

Maxima Mikroheranhvatho CO. LTD- Cambodia

Standard Social Rating

^sC+

Founded in 2000 by a group of Cambodian individuals, Maxima registered as an NGO in 2001 and transformed into a limited liability company in 2005 when it was granted the full license as microfinance institution under the official name of Maxima Mikroheranhvatho Co., Ltd.

Compared to the main Cambodian microfinance institutions, Maxima has grown at a significantly slower pace, also due to limited network expansion. As of September 2011, the institution serves 2,548 clients through 2 branches and 2 satellite offices located in the capital Phnom Penh and in the Province of Kandal with a gross outstanding portfolio of US\$ 2,269,689. Over the period of analysis, portfolio growth has been moderate and there has been a slow down in the number of borrowers.

Maxima targets the low income population, with a specific focus on women and rural areas. The offer is limited to credit products, mainly individual loans (98% of active loans and total outstanding portfolio), which finance both income generating activities in the production (29%), agriculture (21%), trade (9%) and service (6%) sectors, and household expenses, namely housing (25%) and consumption (10%).

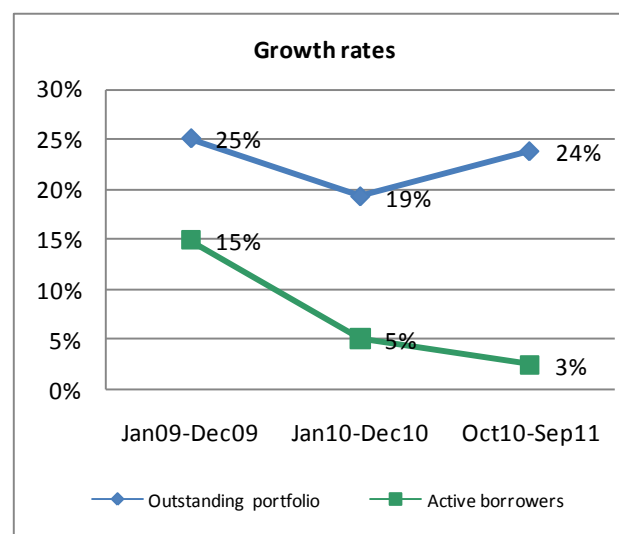
Institutional data	Sep-11
Active borrowers	2,548
Active savers	0
Gross outstanding portfolio, US\$	2,269,689
Total active savings, US\$	0
Branches	2
Total staff	59



Legal form	Limited liability company
Year of inception	2001 as a NGO, 2002 as rural credit operator, 2005 as limited liability company
Area of intervention	Rural and urban
Credit methodology	Individual and group lending
Financial services	Credit
Non financial services	None

Social indicators	Sep-11
Solidarity group methodology, clients	1%
Rural coverage, clients	55%
Female clients	63%
Average balance per borrower / GNI pc	117%
Client drop-out ratio	33%
PAR30	0.2%
Female staff	22%
Female staff in management	31%
Staff turn-over ratio	16%
Portfolio yield	28%
Real portfolio yield	22%

See annex 1 and 2 for more details.



MicroFinanza Rating Srl

Corso Sempione, 65
20149 Milan – Italia
Tel.: +39-02-3656 5019
info@microfinanzarating.com – www.microfinanzarating.com

Maxima Mikroheranhvatho CO. LTD

No. 39, Street 374, Sangkat Tuol Svay Prey 1
Phnom Penh 12308 - Cambodia
Tel: (+855 23) 214 240; Fax: (+855 23) 214 298
info@maxima.com.kh - www.maxima.com.kh

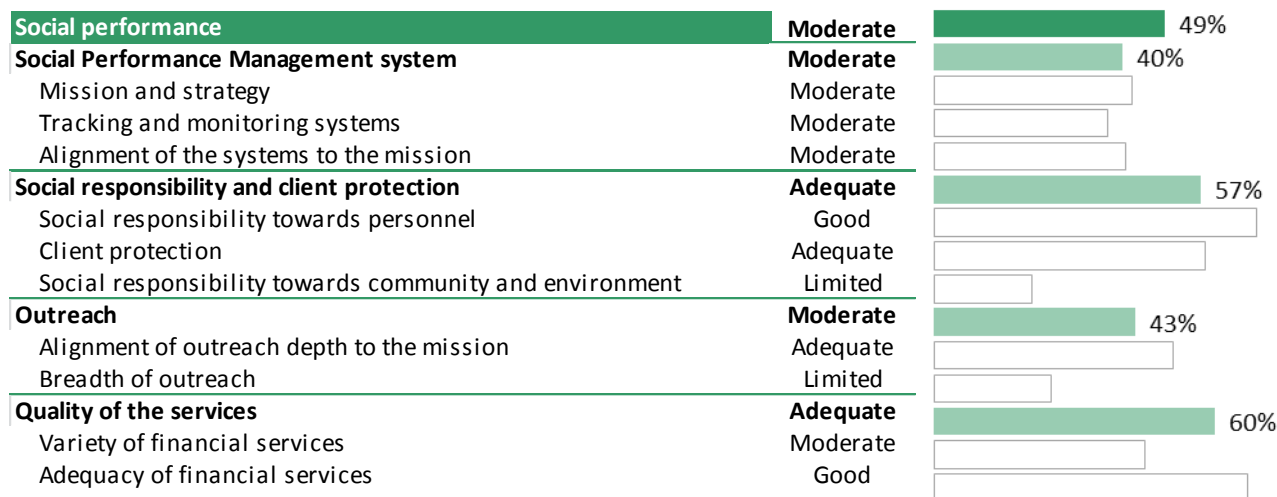
FINAL OPINION

Maxima governance has so far prioritized financial performance but is now committed towards achieving a more balanced financial and social approach. The mission does not fully capture the intentions of the institution and is not translated into a complete set of social objectives, which affects strategic planning. There is room for improvement in the social performance monitoring system and in the consolidation and reporting of social information for decision making as well as in the alignment of the systems with the mission. The current governance shows a gap compared to the international good practices.

The complete and disseminated human resources policies and the good remuneration and contractual conditions contribute to a satisfactory labor climate, although there is some room for improvement in the tailoring of the training offer and in the formalization of a development and career path. The social responsibility towards the clients is overall adequate. The high competition in the sector and the lack of an operative Credit Bureau result in a relevant risk of client over-indebtedness, which could be better mitigated through improved policies, better analysis of the repayment capacity and less aggressive debt exposure limits. The transparency of the services is good and the cost charged to clients is fair. The treatment of clients seems overall appropriate, but there is no system to monitor potential cases of stressful repayment strategies nor to collect and address complaints. A policy to avoid financing activities potentially harming the community and the environment has not been formalized yet.

The breadth of outreach is moderate. The alignment of the outreach results with the mission seems overall acceptable in terms of rural coverage, financed activities, and target population whereas financial inclusion seems limited. Although not allowing for a complete analysis of the depth of outreach, the available client profile data suggest a limited vulnerability of the clients reached.

Maxima offer is limited to a moderate variety of credit products, which are overall adequate to meet the needs of the target population thanks to an efficient delivery system, a quick and smooth disbursement process and adequate loan amounts. On the other hand, the collateral and guarantee requirements are quite rigid.





This document certifies that MicroFinanza Rating has assigned to

Maxima Mikroheranhvatho CO. LTD

the Social Rating grade: ^S C+

rating field visit: October 11

cut-off period for the operational data analysis: September 11

Grade	Definition
^S C+	Moderate capacity to effectively translate its mission into practice and to promote social values. Limited likelihood to achieve social goals.

Milan, January 12

Aldo Moauro

A handwritten signature in black ink, appearing to read 'Aldo Moauro'.

Executive Director - MicroFinanza Rating