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Intean Poalroath Rongroeurng Ltd.

ANNUAL REPORT

2024

Prepared By:
IPR MFI



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VISION MISSION AND VALUES



VISION

To be the leading
Cambodian Microfinance
Institution serving the
agriculture sector.



MISSION

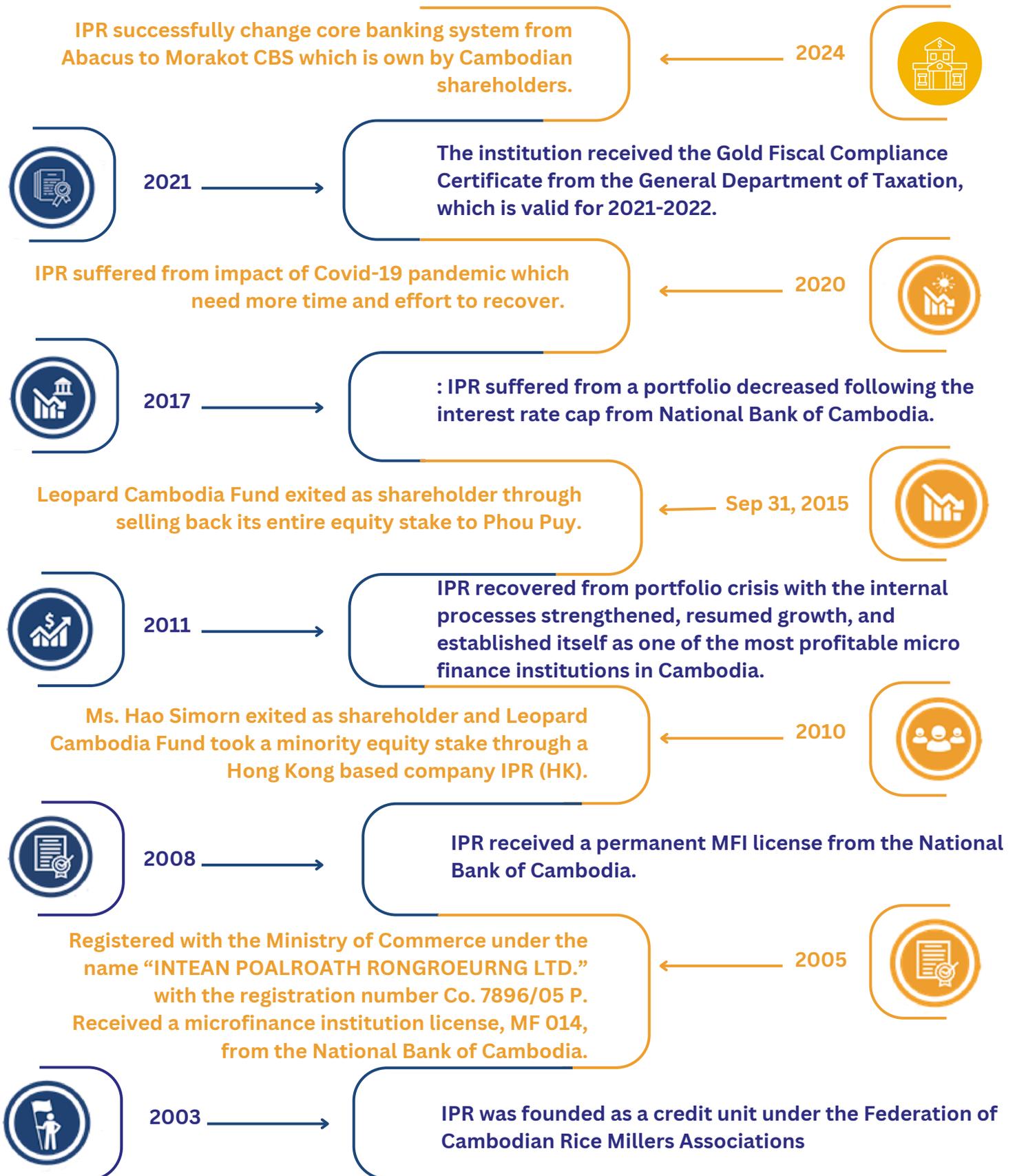
To provide convenient
financial services adapted
to agriculture-related
business in order to
improve the economic
conditions of farmers
while sustaining the
institution's profitable
growth.



VALUES

- . Integrity and Honesty
- . Accountability
- . Teamwork
- . Dignity and Respect

COMPANY BACKGROUND



CHAIRMAN'S MESSAGE



Mr. OKNHA PHOU PUY
CHAIRMAN OF THE BOARD
OF DIRECTORS

The National Bank of Cambodia's 2024 Annual Report shows just how demanding the past year has been for micro-lenders: sector-wide credit grew by barely three percent, while the microfinance non-performing-loan ratio climbed to about nine percent, the highest since the global financial crisis. The Cambodian Microfinance Association records a similar trend, with portfolio-at-risk 30+ reaching 8.2 percent in December 2024, up from 5.7 percent a year earlier.

These numbers underline why, twelve months ago, we asked IPR to slow down, strengthen its defences, and look after existing clients first.

The Management team delivered stricter underwriting, shorter review cycles, and refresher training for every employee on the sector's Code of Conduct helped contain risk; targeted loan restructurings gave borrowers breathing space without extra cost; and our own NPL ratio stayed below the market average while liquidity and capital buffers remained comfortably above regulatory minima. We approved no broad product launches, but we did authorise a small green-loan pilot for practical items such as water pumps. Early repayment behaviour is encouraging, and the product aligns with the central bank's push for sustainable finance. Work on the agriculture-value-chain partnership announced last year was completed in the background; rollout will begin only when economic signals improve. On technology side, the Board asked management to focus on upgrading core systems first and to introduce digital channels only when resources and risk controls are firmly in place.

Looking ahead, the ASEAN + 3 Macroeconomic Research Office projects Cambodia's GDP to grow to roughly six percent in 2025, but it also warns that high household debt and rising NPLs keep the financial-stability outlook fragile.

The Board therefore keeps its agenda simple and measured: Funding resilience; People and systems; Client protection and sustainability, in step with NBC guidance and national and international good practice.

On behalf of the Board, I thank our management team for disciplined execution, our employees for their dedication, the regulator and industry association for steady guidance, and—above all—our clients for the trust they place in us. The steadiness we achieved in 2024 belongs to them as much as to us, and together we will carry that steadiness into the year ahead.

Sincerely Yours,



Oknha PHOU Puy

Chairman of the Board of Directors

BOARD OF DIRECTORS



MR. OKNHA PHOU PUY **CHAIRMAN**

Mr. Oknha PHOU Puy is the Founder and Chairman of the Board of Directors of IPR since the inception, he is a prominent entrepreneur in the agriculture sector of Cambodia, especially in the rice milling sector. Mr. PHOU Puy is also the chairman and CEO of Baitang (Kampuchea) Plc, the largest rice miller in Cambodia.



MR. HSU MING-YEE **INDEPENDENT DIRECTOR**

Mr. HSU Ming-Yee is an independent microfinance consultant and investor. He used to work as Adviser, then as Head of Operations department at IPR from 2011 to 2014. Before engaging with IPR, Mr. HSU Ming-Yee worked for ADA, a Luxembourg NGO specialized in microfinance, where he coordinated the set-up of the Luxembourg Microfinance and Development Fund and managed its investment portfolio in Asia and East Africa. Prior to ADA, he worked for the European Commission in Malaysia and for the Central Bank of Luxembourg. Mr. HSU Ming-Yee has published works on banking stability, the US personal savings rate and microfinance.



MRS. POK NIVILAY
INDEPENDENT DIRECTOR

Ms. POK Nivilay has served as an independent director since April 2016. She has a long and distinguished career in Sales & Marketing, Communications and Public Relations. She previously worked as Head of Marketing and Communications, Corporate Sales Manager, and as a TV host of Law and health talk shows. Ms. Nivilay holds a Bachelor and a Master's degree of Business Administration with a major in General Management.



MR. PECH SANY
INDEPENDENT DIRECTOR

H.E Pech Sany was appointed as an independent director of IPR since January 2020. Beside IPR, he is currently a Deputy CEO in Charge of Operation Department and Admin and Finance Department of Agriculture Rural Development Bank (ARDB). H.E Pech Sany has more than two decades' banking experience to his name. He held various positions with NBC, RDB project and other Commercial Bank, starting from Supervision and Examination Department of NBC, Credit Officer of RDB, Chief Bureau in charge of MIS, Chief Bureau of R&D, Vice Head of Accounting and Finance Department and Head of Project Management Unit.

He has a Master degree in Finance from National University of Management in 2004 and Bachelor degree of Banking from the University of Banking, Vietnam in 1991.

CEO'S MESSAGE



PHOU SOVANCHAN
Chief Executive Officer

Twelve months ago, I noted that slower growth and rising credit risk called for a steadier hand. Those pressures sharpened in 2024: system-wide lending rose by only about 3 percent, and the micro-finance NPL ratio reached roughly 9 percent—its highest level in more than a decade. Even so, Cambodia's economy still expanded an estimated 5.8 percent, though the operating climate for lenders stayed tight.

In this environment we keep to the basics. We tightened loan assessments while shortening review cycles, and every employee completed refresher training on the Code of Conduct and responsible lending. We also restructured or rescheduled loans for clients facing short-term cash-flow stress, giving them breathing room without extra cost. Together, these steps kept our own NPL ratio below the sector average and let us close the year with a modest profit while maintaining comfortable liquidity and capital buffers.

We launched no broad new products. Instead, we piloted a small green-loan line for practical items such as water pumps; early repayment performance is encouraging. We also finished the groundwork for the agriculture-value-chain partnership announced last year, ready to launch when conditions improve. On the technology side we strengthened internal systems and will add digital services only when we have the resources to support them.

Looking to 2025, forecasts point to about 6 percent GDP growth, but high household debt and uncertain external demand still urge caution. Our priorities remain measured: secure longer-tenor development funding so lending can grow without straining liquidity; keep building staff skills and technology capacity where they strengthen risk control; and complete our work toward full Client-Protection certification, staying fully aligned with National Bank regulations.

On behalf of IPR's management, I would like to express my sincere appreciation for all of IPR employees, the Board of Directors and the Shareholder for all the support and guidance, our partners and CMA for continuing assistance, and the National Bank of Cambodia, for the ongoing support and prudent supervision. We will continue working hard and smart under continuous reflection for the advancement of IPR and our stakeholders.

Warm regards,



Miss. PHOU SOVANCHAN
CHIEF EXECUTIVE OFFICER

Miss. PHOU Sovanchan was appointed as Chief Executive Officer on 01 January 2021. Previously, she worked as Compliance Officer at IPR, serving this function since July 2019. Prior to that, she had worked as a trainee assistant to CEO for 6 months during 2018.

Sovanchan has obtained a Bachelor's degree in Accounting and Finance from Cam-Ed Business School, while at the same time, obtained a Certified Accounting Technician (CAT) certificate from the same school in 2018. In 2020, She has obtained a Master's degree in International Business, from Grenoble Ecole de Management, Singapore. During second year of Master's course, Sovanchan joined IPR during July 2019, as a Risk and compliance officer, and that was when she also obtained a Regulatory Compliance Certificate granted by The Institute of Banking and Finance, an institution owned by The Association of Banks in Cambodia. Sovannchan is currently pursuing a Charter Banker qualification offered by the Charter Banker Institute, UK.



MR. CHENG VANNET
HEAD OF OPERATION

Mr. CHENG Vannet served as Head of Internal Audit at IPR since 2016. He joined IPR in January 2010 and held various positions including Loan Recovery Manager, Main Branch Manager, Credit Manager and Acting Head of Operations. Prior to joining IPR, he worked as Credit Officer and Operations Manager with other MFIs.

Mr. Vannet obtained Master's Degree of Business Administration majoring in General Management from Panha Chiet University in 2014 and He also graduated Bachelor's Degree of Economics majoring in Rural Economic Development from RULE in 2002.



MR. HAY KIMKHORN
HEAD OF FINANCE AND ADMINISTRATION

Mr. HAY Kimkhorn serves as Head of Finance and Administration of IPR since 2009. He has been working with IPR for over 15 years since 2006 in different roles such as Branch Assistant, Branch Manager, and Head of Operation. Before joining IPR, he worked as a Bookkeeper of another MFI.

Mr. Kimkhorn holds a BBA in Finance and Accounting and MBA in Management from University of Management and Economic (UME), Battambang Province. He also has attended several training courses related to microfinance.



MR. PHOU EK COVITH
ACTING HEAD OF INFORMATION TECHNOLOGY

Mr. PHOU EK Covith, joined IPR as IT Manager in February 2020. Prior to joining IPR, He performed as IT Manager at Lyhour Exchange in 2018. And Senior Supervisor at Prudential Life Assurance Cambodia in 2017. And 2015, He worked for Amret MFI as Senior Programmer. From 2012 to 2014, He led a lot of projects to join I-ENVEX-2014 event at Malaysia.

He holds Bachelor's Degree of Computer Sciences of Norton University. His expertise with MFI and Life Assurance are developing and managing Core System, MIS Report, Data Warehouse, In-House Application and Support.



MR. SENG KAKADA
ACTING HEAD OF INTERNAL AUDIT

Mr. SENG Kakada was appointed as the Internal Audit Manager at IPR. in May 2020. Prior to joining IPR, he worked as a Senior Credit Officer at SAMIC Microfinance Plc. From 2014 to 2017. In 2019, he also continued his work at Canadia Bank as a Credit Analyst from April 2019 to April 2020. He has more than 10 years of work experience in the financial sector.

Mr. Kakada holds a Master's degree in Finance and Banking from Norton University and a Bachelor's degree in Finance and Banking from the University of Human Resources.

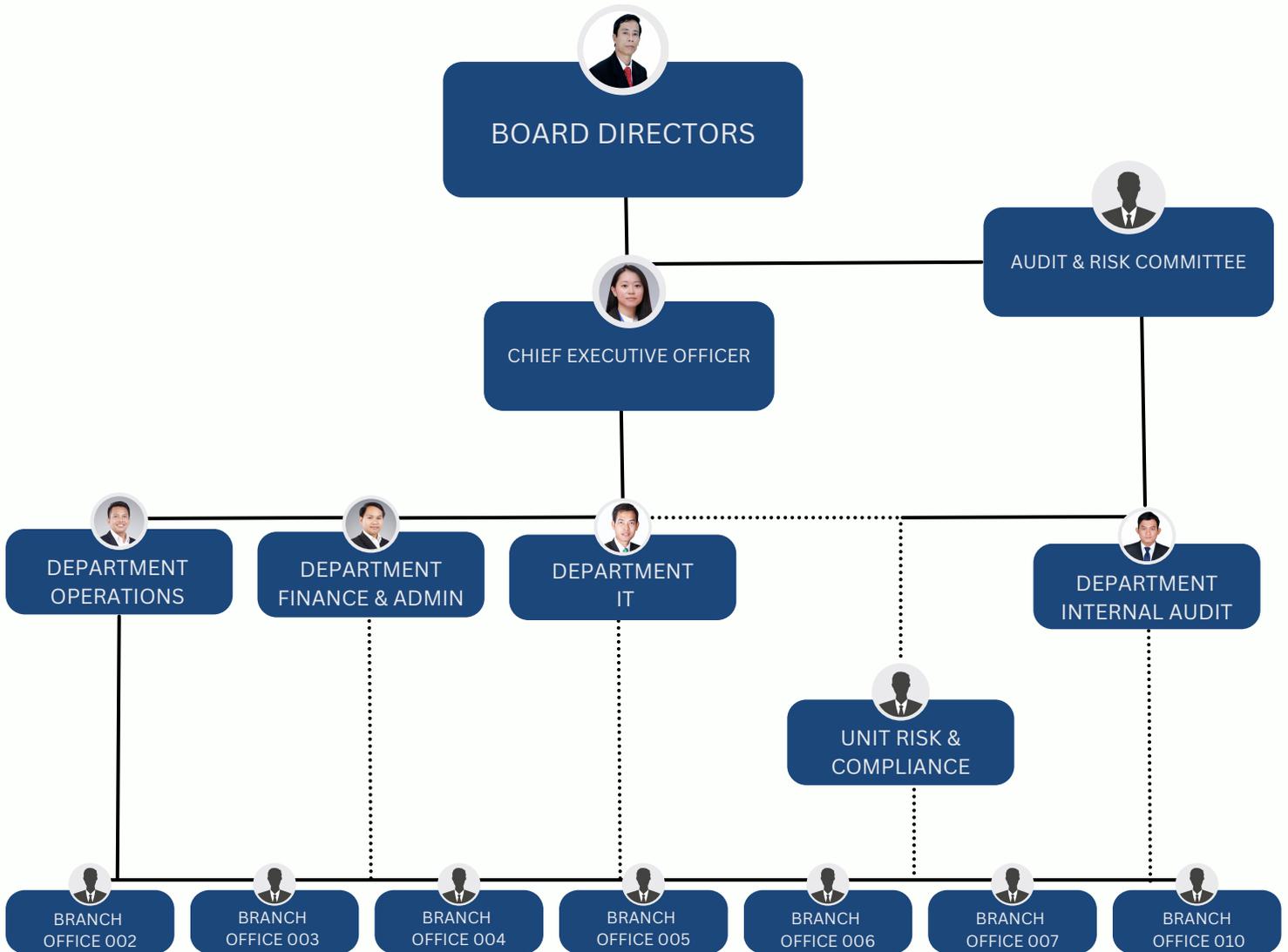
SHAREHOLDERS



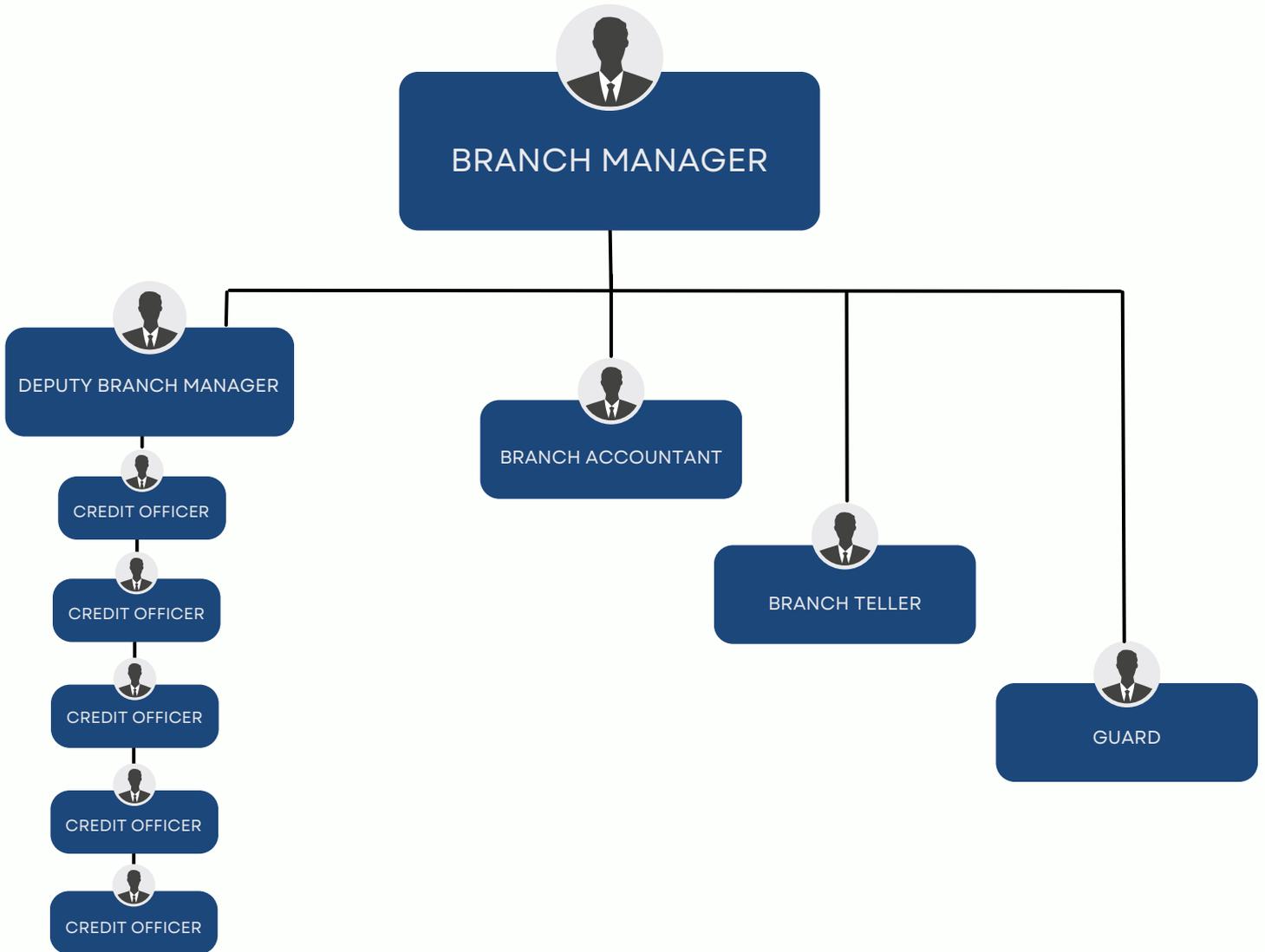
SHAREHOLDER

Mr. Oknha PHOU Puy is a private Cambodian individual shareholder and main founder of INTEAN POALROATH RONGROEURNG Ltd.

ORGANIZATIONAL CHART



BRANCH STRUCTURE



IPR's LOAN PRODUCTS

IPR continue adjusted its credit policy and procedures and developed other relevant policies in adaptation to the concept of Client Protection Principal Standards for day-to-day operations and practices in all IPR's branches. Existing loan products were modified and new loan products were developed to suit the clients' needs, in particular the middle and low-income people in the rural areas of Cambodia. The diversification of different loan products aims to meet a larger segment of customers. The list of IPR's loan products is as bellowed:

Agriculture Loan



Mainly focus on general farmers and member Agriculture Value-Chain (AVC), for the purpose to purchase of agricultural equipment, which includes: seeds, fertilizers, pesticides, oil and agricultural fees, etc.

It is for general customers who focus on either farmers or rural business people who need to buy agricultural equipment for personal use or for family business purposes.

Agri-equipment/ investment Loan



The purpose of this loan is to purchase additional agricultural land to expand agricultural activities or to renovate existing houses, build new houses on privately owned land.

Asset Loan



The purpose of this loan is to support all small business owners, retailers, service providers who need money to support their business operation and/or purchase heavy equipment for their business purpose.

Business Loan



REVOLVING LOAN



The purpose of this loan is to support the operational needs of all types of businesses and manufacturing enterprises, including small and medium enterprises.

MOTOBIKE LOAN



For existing customers and other customers who need their own motorcycle for general or business use.

HOME APPLIANCE LOAN



For existing customers and other customers who need home appliances for family convenience or personal entertainment needs.

BRIDGING LOAN



For registered companies, SME and Retails Stores who had liquidity problem for a short period of time such as to pay to suppliers, to pay debt to the bank.

IPR's CLIENTELE

Farmers: Farmers who need money to support their farming activities, to invest for heavy equipment, or to buy addition farm land.



Small Business Owner: Small business owner, retail store, grocery store, cloth shop, fashion shop, service providers etc. who need working capital to support their business requirements and operation.



Small and Medium Enterprise: Registered SME, Private Company, Retail Stored, Depo, super market etc. who faced with liquidity problem at a specific period of time to support their specific need to fulfil their stock or pay-off their loan with Bank of financial institution.



Other Consumer Clients: other general customer, including professor, public servants, private company staff (which have regular monthly salary), who want to buy motorcycle or home appliance (refrigerator, air conditioner, laundering machine, TV, water pumping, solar lamp etc...) for their personal use to provide better living condition or entertainment for their family.

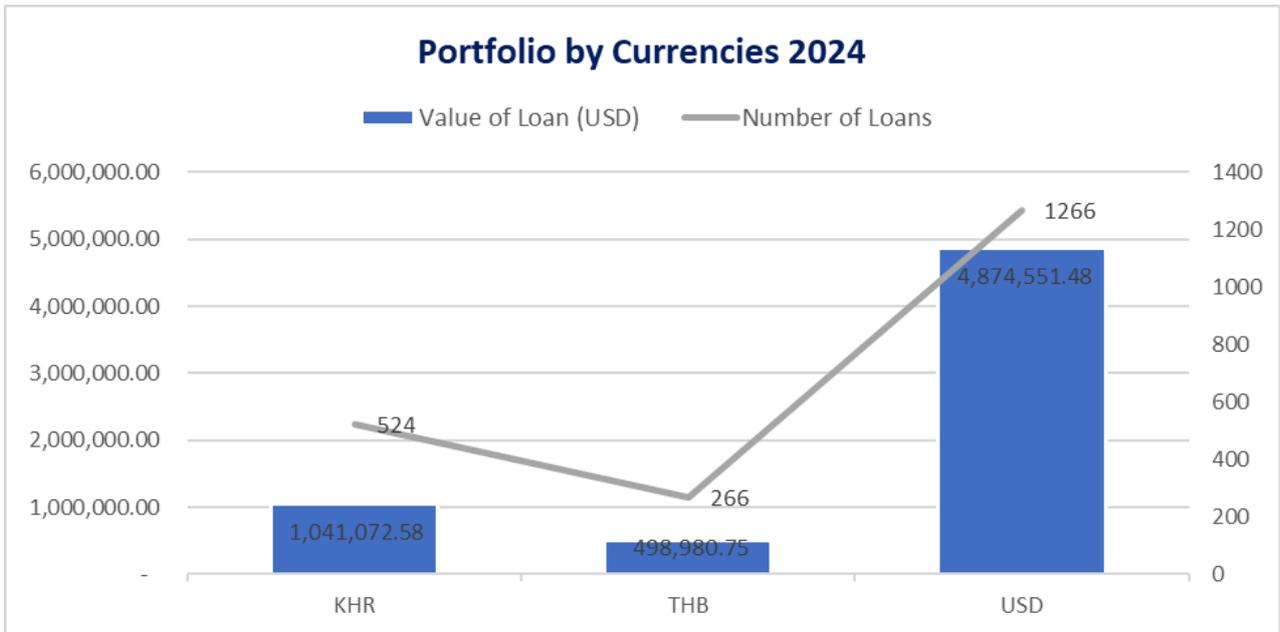
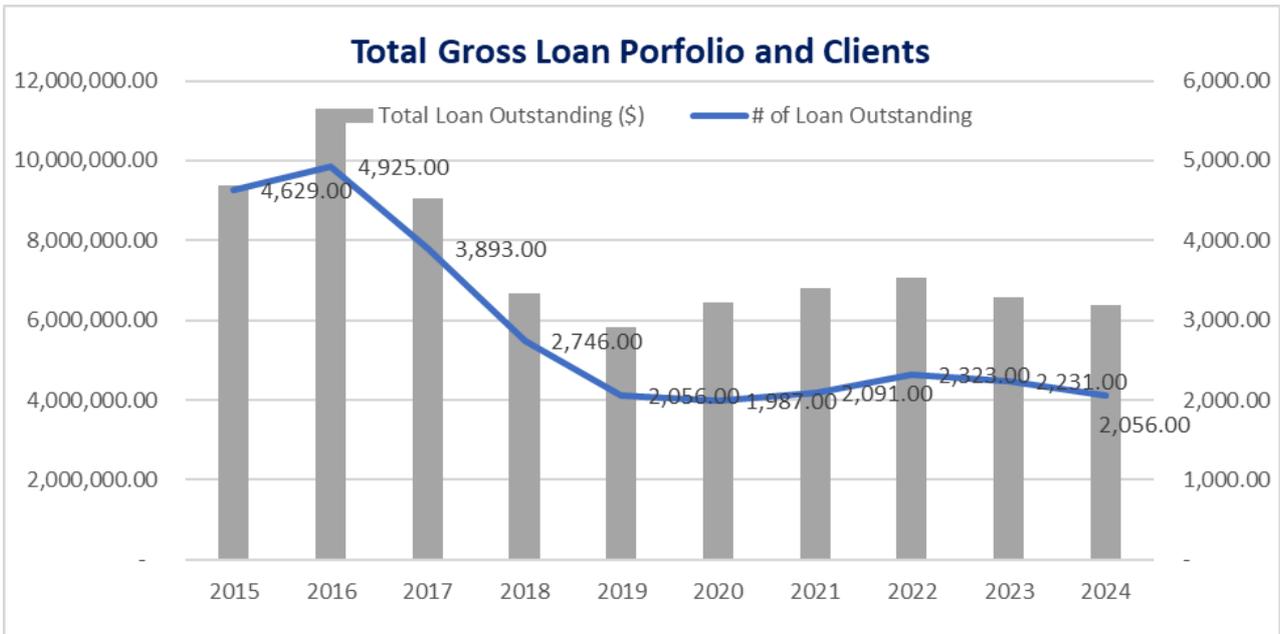
IPR's Performances 2024



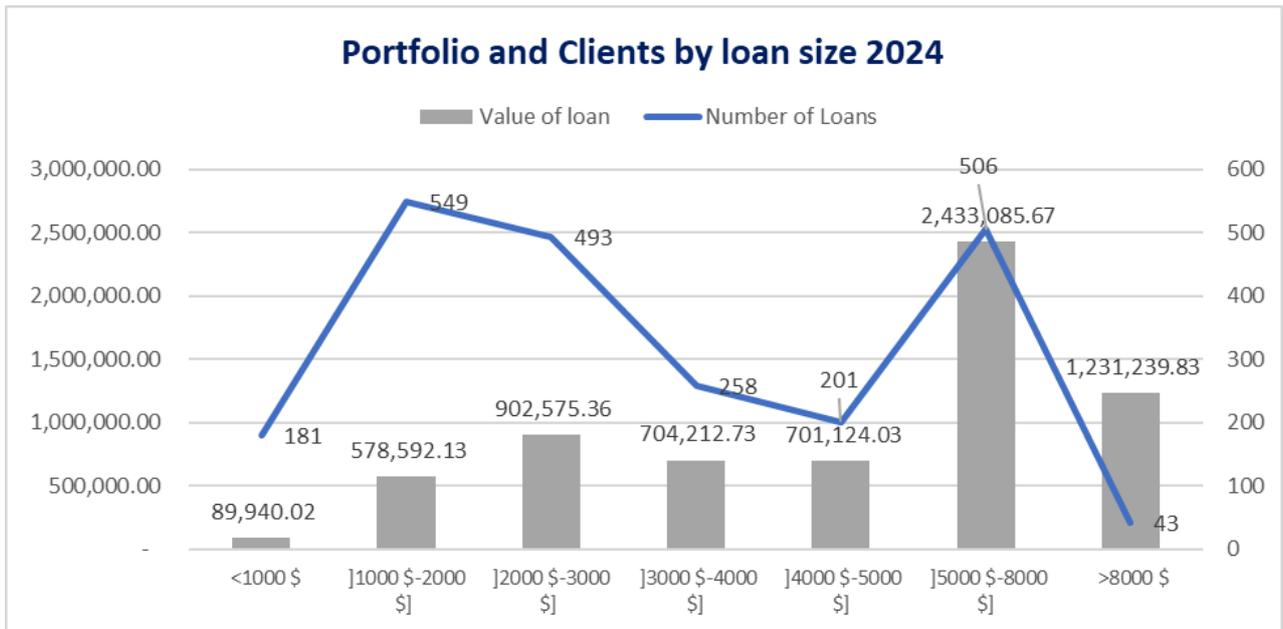
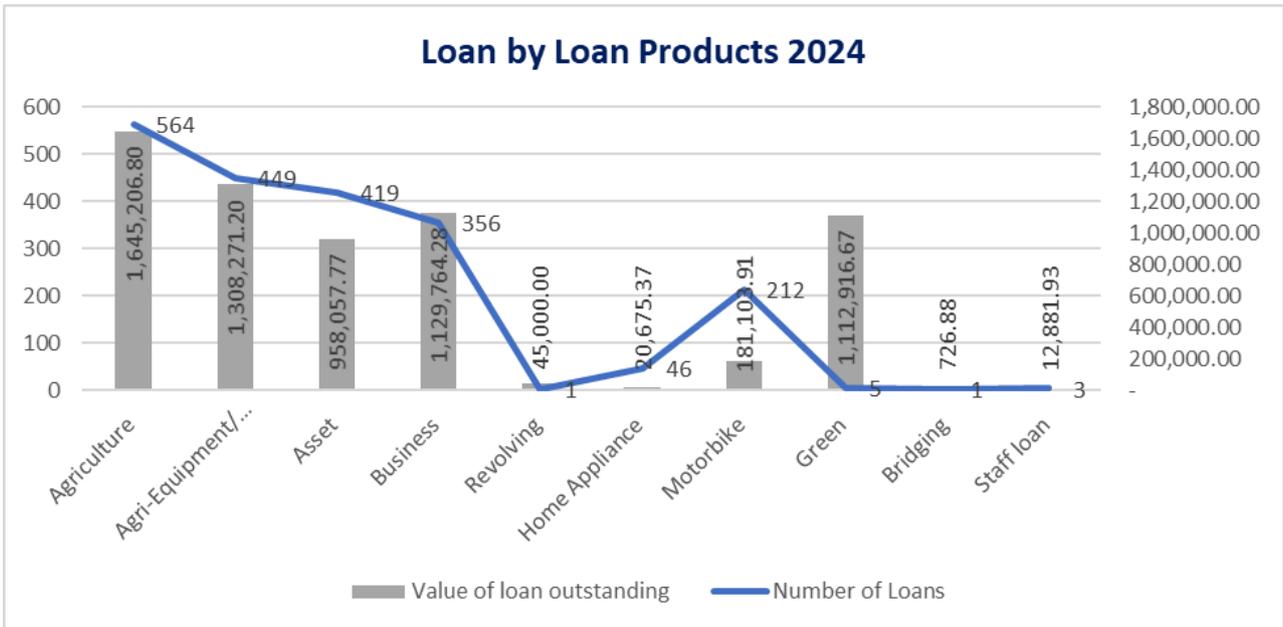
KEY FIGURES 2024

INDICATORS	Measure	Audited 2024	Audited 2023	Audited 2022	Audited 2021
Operating provinces	-	5	5	5	5
Operating districts	-	29	32	36	32
Operating communes	-	121	127	136	138
Operating villages	-	477	492	512	494
Staff	-	74	73	72	72
Outstanding borrowers	-	1,832	2,035	2,119	1,949
Gross loan portfolio	US\$	6,383,868	6,587,366	7,060,589	6,808,084
Net profit	US\$	330,411	232,815	338,810	152,733
Total assets	US\$	7,996,325	7,673,604	7,473,651	8,028,570
Total equity	US\$	7,941,705	7,611,294	7,378,479	7,639,669
Women borrowers	%	58.02	60.98	67.01	77.94
Rural borrowers	%	97.98	97.62	97.6	95.43
Agriculture loans	%	49.27	40.07	34.01	42.68
Portfolio at risk (PAR>30 days)	%	3.58	4.17	3.13	2.05
Write-offs	%	0.39	2.87	0.69	1.48
Yield on portfolio	%	17.29	18.73	19.63	18.68
Cost of fund ratio	%	0	0	0.25	0.43
Operating expense ratio	%	13.41	12.46	12.08	14.1
Return on assets (ROA)	%	4.2	3.1	4.4	1.92
Return on equity (ROE)	%	4.2	3.1	4.5	2.02
Leverage ratio	%	1.3	0.8	5.1	5
Operational self-sufficiency	%	144	131	156	130

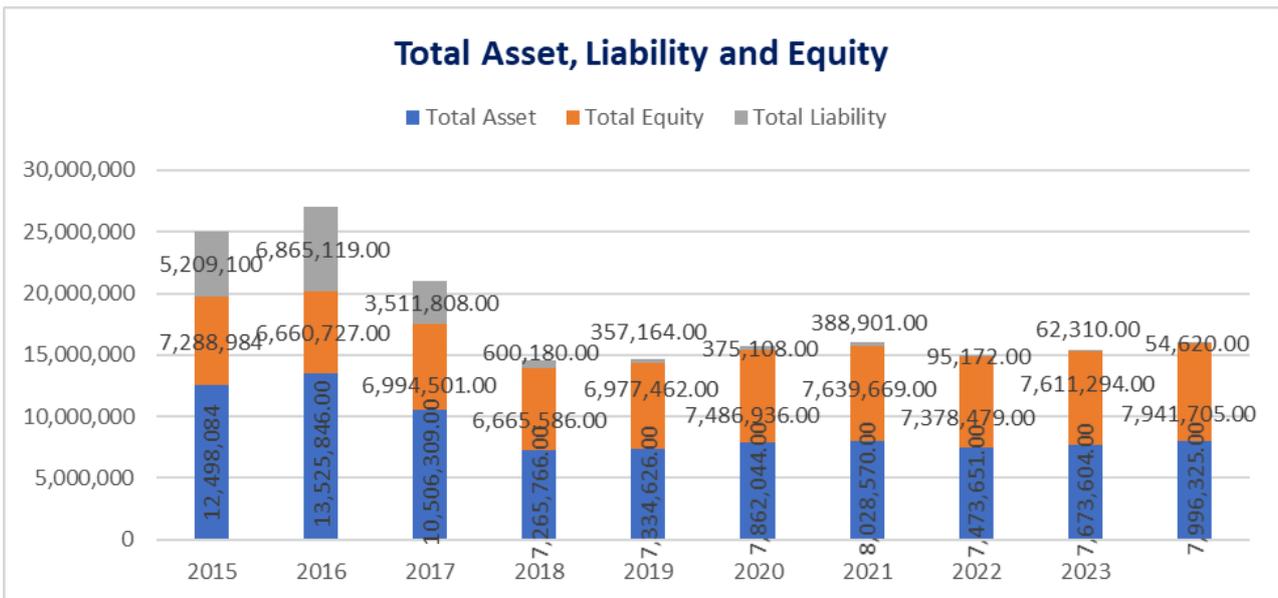
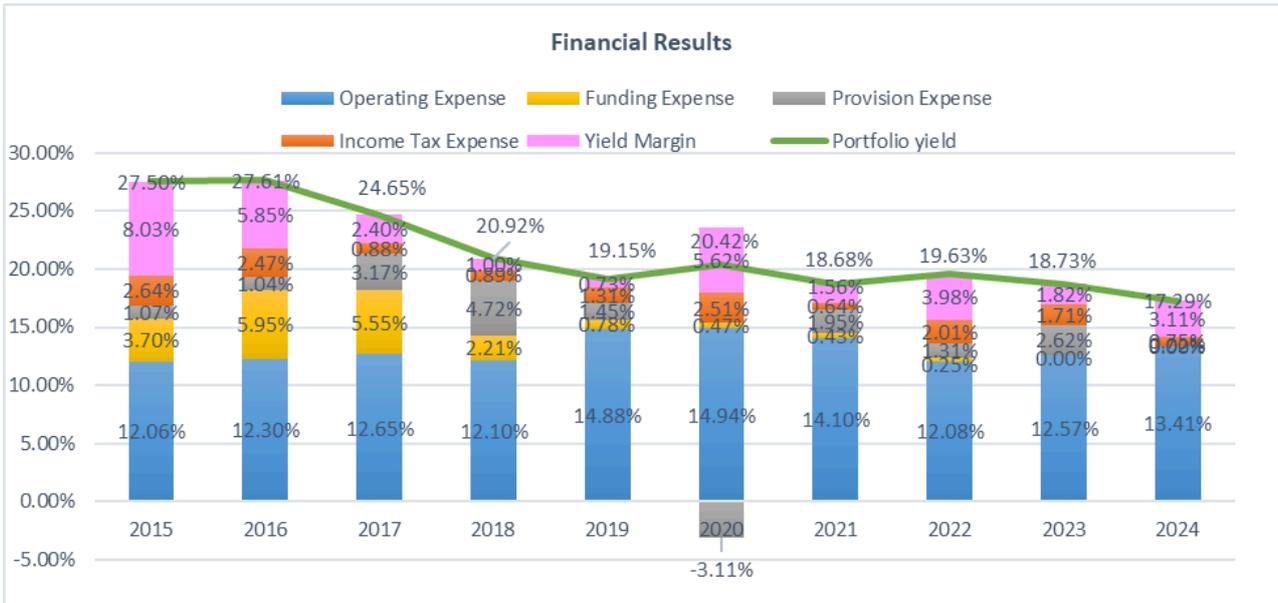
LOAN PORTFOLIO



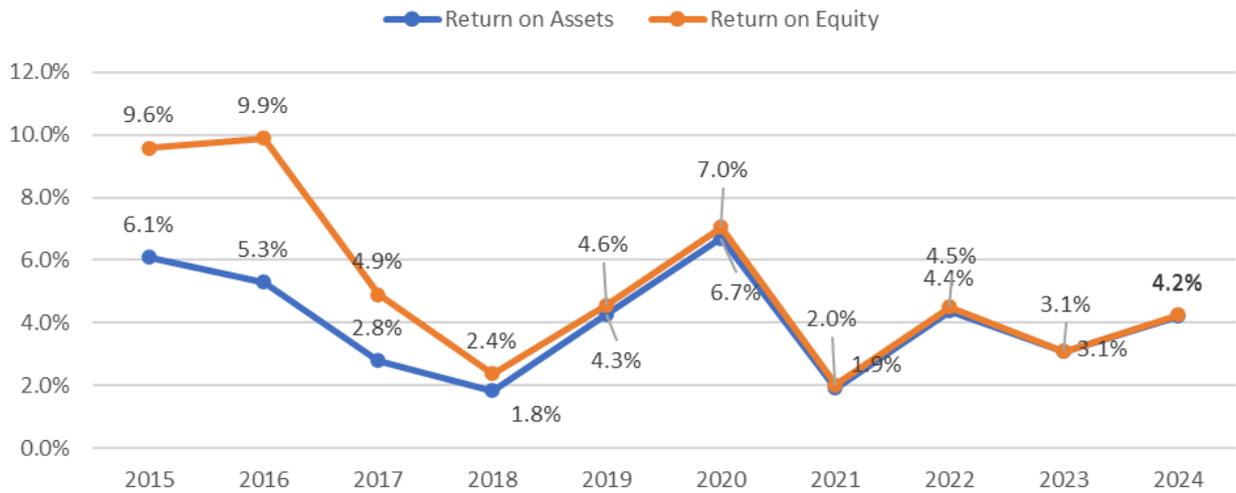
LOAN PORTFOLIO (Continued)



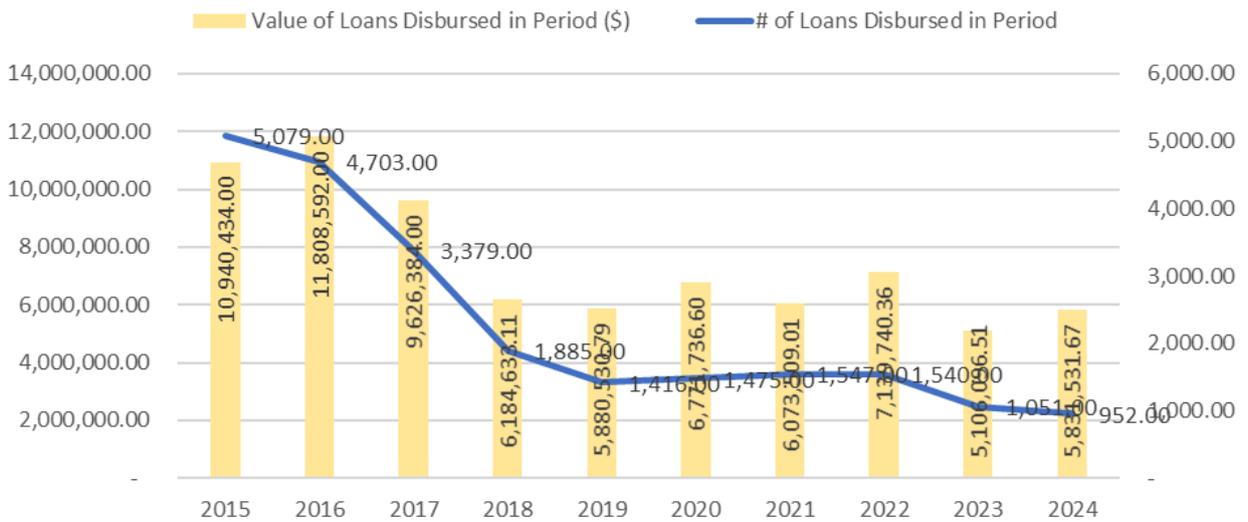
FINANCIAL RATIO



ROA and ROE



Total Loan Amount and Clients Disbursed



CLIENT'S SUCCESS STORY



Mrs. Yok Sobin, Ratanak Mondul District, Battambang Province

Mrs. Yok Sobin is a farmer who plants durian, cassavas, and corn on her farmland. She is also a successful client of IPR at the Somlot Branch, Battambang Province. The client has been using the loan service with IPR since 2018 and she has borrowed 6 cycles by the end of 2024. The first cycle in 2018, she had used USD 8,000 to plant cassava and continuing loans to set up the water system and expand cassava cultivation. At the end of 2024, also in 6th cycles with the amount of USD 2,000 to invest in agriculture. The average loan amount has been between USD 1,500 to USD 8,000. Through the loan she had used with IPR, they have helped her family to ensure they were able to provide necessary health care, adequate meals and buy clothes. Moreover, her income has steadily increased year after year. More importantly, she was also able to provide her children studies and purchase necessary study materials.



Mr. Chhout Chheun, Phnom Prek District, Battambang Province

Mr. Chhout Chheun is a farmer who plan sweet potato and various vegetables on his farm and his secondary business include raising cows and grasshoppers. He is also successful client of IPR at the Sampov Lun Branch. The client has been using the loan service with IPR since 2019 and he has borrowed 4 cycles by the end of 2024. Before obtaining a loan from IPR, he faced financial difficulties in purchasing agricultural materials for his farm. The first cycle in 2019, he had borrowed \$5,000 to grow corn, cassava, and buy farmland to expand his agricultural activities and he continued borrowing in subsequent loan cycles to further develop his farm. At the end of 2024, also in 4th cycle with amount of \$2,500 to buy a tractor and to expand cultivation. The average loan amount has been between amounts \$2,500 and \$5,000. Through the loan he used with IPR, they helped his family to ensure they were able to provide necessary health care, adequate meals and buy clothes. Additionally, his assets had increased, in particular, his farmland used to be only 6 hectares and he has no agricultural machinery. However, now he has 8 hectares of farmland and a tractor for farming operations.

INTERNAL AUDIT AND CONTROL



Internal Audit is a dynamic profession involved in evaluating and improving the effectiveness of risk management, control, and governance processes in IPR. Internal Auditors work with management to systematically review systems and operations. These reviews aimed at identifying how well risks are managed including whether the right processes are in place, and whether agreed procedures are being adhered to. Internal Audit can also identify areas where efficiencies or innovations might be made.

Internal Audit Department has three staffs including one Internal Audit Manager and two operational auditors.

In 2024, Internal Audit Department conducted 3 audited cycles full scopes in each branch. As a result, the risk score and rating for each branch are either Acceptable and Mini Issue.

In the same year, the department organized three meetings with Audit and Risk Committee to discuss about the findings and action plan for next year.

As the secretary of Audit and Risk Committee, Acting Head of Internal Audit regularly send the risk limit and risk registration on a monthly basis and quarterly basis to Risk Committee and the Board of Directors for review and provide constructive recommendations.

Internal Audit Department moreover has put in place the “**Internal Audit Worksheet and Rating System**” for non-performing loan and written off loan. The new system identifies specific risks on loan recovery, loans follow-up and assess the effectiveness of the management of bad loan of each branches.



STAFF CAPACITY BUILDING

INDICATORS	2024	2023	2022	2021
Staff Information				
<i>Number of Total Staff</i>	74	73	72	72
<i>Number of Management</i>	13	14	14	13
<i>Percentage of Office Staff</i>	58%	62%	58%	56%
<i>Percentage of Field Staff</i>	42%	38%	42%	44%
Staff Education				
<i>Master's degree</i>	6%	5%	6%	6%
<i>Bachelor's degree</i>	51%	56%	51%	49%
<i>Association and under</i>	42%	38%	43%	45%



List of Trainings and Workshops in 2024



Internal Trainings

1. New Staff Orientation training
2. Selling Skill, Financial Report Preparation
3. Updated Loan Restructured Policy
4. Updated Loan Product Characteristics
5. Data Posting guideline
6. Internal Audit Scope
7. Refresh Training on Internal Rule and Code of Conducts
8. Morakot Core Banking System
9. Refresh Training on Internal Rule and Code of Conducts
10. Update on Accounting Records
11. Roll out GLP Growth Strategies
12. CMA Code of Conduct and Lending Guideline
13. Refreshment on ICT Policy



External Trainings and Workshops

1. Certificate in Compliance Leave 1
2. Certification in Responsible Lending
3. Workshop on Financial literacy in general education
4. Training on Techniques of Credit Assessment and WASH Selling Skill
5. Training on Law on Financial Institutions
6. Skills of Successful Internal audit
7. CMA HR Bureau Platform
8. MFI_&_SB_SDD_Implementation
9. Annual Meeting of ADFIAP and Cultivating A Climate-SMART and Sustainable Future
10. Workshop on Cambodian Financial Situation for 2023
11. Workshop on Anti-Money Laundering Law at the National Bank of Cambodia
12. Training on Admin module Morakot Core Banking
13. Workshop on the implementation of monthly reports on IT incidents for banking and financial institutions
14. Training on Financial Auditing
15. Certification in Responsible Lending
16. Dissemination workshop on “Manual on the forms and procedures of tax audits for tax officials and taxpayers and Manual on the investigation of criminal offenses on tax regulations”
17. Hot Accounting Issues in Banking Industry
18. Regional workshop for heads of banking and finance branches on the governance of financial institutions to ensure effective, sustainable, responsible and ethical operations
19. Workshop on Counterfeit Note Detection

- 20.Seminar on “Rules and Procedures for Implementing the Double Taxation Agreement (DTA) and Exchange of Information for Tax Purposes (EOI)”
- 21.CBC Executive Forum“Data Strategy for Unlocking Growth in Financial Sector”
- 22.Training course on the Liquidity Ratio Declaration for Microfinance Institutions
- 23.Training on the circular on loan Restructuring
- 24.Annual Microfinance Conference 2024
- 25.Embedding Effective Risk Management Framework in Microfinance
- 26.Safe Finance in Community Project
- 27.Workshop on improving financial literacy and the use of riel
- 28.Workshop on the Law on Countering the Financing of the Proliferation of Weapons of Mass Destruction
- 29.Green Finance Product Development and Green Finance Matching training
- 30.Inauguration Ceremony of Data Access Collaboration Between MOLUPC and CBC
- 31.Good Collection Practices in Micro & Retail Lending



IPR'S CORPORATE RESPONSIBILITY

IPR'S SOCIAL RESPONSIBILITIES

IPR always strives to make a positive contribution to the socio-economic development and environment of the country. Towards this end, IPR forms clear strategies to fulfil the responsibility toward staff, clients, society, and the environment.

Responsibility Toward Staff

Staff's well-being and development are one of IPR's top priorities. That's why IPR constantly provides opportunities for growth, rewards, and assistances for deserving staff. Every year IPR provided staff orientation, internal training and external training and workshop.

Responsibility toward Clients

IPR cares about the financial well-being of clients and always caters to their needs. IPR is committed to fair consumer practice and protection. IPR prepared for obtaining the certification of Client Protection Principles (CPP) from CP partway.



Responsibility toward the Society and Environment

IPR is fully aware of and lives up to its responsibility to bring about positive impacts on the society and environment. Currently, IPR does not have any measures in place to assess its environmental footprint, however, we try to encourage our stakeholders to pay strong attention on the environment and be eco-friendly whether it is cutting down the use of papers and save water and electricity. Our duty to the public, IPR has made donations on multiple occasions for national emergencies and being responsive to clients' needs in their difficult times. The Chairman of IPR has always been taking part in helping the society especially farmers, and this has built the culture for IPR to always be a helping hand, no matter how small, IPR will always be a part to contribute to the society when they are in need.

By the end of 2024, IPR started control resource usage tracking as the following:

Electricity Consumption:



in KWH: 87,125 KWH

in KHR: 60,519,810

Fuel Consumption:



in Litter: 7,993.20 L

in KHR: 42,819,104

Water Consumption



in Cubic meter: 1,867.00 M3

in KHR: 3,444,100

Paper Usages:



in small box: 61 boxes

in KRH: 4,079,800

IPR participated in the Clean Water and Sanitation Loan Program by Water.org through the Cambodia Microfinance Association (CMA) in 2023. In 2024, IPR provided 249 loans to clients, with a total loan portfolio of USD 33,230. Clients used the loans for: clean water, water quality, sanitation, and combined clean water and sanitation.

As part of its future plans, IPR will expand its lending for clean water and sanitation loans to help improve the living conditions of local communities, ensuring they have adequate access to safe water and proper sanitation to meet their needs.

Below are some clients who have used IPR's clean water and sanitation loans:



Mrs. You Theam borrowed a loan from IPR with the purpose of purchasing a clean water filtration tank for use in her household. Before buying the water filtration tank, she often used boiled pond water, rainwater, and sometimes bought bottled water from local vendors for consumption. Occasionally, she was able to access clean drinking water, but at other times, she and her family consumed unclean or untreated water, which lacked hygiene and led to various illnesses in the family.

Due to all these difficulties, and with additional guidance from the IPR's staff, she decided to take out a loan to purchase a clean water filtration tank for household use.

After using the clean water filtration tank, her family experienced greater convenience, saved time and money, and had access to high-quality clean water.

Ms. Ros Sareun borrowed a loan from IPR with the purpose of constructing a new sanitary toilet. Before building this new toilet, she had an old toilet made of wood that was dilapidated, damaged, small in size, and difficult to use.

Due to these challenges, and with six family members living together, she decided to use part of the loan to construct a new toilet.

Her new toilet is divided into two sections: one bathroom and one separate sanitary toilet, making it much easier and more convenient for her family to use.



TAX PAID REPORT

INDICATORS	(\$) 2024	(\$) 2023	(\$) 2022	(\$) 2021
<i>Patent Tax</i>	3,675.15	3,671.97	3,643.43	3,681.89
<i>Signboard Tax</i>	2,500.00	2,797.70	2,307.09	2,292.76
<i>Transportation Tax</i>	99.38	97.92	97.16	98.18
<i>Tax on Salary</i>	19,131.44	20,992.00	18,689.47	22,410.93
<i>Prepayment Profit Tax</i>	12,735.70	13,832.76	14,885.31	14,186.70
<i>Withholding Tax on Rental</i>	8,220.40	8,032.17	7,448.62	8,334.98
<i>Withholding Tax on Service (residence)</i>	11,470.25	10,553.54	10,545.37	15,621.68
<i>Withholding Tax on Service (non=residence)</i>	650.69	334.59	1,837.47	1,798.85
<i>Withholding Tax on Interest (residence)</i>	-	-	2,647.06	4,206.86
<i>Withholding Tax on Interest (non-residence)</i>	-	-	-	-
<i>Tax on Profit</i>	-	28,031.01	64,813.82	52,595.62
<i>Stamp Duties Tax</i>	-	-	-	-
<i>Others Tax</i>	-	-	242.84	8,076.93

IPR's Audited Financial Statement



REPORT OF THE BOARD OF DIRECTORS

The Board of Directors submits this report together with the financial statements of Intean Poalroath Rongroeurng Ltd. ["the Company"] as at 31 December 2024 and for the year then ended.

The Company

Intean Poalroath Rongroeurng Ltd. ["IPR" or the "Company"] was formerly known as a credit unit of the Federation of the Cambodian Rice Millers Association. The Company was incorporated in Cambodia under Registration No.00017643 issued by the Ministry of Commerce ["MOC"] on 19 July 2005 and obtained its licence from the National Bank of Cambodia ("NBC") to operate as a microfinance institution on 18 August 2005. The Company obtained a permanent microfinance license from the NBC on 24 June 2008.

The original registered office of the Company was located at No. 779A, Kampuchea Krom Street (128), Sangkat Teuk Laak I, Khan Toul Kork, Phnom Penh, Kingdom of Cambodia. Subsequently, the registered office of the Company was changed to No. 72B, Street 317, Phum 6, Sangkat Boeng Kok 11, Khan Toul Kork, Phnom Penh, Kingdom of Cambodia starting 17 January 2022. An amendment to the Memorandum and Articles of Association has been approved by the MOC on 25 February 2022.

As at 31 December 2024, the Company has 77 employees (31 December 2023: 77 employees).

Principal activities

The principal activity of the Company is to provide credit services to improve the living standards of its customers in terms of rural development. Such credit services are offered by the Company in its head office in Phnom Penh and other provincial branches that are located in Takeo, Pursat, Battambang and Banteay Meanchey in Cambodia.

Results of operations

The results of the Company's operations for the year ended 31 December 2024, and the state of its affairs as at that date are set out in the accompanying financial statements.

Dividends

The Board of Directors does not recommend the payment of any dividends for the year ended 31 December 2024.

Board of Directors

The members of the Board of Directors of the Company during the year and to the date of this report are as follows:

Name	Position
Oknha Phou Puy	Chairman
Mr. Hsu Ming Yee	Director
Mrs. Pok Nivilay	Director
Mr. Penh Sany	Director

Auditor

The financial statements as at 31 December 2023 and for the year then ended have been audited by the accounting firm of Grant Thornton (Cambodia) Limited.

Directors' benefits

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

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

Board of Directors

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

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

Board of Directors' responsibility in respect of the financial statements

The Board of Directors is responsible for ensuring that the financial statements are properly drawn up so as to present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Board of Directors is required to:

- i. adopt appropriate accounting policies in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities ["CIFRS for SMEs"] and guidelines of the NBC, which are supported by reasonable and prudent judgements and estimates, and then apply them consistently;**
- ii. comply with the disclosure requirements of the CIFRS for SMEs or, if there has been any departure from such requirements in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements;**
- iii. maintain adequate accounting records and an effective system of internal controls;**
- iv. prepare the financial statements on a going-concern basis unless it is inappropriate to assume that the Company will continue its operations in the foreseeable future; and,**
- v. effectively control and direct the Company in all material decisions affecting its operations and performance, and ascertain that such decisions and/or instructions have been properly reflected in the financial statements.**

The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement by the Board of Directors

In the opinion of the Board of Directors, the accompanying statements of financial position, comprehensive income, changes in equity and cash flows, together with the notes thereto, have been properly drawn up to give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended, in accordance with CIFRS for SMEs and guidelines of the NBC.

On behalf of the Board of Directors



Oknha Phou Puy

Chairman

Phnom Penh, Kingdom of Cambodia 28 April 2025

INDEPENDENT AUDITOR'S REPORT

Grant Thornton (Cambodia) Limited
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**To the Shareholder of
Intean Poalroath Rongroeurng Ltd.**

Opinion

We have audited the financial statements of Intean Poalroath Rongroeurng Ltd ["the Company"], which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended, in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities ["CIFRS for SMEs"] and guidelines of the National Bank of Cambodia ("NBC").

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ["IESBA Code"] together with the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 comprises the Report of the Board of Directors, but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, 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 above 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 that we obtained prior to the date of this auditor's 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the Board of Directors and respond to that matter in accordance with the requirements of CISA 720 [revised].

Responsibilities of the Board of Directors for the financial statements

The Board of Directors of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with CIFRS for SMEs, and for such internal controls the Board of Directors 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, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities 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 auditor's 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 CISA 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 an 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 the directors.
- Conclude on the appropriateness of the directors' 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 auditor's 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 auditor's 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 disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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



Certified Public Accountants and Auditors

A member of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered independent18 68 the member firms.

STATEMENT OF FINANCIAL POSITION

	Note	Dec 31, 2025		Dec 31, 2023	
		USD	KHR'000	USD	KHR'000
			(Note 3.2)		(Note 3.2)
Assets					
Cash and cash equivalents	5	1,018,647	4,100,054	1,005,774	4,108,587
Statutory deposits	6	154,432	621,589	154,432	630,855
Loans to customers, net	7	6,177,556	24,864,663	6,364,490	25,998,942
Other assets	8	564,199	2,270,901	92,785	379,027
Intangible assets	9	50,875	204,772	-	-
Property and equipment	10	30,616	123,229	41,120	167,975
Deferred tax assets, net	12.3	-	-	15,003	61,287
Total assets		7,996,325	32,185,208	7,673,604	31,346,673
Liabilities and equity					
Liabilities					
Other liabilities	11	11,733	47,225	12,202	49,846
Current tax liability	12.4	19,135	77,018	50,108	204,691
Deferred income tax liability	12.3	23,752	95,602	-	-
Total liabilities		54,620	219,845	62,310	254,537
Equity					
Share capital	13	3,088,645	12,354,580	3,088,645	12,468,860
Retained earnings		4,592,478	18,574,375	4,449,327	17,991,607
Regulatory reserves	14	260,582	1,048,843	73,322	301,353
Currency translation reserves		-	(12,435)	-	330,316
Total equity		7,941,705	31,965,363	7,611,294	31,092,136
Total liabilities and equity		7,996,325	32,185,208	7,673,604	31,346,673

The accompanying notes are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

	Note	For the year ended 31 December 2024		For the year ended 31 December 2023	
		USD	KHR'000	USD	KHR'000
			(Note 3.2)		(Note 3.2)
Operating income					
Interest income	15	1,133,974	4,616,408	1,290,260	5,302,969
Net interest income		1,133,974	4,616,408	1,290,260	5,302,969
Other operating income	16	125,345	510,279	105,297	432,771
Net operating income		1,259,319	5,126,687	1,395,557	5,735,740
General and administrative expenses	17	(879,266)	(3,579,492)	(863,923)	(3,550,724)
Impairment loss of allowance for financial assets		(1,060)	(4,315)	(181,805)	(747,219)
Profit before income tax		378,993	1,542,880	349,829	1,437,797
Income tax expense	12.1	(48,582)	(197,777)	(117,014)	(480,928)
Net profit for the year		330,411	1,345,103	232,815	956,869
Other comprehensive loss –					
Currency translation difference		-	(342,751)	-	(241,931)
Total comprehensive income for the year		330,411	1,002,352	232,815	714,938

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Regulatory reserves	Currency translation reserves	Total
Note	USD KHR'000	USD KHR'000	USD KHR'000	KHR'000	USD KHR'000
	(Note 3.2)	(Note 3.2)	(Note 3.2)	(Note 3.2)	(Note 3.2)
Balance at 1 January 2024	3,088,645	12,468,860	4,449,327	17,991,607	73,322
					301,353
					330,316
					7,611,294
					31,092,136
Net profit for the year	-	-	330,411	1,345,103	-
Transfer to regulatory reserves	14	-	(187,260)	(762,335)	187,260
					762,335
Currency translation differences	-	(114,280)	-	-	(14,845)
					(342,751)
					(471,876)
Balance at 31 December 2024	3,088,645	12,354,580	4,592,478	18,574,375	260,582
					1,048,843
					(12,435)
					7,941,705
					31,965,363
Balance at 1 January 2023	3,088,645	12,468,860	4,289,834	17,336,091	-
					572,247
					7,378,479
					30,377,198
Net profit for the year	-	-	232,815	956,869	-
Transfer to regulatory reserves	14	-	(73,322)	(301,353)	73,322
					301,353
Currency translation differences	-	-	-	-	(241,931)
					(241,931)
					(241,931)
Balance at 31 December 2023	3,088,645	12,468,860	4,449,327	17,991,607	73,322
					301,353
					330,316
					7,611,294
					31,092,136

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

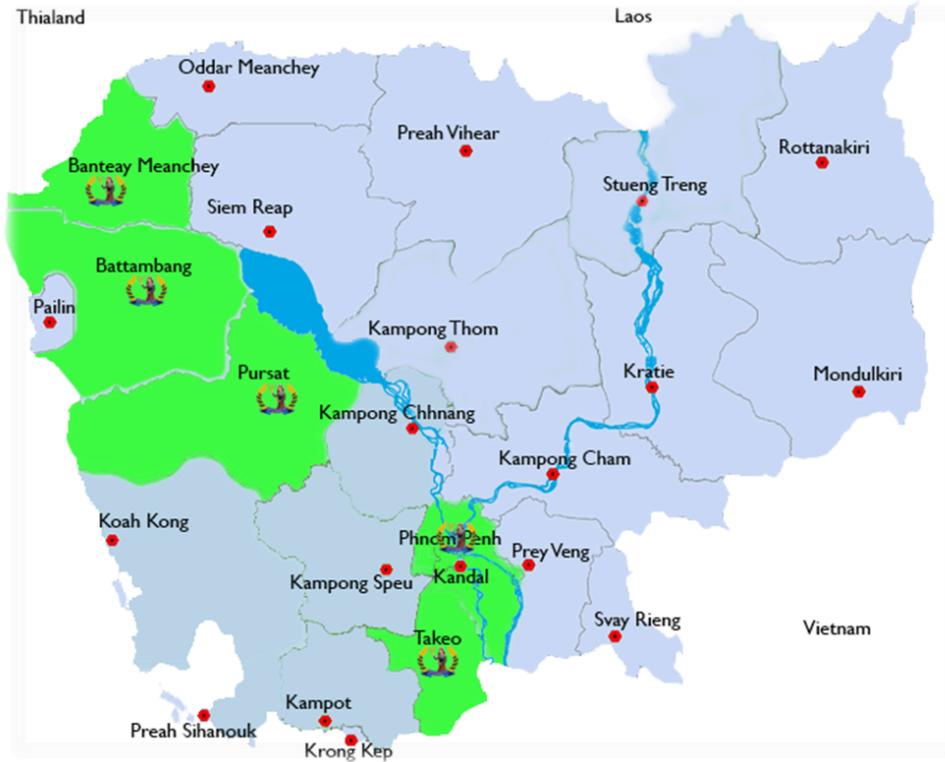
	Note	For the year ended 31 December 2024		For the year ended 31 December 2023	
		USD	KHR'000	USD	KHR'000
Operating activities					
Profit before income tax		378,993	1,542,880	349,829	1,437,797
Adjustments for:					
Interest income	14	(1,133,974)	(4,616,408)	(1,290,260)	(5,302,969)
Unrealised gain on foreign exchange	16	-	-	(24,697)	(101,505)
Depreciation and amortisation	9 and 10	32,334	131,632	14,852	61,042
Impairment loss of financial assets		1,060	4,315	181,805	747,219
Operating loss before working capital		(721,587)	(2,937,580)	(768,471)	(3,158,416)
Changes in working capital					
Net changes in:					
Loans to customers		206,750	841,679	243,439	1,000,534
Other assets		(471,414)	(1,919,126)	(66,630)	(273,849)
Other liabilities		(469)	(1,909)	82	337
Cash used in operating activities		(986,720)	(4,016,936)	(591,580)	(2,431,394)
Interest received		1,113,097	4,531,418	1,301,610	5,349,617
Income tax paid	12.4	(40,800)	(166,097)	(103,016)	(423,396)
Net cash from operating activities		85,577	348,385	607,014	2,494,827
Investing activities					
Acquisitions of intangible asset	9	(66,000)	(268,686)	-	-
Acquisitions of property and equipment	10	(6,704)	(27,292)	(22,830)	(93,831)
Net cash used in investing activities		(72,704)	(295,978)	(22,830)	(93,831)
Net change in cash and cash equivalents		12,873	52,407	584,184	2,400,996
Cash and cash equivalents, beginning of the year		1,005,774	4,108,587	4,108,587	1,735,686
Currency translation differences		-	(60,940)	-	(28,095)
Cash and cash equivalents, end of the year	5	1,018,647	4,100,054	1,005,774	4,108,587

The accompanying notes are an integral part of these financial statements.

IPR'S CONTACT DETAILS



BRANCH NETWORK



PHNOM PENH

Head Office: #72B, Road No. 317, Village 06, Sangkat Boeung Kak 02, Khan Toul Kork, Phnom Penh



TAKEO PROVINCE

Takeo Branch



BATTAMBANG PROVINCE

Phnom Proek Branch

Battambang Branch

Sampov Lun Branch

Samlout Branch



BANTEAY MEANCHEY PROVINCE

Banteay Meanchey Branch



PURSAT PROVINCE

Pursat Branch

PROVINCIAL OFFICE DIRECTORY



PHNOM PENH

Head Office

#72B, Road No. 317, Village 06, Sangkat Boeung Kak 02, Khan Toul Kork, Phnom Penh, Cambodia.

Tel: 023 990 237/ 070 999 739

E-mail: info@iprmfi.com

Website: www.iprmfi.com



TAKEO PROVINCE

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E-mail: bm002@iprmfi.com



PURSAT PROVINCE

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Battambang Branch

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E-mail: bm006@iprmfi.com

Sampov Lun Branch

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Samlout Branch

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BANTEAY MEANCHEY PROVINCE

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Products,
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Channels
benefit to
Clients

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Overindebt
clients

Give Client
Clear and
timely
information to
support client
decision
making

Set price
responsibly

Enforce fair
and respectfull
of client

Secure Client
Data and
informs client
about their
data right



Received and
resolve client
complaints