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MAXIMA Microfinance Plc.

To improve lives of clients



Annual Report 2019

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CORPORATE INFORMATION

Vision, Mission and Core Value

Vision

MAXIMA's vision is to be the leading microfinance institution offering micro-financial services with the highest quality of customer service.

Mission

To provide inclusive financial solutions to low income households and SMEs for improving their socio-economic standards in a sustainable way.

Definition of Key Term of MAXIMA's mission

1. Inclusive financial solutions – Assess and usage of loans, insurance, leasing, deposits, and other services. It also includes non-financial services such as business consulting and financial literacy;
2. Low income household – refer to households has annual income lower than \$2,000 include vulnerable and excluded people;
3. SMEs – refer to small and medium enterprise, income generating activities, has annual incomes up to \$60,000;
4. Socio-economic standard – Improve standard of living, health, and security
5. Sustainable way – maintain financial sustainability of maxima and to create value to satisfy all our stakeholders socially and economically.

Core Values

- Care and respect,
- Integrity and trust,
- Transparent and Responsible
- Effective Corporate Governance
- Initiative and Creativity



Performance Highlights

INDICATORS	YEAR	
	2018	2019
Operational Performance		
Number of Branch Offices	14	14
Number of Provinces Covered	8	8
Number of Districts Covered	40	45
Number of Communes Covered	243	252
Number of Villages Covered	1,252	1,300
Loan Outstanding (in USD)	18,521,169.85	21,424,597
Active Borrowers	6,019	5,874
Borrowers per Credit Officer	90	86
Average Loans Portfolio per Credit Officer (in USD)	276,435	315,068
Average Loan Size (in USD)	3,077	2,944
Amount of Loans Disbursed (in USD)	18,525,468.78	18,215,117
No. of Loan Disbursed	5,406	5,096
Average Loan Disbursed (in USD)	3,427	3,574
PAR	0.51%	0.57%
Total Staff	173	171

Financial Performance(CIFRS for SME)

Total Income (in USD)	3,388,201	3,993,398
Total Expense (in USD)	3,001,967	3,478,249
Profit/Loss (in USD)	386,234	515,149
Total Borrowings (in USD)	11,764,284	14,715,392
Total Assets (in USD)	20,406,844	24,118,603
Total Equity (in USD)	8,218,424	8,655,437
Paid-up Capital (in USD)	5,095,290	5,095,290
Return on Equity	4.8%	6.1%
Return on Assets	2.1%	2.3%
Operating-expense Ratio	9.9%	9.8%



MAXIMA's client at her grocery shop

Social Performance Indicators

SPM INDICATORS	2018	2019
Governance		
Number of management	11	10
Number of women in management position	5	5
Loan Product		
Productivity loan portfolio	276,435	315,068
Client Outreach		
Number of borrowers in rural area	4,806	4,846
Number of borrowers in urban area	1,213	1,028
Number of women borrowers	5,575	5,357
Number of group borrowers	1,029	845
Number of individual borrowers	2,994	2,743
Number of ME borrowers	1,996	2,286
Number of new borrowers	2,141	1,532
Portfolio Outreach by Lending Methodology		
Percentage of group lending	2%	2%
Percentage of individual lending	30%	27%
Percentage of SME lending	68%	71%
Human Resource		
Total staff	173	171
Number of women staff	39	39
Number of Credit Officers	67	68

Social Responsibility to clients

Second and third bottom-line:

MAXIMA Cleanliness and Health Promotion Projects	Not conducted this year	Not conducted this year
Total number of workshop participants (Approximately)	0	
MAXIMA Green Cambodia Campaign- Tree Projects/ Mangrove Rehabilitation	1	
Total number of campaign participants (Approximately)	60	
Client Satisfaction		
Client retention rate	70.83%	83%

Cambodia Key Economic Indicators 2019

	2017	2018	2019p	2020f	2021f
Output and Economic Growth					
Real GDP (% change yoy)	7.0	7.5	7.0	6.8	6.8
Domestic Demand (% change yoy)	7.8	8.7	11.7	12.5	9
GDP per capita (US\$, nominal)	1,363.1	1,500.5	1,612.2	1,747.1	1,910.2
External Accounts					
Export growth, f.o.b (nominal US\$, annual %)	5.3	5.3	9.3	8.2	8.9
Import growth, c.i.f (nominal US\$, annual %)	4.1	4.1	7.7	7.7	7.7
Foreign Direct Investment (Net, current US\$ millions)	2,663.5	3,071.7	3,149.9	3,494.9	3,717.0
Fiscal					
Revenue (% of GDP)	21.6	23.6	23.5	23.3	22.9
Expenditure (% of GDP)	23.6	24.3	24.2	28.2	27.4
Money and Prices					
Domestic Credit to the Private Sector (% of GDP)	86.7	99.6	117.5	135.1	152.7
Short-term interest rate (% p.a)	11.7	7.1	8.0	8.2	8.0
Exchange Rate (KHR/USD)	100.4	99.5	101.6	105.1	107.0
Inflation, consumer prices (annual %, period average)	2.3	4.1	2.1	3.1	3.0

p = projection

f = forecast

Source: World Bank Report: "Recent Economic Developments and Outlook", Nov 2019.

Message from Chairman

The Cambodian economy in 2019

The Cambodian economy is projected to grow by 7% in this year, with contributions from various industries such as garment manufacturing, real estate and construction, tourism, and agriculture.

The financial sector has significantly contributed to supporting sustainable and economic growth, while reducing poverty in Cambodia. The financial sector has achieved the best outcomes, including strong stability, competitiveness, and high integration in the region and the world.



Overall performance in 2019

As of December 31, 2019, total loan portfolio was USD21,424,597, an increase of 16% from USD 18,521,170 in 2018 and total of active clients was 5,874. The current PAR of 0.57% is lower than industry average which indicates a maintenance of strong loan. Even though the growth is still lower compared to industry standards, MAXIMA is considered as an efficient microfinance institution in the market and among good players in the entire sector.

Social performance management

MAXIMA MICROFINANCE PLC. has long demonstrated a commitment to protecting our clients, community and industry that we continue to work every day to improve our service and our commitment to best practices in microfinance.

As of July-2019, MAXIMA became the tenth microfinance institution in Cambodia to be awarded the SMART Campaign's Client Protection Certification after the implementation of its Client Protection Principles.

Sustainability and going forward

In 2019 and in the coming year MAXIMA will continue to innovate the transformation of the operational teams to maintain a client-centric approach. A digital product is being tested to give clients remote access to services. MAXIMA is also focusing on improving its processes and data management.

This transformation will enable MAXIMA to become the responsible financial institution in Cambodia with regards to client outreach, quality of services and profitability. The institution will remain true to its mission to serve urban and rural households with innovative and accessible financial services.

MAXIMA has continuously strengthened its operations in the face of market movements and challenging context in Cambodia, with competition increasing in the market following the impact of the regulatory changes.

MAXIMA has coped its strategy to comply with these new requirements and continue to serves its clients responsibly, as illustrated by the fact that it maintained an excellent portfolio quality over the year.

The board and shareholders are confident that MAXIMA's management and staff will make MAXIMA continue its high level of performance for all stakeholders.

On behalf of the board of directors, I would like to express my sincere appreciation to our shareholders and partners for their continuous support of MAXIMA and thank MAXIMA's management team as well as all staff for their constant hard work to ensure that MAXIMA continues to serve its clients as responsible microfinance. I am confident that MAXIMA will continue to enhance itself toward a stronger and highly admired financial institution in Cambodia to better serve the clients and society. Once again, my thanks to all funders, investors, and clients for all the confidence in the institution that would allow MAXIMA to continue its operation and expand its growth in the years ahead.



Mr. An Bunhak,
Chairman

Message from CEO

The financial sector in Cambodia is in stable condition and represents good growth. Recent move on Financial Technology is the strategy for Cambodia financial sectors towards ASEAN integration into the market. Meanwhile, expansion of microfinance as a whole in Cambodia signals the contribution to increase access to the credit service. During the year, the trend is positive for banks and MFIs owing to the fact that some Microfinance Institutions have transformed to become banks to enlarge services for the client.

Although the competition is tough, the change in rule and regulation, MAXIMA is able to comply with all requirements and maintain operation to grow healthy. Total loan portfolio increased by 16% represents USD 21,424,597.15. However, the active clients are 5,874; decreased slightly by 2%. The profit after tax by year end 2019 equals USD 515,149 (profit based on CIFRS for SMEs). Regarding human resources, MAXIMA total staff reaches 171 by year 2019. Among the 171 staff there are 39 female staff; and 5 female staff hold management position. MAXIMA is able to maintain a good working environment, and able to reduce the staff turn-over rate to 14.62% as in 2019.

In order to serves clients better, MAXIMA has worked towards changing the mission statement of the company. The new mission statement mentions “To provide inclusive financial solutions to low income households and SMEs for improving their socio-economic standards in a sustainable way”. MAXIMA balances both financial part and non-financial part, and especially implements and turns the operation strategy into real practices. Within the commitment, MAXIMA binds a contract with social partner called “Water.org” to provide WASH (Water and Sanitation Hygiene) product for our clients. MAXIMA also joined force with Cambodian Microfinance Association in terms of two main projects: (1) Voice of the Clients; and (2) Financial Literacy Campaign. In regards to these aspects, MAXIMA keep maintain good relationship with the clients, prepare the client satisfaction survey, and clients exit survey to experience the level of satisfaction from the clients. Within all these efforts to take care of the clients, MAXIMA achieved the Smart Campaign Certification on Client Protection Principles in July 2019.



On behalf of the management team, I would like to express my sincere thanks to shareholders, the chairman, Board of Directors for their leadership, support and guidance throughout the year. I would also like to express my sincere gratitude to all MAXIMA staff that have been working very hard and are highly committed to performing their work with high responsibility, professionalism and accountability.

Finally, I am grateful to the Royal Government of Cambodia, National Bank of Cambodia, our valued clients, business partners and other relevant parties for supporting MAXIMA.



Mr. Pa Ponnak Rithy
Chief Executive Officer

Corporate History and Milestones

- 2000 Founded in March 2000 by a group of friends from the financial services background. MAXIMA began its first micro credit operations on 1st June 2000 in Koh Dach Commune, Kandal province.
- 2001 Registered with the Ministry of Interior as an NGO with the official name MAXIMA Organization for Household Economic Development.
- 2002 Registered with the National Bank of Cambodia as an MFI for rural credit operator. As a registered MFI, MAXIMA has attracted a number of key investors.
- 2005 Obtained a full license as an MFI from the National Bank of Cambodia with the official name MAXIMA MIKROHERANHVATHO Co., Ltd. Over the years MAXIMA MFI has partnered with various organizations such as Rural Development Bank (RDB) in Cambodia, Appui au Développement Autonome (ADA) in Luxembourg, Consorzio ETIMOS in Italy, and others.
- 2006 Board of Directors increased staff benefits by adding a Staff Provident Fund and Health & Injury Insurance.
- 2007 Partnered with Kiva Microfund, an organization based in the USA.
- 2008 In June 2008, National Bank of Cambodia granted MAXIMA a permanent license to operate as an MFI. In August, MAXIMA opened its second branch in Kien Svay district of Kandal Province.
- 2009 Was awarded a certificate of recognition for being a global pioneer in the microfinance industry by participating in the Cambodia transparent pricing initiative from Microfinance Transparency Organization. MAXIMA was awarded a certificate for reporting on social indicators from CGAP.
- 2012 MAXIMA transformed from private limited company to public limited company with official name MAXIMA Mikroheranhvatho Plc.
- 2014 Gojo & Company Inc. joined as a shareholder.
- 2015 Was renamed as MAXIMA Microfinance Plc.
- 2016 2016, was a landmark year with MAXIMA building its brand visibility by changing the design of its logo to a new logo. Also, in the same year, Gojo & Company Inc. decided to convert the loan into MAXIMA's equity, and this request got approval from National Bank of Cambodia in December 2016.
- 2017 Received fund from Chailease Finance Co., Ltd. 2017 marked an important year. MAXIMA received support from new funders and lenders, so that MAXIMA is able to expand its business to reach more clients. Was one of the few MFIs chosen to participate in MIX's Voice of Client Project.
- 2018 Launched new core banking system MOROKOT VB to adapt with the regulation of National Bank of Cambodia to promote Khmer Riel
- 2019 Obtain Client Protection Principle Certification of Smart Campaign in July-2019

Our Partners

Gojo & Company, Inc.



miX Market



lendahand™
mesofinance



BUSINESS REVIEW

MAXIMA provides high quality micro-finance services with an emphasis on lending to rural poor and low-income individuals, groups and micro enterprises to improve their living standards and realizing their business goals. The current loan products include individual loans, group loans, and small and medium businesses loans.

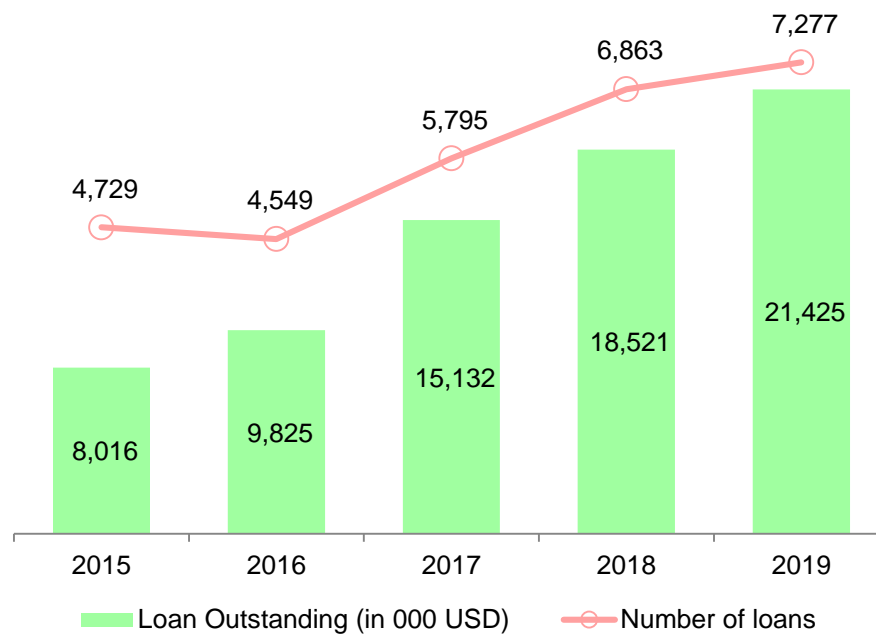
Service Outreach

In 2019, MAXIMA has 14 main branch offices operated in 8 provinces, 45 districts, 252 communes, and 1,300 villages. The following table informs the number of branches, province, district, commune, and village in MAXIMA operation areas.

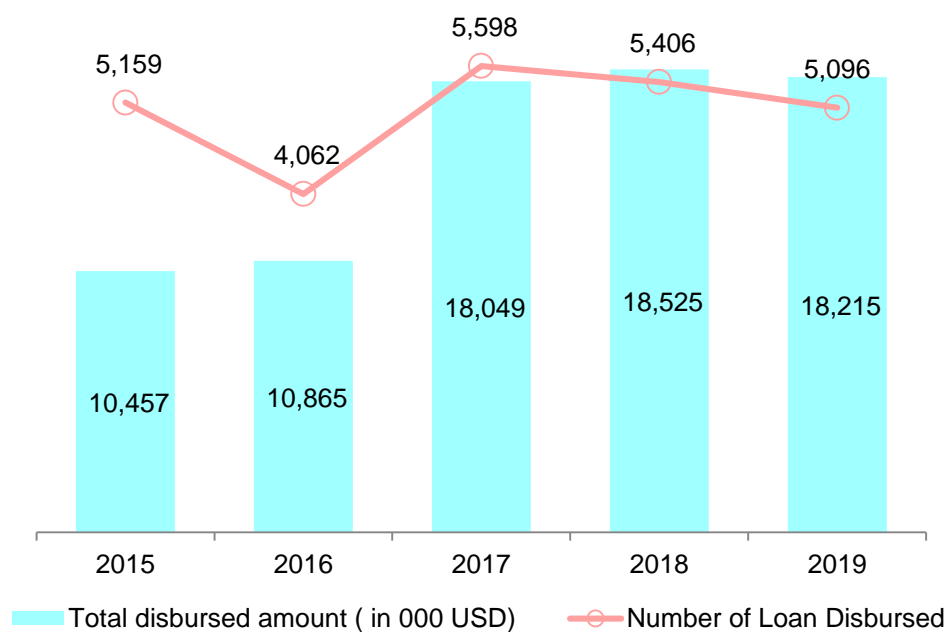
Productivity	2018	2019	Increment	% Change
Number of Branches	14	14	0	0%
Number of Provinces Covered	8	8	0	0%
Number of Districts Covered	40	45	5	13%
Number of Communes Covered	243	252	9	4%
Number of Villages Covered	1,252	1,300	48	4%

Loan Performance

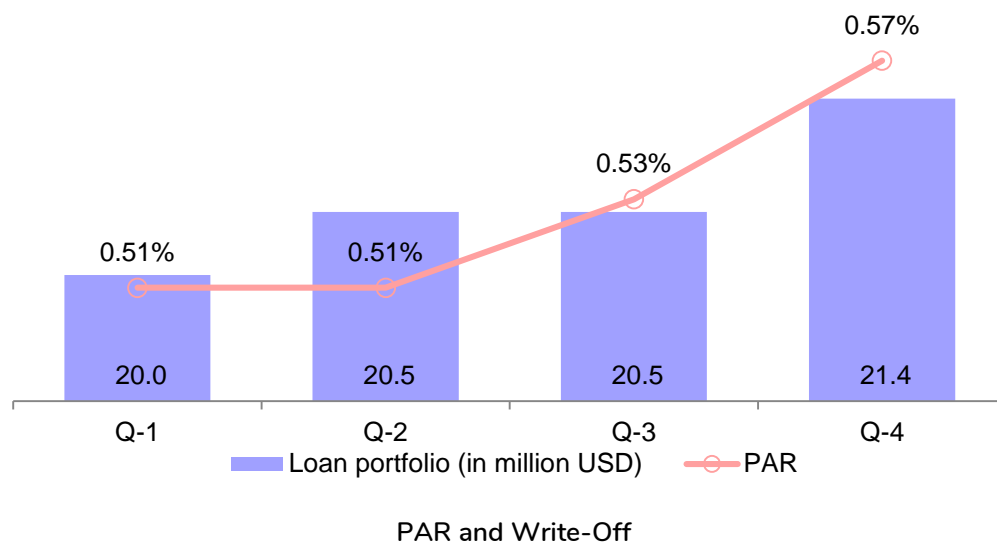
In 2019, MAXIMA's total loan portfolio was 21,424,597, an increase of 16% as compared to the loan portfolio in 2018. The number of loans increased 6% from 6,863 to 7,277.



MAXIMA disbursed loans total of USD 18,215,117 in 2019, and the number of loans is 5,096. The average loan disbursed amount is USD 3,574.

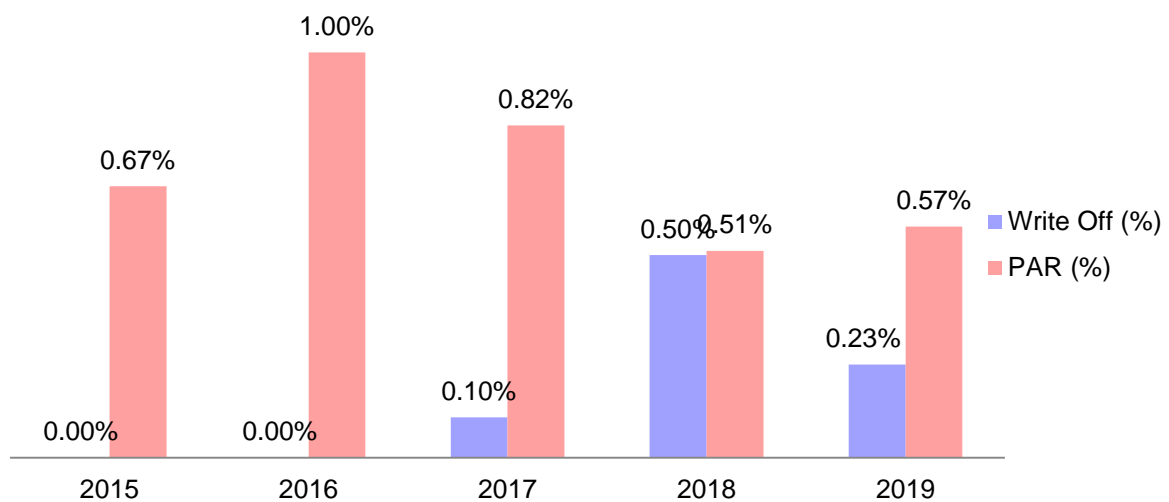


Quarterly loan portfolio and PAR



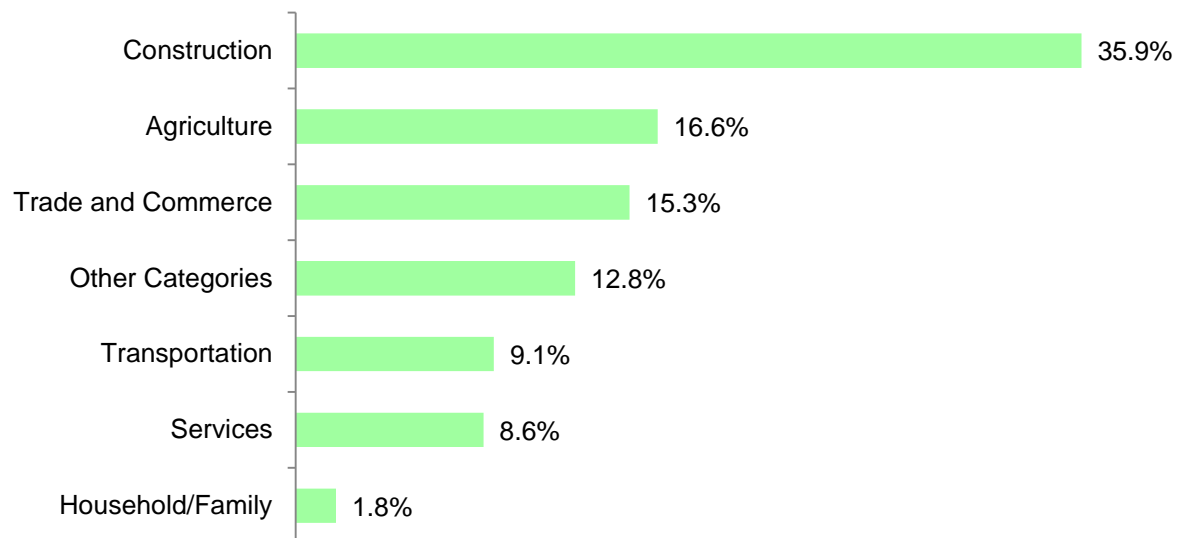
Portfolio at risk (PAR) in 2019 is 0.57% increased from 0.51% in 2018.

Par and Write off



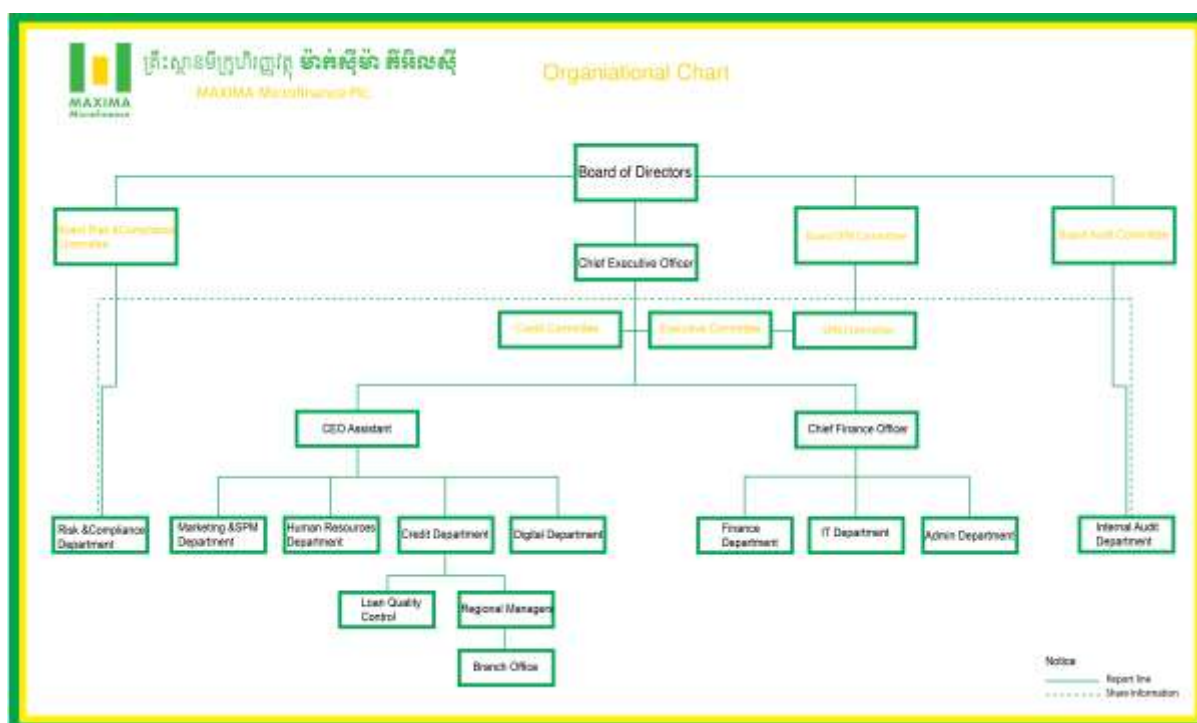
Loan Distribution by Category

Loan of Maxima has been categorized into different sectors. The high sectors of loan utilization are construction 35.9%, agriculture 16.6%, trade and commerce 15.3%, transportation 9.1%, service 8.6%, and other 12.8%, (consumption and education)



CORPORATE GOVERNANCE

Organizational Chart



Shareholders

As of December 2019, the shareholder of MAXIMA Microfinance Plc. includes:

Shareholder	Number of Shares	Share (USD)	Share Capital
Gojo & Company, Inc.	314,029	3,140,290	61.63%
Mr. An Bunhak	100,000	1,000,000	19.63%
Ms. Sreng Sivechheng	43,000	430,000	8.44%
Ms. Sarun Vithourat	42,000	420,000	8.24%
Mr. Chet Chanprasoeur	5,500	55,000	1.08%
Mr. Pa Ponnak Rithy	4,385	43,850	0.86%
Employee	615	6,150	0.12%
TOTAL	509,529	5,095,290	100%

Shareholder Information

Gojo & Company Inc.,

Gojo & Company, Inc. is an enabler of financial inclusion for unserved and underserved communities, investing in and partnering with financial service providers around the world. The company is headquartered in Tokyo and has group companies in Cambodia, Sri Lanka, Myanmar, and India. Gojo exists to create a world where everyone is able to overcome the circumstances of their birth and determine their own destiny. Their mission is to extend financial access to all people in developing countries, and aims to reach over 100 million people in 50 or more countries by the end of 2030.

Gojo & Company, Inc.

Dr. An Bunhak joined as a shareholder of MAXIMA since 2000. He earned his Doctoral Degree in Business Administration (DBA) from Preston University, USA in 2009. He also obtained a Master of Banking and Finance at Norton University, Cambodia and Ateneo De Zambanga University, Philippines in 2003. In 1995, Dr. BUNHAK graduated from the Faculty of Business, Cambodia and obtained Bachelor of Business Administration. Dr. Bunhak is well conversed in English, Thai and Khmer.



Ms. Sreng Sivechheng joined as a shareholder of MAXIMA since 2000. She completed her Master of Financial Management at Royal University of Law and Economics, Phnom Penh in September 2016. She obtained Bachelor of Business Administration specializing in Management at the National Institute of Management, Cambodia in 2001. Ms. Sivechheng is well conversed in English, Thai and Khmer.



Ms. Sarun Vithourat joined as a shareholder of MAXIMA since 2012. She has a degree in marketing and specialized in banking from Rene Descartes University in Paris in 2007. She has been working for private banks since then, both in Cambodia and France. She also has asserted herself in Cambodian Business in cosmetic and skin care products, hospitality, and rice sector since 2009. Ms. Vithourat is well conversed in English, French, and Khmer.



Mr. Chet Chanprasoeur joined as a shareholder of MAXIMA in December 2000. He obtained his Master degree in Law at Build Bright University, Cambodia in 2010. Mr. Prasoeur graduated from the Faculty of Business, Cambodia and obtained a Bachelor of Business Administration in 1995.



Mr. Pa Ponnak Rithy joined as a shareholder of MAXIMA in December 2000. He earned his degree in Accounting/Finance and Banking in Cambodia and received Bachelor of Business Administration in 1986. Mr. Rithy is well conversed in English and Khmer.



Board of Directors

Board of Directors at MAXIMA consists of 8 members. Board Members have knowledge and skills regarding credit analysis, auditing, finance, operations, human resource management. Other than this the Board of Directors have experience in microfinance and banking which is an asset to MAXIMA.

As of December 31, 2019, the Board of Directors consists of:



Dr. An Bunhak, Chairman,

Dr. An Bunhak is a founder member at MAXIMA. He was appointed as Chairman of the Board of MAXIMA at the end of 2011. Prior to working at MAXIMA, Dr. Bunhak served as Chief of Finance at Pacific Commercial Bank (1995-2000). Dr. Bunhak earned his Doctoral Degree of Business Administration (DBA) in Management from Preston University, USA in 2009. He obtained a Master of Banking and Finance at Norton University, Cambodia and Ateneo De Zambanga University, the Philippines in 2003. In 1995, Dr. Bunhak graduated from the Faculty of Business, Cambodia and obtained Bachelor of Business Administration.



Mr. Chet Chanprasoeur, Director

Mr. Chet Chanprasoeur joined the Board of MAXIMA in December 2000. Mr. Prasoeur is currently serving as a member of Risk Committee of the Board of MAXIMA. Mr. Prasoeur completed Master's degree in Law at Build Bright University in 2010. He graduated from the Faculty of Business, Cambodia and obtained a Bachelor's of Business Administration in 1995.



Mr. Taejun Shin, Representative of Gojo & Company, Inc. Director

Mr. Taejun Shin is the founder and CEO of Gojo & Company, Inc., the majority shareholder of MAXIMA. After graduating from Korea University and Waseda Graduate School of Finance, Japan, Taejun started his career at Morgan Stanley and then worked for Unison Capital. While working in the finance industry, At the young age of 26, Taejun founded Living in Peace, an NGO, in 2007, and created the first microfinance investment fund, a first of its kind in Japan's investment history in 2009. Taejun co-founded Gojo in 2014 and has led the company's growth until today as the CEO. He is the Young Global Leader of the World Economic Forum and the youngest founding member of Endeavor Japan. The Harvard Business Review Japan Edition selected him as the 20 best CEOs under age 40. He is the author of 9 books, a finisher of the 1648 km ultra-marathon, and a Karate black-belt holder. Taejun is fluent in Japanese, Korean and English.



Mr. Sanjay Gandhi, Director

Mr. Sanjay Gandhi is the co-founder and Chief Investment Officer at Gojo & Company, Inc. Having qualified as a Certified Practicing Accountant, CPA, from India, Mr. Sanjay started his career in 1991 with AF Ferguson, one of the oldest Audit firms in India (a partner of Deloitte India). He then headed corporate banking at one of the largest finance companies in India for 8 years. 2003 onwards, Mr. Sanjay has worked exclusively in the field of Microfinance, gaining expertise in all aspects of microfinance operations. He has conducted close to 150 MFI ratings in 25 countries in Asia, Africa and Eastern Europe, most of them for Planet Ratings and M-CRIL. At M-CRIL, he led the ratings team as Director (Ratings). He has trained and mentored a large number of credit and rating analysts in various parts of the world. He has also held training workshops on Risk Management for many Cambodian MFI staff. The combined experience of 26 years, in auditing, corporate banking and working with MFIs has helped Mr. Sanjay carve a niche in the field. Mr. Sanjay leads deal sourcing, due diligence and operational improvement initiatives for partner MFIs. As MAXIMA director he is a member of Risk Committee, and Internal Audit Committee.



Ms. Praachi Gandhi is a Sociologist, Ex-Lecturer and Soft-Skills Trainer from the Delhi School of Economics, Delhi University, India. She is also a 'CERISE Certified SPI4 External Auditor' working in the field of Social Performance Management (SPM) and Client Protection Principles (CPP) in Microfinance Institutions (MFI) around the world. As a Sociologist and a Woman who has worked at grass root level for several years, Praachi understands well the needs of microfinance clients, especially women, to maintain the respect, dignity and privacy of clients through transparent, trustful and responsible relationships. Praachi has been a research specialist with several NGOs and has worked on various international projects some being with; John's Hopkins University, USA, the MacArthur Foundation and others. She has published work from these projects. Praachi is a people's person and has the unique ability to connect seamlessly with people from all walks of life and all age-groups. At Gojo, Praachi heads social performance management using her field experience to make sure that the partner MFIs of Gojo fulfil their social responsibility. It was with her guidance and unwavering support that MAXIMA received their Smart Campaign Client Protection Certificate in 2019. MAXIMA is proud to have her on the Board as the 'SPM Chairwoman'. According to Praachi love and respect for fellow human beings and the planet, laughter and music, has the power to make the world a better place.



Mr. Pa Ponnak Rithy is the Board of Director and Chief Executive Officer at MAXIMA. He joined MAXIMA in December 2000. Prior to this, he was an Accounting and Administration Assistant in LWS (1998-2000), a Chief of Accounting at Pacific Commercial Bank (1995-1998), a Deputy Chief of Credit Office of the National Bank of Cambodia in Kampot province (1980-1995). Mr. Rithy completed his degree in Accounting/Finance and Banking in Cambodia and received Bachelor of Business Administration in 1986. Mr. Rithy is well versed in English and Khmer. Mr. Rithy is a man of heart, leading his teams with affection, transparency and some sternness whenever needed.



Dr. Ao Veng, Independent Director

Dr. Ao Veng, an Independent Board Member, joined the Board of MAXIMA in September 2013 and is currently serving as Chairman of Audit Committee of MAXIMA. Dr. Veng served as a professor at Norton University from 1999-2006, and as a Vice Rector at Western University, Cambodia, from 2006-2012. He has been serving as a Professor at Royal University of Law and Economics, Financial Institute of Cambodia, Western University since 2010. Dr. Veng earned his Doctor of Philosophy in Business Administration (DBA) from Western University, Cambodia in 2010. In 2002, he obtained Master of Business Administration in Finance from Norton University and Ateneo de Zamboangan University. In 1999, he graduated with Associate Degree in Banking from Institute for Banking Studies of National Bank of Cambodia. In 1996, he successfully completed his Bachelor's Degree of Science in Mathematics from Royal University of Phnom Penh, Cambodia.



Dr. Yean Rithy, Independent Director

Dr. Yean Rithy, an Independent Board member, joined the Board of MAXIMA in April 2012 and is currently serving as Chairman of Risk Committee of MAXIMA. Dr. Rithy served as a senior accountant at Shell Company of Cambodia from 1993-2002. He has been serving as Country Finance Manager of Dufry Cambodia Ltd. (2002-present). He is a Certified Management Accountant and Fellow Member of Institute of Public Accountants, Australia. He is also an Active Member of KICPAA. From 2003 until present he has been a part-time lecturer at Build Bright University and Western University. Dr. Rithy earned his PhD. in Marketing from Preston University, USA in 2007 and his DBA from European University, Switzerland in 2013. In 2005, he obtained Master of Business Administration in Finance and Accounts from Preston University, USA. In 1998, he graduated from the Irish University in Ireland and obtained Bachelor of Business Administration Finance and Banking.

Board Committees

MAXIMA Microfinance Plc. has three Board Committees to guide and provide governance including Internal Audit Committee, Risk Committee, and Social Performance Management Committee. Each committee plays an important role in shaping MAXIMA's operations keeping the clients' interest at the center of all decisions.

Audit Committee

The Audit Committee is the responsibility of the Board of Directors and is required to perform the following general functions:

- Establish and monitor compliance with a corporate code of conduct;
- Monitor procedures for compliance with government regulation;
- Review the findings of audits or examinations conducted by other agencies;
- Inquire about the external auditor's opinion on the competence of financial and accounting personnel and the internal auditors;
- Review the adequacy of internal control structures over financial reporting;
- Oversee the company's internal controls for safeguarding its assets;
- Evaluate the internal auditor's objective;
- Review the internal auditor's work and assess their performance and capacity building;
- Ensure that the internal auditor's involvement in auditing the financial reporting process is well-coordinated with the work of the external auditors;

Achievement of Audit Committee:

- The Audit Committee met 4 times during the year 2019;
- In the meeting held in 2019, the committee approved:
 - An internal audit plan, schedule and budget for the year 2019,
 - Selection Method and Job Objective
 - New audit conduct process
 - The internal audit working paper for branch and head office,
 - Audit Committee Term of Reference,
 - Internal audit annual report
 - Annual internal control system report to NBC
- Made suggestions on internal audit conduct sampling
- Reviewed all key operational, business and management process were audited according to risk based methodologies;
- Internal Audit discussed the result of all assessments with management and reported its observation/findings, recommendations and opinions, via a structured process.

Risk Committee

The Risk Committee has been formed effectively since February 2014, and the Committee is the responsibility of the Board of Directors and is required to perform the following general functions:

- To oversee and review various aspects of risk management on a holistic basis, and review regularly the major risk exposures of the Maxima including credit risk, market risk, operational risk, interest rate risk, liquidity risk, legal, regulatory and compliance risk, strategic risk, reputational risk, technology risk, security risk and any other material risks which the MAXIMA may expose to from time to time;
- To review and recommend for the BoD's approval on the risk management framework and strategy, covering the risk profile, limits tolerance and risk appetite (including the Risk Appetite Statement) of the Maxima;
- To review, endorse or approve high-level risk of customer in AML/KYC;
- To ensure appropriate infrastructure, resources and systems are in place for risk management;
- To review and discuss the material regulatory requirements and/or comments of the regulators on the risk management related issues concerning the MAXIMA, and ensure appropriate follow-up actions have been taken and in a timely manner to address the requirements and/or control deficiencies as identified by the regulators;
- To review the results of stress-testing for the major risk exposures of the MAXIMA and the assessment on the capability to withstand the stressed conditions in terms of profitability, capital adequacy and liquidity, and initiate/endorse appropriate actions to be taken by the management to mitigate the potential impacts, if necessary;
- To receive and review periodic reports on risk culture, exposure and portfolio risk management activities of the MAXIMA;
- Review and recommend on independent credit review reports of the Maxima;
- To consider other topics, as defined and assigned to the BRC by the Board;
- Review and recommend on Risk and Compliance Plan of the Risk Department of Maxima;
- To review all transactions, involve Whistle Blowing policy.

Social Performance Management Committee

The Social Performance Management (SPM) Committee at MAXIMA performs the following functions:

- Streamline and monitor SPM process at MAXIMA
- Develop awareness of SPM at all levels of the institution
- Completed all the gaps of the Client Protection Principle (CPP) from Smart Campaign
- Follow the progress of the institution to see if the institution is fulfilling its responsibility towards clients
- Follow the progress of the institution to see if the institution is fulfilling its responsibility towards staff
- Plan and arrange social events, activities, workshops for the clients
- Arrange training to enhance the institution's awareness for social performance management and client protection principles

Achievement of SPM Committee in year 2019:

- Completed all the gaps in Client Protection Principles then obtained Smart Certification as of July-2019
- Provided WASH loan which is the social product to 472 clients with beneficiaries 2,089
- Collaborated with CMA (Cambodia Microfinance Association) in partnership with ADA & Good Return that aims to facilitate the provision of financial education with high value-added services to our value clients to ensure sustainable growth.
- Collaborated with Smart Campaign to conduct the VoC (The Voice of Client) project to reflect the implementation of Client Protection Principle
- Under MAXIMA Green Cambodia Campaign, we followed up the 300 mangrove trees planted at Kep province since last year. Among of them, about one hundred mangrove trees survived. This year the stress was on maintenance and post planting care of the saplings planted during the earlier year. There was some interesting learning that came from this project.
- Facilitated and maintained on the topic of "Client Complaint Resolution Policy" to remind the staff how complaints mechanism works, authority level to solve complaints, how to manage, and investigate the complaint.

Management Team

Management Team at MAXIMA consists of Chief Executive Officer, Chief Finance Officer and Assistant to CEO, and Head of all departments. The management team worked closely with the Senior Head of Credit Department, CO-Head of Credit Department, Head of IT Department, Head of Marketing and SPM Department, Head of Human Resource Department, Head of Finance Department and Head of Admin Department, Project manager.



Mr. Pa Ponnak Rithy is the Chief Executive Officer at MAXIMA. He joined MAXIMA in December 2000. Prior to this, he was an Accounting and Administration Assistant in LWS (1998-2000), a Chief of Accounting at Pacific Commercial Bank (1995-1998), a Deputy Chief of Credit Office of the National Bank of Cambodia in Kampot province (1980-1995). Mr. Rithy completed his degree in Accounting/Finance and Banking in Cambodia and received Bachelor of Business Administration in 1986. Mr. Rithy is well versed in English and Khmer. Mr. Rithy is a man of heart, leading his teams with affection, transparency and some sternness whenever needed. To staff who know him for many years Mr. Rithy is lovingly referred to as “Pu”, a father figure.



Ms. Sreng Sivechheng is the Chief Financial Officer at MAXIMA. She has been with MAXIMA since the inception of the Company in 2000. Before MAXIMA, from 1995 to 2000, she worked as Chief of Remittance at Pacific Commercial Bank. She completed her Master of Financial Management at Royal University of Law and Economics, Phnom Penh in September 2016. Ms. Sivechheng obtained a Bachelor of Business Administration specializing in Management at the National Institute of Management, Cambodia in 2001. Ms. Sivechheng is well versed in English, Thai and Khmer. Bong Chheng as she is lovingly called by all staff, she is a strong pillar at MAXIMA, a very caring person and cared for like an older sister.



Mr. Tomohiro Isozaki is the Country Representative of Cambodia of Gojo & Company, Inc. in 2018 and became Assistant to CEO in Operation of MAXIMA in 2019. Prior to this, he worked for Mitsui&CO.,LTD. and McKinsey&Company, Inc. He obtained a Bachelor of Sociology of education, from University of Tokyo. He is well versed in English, and Japanese.



Mr. NGORY Sorn is the Senior Head of Credit Department at MAXIMA. He joined MAXIMA Microfinance Plc. in 2015 as Deputy Head of Credit Department, and was promoted in charge of Credit Department and credit operation in 2017. Prior to joining with Maxima, he served in various positions including English Teacher, and Branch Manager of Training Center. He also worked as Credit Officer, Trainer of Credit Products, trainer of Financial Service products at Microfinance Institution "MAXIMA". Mr. Sorn obtained Bachelor Degree of Banking and Finance from National University of Management, and Master Degree of Business Administration from Norton University in Phnom Penh. Besides these, he attended many short course trainings with both local and international facilitators. He is well versed in English and Khmer. Mr. Sorn fully commits to support his teams to do well for themselves, for the institution and most of all for the clients.



Mr. Hor Monydarith is the CO-Head of Credit Department. He has been working in Maxima since 2008. He initially worked as credit officer then promoted to be Branch Chief Credit Officer, Deputy Branch Manager at one of largest branches, afterwards was promoted to Deputy head of Credit Department in 2017, later on, became Acting Head Credit department in 2019. Prior to joining Maxima, Monydarith used to work as Assistant of National Election Registration and member of Organizing National Election in native. He attended many training with both local and international trainers. Monydarith obtained Bachelor Degree of Tourism and Hospitality Management from Build Bright University, and Diploma of intensive English for academic purposes from Pannasastra University of Cambodia. He is one of particular persons who always create a good and joyful environment and he's one of great operation resources in Maxima, and he also commits to lead operation in nice way.



Mr. YANG Ra is the CO-Head of Credit Department at Maxima. He has been working in Maxima since 2008, initially he worked as credit officer then he was promoted to assistant to credit manager from 2010 to 2012, afterwards he was promoted to be Branch Manager of the Kien Svay Branch. Once again, in 2018, He was promoted to be Deputy Head of Credit Department and became Acting Head Credit Department in 2019 before in-charge of current position. Prior to joining Maxima, He used to work as a seller for 888 Corporation Co., Ltd from 2006-2007. Mr.Ra obtained Bachelor Degree of Marketing from Asia Euro of University, and obtained Master Degree of Financial Management of Royal University of Law and Economics in Phnom Penh. Besides these ones, he attended many short course training with both local and international trainers. He is conversed in English and Khmer. He's one of particular resources in operation and he has the strongest ambition to move Maxima on a sustainable way.



Mr. Sok Kosal is currently the Digital Project Manager. Previously, he was one of the Deputy Head of Credit Department in-charge of regional performance. He has been working in Maxima since 2011. From the beginning, he worked as credit officer then was promoted to be a chief of service office at Choam Chao in 2015. Leading there for 2 years, afterward promoted to be a Deputy Head of Credit Department responsible for lending support. He used to be a teacher of English and attained many training with both local and international trainers such as “SME Lending” by Cambodia Institute of Banking and Finance and Advance Excel & Google slide for business by Gojo & Company Inc. He obtained a Bachelor Degree of Science Management from Royal University of Law and Economics. Mr. Kosal is well conversed in English and Khmer. What he likes the most is striving for excellence.



Ms. Lay Sineath is the Head of the Admin at MAXIMA. She is the first staff of MAXIMA. Sineath joined MAXIMA in December 2001. Ms. Sineath graduated with a Bachelor's Degree in Business Administration specializing in Accounting at the National Institute of Business, Cambodia in 2006. She is well conversed in English and Khmer. Ms. Sineath has undying energy to do as much work for MAXIMA as needed and is loved by everyone for her ever helpful nature.



Ms. Sim Soupheakna is Head of Human Resource Department, and Executive Assistant to CEO, at MAXIMA. She joined MAXIMA in October 2015. Prior to joining MAXIMA, she worked as Staff Capacity Development Officer at Microfinance Institution MAXIMA, and as Office Manager at AZISAFE. She holds a Master Degree of Private Law from Royal University of Law and Economics (RULE), Master Degree of Management from Paññasatra University of Cambodia (PUC), Bachelor Degree of Finance and Banking from Royal University of Law and Economics (RULE), and Bachelor Degree of English for Business from Cambodian Mekong University (CMU). She is well versed in English and Khmer. Ms. Soupheakna has worked gently and silently to develop bonds of trust and respect from the staff. She is a keen learner and upgrades her skills regularly. Ms. Soupheakna cares for her staff and wishes to provide them good opportunities to learn and grow with MAXIMA.



Mr. Khean Darith is the Head of IT Department at MAXIMA. He joined MAXIMA Microfinance Plc. in 2009. Mr. Darith holds a Bachelor's Degree in Computer Science from the Cambodian University for Specialties and Associate Degree in Electronic from Preah Kossomak Polytechnic Institute. In 2015, Mr. Darith completed a course on IT Assurance and Security Audit at Sunrise Institute. He is well conversed in English and Khmer. Mr. Darith is a person who works hard to keep MAXIMA's and clients' data organized and safe and always greets you with a hundred-watt smile!!! He is an asset to MAXIMA, a very helpful and a very gentle soul.



Mr. Khiev Sengdy was a young lad when he joined MAXIMA in June 2006. He is currently serving as Head of Marketing Department and SPM Department. Before this, Mr. Sengdy was Deputy Credit Manager in 2014 and Branch Manager (2011-2013) at MAXIMA. Mr. Sengdy obtained a Master of Business Administration at Norton University in 2017. He obtained a Bachelor of Business Administration specializing in Management at Human Resources University in 2009. Mr. Sengdy is well conversed in English and Khmer and over the past few years has worked diligently on his skills, including English, and the management of social performance at MAXIMA.



Ms. Wong Somaly is the Head of Internal Audit Department at Maxima, she joined Maxima on 22nd January 2018. Before Maxima Plc, she worked for Chamroeun Microfinance Limited as System Administrator and Internal Auditor in 2007. In 2008, she became a Head of Information Technology Department, and she changed to Head of Internal Audit Department in 2010. She was promoted to Chief Internal Auditor in 2011. She left Chamroeun in September 2017. She also previously worked for Theaneakea Phum Microfinance limited in various fields such as administration, credit, and information technology from 1997 to 2006. Currently, Somaly holds a MBA in Finance and Banking and holds a Bachelor of Computer Sciences at Phnom Penh International University.



Ms. Touch Pisey is Head of Finance at MAXIMA. She joined MAXIMA in June 2018. Before joining MAXIMA, she worked as Senior Chief Internal Audit at Aeon Specialized Bank, Senior Assurance at Price Waterhouse Cooper (PwC) and Auditor at Professional Consulting Group (PCG & Partner). She completed her Bachelor Degree of Finance and Banking at Paññasatra University of Cambodia (PUC), Bachelor Degree of Management at National University of Management (NUM) and Pursuing ACCA at CamEd Business School. She is very well conversed in English and Khmer.



Mr. Sovann Chanda is the Head of Compliance Department at MAXIMA. He joined MAXIMA in Sep 2019. Before joining MAXIMA, he worked for ACLEDA Bank Plc. since December 2002. In 2018-2019 he served as an Assistant Manager of Legal Compliance at Head Office of ACLEDA Bank, and in 2014-2017 he served as an Assistant Vice President & Manager of Branch Administrative Officer at Phnom Penh Branch. He graduated with a Master's Degree of Business Administration in Finance and Banking from BBU in 2015.

SOCIAL PERFORMANCE MANAGEMENT

MAXIMA continued to push forward its social performances. MAXIMA strongly believes that clients are at the heart of our business and consider Client Protection as critical. These principles are (1) Appropriate products design and delivery (2) Prevention of over-indebtedness (3) Transparency (4) Responsible pricing (5) Fair and respectful treatment of clients (6) Privacy of client data (7) Mechanisms for complaint resolution. In addition, MAXIMA not only provided good financial services to clients, but also non-financial services, such as financial education which is one of MAXIMA's strategies for long term sustainability. MAXIMA also promotes the SPM and CPP among employees by providing training to all new employees and refresher training to all staff.

Responsibility towards Clients



Mrs. Ton Samphors at her grocery shop

SPI4 Action Plan Update

The social audit of Maxima was conducted using SPI4, a comprehensive social audit tool that allows MFIs to evaluate their level of implementation of the Universal Standards of Social Performance (Universal Standards). The SPI4 assessed Maxima's strengths and weaknesses on both Social Performance Management (SPM) and client protection, to use this information to help the Maxima improve its management systems and practices over time. In 2019 MAXIMA has been working on the Gaps in the SPI4 Audit. Given below are the latest figures of USSPM from the Audit:



Social Goals

- Provide loan to build/improve latrines/clean water facilities

Matters of pollution, higher rate of disease and morality are our major concerns for MAXIMA's clients, the environment and the community. To enhance social welfare, MAXIMA has been developed WASH (Water and Sanitation Hygiene) product to provides the loan for our clients to improve standard of living align with its new mission which aims to improve socio-economic standard. The main benefits of WASH product for our clients are 1) a good health, 2) reduce family's expense on medical treatment, 3) save time to do business, 4) avoid other risks for Cambodian people, especially, children who live in rural areas.

- Provide loans less than 1501USD to rural people

To align with MAXIMA mission which provides financial inclusion to low income households include vulnerable and excluded people, MAXIMA aims to provide small loans to those clients to solve the matters of financial exclusion of the poor and rural people who needs financial accesses to improve their living standard. To improve customer experience, a digital lending is started to emerge as new credit modeling for our clients to get a quick financial services with a small loan and less requirement.

- Provide loans to women who run their own business

Women are often the ones who deal with the daily family responsibilities and play main role in household economic development. In the rapidly changing modern economy, entrepreneurs need access to fresh capital for new or existing business. MAXIMA provides financial solutions to support women client's business and create job opportunity for the community to improve living standard. Meanwhile, we also provide financial education to our existing or new women clients to enhance their mindset development.

Financial Education Program



MAXIMA's clients joined financial education program

Financial Education Initiative for Responsible Financial Inclusion (FEIRFIN) is a new initiative led by CMA in partnership with ADA & Good Return. MAXIMA collaborated with CMA (Cambodia Microfinance Association) as of September-2019.

MAXIMA has strongly committed to provide financial education to our valued clients. The initiative will support MAXIMA to include as a component of our strategy for the provision of high value-added services to ensure sustainable growth for the microfinance sector. The program provides awareness training on Mindset Development, Income & Expenses, Saving & Investment, Debt Management, Cash Management to participants.

The FEIRFIN initiative promotes the use of the CAFE Coaching methodology developed and tested by Good Return (GR) in collaboration with CMA. The Financial Coaching supports our clients in identifying their financial priorities and goals. The entire coaching program is provided during conversations of financial coaches with a client. The role of coaches is to support the clients to identify what their needs are and reflect on specific goals to focus on. The program uses proven principles from the latest academic research to facilitate adult learning and financial behavior change.

Client Satisfaction and Exit Survey

During 2019, Maxima conducted an exit survey with 938 clients conducted by branch staff to understand the reason for client exits. Marketing and SPM team found out that most of the clients are satisfied with Maxima service, but some complained about high interest rate, high operational fee and low loan amount. The major reason that clients exit was due to no demand/need for a new loan and they have enough working capital for their business.

In 2019, MAXIMA also conducted the Client Satisfaction Survey to understand in which areas MAXIMA should improve in terms of products and services. The results revealed that the most client expresses satisfied experience with us with the product design, and good services offered by Maxima's friendly staff. There is no mistreatment or bad behavior to our client. However, there are 84% clients satisfied with MAXIMA and 13% neutral and dissatisfied 3%. The survey also informed that some clients are not happy with the interest rate, and process for loan assessment. From this feedback, MAXIMA put more effort to improve product development to fit clients' needs.



Mrs. Tan Chanrin, a silk weaver

MAXIMA measures and analyses customer experience through satisfaction and exit interviews. The information and data gathered enables MAXIMA to gauge market demand, improve product development, monitor changes in client needs, identify and resolve common complaints, and determine why customers leave. A better understanding of customers' behavior and preferences is very useful for attracting new customers and fostering greater customer loyalty.

Success Stories of the Clients



Ms. Kou Lai (Mats Weaver)

Ms. Kou Lai is 57-year-old mother of six - two daughters and four sons - Lives in Peam Ta Ek village, Peam Okha Ung commune, Lvea Em district, Kandal province. She runs a business of mats weaving at her house. She has had the business for almost ten years and has a lot of experience regarding her business. Her husband Mr. Sang Sun is a chef and a farmer in the village. He has experience in his job for 16 years.

Mrs. Kou Lai first heard about MAXIMA in 2016 from our credit officer who introduced the products and services of MAXIMA to her in village. She took the loan from MAXIMA to refill the land for building her house and now she has a suitable resident for her family. She said that she trusts MAXIMA because of our fast financial services that have always responded to her needs over time. In addition to mats weaving, she and her husband spend their time at the field planting corn and also grows rice to support their living.

Before using MAXIMA's financial services, she earned her main income from farming, making a few amounts per day. Now her family has seen an increase in household income as they have more clients to buy her products and improve their lives as they become micro business owners. Ms. Kou Lai is keen to expand her business further. With the income she earns, she could provide a better standard of living for her family.

Ms. Eum Sreylors
(cosmetic makeup seller)

Ms. Eum Sreylors, with a smile of full hope is 33-year-old mother of two-one daughters and one son - Lives in Pleung Chhes Rotes village, Sangkat Pleung Chhes Rotes, Khan Posenchey, Phnom Penh. She runs a business of cosmetic makeup at her house. She has had the business for almost ten years and has a lot of experience regarding her business.



Her husband, Mr.Mom Ran, 36 years old, he is a taxi driver and also delivers the clean water to sell for the villagers. He has experience with his job for about 3 years.

Ms. Sreylors was introduced to MAXIMA for the first time in 2013 by her neighbor. She decided to request the loan for the first amount of \$5,000 to build her store to be used as her business and buy material and cosmetic products. After getting their first loan, the couple had a new business with the ability to repay monthly interest easily. Seeing the improvement in their lives, they later asked for more loans. Now they take a renewed loan with the amount of \$5,000 to buy a van to deliver the clean water to sell in the village.

She has a long relationship with MAXIMA as she has been our client for 8 cycles. With the loan provided Ms. Eum Sreylors is keen to expand her business further. With the income she earns, she could provide a better standard of living for her family and good education for her children. In the future, she wishes to improve her business and support her children's study.

Ms. Eum Sreylors: "Before giving me a loan, MAXIMA's staff always clearly explains the loan conditions and repayment methods to me. "I am very grateful to MAXIMA for giving us loans. The loans changed our lives completely for the better. She said.

Responsibility towards Staff



Sport provides good relax from work and build strong relationship among the team

MAXIMA always takes care of its staff by providing a good working environment and encourages the staff to play the sport.

To improve the health of staff and as a team building exercise, MAXIMA, staff is regularly invited to play football to shape good health. Barriers of rank are broken down as senior members of the Board and all staff play together. This initiative builds solidarity and good relationships among MAXIMA staff and management team.

This year MAXIMA has put great effort in building good organizational culture through team spirit as MAXIMA believes that good human resource and solidarity as a team will support the growth of the business. MAXIMA team arranged various team activities and games so that staff can relax after work from work-related stress.

Staff Capacity Development



MAXIMA Management joined AML & CFT training

In 2019, MAXIMA's operation area covered: Phnom Penh, Kandal, Takeo, Kampong Speu, Kamport, Prey Veng, Tboung Khmom, and Kampong Cham Province. The operation was through 14 main branch offices. During 2019, MAXIMA has 171 staff, and female staff is 39 represents 22.81%. MAXIMA provided both internal and external training to staff to support them on the skills, and services related. The following are numbers of staff participating and training courses provided within 2019.



Management training

Internal Training

Course Title	Participants
Checklist for loan promotion Checklist for loan disbursement Refresh on Client Protection Principles	54
Overview of compliance function Anti-money laundering and combating the financing of terrorism (AML/CFT) Overview of Credit Risk Management	208
Basic Accounting Taxation	33
Business Continuity Plan Awareness	21
Foundation Training	36
HR Management Policy Insurance benefit, incentive, motivation training	191
Individual Lending Policy Loan assessment	113
Know your customer form	6
Office management	2
Research on wash loan questionnaire training	24
Risk Management	21
Training on wash loan	65
Water Sanitation and Hygiene Workshop	22
Whistle Blowing Policy	123
Workshop on Healthy Operation	60
TOTAL	979

External Training



Financial education training for coaches

Course Title	Participants
USSPM introductory training and SPI4 training	2
Business Planning and Financial Projections with Microvision	2
Cambodian Sustainable Finance Principles	1
Client Protection Principles	4
Credit Scorecard Workshop	2
Enhance your organization with information security	1
Introduction to New Consumer Protection and E-commerce Laws	1
Productive Branch Management for Branch Managers	2
Regulatory Compliance Training	1
Responsible Inclusive Finance	2
Seminar on Rural Economic Development through Microfinance	2
Training of Coaches	3
Update Seniority Payment	1
Workshop on Anti-Money Laundering and Counter Financing of Terrorism for Accountants	1
Workshop on Cyber Security	1
Workshop on Debts Collection Good Practice	1
Workshop on Financial Crime Lesson from 2018	1
Workshop on Importance of Good Governance and Structure	1
Workshop on role of Financial Institutions in Combating Human Trafficking: Applying the Anti-Money Laundering Regime	1
TOTAL	30

Staff Productivity

MAXIMA focuses on being sustainable, both financially and socially. Therefore, while extending its businesses and operation area, MAXIMA cares about the over-indebtedness and penetration rate. Presented below is the productivity table:

Productivity	2015	2016	2017	2018	2019
Borrowers per Credit Officer	95	76	84	90	86
Loan per Credit Officer (in USD)	160,322	163,755	219,297	276,435	315,067
Loan per total staff (in USD)	69,705	76,760	93,984	102,895	125,290

Community and Environment Responsibility



Mango tree we planted at Kep province

MAXIMA has formal internal policies and procedures in place that are used to identify social and environmental risks or impacts associated with its operations and clients' business activities. The policies and procedures are intended to offer guidelines and training so as to minimize negative impacts on social and environmental sustainability.

The policies and procedures also define a list of prohibited activities or businesses. This exclusive list falls in accordance with international conventions and national legislation and recognizes exploitative practices. Maxima will not allow providing loan to customer who is intent to use loan for business or activities that were prohibited under law of Cambodia or international convention as below:

- ✓ Production or activities involving harmful or exploitative forms of forced labor/harmful child labor
- ✓ Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements.
- ✓ Production or trade in weapons and munitions.
- ✓ Production or trade in alcoholic beverages (excluding beer and wine).
- ✓ Production or trade in tobacco.
- ✓ Gambling, casinos and equivalent enterprises.
- ✓ Trade in wildlife or wildlife products regulated under CITES.
- ✓ Production or trade in radioactive materials.
- ✓ Production or trade in or use of unbonded asbestos fibers.
- ✓ Production or trade in wood or other forestry products from unmanaged forests.
- ✓ Production or trade in products containing PCBs.
- ✓ Production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals.
- ✓ Production or trade in pharmaceuticals subject to international phase outs or bans.
- ✓ Production or trade in pesticides/herbicides subject to international phase outs or bans.
- ✓ Production or trade in ozone depleting substances subject to international phase out.
- ✓ Drift net fishing in the marine environment using nets in excess of 2.5 km. in length.

WASH Loan under Water Credit Program



Water Credit Program



Safe drinking water, sanitation and adequate hygiene services are essential for health, welfare and development. A lack of safe drinking water and sanitation are major health risks affecting Cambodian people especially children across Cambodia, and particularly those who live in rural areas. Too many children are still denied the most basic rights to safe water, the dignity of using a toilet and the simple practice of washing hands with soap.

The consequences for children are severe, as high occurrences of diarrhea, skin disease, respiratory illnesses such as pneumonia, intestinal and other diseases.

Based on these factors, MAXIMA has collaborated with Water.org, a global nonprofit organization to enhance social welfare. MAXIMA has a strong commitment to apply social performance in its operation areas and has developed a comprehensive social performance management framework, which ensures that the organization stays focused on its mission to assist large numbers of poor people. MAXIMA has added value to its clients by program MCHPP (MAXIMA Cleanliness and Health Promotion Project) to provide an education of sanitation to the client's children to make them have good health.

To align with its mission, MAXIMA has been providing Water and Sanitation Hygiene Loan(WASH) to its value clients who want to build or renovate latrine, digging/pumping-well, water storage or buy others water and sanitation materials to improve their living conditions and contributing to social economic standard. This social program helps bring small loans to the clients who need access to affordable financing and make household water and toilet solutions a reality. More importantly, our staff work hard to provide hygiene knowledge to all customers, it helps the people we solve their immediate needs and continues to enhance their lives long after the original loan has been repaid and keep their families safe and healthy.



Mrs. KIN MACH and her family live in Preaek Kruos village, Sou Kong cummune, Kang Meas district in Kompong Cham province. She is a porridge seller. She earns USD 200 per month. Her husband is a Barber and their two children are garment workers.

In order to collect enough water for the daily needs of her family, Mrs. KIN MACH would wake up at 5 a.m. go to the market and spend 30 minutes to take the water from the lake for daily use, cooking some food for their

children. For these reasons, she could not open her shop earlier. Her home also has no toilet, so she would walk far from home to defecate in the forest. It is really hard for her family especially in the rainy season because she is living in a flooded area and she always worries about her family with the poisonous snakes and health. She has spent a lot of money for health care every year.

Mrs. KIN MACH first heard about MAXIMA in 2019 from our credit officer who introduced the products and services of MAXIMA to her in the village. She took a loan for USD 600 to install a Borehole well with a pump and construct a toilet. With these new amenities, she can open her shop early and earns an average additional USD 350 per month. They save the remaining income for the future to build a new house and new shop.

Smart Certification



MAXIMA began the process of paying keen attention to the management of its social responsibility towards its clients and staff. Gojo & Company, Inc., a strongly 'clients-first' and 'client-centric' investor, supported MAXIMA to set up its first SPM Committee at the Management level and began the process of getting complete Board and Management buy-in. In 2015, MAXIMA top-management and a Gojo-MAXIMA Director partook in the insightful "Responsible Financing" workshop organized by Oikocredit, which paved

the way for MAXIMA's slow and steady yet highly diligent commitment and work towards fully internalizing the Client Protection Principles and gradually using the feedback loop to take informed strategic decisions.

Having an experienced Microfinance expert on the Board helped MAXIMA get quick Buy-in at the leadership level, which in turn helped MAXIMA to streamline, internalize and operationalize the Client Protection Principles at all levels within the institution. In 2017, thanks to the support of Agence française de développement (AFD) through Cambodia Microfinance Association (CMA), MAXIMA also received technical assistance to further its work towards better client protection and in working towards obtaining certification from Smart Campaign.

MAXIMA became client protection certified in July 2019 after completing the certification mission conducted by M-CRIL, a licensed certifier of the Smart Campaign's Client Protection Certification Program. Certification status is valid for up to four years' subject to a check-in (semi-audit) after two years. After this, MAXIMA must undergo a new certification mission. By determining whether a financial institution has experienced transformative, institutional level changes and reviewing any areas for improvement identified during the original certification, the two-year check validates that an organization continues to adhere to the Client Protection Principles.



Smart Campaign Certification Mission

MAXIMA gained knowledge and experience from the Client Protection Certification project. Based on this positive experience, MAXIMA is strongly committed to be client-centric and continue upholding the Client Protection Principles. The biggest lesson for us is that the process of CPP is not a one-time learning but a continuous ongoing process for the entire life-span of the MFI. It is what sets MAXIMA apart from other MFIs. It is our commitment to provide long-term best microfinance linked services to our clients to treat our clients with dignity and respect, to protect our clients from over-indebtedness by being transparent and honest in our dealings with them. Microfinance clients by and large are

resilient and do understand if we explain the perils of over-borrowing properly to them. Developing relationships of trust wherein clients feel confident to make suggestions and lodge complaints and feel that their needs and privacy are considered with utmost regard by MAXIMA.

MAXIMA's efforts and willingness to work towards the rigorous process of evaluation leading to the Client Protection Principles Certification, is indicative of our deep commitment to our clients in the face of a tough macro-environ. We have come to realize that true buy-in can only come with the leadership being totally on board with CPP. It is only through repetitive discussion and training on the Principles that an institutionalization of the wondrous principles takes place to effect strategy and that clearly protects the clients and the institution. We worked hard to integrate the CPP into training on our Mission and Vision and held regular Refreshers. Last but not the least, we are overjoyed to get such a prestigious certification, and we would like to express our heartfelt thanks to SPTF, Smart Campaign, AFD, CMA, M-CRIL, and all other stakeholders who have supported us in obtaining the coveted Client Protection Certification. MAXIMA will continue to apply the CPP to protect our clients and balance our social and financial bottom lines thus fulfilling the promise of microfinance!

FINANCIAL STATEMENTS AND EXTERNAL AUDIT REPORT

REPORT OF THE BOARD OF DIRECTORS

REPORT OF THE INDEPENDENT AUDITORS

FINANCIAL STATEMENT

Balance sheet

income statement

statement of changes in equity

statement of cash flows

Report of the Board of Directors

The Board of Directors submits its report together with the audited financial statements of Maxima Microfinance Plc ("the Company") as at and for the year ended 31 December 2019 ("the year").

The Company

Maxima Microfinance Plc, originally known as Maxima organisation for Household Economic Development, was incorporated in Cambodia and registered with the Ministry of Commerce on 27 July 2005 under registration number 00005996 (previously Co.7897E/2005). On 10 August 2005, the Company obtained license no. 013 from the National Bank of Cambodia ("NBC") to provide micro-finance services to the economically active poor population of Cambodia. On 22 February 2012, the NBC granted a permanent license no. M.F 013 to the Company who also amended its name to Maxima Mikroheranhvatho Plc. On 22 July 2015, the NBC approved the amendment of the new name of the Company as Maxima Microfinance Plc.

The registered office of the Company is located at House No. 21AB, Street 271, Sangkat Phsar Doeum Thkov, Khan Chamkamorn, Phnom Penh, Kingdom of Cambodia. The Company's provincial branches are located in Kandal, Kampong Speu and Takeo provinces.

As at 31 December 2019, the Company had 171 employees (2018: 173 employees).

Principal activities

The Company is principally engaged in the provision of micro-finance services. Those services comprise granting credit for poor and low-income households and small enterprise operating in the Kingdom of Cambodia.

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

Results and dividends

The results of the Company's operations for the year ended 31 December 2019 and the state of its affairs as at that date are set out in the accompanying financial statements.

The Board of Directors had declared and paid dividends amounting to USD74,551 in respect of the Company's net profit for the year ended 31 December 2019 (2018: the Company declared and paid dividends amounting to USD99,819 in respect of the Company's net profit for the year ended 31 December 2017).

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	Date of appointment
Mr. An Bunhak	Chairman	8 March 2000
Mr. Chet Chanprasoeur	Member	In December 2000
Mr. Taejun Shin	Member	30 March 2015
Mr. Sanjay Gandhi	Member	30 March 2015
Mr. Ao Veng	Independent board member	10 October 2013
Mr. Yean Rithy	Independent board member	10 April 2012
Ms. Praachi Gandhi	Member	19 April 2019
Mr. Pa Ponnak Rithy	Member	19 April 2019

Management team

The management team of the Company during the year and to the date of this report are as follows:

Name	Position	Date of appointment
Mr. Pa Ponnak Rithy	Chief Executive Officer	8 March 2000
Ms. Sreng Sivechheng	Chief Financial Officer	8 March 2000
Mr. Suon Sophea	Chief Operating Officer	1 October 2018 (Resigned)
Mr. Ngory Sorn	Head of Credit Department	27 April 2015
Mr. Khean Darith	Head of IT Department	1 December 2009
Ms. Wong Somaly	Head of Internal Audit Department	22 January 2018
Ms. Touch Pisey	Head of Finance Department	4 June 2018
Mr. Khiev Sengdy	Head of Marketing Department	5 June 2006
Ms. Sim Soupheakna	Head of Human Resource Department	1 October 2015
Ms. Lay Sineath	Head of Administrative Department	1 December 2001
Mr. Seng Phanith	Head of Risk and Compliance	13 August 2018 (Resigned)
Mr. Sok Kosal	Project Manager	1 November 2010
Mr. Sovann Chanda	Head of Compliance Department	2 September 2019

Directors' interests

The Directors who held office at the end of financial year and their interests in the shares of the Company are as follows:

	31 December 2019		31 December 2018	
	Holding %	Number of shares of USD10 each	Holding %	Number of shares of USD10 each
Mr. An Bunhak	19.63%	100,000	19.63%	100,000
Mr. Chet Chanprasoeur	1.08%	5,500	1.08%	5,500

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 directors of the Company to acquire benefits by means of the acquisition of shares in the Company.

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit by reason of a contract made by the Company other than as disclosed in the financial statements.

Auditors

The Company's financial statements as at and for the year ended 31 December 2019 were audited by Grant Thornton (Cambodia) Limited.

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 2019 and its financial performance and cash flows for the year then ended. In preparing these financial statements, the directors are required to:

- i. adopt appropriate accounting policies in accordance with Cambodian International Financial Reporting Standards for Small and Medium-sized Entities ("CIFRS for SMEs"), 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 ensure that such 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 and present fairly, in all material respects, the financial position of the Company as at 31 December 2019, and of its financial performance and its cash flows for the year then ended in accordance with CIFRS for SMEs.

On behalf of the Board of Directors and Management



An Bunhak
Chairman

Phnom Penh, Kingdom of Cambodia
13 May 2020

Independent auditor's report

To the shareholders of Maxima Microfinance Plc.

Opinion

We have audited the financial statements of Maxima Microfinance Plc ("the Company"), which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the 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 Maxima Microfinance Plc as at 31 December 2019, and 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 ("CIFRSs 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 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' Code of Ethics for Professional Accountants ("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 matter

The financial statements of the Company for the year ended 31 December 2018 were audited by another auditor who expressed an unmodified opinion on those financial statements on 25 April 2019.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Report of the Board of Directors but does not include the financial statements and our auditor's report thereon, which we have 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 prepared by Management and we do not and will 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 identified 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 those matters in accordance with the requirements of CISA 720 (revised).

Responsibilities of the Management for the financial statements

The Management is responsible for the preparation and fair presentation of the financial statements in accordance with CIFRS for SMEs, and for such internal control as the 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, the 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 the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has 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 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 an audit in accordance with CISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

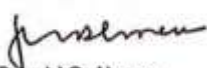
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Management

- Conclude on the appropriateness of the management' 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 management 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.

We also provide the management with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.




Ronald C. Almera
 Partner – Audit and assurance

Phnom Penh, Kingdom of Cambodia
 13 May 2020

FINANCIAL STATEMENT

Statement of financial position

		31 December 2019		31 December 2018	
	Note	USD	KHR'000 (Note 3.2)	USD	KHR'000 (Note 3.2) Restated
Assets					
Cash on hand	5	28,896	117,751	30,372	122,035
Balance with the NBC	6	1,175,369	4,789,629	256,304	1,029,829
Balances with other banks	7	1,227,878	5,003,603	1,370,252	5,505,673
Loans to customers - net	9	21,393,825	87,179,837	18,325,175	73,630,553
Equity investment	10	10,000	40,750	10,000	40,180
Other assets	11	122,054	497,370	265,317	1,066,044
Property and equipment	12	93,107	379,411	93,410	375,321
Intangible assets	13	32,910	134,108	21,450	86,186
Deferred tax assets		34,564	140,848	34,564	138,878
Total assets		24,118,603	98,283,307	20,406,844	81,994,699
Equity and liabilities					
Equity					
Share capital	14	5,095,290	20,763,307	5,095,290	20,472,875
Share premium	15	1,538,174	6,268,059	1,538,174	6,180,383
Reserves		133,424	543,703	113,805	457,268
Regulatory reserves	16	186,061	758,199	157,835	634,181
Retained earnings		1,702,488	6,937,639	1,313,320	5,276,920
Total equity		8,655,437	35,270,907	8,218,424	33,021,627
Liabilities					
Amounts due to shareholders	17	6,920,025	28,199,102	5,057,351	20,320,436
Borrowings	18	7,795,367	31,766,121	6,706,933	26,948,457
Employee benefits obligation	19	52,499	213,933	58,079	233,361
Other liabilities	20	615,668	2,508,845	273,229	1,097,835
Current income tax liability	28.2	79,607	324,399	92,828	372,983
Total liabilities		15,463,166	63,012,400	12,188,420	48,973,072
Total equity and liabilities		24,118,603	98,283,307	20,406,844	81,994,699

Statement of comprehensive income

	Note	For the year ended 31 December 2019		For the year ended 31 December 2018	
		USD	KHR'000 (Note 3.2)	USD	KHR'000 (Note 3.2) Restated
Interest income	21	3,671,472	14,876,805	3,224,411	12,955,683
Interest expense	22	(1,189,561)	(4,820,101)	(925,158)	(3,717,285)
Net interest income		2,481,911	10,056,704	2,299,253	9,238,398
Fee and commission income	23	111,092	450,145	17,487	70,263
Fee and commission expense		-	-	(5,813)	(23,357)
Net fee and commission income		111,092	450,145	11,674	46,906
Other income	24	210,834	854,299	146,303	587,845
Total operating income		2,803,837	11,361,148	2,457,230	9,873,149
Personnel expenses	25	(1,285,738)	(5,209,810)	(1,066,608)	(4,285,631)
Operating expenses	26	(774,791)	(3,139,453)	(679,884)	(2,731,774)
Depreciation and amortization		(20,423)	(82,754)	(61,609)	(247,545)
Allowance for credit facilities	27	(21,423)	(86,806)	(106,540)	(428,078)
Profit before income tax		701,462	2,842,325	542,589	2,180,121
Income tax expense	28.1	(186,313)	(754,940)	(156,355)	(628,234)
Net profit for the year		515,149	2,087,385	386,234	1,551,887
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		515,149	2,087,385	386,234	1,551,887

Statement of changes in equity

	Share capital USD	Share premium USD	Retained earnings USD	Reserves USD	Regulatory reserve USD	Total equity USD
Balance at 1 January 2019	5,095,290	1,538,174	1,313,320	113,805	157,835	8,218,424
Profit for the year	-	-	515,149	-	-	515,149
Dividends paid	-	-	(74,551)	-	-	(74,551)
Transfer to reserves	-	-	(19,619)	19,619	-	-
Transfer to regulatory reserve	-	-	(28,226)	-	28,226	-
Net effect of prior year adjustment	-	-	(3,585)	-	-	(3,585)
Balance as at 31 December 2019	5,095,290	1,538,174	1,702,488	133,424	186,061	8,655,437
Balance as at 31 December 2019 (KHR'000) (Note 3.2)	20,763,307	6,268,059	6,937,639	543,703	758,199	35,270,907

	Share capital USD	Share premium USD	Retained earnings USD	Reserves USD	Regulator y reserve USD	Total equity USD
Balance at 1 January 2018 (Restated)	5,095,290	1,538,174	1,055,514	87,537	166,178	7,942,693
Profit for the year	-	-	386,234	-	-	386,234
Dividends paid	-	-	(99,819)	-	-	(99,819)
Transfer to reserves	-	-	(26,268)	26,268	-	-
Transfer to regulatory reserve	-	-	8,343	-	(8,343)	-
Net effect of prior year's adjustment	-	-	(10,684)	-	-	(10,684)
Balance as at 31 December 2018	5,095,290	1,538,174	1,313,320	113,805	157,835	8,218,424
Balance as at 31 December 2018 (KHR'000) (Note 3.2)	20,472,875	6,180,383	5,276,920	457,268	634,181	33,021,627

Statement of cash flows

		For the year ended 31 December 2019		For the year ended 31 December 2018	
	Note	USD	KHR'000	USD	KHR'000
			(Note 3.2)		(Note 3.2)
					Restated
Operating activities					
Net profit before tax		701,462	2,858,325	542,589	2,180,121
Adjustments for:					
Net effects of prior year adjustments and others		(192,482)	(784,364)	(144,992)	(582,578)
Depreciation of property and equipment and net effect of change in accounting estimate	12	31,883	129,923	40,159	161,359
Amortization of intangible assets and net effect of change in accounting estimate	13	(11,460)	(46,700)	21,450	86,186
Loss on disposal of property and equipment		549	2,237	-	-
Increase/(decrease) in allowance for bad and doubtful loans	9	(165,222)	(673,280)	113,912	457,698
(Decrease)/increase in employee benefits obligation		(5,580)	(22,739)	58,079	233,361
Finance cost		922	3,757	4,025	16,172
Income tax expense	28.1	186,313	759,225	132,288	531,533
Operating profit before changes in working capital		546,385	2,210,384	767,510	3,083,852
Net working capital changes:					
Change in loans to customers - gross	9	(2,903,428)	(11,831,469)	(3,389,658)	(13,619,646)
Change in other assets		143,263	583,797	(670)	(2,692)
Change in other liabilities		342,440	1,395,443	70,138	281,814
Cash flows used in operating activities		(1,871,889)	(7,644,082)	(2,552,680)	(10,256,672)
Income tax paid	28.2	(199,534)	(813,101)	(204,304)	(820,893)
Net cash used in operating activities		(2,070,874)	(8,454,946)	(2,756,984)	(11,077,565)
Investing activities					
Acquisitions of property and equipment	12	(32,129)	(130,926)	(79,727)	(320,342)
Acquisitions of intangible assets	13	-	-	(42,900)	(172,372)
Net cash used in investing activities		(32,129)	(130,926)	(122,627)	(492,714)
Financing activities					
Dividends paid		(74,551)	(303,795)	(99,819)	(401,073)
Drawdown of borrowings		8,105,545	33,030,096	9,195,111	36,945,956
Repayments of borrowings		(5,155,360)	(21,008,092)	(5,771,959)	(23,191,731)
Provident fund paid		-	-	(127,666)	(512,962)
Net cash from financing activities		2,875,634	11,718,209	3,195,667	12,840,190
Net change in cash and cash equivalents		772,631	3,148,471	316,054	1,269,912
Cash and cash equivalents, beginning of year		1,398,297	5,618,357	1,082,243	4,369,015
Exchange rate difference		-	79,704	-	(20,570)
Cash and cash equivalents, end of year	8	2,170,928	8,846,532	1,398,297	5,618,357

IMPORTANT EVENT OF THE YEAR

Staff Annual Trip



MAXIMA annual trip

MAXIMA Microfinance Plc. promotes the culture of respect and good relationships among staff. On 8th-9th March 2020, MAXIMA organized an Annual Party for the celebration of good year performance of 2019 when shareholders, Board of Directors, management team, and all staff are invited to join the party at Boeung Samreth report, Kompongthom province where is the first place and nice view for annual party that we celebrate this year.

At the trip, staff enjoy good time with the team to have nice food, play games, football matches and have a chance to build good connections between management and staff at all levels, and at the same time can relax from work. During the party, we have announced the Best Credit Officers, Best Branches of the year, etc.

Every year, MAXIMA encourages all the branches to challenge the Best Branch and Best Credit Officers of the Year to get the prizes and certificates of appreciation. This means the achievement for the whole year was recognized and celebrated for those who have worked hard to achieve good achievement for the company. During the reward session, the Best Credit Officers and Branch Managers received rewards and kind words given by management and board of directors who commence the certification and award ceremony.



Best branch reward



Best Branch Awarded



Best Branch Awarded



Best Branch Awarded



Best Credit Officer Awarded

Football session



OPERATING AREAS

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Operating Map





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