



HOUSING SOLUTIONS PARTNER

ANNUAL REPORT 2017



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SHARED MESSAGE FROM THE CEO AND CHAIRPERSON



First Finance continues to pursue our vision of enabling Cambodians fulfill their dream of home ownership. As one of only a few companies specialized in housing finance, learning from experiences and challenges is an on-going process. In 2017, First Finance continued its efforts initiated in 2016 on internal strengthening. Such initiatives included the establishment of the Learning and Development Unit to focus on up-skilling our staff's professional development, regular review of credit policies and processes, and deployment of a new Management Information System.

In terms of the mortgage market, 2017 presented a positive trend in affordable housing. Three large projects in affordable housing were launched in 2017 with completion of construction anticipated by 2019. This is in addition to a few smaller projects which focus on affordability (prices ranging between USD 20,000 and USD 50,000). While demands for high-end condominium projects continued at a lower level compared to a few years ago, several developers shifted their attention to middle income households who are looking for a more luxurious living environment.

While non-performing loans remain a challenge, First Finance concentrated its efforts in the 1st half of the year by addressing root causes, which included the revision and development of new policies and processes and then training existing and newly recruited staff in these new policies and processes. Then in the 2nd half of the year, the team concentrated on growing a healthy portfolio.

Deployment of a new Management Information System (MIS) was another major project for First Finance in strengthening its systems. In 2017, after a thorough review of proposals, First Finance selected Morakot VB as the core MIS for the management of its portfolio. The MIS includes an automated workflow in the credit approval process as well as a client monitoring module in addition to a traditional loan management system. This new MIS enables First Finance to make improved and timely decisions.

First Finance was delighted to have been selected as one of the ten semi-finalists for The European Microfinance Award 2017 on "Microfinance for Housing". The award highlights the role of microfinance in supporting access to better quality residential housing for low income, vulnerable and excluded groups, with no or limited access to housing finance in the mainstream sector. This year's Award has been extremely competitive, with 37 applications from 23 countries. With this recognition First Finance is spurred onto continuing our growth, learning and professionalism to support our existing customers and reach more new homebuyers or those looking to improve their homes in 2018.

Lee-Anne Pitcaithly
Executive Chairperson

Sothany Chun
Chief Executive Officer



ABOUT US

First Finance Plc is a joint venture company established between Cambodia-based First Home Plc, Singapore-based Phillip Capital, Luxembourg-based Insitor Fund, Cambodia-Laos Development Fund and Norway-based Norfund. The company was granted its license on 23 April 2009 by the National Bank of Cambodia, and became the first financial institution to specialize in housing finance in Cambodia. The company is focused on providing long-term Home Loans and Home Improvement Loans, and medium-term Home Equity Loans to underserved low and middle-income Cambodian households without access to formal commercial lending.

As the founding company of First Finance, First Home Plc has tested and refined its initial housing finance concept and has conducted studies on the market needs for housing loans. It has thus provided First Finance a foundation for growth and expansion.

TARGET

Our target clients are low and middle-income Cambodians who seek to invest in their first homes. First Finance has branches in Phnom Penh, Siem Reap, Battambang Kampong Cham and Kampot. These branches also serve the provinces of Kandal, Kampong Speu, Pailin, Banteay Meanchey, Oddar Meanchey, and Tboung Khmum.

VISION

To help families from every socio-economic status in Cambodia live in dignity, security, happiness and stability through homeownership.

MISSION

To build the economic stability of low-income Cambodian families by increasing access to home ownership.

CORE VALUE IRISE

Integrity

In order to see our clients achieve the vision of First Finance, we are honest and transparent in everything we do.

Response

We are always close enough to care and to respond to our clients' needs. We take ownership of our actions and we're open to feedback.

Innovation

We are creative in finding efficient solutions to better serve our clients.

Social Justice

We take pride in being respectful, being professional and treating our clients fairly.

Excellence

We strive to be the best at what we do.

OUR RESULTS

The year 2017 marks the 8th year of our commitment to support wealth creation and stability for underserved households – low to middle-income Cambodian families. By the end of 2017, our loan portfolio was \$20.1 million – a 2% increase from 2016. People earning less than \$6 per day received 15% of our loans, while 50% of loans went to those earning less than \$12 per day. Due to the Prakas from the National Bank of Cambodia on Credit Risk Grading and Provisioning in December 2017, we increased our risk coverage over nonperforming loans which negatively affected the profitability for the year of \$44 thousand. Non-performing loans had a negligible net effect on profitability because unlike most MFIs, we hold real property as collateral.

In 2017 we focused on staff capacity building and management of non-performing loans. We managed a 2% portfolio growth, but experienced disappointing levels due to high idle cash and high operating costs (due to stagnant growth). Despite the low profit, we saw positive signs in the second half of the year where loan disbursement reached over \$900K per month as compared to just over \$300K per month in the first half of the year and non-performing loans dropped to 3.51% as compared to 4.52% a year ago.

We expanded our active loans by 2% to 2,220 and our loan portfolio size increased to \$20,054,073.

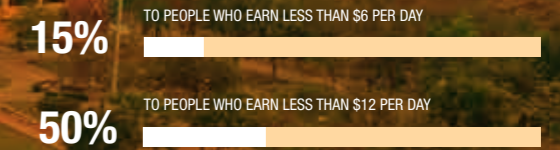
The number of loans to women accounted for 58% of our loan portfolio in 2017. Self-employed, small business owners account for 52% of our borrowers. The majority of these people have no access to formal financing because of their employment status.

We serve Cambodian families in major cities and provinces with branches in Phnom Penh, Siem Reap, Banteay Meachey, Battambang, Phnom Proek, Kampong Cham, and Kampot. These branches also serve the provinces of Kandal, Kampong Speu, Takeo, Pailin, Oddar Meanchey, Kompong Thom and Tboung Khmum. At First Finance, we continue to strive to reach our goal of effectively providing housing finance to low- and middle-income Cambodian families.

NUMBER OF CLIENT BY INCOME SOURCE



NUMBER OF CLIENT BY DAILY INCOME



NUMBER OF CLIENT BY GENDER



TOTAL NUMBER OF CLIENTS



INVESTMENT PARTNERS



SHAREHOLDERS:

CLDF Cambodia-Laos Development Fund
www.emergingmarkets.asia

Norfund
www.norfund.no

PhillipCapital Your Partner In Finance
www.phillip.com.sg

INSITOR FUND
www.insitormanagement.com

LENDERS:

OIKO CREDIT in Member institutions
www.oikocredit.coop

FINNFUND
www.finnfund.fi

BlueOrchard Real Estate Investment Manager
www.blueorchard.com

Triple Jump
www.triplejump.eu

symbiotics
www.symbioticsgroup.com

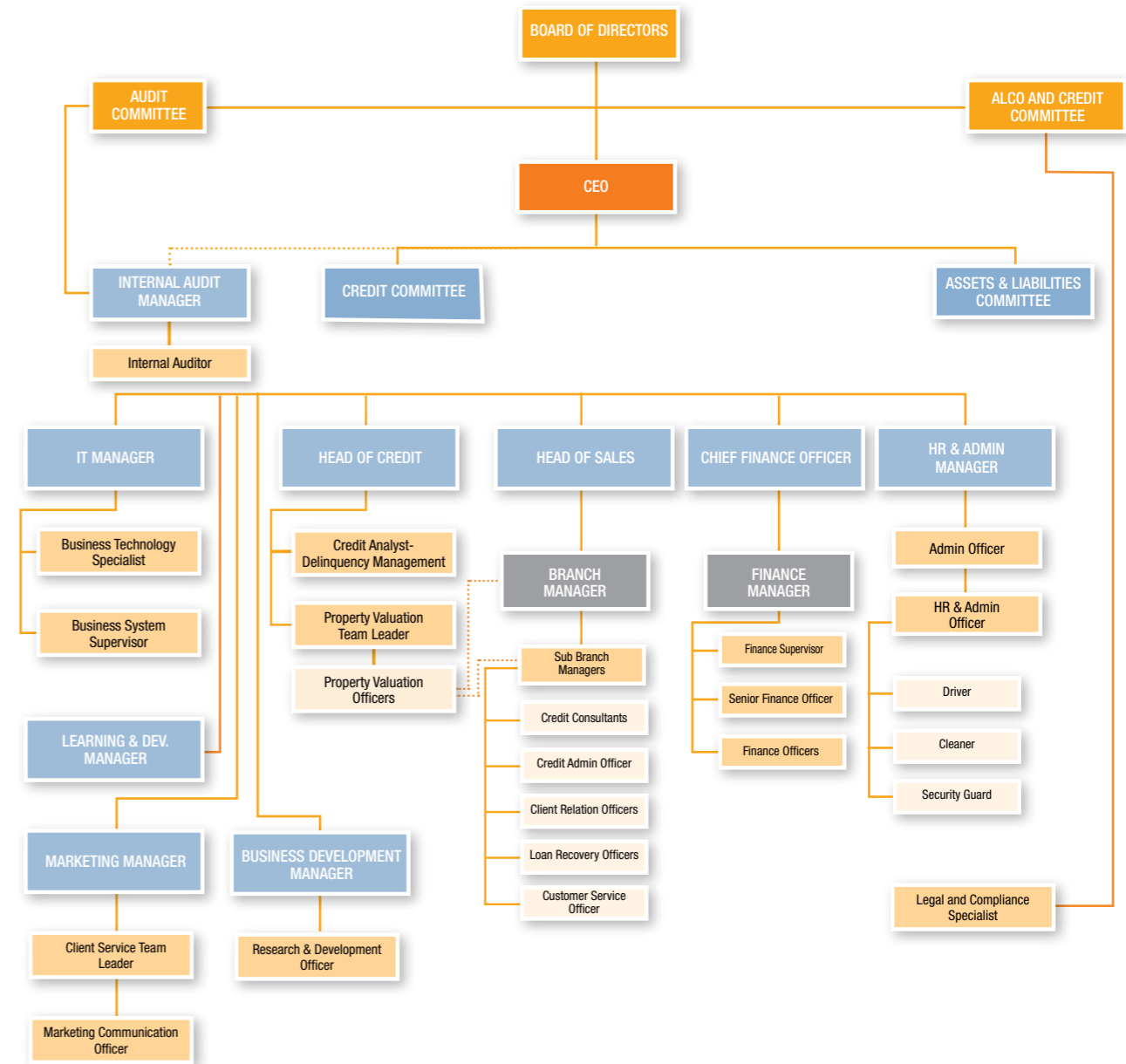
PhillipBank Your Partner In Finance
www.phillipbank.com.kh

incofin INVESTMENT MANAGEMENT
www.incofin.com

Norfund
www.norfund.no

bio Development through Investment
www.bio-invest.be

ORGANIZATIONAL CHART



CONTINUOUS IMPROVEMENT

LEARNING AND DEVELOPMENT

Striving to continually improve First Finance and the services it provides to its clients, the Learning and Development department was established in the latter part of 2016. This unit was set up with the intention of building staff capacity to be ready to support the growth in business. In 2017, the Learning & Development unit provided training to all of the First Finance staff, the 68 newly-recruited and 139 existing staff from all branches. New system training delivery was provided towards the end of the year. In addition to in-house training, staff were given an opportunity to develop both functional and soft skills to improve their expertise in their current role and for their future professional development. 150 staff took courses both in Cambodia and overseas, with 2 staff joining a course in Singapore. Support staff also received training in customer services, human resources, leadership, taxation and English language.

AUTOMATED BUSINESS

To provide a convenient service as well as improve customer experience, core banking plays an important role to support this objective and in 2017, First Finance started to implement Morakot VB, a core banking software. Morakot VB is a cost-effective and user-friendly operating system for banks and MFIs. It is cloud-based and so extinguishes the need for expensive server infrastructure. In addition, it also provides clients with a range of features from accounting, reporting to customer management, including loan application, underwriting, loans contract management, teller function and delinquency management. The system comes with a built-in and automated accounting system with customizable chart of accounts and financial reports, which means the system will automatically book the loan-related transaction to reduce errors and workload. The system is also fully interfaced with the Credit Bureau system which allows the user to check and view history directly on the system.

OPERATIONS EXPANSION

In 2017, to support the growth in operations, First Finance launched four new branches. Two of the new branches are located in Phnom Penh, with one near the Camko roundabout in Tuol Kork and the second in Posenchey district, along the Phnom Penh-Kampot road (National Road No. 3), approximately 3 kilometers from the Phnom Penh International airport. The other two branches were established in the provinces due to increased economic growth and the need for new homes and home improvements in the areas. One was set up in Kampot province and the other in Battambang province, Phnom Proek district, which borders Thailand. These four new branches were renovated in the First Finance corporate style, well equipped, providing a comfortable lobby for visiting clients or enquirers as well as a professional working place for our staff. We have also endeavored to recruit friendly, professional staff that are always ready to provide excellent service to our clients in these new regions.



“ First Finance product that allows me to have a chance of living in a real house again. ”

Ms Phin Nalin was living with her widowed mother in her house situated along the national road in Kampong Cham province. The government plans to improve infrastructure throughout the country are helpful for easing transport congestion. However, for Phin Nalin and her mother this meant that their house was reduced to only 2 meters long after the expansion of the national road.

This was an impossible situation and without any other alternative, she and her mother decided to move into the small shop in the market where she

sold clothes every day. They lived there for 3 years but it was not the perfect solution in trying to maintain her business and yet having to store all of their belongings and living in a market stall.

When Phin Nalin saw a First Finance flyer that explained about taking loans for housing at affordable rates she decided to contact First Finance to find out more. Given they no longer had any land sufficient for a house she resolved to buy land and build her new home. Her income of \$595 per month from her business enabled her to first take out a \$5000 land loan in January 2017 to buy land in Chamka Loeu district, Kampong Cham province. She then took out a further \$12,500 construction loan in August 2017 to build a 4.3m by 15m home.

The loan term is for 180 months and Phin Nalin was so happy that First Finance was able to provide such a long tenure for her to confidently repay the amount and that the loan covered the full construction budget. She and her mother have moved into their new home and she gives thanks for this “First Finance product that allows me to have a chance of living in a real house again”.

EVENT HIGHLIGHTS



MASS PROMOTION

January 6th 2018 @ Siem Reap

More than 100 staff from across our branches and all levels of management, including the CEO conducted a First Finance promotional activity at the four major markets in Siem Reap city. The campaign received a lot of attention and interest from the market stall owners, shoppers and passersby, learning about First Finance products and services.



ANNUAL WORKSHOP

January 6th 2018 @ Siem Reap

At First Finance we are constantly reflecting on our performance and for this year's annual workshop our theme was "Challenge makes us stronger". During the workshop, all participants reflected on what is the challenge that prevents them from performing well and how to overcome this to improve their performance.

As part of the event, recognition pins were presented to 12 staff members by the First Finance CEO Ms Sothany Chun, for our appreciation and thanks for their long commitment to First Finance for at least 5 years or more continued service.



BLOOD DONATION

December 23rd 2017 @ Phnom Penh

Blood donation is part of First Finance's giving back program. Our staff came from 3 branches in Phnom Penh to donate their blood at the National Blood Transfusion Center Cambodia in December 2017. This is a much needed service and we are proud of our staff blood donors.



LENDER EVENT

August 21st 2017 @ Siem Reap

First Finance is committed to building relationships with its lenders and held a Lender Event in Siem Reap in August 2017, following the first successful Lender Event in Phnom Penh in 2016. The purpose of the Lender Event is to give our investment partners an opportunity to find out more about how our micro-mortgage makes such a positive impact to low and middle income Cambodian families.

REFERRAL PROGRAM FOR EXISTING CLIENTS

December 25th 2017 @ Phnom Penh

We at First Finance like to ensure our clients enjoy their journey with us and so we developed a program to reward clients. This is through our referral program. When our clients referred our service to a friend or relative their name went into a lucky draw. In December 2017 we presented an Iphone 7 to our lucky draw winner and the referred clients in this program get 50% off on the processing fee. This is a part of our retention strategy as we want to keep our clients.





FIRST FINANCE SIGNS MOU WITH CAMLIFE TO OFFER FINANCIAL SAFETY TO ALL ITS CLIENTS

December 4th 2017 @ Phnom Penh

First Finance and Cambodia Life Insurance PLC, “Camlife” signed a Memorandum of Understanding (MOU) in December 2017, to provide financial safety for all of its customers. Customers of First Finance will benefit from this partnership by receiving a special price from Camlife for the use of life insurance, particularly for outstanding loans when a customer is at risk of accidental death or total and permanent disability.



KAMPOT OFFICE GRAND OPENING

October 27th 2017 @ Kampot:

Recognizing the strong potential in Kampot regarding economic growth, First Finance expanded its operations to Kampot to provide opportunities to low and middle income families in accessing their first home ownership or home improvement. In October 2017, First Finance inaugurated its new Branch Office in Kampot Province. The ceremony was presided over by the Kampot Governor, Mr. Leang Reun Sothy, who said that “there is a big need for shelters for people in Kampot and we need support from the private sector in financing and related skills.”. The event was attended by District Chiefs, Village Chiefs, co-operative partners, villagers, clients, and the First Finance management.

Each of the 50 families joining the event were presented with a fire extinguisher, and each of the 5 districts attending received 4 fire extinguishers for their safety and protection.



SALES ACTIVATION

October 28th 2017 @ Kampot

Following the new Kampot branch office inauguration in October 2017, First Finance spent the day promoting its products and services to new potential clients in the province. More than 1,000 flyers and 1,000 referral cards were distributed to target clients by our promotion team. The promotion team members were engaged from the local university and they received training from our marketing team before they went into the community. As well as promoting First Finance products the event was also intended to provide young people with their first real experience of working as a part of our recruitment program.



UNIVERSITY STUDENT ORIENTATION

May 2nd 2017 @ Kampong Cham

First Finance provided career path consultation to about 100 students from two universities in Kampong Cham , as a part of our recruitment strategy and to encourage and guide young people for their future careers. As a speaker at the event in May 2017, Ms Sothany Chun, First Finance CEO shared her experience to participants on how to be prepared for the employment market after graduation.

NATIONAL CAREER FAIR

June 25th 2017 @ AEON Mall

University students, recent college graduates and young professionals flocked to First Finance’s booth at the National Career Fair at Aeon Mall in June 2017, and engaged in thought-provoking discussions on potential careers with First Finance and its vision to provide housing loans to low and middle-income Cambodians. Many young people expressed their interest in First Finance and completed applications for potential recruitment. First Finance deeply recognizes the importance of these career fairs as a platform to expose a wide range of job opportunities to the new generation of the Cambodian workforce.



REPORT OF THE INDEPENDENT AUDITORS

Extracted from the audited financial statements as at and for the year ended 31 December 2017

OPINION

We have audited the accompanying financial statements of First Finance Plc. ("the Company") which comprise the balance sheet as at 31 December 2017, and the income statement, 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.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the National Bank of Cambodia.

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 sub-decree on the Code of Ethics for Professional Accountants and Auditors promulgated by the Royal Government of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTER

The financial statements of the Company for the year ended 31 December 2016 were audited by another auditor who expressed an unmodified opinion on those statements on 31 March 2016.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The other information obtained at the date of the auditor's report is the Report of the Board of Directors. Management is responsible for the other information.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the National Bank of Cambodia, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability

to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ernst & Young (Cambodia) Ltd.
Certified Public Accountants
Registered Auditors

Phnom Penh, Kingdom of Cambodia
30 March 2018

BALANCE SHEET

as at 31 December 2017

	2017		2016	
	US\$	KHR'000	US\$	KHR'000
ASSETS				
Cash on hand	4,100	16,552	3,689	14,892
Deposits with banks	1,495,185	6,036,062	7,171,167	28,950,001
Statutory deposits	180,102	727,072	180,102	727,072
Loans to customers	19,617,577	79,196,158	19,141,733	77,275,176
Other assets	731,766	2,954,138	496,431	2,004,092
Property and equipment	256,965	1,037,368	149,531	603,657
Intangible assets	66,290	267,613	-	-
Deferred tax assets	84,247	340,105	114,858	463,682
TOTAL ASSETS	22,436,232	90,575,068	27,257,511	110,038,572
LIABILITIES AND SHAREHOLDERS' EQUITY				
Liabilities				
Borrowings	15,178,866	61,277,082	19,756,303	79,756,195
Other liabilities	658,265	2,657,416	813,064	3,282,339
Provision for income tax	2,958	11,941	146,847	592,822
Total liabilities	15,840,089	63,946,439	20,716,214	83,631,356
Shareholders' equity				
Share capital	3,602,033	14,541,407	2,926,955	11,816,117
Share premium	879,482	3,550,469	312,416	1,261,223
Deposit for future share capital subscription	-	-	1,242,144	5,014,536
Retained earnings	2,114,628	8,536,753	2,059,782	8,315,340
Total shareholders' equity	6,596,143	26,628,629	6,541,297	26,407,216
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	22,436,232	90,575,068	27,257,511	110,038,572

INCOME STATEMENT

for the year ended 31 December 2017

	2017		2016	
	US\$	KHR'000	US\$	KHR'000
Operating income				
Interest income	3,281,978	13,249,345	3,913,269	15,797,867
Interest expense	(1,537,767)	(6,207,965)	(1,660,495)	(6,703,418)
Net interest income	1,744,211	7,041,380	2,252,774	9,094,449
Other operating income	414,547	1,673,526	287,392	1,160,201
Operating income	2,158,758	8,714,906	2,540,166	10,254,650
Provision for loan losses	(264,503)	(1,067,799)	(563,491)	(2,274,813)
General and administrative expenses	(1,771,701)	(7,152,357)	(1,481,976)	(5,982,737)
Income before tax	122,554	494,750	494,699	1,997,100
Income tax expense	(67,708)	(273,337)	(126,465)	(510,539)
Net income for the year	54,846	221,413	368,234	1,486,561

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2017

	Share capital	Share premium	Deposit for future share capital subscription	Retained earnings	Total
	US\$	US\$	US\$	US\$	US\$
Balance as at 1 Jan 2017	2,926,955	312,416	1,242,144	2,059,782	6,541,297
Net profit for the year	-	-	-	54,846	54,846
Issuance of share capital	675,078	567,066	(1,242,144)	-	-
Balance as at 31 Dec 2017	3,602,033	879,482	-	2,114,628	6,596,143
Equivalent in KHR'000	14,541,407	3,550,469	-	8,536,753	26,628,629
Balance as at 1 Jan 2016	2,289,370	312,416	1,879,729	1,691,548	6,173,063
Net profit for the year	-	-	-	368,234	368,234
Issuance of share capital	637,585	-	(637,585)	-	-
Balance as at 31 Dec 2016	2,926,955	312,416	1,242,144	2,059,782	6,541,297
Equivalent in KHR'000	11,816,117	1,261,223	5,014,535	8,315,340	26,407,216

STATEMENT OF CASH FLOWS

for the year ended 31 December 2017

	2017		2016	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Net cash generated from/(used in) operating activities	(865,480)	(3,493,946)	2,186,424	8,826,593
Cash flows from investing activities				
Acquisition of property and equipment	(201,431)	(813,177)	(111,676)	(450,836)
Acquisition of intangible assets	(67,518)	(272,570)	-	-
Proceeds from disposal of property and equipment	-	-	52	210
Net decrease/(increase) in term deposits	1,000,000	4,037,000	(1,000,000)	(4,037,000)
Net cash generated from/(used in) investing activities	731,051	2,951,253	(1,111,624)	(4,487,626)
Cash flows from financing activities				
Repayments of borrowings	(4,577,437)	(18,479,113)	(1,682,068)	(6,790,509)
Proceeds from borrowings	-	-	5,000,000	20,185,000
Net cash generated from/(used in) financing activities	(4,577,437)	(18,479,113)	3,317,932	13,394,491
Net increase/(decrease) in cash and cash equivalents	(4,711,866)	(19,021,806)	4,392,732	17,733,459
Cash and cash equivalents at 1 January	6,081,113	24,549,453	1,688,381	6,837,943
Currency translation difference	-	-	-	(21,949)
Cash and cash equivalents at 31 December	1,369,246	5,527,647	6,081,113	24,549,453



First Finance did not discriminate against me and provided me with a loan to complete my dream house

Mr Pech Chy used to be a soldier in the Royal Cambodian Armed Forces. While fighting the remaining Khmer Rouge forces in the mid-1990's he stepped on a landmine and his injuries meant that he had to have his right leg amputated.

Despite this devastating event he worked hard raising pigs with his wife, Mrs. Oeun Yoeun and produc-

ing rice wine to sell. Having to bring up their three sons and a daughter, it took almost a lifetime to save so that he could build a house for his family in Phnom Proek district in Battambang province.

However, he did not have enough savings to complete the house and after a neighbor referred him to First Finance, he and his wife decided to take out a home construction loan to complete their house. With their combined income of \$496 per month in April 2017 they were able to get a loan of \$10,000 payable over 120 months.

Mr Pech Chy said that he was thankful for the long tenure of the loan that enabled him to make repayments and the ease of credit approval. He was particularly appreciative that "First Finance did not discriminate against me and provided me with a loan to complete my dream house".

BOARD AND LEADERSHIP



LEE-ANNE PITCAITHLY
EXECUTIVE CHAIRPERSON

Ms. Lee-Anne Pitcaithly came to First Finance in 2014 as the Executive Chairperson, following eight years of international experience in Mobile Financial Services for the poor. Coming from a commercial management background and a career spent predominantly in commercial banking, utilities, and telecommunications, Lee-Anne brings a wide range of knowledge and skills to her role. Lee-Anne has previously held executive roles in WING Cambodia and Grameen Foundation (Uganda). Residing in Cambodia, Lee-Anne continues to work as an international consultant for Digital Financial Services.



TALMAGE PAYNE
DIRECTOR

Shareholder Representative First Home Plc

Mr. Talmage Payne, a social entrepreneur and INGO leader, is currently the Cambodia Country Director for World Hope International. He is the founder of First Finance and several other social ventures. Talmage has lived in Southeast Asia most of his adult life, serving in both the non-profit and for-profit social impact sectors. He was global CEO of Hagar International (involved in the protection and recovery of survivors of human trafficking), and helped establish Hagar in nine countries using their integrated non-profit and for-profit models.

Talmage was the Country Manager for World Vision Cambodia and the founding Chair of VisionFund Cambodia. The Royal Cambodian Government has recognized his humanitarian work numerous times, twice awarding him the People's Medal, as well as the Royal Order of the Sahametri. Talmage has a BA in Economic Development from Wheaton College.



NICHOLAS LAZOS
DIRECTOR

Shareholder Representative Insitor Fund

Mr. Nicholas Lazos is Co-founder and Director of Insitor Impact Asia Fund. Nicholas has worked in South and Southeast Asia for the last ten years, supporting social enterprises through their start-up stages. Nicholas leads all major equity investments and sits on the Board of Directors of portfolio companies. Prior to Insitor, Nicholas was General Manager of the first low-income housing solutions company in Cambodia, where he managed the startup and development of the company until it became fully operational. He holds dual degrees in Mathematical Methods in the Social Science program from Northwestern University.



ONG TEONG HOON
DIRECTOR

Shareholder Representative Phillip Capital

Mr. Ong Teong Hoon has more than 30 years of banking experience in Asia, including some in the microfinance sector. Mr Ong is a senior executive at Phillip Capital, one of Asia's leading financial houses and is currently a Director for Phillip Bank Cambodia and a Director at Kredit Microfinance Plc Cambodia. He is Chairman of the Methodist School in Cambodia and has held senior leadership roles in youth and detention rehabilitation programs. Mr Ong is also a founding board member of First Finance Plc and has journeyed with us through our rapid growth, challenges and successes. He is also an Associate of the Chartered Institute of Bankers in London.



FAY CHETNA
DIRECTOR

Shareholder Representative Norfund

Ms. Fay Chetna is an Investment Director and the Head of Asia for Norfund. She is responsible for managing and leading Norfund's Asia portfolio. Prior to joining Norfund, Fay worked at the International Finance Corporation and The World Bank Group. Fay has experience within the field of development finance from transactions in Southeast Asia, Africa, Latin America and Eastern Europe. Fay is a graduate of the School of Advanced International Studies at Johns Hopkins University.



BRAD JONES
INDEPENDENT DIRECTOR

Mr. Brad Jones has worked in senior management and executive roles in the banking and payments industries in Asia Pacific, Middle East and Australia. His experience includes establishing start-up businesses in challenging developing markets to operations management in multinational banks. Brad is currently the Chief Executive Officer of Wave Money, a mobile money joint venture in Myanmar with Telenor and Yoma Bank as shareholders. Previously he was the founding Managing Director for WING Cambodia and has also held senior leadership positions in mobile innovation for Visa. In addition to Brad's extensive corporate experience he has previously consulted to the World Bank Group, Grameen Foundation and DFID in the field of digital financial services. Brad holds a Bachelor of Commerce from Griffith University in Australia, and Post Graduate business qualifications from the University of Queensland.

BOARD OF DIRECTOR



VANNARATH VICHETH DIRECTOR

Shareholder Representative CLDF

Mr. Vannarath Vicheth joined the board of First Finance in 2016. He comes to this financial institution with over 10 years of international banking and investment experiences from USA, Europe and Cambodia. Currently, Vannarath is the investment manager of Emerging Markets Investment Advisors (EMIA), a Singapore-based private equity investment advisory firm. Prior to this, he held various management roles including CEO and Head of Corporate Finance Advisory at Cana Securities, the investment banking arm of Canadia Investment Holding Plc.

Mr. Vannarath attended Harvard University for the Master of Art in Management and also holds a Master's degree in Banking & Finance from ESCP Europe Business School. Vannarath is an Associate Member of CPA Australia.



PAUL FREER INDEPENDENT DIRECTOR

Mr. Paul Freer has more than 20 years of senior-level experience in international banking as well as a successful background in project management, education and the not-for-profit sector in Cambodia. Paul spent his initial banking career in the UK before investing a further 15 years of his career working in Cambodia and the Lao PDR in senior management positions in both for-profit and not-for-profit organizations. Paul was previously CEO of Standard Chartered Bank in Cambodia, MD of Phongsavanh Bank in the Lao PDR and Head of Retail Banking with ANZ Royal Bank (Cambodia). He was also responsible for the entry of Maruhan Japan Bank into the Cambodian marketplace, where he was employed as Vice President and General Manager. Paul sits on the Finance and Facilities Committee of the International School of Phnom Penh and has undertaken independent banking and MFI consultancies with The World Bank and other organizations. Paul was recently appointed Chief Operating Officer at PiPay – a new electronic payment processing start-up operating in Cambodia. Paul holds a Postgraduate Diploma in Business Management from the Southampton Business School in the UK.



JOSHUA MORRIS OBSERVER

Shareholder Representative CLDF

Mr. Joshua Morris is the founding Partner and Managing Director of Emerging Markets Investments (EMI), a Cambodian-based Investment Advisory business that manages the Cambodia-Laos Development Fund. Prior to founding EMI, Joshua was actively involved in private sector development and business consulting in Southeast Asia through his role as a co-founder of EMI's sister company, Emerging Markets Consulting.

Before relocating to Cambodia in 2004, Joshua held senior management positions in marketing and corporate development for technology start-ups and a NASDAQ-listed e-commerce business. Joshua holds an MBA from Harvard Business School (1998) and a BA cum laude from Harvard University (1992).



Mrs. Oeun Yoeun feeding her pigs.

Phnom Proek | Battambang | Cambodia

MANAGEMENT TEAM



SOTHANY CHUN
CEO

Ms. Sothany Chun started her career with World Vision Cambodia in 2002 as an internal auditor. From there Sothany quickly progressed through a number of roles, where she managed project design, proposal development, progress reviews and building connections with donors. In 2007 Sothany became Business Development Manager for VisionFund where she worked in fund acquisition, marketing, communication and product development. In 2008 she moved to WING, an ANZ (Australia) Bank startup mobile money transfer business, where she developed strategy and managed sales, including motivating and empowering over 900 WING commissioned-based agents. In April 2011 Sothany joined First Finance as a Chief Financial Officer and in August 2014 she was appointed CEO.

Sothany has a Bachelor's Degree in Management - Accounting, and a Master's in Organizational Development - MFI Management.



NITHYA NINE
CFO

Mr. Nithya Nine graduated with a degree in Business Administration from the University of California at Berkeley and obtained his license as a Certified Public Accountant (CPA) in 2009. Including his 2 years experience with Fortune 500 companies, Nithya has more than 8 years experience of managerial accounting, auditing, risk management, and financial planning & analysis in various industries including financial services.



SAKADA HENG
HEAD OF CREDIT

Mr. Sakada Heng is the longest standing First Finance team member, starting as the Credit Admin Officer in 2009 when First Finance was granted its license. Sakada progressed through a number of roles, to become Phnom Penh Branch Manager in 2013 and was appointed to the role of Head of Retail Operations in May 2015. He has a detailed understanding of Phnom Penh, as he has lived here his entire life, but also has experience traveling abroad. Sakada has completed two Bachelor's degrees, one in Accounting/Finance and one in French language. He completed a Master's in Risk Management - Insurance, Finance and Banking.



SETHA PHUON
HEAD OF SALES

Mr. Setha Phuon obtained a Bachelor's Degree in Management from the University of Battambang in 2012 and being finishing MBA in Entrepreneurship from Build Bright University. Prior joining First Finance, he served VisionFund Cambodia for more than five years as Provincial Branch Manager, District Branch Manager and Client Service Officer. He also taught physics and math at a secondary school for three years. He joined First Finance in March 2013 as a Branch Manager and has since become a Credit Manager.



VOLEAK VETH
FINANCE MANAGER

Ms. Voleak Veth has over nine years of experience in accounting and finance. Voleak has worked in accounting, insurance and the general business. She joined First Finance in 2012.

Voleak has completed a Bachelor's degree in Finance and Banking, a Master's in Business Administration and is currently pursuing her ACCA qualification.



VANDY SAING
MARKETING MANAGER

Mr. Vandy Saing obtained his Bachelor's Degree in Management Information System from the National University of Management in 2002. Prior to joining First Finance he served as a Marketing and Communication Coordinator for two years and then as a Creative Service Manager for seven years at VisionFund Cambodia. There, he managed and developed branding strategy and marketing communication strategy. Vandy also has many years experience working with advertising agencies and NGOs. He joined First Finance as a Marketing Manager in March 2016.

MANAGEMENT TEAM



SOPHYA FADETH LIM BUSINESS DEVELOPMENT MANAGER

Ms. Fadeth Lim has a Bachelor's Degree in Economics and is currently pursuing her MBA at Limkokwing University, majoring in Finance. Prior to joining First Finance as Business Development Manager in March 2016, she spent five years working in Cambodia's financial industry and consumer electronics industry. She then moved to Singapore, where she spent another four years as a volunteer for fundraising and social works. Her fields of expertise include Sales, Marketing and Communication, PR, Fundraising and Project Management.



SINETH CHREK IT MANAGER

Mr. Sineth Chrek has more than 11 years of experience in infrastructure design and implementation, IT security implementation, MIS administration, IT strategy and project implementation in the field of microfinance and banking. He joined First Finance in April 2016 as an IT Manager. Prior to that, he served a in key role to engage IT and business people as a manager at Amret. He has also worked at VisionFund as a Technology and Application Support Manager.

He earned a Bachelor's Degree in Information Technology from a university in Phnom Penh.



SREY PEOU SRENG HR AND ADMIN MANAGER

Ms. Srey Peou Seng has a Bachelor's Degree in Accounting and Master's Degree in Business Administration. She has worked for more than eight years in HR and Admin related roles in both non-profit organizations and the private sector. Prior to joining First Finance as HR and Admin Manager in October 2016, she served as a Human Resources Officer and Coordinator at Sihanouk Hospital Center of HOPE and HOPE Worldwide Medical Centers, where she managed recruitment and selection, performance management, training and development, the HR system, employee relations, employee benefits and compensation.



SAMBO CHHOUR INTERNAL AUDITOR MANAGER

Mr. Sambo Chhour has more than six years of experience in the field of auditing. He has done assurance work, external audits and internal audits. He started his career at PriceWaterhouseCoopers Cambodia as an assistant auditor and became a senior auditor in 2007. After working at PWC, he became a senior internal auditor at First Finance. After finishing a two-year graduate study course in Applied Finance in New Zealand, he has become an internal audit manager. Sambo has both a Bachelor's and a Master's Degree in Finance and he is now pursuing his ACCA/CPA qualification.



MENGSE SEAN LEARNING AND DEVELOPMENT MANAGER

Mr. Mengse Sean has had a dynamic career, filled with professional progress. For over 10 years he has held many positions, from entry-level all the way up to management. His areas of expertise include Learning & Development and Human Resources management, including recruitment, HR policy development, personnel admin and compensation & benefits. He is a highly patient and committed individual.

He earned a scholarship from the National University of Management in 2000, and graduated with his Bachelor's degree in 2004. He got his Master's in field of management in 2009.



CHHUON IN BATTAMBANG BRANCH MANAGER

Mr. Chhuon In earned his Bachelor's degree in Banking and Finance from the University of Management and Economics in 2012. Prior to joining First Finance he served VisionFund Cambodia for eight years as a Senior District Branch Manager, Senior Risk and Quality Assurance Officer and Credit Officer. He performed an important role in portfolio growth management and risk management for the branch. He joined First Finance in December 2015 as a Credit Consultant Team Leader and has since become the Battambang Branch Manager.

MANAGEMENT TEAM



BUNHOUR YENG
SIEM REAP BRANCH MANAGER

Mr. Bunhour Yeng started his work with First Finance in February 2017 as a Branch Manager. Before this, he has worked for LOLC for eight years as a Branch Manager, Head Credit Officer and Credit Officer. He has been responsible for a number of key roles related to portfolio growth management, risk management and staff management for the branch. He completed his Bachelor's degree in Management from the University of South-East Asia in 2011.



PO DAING
KAMPOT BRANCH MANAGER

Mr. Po Daing has over ten years of experience working in microfinance sector. His career has progressed from officer level to management level within this field. He has worked for TPC for around ten years and as a Branch Manager for LOLC for over a year before moving to First Finance. He graduated his Bachelor's degree in Finance and Banking from Cambodian University for Specialties in 2016.



LY BUNLEANG
KAMPONG CHAM BRANCH MANAGER

Mr. Bunleang has over 10-year working experience in microfinance sector. He began his work in this field from being a Credit Officer to provincial Branch Manager for Hattha Kaksekar microfinance institution. He joined First Finance as provincial Branch Manager in August 2017. Mr. Bunleang Ly completed his Bachelor's degree in Accounting and Finance at Build Bright University (Phnom Penh) in 2006.



TOEM HAS
POSENCHEY BRANCH MANAGER

Mr. Toem Has has over 10-year working experience in microfinance sector. He started his work with First Finance as Branch Manager in June 2017. Before that, he has worked for Hattha Kaksekar microfinance institution for eight years from being a Credit Officer to Sub Branch Manager. Mr. Toem Has graduated his Master Degree in Business Management from National University of Management in 2016.



LENG SENHORT
CHAMKAR MON AND REUSEYKEO
BRANCH MANAGER

Mr. Senghort Leng has more than 10 years of experience working in microfinance sector and other private companies. Prior to joining First Finance as Branch Manager in March 2017, he has served as a Branch Manager for LOLC for over six years. Mr. Senghort earned his Master Degree in General Management from National University of Management in 2016.

