

HIGHLIGHTS OF THE 2024 ACCOUNTS

OUR VISION

We wish for a world where children no longer fall by the wayside; a world in which every child, regardless of their family, has the opportunity to develop in an atmosphere of peace, respect and love, and to be trained to become a responsible actor in society.

CENTERS IN CAMBODIA

One main center in Phnom-Penh and two in the provinces (Siem Reap and Sihanoukville).

CHILDREN'S KEY FIGURES 2024

6,959 children were cared for on average over the school year from January to December 2024.

OUR MISSION

PSE's mission is to lift children out of extreme poverty and lead them to a qualified, dignified and decently paid job through solutions adapted to their needs.

FINANCIAL YEAR DATES AND EXCHANGE RATES

The dates of the 2024 financial year are from January 1 to December 31, 2024.

The average conversion rate for the year was EUR 1.00 = USD 1.09

A WORD FROM THE TREASURER

The accounts were approved by the Board of Directors on May 23, 2025, and by the Annual General Meeting on June 23, 2025.

Highlights of the year ending December 31, 2024, were as follows:

- The Cambodian administration pays the salaries of 43 teachers,
- The closure of the sewing workshop and the outsourcing of uniform supply, enabling the premises to be used for tutoring classes,
- Setting up partnerships with specialized institutions for children with disabilities,
- The acquisition of office space in Suresnes, in line with the company's policy of diversifying its financial investments..

Net income is up sharply (EUR 1.8 million in 2024 / EUR 0.3 million in 2023), but needs to be tempered as it is largely linked to the financial result (over 50%), with exchange rate variations recorded in the accounts (losses in 2023 and revenue in 2024). Operating income (EUR 0.8 million in 2024 / EUR 0.2 million in 2023), which is more representative, continues to rise sharply, mainly due to:

- Growth in operating income of EUR 0.6 million, with small growth in all donation entries and significant growth in bequests.

- Stable expenses in current EUR (down EUR 0.1 million) due to a favorable currency effect of EUR 0.3 million, the assumption of part of the cost of teachers for EUR 0.2 million, and the good performance of expenses, offsetting the effect of inflation, estimated at EUR 0.2 million.

The strategic plan, validated by the Board of Directors, decided to implement a plan to increase resources to support the development of social missions, or, at the very least, to offset inflation in order to guarantee the same level of support.

To secure the children's long-term future, the association has succeeded in building up reserves over time, with the aim of having at least one year's operation available. This led the Annual General Meeting to approve a resolution to allocate part of the year's income to increase the reserve for resource shortfalls, raising it from EUR 9 million to EUR 10 million in line with future recurring expenditure.



BY Thierry KUTER,
Treasurer on June 23, 2025,
replaced by Eric BORNE

INTERVENTION MODEL

The association starts by listening to its beneficiaries, with social missions developed over time to meet their needs. The **children are supported from start to finish, from early childhood to professional integration**, via personalized educational paths, with particular attention paid to the most vulnerable (remedial education, adapted teaching for children with disabilities).

Children's needs are taken care of holistically, taking the pressure out of everyday life and maximizing the chances of children graduating: nutrition, health, protection, and also help for families (PSE distributes rice to parents to compensate for the loss of income when a child goes to school rather than work).

The educational approach is also global, integrating education in **values** as well as in soft skills and respect for the environment.

Finally, the choice is to be strongly **integrated into the country of intervention**, taking care not to replace what exists locally. The number of employees in Cambodia was 580 at the end of the financial year, 96% of whom were Cambodian. The director is Cambodian, and one of the first beneficiaries.



SOCIO-ECONOMIC MODEL

Our model is based on an appeal to the public's generosity, and our resources are made up of private funds.

- **Sponsorship**
Regular, mostly monthly, donations from individuals. At PSE, sponsorship is non-nominative, which was the founders' initial wish.

Other sources of funding include:

- **Donations**
Received directly or collected by a network of 23 volunteer branches in France and around the world, organizing support events and shows.
- **Bequests, donations, and life insurance**
This has been an important new source of funding since 2021, although it cannot be considered as guaranteed.
- **Corporate partnership and philanthropy**
These involve support for our programs or projects. We prefer a partnership approach with our sponsors, which enables us to establish support that naturally lasts over the long term, as it is meaningful, engaging for employees and its impact is measured.

Operating and fund-raising costs have been strictly controlled (10% of expenditure) since the association was founded, thanks to strict management and a strong reliance on volunteer work. There are 7 employees at the head office in France;

Programs :

Recurring, long-term activities to benefit children, primarily our education and vocational training programs.

Projects :

One-off activities with a specific objective and dedicated resources, such as investments, projects to improve existing programs; or pilot projects for new programs. These projects are recorded under dedicated funds.

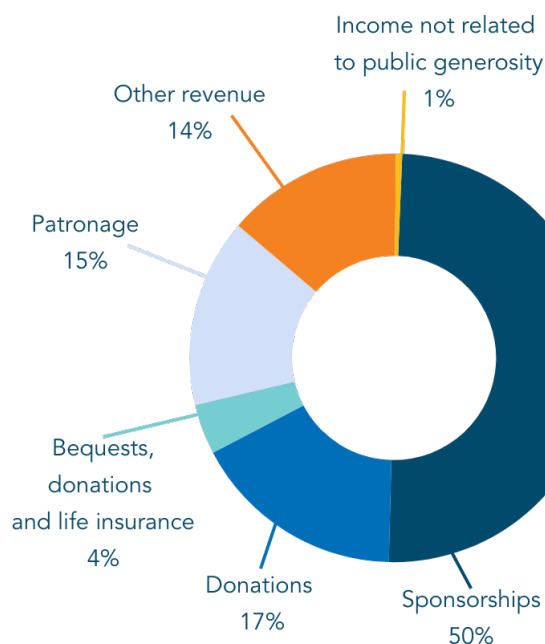
Management of PSE land and buildings:

The Cambodian real estate company PSE-C owns the land and buildings. PSE-C is owned 49% by PSE and 51% by Cambodian shareholders, mainly the founders' families.

OUR RESOURCES

	2024 (in thousands of euro)	variation % 2023
■ Sponsorships	5 358	1%
■ Donations	1 847	6%
■ Bequests, donations and life insurance	398	119%
■ Patronage	1 671	8%
■ Other revenue	1 471	24%
■ Income not related to public generosity	62	102%
TOTAL	10 807	8%

Source : Income statement by origin and destination (CROD) 2024



Almost all the association's resources come from appeals to the public's generosity.

SPONSORSHIPS

These are regular, mostly monthly, donations from almost 9,000 individuals. Sponsorships are allocated to social missions, while also covering a portion of overheads and fund-raising costs. The amount of sponsorship is up slightly, but its relative weight is down (50% in 2024 / 53% in 2023).

DONATIONS

Hausse globale de 6 % des dons, avec des dons affectés aux programmes en baisse (-31%) mais une hausse importante des dons non affectés (+16%), notamment portée par une hausse des dons de grands donateurs.

BEQUESTS, DONATIONS, AND LIFE INSURANCE

This strong growth will continue in 2025, with a significant bequest spread over the 2024 and 2025 financial years.

PATRONAGE

This significant 8% increase confirms the potential for greater involvement of partners (companies and foundations). This includes a very sharp rise in donations to fund projects (+97%), linked to the financing of a project to repair the roofs of buildings at the Phnom-Penh Center.

OTHER REVENUE

This income comprises financial revenue, exceptional income, reversals of provisions for liabilities and charges, and asset depreciation, and the use in the year of funds received by the association in previous years and earmarked for specific projects. The increase of EUR 283 thousand is mainly due to a positive exchange difference and a EUR 50 thousand reversal of a provision for risk. Note the slight increase in financial revenue from investments, amounting to almost EUR 400 thousand in 2024.

PRODUITS NON LIÉS À LA GÉNÉROSITÉ DU PUBLIC

Increase in a public subsidy of EUR 29 thousand received from Cambodia, the total amount of subsidies remaining very limited in relation to total revenue (0.5%).

OUR JOBS

	2024 (in thousands of euro)	variation % 2023
■ Social missions	7 511	-8%
■ Fundraising expenses	491	-7%
■ Operating costs	386	30%
■ Allocation for provisions and depreciation	0	-100%
SUB-TOTAL	8 388	-10%
Other expenses and surplus	2 419	270%
TOTAL	10 807	8%

Source : Income statement by origin and destination (CROD) 2024

90% of jobs are directly dedicated to the association's social missions.

SOCIAL MISSIONS

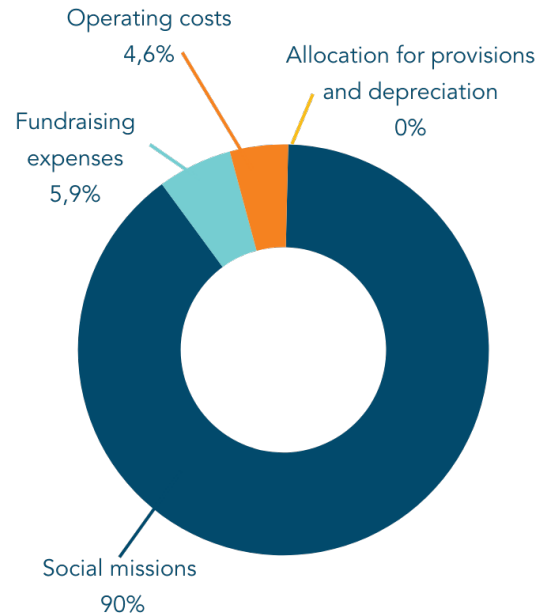
These are the operating expenses of the programs from which the children supported by the association benefit. They were down by a significant 8%, mainly due to currency effects (effect of the average exchange rate for EUR 0.3 million and provisions for year-end exchange differences for EUR 0.4 million), the assumption of the salaries of 43 teachers from January 1, 2024, and the reduction in the food entry thanks to donations of food products offsetting general increases in operating costs.

FUNDRAISING EXPENSES

These are the costs of appealing to the public's generosity, mainly at the head office in France and the project team in Cambodia. The decrease is due to a reduction in salaries and expenses (three positions were not full-time during the year), which also had a partial impact on operating expenses. In addition, a fundraising event organized at UNESCO in June 2023 was not renewed for 2024.

OPERATING EXPENSES

These are the day-to-day management costs of the head office in France. The increase is due to a rise in the cost of services (impact measurement, major donor strategy consultancy, recruitment firm for an urgent secretarial replacement) and, to a lesser extent, one-off costs linked to the transfer of the head office from Versailles to Suresnes in July 2024.



ALLOCATION FOR PROVISIONS AND DEPRECIATION

This allocation for financial provisions recognizes the depreciation of the gross amount of the loan to PSEC (in USD) at the end of 2023 compared with its value at the average accounting rate (USD/EUR = 1.1050 vs. 1.0512). The lower exchange rate on 12/31/2024 than the average rate (USD/EUR = 1.039 vs 1.090) has not led to the establishment of a provision.

OTHER EXPENSES AND SURPLUS

These expenses represent the profit/loss for the year, in excess of EUR 1,758 thousand vs. EUR 319 thousand in 2023, as well as resources allocated to projects, collected over the year and not spent during the year (EUR 582 thousand in 2024 vs. EUR 244 thousand in 2023 explained by a project to repair the roofs of the Phnom-Penh Center buildings, to be implemented in 2025).

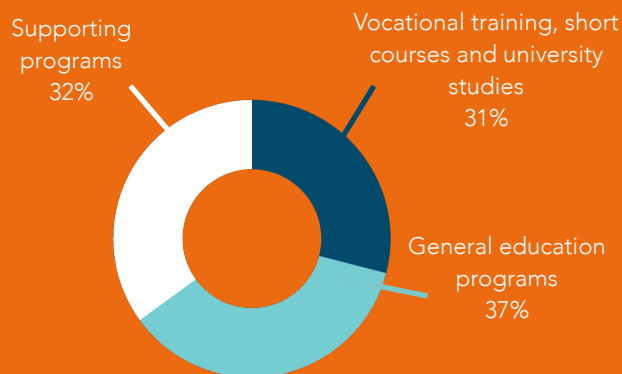
AVERAGE COST PER CHILD PER MONTH (2024 SCHOOL YEAR)

Average for all programs	Children in PSE nursery/pre-school	Children in school		Students in vocational training*
87€	99€	49€		230€
		in public schools	at the PSE remedial school	
		30€	118€	

* Excluding young people on short

The cost per child includes the direct costs of training and education programs, the common program costs, and services media (see next page), as well as operating and fundraising costs. Costs related to projects, small equipment, and the rent paid by PSE to PSE-C are excluded.

FOCUS ON SOCIAL MISSIONS



GENERAL EDUCATION PROGRAMS

Enrolment in public schools; PSE school (remedial teaching and tutoring); nursery/pre-school centers; programs in the provinces; adapted teaching for children with disabilities; teaching languages and life skills; educational, guidance, and school dropout prevention teams.

SUPPORT PROGRAMS

Nutrition (canteens), medical, and maternal and child protection programs; childcare assistants, foster families, boarding schools; social and family assistance programs; extra-curricular activities and summer camps.

COMMENTS

Program costs are divided between two-thirds for education and training, and one-third for support programs.

With regard to general education programs, the PSE school accounts for 8% of total program costs, compared with 10% in 2023, given that the Cambodian government will pay the salaries of 43 teachers. In terms of support programs, the nutrition program accounts for 16% of total program costs.

RESERVE POLICY

In view of its long-term activity (supporting children over the long term), the association has set itself the target of having a minimum of one year's current activity (EUR 9 million by the end of 2024, rising to EUR 10 million by the end of 2025 following a resolution by the Annual General Meeting). Prudent management from the outset, the very positive financial impact of the Les Pépites film and the pandemic (stable revenues and significantly lower

BILAN SIMPLIFIÉ

ASSETS 2023 (in €k)

Fixed assets	3 403
Current assets	19 034
Assets conversion variance	0
TOTAL ASSETS	24 482

LIABILITIES 2024 (in thousands of euro)

Equity or associative funds	15 780
Dedicated funds	7 767
Provisions for risks and debts	707
Liabilities conversion variance	228
TOTAL LIABILITIES	24 482

The **fixed assets** includes EUR 2.7 million of the net financial fixed assets corresponding to the Cambodian real-estate company PSE-C that holds the land and buildings. The balance corresponds to tangible and intangible assets after depreciation (plant and equipment) in the amount of EUR 1.3 million, of which EUR 0.6 million corresponds to the value of offices acquired in 2024 in Suresnes as part of the association's long-term investment policy.

The current assets consist mainly of financial investments (EUR 13.4 million) and cash (EUR 5.7 million), and at the end of 2024 EUR 0.4 million in receivables collected from bequests.

The shareholders' equity corresponds to the EUR 10 million in reserves built up by the association over the years, EUR 4 million in retained earnings and EUR 1.8 million in net profit for the year.

The **dedicated funds** break down into EUR 6.8 million in sponsorship funds, EUR 0.6 million in funds dedicated to various ongoing projects, including EUR 0.4 million for the roof repair project, and EUR 0.4 million in deferred funds linked to bequests.

The provisions amount to less than EUR 0.1 million in **provisions** for risks and EUR 0.6 million for debts.

expenses) and revenue for the 2024, financial year, has resulted in a year-end reserve significantly higher than one year. This situation will enable the association to adapt income and expenditure over time, by adjusting the number of beneficiaries and/or the assistance provided to each child, with the capacity to cope with a one-off deficit, over several years if necessary.