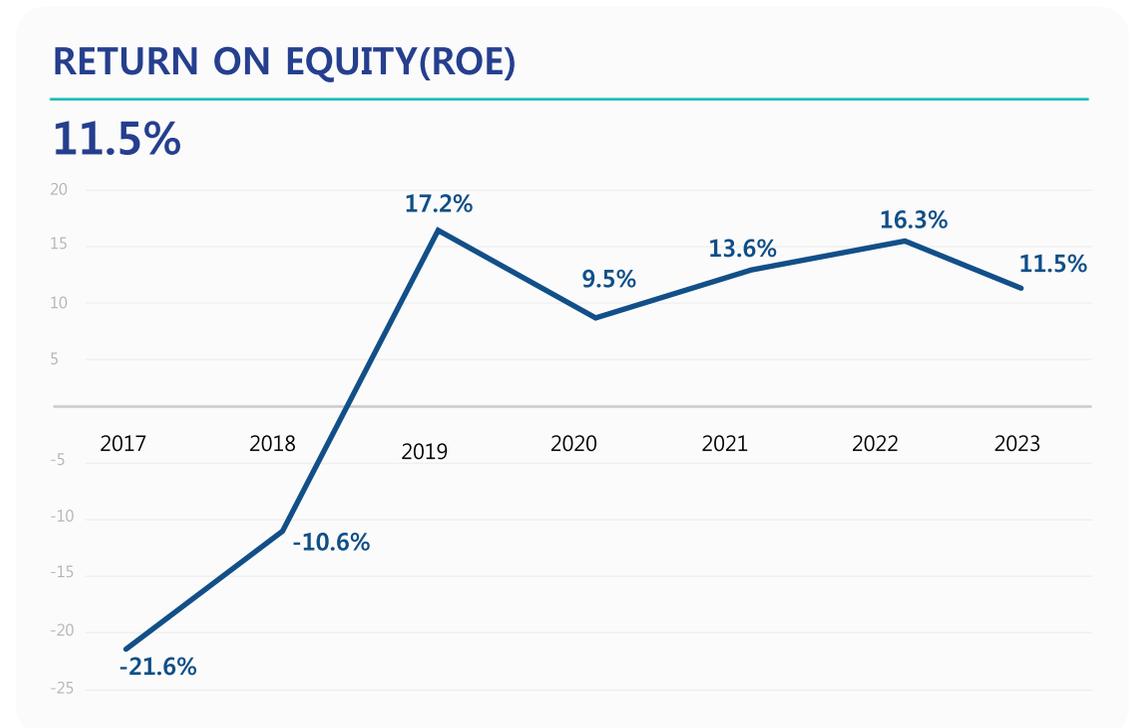
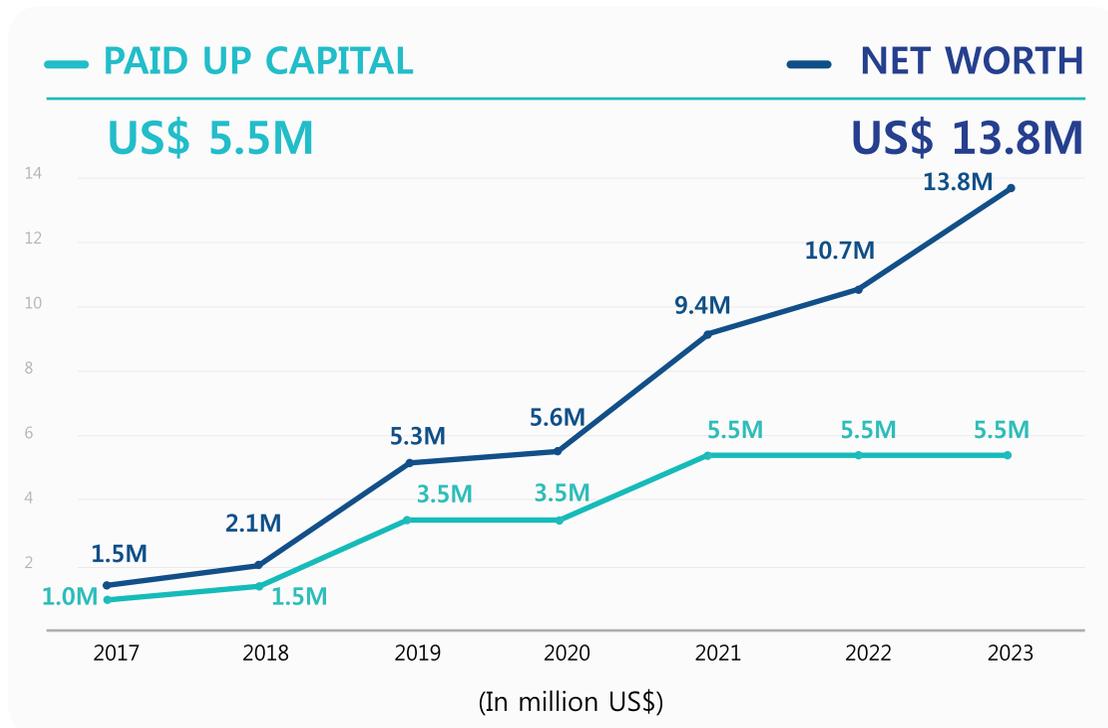
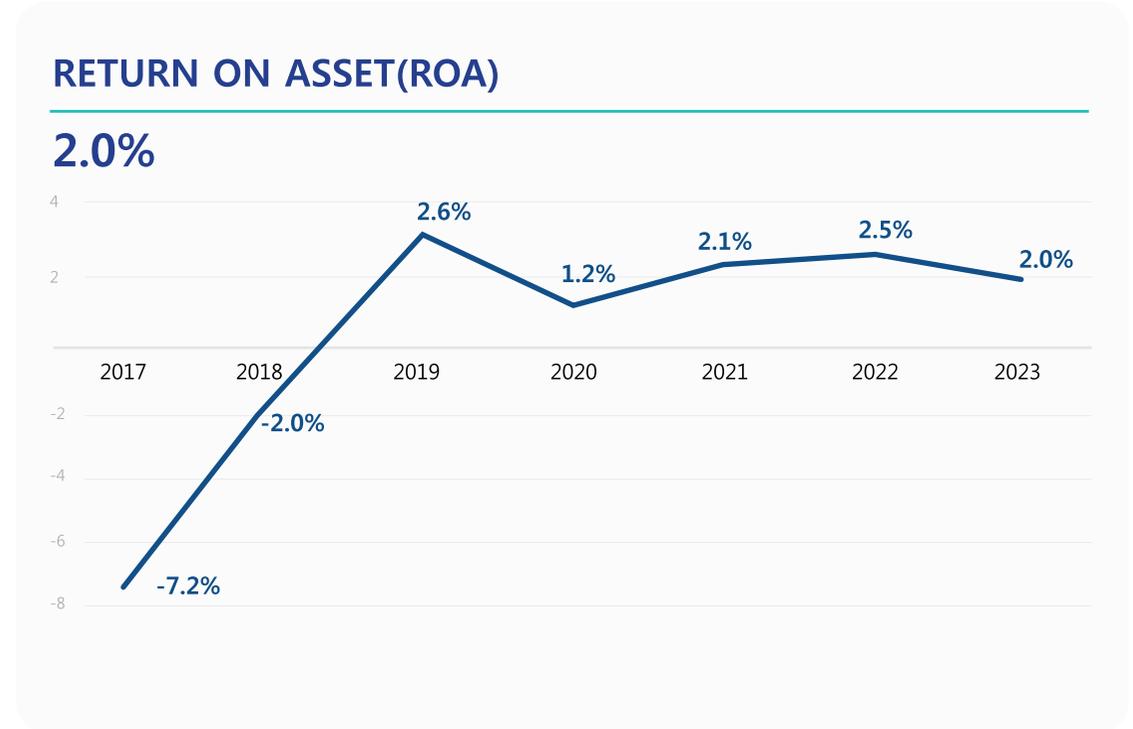
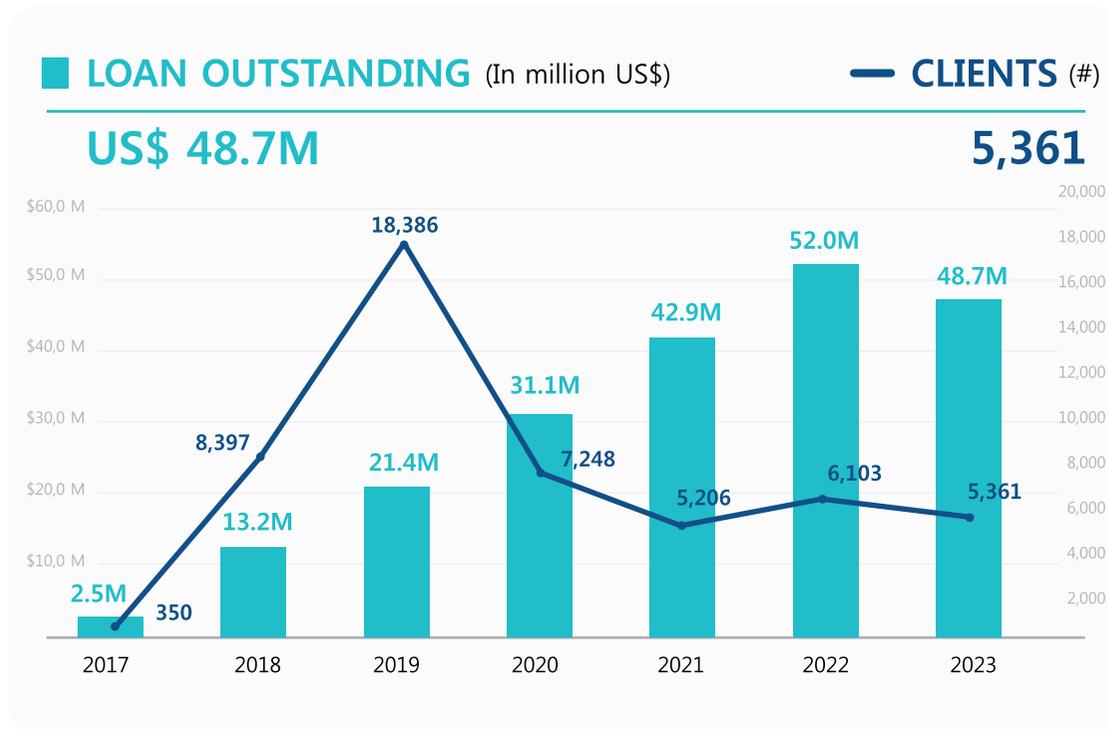


WE'RE PROUD TO BE A MEMBER OF



PERFORMANCE HIGHLIGHTS

As of 31 December 2023





Loan Products

General Loan

Loan Size : Up to \$30,000
 Loan Term : Up to 72 months

Auto Loan

Loan Size : Up to \$100,000
 Loan Term : Up to 84 months

Agriculture Loan

Loan Size : Up to \$30,000
 Loan Term : Up to 72 months

SME Loan

Loan Size : Up to \$150,000
 Loan Term : Up to 120 months

Vehicle Id Loan

Loan Size : Up to \$30,000
 Loan Term : Up to 60 months

Speed Loan

Loan Size : Up to \$10,000
 Loan Term : Up to 60 months

Mobile Device Loan

Loan Size : Up to \$1,000
 Loan Term : Up to 24 months

Emergency Loan

Loan Size : Up to \$5,000
 Loan Term : Up to 24 months

Group Loan

Loan Size : Up to KHR 8,000,000 per member
 Loan Term : Up to 36 months

BRANCH NETWORKS



07 Operating City / Provinces

11 Operating Branches

Phnom Penh

1- Head Office
 2- Sen Sok Branch

Kampong Cham Province

8- Cheung Prey Branch
 9- Srei Santhor Branch

Kandal Province

3- Ta Khmau Branch

Takeo Province

10- Tram Kork Branch

Kampong Speu Province

4- Thnal Totoeung Branch
 5- Kampong Speu Branch
 6- Kong Pisei Branch

Kampot Province

11- Chhouk Branch

Kampong Chhnang Province

7- Kampong Tralach Branch

SUCCESS STORIES OF CLIENT'S



"Thank you, ChokChey Finance, for providing loans that have helped us achieve stronger income sources and a better standard of living. With enough capital to support our grocery sales and the expansion of larger plantations, we've made great progress" said Mrs. Dim Sokny.



Mrs. Dim Sokny

Mrs. Dim Sokny, a 47-year-old live in Khyang village, Thibal commune, Srey Santhor district, Kampong Cham province, is the seller and owner of a fragrant coconut plantation. Obviously, success does not come by chance.

After careful consideration and family planning for a business expansion, she and her husband decided to take the next step. They chose a strong financial partner, ChokChey Finance Plc, to support them on this journey.

Using a loan from ChokChey Finance to expand her grocery store and plantation, she and her husband were able to generate more income from both businesses. This allowed them to increase their inventory for sale and extend cultivation by purchasing

approximately 2 hectares of land. Delighted with the results, Mrs. Dim Sokny expressed her gratitude to ChokChey Finance for providing the loans that enabled her to expand her business and improve her family's livelihood. Motivated by her business's current success, she now dreams of raising chickens, ducks, and cows on a farm in the future.



Mrs. Pheng Ouksa said, "I am very satisfied with ChokChey Finance. The loan process was efficient, and the interest rate was an acceptable rate that allowed me to use the loan to expand my business and achieve real growth."



Mrs. Peng Ouksa

Mrs. Pheng Ouksa, live in Ou Svay Lech village Prek Kuy commune, Kang Meas district, Kampong Cham province, is a believer in ChokChey Finance's services. As a satisfied customer, she recently secured a loan to help expand her business selling groceries and lotus seeds.

Thanks to her trust in ChokChey Finance, Mrs. Ouksa used the loan to achieve two goals: stocking more groceries in her store and building a larger house. The bigger house allows her to store more raw lotus seeds, which are essential for her business.

The daily increase in her income is a clear sign of her success in managing the loan. ChokChey Finance played a vital role in supporting her business growth.

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FINANCIAL REPORT

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REPORT OF THE BOARD OF DIRECTORS

The Board of Directors (the “Board” or “Directors”) have pleasure in submitting their report together with the audited financial statements of ChokChey Finance Plc. (the “Company”) for the year ended 31 December 2023 (the “financial year” or “year”).

Principal activities

The principal activity of the Company is to provide the public with sustainable micro-finance services to small and medium enterprises, and low-income families in the Kingdom of Cambodia.

There have been no significant changes in the nature of principal activities during the financial year.

Financial performance

The financial performance of the Company was as follows:

	2023		2022	
	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)
Profit before income tax	1,383,882	5,687,755	1,758,717	7,187,877
Income tax expense	(301,253)	(1,238,150)	(395,507)	(1,616,437)
Net profit for the year	1,082,629	4,449,605	1,363,210	5,571,440

Dividends

No dividend was declared or paid and the Directors do not recommend any dividend to be paid during the financial year.

Share capital

The paid-up capital of the Company as at 31 December 2023 is US\$5,500,000 (2022 : US\$5,500,000) with a par value US\$10 per share. Refer to Note 11 for the detailed Company's share capital and shareholding structure.

Reserves and provisions

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

Bad and doubtful debts

Before the financial statements of the Company were prepared, the Directors took reasonable steps to ascertain that action has been taken in relation to the write off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that there were no known bad debts and that allowance need not be made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render it necessary to write off bad debts or to make allowance for doubtful debts in the financial statements of the Company, inadequate to any material extent.

Current assets

Before the financial statements of the Company prepared, the Directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business at their value as shown in the accounting records of the Company have been written down to an amount which they might be expected to realise.

At the date of this report, the Directors are not aware of any circumstances that have arisen the value attributed to the current assets in the financial statements of the Company misleading.

Valuation methods

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

Contingent and other liabilities

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

- i. Any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other

person, or

- ii. Any contingent liability in respect of the Company that has arisen since the end of the financial year other than in the ordinary course of its business operations.

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

Changes of circumstances

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

Items of an unusual nature

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

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

Events since the reporting date

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

Board of Directors

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

- **Mr. Moon Kyu Choi**
Chairman
- **Mr. Cheon Gil Park**
Director and Chief Executive Officer
- **Mr. Jung Hoon Kim**
Independent Director

Directors' interests

None of the Directors held or dealt directly in the shares of the Company during the year.

Directors' benefits

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

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

Directors' responsibility in respect of financial statements

The Board of Directors is responsible to ascertain that the financial statements are presented fairly, in all material

respects, the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities ("CIFRS for SMEs"). In preparing those financial statements, the Board of Directors is required to:

- i. adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- ii. comply with CIFRS for SMEs or, if there have been any departures in the interests of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements;
- iii. oversee the Company's financial reporting process and maintain adequate accounting records and effective system of internal control;
- iv. assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations,

or has no realistic alternative but to do so; and

- v. effectively control and direct the Company in all material decisions affecting the operations and performance and ascertain that such has been properly reflected in the financial statements.

The Board of Directors confirms that they have complied with the above requirements in preparing the financial statements.

Approval of the financial statements

The Board of Directors hereby approve the accompanying financial statements as set out on pages 8 to 41 which present fairly, in all material respects, the financial position of ChokChey Finance Plc. as at 31 December 2023, and its financial performance and its cash flows for the year then ended, in accordance CIFRS for SMEs.

Signed in accordance with a resolution of the Board of Directors



Mr. Cheon Gil Park
Director and Chief Executive Officer

Phnom Penh, Kingdom of Cambodia
24 April 2024

REPORT OF THE INDEPENDENT AUDITORS

To The Shareholders ChokChey Finance Plc.

Opinion

We have audited the financial statements of ChokChey Finance Plc. (“the “Company”), which comprise the statement of financial position as at 31 December 2023, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information as set out on pages 8 to 41.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with the Cambodian International Financial Reporting Standards for Small and Medium-sized Entities (“CIFRS for SMEs”).

Basis for Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (“CISAs”). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the

Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditors’ report is the information included in the Report of the Board of Directors as set out on pages 1 to 4, and the annual report, which is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditors’ report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditors’ Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform

audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial

statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

For Fii&Associates Co., Ltd.



Chhun Mara
Audit Director

Phnom Penh, Kingdom of Cambodia
24 April 2024

STATEMENT OF FINANCIAL POSITION

As of 31 December 2023

	2023		2022	
	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)
ASSETS				
Cash on hand	9,622	39,306	86,007	354,091
Deposits and placements with NBC	280,176	1,144,519	277,675	1,143,188
Deposits and placements with banks	5,772,566	23,580,932	2,288,442	9,421,516
Loans to customers	48,691,592	198,905,153	52,022,303	214,175,821
Other assets	204,184	834,092	168,331	693,019
Property and equipment	375,247	1,532,884	433,087	1,783,019
Intangible assets	162,926	665,553	189,851	781,617
Total assets	55,496,313	226,702,439	55,465,696	228,352,271
LIABILITIES AND EQUITY				
LIABILITIES				
Other liabilities	621,136	2,537,342	668,934	2,754,002
Short-term borrowings	23,653,782	96,625,699	24,616,420	101,345,801
Long-term borrowings	21,511,016	87,872,500	21,487,612	88,464,499
Deferred tax liabilities - net	237,785	971,352	29,586	121,806
Current income tax liabilities	20,415	83,395	293,594	1,208,726
Total liabilities	46,044,134	188,090,288	47,096,146	193,894,834

STATEMENT OF FINANCIAL POSITION (Continued)

As of 31 December 2023

	2023		2022	
	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)
EQUITY				
Share capital	5,500,000	22,199,000	5,500,000	22,199,000
Regulatory reserves	1,713,535	6,999,788	767,320	3,147,611
Retained Earnings	2,238,644	9,155,370	2,102,230	8,557,942
Currency translation differences	-	257,993	-	552,884
Total equity	9,452,179	38,612,151	8,369,550	34,457,437
Total liabilities and equity	55,496,313	226,702,439	55,465,696	228,352,271

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023		2022	
	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)
Interest income	8,034,548	33,021,992	7,777,724	31,787,558
Interest expense	(2,946,754)	(12,111,159)	(2,278,947)	(9,314,056)
Net interest income	5,087,794	20,910,833	5,498,777	22,473,502
Other operating income	144,882	595,465	135,735	554,749
Operating and administrative expenses	(3,477,838)	(14,293,914)	(3,652,631)	(14,928,303)
Allowance for impairment losses on loans to customers	(370,956)	(1,524,629)	(223,164)	(912,071)
Profit before income tax	1,383,882	5,687,755	1,758,717	7,187,877
Income tax expense	(301,253)	(1,238,150)	(395,507)	(1,616,437)
Net profit for the year	1,082,629	4,449,605	1,363,210	5,571,440
Other comprehensive (loss)/ income				
Currency translation difference	-	(294,891)	-	342,166
Total comprehensive income for the year	1,082,629	4,154,714	1,363,210	5,913,606

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital		Regulatory reserves		Retained earnings		Currency translation difference		Total	
	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)
At 1 January 2022	5,500,000	22,199,000	487,464	1,974,481	1,018,876	4,159,632	-	210,718	7,006,340	28,543,831
Comprehensive income for the year										
Net profit for the year	-	-	-	-	1,363,210	5,571,440	-	-	1,363,210	5,571,440
Transfer to regulatory reserve	-	-	279,856	1,173,130	(279,856)	(1,173,130)	-	-	-	-
Other comprehensive income										
Currency translation difference	-	-	-	-	-	-	-	342,166	-	342,166
Total comprehensive income for the year	-	-	279,856	1,173,130	1,083,354	4,398,310	-	342,166	1,363,210	5,913,606
At 31 December 2022	5,500,000	22,199,000	767,320	3,147,611	2,102,230	8,557,942	-	552,884	8,369,550	34,457,437
At 1 January 2023	5,500,000	22,199,000	767,320	3,147,611	2,102,230	8,557,942	-	552,884	8,369,550	34,457,437
Comprehensive income for the year										
Net profit for the year	-	-	-	-	1,082,629	4,449,605	-	-	1,082,629	4,449,605
Transfer to regulatory reserve	-	-	946,215	3,852,177	(946,215)	(3,852,177)	-	-	-	-
Other comprehensive loss										
Currency translation difference	-	-	-	-	-	-	-	(294,891)	-	(294,891)
Total comprehensive income/(loss) for the year	-	-	946,215	3,852,177	136,414	597,428	-	(294,891)	1,082,629	4,154,714
At 31 December 2023	5,500,000	22,199,000	1,713,535	6,999,788	2,238,644	9,155,370	-	257,993	9,452,179	38,612,151

STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	2023		2022	
	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)
Cash flows from operating activities				
Net profit for the year	1,082,629	4,449,605	1,363,210	5,571,440
Adjustments for:				
Depreciation of property and equipment	117,757	483,981	163,577	668,539
Amortisation of intangible assets	26,925	110,662	26,994	110,324
Property and equipment written off	-	-	83	339
Gains on disposal of property and equipment	(500)	(2,055)	-	-
Impairment loss allowance for loan to customers	370,956	1,524,629	223,164	912,071
Income tax expense	301,253	1,238,150	395,507	1,616,437
	1,899,020	7,804,972	2,172,535	8,879,150
Changes in:				
Loans to customers	2,959,755	12,164,593	(9,167,041)	(37,465,697)
Other assets	(35,853)	(147,356)	11,471	46,882
Other liabilities	(47,798)	(196,450)	183,444	749,736
Cash generated from/ (used in) operations	4,775,124	19,625,759	(6,799,591)	(27,789,929)
Income tax paid	(366,233)	(1,505,218)	(279,061)	(1,140,522)
Net cash generated from/ (used in) Operating activities	4,408,891	18,120,541	(7,078,652)	(28,930,451)

	2023		2022	
	US\$	KHR'000 (Note 2.4)	US\$	KHR'000 (Note 2.4)
Cash flows from investing activities				
Purchase of property and equipment	(59,917)	(246,259)	(177,118)	(723,881)
Proceeds from disposals of property and equipment	500	2,055	-	-
Placement of fixed deposits with bank	(2,000,000)	(8,220,000)	-	-
Net cash used in investing activities	(2,059,417)	(8,464,204)	(177,118)	(723,881)
Cash flows from financing activities				
Proceeds from borrowings	-	-	8,858,071	36,202,936
Repayments of borrowings	(939,234)	(3,860,252)	-	-
Net cash (used in)/generated from financing activities	(939,234)	(3,860,252)	8,858,071	36,202,936
Net increase in cash and cash equivalents	1,410,240	5,796,085	1,602,301	6,548,604
Cash and cash equivalents at 1 January	2,377,124	9,786,620	774,823	3,156,629
Currency translation difference	-	(111,323)	-	81,387
Cash and cash equivalents at 31 December (Note 19)	3,787,364	15,471,382	2,377,124	9,786,620

CHOKCHEY FINANCE PLC

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