

PRESS RELEASE

For Immediate Release

VisionFund Cambodia Sold To Woori Bank of Korea

London, 25 June 2018 – After more than 20 years of providing financial services to hundreds of thousands of Cambodians, VisionFund International, the owner of a global network of microfinance institutions and part of World Vision International, a global Christian relief, development and advocacy organisation, is pleased to announce the sale of its microfinance institution, VisionFund (Cambodia) Ltd. to Woori Bank, one of the largest commercial banks in Korea.

In line with VisionFund International's strategy, it will redeploy the funds to other microfinance institutions across its network that are at earlier stages of development, in markets less well-served by microfinance providers and where VisionFund, as an early entrant offering microfinance services can impact more vulnerable families, living in rural communities with limited ability to access financial services.

Ninety per cent of VisionFund Cambodia's clients were women such as Soun Ny who took out her first loan from VisionFund after her husband died, to help her grow her agricultural business and provide for her children.

Soun Ny, her eight children and six grandchildren lived in an old wooden house on land they could not afford to cultivate. Soun Ny earned so little that most days she could only afford rice for one meal a day, which meant her children and grandchildren often went hungry. She applied for her first loan of USD100 from VisionFund Cambodia in 2009 and she invested the money in raising pigs. Since then, Soun Ny has taken out 11 further loans which has helped her to substantially increase her income so that her family has three meals a day, her children are studying and there are funds left over to provide for clothing and other expenses.

Over the years, and with hundreds of thousands of rural clients like Soun Ny, VisionFund Cambodia grew to encompass a nationwide network of 106 branches, focused on providing microfinance services primarily in rural communities where there has been limited or no access to financial services. It currently serves 216,000 clients, positively impacting the lives of 335,000 children¹.

Demand for VisionFund Cambodia's services resulted in its successful growth making it VisionFund International's largest microfinance institution² with a current gross loan portfolio of \$175 million.

¹ 335,000 children of 136,000 loan clients

² By portfolio size

Mr Michael Mithika, President and CEO of VisionFund International, said, “We are honoured to have served Cambodian families for over two decades and celebrate their success. In response to the impressive growth and development of the local market and in line with our mission to bring children brighter futures, we have recognised that it would be beneficial for VisionFund Cambodia to have an owner better resourced to support the future growth strategy and for us to redeploy the funds to countries where there is significantly less access to microfinance services for vulnerable populations. We are therefore delighted with Woori Bank as the new owner which will allow the organisation to develop and grow and have an even greater impact on Cambodian families and communities.”

Since it was founded in the early 1990s as a small credit programme run by World Vision International-Cambodia, VisionFund Cambodia was dedicated to positively impacting children’s lives by helping their families to grow businesses and increase incomes resulting in their children receiving nutritious food, attending school and receiving adequate healthcare.

Mr Kyung Hoon Park, Head of Global Business Group at Woori Bank stated, “We are very pleased to have acquired VisionFund Cambodia, a robust nationwide microfinance business and we look forward to working with its strong management team and staff to combine our commercial banking expertise and their local knowledge to bring microfinance products to even more Cambodians. This acquisition cements our commitment to Cambodia where we look forward to playing a bigger role in the development of its financial services market.”

VisionFund International maintains a strong and growing presence in Asia with microfinance institutions in five Asian countries. In accordance with its mission, VisionFund International will use the proceeds of the sale to support the growth of its network of microfinance institutions in 29 countries around the world, seeking to invest in markets where it can deliver the greatest social and financial inclusion impact.

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ABOUT VISIONFUND INTERNATIONAL

VisionFund International, World Vision’s microfinance arm, has been improving the lives of children in the developing world for more than a decade. By offering small loans and other financial services, its clients develop successful businesses, enabling their children to grow up healthy and educated. In 2017, VisionFund International provided loans to 1.2 million borrowers, with roughly three-quarters of these going to women, two-thirds to rural households, and a third to clients actively involved in farming. Repayment rates were 97%. Also in 2017, 4.6 million of our clients’ children were being positively impacted through its MFI network located across 30 countries in Africa, Latin America, Asia, and Eastern Europe.

For further information please visit: VisionFund.org

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