SIXTY SIX FINANCE

Microfinance Institution

SIXTY SIX FINANCE PLC

ANNUAL REPORT 2022

CONTENTS

Chapter 1

MESSAGE FROM CEO AND MANAGEMENT TEAM

1. MESSAGE FROM CEO

In 2022 Cambodia's economy also impact by Covid 19 pandemic and flood that make demand for financing of loan to low and medium range residential houses and business loans by small to medium size enterprise have slow down as well. However, Sixty Six Finance PLC still continue to provide best financial services to all our customers.

In order to achieve sustainable development, Sixty Six Finance Plc will constantly improve its product features and service delivery to cater to the diverse needs of customer to provide more convenience and higher efficiency for their banking need. As a result, Sixty Six Finance PLC got back portfolio at risk 0% for the end of 2022.

Sixty Six Finance Plc has set a specific strategic plan in order to continue to develop the team full of knowledge and skills, harmonious and smooth cooperation, better work culture and continue to provide encouragement to employees.

The company is open to accept new ideas from staffs, customers feedback for the development and success of the company.

Last but not least, we are thankful to the management and all employees for their unwavering support and dedication for the growth of Sixty Six Finance PLC through an exceptionally challenging year.

Our sincerest gratitude goes to National Bank of Cambodia and relevant authorities for guidance and support during the present health crisis. We sincerely hope and expect all of you to continue to support Sixty Six Finance Plc for growth and success in this industry.

Chief Executive Officer

Mrs. HING Sophoan

Mrs. LIM Sakou, Compliance Manager

Mrs. LIM Sakou graduated her bachelor degree in Finance and Banking from Build Bright university in 2006.

After graduation, she started working at Cambodia Asia Bank for three years from 2006 to 2008 as Teller.

From 2009-2013, she worked as Sale staff at Golden Fortune Ltd.

After that, Mrs. Sakou worked at Cambodia Post Bank Plc for five years from 2014 to 2019, during this period she worked as Branch Opration Officer for one year and as Senoir Compliance Officer for four years.

Currently, started from 1 February 2019, she works as Compliance Manager at Sixty Six Finance Plc where she is responsible in auditing internal process of organization, and works independant as compliance manager to manage and control compliance related work including money laundering and terrorist financing, and methodology to know customers. In addition, she plays a main role as facilitator and communicator between Sixty Six Finance Plc, National Bank of Cambodia and other involved local authority.

Mr. CHHIV Kovid, Finance Manager

Mr. CHHIV Kovid finished his bachelor degree in Accounting in 2004; and master degree in Finance in 2014 from National University of Management (NUM).

After graduation, he started work at ACLEDA Bank Plc for ten years from 2005 to 2015 with various positioins such as Accountant, Staff of Finance Audit, Staff of Management Accounting, and lastly he worked as Junor Specialist Credit Management.

From early 2016 to 2019, he earned four years of experiences with different private companies and financial institutes as Finance Manager.

Since 2^{nd} December 2019, he has started working at Sixty Six Finance Plc as Finance Manager where he is responsible for managing financial related work of the organization for assuring it meets finance standard procedures, prepare accruate and transparent financial report, and define strategic planning to achieve effective implementation of finance policy.

Ms. MEAS Chanbopha, IA Manager

Ms. MEAS Chanbopha holds a Bachelor's Degree in Finance and Banking from Economics and Finance Institute (EFI) and a Bachelor's Degree in Interenational Study from Institute of Foreign Languages (IFL).

Bopha has attended several workshop and training course in the area of Audit AML, Financial Risk, Leadership, Compliance and other microfinance relating training program.

Since 7th February 2022, he has started working at Sixty Six Finance Plc as Internal Audit Manager She is responsible for reviewing financial report and working related with auditing.

Prior to joining Sixy Six Fiance Plc, she worked as an external audit at ERNST & YOUNG (CAMBODIA) LTD.

Mrs. TRY Thavy, Chief Cashier

Mrs. TRY Thavy graduated her Bachelor's Degree in Accounting from the University of Puthisastra in 2014.

After graduation, she had worked at Amret Microfinance Institution from 2012 to 2019, in different positions such as Teller, Data Processer and Officer Customer Service.

She is currently working in Sixty Six Finance Plc as Chief Cashier since 1st March, 2019, and her responsibility is to ensure organization's operation meets standard and processed in correct manner. In addition, she leads a team to serve customers with high ethics and professionalism.

Chapter 2

SIXTY SIX FINANCE PLC'S PROFILE

1. ABOUT ORGANIZATION

Sixty Six Finance Plc was established in the Kingdom of Cambodia and registered with the Ministry of Commerce on 18 January, 2019 under Business Registration No. 00039703. On 2nd May, 2019, the institution received the license from the National Bank of Cambodia to operate as a microfinance institution.

The institution is registered at #40, National Road 1, Ta Ngov Village, Sangkat Niroth, Khan Chbar Ampov, Phnom Penh, Kingdom of Cambodia.

The main business of the organizatin is to provide loan service throughout the country for both individual person and legal entity.

The capital used for the establishment of this institution from two shareholders, Mr. LEE KOK HENG JEREMIAH and Mrs. Hing Sophoan with total amount of USD 3,000,000.

2. VISION AND MISSION

Vision : To become one of the fastest growing microfinance institutions by provide a lot of service to customer . Sixty Six Finance Plc aims to provide best customer service to all each individual customer, and support them to improve their living standard by providing financial support via loan service.

Mission : Sixty Six Finance Plc has defined our strategy plans and equiped with quality and enthusiatic team to become the leading Financial Institution in providing financial service, and the excellent customer service institution in a transparent and responsible manner.

3. CORE VALUE

We commit to provide only professional services to our customers, and keep enhancing our products to ensure they are suited to our customer needs. To achieve our vision, we equip with an honest, skillful and collabortive team.

4. HIGHLIGHTS ON KEY ACHIEVEMENTS

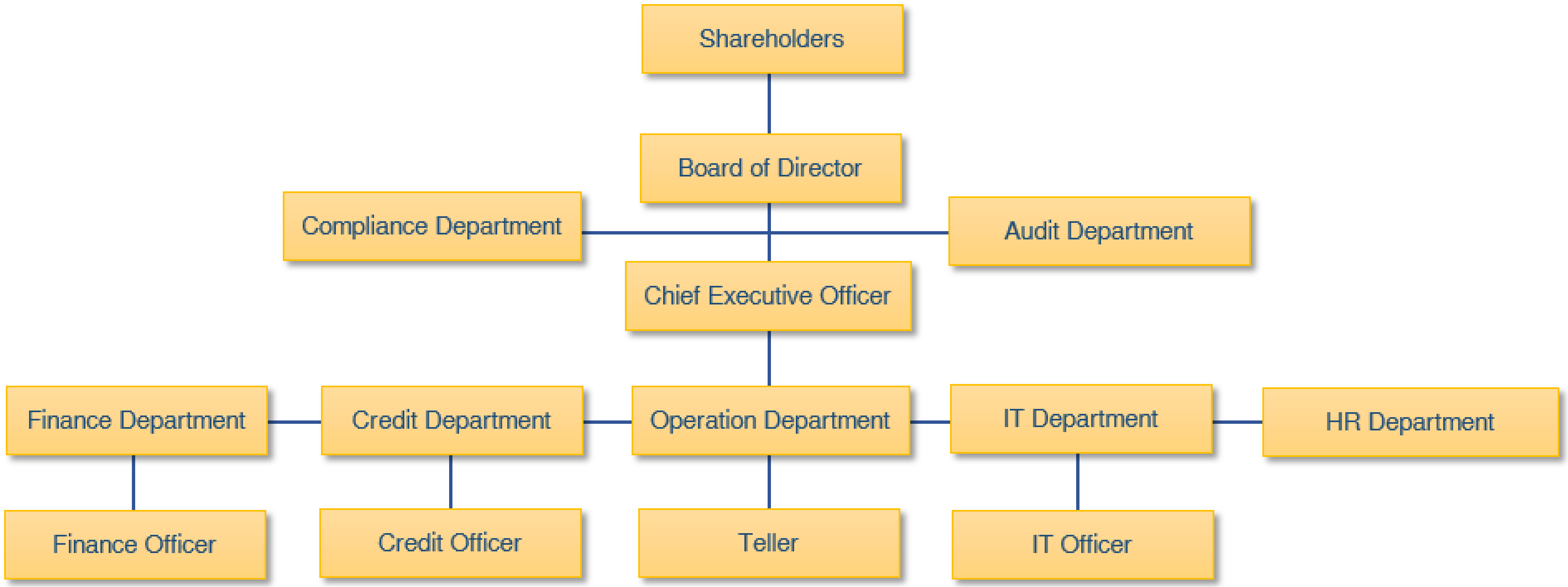
Operating Performance (Amount in dollars)

	2022	2021
Staff Number	09	08
Active Clients	59	54
Active Loan	43	42
Home Loan	2,160,609	2,180,192
Short Term Loan	0	0
Long Term Loan	597,475	250,600
Hire Purchase Loan	0	0
Student Loan	0	0
Auto Loan	30,785	23,023
Loan Portpolio at risk	0	0
Loan Portpolio at Risk (%)	0%	0%
Non Performing Loan	0	0
Non Performing Loan (%)	0%	0%

Financial Performance (Amount in dollars)

	2022	2021
Assets	3,051,888	2,878,790
Liabilities	164,384	12,217
Equities	2,887,504	2,866,573
Interest Income	257,867	233,040
Other Income	8,886	9,287
Operating and Other Expense	(245,822)	(225,930)
Net Income / Loss After Tax	20,931	16,397

5. ORGANIZATION STRUCTURE



Chapter 3

PRODUCT AND SERVICE MANAGEMENT

1. LOAN PRODUCT AND SERVICES

Sixty Six Finance Plc provides loan services to both individual person and legal entity based on their actual needs, such as:

- Customer as individual person: refer to general citizen who request loan products based on their personal needs including Home loan, Long-term loan, Short-term loan, Hire purchase loan and Education loan.
- Customer as legal entity: refer to customer as company in all sizes, small, medium and large enterprises who need cash to operate their business which includes starting a new business or expand their current business.

Currently, Sixty Six Finance Plc provides six types of loan products such as: (1) Home loan; (2) Long-term loan; (3) Short-term loan; (4) Hire purchase loan; (5) Education loan; (6) Auto loan.

1.1. HOME LOAN

Home loan is provided to general individual person for the purpose of purchasing a new home, constructing a new home, or renovating their current home. Customers can borrow for a loan period up to thirty years.

Customers can choose between two repayment methods: (1) A repayment with fixed monthly repayment amount between principal and interest; and (2) A repayment with fixed principal plus interest on a monthly basis.

1.2. SHORT TERM

Short-term loans are provided to both customer types, individual person and company, for answering to their personal and business needs. Customers can borrow for a loan period up to three years.

In addition, customers can repay back with three repayment methods: (1) A repayment with fixed between principal and interest in a monthly basis); (2) A repayment with fixed principal plus interest on a monthly basis; and (3) A repayment with only interest on a monthly basis, and the principle will be paid at the end of period.

1.3. LONG TERM LOAN

Long-Term loan is provided to both customer types, individual person and legal entity/company, for answering to their personal or business needs. Customers can borrow for a loan period up to twenty years.

Customer can repay back in three ways, including (1) A repayment with fixed between principal and interest in a monthly basis; (2) A repayment with fixed principal plus interest on a monthly basis; and (3) A repayment with only interest on a monthly basis, and the principle will be paid at the end of period.

1.4. HIRE PURCHASE

Hire Purshae Loan is provided to both customer types, individual person and legal entity/company, for answering to their personal or business needs. Customers can borrow for a loan period up to five years.

Customer can repay back in three ways, including (1) A repayment with fixed between principal and interest in a monthly basis); (2) A repayment with fixed principal plus interest on a monthly basis; and (3) A repayment with only interest on a monthly basis, and the principle will be paid at the end of period.

1.5. EDUCATION LOAN

Student loan is provided to only individual customer for the purpose to pay tuition fees. Customers can borrow for a loan period of up to five years.

Customer can repay back in three ways, including (1) A repayment with fixed between principal and interest in a monthly basis; (2) A repayment with fixed principal plus interest on a monthly basis; and (3) A repayment with only interest on a monthly basis, and the principle will be paid at the end of period.

1.6. AUTO LOAN

Auto Loan is provided to both customer types, individual person and legal entity/company, for answering to buy vehicle. Customers can borrow for a loan period up to seven years.

Customer can repay back in three ways, including (1) A repayment with fixed between principal and interest in a monthly basis); (2) A repayment with fixed principal plus interest on a monthly basis; and (3) A repayment with only interest on a monthly basis, and the principle will be paid at the end of period.

2. CREDIT RISK MANAGEMENT

For Sixty Six Finance Plc, loan product is the core product and the only current source of income to move our business forward; it is the core engine of our business operation. Therefore, having good health credit is very important for institution; and we have to pay close attention for achieve high quality and efficiency credit health record.

In order to achive the above mentioned result, institution have defined clear and accurate credit policy and procedures for managing loans and analyzing risk from loan disbursement until close date (reach maturity date).

Sixty Six have defined and applied a number of steps in order to prevent any credit risk, including legal documents stamped by independent lawyer who acknowledge the loan contract between institution and customer, appraisal of collateral by professional company which expresses transparency, pre-release credit health checks, and loan accessment with the right techniques. After the loan is released, there will be a thorough follow-up by professional staff on each released loans in order to note repayment status (ontime or late). The incharge credit officer is responsible to contact customer and alert them the payment deadline so that they can repay on time; and she/he will keep monitoring economic situation of the customer on a regular basis.

Chapter 4

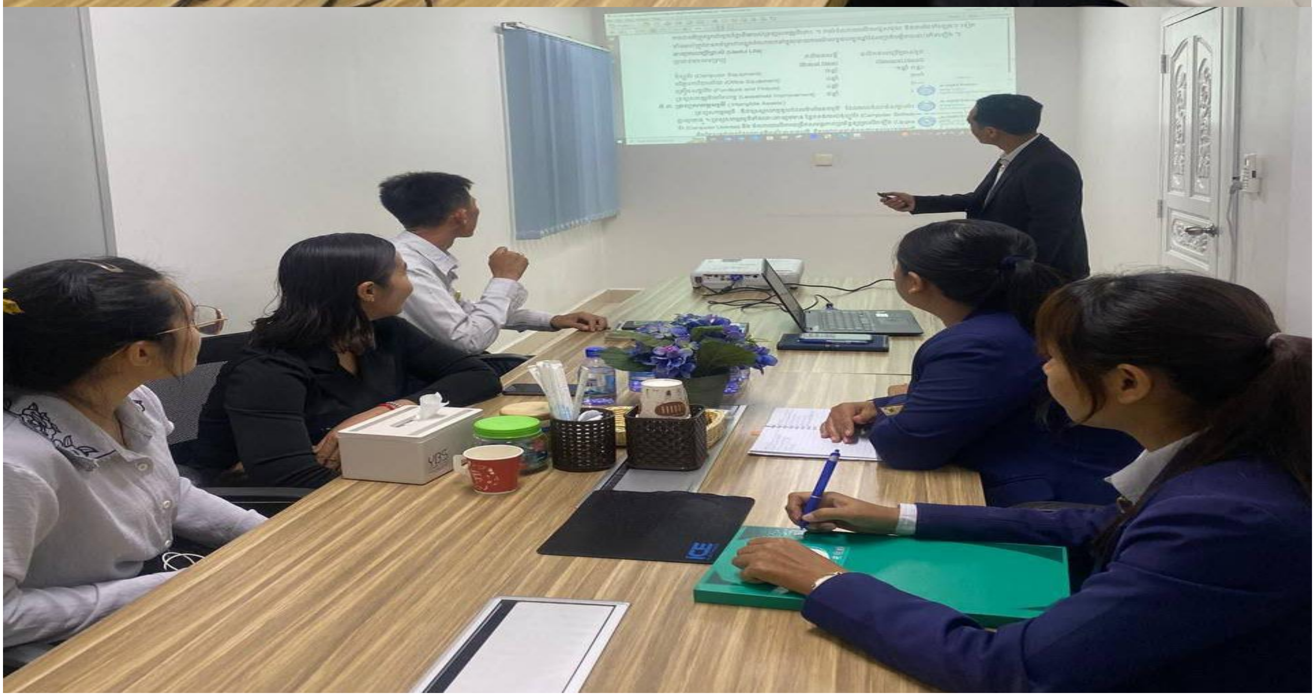
ANNUAL STAFF ACTIVITIES

1. TRAINING AND CAPACITY BUILDING FOR STAFF

Training is an indispensable factor in order to keep up with current required knowledge and skills for successful operating business.

Sixty Six Finance Plc always value the training and capacity building for all staff with the objective to provide best customer service to customers, and obtain a smooth and professional team work.

We always schedule internal training program in each department and division; and as well as external traning/workshop organized by professional team or partners. This continous effort activity will allow our staffs to gain new knowledge and ideas for applying in their daily work. As a result, the organization will move safe with confident toward our defined vision.



2. TEAM WORK

Excellent teamwork, collaboration, and smooth communication among team members are essential factors to grow an organization. In this perspective, Sixty Six Finance Plc has strived very hard to create friendly and creative work environment for staffs. As result, we observe our staffs have a noticable cooperative spirit and support each other for achieving assigned tasks, and create pleasant to customers.

Chapter 5

FINANCIAL AUDIT REPORT

1. REPORT OF BOARD DIRECTOR

The Board of Directors submits this report together with the audited financial statements of Sixty Six Finance Plc. as at 31 December 2022 and for the year then ended.

The Company

Sixty Six Finance Plc. is a public limited company incorporated in the Kingdom of Cambodia and registered with the Ministry of Commerce under Registration number 00039703, dated 18 January 2019. On 2 May 2019, the Company obtained its licence from the National Bank of Cambodia to operate as a micro-finance institution.

The Company's registered office address is located at Home No. 40, Group 4, National Road No. 1, Ta Ngov Village, Sangkat Nirouth, Khan Chbar Ampov, Phnom Penh, Kingdom of Cambodia.

Principal activity

The principal activity of the Company is to provide micro-finance services to various types of businesses especially micro, small and medium entrepreneurs in Cambodia.

Results of operations and dividends

The results of the Company's operations for the year ended 31 December 2022, and the state of its affairs as at that date are set out in the accompanying financial statements.

The Board of Directors does not recommend the payment of any dividends in respect of the year ended 31 December 2022.

Board of Directors

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

Name	Position	Date of appointment
Mr. Lee Kok Heng Jeremiah	Chairman	18 January 2019
Mrs. Hing Sophoan	Member	18 January 2019
Mr. Leng Sokly	Member	18 January 2019

Auditor

The financial statements as at 31 December 2022 and for the year then ended have been audited by the accounting firm of Grant Thornton (Cambodia) Limited.

Board of Directors' responsibilities 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 2022 and its financial performance and its cash flows for the year then ended in accordance with the applicable financial reporting framework indicated therein. In preparing these financial statements, the directors are required to:

i. adopt appropriate accounting policies in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities ("CIFRS for SMEs") and guidelines of the National Bank of Cambodia ("NBC"), which are supported by reasonable and prudent judgements and estimates and
then apply them consistently;

ii. comply with the disclosure requirements of CIFRS for SMEs and guidelines of the NBC or, if there have been any departures 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 the going-concern basis unless it is inappropriate to assume that the Company will continue its operations in the foreseeable future; and,

v. control and direct effectively the Company in all material decisions affecting its operations and performance and ascertain that such decision and/or instruction have been properly reflected in the financial statements.

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

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

Statement by the Board of Directors

In the opinion of the Board of Directors, the accompanying statements of financial position, comprehensive income, changes in equity and cash flows, together with the notes thereto, have been properly drawn up to present fairly, in all material respects, of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended, in accordance with CIFRS for SMEs and guidelines of the National Bank of Cambodia.

On behalf of the Board of Directors:

ក្រុមហ៊ុន ស៊ិកស្ទី ស៊ិកស៍ ហ្វាយនែន ម.ក
Sixty Six Finance Plc.
KINGDOM OF CAMBODIA

Mr. Lee Kok Heng Jeremiah

Chairman

Phnom Penh, Kingdom of Cambodia

26 April 2023

To the Shareholders of Sixty Six Finance Plc.

Opinion

We have audited the financial statements of Sixty Six Finance Plc. ("the Company"), which comprise the statement of financial position as at 31 December 2021, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies, and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and of its financial performance and its cash flows for the year then ended, in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities ("CIFRS for SMEs") and guidelines of the National Bank of Cambodia ("NBC").

Basis for opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing ("CISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

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 and we do not express any form of audit assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the financial statements

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

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

The Board of Directors is responsible for overseeing the Company's financial reporting process.

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 directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Grant Thornton

GRANT THORNTON (CAMBODIA) LIMITED

Certified Public Accountants

Registered Auditors

Ronald C. Almera

Partner – Audit and assurance

Phnom Penh, Kingdom of Cambodia

26 April 2023

3. STATEMENT OF FINANCIAL POSITION

	Note	**31 December 2022** USD	**31 December 2022** KHR'000 (Note 3.2)	31 December 2021 USD	31 December 2021 KHR'000 (Note 3.2)
Assets					
Cash on hand	5	**1,252**	**5,154**	1,928	7,855
Placements with the National Bank of Cambodia	6	**1,841**	**7,579**	1,310	5,337
Placements with other banks – net	7	**45,287**	**186,447**	176,608	719,501
Loans to customers – net	9	**2,778,077**	**11,437,343**	2,446,656	9,967,677
Statutory deposits	10	**150,000**	**617,550**	150,000	611,100
Property and equipment – net	11	**7,841**	**32,281**	16,875	68,749
Intangible asset – net	12	**24,480**	**100,784**	35,908	146,289
Deferred tax assets	15(d)	**21,767**	**89,615**	28,439	115,860
Other assets	13	**21,343**	**87,868**	21,066	85,823
Total assets		**3,051,888**	**12,564,621**	2,878,790	11,728,191
Liabilities and equity					
Liabilities					
Trade and other payables	14	**9,041**	**37,220**	12,211	49,749
Amount due to shareholders	21	**155,100**	**638,547**	-	-
Income tax payable	15©	**243**	**1,000**	6	24
Total liabilities		**164,384**	**676,767**	12,217	49,773
Equity					
Share capital	16	**3,000,000**	**12,000,000**	3,000,000	12,000,000
Accumulated losses		(129,614)	(525,987)	(150,872)	(612,868)
Regulatory reserve	16.1	17,118	69,725	17,445	71,061
Cumulative translation differences		-	344,116	-	220,225
Total equity		2,887,504	11,887,854	2,866,573	11,678,418
Total liabilities and equity		3,051,888	12,564,621	2,878,790	11,728,191

4. STATEMENT OF COMPREHENSIVE INCOME

	Note	For the year ended 31 December 2022 USD	For the year ended 31 December 2022 KHR'000 (Note 3.2)	For the period ended 31 December 2021 USD	For the period ended 31 December 2021 KHR'000 (Note 3.2)
Operating income					
Interest income	17	257,867	1,053,902	233,040	948,007
Interest Expense	21	(6,000)	(24,522)	-	-
Net interest income		251,867	1,029,380	233,040	948,007
Other Income	18	8,886	36,317	9,287	37,780
Reversal/(provision) for credit losses	7 and 9	(2,302)	(9,408)	3,033	12,338
General and administrative expenses	19	(228,216)	(932,719)	(218,899)	(890,481)
Profit/(loss) before income tax		30,235	123,570	26,461	107,644
Income tax (expense)/benefit	15(a)	(9,304)	(38,025)	(10,064)	(40,940)
Net profit/(loss) for the year		20,931	85,545	16,397	66,704
Other comprehensive income/(loss)-					
Currency translation difference		-	123,891	-	82,752
Total comprehensive income/(loss) for the year		20,931	209,436	16,397	149,456

5. STATEMENT OF CHANGE IN EQUITY

	Note	Share capital		Accumulated losses		Regulatory reserve		Cumulative translation differences	Total equity	
		USD	KHR ('000) (Note 3.2)	USD	KHR ('000) (Note 3.2)	USD	KHR ('000) (Note 3.2)	KHR ('000) (Note 3.2)	USD	KHR ('000) (Note 3.2)
Balance as at 1 January 2022		3,000,000	12,000,000	(150,872)	(612,868)	17,445	71,061	220,225	2,866,573	11,678,418
Net profit for the year		-	-	20,931	85,545	-	-	-	20,931	85,545
Transfers to regulatory reserve		-	-	327	1,336	(327)	(1,336)	-	-	-
Currency translation difference		-	-	-	-	-	-	123,891	-	123,891
Balance as at 31 December 2022		**3,000,000**	**12,000,000**	**(129,614)**	**(525,987)**	**17,118**	**69,725**	**344,116**	**2,887,504**	**11,887,854**
Balance as at 1 January 2021		**3,000,000**	**12,000,000**	**(160,348)**	**(651,417)**	**10,524**	**42,906**	**137,473**	**2,850,176**	**11,528,962**
Net loss for the year		-	-	**16,397**	**66,704**	-	-	-	**16,397**	**66,704**
Transfers to regulatory reserve		-	-	**(6,921)**	**(28,155)**	**6,921**	**28,155**	-	-	-
Currency translation difference		-	-	-	-	-	-	**82,752**	-	**82,752**
Balance as at 31 December 2021		**3,000,000**	**12,000,000**	**(150,872)**	**(612,868)**	**17,445**	**71,061**	**220,225**	**2,866,573**	**11,678,418**

6. STATEMENT OF CASH FLOWS

	Note	For the year ended 31 December 2022 USD	For the year ended 31 December 2022 KHR'000 (Note 3.2)	For the period ended 31 December 2021 USD	For the period ended 31 December 2021 KHR'000 (Note 3.2)
Operating activities					
Profit/(loss) before tax		**30,235**	**123,570**	26,461	107,644
Adjustments for:					
Depreciation and amortization	11 and 12	**20,462**	**83,628**	24,872	101,179
Provision for credit losses	7 and 9	**2,302**	**9,408**	(3,033)	(12,338)
Interest income	17	**(257,867)**	**(1,053,902)**	(233,040)	(948,007)
Interest expense	21	**6,000**	**24,522**	-	-
Unrealized foreign exchange (gain)/ loss	18	**(736)**	**(3,008)**	(568)	(2,311)
Operating loss before working capital changes		**(199,604)**	**(815,782)**	(185,308)	(753,833)
Net changes in:					
Loans to customers – net		**(333,723)**	**(1,363,926)**	(491,234)	(1,998,340)
Due from a related party		**-**	**-**	237,740	967,126
Other assets		**(278)**	**(1,136)**	(185)	(753)
Trade and other payables		**(4,070)**	**(16,634)**	(18,858)	(76,714)
Cash used in operations		**(537,675)**	**(2,197,478)**	(457,845)	(1,862,514)
Interest received		**257,277**	**1,051,491**	349,242	1,420,716
Income tax paid	15©	**(2,395)**	**(9,788)**	(2,409)	(9,800)
Net cash (used in)/from operating activities		**(282,793)**	**(1,155,775)**	(111,012)	(451,598)
Investing activities					
Acquisitions of property and equipment	11	**(388)**	**(1,578)**	(388)	(1,578)
Acquisitions of intangible assets		**-**	**-**	-	-
Net cash used in investing activities		**(388)**	**(1,578)**	(388)	(1,578)
Financing activities:					
Proceeds from borrowing	21	**150,000**	**613,050**	-	-
Net decrease in cash		**(132,793)**	**(542,725)**	(111,400)	(453,176)
Cash, beginning of year	8	**181,630**	**739,961**	293,030	1,185,306
Currency translation difference		**-**	**3,825**	-	7,831
Cash, end of year	8	**48,837**	**201,061**	181,630	739,961

ADDRESS

#40, National Road NO.1, Phum Tangov, Sangkat Nirouth,
Khan Chbar Ampov, Phnom Penh, Kingdom of Cambodia.

+855 23 230 725

www.sixtysixfinance.com.kh