2024

BRAC MYANMAR MICROFINANCE COMPANY LTD

ANNUAL REPORT

“Since women are the ones who manage poverty, shouldn’t they be in charge of managing development as well?”

-Sir Fazle Hasan Abed
1936-2019

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BOARD CHAIRPERSON’S MESSAGE

2024 marks a milestone year for BRAC Myanmar Microfinance Company Ltd (BMMCL) as we complete a decade of service in Myanmar. Today, we partner with 240,000 clients, 96% of whom are women, providing responsible financial services that help them build resilience and create stable livelihoods.

Myanmar has faced significant social and economic challenges in recent years. As with any crisis, the impact is most acutely felt by people living in poverty, especially women and those who have been displaced by the ongoing conflict. In response, we prioritised the safety and security of our staff and the well-being of our clients, adopting a lean operational model and introducing cost-efficient measures to reduce mobility requirements for both clients and frontline staff, helping protect people while ensuring they could continue to access critical financial services.

Even in the most difficult circumstances, our commitment to listening, learning, and adapting remains strong. For the fifth consecutive year, we measured our social performance through Lean Data℠ impact surveys. Once again, BMMCL ranked among the top institutions in Asia for client satisfaction in the 60 Decibels Microfinance Index. Our results show that access to responsible financial services is a critical tool for people to lift themselves out of poverty — a majority of BRAC clients report they are earning more, saving more, and experiencing improved quality of meals and increased spending on children’s education.

In 2024, we also continued to expand our financial and digital literacy training for women, reaching more than 47,000 clients. These training sessions are making a measurable difference, with clients who received the training reporting higher incomes, greater savings, and reduced financial stress compared with those who did not.

As we look ahead, we recognise the challenges that remain, but also the resilience and determination of the communities we serve. It is our shared responsibility to support women living in poverty, to create opportunities for entrepreneurship and employment that can help them build dignified lives and livelihoods.

As Board Chair, I want to express my deep gratitude to the Microfinance Regulatory Department for our enduring partnership. This collaboration has been instrumental in empowering women and girls across the country to build a brighter future for themselves and their communities. I am also profoundly grateful to the Government of Myanmar for their unwavering support and trust in our mission. To our investors and partners, thank you for being on this journey with us, and we look forward to continuing and strengthening our partnership in the coming years.

Finally, to all our dedicated staff, especially those working directly with the communities, please know how much I value and appreciate your tireless efforts. Your daily commitment to bringing essential services to the thousands of women in the cities and villages across Myanmar inspires us all.

At BRAC, we believe that everyone has the potential to change their own life. What’s often missing is the opportunity – especially for those living with poverty and inequality. As we look to 2025 and the years ahead, we’ll continue partnering with communities to develop and scale solutions that enable people to realise their full potential.

Shameran Abed
Board Chairperson
BRAC Myanmar Microfinance Company LTD.

MANAGING DIRECTOR'S MESSAGE

As we reflect on 2024, a year that marks a decade of BRAC Myanmar Microfinance Company Ltd's (BMMCL) journey, we find ourselves celebrating the milestones, and honoring the quiet resolve and extraordinary strength of our people.

Under the theme *"Realising the potential of people to scale the impact on clients"*, we carried forward our mission to empower communities, especially women living in poverty through inclusive, client-focused financial services. This theme reflects our belief that by investing in the growth and resilience of our people, both staff and clients, we can multiply our impact and drive lasting change.

In a context shaped by complexity and intensity, our focus has remained steady: to protect our staff, sustain operations, and deepen our impact. Through strategic decisions and tireless efforts from ourteam, we continued to adapt and serve, reaching more clients while upholding our values.

"The journey through 2024 has been one of resilience and reinvention, grounded in the spirit of the communities we serve."

As of December 2024, BMMCL operates across 70 branches, serving 254,240 clients, including savers, 95% of whom are women, 59% from rural communities, and 43% living in poverty, as defined by a daily income of less than $5.50.

We achieved a significant milestone in rolling out Financial and Digital Literacy training across all branches in Myanmar reaching 47,545 clients, all of whom were women, by the end of December. This enhanced client satisfaction, as well as contributed to increased voluntary savings and long-term financial resilience.

We continued our long-standing commitment to learning directly from clients, conducting our sixth annual impact assessment using the Lean Data^{SM} methodology in partnership with 60 Decibels. The 2024 findings were powerful: 93% of clients reported an improved quality of life, 97% saw increased income, and we earned a Net Promoter Score of 86%, placing BMMCL as the 6th most impactful microfinance institution in Asia.

Last year, we also made the difficult but responsible decision to write off around 10% of our loan portfolio—primarily supporting clients hardest hit by COVID-19 and the ongoing political crisis. It was a step guided by empathy and our values of inclusive, responsible financing. Encouragingly, portfolio quality from the last two years continues to improve, with signs of a return to pre-crisis sustainability.

To celebrate our 10-year journey, we came together in Kalaw, Shan State, for a meaningful all-staff gathering. Bringing 450 team members from across the country, the event was a powerful reminder of our shared purpose and the bonds we've built along the way. It was a moment to reflect, reconnect, and take pride in everything we've achieved, and all that lies ahead.

I extend my heartfelt gratitude to our partners, investors, and service providers whose belief in our mission strengthens our resolve. To our staff, thank you for your relentless dedication, your courage in challenging times, and your enduring drive to serve. And to our clients, your trust, resilience, and hope remain our greatest inspiration. We carry your stories with us as we step into the future, more determined than ever to serve with humility, purpose, and heart.

Md Sazaduzzaman
Managing Director,
BRAC Myanmar Microfinance Company Limited

WHERE HOPE PLANTED ROOT

In 1972, in a country still reeling from the Liberation War, Sir Fazle Hasan Abed launched a modest relief effort in the remote village of Sulla in northeastern Bangladesh to support returning refugees. This initiative gradually took root and evolved into something much larger.

From those humble beginnings, BRAC became a global organisation, partnering with over 100 million across Asia and Africa. At its core is a simple belief: given the right support, people can transform their own lives.

Grounded in the Global South and shaped by constant learning, BRAC listens, adapts, and acts—with humility, boldness, and deep trust in human potential.

ABOUT BRAC

OUR MISSION

Our mission is to empower people and communities in situations of poverty, illiteracy, disease, and social injustice. Our interventions aim to achieve large-scale, positive changes through economic and social programmes that enable men and women to realise their potential.

OUR VISION

A world free from all forms of exploitation and discrimination where everyone has the opportunity to realise their potential.

OUR VALUES

- Integrity
- Inclusiveness
- Effectiveness
- Innovation

STICHTING BRAC INTERNATIONAL

Stichting BRAC International is a non-profit foundation formed in the Netherlands. It governs all BRAC entities outside Bangladesh with the objective to engage in charitable and social welfare activities in any country of the world.

BRAC INTERNATIONAL HOLDINGS B.V.

BRAC International Holdings B.V. (BIHBV) was set up in 2010 as a private limited liability company and is a wholly-owned subsidiary of Stichting BRAC International. BIHBV is a socially responsible for-profit organisation engaging people in sustainable economic and income-generating activities.

BRAC INTERNATIONAL MICROFINANCE

BRAC champions a model of development that drives both economic and social progress, believing that true, lasting change must deliver both. Central to this vision is access to responsible financial services: a gateway that allows those excluded from traditional financial systems to invest in themselves, uplift their families, and strengthen their communities.

Since pioneering microfinance in 1974, BRAC has expanded its reach beyond Bangladesh, launching international operations in 2002. Today, BRAC's microfinance programmes serve more than 921,000 clients across seven countries: Myanmar, Tanzania, Uganda, Rwanda, Sierra Leone, Ghana, and Liberia. 96% of these clients are women.

Our mission is clear: to provide financial services responsibly to those at the bottom of the pyramid—particularly women living in poverty in rural and hard-to-reach areas. We aim to fuel self-employment opportunities, build financial resilience, and harness women's entrepreneurial spirit by empowering them economically.

OUR REACH

96%
of clients are women

7
Countries

887,686
Savers

921,243
Borrowers

$478.7m
Disbursed in loans

*as at December 2024

When Life Hit Hard, She Hit Back Harder

Story of Daw Khin Win

On the edge of Yangon's restless streets, down Thel Kone Road in Ye Su Taung ward, sits a rice shop with concrete walls that weren't always there. Inside, Daw Khin Win, 59, arranges sacks of rice with the quiet confidence of someone who has built a business and her life, against the odds, and in spite of the pain.

She wasn't born here. In 2006, after years of hardship in Kyain Chaung village, Ayeyarwady Division, she and her family moved to Htauk Kyant in search of something steadier. Struggling to find footing in a new town, she juggled survival with heartbreak. Her middle son, her spirited boy, died in a motorcycle accident a few years later. "There is no sorrow like a mother's," she says, her voice measured. "It nearly undid me."

With no roadmap and few resources, she did what women like her have always done, she began again. The rice shop started small. A few customers. A few bags. Enough to get by. But not enough to grow. When neighbors introduced her to BRAC Myanmar's microfinance group loan program, she joined, cautiously. Her first loan was for 300,000 MMK ($143). It went into stock. Then came another. And another.

Over the next ten years, those loans scaled alongside her ambitions, from 500,000 MMK ($238) to 2.5 million MMK ($1,190). Eventually, she moved to individual loans, and the shop evolved. What used to bring in 20,000–30,000 MMK a day ($10–$14) now sells upwards of 300,000 MMK ($143) in daily goods. A house that was once wooden is now concrete. Next door, she's built a second house with rooms to rent, funded by business profits and her husband's savings.

"When BRAC Myanmar came, it wasn't just about the money," she says. "They explained things. Taught us how to save, how to understand interest. They were patient." Today, she uses KPay for transactions, staying connected in a world quickly going digital. "It makes me feel modern," she laughs.

But what moves her most isn't the numbers, it's the dignity. The ability to offer fair prices. To support local charities. To belong. "I used to worry about getting through the week. Now, I think about how I can help others."

Her next dream is to open a food shop with two friends. Each will invest 10 million MMK ($4,760). She's saving slowly. Carefully. The same way she built everything else.

"Even through COVID and the unrest, BRAC didn't walk away," she says. "That kind of support, you don't forget."

As BRAC Myanmar marks ten years, Khin's story mirrors theirs: quiet perseverance, grounded in community. "I feel seen," she says. "I tell people, don't give up. No matter how heavy life feels. If you just keep going, things can change."

BRAC MYANMAR MICROFINANCE COMPANY LTD.

Our mission is to provide financial services responsibly to people at the bottom of the pyramid. We particularly focus on women living in poverty in rural and hard-to-reach areas to create self-employment opportunities, build financial resilience, and promote women's entrepreneurial spirit by empowering them economically.

OPERATIONAL HIGHLIGHTS

95% of clients are women

43% outreach to people living in poverty

66% outreach to people living in rural areas

70 branches

115,353 borrowers

250,964 savers

$305.19m disbursed in loans

As at December 2024
*Earning less than $5.5 per day

OUR PRODUCTS

In the hands of a woman with vision, even the smallest opening can set a new course. At BRAC, we build financial pathways that move with her ambition: circles of women built on trust, loans that fuel growth, and savings that turn daily discipline into lasting security.

Our core offerings begin with a collateral-free, group-based microloan designed exclusively for women, bringing together 15 to 25 women from the same community to form supportive circles that do more than manage loans. These groups foster trust, shared learning, and a strong sense of social cohesion, creating a space where women exchange ideas, strengthen financial skills, and grow together. Loan sizes range from USD 120 to 600, with weekly or monthly repayments made during group meetings. We complement this with pre-disbursement orientation and financial literacy training, helping women build productive livelihoods, invest in micro-businesses, and navigate household emergencies.

For entrepreneurs with bigger ambitions, our small enterprise loans offer the capital needed to grow and expand. In rural areas, our agrifinance product meets farmers where they are, providing tailored support to improve yields and adopt better practices. We also offer Women Microenterprise Loans, fast, flexible credit for women running small businesses, and a Persons with Disabilities Loan, an inclusive product shaped to meet the unique realities of clients living with disabilities.

DIGITAL TRANSFORMATION

The client value proposition is at the core of our digital transformation efforts, with a particular emphasis on reducing the gap in women's digital financial inclusion. We are embracing financial technology by digitising field operations and adopting alternative delivery channels to increase operational efficiency and offer greater convenience to our clients.

In 2023, we dialed up our digital game with the client at the center, especially women, who remain underserved in financial services. In partnership with KBZ Pay, we rolled out a mobile money solution that lets women micro-entrepreneurs and small business clients repay their loans with a tap on their phones. The service is live in 52 branches, and by 2025, it's set to reach every corner of our network, closing the gender gap, one digital payment at a time.

FINANCIAL AND DIGITAL LITERACY

Since its launch in 2022, BMMCL has continued to deliver financial and digital literacy training to group loan clients , not as a box to check, but as a powerful tool for real, lasting change.

The sessions don't just teach budgeting or saving, they are thoughtfully designed to help women take control of their finances, improve their personal well-being, grow their businesses, and navigate an increasingly digital world.

By the end of December 2024, a total of **47,545** clients received financial literacy training in 2024.

In November 2024, BMMCL took an important step toward inclusion by extending financial literacy training to clients with disabilities. Within just one month, more than 110 persons with disabilities had received the training, a small but significant milestone in ensuring that financial empowerment is truly for everyone.

SOCIAL PERFORMANCE

What if the most valuable data doesn't come from dashboards, but from doorsteps?

At BRAC, we believe the best way to understand impact is to sit with our clients, listen to their stories, and learn from their lived experiences. That's why, since 2019, we've partnered with 60 Decibels to carry out annual Lean Data[SM] surveys—short, meaningful conversations that reveal how our services are truly affecting people's lives.

These insights directly inform our Social Performance Management and Client Protection efforts, pushing us to do better, be more responsive, and stay focused on what matters most to the people we serve.

In 2024, we conducted our sixth impact survey on five social outcome focus areas of BRAC: quality of life, financial resilience, women's economic empowerment, self-employment and livelihood opportunities, and household welfare. All respondents surveyed were women.

Highlights from Lean Data Impact Survey

After engaging with BRAC

95% of clients said their quality of life had improved

85% of clients saved more

94% of clients managed their finances better

97% of clients earned more

90% of clients reported greater independence in making financial decisions

LEADERSHIP TEAM

Board of Directors

Shameran Abed
Chairperson

Johannes Maria Antonius Eskes
Director

Bridget Lee Dougherty
Director

Md. Sazaduzzaman
Managing Director & Ex-officio

MANAGEMENT TEAM

Md. Sazaduzzaman
Managing Director

Lwin Mar Mar Nyein
Head of Finance

Hasan Uzzaman
Cluster Operation Manager

Zin Mar Hnin
Head of Business Development & Impact

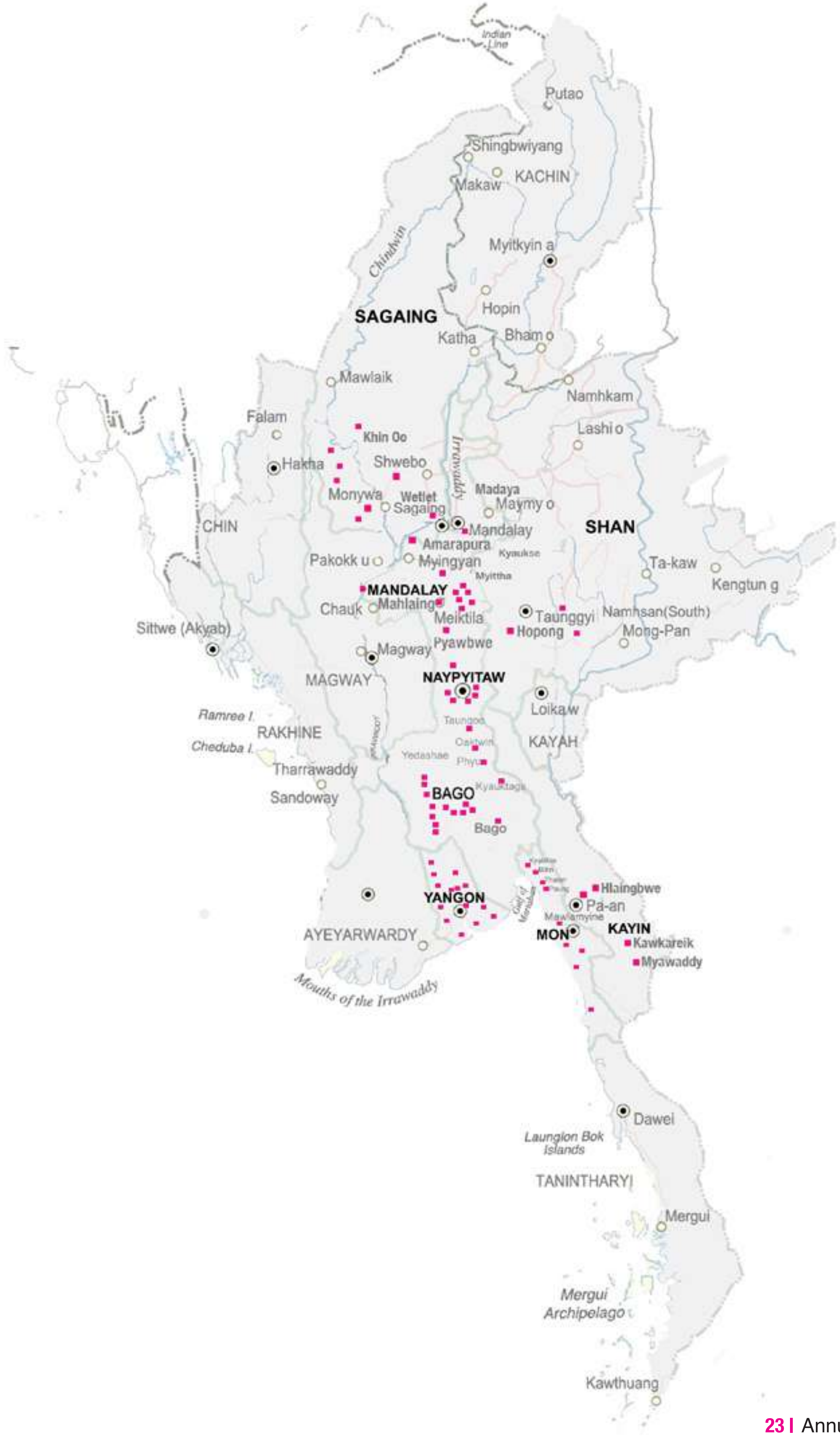
Ei Ei Phyo Aung
Head of IT

Ei Shwe Zin Moe
Acting Head of HR

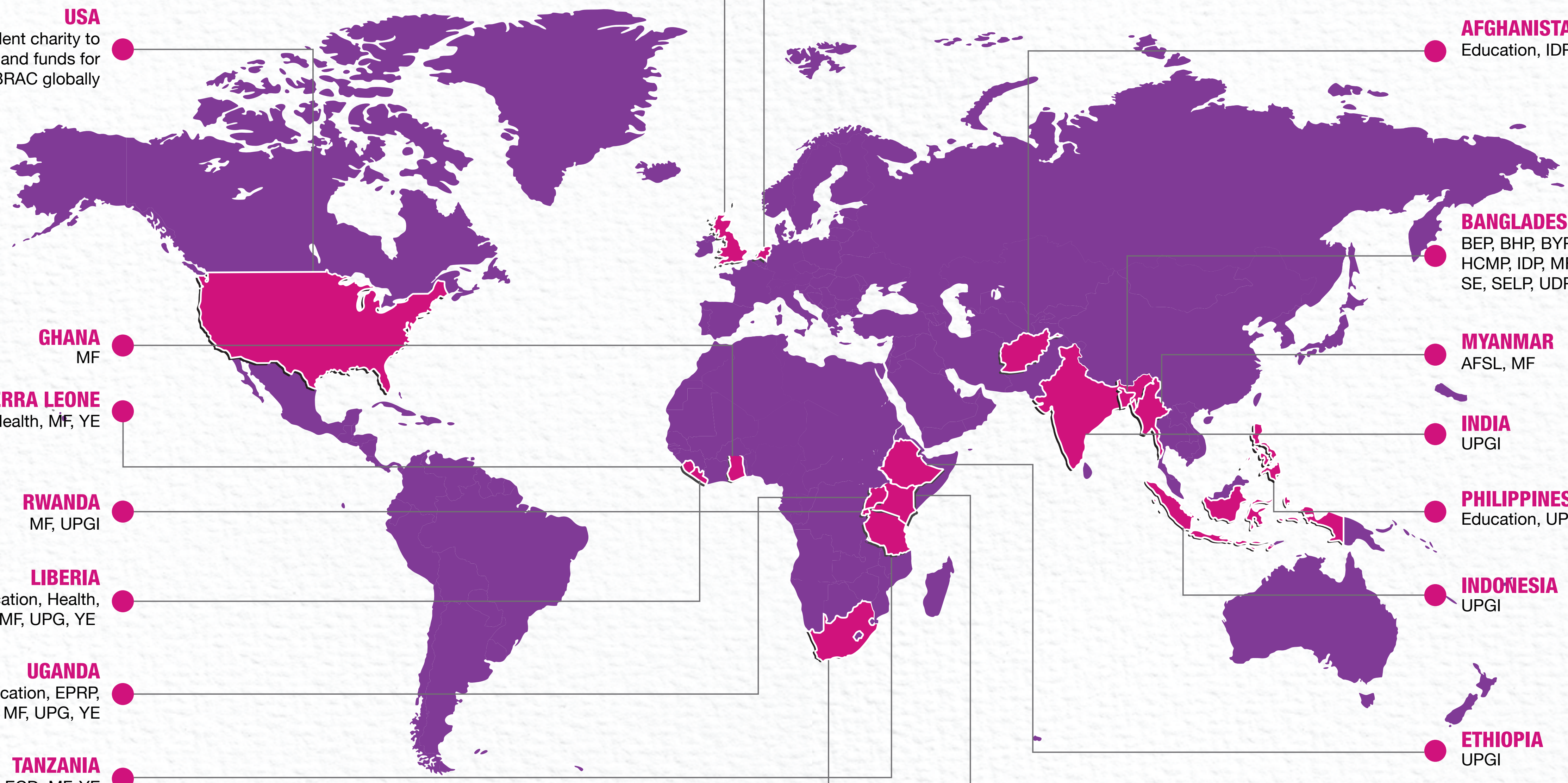
Wut Yee Htun
Coordinator, Communications & Knowledge Management

OUR DONORS & PARTNERS

OUR BRANCH NETWORK



BRAC ACROSS THE WORLD



EUROPE
An independent charity to raise profile and funds for BRAC globally

USA
An independent charity to raise profile and funds for BRAC globally

GHANA
MF

SIERRA LEONE
AFSL, Health, MF, YE

RWANDA
MF, UPGI

LIBERIA
AFSL, Education, Health, MF, UPG, YE

UGANDA
ECD, Education, EPRP, Health, MF, UPG, YE

TANZANIA
AFSL, ECD, MF, YE

NETHERLANDS
Stichting BRAC International registered as a foundation

AFGHANISTAN
Education, IDP

BANGLADESH
BEP, BHP, BYP, CCP, DRMP, GJD, HCMP, IDP, MF, MG, RMG, SDP, SE, SELP, UDP, UPG, WASH

MYANMAR
AFSL, MF

INDIA
UPGI

PHILIPPINES
Education, UPGI

INDONESIA
UPGI

ETHIOPIA
UPGI

SOUTH AFRICA
UPGI

KENYA
Africa Regional Office

AFSL: Agriculture, Food Security and Livelihood
BEP: BRAC Education Programme
BHP: BRAC Health Programme
BYP: BRAC Youth Platform
CCP: Climate Change Programme
DRMP: Disaster and Risk Management Programme
ECD: Early Childhood Development
EPRP: Emergency Preparedness and Response Programme
GJD: Gender Justice and Diversity
HCMP: Humanitarian Crisis Management Programme
IDP: Integrated Development Programme
MF: Microfinance
MG: Migration
RMG: Readymade Garments
SDP: Skills Development Programme
SE: Social Enterprises
SELP: Social Empowerment and Legal Protection
UDP: Urban Development Programme
UPG: Ultra Poor Graduation
UPGI: Ultra Poor Graduation Initiative
WASH: Water, Sanitation and Hygiene
YE: Youth Empowerment

FINANCIAL HIGHLIGHTS

BRAC MYANMAR MICROFINANCE COMPANY LIMITED

Net Income

BRAC Myanmar Microfinance Company Limited completed its eleventh year of operation in 2024. The company reported pretax profit of USD 926,598 in 2024 compared to pretax loss of USD 458,277 in 2023.

Interest income earned during the year is USD 8,061,541 in 2024 as against USD 8,294,134 in 2023.

Operating Expenses

Total operating expenses for the year was USD 3,998,345 as against USD 3,234,985 in 2023 showing an increase of 24%, primarily due to the implementation of new HR module.

Provision for Impairment losses

This year amount charged for impairment of loans is USD 1,852,248 as against USD 3,159,638 in 2023. Total loan loss reserve was USD 2,514,776 (2023: USD 4,668,423). The decrease in impairment loss on loans is due to decreasing Portfolio at Risk (PAR>30) which is 3.71% in 2024 compared to 13% in 2023.

Financial Position

In 2024, the company's total assets increase by 6% to USD 35,839,308. The increase in total assets are mainly due to increase in Loans and advances to customers, which accounts for 91% of total assets.

Performance Review (in USD)

Particulars	2024	2023	2022	2021	2020
Income Statement					
Operating Income	6,777,191	6,852,901	7,242,924	8,435,805	5,926,720
Net profit/(loss) before tax	926,598	458,277	(419,121)	(2,443,826)	309,401
Financial Position					
Total Asset	35,839,308	33,802,823	32,405,035	38,625,820	56,255,787
Net Equity	7,480,963	6,039,182	5,643,945	9,782,954	17,929,470
Loans to Customer (net)	32,480,605	27,300,349	26,696,874	30,995,909	43,919,594
Cash at Bank	2,745,419	6,035,415	6,035,415	6,454,447	10,718,228
Contribution to Government Exchequer					
Income Taxes	(13,554)	563,040	222,555	-	159,902
Withholding Taxes	-	-	79,584	102,204	27,601
Social Security and Pension	114,539	116,349	35,445	73,860	43,252
Returns and Ratio					
Return on Asset	2.66%	1.38%	-1.18%	3.30%	2%
Cost to Income	31%	47%	56%	95%	83%
Operational Statistics					
Total Borrowers	115,353	113,007	123,870	138,612	154,119
PAR>30	3.71%	13.18%	24.02%	35.00%	6.56%

Operating Income Vs Number of Borrowers

Particulars	2024	2023	2022	2021	2020
Operating Income	6,777,191	6,852,901	7,242,924	8,435,805	5,926,720
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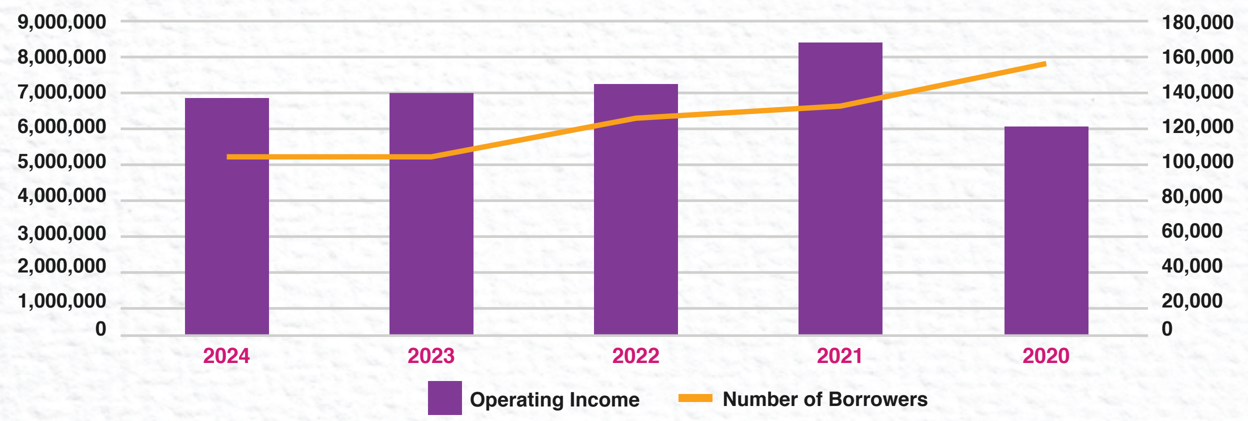

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