BORVOR Finance PLC

Annual Report 2025

Serving rural households with responsible finance

Head Office: Battambang, Cambodia

Reporting period: Year ended 31 December 2025

Legal form: Public Limited Company and Rural Credit Operator

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Message from the Chief Executive Officer

2025 was a year of steady service, careful management and renewed commitment to the communities BORVOR was created to serve. Our work remained anchored in Battambang and Banteay Meanchey, where rural households continue to need finance that is close, practical and responsibly delivered.

During the year, we maintained a conservative financial position while continuing to serve clients in a changing environment. Gross customer loans reached USD 6.84 million, total assets stood at USD 7.44 million, and the institution returned to a positive annual result.

When some households faced uncertainty linked to the Thailand border situation, our response was to stay close to clients, keep communication open and restructure loans where needed. Responsible finance is tested most clearly in difficult moments, and BORVOR's priority is to support clients without weakening credit discipline. We were also proud that BORVOR ranked 44th out of 968 companies in 60 Decibels' Net Promoter Score® Benchmark, reflecting strong client trust and willingness to recommend the institution.

As this report is published in 2026, BORVOR has also completed an external SPI5 social audit. The process gave us a structured view of our social performance, helped identify gaps in client protection, people management and environmental practices, and strengthened our agenda for continuous improvement. We also continued to build practical field partnerships, including with HUSK, a specialist in biochar-based agricultural products, to help farmers test climate-smart agricultural practices in the field.

Mr. Meas Thon

Chief Executive Officer

"BORVOR's mission has remained constant: to stay close to rural households and provide finance that responds to real needs."

2025 at a glance

Source: BORVOR management data as of 31 December 2025.

$6.84m
Gross customer loans

$7.44m
Total assets

$5.05m
Total equity

$36,078
Net profit

2,265
Active borrowers

10
Branches

66%
Women borrowers

93%
Rural borrowers

100+
Staff

Who we are

Community roots, sector networks and values-based service.

BORVOR began as a community-based finance initiative and has grown into a regulated Cambodian rural credit operator headquartered in Battambang. Its role remains practical: provide finance close to rural households and low-income families, with service built around trust, transparency and local relationships.

BORVOR is a member of the Cambodia Microfinance Association (CMA) and the Asian Confederation of Credit Unions (ACCU), reflecting its connection to Cambodia's microfinance sector and wider cooperative-finance networks.

Mission

BORVOR provides affordable financial services to low-income families, especially women, responsive to their needs to improve their living standard.

Vision

BORVOR envisages itself as the first-choice sustainable microfinance institution involved in poverty alleviation.

Institutional values

Trust - Honesty - Equity - Integrity - Patience - Transparency - Respect - Democratic participation

Institutional history

Almost three decades of service to low-income households.

1998

Established as the Small Economic Activity Development (SEAD) project, supported by AusAID and CARE Australia.

Early 2000s

Evolved into the Cambodian Community Savings Federation (CCSF)

2017

Incorporated as BORVOR Finance PLC

2025

Continued serving rural households while strengthening responsible finance, client protection and green-practice initiatives.

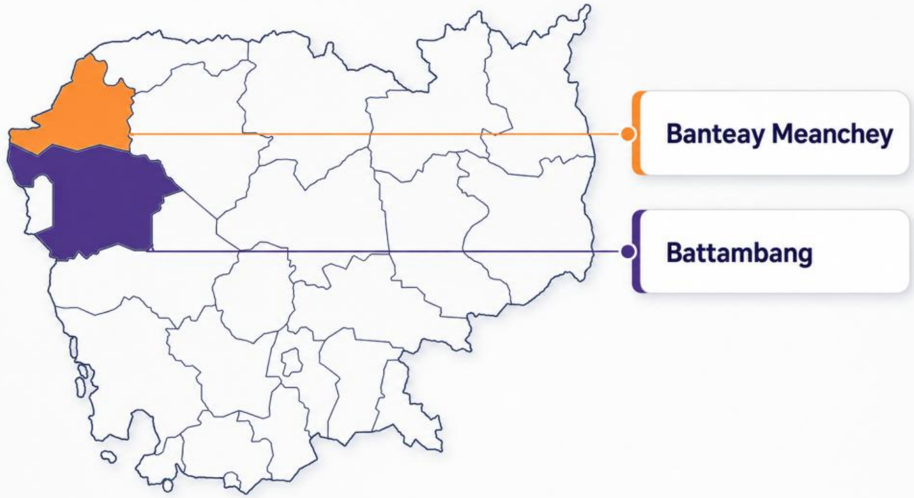
BORVOR's institutional path reflects a transition from development project to regulated rural credit operator, while preserving its original focus on low-income households, women and rural communities.

Where we work

Operating close to rural clients in northwestern Cambodia.

BORVOR operates in Battambang and Banteay Meanchey provinces. This footprint reflects a deliberate focus on rural communities, agricultural households, traders and microenterprises in northwestern Cambodia, supported through a network of 10 branches.

Operational footprint

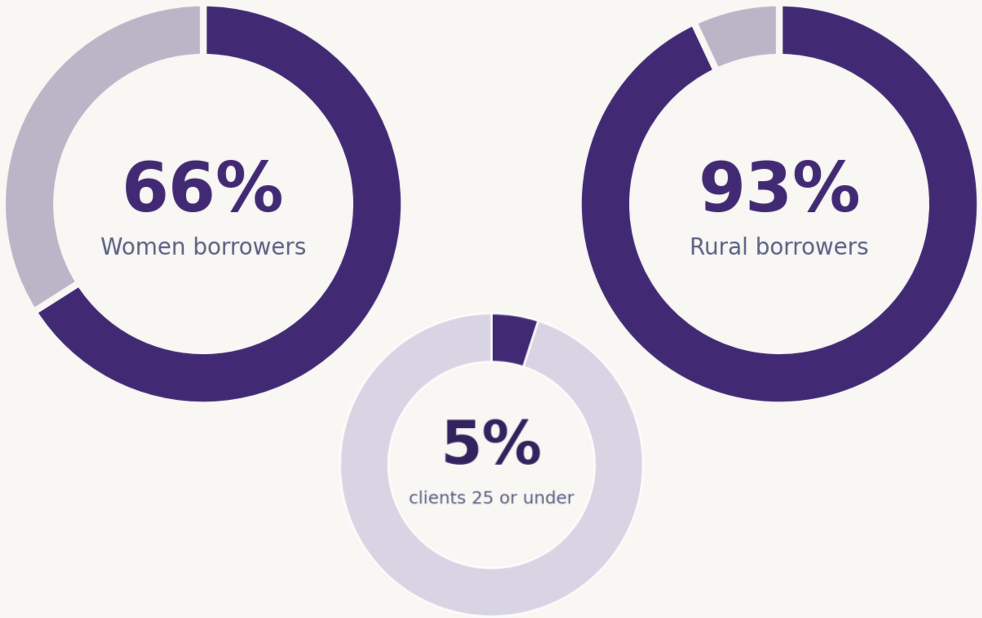


2 Provinces	**14** Districts	**400+** Villages

Source: BORVOR management data as of 31 December 2025.

Clients and outreach

A client base strongly aligned with BORVOR's mission.



Source: BORVOR management data as of 31 December 2025.

2,265
Active borrowers

USD 3,803
Average disbursed loan size

BORVOR's outreach is concentrated in rural communities. Women represented approximately two-thirds of active borrowers at year end, while rural clients represented approximately 93%.

Client trust and loyalty

External recognition of client willingness to recommend BORVOR.

44th

out of 968 companies

60 Decibels Net Promoter Score® Benchmark

Strong client loyalty

Why this matters

The ranking is based on how likely clients are to recommend a Financial Service Provider to others. For an institution built on local relationships, this is a clear external signal that clients value the way BORVOR serves them.

Recommend

Clients are willing to refer BORVOR to others.

Loyalty

Trust is built through consistent service and follow-up.

External signal

The result places BORVOR in a broad benchmark set.

Benchmark position | better performance →

BORVOR rank 44

968 companies

Source: 60 Decibels Net Promoter Score® Benchmark, 2025.

What finance helps protect

BORVOR's role is not only to finance growth, but also to help households manage the practical realities of rural livelihoods.

For many clients, credit is connected to production cycles, household needs and periods of tight cash flow. Responsible rural finance helps clients protect what they have built while investing carefully in the next step.

Productive capacity

Finance can help clients prepare for planting, maintain equipment, purchase inputs or keep small enterprises operating during seasonal gaps.

Household stability

Loans can support family needs when borrowing remains within repayment capacity and is explained clearly before disbursement.

Emergency response

Access to suitable credit can help households respond to urgent needs without selling productive assets at the wrong time.

Rural resilience

Responsible follow-up, client protection and local branch relationships help maintain trust in communities exposed to shocks.

How our model works

Individual lending supported by local relationships and responsible credit controls.

BORVOR provides individual loans supported by field-based client relationships, repayment capacity assessment, credit bureau checks, loan documentation, and direct explanation of loan conditions.

01

Client contact

Branch staff meet clients in their local context and assess the purpose of borrowing.

02

Capacity analysis

Repayment capacity, existing obligations, and credit information are reviewed before approval.

03

Clear contracting

Loan conditions and repayment schedules are explained before disbursement.

04

Responsible follow-up

Staff monitor repayment, client experience, and early warning signs of stress.

All borrowers are supported by BORVOR's internal loan protection mechanism, which provides financial support to families in the event of borrower death.

From the field

Close client follow-up

BORVOR keeps caseloads below 80 clients per loan officer. This gives field staff enough time for assessment, communication and post-disbursement follow-up.

Q: What makes rural lending different?

Client income is often seasonal and linked to agriculture, trade, migration or household activity. Repayment capacity depends on timing, family needs, market prices and external shocks.

Q: How do branch teams build trust?

Trust comes from proximity. Staff meet clients in their local context, explain loan terms directly and follow up after disbursement. Regular contact helps identify concerns early.

Q: What is the main responsibility of a loan officer?

The main responsibility is to lend carefully: understand the purpose of the loan, verify existing obligations, assess the client’s ability to repay and communicate clearly.

Products and services

Products are organized around the main financial moments rural households face: earning income, managing family needs, responding to shocks and investing in more resilient practices.

Productive loans

Finance income-generating activities such as agriculture, livestock, trade, services, production and transport. These loans help clients prepare for the next business or farming cycle, maintain operations, invest in productive capacity and keep small enterprises moving through the year.

Consumption loans

Consumption loans respond to planned household needs such as education, tuition fees, health expenses, housing-related costs and other family expenditures where the purpose is clear, and repayment capacity has been assessed. The objective is to help households manage essential life expenses and maintain stability.

Emergency loans

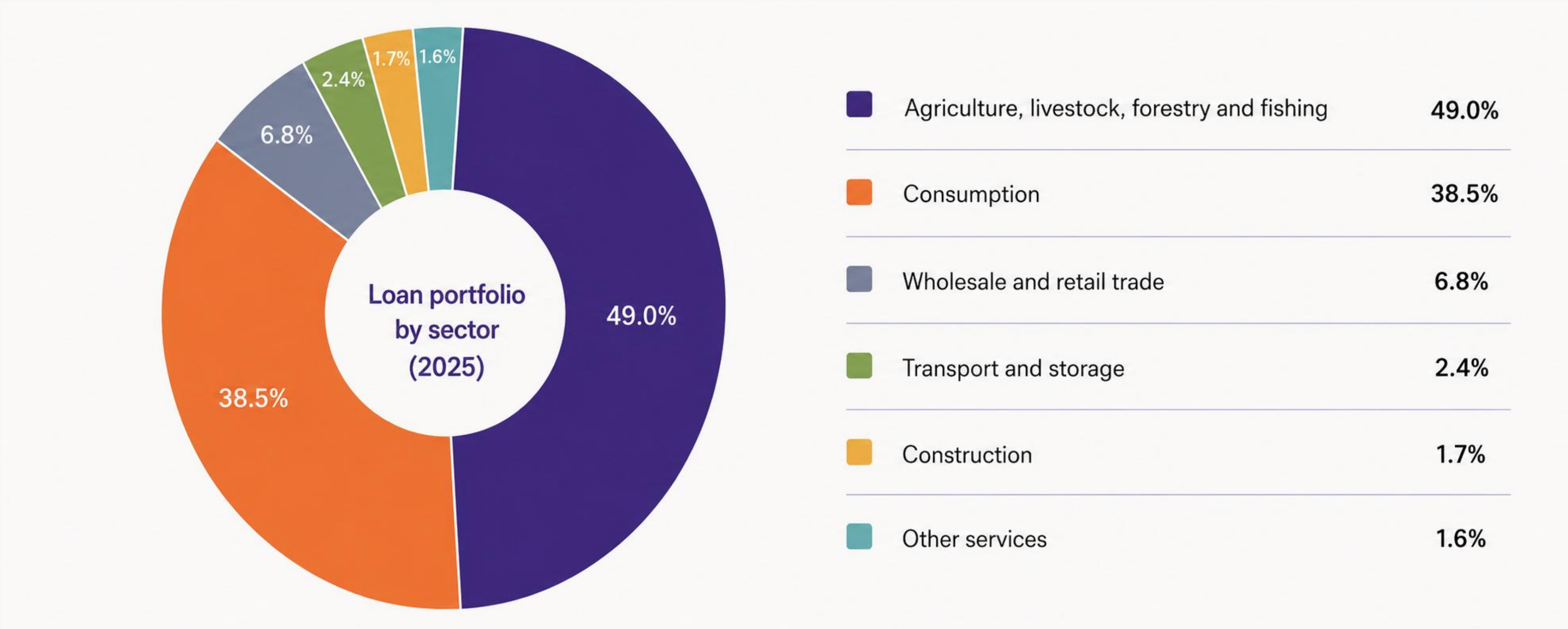
Provide an option when urgent needs or shocks create short-term pressure. The focus is speed with care: the loan must respond to the situation without pushing the household beyond its ability to repay.

Green loans

Support selected uses with environmental or resilience benefits, including sustainable agriculture, solar panels, sanitation improvements and recycling-related activities. These loans connect rural finance with practical improvements in household resilience and resource use.

Portfolio composition

Loan portfolio led by agriculture and household finance



Source: BORVOR loan portfolio data as of 31 December 2025.

People and culture

96%
Staff retention

65%
Female credit/front-office staff

33%
Women in management

41%
Female staff payroll share

Source: BORVOR HR and payroll data as of 31 December 2025.

BORVOR's people base combines continuity with field presence. In 2025, the institution had more than 100 staff and a 96% retention rate. Field workloads remained manageable, with fewer than 80 clients per loan officer, supporting closer client follow-up while helping avoid overburdening field staff.

Women play an important role in BORVOR's service model. Female staff represented 65% of credit and front-office roles, 33% of management, and 41% of the institution's total payroll amount. This gives the report a more complete picture of women's participation across client-facing work, leadership and compensation.

Safeguarding and feedback

BORVOR has developed and implemented a safeguarding policy and strengthened the channels through which clients and staff can raise concerns. Complaint and feedback mechanisms, staff grievance channels and satisfaction surveys give the institution practical ways to listen, respond and improve service quality.

Training and accountability

Formal HR systems support day-to-day conduct through written contracts, job descriptions, onboarding, probation, training and annual performance appraisal. Staff development focuses on responsible lending, client protection, credit risk, product suitability, operational risk and respectful collection practices.

People behind BORVOR

A conversation with the HR Manager about the people who make responsible rural finance work.

Q: What kind of person fits BORVOR’s work?

BORVOR starts with character. We look for people with integrity, patience and local understanding, because rural finance is built on trust. Technical skills can be developed, but staff also need judgment: the ability to listen, explain clearly and treat every client with respect.

Q: How are new staff prepared for the field?

Preparation begins before a staff member meets clients. New recruits are introduced to BORVOR’s mission, policies and expectations for conduct. Training then focuses on responsible lending, repayment capacity, product suitability, collection conduct and client protection.

Q: What does good client service look like?

Good service is practical. Staff must make sure clients understand what they are taking on, follow up after disbursement and notice early signs of difficulty. In the field, professionalism and empathy have to work together.

Q: What is the people priority for the coming year?

The priority is consistency across branches. BORVOR wants every client to receive the same clear explanations, respectful treatment and disciplined credit assessment, whether they are served near the head office or in a rural commune.

The right staff, trained well, make responsible finance real in daily interactions.

Governance

Experienced oversight for a regulated rural credit operator.

BORVOR's governance is focused on keeping the institution stable, client-centered and financially disciplined. The Board brings long-standing experience in microfinance, finance, administration and organizational management, helping the institution make prudent decisions while continuing to serve rural households.

In 2026, BORVOR added a woman to the Board, reflecting a broader commitment to strengthen gender representation in leadership and across the organization.

Board member	Role
Sao Roeun	Chairman
Ly Chan Ty	Vice Chairman
Prom Mary	Member
Ny Nget	Member
Pheng Raksa	Member

Good governance at BORVOR means making decisions that protect both clients and the institution. It supports careful lending, strong internal discipline and a long-term view of rural financial inclusion.

Environmental responsibility

Source: BORVOR management information and partnership records, 2025

BORVOR's environmental work connects directly to rural livelihoods. Agriculture, water, land use and household resilience affect how clients earn income and manage repayment capacity. The institution's role is therefore practical: avoid harmful financing, promote responsible internal practices and explore green products and partnerships that can help rural clients adapt.

Green Environmental Policy

A formal policy basis for environmental safeguards and green finance opportunities.

Green loan uses

Selected uses include sustainable agriculture, solar panels, sanitation and recycling-related activities.

Environmental exclusions

BORVOR avoids financing activities linked to deforestation, destructive fishing, prohibited chemicals, pollution, or non-compliance with regulation.

Internal practices

The institution promotes reduced paper use, electricity efficiency and water saving.

HUSK biochar demonstration initiative

With HUSK, BORVOR connected farmers in Battambang with training and demonstration activities on biochar-based fertilisers, supporting practical learning on soil health, lower use of chemical fertilisers and pesticides, and more resilient rice cultivation.

Financial review 2025

BORVOR remained financially stable in 2025. Total assets closed the year at USD 7.44 million, gross customer loans increased to USD 6.84 million, and the institution reported net profit of USD 36,078.

Source: BORVOR audited financial statements for the year ended 31 December 2025.

Key financial ratios

0.5%
Return on average assets
Net profit / average assets

0.7%
Return on average equity
Net profit / average equity

0.47x
Liabilities to equity
Total liabilities / equity

0.40x
Borrowings to equity
Borrowings / total equity

3.4%
Allowance to gross loans
Allowance / gross loans

5.8%
PAR30
Portfolio at risk over 30 days

16.1%
Operating expenses / avg. GLP
Operational cost base

1.8%
Financial expenses / avg. GLP
Cost of funds indicator

Source: Ratios calculated from BORVOR's audited financial statements for the year ended 31 December 2025.

Looking ahead: Our priorities

A practical agenda for responsible growth

After a year of consolidation and learning, BORVOR is entering the next period with a clear focus: preserve the strengths of its relationship-based model while adapting to a more demanding operating environment. The priorities below reflect where the institution can build further momentum without moving away from its core mission.

Learning from client progress

Build on BORVOR's long-standing social mission by gradually strengthening how client progress is captured, including resilience to shocks, asset accumulation, business performance and employment creation.

Broadening international partnerships

Continue building relationships with international partners who share BORVOR's commitment to responsible rural finance, helping diversify funding sources and support long-term service to clients.

Making environmental finance practical

Build on BORVOR's green policy and field partnerships to support farmers with practical climate-smart solutions, including soil-health practices and lower-risk agricultural inputs.

Appendix: Statement of financial position

Selected audited figures, USD.

Indicator	2025	2024
Cash on hand	23,985	28,791
Balances with National Bank of Cambodia	121,435	121,093
Balances with other banks	406,628	464,081
Loans to customers - net	6,604,943	6,536,137
Property and equipment	259,166	260,352
Other assets	10,924	20,770
Deferred tax assets	9,955	23,252
Total assets	7,437,036	7,454,476
Total liabilities	2,388,372	2,456,816
Total equity	5,048,664	4,997,660

Appendix: Statement of comprehensive income

Selected audited figures, USD.

Indicator	2025	2024
Interest income	1,203,100	1,134,478
Interest expense	(119,445)	(94,986)
Net interest income	1,083,655	1,039,492
Other operating income	196,476	41,764
Operating profit	171,399	55,014
Allowance for impairment losses	(110,163)	(77,430)
Profit/(loss) before income tax	61,236	(22,416)
Net profit/(loss) for the year	36,078	(40,289)
Net comprehensive income	50,022	28,793

Appendix: Statement of cash flows

Selected audited figures, USD.

Indicator	2025	2024
Operating profit before working capital changes	185,124	78,560
Net cash used in operating activities	(72,404)	(314,545)
Net cash used in investing activities	(8,642)	(2,907)
Net cash from financing activities	17,261	407,017
Cash and cash equivalents at end of year	430,673	492,951

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BORVOR Finance PLC

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