

KINGDOM OF CAMBODIA

Nation Religion King



Single Submission Form and Disclosure Document
ASEAN+3 Bond Market Forum (ABMF) Initiative



RMAC Bond

RMA (Cambodia) PLC. (RMA) is one of the leading and most trusted distributors of prestigious brands including Ford, Jaguar Land Rover, John Deere, JCB, FUSO, and other special products since 1992 with a network across Cambodia.

RMAC Bond is 100% guaranteed by Credit Guarantee and Investment Facility (CGIF), which has credit ratings including: 1) "AA/A-1+" Global (Long Term & Short Term), Stable Outlook, by S&P Ratings on 26 Feb 2020, 2) "gAAA/seaAAA/AAA", Global/ASEAN/National, Stable Outlook, by RAM Ratings on 30 Jan 2020, 3) "AAA" National, Stable Outlook, by MARC on 17 Dec 2019, 4) "AAA" National, Stable Outlook, by TRIS Ratings on 15 Oct 2019, 5) "AAA" National, Stable Outlook, by Fitch Ratings Indonesia on 10 Dec 2019, and 6) "idAAA" National, Stable Outlook, by Pefindo Credit Rating Agency on 30 Aug 2019.

RMAC has recorded strong sales of its products and has recently experienced dramatic growth. As of 31 December 2018, its total assets, revenues, operating profits and net incomes grew by 45.0% (USD 63,141,920), 45.2% (USD 150,018,815), 116.8% (USD 10,752,093), and 307.6% (USD 6,622,693) respectively.

RMAC will issue its first corporate bond to the public in the total principal amount of KHR 80 billion (or its equivalent in USD of up to US 20 million, whichever is lower) with a tenor of 5 years and coupon rate of 5.5% p.a.

Net proceeds will be used to refinance the existing working capital facilities.

Guarantor



Financial Advisor and Underwriter



Single Submission Form

Common Document for Submission to Regulatory,
Listing, and Registration Authorities, and Market
Institutions for the Issuance of Notes under the
ASEAN+3 Multi-Currency Bond Issuance Framework
(AMBIF)

ASEAN+3 Bond Market Forum (ABMF) Initiative

“RMAC Bond”

Issuer



Guarantor



Financial Advisor and Underwriter



Important Explanations

For related parties:

- This Single Submission Form (SSF) is designed to facilitate an ASEAN+3 Multi-Currency Bond Issuance Framework (AMBIF) bond and note issuance application to regulatory, listing, and registration authorities in each participating market. As such, this Form is prepared for the benefit of issuer(s) aiming to issue bonds and notes to professional investors in ASEAN+3.
- This Form contains a common set of information to be submitted when applying for AMBIF bond and note issuance for each participating market; however, this does not impact the ability of the regulatory, listing, and registration authorities to request additional information, if deemed necessary, for review and approval.
- This Form is a standard submission document (template) for AMBIF bond and note issuance(s) that is readily available for the markets defined in this SSF's Chapter I, Section 3: Targeted Professional Investor Markets in ASEAN+3 Economies. As of end-July 2015, the professional bond markets of Hong Kong, China; Japan; Malaysia; the Philippines; Singapore; and Thailand comprised the Targeted Professional Investor Markets in ASEAN+3.
- This Form is basically recognized by most of the regulatory, listing, and registration authorities in each participating market; however, this does not exclude the possibility of using another form or document when applying for an AMBIF bond or note issuance where the relevant authorities so admit or require.

For issuers who would like to submit this Form:

- The SSF can be used either as disclosure for bonds and notes issued under a program or shelf-registration, or for a discrete stand-alone AMBIF bond or note issuance.
- When used in conjunction with a note issuance program, this Form may be used separately for issuance approval of the program in a first instance, and individual drawdowns under the program in every instance thereafter. Please choose the type of submission accordingly.
- All the necessary disclosure information as specified by regulatory, listing, and registration authorities should be submitted together with this Form, as may be required by the applicable regulations and guidelines of the relevant jurisdictions. This means that such information may not be provided only by way of referring to a particular filing place or website.
- In order to facilitate a shorter time to market for the issuer, this Form may be submitted to all relevant regulatory authorities and market institutions at the same time.
- Before the submission of this Form, the AMBIF Implementation Guidelines for each participating markets should be referred to accordingly.

About terminology in this Form:

- The term “notes” is used in the SSF to describe debt instruments to be issued in a general manner to professional investors in participating ASEAN+3 markets. The other terms below correspond to the expressions commonly used in the context of bond and note issuance in international debt capital markets and are typically familiar to regular issuers, professional investors, and their service providers.
- For the purpose of the SSF, notes is meant to include various forms of debt instruments—such as bills, notes, and bonds—without any prejudice toward any of the definitions of individual terms as may exist in current practices, laws, and regulations of participating ASEAN+3 markets.
- The term “note issuance program” is intended to describe a program under which multiple issuances of notes are intended with a maximum outstanding amount and common disclosure of the issuer information. The term “note issuance program” is also meant to cover any equivalent debt instrument issuance forms, including but not limited to medium-term note programs and debt issuance programs commonly used in mature debt capital markets.

Introduction to AMBIF and AMBIF Elements

- AMBIF is a policy initiative under the Asian Bond Markets Initiative (ABMI) to help facilitate intra-regional transactions through standardized bond and note issuance and investment processes. By doing so, it will facilitate the process of recycling savings within the region in a practical and efficient manner. This can be expected to contribute to the region's economic growth and stability.
- An AMBIF Market is defined as a professional bond market or market segment for AMBIF bond and note issuance; an AMBIF Market may be constituted as a result of professional investor concepts (e.g., Qualified Buyer), professional market concepts (e.g., Private Placement to Accredited Investors), or because of exemptions from public offering (e.g., Excluded Offers, Targeted Offers to Qualified Investors and similar regimes).
- AMBIF Investors are investors eligible for buying and trading bonds or notes issued under AMBIF.

The AMBIF Elements (AMBIF Core Components) are described below.

AMBIF Elements (AMBIF Core Components)	Brief Description
Domestic Settlement	Bonds and notes are settled at a national CSD in ASEAN+3 markets.
Harmonized Documents for Submission (Single Submission Form)	A common approach is of submitting information as input for regulatory process(es) where approval or consent is required. Appropriate disclosure information based on an ADRB recommendation needs to be included. [Ⓐ]
Registration or profile listing at ASEAN+3 (Place of continuous disclosure)	Information on bonds, notes, and issuers needs to be disclosed continuously in ASEAN+3 markets. Registration or a listing authority function is required to ensure continuous and quality disclosure.
Currency	The denomination of an issue is generally expected to be in the domestic currency of each ASEAN+3 market.
Scope of Issuer	Resident of ASEAN+3
Scope of Investors	Professional investors defined in accordance with applicable laws and regulations, or market practice, in each ASEAN+3 market [Ⓑ]

ADRB = AMBIF Documentation Recommendation Board; AMBIF = ASEAN+3 Multi-Currency Bond Issuance Framework; ASEAN+3 = Association of Southeast Asian Nations plus the People's Republic of China, Japan, and the Republic of Korea; CSD = central securities depository.

[Ⓐ] For more on ADRB, please refer to AMBIF SSF Frequently Asked Questions No. 38 and 39.

[Ⓑ] The following are characteristics of AMBIF Investors:

- Investors targeted under AMBIF are professional investors in ASEAN+3, as they may currently be defined in accordance with applicable laws and regulations in each jurisdiction or market practice.
- There is no intention to normalize professional investor concepts across markets at this stage, since it is the ASEAN+3 Bond Market Forum's (ABMF) policy to avoid changes to existing legislation as a result of defining and implementing AMBIF.
- Professional investors may also include foreign institutional investors if they are so defined in the laws and regulations as professional, or if market practice already shows evidence of foreign institutional investment activities.

Source: ABMF SF1.

Single Submission Form

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I. General Information for Single Submission Form

Common Document for Submission to Regulatory, Listing, and Registration Authorities, and Market Institutions for Issuance of Notes under the ASEAN+3 Multi-Currency Bond Issuance Framework (AMBIF) to be submitted by Issuer(s) to Regulatory, Listing, and Registration Authorities, and Market Institutions for Regulatory Process(es) as applicable:

Date of Submission: 23/December/2019

Issuer's Name: R M A (CAMBODIA) PLC.

Issuer's Address: No.27 E1, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia

Issuer's Representative's Signature: _____

Issuer's Representative's Name: Mr. Ngorn Saing

Issuer's Representative's Title and Status: Chief Executive Officer

1. Authorities and market institutions applied to for an approval and profile listing or registration in each market

Targeted Market	Regulatory, Listing, or Registration Authority, and Market Institution		Purpose of Submission	Tick
Cambodia	1-1.	Securities and Exchange Commission of Cambodia (SECC)	Approval	X
	1-2.	National Bank of Cambodia (NBC)	Approval	
	1-3	Cambodia Securities Exchange (CSX)	Submission for Listing	X
People's Republic of China (CIBM)	2-C1.	People's Bank of China (PBOC)	Approval	
	2-C2.	National Association of Financial Market Institutional Investors (NAFMII)	Submission for Registration	
People's Republic of China (Exchange)	2-E1.	Shanghai Stock Exchange (SSE)	Submission for Examination for Issuance and Review for Listing/Enrolment	
		Shenzhen Stock Exchange (SZSE)		
	2-E2.	Shanghai Stock Exchange (SSE)	Submission for Listing/Enrolment	
		Shenzhen Stock Exchange (SZSE)		
	2-E3.	Securities Association of China (SAC)	Submission for Post-Issuance Reporting	
Hong Kong, China	3-1.	Hong Kong Exchanges and Clearing Limited (HKEx)	Submission for Listing	
	3-2.	Hong Kong Monetary Authority (HKMA)—Central Moneymarkets Unit (CMU)	Approval	

Indonesia	4-1.	Indonesian Financial Services Agency (OJK)	Approval	
	4-2.	PT Kustodian Sentral Efek Indonesia (KSEI)	Approval	
Japan	5.	Tokyo Stock Exchange (TSE)—TOKYO PRO-BOND Market	Submission for Listing	
Republic of Korea	6-1.	Korea Exchange (KRX)	Submission for Listing	
	6-2.	Korea Financial Investment Association (KOFIA)	Submission for Registration	
Lao People's Democratic Republic	7-1.	Securities and Exchange Commission Office (SCC)	Approval	
	7-2.	Bank of Lao PDR	Approval	
Malaysia	8-1.	Securities Commission Malaysia	Lodgement of Documents and Information under the Lodge and Launch Framework	
	8-2.	Bank Negara Malaysia (BNM)	Request for Approval (for Purposes of Foreign Exchange Administration)	
Myanmar	9-1.	Securities and Exchange Commission	Approval	
	9-2.	Central Bank of Myanmar	Approval	
Philippines	10-1.	Securities and Exchange Commission of the Philippines (PH SEC)	Submission of Notice of Exemption	
	10-2.	Bangko Sentral ng Pilipinas (BSP)	Request for Approval	
	10-3.	Philippine Dealing & Exchange Corp. (PDEX)	Enrolment for Listing cum Trading	
	10-4.	Philippine Depository & Trust Corp. (PDTCT)	Approval	
Singapore	11-1.	Singapore Exchange Securities Trading Limited (SGX)	Submission of Application for Listing	
	11-2.	Central Depository Pte Ltd.(CDP)	Approval	
Thailand	12-1.	The Securities and Exchange Commission, Thailand (Thai SEC)	Filing for Approval	
	12-2.	Public Debt Management Office (PDMO) of the Ministry of Finance	Request for Approval	
	12-3.	Thai Bond Market Association (ThaiBMA)	Submission for Registration	
	12-4.	Bank of Thailand (BoT) <i>(only if issuer is a financial institution and the use of proceeds is for capital requirements)</i>	Request for Approval	

	12-5.	Thailand Securities Depository (TSD)	Approval	
Viet Nam	13-1.	Ministry of Finance (MOF)	Notification	
	13-2.	State Bank of Vietnam (SBV)	Approval	
	13-3.	Hanoi Stock Exchange (HNX)	Submission of Application for Profile Listing	

2. Issuer's Domicile:

Issuer's Domicile (Home Jurisdiction)	No.*	Resident in
		Cambodia

* Enumeration in case of multiple issuer domiciles

3. Issuer's Parent Company's Jurisdiction:

Issuer's Parent Company's Jurisdiction	Hong Kong
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4. Type of Submission:

		Tick
Type-P	Note Issuance Program:	
Type-S	Shelf-Registration: (regulatory system of collective registration of the total amount of the note issuances that can be executed within a certain period of time)	
Type-A	Stand-Alone Issuance:	X
Type-D	Drawdown Issuance from the Note Issuance Program or Shelf-Registration:	

5. Distinction of the Form:

		Tick
N.	New:	X
R.	Renewal (details are described below):	
A.	Amendment (details are described below):	

6. Targeted Professional Investor Markets in ASEAN+3:

No.	Targeted Professional Investor Market*	Tick
1.	Cambodia: Targeted Offers to Qualified Investors	X
2-1.	People's Republic of China: Inter-Bank Bond Market (CIBM)	
	• Targeted Placements (PP) of Debt Financing Instruments to Specified Institutional Investors* (*: Institutional Investors who are designated by the issuer and the lead underwriter)	
	• Targeted Placements (PP) of Debt Financing Instruments to Specialized Institutional Investors** (**: Institutional Investors selected by NAFMII; a list of 120 institutions, to be reviewed periodically)	
2-2.	People's Republic of China: Exchange Bond Market	

	<ul style="list-style-type: none"> Offering to Qualified Investors 	Qualified Investors	
		Qualified Institutional Investors	
	<ul style="list-style-type: none"> Non-public placement to Qualified Investors (Private Placement) 		
3.	Hong Kong, China: Professional Investors Only Market		
4.	Indonesia: (Offering to Professional Investor) Non-Public Offering (Private Placement)		
5.	Japan: TOKYO PRO-BOND Market (Professional Investor Market)		
6.	Republic of Korea: QIB Market		
7.	(Lao People's Democratic Republic: PP Market)		
8.	Malaysia: Excluded Offers – Sophisticated Investors Market		
9.	(Myanmar: PP Market)		
10.	Philippines: Qualified Buyers' Market		
11.	Singapore: Wholesale Market (Institutional Investors Market)		
12.	Thailand: PP-II Regime		
13.	Viet Nam: PP (Institutional Investors) Market		

AI = Accredited Investors, PP = Private Placement, PP-II = Private Placement to Institutional Investors.

* Markets that were not yet active at end-April 2019 are in parentheses. Those markets that had defined professional bond markets suitable for AMBIF at end-April 2019 are in **boldface type**.

7. Denominated Currency of the Notes:

			Tick
No.	Denominated Currency of the Notes (ISO 4217 Code)		
1.	KHR (Cambodia) USD (Cambodia)		X
2.	CNY	CNH: (HKMA-CMU settled)	
		CNH: (other than HKMA-CMU settled:)	
3.	HKD		
4.	IDR		
5.	JPY		
6.	KRW		
7.	LAK		
8.	MYR		
9.	MMK		
10.	PHP		
11.	SGD		
12.	THB		
13.	VND		
14.	USD		

8. Clearing and Settlement:

No.	Denominated Currency of the Notes	Name of Central Depository	Name of Depository System	Distinction of DVP, Non-DVP, or N.A.
1.	KHR	Cambodia Securities Depository ("CSD", a department of the CSX)		

9. Place of Disclosure:

No.	Name of the Place of Disclosure
1.	Cambodia Securities Exchange (CSX)
2.	Securities and Exchange Commission of Cambodia (SECC)
Detailed explanation of the profile listing or registration, if necessary: No profile listing	

10. Other Important Matters:

No.	Jurisdiction (Market)	Important Matter
1.	Cambodia	<p>The selling of Corporate Bonds in the primary market is not eligible for any person other than those (1) qualified as "Institutional Investors" and "High Net Worth Investors" as defined in the Prakas on Qualified Investors of the Securities and Exchange Commission of Cambodia and (2) Institutional Investors and High Net Worth Investors that are deemed appropriate at the discretion of SBI Royal and RMAC.</p> <p>(a) <u>The types of the Institutional Investors referred to above are as follows:</u></p> <ul style="list-style-type: none"> i. the NBC; ii. securities firms and investment advisors (licenses from the SECC); iii. collective investment scheme dealers (licenses from the SECC); iv. banking and financial institutions (obtained licenses from the NBC); v. insurance companies (obtained licenses from the MEF); vi. the National Social Security Fund, National Fund for Veterans, Persons with Disabilities Foundation, and National Social Security Fund for Civil Servants; vii. international financial institutions (obtained approval from the Director General of the SECC); viii. Financial Institutions Development Funds (obtained approval from the Director General of the SECC); and ix. other legal entities (obtained approval from the Director General of the SECC) <p>(b) <u>The types of the High Net Worth Investors referred to above are as follows:</u></p> <p>1. Legal entities fulfilling one of the following criteria:</p> <ul style="list-style-type: none"> a) total shareholders' equity of at least KHR 2 billion as per the latest financial statement, or b) annual revenue of at least KHR 500 million in the last 2 years, or c) at least KHR 200 million of investments in the securities sector in Cambodia; and

		<p>2. Any individual who aims to register as a Qualified Investor and, together with a spouse (if any), fulfils one of the following criteria:</p> <ul style="list-style-type: none"> a) total net assets of at least KHR 1 billion, or b) annual income of at least KHR 80 million, or c) investment participation in the securities sector in Cambodia of at least KHR 100 million. <p>The Corporate Bonds are freely transferred after being listed on the (CSX), or so-called secondary market.</p>
2-1.	People's Republic of China - CIBM	
2-2.	People's Republic of China – Exchange Market	
3.	Hong Kong, China	
4.	Indonesia	
5.	Japan	
6.	Republic of Korea	
7.	Lao People's Democratic Republic	
8.	Malaysia	
9.	Myanmar	
10.	Philippines	
11.	Singapore	
12.	Thailand	
13.	Viet Nam	
14.	Other (if any)	

II. Issuer Information

(If two or more issuers intend to jointly establish a note issuance program, describe information for each of the issuers.)

Method of describing Issuer Information* (An issuer can choose one method of describing as set forth below.)		Tick
A.	Fully describe Issuer Information	
B.	Specify the documents and places where AMBIF Investors are able to access the documents and designate them as Documents Incorporated by Reference	
C.	A combination of A and B above	X

* An issuer can also choose not to designate Financial Information of the issuer as Documents Incorporated by Reference provided the issuer discloses its financial information in English in the Home Jurisdiction. For example, in case the issuer has continuously disclosed English annual reports that contain consolidated financial statements with independent auditor reports, the issuer may state such facts below and describe how AMBIF Investors can access such annual reports (e.g., via a website).

1. Information on the Issuer:

1.	Name of Issuer:	R M A (CAMBODIA) PLC.
2.	Name and Title of Representative:	Mr. Ngorn Saing, Chief Executive Officer
3.	Address (Registered or Business Address):	No.27 E1, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia
4.	Liaison Contact Person:	Ms. Lim Samay, Corporate Secretary
5.	Telephone and e-Mail:	+855 (0) 16 585 686; Lim.Samay@rmagroup.net
6.	Business Registration No. (if any):	00001121
7.	Date and Place of Incorporation:	12 September 2002, Phnom Penh, Cambodia
8.	Authorized and Paid-up Capital:	KHR 16 billion (equivalent to USD 4 million)
9.	Trends of Key Financial Data:	Please refer to "Section 1: Trends of Key Financial Data" set forth in the Disclosure Document.
10.	Description of Business: (nature of business of the issuer in the domestic economy, if any)	Please refer to "Section 2: Description of Business" set forth in the Disclosure Document.
11.	Risk Factors: (including risks related to the issuer's business, operations, and regulatory environment)	Please refer to "Section 3: Risk Factors" set forth in the Disclosure Document.
12.	Board of Directors:	Please refer to "Section 4: Management" set forth in the Disclosure Document.
13.	Controlling Shareholders or, in the Case of a Public Company, Names of Major Shareholders:	Clipper Holdings Limited, owned 99.9% shares of RMA (CAMBODIA) PLC.
14.	Status of Affiliates:	n/a
15.	Website for Disclosure Document:	www.sbiroyal.com www.cambodia.rmagroup.net www.csx.com.kh

	Website for Timely Disclosure:	www.csx.com.kh
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2. Financial Information on the Issuer:

1.	Consolidated Financial Statements:	The audited financial statements of the Issuer as at and for the years ended 31 December 2016, 2017, and 2018, and 1H interim report ended 30 June 2019 (as attached to the Disclosure Document), which were prepared in accordance with Cambodian International Financial Reporting Standards ("CIFRS") and have been audited by accredited auditors shall form part of this form.
	(i) Consolidated Balance Sheet	
	(ii) Consolidated Income Statement and Consolidated Comprehensive Income Statement, or Statement of Consolidated Income and Comprehensive Income	After becoming a bond issuer, RMAC shall disclose the corporate information to the bondholders following Prakas on Corporate Disclosure which prescribes the requirements, mechanism, procedures and obligations of a corporate disclosure. According to the Articles 7, 8 and 9 of this Prakas, RMAC shall disclose the annual financial report within 90 days after the end of fiscal years, the semi-annual report within 45 days after the end of semi-annual period and disclose the quarterly report within 45 days after the end of quarter period.
	(iii) Consolidated Statement of Changes in Shareholders' Equity	Both the financial information and other information required by the Prakas on Corporate Disclosure will be disclosed through the website of the CSX (www.csx.com.kh), RMAC's website and/or newspapers after obtaining approval from the Director General of the SECC.
	(iv) Consolidated Cash Flow Statement	(i) Balance Sheet as at 31 December 2016, 2017, 2018
	(v) Independent Auditor's Report	
	(vi) Accompanied Notes	

Statement of Financial Position [Audited]	31-December-16		31-December-17		31-December-18	
	KHRm	USDk	KHRm	USDk	KHRm	USDk
ASSETS						
Non-Current Assets						
Property And Equipment	26,251	6,503	28,565	7,076	28,988	7,215
Intangible Assets	124	31	105	26	80	20
Total Non-Current Assets	26,375	6,533	28,669	7,102	29,068	7,235
Current Assets						
Inventories	84,276	20,876	63,153	15,644	126,391	31,456
Trade And Other Receivables [incl. RP]	61,805	15,310	59,666	14,780	62,081	15,451
Cash And Bank Balances	8,174	2,025	24,279	6,014	36,164	9,001
Total Current Assets	154,255	38,210	147,099	36,438	224,636	55,907
TOTAL ASSETS	180,630	44,744	175,768	43,539	253,704	63,142
EQUITY AND LIABILITIES						
Equity						
Share Capital	16,000	4,000	16,000	4,000	16,000	4,000
Retained Earnings	19,136	4,729	25,709	6,354	42,992	10,627
Exchange Reserve	103	-	90	-	(222)	-
Total Equity	35,239	8,729	41,799	10,354	58,770	14,627
Non-Current Liability						
Borrowings	-	-	5,629	1,394	2,940	732
Total Non-Current Liabilities	-	-	5,629	1,394	2,940	732
Current Liabilities						
Trade And Other Payables [incl. RP]	53,492	13,250	48,210	11,942	52,931	13,174
Contract Liabilities	-	-	-	-	20,504	5,103
Borrowings [incl. RP]	91,327	22,623	79,884	19,788	115,942	28,856
Current Tax Liabilities	572	142	245	61	2,617	651

		Total Current Liabilities	145,390	36,014	128,339	31,791	191,994	47,784
		Total Liabilities	145,390	36,014	133,969	33,185	194,934	48,515
		TOTAL EQUITY AND LIABILITIES	180,630	44,744	175,768	43,539	253,704	63,142
		(ii) Income Statement for the year ended 31 December 2016, 2017, 2018						
		Statement of Comprehensive	2016		2017		2018	
		Income [Audited]	KHRm	USDk	KHRm	USDk	KHRm	USDk
		Revenue	331,761	81,856	417,932	103,321	606,826	150,019
		Cost Of Sales	(270,126)	(66,648)	(354,733)	(87,697)	(515,008)	(127,320)
		Gross Profit	61,635	15,207	63,199	15,624	91,818	22,699
		Other Income	145	36	68	17	3,432	848
		Operating Expenses	(8,868)	(2,188)	(15,716)	(3,885)	(21,351)	(5,278)
		Marketing Expenses	(2,909)	(718)	(2,654)	(656)	(3,537)	(874)
		Administrative Expenses	(34,169)	(8,430)	(24,841)	(6,141)	(26,870)	(6,643)
		Operating Profit	15,835	3,907	20,057	4,959	43,492	10,752
		Finance Costs	(9,008)	(2,223)	(9,393)	(2,322)	(8,845)	(2,187)
		Profit Before Tax	6,827	1,684	10,664	2,636	34,648	8,566
		Income Tax Expense	(3,314)	(818)	(4,091)	(1,011)	(7,859)	(1,943)
		Profit For The Financial Year	3,512	867	6,573	1,625	26,789	6,623
<i>*Note: There have been re-classifications between the Audited Financial Statements, the above table reflects the latest classifications and may differ from the original statements issued in the year.</i>								
Please refer "Appendix VII: Financial Statements" set forth in the Disclosure Document for (iii) Statement of Changes in Shareholders' Equity, (iv) Consolidated Cash Flow Statement, (v) Independent Auditor's Report, and (vi) Accompanied Notes.								
2.	Other Matters							
	• Subsequent Events:	n/a						
	• Litigations:	n/a						

* For (i), (ii), and (iii) only

3. Information on the Guarantor or Provider of other Credit Enhancement (if any):

1.	Name:	Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank ("CGIF")
2.	Address:	Asian Development Bank Building, 6 ADB Avenue, Mandaluyong City 1550, Metro Manila, Philippines
3.	Description of Business:	Please refer to "Section 7: Information on the Guarantor" set forth in the Disclosure Document.
4.	Guaranty or Support Agreement Details:	Please refer to "Section 8: Description of the CGIF Guarantee" set forth in the Disclosure Document.

4. Financial Information on the Guarantor or Provider of Credit Enhancement:

CGIF's financial statements are prepared and presented in accordance with International Financial Reporting Standards and audited by Deloitte. The Independent Auditors' Report and Financial Statements for the years ended 31 December 2017 and 2018 of CGIF are available at the following website page:

<http://www.cgif-abmi.org/investors/financial-statements>

III. Information on the Program or the Shelf-Registration

n/a

IV. Information on the Bonds

1. Summary of the Terms and Conditions of the Notes or Final Terms of Individual Issuance of Bonds:

(This section may be used for describing the information of individual issuance of bonds/notes for Type-D submissions. Unless the context otherwise requires, capitalised terms used but not defined in this section IV.1 have the meaning given to them in the Terms and Conditions of the Bonds, and references to clauses in this section IV.1 are references to clauses in the Terms and Conditions of the Bonds.)

1.	Issuer(s):	RMA (CAMBODIA) PLC (the “ Issuer ”)
2.	2-1.Guarantor (if any):	Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (“CGIF” or the “Guarantor”)
	2-2.Provider of Support Agreement (if any):	n/a
3.	Name of the Bonds:	RMAC Bond (the “Corporate Bonds or “Bonds”)
4.	Aggregate Amount of the Bonds (Issue Amount):	KHR 80 billion (or its equivalent in USD of up to US 20 million, whichever is lower)
5.	Form of Bonds:	The Bonds are issued in registered form.
6.	Status of the Bonds:	The Bonds constitute name registered, unsubordinated and (subject to Clause 6.4 (<i>Negative Pledge</i>)) unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves other obligations that are subject to any priorities or preferences. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and subject to Clause 6.4 (<i>Negative Pledge</i>), rank at least equally with all other unsecured and unsubordinated indebtedness of the Issuer, present and future, and rank ahead of the shareholders’ equity of the Issuer.
7.	Denomination of the Bonds: (i) minimum tradable amount (ii) multiple tradable amount	The Bonds are denominated in KHR. All payments made or to be made under the Bonds shall be settled in USD at the exchange rate calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia on each of the 6th Business Day to the 2nd Business Day prior to the date on which subscription for the Bonds commence. The nominal amount of the Bonds is KHR 100,000. Minimum investment amount of KHR 20 billion (USD 5 million) and in multiples of KHR 4 billion; only offered to qualified investors.
8.	Issue Price:	100% of the nominal amount fully paid
9.	Offer Price:	100% of the nominal amount fully paid
10.	Date of Issue (tentative):	09 April 2020
11.	Date of Maturities: (<i>timing of amortization plan ([if any])</i>)	09 April 2025, being 5 years from the Date of Issue
12.	Early Redemption: (<i>with call option, with put option, with call and put exercise dates [if any]</i>)	The Bonds shall be partially redeemed before and on the Maturity Date and in accordance with the following conditions: Partial Redemption Date: The selected Bonds shall be redeemed at the following date (“ Partial Redemption Date ”). The total number of selected Bonds to be redeemed at any Partial Redemption Date shall be the percentage (as indicated in the table below) of the total outstanding Bonds prior to that Partial Redemption Date.

		<table><tr><th>Partial Redemption Date</th><th>% of Outstanding Bonds</th></tr><tr><td>09 April 2021</td><td>15%</td></tr><tr><td>09 April 2022</td><td>18%</td></tr><tr><td>09 April 2023</td><td>28%</td></tr><tr><td>09 April 2024</td><td>50%</td></tr><tr><td>09 April 2025</td><td>100%</td></tr></table> <p>Please refer to “Section V. Terms and Conditions of the Corporate Bonds – 9.1. Partial Redemptions” of this SSF.</p>	Partial Redemption Date	% of Outstanding Bonds	09 April 2021	15%	09 April 2022	18%	09 April 2023	28%	09 April 2024	50%	09 April 2025	100%
Partial Redemption Date	% of Outstanding Bonds													
09 April 2021	15%													
09 April 2022	18%													
09 April 2023	28%													
09 April 2024	50%													
09 April 2025	100%													
13.	Type of Notes: <i>(fixed-rate notes)</i> <i>(floating-rate notes)</i> <i>(zero-coupon notes)</i>	The Bonds will bear interest at a fixed rate.												
14.	Interest or Coupon Rate:	5.5% p.a.												
15.	Interest or Coupon Payment Method: <i>(record date rule, interest payment frequency, interest calculation frequency, first interest payment date, and timing of interest payment)</i>	<p>The bonds will bear interest from [09 April 2020]. The coupon is scheduled to be paid on an annual basis in arrears on each coupon payment date, with first payment to be made on [09 April 2021].</p> <p>Coupon = Coupon Rate x Outstanding Principal Amount of each bond</p> <p>Interest will be payable by the Issuer through the Paying Agent to the Bondholders whose names appear in the Bondholders’ Book on the relevant Record Date, in accordance with Clauses 7 and 8 of the Terms and Conditions of the Corporate Bonds in the Section V of this SSF.</p>												
16.	Negative Pledge:	<p>Except for the ordinary course of the Issuer’s business, so long as any Bond remains outstanding, the Issuer shall not create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its property, assets or revenues, present or future, to secure any Investment Securities or to secure any guarantee or indemnity in respect of any Investment Securities, without at the same time or prior thereto, the Issuer’s obligations under the Bonds are secured equally and rateably therewith shall be approved by an Extraordinary Resolution of the Bondholders.</p> <p>Please refer to “Section V. Terms and Conditions of the Corporate Bonds – 6.4 Negative Pledge.” of this SSF.</p>												
17.	Cross Default:	<ul style="list-style-type: none">- Any other Indebtedness of the Issuer becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or- any such Indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or- the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness owed by the Issuer, <p>and provided that the aggregate amount of the relevant Indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in Condition 11.1.3 have occurred equals or exceeds KHR 12,000,000,000 (twelve billion).</p> <p>Please refer to “Section V. Terms and Conditions of the Corporate Bonds – 11.1.3. CrossDefault.” of this SSF.</p>												
18.	Governing Law and Jurisdiction*:	These Conditions and the Bonds shall be governed by and construed in accordance with the laws of Cambodia. To the extent of discrepancy or inconsistency between any provision of these Conditions and any laws or notifications applicable to the Bonds, the provisions of such laws or notifications applicable to the Bonds shall supersede only the parts of these Conditions which give rise to such discrepancy or inconsistency..												

		<p>The CGIF Guarantee shall be governed by and construed in accordance with English law.</p> <p>The Issuer agrees that any legal action arising out of or relating to these Conditions may be brought in the courts of Cambodia. Notwithstanding Clause 18.3, nothing in these Conditions shall limit the right of the Bondholders' Representative and/or the Bondholders (when entitled to do so) to commence any legal action against the Issuer and/or its assets in any other jurisdiction or to serve process in any manner permitted by law, and the taking of proceedings in any jurisdiction shall, to the full extent permitted by applicable laws of the relevant jurisdictions, not preclude the Bondholders' Representative and/or the Bondholders from taking proceedings in any other jurisdiction whether concurrently or not.</p> <p>In the case where the Issuer has acquired or will subsequently acquire immunity from the proceedings in respect of itself or its property, the Issuer waives such immunity, except immunity in respect of its property used for diplomatic or consular missions, property of a military nature, and property located in its territory and dedicated to a public or governmental use as distinguished from the property dedicated to commercial use.</p> <p>Please refer to "Section V. Terms and Conditions of the Corporate Bonds – 18. Governing Law and Jurisdiction." of this SSF.</p>
19.	<p>Special Withholding Tax Applied to Financial Institutions including FATCA (if any): <i>[FBD Note: This section will need to be confirmed by the tax advisor. We have not reviewed this item 19.]</i></p>	<p>According to KPMG Cambodia Ltd., the general guide of certain tax implications of the Corporate Bonds issued by RMAC is shown entirely in Section 9 of the Disclosure Document.</p> <p>1. Bondholder who is a resident of Cambodia - Physical person or individual: 15% withholding tax - Company: 15% withholding tax</p> <p>2. Bondholder who is a non-resident of Cambodia - Physical person or individual: 14% withholding tax - Company: 14% withholding tax</p> <p>As per the Sub-Decree no. 01 SD. Prk dated 4 January 2019 issued by the Royal Government, the Withholding Tax will be reduced by 50% on interest and/or dividend received by public investors from holding and/or buying-selling of government, equity and debt securities for a period of 3 years from the date of this Sub-Decree comes into effect.</p> <p>For more relevant information about capital gain tax, specific tax, stamp duty tax, double tax agreement (DTAs) and other taxes related to the Corporate Bonds, please refer to "Section 9: Taxation" set forth in the Disclosure Document.</p>

** Governing law and jurisdiction, with respect to the Terms and Conditions of the Notes, will be those agreed among the contract parties, subject to applicable laws and regulations.*

2. Other Information of the Notes:

1.	Dealers and/or Underwriters or Equivalent: <i>(for example, Principal Advisor [MY] or Financial Advisor [TH])</i>	SBI Royal Securities Plc., the sole financial advisor and underwriter
2.	Trustee or Equivalent (if any): <i>(Bond Administrator, Commissioned Company or Person, Bondholders Representative)</i>	ACLEDA Securities Plc., the bondholders' representative
3.	Fiscal Agent:	n/a
4.	Paying Agents:	ACLEDA Bank Plc.
5.	Registrar and Transfer Agent:	ACLEDA Bank Plc.

6-1.	Other Agent: (Accounting Advisor):	Baker Tilly (Cambodia) Co., Ltd.					
6-2.	Other Agent: (Tax Advisor):	KPMG Cambodia Ltd.					
6-3.	Other Agent: ()::	N/A					
7.	Listing, Registration, or Filing Place(s) of the Notes: (See I.-6.Place of Disclosure.)	Information about the Bonds will be disclosed at the website of Cambodia Securities Exchange (CSX). The Bonds are expected to be listed on the CSX on 26 March 2020.					
8.	Settlement Place(s) of each Denominated Currency Notes: (See I.-5.Clearing and Settlement.)	Denominated currency of Corporate Bonds	Settlement				
		Khmer Riel	The Operator of Securities Clearing and Settlement Facility, a department of the CSX.				
9.	Use of Proceeds:						
	1.	Amount of Proceeds from Sale of Notes:	The gross amount of net proceeds to be received by the Issuer from the offering of the Bonds will be KHR 80 billion. Estimated amounts of fees and expenses incurred in connection with the Bond offering: <table><tr><td>Fee for submission and registration of Disclosure Document</td><td>KHR 12 million</td></tr><tr><td>Other expenses*</td><td>KHR 4 billion</td></tr></table> *Other expenses include the approximate fees payable to the relevant third parties, e.g. the Underwriters, the Bondholders' Representative, the Registrar, legal advisors, costs of printing the Disclosure Document, subscription forms and other documents and publication costs, roadshow expenses and application fee for registering of the Corporate Bonds with the CSX.	Fee for submission and registration of Disclosure Document	KHR 12 million	Other expenses*	KHR 4 billion
	Fee for submission and registration of Disclosure Document	KHR 12 million					
	Other expenses*	KHR 4 billion					
2.	Use of Proceeds [and Timing of Disbursement]:	RMAC intends to use the net proceeds of the Bonds to refinance existing working capital facilities.					
10.	Risk Factors relating to the Bonds:	<ul style="list-style-type: none">▪ Liquidity risk of bond Market▪ Risk in relation to the withholding tax on the coupon rate▪ Financial Market Conditions▪ Risks in relation to the newly established bond market▪ The Bonds may not be a suitable investment for prospective investors▪ Interest rate risks Please refer to "Section 3: Risk Factors" set forth in the Disclosure Document for details.					
11.	Selling Restrictions at Issuance: (Notes shall not be sold, offered for sale, or distributed to nonprofessional investors in ASEAN+3.)						
	1.	The selling of Corporate Bonds in the primary market is not eligible for any person other than those (1) qualified as "Institutional Investors" and "High Net Worth Investors" as defined in the Prakas on Qualified Investors of the Securities and Exchange Commission of Cambodia and (2) Institutional Investors and High Net Worth Investors that are deemed appropriate at the discretion of SBI Royal and RMAC. Please refer to "Section V. Terms and Conditions of the Corporate Bonds – 4.1					

		Transfers of Corporate Bonds” of this SSF.
	2.	
	Selling Restrictions Thereafter: <i>(Notes shall not be sold, offered for sale, or distributed to nonprofessional investors in ASEAN+3.)</i>	
	1.	For avoidance of doubt, the Bonds are only freely transferred after being listed on CSX or the Secondary Market. Please refer to “Section V. Terms and Conditions of the Corporate Bonds – 4.3 Transfer of Corporate Bonds.” of this SSF.
	2.	
12.	Credit Rating for the Notes:	<p>The bonds are to be guaranteed by CGIF. According to the Prakas on Public Issuance of Debt Securities, there is no requirement to have a credit rating for a guaranteed corporate bond, but the credit rating of the guarantor is required. CGIF has the following credit ratings:</p> <ul style="list-style-type: none"> ▪ “AA/A-1+” Global (Long Term & Short Term), Stable Outlook, by S&P Ratings on 26 Feb 2020 ▪ “gAAA/seaAAA/AAA”, Global/ASEAN/National, Stable Outlook, by RAM Ratings on 30 Jan 2020 ▪ “AAA” National, Stable Outlook, by MARC on 17 Dec 2019 ▪ “AAA” National, Stable Outlook, by Fitch Ratings Indonesia on 10 Dec 2019 ▪ “AAA” National, Stable Outlook, by TRIS Ratings on 15 Oct 2019 ▪ “idAAA” National, Stable Outlook, by Pefindo Credit Rating Agency on 30 Aug 2019.

13-1.	Legal Adviser(s) to the Issuer(s):	Bun & Associates 29 St. 294 Phnom Penh, Cambodia
13-2.	Legal Adviser(s) to the Dealer(s):	n/a
13-3.	Legal Adviser to the Guarantor:	<p>Legal adviser to the Guarantor as to English Law:</p> <p>Freshfields Bruckhaus Deringer LLP 42-01 Ocean Financial Centre 10 Collyer Quay Singapore 049315</p> <p>Legal adviser to the Guarantor as to Cambodian Law:</p> <p>DFDL and Mekong Law Group No. 30, Preah Norodom Boulevard BRED Bank Building 4th Floor, Khan Daun Penh, 12000 Cambodia</p>

14.	Method of Distribution:	<p>The offering of the Bonds is made through the Underwriter and the authorized selling agents licensed by the SECC in accordance with SECC’s Prakas on Public Issuance of Debt Securities.</p> <p>The selling of Corporate Bonds in the primary market is not eligible for any person other than those (1) qualified as “Institutional Investors” and “High Net</p>
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		<p>Worth Investors” as defined in the Prakas on Qualified Investors of the Securities and Exchange Commission of Cambodia and (2) Institutional Investors and High Net Worth Investors that are deemed appropriate at the discretion of SBI Royal and RMAC.</p> <p>(a) The types of the Institutional Investors referred to above are as follows:</p> <ul style="list-style-type: none"> i. the NBC; ii. securities firms and investment advisors (licenses from the SECC); iii. collective investment scheme dealers (licenses from the SECC); iv. banking and financial institutions (obtained licenses from the NBC); v. insurance companies (obtained licenses from the MEF); vi. the National Social Security Fund, National Fund for Veterans, Persons with Disabilities Foundation, and National Social Security Fund for Civil Servants; vii. international financial institutions (obtained approval from the Director General of the SECC); viii. Financial Institutions Development Funds (obtained approval from the Director General of the SECC); and ix. other legal entities (obtained approval from the Director General of the SECC) <p>(b) The types of the High Net Worth Investors referred to above are as follows:</p> <ul style="list-style-type: none"> 1. Legal entities fulfilling one of the following criteria: <ul style="list-style-type: none"> a) total shareholders' equity of at least KHR 2 billion as per the latest financial statement, or b) annual revenue of at least KHR 500 million in the last 2 years, or c) at least KHR 200 million of investments in the securities sector in Cambodia; and 2. Any individual who aims to register as a Qualified Investor and, together with a spouse (if any), fulfils one of the following criteria: <ul style="list-style-type: none"> a) total net assets of at least KHR 1 billion, or b) annual income of at least KHR 80 million, or c) investment participation in the securities sector in Cambodia of at least KHR 100 million. <p>The Corporate Bonds are freely transferrable after being listed on the Cambodia Securities Exchange (CSX), or so-called secondary market.</p>
15.	<p>Outstanding Debt from Previous Issues of Bonds and Notes :</p> <p><i>(for example, in case of THB-denominated bonds and notes)</i></p>	n/a

16.	Cross Currency Swap Information: <i>(for example, in case of issuance by nonresident, including intermediaries, if possible, and currencies, as and where necessary)</i>	n/a
17.	Timing of Bond Issuance:	<ul style="list-style-type: none"> ▪ Open Date for Subscription: 06 April 2020 ▪ Closing Date for Subscription: 08 April 2020 ▪ Issue Date: 09 April 2020 ▪ Listing Date: 30 April 2020 ▪ First Interest Payment and Redemption Date: 09 April 2021
18.	Other: <i>("final terms" for drawdown)</i>	n/a

V. Terms and Conditions of the Notes

TERMS AND CONDITIONS IN RELATION TO

“RMAC Bond” (the “Bonds”)

The following are the terms and conditions of the Bonds providing the rights and obligations of RMA CAMBODIA PLC. (the “**Issuer**”) and the Bondholders with respect to the Bonds, as may be supplemented, amended or modified by any subsequent amendment thereto.

The Issuer has appointed ACLEDA Securities Plc. as the Bondholders' Representative pursuant to the Bondholders' Representative Agreement and ACLEDA Bank Plc. as the Securities Registrar, the Securities Transfer Agent, and the Paying Agent pursuant to ACLEDA Bank Plc. Appointment Agreement. The Bondholders are deemed to accept the appointment of the Bondholders' Representative and are entitled to the benefits of, are bound by, and are deemed to have notice of and understand, all provisions of these Conditions and the Bondholders' Representative Agreement which are applicable to them.

Pursuant to and subject to the terms of the CGIF Guarantee (as defined below and a form of which is attached as Annex B hereto), Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (the “**Guarantor**”), unconditionally and irrevocably guarantees the full and punctual payment of:

- (i) any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under these Conditions;
- (ii) any Additional Accrued Interest; and
- (iii) any Bondholders' Representative Expenses which is overdue and unpaid (whether in whole or in part),

(as each term is defined in Clause 1.1 of the CGIF Guarantee) subject to the terms of the CGIF Guarantee, including that a Demand (as defined in Clause 1.1 of the CGIF Guarantee) in respect of such amounts is made to the Guarantor pursuant to the CGIF Guarantee.

The Eligible Bondholders are entitled to the benefit of and are bound by, and are deemed to have notice of and understand, all the terms and conditions of the CGIF Guarantee.

Copies of the executed Conditions, CGIF Guarantee, Bondholders' Representative Agreement, and ACLEDA Bank Plc. Appointment Agreement are available for inspection during normal business hours at the registered office of the Bondholders' Representative.

1. DEFINITIONS

In these Conditions:

"Affiliate"	means, in relation to a person, a Subsidiary or Holding Company of that person or a Subsidiary of that Holding Company.
"ACLEDA Bank Plc. Appointment Agreement"	means the Contract on Providing Services of Securities Registrar, Securities Transfer Agent and Paying Agent dated on 20 December 2019 and entered into or to be entered into between the Issuer and ACLEDA Bank Plc. in connection with the issue of Bonds.
"Articles of Agreement of CGIF"	means the articles of agreement of the Guarantor originally dated 11 May 2010, as amended on 27 November 2013, 31 May 2016, 23 May 2017, 31 May 2018 and 1 August 2019 (as may be further amended or supplemented from time to time).
"Bondholder(s)"	means the person(s) who owns the Bond(s) in accordance with Clause 3.
"Bondholders' Book"	means the Bondholders' book of the Bonds, recording particulars of the Bondholders or other sources of registration information relating to the transfer, pledge, attachment, and other matters related to the Bonds as required under the ACLEDA Bank Plc. Appointment Agreement and the relevant rules and procedures prescribed pursuant to the applicable rule under Cambodian Laws.
"Bondholders' Representative"	means ACLEDA Securities Plc. acting as Bondholders' Representative in respect of the Bonds, or any successor appointed as the Bondholders' Representative in respect of the Bonds from time to time in accordance with these Conditions and the Bondholders' Representative Agreement.

"Bondholders' Representative Agreement"	means the Cambodian law governing Bondholders' Representative agreement entered into between the Bondholders' Representative and the Issuer dated on 25 March 2020 or any agreement appointing a new Bondholders' Representative to replace the existing Bondholders' Representative (if any) from time to time.
"Bonds"	mean KHR denominated amortising bonds issued by the Issuer as provided in Clause 2.
"Bond Documents"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"Bondholder's Rights"	means all rights relating to the Bonds including, without limitation, the right to receive payment of the principal and interest on the Bonds and the right to attend and vote at meetings of the Bondholders.
"Book Closing Date"	has the meaning given to it in Clause 3.2.3.
"Business Day"	means a day (other than a Saturday or Sunday) on which banks are open for general business in Manila, New York and Phnom Penh.
"Cambodia"	means the Kingdom of Cambodia.
"CGIF Guarantee"	means the English law governed guarantee dated on or around the date of these Conditions and to be entered into between, among others, the Guarantor, the Bondholders and the Bondholders' Representative, in connection with the Bonds in the form attached as Annex B hereto.
"Conditions"	means these terms and conditions setting out the rights and obligations of the Issuer and the Bondholders in respect of the Bonds, as may be supplemented, amended or modified in accordance with the terms specified herein.
"CSX"	means Cambodia Securities Exchange.
"Default Interest Rate"	means the Interest Rate plus 2 (two) per cent per annum.
"Demand"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"Eligible Bondholder"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"Event of Default"	means any of the events specified in Clause 11.1.
"Extraordinary Resolution"	means a resolution passed at the Bondholders' meeting by a majority of at least 75% (seventy-five per cent) of the votes cast.
"Guarantee Documents"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"Guarantor's Assets"	means all property and assets of the Guarantor held in trust in accordance with the Articles of Agreement of the Guarantor and available from time to time to meet the liabilities of the Guarantor. For the avoidance of doubt, a "Guarantor's Asset" does not include any assets of the Asian Development Bank or any other contributors to the Guarantor.
"Holding Company"	means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.
"Indebtedness"	means any obligation or obligations (whether present or future, actual or contingent) for the payment or repayment of money borrowed and/or interest thereon.
"Interest Payment Date"	means every April 09 of each year with the first Interest Payment Date being paid on 09 April 2021 and the last Interest Payment Date being the Maturity Date.

"Interest Period"	<p>means:</p> <ul style="list-style-type: none"> (a) with respect to the first Interest Period, the period commencing on, and including, the Issue Date and ending on, but excluding, the first Interest Payment Date; and (b) with respect to any subsequent Interest Period, the period commencing on, and including, the Interest Payment Date of the preceding Interest Period and ending on, but excluding, the next Interest Payment Date of such Interest Period or the Maturity Date, as the case may be.
"Interest Rate"	means a rate of 5.5% (five point five)] per annum.
"Investment Securities"	means any present or future Indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities (other than the Bonds) which are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.
"Issue Date"	means 09 April 2020 being the issue date of the Bonds.
"KHR"	means Riel, the lawful currency of the Kingdom of Cambodia.
"Maturity Date"	Means 09 April 2025.
"Non-Payment Event"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"New Parent"	means an entity incorporated in any jurisdiction reasonably acceptable to the Guarantor and the Bondholders' Representative, replacing Clipper Holdings Limited as parent to the Issuer.
"Parent"	means Clipper Holdings Limited or any New Parent.
"Paying Agent"	means ACLEDA Bank Plc. as appointed under the ACLEDA Bank Plc. Appointment Agreement or any successor or replacement entity thereto, to provide paying agent services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent issued on 30 June 2010 and subsequent amendment thereto.
"Principal Amount"	means the outstanding principal amount in respect of the Bonds at any time.
"Record Date"	has the meaning given to it in Clause 3.2.3.
"Qualified Investors"	has the meaning given to it in Clause 2 of Prakas on Qualified Investors in Securities Sector issued on 17 August 2016 and subsequent amendment thereto.
"Scheduled Interest"	means scheduled interest on the Bonds payable at the Interest Rate on each Interest Payment Date (excluding, for the avoidance of doubt, default interest (if any)).
"SECC"	means the Securities and Exchange Commission of Cambodia.
"Secondary Market"	means CSX and any other securities trading platform that are permitted by the SECC.
"Securities Registrar"	means ACLEDA Bank Plc. as appointed under the ACLEDA Bank Plc. Appointment Agreement or any successor or replacement entity thereto, to provide securities registrar services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent issued on 30 June 2010 and subsequent amendment thereto.

"Securities Transfer Agent"	means ACLEDA Bank Plc. as appointed under the ACLEDA Bank Plc. Appointment Agreement or any successor or replacement entity thereto, to provide securities transfer agent services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent issued on 30 June 2010 and subsequent amendment thereto.
"Subscription Closing Date"	means 08 April 2020, being the last day of the subscription period in respect of the Bonds.
"Subsidiary"	means, in relation to any company or corporation, a company or corporation: <ul style="list-style-type: none"> (a) which is controlled, directly or indirectly, by the first mentioned company; (b) all entities whose financial statements are required to be fully consolidated with the first mentioned company in accordance with the accounting standards adopted for the consolidated financial statements of such company; or (c) which is a subsidiary of another subsidiary of the first mentioned company, and for this purpose, a company shall be treated as being controlled by another if that other company is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.
"Underwriter"	means SBI Royal Securities, a public limited company incorporated under the laws of Cambodia, having a commercial registration No. 00000824 and a registered address at 13Ath floor, Phnom Penh Tower, No. 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh, Cambodia.

2. FORM, DENOMINATION, INTEREST AND TERM

- 2.1. The Bonds are in registered form carrying interest at the Interest Rate. The Bonds have a tenor of 5 (five) years from the Issue Date, and are named the "**RMAC Bond**".
- 2.2. The Bonds are denominated in KHR, with a nominal value of KHR 100,000 (one hundred thousand) each ("**Nominal Value**").
- 2.3. On the Issue Date, there are 800,000 (eight hundred thousand) units of the Bonds in total, with an aggregate total principal amount of KHR 80,000,000,000 (eighty billion) (or its equivalent in USD of up to US\$ 20 million, whichever is lower) (the "**Bonds**").

3. OWNERSHIP OF THE BONDS AND BONDHOLDERS' BOOK

The Issuer has appointed ACLEDA Bank Plc. to act as the Securities Registrar, the Securities Transfer Agent, and the Paying Agent in respect of the Bonds in accordance with ACLEDA Bank Plc. Appointment Agreement.

3.1. Bonds Ownership

The Bondholder's Rights are vested in individuals or legal entities whose names appeared on the Bondholders' Book maintained by the Securities Registrar and the Securities Transfer Agent, as the case may be, as the owners of such Bonds at the end of business hours of the Securities Registrar and the Securities Transfer Agent, as the case may be, on the relevant Record Date, except in a case where an objection is duly made according to the law.

3.2. Bondholders' Book; Closure of the Bondholders' Book

- 3.2.1. The Securities Registrar is obliged under ACLEDA Bank Plc. Appointment Agreement to enter the name of each Bondholder to whom the Bonds have been allotted, together with details of the number of Bonds allotted to such Bondholder, into the Bondholders' Book no later than 7 (seven) Business Days after the Subscription Closing Date (subject to it receiving all necessary documentation).
- 3.2.2. The Securities Transfer Agent is obliged under ACLEDA Bank Plc. Appointment Agreement to prepare, record and/or register any transaction in relation to the transfer, pledge and any other matter or thing with respect to the Bonds as required by applicable law and to keep the Bondholders' Book until the date that all Bonds are fully redeemed, in accordance with these Conditions.
- 3.2.3. The Bondholders' Book will be closed as follows:
 - 3.2.3.1. 2 (two) days prior to any Interest Payment Date and the Maturity Date (the "**Book Closing Date**"); and

- 3.2.3.2. 14 (fourteen) days prior to any date fixed for any meeting of the Bondholders or any other date for any other purpose as specified in the Conditions and as notified by the Issuer to the Securities Transfer Agent and the Bondholders' Representative (the "**Meeting Book Closing Date**").

If the Book Closing Date and/or the Meeting Book Closing Date falls on a day that is not a Business Day, the Bondholders' Book shall be closed on the next Business Day, and in such case, the period between the Book Closing Date or the Meeting Book Closing Date (as the case may be) to each relevant Interest Payment Date, the Maturity Date, any date fixed for any meeting of the Bondholders or any other date for any other purpose as specified above shall NOT be less than the above provided period. The Securities Transfer Agent shall not register any transfer of the Bonds on the Book Closing Date and/or the Meeting Book Closing Date. A Business Day immediately preceding the Book Closing Date and/or the Meeting Book Closing Date is hereinafter referred to as a "**Record Date**".

- 3.2.4. The Issuer and Securities Transfer Agent hereby reserve the right to change the date and time for the closure of the Bondholders' Book without the need to obtain consent from the Bondholders, provided that such change: (i) must be in compliance with the rules and regulations of CSX (if listed) or any other relevant authorities, and (ii) shall not adversely affect materially the rights and benefits of the Bondholders. In such case, the Record Date shall be changed accordingly. Any change to the Bondholders' Book and Record Date must be notified to all the Bondholders no later than 7 (seven) Business Days.

4. TRANSFERS OF BONDS

- 4.1. The subscription of Bonds in the primary market is not eligible for any person other than the Qualified Investors who are deemed appropriate at the discretion of the Underwriter.
- 4.2. The Bonds shall be transferred in compliance with the applicable regulations of the CSX and any other relevant regulatory authority and agency. If the Bonds are not traded on the CSX or the Secondary Market, they can only be transferred between Qualified Investors.
- 4.3. For avoidance of doubt, the Bonds are only freely transferred after being listed on CSX or the Secondary Market.

5. STATUS OF BONDS AND CGIF GUARANTEE

5.1. Status of Bonds

The Bonds constitute name registered, unsubordinated and (subject to Clause 6.4 (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves other obligations that are subject to any priorities or preferences. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and subject to Clause 6.4 (*Negative Pledge*), rank at least equally with all other unsecured and unsubordinated indebtedness of the Issuer, present and future, and rank ahead of the shareholders' equity of the Issuer.

5.2. Guarantee

The payment obligations of the Issuer under Clause 8.1 are unconditionally and irrevocably guaranteed by the Guarantor to the extent of, and in accordance with and subject to the terms of, the CGIF Guarantee. Such payment obligations of the Guarantor under the CGIF Guarantee are direct, unconditional and general obligations of the Guarantor and rank *pari passu* with the claims of all its other unsecured and unsubordinated creditors, present or future, except for obligations mandatorily preferred by law.

5.3. Limitation on the Guarantor's Liabilities

- 5.3.1. The recourse of each of the Bondholders' Representative, the Paying Agent, the Securities Registrar, the Securities Transfer Agent and the Eligible Bondholders against the Guarantor in respect of the CGIF Guarantee is limited solely to the Guarantor's Assets. By its holding of a Bond, each of the Bondholders' Representative, the Paying Agent, the Securities Registrar, the Securities Transfer Agent and the Eligible Bondholders will be deemed to acknowledge and accept that it only has recourse to the Guarantor's Assets and none of the Bondholders' Representative, the Paying Agent, the Securities Registrar, the Securities Transfer Agent or Eligible Bondholders have recourse to any assets of the Asian Development Bank or any other contributors to the Guarantor. Any obligation under the CGIF Guarantee shall not constitute an obligation of the Asian Development Bank or any other contributors to the Guarantor.
- 5.3.2. Each of the Eligible Bondholders, the Bondholders' Representative, the Paying Agent, the Securities Registrar and Securities Transfer Agent further acknowledge and accept that neither the Asian Development Bank nor any other contributors to the Guarantor or the officers, employees or agents of the Asian Development Bank or any contributor to the Guarantor shall be subject to any personal liability whatsoever to any third party including each of the Bondholders' Representative, Eligible Bondholders, the Paying Agent, the Securities Registrar and the Securities Transfer Agent in connection with the operation of the Guarantor or under the CGIF Guarantee, any other Guarantee Document or any Bond Document. No action may be brought against Asian Development Bank as the trustee of the Guarantor or as contributor to the Guarantor or against any other contributors to the Guarantor or any of their respective officers, employees or agents by any third party including each of

the Bondholders' Representative, Eligible Bondholders, Paying Agent, the Securities Registrar and Securities Transfer Agent in connection with the CGIF Guarantee, any other Guarantee Document or any Bond Document.

6. COVENANTS OF THE ISSUER

The Issuer undertakes to comply with all the covenants set out in this Clause 6 for so long as any debt under the Bonds remains outstanding.

6.1. Appointment of Replacement of Bondholders' Representative

If it becomes necessary to replace the Bondholders' Representative, the Issuer shall appoint a replacement Bondholders' Representative as soon as practicable, but in any case no later than 90 (ninety) days from the date on which the Issuer is aware of the event which requires the replacement of the Bondholders' Representative pursuant to Clause 15.2 below.

6.2. Information

6.2.1. The Issuer shall promptly send a written notice to the Guarantor and the Bondholders' Representative if it becomes aware of an occurrence of an Event of Default or any event which would (with the giving of notice, lapse of time, determination of materiality or the fulfilment of any other applicable condition or any combination of the foregoing) constitute an Event of Default under these Conditions.

6.2.2. In addition to the information disclosure as required by Prakas on Corporate Disclosure issued on 30 October 2018 and subsequent amendment thereto, and other applicable laws and regulations, the Issuer shall:

6.2.2.1. deliver to the Bondholders' Representative the copies of the Issuer's reviewed but unaudited interim financial statements (if prepared) and audited annual financial statements including (if prepared), consolidated financial statements of the Issuer and its consolidated Subsidiaries, for the relevant financial period and year as required by CSX or the Secondary Market on which the Bonds are listed and by any other relevant supervisory authorities, as the case may be, shall be no later than:

6.2.2.1.1. 45 (forty-five) days for the interim report and 90 (ninety) days for the annual report to SECC; and

6.2.2.1.2. 45 (forty-five) days for quarterly report to the Bondholders' Representative.

from the end of the Issuer's fiscal year or the end of each accounting period of the Issuer, as the case may be.

6.2.2.2. If, after the Issue Date, the submission period referred to above is changed under the applicable laws or regulations, the Issuer shall comply with the new submission period or requirements according to such amended applicable laws or regulations.

6.2.3. The Issuer shall report to the Guarantor, the SECC and the Bondholders' Representative as promptly as possible when there is a material adverse change to the Issuer's business or financial status.

6.3. Maintenance of Listed Status

The Issuer shall use its reasonable efforts to maintain the listed status of the Bonds on the CSX or the Secondary Market throughout the term of the Bonds.

6.4. Negative Pledge

Except for the ordinary course of the Issuer's business, so long as any Bond remains outstanding, the Issuer shall not create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its property, assets or revenues, present or future, to secure any Investment Securities or to secure any guarantee or indemnity in respect of any Investment Securities, without at the same time or prior thereto, the Issuer's obligations under the Bonds are secured equally and rateably therewith shall be approved by an Extraordinary Resolution of the Bondholders.

7. INTEREST

7.1. Interest Rate

Interest on the Bonds shall accrue respectively at the Interest Rate and be payable annually in arrears on each Interest Payment Date. Such interests shall be calculated on the outstanding principal amount of each Bond.

7.2. Interest Calculation

The amount of interest payable in respect of the Bonds for any Interest Period shall be calculated by:

7.2.1. multiplying the principal amount outstanding on each unit of the Bonds as at the first day of such Interest Period with the Interest Rate; and

7.2.2. the resulting shall be rounded down.

In respect of the final Interest Payment Date, the calculation of interest shall be subject to Clause 8.2.

7.3. Default Interest

If payment of any principal amount due in respect of the Bonds is improperly withheld or refused on the Maturity Date or any accelerated payment date in accordance with Clause 0, interest shall continue to accrue on the unpaid principal amount at the Default Interest Rate from (and including) the Maturity Date or such accelerated payment date up to (but excluding) the date on which all sums due in respect of such Bonds are paid to the Bondholders' Representative or the Bondholders, as the case may be, in full. Without limiting the remedies available to the Bondholders' Representative or the Bondholders, as the case may be, if the Issuer fails to make any payment of interest (including interest payable pursuant to this Clause 7) when due on the Interest Payment Date, the Issuer shall pay interest on the amount of that payment due and unpaid at the Default Interest Rate from (and including) the Interest Payment Date.

8. PAYMENTS OF INTEREST

8.1. Interest Payments

Interest on the Bonds shall be payable in arrears to each Bondholder on each Interest Payment Date.

8.2. Non-Business Days

If any payment date under these Conditions (including, but not limited to the Maturity Date and the Interest Payment Date) falls on a day that is not a Business Day, the relevant amount due and payable shall be paid on the next Business Day (and no interest shall be calculated with respect to any such postponement except for the final Interest Payment Date), with the same force and effect as if made on the original payment date. In respect of the final Interest Payment Date, interest shall accrue in accordance with these Conditions until, but excluding, the actual date of payment.

8.3. Payment Methods:

- 8.3.1. *Interest Payment:* Interest due on any Interest Payment Date will be payable by the Issuer through the Paying Agent to the Bondholders whose names appear in the Bondholders' Book on the relevant Record Date subject to Clause 3 above. Payments of interest on each Bond will be made to each Bondholder by transferring the relevant amount to the bank account of that Bondholder described in the Bondholders' Book.
- 8.3.2. *Partial Redemption:* The Partial Redemption, as stipulated in Clause 9.1 below, will be payable by the Issuer through the Paying Agent to the Bondholders whose names appear in the Bondholders' Book on the relevant Record Date. The payment will be made to each Bondholder by transferring the relevant amount to the bank account of that Bondholder described in the Bondholders' Book.

8.4. Distribution of Payments

- 8.4.1. Upon an acceleration of the Bonds in accordance with these Conditions, all principal, interest and any other amounts shall be paid by the Issuer in accordance with the following order of priority:
 - 8.4.1.1. firstly, directly to the Bondholders' Representative, the payment of all costs, expenses and liabilities incurred by the Bondholders' Representative in performing its duties and obligations in respect of the Bonds in accordance with these Conditions and the Bondholders' Representative Agreement;
 - 8.4.1.2. secondly, directly to the Bondholders' Representative, the remuneration of the Bondholders' Representative in respect of the Bonds pursuant to the Bondholders' Representative Agreement;
 - 8.4.1.3. thirdly, directly to the bank account of that Bondholder described in the Bondholders' Book, the interest of the Bonds accrued and unpaid up to the date of payment;
 - 8.4.1.4. fourthly, directly to the bank account of that Bondholder described in the Bondholders' Book, the outstanding amount of the principal of the Bonds;
 - 8.4.1.5. fifthly, directly to the Guarantor, to the extent that the Guarantor has made any payment under the CGIF Guarantee; and
 - 8.4.1.6. finally, directly to the Issuer, the balance (if any) to be paid to the Issuer without unreasonable delay.
- 8.4.2. Upon a Demand being sent to the Guarantor in compliance with the terms of the CGIF Guarantee, all amounts to be paid by the Guarantor under the CGIF Guarantee shall be in the following order of priority:
 - 8.4.2.1. firstly, directly to the Bondholders' Representative but only in the circumstance that the Bondholders' Representative delivers the BHR Demand (as defined in the CGIF Guarantee) in accordance with and subject to the terms of the CGIF Guarantee, the Bondholders' Representative Expenses (as defined in the CGIF Guarantee);

- 8.4.2.2. secondly, directly to the bank account of that Eligible Bondholder described in the Bondholders' Book, the interest on the Bonds held by the Eligible Bondholders accrued and unpaid up to the date of payment;
- 8.4.2.3. thirdly, directly to the bank account of that Eligible Bondholder described in the Bondholders' Book, the outstanding principal amount of the Bonds held by the Eligible Bondholders; and
- 8.4.2.4. finally, the balance (if any) to be retained by the Guarantor.

8.5. **Payment Currency**

All payments made or to be made under the Bonds shall be settled in USD at the exchange rate calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia on each of the 6th Business Day to the 2nd Business Day prior to the date on which subscription for the Bonds commence.

9. **REDEMPTION AND REPURCHASE OF BONDS**

9.1. **Partial Redemptions**

The Bonds shall be partially redeemed before and on the Maturity Date and in accordance with the following conditions:

- 9.1.1. **Partial Redemption Date:** The Bonds shall be redeemed at the following date ("**Partial Redemption Date**"). The total number of outstanding Bonds to be redeemed at any Partial Redemption Date shall be the percentage (as indicated in the table below) of the total outstanding Bonds prior to that Partial Redemption Date.

Partial Redemption Date	% of Outstanding Bonds
09 April 2021	15%
09 April 2022	18%
09 April 2023	28%
09 April 2024	50%
09 April 2025	100%

- 9.1.2. **Outstanding Bonds:** The Bonds so to be redeemed shall be selected on a pro rata basis in accordance with the total number of Bonds registered in the name of each Bondholder. If the result of multiplication is less than 1 (one) Bond, it will be round down.
- 9.1.3. **Bonds Due on Redemption Date:** All the Bonds so called for redemption shall become due and payable at the Nominal Value on the Partial Redemption Date in the same manner and with the same effect as if it were the Maturity Date. After each Partial Redemption Date, if the moneys necessary to redeem such Bonds shall have been paid in accordance with Clause 8.3 (*Payment Methods*), such Bonds shall not be considered as outstanding hereunder and interest upon such Bonds shall cease.

9.2. **Purchase of Bonds by the Issuer or its Affiliates**

The Issuer or any of its Affiliates may at any time purchase the Bonds in any open market or otherwise and at any price. If purchases are made by tender, tenders must be made available to all the Bondholders. If any Bonds are purchased by the Issuer's Affiliates, the Issuer shall procure that such Affiliates must resell the Bonds to the Issuer and the Issuer must repurchase the said Bonds from its Affiliates, within the next Business Day from the date on which the Issuer's Affiliates have purchased such Bonds. The Bonds repurchased by the Issuer as specified above shall be cancelled in accordance with Clause 9.3 below and the Issuer must promptly inform the Guarantor in writing of such cancelled Bonds. (For the avoidance of doubt, if the Issuer fails to repurchase the Bonds from its Affiliates as specified above and such Affiliates resell the Bonds to any other person, a Bondholder who has purchased or acquired the Bonds from the Issuer's Affiliate(s), shall still be entitled to all the Bond Rights and benefits under the CGIF Guarantee.) As long as such acquired Bonds are held by the Issuer or the Issuer's Affiliates, such Bonds shall not be covered under the CGIF Guarantee or entitle the Issuer or Issuer's Affiliates to vote at any meeting of the Bondholders and shall not be deemed to be outstanding for the purpose of calculating a quorum with respect to meetings of the Bondholders.

9.3. **Cancellation**

Bonds that are redeemed or repurchased by the Issuer must be cancelled and may not be re-issued or resold. In this regard, the Issuer shall advise the Registrar to cancel the Bonds, and also inform the SECC and the CSX in writing of the repurchase and cancellation of the Bonds in accordance with the applicable laws and regulations.

10. PRESCRIPTION

Claims in respect of the principal and interest of the Bonds shall become unenforceable unless the Bonds are presented for payment within a period of 5 (five) years from the time at which the Bondholders' Representative accelerates the payment of the Bonds under Clause 11.3 or 11.5 below.

11. EVENTS OF DEFAULT AND ACCELERATION

11.1. Event of Default

If any of the following events occurs and is continuing (each, an "**Event of Default**"), the Bondholders' Representative shall comply with Clause 11.3 or 11.5 below:

- 11.1.1. **Non-Payment:** the Issuer fails to pay any amount of principal (in USD) in respect of any of the Bonds within 5 (five) calendar days of the due date for payment thereof or fails to pay any amount of interest (in USD) in respect of any of the Bonds within 7 (seven) calendar days of the due date for the payment thereof. If the Issuer defaults in making a payment (in USD) under any Bond to any Bondholder, if otherwise not apparent or clearly proven to the contrary, it shall be presumed that such defaults in payment have occurred to all the Bonds;
- 11.1.2. **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under these Conditions and such default is not remedied within 30 (thirty) calendar days after notice of such default shall have been given to the Issuer by the Bondholders' Representative;
- 11.1.3. **Cross-Default:**
 - 11.1.3.1. any other Indebtedness of the Issuer becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or
 - 11.1.3.2. any such Indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or
 - 11.1.3.3. the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness owed by the Issuer,
and provided that the aggregate amount of the relevant Indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Clause 11.1.3 have occurred equals or exceeds f KHR 12,000,000,000 (twelve billion Khmer Riel);
- 11.1.4. **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any material part of the assets of the Issuer and is not removed, dismissed or discharged within 90 (ninety) days;
- 11.1.5. **Insolvency:** the Issuer:
 - 11.1.5.1. is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness,
 - 11.1.5.2. begins negotiations or takes any other proceeding for the deferral, rescheduling or other readjustment of all or any material part of (or all of a particular type of) its indebtedness (or of any material part which it will otherwise be unable to pay when due), or
 - 11.1.5.3. proposes or makes a general assignment or an arrangement or scheme or composition with or for the benefit of its creditors;
- 11.1.6. **Winding-up:** any corporate action or legal proceeding is taken with a view to the winding-up (other than those of a frivolous or vexatious nature or those which are contested in good faith and, in each case, which are discharged within 90 (ninety) days of their commencement), of the Issuer or for the appointment of a liquidator (including a provisional liquidator), administrator or similar officer of the Issuer or over all or any material part of the assets of the Issuer (except for the purpose of a reconstruction, amalgamation, merger, consolidation or reorganisation);
- 11.1.7. **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and these Conditions, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds and these Conditions admissible as evidence in the courts of Cambodia is not taken, fulfilled or done;
- 11.1.8. **Nationalization:** any authority nationalizes, seizes, or otherwise assumes custody or control of all or any material part of the business, operations, properties, or other assets of the Issuer or of the Issuer's share capital, or take any action for the dissolution of the Issuer or any action that would prevent the Issuer or its officers from carrying on all or any material part of its business or operations;

- 11.1.9. **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or these Conditions; or
- 11.1.10. **Guarantee not in force:** the CGIF Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.

11.2. No Acceleration by the Issuer

For the purpose of clarity, the Issuer hereby acknowledges and agrees that there is no provision under these Conditions or any other documents relating to the Bonds which allow the Issuer to accelerate the Bonds at its instigation.

11.3. Acceleration Step under the CGIF Guarantee

If any Event of Default occurs and is continuing, the Bondholders' Representative shall deliver a default notice to the Issuer and the Guarantor informing them of the occurrence of such Event of Default. If the Issuer defaults in making a payment under any Bond to any Bondholder, if otherwise not apparent or clearly proven to the contrary, it shall be presumed that such defaults in payment have occurred to all the Bonds.

Pursuant to the terms of the CGIF Guarantee and Clause 11.4 below, the Bondholders' Representative and the Bondholders agree that, following an Event of Default, it shall not: (a) take steps to declare any Bond to be or become immediately due and payable, or payable on an accelerated basis under the Bond Documents, or (b) take any enforcement or similar action in relation to any Security (as defined in the CGIF Guarantee) (if any) in respect of the Bonds (each, an "**Acceleration Step**") other than in accordance with Clause 5.2 (Bondholders' Representative Acceleration) of the CGIF Guarantee, which provides that the Bondholders' Representative may, on behalf of the Bondholders and subject to the terms of the Bond Documents, take an Acceleration Step if:

- 11.3.1. a Non-Payment Event has occurred and is continuing and a Demand (as defined in the CGIF Guarantee) has been properly delivered to the Guarantor within the Demand Period (as defined in the CGIF Guarantee) in accordance with the CGIF Guarantee in respect of the relevant Guaranteed Amount (as defined in the CGIF Guarantee) and not paid by the Guarantor by the applicable due date in accordance with the CGIF Guarantee; or
- 11.3.2. an Event of Default occurs (other than pursuant to Clause 11.1.1 (Non-Payment)) and the requirements of Clause 11.5 (The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 (Non-Payment)) have been fulfilled.

11.4. Acceleration following a Non-Payment Event

- 11.4.1. The Guarantor's obligations to make payments under the CGIF Guarantee only arise after a Demand is made to the Guarantor subject to and in accordance with the terms of the CGIF Guarantee. Amongst other terms of the CGIF Guarantee, the Bondholders' Representative and the Bondholders, as applicable, may only deliver a Demand if a Non-Payment Event occurs and is continuing (as further set out under Clause 3 (Payment under the Guarantee) and Clause 5 (Acceleration of the Bonds) of the CGIF Guarantee). If a Non-Payment Event occurs and is continuing, the Bondholders' Representative or the Bondholders, as the case may be, may deliver a Demand (as defined in the CGIF Guarantee) to the Guarantor as soon as practicable, but in any event, within the Demand Period or Bondholder Demand Period (as the case may be, and as each term is defined in the CGIF Guarantee), in accordance with and subject to the terms of the CGIF Guarantee in respect of the relevant Guaranteed Amount (as defined in the CGIF Guarantee). The Bondholders' Representative and the Bondholders will have no right to send a Demand to the Guarantor for payment under the CGIF Guarantee when the Bondholders' Representative has taken an Acceleration Step pursuant to Clause 11.5.
- 11.4.2. At any time after (i) an Event of Default under Clause 11.1.4 (Enforcement Proceedings), 11.1.5 (Insolvency) or 11.1.6 (Winding-up) occurs or (ii) the receipt by the Guarantor of a Demand in accordance with the terms of the CGIF Guarantee (regardless of whether or not the Guarantor has made payment in accordance with such Demand), the Guarantor may, in its absolute discretion, deliver a notice to the Issuer and the Bondholders' Representative declaring the Bonds to be immediately due and payable under the Bond Documents on a specified date (which must be no later than ten (10) Business Days (as defined in the CGIF Guarantee) from the date a notice is delivered by the Guarantor to the Issuer and the Bondholders' Representative pursuant to Clause 5.4 of the CGIF Guarantee) and confirms that it will pay all the Guaranteed Amounts on or before that date. Such notice shall take effect in accordance with its terms.

Provided that, in the case of the occurrence of an Event of Default described under paragraph (i) above, upon Issuer's request, the Guarantor may discuss with the Issuer whether to grant the Issuer additional time to take necessary actions to have such corporate action or legal proceeding removed, dismissed or discharged as reasonably required if the Guarantor determines in its sole and absolute discretion that (a) the corporate action or legal proceeding giving rise to such Event of Default is frivolous or vexatious; and (b) it cannot be removed, dismissed or discharge within the time period provided under these Conditions despite Issuer's best efforts.

11.5. *The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 (Non-Payment)*

If any Event of Default other than the Non-Payment Event occurs and is continuing, and if:

- 11.5.1. the Bondholders' Representative has received a written demand from any one or more of the Bondholders together holding at least 50% (fifty per cent) of the total outstanding principal amount of the Bonds; or
- 11.5.2. the Bondholders' Representative has received an Extraordinary Resolution of the Bondholders' meeting in accordance with Clause 13.

the Bondholders' Representative may take an Acceleration Step to declare the Bonds to be immediately due and payable. In such case, however, the Bondholders' Representative and the Bondholders shall have no right to deliver a Demand in respect of the Guaranteed Amounts to be paid by the Guarantor in accordance with the CGIF Guarantee and the Guarantor will no longer have obligations to make any payments in respect of the Guaranteed Amounts under the CGIF Guarantee.

12. TAXATION

Payments under the Bonds will be subject to withholding tax in Cambodia according to the applicable Cambodian tax laws. The Issuer will not be required to gross-up or be liable for any withholding tax under any circumstances (including in respect of any payments made by other parties under any Bond Document or Guarantee Document).

13. MEETINGS OF BONDHOLDERS

The meeting of Bondholders shall follow the Bondholders Meeting Rules which is attached as Annex A hereto.

14. POWERS AND DUTIES AND AUTHORITY OF THE BONDHOLDERS REPRESENTATIVE

Powers, duties and authority of the Bondholders' Representative are provided in Clause 3 of the Bondholders' Representative Agreement.

15. APPOINTMENT AND REMOVAL OF THE BONDHOLDERS REPRESENTATIVE

- 15.1.** The Issuer has appointed ACLEDA Securities Plc. to act as a representative of the Bondholders, in full compliance with all applicable laws and regulations concerning qualifications of a bondholders' representative. The Bondholders' Representative has all qualifications required by the applicable laws in order to act as Bondholders' Representative and has received necessary approvals from relevant government agencies including the SECC to perform its duties and functions. The Bondholders are deemed to have accepted and consented to the Issuer's appointment of ACLEDA Securities Plc. as the Bondholders' Representative pursuant to the terms of the Bondholders' Representative Agreement and to ratify any action the Bondholders' Representative may have done for or on behalf of the Bondholders prior to and after the Issue Date or the subscription or accepting the transfer of the Bonds.

- 15.2.** Removal of the Bondholders' Representative is required under the following circumstances:

- 15.2.1. The Bondholders' Representative becomes disqualified to act as a representative of Bondholders and fails to rectify the event of such disqualification within 30 (thirty) days from the date that such disqualification arose;
- 15.2.2. A Bondholders' meeting passes a resolution to terminate the appointment of the Bondholders' Representative due to its negligent performance or failure to perform its duties;
- 15.2.3. The Bondholders' Representative is in breach of any provision of the Bondholders' Representative Agreement or these Conditions and such breach has not been remedied within 30 (thirty) days from the date the Issuer or any one or more of the Bondholders holding together at least 25% (twenty-five per cent) of the total outstanding principal amount of the Bonds sends a written notice to the Bondholders' Representative demanding such remedy;
- 15.2.4. any proceeding or other action is commenced by or against the Bondholders' Representative, seeking reorganisation, receivership, liquidation, dissolution, winding-up, composition, and other similar events, or there is any order or judgment for dissolution or suspension of business by the court; and
- 15.2.5. the appointment of the Bondholders' Representative is terminated in accordance with the Bondholders' Representative Agreement.

- 15.3.** In case of a removal of the Bondholders' Representative, the Bondholders' Representative or the Issuer shall proceed in accordance with either of the following:

- 15.3.1. call a meeting of the Bondholders to approve the appointment of a new Bondholders' Representative; or
- 15.3.2. issue a notice to all Bondholders requesting approval for the appointment of the new Bondholders' Representative, and if such request is not rejected in writing by Bondholders holding more than 10% (ten per cent) of the total outstanding principal amount of the Bonds within 30 (thirty) days from the date of such notice, it shall be deemed that all Bondholders approve the appointment of the new Bondholders' Representative.
- 15.4. The existing Bondholders' Representative shall in any event continue to perform its duties and functions in order to protect the Bondholders' interests under these Conditions until the new Bondholders' Representative is legally appointed in accordance with these Conditions, applicable laws and regulations.
- 15.5. If the Bondholders' Representative is replaced, the Issuer and/or the new Bondholders' Representative, as the case may be, shall, if required by applicable laws and regulations, apply for approval from the SECC. After the Issuer has appointed the new Bondholders' Representative, such new Bondholders' Representative shall notify each Bondholder in writing of its appointment within 30 (thirty) days from the date thereof and the Bondholders' Representative who has been terminated shall promptly hand over all assets, information and documents currently held by it to the new Bondholders' Representative and shall fully co-operate with the new Bondholders' Representative so as to ensure an orderly transition and the proper performance and assumption of duties by the new Bondholders' Representative.

16. AMENDMENT TO THESE CONDITIONS AND THE CGIF GUARANTEE

- 16.1. Subject to the applicable regulations, any amendment to these Conditions and the CGIF Guarantee require the approval of the Issuer, the Guarantor, the SECC and the Bondholders' Representative (acting upon the resolution of Bondholders' meeting), other than:
 - 16.1.1. any amendment or modification of these Conditions, the CGIF Guarantee and/or any agreement relating to the Bonds in any respect that the Bondholders' Representative deems to be beneficial to the Bondholders or in a manner that would not materially prejudice the Bondholder's rights, may only be made if the Bondholders' Representative receives written approval from Bondholders holding at least 50% (fifty per cent) of the value of the Bonds;
 - 16.1.2. any amendment or modification of these Conditions, the CGIF Guarantee and/or any agreement relating to the Bonds in order to correct any manifest errors or to ensure they are in compliance with any mandatory provision of applicable laws, shall not require any consent of the Bondholders' meeting; and
 - 16.1.3. any agreement to any waiver, exemption or authorisation of any breach or proposed breach, of any provisions of these Conditions (including, but not limited to Clause 11.1) that is in the opinion of the Bondholders' Representative not materially prejudicial to the interest of the Bondholders, may only be made if the Bondholders' Representative receives written approval from Bondholders holding at least 50% (fifty per cent) of the value of the Bonds;
- 16.2. The Bondholders' Representative must deliver copies of the amended Conditions, CGIF Guarantee and other relating documents (if any) to the Issuer, the Guarantor, the Securities Transfer Agent, the SECC and the CSX or the Secondary Market (if listed), within 15 (fifteen) days from the effective date of such amendment and to the Bondholders upon written request.

17. NOTICES

- 17.1. Notices to the Issuer will be deemed to be validly given:

- 17.1.1. if sent by registered mail (or the equivalent) or (if posted to an overseas address) by airmail to the address;
- 17.1.2. if sent by mail will be deemed to have been validly given on the third day after the date it is mailed;
- 17.1.3. if sent by hand, at the time of delivery;
- 17.1.4. if posted from a country other than that of the addressee, on the seventh day after the date it is posted; and
- 17.1.5. if given or made by email, immediately provided that, following the delivery, the sender's email produces a delivery confirmation report, confirming successful delivery of the email.
- 17.2. Neither the failure to give notice nor any defect in any notice given to any particular Bondholder shall affect the sufficiency of any notice with respect to other Bondholders.

THE ISSUER

RMA CAMBODIA PLC.

Address : No. 27 E1, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, the Kingdom of Cambodia
Telephone : 023 888 000
Attention : Mr. NGORN Saing, CEO

17.3. Notices to the Guarantor shall be validly given if sent to the address, email or fax number of the Guarantor specified in the CGIF Guarantee.

17.4. Language

All notices and communications to be made to the Issuer in relation to the Bonds and these Conditions shall be made in Khmer or English language, unless as otherwise required under the applicable laws or any other agreement, in which case an English translation thereof shall be provided to the Issuer.

18. GOVERNING LAW AND JURISDICTION

18.1. These Conditions and the Bonds shall be governed by and construed in accordance with the laws of Cambodia. To the extent of discrepancy or inconsistency between any provision of these Conditions and any laws or notifications applicable to the Bonds, the provisions of such laws or notifications applicable to the Bonds shall supersede only the parts of these Conditions which give rise to such discrepancy or inconsistency.

18.2. The CGIF Guarantee shall be governed by and construed in accordance with English law.

18.3. The Issuer agrees that any legal action arising out of or relating to these Conditions may be brought in the courts of Cambodia.

18.4. Notwithstanding Clause 18.3, nothing in these Conditions shall limit the right of the Bondholders' Representative and/or the Bondholders (when entitled to do so) to commence any legal action against the Issuer and/or its assets in any other jurisdiction or to serve process in any manner permitted by law, and the taking of proceedings in any jurisdiction shall, to the full extent permitted by applicable laws of the relevant jurisdictions, not preclude the Bondholders' Representative and/or the Bondholders from taking proceedings in any other jurisdiction whether concurrently or not.

18.5. In the case where the Issuer has acquired or will subsequently acquire immunity from the proceedings in respect of itself or its property, the Issuer waives such immunity, except immunity in respect of its property used for diplomatic or consular missions, property of a military nature, and property located in its territory and dedicated to a public or governmental use as distinguished from the property dedicated to commercial use.

These Conditions are made on 27 March 2020 and shall be effective from the Issue Date.

RMA (CAMBODIA) PLC.
as Issuer

By: _____

(Mr. NGORN Saing, CEO)

Authorised Signatory

ANNEX A

BONDHOLDERS MEETINGS RULES

1. Calling Meetings

If the Issuer or the Bondholders' Representative (as the case may be), wishes to call a meeting of the Bondholders, it must arrange for the Securities Transfer Agent to send notices calling the meeting by registered email and/or mail to the Issuer, the Bondholders' Representative and the Bondholders not less than 10 (ten) Calendar Days (excluding the date the notice is sent and the date of the meeting) before the date of the meeting. The notice calling the meeting must specify the date, time and place of the meeting, agenda of the meeting and the person requesting that the meeting be called. The Securities Transfer Agent must send the notice calling the meeting of Bondholders to every Bondholder according to the names and addresses that appear in the Bondholders' Book as at the Record Date.

2. Persons with the right to attend a meeting

The following persons have the right to attend a meeting of Bondholders:

- (a) the Bondholders, the Issuer and the Bondholders' Representative;
- (b) any person or other Bondholder approved by a Bondholder as a proxy ("proxy") to attend the meeting and vote on their behalf under an instrument for appointing a proxy in the form prescribed by the Securities Transfer Agent (available at the head office of the Securities Transfer Agent). A Bondholder who wishes to appoint a proxy must submit the original instrument appointing his proxy to the Securities Transfer Agent not less than 24 (twenty-four) hours before the time appointed for holding of a meeting of Bondholders;
- (c) a financial advisor, legal adviser or other person who has been requested by the Issuer and/or the Bondholders' Representative to attend the meeting to give any explanation and opinion to the meeting on matters to be transacted at the meeting; and
- (d) any persons permitted by the chairman of the meeting to attend the meeting as observers.

3. Quorum

- 3.1 At a meeting of Bondholders to consider and pass resolutions on matters other than those specified in Clauses 6.3 and 6.4 of this Rules, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 51 (fifty-one) % of the total number of units of outstanding Bonds attending the meeting to constitute a quorum. If a meeting of Bondholders to consider matters under this Clause 3.1 is postponed under Clause 5.1 of this Rules due to a lack of a quorum, a quorum at the subsequent meeting shall be constituted if 2 (two) or more Bondholders holding an aggregate number of not less than 25 (twenty-five) % of the total number of units of outstanding Bonds attend at that meeting.
- 3.2 At a meeting of Bondholders to consider and pass resolutions on the matters specified in Clause 6.3 of this Rules, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 66 (sixty-six) % of the total number of units of outstanding Bonds attending the meeting to constitute a quorum. If a meeting of Bondholders to consider matters under this Clause 3.2 is postponed under Clause 5.1 of this Rules due to a lack of a quorum, a quorum at the subsequent meeting shall be constituted if 2 (two) or more Bondholders holding an aggregate number of not less than 33 (thirty-three) % of the total number of units of outstanding Bonds attend at that meeting.
- 3.3 At a meeting of Bondholders to consider and pass resolutions on the matters specified in Clause 6.4 of this Rules, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 75 (seventy-five) % of the total number of units of outstanding Bonds attending the meeting to constitute a quorum. If a meeting to consider matters under this Clause 3.3 is postponed under Clause 5.1 of this Rules due to a lack of a quorum, a quorum at the subsequent meeting shall be constituted if 2 (two) or more Bondholders holding an aggregate number of not less than 45 (forty-five) % of the total number of units of outstanding Bonds attend at that meeting.

4. Chairman of a meeting

The Bondholders' Representative or the person authorized by the Bondholders' Representative shall be the chairman of the meeting. If the person acting as the chairman has not attended the meeting 45 (forty-five) minutes after the time appointed to hold the meeting, 51 (fifty-one) % of the total number of units of outstanding Bonds attending the meeting shall resolve to select one Bondholder to act as chairman of the meeting.

5. Postponement of a meeting

- 5.1 At any meeting of Bondholders, if it appears that a quorum of Bondholders is not present within 90 (ninety) minutes after the time appointed for holding the meeting, the chairman of the meeting shall postpone the meeting of Bondholders to be held at a date, time and place specified by the chairman, whereby the date for the new meeting must be scheduled not less than 14 (fourteen) days but not more than 30 (thirty) days from the original meeting date. In addition, the matters to be transacted and resolved in this subsequent meeting must be limited to the matters which were to be duly transacted in the original meeting.
- 5.2 The Securities Transfer Agent must send a notice calling a subsequent meeting due to a postponement of a meeting caused by a lack of a quorum pursuant to Clause 5.1 of this Rules to the Issuer, the Bondholders' Representative and the Bondholders according to the names and addresses, to which the previous notices calling the meeting of Bondholders were sent, not less than 10 (ten) days prior to the scheduled date for the subsequent meeting (excluding the date the notices were sent and the date of the meeting), and the notice calling the meeting must specify the date, time, place for the meeting, agenda and quorum for such subsequent meeting.
- 5.3 If subsequent meeting does not meet Quorum (Clause 3 above), the chairman shall order that subsequent meeting be cancelled and there shall be no postponement of that subsequent meeting.

6. Resolutions of a meeting

- 6.1 The passing of resolutions on various matters at a meeting of Bondholders shall be made by a show of hands or voting by means specified by the chairman of the meeting. Each unit of outstanding Bonds held by a Bondholder shall have one vote. Each Bondholder shall therefore have the same number of votes as the number of units of outstanding Bonds held by him. Voting in favour of a resolution shall be the votes corresponding to all Bondholders present in person or by proxy LESS (a) the votes corresponding to the Bondholders present in person or by proxy stating their vote against or in blank or abstain by communication or statement of their vote, and (b) the total number of votes of the Bondholders who have conflicting interest against said resolution, if any. In the case of a tied vote, the chairman of the meeting shall have a casting vote (in addition to any vote entitled to be cast by the chairman as a Bondholder or as a proxy).
- 6.2 Except as provided in Clauses 6.3 and 6.4 of this Rules, the resolutions of the meeting of Bondholders, shall be passed by a majority vote which is more than 50 (fifty) % of the total number of votes of the Bondholders attending the meeting and casting their votes LESS the total number of votes of the Bondholders who have conflicting interest against said resolution, if any.
- 6.3 Any resolutions of the meeting of Bondholders on the following matters must be passed by a vote of not less than 66 (sixty-six) % of the total number of votes of the Bondholders attending the meeting and casting their votes LESS the total number of votes of the Bondholders who have conflicting interest against the resolution, if any:
- (a) Any amendment of the Conditions, other than in respect of the matters specified in Clause 6.4 of this Rules and/or in respect of an amendment or modification to the Conditions described in Clauses 16.1.1 to 16.1.3 of the Conditions;
 - (b) any change to the Bondholders' Representative and the appointment of any person as a new Bondholders' Representative; and
 - (c) following the occurrence of an Event of Default, any authorisation of the Bondholders' Representative to require the Issuer to make payment of the principal together with all accrued interest under all of the Bonds under the Conditions.
- 6.4 Any resolutions of the meeting of Bondholders on the following matters must be passed by a vote of not less than 75 (seventy-five) % of the total number of votes of the Bondholders attending the meeting and casting their votes LESS the total number of votes of the Bondholders who have conflicting interest against the resolution, if any:
- (a) the amendment of the due date for payment of any amount of money under the Bonds;
 - (b) the reduction, cancellation or amendment of the amount of principal, interest and/or any other amount of money outstanding or to be paid under the Bonds;
 - (c) a change in the currency denomination of any amount of money to be paid under the Bonds;
 - (d) an amendment to the rules regarding meetings of Bondholders relating to the quorum requirements (Clause 3 of this Rules) and resolutions of meetings (Clause 6 of this Rules);

- (e) an amendment to the terms and conditions under the CGIF Guarantee (other than any amendment or modification to the CGIF Guarantee described in Clauses 16.1.1 to 16.1.3 of the Conditions); and
- (f) an amendment of the Conditions in order to be able to effect any matter contemplated under Clause 6.4(a) to (e) above.

6.5 Any Bondholder who has a conflict of interest on any matter shall have no right to vote on such matter.

7. Minutes of a meeting of Bondholders

The Bondholders' Representative must prepare the minutes of a Bondholders' meeting to be signed by the chairman of such meeting within 7 (seven) Business Days from the date of the meeting and must maintain the original minutes. The minutes of the Bondholders' meeting must be prepared in Khmer and English. Copies of the minutes of a Bondholders' meetings shall be made available to be examined by the Bondholders at the head office of the Bondholders' Representative on a Business Day and time suitable to the Bondholders' Representative.

PROXY LETTER
(For Individual Bondholder)

Date: _____

Investor ID No. issued by SECC : _____

I, _____, holding ID/Passport No. _____

issued on _____, and residing at No. _____

_____, being bondholder as the date of _____,

holding _____ Bonds in the _____, an issued company incorporated

under the laws of the Kingdom of Cambodia, hereby appoint:

Mr/Ms., _____, holding ID/Passport No _____

issued on _____, and residing at No _____

to act as my representative/behalf to:

Participate and other relevant documents needed to be filed in the Meeting of Bondholders
of _____, which will be held on _____

or such other time, date and place as the meeting may be held.

Any acts performed by this proxy letter in _____ Meeting of Bondholders shall be
deemed to be the actions performed by myself.

IN WITNESS of the above, I hereby confirm the above on the date written below.

BONDHOLDER

PROXY

Signature and Name

Signature and Name

PROXY LETTER
(For Institutional Shareholder)

Date: _____

Investor ID No. issued by SECC :

I, _____, holding ID/Passport No. _____ issued on _____,
and residing at No. _____,
_____ being legal representative of _____; bondholder as
the date of _____, holding _____ Bonds in the
_____, an issued company incorporated under the laws of
the Kingdom of Cambodia,
hereby appoint:

Mr/Ms, _____, holding ID/Passport No. _____ issued on
_____, and residing at No. _____
_____ to act as my representative/behalf to:

Participate and other relevant documents needed to be filed in the Meeting of Bondholders
of _____, which will be held on _____
or such other time, date and place as the meeting may be held.
Any acts performed by this proxy letter in _____ Meeting of Bondholders shall be deemed to be
the actions performed by ourselves.

IN WITNESS of the above, I hereby confirm the above on the date written below.

BONDHOLDER
(LEGAL REPRESENTATIVE)

PROXY

Signature and Company Seal

ANNEX B
CGIF Guarantee

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GUARANTEE AGREEMENT

DATED _____ 2020

**CREDIT GUARANTEE AND INVESTMENT FACILITY,
a trust fund of the Asian Development Bank**

and

**ACLEDA Securities Plc.
as Bondholders' Representative for and on behalf of all Bondholders**

and

**ACLEDA Bank Plc.
as Agent**

and

**THE PERSONS AND FINANCIAL INSTITUTIONS
set out in Schedule 1 and such other persons and entities
who accede to this Agreement from time to time
as Bondholders**

relating to

**KHR 80,000,000,000 fixed rate bonds
The Guaranteed Bonds of RMA (Cambodia) Plc.
due B.E. 2025**

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THIS GUARANTEE (this Agreement) is dated _____ 2020 and is made **BETWEEN:**

- (1) **CREDIT GUARANTEE AND INVESTMENT FACILITY**, a trust fund of the Asian Development Bank with its principal office in Manila, the Philippines, in its capacity as the guarantor (**CGIF**);
- (2) **ACLEDA Securities Plc.** in its capacity as the representative for and on behalf of the Bondholders (as defined below) (the **Bondholders' Representative**);
- (3) **ACLEDA Bank Plc.** in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**); and
- (4) **THE PERSONS AND FINANCIAL INSTITUTIONS** set out in Schedule 1 and such other persons and financial institutions who accede to this Agreement from time to time (the **Bondholders**),

(each a **Party** and collectively the **Parties**).

BACKGROUND:

- (A) At the request of the Issuer (as defined below), CGIF has agreed, subject to the terms and conditions of this Agreement, to issue a guarantee in favour of the Bondholders in respect of the Public Bonds (as defined below).
- (B) It is intended that this Agreement takes effect as a deed notwithstanding the fact that a Party may only execute this Agreement under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

Acceleration Due Date has the meaning given to it in Clause 5.4 (CGIF Acceleration).

Acceleration Step has the meaning given to it in Clause 5.1 (Acceleration Step).

Additional Accrual Period means:

- (a) in the case of a CGIF Acceleration or a Bondholders' Representative Acceleration, the period from (and including) the Bond Interest Payment Date immediately preceding the CGIF Acceleration or Bondholders' Representative Acceleration (as the case may be) to (but excluding) the Guarantor Payment Date; or
- (b) where a Demand has been made in respect of principal due on the Bond Maturity Date, the period from (and including) the Bond Maturity Date to (but excluding) the Guarantor Payment Date.

Additional Accrued Interest means the amount of interest in respect of any Public Bonds for the Additional Accrual Period at the Bond Interest Rate.

Affiliate means, in relation to a person, a Subsidiary or Holding Company of that person or a Subsidiary of that Holding Company.

Agent means ACLEDA Bank Plc. or any successor appointed as the securities registrar, securities transfer agent and paying agent in respect of the Bonds from time to time in accordance with the RTP Agency Agreement.

Articles of Agreement means the articles of agreement of CGIF originally dated 11 May 2010 as amended on 27 November 2013, 31 May 2016, 23 May 2017, 31 May 2018 and 1 August 2019 (as may be further amended or supplemented from time to time).

BHR Demand means a demand for payment under this Agreement from the Bondholders' Representative to CGIF substantially in the form set out in Schedule 3 (Form of BHR Demand).

Bond Conditions has the meaning given to the term **Bond Conditions** in the Bondholders' Representative Agreement.

Bond Documents means the Disclosure Document, the Underwriting Agreement, the Bond Conditions, the Bondholders' Representative Agreement, the RTP Agency Agreement, the Single Submission Form, and all other documentation (excluding the Guarantee Documents) related to the issuance of the Bonds.

Bond Event of Default has the meaning given to the term **Event of Default** in Clause 11 (Events of Default and Acceleration) of the Bond Conditions.

Bond Interest Payment Date has the meaning given to the term **Interest Payment Date** under the Bond Conditions.

Bond Interest Rate has the meaning given to the term **Interest Rate** under the Bond Conditions.

Bond Maturity Date has the meaning given to the term **Maturity Date** under the Bond Conditions.

Bondholder Accession Instrument means a document substantially in the form of Schedule 6 (Form of Bondholder Accession Instrument).

Bondholder Demand means a demand for payment made by a Bondholder under this Agreement from the Bondholders to CGIF substantially in the form set out in Schedule 4 (Form of Bondholder Demand).

Bondholder Demand Period means, in respect of a Non-Payment Event, a period of 10 Business Days starting on the date of expiry of the Demand Period in respect of such Non-Payment Event.

Bondholders' Book has the meaning given to the term **Bondholders' Book** in the Bondholders' Representative Agreement.

Bondholders' Representative means ACLEDA Securities Plc. or any successor appointed as the bondholders' representative in respect of the Bonds from time to time in accordance with the Bond Conditions and the Bondholders' Representative Agreement.

Bondholders' Representative Acceleration has the meaning given to it in Clause 5.2 (Bondholders' Representative Acceleration).

Bondholders' Representative Agreement means the Cambodian law governed bondholders' representative agreement entered into between the Bondholders' Representative and the Issuer dated

on or about the date of this Agreement or any agreement appointing a new Bondholders' Representative to replace the existing Bondholders' Representative (if any) from time to time.

Bondholders' Representative Expenses means:

- (a) all costs, expenses and liabilities properly incurred by the Bondholders' Representative in making a BHR Demand on CGIF in accordance with this Agreement; and
- (b) the remuneration due and payable to the Bondholders' Representative in accordance with clause 6 (Remuneration of the Bondholders' Representative) of the Bondholders' Representative Agreement.

Bonds means the Guaranteed Bonds of RMA (Cambodia) Plc. due B.E. 2025.

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in Manila, New York and Phnom Penh.

CGIF Acceleration has the meaning given to it in Clause 5.4 (CGIF Acceleration).

CGIF Acceleration Notice means a written notice delivered by CGIF to the Issuer and the Bondholders' Representative, substantially in the form set out in Schedule 3 (Form of CGIF Acceleration Notice).

CGIF Assets means all property and assets of CGIF held in trust in accordance with the Articles of Agreement of CGIF and available from time to time to meet the liabilities of CGIF. For the avoidance of doubt, a CGIF Asset does not include any assets of the Asian Development Bank or any other contributors to CGIF.

CGIF Certificate means the certificate to be issued by CGIF to the Bondholders' Representative certifying it has received (or waived receipt of) the documents and evidence set out in schedule 1 (Conditions Precedent) to the Indemnity Agreement in form and substance satisfactory to CGIF, substantially in the form set out in Schedule 1 (Form of CGIF Certificate).

CGIF Non-Payment Event has the meaning given to it in Clause 5.2(a).

Demand means a BHR Demand and/or a Bondholder Demand.

Demand Period means:

- (a) in respect of a Non-Payment Event that relates to either:
 - (i) any Scheduled Interest (including the Scheduled Interest due on the last Bond Interest Payment Date); or
 - (ii) the Principal Amount (other than the Principal Amount due on the Bond Maturity Date),a period of ten (10) Business Days starting on the date of such Non-Payment Event; and
- (b) in respect of a Non-Payment Event that relates to the Principal Amount due on the Bond Maturity Date, a period of twenty (20) Business Days starting on the date of such Non-Payment Event.

Disclosure Document means the disclosure document prepared and issued by the Issuer (with assistance from the Underwriter) in relation to the issuance of the Bonds.

Eligible Bondholder means a Bondholder who is not (a) an Issuer Related Entity or (b) the Issuer (or a person acting at the direction of the Issuer).

Government Agency means any government department or any government agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute).

Guarantee means the guarantee provided by CGIF pursuant to, and subject to the terms and conditions of this Agreement.

Guarantee Documents means this Agreement, the Indemnity Agreement and any other document or agreement entered into between any of CGIF, the Issuer and the Bondholders' Representative (as applicable) in connection with any of those documents, designated as such by CGIF.

Guarantee Term has the meaning given to it in Clause 2.2 (Term of the Guarantee).

Guaranteed Amount has the meaning given to it in Clause 2.1 (Guarantee).

Guarantor Default Interest Amount has the meaning given to it in Clause 3.4 (Guarantor Default Interest).

Guarantor Default Rate means the Bond Interest Rate plus two (2) per cent. per annum.

Guarantor Payment Due Date means the original due date for the payment of any Guaranteed Amount, which is:

- (a) thirty (30) Business Days from the date of receipt of a valid BHR Demand in respect of such Guaranteed Amount by CGIF; or
- (b) thirty (30) Business Days after the expiry of the Bondholder Demand Period after the receipt of a valid Bondholder Demand in respect of such Guaranteed Amount by CGIF.

Guarantor Payment Date means the date of actual payment by CGIF in respect of a Guaranteed Amount.

Holding Company means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

Indemnity Agreement means the reimbursement and indemnity agreement dated on or about the date of this Agreement between, amongst others, CGIF and the Issuer in connection with this Agreement.

Issue Date has the same meaning given to such term in the Bond Conditions.

Issuer means RMA (Cambodia) Plc., a company incorporated under the laws of Cambodia with company registration number 00001121 (old registration number Co.1515E/2002), and having its registered at No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh, Kingdom of Cambodia.

Issuer Event of Default means the occurrence of any of the events described in Clauses 11.1.4 (Enforcement Proceedings), 11.1.5 (Insolvency) or 11.1.6 (Winding-up) of the Bond Conditions.

Issuer Related Entity means

- (a) the Holding Company of the Issuer and any of its Affiliates (other than the Issuer);

- (b) any Affiliate of the Issuer; and
- (c) any other person acting at the direction of any person set out in (a) or (b) above.

New Bondholder has the meaning set out in Clause 12 (Changes to Bondholders).

Non-Payment Event means the non-payment (after giving effect to any applicable grace period) of any Guaranteed Amount by the Issuer in accordance with the terms of the Bond Conditions and the Bondholders' Representative Agreement.

Paid Guaranteed Amount has the meaning given to it in Clause 4.1 (Subrogation).

Principal Amount means the outstanding principal amount in respect of the Bonds at any time.

Public Bonds means the Bonds excluding those owned by the Issuer (or any other person acting at the direction of the Issuer) or an Issuer Related Entity.

Recovered Amount has the meaning given to it in Clause 6 (Recoveries).

RTP Agency Agreement means the Contract on Providing Service of Securities Registrar, Securities Transfer Agent and Paying Agent dated 20 December 2019 and entered into between the Issuer and ACLEDA Bank Plc.

Riel or KHR means Khmer Riel, the lawful currency of the Kingdom of Cambodia.

Scheduled Interest means scheduled interest on the Public Bonds payable at the Bond Interest Rate on each Bond Interest Payment Date (excluding, for the avoidance of doubt, default interest (if any)).

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Single Submission Form means the single submission form (being the Common Document for Submission to Regulatory, Listing, and Registration Authorities, and Market Institutions for the Issuance of Notes under the ASEAN+3 Multi-Currency Bond Issuance Framework) prepared by the Issuer in connection with the issue of the Bonds, as the same may have been amended or supplemented from time to time.

Subsidiary means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest).

Tax Deduction means a deduction or withholding for or on account of Tax from a payment under this Agreement.

Transfer Date means, in relation to a transfer by a Transferring Bondholder of its rights and interests in Bonds to a New Bondholder, and for the purposes of this Agreement, the date on which a Bondholder Accession Instrument is delivered to CGIF by the Agent or the New Bondholder (as the case may be) in accordance with this Agreement and the Bond Conditions.

Transferring Bondholder has the meaning set out in Clause 12 (Changes to Bondholders).

Underwriter means SBI Royal Securities, a public limited company incorporated under the laws of Cambodia, having a commercial registration No. 00000824 and a registered address at 13th floor, Phnom Penh Tower, No. 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh, Cambodia.

Underwriting Agreement means the underwriting agreement to be entered into between the Underwriter and the Issuer for full or partial subscription by the Underwriter of any remaining Bonds following a public offering of the Bonds.

1.2 Construction

- (a) In this Agreement, terms not defined herein have the meaning as set out in the Bond Conditions and unless the contrary intention appears, a reference to:
- (i) an **amendment** includes a supplement, novation, extension (whether of maturity or otherwise), restatement, re-enactment or replacement (however fundamental and whether or not more onerous) and **amended** will be construed accordingly;
 - (ii) **assets** includes present and future properties, revenues and rights of every description;
 - (iii) a **Clause**, a **Subclause**, a **Paragraph** or a **Schedule** is a reference to a clause, subclause of, or paragraph of, or a schedule to, this Agreement;
 - (iv) a currency is a reference to the lawful currency for the time being of the relevant country;
 - (v) a **Bond Document**, **Guarantee Document** or other document or Security includes (without prejudice to any prohibition on or consent required for any amendments) any amendment to that Bond Document or other document or Security;
 - (vi) **including** means including without limitation, and **includes** and **included** shall be construed accordingly;
 - (vii) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
 - (viii) a **Party** or any other person includes its successors in title, permitted assigns and permitted transferees;
 - (ix) a **person** includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, fund, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
 - (x) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any

governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (xi) a **successor** shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of its jurisdiction of establishment, incorporation or domicile has assumed the rights and obligations of such party under this Agreement or to which, under such laws, such rights and obligations have been transferred;
 - (xii) a time of day is a reference to Manila time; and
 - (xiii) the **winding-up, dissolution** or **administration** of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is established or incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.
- (b) Unless the contrary intention appears, a reference to a **month** or **months** is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
- (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);
 - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and
 - (iii) notwithstanding sub-Paragraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (c) The headings in this Agreement are provided for convenience only and do not affect the construction or interpretation of any provision of this Agreement.

2. GUARANTEE

2.1 Guarantee

- (a) Subject to the provisions of this Agreement, CGIF irrevocably and unconditionally guarantees to the Bondholders the full and punctual payment of each Bondholder Guaranteed Amount and irrevocably and unconditionally guarantees to the Bondholders' Representative the full and punctual payment of the Bondholders' Representative Expenses.
- (b) Subject to Subclauses (d) and (e) below, in this Agreement:
 - (i) **Bondholder Guaranteed Amount** means:
 - (A) any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under the Bond Conditions; and
 - (B) any Additional Accrued Interest; and

(ii) **Guaranteed Amount** means:

- (A) any Bondholder Guaranteed Amount; and
- (B) any Bondholders' Representative Expenses which is overdue and unpaid (whether in whole or in part),

provided that a Demand is delivered in respect of any Guaranteed Amount in accordance with the terms of this Agreement.

- (c) For the avoidance of doubt, a Guaranteed Amount does not include any increased costs, tax-related indemnity, gross-up amounts, default interest, fees, or any other amounts other than any Principal Amount, any Scheduled Interest, any Additional Accrued Interest and any Bondholders' Representative Expenses payable by the Issuer to the Bondholders' Representative or any Bondholders.
- (d) A Guaranteed Amount does not and shall not include any Principal Amount or any Scheduled Interest which is payable or could become payable under or in respect of any Bonds purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity or the Issuer (or any person acting on the instructions or directions of the Issuer).
- (e) The Guaranteed Amount shall cover coupon and principal payments in KHR under the Bonds with all payments made or to be made shall be settled in USD at the exchange rate calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia one each of the 6th Business Day to the 2nd Business Day prior to the date on which subscription for the Bonds commence.
- (f) If any of the Bonds become payable on an accelerated basis:
 - (i) as a result of:
 - (A) CGIF exercising its rights pursuant to Clause 5.4 (CGIF Acceleration); or
 - (B) the Bondholders' Representative being entitled to declare that the Bonds are payable on an accelerated basis in accordance with its right to do so under Clause 5.2 (Bondholders' Representative Acceleration),

CGIF will pay the Guaranteed Amount in accordance with Clauses 5.2 (Bondholders' Representative Acceleration) and 5.4 (CGIF Acceleration); and

- (ii) at the instigation of the Issuer, including, without limitation, as a result of the Issuer's voluntary redemption of the Bonds (whether in full or in part) prior to the Bond Maturity Date, CGIF will not have any obligation under this Agreement nor under any other Bond Document to pay any such amounts that have become due and payable in this manner and, for the avoidance of doubt, such amounts will not form part of the Guaranteed Amount.

2.2 Term of the Guarantee

- (a) The Guarantee shall be effective as of the first date on which both:
 - (i) the Issue Date has taken place; and
 - (ii) CGIF has issued the CGIF Certificate.

- (b) Subject to Paragraph (c) below and Clauses 2.7 (Reinstatement) and 13 (Termination), the Guarantee will expire on the earlier of:
- (i) the date on which all Guaranteed Amounts have been paid, repaid or prepaid in full, or the payment obligations of the Issuer in respect of all Guaranteed Amounts have been otherwise discharged or released pursuant to the Bond Documents or any other arrangement between the Issuer, the Bondholders and the Bondholders' Representative;
 - (ii) the date of full redemption, prescription or cancellation of the Bonds by the Issuer;
 - (iii) the date on which all outstanding Bonds are held by one or more Issuer Related Entities;
 - (iv) in the event of an occurrence of a Non-Payment Event and no Bondholder Demand having been made within the relevant Bondholder Demand Period in accordance with this Agreement, the last day of a Bondholder Demand Period;
 - (v) the date on which the Bondholders' Representative takes an Acceleration Step other than in respect of a CGIF Non-Payment Event;
 - (vi) the date on which the Bonds become payable under the Bond Conditions on an accelerated basis at the instigation of the Issuer in accordance with the Bond Conditions; and
 - (vii) the effective date of any termination of this Guarantee pursuant to Clause 13 (Termination),
- (such period of effectiveness of the Guarantee being the **Guarantee Term**).
- (c) The Guarantee will remain effective where a Demand has been made in accordance with this Agreement and payment by CGIF has not yet been made to the Bondholders' Representative or the Bondholders (as the case may be).

2.3 Continuing guarantee

This Guarantee is a continuing guarantee and will extend to the ultimate balance of all Guaranteed Amounts payable by the Issuer under the Bond Documents and this Agreement, regardless of any intermediate payment or discharge in whole or in part or where the payment of a Guaranteed Amount has been made but further Guaranteed Amounts are still due and payable or where any Public Bonds are outstanding.

2.4 Limited recourse

Notwithstanding any other provisions of this Agreement, any other Guarantee Document or any Bond Document, the recourse of the Bondholders, the Bondholders' Representative and the Agent against CGIF under this Agreement, any other Guarantee Document and any Bond Document is limited solely to the CGIF Assets. Each of the Bondholders, the Bondholders' Representative and the Agent acknowledges and accepts that it only has recourse to the CGIF Assets and it has no recourse to any assets of the Asian Development Bank or any other contributors to CGIF. Any obligation of CGIF under this Agreement, any other Guarantee Document or any Bond Document shall not constitute an obligation of the Asian Development Bank or any other contributors to CGIF.

2.5 No personal liability of the Asian Development Bank or any other contributors to CGIF

Notwithstanding any other provisions of this Agreement, any other Guarantee Document or any Bond Document, neither the Asian Development Bank nor any other contributors to CGIF or the officers, employees or agents of the Asian Development Bank or any contributor to CGIF shall be subject to any personal liability whatsoever to any third party including the Bondholders, the Bondholders' Representative and the Agent in connection with the operation of CGIF or under this Agreement, any other Guarantee Document or any Bond Document. No action may be brought against the Asian Development Bank as the trustee of CGIF or as contributor to CGIF or against any other contributors to CGIF or any of their respective officers, employees or agents by any third party including the Bondholders, the Bondholders' Representative and the Agent in connection with this Agreement, any other Guarantee Document or any Bond Document.

2.6 Waiver of defences

The obligations of CGIF under this Agreement will not be affected by and shall remain in force notwithstanding any act, omission, event or thing of any kind which, but for this provision, would reduce, release or prejudice any of its obligations under this Agreement. This includes:

- (a) any time, waiver or any other concession or consent granted to, or composition with, any person;
- (b) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any person;
- (c) any failure to realise the full value of any Security;
- (d) any incapacity, or lack of power, authority or legal personality of any person;
- (e) any termination, amendment, modification, variation, novation, replacement, supplement, or superseding of or to a Bond Document or any other document or Security relating thereto, but only if the prior written consent of CGIF has been obtained;
- (f) any unenforceability, illegality or, invalidity of any obligation of any person under any Bond Document or any other document or Security relating thereto;
- (g) any insolvency or similar proceedings affecting CGIF or the Issuer; or
- (h) the replacement of the Bondholders' Representative as representative for and on behalf of the Bondholders.

2.7 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Issuer and/or CGIF or any Security (if any) for those obligations or otherwise) is made in whole or in part in respect of a Guaranteed Amount on the basis of any payment, Security (if any) or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, then the liability of CGIF under Clauses 2 (Guarantee) and 3 (Payment under the Guarantee) will continue or be reinstated as if the discharge, release or arrangement had not occurred.

2.8 Additional Security

This Agreement is in addition to and is not in any way prejudiced by any Security (to the extent applicable, if any) in respect of the Issuer's obligations under the Bond Documents now or

subsequently held by the Bondholders or the Bondholders' Representative (or any trustee or agent on its behalf).

2.9 Pari Passu Ranking

Without limiting any other provision contained in this Agreement or any other Bond Documents, CGIF's payment obligations under this Agreement rank *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law (if any).

3. PAYMENT UNDER THE GUARANTEE

3.1 General

- (a) CGIF is only liable to pay a Guaranteed Amount under the Guarantee (and only in accordance with the terms and subject to the conditions of this Agreement) if and to the extent that the Bondholders' Representative delivers to CGIF a BHR Demand or a Bondholder delivers to CGIF a Bondholder Demand in respect of that Guaranteed Amount and such Demand complies with the requirements set out in this Clause 3.
- (b) The Bondholders' Representative may make a BHR Demand for payment of a Guaranteed Amount within the Demand Period following the occurrence of a Non-Payment Event.
- (c) If the Bondholders' Representative has failed to make a BHR Demand pursuant to Clause 3.1(b) above, then an Eligible Bondholder may make a Bondholder Demand for payment of a Guaranteed Amount within 10 Business Days after the expiry of the Demand Period in respect of that portion of the Guaranteed Amount that would have been paid to it by the Issuer had the Non-Payment Event not occurred only to the extent that a Demand has not been made in respect of that portion of the Guaranteed Amount.
- (d) The Bondholders' Representative and the Bondholders undertake to revoke a Demand by written notice to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received by the Bondholders' Representative or the Bondholders, as the case may be, in respect of a Guaranteed Amount prior to such date from a source other than CGIF.
- (e) Notwithstanding any term to the contrary, the Bondholders' Representative may not (and undertake not to) make a BHR Demand and no Bondholder may (and each Bondholder undertakes not to) make a Bondholder Demand in respect of any amount that is payable under or in respect of a Bond that is purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity.
- (f) Notwithstanding any other provisions of this Agreement, a Demand may only be made for payment of a Guaranteed Amount with respect to that Bond. Furthermore, if a Non-Payment Event occurs as a result of the Bonds becoming payable on an accelerated basis:
 - (i) a Demand may only be made in respect of that Non-Payment Event in accordance with Clause 5 (Acceleration of the Bonds) or Clause 5.2 (Bondholders' Representative Acceleration); and
 - (ii) no Demand may be made in respect of a Non-Payment Event where the relevant amount of principal or accrued interest became payable under the Bond Conditions on an accelerated basis at the instigation of the Issuer in accordance with the Bond Conditions, including, without limitation, as a result of the Issuer's voluntary

redemption of the Bonds (whether in full or in part) prior to the Bond Maturity Date (other than in accordance with Clause 9.1.1 (Partial Redemption Date) of the Bond Conditions).

- (g) CGIF agrees that the Bondholders and the Bondholders' Representative is not required to proceed against, enforce any other rights or Security (if any), or claim payment from any person before claiming from CGIF under this Agreement, irrespective of any law or any provision of any Bond Document to the contrary, provided that CGIF shall only be required to make payments to the Bondholders or the Bondholders' Representative in accordance with the terms of this Agreement and the Bond Conditions.
- (h) The Parties irrevocably and unconditionally agree that CGIF's obligation to make a payment in respect of any Guaranteed Amount under the Guarantee shall be discharged in full if CGIF makes a payment to the Bondholders and, in case such Guaranteed Amount includes any Bondholders' Representative Expenses, the Bondholders' Representative of an aggregate amount equal to the Guaranteed Amount in accordance with this Agreement, and the Bondholders shall not make a Bondholder Demand in respect of any sum that forms part of a Guaranteed Amount for which the Bondholders' Representative has already made a proper and valid BHR Demand.

3.2 Form and procedure of making a Demand under this Agreement

- (a) Following the occurrence of a Non-Payment Event, the Bondholders' Representative will, in accordance with such procedures as may be set out in the Bondholders' Representative Agreement, as soon as becoming aware of the occurrence of a Non-Payment Event in any event within the Demand Period, deliver to CGIF (with a copy to the Issuer, the Agent and each Bondholder) a BHR Demand and any other information reasonably required by CGIF in connection with the Non-Payment Event to the extent available.
- (b) Following the receipt by CGIF of a BHR Demand in accordance with Subclause (a) above and at any time prior to the date on which a Guaranteed Amount is due for payment:
 - (i) if the Bondholders' Representative subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders' Representative shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer);
 - (ii) if the Agent subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Agent shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer); and
 - (iii) if the Bondholders subsequently receive payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer).
- (c) Upon receipt of a notice referred to in Subclause (b) above, the obligation of CGIF to pay the Guaranteed Amount specified in the relevant BHR Demand shall, in respect of any payment received in part, be reduced by the corresponding amount received by the Agent, the Bondholders' Representative or the Bondholders, and in respect of any payment received in full, be terminated.
- (d) Each BHR Demand must comply with the following:

- (i) each BHR Demand must (i) be substantially in the form set out in Schedule 3 (Form of BHR Demand); (ii) set out the basis of the relevant notice including details of the calculation of the Guaranteed Amount; and (iii) include all relevant evidence, information and documentation in support of the BHR Demand as is reasonably necessary to evidence in reasonable detail the occurrence of the Non-Payment Event, the amounts unpaid and the payment due from CGIF in respect of the relevant Guaranteed Amount;
 - (ii) no BHR Demand may include any portion of a Guaranteed Amount that is or was the subject of another Demand; and
 - (iii) if a BHR Demand is not on its face correct, properly completed, executed or delivered, or is not supported by the necessary evidence or other information or documentation referred to in paragraph (i) above, CGIF (acting reasonably) may notify the Bondholders' Representative if it considers this to be the case, and advise the Bondholders' Representative of its requirements, and the Bondholders' Representative shall promptly, and in any case within ten (10) Business Days of the occurrence of such Non-Payment Event, submit a new BHR Demand to CGIF in accordance with the procedures set out in this Clause 3.2.
- (e) If the Bondholders' Representative fails to make a valid and proper BHR Demand in accordance with this Clause 3, any Eligible Bondholder may make a Bondholder Demand within the Bondholder Demand Period in respect of that portion of the Guaranteed Amount that would have been paid to it by the Issuer had the Non-Payment Event not occurred to the extent that it has not received payment in respect of that portion of the Guaranteed Amount. Such Bondholder Demand shall be delivered to CGIF (with a copy to the Issuer and the Bondholders' Representative). For the avoidance of doubt, no Bondholder may make a Bondholder Demand in respect of any Bonds purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity.
- (f) Following the receipt by CGIF of a Bondholder Demand in accordance with Subclause (e) above and at any time prior to the date on which a Guaranteed Amount is due for payment:
 - (i) if that Bondholder subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, that Bondholder shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer);
 - (ii) if the Bondholders' Representative subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders' Representative shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer); and
 - (iii) if the Agent subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Agent shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer).
- (g) Upon receipt of the notice referred to in Subclause (f) above, the obligation of CGIF to pay the Guaranteed Amount specified in the relevant Bondholder Demand shall, in respect of any payment received in part, be reduced by the corresponding amount received by that Bondholder, the Agent and/or the Bondholders' Representative, and in respect of any payment received in full, be terminated.

- (h) No Bondholder may make a Bondholder Demand unless the Bondholder Demand complies with the following provisions:
- (i) such Bondholder Demand must (i) be substantially in the form set out in Schedule 4 (Form of Bondholder Demand); (ii) set out the basis of the relevant notice including details of the calculation of the Guaranteed Amount owing to that Bondholder (iii) include all relevant evidence, information and documentation in support of the Bondholder Demand as is reasonably necessary to evidence in reasonable detail the occurrence of the Non-Payment Event, the amounts unpaid and the payment due from CGIF in respect of the Guaranteed Amount owing to that Bondholder, the identity of the Bondholder, the number of Bonds held by that Bondholder and any other information as may be required by CGIF;
 - (ii) such Bondholder Demand shall not include any portion of a Guaranteed Amount that is or was the subject of another Demand; and
 - (iii) if a Bondholder Demand is not on its face correct, properly completed, executed or delivered, or is not supported by the necessary evidence or other information or documentation referred to in paragraph (i) above, CGIF (acting reasonably) may notify that Bondholder if it considers this to be the case, and advise the Bondholder of its requirements, and that Bondholder shall promptly, and in any case within the Bondholder Demand Period, submit a new Bondholder Demand to CGIF in accordance with the procedures set out in this Clause 3.2.

3.3 Payment of a Demand

- (a) Subject to Clauses 2.1 (Guarantee), 5.2 (Bondholders' Representative Acceleration) and 5.4 (CGIF Acceleration), CGIF will, in accordance with Clause 8 (Payments):
- (i) within thirty (30) Business Days of the receipt of a BHR Demand, pay directly to the Bondholders the Guaranteed Amount, which is the subject of the BHR Demand received by CGIF, that remains unpaid as at the Guarantor Payment Date; or
 - (ii) within thirty (30) Business Days after the expiry of the Bondholder Demand Period, pay directly to the Bondholders, that portion of the Guaranteed Amount which is the subject of a Bondholder Demand received by CGIF from that Bondholder which remains unpaid as at the Guarantor Payment Date.
- (b) Following receipt of any Guaranteed Amount paid by CGIF pursuant to a Demand, the Bondholders' Representative and/or the Bondholders, as the case may be, shall promptly notify the Issuer and CGIF that such payment has been received.

3.4 Guarantor Default Interest

- (a) If CGIF fails to make a payment in accordance with Clause 3.3 (Payment of a Demand), CGIF will pay interest at the Guarantor Default Rate on the Guaranteed Amount which is the subject of the Demand received by CGIF or any part thereof which remains unpaid (excluding the Bondholders' Representative Expenses) for the period from (and including) the Guarantor Payment Due Date for the Guaranteed Amount to (but excluding) the Guarantor Payment Date of the Guaranteed Amount (or the relevant part thereof) (a **Guarantor Default Interest Amount**).

- (b) For the avoidance of doubt, CGIF shall not pay any Guarantor Default Interest Amount on any amounts that become payable pursuant to the delivery of a Bondholders' Representative Acceleration or a CGIF Acceleration.

4. SUBROGATION AND TRANSFERS

4.1 Subrogation

- (a) Notwithstanding any provision to the contrary in any Bond Document, immediately upon the payment by CGIF under this Agreement of all or any part of the Guaranteed Amount in accordance with this Agreement (a **Paid Guaranteed Amount**), CGIF shall be:
 - (i) subrogated to and may direct the exercise of:
 - (A) all of the rights, powers and remedies of the Bondholders' Representative, on behalf of the Bondholders and of the Bondholders themselves, in respect of the Bonds and each Bond Document (in each case, to the extent relating and proportionate to that Paid Guaranteed Amount), against any relevant person, including (and to the extent relating and proportionate to that Paid Guaranteed Amount), any rights or claims, whether accrued, contingent or otherwise; and
 - (B) all of the Bondholders' Representative's and the Bondholders' privileges, rights and security against the Issuer or with respect to the Public Bonds insofar as they extend to an amount equal to that Paid Guaranteed Amount;
 - (ii) entitled to direct the Bondholders' Representative and/or the Bondholders to take action in the name of the Bondholders' Representative or the Bondholders, as the case may be, to enforce any rights of the Bondholders' Representative and/or the Bondholders against any person in relation to that Paid Guaranteed Amount.
- (b) The Bondholders' Representative must, at its own expense, execute such instruments or documents and take such other actions as CGIF may require to give effect to, facilitate or evidence the subrogation referred to in this Clause 4 and to perfect the rights of CGIF to receive such amounts equal to the Paid Guaranteed Amount under the Bond Documents.
- (c) For the avoidance of doubt, no Bondholder shall be obliged to transfer or assign any rights or any legal title in the Public Bonds, except to the extent that it has received payment of any amounts from CGIF in respect thereof.

4.2 Transfer

- (a) Notwithstanding any provision to the contrary in any Bond Document, upon payment by CGIF of a Paid Guaranteed Amount, the Bondholders' Representative, the Agent and the Bondholders shall, at the written request of CGIF and in consideration of such payment:
 - (i) transfer and assign, free from any Security, to CGIF all its rights:
 - (A) under the Bond Documents; and
 - (B) in respect of any Security securing the Bonds (if any) or any other amounts payable under the Bond Documents (including any right, title and interest to any asset which has arisen as a result of enforcement of such Security, if any),

insofar as those rights relate and are proportionate to that Paid Guaranteed Amount; and

- (ii) execute such instruments or documents and take such other actions as necessary for CGIF to give effect to, facilitate or evidence the transfer and assignment referred to in this Clause 4 and to perfect the rights of CGIF to receive such amounts equal to the Paid Guaranteed Amount under the Bond Documents.
- (b) The Bondholders, the Agent and the Bondholders' Representative shall not, and shall take reasonable steps to ensure that the Issuer does not, do anything that could lessen or impair any of the rights referred to in subparagraph (a)(i) above, CGIF's rights of subrogation or any other right of CGIF to recover any amount equal to the Paid Guaranteed Amount.

5. ACCELERATION OF THE BONDS

5.1 Acceleration Step

The Bondholders' Representative and the Bondholders agrees with, and undertakes in favour of, CGIF that, notwithstanding any term of the Bond Documents to the contrary, it shall not:

- (a) take any step to declare any Bond to be or become immediately due and payable, or payable on an accelerated basis under the Bond Documents; or
- (b) take any enforcement or similar action in relation to any Security (if any) in respect of the Bonds,

(each an **Acceleration Step**), for so long as CGIF continues to make payment of the Guaranteed Amount in accordance with the terms of this Agreement, other than in accordance with Clause 5.2 (Bondholders' Representative Acceleration).

5.2 Bondholders' Representative Acceleration

The Bondholders' Representative may, on behalf of the Bondholders and subject to the terms of the Bond Documents, take an Acceleration Step if:

- (a) a Non-Payment Event has occurred and is continuing and a BHR Demand has been properly delivered to CGIF (within the Demand Period) in accordance with this Agreement in respect of the relevant Guaranteed Amount and not paid by CGIF by the applicable due date in accordance with the terms of this Agreement (a **CGIF Non-Payment Event**); or
- (b) a Bond Event of Default occurs (other than pursuant to Clause 11.1.1 (Non-Payment) of the Bond Conditions) and the requirements of Clause 11.5 (The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 (Non-Payment)) of the Bond Conditions have been fulfilled,

(in each case, a **Bondholders' Representative Acceleration**).

5.3 Demand upon a Bondholders' Representative Acceleration

- (a) Upon the occurrence of a Bondholders' Representative Acceleration which is continuing pursuant to Clause 5.2(a), the Bondholders' Representative may deliver in accordance with this Agreement a Demand (where no Demand Period is applicable) in respect of the aggregate of the Guaranteed Amounts and the Guarantor Default Interest Amount (if any) to be paid by CGIF in accordance with this Agreement.
- (b) Upon the occurrence of a Bondholders' Representative Acceleration which is continuing pursuant to Clause 5.2(b), the Bondholders' Representative and the Bondholders shall have no right to deliver a Demand in respect of the Guaranteed Amounts to be paid by CGIF in

accordance with this Agreement and CGIF shall have no further obligation to pay any Guaranteed Amount.

5.4 CGIF Acceleration

- (a) At any time after (A) the occurrence of an Issuer Event of Default or (B) the receipt by CGIF of a Demand under this Agreement (regardless of whether or not CGIF has made payment in accordance with such Demand), CGIF may, in its absolute discretion, deliver a CGIF Acceleration Notice to the Issuer and the Bondholders' Representative:
 - (i) declaring the Bonds to be immediately due and payable under the Bond Documents on a specified date (which must be no later than ten (10) Business Days from the date the CGIF Acceleration Notice is delivered by CGIF to the Issuer and the Bondholders' Representative pursuant to this Clause 5.4 (such date, the **Acceleration Due Date**)); and
 - (ii) confirming that it will pay all Guaranteed Amounts on or before the Acceleration Due Date,
- (a **CGIF Acceleration**). The Parties agree that any such notice shall take effect in accordance with its terms.
- (b) The Parties also agree that CGIF may, in its absolute discretion, cancel and withdraw any CGIF Acceleration Notice at any time prior to the Bonds and/or amounts owing under the Bond Documents being redeemed or paid in full.

6. RECOVERIES

- (a) If, at any time after the delivery of a Demand to CGIF but before a payment by CGIF of the Guaranteed Amount relating to that Demand, the Agent, the Bondholders' Representative and/or the Bondholders recover any money or asset from the Issuer or any other person in respect of any Guaranteed Amount relating to that Demand (the **Recovered Amount**), the Agent, the Bondholders' Representative (if it becomes aware of the payment of any Recovered Amount) and the Bondholders shall promptly, and in any event no later than two (2) Business Days following such recovery, provide details of the recovery to CGIF (with a copy to the Issuer and the Agent, if applicable) and the Bondholders' Representative and/or the Bondholders, as the case may be, shall withdraw and revoke such Demand to the extent of an amount equal to such Recovered Amount.
- (b) If, at any time after payment by CGIF of a Guaranteed Amount relating to a Demand, the Agent, the Bondholders' Representative and/or the Bondholders recover a Recovered Amount, the Agent, the Bondholders' Representative and the Bondholders must as soon as reasonably practicable provide details of the recovery to CGIF (with a copy to the Issuer), and the Agent, the Bondholders' Representative and the Bondholders, as the case may be, shall pay to CGIF an amount equal to such Recovered Amount, together with all expenses, charges, Tax and fees incurred by CGIF (as determined by CGIF, acting reasonably) for the recovery of that amount.
- (c) Following payment by CGIF of any Paid Guaranteed Amount, if CGIF discovers that the Bondholders' Representative or the Bondholders, as the case may be, had no right to receive a payment of the relevant Guaranteed Amount (or any portion thereof) to which such Paid Guaranteed Amount relates, CGIF shall be entitled, upon notice to the Bondholders' Representative and the Issuer, to recover from the Bondholders' Representative or the Bondholders, as the case may be, the relevant payment (or the relevant portion thereof)

together with all expenses, charges, Tax and fees incurred by CGIF in relation to the return of the relevant payment to the extent that the Bondholders' Representative still holds such amounts itself or to its order (and provided only that it has the ability to direct the relevant amounts).

- (d) To the extent any part of a Guaranteed Amount has been recovered from any source, the Bondholders' Representative and the Bondholders shall not seek to recover such amounts from CGIF under this Agreement.

7. TAXES

- (a) If CGIF is required by law to make a Tax Deduction in respect of a payment to be made by it under this Agreement (the **Relevant Payment**), CGIF may make the Relevant Payment with such Tax Deduction and is not required to make any increased payment in respect of the Relevant Payment.
- (b) If CGIF is aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Bondholders' Representative.
- (c) If CGIF is required to make a Tax Deduction, it must make the minimum Tax Deduction allowed by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (d) Nothing in this Clause 7 shall be considered to constitute a waiver of the privileges, immunities and exemptions applicable to CGIF, the Asian Development Bank or any contributors to CGIF pursuant to the Articles of Agreement.

8. PAYMENTS

8.1 Payment by CGIF and other Parties

- (a) CGIF shall make a payment under the Guarantee only:
 - (i) if the requirements of Clause 3 (Payment under the Guarantee) have been fully satisfied, and
 - (ii) after the Agent, the Bondholders' Representative, or any Eligible Bondholder, as the case may be, has notified CGIF in writing promptly, but in any event within the Demand Period or Bondholder Demand Period, respectively, that a Non-Payment Event has occurred.
- (b) CGIF shall make all payments under this Agreement directly to each Bondholder in respect of the Bonds to the bank account specified for such Bondholder in the Bondholders' Book, except for any Bondholders' Representative Expenses that form part of a Guaranteed Amount for which the Bondholders' Representative has made a valid BHR Demand which shall be payable to the Bondholders' Representative to the bank account specified by the Bondholders' Representative in the BHR Demand. All costs and expenses associated with CGIF making payments under this Clause 8.1(b) are to be borne by the Bondholders.
- (c) CGIF shall be entitled to rely upon and make a payment to a Bondholder's account (the details of which are set out in the Bondholders' Book as such Bondholders' Book may be updated and provided to CGIF by the Agent from time to time) and a payment made by CGIF to the Bondholder's account shall be binding on all the Parties, and CGIF shall have no liability whatsoever to any Party if CGIF makes a payment to the Bondholder's account that is specified in the Bondholders' Book most recently provided to CGIF.

- (d) A payment by CGIF of a Paid Guaranteed Amount or a payment by CGIF under this Agreement of all or any part of the Guarantor Default Interest Amount pursuant to a Demand in accordance with this Agreement will discharge the payment obligations of CGIF under this Agreement to the extent of such payment.
- (e) All payments to be made by a Party under this Agreement must be made on the due date for payment in immediately available funds and, in the case of a Bondholder, to such account as set out in the Bondholders' Book and, in the case of each other Party, to such account to be notified by the receiving Party to the other Party at least five (5) Business Days prior to the relevant due date for payment.

8.2 Currency

Subject to Clause 2.1(e) (Guarantee), all payments to be made by a Party under this Agreement must be made, unless otherwise specified in this Agreement, in the currency in which the amounts are incurred in relation to costs, fees, expenses, liabilities and other indemnities.

8.3 Certificates and determinations

Any certification, determination or notification by a Party of a rate or amount made pursuant to the terms of this Agreement will be, in the absence of manifest error, conclusive evidence of the matters to which it relates.

8.4 Business Days

If a payment under this Agreement is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not) or whatever day CGIF reasonably determines is market practice.

9. UNDERTAKINGS

9.1 No amendment to Bond Documents

Unless with prior written consent of CGIF, the Bondholders' Representative and the Bondholders shall not:

- (a) amend, modify, vary, novate, replace, supplement, supersede, terminate, give any consent in relation to, or waive any breach or proposed breach of, any term of a Bond Document; or
- (b) take, or omit to take, any action that would lessen or impair any right of the Bondholders' Representative, the Agent or CGIF under any Bond Document.

9.2 Compliance with Bond Documents

Each of the Bondholders' Representative, the Agent and the Bondholders shall comply in all respects with the terms of, and perform all of its obligations under, each Bond Document to which it is a party.

9.3 Notification of default

The Bondholders' Representative, the Agent and the Bondholders shall notify CGIF of any Bond Event of Default promptly upon becoming aware of its occurrence or being notified by the Issuer or any other related party.

9.4 Information: miscellaneous

- (a) The Bondholders' Representative must supply to CGIF:
 - (i) promptly upon receipt, all documents dispatched or information disclosed by the Issuer to it or the Bondholders generally under the Bond Documents;
 - (ii) all documents (including, without limitation, any notice, request or certificate) dispatched or issued by the Bondholders' Representative to the Issuer in accordance with the Bond Documents or otherwise in connection with the Bonds at the same time as they are dispatched or issued; and
 - (iii) a copy of any default notice delivered by the Bondholders' Representative to the Issuer under Clause 11.3 (Acceleration Step under the CGIF Guarantee) of the Bond Conditions.
- (b) The Agent must supply to CGIF:
 - (i) a copy of the duly completed Bondholders' Book within five (5) Business Days of the Bond Issue Date;
 - (ii) a copy of the duly completed Bondholders' Book within five (5) Business Days of each time the Bondholders' Book is updated;
 - (iii) the following details, at least one (1) Business Day prior to each Bond Interest Payment Date and the Bond Maturity Date:
 - (A) the details of each Bondholder;
 - (B) the amount that each Bondholder is entitled to receive on a Bond Interest Payment Date; and
 - (C) the details of the bank account of each Bondholder;
 - (iv) the following details, at least five (5) Business Days after each Bond Interest Payment Date and the Bond Maturity Date:
 - (A) the details of each Bondholder;
 - (B) the amount that each Bondholder has received on the Bond Interest Payment Date and the Bond Maturity Date; and
 - (C) the details of the bank account of each Bondholder; and
 - (v) written notice that a Non-Payment Event has occurred and is continuing within twenty (20) Business Days of the occurrence of such Non-Payment Event.

10. AMENDMENTS AND WAIVERS

10.1 Amendments

Any term of this Agreement may be amended or waived with the written agreement of the Parties and the Issuer.

10.2 Waivers and remedies cumulative

- (a) The rights and remedies of each Party under this Agreement:
 - (i) may be exercised as often as necessary;
 - (ii) are cumulative and not exclusive of its rights and remedies under the general law; and
 - (iii) may be waived only in writing and specifically.
- (b) No delay in exercising or non-exercise by a Party of any right or remedy under this Agreement shall operate as a waiver of that right or remedy, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy other than where any rights (including, without limitation, the right to require payment of any Guaranteed Amount) are to be exercised in accordance with specified requirements under this Agreement.

11. ASSIGNMENT OR TRANSFER

No Party may assign or transfer any of its rights and obligations under this Agreement without the prior consent of the other Party except that CGIF may assign or transfer any of its rights and benefits under this Agreement (including its right of subrogation) to any person without the prior written consent of the Bondholders' Representative, the Bondholders or any other person.

12. CHANGES TO BONDHOLDERS

12.1 Transfers by the Bondholders

Subject to the other provisions of this Clause 12, a Bondholder (a **Transferring Bondholder**) may transfer by novation any of its rights and obligations, under this Agreement to another person (a **New Bondholder**) provided and on the condition that the Transferring Bondholder and the New Bondholder comply with the requirements set out in the Bond Conditions (including Clause 4 (Transfers of Bonds) of the Bond Conditions).

12.2 Limitation of responsibility of Transferring Bondholders

- (a) Unless expressly agreed to the contrary, a Transferring Bondholder and CGIF make no representation or warranty and assumes no responsibility to a New Bondholder for:
 - (i) the legality, validity, effectiveness, adequacy or enforceability of the Bond Documents or any other documents;
 - (ii) the financial condition of the Issuer;
 - (iii) the performance and observance by the Issuer of its obligations under the Bond Documents or any other documents; or
 - (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Bond Document or any other document,and any representations or warranties implied by law are excluded.
- (b) Each New Bondholder confirms to a Transferring Bondholder, CGIF and the other Parties that it:

- (i) has made (and must continue to make) its own independent investigation and assessment of the financial condition and affairs of the Issuer and its related entities (including the nature and extent of any recourse against any Party or its assets) in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Transferring Bondholder in connection with any Bond Document or Guarantee Document; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of the Issuer and its related entities whilst any amount is or may be outstanding under the Bond Documents.
- (c) Nothing in any Bond Document or this Agreement obliges a Transferring Bondholder to:
- (i) accept a re-transfer or re-assignment from a New Bondholder of any of the rights and obligations assigned or transferred under this Clause 12; or
 - (ii) support any losses directly or indirectly incurred by the New Bondholder by reason of the non-performance by the Issuer of its obligations under the Bond Documents or otherwise.

12.3 Procedure for transfer

- (a) A transfer of rights and obligations under this Agreement by the Transferring Bondholder to a New Bondholder, and an accession by a New Bondholder to this Agreement, shall be effected by the delivery to CGIF of a duly completed Bondholder Accession Instrument (with a copy to the Issuer). Such transfer and any such accession shall be binding on each of the other Parties to this Agreement on and from the Transfer Date without any further action required on their part. As soon as practicable but in any event within five (5) Business Days of receipt of a Bondholder Accession Instrument from the Agent, CGIF shall deliver, or cause to be delivered, a written acknowledgement of the same to the Agent.
- (b) On the Transfer Date:
 - (i) to the extent that the relevant Transferring Bondholder seeks to transfer by novation its rights and obligations to a New Bondholder, under the Bond Documents, each of the Bondholders' Representative, CGIF, the Agent and the Transferring Bondholder will be released from further obligations towards one another under this Agreement and their respective rights against one another under this Agreement will be cancelled (being the **Discharged Rights and Obligations**);
 - (ii) each of the Bondholders' Representative, CGIF, the Agent and the New Bondholder will assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as the Bondholders' Representative, CGIF, the Agent and the New Bondholder have assumed and/or acquired the same in place of the Bondholders' Representative, CGIF, the Agent and the Transferring Bondholder;
 - (iii) the New Bondholder and other Bondholders will acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Bondholder been the Transferring Bondholder with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Transferring Bondholder will be released from further obligations under this Agreement; and

- (iv) the New Bondholder will become a party to this Agreement as a **Bondholder**.

13. TERMINATION

- (a) Except as otherwise provided in Clause 2.4 (Limited recourse), Clause 2.5 (No personal liability of the Asian Development Bank or any other contributors to CGIF), Clause 4 (Subrogation and transfers), Clause 19 (Governing law), Clause 20 (Dispute resolution) and Clause 22 (ADB and CGIF Immunities), all rights and obligations of each Party will cease and expire on the last day of the Guarantee Term.
- (b) Termination or expiry of the Guarantee pursuant to the terms of this Agreement is without prejudice to the rights of any Party which have accrued prior to such termination or expiry, whether arising under this Agreement, at law or otherwise.
- (c) CGIF may terminate this Agreement with immediate effect if:
- (i) any term of a Bond Document has been amended, modified, varied, novated, replaced, supplemented, superseded or terminated, or the breach or proposed breach of which is or has been waived without the prior written consent of CGIF;
 - (ii) the Bondholders' Representative is in breach of its undertaking in Clause 5.1(a) (Acceleration Step) or the Bondholders take an Acceleration Step (in accordance with any Bond Document) in contravention of Clause 5.1(a) (Acceleration Step); or
 - (iii) CGIF issues a new guarantee on substantially similar terms as this Agreement in favour of the Bondholders and/or a replacement Bondholders' Representative who is appointed as such as a representative of the Bondholders, with prior notification to be provided to Bondholders and/or the Bondholder Representative of this action. For the avoidance of doubt, CGIF will not issue a new guarantee on terms that will materially impair the Bondholders' rights and benefits without first obtaining Bondholders' consent through the Bondholder Representative (or any replacement thereof).

14. SET-OFF

No Party may set off any obligation owed to it by the other Party under this Agreement against any obligation owed by it to that other Party.

15. SEVERABILITY

If a term of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any jurisdiction, it shall not affect:

- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Agreement; or
- (b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Agreement.

16. COUNTERPARTS

This Agreement may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

17. NOTICES

17.1 In writing

- (a) Any communication in connection with this Agreement must be in writing, with a copy sent to the Issuer, and, unless otherwise stated, may be given:
 - (i) in person, by post or fax; or
 - (ii) to the extent agreed by the Parties making and receiving communication, by email or other electronic communication.
- (b) For the purpose of this Agreement, an electronic communication will be treated as being in writing.
- (c) Unless it is agreed to the contrary, any consent or agreement required under this Agreement must be given in writing.

17.2 Contact details

- (a) The contact details of CGIF for all notices in connection with this Agreement are:

Address: Asian Development Bank Building,
6 ADB Avenue, Mandaluyong City,
1550 Metro Manila, Philippines

Fax number: +632-8683-1377

Email: rmac.khr@cgif-abmi.org

Attention: CEO and Vice President, Operations
- (b) The contact details of the Bondholders' Representative for all notices in connection with this Agreement are:

Address: 5th floor, ACLEDA Building at #61, Preah Monivong Blvd
Sangkat Srah Chork, Khan Daun Penh, Phnom Penh
Kingdom of Cambodia

Telephone: +855(0)23 9999 66 / 23 9999 77 / 23 72 33 88

Email: simeth@acledasecurities.com.kh / sar.sreypech@acledasecurities.com.kh

Attention: Mr. Hor Simeth, VP & Head of Operations / Mrs. Sar Sreypech
Bondholders' Representative
- (c) The contact details of the Agent for all notices in connection with this Agreement are:

Address: #61, Preah Monivong Blvd
Sangkat Srah Chork, Khan Daun Penh, Phnom Penh
Kingdom of Cambodia

Telephone: (855) 23 998 777 / 430 999/ 015 600 738/ 015 800 881

Fax number: (855) 23 430 555

Email: siya.malida@acledabank.com.kh

Attention: Mr. Suos Ousaphea, SVP & Head of Legal Division /
Mr. Siya Malida, ASVP of Operation Division
- (d) The contact details of the Issuer for all notices in connection with this Agreement are:

Address: No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh,
the Kingdom of Cambodia

Telephone: +855(0)23 888 000
Email: saing.ngorn@rmagroup.net
Attention: Mr. NGORN Saing, CEO

- (e) The contact details of the Bondholders are as set out in the Bondholders' Book.
- (f) Any Party may change its contact details by giving five (5) Business Days' notice to the other Party.
- (g) Where a Party nominates a particular department or officer to receive a communication, a communication will not be effective if it fails to specify that department or officer.

17.3 Effectiveness

- (a) Except as provided below, any communication in connection with this Agreement will be deemed to be given as follows:
 - (i) if delivered in person, at the time of delivery;
 - (ii) if posted, when received;
 - (iii) if by fax, when received in legible form; and
 - (iv) if by e-mail or any other electronic communication, when received in legible form.
- (b) A communication given under Paragraph (a) above but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.

17.4 English Language

- (a) Any notice given in connection with this Agreement must be in English.
- (b) Any other document provided in connection with this Agreement must be:
 - (i) in English; or
 - (ii) in the language of the jurisdiction in which the Bonds are issued, accompanied by a certified English translation. In this case, the English translation prevails unless the document is a statutory or other publicly available official document.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Unless expressly provided to the contrary in a Guarantee Document, a person who is not a party to a Guarantee Document may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of any Guarantee Document, no consent of any third party is required for any amendment (including any release or compromise of any liability) or termination of any Guarantee Document. Notwithstanding the foregoing, the Asian Development Bank and other contributors to CGIF, and any of their respective officers, employees or agents may enforce Clauses 2.4 (Limited recourse), 2.5 (No personal liability of the Asian Development Bank or any other contributors to CGIF), 20.2 (Arbitration) and 22 (ADB and CGIF Immunities) of this Agreement.

19. GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by English law.

20. DISPUTE RESOLUTION

20.1 Governing Law

This Clause 20 and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

20.2 Arbitration

- (a) Any dispute, claim, difference or controversy arising out of, relating to, or having any connection with this Agreement (which includes this Clause 20) or any Guarantee Document other than this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination, or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (for the purpose of this Clause 20, a **Dispute**), shall be referred to and be finally resolved by arbitration administered by the Singapore International Arbitration Centre (**SIAC**) under the Arbitration Rules of the SIAC in force when the Notice of Arbitration is submitted (for the purpose of this Clause 20, the **Rules**).
- (b) The Parties further agree that following the commencement of arbitration, they will initially attempt in good faith to resolve the Dispute through mediation at the Singapore International Mediation Centre (**SIMC**), in accordance with the SIAC-SIMC Arb-Med-Arb Protocol (the **Protocol**) for the time being in force which shall last for a period not exceeding sixty-five (65) Business Days from the commencement of the mediation proceedings (the **Mediation Period**). Where a settlement has been reached between the Parties within the Mediation Period, such terms of settlement shall be referred to the arbitral tribunal and the arbitral tribunal may make a consent award on such agreed terms. In the absence of a settlement by the Parties within the Mediation Period, the Dispute shall revert back to arbitration pursuant to the Protocol. Unless otherwise agreed by the Parties, the arbitration shall resume by arbitrators who were not involved in the mediation process above.
- (c) The Rules and the Protocol are incorporated by reference into this Clause 20 and capitalised terms used in this Clause 20 (which are not otherwise defined in this Agreement or any Guarantee Document) shall have the meaning given to them in the Rules and the Protocol.
- (d) The number of arbitrators shall be three. The arbitrators nominated by the parties in accordance with the Rules shall jointly nominate the third arbitrator who, subject to appointment by the President of the Court of Arbitration of SIAC (the **President**), will act as president of the arbitral tribunal. If the third arbitrator is not chosen by the two arbitrators nominated by the parties within thirty (30) days of the date of appointment of the later of the two party-appointed arbitrators to be appointed, the third arbitrator shall be appointed by the President.
- (e) The seat or the legal place of arbitration shall be Singapore. All hearings shall take place in Singapore unless the arbitral tribunal in its absolute discretion decides that a different location will be appropriate.
- (f) Except as modified by the provisions of this Clause 20, the Rules and the Protocol, Part II of the International Arbitration Act (Cap. 143A) of Singapore shall apply to any arbitration

proceedings commenced under this Clause 20. Neither party shall be required to give general discovery of documents, but may be required only to produce specific, identified documents which are relevant to the Dispute.

- (g) The language used in the arbitral proceedings shall be English. All documents submitted in connection with the proceedings shall be in the English language, or, if in another language, accompanied by an English translation and in which case, the English translation shall prevail.
- (h) Service of any Notice of Arbitration made pursuant to this Clause 20 shall be made in accordance with the Rules and at the addresses given for the sending of notices under this Agreement at Clause 17 (Notices).
- (i) The arbitration award(s) rendered by the arbitral tribunal shall be final and binding on the parties. To the fullest extent permitted under any applicable law, the parties irrevocably exclude and agree not to exercise any right to refer points of law or to appeal to any court or other judicial authority.
- (j) The arbitral tribunal and any emergency arbitrator appointed in accordance with the Rules shall not be authorized to order, and each of the Bondholders, the Agent and the Bondholders' Representative agrees that it shall not seek from the arbitral tribunal or any judicial authority:
 - (i) any order of whatsoever nature against the Asian Development Bank and other contributors to CGIF, and any of their respective officers, employees or agents; or
 - (ii) any interim order to sell, attach, freeze or otherwise enforce against the CGIF Assets.
- (k) The Rules shall not prohibit CGIF from disclosing any information relating to any arbitral proceedings and/or arbitral award arising out of this Clause 20 to the board of directors of CGIF (the **CGIF Board**) as part of its approval process and portfolio administration, or to the Asian Development Bank or any other contributors to CGIF or any of their respective officers, employees, advisers, agents or representatives. The members of the CGIF Board may seek instructions from their constituents for the purpose of CGIF Board approval and portfolio administration and the Board documents and other relevant information may be distributed to any representatives of the relevant member countries of CGIF for the said purpose only, provided that such information and documents distributed by the CGIF Board insofar as they relate to any arbitral proceedings and/or arbitral award shall be clearly marked "CONFIDENTIAL".

21. DISCLOSURE OF INFORMATION

21.1 Confidential information

Except as disclosed under the offering circular dated on or about the date of this Agreement relating to the Bonds or as permitted or required under this Agreement, the Bond Documents, this Agreement and the terms thereof as well as any information relating any dispute arising therefrom are confidential (**Confidential Information**) and each Party agrees that it will not, without the prior consent of the other Parties, disclose the contents of this Agreement or any Bond Document or its existence to any other person, except where such information is:

- (a) publicly available (including, without limitation, through disclosure made in a Bond Document), other than as a result of a breach of this Clause 21;

- (b) required to be disclosed by law, regulation or any Government Agency;
- (c) required in connection with any legal or arbitration proceedings;
- (d) disclosed to its auditors and any rating agency provided that such auditor and rating agency shall be informed of its confidential nature and that some or all of such information may be price-sensitive information;
- (e) disclosed to any Bondholder, its officers, employees, advisers, agents and representatives by the Bondholders' Representative, provided and on the condition that the Bondholders' Representative procures that the person receiving such confidential information is also bound by the provisions of this Clause 21 (Disclosure of Information); or
- (f) disclosed to its Affiliates, its and its Affiliates' respective officers, employees, advisers, agents and representatives who, in any such case, have reasonably required to know such information, provided that such person shall be made aware of and agree to be bound by the confidentiality obligations under this Paragraph prior to such information being disclosed to it.

21.2 Disclosure by CGIF

This Clause 21 (Disclosure of Information) does not prohibit the disclosure by CGIF of any information deemed confidential under this Clause 21 (Disclosure of Information) which is circulated to the CGIF Board as part of CGIF's approval process and portfolio administration, or to the Asian Development Bank or any other contributors to CGIF or any of their respective officers, employees, advisers, agents and representatives. The members of CGIF Board may seek instructions from their constituents and the Bond Documents, Guarantee Documents and other relevant information may be distributed to representatives of the contributors to CGIF.

22. ADB AND CGIF IMMUNITIES

Nothing in this Agreement, any other Guarantee Document or any Bond Document or any agreement, understanding or communication relating to this Agreement (whether before or after the date of this Agreement), shall constitute or be construed as an express or implied waiver, renunciation, exclusion or limitation of any of the immunities, privileges or exemptions accorded to the Asian Development Bank under the Agreement Establishing the Asian Development Bank, any other international convention or any applicable law, or accorded to CGIF under the Articles of Agreement.

THIS AGREEMENT has been executed as a deed by the Parties hereto and is intended to be and is hereby delivered on the date first written above.

SCHEDULE 1
LIST OF BONDHOLDERS

#	NAME OF PERSON OR FINANCIAL INSTITUTION	NUMBER OF BONDS HELD	PRINCIPAL AMOUNT OF BONDS HELD
1.			
2.			
3.			

SCHEDULE 2

FORM OF CGIF CERTIFICATE

To: ACLEDA Securities Plc. in its capacity as the bondholders' representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

From: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (**CGIF**)

Copy: ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Date: _____

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Reimbursement and Indemnity Agreement dated [●] (the Indemnity Agreement) between, amongst others, the Issuer and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

I refer to the Indemnity Agreement and the guarantee agreement dated [*insert date*] between CGIF and the Bondholders' Representative (the **Guarantee Agreement**).

I am a duly authorised officer of CGIF. I am authorised to give this certificate and certify that CGIF has received (or waived receipt of) all of the documents and evidence set out in schedule 2 (*Conditions Precedent*) to the Indemnity Agreement in form and substance satisfactory to CGIF.

This also serves as notification to the Bondholders' Representative in accordance with Clause 2.2 (*Term of the Guarantee*) of the Guarantee Agreement that the guarantee pursuant to the Guarantee Agreement is in effect, subject to the issuance of the Bonds, and to the Issuer that CGIF has no objection to the issuance of the Bonds.

Unless we notify you to the contrary in writing, you may assume that this certificate remains true and correct.

This certificate, and any non-contractual obligations arising out of or in connection to it, should be governed by and construed in accordance with English law.

For **CREDIT GUARANTEE AND INVESTMENT FACILITY,**
a trust fund of the Asian Development Bank

Name:

Title:

SCHEDULE 3

FORM OF BHR DEMAND

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (CGIF)

From: ACLEDA Securities Plc. in its capacity as the bondholders' representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Copy: ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

Copy: Each Bondholder specified in the Schedule to this Demand (the **Bondholders**)

Date:

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between the Bondholders' Representative, the Agent, the Bondholders and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We, as the Bondholders' Representative, hereby certify as follows:

1. A Non-Payment Event occurred on *[insert date]*.
2. An amount of *[insert aggregate amount]* was due on *[insert due date]* under the Bond Conditions and remains unpaid as of the date hereof. The unpaid amount(s) comprise(s):
 - (a) Principal Amount in an amount of *[insert the amount of principal overdue]*; and / or
 - (b) Scheduled Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations].

In addition, the following amounts are payable under the Guarantee:

- (c) Additional Accrued Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations]; and/or
- (d) Bondholders' Representative Expenses in an amount of *[insert the amount of Bondholders' Representative Expenses]*, incurred in relation to (with attached documentary evidence):

[Specify]

3. We therefore demand payment of the Guaranteed Amount, calculated as follows:
- (a) [Specify unpaid Principal Amount and Scheduled Interest and Bondholders' Representative Expenses]; and
 - (b) up to a maximum amount of [insert maximum amount] of Additional Accrued Interest.
4. [CGIF failed to make a payment in accordance with Clause 3.3 of the Guarantee, we therefore demand payment of the Guarantor Default Interest Amount:
- (a) [insert amount], for the period from (and including) the original due date for the Guaranteed Amount to (but excluding) the date of this Demand:

[Specify calculations];

plus
 - (b) the Guarantor Default Interest Amount for the period from (and including) the date of this Demand to (but excluding) the date of actual payment by CGIF.]

OR

[CGIF did not fail to make a payment in accordance with Clause 3.3 of the Guarantee, we therefore do not demand payment of the Guarantor Default Interest Amount]

5. In addition to the Guaranteed Amount and Guarantor Default Interest Amount referred to above, the following amount(s) is/are also due and unpaid as of the date hereto in respect of the Bonds, however, do(es) not constitute the Guaranteed Amount or the Guarantor Default Interest Amount and is/are not payable by CGIF:

[Specify]

6. We enclose the following evidence, information and documentation in support of the information contained in this Demand:

[Specify evidence, information and documentation]

Please make payment of the amounts referred to in paragraph 2(a), (b), and (c) of this Demand to the bank account of the Bondholders, the details of which are set out in the most recent copy of the Bondholders' Book as provided to CGIF by the Agent in accordance with the Guarantee.

Please make payment of the Bondholders' Representative Expenses, the details of which are set out in paragraph 2(d) of this Demand, to the following account:

Bank Name : [•]
Bank Swift : [•]
Beneficiary Name : [•]
Account Number : [•]

A Demand may be revoked by written notice by the Bondholders’ Representative to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received in respect of a Guaranteed Amount prior to such date from a source other than CGIF.

ACLEDA Securities Plc. acting for and on behalf of all Bondholders

Name:

Title:

SCHEDULE
LIST OF BONDHOLDERS

#	NAME OF PERSON OR FINANCIAL INSTITUTION	NUMBER OF BONDS HELD	AMOUNT TO BE PAID TO EACH BONDHOLDER

SCHEDULE 4
FORM OF BONDHOLDER DEMAND

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank
From: [●] (the **Bondholder**)
Copy: ACLEDA Securities Plc. (the **Bondholders' Representative**)
Copy: RMA (Cambodia) Plc. (the **Issuer**)

[Date]

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We hereby certify as follows:

1. A Non-Payment Event occurred on *[insert date]*.
2. We are an Eligible Bondholder.
3. An amount of *[insert aggregate amount]* was due to be paid to [me/us] on *[insert due date]* under the Bond Conditions and remains unpaid as of the date hereof. The unpaid amount(s) comprise(s):
 - (a) Principal Amount in an amount of *[insert the amount of principal overdue]*; and/or
 - (b) Scheduled Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations].
4. CGIF shall pay the Guaranteed Amount in accordance with the terms of the Guarantee, being an amount equal to *[insert amount, being paragraphs 3(a) plus 3(b)]*.
5. We enclose the following evidence, information and documentation in support of the information contained in this Bondholder Demand:

[Specify evidence, information and documentation]

Please make payment to our bank account, the details of which are set out in the most recent copy of the Bondholders' Book as provided to CGIF by the Agent in accordance with the Guarantee.

This Bondholder Demand may be revoked by written notice by the Bondholder to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received in respect of a Guaranteed Amount prior to such date from a source other than CGIF.

[●]

Signed: _____

[Authorised Representative]

Name:

Title:

SCHEDULE 5

FORM OF CGIF ACCELERATION NOTICE

To: ACLEDA Securities Plc. in its capacity as the bondholder representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

From: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (CGIF)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Date: _____

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We hereby confirm as follows:

1. [An Issuer Event of Default has occurred.] [A Non-Payment Event has occurred and is continuing in accordance with the Bond Conditions on *[insert date]* / [We have received a Demand under the Guarantee] / []. As a result, we have exercised our rights pursuant to clause 5.4 (CGIF Acceleration) of the Guarantee to carry out a CGIF Acceleration. We hereby declare the Bonds to be immediately due and payable under the Bond Documents on *[insert date]*.
2. We therefore agree to pay the aggregate unpaid Guaranteed Amounts, being *[insert amount]*.
3. We enclose the following evidence, information and documentation in support of the information contained in this CGIF Acceleration Notice:

[Specify evidence, information and documentation]

For and on behalf of
**CREDIT GUARANTEE AND INVESTMENT FACILITY,
a trust fund of the Asian Development Bank**

Name:

Title:

SCHEDULE 6

FORM OF BONDHOLDER ACCESSION INSTRUMENT

From: *[New Bondholder]* (the **New Bondholder**)

and

ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (**CGIF**)

Copy: ACLEDA Securities Plc. (the **Bondholders' Representative**)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Copy: *[Transferring Bondholder]* (the **Transferring Bondholder**)

Date: _____

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. This is a Bondholder Accession Instrument.

Terms defined in the Guarantee have, unless otherwise defined in this Bondholder Accession Instrument, the same meaning when used in this Bondholder Accession Instrument.

1. The Transferring Bondholder transferred [●] Bonds of an aggregate principal amount of KHR[●] to the New Bondholder.
2. The New Bondholder agrees to be a Bondholder under the Guarantee and to be bound by the terms of the Guarantee as a Bondholder in respect of the Bonds that it has acquired.
3. The Transfer Date is the date of delivery to CGIF of this Bondholder Accession Instrument.
4. The administrative details of the New Bondholder for the purposes of the Guarantee are set out below:

[Insert administrative details].
5. This Bondholder Accession Instrument is intended to be executed as a deed.
6. This Bondholder Accession Instrument and any non-contractual obligations arising out of or in connection with it are governed by English law.

By:

[NEW BONDHOLDER]

EXECUTED as a **DEED** by)

[NEW BONDHOLDER])

and **SIGNED** and delivered as a **DEED** on its behalf by)

in the presence of:

Witness' signature:

Witness' name:

Witness' address:

SIGNATORIES

CGIF

EXECUTED as a **DEED** by)
CREDIT GUARANTEE AND)
INVESTMENT FACILITY,)
a trust fund of the Asian Development Bank)
and SIGNED and DELIVERED as a DEED)
on its behalf by)

BONDHOLDERS' REPRESENTATIVE

EXECUTED as a **DEED** by)
ACLEDA Securities Plc.)
by the affixing of its **COMMON SEAL**)

[affix seal]

Name:

Title:

In the presence of:

Witness' signature:

Witness' name:

AGENT

EXECUTED as a **DEED** by)
ACLEDA Bank Plc.)
by the affixing of its **COMMON SEAL**)

[affix seal]

Name:
Title:

In the presence of:

Witness' signature:

Witness' name:

[Bondholder signature pages to be inserted]

VI. Disclosure Document

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DISCLOSURE DOCUMENT

R M A (CAMBODIA) PLC.

(Incorporated in Cambodia as a Public Limited Company)

Offering in Cambodia of Unsecured, Unsubordinated and Guaranteed Bonds Namely,
“RMAC Bond”

to Institutional Investors and High Net Worth Investors

Issue Price: 100 per cent (Nominal Amount fully paid)

RMAC Bond (the “Bonds”) will be issued in registered form. The Bonds will be guaranteed by Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (“CGIF”). The Bonds will be offered in an aggregate total principal amount of KHR 80 billion (or its equivalent in USD of up to US 20 million, whichever is lower). The interest rate range per annum is 5.50% due from and including the issue date of the Bonds and shall be paid on an annual basis, redeemed and in arrears on 09 April of each year. The Bonds have a nominal value of KHR 100,000 each. Payment on the Bonds will be made subject to deductions for, or on account of, taxes of Cambodia. The Bonds are expected to be listed on the Cambodia Securities Exchange (CSX).

Financial Advisor and Underwriter

SBI Royal Securities Plc.

Bondholders’ Representative

ACLEDA Securities Plc.

Registrar

ACLEDA Bank Plc.

Tentative Subscription Period

06 April – 08 April 2020

Registration Number: 068/20 SECC/SSR

Issued by Securities and Exchange Commission of Cambodia dated 02 April 2020

This Disclosure Document is based on information and materials provided by R M A (CAMBODIA) PLC. (“**RMAC**”) and other sources that RMAC believes to be reliable. None of CGIF or the Underwriter makes any representation or warranty, express or implied, as to the accuracy or completeness of such information and materials and nothing contained in this Disclosure Document is, or shall be relied upon or construed as a promise, undertaking or representation by CGIF and the Underwriter. Each of CGIF and the Underwriter assumes no responsibility or liability for the accuracy or completeness of the information and materials that are contained or referred to in this Disclosure Document.

Each person receiving or viewing this Disclosure Document acknowledges that such person has not relied on CGIF, the Underwriter or any person affiliated with the Underwriter in connection with their investment decisions or the investigation of the accuracy or completeness of the information or materials contained in this Disclosure Document. None of RMAC, CGIF or the Underwriter is making any representation to the aforementioned person regarding the legality of the bid, subscription and purchase of, or investment in, RMAC’s debt securities by such person. This Disclosure Document and all information and materials contained herein and their distribution or transmission must not under any circumstances, be considered as legal, business or investment advice.

This Disclosure Document has been prepared for the purpose of obtaining an Approval and Registration from the Securities and Exchange Commission of Cambodia (the “**SECC**”). It is intended solely for use and distribution

during the book-building and subscription process as contemplated by the Underwriter hereof. This Disclosure Document, as it currently stands, includes the final terms of the Offering Price, determined by agreement between RMAC and the Underwriter at the price determination date (being the date the final Coupon rate is determined by the Underwriter) or such later time as may be agreed by RMAC and the Underwriter. RMAC, with the prior consent of the Underwriter, may change certain parts of the Disclosure Document at any time prior to the registration with the SECC.

The investors should note that any approval or registration of this Disclosure Document from the SECC is not an indication that the SECC either recommends the subscription of (or “an investment in”) RMAC’s debt securities or assumes the responsibility for the accuracy of information, opinion or statement contained in this Disclosure Document.

Investors should rely on their own valuations or assessments as to the soundness of and the risks associated with the investment in RMAC’s bonds by considering the objective of the investment, risk profile, their own financial position and so on. If investors have any doubt about this Disclosure Document or any of the matters contained herein, they should consult with qualified securities firms, investment advisors, or other professional advisers.

The distribution of this Disclosure Document and the offer and sale of the Bonds may be illegal in certain jurisdictions. RMAC, CGIF and the Underwriter require persons into whose possession this Disclosure Document may come, to inform them of and observe any restrictions, which may apply to this Disclosure Document and the offer and sale of the Bonds in relevant jurisdictions. This Disclosure Document does not constitute an offer of any securities, or any offer to sell, or a solicitation of any offer to buy any Bonds of RMAC in any jurisdiction, to or from any person to whom it is unlawful to make such an offer in such jurisdictions.

Any person in any jurisdiction outside Cambodia in which the distribution of the Disclosure Document and the offer and sale of the bond is not restricted, must seek professional advice in relation to the contents of this Disclosure Document and the relevant laws and system of taxation in Cambodia.

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The Disclosure Document and supplementary materials can be obtained at:

SBI Royal Securities Plc.	#13Ath Floor, Phnom Penh Tower, No.445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh Tel: (855) 23 999 595
----------------------------------	--

Date: 23/December/2019

Person in Charge of Providing the Disclosure Document

Name: Mr. Shuzo Shikata
Position: Chief Executive Officer
Tel: (855) 23 999 595
Fax: (855) 23 996 973
E-mail: sshikata@sbigroup.co.jp

NOTE TO INVESTORS

The Disclosure Document has been fully approved by the Board of Directors (the “**Board**”) of RMAC for the public offering to investors of the guaranteed bonds. All members of the Board jointly and severally take full responsibility for the accuracy of the information contained in this Disclosure Document. The information in the Disclosure Document has been verified, confirmed and reviewed by the Board, its officers and all relevant persons of RMAC to their best knowledge and beliefs. Therefore, the Board of RMAC, to their best of the knowledge, understanding and belief, would like to assure that there is no false or misleading material statement or other material fact that if omitted would make any statement in the Disclosure Document materially false or misleading.

The Bonds will be approved by the SECC and the the Disclosure Document will be registered and filed at the SECC. However, the SECC would like to state the following regarding the approval and registration of the the Disclosure Document:

Registration of the Disclosure Document is not an indication that the SECC recommends the subscription of or investment in this securities offering or that the SECC assumes responsibility for the accuracy of the information, opinion or statements contained in this Disclosure Document at all. Thus, the SECC is neither liable for nor certifies the accuracy or completeness of the information or contents in this Disclosure Document. The SECC is not liable for any loss that investors may suffer from the whole or a part of the content of this Disclosure Document.

The investment or subscription of the Bonds is the sole responsibility of each investor and he/she should rely on his/her own judgment in determining the accuracy and risks associated with this investment. Investors should take into consideration the objective of investment, risk appetite, his/her own financial position and so on.

If investors have any doubt about this Disclosure Document or in considering the investment, they should consult with securities firms, investment advisors, or other professional advisers.

Date: 23/December/2019

Signature and Stamp

Mr. Kevin Robert Whitcraft
Chairman

TIMETABLE FOR THE OFFERING

	Expected Date
Open Date for Subscription	06 April 2020
Closing Date for Subscription	08 April 2020
Issue Date	09 April 2020
Listing Date	30 April 2020
First Interest Paying Date	09 April 2021

The timetable above is subject to change if necessary to follow all necessary legal requirements of the Bonds. The subscription starts on 06 April until 08 April 2020 at 5:00 PM.

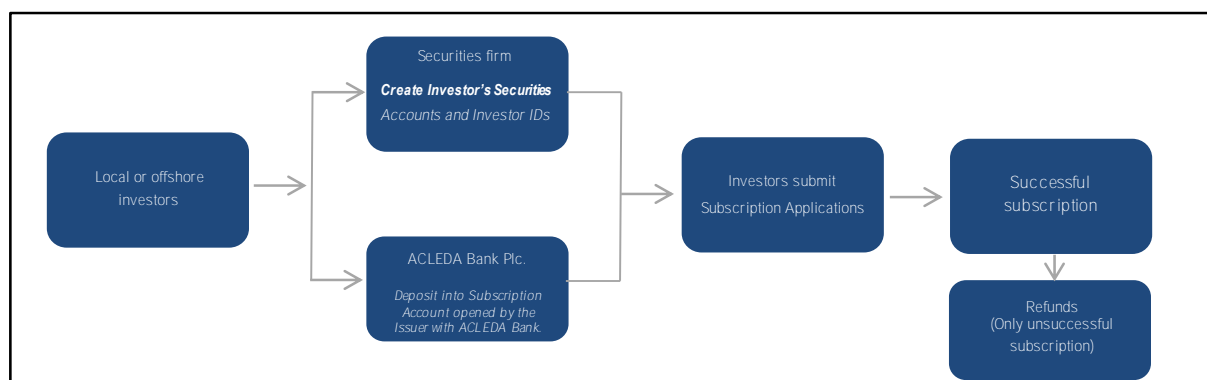
If the closing date of subscription is delayed, the date for securities allotment and CSX listing date will also be extended. RMAC will make the public announcement of the changes to the dates in the daily newspapers in Khmer and English, accredited by SECC.

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THE GUIDELINE ON THE SUBSCRIPTION, ALLOCATION AND REFUND



I. The offered Coupon Rate

- 5.50% per annum

II. Obtaining of the Disclosure Document, Subscription Forms and Subscription Period

- (a) Investors may obtain the registered Disclosure Document and subscription forms at the address as specified below during business hours and days.

SBI Royal Securities Plc.	#13A th Floor, Phnom Penh Tower, No.445, Street Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh Tel: (855) 23 999 595
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- (b) The subscription period of the Bonds is from 06 April – 08 April 2020 (the “**Subscription Period**”).

III. Method for Subscription

- (a) SBIR will provide the registered Disclosure Document and subscription forms to investors.
- (b) Before subscribing the Bonds, investors shall have an investor ID and Securities Account. Local or offshore investors approach SBIR or any securities firm to open a securities account and obtain an investor ID from the SECC. During this period, SBIR will conduct KYC procedures.

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List of Qualified Investors

The selling of Bonds in the primary market is not eligible for any person other than those (1) qualified as "Institutional Investors" and "High Net Worth Investors" as defined in the Prakas on Qualified Investors of the Securities and Exchange Commission of Cambodia and (2) Institutional Investors and High Net Worth Investors that are deemed appropriate at the discretion of SBI Royal Securities Plc. and RMAC.

- (a) The types of the Institutional Investors referred to above are as follows:
- The NBC;
 - Securities firms and investment advisors (licenses from the SECC);
 - Collective investment scheme dealers (licenses from the SECC);
 - Banking and financial institutions (obtained licenses from the NBC);
 - Insurance companies (obtained licenses from the MEF);
 - The National Social Security Fund, National Fund for Veterans, Persons with Disabilities Foundation and National Social Security Fund for Civil Servants;
 - International financial institutions (obtained approval from the Director General of the SECC);
 - Financial Institutions Development Funds (obtained approval from the Director General of the SECC); and
 - Other legal entities (obtained approval from the Director General of the SECC)
- (b) The types of the High Net Worth Investors referred to above are as follows:
- Legal entities fulfilling one of the following criteria:
 - Total shareholders' equity of at least KHR2 billion as per the latest financial statement, or
 - Annual revenue of at least KHR500 million in the last 2 years, or
 - At least KHR200 million of investments in the securities sector in Cambodia; and
 - Any individual who aims to register as a Qualified Investor and, together with a spouse (if any), fulfills one of the following criteria:
 - Total net assets of at least KHR1 billion, or
 - Annual income of at least KHR80 million, or
 - Investment participation in the securities sector in Cambodia of at least KHR100 million.

Required Documents to Check Investor Qualifications

- Bank Statement, or
- Investment report issued by securities firm, or
- Certificate of deposit, or
- Asset valuation report, or
- Receipt or Payment Report, or
- Certificate of incorporation (for institutional investor) and
- Other documents, if any.

Required Documents for Securities Account Opening (Individual Investors) at SBIR

Required Application Forms	Status
1. Investor Identification Number Application Form (Form A)	1 Original Copy
2. Application for Individual Account Opening	1 Original Copy
3. Specimen Signature for Individual Account Opening	1 Original Copy
4. Application For Web-based Information Service	1 Original Copy
5. Client Agreement	2 Original Copies
Required Documents	
1. ID Card or Passport	1 Certified True Copy
2. Bank Reference Letter	1 Original Copy
3. Photo	2 (Passport Size)
4. Fee for Investor ID for Individual	KHR 20,000 or USD 5

Required Documents for Securities Account Opening (Institutional Investors) at SBIR

Required Application Forms	Status
1. Investor Identification Number Application Form (Form B)	1 Original Copy
2. Application for Institutional/Legal Entity Account Opening	1 Original Copy
3. Specimen Signature for Institutional/Legal Entity Account Opening	1 Original Copy
4. Application For Web-based Information Service	1 Original Copy
5. Client Agreement	2 Original Copies
Required Documents	
1. Memorandum and Articles of Association	1 Certified True Copy
2. Certificate of Incorporation	1 Certified True Copy
3. Business License	1 Certified True Copy
4. Board Resolution	1 Certified True Copy
5. Power of Attorney ¹	1 Certified True Copy
6. List of Directors & Shareholders	1 Certified True Copy
7. Patent or Tax Certificate	1 Certified True Copy

¹ If persons authorized to open account and person listed on the trading instructions are different persons, a certified true copy of their ID cards or passports is required.

8. ID card or Passport of Company's Representative	1 Certified True Copy
9. Bank Reference Letter	1 Original Copy
10. Photo of Representative	2 (passport size)
11. Fee for Investor ID for Institutional Investor	KHR 50,000 or USD 13

- (c) Each investor shall duly, completely and clearly fill in and sign the subscription form and affix the company seal (if any) thereto.

- (d) Investors shall submit the completed subscription form to the Underwriter at its office specified in *a- General information of underwriter* during the business hours/days during the Subscription Period.

The successful investors can subscribe more than the pre-allocated Bonds in the Letter of Undertaking. The additional Bond subscription will be subject to the competition with other subscribers. Investors that are eligible for subscription shall be Qualified Investors. SBIR will check investors' qualifications. The allocation of the remaining Bonds in subscription is at the discretion of SBIR and RMAC.

In subscribing for the Bonds, an investor who is qualified as an Institutional Investor or High Net Worth Investor is required to subscribe for a minimum of KHR 20 billion (~USD 5 million) and in multiples of KHR 4 billion for qualified investors*.

- (e) Investors may deposit money for investment directly into RMAC's Subscription Bank Account without opening a local bank account.

Subscription payments for the Bonds shall be made by investors on the date of subscription in full in the following accounts namely:

"Subscription Account for Bonds of RMAC"

Account Number for Deposit	Account Name for Deposit
00010358286824	R M A (CAMBODIA) PLC. - Subscription Account

- (f) Investors who have submitted their subscription forms and made payments for their subscriptions may not cancel their subscriptions or request a refund of their subscription payments, except as specified in paragraph IV. (c) below.
- (g) If there has occurred any event causing or requiring the Issuer to suspend or cancel the offering of the Bonds or to be unable to issue or deliver the Bonds to investors, investors who have subscribed and made payments for the Bonds will be entitled to a refund of their subscription payments as specified in Clause V. (b) below.
- (h) Investors will not be entitled to receive any interest or compensation during the Subscription period of the Bonds.
- (i) The list of the Bonds Allocation will be publicly announced through a newspaper accredited by the SECC.
- (j) With approval from the SECC, the total Bond proceeds are transferred from the Subscription Bank Accounts to RMAC's separate bank account. Then, the Subscription Bank Accounts are closed.

IV. Allocation of Bonds

- (a) Restrictions on Allocation

The Underwriter will offer and allocate the Bonds only to investors who are qualified as Institutional Investors or High Net Worth Investors.

- (b) Allocation of the Bonds

The allocation of the Bonds to investors shall be at the absolute discretion of the Issuer and the Underwriter. The Issuer and the Underwriter may allocate any amount of the Bonds to any person or may refuse to allocate the Bonds subscribed by any investors as they deem appropriate.

(c) Cancellation of Subscription

The Underwriter is entitled to revoke or cancel any subscription for the Bonds by any investor who fails to comply with the procedures indicated above or whose payment of subscription price by a crossed cheque or cashier's cheque is not honored upon presentation thereof.

An investor is entitled to revoke the subscription for the Bonds in the event that the Issuer suspends or ceases the offering of the Bonds or is unable to deliver the offered Bonds, from the announcement date of the suspension or cessation of the offering or the Issuer's inability to deliver the Bonds in seven (7) Business Days after the last day of the Subscription Period.

V. Refund procedure

(a) Procedure for Refunding Subscription Payments in case of Excess Subscriptions

If an investor is not allocated any Bonds or is allocated Bonds in an amount less than that subscribed for, the issuer will return the subscription payments received by it to the investor without interest and/or compensation through a bank transfer to their respective bank accounts as mentioned in their subscription application or via any other reasonable methods.

For the refund currency, the investor shall agree that the refund currency shall be the same currency as the subscription deposit.

Any and all expenses, fees and charges related to the refund including, without limitation, the bank transfer fee and service charge, shall be borne by the investor.

(b) Procedure for Refunding Subscription Payments in case of Repression or Cessation

If an investor revokes the subscription for the Bonds as specified in the second paragraph of Clause IV- (c) above, the issuer will return the subscription payments received by it to the investor without interest and/or compensation via a bank transfer to their respective bank accounts as mentioned in their subscription application or via any other reasonable methods.

VI. Delivery of Bonds

The Issuer will ensure that the Registrar enter the name of each Bondholder to whom the Bonds have been allotted, together with details of the number of Bonds allotted to such Bondholder, into the Bondholders' Book no later than 7 (seven) Business Days after the Subscription Closing Date.

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ABBREVIATIONS

ADB	Asian Development Bank
AMBIF	ASEAN+3 Multi-Currency Bond Issuance Framework
ASEAN	Association of Southeast Asian Nations
ASEAN+3	ASEAN plus the People's Republic of China, Japan and the Republic of Korea
CGIF	Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank
CIFRS	Cambodia International Financial Reporting Standards
CSX	Cambodia Securities Exchange
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GDT	General Department of Taxation
GNI	Gross National Income
IFRS	International Financial Reporting Standards
KHR	Khmer Riel
SBIR	SBI Royal Securities Plc
SECC	Securities and Exchange Commission of Cambodia
USD	United States Dollar

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DEFINITIONS

"Affiliate" means, in relation to a person, a Subsidiary or Holding Company of that person or a Subsidiary of that Holding Company.

"Appointment Agreement" means the Contract on Providing Services of Securities Registrar, Securities Transfer Agent and Paying Agent dated 20 December 2019 and entered into or to be entered into by and between the Issuer and **ACLEDA Bank Plc.** in connection with the issuance of the Bonds.

"Audit and Risk Committee" refers to a specialized committee of the Board of Directors with the main responsibility of overseeing RMAC's financial reporting and disclosure, managing risks and financial controls and overseeing the internal and external audit of RMAC's operations.

"Board of Directors" means the board of directors of RMAC as appointed by the Shareholders from time to time.

"Bondholder(s)" means the person(s) who owns the Bond(s) in accordance with *Clause III of Section 7: Terms and Conditions of the Bonds*

"Bondholders' Book" means the book of Bondholders of the Bonds, recording particulars of the Bondholders or other sources of registration information relating to the transfer, pledge, attachment and other matters related to the Bonds as required by Appointment Agreement and the relevant rules and procedures prescribed pursuant to the applicable rule under Cambodian Laws.

"Bondholders' Representative" means **ACLEDA Securities Plc.** acting as bondholders' representative in respect of the Bonds, or any successor appointed as the bondholders' representative in respect of the Bonds from time to time in accordance with the terms and conditions and the Bondholders' Representative Agreement.

"Bondholders' Representative Agreement" means the document titled Bondholders Representative Agreement entered into by and between the Bondholders' Representative and the Issuer dated 25 March 2020 or any agreement appointing a new Bondholders' Representative to replace the existing Bondholders' Representative (if any) from time to time.

"Business Day" means a day (other than a Saturday, Sunday) on which banks are open for general business in Manila, New York and Phnom Penh.

"Cambodia" means the Kingdom of Cambodia.

"Chairman" means the leader of the Board of Directors who is responsible for setting the agenda of board meetings, works to gather consensus on decisions and ensures meeting run smoothly.

"Director" is a person who serves on a company's board of directors.

"Default Interest Rate" means the Interest Rate plus 2% per cent per annum.

"Disclosure Document" is a kind of document that describes a financial security for potential buyers with a description of the company's business, financial statements, biographies of officers and directors, detailed information about their compensation, any litigation that is taking place, a list of material properties and any other material information.

"Executive Director" means a member of the Board of Directors that also holds a position of a senior manager of the company.

"Guarantee" means the agreement [to be] entered into between, among others, CGIF, the Bondholders' Representative and the Bondholders in connection with the Bonds.

"Holding Company" means Clipper Holdings Limited which is the immediate parent and ultimate controlling party and has RMAC as its subsidiary.

“Independent Director” is a member of a company's board of directors who was brought in from outside the company. Because an independent outside director has not worked with the company for a period of time (typically for at least the previous year), he or she is not an existing manager and is generally not tied to the company's existing way of doing business.

“Interest Payment Date” means every 09 April of each year with the first Interest Payment Date on 09 April 2021 and the last Interest Payment Date on the Maturity Date.

“Investment Advisor” is a consultant who is not part of the underwriting syndicate and advises the issuer on matters pertinent to the issue, such as structure, timing, marketing, fairness of pricing, terms and bond ratings.

“Interest Rate or Coupon Rate” means a rate of 5.50% per annum.

“Issue Date” means the issue date of the Bonds, which is expected to be 09 April 2020.

“Maturity Date” means the fifth anniversary of the Issue Date, which is expected to be 09 April 2025.

“Memorandum and Articles of Association” means a set of documents filed with a government body for the purpose of legally documenting the creation of a corporation. Articles of incorporation typically contain pertinent information such as the firm's address, profile, distribution of corporate powers and the amount/type of stock to be issued.

“Non-Executive Director” refers to a director, who doesn't execute daily operations in the Listed Public Enterprise, who is a non-executive director as the representative of private shareholders and public shareholders.

“Paying Agent” means **ACLEDA Bank Plc.** as appointed under Appointment Agreement or any successor or replacement entity thereto, to provide paying agent services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent dated 30 June 2010 and subsequent amendments thereto.

“Principal Amount” means at any time the outstanding principal amount in respect of the Bonds due on the Maturity Date, or on an accelerated basis.

“Public Limited Company” means a company created and registered in accordance with the Law on Commercial Enterprises with the purpose of issuing securities to the public.

“Securities and Exchange Commission of Cambodia (SECC)” means the legal entity created by the government with the mandate of supervising and regulating the securities industry. The commission administers laws related to securities, formulates and enforces rules to protect against malpractice and seeks to ensure that companies provide the fullest possible disclosure to investors. All of the national exchanges and virtually all institutions in the securities industry fall under its jurisdiction.

“Secondary Market” means CSX and any other securities trading platforms that are permitted by the SECC.

“Securities Registrar” means **ACLEDA Bank Plc.** as appointed under Appointment Agreement or any successor or replacement entity thereto, to provide securities registrar services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent dated 30 June 2010 and subsequent amendment thereto.

“Securities Transfer Agent” means **ACLEDA Bank Plc.** as appointed under the Appointment Agreement or any successor or replacement entity thereto, to provide securities transfer agent services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent dated 30 June 2010 and subsequent amendment thereto.

“Senior Management” means any person who holds a senior position in the management of RMAC from Head of Department or Head of Division to Chief Executive Officer such as the General Manager, Chief Operating Officer, Chief Financial Officer, Company Secretary and any other important positions as determined by the Board of Directors.

“SIAC” means the Singapore International Arbitration Centre.

“Subscriber” means a person who is applying for subscription of securities at a time of public offering of securities.

“Subscription Date” means the first day of the subscription period in respect of the Bonds, which is proposed to be 06 April 2020.

“Subscription Closing Date” means the last day of the subscription period in respect of the Bonds, which is expected to be 08 April 2020.

“Subsidiary” means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company,
and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its Board of Directors or equivalent body.
- (d) refer to Fellow Subsidiaries, the sister companies that are subsidiaries of Clipper Holdings Limited which is mentioned in note 23 of RMAC’s Audited Financial Statements in 2018.

“Terms and Conditions” means the terms and conditions of the Bonds, in the form attached as Appendix II to this Disclosure Document.

“Trading Account” means an account which each Bondholder opens with a securities firm to transact the trading of securities on the Secondary Market.

“Underwriter” means **SBI Royal Securities**, a public limited company incorporated under the laws of Cambodia, having a commercial registration No. 00000824 and a registered address at 13Ath floor, Phnom Penh Tower, No. 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh, Cambodia, as appointed under the Underwriting Agreement entered between the Issuer and the Underwriter.

“Underwriting Agreement” means the contract between the underwriter and RMAC (the issuer) for full or partial subscription by the underwriter of the remaining corporate bonds after selling to public investors at a pre-determined date for subscription following the legal procedure from the regulator. The agreement spells out the terms, price and account settlement details. The agreement also refers to underwriting agreements made to third parties who underwrite the remaining shares after the main underwriter.

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DISCLAIMER

The Responsibility of the Issuer, Underwriter and Other Relevant Advisors

The information in the Disclosure Document has been provided by RMAC except where the source of the information is otherwise stated herein. After careful review and to the best of its understanding, knowledge and belief, RMAC confirms that all the information in this Disclosure Document is accurate, that no material information has been omitted and that there are no misleading material statements in the information or content in this Disclosure Document.

Subject to the foregoing, RMAC accepts responsibility for the accuracy and completeness of the information contained in the Disclosure Document. The Underwriter also has studied its legal aspect and verified the accuracy of the information in this Disclosure Document. Neither CGIF nor the Underwriter takes any responsibility for the accuracy or completeness of the information in the Disclosure Document.

FORWARD-LOOKING STATEMENTS

The Disclosure Document contains -forward-looking statements. All the statements, except statements or information about the past, are forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “assumes”, “projects”, “forecasts”, “estimates”, “expects”, “anticipates”, “believes”, “plans”, “intends”, “may”, “might”, “will”, “would”, “can”, “could”, “should” or, in each case, their negative, or other variations or comparable terminology.

The forward-looking statements appear in a number of places throughout the Disclosure Document and include statements regarding RMAC’s intentions, beliefs or current expectations concerning, among other things, financial position, operating results, liquidity, prospects, growth, strategies and the industry in which RMAC operates.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Thus, forward-looking statements are not guarantees that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur. RMAC does not take responsibility for the differences between what is stated in the forward-looking statements and what actually happens in the future.

Important factors that could cause those differences include, but are not limited to:

- RMAC’s capacity in implementing its strategic business plan
- Business opportunities that RMAC exploit
- Resignation of capable staff or experienced persons which may affect RMAC’s business operation
- Changes in the demand for RMAC’s products and services
- Business plan and strategy of its competitors
- Expiration and possible non-renewal of distribution agreements
- Appointment of other distributors where RMAC’s distribution rights are not exclusive
- Changes to government policies including tariffs on RMAC’s products
- RMAC’s financial position
- Capital investment plan such as large expenditures and procurement
- Tax auditing and tax reassessment, which affects its liability
- Macro economic conditions and systemic risks arising (eg. epidemics, pandemics, or large scale medical emergencies)

Some of the risks that could affect RMAC's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 3: Risk Factors.

RMAC undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as the result of new information, future events or otherwise.

Disclaimer in Relation to Representations other than Those Contained in This Disclosure Document

RMAC, CGIF and the Underwriter take no responsibility for any statements or arguments which differ from those in this Disclosure Document and no person has been authorized to give any information or to make any representation except as expressly contained in this Disclosure Document. If given or made, any such information or representation may not be relied upon as having been authorized by RMAC, CGIF or the Underwriter.

Prospective Investors in Jurisdictions outside Cambodia

The distribution of this Disclosure Document and the offer and sale of the Bonds may be illegal in certain jurisdictions. RMAC and the Underwriter require persons into whose possession this Disclosure Document may come to inform them of and observe any restrictions which may apply to, this Disclosure Document and the offer and sale of the Bonds in relevant jurisdictions. This Disclosure Document does not constitute an offer of any securities, or any offer to sell, or a solicitation of any offer to buy any securities of RMAC in any jurisdiction, to or from any person to whom it is unlawful to make such an offer in such jurisdiction. Any person in any jurisdiction outside Cambodia in which the distribution of the Disclosure Document and the offer and sale of the Bonds is not restricted must seek professional advice in relation to the contents of this Disclosure Document and the relevant laws and system of taxation in Cambodia.

Status of the English Version of this Disclosure Document

The Khmer version of this Disclosure Document is the official version of the Disclosure Document that is approved and registered with the SECC. The official Disclosure Document may be translated into different languages to help investors who cannot read Khmer. Investors who use a translated Disclosure Document should be cautious on the meaning of technical terms in securities and financial sectors, translated into Khmer, due to limited technical words in Khmer. The translation may have a meaning different from those meanings commonly used. Thus, investors are advised to seek opinions from professional advisors in the sector.

The English version of this Disclosure Document is entirely for the convenience of the public investors who are unable to read Khmer. The prospective investor should use the Khmer version as material for making decisions and the English version is served as a reference purpose only.

Translation of Amount into Khmer Riel or Other Currencies

In this Disclosure Document, references to "\$," "U.S. \$," "USD" or "U.S. dollars" are to United States Dollars. RMAC prepares its accounts in the English language and in USD and prepares a Khmer language version with amounts expressed in Khmer Riels, which are referred to as "Riels" or "KHR", in order to comply with the Law on Corporate Accounts, Their Audit and the Accounting Profession.

In this Disclosure Document, references Khmer Riels, which are referred to as "Riels" or "KHR" are to conversions of certain amounts into Khmer Riels at specified rates based on the fact that the USD is the de facto currency of commerce in Cambodia. The exchange rate is the KHR: USD exchange rate published by the National Bank of Cambodia as of 31 December 2016, 2017 and 2018.

No representation is made that the KHR, USD or any other currency amounts referred to in this Disclosure Document herein could have been or could be converted into KHR, USD or any other currency, as the case may be, at this rate, at any particular rate, or at all.

DISTRIBUTION

The electronic Disclosure Document in Khmer can be viewed or downloaded from the CSX website (www.csx.com.kh). A copy of Khmer version and English version of Disclosure Document are also available on RMAC's website (www.cambodia.rmagroup.net), SBI Royal Securities' website (www.sbiroyal.com). The electronic Disclosure Document may also be delivered to prospective investors or viewers by email upon their request.

By receiving this Disclosure Document through electronic transmission such as, but not necessarily limited to, as an attachment of an e-mail that was dispatched or circulated by RMAC or the Underwriter or any of their Affiliates, or by downloading this Disclosure Document from the internet websites described in the foregoing, the investors or any other viewers are deemed to have given their full acknowledgement and consent to all notices, disclaimers, conditions and statements contained or disclosed in this Disclosure Document. Such investors or viewers are reminded of the fact that this Disclosure Document and any of the content contained herein may subsequently be altered, changed or updated either (i) during the process of electronic transmission, (ii) pursuant to the applicable laws and regulations, (iii) for the purposes of final registration with the SECC or (iv) at the discretion of RMAC under proper authority, without informing or alerting such investors or viewers in advance.

The aforementioned investors and viewers are further reminded that none of RMAC, CGIF or the Underwriter or any of their respective directors, officers, employees, representatives or Affiliates accepts any liability or responsibility whatsoever in respect of any real or potential discrepancies between the hard copy of the Disclosure Document that has been printed with the proper authority from RMAC and any electronic copy of the Disclosure Document that has not been obtained directly from the authorized websites prescribed herein. RMAC and the Underwriter will provide a hard copy version to such investors and viewers upon due request.

The aforementioned investors and viewers fully acknowledge that they will view the Disclosure Document only on the basis that they are lawfully allowed to do so under the laws of the jurisdiction in which they are located and are reminded that they are not authorized to deliver or forward this Disclosure Document, electronically or otherwise, to any other person.

The investors and viewers who receive this Disclosure Document via e-mail should not reply to such e-mail under any circumstances and any reply e-mail communications by such investors and viewers will be ignored and rejected. The e-mail containing the Disclosure Document or any subsequent e-mails related thereto are intended only for the recipient(s) that are expressly indicated on such e-mails and any other unintended recipients should immediately notify RMAC or the Underwriter and destroy the relevant e-mails from their system.

The investors and viewers who receive or otherwise come across the Disclosure Document hereby acknowledge and undertake that the Disclosure Document will not be forwarded or distributed to any other person and will not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of the Disclosure Document in whole or in part is unauthorized. Failure to comply with this directive may result in a violation of the applicable laws and regulations of the jurisdiction in which they are in and none of RMAC, CGIF or the Underwriter or any of their respective directors, officers, employees, representatives or Affiliates will be liable or responsible for such violation.

CONVENTIONS

RMAC's fiscal year commences on 1 January and ends on 31 December of each year. Unless otherwise stated herein, references to a year is to the fiscal year ended 31 December. For example, a reference to 2018 in a table would be a reference to the fiscal year ended 31 December 2018.

All references to KHR are to Khmer Riels, the official currency of the Kingdom of Cambodia.

FACT SHEET

This Fact Sheet constitutes an integral part of the Disclosure Document for the Bonds (as defined below). This Fact Sheet contains only summarized information on the material terms of the Bonds and significant risks relating to the Bonds offered. Prospective investors should thoroughly study information contained in the Disclosure Document before making a decision to invest in the

Name Registered, Unsecured, Unsubordinated and Guaranteed Bonds Namely,
“RMAC Bond”
to be issued by R M A (CAMBODIA) PLC.

Part 1: Material Terms of the Bonds

Issuer	R M A (CAMBODIA) PLC. (RMAC) Incorporated under the laws of the Kingdom of Cambodia, the principal activities of RMAC include the import, marketing and sale of motor vehicles, agricultural equipment, material handling equipment, cleaning equipment, electrical testing and construction equipment; maintenance and provision of spare parts and accessories for the servicing of the aforementioned equipment.
Registration	Under AMBIF Program
Bond Name	RMAC Bonds (the “Bonds”)
Bond Type	Unsecured, unsubordinated and guaranteed bonds in a registered form
Guarantor	Credit Guarantee and Investment Facility , a trust fund of the Asian Development Bank
Value of Bonds offered	KHR 80 billion (or its equivalent in USD of up to US 20 million, whichever is lower)
Total Assets as of 31 December 2018	<i>KHR 253.70 billion</i>
Proportion % of Issued Amount to Total Assets	32%
Currency	KHR-denominated with the settlement in USD at a fixed USD/KHR foreign exchange rate upon bond issuance. This USD / KHR foreign exchange rate is calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia on each of the 6 th Business Day to the 2 nd Business Day prior to the date on which subscription for the Bonds commence.
Maturity Date	5 years [2020-2025] from the Issue Date
Coupon Rate	5.5% p.a.
Default Interest Rate	Coupon Rate plus 2 per cent per annum
Offering Price	100% Fully Paid
Coupon Payment	The Bonds will bear interest from 09 April 2020, payable annually, to be paid in arrears on 09 April of each year, with first payment to be made on 09 April 2021. Coupon = Coupon Rate x Outstanding Principal Amount of each Bond
Issue Date	09 April 2020
Number of Bonds offered	800,000 bonds

Nominal Amount	KHR100,000 per bond
Minimum Investment	With investment amount of KHR 20 billion and in multiples of KHR 4 billion; only offered to qualified investors.
Redemption	<p>The Bonds shall be partially redeemed on and before the Maturity Date, Annually Paid.</p> <p>09 April 2021 = 15.0% of outstanding bonds</p> <p>09 April 2022 = 18.0% of outstanding bonds</p> <p>09 April 2023 = 28.0% of outstanding bonds</p> <p>09 April 2024 = 50.0% of outstanding bonds</p> <p>09 April 2025 = 100.0% of outstanding bonds</p>
Credit Rating	<p>The bonds are to be guaranteed by CGIF. According to the Prakas on Public Issuance of Debt Securities, there is no requirement to have a credit rating for a guaranteed corporate bond, but the credit rating of the guarantor is required. CGIF has the following credit ratings:</p> <ul style="list-style-type: none"> ▪ “AA/A-1+” Global (Long Term & Short Term), Stable Outlook, by S&P Ratings on 26 Feb 2020 ▪ “gAAA/seaAAA/AAA”, Global/ASEAN/National, Stable Outlook, by RAM Ratings on 30 Jan 2020 ▪ “AAA” National, Stable Outlook, by MARC on 17 Dec 2019 ▪ “AAA” National, Stable Outlook, by Fitch Ratings Indonesia on 10 Dec 2019 ▪ “AAA” National, Stable Outlook, by TRIS Ratings on 15 Oct 2019 ▪ “idAAA” National, Stable Outlook, by Pefindo Credit Rating Agency on 30 Aug 2019.
Guarantee	<p>Guaranteed by CGIF. Pursuant to the Guarantee, CGIF will irrevocably and unconditionally guarantee to the Bondholders’ Representative the full and punctual payment of each Guaranteed Amount. For the purposes of the Guarantee, “Guaranteed Amount” means:</p> <ul style="list-style-type: none"> - any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under the Terms and Conditions; - any Additional Accrued Interest; and - any Bondholders’ Representative Expenses which is overdue and unpaid (whether in whole or in part), (in each case as defined in the Guarantee). <p>The Guaranteed Amount is subject to the terms of the Guarantee.</p>
Governing Law	<p>The Bonds are governed by and construed in accordance with the laws of Cambodia.</p> <p>The Guarantee is governed by and construed in accordance with English law.</p>
Listing	The Issuer will apply for the Bonds to be registered with the Securities and Exchange Commission of Cambodia (SECC) and expect to be listed on the Cambodia Securities Exchange (CSX).
Purpose	To refinance the existing working capital facilities.
Underwriter	SBI Royal Securities Plc.
Bondholders’ Representative	ACLEDA Securities Plc.
Registrar	ACLEDA Bank Plc.

Part 2: Special Characteristics and Risks relating to the Bonds

(Details of which are described under Section 3: “Risk Factors” in the Disclosure Document.)

The purchase of the Bonds may involve substantial risks and is suitable only for investors who have the knowledge and experience in financial and business matters necessary to enable them to evaluate the risks and the merits of an investment in the Bonds. Please see Section 3: Risk Factors in the Disclosure Document.

Key information on the key risks relating to the Issuer	<p>In purchasing the Bonds, investors assume the risk that the Issuer may become insolvent or otherwise may be unable to make all payments due in respect of the Bonds. There are a number of risk factors, both specific to RMAC and relating to the general business environment, which may impact the operating performance and financial position of the Company and affect the future financial performance. Investors should note that the following list is not an exhaustive list of all the risks that RMAC faces or risks that may develop in the future. These factors include but are not limited to:</p> <ul style="list-style-type: none">• Risk of removal of trade preferences by the European Union• Risk of removal from the US General System of Preferences (GSP)• Political risks• Weather and climate change risk• Macro-economic conditions and systemic risks• Customs duties• Risk from lack of consumer financing• Finance counterparty risk• Supplier risk• Distributor risk• Inventory risk• Interest rate risk• Foreign exchange risk• Competition risk• Management risk• Cash flow risk• Risk from lack of enough financing to achieve growth targets• Loan facility structure risk• Failure to develop and successfully execute business plan/ strategies• Risk from financial covenants• Risk on data security• Risk from regulatory change• Risk from tax assessment and uncertainty on tax amnesty entitlement
Key information on the key risks that are associated with investing in the Bonds	<ul style="list-style-type: none">• Liquidity risk of bond market• Risk in relation to the withholding tax on the coupon rate• Financial market conditions• Risks in relation to the newly established bond market• The Bonds may not be a suitable investment for prospective investors• Interest rate risks

<p>Key information on the key risks that are associated with the Guarantee</p>	<ul style="list-style-type: none"> • Enforcing Bondholders' rights under the Bonds or the Guarantee across multiple jurisdictions may be difficult • Risk in relation to changes of the credit rating of CGIF • Not all amounts due and payable in respect of the Bonds are guaranteed by CGIF • The obligations of CGIF under the Guarantee are secondary obligations only • CGIF has the right to accelerate repayment of the Bonds following an acceleration event • Obligations of CGIF do not constitute an obligation of Asian Development Bank • CGIF's obligations to make payments will only arise under certain circumstances • The rights of the Bondholders and the Bondholders' Representative to accelerate the Bonds is limited and the exercise of this right in contravention of the Terms and Conditions and/or the Guarantee shall release CGIF from its payment obligations. • Payments by CGIF may be subject to a tax deduction • CGIF is allowed to set off • There may be a change in English law • The Guarantee is governed by English law. The substance of such English law governing the Guarantee may differ from Cambodian law, with which Cambodian investors are more familiar • The parties to the Guarantee have agreed that disputes arising thereunder are subject to arbitration in Singapore under the Arbitration Rules of SIAC in force when the notice of arbitration is submitted • CGIF has not waived any immunity it may have in relation to judicial proceedings
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SECTION 1: TRENDS OF KEY FINANCIAL DATA

1- Exchange Rate

Some parts of financial data of RMAC in this Disclosure Document use both “Khmer riel (KHR),” the national currency and “US dollars (USD)” to make it easier for local and foreign readers to understand.

The exchange rates between KHR and USD are presented in RMAC’s financial statements for the financial years ended 31 December 2016, 31 December 2017 and 31 December 2018 using the official exchange rate of the National Bank of Cambodia as follows.

Date	Exchange rate
Exchange rate of 31 December 2018	USD1 equals KHR 4,018
Exchange rate of 31 December 2017	USD1 equals KHR 4,037
Exchange rate of 31 December 2016	USD1 equals KHR 4,037

2- Historical Financial Information

The following information shows financial information for the years ended 31 December 2016, 2017 and 2018. The financial information has been audited for the years ended 31 December 2016, 2017 and 2018 by accredited auditors. For year ended 31 December 2016, restated comparative figures from year ended 31 December 2017 audit are used. For year ended 31 December 2017, restated comparative figures from year ended 31 December 2018 audit are used.

Figures are displayed to the nearest USDk or KHRm, but calculations were performed to the nearest USD and KHR. As a result there are minor rounding differences on the face of the tables.

a- Statement of Comprehensive Income for the Year Ended 31 December 2016, 2017 and 2018

Table 1 below shows the comprehensive income statements for the years ended 31 December 2016, 2017 and 2018 (audited). Where figures have been reclassified the latest classification has been used.

Table 1: Statement of Comprehensive Income for the Year Ended 31 December 2016, 2017 and 2018

Statement of Comprehensive Income [Audited]	2016		2017		2018	
	KHRm	USDk	KHRm	USDk	KHRm	USDk
Revenue	331,761	81,856	417,932	103,321	606,826	150,019
Cost Of Sales	(270,126)	(66,648)	(354,733)	(87,697)	(515,008)	(127,320)
Gross Profit	61,635	15,207	63,199	15,624	91,818	22,699
Other Income	145	36	68	17	3,432	848
Operating Expenses	(8,868)	(2,188)	(15,716)	(3,885)	(21,351)	(5,278)
Marketing Expenses	(2,909)	(718)	(2,654)	(656)	(3,537)	(874)
Administrative Expenses	(34,169)	(8,430)	(24,841)	(6,141)	(26,870)	(6,643)
Operating Profit	15,835	3,907	20,057	4,959	43,492	10,752
Finance Costs	(9,008)	(2,223)	(9,393)	(2,322)	(8,845)	(2,187)
Profit Before Tax	6,827	1,684	10,664	2,636	34,648	8,566
Income Tax Expense	(3,314)	(818)	(4,091)	(1,011)	(7,859)	(1,943)
Profit For The Financial Year	3,512	867	6,573	1,625	26,789	6,623

b- Statement of Financial Position as of 31 December 2016, 2017 and 2018

Table 2 below shows the statement of financial position as of 31 December 2016, 2017 and 2018 (audited).

Table 2: Statement of Financial Position as of 31 December 2016, 2017 and 2018

Statement of Financial Position [Audited]	31-December-16		31-December-17		31-December-18	
	KHRm	USDk	KHRm	USDk	KHRm	USDk
ASSETS						
Non-Current Assets						
Property And Equipment	26,251	6,503	28,565	7,076	28,988	7,215
Intangible Assets	124	31	105	26	80	20
Total Non-Current Assets	26,375	6,533	28,669	7,102	29,068	7,235
Current Assets						
Inventories	84,276	20,876	63,153	15,644	126,391	31,456
Trade And Other Receivables [incl. RP]	61,805	15,310	59,666	14,780	62,081	15,451
Cash And Bank Balances	8,174	2,025	24,279	6,014	36,164	9,001
Total Current Assets	154,255	38,210	147,099	36,438	224,636	55,907
TOTAL ASSETS	180,630	44,744	175,768	43,539	253,704	63,142
EQUITY AND LIABILITIES						
Equity						
Share Capital	16,000	4,000	16,000	4,000	16,000	4,000
Retained Earnings	19,136	4,729	25,709	6,354	42,992	10,627
Exchange Reserve	103	-	90	-	(222)	-
Total Equity	35,239	8,729	41,799	10,354	58,770	14,627
Non-Current Liability						
Borrowings	-	-	5,629	1,394	2,940	732
Total Non-Current Liabilities	-	-	5,629	1,394	2,940	732
Current Liabilities						
Trade And Other Payables [incl. RP]	53,492	13,250	48,210	11,942	52,931	13,174
Contract Liabilities	-	-	-	-	20,504	5,103
Borrowings [incl. RP]	91,327	22,623	79,884	19,788	115,942	28,856
Current Tax Liabilities	572	142	245	61	2,617	651
Total Current Liabilities	145,390	36,014	128,339	31,791	191,994	47,784
Total Liabilities	145,390	36,014	133,969	33,185	194,934	48,515
TOTAL EQUITY AND LIABILITIES	180,630	44,744	175,768	43,539	253,704	63,142

Note: There have been re-classifications between the Audited Financial Statements, the above table reflects the latest classifications and may differ from the original statements issued in the year.

3- Capitalization and Liabilities

a- Capitalization

Table 3 sets out the capitalization of RMAC for the years ended 31 December 2016, 2017 and 2018. It has been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRSs). The information in this table should be read in conjunction with audited historical financial statements and the related notes and management's discussion and analysis included elsewhere in this Disclosure Document.

Table 3: Capitalization

Equity [Audited]	31 December 2016		31 December 2017		31 December 2018	
	KHRm	USDk	KHRm	USDk	KHRm	USDk
Share Capital	16,000	4,000	16,000	4,000	16,000	4,000
Retained Earnings	19,136	4,729	25,709	6,354	42,992	10,627
Exchange Reserve	103	-	90	-	(222)	-
Total Equity	35,239	8,729	41,799	10,354	58,770	14,627

Comments: The increase in Retained Earnings reflects the Profit After Tax net of dividends paid.

b- Liabilities

RMAC's liabilities are classified into current and non-current liabilities. Table 4 below shows RMAC's liabilities for the years ended 31 December 2016, 2017 and 2018.

Table 4: Liabilities

Liabilities [Audited]	31 December 2016		31 December 2017		31 December 2018	
	KHRm	USDk	KHRm	USDk	KHRm	USDk
Current Liabilities	145,390	36,014	128,339	31,791	191,994	47,784
Non-Current Liabilities	-	-	5,629	1,394	2,940	732
Total Liabilities	145,390	36,014	133,969	33,185	194,934	48,515

Comments: Included in the Liabilities are:

- Borrowings as at 31 December 2018 from a number of financial institutions, including Advanced Bank of Asia Limited, CIMB Bank Plc., Oxley-WorldBridge Specialized Bank Plc. and FCE Bank Plc.
- Supplier credit from John Deere, JLR and other smaller suppliers.

4- Management's Discussion and Analysis

The following discussion should be read together with the audited financial statements for the years ended 31 December 2016, 2017 and 2018 as set out in financial statements of RMAC provided with this Disclosure Document. These financial statements have been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRSs), which is recognized and practiced in Cambodia.

The discussion in this section contains uncertainties and risks with regard to forward-looking statements or unforeseen events. Thus, Investor should read other parts of the Disclosure Document such as Section 3: Risk Factors. In case of doubt, investors should seek advice from Investment Advisors and other professionals.

Overview of Operation

R M A (CAMBODIA) PLC. ("RMAC") is a leading automotive distributor in Cambodia. RMAC entered the market in 1992 as a provider of dedicated system solutions for commercial and non-commercial enterprises in the sectors of infrastructure, energy and logistics. The company has grown dramatically with the development of Cambodia and has expanded to include automotive, agricultural, construction, material handling, testing and cleaning equipment,

and aftersales service of such equipment. RMAC has earned a powerful reputation as the authorized distributor and dealer of world class automotive and heavy equipment brands including Ford (since 1997), Jaguar Land Rover (since 2013), John Deere (since 2011), JCB (since 2010), FUSO (since 2010).

a-1- Revenue Analysis

The main sources of RMAC's revenue are: 1) sales of goods and 2) sales of services, with the total revenues recorded in the financial statements separated into three categories listed below:

- 1-Sales of Goods: vehicle/equipment sales.
- 2-Service Revenue: parts and labor.
- 3-Rental Income: income from vehicle/equipment rental.

Table 5: Revenue analysis

Revenue	2016	2017	Inc/(Dec) 17 vs. 16		2018	Inc/(Dec) 18 vs. 17	
[Audited]	USDk	USDk	USDk	%	USDk	USDk	%
Sales of Goods	78,406	99,482	21,076	26.9%	143,268	43,786	44.0%
Service Revenue	3,112	3,839	727	23.4%	6,751	2,912	75.9%
Rental Income	338	-	(338)	(100.0%)	-	-	0.0%
Total Revenue	81,856	103,321	21,465	26.2%	150,019	46,698	45.2%

Note: There have been re-classifications. Table 5 reflects the re-stated figures per the latest Audited Financial Statements.

2017 vs 2016

- Sales of Goods up 26.9% with growth in Ford at 37.1% the main factor.
- Service revenues up 23.4% reflecting growth in the vehicle parc/equipment in operation in the market, with John Deere at 30% the main driver.
- Rental income reduced to nil, with vehicle rentals being ceased and taken up by RMAC affiliate A.V.R (Asia Vehicle Rental) Co., Ltd.

2018 vs 2017

- Sales of Goods up 44.0% with growth in Ford sales at 50.3% the main factor, with Ford vehicles gaining market share and becoming the market leader in its segments.
- Service revenues up 75.9% reflecting growth in the vehicle parc/equipment in operation, with growth in John Deere equipment and Ford vehicle servicing as the main drivers.

a-2- Gross Profit Analysis

Table 6: Gross profit analysis

Gross Profit	2016		2017		Inc/(Dec) 17 vs. 16		2018		Inc/(Dec) 18 vs. 17	
[Audited]	KHRm	USDk	KHRm	USDk	USDk	%	KHRm	USDk	USDk	%
Revenues	331,761	81,856	417,932	103,321	21,465	26.2%	606,826	150,019	46,698	45.2%
Cost Of Sales	(270,126)	(66,648)	(354,733)	(87,697)	21,048	31.6%	(515,008)	(127,320)	39,623	45.2%
Gross Profit	61,634	15,207	63,199	15,624	417	2.7%	91,818	22,699	7,075	45.3%
GP %	18.6%		15.1%		(3.5%)		15.1%		0.0%	

2017 vs 2016

- Overall GP% declined from 18.6% to 15.1% reflecting the impact of the strong growth in vehicle sales.

2018 vs 2017

- GP% stable at 15.1% reflecting strong margins on Ford Ranger due to demand exceeding supply and strong growth in after-sales business.

a-3- Operating Profit Analysis

Table 7: Operating profit analysis

Operating Profit	2016		2017		Inc/(Dec) 17 vs. 16		2018		Inc/(Dec) 18 vs. 17	
[Audited]	KHRm	USDk	KHRm	USDk	USDk	%	KHRm	USDk	USDk	%
Revenue	331,761	81,856	417,932	103,321	21,465	26.2%	606,826	150,019	46,698	45.2%
Cost of Sales	(270,126)	(66,648)	(354,733)	(87,697)	21,048	31.6%	(515,008)	(127,320)	39,623	45.2%
Gross Profit	61,635	15,207	63,199	15,624	417	2.7%	91,818	22,699	7,075	45.3%
Gross Profit %	18.6%		15.1%		(3.5%)		15.1%		0.0%	
Other Income	145	36	68	17	(19)	(52.7%)	3,432	848	832	4916.9%
Operating Expenses	(16,824)	(4,151)	(15,716)	(3,885)	(266)	(6.4%)	(21,351)	(5,278)	1,393	35.9%
Operating Exp/Revenue %	5.1%		3.8%		(1.3%)		3.5%		(0.2%)	
Marketing Expenses	(4,196)	(1,035)	(2,654)	(656)	(379)	(36.6%)	(3,537)	(874)	218	33.3%
Marketing Exp/Revenue %	1.3%		0.6%		(0.6%)		0.6%		(0.1%)	
Administrative Expenses	(24,926)	(6,150)	(24,841)	(6,141)	(9)	(0.1%)	(26,870)	(6,643)	502	8.2%
Admin Exp/Revenue %	7.5%		5.9%		(1.6%)		4.4%		(1.5%)	
Total Expenses	(45,945)	(11,336)	(43,211)	(10,682)	(654)	(5.8%)	(51,758)	(12,796)	2,113	19.8%
Total Exp/Revenue %	13.8%		10.3%		(3.5%)		8.5%		(1.8%)	
Operating Profit	15,835	3,907	20,057	4,959	1,052	26.9%	43,492	10,752	5,794	116.8%
Operating Profit/Revenue %	4.8%		4.8%		0.0%		7.2%		2.4%	
*2016 Expenses reclassified to match 2017 & 2018										

Other Income

It mainly consists of gains on disposal of fixed assets (mainly company vehicles) and incentives from suppliers.

Comments on Other Income:

2017 vs 2016:

- Not Material

2018 vs 2017

- Increase of USD832k reflects additional gains on disposal of fixed assets (mainly Company vehicles) and an increase in incentives from suppliers (mainly Ford).

Comments on Expenses By Category

Expenses: these are classified into: 1) Operating Expenses, 2) Marketing Expenses, and 3) Administration Expenses.

Note: The classification of expenses between Operating, Marketing and Administration has been revised over the period. The classification shown reflects the latest classification and may differ from the Audited Financial Statements issued at the time.

2017 vs 2016:

- **Operating Expenses/Revenue %:** Reduced from 5.1% to 3.8%, reflecting scale economies and savings mainly in RMA Group regional overhead allocation and allowances for slow moving inventories.

- **Marketing Expenses/Revenue %:** Reduced from 1.3% to 0.6%, reflecting scale economies and savings in advertising/promotion expenses and reduction in staff commission with sales commissions re-classified to cost of sales.

- **Admin Expenses/Revenue %:** Reduced from 7.5% to 5.9%, reflecting scale economies and savings in utilities (switch from own generators to state electricity) and staff development with 2016, including one-off costs for overseas training and a revision in Ford and John Deere development programs resulting in savings in 2017.

- **Total Expenses/Revenue %:** Reduced from 13.8% to 10.3% reflecting scale economies.

2018 vs 2017

- **Operating Expenses/Revenue %:** Reduced from 3.8% to 3.5% reflecting scale economies, offset by an increase in allowances for slow moving inventories reflecting the level of aged inventory.

- **Marketing Expenses/Revenue %:** Remained stable at 0.6% with increases in \$ spend on advertising/sales promotions and staff commissions to help drive the revenue growth.
- **Admin Expenses/Revenue %:** Declined from 5.9% to 4.4% benefitting from scale economies.
- **Total Expenses/Revenue %:** Reduced from 10.3% to 8.5% reflecting scale economies.

Operating Profit

2017 vs 2016:

Operating Profit \$: Increased from USD3,907k to USD4,959k reflecting growth in revenue (see above)

Operating Profit/Revenue %: Remained stable at 4.8% with the decline in GP% (due to revenue mix) from 18.6% to 15.1% offset by savings in Expenses (see above).

2018 vs 2017

Operating Profit \$: Increased from USD4,959k to USD10,752k reflecting the growth in revenue and improvement in Operating Profit/Revenue % (see above).

Operating Profit/Revenue %: Improved from 4.8% to 7.2% with GP% stable and the increase due to reduction in expense/revenue % (see above).

a-4- Expense Analysis by Expense Type

Table 8: Operating Expenses

Operating Expenses	2016	2017	Inc / (Dec) 2017 vs 2016		2018	Inc / (Dec) 2018 vs 2017	
	USDk	USDk	USDk	%	USDk	USDk	%
Depreciation	1,533	1,497	(36)	(2.4%)	1,655	158	10.5%
Amortization Of Intangible Assets	5	5	(0)	(7.7%)	6	1	26.4%
Allowance For Slow-Moving Inventories	661	481	(179)	(27.1%)	1,462	981	203.7%
ROH Allocation, net of RMAC Re-Charges	594	176	(419)	(70.4%)	212	36	20.4%
Fuel And Oil	146	254	108	74.2%	371	118	46.5%
Legal And Professional Fees	164	334	169	103.0%	271	(63)	(18.8%)
Bank Charges And Commission	134	157	22	16.5%	230	74	47.2%
Travelling	162	224	63	38.8%	220	(5)	(2.1%)
Entertainment	135	180	45	33.3%	173	(7)	(3.9%)
Property Insurance	140	125	(15)	(10.7%)	169	44	35.2%
Communications	129	131	2	1.2%	169	38	28.8%
Printing And Stationary	66	55	(11)	(17.1%)	59	4	7.9%
Gifts And Donations	44	75	31	69.5%	48	(28)	(36.7%)
Accident Insurance	-	-	-	0.0%	30	30	-
Membership Fee	8	4	(4)	(45.2%)	11	7	150.5%
Others	228	188	(41)	(17.9%)	192	5	2.5%
Total	4,151	3,885	(266)	(6.4%)	5,278	1,393	35.9%

** The classification shown reflects the latest classification and may differ from the Audited Financial Statements issued at the time.*

2017 vs 2016: Comments on Major Movements

- **Allowance for slow moving inventories:** Reduced by USD179k (27.1%) reflecting a reduction in aged and slow moving inventory.

- **Regional Office Headquarter (ROH) Allocation:** Reduced by USD419k (70.4%) reflecting savings in absolute RMA Group regional operating headquarters costs following restructuring at the headquarters in Bangkok, Thailand.

- **Fuel and Oil:** Increased by USD108k (74.2%) reflecting increased company vehicle fleet and travel.

- **Legal & Professional Fees:** Increased by USD169k (103%), with the main reason being consultancy fees association with the adoption of a new ERP System.

- **Travelling:** Increased by USD63k (38.8%) reflecting increased staff travelling to support sales/after-sales growth.
- **Entertainment:** Increased by USD45k (33.3%) with more meetings, customer events and supplier visits as the business grew.

2018 vs 2017: Comments on Major Movements

- **Depreciation:** Increased by USD158k (10.5%) reflecting an increased in fixed assets, including increased vehicle fleet.
- **Allowance for slow moving inventories:** increased by USD981k (203.7%) reflecting the level of aged stock.
- **Fuel and Oil:** Increased by USD118k (46.5%) reflecting the increased company vehicle fleet and travel.
- **Legal & Professional Fees:** Reduced by USD63k (18.8%), with savings in consultancy fees following the implementation of the new ERP System.
- **Property Insurance:** Increased by USD44k (35.2%) reflecting increases in Fixed Assets (notably vehicles), additional facilities and higher average inventory levels.
- **Communications:** Increased by USD38k (28.8%) with additional phone and internet expenses.

Marketing Expenses

Table 9: Marketing Expenses

Marketing Expenses	2016	2017	Inc / (Dec) 2017 vs 2016		2018	Inc / (Dec) 2018 vs 2017	
	USDk	USDk	USDk	%	USDk	USDk	%
Advertising and Sales Promotion	718	644	(73)	(10.2%)	824	180	27.9%
Staff Commission	317	12	(306)	(96.3%)	50	39	328.9%
Total	1,035	656	(379)	(36.6%)	874	218	33.3%

*The classification shown reflects the latest classification and may differ from the Audited Financial Statements issued at the time.

2017 vs 2016: Comments on Major Movements

- **Advertising and Sales Promotion:** Reduced by USD73k (10.2%) reflecting a change in marketing practices with a focus on digital platforms.
- **Staff Commission:** Reduced by USD306k (96.3%) reflecting revised accounting with sales commissions re-classified to cost of goods sold.

2018 vs 2017: Comments on Major Movements

- **Advertising and Sales Promotion:** Increased by USD180k (27.9%) reflecting intensified marketing activities, including new product launches.
- **Staff Commission:** increased by USD39k (328.9%) with new incentives provided to after-sales teams.

Administration Expenses

Table 10: Administration Expenses

Administration Expenses	2016	2017	Inc / (Dec) 2017 vs 2016		2018	Inc / (Dec) 2018 vs 2017	
	USDk	USDk	USDk	%	USDk	USDk	%
Salaries, Wages and Staff Benefits	4,164	4,132	(32)	(0.8%)	4,663	531	12.9%
Rental Expense	827	917	91	11.0%	915	(2)	(0.2%)
Utilities	261	194	(67)	(25.8%)	219	26	13.3%
Repairs and Maintenance	287	262	(25)	(8.8%)	215	(47)	(17.9%)
Staff Development	184	147	(37)	(20.2%)	178	31	21.1%
Others	427	489	62	14.6%	452	(37)	(7.6%)
Total	6,150	6,141	(9)	(0.1%)	6,643	502	8.2%

*The classification shown reflects the latest classification and may differ from the Audited Financial Statements issued at the time.

2017 vs 2016: Comments on Major Movements

- **Rental expenses:** Increased by USD91k (11.0%) reflecting rental increases and changes in facilities.
- **Utilities:** reduced by USD67k (25.8%) reflecting a switch to using state electricity instead of own generators.
- **Staff Development:** reduced by USD37k (20.2%) reflecting one-off costs for overseas training for management and a revision in Ford and John Deere development programs resulting in savings in 2017.

2018 vs 2017: Comments on Major Movements

- **Salaries, wages and staff benefits:** Increased by USD531K (12.9%) reflecting the growth of the businesses.
- **Utilities:** Increased by USD26k (13.3%) reflecting rate changes and expansion of facilities.
- **Repairs and Maintenance:** Reduced by USD47k (17.9%) reflecting the change to a younger vehicle fleet.
- **Staff Development:** Increased by USD31K (21.1%) reflecting costs associated with a new management development program.

a-5- Profit Before Income Tax Analysis

Profit Before Tax:

Table 11: Profit before tax

Profit Before Tax	2016		2017		Inc/(Dec) 17 vs. 16		2018		Inc/(Dec) 18 vs. 17	
[Audited]	KHRm	USDk	KHRm	USDk	USDk	%	KHRm	USDk	USDk	%
Operating Profit	15,835	3,907	20,057	4,959	1,052	26.9%	43,492	10,752	5,794	116.8%
Finance Cost	(9,008)	(2,223)	(9,393)	(2,322)	100	4.5%	(8,845)	(2,187)	(136)	(5.8%)
Profit Before Income Tax	6,827	1,684	10,664	2,636	952	56.5%	34,648	8,566	5,929	224.9%

2017 vs 2016:

Finance Costs \$: Increased by USD100k (4.5%) due in part to increased working capital facilities to support increased sales.

Profit Before Tax \$: Increased from USD1,684k to USD2,636k reflecting growth in revenue (see above).

2018 vs 2017

Finance Costs \$: Reduced by USD136k (5.8%) reflecting strong cash flows.

Profit Before Tax \$: Increased from USD2,636k to USD8,566k reflecting the growth in revenue and improvement in operating profits/revenue % (see above) and lower finance costs.

a-6- Profit After Income Tax Analysis

Profit after Tax: is profit after the tax on profits/minimum tax on revenues. Under the Law of Taxation, the Company has an obligation to pay Tax at 20% of taxable income or minimum tax at 1% of total turnover, whichever is higher.

Note: Tax is not exactly equal to 1% or 20% due to some differences in treatments / definitions between Tax and Accounting.

Table 12: Profit after tax

Profit After Tax	2016		2017		Inc/(Dec) 17 vs. 16		2018		Inc/(Dec) 18 vs. 17	
[Audited]	KHRm	USDk	KHRm	USDk	USDk	%	KHRm	USDk	USDk	%
Revenues	331,761	81,856	417,932	103,321	21,465	26.2%	606,826	150,019	46,698	45.2%
Profit Before Income Tax (a)	6,827	1,684	10,664	2,636	952	56.5%	34,648	8,566	5,929	224.9%
Income Tax Expense (b)	(3,314)	(818)	(4,091)	(1,011)	194	23.7%	(7,859)	(1,943)	931	92.1%
Net Profit	3,512	867	6,573	1,625	758	87.5%	26,789	6,623	4,998	307.6%

Profit After Tax	2016		2017		Inc/(Dec) 17 vs. 16		2018		Inc/(Dec) 18 vs. 17	
Average Tax Rate (b)/(a)	48.5%		38.4%		(10.2%)		22.7%		(15.7%)	
Tax Comparison										
1% of Revenue	3,318	819	4,179	1,033			6,068	1,500		
20% of Net Profit	1,365	337	2,133	527			6,930	1,713		

2017 vs 2016:

Income Tax Expense \$: Increase from USD818k to USD1,011k reflecting the increase in revenue.

Income Tax Expense %: Tax rate on profit before tax for both years was very high as minimum tax was higher.

Profit After Tax \$: Increase by USD758k 87.5% reflecting growth in operating profit and profit before tax (see above).

2018 vs 2017

Income Tax Expense \$: Increased from USD1,011k to USD1,943k reflecting the increase in profit before tax.

Income Tax Expense %: Reduced as a percentage of profit before tax from 38.4% to 22.7%, due largely to a switch from minimum tax on revenue to tax on profits.

Profit After Tax \$: Increased by USD4,998k or 307.6% reflecting growth in operating profit and switch to tax on profits (see above).

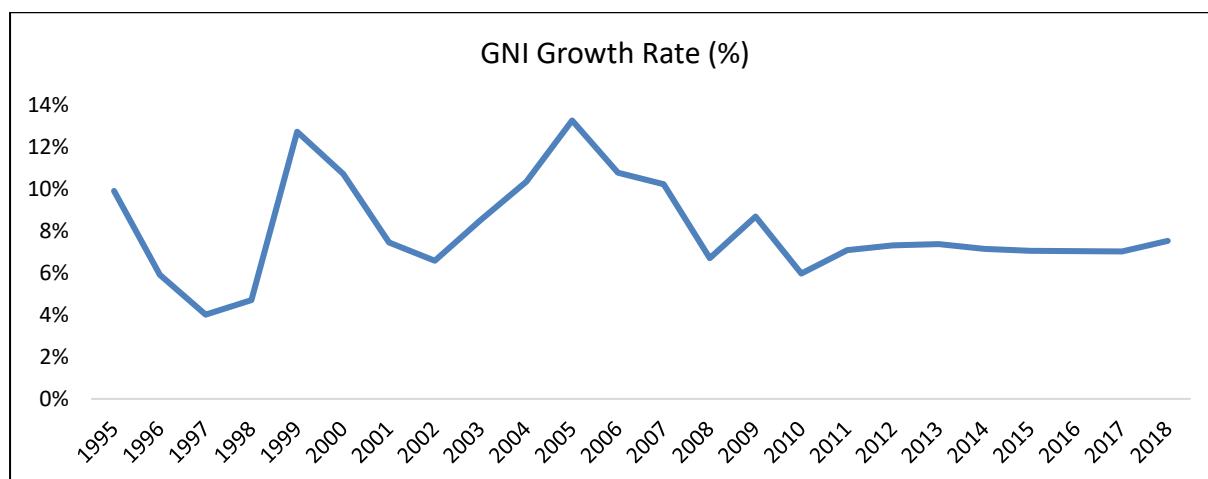
b- Analysis of Factors Affecting Financial Position and Results

RMAC's business can be affected by a number of factors, as follows:

b-1- Impacts of Economic Conditions in Cambodia

Cambodia is a rapidly developing nation. According to the World Bank Economic Update released April 2018, following more than two decades of strong economic growth, Cambodia has attained the lower middle-income status as of 2015, with gross national income (GNI) per capita reaching \$1,060. Since 1996, Cambodia has experienced an average GNI growth rate of 5.4% per year, according to the World Bank.

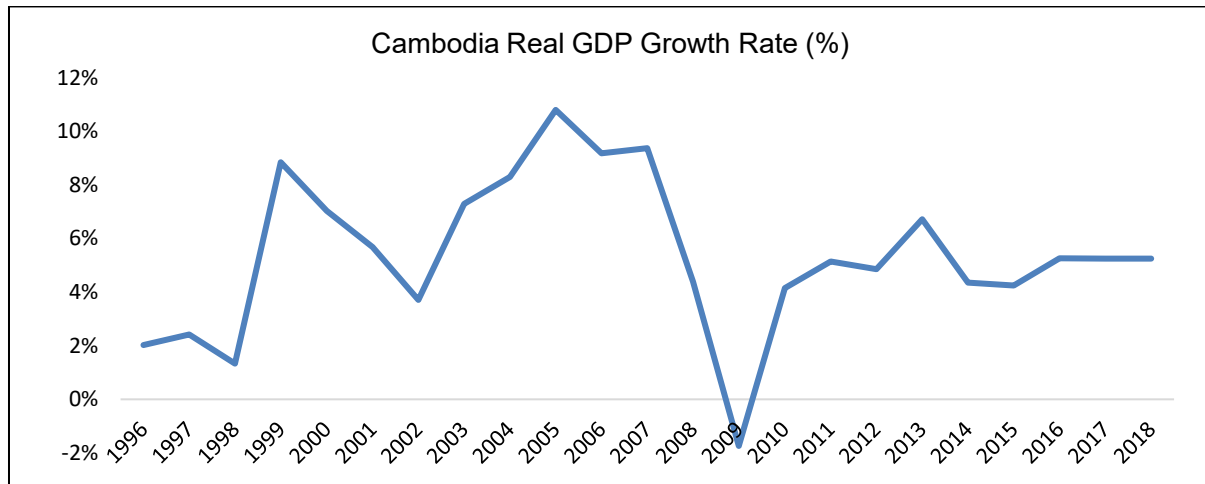
Figure 1: GNI Growth Rate (%)



Data Source: World Bank

Economic expansion has mainly been driven by exports, foreign direct investment, tourism, construction, and agriculture. Services are becoming an increasingly important part of Cambodia's economy. According to data from the World Bank, Cambodia has experienced an average real GDP growth rate of 7.7% from 1995 to 2018, ranking 6th in the world. In 2018, the real GDP growth rate was 7.5% (Cambodia Economic update May 2019) and growth rates for 2019 and 2020 are expected to be 6.8% according to the ADB Asian Development Outlook 2019.

Figure 2: Cambodia Real GDP Growth Rate (%)



Data Source: World Bank

b-2- Impacts of Economic Conditions in the Region and the World

The majority of Cambodia's economy is dependent on exports, tourism and construction. The two largest markets for Cambodian exports are the United States and the European Union. These economies have experienced positive GDP growth since 2009 and are importing increasing amounts of goods from Cambodia. For economic sectors of tourism and FDI-backed construction, the main source of funds comes from China. China has experienced high rates of GDP growth for many years. The performance of these economies has helped support the growth of the Cambodian economy, which has increased the GNI and purchasing power of Cambodian consumers. These factors have supported the growth of RMAC's business (World Bank Cambodia Economic update, October 2018).

Table 13: Economic conditions in the region and the world

Countries	2015	2016	2017*	2018**	2019**
EU	2.2%	1.9%	2.2%	2.1%	1.9%
USA	2.9%	1.5%	2.2%	2.1%	2.1%
China	6.9%	6.7%	6.8%	6.5%	6.3%
East Asia	5.7%	5.6%	5.9%	5.7%	5.6%
South Asia	6.2%	7.7%	6.3%	6.5%	7.0%

Source: UN's World Economic Situation and Prospects 2018

*Figures are partially estimated

**Baseline scenario forecasts, based in part on Project LINK and the UN/DESA World Economic Forecasting Model

b-3- Performance of Auto Industry

Total Population and Forecast

According to National Institute Worldometers elaboration of Statistic under Ministry of Planning (March 2019), the total population of Cambodia is 15,288,489 people with an annual average growth of 1.2% from 2008 to 2019. The population is forecasted to reach 17.1 million in 2023 (Ministry of Planning 2016-2030).

Table 14: Annual population by regions

Regions	2008	2019*	Avg. Growth Rate 1998-2008	Avg. Growth Rate
Central Plain	6,547,95	7,477,444	1.0%	1.2%
Tonle Sap	4,356,70	4,801,260	2.1%	0.9%
Coastal and Sea	960,48	1,061,148	0.8%	0.9%
Plateau and Mountains	1,530,54	1,948,637	2.2%	2.2%

Regions	2008	2019*	Avg. Growth Rate 1998-2008	Avg. Growth Rate
Total	13,395,6	15,288,489	1.5%	1.2%

* These figures exclude migrants working abroad amounted to 1,235,993.

(Source: National Institute of Statistic, March 2019)

Household Disposable Income and Forecast

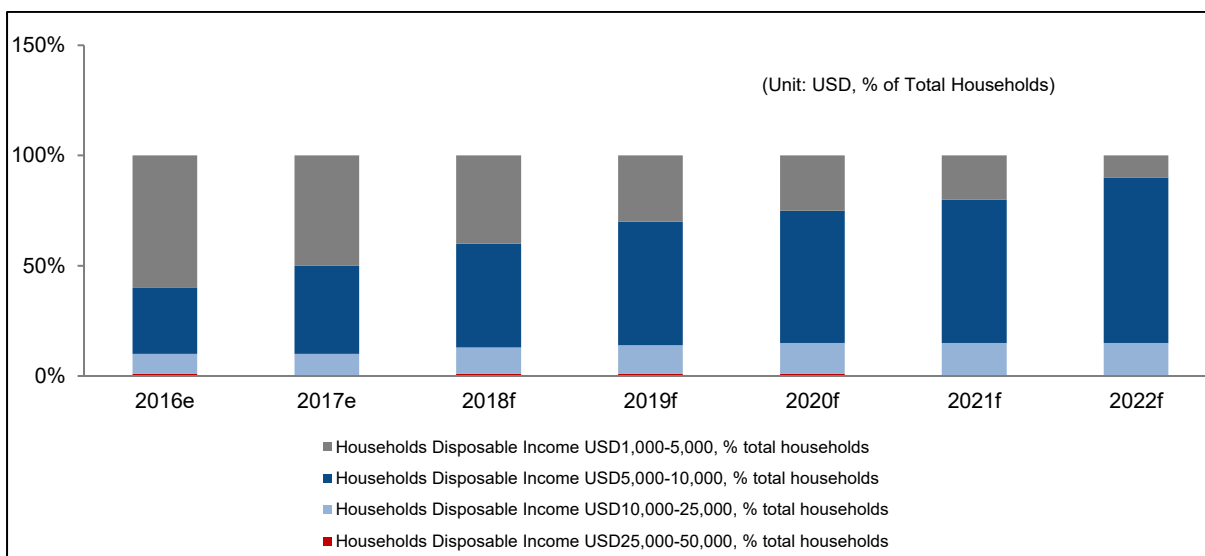
Household disposable income measures the income of households (wages and salaries, self-employed income, income from unincorporated enterprises, social benefits, etc.), after considering net interest and dividends received and the payment of taxes and social contributions.

As indicated in Figure 3 below, household disposable income in Cambodia has significantly increased since 2016 and it is expected to increase significantly over the four-year period from 2019 to 2022

Growth in Household Disposable Income and the related increase of purchasing power is expected to enable people to spend more on high value items, including luxury and non-luxury vehicles.

Cambodia is not a vehicle producing country and it therefore relies on the import of used and new vehicles to meet local demand for automobiles. According to a 2019 report of the U.S. Commercial Service from the Department of Commerce of United States of America about Cambodia, the value of imports of vehicles, motorbikes and parts increased from USD 1,028 million in 2016 to USD 1,616 million in 2018. That report also indicates that around 54,000 cars are sold annually in Cambodia, but more than 80 percent (43,200 vehicles) of those cars are imported as used vehicles. Over the 2018-2022 forecast period RMAC expects the increase of total first registration vehicles (which include new and used vehicle sales) in Cambodia to increase by an average of 13.9% per year.

Figure 3: Cambodia - Household Disposable Income

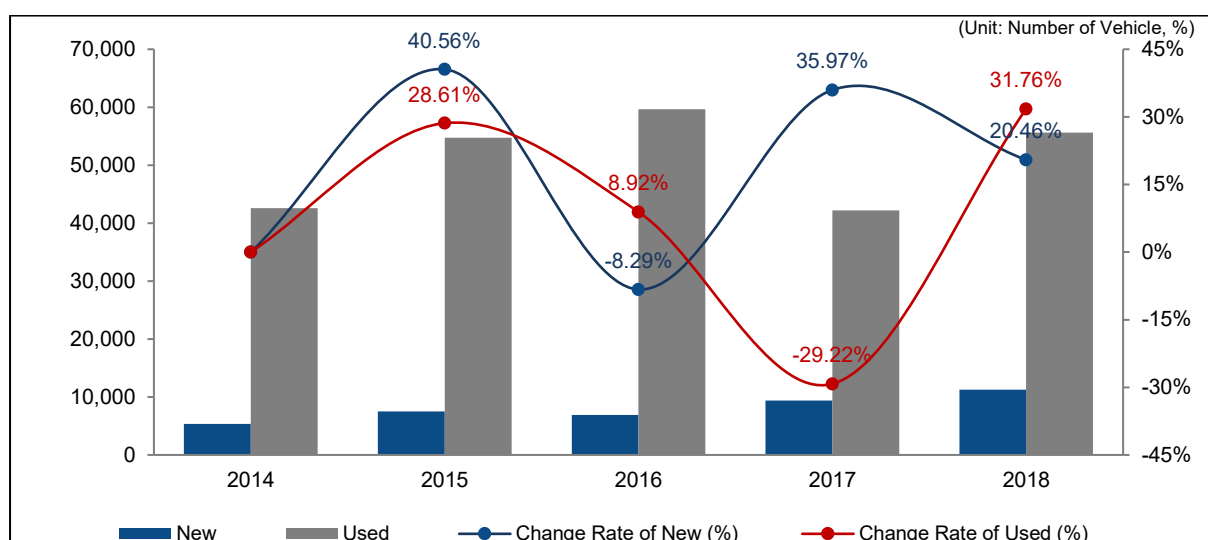


Total Vehicle Imports into Cambodia

Figure 4, below, indicates that there has been steady growth of the numbers of new vehicles imported to Cambodia from 2014 to 2018, with imports increasing from roughly 5,000 new vehicles in 2014 to more than 10,000 vehicles in 2018. The average annual increase in the importation of new vehicles over the 4 year period was 22%.

Used vehicles continue to dominate the vehicle market in Cambodia. The numbers of used vehicles imported rose by more than 20% over the five year from 2014 to 2018, from more than 40,000 used vehicles in 2014 to more than 55,000 used vehicles in 2018. 2017 saw less than 40,000 used vehicles imported, while in 2016 almost 60,000 used vehicles were imported. The average change rate is 10% and the highest change rate 29% in 2015 followed by 20% in 2018. In 2017, total imported vehicles declined 29% from the year prior.

Figure 4: Cambodia - Total Vehicle Imports



RMAC believes there are a number of reasons for the growth in the number of vehicles imported into Cambodia, including:

1. Expanded dealership networks and improved access to credit from banks and microfinance institutions supported growth in the new vehicle market;
2. The vehicle market is intensely competitive as some players are lowering prices to gain market share and some are expanding distribution channels and service centers to maintain and grow the client base; and
3. Overall economic growth and the sales of land have supported the growth of vehicle sales.

b-4- Estimated Market Position of R M A (CAMBODIA) PLC.

RMAC's new vehicle sales include new luxury and non-luxury vehicles. According to internal research conducted by RMAC it is estimated that sales of Ford vehicles constitute 31% of the new non-luxury vehicle market (by authorized dealers in the market) in 2018. Jaguar Land Rover held 59% of the new luxury vehicle market (by authorized dealers in the market) in the same year. Market share of RMAC's main products (based on RMA's own market research) is listed in the following table.

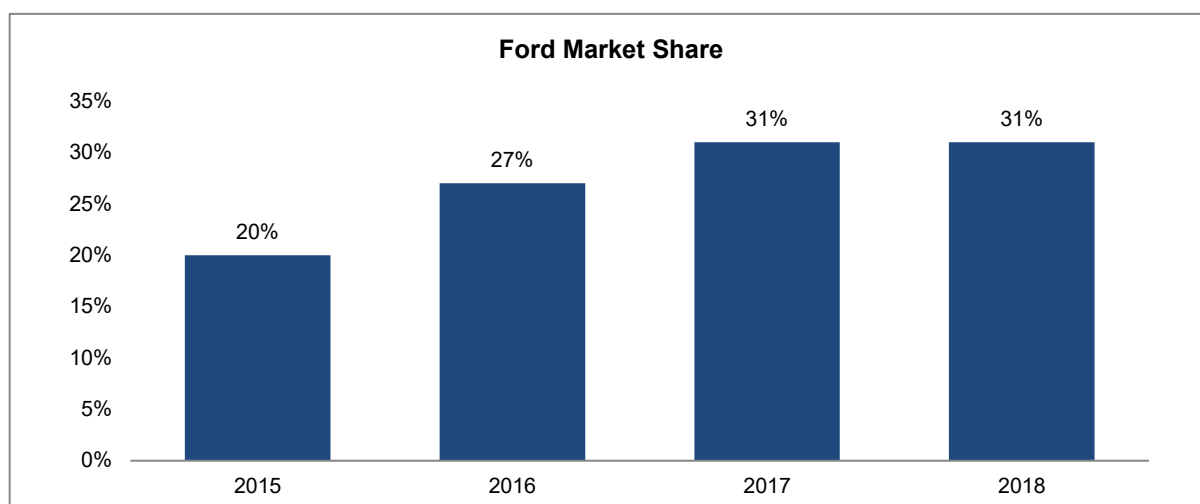
Table 15: Market position of main products [Authorized Dealers]

Main-Product Types	2015	2016	2017	2018
Ford (New non-luxury vehicles)	20%	27%	31%	31%
Jaguar Land Rover (New luxury vehicles)	52%	43%	42%	59%

Ford (New non-luxury vehicles)

Over the four-year period from 2015 to 2018 market share of new non-luxury Ford vehicles rose 11% from 20% in 2015 to 31% in 2018.

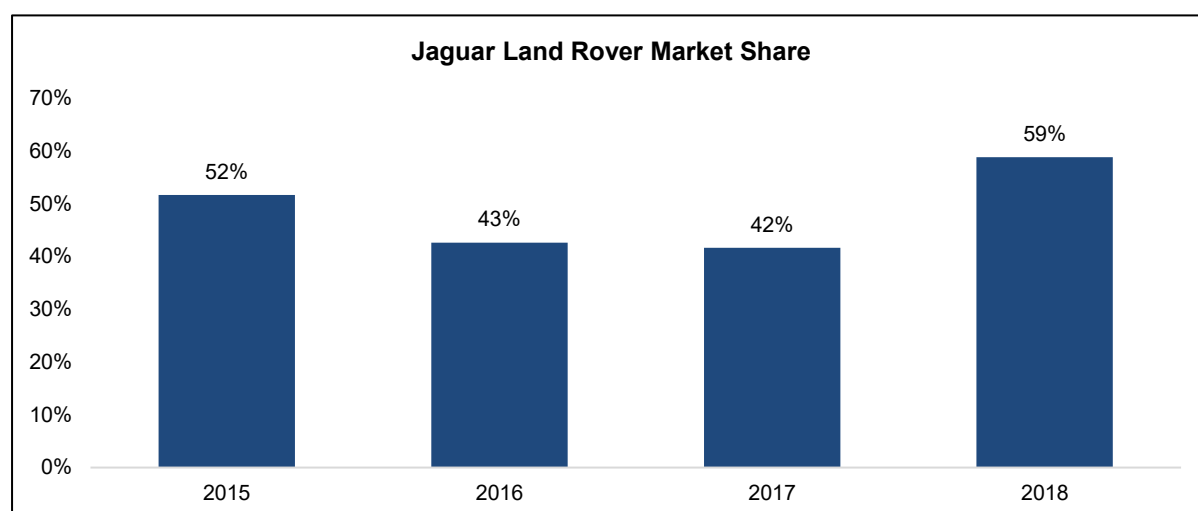
Figure 5: Ford Market Share



Jaguar Land Rover (New luxury vehicles)

Over the four-year period from 2015 to 2018 market share of new luxury Jaguar Land Rover vehicles (by authorized dealers in the market) dipped by 10% points from 52% market share in 2015 to 42% market share in 2017, and then bounced back up to 59% in 2018.

Figure 6: Jaguar Land Rover Market Share [Authorized Dealers]



The main competitors of Ford are Toyota, Mazda, Mitsubishi, Nissan, Isuzu and Chevrolet. The main competitors of Jaguar Land Rover are Mercedes-Benz, BMW and Porsche. The main competitors of John Deere are Kubota, Yanmar, Farmtrac, New Holland, Belarus, and Claas.

b-5- Impacts of Demographics

According to National Institute of Statistic under Ministry of Planning (March 2019), the total population of Cambodia is 15,288,489 people with annual average growth of 1.2% from 2008 to 2019. According to UNDP, roughly 65% of Cambodians are under the age of 30. A young and increasingly educated population combined with increasing wages and overall economic growth in the country are expected by RMAC management to drive the continued growth of the Cambodian economy as well as the growth of RMAC's business, revenues, profits and overall financial position.

b-6- Impacts of Customs Duties

At various times the Cambodian government reviews and updates tariff rates and customs values. These taxes play a large role in the prices consumers must pay for RMAC's products and services which ultimately affects consumer demand. The government's tax policies change frequently in order to respond to evolving priorities and objectives. Even with a high tax burden on RMAC's main products, revenues and profits have increased considerably in the last several years.

b-7- Impact of Government Policies

Government policies can have material positive and negative impacts on RMAC's financial position.

In an effort to support the growth and modernization of Cambodia's agricultural industry, the government has adopted a policy to exempt tractors from import duties through the Notice no. 8750 dated 17 October 2016 and other related attachment and documents, issued by Minister of Economy and Finance to the General Director of Customs and Excise to implement the Policy. This policy has positive effects for RMAC's John Deere sales.

The government also sets policy relating to imports of vehicles. The high tariffs placed on new vehicle imports, for example, are an impediment to RMAC's sales. Not only does this policy make it harder for consumers to afford new car purchases, it also drives them to the vehicle grey market and towards used vehicles. If used vehicle imports are restricted, this could positively affect RMAC's revenues and the Government's tax revenue collection. For more information, please read Section 3: Risk Factors.

b-8- Tax Analysis

The tax expense for the period from 2016 to 2018 comprises current and deferred income tax and is recognized in the statement of comprehensive income.

The current income tax charge is calculated in accordance with the tax laws enacted at the reporting date. Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date. The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

It is also worth noting that the Cambodian tax authority has the authority to carry out tax inspections/audits on taxpayers in order to verify whether the relevant taxpayer has fully complied with Cambodian tax laws and regulations. There are two types of tax audit, limited tax audits and comprehensive tax audits. Under the current practice (even though the tax law is silent on the matter), any tax years for which a company has had a comprehensive tax audits are deemed to be closed tax years, meaning that those tax years are not subject to further tax audits by the Cambodian tax authorities. On the other hand, where a comprehensive tax audit has not been completed for a company, that tax year remains subject to potential further tax audits. Comprehensive tax audits are performed by Department of Enterprise Audit of GDT. The statute of limitations for the Department to carry out such tax audits is 10 (ten) years, although a recent regulation has reduced the period of reassessment to 5 years, which can be extended to 10 years with the approval of the Minister of Economy and Finance where there is strong evidence of tax evasion. In RMAC's particular case, tax years 2009 to 2017 are presently subject to comprehensive audited from the Department of Enterprise Audit. For the 2009-2014 tax years, notices of tax reassessment have been released, but RMAC is presently appealing them. The 2015 to 2017 tax years are presently being comprehensively audited by the Department of Enterprise Audit, however, the result of the audit is not yet finalized. See section 4(j) below for further details.

b-9- Analysis of Any Exceptional and Extraordinary Items

The management of RMAC does not believe there are any exceptional or extraordinary items as at the date of this disclosure document.

c- Material Changes in Revenues

The main revenues sources of RMAC come from: sales of goods and sales of services while the total revenues recorded in the financial statements are separated into three various categories as below:

- 1-Sales of Goods
- 2-Service Revenues
- 3-Rental Income

Table 16: Material change in revenues

Revenues	2016		2017		2018	
[Audited]	USDk	%	USDk	%	USDk	%
Sales of Goods	78,406	95.8%	99,482	96.3%	143,268	95.5%
Service Revenues	3,112	3.8%	3,839	3.7%	6,751	4.5%
Rental Income	338	0.4%	-	0.0%	-	0.0%
Total Revenue	81,856	100.0%	103,321	100.0%	150,019	100.0%

d- Impact of Exchange Rate, Interest Rate and Inflation

d-1. Impacts of Exchange Rate

According to note 2.5 Functional and Presentation Currency in the audited financial statement in 2018 (note 2.4 in the audited financial statement in 2017), the functional currency of RMAC is United States Dollars (USD) and RMAC uses USD to pay loans and major suppliers, therefore the fluctuation of the exchange rate of Khmer riels against US dollars will not have a significant effect on profits.

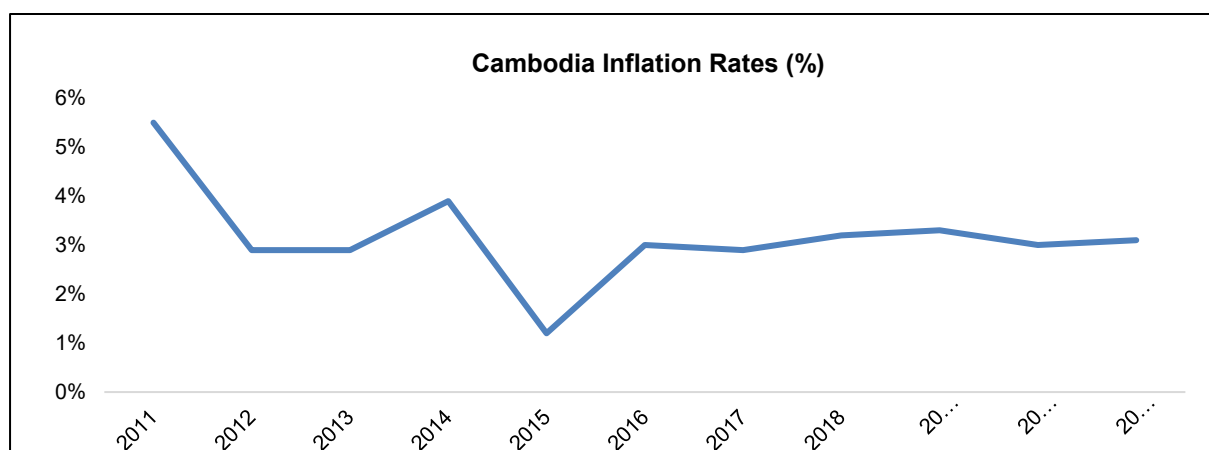
d-2. Impact of Interest Rate

Interest rates affect RMAC's financial position due to financing costs associated with its borrowings – mainly short-term revolving credit facilities. RMAC's total borrowings as of 31 December 2018 were USD 29,587,298. The majority of the borrowings are at floating interest rates, nevertheless, RMAC management believes that normal fluctuations in market interest rates will not have a material positive or negative impact on RMAC's financial results due to the fact that the majority of facilities are short-term working capital loans. For further discussion on the potential impact of interest rates on RMAC's business, see Section 3: Risk Factors.

d-3. Impacts of Inflation

Inflation refers to the overall increase in the price of goods and services, reducing the purchasing power of the currency. Inflation can have a large effect on consumer spending. Generally, as inflation rises, consumer spending will shift from durable goods such as cars and household electronics to non-durable goods such as food and fuel. Since the majority of RMAC's revenues are generated from the sales of durable consumer goods, its business, revenues and financial position are sensitive to inflation rates. Inflation in Cambodia has been stable since 2012, with rates in the moderately low range. In 2018, the inflation rate for Cambodia was 3.2%, and inflation is forecast to remain stable at 3.3%, 3.0% and 3.1% for 2019, 2020 and 2021, respectively, according to the World Bank.

Figure 7: Cambodia Inflation Rates (%)



Data Source: World Bank

5- Liquidity and Capital Resources

a- Working Capital

Table 17: Working capital

Working Capital	31-December-16		31-December-17		31-December-18	
	KHRm	USDk	KHRm	USDk	KHRm	USDk
Current Assets (a)	154,255	38,210	147,099	36,438	224,636	55,907
Current Liabilities (b)	145,390	36,014	128,339	31,791	191,994	47,784
Working Capital (a)-(b)	8,864	2,196	18,759	4,647	32,641	8,124

b- Borrowings

RMAC had short-term and long-term borrowings from Bangkok Bank, Oxley WorldBridge Specialized Bank Plc., Advanced Bank of Asia Ltd (ABA), ACLEDA Bank Plc., CIMB Bank Plc., FCE Bank Plc., Canadia Bank, Sathapana, supplier credit (John Deere & Jaguar Land Rover) and Clipper Holdings Limited during the period from 2016 to 2018.

b-1- Short-Term Borrowings

RMAC has short-term borrowings as shown in the table below:

Table 18: Short-term borrowings

Short-Term Borrowings	31-December-16		31-December-17		31-December-18	
[Audited]	KHRm	USDk	KHRm	USDk	KHRm	USDk
Bank Loans	86,886	21,523	75,311	18,655	115,942	28,856
Loans From Immediate Holding Company	4,441	1,100	4,574	1,133	-	-
Total Short-Term Borrowings	91,327	22,623	85,514	21,182	115,942	28,856

b-2- Long-Term Borrowings

RMAC has long-term borrowings as indicated in the table below:

Table 19: Long-term borrowings

Long-Term Borrowings	31-December-16		31-December-17		31-December-18	
[Audited]	KHRm	USDk	KHRm	USDk	KHRm	USDk
Term Loans	-	-	5,629	1,394	2,940	732
Total Long-Term Borrowings	-	-	5,629	1,394	2,940	732

c- Breach of Terms and Conditions Associated with Credit Arrangement, Bank Loan

As at the date of this disclosure document, RMAC has not received any notice of breach of any terms and conditions associated with any credit arrangement or bank loans.

d- Types of Financial Instruments Used

Financial instruments used at RMAC include financial assets and liabilities as shown in the table below.

Table 20: Types of financial instruments used

	Loans and Receivables	Financial Liabilities at Amortized Cost	Total	Total
	USDk	USDk	USDk	KHRm
2018				
Financial Assets				
Trade and Other Receivables*	15,277	-	15,277	61,382
Cash and Bank Balances	9,001	-	9,001	36,164
Total Financial Assets	24,277	-	24,277	97,547
* Excludes prepayments.				
Financial Liabilities				
Trade and Other Payables	-	13,174	13,174	52,931
Contract Liabilities	-	5,103	5,103	20,504
Borrowings	-	29,587	29,587	118,882
Total Financial Liabilities	-	47,864	47,864	192,317

	Loans and Receivables	Financial Liabilities at Amortized Cost	Total	Total
	USDk	USDk	USDk	KHRm
2017				
Financial Assets				
Trade and Other Receivables*	12,747	-	12,747	51,461
Cash and Bank Balances	6,014	-	6,014	24,279
Total Financial Assets	18,761	-	18,761	75,740
* Excludes prepayments.				
Financial Liabilities				
Trade and Other Payables*	-	11,582	11,582	46,756
Borrowings	-	21,182	21,182	85,514
Total Financial Liabilities	-	32,764	32,764	132,269
* Excludes VAT payable.				

e- Financial Risk Management and Objectives

RMAC's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. RMAC's overall financial risk management objective is to optimize value for their shareholders. The Board of Directors reviews and agrees to policies and procedures for the management of these risks.

e-1- Credit Risk

Credit risk is the risk of financial loss to RMAC that may arise on outstanding financial instruments should a counterparty default on its obligations. RMAC's exposure to credit risk arises primarily from trade and other receivables. RMAC has a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Amount of trade and other receivables are not secured by any collateral as at the end of the reporting period. The maximum exposure to credit risk arising from trade and other receivables is represented by carrying amounts in the statements of financial position.

In determining the recoverability of these receivables, RMAC consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date.

RMAC has adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

RMAC uses ageing analysis to monitor the credit quality of the trade receivables. The ageing of trade receivables as at the end of the financial year is disclosed in Note 8 in the audited financial statements in 2017 and 2018. Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with RMAC. A significant portion of these trade receivables are regular customers that have been transacting with RMAC. Management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired

are stated at their realizable values. Impairment is made on specific receivables when there is objective evidence that RMAC will not be able to collect all amounts due.

Credit risk concentration profile

RMAC has no significant concentration of credit risk that may arise from exposures to a single customer or group of customers.

e-2- Liquidity Risk

RMAC seeks to effectively manage the various risks to which RMAC is exposed in its daily operations. Liquidity risk is the risk that RMAC will encounter difficulty in meeting financial obligations due to shortage of funds. RMAC's exposure to liquidity risk arises primarily from misalignment of the maturities of financial assets and liabilities. RMAC's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and credit facilities from financial institutions and support from the Holding Company.

Analysis of financial instruments by remaining contractual maturities

Table 21 below summarizes the maturity profile of RMAC's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Table 21: Contractual cash flows

	Contractual Cash Flows				
	Carrying Amount	On Demand or Within 1 Year	Between 1 Year and 5 Years	Total	Total
	USDk	USDk	USDk	USDk	KHRm
2018					
Financial Liabilities					
Trade and Other Payables	13,174	13,174	-	13,174	52,931
Contract Liabilities	5,103	5,103	-	5,103	20,504
Borrowings	29,587	28,855	732	29,587	118,882
Total Financial Liabilities	47,864	47,132	732	47,864	192,317
2017					
Financial Liabilities					
Trade and Other Payables*	11,582	11,582	-	11,582	46,756
Borrowings	21,182	19,788	1,394	21,182	85,514
Total Financial Liabilities	32,764	31,370	1,394	32,764	132,269
* Includes Contract Liabilities and Excludes VAT Payable.					

e-3- Interest Rate Risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of RMAC's financial instruments as a result of changes in market interest rates. RMAC's exposure to interest rate risk arises primarily from their borrowings with floating interest rates. Through maintaining a mix of borrowings with fixed and floating interest rates RMAC manages to achieve a certain level of protection against rate hikes.

f- Capital Management

RMAC's capital management objective is to safeguard RMAC's ability to continue as a going concern in order to provide returns to shareholders. RMAC's capital is represented by its total equity in the statement of financial position. The Board of Directors monitors the adequacy of capital on an ongoing basis and RMAC enjoys financial support from its holding company.

g- Material Commitments

RMAC leases land and buildings under non-cancellable operating lease agreement for land and buildings for period ranging from 1 to 25 years. The lease agreements are normally renewable at the end of the lease period at market rates.

The future minimum lease payments under non-cancellable operating leases are as follows:

Table 22: Material commitments

	2017		2018	
	USDk	KHRm	USDk	KHRm
Not Later Than One Year	791	3,192	949	3,811
More Than One Year but Not Later Than Five Years	1,290	5,209	2,836	11,395
More Than Five Years	880	3,554	1,939	7,790
Total Material Commitments	2,962	11,956	5,723	22,996

The Company also leases various outlets and branches under cancellable operating lease agreements.

h- Material Litigation and Contingent and Other Liabilities

At the date of this report:

- (i) there are no charges on the assets of RMAC which have arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) other than the matters disclosed in this document, there are no contingent liabilities in respect of RMAC which has arisen since the end of the financial year.

In the opinion of the Directors, no contingent liabilities or other liabilities of RMAC have become enforceable or are likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of RMAC to meet its obligations as and when they fall due.

i- Taxation Contingencies

The taxation system in Cambodia is relatively new and is characterized by numerous taxes and frequently changing legislation, which is often unclear, contradictory and subject to interpretation. Often, differing interpretations exist among numerous taxation authorities and jurisdictions. Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. These facts may create tax risks in Cambodia which are substantially more significant than in other countries.

Under Cambodian tax laws and regulation, the statute of limitations for tax reassessment to be conducted by Cambodian tax authority is 10 years, although a recent regulation has reduced the period of reassessment to 5 years, which can be extended to 10 years with the approval of the Minister of Economy and Finance where there is strong evidence of tax evasion. As of date of this Disclosure Document, RMAC has open tax years from 2009 until 2018, which means that RMAC will be subject to a comprehensive tax audit by the GDT, the effect of such audits could be significant.

In RMAC's particular case, tax years 2015 to 2017 are presently being comprehensively audited by the Department of Enterprise Audit, however, the result of the audit is not yet finalized. For the 2009-2014 tax years, the GDT has completed its comprehensive audit and issued tax notices of tax reassessment. These notices of reassessment were issued in 2019. RMAC has issued tax objection letters to the GDT protesting the reassessed taxes for all of the years from 2009 to 2014 and has received second notices of reassessment for the years from 2009 to 2013 for the same amounts as initially reassessed. The total amount re-assessed by the GDT for the period from 2009 to 2014 is USD 4,845,092, comprising taxes of USD 1,922,935, reassessed tax (or penalties) of USD 480,734 and interest of USD 2,441,424. RMAC is presently appealing all tax re-assessments from 2009 to 2014. Management believes that they have understood the relevant tax regulations and adequately provided for tax liabilities based on their interpretation of the current tax legislation. However, the relevant authorities may have different interpretations and the effects could be significant.

Furthermore, it is noted that, pursuant to a sub-decree which was issued by the Royal Government of Cambodia on 04 January 2019, a tax amnesty on tax debts is granted to listed entities which are approved by the SECC within 3 (three) years from the issuance date of the sub-decree. The tax amnesty is counted from a period N-3 to N-10 (year N is the year of SECC's approval for initial public offering) and covers the exemption of tax debt arising from non-compliance of tax on income, withholding tax, value added tax, specific tax on certain goods and services, accommodation tax and public lighting tax. In this regard, upon the bonds being listed on the securities exchange, RMAC could enjoy a tax amnesty on certain tax years from the approval, subject to the final approval or confirmation from the GDT. While the relevant sub-decree is silent on the matter, it should be noted that it is not clear whether the tax amnesty applies in practice in respect of tax years, or matters, which have already been subject to a re-assessment by the GDT.

j- Key Financial Ratios

Table 23: Key financial ratios

No.	Description	2016	2017	2018
1	Solvency Ratio (1)/(2)	0.2	0.3	0.3
	(1): Total Net Worth	8,729	10,354	14,627
	(2): Aggregate of the Asset (net amount after deduction of provision and depreciation). Weighted to their degree of credit risk.	42,719	37,525	54,141
2	LIQUIDITY RATIO			
2.1	Current Ratio (1)/(2)	1.1	1.2	1.2
	(1): Current Assets	38,210	36,438	55,907
	(2): Current Liabilities	36,014	31,791	47,784
2.2	Quick Ratio (1)/(2)	0.5	0.7	0.5
	(1): Current Assets-Inventories	17,334	20,794	24,451
	(2): Current Liabilities	36,014	31,791	47,784
3	PROFITABILITY RATIO			
3.1	Return on Asset (1)/(2)	1.9%	3.7%	10.5%
	(1): Net Income	867	1,625	6,623
	(1): Total Assets	44,744	43,539	63,142
3.2	Return on Equity (1)/(2)	9.9%	15.7%	45.3%
	(1): Net Income	867	1,625	6,623
	(2): Shareholders' Equity	8,729	10,354	14,627
3.3	Gross Profit Margin (1)/(2)	18.6%	15.1%	15.1%
	(1): Gross Profit	15,207	15,624	22,699
	(2): Revenue	81,856	103,321	150,019
3.4	Net Profit Margin (1)/(2)	1.1%	1.6%	4.4%
	(1): Net Income	867	1,625	6,623
	(2): Revenues	81,856	103,321	150,019
3.5	Earnings per Share (1)/(2) (USD)	\$866.64	\$1,624.89	\$6,622.69
	(1): Net Income	867	1,625	6,623
	(2): Number of Common Shares	1,000	1,000	1,000
4	ACTIVITY			
4.1	Asset Turnover Ratio (1)/(2)	1.8	2.4	2.4
	(1): Revenue	81,856	103,321	150,019
	(2): Total Assets	44,744	43,539	63,142
4.2	Account Receivable Turnover Ratio (1)/(2)	13.2	9.3	9.9
	(1): Revenue	81,856	103,321	150,019
	(2): Average Account Receivables	6,222	11,052	15,115
4.3	Account Payable Turnover Ratio (1)/(2)	7.9	8.9	10.1
	(1): Cost of Sales	66,648	87,697	127,320
	(2): Average Account Payables	8,407	9,908	12,558

No.	Description	2016	2017	2018
4.4	Inventory Turnover Ratio (1)/(2)	3.9	6.6	4.8
	(1): Sales Revenue	81,856	103,321	150,019
	(2): Inventory	20,876	15,644	31,456
5	CAPITAL STRUCTURE ANALYSIS RATIO			
5.1	Interest Coverage Ratio (1)/(2)	1.8	2.1	4.9
	(1): EBIT	3,907	4,959	10,752
	(2): Interest Expenses	2,223	2,322	2,187
5.2	Debt To Equity Ratio (1)/(2)	2.6	2.0	2.0
	(1): Total Borrowings	22,623	21,182	29,587
	(2): Shareholders' Equity	8,729	10,354	14,627

k- Trade and Other Receivables

The trade and other receivables are set out in table 24 below:

Table 24: Trade and other receivables

	2017		2018	
	USDk	KHRm	USDk	KHRm
Trade Receivables	6,833	27,586	5,655	22,722
Less: Expected Credit Loss	(21)	(85)	(57)	(227)
Net Trade Receivable	6,812	27,501	5,598	22,494
Amount Due From Related Companies	5,146	20,773	8,813	35,413
Prepayments	2,033	8,206	174	699
Deposits	351	1,417	338	1,358
Staff Advances	141	569	11	44
Margin Deposits	192	773	409	1,643
Other Receivables	106	428	107	430
Total Trade and Other Receivables	14,780	59,666	15,451	62,081

Trade receivables are non-interest bearing and the normal trade credit term is 30 days (2017: 30 days). Other credit terms are assessed and approved on case by case basis.

l- Inventories

Table 25: Inventories

	2017		2018	
	USDk	KHRm	USDk	KHRm
Trading Goods and Spare Parts	16,559	66,849	33,575	134,906
Less: Allowance for Inventories Obsolescence	(916)	(3,696)	(2,119)	(8,515)
Total Inventories	15,644	63,153	31,456	126,391

m- Non-Current Assets

RMAC's non-current assets include property and equipment and intangible assets.

Table 26: Non-current assets

Non-Current Assets	31-December-16		31-December-17		31-December-18	
[Audited]	KHRm	USDk	KHRm	USDk	KHRm	USDk
Property and Equipment	26,251	6,503	28,565	7,076	28,988	7,215
Intangible Assets	124	31	105	26	80	20
Total Non-Current Assets	26,375	6,533	28,669	7,102	29,068	7,235

m-1. Property Plant and Equipment

Table 27: Property plant and equipment

	Buildings	Service and Warehouse Equipment	Furniture and Fixtures	Leasehold Improvements	Motor Vehicles	Operating Equipment	Containers	Asset in Progress	Total
	USDk	USDk	USDk	USDk	USDk	USDk	USDk	USDk	USDk
2018									
Cost									
At 1 January 2018	4,485	940	835	1,495	3,849	1,805	32	69	13,509
Additions	-	197	68	97	2,327	281	-	56	3,027
Disposals	-	(7)	-	-	(1,564)	(51)	-	-	(1,622)
Transfers	-	-	-	(1)	-	70	-	(69)	-
Written Off	-	(59)	-	-	-	(10)	-	-	(70)
At 31 December 2018	4,485	1,070	903	1,591	4,612	2,095	32	56	14,844
Accumulated Depreciation									
At 1 January 2018	1,314	718	705	915	1,441	1,309	32	-	6,434
Depreciation Charge for the Financial Year	339	129	95	224	658	215	-	-	1,660
Disposals	-	(7)	-	-	(373)	(15)	-	-	(395)
Written Off	-	(59)	-	-	-	(10)	-	-	(70)
At 31 December 2018	1,652	781	800	1,139	1,726	1,500	32	-	7,629
Carrying Amount									
At 31 December 2018	2,833	289	103	452	2,887	596	-	56	7,215
At 31 December 2018 (KHRm)	11,382	1,162	414	1,815	11,598	2,393	-	223	28,988

	Buildings	Service And Warehouse Equipment	Furniture And Fixtures	Leasehold Improvements	Motor Vehicles	Operating Equipment	Containers	Asset In Progress	Total
	USDk	USDk	USDk	USDk	USDk	USDk	USDk	USDk	USDk
2017									
Cost									
At 1 January 2017	4,485	1,016	861	1,520	2,425	2,149	45	-	12,500
Additions	-	37	10	123	2,136	216	-	69	2,591
Disposals	-	(5)	-	-	(666)	(130)	-	-	(801)
Written Off	-	(108)	(36)	(148)	(46)	(430)	(13)	-	(781)
At 31 December 2017	4,485	940	835	1,495	3,849	1,805	32	69	13,509
Accumulated Depreciation									
At 1 January 2017	973	699	628	835	1,239	1,579	44	-	5,998
Depreciation Charge for the Financial Year	340	132	112	226	481	205	1	-	1,497
Disposals	-	(5)	-	-	(233)	(48)	-	-	(286)
Written Off	-	(108)	(36)	-	-	-	-	-	-
At 31 December 2017	1,314	718	705	915	1,441	1,309	32	-	6,434
Carrying Amount									
At 31 December 2017	3,172	221	130	580	2,408	496	-	69	7,076
At 31 December 2017 (KHRm)	12,804	893	524	2,342	9,721	2,001	-	279	28,565

m-2. Intangible Assets

Table 28: Intangible assets

	2017		2018	
	USDk	KHRm	USDk	KHRm
Cost				
At 1 January/31 December	46	186	46	185
Accumulated Depreciation				
At 1 January	15	62	20	81
Amortization Charge for the Financial Year	5	19	6	24
At 31 December	20	81	26	105
Carrying amount				
At 31 December	26	105	20	80

n- Trade and Other Payables

Table 29: Trade and other payables

	2017		2018	
	USDk	KHRm	USDk	KHRm
Trade Payables	4,038	16,302	4,968	19,963
Amount Due To Related Companies	2,049	8,272	3,810	15,307
Customers' Deposits*	3,086	12,459	-	-
Tax Payable	632	2,551	962	3,866
Accrued Bonuses	642	2,592	732	2,941
Vat Payables	360	1,454	-	-
Warranty Provision	494	1,994	1,362	5,471
Other Payables	641	2,586	1,340	5,382
Total Trade and Other Payables	11,942	48,210	13,174	52,931

* Customer Deposits reclassified to Contract Liabilities in 2018.

o- Material Contracts

o-1. Material Financial Contracts

RMAC has disclosed information about material financial contracts with a value threshold of at least USD 1 million.

As of 05 December 2019, there are 7 financing agreements as indicated in the table below:

Table 30: Material financial contracts

Funders	Date	Purpose	Tenors	Principal
ACLEDA Bank Plc.	31 January 2019	Loan against tax receipt	90 days	USD2,000,000
Bangkok Bank Public Company Limited Cambodia	23 March 2018	To secure the order of Jaguar Land Rover Limited's vehicles and parts under agreement	12 months	USD1,000,000

Funders	Date	Purpose	Tenors	Principal
Branch		between the Issuer and Jaguar Land Rover Limited		
Oxley-Worldbridge Specialized Bank Plc.	25 July 2018	Payment of import taxes and duties of the imported vehicles, which were stored and kept in the Kerry Bonded Warehouse, under the Issuer's regular business activities	90 days	USD2,000,000
Oxley-Worldbridge Specialized Bank Plc.	21 December 2017	For working capital	36 months from the first drawdown	USD2,000,000
FCE Bank Plc.	4 April 2018 (Schedule Page 2)	For payment to Supplier of the Issuer for purchase or order of Vehicles.	Shipment Date or Invoice Date + 180 days (Schedule Page 3) Either Parties can terminate the agreement by giving the other 30 calendar days written notice. (Art.12)	USD 23,500,000 (Schedule Page 2)
SATHAPANA BANK PLC.	28 December 2018	i) Facility 1: support the purchase and import of vehicles, agricultural equipment and other special products. ii) Facility 2: support import tax payment for the vehicle import.	i) Facility 1: 90 (Ninety) days. ii) Facility 2: 90 (Ninety) days	i). Facility 1: USD4,000,000 ii). Facility 2: USD 1,000,000
CIMB Bank Plc.	6 December 2018	i) TR: For working capital management. LC/SG/SBLC: to facilitate the importation of goods. BG: to bid and/or guarantee of supply of goods and/or services. ii) RSTL: to support tax payment. iii) To hedge against foreign exchange fluctuation on transactions.	i) Facility 1: TR: 90 days; LC/SBLC: 180 days; BG: up to 12 months. ii) Facility 2: RSTL: 30 days iii) Facility 3: up to 3 months	i) Facility 1: LC/SG/SBLC/ BG/TR: USD 6,000,000 (BG limit – USD 1,050,000. ii) Facility 2: RSTL: USD 500,000 iii) Facility 3: FECL: USD 500,000

o-2. Material Commercial Contracts

As of 30th June 2019, there are 10 material commercial contracts as indicated in the table below. For the purpose of disclosure, the value threshold of material commercial contracts is set at USD 100,000.

Table 31: Material commercial contracts

No.	Name	Parties	Validity and renewal	Material Terms	List of products
1.	Global Importer Dealer Sales and Services Agreement	Ford Motor Company (" Ford ") and RMAC	21 December 2018 – 31 December 2021	<ul style="list-style-type: none"> Ford appoints RMAC as its sole distributor of Ford vehicles in Cambodia. RMAC may terminate without cause with a written 30-day advance notice. Ford may terminate in case of non-performance by RMAC or there is an assignment of the agreement or change of management or direct or indirect ownership of RMAC, without Ford's prior approval. 	
2.	JCB Asia Heavy Line Dealer Agreement (Non-Exclusive Territories)	JCB Sales Asia Pacific PTE Limited (" JCB ") and RMAC	01 January 2017 – 31 December 2019	<ul style="list-style-type: none"> JCB appoints RMAC as a non-exclusive dealer for sale of heavy equipment in Cambodia. JCB may terminate this agreement with an advance written notice (where the notice period is different for each event as specified in the agreement), if: <ul style="list-style-type: none"> RMAC fails to achieve the performance required by JCB, provided that JCB has given notice on its dissatisfaction at least twice; RMAC makes any change in the constitution of the RMAC's business without JCB's prior approval; The death of or vacation of office by any director material to administration of selling or servicing JCB products; Any substantial alteration in the identity of RMAC's shareholders, executives or management; Undue or persistent delay in payment by 	

No.	Name	Parties	Validity and renewal	Material Terms	List of products
				<p>RMAC;</p> <ul style="list-style-type: none"> Any substantial alteration in the nature or extent of RMAC's business; If RMAC commits act or omission which is an offence (a) under the Bribery Act 2010; (b) in respect of fraudulent acts; or (c) in respect of defrauding; or If RMAC or any RMAC's affiliate sells or is concerned, directly or indirectly, in the sale of machines other than used machines, which are competitive with JCB machines. RMAC may terminate this agreement with an advance written notice (where the notice period is different for each event as specified in the agreement), if: <ul style="list-style-type: none"> there is a material breach by JCB which (if capable of being remedied) remains uncured after the specified cure period has expired; RMAC's failure achieve the performance required by JCB is due to failure by JCB to execute orders for JCB's products; or JCB fails to make any payment to RMAC. 	
3.	JCB Asia Compact Dealer Agreement (Non-Exclusive Territories)	JCB and RMAC	01 January 2017 – 31 December 2019	<ul style="list-style-type: none"> JCB appoints RMAC as a non-exclusive dealer for sale of [products] in Cambodia. This agreement provides the same termination rights as in the JCB Asia Heavy Line Dealer Agreement. 	<ul style="list-style-type: none"> Non-Exclusive Dealer for new and unused JCB Machines, JCB Attachments and JCB Parts: <ul style="list-style-type: none"> Backhoe Loader ICX/ 3CX Compact Telescopic Hamdler (less than 2.5t) Compact Excavator Compact Wheeled Loading Shovels Skid Steer Loader / CTL Site Dumpers Compaction (less than 5t) New model of similar specification to any of the above models which supersedes any of them during the term of the Agreement
4.	Importer Agreement (as	Jaguar Land Rover Limited	01 August 2016 and will	<ul style="list-style-type: none"> JLR appoints RMAC as a dealer for sale of Jaguar and Land Rover vehicles and parts in 	<ul style="list-style-type: none">

No.	Name	Parties	Validity and renewal	Material Terms	List of products
	supplemented by the letter on authorized exclusive distributor of new “Jaguar” and “Land Rover” vehicles, parts and accessories into Cambodia)	(“JLR”) and RMAC	continue unless terminated as per provision in the agreement	<p>Cambodia. RMAC became an authorized exclusive distributor from 01 August 2018 – to 31 July 2020.</p> <ul style="list-style-type: none"> • Either party may terminate this agreement by 12 (twelve) months’ prior written notice to the other party. • JLR may terminate the agreement with immediate effect, if: <ul style="list-style-type: none"> • There is a breach of RMAC’s basic obligation and RMAC fails to cure within a period specified in the agreement. • No JLR’s vehicles have been sold in 6 months; • There is an assignment by RMAC or change of control, or change of ownership of RMAC or its holding company, without JLR’s prior written consent; • The guarantee provided by RMAC for the benefit of JLR is cancelled, withdrawn or invalid; and <p>RMAC fails to achieve at least 80% of its agreed annual sales objectives for two successive years.</p>	
5.	Distributor Agreement	Mitsubishi Fuso Truck and Bus Corporation (“MFTBC”) and RMAC	Two years from 10 November 2017, which has been extended until 9 May 2020 by the extension letter executed by the parties.	<ul style="list-style-type: none"> • MFTBC appoints RMAC as a non-exclusive distributor for the sale and service of MFTBC’s products in Cambodia. • RMAC shall sell contract goods only to authorized resellers, body manufacturers, and end users. • “Contract goods” are completely built-up new motor vehicles (including chassis) manufactured by or for MFTBC as listed in contractual agreement (“Vehicles”); and new genuine parts and accessories manufactured or procured by MFTBC for use as service, repair and replacement parts and accessories in the Vehicles (“Parts”). 	<ul style="list-style-type: none"> • Non-exclusive distributor for the sale and service of: <ul style="list-style-type: none"> ○ Completely built-up new motor vehicles (including chassis) manufactured by or for MFTBC (vehicle): <ul style="list-style-type: none"> - Category 1: FE, FG, FH, FK, FM, FP, FV, BE - Category 2: FA, FI, FJ, FO, FZ • Revocable, non-exclusive and limited right to use MFTBC Trademarks: <ul style="list-style-type: none"> ○ For Category 1 vehicle: <ul style="list-style-type: none"> - MITSUBISHI - FUSO - CANTER

No.	Name	Parties	Validity and renewal	Material Terms	List of products
				<ul style="list-style-type: none"> • RMAC is responsible for complying to Applicable Laws, which means the U.S. Foreign Corrupt Practices Act, Japanese and German anti-corruption laws, U.S., Japanese and German export control laws, and all other laws, regulations, rules, orders, decrees or other directives carrying the force of law applicable to any activities engaged in by RMAC. • Either party may immediately terminate this agreement by a notice to the other party, if: <ul style="list-style-type: none"> • a party is in breach of an obligation under the Distributor Agreement despite having been given due warning by the other Party and despite having had sufficient opportunity and time to remedy that breach; • the other party has made any fraudulent statement or submission, or any material misrepresentation to the other; • there is a force majeure which prevents a party from performing its obligations for more than 90 days; or • any material provision of this agreement becomes invalid or unenforceable. • MFTBC may terminate this agreement by notice to RMAC with immediate effect if: <ul style="list-style-type: none"> • RMAC is merged into another entity. • RMAC undergoes a change in management control or the legal or beneficial ownership of any of RMAC's voting securities or other ownership interests, the name or form of RMAC's legal entity or the location of RMAC's place of business, without MFTBC's prior approval; • Certain identified key personnel cease to be active in RMAC's business operation 	<ul style="list-style-type: none"> - ROSA - FIGHTER - SUPER GREAT o For Category 2 vehicle: <ul style="list-style-type: none"> - FUSO

No.	Name	Parties	Validity and renewal	Material Terms	List of products
				<p>under this agreement and either a replacement approved by MFTBC is not appointed within a reasonable time;</p> <ul style="list-style-type: none"> • RMAC repeatedly fails to achieve the minimum purchase requirement; • RMAC fails to pay a default payment within a specified period from the due date; • RMAC substantially ceases its sales and service activities; or RMAC and/or MFTBC is unable to comply with any and all applicable export regulations. • MFTBC may terminate this agreement without cause with a 6-months' advance written notice. 	
6.	Distributor Agreement	JLG Industries, Inc. ("JLG") and RMAC	From 26 October 2015 for a period of 24 months	<ul style="list-style-type: none"> • JLG appoints RMAC as a non-exclusive dealer for sale of [products] in Cambodia. • Either party may terminate the agreement: (i) without cause by providing at least three-month's written notice; or (ii) immediately by a written notice to the other party, if there is a material breach by the other party which remains unremedied for a specified period. • JLG may terminate this agreement with immediate effect by a written notice, if there is a material change in RMAC's management ownership or control of RMAC or if RMAC purports to assign the agreement without JLG's prior written consent. • JLG may terminate this agreement by a three-month's written notice, if RMAC fails to agree or implement the Marketing plan or fail to meet sale objectives in such marketing plan. 	<ul style="list-style-type: none"> • Non-exclusive distributor to import into and distribute: <ul style="list-style-type: none"> ○ ES Scissors ○ LE Scissors ○ RT Scissors ○ E Booms ○ Diesel Articulated Booms ○ Diesel Straight Booms ○ Vertical Lifts ○ Tow Pro Trailer Mounted Boom Lifts ○ 510AJ (Euro Build) ○ Ultra Boom Series ○ 1200SJP ○ 1250AJP ○ 1350SJP ○ 1500SJ • Non-exclusive right to use Trademarks: <ul style="list-style-type: none"> ○ AccessMaster™ ○ ClearSky™ ○ Control ADE™ ○ East-Cladder™ ○ Ground Support™ ○ It's Time to let go of the ladder™ ○ JibPLUS™ ○ JLG™

No.	Name	Parties	Validity and renewal	Material Terms	List of products
					<ul style="list-style-type: none"> ○ JLG Lift™ ○ LiftMaster™ ○ LiftPod™ ○ Nite Bright™ ○ Online Express™ ○ PartsPlus™ ○ Point & Go™ ○ Putting your work above everything™ ○ Quik Stik™ ○ QuikWelder™ ○ ServicePlus™ ○ SkyAir™ ○ SkyCleaner™ ○ SkyClutter™ ○ SkyGlazier™ ○ Sky Positioner™ ○ SkyPower™ ○ SkySaw™ ○ SkyWelder™ ○ Tow-Pro™ ○ Training Plus™ ○ Workstation in the Sky™ ○ Ultra Boom™
7.	Trademark License Agreement	JLG and RMAC	26 October 2015 onwards until termination provided in the agreement	<ul style="list-style-type: none"> • In consideration of the Distribution Agreement dated 26 October 2015, JLG grants RMAC a non-exclusive, non-transferable, royalty-free license to use the trademarks in Cambodia. • This agreement will be terminate upon breach by RMAC or upon termination of the distributor agreement between the parties. 	
8.	Service Agreement	EFG (Express Food Group) Co., Ltd. (" EFG Cambodia ") and RMAC	One year from 01 January 2015, with automatical renewal for successive one-year period.	<ul style="list-style-type: none"> • EFG Cambodia engages RMAC to provide various business, information technology and other support services. • Either party may terminate this agreement without cause by three-month's prior written notice. • Either party may terminate this agreement immediately if: (i) there is a breach by the other party, which remains uncured for a specified period; or (ii) the other party becomes insolvent or enter into liquidation. 	

No.	Name	Parties	Validity and renewal	Material Terms	List of products
9.	Business Service Agreement	RMA Group Co., Ltd (" RMA Group ") and RMAC	01 January 2018 – 31 December 2018, with automatical renewal for successive one-year period.	<ul style="list-style-type: none"> • RMAC engages RMA Group to provide various business, information technology and other support services. • Either party may terminate this agreement by a three-month's prior written notice to the other party. 	
10.	John Deere Dealer Agreement	John Deere Asia (Singapore) Private Limited (" John Deere ") and RMAC	20 September 2013 – Perpetuity	<ul style="list-style-type: none"> • John Deere appoints RMAC as a distributor of its agricultural and/or heavy equipment within the geographical area of responsibility (being Preah Vihear, Kampong Speu, Kampong Thom, Battam Bang, Takeo, and Pursat) on a non-exclusive basis. • John Deere may change the geographical area, or terminate any location or any part thereof with: (i) a written notice at least 90 days in advance; or (ii) a written notice, in case of any of the John Deere-termination events. • Either party may terminate the agreement for any reason with a 90-day advance written notice to the other party. • John Deere may terminate dealer's appointment if: <ul style="list-style-type: none"> • RMAC does not fulfill any of the terms of the agreement after having the opportunity to remedy; • RMAC fails to make payment to John Deere when it becomes due; • Upon death, incapacity, removal, withdrawal or dissolution of any key person as defined in the agreement and designated by John Deere. • RMAC commits a fraud or misrepresents any material facts in any communication with John Deere or any John Deere affiliate. 	<ul style="list-style-type: none"> • Distribute agricultural equipment within area of responsibility: <ul style="list-style-type: none"> ○ (A1) Commercial AG and parts ○ (A6) Sprayers and parts • Non-exclusive rights to use the Trademarks owned by or licensed to John Deere Asia, or by a John Deere Affiliate.

No.	Name	Parties	Validity and renewal	Material Terms	List of products
				<ul style="list-style-type: none"> • Upon cancellation or discontinuation of a guaranty, letter of credit or any other security for RMAC's payment obligation to John Deere or any other John Deere affiliate. • RMAC changes, relocates or discontinues its location, or opens any sub-dealer or reseller location, without John Deere's prior written consent. • RMAC sells and services any counterfeited John Deere equipment and parts; sells and services any John Deere equipment and parts to any reseller or non-end-user customer; or purchases any unauthorized John Deere equipment and parts. • RMAC assigns or attempts to assign its rights and obligations under this agreement without John Deere's written consent. • RMAC carries competitive products without John Deere's written consent. • RMAC fails to fulfill any of its commitment provided in the agreement. • RMAC fails to comply with provision governing use of trademarks, name and signs of John Deere and anti-bribery laws. 	

No.	Name	Parties	Validity and renewal	Material Terms	List of products
11.	Service Agreement	RMA (Cambodia) Co. Limited and BSP Finance (Cambodia) PLC (" BSPFC ")	01 January 2018 – 31 December	<ul style="list-style-type: none"> • RMAC engages BSPFC to provide certain administrative and operational services. • Either party may terminate this agreement immediately by giving written notice in the event of: <ul style="list-style-type: none"> ○ material breach that is not capable of remedy; ○ breach that is capable for remedy but it is not remedied within 30 days of receipt of notice to remedy. • BSPFC may terminate the provision of one or more services or the agreement on 30 days written notice, if there is change of control of the Issuer. • The agreement may be terminated by 3 months prior written notice by either party or by written consent of the parties. 	

6- Trend Information

Revenues (up 102% from USDk 74,108 to USDk 150,019), gross profit (up 86% from USDk 12,214 to USDk 22,699), operating profit (up 375% from USDk 2,266 to USDk 10,752), profit before income tax (up 779% from USDk 975 to USDk 8,566) and profit after tax (2,470% from USDk 258 to USD 6,623) have all seen dramatic increases over the four-year period from 2015 to 2018.

Figure 8: Trend Information

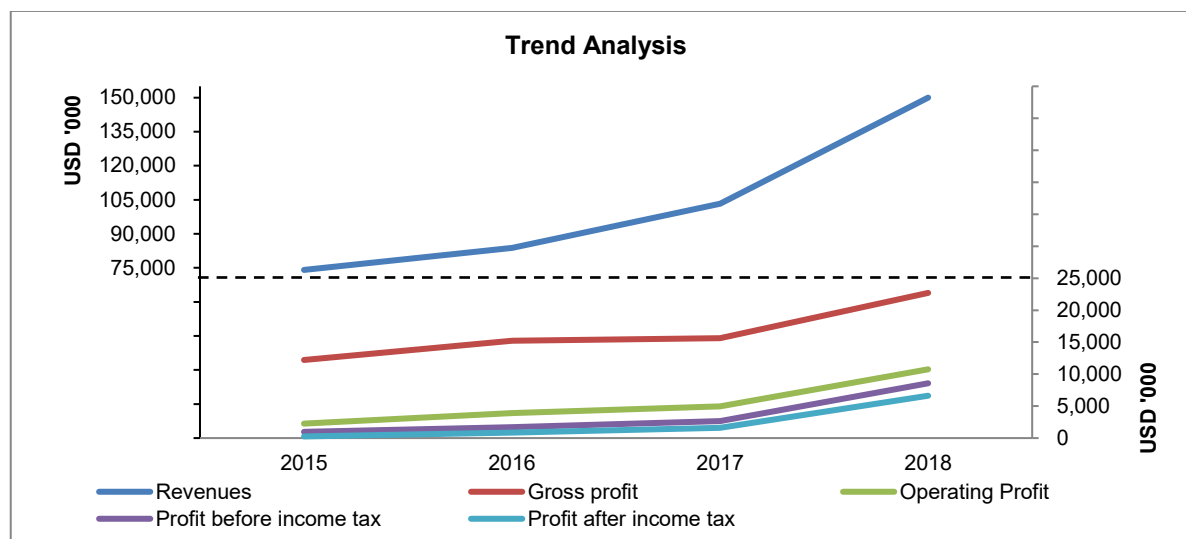


Figure 8 illustrates the significant growth of revenues, gross profit, operating profit, profit before income tax and profit after tax over the four-year period from 2015 to 2018.

Table 32: Growth of revenues, gross profit, operating profit, profit before income tax and profit after tax

(USDk)	2015	2016	2017	2018
Revenues	74,108	81,856	103,321	150,019
Growth %	N/A	10.5%	26.2%	45.2%
Gross Profit	12,214	15,207	15,624	22,699
Growth %	N/A	24.5%	2.7%	45.3%
Operating Profit	2,266	3,907	4,959	10,752
Growth %	N/A	72.4%	26.9%	116.8%
Profit Before Income Tax	975	1,684	2,636	8,566
Growth %	N/A	72.8%	56.5%	224.9%
Profit After Income Tax	258	867	1,625	6,623
Growth %	N/A	236.4%	87.5%	307.6%

Please see Section 1: part 8: Projected financial information for projected 2019-2021 figures.

7- Dividend Policy

As stated in Memorandum and Articles of Association dated 30 July 2019, dividends shall be paid out of RMAC's distributable profits and/or retained earnings and shall be allocated among Shareholders entitled to receive dividends on a pro rata basis according to the number of shares held.

RMAC will not declare any Dividend(s) where:

- a) RMAC is insolvent or bankrupt in accordance with the provisions of insolvency or bankruptcy law, or where, as a result of paying Dividends, RMAC would be rendered insolvent or bankrupt;
- b) the realizable value of the company's assets would be less than the aggregate of its liabilities; or
- c) where otherwise restricted by law or RMAC's articles of incorporation enforced.

Dividends shall be paid to Shareholders and/or persons entitled to receive Dividends after declaration on annual tax return on tax on profit and deduction of withholding tax at the prevailing rate (subject to the amendment of tax regulation, currently fixed at fourteen (14) percent) for non-resident Shareholders).

The following guidelines apply to the declaration of dividends under the dividend policy as adopted by the Board:

- a) RMAC's Board of Directors has the right to propose, recommend and declare dividends in accordance with accounting principles and to determine the terms of payment of each class of shares entitled to receive dividends.
- b) Dividends (if any) payable to the shareholders shall be approved by the majority votes of all directors present at the meeting pursuant to Article 44 of the Memorandum and Articles of Association of RMAC;
- c) Dividends may be interim dividends or final dividends.
- d) Any declaration to pay Dividends shall identify the classes of Shareholders and/or persons entitled to receive Dividends, the amount of the dividend per share and the period of payment and the form of payment.
- e) The Board of Directors may determine an amount to keep in retained earnings or reserve funds pursuant to Article 69 of the Memorandum and Articles of Association of RMAC.

Subject to the restrictions under the law, RMAC may pay a dividend by issuance shares, in money or property.

The Board has confirmed its intention to declare dividends of up to 35% of distributable profits, subject always to the restrictions under the Company's Memorandum and Articles of Association, dividend policy, investment plan, applicable law, contingencies, financial covenants and other relevant considerations.

In 2018 RMAC declared dividends for the year ended 31 December 2018 of USD 2,350 per share, amounting to a total payout of USD 2,350,000. In July 2019, RMAC paid an interim for the current financial year (2019) of USD4,500 per share, amounting to US\$4,500,000.

8- Projected Financial Information

a- Projection of Financial Statements

The financial projections are prepared by RMAC based on the projected growth in sales of RMAC, growth in the industry and growth of the Cambodian economy. (See Disclaimer of forward looking statement on page xv).

The financial projections below were prepared in early 2019 using our internal management account formats and classifications and excluding the impact of IFRS16. [Note: IFRS16 does not have a material impact on the Profit & Loss.]

Table 33: Projection of Financial statements

(USD '000)	31 December 2019 (Forecast)	31 December 2020 (Forecast)	31 December 2021 (Forecast)
Total Revenue	200,379	217,385	237,700
Cost of sales	(168,810)	(183,443)	(200,278)

(USD '000)	31 December 2019 (Forecast)	31 December 2020 (Forecast)	31 December 2021 (Forecast)
Gross Profit	31,569	33,941	37,422
Total Operating Expenses including Depreciation and Amortization	(12,336)	(12,823)	(14,168)
Operating profit	19,233	21,118	23,254
Interest expense	(3,204)	(2,285)	(2,330)
EBT	16,029	18,833	20,924
Income Tax	(3,206)	(3,767)	(4,185)
Net Income	12,823	15,067	16,739

b- Projection of Balance Sheet

Table 34: Projection of balance sheet

(USD '000)	31 December 2019 (Forecast)	31 December 2020 (Forecast)	31 December 2021 (Forecast)
Cash	8,436	8,952	15,162
Trade receivables (Non-Group)	8,784	9,529	10,420
Amount due from related companies	7,332	7,332	7,332
Inventories	32,374	35,181	38,409
Prepayment/ Advance/ VAT receivable	1,380	1,497	1,637
Total Current Assets	58,306	62,491	72,961
Property and equipment	6,276	11,634	12,767
Intangible assets	0	0	0
Total Non-Current Assets	6,276	11,634	12,767
Total Assets	64,583	74,125	85,728
Trade and other payables(Non-Group)	3,907	4,665	3,493
Trade and other payables (WTF)	9,000	9,000	9,000
Customer deposits	1,500	1,500	1,500
Other payables	5,874	6,372	6,968
Short term bank borrowings	15,275	13,950	13,950
CPLTD-Bank	727	667	667
Related party loans	0	0	0
Due to related party (Trading)	2,635	2,775	3,176
Current income tax liabilities	1,369	1,774	2,006
Total Current Liabilities	40,288	40,704	40,760
Long term loan	1,333	666	1,332
Total Liabilities	41,621	41,370	42,092

Share capital	4,000	4,000	4,000
Retained earnings	10,627	18,962	28,755
Dividend declared	(4,488)	(5,273)	(5,859)
Profit for the year	12,823	15,067	16,739
Total Equity	22,962	32,755	43,636
Total Liability & Equity	64,583	74,125	85,728

c- Projection of Cash Flow

Table 35: Projection of Cash Flow

(USD '000)	Forecast FY2019	Forecast FY2020	Forecast FY2021
NET SALES	200,379	217,385	237,700
Changes in Trade Receivables	(1,213)	(589)	(705)
Receivables impairment	(57)	-	-
Changes in Interco Receivables	1,481	-	-
CASH COLLECTED FROM SALES	200,591	216,796	236,994
Cost of Goods Sold	(168,810)	(183,443)	(200,278)
Changes in Inventory	(2,377)	(2,806)	(3,229)
Changes in AP (trade) incl intercompany	(1,032)	756	(1,172)
Cash Paid to Suppliers	(172,219)	(185,494)	(204,678)
CASH FROM TRADING ACTIVITES	28,373	31,302	32,316
Sales, General & Admin (exl non-cash)	(10,500)	(10,681)	(11,690)
Change in prepaids/deposits/other	(794)	(273)	(326)
Change in accruals and Other Payables	(2,122)	499	597
Changes in current income tax liabilities	718	405	232
Cash Paid for Operations	(12,699)	(10,049)	(11,187)
CASH AFTER OPERATIONS	15,674	21,253	21,129
Other Income (expenses)	-	-	-
Taxes - paid in cash	(3,206)	(3,767)	(4,185)
Total Other income (expenses) & Taxes Paid	(3,206)	(3,767)	(4,185)
Transfer of Accounts Payable to Equity	-	-	-
NET CASH AFTER OPERATIONS (NCAO)	12,468	17,486	16,944
Interest Expense	(3,204)	(2,285)	(2,330)
Dividenend Paid	(4,488)	(5,273)	(5,859)
NET CASH INCOME	4,776	9,928	8,755
<i>CPLTD-Bank</i>	<i>(667)</i>	<i>(727)</i>	<i>(667)</i>
CASH AFTER DEBT AMORTISATION	4,109	9,200	8,088
Change in Gross fixed assets	(604)	(7,206)	(3,318)
Proceeds from Sales of assets	(294)	(294)	(294)
Changes in intangibles	20	-	-
Cash paid for Fixed Assets and Investments	(878)	(7,500)	(3,612)
FINANCING SURPLUS (REQUIREMENTS)	3,231	1,701	4,477

Change in ST Bank Debt	(3,914)	(1,325)	-
Change in LT Debt	1,333	-	1,333
Change in shareholders loans	(954)	140	401
Total External Financing	(3,534)	(1,185)	1,734
CASH AFTER FINANCING	(303)	516	6,211
Add: Beginning Cash & Equivalents	8,739	8,436	8,952
ENDING CASH & EQUIVALENTS	8,436	8,952	15,163

9- Consolidated Financial Information

RMAC has no subsidiaries or associates and therefore has no requirement to prepare Consolidated Financial Statements

10- Off-balance sheet arrangements

Not applicable.

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SECTION 2: DESCRIPTION OF BUSINESS

1- Introduction and history

RMAC is a public limited company incorporated under the registration number 00001121 on 12 September 2002 and domiciled in the Kingdom of Cambodia. The registered and operating office of RMAC is situated at No.27E1, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia. The principal activities of RMAC are marketing and sale of motor vehicles, spare parts and heavy equipment and maintenance and servicing of equipment. As of 31 December 2018, the immediate parent and ultimate controlling party of RMAC is Clipper Holdings Limited incorporated in Hong Kong.

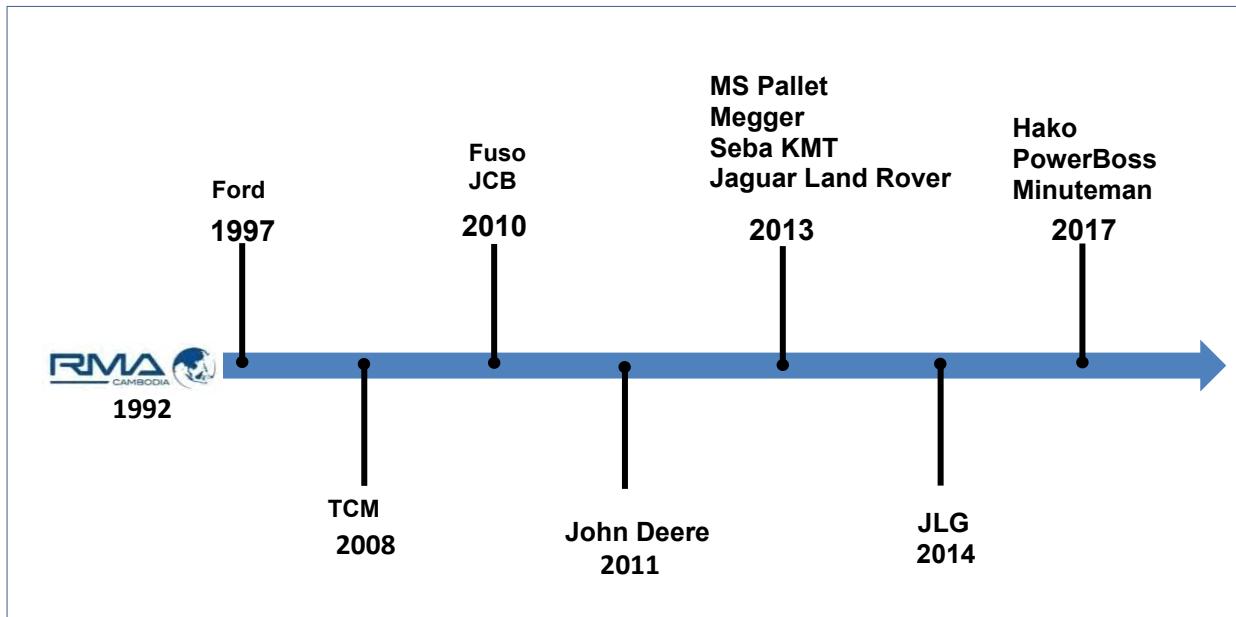
RMAC entered the Cambodian market in 1992 as a provider of dedicated system solutions for commercial and non-commercial enterprises in the sectors of infrastructure, energy and logistics. Gradually, the company has been growing alongside the development of Cambodia and expanded to automotive, agricultural and heavy equipment, cleaning equipment, testing equipment and sales of parts for such equipment, including service support. In addition to business expansion, RMAC has also focused its attention on human resources by providing internships and employment opportunities to approximately 536 local and professional staff with a number of expatriates working together to share their skills and expertise.

The following list of events in chronological order presents the key milestones in RMAC's history:

- 1992 Entered Cambodian Market as a provider of dedicated system solutions for commercial and non-commercial enterprises in the sectors of infrastructure, energy and logistics
- 1997 Distributor of Ford for Cambodia
- 2008 Added TCM products to portfolio. TCM is a Japanese forklift brand with a full range of handling products.
- 2010 Authorized dealers of JCB (UK top class heavy equipment brand) and FUSO.
- 2011 Official distributor of John Deere, one of the leading American brands in the agricultural industry
- 2013 Sole dealer of Jaguar Land Rover, the UK's largest automotive manufacturing business;
Megger products added to portfolio, best known for electricity tests and measurement solutions;
SebaKMT product added to portfolio, a specialized product for water supply and telecom industries;
MS Pallet added to portfolio; Malaysia's leading plastic pallet manufacturer, available for sale by RMAC.
- 2014 Authorized distributor of JLG, the leading manufacturer of lift equipment for construction
- 2017 Minuteman added to portfolio - a full line manufacturer of cleaning products;
PowerBoss added to portfolio, a full line manufacturer of hygiene products for industrial markets;
Hako products added to portfolio, one of the leading international manufacturers of cleaning products for warehouses and hotels

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Figure 9: Introduction and history



2- Vision

To become the most trusted and enduring partner for development and prosperity in Cambodia through:

People: Highly inspired and engaged people and are passionate, responsible, creative and innovative in finding the best solutions to human problems, in order to make life better.

Customers: Delighted customers who are served by RMAC's appreciative people with expertise, quality products, encompassing solutions and unbeatable customer service.

Suppliers: A winning supplier-customer network with mutual respect and a shared ambition to make life better.

3- Mission & values

To Customers, RMAC is a long-term partner of choice rather than just a mere supplier. RMAC invests in assets locally and employs from within the communities where it is present – backing up the quality of the products it represents with a commitment to service long after the sale.

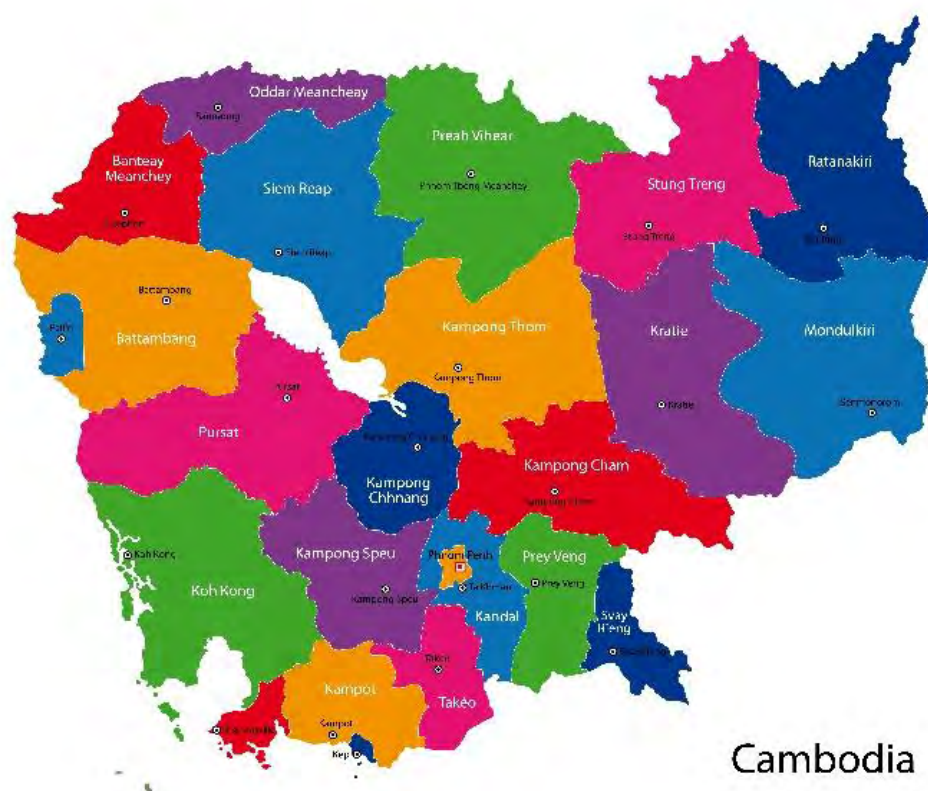
RMAC's operating philosophy has three guiding values that are essential to RMAC's culture and the way RMAC serves its customers and the communities in which they function. These are Innovation, Integrity and Endurance.

RMAC will always apply creativity and innovation in the support of its customers' projects. RMAC will do so with honesty and integrity in every aspect of its business dealings and in its partner and customer relationships. Everything RMAC does, in product and service alike, will have purpose and enduring value.

RMAC makes these values an essential part of everyday operations and elemental to the company culture.

4- Business

Figure 10: branch offices



As of 30 June 2019, RMAC has 531 employees. It has 14 branch offices across Cambodia: 1 in Battambang Province, 1 in Kampong Thom Province, 1 in Takeo Province, 1 in Kampong Spue, 8 in Phnom Penh 1 in Siem Reap Province and 1 in Preah Vihear Province.

Brief information about RMAC:

Table 36: Brief information about RMAC

Description	31 -Dec- 2016	31 -Dec- 2017	31 -Dec- 2018	30-Jun-2019
Numbers of staff	459	476	536	531
Number of operating outlets	2	7	13	14
Sales (USD's 000)	81,856	103,321	150,019	161,408

5- Strategic plan

RMAC strives to be the leading supplier of world class automobiles, construction, agricultural and material handling equipment in Cambodia. By representing iconic brands, RMAC's goal is to be in the top three suppliers of each product category while providing world class after-sales and service support and ensuring full warranty support of products sold.

RMAC has and intends to continue to be a leader in the economic development of the Kingdom of Cambodia by reinvesting in our businesses continuously and introducing the state of art products and services.

6- Strengths and weaknesses

Strengths

1. Strong and diversified world class product offerings and market shares.
2. Long term market experiences in Cambodia.
3. Business operating in growth sectors.
4. Experienced management team with strong local knowledge.

5. Committed to Cambodia's socio-economic development.

Weaknesses

1. Slow growth of construction equipment division.
2. Growth limited by availability of vehicle and equipment finance.
3. Constraints in working capital to fund growth.
4. No sedan offering in Ford product lineup.

7- RMAC nationwide operations

7-1- Commercial and non-commercial reach across the country

RMAC is a provider of products and services that respond to commercial and development needs of customers throughout the country. RMAC supplies and supports commercial enterprises that engage in automotive, infrastructure, agriculture, transport, logistics, warehousing and industry. Our customers are also governments or government agencies, aid and relief organizations, general consumers and other commercial and non-commercial enterprises.

RMAC has a comprehensive network of resources and sophisticated logistics and supply-chain systems that support our products and services in market. In the commercial and private sectors, RMAC has a presence throughout the Kingdom of Cambodia, serving both corporate customers and consumers. Headquartered in Phnom Penh, RMAC has branch offices in several provinces and partners in every province.

A specialist provider of infrastructure solutions, RMAC brings comprehensive product and support resources to project management for the duration of that project. RMAC is known for its after-sales maintenance contracts that support the customer for the long term, enabling RMAC to maintain its account customers for repeat business.

7-2- RMAC product resources

- Passenger vehicles for both luxury and non-luxury markets.
- Agricultural equipment for general farmers and specialized industrial customers.
- Heavy equipment solutions for the agriculture, irrigation, construction, road building and industrial sectors.
- Light and heavy vehicle solutions for these same industries.
- Cleaning and handling solutions for the industrial sector.
- Testing equipment for electricity and water treatment.
- Genuine spare parts and after-sales service.

7-3- RMAC strategic partners

RMAC represents with world class brands including Ford, JCB, FUSO, Jaguar Land Rover, John Deere, TCM, Megger & Sebar, Hako, JLG and other brands. RMAC and its suppliers are committed to delivering products and services to customers for their long-term mutual benefit.

7-4- Key Business Division and Products

Operations of R M A (CAMBODIA) PLC. is classified into 5 divisions operating in 14 branch offices including Ford Division, Jaguar Land Rover Division, Agriculture Equipment Division, Heavy Equipment Division and Special Products Division.

Figure 11: Key Business Division and Products



List of 14 registered branch offices as of 30 June 2019:

Table 37: List of 14 registered branch offices as of 30 June 2019

No.	Divisions	Address of Division	Name of Branch Office	Date of Approval
1.	John Deere (Showroom and Aftersales)	Popeal Village, Chhry Commune, Thmorkoul District, Battambang Province.	"Battambang Province"	29 November 2018
2.	John Deere (Showroom and Aftersales)	National Road No. 6, Archalak Village, Archalak Commune, Steung Sen District, Kampong Thom Province.	"Kampong Thom Province"	29 November 2018
3.	John Deere (Showroom and Aftersales)	National Road No. 2, Chak Village, Rokakkrav Commune, Dounkeo District, Takeo Province.	"Takeo Province"	18 September 2019
4.	John Deere (Aftersales)	At Ly Yung Phat Sugar Can Site at Au Angkom Village, Am Tang Commune, Tpong District	"Kompong Spue Province"	We understand that there is no showroom nor employee at this location. We further understand that this location is for the purpose of storing goods and materials of the Company (i.e. tractor).
5.	John Deere (Showroom and Aftersales)	No. 04075, Road 2004, Sangkat Kakab, Khan Dangkao, Phnom Penh, Cambodia.	"Khan Porsen Chey"	18 September 2019
	JCB and Heavy Equipment (Showroom and Aftersales)	No. 04075, Road 2004, Sangkat Kakab, Khan Dangkao, Phnom Penh, Cambodia.		
6.	John Deere (Showroom and Aftersales)	National Road No. 6, Siem Reap City, Siem Reap Province.	"Siem Reap Province"	19 September 2006
	Ford (Showroom and Aftersales)	National Road No. 6, Siem Reap City, Siem Reap Province		

No.	Divisions	Address of Division	Name of Branch Office	Date of Approval
	Aftersales)			
	Special Products (Showroom)	National Road No. 6, Siem Reap City, Siem Reap Province		
7.	Jaguar Land Rover (Showroom and Aftersales)	No. 264A, Russian Blvd, Sangkat Toek Tala, Khan Sen Sok, Phnom Penh, Cambodia.	"Khan Sen Sok"	18 September 2019
8.	Ford (Showroom and Aftersales)	No. 444, Preah Monivong Blvd, Sangkat Tonle Bassac, Khan Chamkarmorn, Phnom Penh, Cambodia.	"Khan Chamkarmorn"	18 September 2019
9.	Ford (Aftersales)	N/A, Russian Blvd, Sangkat Toek Thla , Khan Sen Sok, Phnom Penh, Cambodia.	"Toek Thla"	We understand that this branch is in process of registration with the Ministry of Commerce.
10.	Ford (Showroom and Aftersales)	No. 2108 and 2109, Street 105, Sangkat Toul Sengke, Khan Russey Keo, Phnom Penh.	"Khan Russey Keo"	25 September 2019
11.	Ford (Showroom and Trade In)	No. 275, Russian Federation Blvd, Sangkat Toek Thla , Khan Sen Sok , Phnom Penh	"Russian Federation Blvd"	20 September 2019
12.	Special Products (Showroom)	#13, St.4, Sangkat Chom Chav, Khan Phosenchey, Phnom Penh	"Khan Porsen Chey Il"	We understand that this branch has not been registered with the MOC because the lease agreement will be terminated in the next few months.
13.	Special Products (Showroom)	St. Monyrate, Phum 16, Sangkat Beong Salang, Khan Tuol Kork, P.P	"Khan Tuol Kork"	We understand that this branch is moving to the head office of RMAC and it will be completed soon.
14.	John Deere (Aftersales)	AnlongPrey 1 village, AnlongPrey commune, chheb District , Preash Vihear Province.	"Preah Vihear Province"	There is no showroom nor employee at this location. We further understand that this location is for the purpose of storing goods and materials of the Company (i.e. tractor).

7-4-1- Ford Division

Ford is one of the most renowned brands from the USA and is one of the most preferred brands for Cambodian and expatriate customers for business and personal use. With RMAC's line of vehicles, from compact sport utility vehicles to pick-up trucks, Ford is also a favored brand amongst government institutions and non-governmental organizations.

To round out our product and service portfolio for Ford and to be responsive to our customers' needs, RMAC's flagship Ford service centers in Phnom Penh and Siem Reap and network of outsourced service centers throughout the country are equipped with state-of-the-art testing technology and trained technicians to guarantee the best after-sales service in Cambodia.

RMAC has earned an excellent reputation as a provider of retail and fleet solutions and for service in Cambodia as the sole distributor of the world class automotive brand of Ford Motor Company since 1997. Local presence and

knowledge of the market make RMAC a reliable partners and trusted custodians of the best automotive products anywhere.

RMAC brings Ford to market as the sole authorized distributor in Cambodia and is the link between the brand and the customer. RMAC makes the showroom or service center experience consistent with the overall brand values and expectations of both the brand owner and the customer. To be responsive to customers' emergency requirements, RMAC Ford offers 24/7 emergency roadside assistance in the greater Phnom Penh area and through a network of OSCs around the country.

7-4-2- Jaguar Land Rover Division

RMAC is the sole authorized dealer for the UK's largest automotive manufacturing business, Jaguar Land Rover (JLR). JLR is built around two iconic British car brands: Land Rover, the world's leading manufacturer of premium all-terrain vehicles and Jaguar, one of the world's premier luxury sports saloon and sports car marques. Boasting a high international standard showroom and service facility along Russian Boulevard, Phnom Penh, Jaguar Land Rover allows our customers to experience an unmatched level of luxury and service.

To ensure that JLR's global standards of excellence are carried through, RMAC's aftersales teams are specially trained by JLR abroad. We also ensure that our teams refresh their skills and expertise through regular visits and training sessions from JLR experts.

The RMAC JLR facility in Phnom Penh was constructed to meet the very high standards of the prestigious JLR brand and to provide our customers with an exceptional automotive experience. Our facilities are equipped with the latest diagnostic equipment, a comprehensive range of tools and have direct access to the full range of JLR genuine parts and accessories.

7-4-3- Agriculture Equipment Division

RMAC is the official distributor of one the leading brands in the agricultural industry, John Deere from USA. John Deere's tractors and harvesters are present on farms and rice fields across Cambodia. Moreover, its agricultural machinery helps Cambodian farmers and farming enterprises to increase productivity and efficiency. With extensive sales, spare parts and aftersales services across Cambodia, the John Deere brand has gained the trust and confidence of large-scale and small Cambodian farmers of key crops, such as rice, sugarcane, cassava, rubber and many others.

The Agriculture Equipment Division technical teams have all undergone rigorous training from John Deere abroad. These teams are present in our five outlets that cover aftersales service, but we are specialized in maintenance contracts for large operators who want technicians on site. In addition, we have built workshops with an extensive range of spare parts and technical support as well as nationwide outsource partners to give minimum downtime to customers' equipment.

7-4-4- Heavy Equipment Division

Heavy Equipment Division of RMAC offers comprehensive heavy equipment solutions to meet the needs of customers in industries such as construction, infrastructure development, quarries, plantations, manufacturing, logistics, trading and transportation. We are authorized dealers of world-class brands.

A UK top class brand, JCB has gained a foothold to be closer to its customers with best-in-class excavator, backhoe loader, compacting roller, wheel loader, telescopic handler and other heavy equipment products.

MFTBC have served as a backbone of moving goods and people in Cambodia. These include dump trucks, mixer trucks, cargo trucks, tractor heads and passenger buses.

Aftersales Service

Representatives of our Heavy Equipment Division technical teams have undergone training from JCB and MFTBC abroad. We also ensure that our teams refresh their skills and expertise through regular visits and training sessions from our principals.

RMAC have capabilities to provide on-site services through our mobile workshop and we offer service contracts based on customer requirements. For large fleets, we can station our technicians on-site to carry out services as

soon as customers need. In addition, we have built workshops with an extensive range of spare parts and technical support to give minimum downtime to customer's equipment and trucks.

7-4-5- Special Products

Over the past 10 years, RMAC has added of world-renowned brands to its specialized products division. These include industrial and commercial equipment for warehouses and hotels (HAKO, PowerBoss, Minuteman); stock solution products for warehouse and factories (TCM, JLG, Starke, MS Pallet); and testing and diagnostic products for electricity, water supply and telecom industries (Megger, SebaKMT). RMAC is also committed to guarantee customer satisfaction with warranty and after-sales service.

Hako is one of the leading international manufacturers of cleaning and municipal technology. The company supplies innovation to customers from a broad spectrum of target groups worldwide. Best possible economic-efficiency and sustainability characterize our products. Its product range also includes a comprehensive package of product-related services.

PowerBoss is a full line manufacturer of high quality, heavy duty sweepers & Scrubbers built for industrial markets, including, but not limited to, heavy manufacturing, warehousing and distribution, food processing, municipal and parking.

Minuteman is a full line manufacturer of sweepers and scrubbers as well as critical filter vacuums, industrial and commercial vacuums and floor and carpet machines designed for commercial and institutional facilities.

A leading manufacturer of lift equipment for use in construction as well as in many other industries, JLG lifts, ladders and equipment are known around the world for efficiency, convenience and safety. In Cambodia, JLG is utilized in the maintenance and repair of hotels and buildings, lifting in warehouses and in the construction and electricity sectors.

TCM is Japan's first forklift brand with a full range of handling products designed for productivity optimization to meet customer needs. Well-known in the logistics and handling industry, TCM is now preferred by firms in Cambodia for moving products in warehouses as well as for storage in desired locations. TCM clients include firms in the manufacturing, trading, warehousing, automotive, foods and services industries.

Malaysia's leading plastic pallet manufacturer, MS Pallet provides a one-stop solution in logistics, warehousing, transportation and storage.

Starke, from Malaysia, provides shelving, racking and storage systems for warehouses. It is now filling space in various industries in Cambodia such as manufacturing, trading, automotive, warehousing, food and service and is fast becoming the most preferred brand within Cambodia for its quality and support service.

Best known for its world-famous range of insulation testers and full-service solutions in electricity tests and measurement needs, including cable fault locating, protective relay testing, earth testing and battery and power-quality testing.

Sebe KMT provides solutions in testing, measuring and diagnostics of power networks and communications networks, as well as water leakage detection and CCTV inspection in pipe networks. As joint specialists from the United Kingdom and Germany, Megger-SebaKMT currently serves large utility companies in Cambodia, such as Electricite du Cambodia and the Phnom Penh Water Supply.

8- Sale Strategies

Products

To penetrate new markets, diversifying the well-known and high-quality products that are brought to the country and ensuring all equipment sold is supported with aftersales services. Some products are offered with customization options for customers. RMAC's staff are well trained before going to the market and people are clearly assigned to specific market segments.

Places

To meet the demand of customers, 3-S Facilities (showroom, spare parts and services) are deployed in cities and

provinces with approved standards from the suppliers. Mobile services and downstream partnerships with local people are used to gain the customer's satisfaction through speedy provision of services.

Pricing

Setting fixed standard pricing is difficult for this emerging market and dynamic pricing is used to balance the profitability and market share. Moreover, it is difficult for some products to compete with competitors' pricing, so we aim for strategic differentiation in terms of product or service offerings as well as educating customers on the value of the products RMAC offers.

Promotion

To introduce new products, launching events are organized professionally to the suppliers' standards while seasonal promotions, for example Chinese New Year, Khmer New Year, Pchum Ben and Planting season, are regularly released with attractive promotional offers. Digital marketing is actively used as a tool to communicate with customers and direct marketing is used for some products to reach specific customer segments.

9- List of main products and services with price

Table 38: List & price of main products and services

Brand	Model	Price
Ford	EcoSport, Ranger, Everest, Mustang, Explorer, F-150 and Transit	Range from USD 29,000 to USD 130,000.
Jaguar Land Rover	E-pace, F-pace, XE, XJ, F-Type, Discovery Sport, Evoque, Velar, Range Rover Sport, Range Rover, Discovery.	Range from USD 95,000 to USD 285,000.
John Deere	Tractor 3036E, 5050D, 5055E, 5065E, 5075E, 5090E, 6100B, 6110B, 6120B-Cab, 6135B-Cab, 6155J, 6185J-Cab, 6210J-Cab and Cane Harvester CH570	Range from USD 14,800 to USD 410,000.
JCB	JS205, 116D, 3DX	Range from USD 60,000 to USD 150,000.
FUSO	FA, FE, FG, FH, FK, FM, FO, FP, FI, FJ, FV, FZ, ROSA BUS.	Range from USD 30,000 to USD 100,000.

10- Sales seasonality

In general, RMAC's sales do not see much change due to seasonality. Divisions that can see some variation are:

- Ford: Sales impacted by the promotions offered during main events in the country, such as Chinese New Year, Khmer New Year and Pchumben.
- John Deere: During raining season, small horsepower tractors sell more and during dry season, big horsepower tractors sell more.

11- The sale volume of products and services for at least 10% of the company's total revenue

As of 31 December 2018, the sale volume of products and services for at least 10% of RMAC's total revenue as follow:

Table 39: Sale Volume of Products and Services for at least 10%

Brand	Type of the Product	Sale Volume (USD'000)	Sale Volume Compared to Total Revenue (%)
Ford	Vehicle	110,682	73.78%

12- Revenue Breakdown

Table 40: Revenue Breakdown

Revenue breakdown	Revenue 2017		Revenue 2018		Revenue June 2019*	
	USD'000	%	USD'000	%	USD'000	%
Ford	73,882	71.51%	110,683	73.78%	134,872	83.56%
Jaguar Land Rover	5,414	5.24%	10,338	6.89%	9,500	5.89%
Agriculture Equipment	10,893	10.54%	14,543	9.69%	7,199	4.46%
Heavy Equipment	5,519	5.34%	4,323	2.88%	2,380	1.47%
Special Products	3,773	3.65%	3,380	2.25%	1,106	0.69%
Part & Services	3,839	3.72%	6,751	4.50%	6,349	3.93%
Total	103,321	100.00%	150,018	100.00%	161,408	100.00%

*Includes internal sales. Internal sales elimination is performed manually and normally completed at year-end. Historically, internal sales numbers have been approximately 1.5% of total sales, hence will not materially affect the final audited numbers.

13- Competition Landscape

RMAC's new vehicle sales include new luxury and non-luxury vehicles. According to internal research conducted by RMAC it is estimated that sales of Ford vehicles constitute 31% of the new non-luxury vehicle market (by authorized dealers in the market) in 2018. Jaguar Land Rover held 59% of the new luxury vehicle market (by authorized dealers in the market) in the same year. Market share of RMAC's main products (based on RMA's own market research) is listed in the following table.

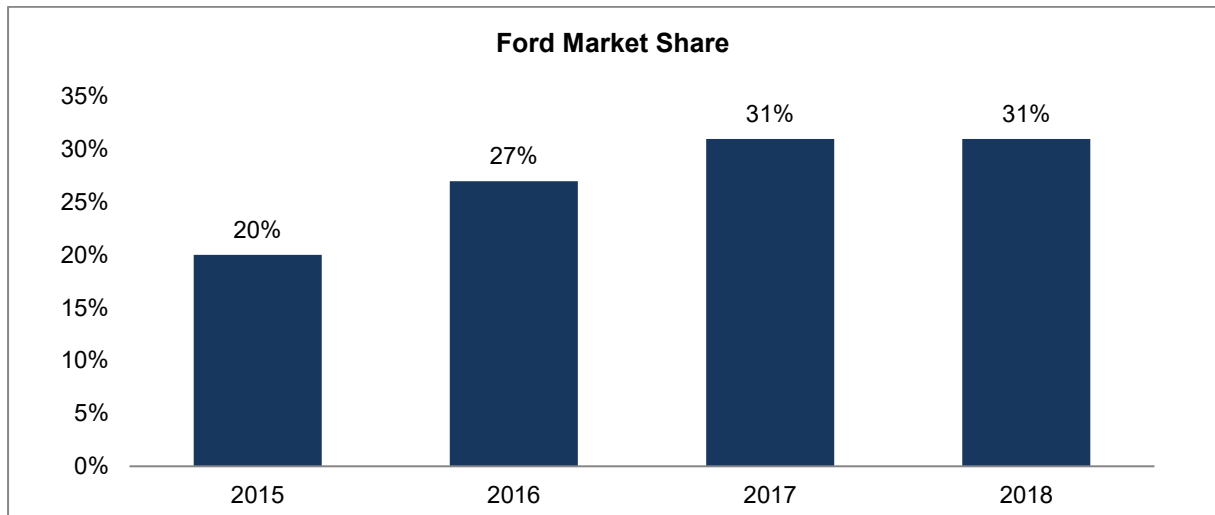
Table 41: Market position of main products [Authorized Dealers]

Main-Product Types	2015	2016	2017	2018
Ford (New non-luxury vehicles)	20%	27%	31%	31%
Jaguar Land Rover (New luxury vehicles)	52%	43%	42%	59%

Ford (New non-luxury vehicles)

Over the four-year period from 2015 to 2018 market share of new non-luxury Ford vehicles rose 11% from 20% in 2015 to 31% in 2018. The main customers of Ford are individuals, representing approximately 85%. The remaining approximately 15% is comprised of corporate and government customers.

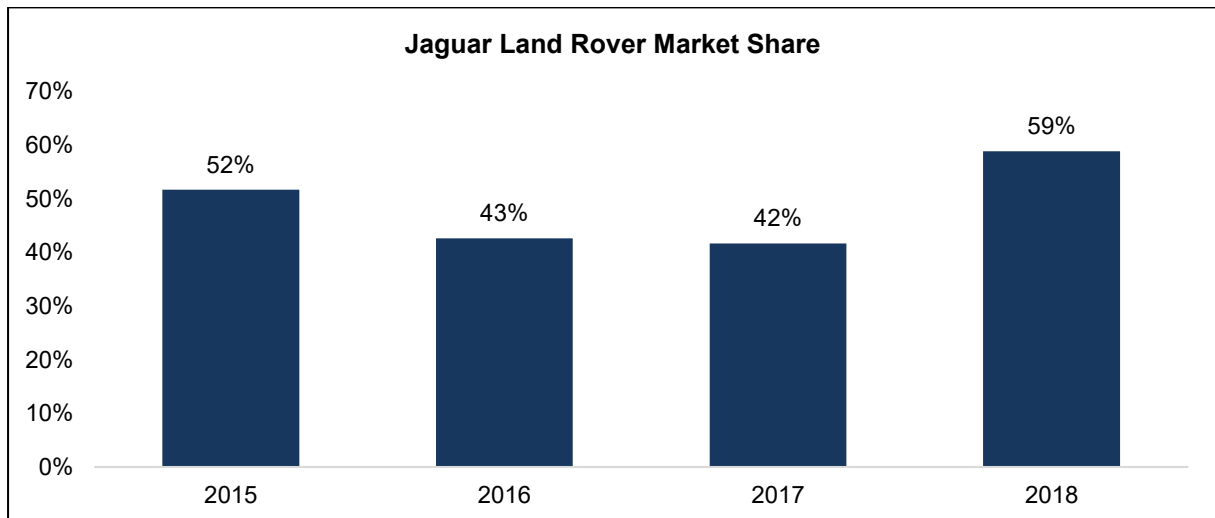
Figure 12: Ford Market Share [Authorized Dealers]



Jaguar Land Rover (New luxury vehicles)

Over the four-year period from 2015 to 2018 market share of new luxury Jaguar Land Rover vehicles (by authorized dealers in the market) dipped by 10% from 52% market share in 2015 to 42% market share in 2017, and then bounced back up to 59% in 2018.

Figure 13: Jaguar Land Rover Market Share [Authorized Dealers]



The main competitors of Ford are Toyota, Mazda, Mitsubishi, Nissan, Isuzu and Chevrolet. The main competitors of Jaguar Land Rover are Mercedes-Benz, BMW and Porsche. The main competitors of John Deere are Kubota, Yanmar, Farmtrac, New Holland, Belarus, and Claas.

SECTION 3: RISK FACTORS

RMAC's business, financial condition and operating results could be materially adversely affected by any of the factors discussed below. Prospective investors should also read the detailed information set out elsewhere in this document (including any documents deemed to be incorporated by reference herein) and reach their own view prior to making any investment decision.

1- Country risks

A. Risk of removal of trade preferences by the European Union

There is a moderate to high likelihood that the EU will revoke Cambodia's EBA (Everything But Arms) status. Under the EBA program, Cambodia has benefited from full duty-free and quota-free access to the EU Single Market for all products (except arms and armaments). For many years, the EU has been Cambodia's largest export market, accounting for nearly 30% of all exports, with the majority of exports to the EU being garments and footwear.

Due to perceived deterioration of human rights and democracy in the Kingdom, the EU has begun its EBA review and revocation process, which may last until August 2020. Removal of EBA would mean tariffs are imposed on Cambodian exports to the EU market. The largest exports of apparel and footwear would be tariffed at rates ranging from 8% to 17%, depending on the product. Manufacturers would be responsible for absorbing or trying to offset the additional expenses, likely leading to rising prices, which could significantly lower the amount of exports to the EU. Additionally, withdrawal of EBA and the consequences on the export market could also lead to manufactures limiting future investments in Cambodia or pulling operations out of the country entirely.

About 40% of Cambodia's GDP comes from garment manufacturing and more than 800,000 people are employed in the industry. Any major change to the amount of exports to the EU and resulting changes to the GDP of Cambodia would likely have negative economic affects ranging from the macro level to the micro level. While the access of the aforementioned products to the EU Single Market is not directly relevant to RMAC, the purchasing power of Cambodians and the demand for RMAC's products could decrease which could have material and adverse effects on the RMAC's revenues, profits, business and results of operations.

Mitigation:

While exports make up a large portion of the Cambodian economy, other sectors such as tourism and services are experiencing strong and sustained growth. Disposable income in Cambodia has been quickly increasing due to rising wages in the public and private sector. This reflects the strength of the Cambodian economy that is helped by, but not entirely dependent on, exports to the EU market.

Additionally, FDI has been growing at a strong rate and is at an all-time high. China is the largest source of all FDI inflows to Cambodia with manufacturing, agricultural processing and constructions sectors seeing the greatest share of Chinese FDI. This shows a trend of a greater proportion of FDI being investing in the productive sectors, which should help sustain strong economic growth and rising disposable income.

If removal of EBA status occurs, it is likely to have some negative consequences on the Cambodian economy which could impact consumer demand for RMAC's products and services. This is particularly the case in the near term. Although strong long-term economic growth is expected to continue, which may mitigate negative impacts from EBA removal, there is no guarantee that removal of EBA would not have material and adverse effects on the RMAC's revenues, profits, business and results of operations.

B. Risk of removal from the US General System of Preferences (GSP)

The GSP is a U.S. trade program designed to aid the economic growth of developing countries by allowing duty-free entry to the US market for certain products. It is meant to benefit less economically developed countries by allowing them to increase and diversify their trade with the US. To qualify for GSP benefits, a country must meet the eligibility criteria. The US Trade Representative has announced a new effort to ensure beneficiary countries are meeting the eligibility criteria. There is a risk that such assessment could lead to the initiation of a full country review for Cambodia, which could lead to the removal of Cambodia as a beneficiary of GSP. If Cambodia is denied benefits of the GSP in the future, there could be negative effects on Cambodia's economy, which in turn could negatively affect the spending power of RMAC's client base. Thus, RMAC's financial position, cash flow and

prospects may be adversely and materially affected.

Mitigation:

Cambodian exports to the US under the GSP are not a significant portion of the Cambodian total exports to the US. According to the Office of the United States Trade Representative website (<https://ustr.gov/countries-regions/southeast-asia-pacific/Cambodia->), Cambodia exports more to the United States than to any other single country, with exports totaling USD 3.8 billion in goods in 2018. According to the website of the American Chamber of Commerce in Cambodia (<https://amchamcambodia.net/march-cambodia-update/>), Cambodian exports to the US under the GSP amount to roughly USD 180 million, which is less than 10% of the total exports to the US. While the effects may be very limited due to the small percentage of exports to the US that are affected by the GSP, there is no guarantee that removal of GSP would not have material and adverse effects on the RMAC's revenues, profits, business and results of operations.

C. Political risks

Cambodia has experienced some political controversies, particularly concerning events following the 2013 election. Adverse developments in the political and economic conditions in Cambodia and other countries in the region could materially affect the business, performance, financial condition, results of operation and prospects of RMAC. During previous election years, customers have been known to postpone purchases pending the completion of the election process. The most recent election took place on July 29, 2018. Investors should note that whilst RMAC strives to continue to take effective measures such as prudent financial management and efficient operating procedures, there can be no assurance that adverse political and economic factors will not materially and adversely affect RMAC.

Mitigation:

To mitigate the effect on the political risks, RMAC designs and implements a strong and efficient business model, with good liquidity access, which enables RMAC to withstand unexpected changes brought on by changes in the political system. Whilst RMAC strives to continue to take effective measures such as prudent financial management and efficient operating procedures, there can be no assurance that adverse political and economic factors will not materially and adversely affect RMAC.

D. Weather and climate change risk

Natural disasters and adverse weather conditions can disrupt our business. Although the earth's climate has historically experienced periods of change, modern science shows that weather changes are occurring more quickly and intensely than in the past, due to the effects of climate change and the long-term change in weather patterns throughout the world. These changes have already begun to affect the people and economies throughout the world, including Cambodia. Cambodia is highly vulnerable to the impacts of climate change because the Kingdom depends largely on climate-sensitive sectors including agriculture, land, water resources, forestry and fisheries. Climate changes may result in economic instability, which could reduce the demand for RMAC's products, due to reduced purchasing power of Cambodian population. John Deere sales in particular may be adversely affected since they are dependent in large part on the agricultural industry, which is particularly susceptible to negative effects of climate change.

Mitigation:

RMAC has diversified range of products and services. The product offerings are geared to a variety of sectors such as farming, infrastructure, manufacturing, hospitality, transportation and utilities. This means that RMAC is not reliance on any one sector of the economy and revenue is not reliance on any one of RMAC's many products and services. Nonetheless, there is no guarantee that climate change would not have material and adverse impact on RMAC's business, revenue and profitability.

E. Macro-economic conditions

RMAC's performance is impacted by macro-economic conditions and in particular by economic conditions in the markets in which we operate. Demand for and pricing of our products and services is subject to economic conditions and other factors (such as epidemics, pandemics or large-scale medical emergencies), which have had and/or, in

the future, could have a material adverse effect on our business and results of operations.

Mitigation:

The diversity of RMAC's products and services mean that RMAC is not reliant on any one sector of the economy and revenue is not reliant on any one of RMAC's many products and services. The customer base is both individuals and companies in urban and rural settings. The product offerings are geared to a variety of sectors such as farming, infrastructure, manufacturing, hospitality, transportation and utilities.

Furthermore, RMAC continually reviews not only the economic conditions in Cambodia, but also the political, social, technological, environmental and legal conditions that can affect the economy. RMAC can quickly adjust to changing conditions, including by taking mitigating action to protect operations and supply chain, offering different automobile models with different options.

Although we believe that RMAC's diverse product range and customer base, together with our periodic review of economic conditions and preparation to make necessary adjustments, help mitigate potential effects from economic conditions, economic conditions in Cambodia could still materially and adversely affect RMAC's financial position, cash flow and prospects.

2- Business risks

A. Customs duties

Customs duties affect RMAC in several ways and can have a material adverse impact on consumer demand, revenue and profit.

- 1) Each year the Cambodian government reviews and updates tariff rates and customs values. These taxes play a large role in the prices consumers must pay for RMAC's products and services which ultimately affects consumer demand. The rates are changed frequently to meet the government's objectives, which is uncertain and difficult for RMAC to anticipate.

Mitigation:

RMAC is active in public / private sector meetings and industry groups which petition the government to apply sensible tax rates to its products in order to support economic activity. There is no guarantee that our effort would result in the government's application of sensible tax rates to our products. Any increase in customs and tariffs rates applied to products and services offered by RMAC could increase the prices of our products and services, which reduce the demand and may negatively affect our revenue and profitability.

- 2) Taxes on new cars are high, which is an impediment to sales. This steers many potential new car buyers to instead purchase used vehicles, which have a much lower tax rate. This eventually leads to an increase in used car sales.

Mitigation:

In order to mitigate the risk associated with high taxes on new cars, RMAC is active in public / private sector meetings and industry groups which petition the government to fairly enforce the stated tax rates. Both Ford and Jaguar Land Rover extensively market the benefits of new car ownership over purchasing used vehicles. In addition, the government takes action to limit used car imports into the country which restricts the supply of used cars. Nonetheless, RMAC's financial position, cash flow and prospects may continue to be adversely and materially affected due to high tax rates on new cars which drives the number of used car sales in Cambodia.

- 3) Preferential tax treatment on imports from certain countries can give competitors a pricing advantage. Cambodia has special trade and tariff agreements with ASEAN+3 countries as well as India. While many of our products are imported from ASEAN, other RMAC products are imported from the USA and other countries that do not have such trade agreements. Preferential tariff agreements can give some RMAC

products a competitive disadvantage, because the price of our products may not be able to compete with prices of products which benefit from special trade and tariff agreements.

Mitigation:

RMAC has a diverse product line. Many of its products are imported from countries with preferential tax agreements. Certain of our products that are imported from countries without such agreements enjoy excellent brand recognition and market share. Although we believe that strong household penetration and brand recognition should mitigate some of the competitive disadvantages that may be suffered due to preferential tax treatment on competing products, preferential tax treatment on imports of products or our competitors from countries with special trade and tariff agreements could still continue to have a material and adverse effect on our market share, revenue and profitability.

B. Risk from lack of consumer financing

Credit and consumer finance have been limited in Cambodia. Recently, many financial institutions have begun offering car loans and agricultural equipment loans. Rising wages have enabled many consumers to take out loans and pay for large purchases on a monthly basis. Prior to these offerings, consumers had to pay the full cost upfront, which limited the number of consumers who could purchase expensive items such as cars and farm equipment.

The growth of consumer finance has helped increase RMAC's sales. Currently, availability of loans for cars and agriculture equipment is growing but still limited. There is risk that these offerings will remain limited or become more restricted if financial institutions experience a high rate of default or non-performing loans (NPLs). Any decrease or restriction in available consumer credit could adversely and materially affect RMAC's sales, revenue and profitability.

Mitigation:

Management of RMAC believes that a contraction of consumer credit is unlikely. With an expanding economy and rising wages, demand for consumer finance options in Cambodia is also growing. It is expected that financial institutions will continue to expand their services to tap into this growing demand. Increased access to consumer credit will enable more consumers to purchase RMAC's products which may increase sales, revenues and profitability. However, there is no guarantee that the trend of increasing access to consumer credit will continue, so RMAC's sales, revenue and profitability could still be materially and adversely affected by any decrease or restriction in available to consumer credit.

C. Finance counterparty risk

RMAC offers customers financing through BSP Finance (Cambodia) PLC ("**BSP Finance**"), which is 50% owned by Devco Capital Limited, a wholly owned subsidiary of our parent company, Clipper Holdings Limited. The BSP Finance shareholders agreement requires RMAC to provide BSP Finance a first right of refusal to finance its customer's purchases. BSP Finance in turn prioritizes RMAC for the provision of vehicle finance over other dealers. This arrangement is generally a positive one for both companies, however, it carries counterparty risk for RMAC.

Mitigation:

In order to mitigate the risk, some significant actions have been taken including with BSP Finance, which include: 1) Join membership with Payment Bureau Cambodia (PBC) to assess the customer profiles before deals, 2) Use PBC service to recover debt, 3) Factor receivables to third party, 4) For individual car purchases, sizeable down payments are made prior to the vehicles being released and 5) RMAC works with other lease financing companies. Furthermore, the right of first refusal does not prevent RMAC from working with other finance providers should BSP Finance not finance a particular transaction.

D. Supplier risk

The majority of RMAC's revenues come from sales of new cars and after-sale services resulting from these sales. RMAC relies on its suppliers' abilities to provide in a timely manner adequate levels of high-quality products that reflect customer preferences. Consumer preferences vary over time due to changes in tastes and preferences

which are influenced by culture and environment. If the suppliers are unable to timely provide high-quality products that reflect customer preference or unable to anticipate changing trends in customer preferences, thereby failing to provide high quality competitive products, the business, revenue, results of operations and profitability of RMAC could be materially and adversely affected. Furthermore, adverse conditions affecting one or more key manufacturers may result in limitation or interruption of products and could negatively affect our business, results of operations, financial condition and cash flows.

Mitigation:

RMAC has a diverse set of suppliers, whose products are competitive and has high quality. The diversity of suppliers decreases the risk of widespread negative effects from any one supplier. In addition, RMAC provides its suppliers with full year sales forecasts, which enable the supplier to plan production accordingly. Even though RMAC makes significant efforts to mitigate supplier risk, there is no guarantee that a supply interruption will not occur or that products from a particular supplier could maintain its competitiveness in the market. Thus, RMAC's financial position, cash flow and prospects may still be materially and adversely affected.

E. Distributor risk

- 1) RMAC's automotive business operates under sole distributor agreements with certain manufacturers, including JLR and Ford. These agreements grant RMAC the rights to market and sell these manufacturers' product in Cambodia. As part of the agreement, RMAC is obligated to meet certain conditions which include, but are not limited to, minimum purchase numbers, maintaining high showroom standards and providing proper aftersales services. The Ford sole distributor agreement must be also renewed and renegotiated upon expiry of each term with Ford's agreement. The JLR agreement is indefinite, but capable of termination by either party by the giving of a defined period of notice. Any changes to the terms, or loss, of sole distributorships could materially and adversely affect RMAC's business, results of operations, revenue and profitability.

Mitigation:

RMAC has an excellent reputation in the industry and maintains high standards in all of its operations. RMAC has been the sole authorized dealer of Ford vehicles since 1997 and has been successful at marketing and distributing Ford products. Although RMAC maintains good relationships with all of its suppliers and does not expect any loss of distribution rights, there is no guarantee that we could successfully renew the distributor agreements on favorable terms or at all.

- 2) With a potential increase in demand by consumers for electric-powered vehicles, our manufacturers will need to adapt their product plans and production capabilities accordingly to meet these demands. Failure of them to do so may adversely affect our revenues and profitability.

Mitigation:

Presently there is limited infrastructure for electric powered vehicles in Cambodia. All RMA suppliers are developing electrical vehicle platforms which RMA is testing for sale into the Cambodian market. However, if our suppliers could successfully compete with others in the market for electric-powered vehicles in Cambodia, we would not be able to offer competitive products to our customers and our financial positions, cash flow and prospects could be materially and adversely affected.

- 3) RMAC's businesses and its commercial vehicle operations in particular as those are more concentrated with a few particular manufacturers, are impacted by consumer demand and brand preference, including consumers' perception of the quality of those brands. A decline in the quality and brand reputation of the vehicles or other products we sell or distribute, as a result of events such as manufacturer recalls or legal proceedings, may adversely affect our business.

Mitigation:

RMAC represents some of the leading brands in commercial vehicles in the world. RMAC provides full warranty support, parts availability and a recall process to support the products sold in Cambodia. Thus any unforeseen manufacturer quality issues can be rapidly be resolved and we can continue to maintain

customers confidence in the brands we represent. Nonetheless, if the brands that we represent decline in the quality and reputation for any reasons beyond our control, RMAC's financial positions, cash flow and prospects could be materially and adversely affected.

F. Inventory risk

RMAC must maintain adequate inventory levels to satisfy consumer demand while at the same time avoiding oversupply which can lead to inventory obsolescence, holding costs and loss of margin. If the inventory level is too low, RMAC may suffer reputational harm as well as loss of revenue and customers. If the inventory level is too high, it may need to be written down or written off and may require additional working capital, which would increase finance costs. Failure to acquire and maintain the appropriate levels of inventory, whether because of supply, competition, or other factors, or a failure to expeditiously liquidate that inventory can have material and adverse effects on RMAC's business, revenue, profits and results of operations.

Mitigation:

RMAC employs several layers of checks and balances on inventory orders. All orders require multiple authorizations from different levels of management. RMAC uses full year forecasts to help determine the required levels of stock and reassesses levels continuously. If any sales opportunities are missed due to lack of inventory, RMAC tracks the issues in its CRM system in order to follow up with the customers and record the instance in order to prevent recurrence. If RMAC is oversupplied, it can work to sell inventory to other distributors throughout the region. Oversupply of inventory can also be addressed through increased marketing and liquidation sales. While these factors all work to mitigate the risks associated with inventory, it is not possible to completely eradicate that risk. Thus, if inventory levels become too low or too high at any point, RMAC's revenue, business and profitability may be materially and adversely affected.

G. Interest rate risk on the loan

RMAC relies on supplier credit, bank loans and lines of credit to fund its operations and working capital. Any increase in market interest rates will raise the borrowing costs, which can reduce profitability, because we may not be able to pass on these cost increases to customers.

Mitigation:

For bank loans, RMAC seeks loan facilities with mostly fixed rates and short terms. All of RMAC's borrowings are currently fixed rate with the exception of one, which is tied to LIBOR. While the company's current borrowing structure exposes it to interest rate risk, changes in future market interest rates are not expected to have a material and adverse effect on RMAC's business and profitability.

H. Foreign exchange risk

Foreign exchange risk arises due to fluctuations in currency exchange rates. RMAC's functional currency is USD. All revenues are collected in USD. However, some expenses such as utilities and taxes must be paid in KHR and RMAC converts USD to KHR for these expenses. Additionally, one supplier takes payment in Japanese Yen, but this accounts for only 1% of RMAC's total supply purchases.

Mitigation:

Management of RMAC believes that there is low risk of any major financial losses due to foreign exchange fluctuations. The exchange rate between USD and KHR has been historically stable. For the 2017 and 2018 financial years and through to Q2 2019, RMAC has experienced only negligible gains and losses when it must convert USD to KHR to fund tax and utilities obligations. However, changes in future exchange rates could materially and adversely affect RMAC's business and profitability.

I. Competition risk

With strong growth in the Cambodian auto industry, more players for both new and used vehicles are entering the market. RMAC faces competition from used car dealers, parallel importers and other authorized dealers.

- 1) Used car sales currently account for more than 80% of vehicle purchases in Cambodia. Disposable income in Cambodia is rising but still low. Low incomes mean most consumers cannot afford to purchase new vehicles. High tariffs applied to imported new vehicles further place them out of reach of most consumers. These factors put authorized dealers of new vehicles at a competitive disadvantage.

Mitigation:

Although used vehicles account for the majority of automotive sales, new vehicles from authorized dealers offer many advantages to consumers. Used vehicles typically have an unknown history and have often had records and mileage manipulated to disguise problems. Consumers desire the quality, service, warranties and reliability that authorized dealers such as RMAC offer. Additionally, income levels are expected to continue growing along with the Cambodian economy, which could increase the number of consumers of new vehicles. Even if the government takes action to limit the imports of used vehicles and although income levels are expected to rise, there is no certainty that these factors will increase the number of new vehicles sold in Cambodia. Thus, RMAC's business, revenue and profitability could still be materially and adversely affected by the used vehicle market.

- 2) Parallel importers are another challenge facing authorized dealers. RMAC has sole distributor licenses for its main products – Ford and JLR vehicles. RMAC must adhere to strict agreements on which factories it can import vehicles from. Additionally, RMAC must adhere to contractual obligations with its suppliers such as maintaining high quality modern showrooms, offering comprehensive warranties and providing high quality after purchase services. These factors affect the price that RMAC offers to its customers. On the other hand, parallel importers operate on the grey market and can import the same products from the factory of their choice, thereby enjoying tax advantages by importing from certain countries. Also, parallel importers are not required contractually to meet any particular standard of service, showroom, warranty or aftercare. For these reasons, parallel importers are able to offer lower prices than authorized dealers such as RMAC. Increases in parallel imports could potentially harm RMAC's business, revenues, results of operations and profitability.

Mitigation:

To address the issue of parallel importers, RMAC extensively market the high standard and quality of our showrooms and service centers, including after-sale services and warranties on vehicles purchased from authorized dealers. Nonetheless, we cannot guarantee that our measures would completely mitigate the risk of competition from parallel imports and RMAC's financial position, cash flow and prospects may continue to be materially and adversely affected by parallel imports

- 3) RMAC face substantial competition in automotive sales and services. Authorized new car dealers and brands are increasing in Cambodia due to the rapid growth in wealth and disposable income of the population. In order to remain competitive with other new car dealers, RMAC must maintain its high standards of service, showrooms, products and marketing. Failure to do so could lead to a loss in market share which could materially adversely affects its business, revenue, results of operations and profitability.

Mitigation:

Despite the competitive industry in which RMAC operates, it has established itself as a top player with excellent and trustworthy services and products. RMAC's Ford and JLR brands enjoy excellent market share and a reputation of being high quality and reliable. RMAC also offers a diverse product line with multiple brands that cater to different segments of consumers. To further strengthen its position, RMAC plans to open new service centers and showrooms for its major brands in addition to continued investments in its existing facilities. This will enable RMAC to remain highly competitive in the industry. Nonetheless, our business, revenue, results of operations and profitability could continue to be affected by substantial competition in the market.

- 4) The automotive industry is predicted to experience rapid change. Shared vehicle (ride-sharing) services such as Uber, Grab and Lyft provide consumers with increased choice in their personal mobility options. The effect of these and similar mobility options on the retail automotive industry is uncertain and may include lower levels of new vehicles sales.

Mitigation:

RMAC tracks market trends to adjust which vehicles are and will be popular. Rapid change in the automotive industry can be a risk, but as the automotive market leader RMAC also sees opportunities. RMAC continues to offer affordable options and partners with financial institutions to help facilitate financing options for consumers. However, future and abrupt changes in the automobile industry, including ride-sharing services or other unknown future changes, could materially and adversely affect RMAC's business and profitability.

- 5) With the advancement in the technology of semi and fully autonomous-electric-powered vehicles, several new business models are in early stage development to create high mileage, self-driving and/or co-ownership vehicle opportunities. If such autonomous-electric vehicles can be mass produced at a reasonable production and operating cost and/or if the ride-sharing subscription business model becomes widely popular, such events could adversely affect new vehicle sales volumes, after-sales revenues and RMAC's profitability.

Mitigation:

RMAC monitors all trends in the automotive industry in Cambodia and abroad and is ready to adapt. RMAC is at the forefront of bringing fully electric vehicles into the Cambodian market, including the Jaguar iPace which RMAC expects to be available for the Cambodian market in 2020. RMAC is investing in facilities, including charging stations and training of staff. As a representative of two of the world's leading automotive brands, RMAC is well positioned to be a market influencer in Cambodia as automotive technology advances. However, future and abrupt changes in the automobile industry, including with ride-sharing services or other unknown future changes, could materially and adversely affect RMAC's business and profitability.

J. Management risk

RMAC's business is supported by highly skilled staff, in particular its Senior Managers who bring a wealth of diverse expertise and leadership to RMAC. Senior managers of RMAC have been crucial to achieving RMAC's current level of success and are important to developing, implementing and sustaining continued growth.

The continued success of RMAC is dependent on retaining and/or recruiting a skilled and experienced management team. If any of RMAC's senior managers depart, there is no guarantee that they can be replaced with an equally qualified person in a timely manner or at all. Loss of qualified managers could materially and adversely affect RMAC's business, results of operations, growth strategy and financial condition.

Mitigation:

To mitigate against the effects of such a departure, RMAC provides an attractive and competitive compensation plan for its senior managers in order to encourage and reward employees who meet certain objectives and stay with RMAC long-term. Although RMAC provides competitive incentives to retain senior managers, they could still depart for any variety of reasons. In addition, RMAC regularly conducts rigorous succession planning exercises. Such planning can help RMAC avoid and/or reduce serious effects resulting from the loss of any senior managers.

K. Cash flow risk

Cash flow risk is the risk that a company's future cash flows may fall short of expectations due to changes in market variables. Changes in cash flow can affect a company's ability to service its debt including interest and principal payments. As of December 2018, RMAC has a debt-service coverage ratio (DSCR) less than 2.0, which indicates RMAC is generating sufficient operating income to cover its debt and interest payments. While the DSCR is currently at an acceptable level, changes in the market could lead to a lower ratio which could materially and adversely affect RMAC's business including its ability to receive future financing, which could limit the company's growth prospects, revenue and profitability.

Mitigation:

RMAC has policies in place to ensure that its DSCR remains at an acceptable level in order to repay its obligations

as they come due. In order to ensure adequate working capital, RMAC monitors its bank credit lines with a target to maintain 20% availability. If more than 80% of available credit is being used, RMAC's policy is to secure new bank lines to ensure RMAC is well prepared to meet any growth in working capital needs. Even though RMAC has policies in place, cash flow risk may not be entirely within the control of RMAC. If such risk were to materialize, RMAC's business, operations, revenue and profitability could be materially and adversely affected.

L. Risk from lack of sufficient financing to achieve growth targets

RMAC uses bank finance to support its business and the growth of its operations. Funding sources include bank loans, lines of credit and loans from its parent company. Any changes to RMAC's financial condition or changes in the market atmosphere could increase financing costs or affect RMAC's abilities to secure adequate financing to sustain its growth trajectory.

Furthermore, manufacturer-imposed share ownership requirements and restrictions may impair RMAC's ability to finance the business of RMAC by the issuance of additional equity to third parties where consent is not given by the manufacturers. Limitation in future growth could materially and adversely affect RMAC's business, revenue and profitability.

Mitigation:

RMAC is focused on ensuring that its funding structure is optimally balanced with long-term loans for stability of funding and short-term loans for working capital. To maintain a buffer, utilisation of working capital and banking lines are monitored with a target to not exceed 80% utilization. Additionally, RMAC seeks to further diversify its funding sources with the issuance of corporate bonds, which will provide RMAC with greater flexibility in financing in terms of both sources and maturities.

M. Loan facility structure risk

RMAC must maintain a financing structure that is able to meet the need for flexible working capital thus requires adequate working capital to meet these short-term demands in addition to meeting long-term working capital requirements. Failure to maintain a proper financing structure could affect RMAC's business, revenue and profitability.

Mitigation:

RMAC maintains a flexible, interchangeable working capital facility that is structured to be in-line with working capital needs and cash conversion cycles. In addition, RMAC is making efforts to recalibrate the structure of the existing facilities to ensure that there is a certain amount of term debt. This recalibration includes the issuance of corporate bonds. These efforts help ensure that the facilities structure matches the needs of RMAC.

N. Failure to develop and successfully execute business plans / strategies.

RMAC has undertaken a number of plans and strategies to maintain its status as the nation's preferred retailer of new vehicles, such as its plan to capitalize on the opportunities offered by the changing digital economy in Cambodia or to acquire new brands or establish new dealerships. Failure to develop and successfully execute plans / strategies could adversely affect our business, sales and results of operations.

Mitigation:

RMAC reviews its strategy and plan on a monthly basis and adjusts and improves the strategy as needed. However, future and abrupt changes in the automobile industry, including with new competitors entering the market or other unknown future changes, could prevent us from successfully develop and/or execute business plans and strategies in a timely manner and within the budget. Any failures, material delays or unexpected costs related to implementation of our strategy could have a material adverse effect on our business, financial condition, results of operations and cash flow.

O. Risks from financial covenants

Financial covenants imposed by CGIF in respect of its guarantee could materially adversely affect RMAC's ability

to obtain additional financing, including for acquisitions and capital expenditures, limit our flexibility to manage our business, prevent us from fulfilling our financial obligations and restrict our use of capital.

Mitigation:

We negotiated the majority of financial covenants required by CGIF to be in line with what other lenders have requested from RMAC, hence, the provision of those financial covenants should not materially constrain RMAC's ability to obtain additional financing. For example, RMAC has undertaken in favour of CGIF to comply with financial ratios such as debt to equity ratio and net debt to EBITDA. In addition, there is also a covenant relating to the ability for RMAC to provide its parent company guarantee on new debts after the bond issuance without first ensuring that the parent guarantee is also provided for this bond. The restriction on the provision of parental guarantee is in line with the desire of RMAC to be looked upon as a standalone entity in obtaining banking facilities. In addition, as bond proceeds will be used to refinance working capital loans, these working capital facilities will be a buffer for any additional working capital requirements to fund growth at RMAC and hence, no major new banking facilities should be required for RMAC. However, if more facilities are required, given the improved and sustainable performance of RMAC, it is expected that banks will respect the nature of *pari passu* requirements for new facilities and continue their support.

P. Risk on data security

Breaches in RMAC's data security systems, including cyber-attacks or unauthorized data distribution by employees, or disruptions to access and connectivity of our information systems could impact our operations or result in the loss or misuse of customers' proprietary information. Such breaches could also affect RMAC's reputation and potentially subject RMAC to sanctions from the government under privacy laws.

Mitigation:

RMAC has an internal IT Department to manage RMAC's data security systems, with backup provided by RMA Group's head office in Bangkok. There are regular data security trainings provided to staff. However, there is no failproof method available to fully protect from cyber-attacks and data security breaches, which could materially and adversely affect RMAC's expenses, business and profitability.

Q. Risk from regulatory change

RMAC operates in a highly regulated industry (automotive import and sale) and is subject to a wide range of laws and regulations. If there are any future changes to applicable laws or regulations or to the interpretations of applicable laws or regulations, RMAC may be required to obtain further approvals to meet or may be subject to additional regulatory requirements. Failure by RMAC to comply with applicable rules and regulations could result in penalties, the loss or regulatory permits and damage to RMAC's business reputation. In addition, future changes to applicable laws or regulations may impact revenue, profitability and also increase compliance costs.

Mitigation:

RMAC has the dedicated legal and compliance department to monitor compliance with current laws, as well as to study and evaluate the business implications of anticipated regulatory changes, so that RMAC could make necessary preparation in advance. In addition, RMAC has a strong and efficient business model, with good liquidity access and a wide range of products, which should enable RMAC to withstand unexpected changes to the regulatory framework. Nonetheless, it is difficult to anticipate the implications of regulatory change, and there is no guarantee that RMAC's business, financial condition, results of operations and cash flow would not be materially and adversely affected by regulatory change.

R. Risk from tax assessment and uncertainty on tax amnesty entitlement

Under Cambodian tax laws and regulation, the statute of limitations for tax reassessment to be conducted by Cambodian tax authority is 10 years. As of date of this Disclosure Document, RMAC has open tax years from 2009 until 2018. In RMAC's case, tax years 2015 to 2016 are presently being comprehensively audited by the Department of Enterprise Audit. The result of the audit is not yet finalized.

For the 2009-2014 tax years, the GDT has completed its comprehensive audit and notices of tax reassessment

have been issued. RMAC has issued tax objection letters to the GDT protecting the reassessed taxes for all years and has received second notices of reassessment for the years from 2009 to 2014 for the same amounts as assessed. RMAC is presently appealing all tax re-assessments from 2009 to 2014. The total amount re-assessed by the GDT for this period is USD 4,845,092. Management believes that they have understood relevant tax regulations and adequately provided for tax liabilities based on their interpretation of the current tax legislation. However, the relevant authorities may have different interpretations and the effects could be significant.

Furthermore, pursuant to a sub-decree which was issued by the Royal Government of Cambodia on 04 January 2019, a tax amnesty on tax debts is granted to listed entities which are approved by the SECC within 3 (three) years from the issuance date of the sub-decree. The tax amnesty is counted from a period N-3 to N-10 (year N is the year of SECC's approval for initial public offering) and covers the exemption of tax debt arising from non-compliance of tax on income, withholding tax, value added tax, specific tax on certain goods and services, accommodation tax and public lighting tax.

In this regard, upon the bonds being listed on the securities exchange, RMAC could enjoy a tax amnesty on certain tax years from the approval date (i.e. from N-3 to N-10), subject to the final approval or confirmation from the General Department of Taxation. However, it is not certain that the tax amnesty would apply in respect of tax years which have already been subject to a re-assessment by the GDT.

If, for any reason, RMAC is not entitled to benefit from the tax amnesty and is not able to successfully defend its position against GDT's tax assessments, RMAC's business, financial condition, profitability and cash flow would be materially and adversely affected.

3- Risks associated with Investing in RMAC's Bond

Besides business risks of RMAC, there are a number of risks associated with investing in corporate bonds as listed below:

A. Liquidity risk of bond market

There may be no liquid market for the corporate bond issued by RMAC. Holders who wish to sell their bonds may be unable to do so at an acceptable price, or at all, if insufficient liquidity exists in the market for the Bonds. If the Bonds are traded after they are issued, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of RMAC. There may be a limited number of buyers when investors decide to sell the bonds. This may affect the price investors receive for Bonds or the ability to sell the Bond at all.

B. Risk in relation to the withholding tax on the coupon rate

While the relevant rules and regulations related to corporate bonds have been developed by the SECC, the specific regulation with regard to withholding tax on the coupon rate has not been clearly stipulated by the GDT of Cambodia or the SECC. Based on the general tax information on Cambodian Taxation, interest received by a resident taxpayer of Cambodia (individual and company) is subject to 15%, while interest received by a non-resident (individual and company) is subject to 14%. However, potential investors of RMAC Bonds shall be entitled to 50% deduction of withholding tax on interest, according to Anukret on Tax Incentives in Securities Sector dated 4th January 2019. Potential investors may refer to *Section 9: Taxation*, which presents general information of the tax consequences of investing in the Bond. The discussion of the Taxation is in general terms and is not intended to provide particular advice in relation to the circumstances of any specific potential investor. Investors shall be aware that there is an uncertainty about the tax implication on the Bonds, which may affect the net return for the investment.

C. Financial market conditions

Several factors may affect the market price of the Bond, including investor perception, Cambodia and world economic conditions, interest rates and other factors which may affect the financial performance of RMAC. The market price of the Bonds may fall below the Face Value.

D. Risks in relation to the newly established bond market

Because the securities market, particularly the bond market, is new in Cambodia, the market for the Bonds may

be inactive and illiquid. This could expose investors to high volatility and the limited ability to trade at their desired price. Investors may have to make large price concessions to either purchase the Bonds or sell the Bonds. In particular, substantial price movements may be caused if investors wish to purchase or sell large blocks of Bonds.

The Bond will be one of the first listings of a corporate bond on the CSX and in Cambodia. Although measures have been taken and testing performed, there may be systems failures resulting in settlement or operational risk, especially if there are unusual events such as a market crash or very high volumes traded on a particular day.

The size of RMAC's Bond is relatively small, which may result in the market being inactive and illiquid, therefore, exposing investors to high volatility and the limited ability to trade at their desired price. It is likely that the market for the Bonds of RMAC will not always be active or liquid, resulting in high volatility. Therefore, investors may have to make large price concessions to either purchase Bonds or sell Bonds that they are holding. In particular, in the event that the liquidity of the market is low, investors will be unable to purchase or dispose of a large block of Bonds without causing substantial price movements.

E. The Bonds may not be a suitable investment for prospective investors

Prospective investors must determine the suitability of the Bonds in light of their own circumstances. In particular, prospective investors should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this document;
- (ii) have access to and knowledge of, appropriate analytical tools to evaluate, in the context of their particular financial situation, an investment in the Bonds and the impact such investment will have on their overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds;
- (iv) understand thoroughly the terms of the Bonds; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect their investment and their ability to bear the applicable risks.

Additionally, their investment activities may be subject to investment laws and regulations by certain authorities. Prospective investors should consult their legal advisors to determine whether and to what extent (1) the Bonds are legal investments for them, (2) the Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to their purchase of any Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

F. Interest rate risks on investing in the bonds

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

4- Risks relating to the Guarantee

A. Enforcing Bondholders' rights under the Bonds or the Guarantee may involve multiple jurisdictions and may be difficult

The Bonds will be issued by the Issuer, which is incorporated under the laws of Cambodia and guaranteed by CGIF, which is a trust fund established by the ten members of the ASEAN together with the People's Republic of China, Japan, Republic of Korea and ADB. The Bonds and the Bondholders' Representative Agreement will be governed by Cambodian law and the Guarantee will be governed by English law. Parties to the Guarantee have agreed that disputes arising thereunder are subject to arbitration administered by SIAC in accordance with its arbitration rules.

In the event of a bankruptcy, insolvency or similar event, different proceedings could be initiated in Cambodia or Singapore. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of the rights of the Bondholders. Bondholders' rights under the Bonds and the Guarantee will be subject to the insolvency and administrative laws of several jurisdictions and there can be no assurance that the Bondholders will be able to effectively enforce their rights in such complex multiple bankruptcy, insolvency or similar proceedings.

Furthermore, the bankruptcy, insolvency, administrative and other aspects of Cambodian law and English law may be materially different from, or be in conflict with, each other and those with which the Bondholders may be familiar, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceedings. The application of these laws, or any conflict among them, could call into question whether the laws of any particular jurisdiction should apply, which could adversely affect the Bondholders and their ability to enforce their rights under the Bonds and the Guarantee in the relevant jurisdiction.

B. Risk in relation to changes of credit rating of CGIF

The Bonds are guaranteed by CGIF, which has credit ratings that reflect its claims paying ability as recognized by international and domestic credit rating agencies. CGIF has been rated AA for Global Long Term and A-1+ for Global Short Term with Stable outlook by Standard and Poor's as of 26 February 2020. CGIF has been rated gAAA for Global scale, seaAAA for ASEAN scale and AAA for National scale with Stable outlook by RAM Ratings as of 30 January 2020. CGIF has been rated AAA for National scale with Stable outlook by MARC as of 17 December 2019. CGIF has been rated AAA for National scale with Stable outlook by TRIS Ratings as of 15 October 2019. CGIF has been rated AAA for National scale with Stable outlook by Fitch Ratings Indonesia as of 10 December 2019. CGIF has been rated idAAA for National scale with Stable outlook by Pefindo Credit Rating Agency as of 30 August 2019. If CGIF's credit ratings are suspended, reduced, or withdrawn at any time, the value and liquidity of the Bonds could be materially and adversely affected.

C. Not all amounts due and payable in respect of the Bonds are guaranteed by CGIF

CGIF does not guarantee all amounts due in respect of the Bonds. CGIF only guarantees to the Bondholders the payment of each "Bondholder Guaranteed Amount", which includes (i) any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under the Terms and Conditions, and (ii) any Additional Accrued Interest. CGIF also guarantees to the Bondholders' Representative the payment of any Bondholders' Representative Expenses under and in accordance with the provisions of the Guarantee. CGIF's obligation to pay any Guaranteed Amount is subject to a Demand being delivered in respect of any such Guaranteed Amount in accordance with, and subject to, the terms of the Guarantee.

The Guaranteed Amount does not include any increased costs, tax-related indemnity, gross-up amounts, default interest, fees or any other amounts other than the Principal Amount, Scheduled Interest, Additional Accrued Interest and Bondholders' Representative Expenses payable by the Issuer to the Bondholders' Representative or any Bondholder.

Furthermore, the Guaranteed Amount does not and shall not include any Principal Amount or any Scheduled Interest which is payable or could become payable under or in respect of any Bonds purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity or the Issuer (or any person acting on the instructions or directions of the Issuer).

Unless the context otherwise requires, each capitalised term used in this paragraph C is defined in the Guarantee.

D. The obligations of CGIF under the Guarantee are secondary obligations only

The Guarantee is governed by English law. Under English law generally, the liability of the guarantor (in this case, CGIF) is ancillary, or secondary, to that of the principal debtor (in this case, the Issuer), in the sense that the principal debtor remains primarily liable to creditors (in this case, the Bondholders' Representative, on behalf of the Bondholders, and the Bondholders) and the guarantor's liability depends upon the continued existence and validity of the principal debtor's liability. CGIF's liability under the Guarantee is therefore co-extensive with that of the Issuer. Consequently, and in the absence of agreement to the contrary, a guarantor's liability will normally be

extinguished if the principal debtor's obligation is void or unenforceable, has not yet arisen or has been released, or if a defence or right of set-off is available to the principal debtor.

Accordingly, English law guarantees in debt capital markets transactions customarily include provisions:

- aimed at protecting creditors by preserving a guarantor's liability in circumstances where it would otherwise be discharged, for example, in the event of any unenforceability, illegality or, invalidity of any obligation of any person under any of the bond documents (such as the Disclosure Document, the Underwriting Agreement, the Terms and Conditions, the Bondholders' Representative Agreement, the Appointment Agreement and the Single Submission Form) or any other document or security ("**Protective Provisions**"); and
- to the effect that the guarantor shall be liable as if it were the principal debtor and not merely a surety, and an indemnity, to provide that the guarantor will be liable as a primary obligor in the event that the original guaranteed obligations were to be set aside for any reason ("**Co-Principal Debtor Provisions**").

Potential investor should therefore be aware that while the Guarantee does provide for certain customary Protective Provisions whereby CGIF's liability is preserved (and shall remain in force) notwithstanding any act, omission, event or thing of any kind which, but for the Protective Provisions, would reduce, release or prejudice any of CGIF's obligations, neither the Guarantee nor the the bond documents (such as the Disclosure Document, the Underwriting Agreement, the Terms and Conditions, the Bondholders' Representative Agreement, the Appointment Agreement, the Single Submission Form) provides for any Co-Principal Debtor Provisions.

Accordingly, in the event that the Issuer's obligations under the Bonds and the bond documents (such as the Disclosure Document, the Underwriting Agreement, the Terms and Conditions, the Bondholders' Representative Agreement, the Appointment Agreement, the Single Submission Form) (i.e., the primary obligations which are the subject of the Guarantee) cease to exist in circumstances that are not contemplated by the Protective Provisions, the Bondholders' Representative may not be able to make a claim under the Guarantee for any Guaranteed Amount in the event of a failure by the Issuer to meet its obligations under the Bonds (including, without limitation, a Non-Payment Event).

E. CGIF has the right to accelerate repayment of the Bonds following an acceleration event

Under the Guarantee, CGIF has the right to accelerate the bonds under specific circumstances outlined in the Guarantee. At any time after (A) the occurrence of an Issuer Event of Default (as defined in the Guarantee) or (B) the receipt by CGIF of a Demand (as defined in the Guarantee), CGIF may, in its absolute discretion, deliver a notice to the Issuer and the Bondholders' Representative declaring the Bonds to be immediately due and payable under the Bond Documents on a specified date (which must be in respect of both (A) and (B), no later than ten (10) Business Days from the date a notice is delivered by CGIF to the Issuer and the Bondholders' Representative pursuant to the Guarantee and confirms that it will pay all the Guaranteed Amounts on that date. Provided that, in the case of the occurrence of (A), upon Issuer's request, CGIF may discuss with the Issuer whether to grant the Issuer additional time to take necessary actions to have such corporate action or legal proceeding removed, dismissed or discharged as reasonably required if CGIF determines in its sole and absolute discretion that (i) the corporate action or legal proceeding giving rise to such Event of Default is frivolous or vexatious; and (ii) it cannot be removed, dismissed or discharged within the time period provided under these Conditions despite Issuer's best efforts.

If and acceleration event occurs and the bonds are redeemed by CGIF, investors may suffer reinvestment risk.

F. Obligations of CGIF do not constitute an obligation of Asian Development Bank

The obligations of CGIF under the Guarantee do not constitute an obligation of the Asian Development Bank or any other contributors to CGIF. Each of the Bondholders, the Bondholders' Representative, the Paying Agent and the Securities Transfer Agent's recourse against CGIF under the Guarantee and any Bond Document (as defined in the Guarantee) is therefore limited solely to the assets of CGIF, which are all property and assets of CGIF held in trust in accordance with the Articles of Agreement of CGIF and available from time to time to meet the liabilities of CGIF (the "**CGIF Assets**") and each of the Bondholders, the Bondholders' Representative, the Paying Agent and the Securities Transfer Agent has no recourse to any assets of the Asian Development Bank or any other contributors to CGIF. For the avoidance of doubt, CGIF Asset does not include any assets of the Asian Development Bank or any other contributors to CGIF.

Neither the Asian Development Bank nor any other contributors to CGIF or the officers, employees or agents of the Asian Development Bank or any contributor to CGIF are subject to any personal liability whatsoever to any third party including each of the Bondholders, the Bondholders' Representative, the Paying Agent and the Securities Transfer Agent in connection with the operation of CGIF or under the Guarantee. None of the Bondholders, the Bondholders' Representative, the Paying Agent or the Securities Transfer Agent may bring any actions against the Asian Development Bank as the trustee of CGIF or as contributor to CGIF or against any other contributors to CGIF or any of their respective officers, employees or agents in connection with the Guarantee.

G. CGIF is required to pay under the Guarantee only when certain conditions are met

Under the Terms and Conditions and the Guarantee, if a Non-Payment Event (as defined in the Terms and Conditions) occurs and is continuing, the Bondholders' Representative or, where the Bondholders' Representative fails to make a Demand within the Demand Period, then an Eligible Bondholder, may make a Bondholder Demand within the requisite period to CGIF to pay under the Guarantee. Under the Guarantee, the obligations of CGIF to make payment of the Guaranteed Amount under the Guarantee will not arise until a Non-Payment Event has occurred and a Demand has been delivered to CGIF in compliance with the Guarantee.

H. There may be a change in English law

English law is the governing law for the Guarantee. Provisions of English laws applicable to the guarantee may be different from the local law and local investors may not be familiar with English law. As such, no assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of the Guarantee (which is expected to be dated around the issue date of the Bonds).

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SECTION 4: MANAGEMENT

1- Shareholding structures of R M A (CAMBODIA) PLC.

R M A (CAMBODIA) PLC. is a subsidiary of Clipper Holdings Limited incorporated in Hong Kong.

Figure 14: Shareholding structures of R M A (CAMBODIA) PLC.

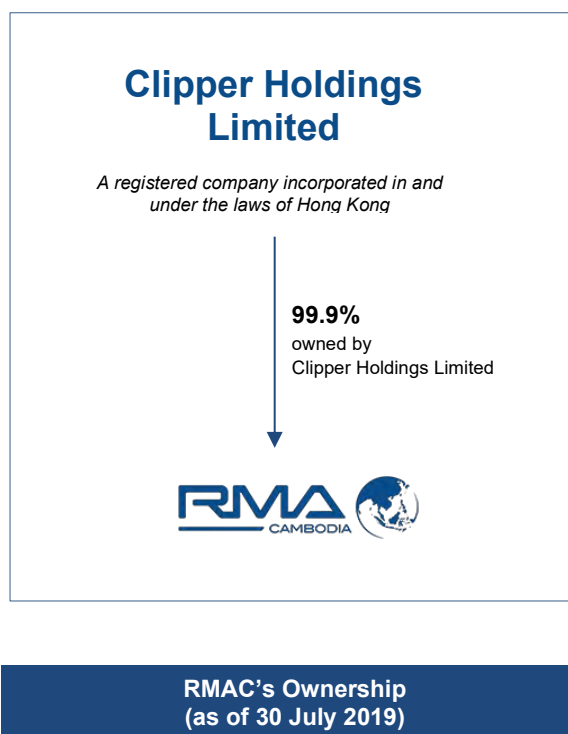
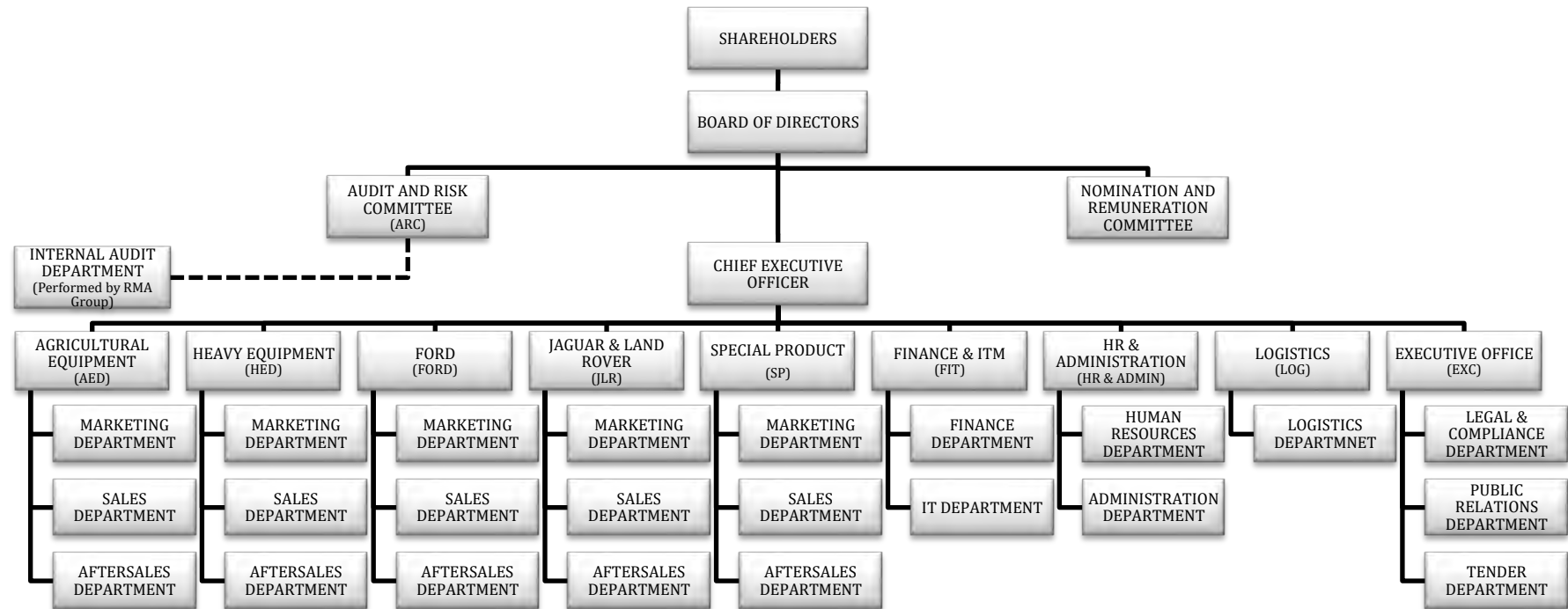


Table 42: RMAC's Ownership

Shareholders	Clipper Holdings Limited	Mr. Kevin Robert Whitcraft
Number of shares	999	1
% Ownership	99.9%	0.1%
Par Value	USD 4,000	
% Voting Right	99.9%	0.1%

2- The Board of Directors and the Board Committee

Figure 15: RMAC's Organization Chart



3- Board of directors and committees

According the Memorandum and Articles of Association of R M A (CAMBODIA) PLC. dated 30 July 2019, the Board of Directors shall be appointed by the Shareholders at general meetings of the Shareholders. Directors shall have suitable experience, skills and other requirements as required by law and regulations. The Board of Directors shall manage and control RMAC with loyalty and honesty to ensure transparency, accountability and protection of the legitimate rights and interests of the Shareholders and RMAC as the whole in order to promote the long-term success of RMAC. Subject to the applicable laws and regulations of competent institutions, the appointment of the board of directors shall have the following characteristics:

RMAC Board shall be composed of at least five (5) directors, one-fifth of whom shall be Independent Directors. Independent Director and non-executive director shall be appointed for terms of up to three (3) years, however, such term can be renewed in case of necessity provided that such independent director and non-executive director shall not hold the same position in the listed entity for more than nine years in total.

The Board of Directors shall ensure that the remuneration and benefits of Directors and Senior Management are sufficient to encourage effective performance in the best interests of RMAC. The Board of Directors, acting through the Nomination and Remuneration Committee, shall ensure that the rate of remuneration and benefits is appropriate and justified in consideration of the performance and seniority of the Senior Management.

Directors shall be nominated through a process and procedures determined by the Nomination and Remuneration Committee. Nomination of all Directors and Senior Management shall be based on a consideration of the candidates' qualifications and in accordance with any applicable regulations to ensure the effectiveness of management and performance to ensure the success and sustainable development of RMAC.

3.1- Current member list of the Board of Directors as of 30 July 2019

Table 43: Current member list of the Board of Directors as of 30 July 2019

Nº	Name	Nationality	Designation	Appointment Date	Date of Expiry of Current Term
1	Mr. Kevin Robert Whitcraft	American	Chairman	26 September 2002	28 July 2022- Subject to renewal
2	Mr. Thomas Arthur Whitcraft	American	Non-Executive Director	26 September 2002	28 July 2022- Subject to renewal
3	Mr. Saing Ngorn	Cambodian	Executive Director, CEO	23 March 2016	28 July 2022- Subject to renewal
4	Mr. Ith Vichit	French	Independent Director	29 July 2019	28 July 2022- Subject to renewal
5	Mr. Christopher Gowen Manley	American	Non-Executive Director	29 July 2019	28 July 2022- Subject to renewal

Note: according to the Memorandum and Article of Association of R M A (CAMBODIA) PLC, the Directors of RMAC shall hold office within 3 (three) years from the date of his or her appointment unless otherwise removed by Shareholders.

3.2- Powers of the Board of Directors

Pursuant to Article 25 of the registered Memorandum and Articles of Association of RMAC, without prejudice to any of the powers conferred upon the Directors under these Articles, it is hereby declared that the Directors shall have, but not limited to, the following powers.

- a- To issue shares to the extent authorized in these Articles;
- b- To propose to the Shareholders the amendments of these Articles;
- c- To propose to the Shareholders an agreement of merger or acquisition or consolidation between RMAC and any other entities;
- d- To propose to the Shareholders the sale of all or major parts of RMAC's assets;
- e- To propose to the Shareholders a dissolution or liquidation of RMAC subject to applicable laws and regulations;

- f- To appoint, remove, suspend or take action on the management of RMAC subject to any prior approval from relevant supervisory authority where required, to direct and control them and to fix their remuneration;
- g- To appoint, remove, suspend, or take action on the officers and secretary of RMAC subject to any prior approval from relevant supervisory authority where required, to direct and control them and to fix their remuneration;
- h- To decide RMAC's development strategy and annual business plan as proposed by the management and to organize the monitoring and evaluation of the business activities of RMAC;
- i- To decide on RMAC's market development, marketing and technology strategy;
- j- To enter into negotiations and agreements and to give effect to any modification, variation or rescission of any negotiations or to approve the financial report of each agreement entered into;
- k- To give a guarantee on behalf of RMAC;
- l- To approve the financial report of each financial year and propose the distribution of dividends to the Shareholders for approval;
- m- To open, maintain, operate and close RMAC's account(s) with any bank;
- n- To approve the establishment of representative office, subsidiary, branches, agencies and other affiliated companies to make such decisions for their management and to discontinue the same as they may think fit or determine;
- o- To appoint agents and attorneys for RMAC in Cambodia or in any foreign country with such powers (including the power to delegate) as they may think fit;
- p- To conduct any other actions that may be authorized under the applicable laws and regulations of Cambodia.

3.3- Independent directors

RMAC shall have at least one (1) Independent Director who can independently exercise of his or her best judgment without any interference in order to promote transparency, accountability and effectiveness of the business operation and management performance to serve and protect the interests of RMAC and Shareholders. The Independent Director must not have a material or pecuniary relationship with RMAC or related persons, other than the director's fees paid to the Independent Director.

Responsibilities of Independent Director

The Independent Director has the following responsibilities:

- a) To participate in the Board of Directors' meeting and to bring an independent judgment to bear on the issues of strategy, policy, accountability, resources, appointment of Senior Management and other matters;
- b) Taking the lead role in solving and preventing the potential conflicts of interests;
- c) Serving on the Board committees such as the Audit Committee and other committees (if any); and
- d) Strictly monitor RMAC to ensure the achievements of goals and objectives.

3.4- Board committees

The Board of Directors has established an Audit and Risk Committee and a Nomination and Remuneration Committee from its members, as well as any other committees that it deems to be necessary or required by applicable laws and regulations.

3.4.1- Audit and Risk Committee

The Audit and Risk Committee, established in 2019, is responsible for overseeing RMAC's financial reporting and disclosure, managing risks and financial controls and overseeing the internal and external auditing of RMAC's operations. The Audit and Risk Committee is composed of at least three (3) members and an Independent Director shall act as the Chairman. At least one (1) member of the Audit and Risk Committee must have financial and risk management expertise and experience and the other members shall be literate in finance and accounting and risk controlling. The Audit and Risk Committee shall manage and oversee the internal audit function of RMAC (which may be provided by an Affiliate) and external audit from a recognized licensed audit firm.

Table 44: Audit and Risk Committee

Chaired by	Designation	List of members	Meeting Frequency
Mr. Vichit Ith	Independent Director	-Mr. Saing Ngorn -Mr. Christopher Gowen Manley	At least once per year

Responsibilities of the Audit and Risk Committee:

- a) To review the financial report, audit and risk report;
- b) To review the internal control, internal and external auditing;
- c) To review and oversee risk management processes, including risk identification and risk mitigation;
- d) To report and provide advice to the Board of Directors on the above matters;
- e) To enable RMAC to provide the Shareholders and the required institutions with a balanced and clear assessment of the position and prospects of financial of RMAC;
- f) To oversee Internal Audit and Senior Management to ensure that they provide a balanced and understandable assessment, position and prospects and monthly reports on financial position and the material operation of RMAC;
- g) To ensure Internal Audits are properly performed;
- h) To act with due care and skill and to take all reasonable steps necessary to ensure the accuracy of reporting of RMAC's financial operations; and
- i) To perform other actions as determined by the Board of Directors.

3.4.1.1- Internal Audit

The Internal Audit function is provided by RMAC's Affiliate, RMA Group Co., Limited. The Head of Internal Audit is required to maintain the following qualifications and responsibilities:

3.4.1.1.1- Qualifications of Head of Internal Audit

- a) Must hold at least a bachelor's degree with training and experiences in the field of auditing.
- b) Must be capable to leading and managing auditing staff.
- c) Must have technical skills relevant to financial operations.
- d) Must have the ability and commitment to meet auditing standards.
- e) Must have appropriate communication skills and must act honesty and ethically.

3.4.1.1.2- Responsibilities of Head of Internal Audit

- a) Produce all internal audit reports and provide these reports to the Audit and Risk Committee to review, evaluate and circulate to the Board of Directors;
- b) Circulate all significant findings which may affect RMAC's operation to the Audit and Risk Committee or Independent Director;
- c) Prepare a meeting with Audit and Risk Committee at least once a year without the presence of Senior Management;
- d) Perform other duties assigned by Audit and Risk Committee and the Board of Directors; and
- e) Other duties as determined by Audit and Risk Committee and the Board of Directors.

The RMA Group Internal Audit Department is scheduled to conduct its first internal audit on RMAC in the second quarter of 2020.

3.4.1.2- External Audit

The Audit and Risk Committee shall propose a list of recognized audit firms to the Shareholders to review and nominate RMAC's auditor. The Audit and Risk Committee shall oversee the interaction between RMAC and the external audit firm to limit the risk of possible conflicts of interest. Audit services, non-audit services and fees paid to external auditors should be approved in advance by the Audit and Risk Committee and disclosed in the annual report.

3.4.1.2.1- The restriction of the using the External Audit Firm

RMAC will not retain the same audit firm for more than five (5) consecutive years and shall not employ the same audit firm within three (3) years after the previous five (5) years term.

3.4.1.2.2- Suspension, Termination or Change of External Audit Firm

In the event that RMAC decides to dismiss, suspend, terminate or change its audit firm RMAC will include the reason for such dismissal, suspension, termination or change in its annual report and must disclose that information to the competent institution in a timely manner in accordance with the relevant corporate disclosure regulations.

3.4.2- Nomination and remuneration committee

The Nomination and Remuneration Committee plays a key role in reviewing and proposing the remuneration or benefits to Senior Management. With an objective of achieving reasonable and acceptable rates and seeking to ensure the appointment and retention of appropriate talent for the further success of RMAC. The Nomination and Remuneration Committee is established by the Board of Directors. The Nomination and Remuneration Committee shall be composed of at least three (3) members and shall have a non-executive director as its chairman. If RMAC does not have non-executive Director, Independent Director shall chair this committee. The Nomination and Remuneration Committee has a crucial role in engaging and retaining professional directors and Senior Management to ensure the long-term success of RMAC.

Table 45: Nomination and remuneration committee

Chaired by	Designation	List of members	Meeting Frequency
Mr. Vichit Ith	Independent Director	Mr. Kevin Robert Whitcraft -Mr. Thomas Arthur Whitcraft	At least once per year

The Responsibilities of the nomination and remuneration committee are as follows:

- To assess and set the requirements, qualifications and procedures for the nomination of Directors and Senior Management.
- To evaluate the performance of Directors and Senior Management and to report the same to the Board of Directors.
- To set, review and recommend the compensation and remuneration for the Board of Directors and Senior Management.
- To review and update the mechanism and evaluate the performance of the Board of Directors, Directors and other committee at least 1 time a year.
- Other duties as determined by the Board of Directors.

4- List of Senior Management

Table 46: List of Senior Management

Nº	Name	Position
1	Mr. Saing Ngorn	CEO
2	Mr. Seng Voeung	General Manager Ford Division
3	Mr. Keith Gardner	CFO
4	Mr. Ulf Sebecke	General Manager of JLR Division
5	Mr. Sok Sunthera	General Manager of Agriculture Equipment Division Acting General Manager of Heavy Equipment
6	Mr. Tain Ang	Acting Operation Manager of Special Products
7	Mr. Michael Turner Berg	Business Development Manager
8	Mr. Grant Honeyman	General Manager of Human Resources
9	Ms. Huong Chhiv	Logistics Manager
10	Ms. Lim Samay	Corporate Secretary
11	Ms. Nang Pisey	Manager of Public Relation
12	Ms. Nary Sok	Tender Manager

5- Background of the Board of Directors and the Senior Management

a- The Board of Directors

Table 47: The Board of Directors

N°	Name & Position	Experiences
1	Mr. Kevin Whitcraft <i>Chairman of the Board of Directors</i>	Kevin Whitcraft became Regional Sales Manager for Rochester Midland Corporation in 1985 and has been involved in the industrial and equipment agency and distribution business throughout Asia ever since. A graduate of American University in Washington and Harvard Business School, Kevin established RM Asia (HK) Limited in 1985 and spent a short time with a leading general trading company in Thailand. This experience was instrumental in him returning to RM Asia and establishing a successful trading entity, which led to the first commercial shipping service between Thailand and Cambodia. RMAC soon followed and he built this into the largest vehicle and equipment distribution, sales and services business in that market. Further expansion followed in Laos, Myanmar and Afghanistan. Today, the Group has employees in 16 countries across the globe. Kevin is also an avid sailor and has represented Thailand in the national sailing team.
2	Mr. Thomas Arthur Whitcraft <i>Non-Executive Director</i>	Thomas Whitcraft holds multiple directorships at RMA Group and was one of the original founders of RM Asia (H.K.) Limited in 1985. He was born in Bangkok in 1962 and is a graduate of the International School of Bangkok (1980). He achieved a BA in Business Administration from Southampton College, University of Long Island N.Y. in 1985. Thomas is Co-Chair of AMCHAM Independence Day Picnic Organizing Committee (1997-present), Vice Commodore of the Royal Varuna Yacht Club (2013-present) and a Member of Rotary Club of Bangkok South. He held the position of Treasurer of the Indochina Media Memorial Fund (IMMF) from 2001-2003.
3	Mr. Ngorn Saing <i>Executive Director</i>	Ngorn Saing has been CEO of RMAC since December 2014 and is also currently on the Board of Directors of Comin Asia Pte. Ltd. Saing joined RMAC as an intern in 1996 and progressed rapidly through the organization thereafter, holding senior positions in accounting and finance. Saing was appointed Deputy Country Manager and CFO of RMAC in 2007. He has helped grow the business and supported its diversification from a primarily Automotive and Power Generation business, into serving the needs of customers in a wide range of businesses in Cambodia. Saing is a graduate of the Royal University of Law and Economics in Phnom Penh, with a degree in Economics and an MBA in International Business from the Asian Institute of Technology, Thailand. He was also the first Cambodian national to attend the Harvard Business School General Management Program.

4	Mr. Christopher Gowen Manley <i>Non-Executive Director</i>	<p>Chris Manley is Chief Operating Officer of RMA Group and a Director of RMAC. Chris joined RMA Group in 2009 as Head of Business Development. He went on to hold consecutive country manager positions in Laos and then Myanmar before returning to his current role in Bangkok. He helped build lasting OEM relationships and has a strong track record in delivering exceptional value to partners and customers.</p> <p>Prior to joining RMA Group, Chris, a qualified lawyer, was the managing director of DFDL Law Firm in Vientiane Laos. He held management positions in the United States at Johnson & Johnson and Accenture.</p> <p>Chris is a graduate of the University of North Carolina and holds both an MBA and a Juris Doctor. He is a board member of the American Chamber of Commerce Myanmar, EFG Myanmar and Capital Automotive.</p>
5	Mr. Vichit Ith <i>Independent Director</i>	<p>Vichit Ith has held multiple senior leadership positions both in Cambodia and abroad and has extensive experience in financial and economic advisory roles. He has held leadership positions at various global and regional multinationals in Europe, the US, the Middle East, Africa and Southeast Asia. His experience spans industries from investment banking and commodities trading to manufacturing, food production and aviation.</p> <p>Vichit was instrumental in setting up the Cambodian Investment Board in 1994 where he had served as its first Secretary General. He was also the first CEO of the Economic Development Board of Madagascar and the Chairman of the Economic Strategy Task Force of the Presidency of Madagascar. Through his key involvement in the restructuring of the Rwanda Development Board, he contributed in Rwanda becoming the top global reformer in the World Bank “Ease of Doing Business” rankings from 2009 to 2010.</p> <p>In Cambodia, Vichit served for five years as the country advisor of Axiata Group and as independent director of its subsidiaries Hello and Smart. He set up Apsara Rice (Cambodia) Co Ltd and became its Executive Director. He is an independent director at Phillip Bank, a subsidiary of Phillip Capital, Singapore. He was the Southeast Asia senior advisor to Monitor Consulting, now merged with Deloitte Consulting and is a shareholder of Moo Dairy Farm.</p> <p>Vichit holds a Master’s Degree from Harvard University with a double major in macroeconomic policies and capital markets. He had also attended a Senior Management program at Stanford Business School. He was conferred the “Global Leader for Tomorrow” Award by the World Economic Forum in Davos, Switzerland.</p>

b- The Senior Management

Table 48: The Senior Management

N°	Name & Position	Experiences
1	Mr. Ngorn Saing <i>CEO</i>	<p>Ngorn Saing has been CEO of RMAC since December 2014 and is also currently on the Board of Directors of Comin Asia Pte. Ltd. Saing joined RMAC as an intern in 1996 and progressed rapidly through the organization thereafter, holding senior positions in accounting and finance. Saing was appointed Deputy Country Manager and CFO of RMAC in 2007. He has helped grow the business and supported its diversification from a primarily Automotive and Power Generation business, into serving the needs of customers in a wide range of businesses in Cambodia.</p> <p>Saing is a graduate of the Royal University of Law and Economics in Phnom Penh, with a degree in Economics and an MBA in International Business from the Asian Institute of Technology,</p>

		Thailand. He was also the first Cambodian national to attend the Harvard Business School General Management Program.
2	Mr. Seng Voeung <i>General Manager of Ford Division</i>	<p>Seng Voeung is the General Manager of the Ford Division of RMAC. He began working for the Ford Division since 2000 as one of the initial employees and was responsible for growing the Ford business in Cambodia. In his role, Voeung plans and executes all Sales & Marketing operations, aftersales service and strategic management for Ford in Cambodia. Today, Ford is the leading brand in the Cambodian new car market.</p> <p>Before joining RMAC, he held several senior positions as a marketing specialist, a consultant and other senior management positions within local and international organizations.</p> <p>Voeung holds an MBA in International Business from the Asian Institute of Technology, Thailand.</p>
3	Mr. Keith Gardner <i>CFO</i>	<p>Keith Gardner has been the Chief Financial Officer of RMAC since December 2017 as well as acting CFO of Comin Asia.</p> <p>Prior to joining RMAC, Keith spent 3 years as Group CFO at Chip Mong Group, one of the country's largest family owned groups with businesses ranging from property development to the manufacturing and distribution of building materials. Keith also brought with him over 30 years' experience in senior financial roles in Asia and Europe with both listed multinational and family owned groups. He has spent most of his career in the Automotive sector with Inchcape, a dealer group representing brands including JLR and Toyota and Lei Shing Hong a dealer for Mercedes Benz and distributor for Caterpillar heavy equipment.</p> <p>Keith holds a bachelor's degree in business & Accounting from Edinburgh University. He also attended Leadership Course in Columbia University with International Management Course from Ashridge.</p>
4	Mr. Ulf Sebecke <i>General Manager of JLR Division</i>	<p>Ulf Sebecke joined RMAC as General Manager of the Jaguar Land Rover Division in March 2016.</p> <p>Ulf has over 30 years of experience in the motor industry working for Porsche & Rolls Royce, BMW and Jaguar Land Rover, completing assignments across the globe in eight countries: Germany, Syria, Qatar, Dubai, China, Indonesia, Australia and South Africa.</p> <p>Ulf received a bachelor's degree from the University of South Africa with a Major in both Industrial Psychology and Communication. He also has a Marketing Management Diploma from the Institute of Marketing Management, South Africa.</p>
5	Mr. Sok Sunthera <i>General Manager of Agriculture Equipment Division</i> <i>Acting General Manager of Heavy Equipment</i>	<p>Sok Sunthera has been the General Manager of the AED Division of RMAC since 2017, running the sales, aftersales service and marketing for John Deere in Cambodia. He was previously onboard as General Manager of Asia Vehicle Rental (AVIS Cambodia) and headed the Special Products Division as well.</p> <p>Sunthera has several years of experience in the hospitality industry prior to joining RMAC; he was the Group Director of Operations for Almond Group as well as Purchasing Manager for the FCC Hotel Group.</p> <p>Sunthera holds a Bachelor of Finance and Banking from the National University of Management, Phnom Penh and a degree in Business, Marketing and Branding from UDC Trieste, Italy.</p>
6	Mr. Tan Ang <i>Acting General Manager of Special Products</i>	<p>Tan Ang joined RMAC since Jan 2014 as a Sale Manager for Material Handling. He was promoted to Deputy of Operation Manager in 2016. Ang has been appointed recently as an Acting General Manager of Special Products Division of RMAC.</p>

		<p>Prior to joining RMAC, Tan Ang had 8 years of work experiences as an assist of MD in SHC company, responsible for sale, after sale and rental business of generator, forklift, wheel loader and excavator.</p>
7	<p>Mr. Michael Turner Berg <i>Business Development Manager</i></p>	<p>Michael Turner Berg joined RMAC in May 2017 as the Special Products General Manager and currently he has been appointed as the Business Development Manager to develop RMAC's portfolio of brands.</p> <p>Prior to joining RMAC, Michael had close to a decade of hands-on experience in supporting senior leaders in the U.S. government whilst managing several projects, most recently supporting the Missile Defense Agency's Asia/Pacific International Affairs Division. His work has taken him to live in Austria, Armenia, the U.S. and Cambodia. Notably, he has received multiple awards for his work including an MDA Contractor of the Year Nominee, MDA Policy Planning Team Award and DAU Corporate Recognition Award.</p> <p>Michael holds an MA in Strategic Security Studies from the US National Defense University, an LLM in International Business Law from Liverpool University and a BA in International Studies with a Minor in Business Studies and a Concentration in Management.</p>
8	<p>Mr. Grant Honeyman <i>General Manager of Human Resources</i></p>	<p>Grant Honeyman has been the General Manager of Human Resources for Cambodia and Vietnam since September 2019 following his roles as head of HR for RMA Laos and RMA Myanmar. His current role includes managing HR and Administration for RMAC, EFG Cambodia and Comin Asia.</p> <p>Grant is a Human Resources professional with over 20 years of extensive experience and a record of accomplishment in leading multinational companies like Saab, Toyota, JP Morgan, Westpac Bank. Grant has worked extensively in Australia in addition to roles across the South Pacific region and most recently 6 years in South East Asia.</p> <p>Grant has university graduate qualifications in both Adult Learning Theory along with Human Resource Management gained through Charles Sturt University and University of Tasmania respectively.</p>
9	<p>Ms. Nary Sok <i>Tender Manager</i></p>	<p>Ms. Nary Sok was appointed as Tender Manager for RMAC in February 2019 responsible for all tenders for RMAC.</p> <p>From 2007 to 2019, Nary held the position of Logistics Manager for RMAC responsible for supporting in-house logistics. Prior to that, she was the Executive Secretary to the General Manager of RMAC and was a key person in ensuring smooth in-house operations as the company expanded. She has been with the company since 1993.</p>
10	<p>Ms. Huong Chhiv <i>Logistics Manager</i></p>	<p>Ms. Huong was appointed as Logistics Manager for RMAC and EFG in February 2019. She leads a team of 17 members handling an average of 65 shipments per month from 12 countries including USA, UK, China, Japan, India, Turkey, Australia, Singapore, Malaysia, Vietnam, Germany and Thailand. The team ensures smooth operations from suppliers to warehouse in Cambodia.</p> <p>In 2018, Huong held the position of Administration Manager for RMAC where she was responsible for managing all administration matters for both RMAC and EFG in Phnom Penh. Prior to that Huong acted as Local Sourcing Manager for EFG Cambodia where she helped saving on purchases of \$100k per year. She has been with RMAC since July 2003 and has held numerous positions in the company.</p>

		Huong holds a BBA in Management from the National University of Management and a Bachelor of English from the Norton University. She speaks English, Chinese and Thai.
11	Ms. Lim Samay <i>Corporate Secretary</i>	<p>Samay has more than 15 years of work experiences related to private laws including corporate and taxation laws from various sectors such as INGOs, NGOs, legislation institution and international law firms. Samay is a registered lawyer and a registered commercial arbitrator at NCAC.</p> <p>Samay received an award from Swiss Development Scholarship to study and successfully completed, her Executive Master of Development Policy and Practice from Graduate Institution of Geneva, Switzerland; and Australia Development Scholarship to study and successfully completed, her Master Degree of Public Policy and Administration from Flinders University, Australia. She holds a Bachelor Degree in Law from RULE and Bachelor of Art in History and Humanity from RUPP.</p>
12	Ms. Nang Pisey <i>Manager of Public Relations</i>	<p>Pisey was appointed Public Relations Manager in 2017 responsible for corporate social responsibility, such as clean water solution, environmental cleanliness and brilliant career opportunities, which support sustainable growth of company and community. Previously, she was the Executive Secretary to the CEO/Country Manager of RMAC, supporting in-house operations. She has been with RMAC since 2012.</p> <p>Pisey has 10 years of experience in the hospitality industry, prior to joining RMAC.</p>

6- Numbers of total employees and full-time employees

6-1- Number of employees by education levels

Table 49: Number of employees by education levels

Levels of education	31 December 2018
Master	20
Bachelor	315
High school & Second school diploma	113
Diploma and short course training	52
Laboring workers	36
Total	536

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6-2- Number of employees by departments

Table 50: Number of employees by departments

No.	Departments	31 December 2018		
		Total	Male	Female
1	Treasury Department	3	1	2
2	Administration Department	36	25	11
3	Marketing & Research Department	12	7	5
4	Corporate Sale Department	4	3	1
5	Retail Sale Department	215	165	50
6	Branch Support Department (incl. Aftersales)	211	193	18
7	CEO Office	8	5	3
8	Financial & Planning Department	20	8	12
9	Human Resource Department	12	7	5
10	Information and Technology Department	12	11	1
11	Legal and Company Secretary Department	1	0	1
12	Sale and Business Relation Department	2	2	0
Total		536	427	109

7- Directors' Role in another company as a director, a shareholder, an owner or a partner of another company

Table 51: Directors' Role in another company as a director, a shareholder, an owner or a partner of another company

No.	Name of Director	Company/ Entities	Role
			Director/Shareholder/Owner/Partner
1	Kevin Robert Whitcraft	CLIPPER HOLDINGS LIMITED	Director
		R.M. Asia (HK) Limited	Director
		Devco Capital Limited	Director
		Global Fleet Sales Limited	Director
		RMA (F) Managed Markets Limited	Director
		Auram Systems Co., Ltd.	Director
		EFG (Express Food Group) Co., Ltd.	Director
		Auto Sales (Cambodia) Limited	Director
		A.V.R (Asia Vehicle Rental) Company Limited	Director
		Devco Capital (Cambodia) Co., Ltd.	Director
		EMCAT (CAMBODIA) CO., LTD.	Director
		R M A Investment Co.,Ltd.	Director
		Comin Khmeme Co., Ltd.	Director
		AMR (Cambodia) Ltd.	Director
		BSP Finance (CAMBODIA) PLC.	Director
		JWD Asia Logistics (Cambodia) Co.,Ltd.	Director
		Lao Ford City Co., Ltd.	Director

No.	Name of Director	Company/ Entities	Role
			Director/Shareholder/Owner/Partner
		Express Food Group (Lao) Co., Ltd.	Director
		RM Asia Lao Co., Ltd.	Director
		Asia Vehicle Rental Co., Ltd.	Director
		Devco Lao Leasing Co., Ltd.	Director
		JWD Asia Logistics (Lao) Company Limited	Director
		R.M.A. Trading Company Limited	Director
		Mazda City Company Limited	Director
		City Automobiles Company Limited	Director
		RMA Automotive Co., Ltd.	Director
		Global Armor (Thailand) Co., Ltd.	Director
		RMA Group Co., Ltd.	Director
		Global Fleet Sales (Thailand) Co., Ltd.	Director
		Express Food Group (Thailand) Co.,Ltd.	Director
		RMA City Motors Co., Ltd.	Director
		Express Food Group Co.,Ltd.	Director
		Global Fleet Sales LLC	Director
		RMA Holdings LLC	Director
		Comin Vietnam Co. Ltd.	Director
		Guava International Limited	Director
		RMA (Liberia) Limited	Director
		PT. Global Fleet Sales Indonesia	Director
		RMAA South Africa (Pty) Limited	Director
		Emcatering (Asia) Pte. Ltd.	Director
		COMIN ASIA PTE LTD	Director
		Incom Pte. Ltd.	Director
		Palms Food International Pte. Ltd.	Director
		EMARK Consulting & Services Pte. Ltd.	Director
		RMA HOLDINGS SINGAPORE PTE. LTD.	Director
		EM LOGISTICE & WAREHOUSING PTE. LTD.	Director
		JCM LOGISTICS & WAREHOUSING PRIVATE LIMITED	Director
		FCC Hotel And Hospitality PTE LTD	Director
		3 Kundu Services PTE.LTD	Director
		RMA Middle East FZE	Director
		Autostan Holdings BV	Director
		RMA HOLDINGS Lux. S.à r.l.	Director
		Thailand RMA automotive Ltd. (Tianjin Rep)	Director
		RMA Otomotiv Sanayi ve Ticaret Limited Şirketi	Director
		INDOCHINA ASSETS LIMITED	Director
		RMA MOTORS (KENYA) LIMITED	Director
		RMA Services Company Limited	Director

No.	Name of Director	Company/ Entities	Role
			Director/Shareholder/Owner/Partner
		COMIN ASIA LIMITED	Director
		Automotive Services Limited	Director
		Devco Capital Limited (Myanmar) Limited	Director
		Capital Motors Limited	Director
		Jasia Logistics (Myanmar) Co.,Ltd.	Director
		EMCAT Myanmar Co.,Ltd.	Director
		AVR Myanmar Limited	Director
		FCC Hotels and Hospitality Limited	Director
		FLEET SAFETY SERVICES PTY LTD	Director
		MINDECO Worldwide Limited	Director
		Alpaca Thai Co.,Ltd	Shareholder/Director
		Maepim Resort Development Co.,Ltd	Shareholder
		Mai Khao Resort Development Limited	Shareholder
		Sattahip Developments Limited	Shareholder
		Tablamu Resort Developments Limited	Shareholder
		Thai Sailing (Phuket) Co.,Ltd	Shareholder/Director
		The New Door Co.,Ltd	Shareholder/Director
		Typhoon International Co.,Ltd	Shareholder/Director
		Oska Holdings Co.,Ltd	Shareholder
		Element 6 Evolution Co.,Ltd	Shareholder /Director
		Thai Sailing (1989) Co.,Ltd.	Shareholder /Director
		PKCR Management Co.,Ltd.	Director
		Property Care Service (Cambodia) Co., Ltd.	Director
2	Thomas Arthur Whitcraft	CLIPPER HOLDINGS LIMITED	Director
		R.M. Asia (HK) Limited	Director
		Devco Capital Limited	Director
		Global Fleet Sales Limited	Director
		RMA (F) Managed Markets Limited	Director
		A.V.R (Asia Vehicle Rental) Company Limited	Director
		R M A Investment Co.,Ltd.	Director
		Devco Lao Leasing Co., Ltd.	Director
		R.M.A. Trading Company Limited	Director
		Mazda City Company Limited	Director
		City Automobiles Company Limited	Director
		RMA Automotive Co., Ltd.	Director
		Global Armor (Thailand) Co., Ltd.	Director
		RMA Group Co., Ltd.	Director
		Global Fleet Sales (Thailand) Co., Ltd.	Director
		Express Food Group (Thailand) Co.,Ltd.	Director
		RMA City Motors Co., Ltd.	Director
		Express Food Group Co.,Ltd.	Director

No.	Name of Director	Company/ Entities	Role
			Director/Shareholder/Owner/Partner
		RMA Holdings LLC	Director
		RMA (Liberia) Limited	Director
		RMAA South Africa (Pty) Limited	Director
		COMIN ASIA PTE LTD	Director
		Incom Pte. Ltd.	Director
		EMARK Consulting & Services Pte. Ltd.	Director
		FCC Hotel And Hospitality PTE LTD	Director
		3 Kundu Services PTE.LTD	Director
		RMA HOLDINGS Lux. S.à r.l.	Director
		RMA Otomotiv Sanayi ve Ticaret Limited Şirketi	Director
		MINDECO Worldwide Limited	Director
		Devco Capital Limited (Myanmar) Limited	Director
		The New Door Co.,Ltd	Shareholder/Director
		Element 6 Evaluation Co.,Ltd	Shareholder /Director
		PKCR Management Co.,Ltd.	Shareholder /Director
		Thai Sailing (Phuket) Co.,Ltd.	Shareholder /Director
		Mae Phim Resort Developments Co.,Ltd.	Shareholder
		Mai Khao Resort Developments Co.,Ltd.	Shareholder
		Sattahip Developments Co.,Ltd.	Shareholder
		Tablamu Resort Developments Co.,Ltd.	Shareholder
		Alpaca Thai Co.,Ltd	Shareholder /Director
		Rocket Products International Co.,Ltd.	Shareholder /Director
		Indigo Asia Production Limited	Shareholder /Director
		Indigo Production (Thailand) Limited	Shareholder
		Typhoon International Co.,Ltd	Shareholder
3	Mr. Saing Ngorn	COMIN ASIA PTE LTD	Director
		Comin Khmere Co., Ltd.	Director
		A.V.R (Asia Vehicle Rental) Company Limited	Director
		JWD Asia Logistics (Cambodia) Co.,Ltd.	Director
		Property Care Service (Cambodia) Co., Ltd.	Director
4	Mr. Ith Vichit	Forte Insurance	Independent Director
		Moo Farm Co., Ltd	Shareholder / Director
5	Mr. Christopher Gowen Manley	RMA (F) Managed Markets Limited	Director
		Automotive Services Limited	Director
		AVR Myanmar Limited	Director
		Capital Motors Limited	Director
		RMA Services Co., Ltd.	Director

8- Involvement of directors and Senior Management in certain legal proceedings for the last 2 years

a. Bankruptcy petitioned against any company in which any Senior Management or director of the issuer was a director, a Senior Management or a partner

As of the date of this Disclosure Document, R M A (CAMBODIA) PLC. does not have any bankruptcy petitioned against any company in which any Senior Management or director of the Bank was a Director, a Senior Management or a partner for the last 2 years.

b. Conviction of any crime or any criminal proceeding pending against directors or Senior Management

As of the date of this Disclosure Document, R M A (CAMBODIA) PLC. does not have any conviction of any crime or any criminal proceeding pending against Directors or Senior Management for the last 2 years.

c. Permanent or temporary jurisdiction of any competent court against any director or Senior Management enjoining, barring, suspending or limiting the involvement in any securities or business activity

As of the date of this Disclosure Document, R M A (CAMBODIA) PLC. does not have any permanent or temporary jurisdiction of any competent court against any Director or Senior Management enjoining, barring, suspending or limiting the involvement in any securities or business activity for the last 2 years.

d- Decision of SECC, Foreign Securities and Exchange Commission or other regulators enjoining, barring, suspending or limiting the involvement of directors or Senior Management in any securities or business activity

As of the date of this Disclosure Document, R M A (CAMBODIA) PLC. does not have any decision of SECC, Foreign Securities and Exchange Commission or other regulators enjoining, barring, suspending or limiting the involvement of directors or Senior Management in any securities or business activity for the last 2 years.

9- Remuneration or compensation of Directors and Senior Management

Table 52: Remuneration or compensation of directors and Senior Management

Classification (USD)	2016	2017	2018
Board of directors	0	0	0
Senior Management *	772,559	764,062	929,372
Total	772,559	764,062	929,372

* To support the growth of the business, new positions considered to be Senior Management were created in 2017: Legal & Compliance Manager and Manager of Public Relations.

Note: There is no remuneration for board of directors from 2016 to 2018. The Executive Director's remuneration is included in Senior Management.

SECTION 5: RELATIONSHIP AND TRANSACTIONS WITH RELATED PARTIES

RMAC has disclosed information about material type of transactions with a value threshold of at least USD 100,000 (one hundred thousand) per annum and limits the review of the material commercial contracts to only that reach value threshold of USD 100,000 (one hundred thousand). Please refer to Section 1: Trend of Key Financial Data, p-Material Contracts.

1- Transactions with shareholders during the last 2 years prior to filing of application

During the last 2 years prior to filing of application, RMAC has the following transactions with its shareholders:

Table 53: Transactions with shareholders during the last 2 years prior to filing of application

Shareholder	Transaction
Clipper Holdings Limited	<ul style="list-style-type: none"><u>Loan</u>: There was a loan of from Clipper Holdings Limited to RMAC, with the remaining balance at the end of 2017 of USD 1,132,915.3, which RMAC fully repaid in the beginning of 2017. The total interest paid in 2017 was USD 47,404.<u>Dividend</u>: RMAC declared a dividend of USD 2,350,000 in 2018, payable in 2019.
Mr. Kevin Robert Whitcraft	<ul style="list-style-type: none"><u>Consulting fee</u>: RMAC pays a monthly consulting fee of USD 2,000 per month.

2- Materials transactions with directors or Senior Management or persons whereby directors or Senior Management of RMAC has interest during the last 2 years prior to the filing of application

We have employment contracts with certain senior managements, as reported in the audited financial statements for 2018.

3- Material transactions with shareholders holding at least 5% of RMAC's outstanding shares during the last 2 years prior to the filing of application

Please refer to Section 5.1 (above) for material transactions with shareholders holding at least 5% of RMAC's outstanding shares.

4- Material transactions with family members of directors or Senior Management or shareholders holding at least 5% of the outstanding shares during the last 2 years prior to the filing of application

As of the date of this Disclosure Document, RMAC does not have any other material transactions with family members of directors or senior officers or shareholders holding at least 5% of the outstanding shares during the last 2 years, other than otherwise disclosed in this Section 5 of this Disclosure Document.

5- Material transactions with persons who have relationship with directors of RMAC, its subsidiary or holding company where relationship occurred in the transaction or any arrangement with the bank during the last 2 years prior to the filing of application

During the last 2 years prior to filing of application, RMAC has the following material transactions with persons who have relationship with directors of RMAC, its subsidiary or holding company:

Note: Transactions described from RMAC perspective with the party stated. For example, purchase is RMAC purchasing from the related party and sale is RMAC selling to the related party.

Table 54: Material transactions with persons

Related Party	Relationship	Transaction
A.V.R. (Asia Vehicle Rental) Co., Ltd	Clipper Holdings Limited owns all of the shares in this related party. Mr. Kevin Robert Whitcraft is a director of this related party.	2017: Sale of vehicles, parts and vehicle service USD 3,651,167. 2018: Sale of vehicles, parts and vehicle service USD 3,836,032.
BSP Finance (Cambodia) PLC.	Clipper's wholly-owned subsidiary holds 50% of the shares in this related party. Mr. Kevin Robert Whitcraft is a director of this related party.	2017: Management fee income pursuant to Service Agreement USD 180,000. Sale of vehicles to Finance Co. who provide financing to retail customers of the company. USD 15,969,621. 2018: Management fee income pursuant to Service Agreement USD 110,000 Sale of vehicles to BSP. who provide financing to retail customers USD 23,882,363.
Capital Motors Limited	Clipper's wholly-owned subsidiary holds 50% of the shares in this related party. Mr. Kevin Robert Whitcraft and Mr. Christopher Gowen Manley are directors of this related party.	2017: Purchase of vehicles USD 116,880
Comin Khmère Co., Ltd.	Clipper's subsidiary owns all of the shares in this related party. Mr. Kevin Robert Whitcraft is a director of this related party.	2018: Sale of vehicles, parts and service USD 355,608 Purchase of equipment and maintenance services of USD 169,686
EFG (Express Food Group) Co., Ltd.	Clipper Holdings Limited's subsidiary owns all of the shares in this related party. Mr. Kevin Robert Whitcraft is a director of this related party.	2017: Management fee income for support services pursuant to Support Service Agreement US\$ 498,348 2018: Management fee income for support services pursuant to Support Service Agreement USD 498,348

Related Party	Relationship	Transaction
Global Fleet Sales Limited	Clipper Holdings owns all of the shares in this related party. Mr. Kevin Robert Whitcraft and Mr. Thomas Arthur Whitcraft are directors of this related party.	2017: Purchases of heavy equipment pursuant USD 144,536
JWD Asia Logistics (Cambodia) Co., Ltd.	Clipper Holdings Limited's subsidiary owns all of the shares in this related party. Mr. Kevin Robert Whitcraft is a director of this related party.	2017: Costs of import clearance service pursuant to purchase orders USD 273,580. 2018: Costs of import clearance service pursuant to purchase orders of USD 609,304.
Lao Ford City Co., Ltd	Clipper Holdings Limited owns the majority of shares in this related party. Mr. Kevin Robert Whitcraft is a director of this related party.	2017: Sales of vehicles USD 108,000 Purchase of vehicles of USD 178,441 2018: Sales of vehicles USD 409,865 Purchase of vehicles of USD 198,061
Property Care Service (Cambodia) Co., Ltd.	Comin Khmère Co., Ltd. holds 50% of the shares in this related party. Mr Kevin Robert Whitcraft and Mr Ngorn Saing are directors of the related party.	2018: Revenue from sales of equipment, parts and services USD 115,815
RMA (F) Managed Markets Limited	Clipper Holdings Limited owns all of the shares in this related party. Mr. Kevin Robert Whitcraft and Mr. Thomas Arthur Whitcraft are directors of this related party.	2018: Purchase of vehicles USD 566,414
R.M. Asia (HK) Limited	Clipper Holdings Limited owns all of the shares in this related party. Mr. Kevin Robert Whitcraft and Mr. Thomas Arthur Whitcraft are directors of this related party.	2017: Purchase of heavy equipment USD 2,773,481.
RMA Automotive Co., Ltd.	Clipper Holdings Limited, Mr. Kevin Robert Whitcraft and Mr. Thomas Arthur Whitcraft own all of the shares in this related party. Mr. Kevin Robert Whitcraft and Mr. Thomas Arthur Whitcraft are directors of this related party.	2017: Purchase of vehicle parts USD 727,060 Costs for import clearance service USD 860,805 2018: Purchase of vehicle parts USD 761,031 Costs for import clearance service USD 1,300,225

Related Party	Relationship	Transaction
RMA Group Co., Ltd.	Clipper Holdings Limited holds substantially all of the shares in this related party. Mr. Kevin Robert Whitcraft and Mr. Thomas Arthur Whitcraft are directors of this related party.	2017: Regional Overheads for management services pursuant to the Support Service Agreement of USD 1,000,352. 2018: Regional Overheads for management services pursuant to the Support Service Agreement of USD 845,396.
RMA Trading Co., Ltd.	Clipper Holdings Limited, Mr. Kevin Robert Whitcraft and Mr. Thomas Arthur Whitcraft own all of the shares in this related party. Mr. Kevin Robert Whitcraft and Mr. Thomas Arthur Whitcraft are directors of this related party.	2017: Purchase of vehicle parts and services USD 203,700

6- Material transactions with persons who were directors or with any person who has relation with the former directors of the bank during the last 2 years prior to the filing of application

As of the date of this Disclosure Document, RMAC does not have any material transaction with persons who were directors or with any person who has relations with the former directors of RMAC during the last 2 years prior to the filing of application.

c- Material transactions with directors holding any position in an association or non-profit organization or other companies for the last 2 years prior to the filing of application

As of the date of this Disclosure Document, RMAC does not have any other material transactions with directors holding any position in an associate or non-profit organization or other companies for the last 2 years prior to the filing of application, other than otherwise disclosed in this Section 5 of this Disclosure Document herein.

7- Material transactions with directors receiving interest or professional fee for services in which director provided via any firm to issuer during the last 2 years prior to the filing of application

Three of RMAC's directors (i.e., Mr. Kevin Robert Whitcraft, Mr. Thomas Arthur Whitcraft and Mr. Christopher Gowen Manley) are engaged by RMA Group Co., Ltd., a legal entity which provides services to RMAC via the service agreements. Please refer to Section 5.5 (above) for material transactions with RMA Group Co., Ltd.

SECTION 6: INFORMATION RELATING TO THE OFFERING FOR SALE OF THE BONDS

1- General information of the company

Table 55: General information of the company

Name of RMAC	R M A (CAMBODIA) PLC.
Address	No.27 E1, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Kingdom of Cambodia
Phone number	(855) 23 883 488
Website	http://www.cambodia.rmagroup.net/
E-mail	rmacam@rmagroup.net
Company registration number	00001121
Registration date	12 September 2002

2- The information of underwriter(s)

The Issuer has appointed the Underwriter whose names and addresses are as specified in Clause a- General information of underwriter as Underwriter to the Bond transaction. In respect of the arrangement for the offering and sale of the Bonds, the Underwriter agrees to manage, arrange and procure subscriptions by qualified Investors in accordance with and subject to the terms and conditions specified in the Underwriting Agreement entered into between the Issuer and the Underwriter. In performing such duties, the Underwriter: (i) has already obtained all relevant license(s) required under the applicable laws and regulations of Cambodia; (ii) must comply other relevant regulations applicable to it in relation to the offering and allocation of the Bonds.

3- General information of underwriter

Table 56: General information of underwriter

Name of the company	SBI Royal Securities Plc.
Address	Phnom Penh Tower 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh
Phone number	(855) 23 999 595
Fax number	(855) 23 333 640
Website	www.sbiroyal.com
E-mail	info@sbiroyal.com
Company registration number	Co. 0391 E/2010
Registration date	22 February 2010
License number	002 SECC/KT
License date	14 August 2013

4- Underwriting agreement

The Underwriting Agreement is made between the Issuer and Underwriter (the “Underwriting Agreement”). Below is the summary of the Underwriting Agreement, but we do not include the entire agreement.

Based on the SECC’s approval and CSX’s approval on listing the Bonds and based on the terms and conditions as stated in the Underwriting Agreement, the Underwriter will subscribe all remaining Bonds unsubscribed during subscription after the completion date of subscription.

In the event that by 17:00 on the Subscription Closing Date, in respect of all the Bonds, valid applications and subscriptions for all such Bonds have been received pursuant to the Offering in accordance with the terms and conditions of the Disclosure Document, accompanied by valid banker’s drafts or other forms of remittances for the

full amount payable (in available funds) thereunder, the Underwriter shall assist the Issuer to fulfill necessary procedure in order to transfer the full subscription proceeds from the Subscription Account into the Issuer's designated bank accounts.

No later than 17:00 on the Business Day immediately following the completion date of subscription, the Underwriter shall apply and subscribe for, or shall in compliance with any applicable laws and regulations, procure applications and subscriptions for, and pay or procure payment to the Issuer into the Issuer's subscription account, the aggregate offering price in full and correct amount for all: (i) the Bonds not applied and subscribed for during the subscription period; and (ii) the Bonds that was previously counted as a valid application is not in fact a valid application by reason of the relevant subscription form(s) not having been duly effected and completed or payment in full for the relevant Bonds not having been received.

The Underwriter in respect of the Bonds shall cease after: (i) the Underwriter has assisted to submit the report on the successful subscription to the SECC; and (ii) the Issuer has received full payment (in available fund) in the Issuer's designated bank account(s) below

Power, authorizations and duties of the Underwriter

The Underwriter shall have powers to do all such acts and things as it may deem necessary or advisable for or in connection with the Offering and, in particular, without limitation or prejudice to the foregoing and the other provisions of the Underwriting Agreement:

- To apply its expertise and exercise due care and diligence in performing its obligations under the Underwriting Agreement to a high professional standard
- to prepare and submit (either wholly or partially the relevant documents for submission to CSX and SECC) on behalf of the Issuer (subject to the Issuer's approval) the necessary applications, documents and confirmations, including without limitation to the listing eligibility review, to the CSX for the admission of the Issuer to the Official List of the CSX and for the quotation and dealing in the Bonds;
- To procure that the Preliminary Disclosure Document and the Disclosure Document contains all particulars and information required by, and is in accordance with the Prakas on Public Offering of Debt Securities, the CSX Listing Rules and all other relevant laws and regulations;
- To procure that the Disclosure Document be lodged with and registered by the SECC together with any other documents required to be annexed to the Disclosure Document, lodged and registered with the SECC in accordance with the Securities Law, Anukret and the Prakas on Public Offering of Debt Securities;
- To procure a supplementary or replacement Disclosure Document be lodged and registered with the SECC in accordance with the Prakas on Public Offering of Debt Securities, if necessary ;
- To prepare and coordinate the efforts of the professional advisors to the Offering in the preparation of the Preliminary Disclosure Document and the Disclosure Document to be approved by the Issuer for the lodgment with and registration by the SECC;
- To assist in the Offering for subscription at the Offering Price on the terms and subject to the conditions of this Agreement and the Disclosure Document;
- To send or make available copies of the Preliminary Disclosure Document, or as the case may be, the Disclosure Document to such person as it may in its discretion deem fit;
- To review, accept and/or reject any application for the Guaranteed Bonds as the Underwriter, may deem fit but subject to the terms and conditions of the Disclosure Document and this Agreement, and in compliance with the requirements of the SECC and the CSX;
- To assist the Issuer to allot/allocate any of the Guaranteed Bonds to any applicant for the same and in such amount as the Underwriter in consultation with the Issuer, may deem fit but subject to the terms and conditions of the Disclosure Document and this Agreement, and in compliance with the requirements of the SECC and the CSX;
- Subject to the approval of the SECC and the CSX, to extend the Subscription Closing Date for such further period(s) as the Underwriter may, in consultation with and approval from the Issuer, deem fit ; and
- To disclose to the CSX and/or the SECC any information relating to the Issuer and its affairs, operations or business, where such disclosure is deemed necessary by the Underwriter (in consultation with and approval from the Issuer) for the purposes of or in relation to the Offering.

5- Information of professional accounting firms and independent auditors

a- Professional accounting advisor

Table 57: Professional accounting advisor

Name of the company	Baker Tilly (Cambodia) Co., Ltd
Address	No. 87A, Street 294, Sangkat Boeung Keng Kang 1, Khan Chamka Morn, Phnom Penh, Cambodia
Phone number	(855) 23 987 100
Fax number	No
Website	www.bakertilly.com.kh
E-mail	info@bakertilly.com.kh
Company registration number	00000157
Registration date	20 May 2007 and re-registration date: 29 January 2016
Registration number accredited by SECC	087/19 គ.ម.ក./ ស.ស.វ
SECC registration date	30 January 2019

b- Professional tax advisor

Table 58: Professional tax advisor

Name of the company	KPMG Cambodia
Address	No. 144, Street 169, Sangkat Veal Vong, Khan 7 Makara, Phnom Penh, Cambodia
Phone number	(855) 023 216 899
Fax number	(855) 023 216 405
Website	https://home.kpmg.com/kh
E-mail	kpmg@kpmg.com.kh
Company registration number	00009171
Registration date	19 August 1997
Registration number accredited by SECC	077/17 គ.ម.ក./ ស.ស.វ
SECC registration date	5 July 2017

c- Information of legal advisor

Table 59: Legal advisor

Name of legal firm	Bun and Associates
Address	No. 29, Street 294 Sangkat Tonle Bassac, Khan Cahamkarmon Phnom Penh, Cambodia
Tel	(855) 023 999 567
Fax number	(855) 023 999 566
Website	www.bun-associates.com
E-mail	info@bun-associates.com
Professional certificate issued by the Bar Association of the Kingdom of Cambodia	122/គម-ក្រ17/
Certificate date	30 October 2017
Registration number accredited by SECC	005/18 គ.ម.ក ក.ម
SECC registration number	10 May 2018

d- Information of CGIF

Table 60: CGIF

Name of Guarantor	Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank
Address	Asian Development Bank Building, 6 ADB Avenue, Mandaluyong City 1550 Metro Manila, the Philippines
Tel	+63 2 8683 1340
Fax	+63 2 9683 1377
Website	http://www.cgif-abmi.org/
Email	rmac.khr@cgif-abmi.org

6- Description of bonds being offered

a- General Description of the Bonds and the Offering

The Bonds are subject to the Terms and Conditions. Below are the terms of the Bond offering and the material terms under the Terms and Conditions, the Guarantee and the Bondholders' Representative Appointment Agreement. Unless otherwise defined in this section, capitalized terms used herein have the same meanings given to them in the Terms and Conditions.

Table 61: General Description of the Bonds and the Offering

Issuer	R M A (CAMBODIA) PLC. (RMAC) Incorporated under the laws of the Kingdom of Cambodia, the principal activities of RMAC include marketing and sale of motor vehicles, spare parts and heavy equipment and maintenance and after-sale servicing of that equipment
Registration	Under AMBIF Program
Bond Name	RMAC Bonds (the "Bonds")
Bond Type	Unsecured, unsubordinated and guaranteed bonds in a registered form
Guarantor	Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank
Value of Bonds offered	KHR 80 billion (or its equivalent in USD of up to US 20 million, whichever is lower)
Total Assets as of 31 December 2018	<i>KHR 253.70 billion</i>
Proportion % of Issued Amount to Total Assets	32%
Currency	KHR-denominated with the settlement in USD at a fixed USD/KHR foreign exchange rate upon bond issuance. This USD / KHR foreign exchange rate is calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia on each of the 6 th Business Day to the 2 nd Business Day prior to the date on which subscription for the Bonds commence.
Maturity Date	5 years [2020-2025] from the Issue Date
Coupon Rate	5.5% p.a.
Default Interest Rate	Coupon Rate plus 2 per cent per annum
Offering Price	100% Fully Paid

Coupon Payment	<p>The Bonds will bear interest from 09 April 2020, payable annually, to be paid in arrears on 09 April of each year, with first payment to be made on 09 April 2021.</p> <p>Coupon = Coupon Rate x Outstanding Principal Amount of each Bond</p>
Issue Date	09 April 2020
Number of Bonds offered	800,000 bonds
Nominal Amount	KHR100,000 per bond
Minimum Investment	With investment amount of KHR 20 billion and in multiples of KHR 4 billion; only offered to qualified investors.
Redemption	<p>The Bonds shall be partially redeemed before the Maturity Date, Annually Paid.</p> <p>09 April 2021 = 15.0% of outstanding bonds</p> <p>09 April 2022 = 18.0% of outstanding bonds</p> <p>09 April 2023 = 28.0% of outstanding bonds</p> <p>09 April 2024 = 50.0% of outstanding bonds</p> <p>09 April 2025 = 100.0% of outstanding bonds</p>
Credit Rating	<p>The bonds are to be guaranteed by CGIF. According to the Prakas on Public Issuance of Debt Securities, there is no requirement to have a credit rating for a guaranteed corporate bond but the credit rating of the guarantor is required.</p> <p>CGIF has the following credit ratings:</p> <ul style="list-style-type: none"> ▪ “AA/A-1+” Global (Long Term & Short Term), Stable Outlook, by S&P Ratings on 26 Feb 2020 ▪ “gAAA/seaAAA/AAA”, Global/ASEAN/National, Stable Outlook, by RAM Ratings on 30 Jan 2020 ▪ “AAA” National, Stable Outlook, by MARC on 17 Dec 2019 ▪ “AAA” National, Stable Outlook, by Fitch Ratings Indonesia on 10 Dec 2019 ▪ “AAA” National, Stable Outlook, by TRIS Ratings on 15 Oct 2019 ▪ “idAAA” National, Stable Outlook, by Pefindo Credit Rating Agency on 30 Aug 2019.
Guarantee	<p>Guaranteed by CGIF. Pursuant to the Guarantee, CGIF will irrevocably and unconditionally guarantee to the Bondholders’ Representative the full and punctual payment of each Guaranteed Amount. For the purposes of the Guarantee, “Guaranteed Amount” means:</p> <ul style="list-style-type: none"> • any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under the Terms and Conditions; • any Additional Accrued Interest; and • any Bondholders’ Representative Expenses which is overdue and unpaid (whether in whole or in part), (in each case as defined in the Guarantee). <p>The Guaranteed Amount is subject to the terms of the Guarantee.</p>
Governing Law	<p>The Bonds are governed by and construed in accordance with the laws of Cambodia.</p> <p>The Guarantee is governed by and construed in accordance with English law.</p>

Listing	The Issuer will apply for the Bonds to be registered with the Securities and Exchange Commission of Cambodia (SECC) and expects to be listed on the Cambodia Securities Exchange (CSX).
Purpose	To refinance the existing working capital facilities.
Underwriter	SBI Royal Securities Plc.
Bondholders' Representative	ACLEDA Securities Plc.
Registrar	ACLEDA Bank Plc.

b- Subscription and allocations

b-1- Offering method

The offering of the Bonds is made through the Underwriters in accordance with Prakas on Public Issuance of Debt Securities. The bonds will be offered to both Institutional and High Net Worth Investors.

b-2- The Bonds being offered

Estimate Amount of Bond Proceeds to be received by the Issuer and Expenses Incurred in connection with the Bond Offering

Through the issuance of 800,000 bonds, R M A (CAMBODIA) PLC. expects to raise KHR 80 billion before deduction of registration fees of disclosure document, listing fees at CSX, depository fees, other advisory fees (Underwriting, accounting, legal) and other offering expenses.

(a) Estimate amounts of fees and expenses incurred in connection with the Bond offering:

Table 62: Estimate amounts of fees and expenses

Fee for submission and registration of Disclosure Document	KHR 12 million
Other expenses*	KHR 4 billion

* Other expenses include the approximate fees payable to the relevant third parties, e.g. the Underwriters, the Bondholders' Representative, the Registrar, CGIF, legal advisors, costs of printing the Disclosure Document, subscription forms and other documents and publication costs, roadshow expenses and application fee for registering of the Bonds with the CSX.

b-3- Other information related to subscription and allocation

For more information, see "THE GUIDELINE ON THE SUBSCRIPTION, ALLOCATION AND REFUND" on page vii of the disclosure document.

7- Use of Proceeds

Table 63: Use of Proceeds

No.	Purposes	Amount (KHR Billion)*
1	To refinance the existing working capital facilities.	80
	Total	<u>80</u>

**Note that the Bonds are KHR-denominated with the settlement in USD at a fixed USD/KHR foreign exchange rate upon bond issuance. This USD / KHR foreign exchange rate is calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia on each of the 6th Business Day to the 2nd Business Day prior to the date on which subscription for the Bonds commence.*

SECTION 7: INFORMATION ON CGIF

Overview of CGIF

Establishment

CGIF, a trust fund of the Asian Development Bank, was established by the 10 members of the Association of Southeast Asian Nations ("ASEAN") together with the People's Republic of China ("PRC"), Japan (Japan Bank for International Cooperation ("JBIC")), Republic of Korea ("ASEAN+3") and the Asian Development Bank ("ADB") in 2010. The 10 members of ASEAN consist of Brunei Darussalam, Cambodia, Indonesia, Lao People's Democratic Republic ("Lao PDR"), Malaysia, Republic of the Union Myanmar, Philippines, Singapore, Thailand and Vietnam.

CGIF was established in November 2010 to promote economic development, stability and resilience of financial markets in the ASEAN+3 region (the "Region"). The main function of CGIF is to provide credit guarantees for local currency denominated bonds issued in the Region by corporations in the Region.

Shareholding Structure

CGIF's guarantees are backed by U.S.\$1,077,600,000 of paid-in capital from its sovereign government contributors and ADB. Neither the ADB nor the other contributors are liable for the obligations of CGIF.

CGIF Shareholding Structure as at 23 December 2019

Table 64: CGIF Shareholding Structure as at 23 December 2019

CGIF Contributors	Contribution (U.S. dollars)	Shareholding Percentage (%)
People's Republic of China	342,800,000	31.81
Japan (Japan Bank for International Cooperation)	342,800,000	31.81
Asian Development Bank	180,000,000	16.70
Republic of Korea	123,800,000	11.49
Indonesia	12,600,000	1.17
Malaysia	12,600,000	1.17
Philippines	21,600,000	2.00
Singapore	21,600,000	2.00
Thailand	12,600,000	1.17
Brunei Darussalam	5,600,000	0.52
Vietnam	1,100,000	0.1
Cambodia	200,000	0.02
Lao People's Democratic Republic	200,000	0.02
Republic of the Union Myanmar	100,000	0.01
Total	1,077,600,000	100

Governance Structure

CGIF has a governance structure comprising of oversight by the: (i) Meeting of Contributors; (ii) Board of Directors; and (iii) Board Committees (Internal Control and Risk Management, Nomination and Remuneration and Audit).

The Board of Directors is comprised of eight Contributor-appointed members, including the Chief Executive Officer. Each of the PRC and Japan are entitled to nominate two Directors. Korea is entitled to nominate one Director. One nomination each is entitled for the Asian Development Bank, and the ASEAN countries representing Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam.

The Board of Directors is accountable and reports to the Contributors on the operations and performance of management and of CGIF.

Table 65: Contributors

Board of Directors	Members Represented
Mr. Yuchuan Feng	People's Republic of China
Mr. Zhengwei Zhang	People's Republic of China
Mr. Kenichi Aso (Chairman)	Japan (Japan Bank for International Cooperation)
Mr. Mitsutoshi Kajikawa	Japan (Japan Bank for International Cooperation)
Ms. Ja Young Gu	Korea
Mr. Mark Dennis Y.C. Joven (Philippines – Representing ASEAN)	ASEAN-Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam
Mr. Stefan Hruschka	Asian Development Bank
Ms. Guiying Sun	CGIF Management

CGIF is led by an internationally recruited management team with experience in development banking, risk management, and credit assessment through senior positions in the Export-Import Bank of China, Asian Development Bank, Mitsubishi UFJ Financial Group, Bank of the Philippines Islands, Danajamin Nasional Berhad, Hong Leong Bank Berhad, Standard Chartered Bank and Citibank and Societe Generale.

The executive decision-making powers of CGIF, and the day-to-day management of CGIF, are mandated and vested to the Chief Executive Officer. The Chief Executive Officer is recommended by the Board of Directors and approved by the Meeting of Contributors. She is the legal representative of CGIF. The Chief Executive Officer heads the management team currently comprising the Deputy CEO/Chief Risk Officer, Chief Credit-risk Officer, Acting Vice President Operations, Chief Financial Officer, General Counsel & Board Secretary, Corporate Planner and Head of Budget, Planning, Personnel and Management Systems and Internal Auditor.

Table 66: Management team

Name	Position
Ms. Guiying Sun	Chief Executive Officer
Mr. Mitsuhiro Yamawaki	Deputy CEO/ Chief Risk Officer
Mr. Aarne Dimanlig	Chief Credit-Risk Officer
Mr. Anuj Awasthi	Vice President Operations
Mr. Dong Woo Rhee	Chief Financial Officer
Mr. Gene Soon Park	General Counsel and Board Secretary
Mr. Hou Hock Lim	Corporate Planner and Head of Budget, Planning, Personnel and Management Systems
Ms. Jackie Jeong-Ae Bang	Internal Auditor

Credit Strength

CGIF is rated by international and domestic credit rating agencies.

Table 67: Credit Strength

Credit Rating Agency	Scale	Rating	Outlook	Date Reviewed
Standard & Poor's	Global Long Term/Short Term	AA/A-1+	Stable	26-Feb-20
RAM Ratings	Global/ASEAN/ National	gAAA/seaAAA/ AAA	Stable	30-Jan-20
MARC (Malaysian Rating Corporation)	National	AAA	Stable	17-Dec-19
TRIS Ratings	National	AAA	Stable	15-Oct-19
Fitch Ratings Indonesia	National	AAA	Stable	10-Dec-19

Credit Rating Agency	Scale	Rating	Outlook	Date Reviewed
Pefindo Credit Rating Agency	National	idAAA	Stable	30-Aug-19

Guarantee Business

CGIF's guarantee portfolio is limited to a leverage ratio of 2 to 2.5 times of its paid in capital of U.S.\$1,077,600,000 as at 23 December 2019 plus (a) retained earnings, less (b) credit loss reserves and foreign exchange loss reserves, less (c) all illiquid investments. CGIF conducts its guarantee operations by adhering to its risk management framework consisting of: (i) credit and monitoring analysis; (ii) prudential limits to manage key credit, market, sector and currency risks; and (iii) guarantee underwriting policy.

Guarantee Portfolio

As of 10 January 2020, CGIF has provided guarantees to the following corporate issuers in the ASEAN region:

Table 68: Guarantee Portfolio

Issue Date	Issuer	Note Issuance Venue	Issue Size(1)	% Guaranteed by CGIF	Issue Rating	Tenor
10-Jan-20	Energy Absolute Public Company Ltd.	Thailand	THB3.0 billion	50% risk participation with ADB	A (Tris Rating)	7 years
8-Jan-20	Thaifoods Group Public Company Limited	Thailand	THB2.0 billion	100%	AAA (Tris Rating)	5 years
31-Dec-19	Vietnam Electrical Equipment Joint Stock Corporation	Vietnam	VND1.15 trillion	100%	Unrated	10 years
24-Dec-19	Hong Phong 1 Energy JSC	Vietnam	VND2.15 trillion	100%	Unrated	15 years
24-Dec-19	Hong Phong 1 Energy JSC	Vietnam	VND400 billion	100%	Unrated	5 years
3-Dec-19	Nexus International School (Singapore) Pte Ltd	Singapore	SGD150 million	100%	AA (S&P)	12 years
25-Mar-19	CJ Logistics Asia Lte Ltd	Singapore	SGD70 million	100%	AA (S&P)	5 years
28-Jan-19	Refrigeration Electrical Engineering Corporation	Vietnam	VND2.318 trillion	100%	Unrated	10 years
25-Jan-19	Yoma Strategic Holdings Limited	Thailand	THB2.220 billion	100%	AAA (Tris Rating)	5 years

Issue Date	Issuer	Note Issuance Venue	Issue Size(1)	% Guaranteed by CGIF	Issue Rating	Tenor
17-Dec-18	Boonthavorn Ceramic 2000 Co., Ltd.	Thailand	THB2.0 billion	50%	AA+ (Tris Rating)	5 years
7-Dec-18	Siamgas and Petrochemicals Public Company Limited	Thailand	THB2.0 billion	70%	A (Tris Rating)	5 years
16-Nov-18	Aeon Credit Service (Philippines) Inc.	Philippines	PHP900 million	100%	Unrated	3 years
16-Nov-18	Aeon Credit Service (Philippines) Inc.	Philippines	PHP100 million	100%	Unrated	5 years
5-Oct-18	Hoan My Medical Corporation	Vietnam	VND1.4 trillion	100%	Unrated	7 years
5-Oct-18	Hoan My Medical Corporation	Vietnam	VND930 billion	100%	Unrated	5 years
10-Sep-18	The PAN Group Joint Stock Company	Vietnam	VND1.135 trillion	100%	Unrated	5 years
28-Feb-18	Siamgas and Petrochemicals Public Company Limited	Thailand	THB2.0 billion	85%	A (Tris Rating)	5 years
10-Jan-18	ASA Philippines Foundation, Inc.	Philippines	PHP500 million	75%	Unrated	5 years
17-Nov-17	Mobile World Investment Corporation	Vietnam	VND1.135 trillion	100%	Unrated	5 years
28-Jun-17	ASA Philippines Foundation, Inc.	Philippines	PHP500 million	75%	Unrated	5 years
10-Feb-17	ASA Philippines Foundation, Inc.	Philippines	PHP1.0 billion	75%	Unrated	5 years
18-Nov-16	KNM Group Berhad	Thailand	THB2.78 billion	100%	AAA (Tris Rating)	5 years
7-Jul-16	Fullerton Healthcare Corporation Limited	Singapore	SGD50 million	100%	AA (S&P)	7 years
7-Jul-16	Fullerton Healthcare Corporation Limited	Singapore	SGD50 million	100%	AA (S&P)	5 years

Issue Date	Issuer	Note Issuance Venue	Issue Size(1)	% Guaranteed by CGIF	Issue Rating	Tenor
8-Mar-16	AP Renewables, Inc.	Philippines	PHP10.7 billion	Up to PHP4.7 billion risk sharing with ADB	Unrated	10 years
18-Feb-16	Vingroup Joint Stock Company	Vietnam	VND1.95 trillion	100%	Unrated	5 years
18-Feb-16	Vingroup Joint Stock Company	Vietnam	VND1.05 trillion	100%	Unrated	10 years
7-Oct-15	IVL Singapore Pte. Ltd.	Thailand	SGD195 million	100%	AA (S&P)	10 years
5-Dec-14	MasanConsumer Holdings Company Limited	Vietnam	VND2.1 trillion	100%	Unrated	10 years
27-Nov-14	PT Professional Telekomunikasi Indonesia	Indonesia	SGD180 million	100%	AA (S&P)	10 years

(1) IDR refers to Indonesian Rupiah, VND to Vietnamese Dong, SGD to Singapore Dollars, THB to Thai Baht and PHP to Philippine Peso.

Guarantee Structure

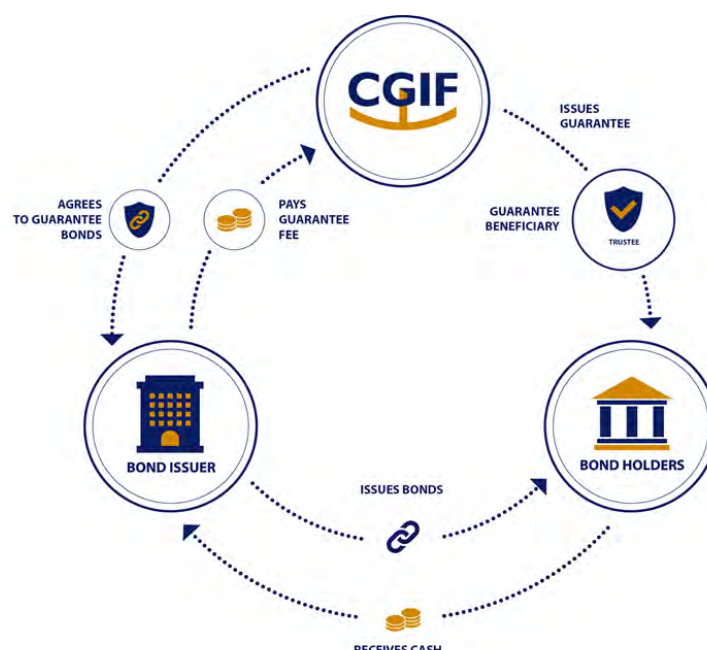
CGIF's bond guarantee operation is aimed at supporting ASEAN+3 corporations to access the Region's bond markets to achieve the following benefits:

- expand and diversify their sources of debt capital;
- raise funds in matching currencies and tenors;
- transcend country sovereign ceilings for cross-border transactions; and
- gain familiarity in new bond markets and broader investor groups.

The guarantees issued by CGIF are irrevocable and unconditional commitments to pay bondholders upon non-payment by the issuers throughout the tenor of the bonds. This commitment is backed by CGIF's equity capital which has been fully paid-in by all of its contributors. CGIF's general bond guarantee structure is illustrated below.

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Figure 16: CGIF's general bond guarantee



**To ensure applicability of the guarantee in multiple jurisdictions in the ASEAN+3 countries, some variations to this structure may be incorporated to accommodate the established market norms.*

Bond issuances that can be considered for CGIF guarantees are limited to the following parameters:

- Group exposure/single borrower limit is US\$215.52 million;
- bond tenor of up to 10 years (up to 15 years is possible, subject to credit quality and justification);
- for foreign currency denominated issuance, the currency of issuance should be adequately hedged with the corporate entity's sales receipts, inward foreign currency remittances, or via financial hedge arrangements.

CGIF started its guarantee operations with a full guarantee for standard corporate bonds issued by corporations in the Region. With the experience gained from offering a full wrap guarantee, CGIF may also explore other alternatives including partial guarantees and other risk sharing mechanisms depending on the market opportunities and acceptability of such an arrangement. CGIF also intends to guarantee project bonds to help develop them in the relevant markets in the Region.

Capital and Liquidity Guidelines

CGIF has investment strategies and liquidity guidelines for the management of its capital resources, where investments are focused on low-risk and highly liquid assets, such as government-related securities and/or highly rated securities which are internationally rated "A+" or higher for long-term instruments issued by government related entities of CGIF contributor countries, "AA-" or higher for those issued by others, and "A-1" or higher for short-term instruments. In order for CGIF to raise enough funds in a contingent case where a guarantee is called, CGIF also implemented the following:

1. Quarterly Stress test, where CGIF tests CGIF funding capability by liquidating its investment portfolio in a stress environment.
2. Quarterly Liquidity Gap reports, where CGIF checks monthly cash surplus from all projected cash in/out flows related to all CGIF operations and activities.

Selected Financial Information

A summary of the statement of financial position, income statement, and cash flows as of, and for each of the years ended 31 December 2017 and 2018 have been extracted from CGIF's financial statements for the years ended 31 December 2017 and 2018 and presented as follows:

Statement of Financial Position Summary

Table 69: Selected Financial Information

	As of 31 December	
	2017	2018
	(in thousands of U.S. dollars)	
Statement of Financial Position:		
Assets:		
Cash	6,599	7,041
Investments	733,392	904,555
Accrued interest income	3,466	5,124
Guarantee fee receivable, net	34,526	39,944
Other assets, net	1,126	1,092
Total assets	779,109	957,756
Liabilities and Member's equity:		
Guarantee liability	37,277	44,358
Derivative liabilities	991	–
Other liabilities	1,617	2,406
Total liabilities	39,885	46,764
Member's equity:		
Capital stock (Paid-in capital)	703,000	859,200
Accumulated other comprehensive income investment revaluation reserve	(9,391)	(10,541)
Reserves & retained earnings	45,615	62,333
Total member's equity	739,224	910,992
Total liabilities and members' equity	779,109	957,756

Statement of Net Income and Comprehensive Income Summary

Table 70: Statement of Net Income and Comprehensive Income Summary

	As of 31 December	
	2017	2018
	(in thousands of U.S. dollars)	
Statement of Net Income:		
Guarantee fees	8,397	8,735
Interest income	12,545	19,742
Other income	106	1,054
Total revenue	21,048	29,531
Total expenses	10,390	12,061
Net operating income	10,658	17,470
Gain(Loss) from foreign exchange	186	(613)
Net income	10,844	16,857
Statement of Comprehensive Income:		
Unrealized loss on investments measured of FVTOCI	(2,141)	(1,161)
Total comprehensive income	8,703	15,696

Statement of Cash Flow Summary

Table 71: Statement of Cash Flow Summary

	As of 31 December	
	2017	2018
	(in thousands of U.S. dollars)	
Statement of Cash Flow:		
Cash flows from operating activities		
Net cash (used in) provided by operating activities	(689)	576
Cash flows from investment activities		
Net cash provided by (used in) investing activities	2,073	(156,329)
Cash flows from financing activities		
Net cash provided by financing activities	3,000	156,200
Effect of exchange rate changes on cash	5	(5)
Net Increase in cash	4,389	442
Cash at beginning of period	2,210	6,599
Cash at end of period	6,599	7,041

Audited Financial Statement for the Years ended 31 December 2017 and 2018

CGIF's financial statements are prepared and presented in accordance with IFRS and audited by Deloitte. The Independent Auditors' Report and Financial Statements for the years ended 31 December 2017 and 2018 of CGIF are available at the following website page:

<http://www.cgif-abmi.org/investors/financial-statements>

All of the information on CGIF under this section has been provided by CGIF. Information in respect of the Issuer contained in this Offering Circular has not been verified by CGIF. None of CGIF, its management nor its employees take any responsibility, expressed or implied, for any information contained in this Offering Circular, other than the information contained in this Section entitled "Information on CGIF". In addition, none of the foregoing parties has taken any steps to verify the accuracy of any of the information included in this Offering Circular, other than the information contained in this Section entitled "Information on CGIF", and no representation or warranty, express or implied, is made by any such parties as to the accuracy or completeness of the information contained in this Offering Circular.

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SECTION 8: DESCRIPTION OF THE GUARANTEE

[Note: This Section 8 remains subject to review by CGIF of the GA.]

The following contains summaries of certain key provisions of the Guarantee. Such statements do not purport to be complete and are qualified in their entirety by reference to the Guarantee. Capitalised terms used in this section shall have the meanings given to them in the Guarantee.

(a) **GUARANTEED AMOUNTS**

Pursuant to the Guarantee, CGIF will irrevocably and unconditionally guarantee to the Bondholders the full and punctual payment of each Bondholder Guaranteed Amount will irrevocably and unconditionally guarantee to the Bondholders' Representative the full and punctual payment of the Bondholders' Representative Expenses.

For the purposes of the Guarantee, "**Bondholder Guaranteed Amount**" means:

- any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under the Conditions;
- any Additional Accrued Interest.

For the purposes of the Guarantee, "**Guaranteed Amount**" means:

- any Bondholder Guaranteed Amount; and
- any Bondholders' Representative Expenses which is overdue and unpaid (whether in whole or in part).

The Guaranteed Amount does not include, and the Guarantee will not cover, any other amounts payable in respect of the Bonds, including (without limitation): (i) increased costs, tax-related indemnity, gross-up amounts, default interest, fees, or any other amounts payable by the Issuer in respect of the Bonds; or (ii) any Principal Amount or any Scheduled Interest which is payable or could become payable under or in respect of any Bonds purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity or the Issuer (or any person acting on the instructions or directions of the Issuer).

(b) **NON-PAYMENT EVENT**

Subject to clause [2.1] (*Guarantee*) 5.2 (*Bondholders' Representative Acceleration*) and 5.4 (*CGIF Acceleration*) of the Guarantee, CGIF will, in accordance with Clause 8 (Payments) of the Guarantee:

- (i) within 30 Business Days of the receipt of a BHR Demand, pay directly to the Bondholders the Guaranteed Amount, which is the subject of the BHR Demand received by CGIF, that remains unpaid as at the Guarantor Payment Date; or
- (ii) within 30 Business Days after the expiry of the Bondholder Demand Period, pay directly to the Bondholders, that portion of the Guaranteed Amount which is the subject of a Bondholder Demand received by CGIF from that Bondholder which remains unpaid as at the Guarantor Payment Date.

If CGIF fails to make a payment in accordance with Clause 3.3 (Payment of a Demand) of the Guarantee, CGIF will pay interest at the Guarantor Default Rate on the Guaranteed Amount which is the subject of the Demand received by CGIF or any part thereof which remains unpaid (excluding the Bondholders' Representative Expenses) for the period from (and including) the Guarantor Payment Due Date for the Guaranteed Amount to (but excluding) the Guarantor Payment Date of the Guaranteed Amount (or the relevant part thereof).

(c) **GUARANTEED PARTY ACCELERATION**

The Bondholders' Representative and the Bondholders shall not:

- (i) take any step to declare any Bond to be or become immediately due and payable, or payable on an accelerated basis under the Bond Documents or
- (ii) take any enforcement or similar action in relation to any Security (if any) in respect of the Bonds

(each an "**Acceleration Step**"), for so long as CGIF continues to make payment of the Guaranteed Amount in accordance with the terms of the Guarantee, other than in accordance with clause 5.2 (*Bondholders' Representative Acceleration*) of the Guarantee.

The Bondholders' Representative may, on behalf of the Bondholders and subject to the terms of the Bond Documents, take an Acceleration Step if:

- (i) a Non-Payment Event has occurred and is continuing and a BHR Demand has been properly delivered to CGIF (within the Demand Period) in accordance with the Guarantee in respect of the relevant Guaranteed Amount and not paid by CGIF by the applicable due date in accordance with the terms of the Guarantee; or
- (ii) a Bond Event of Default occurs (other than pursuant to Clause [11.1.1] (Non-Payment) of the Bond Conditions) and the requirements of Clause [11.5] (The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 (Non-Payment)) of the Bond Conditions have been fulfilled,

(in case case, a **Bondholders' Representative Acceleration**).

Upon the occurrence of a Bondholders' Representative Acceleration which is continuing pursuant to paragraph (i) above, the Bondholders' Representative may deliver in accordance with the Guarantee a Demand (where no Demand Period is applicable) in respect of the aggregate of the Guaranteed Amounts and the Guarantor Default Interest Amount (if any) to be paid by CGIF in accordance with this Agreement.

Upon the occurrence of a Bondholders' Representative Acceleration which is continuing pursuant to paragraph (ii) above, the Bondholders' Representative and the Bondholders shall have no right to deliver a Demand in respect of the Guaranteed Amounts to be paid by CGIF in accordance with this Agreement and CGIF shall have no further obligation to pay any Guaranteed Amount.

(d) **CGIF'S OBLIGATIONS UNDER THE GUARANTEE ARE NOT IMPACTED BY ITS OR THE ISSUER'S INSOLVENCY OR WINDING-UP**

CGIF has agreed under the Guarantee that its obligations will not be affected by any act, omission or thing of any kind which would reduce, release or prejudice any of its obligations under the Guarantee including, among other things, in the event of any insolvency or similar proceedings affecting the Issuer or CGIF.

Investors should, however, note that the Guarantee is a secondary obligation only. In the event that the Issuer's obligations under the Bonds or the Bondholders' Representative Agreement cease to exist for any reason (for example, because they are held to be void for lack of capacity or illegality) the Bondholders' Representative and/or the Bondholders may not be able to make a claim under the Guarantee for any Guaranteed Amount. (See "Risk Factors — The obligations of CGIF under the Guarantee are secondary obligations only, dependent on the existence of the obligations of the Issuer under the Bonds").

(e) **CGIF ACCELERATION**

(a) At any time after (A) the occurrence of an Issuer Event of Default or (B) the receipt by CGIF of a Demand under this Agreement (regardless of whether or not CGIF has made payment in accordance with such Demand), CGIF may, in its absolute discretion, deliver a CGIF Acceleration Notice to the Issuer and the Bondholders' Representative:

(i) declaring the Bonds to be immediately due and payable under the Bond Documents on a specified date (which must be no later than ten (10) Business Days from the date the CGIF Acceleration Notice is delivered by CGIF to the Issuer and the Bondholders' Representative pursuant to this Clause 5.4 (such date, the Acceleration Due Date)); and

(ii) confirming that it will pay all Guaranteed Amounts on or before the Acceleration Due Date, (a CGIF Acceleration). The Parties agree that any such notice shall take effect in accordance with its terms. (b)The Parties also agree that CGIF may, in its absolute discretion, cancel and withdraw any CGIF Acceleration Notice at any time prior to the Bonds and/or amounts owing under the Bond Documents being redeemed or paid in full.

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SECTION 9: TAXATION



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Internet www.kpmg.com.kh

Private & Confidential

Mr. Ngorn Saing
Chief Executive Officer
R M A (CAMBODIA) PLC.
No. 27 E1, Street 134, Sangkat Mittakpheap,
Khan 7 Makara, Phnom Penh, the Kingdom of
Cambodia

Our ref TM/JVC/LP
Contact Tan Mona /Joel Vistal Conson

Cc: Keith.Gardner@rmagroup.net

9 December 2019

Dear Saing,

Draft of Cambodian Taxation Section of Disclosure Document

We refer to our proposal dated 14 October 2019 and your acceptance on 18 October 2019. R M A (CAMBODIA) PLC. ("the Company") has requested KPMG Cambodia Ltd (KPMG) to provide a draft of the Taxation Section of Disclosure Document in respect of the Company's corporate bond. We have drafted the "Cambodian Taxation Section of Disclosure Document" in the attached **Appendix A- Tax implications on the part of the Bondholders/Investors in both English and Khmer Version**, for your review and comment.

This draft of Cambodian Taxation Section is based on current Cambodian legislation and practices. You will appreciate that Cambodian tax law is frequently being changed, both prospectively and retrospectively. Furthermore, tax provisions may be inconsistently interpreted and applied by tax authorities and therefore, we are unable to give any guarantee that our interpretation will ultimately be sustained in the event of challenge. Unless special arrangements are made, this document will not be updated to take account of subsequent changes to the tax legislation or other practices.

Our Advice as set forth in the taxation section of the Disclosure Document is bound by the Terms and Conditions of our Engagement Letter dated 14 October 2019, and is intended to provide a general guide and high-level comments of the tax implications on the Corporate Bond in Cambodia applicable to the potential investors/bondholders. For specific discussion, potential investors/bondholders are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular circumstances regarding taxation.

KPMG Cambodia Ltd., a Cambodian limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative.
Document classification: KPMG Confidential



Should you have any questions or require further clarification, please contact us at (855) 23 216 899.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Mona', with a stylized flourish extending from the end.

Tan Mona

Partner – Tax and Corporate Services



1. Background of the transaction

RMA (Cambodia) Co., Ltd. ("RMA", "the Company", or "you"), whose business activities includes the manufacture and sale of special purpose machinery, motor vehicles, parts and accessories for motor vehicles, and the provision of repairs and maintenance services, among others, wishes to generate funds through the issuance of a Cambodian Corporate Bond ("the Bond").

The details of the terms and condition of RMA's Corporate Bond, as well as its distinct feature, i.e.- the issuance of a KHR-denominated Corporate Bond with a USD Settlement Agreement using a fixed USD to KHR forex rate determined upon bond issuance date, are outlined in the Company's letter to the Securities and Exchange Commission of Cambodia ("SECC"), dated 30 July 2019.

In relation thereto, the Company has engaged us to prepare the taxation section of the Disclosure Document in respect of the Company's corporate bond (both Khmer and English version) with the purpose to provide general and high-level comments of the tax implications on the corporate bond in Cambodia applicable to the potential investors/bondholders.

For ease of reference, we have attached the tax implications from the perspective of the potential investors ("the Bondholders") as per Appendix A.



Appendix A

Cambodian Taxation Section

The following is a general guide of certain tax implications of the Corporate Bonds and does not intend to be a comprehensive guide of the tax implications of the Corporate Bonds in Cambodia. Potential investors should note that, although the general tax information on Cambodian taxation is described hereunder for convenience, the statements below are general in nature and not exhaustive. Potential investors are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular circumstances regarding taxation.

Also noted that, the Cambodian Tax Law does not have specific legislation/ regulation which explicitly addresses the tax implications for the Corporate Bonds and accordingly, the general provisions of the Tax Law are applied. We have made to best of our knowledge and interpretation to advise on the tax implications for the Corporate Bonds above, albeit, there is no guarantee that the General Department of Taxation (GDT) will totally accept or have no queries as the GDT may interpret the Tax Law inconsistently and differently.

1 Tax implications on the part of the Bondholders/Investors

1.1 Tax on Income (ToI)

From the perspective of the Bondholders, the following sources of income may be derived from the said Corporate Bond, among others:

- a) Interest income from the Bond coupon rate
- b) Capital gains (i.e., the amount in excess of the cost of acquisition and the selling price derived from the transfer of the Bonds), assuming the Bondholder transfers, sells, or assigns the Bond to another person

We discuss below the implications of the above income, if the Bondholder is an individual/physical person, or a corporation; and if the Bondholder is a resident or a non-resident person for tax purposes.

1.1.1 Resident vs. Non-resident of Cambodia

A physical person or an individual is considered to be a resident of Cambodia for tax purpose, if he/she meets one of the three criteria below:

- i. He/she has a residence in Cambodia. He/she is considered to have a residence in Cambodia if he/she owns, rents, leases or has available use of a house, apartment, dormitory, etc. in which he/she usually stays or occupies.
- ii. He/she has a principal place of abode in Cambodia. The factors to determine the principal place of abode of a physical person include his/her center of economic interest, the amount of time spent, the nature of time spent, where his/her family resides, his/her bank accounts are held, his/her main social activities take place.
- iii. He/she has a presence in Cambodia more than 182 days during one or more separate periods in any period of 12 months ending in the current tax year. Presence for any part of a day is counted as a whole day.



Meanwhile, a company is considered a resident taxpayer, if such company is established or managed or have its principal place of business in Cambodia.

A non-resident taxpayer refers to those who does not meet the above-mentioned criteria.

1.1.2 If the Bondholder is a resident individual

By law, interest income and capital gains falls within the purview income subject to Tol. However, as it stands today, Cambodia has not yet imposed a personal income taxation. As it is, the tax authority does not have a mechanism to impose and collect taxes earned by non-registered resident individual (i.e., in particular who does not carry on businesses), unless these are subject to WHT imposed under Article 25 (New) of the Tax Law, or on Tax on Salary and Fringe Benefits, under an employer-employee relationship.

On interest income:-

The Company shall withhold 15% WHT on the payment of the said interest income and then remit this WHT payable to the GDT by due date on behalf of the recipient. Please refer to Section 1.2.1 below for further discussion.

Meanwhile, the resident individual has no obligation to file and pay income tax on the said income.

On capital gains: -

Currently, capital gains earned by a resident individual Bondholder on the transfer of bonds in Cambodia is not subject to any tax.

1.1.3 If the Bondholder is a resident company/entity

On interest income: -

Interest income earned by a resident company is subject to Tol at the applicable rate. The standard Tol rate is at 20%.

The said income is subject to 15% WHT, except for payments made to bank, savings, and financial institutions. Please refer to Section 1.2.1 below for the related discussion. However, the resident corporate Bondholder should be able to claim WHT credit to offset against the Tol payable at year end. Evidence (e.g., withholding tax certificate) must be available in order to claim such WHT credit.

Further, for Bondholders who are domestic banks, savings, and financial institutions, the 15% WHT shall not apply. Therefore, these companies, would have no claimable WHT credits in this respect.

On capital gains: -

Cambodia does not have a separate capital gains tax regime. Capital gains are included in the taxable income of the resident corporate Bondholder, subject to the Tol at the applicable rate. The standard rate of Tol is 20%.



1.1.4 If the Bondholder is a non-resident taxpayer (i.e., both individual and corporate)

On interest income: -

As discussed under Section 1.2.2 below, the Company shall withhold 14% WHT [could be lower under the applicable Double Tax Agreements (DTA)] on its payment of interest to non-resident taxpayer (i.e., both individual and corporate). The 14% WHT withheld and paid to the GDT by the Company on behalf of the non-resident taxpayer constitutes the full and final payment of the tax due on the said transaction. Therefore, the non-resident taxpayer has no obligation to file and pay a separate tax return on such income.

On capital gains: -

The Cambodian Tax Law treats capital gains as normal gains from business operations and imposes tax accordingly. Gains on the sale or transfer of bonds should be subject to Tol at the applicable rate. However, there is presently no mechanism or operation of the Tax Law to impose tax on a non-resident taxpayer that does not have a permanent establishment ("PE") in Cambodia for the sale or transfer of Cambodian corporate bonds; or to impose any tax on the Cambodian company whose bonds are sold, transferred or disposed. As a matter of practicality, a non-resident taxpayer Bondholder having no PE in Cambodia is not taxed on the capital gains derived from such transactions.

1.2 Withholding Tax (WHT)

Being the income payee, the Bondholders have no WHT obligations on this transaction. However, the Company (i.e., the payer), as a withholding tax agent, is required to withhold and remit the applicable WHT on its payment of bond coupon interest to the Bondholders.

In determining the proper WHT implications on this transaction, it is important to identify whether the recipient of interest is a resident taxpayer, or a non-resident taxpayer, including the business activity of the said recipient/Bondholder.

1.2.1 Bondholder who is a resident of Cambodia

The Company's payment of interest to resident taxpayers (i.e., both individual and corporate Bondholders) is subject to 15% WHT.

However, if the Bondholder/recipient of interest in this case is a domestic bank, a savings, or a financial institution, the payment of interest by the Company is not subject to WHT, as specifically provided under Article 25(New)(2) of the Tax Law, and Section 8.4(1)(A)(a) of the Prakas on ToP.

1.2.2 Bondholder who is a non-resident of Cambodia

Article 26(New) of the Tax Law provides that a 14% WHT shall apply on payment of interest made by a resident taxpayer carrying on business, to a non-resident taxpayer.

As it is, the Company's payment of interest to non-resident persons and entities (including non-resident banks, savings, and financial institutions), is subject to 14% WHT. Note, however, that under existing DTAs between Cambodia and other countries, the said WHT rate could be lower, depending on compliance with specific criteria. Please refer to Section 2.1 below for the related discussion.



1.3 Value Added Tax (VAT)

VAT is imposed on the supply of taxable goods and/or services in Cambodia by a taxable person.

Article 57(5) of the Tax Law, specifically provides that the provision of *'primary financial services'* is a non-taxable supply, therefore not subject to VAT. As clarified under Article 4(2) of Prakas 559, implementing Article 57 of the Tax Law, the issuance of securities in the primary market, the trading of securities or other financial instruments, and the clearing and payment service in the Cambodian Securities Exchange, falls within the definition of *'primary financial services'*, and therefore is regarded as non-taxable supply.

On the basis of the foregoing, the proposed issuance of Corporate Bonds by the Company through the Cambodian Securities Exchange shall be regarded as non-taxable supply. This non-taxable supply should cover the interest earned by the investors from the bonds issued by the Company, including potential capital gains earned for trading the said bond.

1.4 Specific Tax on Certain Merchandise and Services (STCMS)

The sale or transfer of corporate bonds is not subject to specific tax imposed on certain merchandise and services.

1.5 Registration Tax/Stamp Duty

A sale or transfer of corporate bonds is not subject to stamp duty.



2 Other areas/issues for consideration

2.1 Double Tax Agreements (DTAs)

Currently, Cambodia has entered into DTAs with Singapore, Thailand, Brunei, China, Vietnam and Indonesia (DTA with Indonesia is ratified, but it is not effective yet). As a result, a resident of those countries can benefit from the terms and conditions as agreed under the DTAs, such as avoidance of double taxation on income and reduction of WHT rate on interest. However, certain rules and procedures must be followed in order to obtain the tax treaty benefits.

2.2 Tax Incentives in Securities Sector

As per the Sub-Decree no. 01 SD.Prk dated 4 January 2019 issued by the Royal Government which provides tax incentives for the securities sector as follows:

- 50% of Tol payable up to 3 years counting from the year of the public issuance of corporate bond or the following year, if the public issuance of corporate bond is within the last 6 months of tax year or any period approved by the MEF.
- Waiver of tax debt on Tol, WHT, VAT, specific tax, accommodation tax and public lighting tax as follows:
 - Tax debt for a period of N-3 to N-10 for companies/enterprises that fulfil the criteria(s) for listing in the primary market (e.g. the main board).
 - Tax debt for a period of N-2 to N-10 for small and medium enterprises that fulfil the criteria(s) for listing in the secondary market (e.g. the growth board). (Year N is the year that a company/ enterprise makes the public issuance of corporate bond of equity and/or debt securities)
- 50% reduction of WHT on interest and/or dividend received by public investors from holding and/or buying-selling of government, equity and debt securities for a period of 3 years from the date of this Sub-Decree comes into effect.

SECTION 10: FREQUENTLY CONTACTED FINANCIAL INSTITUTIONS

The Issuer primarily relies on bank borrowings and shareholders for funding. Below is the list of frequently contacted financial institutions:

Table 72: Frequently contacted financial institutions

No.	Name of Institutions	Purpose
1	Bangkok Bank Public Company Limited, Cambodia Branch	Standby Letter of Credit for JLR Products
2	CIMB Bank Plc.	To support working capital
3	Canadia Bank Plc.	Bank Guarantees
4	Oxley-WorldBridge Specialized Bank Plc.	To support working capital and capital expenditure
5	FCE Bank Plc.	To support working capital
6	Sathaphana Bank Plc.	To support working capital
7	ACLEDA Bank Plc.	To support working capital

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SECTION 11: SUBSCRIPTION FORM



លេខបរិសកម្ម៖

Subscription No.:

កាលបរិច្ឆេទ៖

Date:

D D M M Y Y Y Y

ពាក្យស្នើសុំធ្វើបរិសកម្មសញ្ញាបណ្ណសាជីវកម្ម APPLICATION FORM TO SUBSCRIBE CORPORATE BONDS

ព័ត៌មានពាក់ព័ន្ធនឹងក្រុមហ៊ុនបោះផ្សាយ ក្រុមហ៊ុនធានាទិញមូលបត្រ និងសញ្ញាបណ្ណសាជីវកម្ម
INFORMATION RELATED TO ISSUER, UNDERWRITER & CORPORATE BONDS

ក្រុមហ៊ុនបោះផ្សាយ Issuer	ក្រុមហ៊ុន : អ អិម អេ (ខេមបូឌា) ម.ក (អ អិម អេ ខេមបូឌា) Company : R M A (CAMBODIA PLC.. ("RMAC"))
ក្រុមហ៊ុនធានាទិញមូលបត្រ Underwriter	ក្រុមហ៊ុន : អេសប៊ីអាយ រ៉ូយ៉ាល់ ស៊ីឃ្យូរីតី (អេសប៊ីអាយ) Company : SBI Royal Securities Plc. ("SBIR")

វិនិយោគិន គួរអាន និងយល់ពីខ្លឹមសារនៃ ទម្រង់ពាក្យស្នើសុំរួម និងឯកសារផ្តល់ព័ត៌មាន ដែលមានភ្ជាប់របស់ ក្រុមហ៊ុន អ អិម អេ ក.ម (ខេមបូឌា) មុនពេលដាក់ពាក្យស្នើសុំធ្វើបរិសកម្មសញ្ញាបណ្ណ។ ប្រសិនបើ លោកអ្នក មានចម្ងល់ ឬមន្ទិលសង្ស័យ លោកអ្នក អាចប្រឹក្សាជាមួយទីប្រឹក្សាផ្នែកច្បាប់ ផ្នែកហិរញ្ញវត្ថុ ឬទីប្រឹក្សាជំនាញឯករាជ្យដទៃទៀតរបស់លោកអ្នក។

Prior to filling in this application, investors are advised to read and understand the contents of the attached Single Submission Form and Disclosure Document of R M A (CAMBODIA) PLC. If you have any doubt on matters contained herein, please consult with your legal, financial or other independent professional advisers.

សញ្ញាបណ្ណរបស់ អ អិម អេ ខេមបូឌា ដែលមានឈ្មោះថា "សញ្ញាបណ្ណសាជីវកម្ម អ អិម អេ ខេមបូឌា" នឹងត្រូវធ្វើសំណើលក់ក្នុងទំហំ ទឹកប្រាក់ចំនួនសរុប ៨០ ពាន់លានរៀល (ឬសមមូលជាប្រាក់ដុល្លារអាមេរិក ដោយយកចំនួនណាដែលតូចជាង) ស្មើនឹង ៨០០,០០០ សញ្ញាបណ្ណ។ អត្រាការប្រាក់ថេរ ក្នុងមួយឆ្នាំ ៥.៥០% សម្រាប់រយៈពេលប្រាំឆ្នាំ (គិតចាប់ពី ឆ្នាំ២០២០ ដល់ ឆ្នាំ២០២៥)។ អត្រាការប្រាក់ នឹងត្រូវគិតចាប់ពីថ្ងៃទី០៩ ខែមេសា ឆ្នាំ២០២០ ដែលត្រូវបង់ប្រាក់នៅរៀងរាល់ថ្ងៃទី០៩ ខែមេសា នៃឆ្នាំនីមួយៗ ហើយដែលការបង់ការប្រាក់ លើកដំបូង នៅថ្ងៃទី០៩ ខែមេសា ឆ្នាំ២០២១។ សញ្ញាបណ្ណនេះ មានតម្លៃចារឹក ១០០,០០០ រៀលក្នុងមួយសញ្ញាបណ្ណ។ ការទូទាត់សងសញ្ញាបណ្ណ នេះវិញ ធ្វើឡើងដោយកាត់កងពន្ធដែលពាក់ព័ន្ធ និងត្រូវអនុវត្តតាមពន្ធនានានៃព្រះរាជាណាចក្រកម្ពុជា។

The bonds of RMAC, namely "RMAC Bond" will be offered in an aggregate total principal amount of KHR 80 Billion (or its equivalent in USD of up to USD 20 Million, whichever is lower) equal to 800,000 bonds. The interest rate per annum is 5.50% for five years (2020-2025) and bears interest from 09 April 2020, payable annually in arrears on 09 April of each year, with the first payment to be made on 09 April 2021. The bonds have a nominal value of KHR 100,000 per bond. Payment on the Bonds will be made subject to deductions for or on account of taxes of Cambodia.

ការធ្វើបរិសកម្មសញ្ញាបណ្ណ ត្រូវមានចំនួនទឹកប្រាក់អប្បបរមា ២០ ពាន់លានរៀល ហើយសម្រាប់តែវិនិយោគិនគុណវុឌ្ឍិប៉ុណ្ណោះ។ ករណីការធ្វើបរិសកម្ម មានចំនួនច្រើនជាងចំនួនអប្បបរមានៃចំនួនសញ្ញាបណ្ណដែលបានកំណត់ ការធ្វើបរិសកម្ម គឺស្មើនឹងចំនួនអប្បបរមា ឬក៏បន្ថែមនឹង ៤ ពាន់លានរៀល លើទំហំវិនិយោគបន្ទាប់។

The minimum investment amount for subscribing the bonds is KHR 20 Billion, and only for qualified investors. If investors wish to subscribe more than the minimum amount as mentioned above, the subscription shall equal to the minimum plus a multiple of KHR 4 Billion.

ព័ត៌មានពាក់ព័ន្ធនឹងវិនិយោគិន/ INFORMATION RELATED TO INVESTOR

ឈ្មោះជាអក្សរខ្មែរ/ Name in Khmer			
ឈ្មោះជាអក្សរឡាតាំង/ Name in Latin			
លេខអត្តសញ្ញាណវិនិយោគិន/ InvestorID No.		លេខគណនីជួញដូរ/ Trading Account No.	
ក្រុមហ៊ុនមូលបត្រ/ Name of Securities Firm			
អាសយដ្ឋានទំនាក់ទំនង/ Address			

ក. វិនិយោគិនជាបុគ្គល A. For Individual:	<input type="checkbox"/> សញ្ជាតិខ្មែរ/ Cambodian	<input type="checkbox"/> មិនមែនសញ្ជាតិខ្មែរ/ Non-Cambodian	សញ្ជាតិ/ Nationality:.....
	<input type="checkbox"/> ប្រុស/ Male	<input type="checkbox"/> ស្រី/ Female	ថ្ងៃខែឆ្នាំកំណើត/ Date of Birth: DD / MM / YYYY
	លេខទូរស័ព្ទ/ Contact No.		
	អ៊ីម៉ែល/ Email		

ខ. វិនិយោគិនជាអ្នកតំណាង B. For Legal Entity:	លេខចុះបញ្ជីពាណិជ្ជ- កម្ម/ Company Registration No.			
	កាលបរិច្ឆេទចុះបញ្ជី ពាណិជ្ជកម្ម/ Date of Incorporation			
	លេខទូរស័ព្ទ/ Contact No.		លេខទូរសារ/ Fax No.	
	អ៊ីម៉ែល/ Email		គេហទំព័រ/ Website	
	លេខអត្តសញ្ញាណកម្មសារពើពន្ធ (បើមាន)/ Tax ID No. (if any):.....			
	ឈ្មោះអ្នកតំណាង/ Name of authorized representative			
	ថ្ងៃខែឆ្នាំកំណើត/ Date of Birth: DD / MM / YYYY	មុខដំណែង/ Position:.....		
	<input type="checkbox"/> សញ្ជាតិខ្មែរ/ Cambodian	<input type="checkbox"/> មិនមែនសញ្ជាតិខ្មែរ/ Non-Cambodian	សញ្ជាតិ/ Nationality:.....	
	លេខទូរស័ព្ទ/ Contact No.		អ៊ីម៉ែល/ Email	
	អាសយដ្ឋានបច្ចុប្បន្ន/ Current Address			

សម្គាល់៖ នីតិបុគ្គលអាចចូលរួមធ្វើបរិស័កម្មតាមរយៈតំណាងរបស់ខ្លួនបាន ដោយមានលិខិតប្រគល់សិទ្ធិដែលមានបញ្ជាក់ពីភាពត្រឹមត្រូវ/ Note: Legal Entity can participate in the subscription through its authorized representative by having a valid certified authorization letter.

វិនិយោគិនថ្មីសុំធ្វើបរិសកម្ម/SUBSCRIPTION OFFER FOR NEW INVESTORS

ចំនួនសញ្ញាបណ្ណបោះផ្សាយលក់សរុបដែលស្នើសុំធ្វើបរិសកម្ម (១) Total Number of offered Bonds for Subscription (1)	សញ្ញាបណ្ណ Bond(s)
អត្រាគូប៉ុងនៃសញ្ញាបណ្ណ Coupon Rate	៥,៥០% ក្នុងមួយឆ្នាំ 5.50% p.a.
ថ្លៃលក់ក្នុងមួយសញ្ញាបណ្ណបោះផ្សាយលក់ (២) Price Per Bond (2)	១០០.០០០រៀល (~២៥ ដុល្លារអាមេរិក) ក្នុងមួយសញ្ញាបណ្ណ KHR 100, 000(~ USD 25.00) per bond
ចំនួនទឹកប្រាក់សរុបដែលត្រូវទូទាត់សម្រាប់ការស្នើសុំធ្វើបរិសកម្ម (១) X (២) Total Value for Subscription (1) X (2)	
ចំនួនទឹកប្រាក់តម្កល់ជាក់ស្តែងសម្រាប់ការស្នើសុំធ្វើបរិសកម្ម Actual Deposit in Subscription	

ខ្ញុំសូមដាក់ប្រាក់តម្កល់ មួយរយ ភាគរយ សម្រាប់ទូទាត់ សញ្ញាបណ្ណ (១០០)ដែលខ្ញុំបានធ្វើបរិសកម្មខាងលើនេះ

I would like to deposit 100% on the Bond I have subscribed above as:

☐ ប្រាក់សុទ្ធ/ **Cash**
☐ មូលប្បទានបត្រ/ **Checks**
☐ បណ្ណតំណទាន/ **Credit Card**
☐ គណនីធនាគារ/ **Bank Account**

គណនីសម្រាប់ដាក់ទឹកប្រាក់តម្កល់នៅធនាគារអេស៊ីប៊ីដា

The accounts for the deposit at ACLEDA Bank

(SWIFT Code: ACLBKHPP)

លេខគណនីសម្រាប់ដាក់ទឹកប្រាក់តម្កល់ Account Number for Deposit	ឈ្មោះគណនីសម្រាប់ដាក់ទឹកប្រាក់តម្កល់ Account Name for Deposit
00010358286824	អ អិម អេ (ខេមបូឌា) ម.ក- គណនីបរិសកម្ម RMA (CAMBODIA) PLC. – Subscription Account

ព័ត៌មានពាក់ព័ន្ធនឹងការផ្ទេរប្រាក់កក់/REFUND INFORMATION

ករណីខ្ញុំ មិនទទួលបានសញ្ញាបណ្ណ ទៅតាមការធ្វើបរិសកម្ម ខ្ញុំមានបំណងទទួលប្រាក់ដែលនៅសល់ ក្រោយពីការដកចេញនូវរាល់ការចំណាយ (ប្រសិនបើមាន ដែលខ្ញុំបានតម្កល់ក្នុងគណនីក្រុមហ៊ុនបោះផ្សាយក្នុងការធ្វើបរិសកម្ម តាមវិធីណាមួយដូចខាងក្រោម៖

In case I do not receive the full amount of the offered Bonds that I subscribe, I would like to receive the remainder of the subscription deposit (deduct all the expenses, if any) that I have deposited into the Issuer's Account during the subscription process by one of the following means:

<input type="checkbox"/>	ផ្ទេរត្រឡប់ទៅគណនីជួញដូរ/Refund to trading account
<input type="checkbox"/>	ដកជាសាច់ប្រាក់/Refund by cash (នៅទីស្នាក់ការធនាគារ អេស៊ីប៊ីដា/at ACLEDA Bank)
<input type="checkbox"/>	ផ្ទេរទៅគណនីធនាគារ/Refund to bank account (ក្រោយការដកចេញចំណាយពាក់ព័ន្ធសម្រាប់ការផ្ទេរ ប្រសិនបើមាន/After deduction of related charges for such transfer, if any)

ឈ្មោះធនាគារ Bank Name	សាខា Branch	ប្រភេទគណនី Account Type	ឈ្មោះគណនី Account Name	លេខគណនី Account No.	រូបិយប័ណ្ណ Currency

លេខកូដស្វីហ្វសម្រាប់គណនីក្រៅប្រទេស(**SWIFT Code for international transfer**):.....

សម្គាល់៖ សូមបញ្ជាក់ថា នៅពេលផ្ទេរប្រាក់កក់ត្រឡប់ទៅវិនិយោគិនវិញ ម្ចាស់គណនីដែលទទួលត្រូវតែជាបុគ្គលតែមួយ។ គណនីរួមមិនត្រូវបាន

អនុញ្ញាត និងមិនត្រូវបានទទួលស្គាល់ទេ។

Please note that when making the refund, the account owner must be the same person. Joint accounts are not allowed and will not be accepted.

វិនិយោគិនត្រូវភ្ជាប់ឯកសារដូចខាងក្រោម/INVESTOR SHALL ATTACH DOCUMENTS BELOW

☐ វិក័យបត្រតម្កល់ប្រាក់/Deposit Slip ☐ លិខិតប្រគល់សិទ្ធិត្រឹមត្រូវ/Authorized Letter (សម្រាប់នីតិបុគ្គល/For legal entity only)

សេចក្តីថ្លែងរបស់វិនិយោគិនដែលធ្វើបរិសកម្ម/STATEMENT OF SUBSCRIBER

នៅក្នុងការធ្វើបរិសកម្មសញ្ញាបណ្ណបោះផ្សាយលក់នេះ ខ្ញុំ/យើងខ្ញុំបានទទួល ទម្រង់ពាក្យស្នើសុំរួម និងឯកសារផ្តល់ព័ត៌មានក្នុងទម្រង់ជា៖/
In subscribing to the offered Bonds, I/we hereby receive the Single Submission Form and the Disclosure Document in the form of:

- ☐ ច្បាប់ថតចម្លង/Hard copy ☐ ឧបករណ៍ផ្ទុក/Electronic storage device ☐ អ៊ីម៉ែល/Email
☐ តាមរយៈគេហទំព័រ/Website ☐ ផ្សេងៗ/Others

ការធ្វើបរិសកម្ម និងការទូទាត់ធ្វើឡើងដោយអ្នកធ្វើបរិសកម្ម ត្រូវតែស្របទៅតាមលក្ខខណ្ឌដែលមានចែងក្នុង ទម្រង់ពាក្យស្នើសុំរួម និង ឯកសារផ្តល់ព័ត៌មាន។ ខ្ញុំ/យើង យល់ព្រម និងទទួលស្គាល់ថា អ អិម អេ ខេមបូឌា មានសិទ្ធិបដិសេធ ក្នុងករណីដែលការស្នើសុំធ្វើបរិសកម្មណាមួយ មិនគោរពតាមលក្ខខណ្ឌតម្រូវ។ ខ្ញុំ/យើង យល់ព្រមទិញសញ្ញាបណ្ណបោះផ្សាយលក់ក្នុងចំនួនដូចបានកំណត់ខាងលើ ឬចំនួនសញ្ញាបណ្ណបោះផ្សាយលក់ដែលក្រុមហ៊ុនបានបែងចែកមកឲ្យខ្ញុំ/យើង។ ខ្ញុំ/យើង សូមសន្យាថា មិនលុបចោលការធ្វើបរិសកម្មរបស់ខ្ញុំ/យើងទេ និងយល់ព្រមទទួលប្រាក់សងត្រឡប់/មកវិញ ករណីដែលការធ្វើបរិសកម្មត្រូវបានបដិសេធ។ ខ្ញុំ/យើង យល់ស្របតាមលក្ខខណ្ឌនៃសំណើបោះផ្សាយលក់សញ្ញាបណ្ណ ដូចមានចែងក្នុងទម្រង់ពាក្យស្នើសុំរួម និងឯកសារផ្តល់ព័ត៌មាន។ ខ្ញុំ/យើង ទទួលស្គាល់ផងដែរថា ការវិនិយោគលើសញ្ញាបណ្ណបោះផ្សាយលក់មានហានិភ័យពាក់ព័ន្ធ។

The subscription and payment made by subscriber shall be in accordance with the terms and conditions specified in the Single Submission Form and the Disclosure Document. I/We hereby agree and acknowledge that RMAC is entitled to refuse if any subscription does not comply with the said terms and conditions. I/we undertake to purchase the number of offered Bonds as stated above or the number of offered Bonds allotted to me/us. I/We shall not cancel my subscription and will accept refund if the subscription is refused. I/We also hereby agree with the terms and conditions of the offered Bonds as specified in the Single Submission Form and the Disclosure Document. I also acknowledge that the investment in the offered Bonds can be volatile.

ខ្ញុំ/យើង សូមអះអាងថា ខ្ញុំ/យើង បានអាន ទម្រង់ពាក្យស្នើសុំរួម និងឯកសារផ្តល់ព័ត៌មាន ដោយមិនចែកចំណែក និងយល់ព្រមលើលក្ខខណ្ឌ និងព័ត៌មានដែលមានក្នុង ទម្រង់ពាក្យស្នើសុំរួម និងឯកសារផ្តល់ព័ត៌មាននេះ មុនពេលធ្វើបរិសកម្មសញ្ញាបណ្ណបោះផ្សាយលក់ និងមិនមានការបញ្ចុះបញ្ចូលដោយភាគីណាមួយទេ។

I/we hereby declare that I have read and accepted the terms and conditions and information contained in the Single Submission Form and the Disclosure Document before applying such offered Bonds and have not relied on any party.

ហត្ថលេខា ឬ/និងត្រាសម្រាប់នីតិបុគ្គល Signature or/and Stamp for Legal Entity	ហត្ថលេខា Signature	ហត្ថលេខា និងត្រា Signature and Stamp
ឈ្មោះវិនិយោគិន/ Investor's Name:	ឈ្មោះភ្នាក់ងារក្រុមហ៊ុនមូលបត្រ/ Securities Representative's Name:	ឈ្មោះប្រធានភ្នាក់ងារក្រុមហ៊ុនមូលបត្រ ឬនាយក ប្រតិបត្តិ ក្រុមហ៊ុនធានាទិញមូលបត្រ/ Head of Securities Representative or CEO:

* ក្រុមហ៊ុនធានាទិញមូលបត្រ ត្រូវពន្យល់វិនិយោគិនអំពីខ្លឹមសារនៃសេវាបរិស័ទដែលមានចែងដូចខាងក្រោមនេះ៖ The Underwriter shall explain to the undersigned Investor the terms of the Subscription Service prescribed hereunder.
** វិនិយោគិន ទទួលខុសត្រូវលើលទ្ធផល និងរាល់ហេតុការណ៍ទាំងឡាយដែលកើតឡើង ឬដែលអាចនឹងកើតឡើងពាក់ព័ន្ធនឹងការធ្វើបរិស័ទមូលបត្របញ្ចេញផ្សាយលក់របស់ អ អិម អេ ខេមបូឌា ហើយក្រុមហ៊ុនធានាទិញមូលបត្រ មិនទទួលខុសត្រូវលើលទ្ធផល និងរាល់ហេតុការណ៍ទាំងនោះទេ។ The undersigned Investor hereby assumes full responsibility for the outcome and all the matters that arise or eventuate in connection with the Subscription process of RMAC's Corporate Bond offering and the Underwriter does not and shall not take any responsibility with respect to such outcome or matters.

សេវាបរិស័ទ SUBSCRIPTION SERVICE

វិនិយោគិន និងក្រុមហ៊ុនធានាទិញមូលបត្រ បានអាន និងយល់ព្រមលើលក្ខខណ្ឌនៃសេវាបរិស័ទដូចខាងក្រោម/ The Investor and the Underwriter have hereby reviewed and agreed on the following terms and conditions of this Subscription Service:

១. វិធីសាស្ត្រធ្វើបរិស័ទ / 1. METHOD FOR SUBSCRIPTION

- ១.១ ក្រុមហ៊ុនធានាទិញមូលបត្រ នឹងផ្តល់ ទម្រង់ពាក្យស្នើសុំរួម និងឯកសារផ្តល់ព័ត៌មាន ដែលបានចុះបញ្ជី និងទម្រង់បរិស័ទមូលបត្រវិនិយោគិន គុណវុឌ្ឍិ។ មានតែវិនិយោគិនគុណវុឌ្ឍិប៉ុណ្ណោះ ដែលនឹងត្រូវបានទាក់ទង និងអាចចូលរួមក្នុងបរិស័ទមូលបត្របាន។
- 1.1 The Underwriter will provide the registered Single Submission Form and Disclosure Document and the Subscription Form to investors. Only qualified investors will be contacted and eligible to participate in the subscription.
- ១.២ ការលក់សញ្ញាបណ្ណក្នុងទីផ្សារដំបូង គឺសម្រាប់តែបុគ្គលដែលមានគុណវុឌ្ឍិត្រង់ត្រង់ តែប៉ុណ្ណោះ ទើបអាចទិញបាន (១) វិនិយោគិនស្ថាប័ន និង វិនិយោគិនធនវុឌ្ឍិ ដូចដែលបានកំណត់នៅក្នុងប្រកាសស្តីអំពីវិនិយោគិនគុណវុឌ្ឍិរបស់គណៈកម្មការមូលបត្រកម្ពុជា និង (២) វិនិយោគិនស្ថាប័ន និង វិនិយោគិនធនវុឌ្ឍិ ដែលត្រូវបានចាត់ទុកថាសក្តិសម តាមការកំណត់របស់ក្រុមហ៊ុនធានាទិញមូលបត្រ និងអ អិម អេ ខេមបូឌា។

1.2 The selling of the Bonds in the primary market is not eligible for any person other than those (1) qualified as “Institutional Investors” and “High Net Worth Investors” as defined in the Prakas on Qualified Investors of the Securities and Exchange Commission of Cambodia and (2) Institutional Investors and High Net Worth Investors that are deemed appropriate at the discretion of the Underwriter and RMAC.

១.៣ ឯកសារតម្រូវសម្រាប់កំណត់ជាវិនិយោគិនគុណវុឌ្ឍិ៖

- របាយការណ៍ធនាគារ ឬ
- របាយការណ៍វិនិយោគដែលចេញដោយក្រុមហ៊ុនមូលបត្រ ឬ
- វិញ្ញាបនបត្របញ្ជាក់ការដាក់ប្រាក់បញ្ញើ ឬ
- របាយការណ៍វាយតម្លៃទ្រព្យសម្បត្តិ ឬ
- វិក្កយបត្រ ឬ របាយការណ៍ទូទាត់ ឬ
- ឯកសារដទៃទៀតបើមាន និង
- វិញ្ញាបនបត្រចុះបញ្ជីពាណិជ្ជកម្ម (ចំពោះវិនិយោគិនស្ថាប័ន)

1.3 Required documents to check the Qualified Investor:

- Bank Statement; or
- Investment Report Issued by Securities Firm; or
- Certificate of Deposit; or
- Asset Valuation Report; or
- Receipt or Payment Report; or
- Other Documents if any; and
- Certificate of Incorporation (for Institutional Investor)

១៤. មុនពេលធ្វើបរិស័កមូលបត្របណ្ណ វិនិយោគិន ត្រូវមានលេខអត្តសញ្ញាណវិនិយោគិន និងគណនីមូលបត្រ។ វិនិយោគិនក្នុងស្រុក និងក្រៅស្រុកគួរទាក់ទងក្រុមហ៊ុនធានាទិញមូលបត្រ ឬក្រុមហ៊ុនមូលបត្រណាមួយ ដើម្បីបើកគណនីមូលបត្រ និងទទួលយកលេខអត្តសញ្ញាណវិនិយោគិនពី គ.ម.ក។

1.4 Before subscribing the Bonds, investors shall have investors ID and Securities Trading Account. Local or offshore investors approach the Underwriter or any securities firm to open a securities account and obtain an investor ID from the SECC.

១៥. ឯកសារតម្រូវសម្រាប់បើកគណនីមូលបត្រនៅក្រុមហ៊ុន អេសប៊ីអាយ រ៉ូយ៉ាល់ ស៊ីឃ្យូរីធី ភីអិលស៊ី (សំរាប់វិនិយោគិនរូបវន្តបុគ្គល)

ពាក្យស្នើសុំ៖

- ពាក្យស្នើសុំលេខអត្តសញ្ញាណវិនិយោគិន (ទម្រង់ ក)
- ពាក្យស្នើសុំបើកគណនីរូបវន្តបុគ្គល
- គំរូហត្ថលេខាសម្រាប់ពាក្យស្នើសុំបើកគណនីរូបវន្តបុគ្គល
- ពាក្យស្នើសុំប្រើប្រាស់សេវាព័ត៌មានតាមគេហទំព័រ
- កិច្ចព្រមព្រៀងអតិថិជន

ស្ថានភាព

ច្បាប់ដើម ១ច្បាប់
ច្បាប់ដើម ១ច្បាប់
ច្បាប់ដើម ១ច្បាប់
ច្បាប់ដើម ១ច្បាប់
ច្បាប់ដើម ២ច្បាប់

ឯកសារតម្រូវ៖

- អត្តសញ្ញាណប័ណ្ណ ឬលិខិតឆ្លងដែន
- លិខិតបញ្ជាក់ពីធនាគារ
- រូបថត
- កម្រៃសេវាចំពោះលេខអត្តសញ្ញាណវិនិយោគិនសម្រាប់វិនិយោគិនរូបវន្តបុគ្គល

ស្ថានភាព

ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
ច្បាប់ដើម ១ច្បាប់
២សន្លឹក (ទំហំលិខិតឆ្លងដែន)
២០០០០រៀល ឬ៥ដុល្លារអា.មេរិក

1.5 Required Documents for Securities Trading Account Opening with SBI Royal Securities Plc (For Individual Investors)

Required Application Forms:

• Investor Identification Number Application Form (Form A)	1 Original Copy
• Application for Individual Account Opening	1 Original Copy
• Specimen Signature for Individual Account Opening	1 Original Copy
• Application For Web-based Information Service	1 Original Copy
• Client Agreement	2 Original Copies

Required Documents:

• ID Card or Passport	1 Certified True Copy
• Bank Reference Letter	1 Original Copy
• Photo	2 (Passport Size)
• Fee for Investor ID for Individual Investor	KHR 20,000 or USD 5.00

១៦. ឯកសារតម្រូវសម្រាប់បើកគណនីមូលបត្រនៅក្រុមហ៊ុន អេសប៊ីអាយ រ៉ូយ៉ាល់ ស៊ីយ៉ូរីធី ភីអិលស៊ី (សំរាប់វិនិយោគិនស្ថាប័ន)

ពាក្យស្នើសុំ៖

• ពាក្យស្នើសុំលេខអត្តសញ្ញាណវិនិយោគិន (ទម្រង់ ខ)	ច្បាប់ដើម ១ច្បាប់
• ពាក្យស្នើសុំបើកគណនីសម្រាប់នីតិបុគ្គល	ច្បាប់ដើម ១ច្បាប់
• គំរូហត្ថលេខាសម្រាប់ពាក្យស្នើសុំបើកគណនីសម្រាប់នីតិបុគ្គល	ច្បាប់ដើម ១ច្បាប់
• ពាក្យស្នើសុំប្រើប្រាស់សេវាព័ត៌មានតាមគេហទំព័រ	ច្បាប់ដើម ១ច្បាប់
• កិច្ចព្រមព្រៀងអតិថិជន	ច្បាប់ដើម ២ច្បាប់

ឯកសារតម្រូវ៖

• លក្ខន្តិកៈក្រុមហ៊ុន	ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
• វិញ្ញាបនបត្រចុះបញ្ជីពាណិជ្ជកម្ម	ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
• អាជ្ញាបណ្ណអាជីវកម្ម	ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
• សេចក្តីសម្រេចរបស់ក្រុមប្រឹក្សាភិបាល	ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
• លិខិតផ្ទេរសិទ្ធិ	ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
• តារាងបញ្ជីឈ្មោះនាយក និងភាគហ៊ុនិក	ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
• វិញ្ញាបនបត្រពន្ធដារ ឬពន្ធនានា	ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
• អត្តសញ្ញាណប័ណ្ណ ឬលិខិតឆ្លងដែននៃអ្នកតំណាង	ច្បាប់ថតចម្លងបានបញ្ជាក់ត្រឹមត្រូវ១ច្បាប់
• លិខិតបញ្ជាក់ពីធនាគារ	ច្បាប់ដើម ១ច្បាប់
• រូបថតអ្នកតំណាង	២សន្លឹក (ទំហំលិខិតឆ្លងដែន)
• កម្រៃសេវាចំពោះលេខអត្តសញ្ញាណវិនិយោគិនជានីតិបុគ្គល	៥០០០០រៀល ឬ៣៨ដុល្លារអាមេរិក.

1.6 Required Documents for Securities Trading Account Opening with SBI Royal Securities Plc (For Institutional Investors)

Required Application Forms:

• Investor Identification Number Application Form (Form B)	1 Original Copy
• Application for Legal Entity Account Opening	1 Original Copy
• Specimen Signature for Legal Entity Account Opening	1 Original Copy
• Application For Web-based Information Service	1 Original Copy
• Client Agreement	2 Original Copies

Required Documents:

• Memorandum and Articles of Association	1 Certified True Copy
• Certificate of Incorporation	1 Certified True Copy
• Business License	1 Certified True Copy
• Board Resolution	1 Certified True Copy
• Power of Attorney	1 Certified True Copy
• List of Directors & Shareholders	1 Certified True Copy
• Patent or Tax Certificate	1 Certified True Copy

- ID card or Passport of Company's Representative 1 Certified True Copy
- Bank Reference Letter 1 Original Copy
- Photo of representative 2 (passport size)
- Fee for Investor ID for Institutional Investor KHR 50,000 or USD 13

សម្គាល់៖ ឯកសារតម្រូវទាំងអស់ត្រូវបញ្ជាក់ពីមន្ទីរសារការី ក្នុងករណីដែលមិនបានបង្ហាញឯកសារច្បាប់ដើម។

Note: Without showing original document, all required documents shall be notarized by Notary Public.

១៧. វិនិយោគិននីមួយៗ ត្រូវបំពេញពាក្យស្នើសុំធ្វើបរិសកម្មឱ្យបានត្រឹមត្រូវ ច្បាស់លាស់ និងពេញលេញ និងត្រូវបោះត្រាក្រុមហ៊ុនប្រសិនបើ មាន។

1.7 Each investor shall duly, completely and clearly fill in and sign the subscription form and affix the company seal (if any) thereto.

១៨. វិនិយោគិន ត្រូវដាក់ជូននូវពាក្យស្នើសុំធ្វើបរិសកម្ម ដែលខ្លួនបានបំពេញចប់ ទៅឱ្យក្រុមហ៊ុនធានាទិញមូលបត្រ នៅការិយាល័យរបស់ក្រុមហ៊ុនធានាទិញមូលបត្រនៅអំឡុងពេលថ្ងៃ និងម៉ោងធ្វើការ ក្នុងរយៈពេលធ្វើបរិសកម្ម។

1.8 Investors shall submit the completed subscription form to the Underwriter at its office during the business hours/days during the Subscription Period.

១៩. ការធ្វើបរិសកម្មលើសញ្ញាបណ្ណបន្ថែម គឺអាស្រ័យលើការប្រកួតប្រជែងជាមួយអ្នកធ្វើបរិសកម្មដទៃទៀត។ ការបែងចែកសញ្ញាបណ្ណដែលនៅសល់ គឺស្ថិតក្រោមការសម្រេចចិត្តរបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ និងក្រុមហ៊ុនបោះផ្សាយតែប៉ុណ្ណោះ។

1.9 The additional bond subscription will be subject to the competition with other subscribers. The allocation of the remaining bonds in subscription is at the discretion of the Underwriter and Issuer.

១១០. វិនិយោគិន អាចដាក់ប្រាក់វិនិយោគដោយផ្ទាល់ ទៅក្នុងគណនីធនាគារបរិសកម្មរបស់ក្រុមហ៊ុនបោះផ្សាយ ដោយមិនចាំបាច់បើកគណនីធនាគារក្នុងស្រុកឡើយ។

1.10 Investors may deposit money for investment directly into Issuer's Subscription Bank Account without having to open a local bank account.

១១១. វិនិយោគិន ត្រូវធ្វើការទូទាត់ការធ្វើបរិសកម្មសម្រាប់សញ្ញាបណ្ណនេះទាំងស្រុងនៅកាលបរិច្ឆេទធ្វើបរិសកម្មទៅក្នុងគណនីដូចខាងក្រោម៖

1.11 Subscription payments for the Bonds shall be made by investors on the date of subscription in full in the following accounts:

គណនីសម្រាប់ដាក់ទឹកប្រាក់តម្កល់នៅធនាគារអេស៊ីប៊ីជា
The accounts for the deposit at ACLEDA Bank
(SWIFT Code: ACLBKHPP)

លេខគណនីសម្រាប់ដាក់ទឹកប្រាក់តម្កល់ Account Number for Deposit	ឈ្មោះគណនីសម្រាប់ដាក់ទឹកប្រាក់តម្កល់ Account Name for Deposit
00010358286824	អ អិម អេ (ខេមបូឌា) ម.ក- គណនីបរិសកម្ម RMA (CAMBODIA) PLC. – Subscription Account

១១២. វិនិយោគិនដែលបានដាក់ពាក្យស្នើសុំធ្វើបរិសកម្ម និងបានបង់ប្រាក់សម្រាប់ការធ្វើបរិសកម្ម មិនអាចលុបចោលការធ្វើបរិសកម្ម ឬស្នើសុំការបង្វិលប្រាក់ដែលទូទាត់លើការធ្វើបរិសកម្មត្រឡប់វិញបានឡើយ លើកលែងតែមានចែងក្នុងប្រការ២៣ខាងក្រោម។

1.12 Investors who have submitted their subscription forms and made payments for their subscriptions may not cancel their subscriptions or request a refund of their subscription payments, except as specified below in Clause 2.3.

១១៣. ប្រសិនបើមានព្រឹត្តិការណ៍អ្វីមួយ ដែលបណ្តាលឱ្យក្រុមហ៊ុនបោះផ្សាយពន្យារពេល ឬលុបចោលការធ្វើសំណើលក់សញ្ញាបណ្ណ ឬមិនអាចបោះផ្សាយលក់ ឬចែកចាយសញ្ញាបណ្ណនេះដល់វិនិយោគិននោះទេ វិនិយោគិនដែលបានធ្វើបរិសកម្ម និងបានបង់ប្រាក់សម្រាប់សញ្ញាបណ្ណនេះ នឹងអាចទទួលបានការបង្វិលប្រាក់សងត្រឡប់វិញនូវចំនួនទឹកប្រាក់ ដែលបានបង់ក្នុងពេលធ្វើបរិសកម្មដូចដែលបានចែងក្នុងប្រការ ៣២. ខាងក្រោម។

1.13 If there has occurred any event causing or requiring the Issuer to suspend or cancel the offering of the Bonds or to be unable to issue or deliver the Bonds to investors, investors who have subscribed

and made payments for the Bonds will be entitled to a refund of their subscription payments as specified below in Clause 3.2.

១១៤. វិនិយោគិន មិនទទួលបានការប្រាក់ ឬប្រាក់សំណងនានា ក្នុងអំឡុងពេលធ្វើបរិសកម្មឡើយ។

1.14 Investors will not be entitled to receive any interest or compensation during the Subscription period of the Bonds.

១១៥. តារាងបែងចែកសញ្ញាបណ្ណ នឹងត្រូវបានចុះផ្សាយជាសាធារណៈ តាមសារព័ត៌មានដែលទទួលស្គាល់ដោយ ឥក។ម.

1.15 The list of the Bonds allocation will be publicly announced through a newspaper accredited by the SECC.

១១៦. ដោយមានការអនុម័តពី ឥក ទំហំទឹកប្រាក់សរុបរបស់សញ្ញាបណ្ណ.ម. នឹងត្រូវបានផ្ទេរពីគណនីបរិសកម្មទៅកាន់គណនីធនាគារដាច់ដោយ ឡែករបស់ ក្រុមហ៊ុន RMAC។ ក្នុងករណីនេះ គណនីបរិសកម្ម នឹងត្រូវបិទ។

1.16 With approval from the SECC, the total Bond proceeds are transferred from the Subscription Bank Accounts to RMAC's separate bank account. Then, the Subscription Bank Accounts are closed.

២. ការបែងចែកសញ្ញាបណ្ណ/ 2. ALLOCATION OF BONDS

២១. ការដាក់កំហិតលើការបែងចែក៖ ក្រុមហ៊ុនធានាទិញមូលបត្រនឹងធ្វើសំណើលក់ និងបែងចែកសញ្ញាបណ្ណចំពោះវិនិយោគិនដែលមាន គុណវុឌ្ឍិ ជាវិនិយោគិនស្ថាប័ន និងវិនិយោគិនធនវុឌ្ឍិខ្ពស់ៗ។

2.1 Restrictions on Allocation: the Underwriters will offer and allocate the Bonds only to investors who are qualified as Institutional Investors and High Net Worth Investors.

២២. ការបែងចែកសញ្ញាបណ្ណ៖ ការបែងចែកសញ្ញាបណ្ណទៅឱ្យវិនិយោគិន គឺស្ថិតក្រោមការសម្រេចចិត្តរបស់ក្រុមហ៊ុនបោះផ្សាយ និងក្រុមហ៊ុន ធានាទិញមូលបត្រ។ ក្រុមហ៊ុនបោះផ្សាយ និងក្រុមហ៊ុនធានាទិញមូលបត្រ អាចធ្វើការបែងចែកចំនួនណាមួយនៃសញ្ញាបណ្ណឱ្យទៅបុគ្គល ណាម្នាក់ ឬក៏អាចបដិសេធមិនបែងចែកសញ្ញាបណ្ណដែលបានធ្វើបរិសកម្មដោយវិនិយោគិនណាម្នាក់ ប្រសិនបើចាំបាច់។

2.2 Allocation of the Bonds: the allocation of the Bonds to investors shall be at the absolute discretion of the Issuer and the Underwriter. The Issuer and the Underwriter may allocate any amount of the Bonds to any person or may refuse to allocate the Bonds subscribed by any investors as they deem appropriate.

២៣. ការលុបចោលការធ្វើបរិសកម្ម៖ ក្រុមហ៊ុនធានាទិញមូលបត្រ មានសិទ្ធិទុកជាមោឃៈ ឬលុបចោលការធ្វើបរិសកម្មលើសញ្ញាបណ្ណដោយ វិនិយោគិនណា ដែលខកខានមិនបានគោរពតាមនីតិវិធីដែលបានបង្ហាញខាងលើ ឬដែលបានបង់ថ្លៃបរិសកម្មជាមួយមូលបត្រទានបត្រ (Crossed Cheque) ឬមូលបត្របេឡា (Cashier Cheque) ដែលមិនអាចបើកជាសាច់ប្រាក់បាន។

វិនិយោគិន អាចលុបចោលការធ្វើបរិសកម្មលើសញ្ញាបណ្ណ ក្នុងករណីដែលក្រុមហ៊ុនបោះផ្សាយផ្អាក ឬបញ្ឈប់ការធ្វើសំណើលក់សញ្ញាបណ្ណ ឬមិនអាចផ្តល់សញ្ញាបណ្ណ ឱ្យបានចាប់ពីកាលបរិច្ឆេទជូនដំណឹងអំពីការផ្អាក ឬបញ្ឈប់សំណើលក់ ឬបុគ្គលបោះផ្សាយគ្មាន សមត្ថភាព ផ្តល់សញ្ញាបណ្ណឱ្យ វិនិយោគិនបានក្នុងរយៈពេល៧ថ្ងៃនៃថ្ងៃធ្វើការ បន្ទាប់ពីកាលបរិច្ឆេទបិទការធ្វើបរិសកម្ម។

2.3 Cancellation of Subscription: the Underwriter is entitled to revoke or cancel any subscription for the Bonds by any investor who fails to comply with the procedures indicated above or whose payment of subscription price by a crossed cheque or cashier cheque is not honored upon presentation thereof.

An investor is entitled to revoke the subscription for the Bonds in the event that the Issuer suspends or ceases the offering of the Bonds or is unable to deliver the offered Bonds, from the announcement date of the suspension or cessation of the offering or the Issuer's inability to deliver the Bonds to (and including) within 7 business days after of the Subscription Period.

៣. នីតិវិធីនៃការសងប្រាក់/3. REFUND PROCEDURE

៣១. នីតិវិធីក្នុងការសងប្រាក់បរិសកម្មក្នុងករណីការធ្វើបរិសកម្មមានចំនួនច្រើនលើសលុប៖

ប្រសិនបើវិនិយោគិន មិនត្រូវបានបែងចែកឱ្យនូវសញ្ញាបណ្ណ ឬត្រូវបានបែងចែកឱ្យនូវសញ្ញាបណ្ណតិចជាងចំនួនដែលបានធ្វើបរិសកម្ម ក្រុមហ៊ុនធានាទិញមូលបត្រ នឹងប្រគល់ជូនវិនិយោគិនវិញ នូវប្រាក់បរិសកម្មដែលបានទទួល ដោយមិនមានការប្រាក់ ឬសំណងតាមរយៈ ការផ្ទេរប្រាក់តាមធនាគារទៅកាន់គណនីរបស់វិនិយោគិន ដែលបានបង្ហាញនៅក្នុងពាក្យស្នើសុំធ្វើបរិសកម្ម ឬក៏តាមមធ្យោបាយណាមួយ

ដែលសមស្រប។

សម្រាប់រូបិយប័ណ្ណដែលប្រើប្រាស់នៅពេលសងប្រាក់វិញ វិនិយោគិនត្រូវយល់ព្រមចំពោះរូបិយប័ណ្ណដែលប្រើនៅពេលសងប្រាក់វិញដូចគ្នាទៅនឹងរូបិយប័ណ្ណដែលប្រើពេលដាក់ប្រាក់ធ្វើបរិស្ថាន។

រាល់ការចំណាយ និងកម្រៃនានាដែលពាក់ព័ន្ធនឹងការសងប្រាក់ រួមបញ្ចូលនូវការចំណាយនិងកម្រៃសេវាផ្ទេរប្រាក់តាមធនាគារ គឺជាបន្ទុករបស់វិនិយោគិន។

3.1 Procedure for Refunding Subscription Payments in case of Excess Subscriptions:

If an investor is not allocated any Bond or is allocated Bonds in an amount less than that subscribed for, the Underwriter will return the subscription payments received by it to the investor without interest and/or compensation through a bank transfer to their respective bank accounts as mentioned in their subscription application or via any other reasonable methods.

For the refund currency, investors shall agree that the refund currency shall be the same currency as the subscription deposit.

Any and all expenses, fees and charges related to the refund including, without limitation, the bank transfer fee and service charge, shall be borne by the investor.

៣២. នីតិវិធីសងប្រាក់បរិស្ថានក្នុងករណីបញ្ឈប់សំណើលក់៖

ប្រសិនបើវិនិយោគិនលុបចោលការធ្វើបរិស្ថានលើសញ្ញាបណ្ណ ដូចដែលបានចែងក្នុងមាត្រា ២៣ ខាងលើ ក្រុមហ៊ុនធានាទិញមូលបត្រនិងសងប្រាក់បរិស្ថានដែលខ្លួនបានទទួលទៅឱ្យវិនិយោគិនវិញ ដោយគ្មានការប្រាក់ ឬសំណងឡើយ តាមរយៈការផ្ទេរប្រាក់តាមធនាគារទៅគណនីរបស់វិនិយោគិន ដូចដែលបានបង្ហាញក្នុងពាក្យស្នើសុំធ្វើបរិស្ថាន ឬតាមមធ្យោបាយណាមួយដែលសមស្រប។

3.2 Procedure for Refunding Subscription Payments in case of Repression or Cessation:

If an investor is revoked the subscription for the Bonds as specified above in 2.3, the Underwriters will return the subscription payments received by it to the investor without interest and/or compensation through a bank transfer to their respective bank accounts as mentioned in their subscription application or via any other reasonable methods.

៤. ការផ្តល់ជូនសញ្ញាបណ្ណ/4. DELIVERY OF BONDS

ក្រុមហ៊ុនបោះផ្សាយ នឹងធានាថាភ្នាក់ងារបញ្ជីកាមូលបត្រ នឹងចុះឈ្មោះម្ចាស់មូលបត្របំណុលដែលបានទទួលការបែងចែកសញ្ញាបណ្ណជាមួយនិងចំនួនសញ្ញាបណ្ណដែលបានបែងចែក នៅក្នុងបញ្ជីកម្មសិទ្ធិកាមូលបត្របំណុល មិនឲ្យលើស ៧ ថ្ងៃនៃថ្ងៃធ្វើការ បន្ទាប់ពីកាលបរិច្ឆេទ បញ្ចប់ការធ្វើបរិស្ថាន។

The Issuer will ensure that the Registrar enter the name of each Bondholder to whom the Bonds have been allotted, together with details of the number of Bonds allotted to such Bondholder, into the Bondholders' Book no later than 7 (seven) Business Days after the Subscription Closing Date.

៥. អំណាចនៃត្រារបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ និងទម្រង់ហត្ថលេខារបស់ភ្នាក់ងាររបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ/5. POWER OF SEAL OF THE UNDERWRITER AND SIGNATURE IMAGE OF THE UNDERWRITER OR THE UNDERWRITER'S SECURITIES REPRESENTATIVES

ត្រារបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ និងទម្រង់ហត្ថលេខារបស់ប្រធានភ្នាក់ងារ និងភ្នាក់ងាររបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ ដែលមាននៅលើពាក្យស្នើសុំធ្វើបរិស្ថានមូលបត្រ និងវិក្កយបត្របរិស្ថានមូលបត្រ ត្រូវចាត់ទុកដូចជាត្រាដើមរបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ និងហត្ថលេខាដើមរបស់ប្រធានភ្នាក់ងារ និងភ្នាក់ងាររបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ និងមានឥទ្ធិពលតាមផ្លូវច្បាប់ដូចត្រាដើម និងហត្ថលេខាដើមតទៅ។ តាមការស្នើសុំរបស់វិនិយោគិន ក្រុមហ៊ុនធានាទិញមូលបត្រ ត្រូវប្រគល់ឲ្យវិនិយោគិននូវពាក្យស្នើសុំធ្វើបរិស្ថានមូលបត្រ និង/ឬវិក្កយបត្របរិស្ថានមូលបត្រដែលមានត្រាដើមរបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ និងហត្ថលេខាដើមរបស់ប្រធានភ្នាក់ងារ និងភ្នាក់ងាររបស់ក្រុមហ៊ុនធានាទិញមូលបត្រ ក្នុងរយៈពេល ១៨(ដប់ប្រាំបី) ថ្ងៃ នៃថ្ងៃធ្វើការ គិតចាប់ពីថ្ងៃដែលវិនិយោគិនស្នើសុំ។

The seal of either the Underwriter as affixed hereto by the Underwriters and the signature image of either the Underwriters or the Underwriter's Head of Securities Representatives and the Securities Representative as affixed on the Application Form to subscribe the Bonds and Receipt for Subscription shall be deemed as the originals of the seal of either the Underwriters and the original signatures of either the Underwriters or the Underwriter's Head of Securities Representatives and the Securities

Representative respectively and be construed as having the same legal effect as to the original thereof.

Upon request from the Investor, either the Underwriter or the Underwriter's Head of Securities Representative shall provide such investor with the Application Form to subscribe the bonds and/or the Receipt for Subscription with the original seal affixed thereto and the original signatures of the Underwriter or the Underwriter's Head of Securities Representative within eighteen (18) business days from the date of such request.

៦. ផ្សេងៗ/ 6. MISCELLANEOUS

៦.១ លទ្ធផលបរិស័ទ គឺជាប្រកាសផ្សព្វផ្សាយសាធារណៈ តាមរយៈសារព័ត៌មានដែលបានការទទួលស្គាល់ និងគេហទំព័រផ្លូវការរបស់ ក្រុមហ៊ុនធានាទិញមូលបត្រ ក្រុមហ៊ុនបោះផ្សាយ ឬបុគ្គលណាម្នាក់ដែលបានក្រុមហ៊ុនបោះផ្សាយ។/និង .ក.ម.

6.1 Subscription result shall be announced to the public via accredited newspapers and the official websites of the Underwriter, the Issuer, the SECC and/or the Issuer's authorized selling agents.

៦.២ ក្រុមហ៊ុនធានាទិញមូលបត្រ រក្សាសិទ្ធិកែប្រែលក្ខខណ្ឌដែលមានចែងក្នុងកិច្ចព្រមព្រៀងនេះ។

6.2 The Underwriter reserves the right to amend the terms and conditions contained herein.

៦.៣ វិនិយោគិនដែលមានសំណួរពាក់ព័ន្ធនឹងពាក្យស្នើសុំនេះ គួរស្វែងរកនូវការបញ្ជាក់ពីក្រុមហ៊ុនធានាទិញមូលបត្រ ឬបុគ្គលណាម្នាក់ដែលបានក្រុមហ៊ុនបោះផ្សាយ។

6.3 An investor with queries regarding the application or any of the matters contained herein should seek clarification from underwriters or Joint Underwriter or the Issuer's authorized selling agents.

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**SECTION 12: SIGNATURES OF CHAIRMAN OF THE BOARD OF DIRECTORS, DIRECTORS, CHIEF
EXECUTIVE OFFICER AND CHIEF FINANCE OFFICER**

Mr. Kevin Robert Whitcraft		
Chairman	Signature	Date
Mr. Thomas Arthur Whitcraft		
Non-Executive Director	Signature	Date
Mr. Ith Vichit		
Independent Director	Signature	Date
Mr. Christopher Gowen Manley		
Non-Executive Director	Signature	Date
Mr. Ngorn Saing		
Executive Director, CEO	Signature	Date
Mr. Keith Gardner		
CFO	Signature	Date

Appendices

Appendix I: Bondholders' Representative Agreement

Appendix II: Terms and Conditions of the Bonds

Appendix III: Code of Conduct

Appendix IV: Guarantee

Appendix V: Credit Rating Report of CGIF

Appendix VI: Certification of the Accuracy of Information

Appendix VII: Financial Statements

Appendix I:
Bondholders' Representative Appointment Agreement

BONDHOLDERS REPRESENTATIVE AGREEMENT

DATED March 25th, 2020

BETWEEN

ACLEDA Securities Plc.
As Bondholders' Representative

AND

R M A (CAMBODIA) PLC.
As Issuer

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Handwritten signature and initials in blue ink.

THIS BONDHOLDERS' REPRESENTATIVE AGREEMENT (Agreement) is made on March 25th, 2020.

BETWEEN:

(1) **ACLEDA Securities Plc.**, a public limited Company incorporated under the laws of the Kingdom of Cambodia accredited by SECC dated June 06th, 2018 as Bondholders' Representative, whose head office is at 5th floor, ACLEDA Building at #61, Preah Monivong Blvd, Sangkat Srah Chork, Khan Daun Penh, Phnom Penh (hereinafter referred to as the **Bondholders' Representative**);

and

(2) **R M A (CAMBODIA) PLC.**, a public limited liability Company incorporated under the laws of the Kingdom of Cambodia, having company registration number 00001121 (Old registration number Co.1515E/2002), and having its registered at No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh, (hereinafter referred to as the **Issuer**).

WHEREAS:

- (A) The Issuer is approved by the **SECC** to offer unsubordinated, unsecured and guaranteed Bonds.
- (B) The Bondholders' Representative has all qualifications required by law in order to act as Bondholders' Representative for the Bonds and approved by the **SECC** in respect thereof.
- (C) The Bondholders' Representative agrees to perform its duties as Bondholders' Representative in order to protect the benefit of all Bondholders as provided in the Prakas on Accreditation Bondholders Representative, the Bond Conditions and this Agreement.
- (D) The Issuer wishes to appoint **ACLEDA Securities Plc.** to act as the Bondholders' Representative in relation to the Bonds and **ACLEDA Securities Plc.** wishes to accept the appointment of the Bondholders' Representative in accordance with the Bond Conditions (as defined below) and the terms and conditions of this Agreement.

IT IS AGREED as follows:

1. DEFINITION

In this Agreement (including the recital above), capitalised terms used but not defined herein shall have the same meaning as defined in the Bond Conditions (defined below), unless the context requires otherwise, and in addition to such terms.

“Appointment Agreement” means the Contract on Providing Service of Securities Registrar, Securities Transfer Agent and Paying Agent dated and entered into or to be entered into between the Issuer and **ACLEDA Bank Plc.** in connection with the issue of Bonds.

“Bonds” KHR denominated bonds issued by the Issuer as defined in Clause 2 of the Bond Conditions.

“Bond Conditions” means the terms and conditions of the Bonds dated, as may be amended, supplemented or modified from time to time.

“Bond Document” has the meaning given to it in the CGIF Guarantee.

“Bondholder(s)” means the person(s) who owns the Bond(s) in accordance with Clause 2 of the Bond Conditions.

“Bondholders’ Book” means the Bondholders’ book of the Bonds, recording particulars of the Bondholders or other sources of registration information relating to the transfer, pledge, attachment, and other matters related to the Bonds as required by Appointment Agreement and the relevant rules and procedures prescribed pursuant to the applicable rule under Cambodian Laws.

“Bondholders’ Representative” means **ACLEDA Securities Plc.** acting as bondholders' representative in respect of the Bonds, or any successor appointed as the Bondholders' Representative in respect of the Bonds from time to time in accordance with the Bond Conditions and this Agreement.

“Business Day” means the day (other than a Saturday, Sunday and public holidays) on which companies are generally open for business in Cambodia.

“CAS” means a Cambodian Accounting Standard.



“CGIF Guarantee” means the Guarantee Agreement dated [.....] and entered into or to be entered into between the Guarantor, the Bondholders and the Bondholders’ Representative in connection with the issue of the Guaranteed Bonds.

“CIFRS” means a Cambodian International Financial Reporting Standard.

“CSD” means a Cambodian Securities Depository.

“CSX” means Cambodia Securities Exchange.

“Event of Default” means any of the Events of Default provided for and as defined in the Bond Conditions.

“Expense” means any cost, out-of-pocket expense, disbursement, fees including legal fee and professional fee (other than the Bondholders' Representative Fee as defined in Clause 6.1(b)) or any other money incurred or payable by the Bondholders' Representative or incurred in connection with the Bonds under this Agreement and/or the Bond Conditions including expenses relating to transportation, meeting of Bondholders, implementation or enforcement of any Transaction Document.

“Guarantor” means Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank with its office in Manila, the Philippines, in its capacity as guarantor.

“Issue Date” means the date on which the Issuer issues the Bonds under the Bond Conditions.

“Meeting Rules” means the rules of Bondholders’ meeting provided in the Bond Conditions.

“Non-Payment” means an event described in Clause 11.1.1 (Non-Payment) of the Bond Conditions.

“Paid Guaranteed Amount” has the meaning given to it in Clause 3.2(g)(1).

“Paying Agent” means **ACLEDA Bank Plc.** as appointed under the Appointment Agreement or any successor or replacement entity thereto and has the meaning given to it in the Bond Conditions.

“Public Bonds” has the meaning given to it in the CGIF Guarantee.

“Resolution(s)” means any resolution(s) passed by the Bondholders at a Bondholders’ meeting.

“SECC” means the Securities and Exchange Commission of Cambodia.

“Securities Regulations” means the Law on Issuance and Trading of Non-Government Securities promulgated by Royal Kram no. NS/RKM/1007/028 dated 19 October 2007 and its implementation regulations and their subsequent amendment thereto.

“Securities Registrar” means **ACLEDA Bank Plc.** as appointed under the Appointment Agreement or any successor or replacement entity thereto and has the meaning given to it in the Bond Conditions.

“Securities Transfer Agent” means **ACLEDA Bank Plc.** as appointed under the Appointment Agreement or any successor or replacement entity thereto and has the meaning given to it in the Bond Conditions.

“Transaction Documents” means the Bonds, the Bond Conditions, the CGIF Guarantee and this Agreement.

2. APPOINTMENT OF BONDHOLDERS REPRESENTATIVE

2.1 The Issuer hereby appoints **ACLEDA Securities Plc.** as the Bondholders’ Representative and **ACLEDA Securities Plc.** accepts such appointment and agrees to act as such for and on behalf of the Bondholders in accordance with the Transaction Documents and all applicable laws.

2.2 The Bondholders’ Representative agrees:

- (a) to perform and to comply with all duties and obligations of the Bondholders’ Representative as set out in the Transaction Documents and all applicable laws according to generally recognised professional standards;
- (b) to have and to exercise all rights and powers of the Bondholders’ Representative as set out in the Transaction Documents (including without limitation, all powers, duties and responsibilities set out in the Bond Conditions and Clause 3 of this Agreement and all applicable laws); and
- (c) to accept the money or security for and on behalf of the Bondholders.

3. POWERS, DUTIES AND AUTHORITY OF THE BONDHOLDERS' REPRESENTATIVE

3.1 Power to represent the Bondholders

- (a) The Bondholders' Representative has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of the Bond Conditions, and the commencement of bankruptcy or other insolvency proceedings against the Issuer or others in connection with the Transaction Documents.
- (b) Any action taken by the Bondholders' Representatives in accordance with this Agreement, the Bond Conditions and the Transaction Documents is deemed to be ratified by the Bondholders as correct and legally binding upon and done in the name of the Bondholders.

3.2 The duties and authorities of the Bondholders' Representative

It is agreed that, in addition to the powers to represent the Bondholders as set forth above, the Bondholders' Representative shall have duties and authority as follows:

(a) Appointment of Advisors:

With prior written consent from the Issuer, the Bondholders' Representative may appoint advisors including legal counsel (and the reasonable fees and charges owed to such advisors shall be for the account of the Issuer) in respect of:

- (1) the compliance and/or enforcement of any provisions of the Transaction Documents;
- (2) any actual or proposed amendment, waiver or consent requested by the Issuer relating to the Transaction Documents;
- (3) any Event of Default or breach by the Issuer or any dispute that may arise in connection with the Transaction Documents; or
- (4) the performance by the Bondholders' Representative of any obligations of the Issuer under the Transaction Documents which the Issuer has failed or refused to perform.

(b) Performance:

- (1) The Bondholders' Representative shall, promptly and in any event no later than 03 **(three) Business Days** upon the occurrence of any Event of Default, notify each Bondholder of the occurrence of any Event of Default or breach of, or default under the Bond Conditions which occurrence has actually been notified by the Issuer or comes to the attention of the Bondholders' Representative including the actions taken by the Bondholders' Representative due to such occurrence.
- (2) If any Event of Default occurs and is continuing, the Bondholders' Representative shall deliver a default notice to the Issuer and the Guarantor informing them of the occurrence of such Event of Default. If the Issuer defaults in making a payment under any Bond to any Bondholder, if otherwise not apparent or clearly proven to the contrary, it shall be presumed that such defaults in payment have occurred to all the Bonds.
- (3) If a Non-Payment has occurred, the Bondholders' Representative shall send a BHA Demand (as defined in the CGIF Guarantee) to the Guarantor as soon as possible but in any case within the period of time specified in the CGIF Guarantee in accordance with the terms and conditions set out in the CGIF Guarantee and the Bond Conditions.
- (4) If the Issuer fails to comply with any term of the Bond Conditions (other than Non-Payment), the Bondholders' Representative shall take action in accordance with Clause 11.5 (The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 of the Conditions (Non-Payment) of the Bond Conditions.
- (5) The Bondholders' Representative shall arrange meetings in accordance with the Bondholders' Meetings Rules provided in the Bond Conditions with the Bondholders and shall perform any other duties in accordance with the Transaction Documents.
- (6) The Bondholders' Representative shall act as liaison for all communications between the Issuer, the Bondholders, Agents and the Guarantor, which are necessary for the transactions contemplated to be carried out under the Transaction Documents.



- (7) Subject to Clause 3, the Bondholders' Representative shall distribute to each Bondholder pro rata according to that Bondholder's holding percentage of the Bonds, the proceeds derived from the result of claims made against the Issuer, the enforcement of the rights of the Bondholders under the provisions of the Transaction Documents (other than the CGIF Guarantee) (**Proceeds**). The Bondholders' Representative shall also keep record of steps taken to collect and distribute the Proceeds including related expenses incurred.
- (8) The Bondholders' Representative shall comply with all laws and regulations applicable to the Bondholders' Representative in such capacity including but not limited to the Prakas on Accreditation of Bondholders representative dated August 17th, 2017 as may be amended and supplemented from time to time.
- (9) The Bondholders' Representative shall exercise all rights (on behalf of itself and the Bondholders) under the Transaction Documents, including demand for payment under the Bonds against the Issuer on behalf of the Bondholders and demand for payment under the CGIF Guarantee against the Guarantor.
- (10) The Bondholders' Representative shall keep adequate records of all steps taken by it to enforce any of the Transaction Documents and recover proceeds or obtain other relief for the Bondholders.
- (11) The Bondholders' Representative shall exercise the degree of honesty and care necessary to protect the interests of the Bondholders as is usual and requisite for an entity acting as a professional bondholders' representative and to act at all time in good faith.
- (12) The Bondholders' Representative may act on the opinion or advice of any lawyer, accountant and other experts appointed or selected by the Bondholders' Representative or the Issuer in order to perform its duties and obligations under the Transaction Documents and shall not have any liability when acting (or refraining from acting) upon any advice by such persons (other than for its gross negligence or wilful misconduct).

(c) Event of Default

Except as otherwise provided in the Transaction Documents, for the avoidance of doubt, the Bondholders' Representative shall not be obliged to exercise any right or take any

action in relation to an Event of Default or any event that may constitute an Event of Default unless it has actual knowledge of such Event of Default or such event that may constitute an Event of Default or it has the written directions from the Bondholders or directions in the form of a Resolution in accordance with the Bond Conditions and it has been fully indemnified to its reasonable satisfaction.

(d) Reliance:

- (1) Except as otherwise expressly provided in the Bond Conditions, the Bondholders' Representative shall be and is hereby authorised to assume without enquiry and it is hereby declared to be the intention that it shall assume without enquiry, in the absence of knowledge or express notice to the contrary, that the Issuer is duly performing and observing all the covenants and provisions contained in the Transaction Documents and that on the date hereof and on the Issue Date no Event of Default, and no event which, with the lapse of time and/or upon the giving of notice and/or the issuing of a certificate, would constitute an Event of Default, has occurred.
- (2) The Bondholders' Representative may rely upon any written communication or document reasonably believed by it to be genuine and need not investigate any fact or matter stated in the Transaction Documents.
- (3) The Bondholders' Representative may rely upon any facts and materials provided to it in writing by any authorised persons representing the Issuer.

(e) Liabilities:

- (1) The Bondholders' Representative shall not be responsible for acting upon any Resolution purporting to have been passed at any meeting of the Bondholders in accordance with the Bond Conditions even though it may subsequently be found that there was some defect in the constitution of such meeting or the passing of such resolution or that, for any reason, such resolution was not valid or binding upon the Bondholders (except where such defect was due to its gross negligence or wilful misconduct).
- (2) To the extent applicable, the Bondholders' Representative shall not be liable to the Issuer or any Bondholder by reason of having accepted as valid or not having rejected any certificate of Bond purporting to be such and subsequently found to be

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forged, stolen or not authentic (other than for its gross negligence or wilful misconduct).

(3) The Bondholders' Representative in performing its duties under the Bond Conditions:

- (a) shall not have any responsibility or liability in respect of any failure or delay by the Issuer in performing its respective obligations hereunder or under the Bond Conditions or other agreements relating thereto and hereto; and
- (b) shall not have any responsibility or liability in respect of the execution, effectiveness, enforceability, sufficiency, legality, validity or genuineness of the Bond Conditions, the agreements and documents referred to herein and therein, or of any certificate, report, document of title or other document delivered hereunder or thereunder, any statement of the Issuer herein or therein, or the accuracy or completeness of any information was or is circulated by the Bondholders' Representative.

(f) Paying Agent:

- (1) At any time, the Paying Agent shall deliver, upon the reasonable request of the Bondholders' Representative, all or any documents and/or information to the Bondholders' Representative to perform its duties and powers and authorities under the Transaction Document and/or applicable laws and regulations.
- (2) At any time after an Event of Default or if any event that may constitute an Event of Default has occurred, the Bondholders' Representative may notify the Paying Agent and require the Paying Agent to act as an agent of the Bondholders' Representative in relation to making payments under the Transaction Documents, on similar terms on which the Paying Agent makes payments for and on behalf of the Issuer in the Transaction Documents. In such circumstances, the parties shall make any amendments to the Transaction Documents as the Bondholders' Representative reasonably considers necessary in order to enable the Paying Agent to act as an agent of the Bondholders' Representative in relation to making payments under the Transaction Documents, on similar terms on which the Paying Agent makes payments for and on behalf of the Issuer in the Transaction Documents.

(g) Guarantor's right of subrogation:

- (1) The Bondholders' Representative acknowledges and agrees that, immediately upon the payment by the Guarantor under the CGIF Guarantee of all or any part of the "Guaranteed Amount" (as defined in the CGIF Guarantee) in accordance with the CGIF Guarantee (a **Paid Guaranteed Amount**), the Guarantor shall be:
 - a. subrogated to and may direct the exercise of:
 - i. all of the rights, powers and remedies of the Bondholders' Representative, on behalf of the Bondholders and of the Bondholders themselves, in respect of the Bonds and each Bond Document (in each case, to the extent relating and proportionate to that Paid Guaranteed Amount), against any relevant person, including (and to the extent relating and proportionate to that Paid Guaranteed Amount), any rights or claims, whether accrued, contingent or otherwise; and
 - ii. all of the Bondholders' Representative's and the Bondholders' privileges, rights and security against the Issuer or with respect to the Public Bonds insofar as they extend to an amount equal to that Paid Guaranteed Amount;
 - b. entitled to direct the Bondholders' Representative and/or the Bondholders to take action in the name of the Bondholders' Representative or the Bondholders, as the case may be, to enforce any rights of the Bondholders' Representative and/or the Bondholders against any person in relation to that Paid Guaranteed Amount.
- (2) The Bondholders' Representative must, at its own expense, execute such instruments or documents and take such other actions as the Guarantor may require to give effect to, facilitate or evidence the subrogation referred to in this Clause 3.2(g) and to perfect the rights of the Guarantor to receive such amounts equal to the Paid Guaranteed Amount under the Bond Documents.
- (3) The Issuer agrees that if the Guarantor has exercised its rights in relation to any Paid Guaranteed Amount [under this Clause 3] and the Bonds in respect of which CGIF has been entitled to the rights of subrogation remain outstanding pursuant to the

Bond Documents, the obligations of the Issuer in respect of the Bonds, in proportion to such Paid Guaranteed Amount, will not be considered to be fulfilled.

4. REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties by the Bondholders' Representative

The Bondholders' Representative represents and warrants to the Issuer that as at the date hereof and as of the Issue Date:

- (a) it has been established and is in existence in accordance with the laws of the place of its incorporation, and has the full power and authority to execute and perform its duties and obligations hereunder;
- (b) all actions, conditions and things required by the laws of the place of its incorporation and of Cambodia to be taken, fulfilled and done (including the obtaining of any necessary shareholder, corporate, governmental, ministerial or other consents, approvals and licences) in order to enable it to lawfully enter into, exercise its rights and perform and comply with its obligations under the Transaction Documents to which it is a party have been taken, fulfilled and done;
- (c) its entry into, exercise of its rights and/or performance of or compliance with its obligations under the Transaction Documents to which it is a party do not and will not violate in any material way (i) any law to which it is subject or (ii) its memorandum of association, articles of association or other constitutive documents and any laws by which it is bound;
- (d) its obligations under the Transaction Documents to which it is a party are legal, valid, binding and enforceable upon it in accordance with their respective terms; and
- (e) it is not in liquidation or bankruptcy and has not taken any corporate action, nor have any other steps been taken or legal proceedings commenced against it, for its winding-up, bankruptcy, dissolution, reorganisation, composition or for the appointment of a receiver, liquidator, trustee, examiner or similar officer of it or of all or any of its assets or revenues.

4.2 Representations and Warranties by Issuer

The Issuer represents and warrants to the Bondholders' Representative as at the date hereof and as of the Issue Date:

- (a) The Issuer has been established and is in existence in accordance with the laws of the place of its incorporation, and has obtained the full permissions from relevant competent authorities to issue bond pursuant to the applicable laws and regulations of Cambodia;
- (b) the creation of the Bonds, the offering of the Bonds, the execution of the Bonds, the authentication of the Bonds (where appropriate) and the issue, the entry into or the delivery by the Issuer of each Transaction Document and the performance of the obligations to be assumed thereunder by the Issuer have been duly authorised by all necessary action required by the laws of Cambodia;
- (c) the Bonds and each Transaction Document (save the CGIF Guarantee), when executed, authenticated (where appropriate) and delivered as herein contemplated, will constitute legal, valid, binding and enforceable obligations of the Issuer, except to the extent that the enforcement thereof may be limited by provisions of applicable laws;
- (d) there exists no Event of Default and no event that may constitute an Event of Default and the Issuer is not in breach or default under any Transaction Document; and
- (e) all consents, approvals, authorisations or other orders of all regulatory authorities required for or in connection with the execution by the Issuer of the Transaction Documents and the due performance by the Issuer of its obligations under such documents, the issue and offering by the Issuer of the Bonds and the due performance by the Issuer of its obligations thereunder have been obtained and are in full force and effect.

5. ISSUER'S COVENANTS

5.1 The Issuer agrees to comply with all provisions applicable to it in the Bond Conditions.

5.2 The Issuer shall promptly upon request provide the Bondholders' Representative with any such documents, information (save for the minutes of meetings of the board of directors and shareholders of the Issuer and the Issuer's clients' confidential information)



and other assistance (in form and substance satisfactory to the Bondholders' Representative), that the Bondholders' Representative (acting reasonably) deems necessary for the purpose of exercising its and the Bondholders' rights and/or carrying out its duties under the Transaction Documents.

6. REMUNERATION OF THE BONDHOLDERS' REPRESENTATIVE

6.1 The Issuer shall pay to the Bondholders' Representative the following remunerations:

(a) Annual fee at 0.1 % over the volume of outstanding bond issued.

(b) Additional fees:

- Tranche with addendum at US\$3,000;
- Bondholders' meeting upon agreed actual cost incurred; and
- The actual cost incurred by the Bondholders' Representative in relation to litigation upon an Event of Default by the Issuer.

The Issuer shall pay to the Bondholders' Representative annual fee for acting as Bondholders' Representative (**the Bondholders' Representative Fee**) calculated from the Issue Date until the termination of the appointment of the Bondholders' Representative has become effective. The Bondholders' Representative annual fee shall be payable to the Bondholders' Representative within **15 (fifteen) Business Days** after the date that the Issuer receives the invoice and thereafter annually within **15 (fifteen) Business Days** after the date that the Issuer receives the invoice from the Bondholders' Representative. If any payment date would otherwise fall on a day which is not a Business Day, the relevant amount of the Bondholders' Representative Fee shall be paid to the Bondholders' Representative on the next day which is a Business Day.

6.2 If the Issuer requests the Bondholders' Representative to perform or do any acts beyond the scope of the ordinary powers, duties and responsibilities of the Bondholders' Representative as set forth in the Transaction Documents, the Bondholders' Representative shall not be obliged to perform or do such acts. However, if the Bondholders' Representative, at its sole discretion, determines to perform or do any such acts at the requests of the Issuer, then the Issuer agrees to pay additional remuneration to the Bondholders' Representative in the actual amount and under terms of payment as mutually agreed in writing.

6.3 The Bondholders' Representative may incur reasonable Expense in order to perform its duties in accordance with the Transaction Documents and/or the applicable law and the Issuer agrees to reimburse to the Bondholders' Representative, within **15 (fifteen) days** of the date of receipt of a notice thereof and the relevant supporting documents relating to such Expense from the Bondholders' Representative, any such Expense and agrees to pay all Expenses, including all applicable taxes.

6.4 All sums payable by the Issuer under this Agreement that has not been paid by the Issuer within 30 (thirty) calendar days following the due date shall carry interest at a rate equal to **15 (fifteen percent)** per annum, (i) in respect of the Bondholders' Representative Fee, from the date of the sum being due and payable, and (ii) in respect of all other sums including the Expenses, from the due date for payment of such sum. In any case where interest falls to be paid in respect of a period of less than a full year, the amount thereof shall be calculated on the basis of a year of **365 (three hundred and sixty five) days**, and in the case of an incomplete month, the number of days elapsed.

7. INDEMNIFICATION OF BONDHOLDERS' REPRESENTATIVE

7.1 The Bondholders' Representative shall indemnify the Issuer and its agents, managers, officers or employees against any liability, loss, cost, damages, charge, expense, action, proceedings, claim or demand which are incurred to any of them as a result of any wilful misconduct, fraud or gross negligence or any breach of the terms and conditions of the Transaction Documents and applicable law by the Bondholders' Representative or by any of its officers, directors, employees and agents.

7.2 Notwithstanding any provision of this Agreement or any other Transaction Document to the contrary, the Bondholders' Representative shall not be liable to any person for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to loss of profits), whether or not foreseeable.

7.3 The Issuer shall indemnify the Bondholders' Representative and its agents, managers, officers or employees against any liability, loss, cost, damages, charge, expense, action, proceedings, claim or demand (including, without limitation, any legal fees, all costs and expenses actually and reasonably incurred in disputing or investigating or determining any of the aforementioned on a full indemnity basis), taxes, levies or imposts which are actually and reasonably incurred by the Bondholders' Representative and its agents, managers, officers or employees as a result of or in connection with the

performance of the Bondholders' Representative's duties in accordance with any of the Transaction Documents, except where the same arises from the wilful misconduct, fraud, or gross negligence of the Bondholders' Representative, its agents, managers, officers or employees or any breach of this Agreement by the Bondholders' Representative, its agents, managers, officers or employees.

- 7.4 The Bondholders' Representative shall indemnify the Bondholders against any loss, cost, damages, charge, expense, claim or demand (including, without limitation, any legal fees, all costs and expenses incurred in disputing or investigating or determining any of the aforementioned on a full indemnity basis), suffered or incurred by the Bondholders, as a result of or in connection with the gross negligence, wilful misconduct, or breach of the terms and conditions of any of the Transaction Documents or any applicable laws and regulations, by the Bondholders' Representative or by any of its officers, directors, employees, managers or agents.
- 7.5 Notwithstanding anything to the contrary in this Agreement, in no event shall the Bondholders' Representative be liable for any failure or delay in the performance of its obligations hereunder if it is prevented from so performing its obligations by any future law or regulation (including, for the avoidance of doubt, any change in, or change in interpretation in relation to any law or regulation in existence at the date hereof which occurs subsequent to the date hereof which restricts or prohibits the providing of the services contemplated by this Agreement), any existing or future act of governmental authority, or because of circumstances beyond the Bondholders' Representative's control, including, but not limited to, acts of God, flood, war (whether declared or undeclared), terrorism, fire, riot, embargo, labour dispute, any change in laws, ordinance, regulations or the like after the Issue Date which restrict or prohibit the providing of the services contemplated by this document, or interruption of public communications facilities or disruptions of any banking system. For avoidance of doubt, the incidents which will excuse the Bondholders' Representative from being liable under this Clause shall only be those which are beyond the Bondholders' Representative's reasonable control when having used all relevant preventive measures and applied professional solutions as may be expected from a professional bondholders' representative.
- 7.6 Unless otherwise provided by applicable laws, the SECC's notifications or the Conditions, nothing contained in any Transaction Document shall require the

Bondholders' Representative (acting in good faith in accordance with its professional judgment and without gross negligence, fraud, wilful misconduct or breach of the Transaction Documents or applicable law):

- (a) to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties or the exercise of any right, power, authority and discretion hereunder if it shall have reasonable grounds for believing that the repayment of such funds or satisfactory indemnity against or security for such risk or liability is not assured to it; and
- (b) to do anything which would or might in its opinion be contrary to any applicable law of any jurisdiction or any directive or regulation of any agency or any state which would or might render it liable to any person.

7.7 The provisions of this Clause 7 shall survive the termination of this Agreement or the resignation or removal of the Bondholders' Representative

8. AMENDMENT OF THE AGREEMENT

8.1 Subject to the Transaction Documents and applicable laws, any amendment of the terms and conditions of this Agreement shall be mutually agreed in writing signed by authorised signatories of the parties hereto. Any amendment or modification of this Agreement in any respect that the Bondholders' Representative deems to be beneficial to the Bondholders or in a manner that would not materially prejudice the Bondholder's rights, may only be made if the Bondholders' Representative receives written approval from Bondholders holding at least 50% (fifty per cent) of the value of the Bonds.

8.2 Should there be any amendment made to the Transaction Documents, laws, rules, notifications, regulations, order of the SECC, the SECC or any other government authority which shall have a material effect on any provisions of this Agreement, the parties hereto shall mutually negotiate in good faith to amend such terms and conditions under this Agreement to be in compliance with the amended Transaction Documents, laws, rules, notifications, regulations or orders.

9. CONFIDENTIALITY

All information disclosed by either party under or in connection with this Agreement shall be treated by the receiving party as confidential. These confidentiality undertakings shall remain in effect for a term of two (2) years as from the termination date of this Agreement.

Each party, undertakes for itself and for its subsidiaries, affiliates and its staffs, to maintain all information of the other party as confidential information and not disclose the information to any other person, except:

- (a) as may be required by law, rule, regulation or any judicial, governmental or competent supervisory or regulatory body, provided, that, the disclosing party shall, to the extent reasonably practicable and legally permitted to do so, inform the other party of the full circumstances of such disclosure; and
- (b) to its respective officers, employees, advisers, agents and representatives (including officers, employees, advisors, agents and representatives of any of its affiliates), auditors, or advisors, who, in any such case, have a justifiable need to know such information and who are made aware of, and agree to be bound by the confidentiality obligations under this paragraph prior to such information being disclosed to them.

10. DEFAULT

Subject to Clause 12, if any party fails to comply with any provision of the Transaction Documents or is in breach of the Transaction Documents, it shall be deemed that such party is in default and the other party shall be entitled to terminate this Agreement without prejudice to its rights or remedies at law to claim against the party in default for any losses or compensation resulting from its failure to comply with the Transaction Documents.

11. TERMINATION

In addition to the right to terminate this Agreement by a non-defaulting party under Clause 10 and subject to Clause 12, this Agreement can also be terminated upon the occurrence of any of the following events:

- (a) all amounts owed in connection with the Bonds have been paid in full;
- (b) either party gives not less than **3 (three) months'** prior written notice of termination to the other party;

- (c) a Bondholders' meeting resolves to revoke the appointment of the Bondholders' Representative in accordance with the Bond Conditions; or
- (d) any proceeding or other action is commenced against the Bondholders' Representative, seeking reorganisation, receivership, liquidation, dissolution, winding-up, composition and other similar events, or there is any order or judgement for dissolution or suspension of business by the court.

12. OBLIGATION OF BONDHOLDERS' REPRESENTATIVE AFTER TERMINATION OF AGREEMENT

- 12.1 Any termination of the appointment of the Bondholders' Representative under this Agreement, except the termination under Clause 11 (a), will not be effective until a successor is appointed. This successor shall be a registered and licensed entity pursuant to the relevant Cambodian laws and regulations to legally perform the activities as bondholders' representative. The Bondholders' Representative shall assist the Issuer to nominate a successor bondholders' representative. Subject to the Bond Conditions, if any of the bondholders' representatives nominated by the Bondholders' Representative has not been selected within **3 (three) months** from the date of termination notice, it shall be deemed that the Issuer has selected the last bondholders' representative nominated by the Bondholders' Representative and this Agreement shall terminate when the appointment of the such bondholders' representative is effective.
- 12.2 Upon termination of the Agreement or unless otherwise directed by the Issuer, the Bondholders' Representative will cease using information and documents provided by the Issuer and/or the Bondholders (**Documents**) and return or destroy at the Issuer's direction all copies of the Documents. The Bondholders' Representative will delete all copies of the Documents residing in memory on any computer at the Bondholders' Representative's site. The Bondholders' Representative will, within **30 (thirty) days** from the effective date of the termination, certify in writing that all copies of the Documents have been returned, deleted or destroyed as directed by the Issuer.
- 12.3 The provision of Clause 6, Clause 7, Clause 9, Clause 12, Clause 17, Clause 18 and Clause 19 shall survive such expiration or termination and remain in full force and effect. If this Agreement expires or terminates pursuant to this Agreement, this Agreement shall be of no further effect and no party shall be under any liability to any other in respect of this Agreement except for (i) any liability arising before or in relation



to such expiration or termination of this Agreement and (ii) the liability of a party under the provisions which shall survive the termination of this Agreement.

13. ASSIGNMENTS

- 13.1 Other than as permitted by the Transaction Documents, none of the parties may assign, transfer or charge any of its rights and benefits in or under this Agreement.
- 13.2 This Agreement and all terms and conditions thereof are binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.
- 13.3 The parties agree that they will cooperate fully to do all further acts and things and execute any further documents as may be necessary or desirable to give full effect to the arrangements contemplated by this Agreement. Without prejudice to the generality of the foregoing, the Issuer shall give to the Bondholders' Representative without delay such further written authorisations, mandates and instruments as it may reasonably require to enable it to perform the services to be performed by it hereunder.

14. WAIVER

No single or partial exercise of, or failure or delay in exercising, any right under this Agreement shall constitute a waiver or preclude any other or further exercise of that or any other right.

15. PARTIAL INVALIDITY

Without prejudice to any other provision hereof, if one or more provisions hereof is or becomes invalid, illegal or unenforceable in any respect under any law of any jurisdiction or with respect to any party such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party or parties shall not, to the fullest extent permitted by applicable law, render invalid, illegal or unenforceable the remaining provision or provisions under the law of any other jurisdiction or with respect to any other party or parties hereto.

16. CONFLICT

If any of the provisions of this Agreement are in conflict with those of any applicable Cambodia laws or regulations, the provisions of such law and regulations shall prevail.

If any of the provisions of this Agreement are in conflict with the Bond Conditions and/or the CGIF Guarantee, the Bond Conditions and the CGIF Guarantee (as the case may be) shall prevail.

17. NOTICES

All correspondence and notices between the Bondholders' Representative and the Issuer shall be made in writing and validly given by registered mail or by hand or by facsimile to the other party at the following addresses or any address (in case of change of address) which is notified in writing to the other party by not less than **7 (seven) days** in advance.

(a) if to Bondholders' Representative:

ACLEDA Securities Plc.

Address: 5th floor, ACLEDA building, #61, Preah Monivong Blvd,
Sangkat Srah Chork, Khan Daun Penh, Phnom Penh,
Kingdom of Cambodia

Email: visoth@acledasecurities.com.kh

Attention to: Mr. Prom Visoth, President & CEO

(b) if to the Issuer:

R M A (CAMBODIA) PLC.

Address: No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh, Kingdom of Cambodia

Email: Saing.Ngorn@rmagroup.net

Attention to: Mr. NGORN Saing, CEO

Any correspondence and notices shall be deemed to be duly received by the addressee, in case of facsimile, when the sender's fax machine has generated a confirmed delivery report, in the case of personal delivery, at the time of delivery, and, in the case of postage prepaid registered mail, on the **7th (seventh) day** after it was registered for mail.

18. OTHERS

18.1 The Issuer shall be responsible for reasonable and actual costs and expenses in relation to preparation, negotiation and appointment of the Bondholders' Representative.

18.2 The payment of the Bondholders' Representative remuneration shall be made without any withholding or deduction (except where such withholding or deduction is required by law) plus the applicable value added tax. The Issuer shall be responsible for and shall remit to the General Tax Department all applicable withholding taxes in relation to the Bondholders' Representative Fee as required by the General Tax Department.

18.3 This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

19. LANGUAGE

19.1 This agreement shall be in Khmer and English but in case of discrepancy the Khmer version shall prevail.

19.2 All notices and communications to be made between in relation to this Agreement shall be made in Khmer language, unless as otherwise required under the applicable laws or any other agreement, in which case an English translation thereof shall be provided to each other party.

20. GOVERNING LAW

20.1 This Agreement and its terms and conditions shall be governed by and construed in accordance with the laws of Cambodia. To the extent of discrepancy or inconsistency between any provision of these terms and conditions and any laws or notifications applicable to this Agreement, the provisions of such laws or notifications applicable to this Agreement shall supersede only the parts of these terms and conditions which give rise to such discrepancy or inconsistency.

20.2 The Parties agree that any legal action arising out of or relating to these terms and conditions may be brought in the courts of Cambodia.

21. EFFECTIVE DATE

This Agreement shall be effective from the signing Date.

IN WITNESS WHEREOF, the parties hereto have signed and stamped as the above written terms and conditions.

THE ISSUER

SIGNED for and on behalf of
R M A (CAMBODIA) PLC.


By: 

Name: Mr. NGORN Saing
Position: CEO

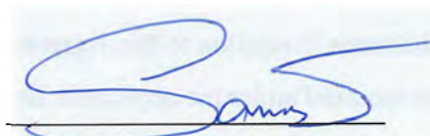
THE BONDHOLDERS' REPRESENTATIVE

SIGNED for and on behalf of
ACLEDA Securities Plc.

By: 


Name: Mr. Prom Visoth
Position: President & CEO

WITNESS

By: 

Name: Ms. LIM SAMAY
Position: Corporate Secretary

WITNESS

By: 

Name: Mr. Hor Simeth
Position: VP & Head of Operations



Appendix II:
Terms and Conditions of the Bonds

**TERMS AND CONDITIONS
IN RELATION TO**

“RMAC Bond” (the “Bonds”)

The following are the terms and conditions of the Bonds providing the rights and obligations of RMA CAMBODIA PLC. (the "**Issuer**") and the Bondholders with respect to the Bonds, as may be supplemented, amended or modified by any subsequent amendment thereto.

The Issuer has appointed ACLEDA Securities Plc. as the Bondholders' Representative pursuant to the Bondholders' Representative Agreement and ACLEDA Bank Plc. as the Securities Registrar, the Securities Transfer Agent, and the Paying Agent pursuant to ACLEDA Bank Plc. Appointment Agreement. The Bondholders are deemed to accept the appointment of the Bondholders' Representative and are entitled to the benefits of, are bound by, and are deemed to have notice of and understand, all provisions of these Conditions and the Bondholders' Representative Agreement which are applicable to them.

Pursuant to and subject to the terms of the CGIF Guarantee (as defined below and a form of which is attached as Annex B hereto), Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (the "**Guarantor**"), unconditionally and irrevocably guarantees the full and punctual payment of:

- (i) any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under these Conditions;
- (ii) any Additional Accrued Interest; and
- (iii) any Bondholders' Representative Expenses which is overdue and unpaid (whether in whole or in part),

(as each term is defined in Clause 1.1 of the CGIF Guarantee) subject to the terms of the CGIF Guarantee, including that a Demand (as defined in Clause 1.1 of the CGIF Guarantee) in respect of such amounts is made to the Guarantor pursuant to the CGIF Guarantee.

The Eligible Bondholders are entitled to the benefit of and are bound by, and are deemed to have notice of and understand, all the terms and conditions of the CGIF Guarantee.

Copies of the executed Conditions, CGIF Guarantee, Bondholders' Representative Agreement, and ACLEDA Bank Plc. Appointment Agreement are available for inspection during normal business hours at the registered office of the Bondholders' Representative.

1. DEFINITIONS

In these Conditions:

"Affiliate"	means, in relation to a person, a Subsidiary or Holding Company of that person or a Subsidiary of that Holding Company.
"ACLEDA Bank Plc. Appointment Agreement"	means the Contract on Providing Services of Securities Registrar, Securities Transfer Agent and Paying Agent dated on <u>December 30, 2019</u> and entered into or to be entered into between the Issuer and ACLEDA Bank Plc. in connection with the issue of Bonds.
"Articles of Agreement of CGIF"	means the articles of agreement of the Guarantor originally dated 11 May 2010, as amended on 27 November 2013, 31 May 2016, 23 May 2017, 31 May 2018 and 1 August 2019 (as may be further amended or supplemented from time to time).
"Bondholder(s)"	means the person(s) who owns the Bond(s) in accordance with Clause 3.
"Bondholders' Book"	means the Bondholders' book of the Bonds, recording particulars of the Bondholders or other sources of registration information relating to the transfer, pledge, attachment, and other matters related to the Bonds as required under the ACLEDA Bank Plc. Appointment Agreement and the relevant rules and procedures prescribed pursuant to the applicable rule under Cambodian Laws.
"Bondholders' Representative"	means ACLEDA Securities Plc. acting as Bondholders' Representative in respect of the Bonds, or any successor appointed as the Bondholders' Representative in respect of the Bonds from time to time in accordance with these Conditions and the Bondholders' Representative Agreement.
"Bondholders' Representative Agreement"	means the Cambodian law governing Bondholders' Representative agreement entered into between the Bondholders' Representative and the Issuer dated on <u>March 25, 2020</u> or any agreement appointing a new Bondholders' Representative to replace the existing Bondholders' Representative (if any) from time to time.
"Bonds"	mean KHR denominated amortising bonds issued by the Issuer as provided in Clause 2.

"Bond Documents"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"Bondholder's Rights"	means all rights relating to the Bonds including, without limitation, the right to receive payment of the principal and interest on the Bonds and the right to attend and vote at meetings of the Bondholders.
"Book Closing Date"	has the meaning given to it in Clause 3.2.3.
"Business Day"	means a day (other than a Saturday or Sunday) on which banks are open for general business in Manila, New York and Phnom Penh.
"Cambodia"	means the Kingdom of Cambodia.
"CGIF Guarantee"	means the English law governed guarantee dated on _____ or around the date of these Conditions and to be entered into between, among others, the Guarantor, the Bondholders and the Bondholders' Representative, in connection with the Bonds in the form attached as Annex B hereto.
"Conditions"	means these terms and conditions setting out the rights and obligations of the Issuer and the Bondholders in respect of the Bonds, as may be supplemented, amended or modified in accordance with the terms specified herein.
"CSX"	means Cambodia Securities Exchange.
"Default Interest Rate"	means the Interest Rate plus 2 (two) per cent per annum.
"Demand"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"Eligible Bondholder"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"Event of Default"	means any of the events specified in Clause 11.1.
"Extraordinary Resolution"	means a resolution passed at the Bondholders' meeting by a majority of at least 75% (seventy-five per cent) of the votes cast.
"Guarantee Documents"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.

"Guarantor's Assets"	means all property and assets of the Guarantor held in trust in accordance with the Articles of Agreement of the Guarantor and available from time to time to meet the liabilities of the Guarantor. For the avoidance of doubt, a "Guarantor's Asset" does not include any assets of the Asian Development Bank or any other contributors to the Guarantor.
"Holding Company"	means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.
"Indebtedness"	means any obligation or obligations (whether present or future, actual or contingent) for the payment or repayment of money borrowed and/or interest thereon.
"Interest Payment Date"	means every <u>April, 09</u> of each year with the first Interest Payment Date being <u>April 09 2021</u> and the last Interest Payment Date being the Maturity Date.
"Interest Period"	means: (a) with respect to the first Interest Period, the period commencing on, and including, the Issue Date and ending on, but excluding, the first Interest Payment Date; and (b) with respect to any subsequent Interest Period, the period commencing on, and including, the Interest Payment Date of the preceding Interest Period and ending on, but excluding, the next Interest Payment Date of such Interest Period or the Maturity Date, as the case may be.
"Interest Rate"	means a rate of [5-5.5% (five to five point five)] per annum.
"Investment Securities"	means any present or future Indebtedness in the form of, or represented by, bonds, debentures, notes or other investment securities (other than the Bonds) which are for the time being, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.
"Issue Date"	means <u>April 09, 2020</u> being the issue date of the Bonds.
"KHR"	means Riel, the lawful currency of the Kingdom of Cambodia.
"Maturity Date"	means <u>April 09 2025</u>

"Non-Payment Event"	has the meaning given to it in Clause 1.1 (Definition) of the CGIF Guarantee.
"New Parent"	means an entity incorporated in any jurisdiction reasonably acceptable to the Guarantor and the Bondholders' Representative, replacing Clipper Holdings Limited as parent to the Issuer.
"Parent"	means Clipper Holdings Limited or any New Parent.
"Paying Agent"	means ACLEDA Bank Plc. as appointed under the ACLEDA Bank Plc. Appointment Agreement or any successor or replacement entity thereto, to provide paying agent services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent issued on 30 June 2010 and subsequent amendment
"Principal Amount"	means the outstanding principal amount in respect of the Bonds at any time.
"Record Date"	has the meaning given to it in Clause 3.2.3.
"Qualified Investors"	has the meaning given to it in Clause 2 of Prakas on Qualified Investors in Securities Sector issued on 17 August 2016 and subsequent amendment thereto.
"Scheduled Interest"	means scheduled interest on the Bonds payable at the Interest Rate on each Interest Payment Date (excluding, for the avoidance of doubt, default interest (if any)).
"SECC"	means the Securities and Exchange Commission of Cambodia.
"Secondary Market"	means CSX and any other securities trading platform that are permitted by the SECC.
"Securities Registrar"	means ACLEDA Bank Plc. as appointed under the ACLEDA Bank Plc. Appointment Agreement or any successor or replacement entity thereto, to provide securities registrar services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent issued on 30 June 2010 and subsequent amendment thereto.

"Securities Transfer Agent"	means ACLEDA Bank Plc. as appointed under the ACLEDA Bank Plc. Appointment Agreement or any successor or replacement entity thereto, to provide securities transfer agent services on behalf of the Issuer as stated in relevant Prakas on the Registration of Securities Registrar, Securities Transfer Agent and Paying Agent issued on 30 June 2010 and subsequent amendment thereto.
"Subscription Closing Date"	Means <u>April 08, 2020</u> , being the last day of the subscription period in respect of the Bonds.
"Subsidiary"	<p>means, in relation to any company or corporation, a company or corporation:</p> <ul style="list-style-type: none"> (a) which is controlled, directly or indirectly, by the first mentioned company; (b) all entities whose financial statements are required to be fully consolidated with the first mentioned company in accordance with the accounting standards adopted for the consolidated financial statements of such company; or (c) which is a subsidiary of another subsidiary of the first mentioned company, <p>and for this purpose, a company shall be treated as being controlled by another if that other company is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.</p>
"Underwriter"	means SBI Royal Securities, a public limited company incorporated under the laws of Cambodia, having a commercial registration No. 00000824 and a registered address at 13Ath floor, Phnom Penh Tower, No. 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh, Cambodia.

2. FORM, DENOMINATION, INTEREST AND TERM

- 2.1. The Bonds are in registered form carrying interest at the Interest Rate. The Bonds have a tenor of 5 (five) years from the Issue Date, and are named the "**RMAC Bond**".
- 2.2. The Bonds are denominated in KHR, with a nominal value of KHR 100,000 (one hundred thousand) each ("**Nominal Value**").
- 2.3. On the Issue Date, there are 800,000 (eight hundred thousand) units of the Bonds in total, with an aggregate total principal amount of KHR 80,000,000,000

(eighty billion) (or its equivalent in USD of up to US\$ 20 million, whichever is lower) (the "**Bonds**").

3. OWNERSHIP OF THE BONDS AND BONDHOLDERS' BOOK

The Issuer has appointed ACLEDA Bank Plc. to act as the Securities Registrar, the Securities Transfer Agent, and the Paying Agent in respect of the Bonds in accordance with ACLEDA Bank Plc. Appointment Agreement.

3.1. Bonds Ownership

The Bondholder's Rights are vested in individuals or legal entities whose names appeared on the Bondholders' Book maintained by the Securities Registrar and the Securities Transfer Agent, as the case may be, as the owners of such Bonds at the end of business hours of the Securities Registrar and the Securities Transfer Agent, as the case may be, on the relevant Record Date, except in a case where an objection is duly made according to the law.

3.2. Bondholders' Book; Closure of the Bondholders' Book

- 3.2.1. The Securities Registrar is obliged under ACLEDA Bank Plc. Appointment Agreement to enter the name of each Bondholder to whom the Bonds have been allotted, together with details of the number of Bonds allotted to such Bondholder, into the Bondholders' Book no later than 7 (seven) Business Days after the Subscription Closing Date (subject to it receiving all necessary documentation).
- 3.2.2. The Securities Transfer Agent is obliged under ACLEDA Bank Plc. Appointment Agreement to prepare, record and/or register any transaction in relation to the transfer, pledge and any other matter or thing with respect to the Bonds as required by applicable law and to keep the Bondholders' Book until the date that all Bonds are fully redeemed, in accordance with these Conditions.
- 3.2.3. The Bondholders' Book will be closed as follows:
 - 3.2.3.1. 2 (two) days prior to any Interest Payment Date and the Maturity Date (the "**Book Closing Date**"); and
 - 3.2.3.2. 14 (fourteen) days prior to any date fixed for any meeting of the Bondholders or any other date for any other purpose as specified in the Conditions and as notified by the Issuer to the Securities Transfer Agent and the Bondholders' Representative (the "**Meeting Book Closing Date**").

If the Book Closing Date and/or the Meeting Book Closing Date falls on a day that is not a Business Day, the Bondholders' Book shall be closed on the next Business Day, and in such case, the period between the Book Closing Date or the Meeting Book Closing Date (as the case may be) to each relevant Interest Payment Date, the Maturity Date, any date fixed for any meeting of the Bondholders or any other date for any other purpose as specified above shall NOT be less than the above provided period. The Securities Transfer Agent shall not register any transfer of the Bonds on the Book Closing Date and/or the Meeting Book Closing Date. A Business Day immediately preceding the Book Closing Date and/or the Meeting Book Closing Date is hereinafter referred to as a "**Record Date**".

- 3.2.4. The Issuer and Securities Transfer Agent hereby reserve the right to change the date and time for the closure of the Bondholders' Book without the need to obtain consent from the Bondholders, provided that such change: (i) must be in compliance with the rules and regulations of CSX (if listed) or any other relevant authorities, and (ii) shall not adversely affect materially the rights and benefits of the Bondholders. In such case, the Record Date shall be changed accordingly. Any change to the Bondholders' Book and Record Date must be notified to all the Bondholders no later than 7 (seven) Business Days.

4. TRANSFERS OF BONDS

- 4.1. The subscription of Bonds in the primary market is not eligible for any person other than the Qualified Investors who are deemed appropriate at the discretion of the Underwriter.
- 4.2. The Bonds shall be transferred in compliance with the applicable regulations of the CSX and any other relevant regulatory authority and agency. If the Bonds are not traded on the CSX or the Secondary Market, they can only be transferred between Qualified Investors.
- 4.3. For avoidance of doubt, the Bonds are only freely transferred after being listed on CSX or the Secondary Market.

5. STATUS OF BONDS AND CGIF GUARANTEE

5.1. Status of Bonds

The Bonds constitute name registered, unsubordinated and (subject to Clause 6.4 (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves other obligations that are subject to any priorities or preferences. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws and subject to Clause 6.4 (*Negative Pledge*), rank at least equally with all other unsecured and unsubordinated indebtedness of the Issuer, present and future, and rank ahead of the shareholders' equity of the Issuer.

5.2. Guarantee

The payment obligations of the Issuer under Clause 8.1 are unconditionally and irrevocably guaranteed by the Guarantor to the extent of, and in accordance with and subject to the terms of, the CGIF Guarantee. Such payment obligations of the Guarantor under the CGIF Guarantee are direct, unconditional and general obligations of the Guarantor and rank *pari passu* with the claims of all its other unsecured and unsubordinated creditors, present or future, except for obligations mandatorily preferred by law.

5.3. Limitation on the Guarantor's Liabilities

- 5.3.1. The recourse of each of the Bondholders' Representative, the Paying Agent, the Securities Registrar, the Securities Transfer Agent and the Eligible Bondholders against the Guarantor in respect of the CGIF Guarantee is limited solely to the Guarantor's Assets. By its holding of a Bond, each of the

Bondholders' Representative, the Paying Agent, the Securities Registrar, the Securities Transfer Agent and the Eligible Bondholders will be deemed to acknowledge and accept that it only has recourse to the Guarantor's Assets and none of the Bondholders' Representative, the Paying Agent, the Securities Registrar, the Securities Transfer Agent or Eligible Bondholders have recourse to any assets of the Asian Development Bank or any other contributors to the Guarantor. Any obligation under the CGIF Guarantee shall not constitute an obligation of the Asian Development Bank or any other contributors to the Guarantor.

- 5.3.2. Each of the Eligible Bondholders, the Bondholders' Representative, the Paying Agent, the Securities Registrar and Securities Transfer Agent further acknowledge and accept that neither the Asian Development Bank nor any other contributors to the Guarantor or the officers, employees or agents of the Asian Development Bank or any contributor to the Guarantor shall be subject to any personal liability whatsoever to any third party including each of the Bondholders' Representative, Eligible Bondholders, the Paying Agent, the Securities Registrar and the Securities Transfer Agent in connection with the operation of the Guarantor or under the CGIF Guarantee, any other Guarantee Document or any Bond Document. No action may be brought against Asian Development Bank as the trustee of the Guarantor or as contributor to the Guarantor or against any other contributors to the Guarantor or any of their respective officers, employees or agents by any third party including each of the Bondholders' Representative, Eligible Bondholders, Paying Agent, the Securities Registrar and Securities Transfer Agent in connection with the CGIF Guarantee, any other Guarantee Document or any Bond Document.

6. COVENANTS OF THE ISSUER

The Issuer undertakes to comply with all the covenants set out in this Clause 6 for so long as any debt under the Bonds remains outstanding.

6.1. *Appointment of Replacement of Bondholders' Representative*

If it becomes necessary to replace the Bondholders' Representative, the Issuer shall appoint a replacement Bondholders' Representative as soon as practicable, but in any case no later than 90 (ninety) days from the date on which the Issuer is aware of the event which requires the replacement of the Bondholders' Representative pursuant to Clause 15.2 below.

6.2. *Information*

- 6.2.1. The Issuer shall promptly send a written notice to the Guarantor and the Bondholders' Representative if it becomes aware of an occurrence of an Event of Default or any event which would (with the giving of notice, lapse of time, determination of materiality or the fulfilment of any other applicable condition or any combination of the foregoing) constitute an Event of Default under these Conditions.
- 6.2.2. In addition to the information disclosure as required by Prakas on Corporate Disclosure issued on 30 October 2018 and subsequent amendment thereto, and other applicable laws and regulations, the Issuer shall:

- 6.2.2.1. deliver to the Bondholders' Representative the copies of the Issuer's reviewed but unaudited interim financial statements (if prepared) and audited annual financial statements including (if prepared), consolidated financial statements of the Issuer and its consolidated Subsidiaries, for the relevant financial period and year as required by CSX or the Secondary Market on which the Bonds are listed and by any other relevant supervisory authorities, as the case may be, shall be no later than:
- 6.2.2.1.1. 45 (forty-five) days for the interim report and 90 (ninety) days for the annual report to SECC; and
- 6.2.2.1.2. 45 (forty-five) days for quarterly report to the Bondholders' Representative.
from the end of the Issuer's fiscal year or the end of each accounting period of the Issuer, as the case may be.
- 6.2.2.2. If, after the Issue Date, the submission period referred to above is changed under the applicable laws or regulations, the Issuer shall comply with the new submission period or requirements according to such amended applicable laws or regulations.
- 6.2.3. The Issuer shall report to the Guarantor, the SECC and the Bondholders' Representative as promptly as possible when there is a material adverse change to the Issuer's business or financial status.

6.3. Maintenance of Listed Status

The Issuer shall use its reasonable efforts to maintain the listed status of the Bonds on the CSX or the Secondary Market throughout the term of the Bonds.

6.4. Negative Pledge

Except for the ordinary course of the Issuer's business, so long as any Bond remains outstanding, the Issuer shall not create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its property, assets or revenues, present or future, to secure any Investment Securities or to secure any guarantee or indemnity in respect of any Investment Securities, without at the same time or prior thereto, the Issuer's obligations under the Bonds are secured equally and rateably therewith shall be approved by an Extraordinary Resolution of the Bondholders.

7. INTEREST

7.1. Interest Rate

Interest on the Bonds shall accrue respectively at the Interest Rate and be payable annually in arrears on each Interest Payment Date. Such interests shall be calculated on the outstanding principal amount of each Bond.

7.2. Interest Calculation

The amount of interest payable in respect of the Bonds for any Interest Period shall be calculated by:

- 7.2.1. multiplying the principal amount outstanding on each unit of the Bonds as at the first day of such Interest Period with the Interest Rate; and
- 7.2.2. the resulting shall be rounded down.

In respect of the final Interest Payment Date, the calculation of interest shall be subject to Clause 8.2.

7.3. *Default Interest*

If payment of any principal amount due in respect of the Bonds is improperly withheld or refused on the Maturity Date or any accelerated payment date in accordance with Clause 0, interest shall continue to accrue on the unpaid principal amount at the Default Interest Rate from (and including) the Maturity Date or such accelerated payment date up to (but excluding) the date on which all sums due in respect of such Bonds are paid to the Bondholders' Representative or the Bondholders, as the case may be, in full. Without limiting the remedies available to the Bondholders' Representative or the Bondholders, as the case may be, if the Issuer fails to make any payment of interest (including interest payable pursuant to this Clause 7) when due on the Interest Payment Date, the Issuer shall pay interest on the amount of that payment due and unpaid at the Default Interest Rate from (and including) the Interest Payment Date.

8. PAYMENTS OF INTEREST

8.1. *Interest Payments*

Interest on the Bonds shall be payable in arrears to each Bondholder on each Interest Payment Date.

8.2. *Non-Business Days*

If any payment date under these Conditions (including, but not limited to the Maturity Date and the Interest Payment Date) falls on a day that is not a Business Day, the relevant amount due and payable shall be paid on the next Business Day (and no interest shall be calculated with respect to any such postponement except for the final Interest Payment Date), with the same force and effect as if made on the original payment date. In respect of the final Interest Payment Date, interest shall accrue in accordance with these Conditions until, but excluding, the actual date of payment.

8.3. *Payment Methods:*

8.3.1. *Interest Payment:* Interest due on any Interest Payment Date will be payable by the Issuer through the Paying Agent to the Bondholders whose names appear in the Bondholders' Book on the relevant Record Date subject to Clause 3 above. Payments of interest on each Bond will be made to each Bondholder by transferring the relevant amount to the bank account of that Bondholder described in the Bondholders' Book.

8.3.2. *Partial Redemption:* The Partial Redemption, as stipulated in Clause 9.1 below, will be payable by the Issuer through the Paying Agent to the Bondholders whose names appear in the Bondholders' Book on the relevant Record Date. The payment will be made to each Bondholder by transferring the relevant amount to the bank account of that Bondholder described in the Bondholders' Book.

8.4. Distribution of Payments

- 8.4.1. Upon an acceleration of the Bonds in accordance with these Conditions, all principal, interest and any other amounts shall be paid by the Issuer in accordance with the following order of priority:
- 8.4.1.1. firstly, directly to the Bondholders' Representative, the payment of all costs, expenses and liabilities incurred by the Bondholders' Representative in performing its duties and obligations in respect of the Bonds in accordance with these Conditions and the Bondholders' Representative Agreement;
 - 8.4.1.2. secondly, directly to the Bondholders' Representative, the remuneration of the Bondholders' Representative in respect of the Bonds pursuant to the Bondholders' Representative Agreement;
 - 8.4.1.3. thirdly, directly to the bank account of that Bondholder described in the Bondholders' Book, the interest of the Bonds accrued and unpaid up to the date of payment;
 - 8.4.1.4. fourthly, directly to the bank account of that Bondholder described in the Bondholders' Book, the outstanding amount of the principal of the Bonds;
 - 8.4.1.5. fifthly, directly to the Guarantor, to the extent that the Guarantor has made any payment under the CGIF Guarantee; and
 - 8.4.1.6. finally, directly to the Issuer, the balance (if any) to be paid to the Issuer without unreasonable delay.
- 8.4.2. Upon a Demand being sent to the Guarantor in compliance with the terms of the CGIF Guarantee, all amounts to be paid by the Guarantor under the CGIF Guarantee shall be in the following order of priority:
- 8.4.2.1. firstly, directly to the Bondholders' Representative but only in the circumstance that the Bondholders' Representative delivers the BHR Demand (as defined in the CGIF Guarantee) in accordance with and subject to the terms of the CGIF Guarantee, the Bondholders' Representative Expenses (as defined in the CGIF Guarantee);
 - 8.4.2.2. secondly, directly to the bank account of that Eligible Bondholder described in the Bondholders' Book, the interest on the Bonds held by the Eligible Bondholders accrued and unpaid up to the date of payment;
 - 8.4.2.3. thirdly, directly to the bank account of that Eligible Bondholder described in the Bondholders' Book, the outstanding principal amount of the Bonds held by the Eligible Bondholders; and
 - 8.4.2.4. finally, the balance (if any) to be retained by the Guarantor.

8.5. Payment Currency

All payments made or to be made under the Bonds shall be settled in USD at the exchange rate calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia on each of the 6th Business Day to the 2nd Business Day prior to the date on which subscription for the Bonds commence.

9. REDEMPTION AND REPURCHASE OF BONDS

9.1. *Partial Redemptions*

The Bonds shall be partially redeemed before and on the Maturity Date and in accordance with the following conditions:

- 9.1.1. **Partial Redemption Date:** The Bonds shall be redeemed at the following date ("**Partial Redemption Date**"). The total number of outstanding Bonds to be redeemed at any Partial Redemption Date shall be the percentage (as indicated in the table below) of the total outstanding Bonds prior to that Partial Redemption Date.

Partial Redemption Date	% of Outstanding Bonds
<u>April 09, 2021</u>	15%
<u>April 09, 2022</u>	18%
<u>April 09, 2023</u>	28%
<u>April 09, 2024</u>	50%
<u>April 09, 2025</u>	100%

- 9.1.2. **Outstanding Bonds:** The Bonds so to be redeemed shall be selected on a pro rata basis in accordance with the total number of Bonds registered in the name of each Bondholder. If the result of multiplication is less than 1 (one) Bond, it will be round down.
- 9.1.3. **Bonds Due on Redemption Date:** All the Bonds so called for redemption shall become due and payable at the Nominal Value on the Partial Redemption Date in the same manner and with the same effect as if it were the Maturity Date. After each Partial Redemption Date, if the moneys necessary to redeem such Bonds shall have been paid in accordance with Clause 8.3 (*Payment Methods*), such Bonds shall not be considered as outstanding hereunder and interest upon such Bonds shall cease.

9.2. *Purchase of Bonds by the Issuer or its Affiliates*

The Issuer or any of its Affiliates may at any time purchase the Bonds in any open market or otherwise and at any price. If purchases are made by tender, tenders must be made available to all the Bondholders. If any Bonds are purchased by the Issuer's Affiliates, the Issuer shall procure that such Affiliates must resell the Bonds to the Issuer and the Issuer must repurchase the said Bonds from its Affiliates, within the next Business Day from the date on which the Issuer's Affiliates have purchased such Bonds. The Bonds repurchased by the Issuer as specified above shall be cancelled in accordance with Clause 9.3 below and the Issuer must promptly inform the Guarantor in writing of such cancelled Bonds. (For the avoidance of doubt, if the Issuer fails to repurchase the Bonds from its Affiliates as specified above and such Affiliates resell the Bonds to any other person, a Bondholder who has purchased or acquired the

Bonds from the Issuer's Affiliate(s), shall still be entitled to all the Bond Rights and benefits under the CGIF Guarantee.) As long as such acquired Bonds are held by the Issuer or the Issuer's Affiliates, such Bonds shall not be covered under the CGIF Guarantee or entitle the Issuer or Issuer's Affiliates to vote at any meeting of the Bondholders and shall not be deemed to be outstanding for the purpose of calculating a quorum with respect to meetings of the Bondholders.

9.3. **Cancellation**

Bonds that are redeemed or repurchased by the Issuer must be cancelled and may not be re-issued or resold. In this regard, the Issuer shall advise the Registrar to cancel the Bonds, and also inform the SECC and the CSX in writing of the repurchase and cancellation of the Bonds in accordance with the applicable laws and regulations.

10. **PRESCRIPTION**

Claims in respect of the principal and interest of the Bonds shall become unenforceable unless the Bonds are presented for payment within a period of 5 (five) years from the time at which the Bondholders' Representative accelerates the payment of the Bonds under Clause 11.3 or 11.5 below.

11. **EVENTS OF DEFAULT AND ACCELERATION**

11.1. **Event of Default**

If any of the following events occurs and is continuing (each, an "**Event of Default**"), the Bondholders' Representative shall comply with Clause 11.3 or 11.5 below:

- 11.1.1. **Non-Payment:** the Issuer fails to pay any amount of principal (in USD) in respect of any of the Bonds within 5 (five) calendar days of the due date for payment thereof or fails to pay any amount of interest (in USD) in respect of any of the Bonds within 7 (seven) calendar days of the due date for the payment thereof. If the Issuer defaults in making a payment (in USD) under any Bond to any Bondholder, if otherwise not apparent or clearly proven to the contrary, it shall be presumed that such defaults in payment have occurred to all the Bonds;
- 11.1.2. **Breach of Other Obligations:** the Issuer does not perform or comply with any one or more of its other obligations under these Conditions and such default is not remedied within 30 (thirty) calendar days after notice of such default shall have been given to the Issuer by the Bondholders' Representative;
- 11.1.3. **Cross-Default:**
 - 11.1.3.1. any other Indebtedness of the Issuer becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or
 - 11.1.3.2. any such Indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or

- 11.1.3.3. the Issuer fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness owed by the Issuer, and provided that the aggregate amount of the relevant Indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Clause 11.1.3 have occurred equals or exceeds f KHR 12,000,000,000 (twelve billion Khmer Riel);
- 11.1.4. **Enforcement Proceedings:** a distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or any material part of the assets of the Issuer and is not removed, dismissed or discharged within 90 (ninety) days;
- 11.1.5. **Insolvency:** the Issuer:
- 11.1.5.1. is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as they fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its indebtedness,
- 11.1.5.2. begins negotiations or takes any other proceeding for the deferral, rescheduling or other readjustment of all or any material part of (or all of a particular type of) its indebtedness (or of any material part which it will otherwise be unable to pay when due), or
- 11.1.5.3. proposes or makes a general assignment or an arrangement or scheme or composition with or for the benefit of its creditors;
- 11.1.6. **Winding-up:** any corporate action or legal proceeding is taken with a view to the winding-up (other than those of a frivolous or vexatious nature or those which are contested in good faith and, in each case, which are discharged within 90 (ninety) days of their commencement), of the Issuer or for the appointment of a liquidator (including a provisional liquidator), administrator or similar officer of the Issuer or over all or any material part of the assets of the Issuer (except for the purpose of a reconstruction, amalgamation, merger, consolidation or reorganisation);
- 11.1.7. **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer lawfully to enter into, exercise its rights and perform and comply with its obligations under the Bonds and these Conditions, (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds and these Conditions admissible as evidence in the courts of Cambodia is not taken, fulfilled or done;
- 11.1.8. **Nationalization:** any authority nationalizes, seizes, or otherwise assumes custody or control of all or any material part of the business, operations, properties, or other assets of the Issuer or of the Issuer's share capital, or take any action for the dissolution of the Issuer or any action that would prevent the Issuer or its officers from carrying on all or any material part of its business or operations;
- 11.1.9. **Illegality:** it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Bonds or these Conditions; or

- 11.1.10. **Guarantee not in force:** the CGIF Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect.

11.2.No Acceleration by the Issuer

For the purpose of clarity, the Issuer hereby acknowledges and agrees that there is no provision under these Conditions or any other documents relating to the Bonds which allow the Issuer to accelerate the Bonds at its instigation.

11.3.Acceleration Step under the CGIF Guarantee

If any Event of Default occurs and is continuing, the Bondholders' Representative shall deliver a default notice to the Issuer and the Guarantor informing them of the occurrence of such Event of Default. If the Issuer defaults in making a payment under any Bond to any Bondholder, if otherwise not apparent or clearly proven to the contrary, it shall be presumed that such defaults in payment have occurred to all the Bonds.

Pursuant to the terms of the CGIF Guarantee and Clause 11.4 below, the Bondholders' Representative and the Bondholders agree that, following an Event of Default, it shall not: (a) take steps to declare any Bond to be or become immediately due and payable, or payable on an accelerated basis under the Bond Documents, or (b) take any enforcement or similar action in relation to any Security (as defined in the CGIF Guarantee) (if any) in respect of the Bonds (each, an "**Acceleration Step**") other than in accordance with Clause 5.2 (Bondholders' Representative Acceleration) of the CGIF Guarantee, which provides that the Bondholders' Representative may, on behalf of the Bondholders and subject to the terms of the Bond Documents, take an Acceleration Step if:

- 11.3.1.a Non-Payment Event has occurred and is continuing and a Demand (as defined in the CGIF Guarantee) has been properly delivered to the Guarantor within the Demand Period (as defined in the CGIF Guarantee) in accordance with the CGIF Guarantee in respect of the relevant Guaranteed Amount (as defined in the CGIF Guarantee) and not paid by the Guarantor by the applicable due date in accordance with the CGIF Guarantee; or
- 11.3.2.an Event of Default occurs (other than pursuant to Clause 11.1.1 (Non-Payment)) and the requirements of Clause 11.5 (The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 (Non-Payment)) have been fulfilled.

11.4.Acceleration following a Non-Payment Event

- 11.4.1.The Guarantor's obligations to make payments under the CGIF Guarantee only arise after a Demand is made to the Guarantor subject to and in accordance with the terms of the CGIF Guarantee. Amongst other terms of the CGIF Guarantee, the Bondholders' Representative and the Bondholders, as applicable, may only deliver a Demand if a Non-Payment Event occurs and is continuing (as further

set out under Clause 3 (Payment under the Guarantee) and Clause 5 (Acceleration of the Bonds) of the CGIF Guarantee). If a Non-Payment Event occurs and is continuing, the Bondholders' Representative or the Bondholders, as the case may be, may deliver a Demand (as defined in the CGIF Guarantee) to the Guarantor as soon as practicable, but in any event, within the Demand Period or Bondholder Demand Period (as the case may be, and as each term is defined in the CGIF Guarantee), in accordance with and subject to the terms of the CGIF Guarantee in respect of the relevant Guaranteed Amount (as defined in the CGIF Guarantee). The Bondholders' Representative and the Bondholders will have no right to send a Demand to the Guarantor for payment under the CGIF Guarantee when the Bondholders' Representative has taken an Acceleration Step pursuant to Clause 11.5.

- 11.4.2. At any time after (i) an Event of Default under Clause 11.1.4 (Enforcement Proceedings), 11.1.5 (Insolvency) or 11.1.6 (Winding-up) occurs or (ii) the receipt by the Guarantor of a Demand in accordance with the terms of the CGIF Guarantee (regardless of whether or not the Guarantor has made payment in accordance with such Demand), the Guarantor may, in its absolute discretion, deliver a notice to the Issuer and the Bondholders' Representative declaring the Bonds to be immediately due and payable under the Bond Documents on a specified date (which must be no later than ten (10) Business Days (as defined in the CGIF Guarantee) from the date a notice is delivered by the Guarantor to the Issuer and the Bondholders' Representative pursuant to Clause 5.4 of the CGIF Guarantee) and confirms that it will pay all the Guaranteed Amounts on or before that date. Such notice shall take effect in accordance with its terms.

Provided that, in the case of the occurrence of an Event of Default described under paragraph (i) above, upon Issuer's request, the Guarantor may discuss with the Issuer whether to grant the Issuer additional time to take necessary actions to have such corporate action or legal proceeding removed, dismissed or discharged as reasonably required if the Guarantor determines in its sole and absolute discretion that (a) the corporate action or legal proceeding giving rise to such Event of Default is frivolous or vexatious; and (b) it cannot be removed, dismissed or discharge within the time period provided under these Conditions despite Issuer's best efforts.

11.5. *The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 (Non-Payment)*

If any Event of Default other than the Non-Payment Event occurs and is continuing, and if:

- 11.5.1. the Bondholders' Representative has received a written demand from any one or more of the Bondholders together holding at least 50% (fifty per cent) of the total outstanding principal amount of the Bonds; or
- 11.5.2. the Bondholders' Representative has received an Extraordinary Resolution of the Bondholders' meeting in accordance with Clause 13.

the Bondholders' Representative may take an Acceleration Step to declare the Bonds to be immediately due and payable. In such case, however, the

Bondholders' Representative and the Bondholders shall have no right to deliver a Demand in respect of the Guaranteed Amounts to be paid by the Guarantor in accordance with the CGIF Guarantee and the Guarantor will no longer have obligations to make any payments in respect of the Guaranteed Amounts under the CGIF Guarantee.

12. TAXATION

Payments under the Bonds will be subject to withholding tax in Cambodia according to the applicable Cambodian tax laws. The Issuer will not be required to gross-up or be liable for any withholding tax under any circumstances (including in respect of any payments made by other parties under any Bond Document or Guarantee Document).

13. MEETINGS OF BONDHOLDERS

The meeting of Bondholders shall follow the Bondholders Meeting Rules which is attached as Annex A hereto.

14. POWERS AND DUTIES AND AUTHORITY OF THE BONDHOLDERS REPRESENTATIVE

Powers, duties and authority of the Bondholders' Representative are provided in Clause 3 of the Bondholders' Representative Agreement.

15. APPOINTMENT AND REMOVAL OF THE BONDHOLDERS REPRESENTATIVE

15.1. The Issuer has appointed ACLEDA Securities Plc. to act as a representative of the Bondholders, in full compliance with all applicable laws and regulations concerning qualifications of a bondholders' representative. The Bondholders' Representative has all qualifications required by the applicable laws in order to act as Bondholders' Representative and has received necessary approvals from relevant government agencies including the SECC to perform its duties and functions. The Bondholders are deemed to have accepted and consented to the Issuer's appointment of ACLEDA Securities Plc. as the Bondholders' Representative pursuant to the terms of the Bondholders' Representative Agreement and to ratify any action the Bondholders' Representative may have done for or on behalf of the Bondholders prior to and after the Issue Date or the subscription or accepting the transfer of the Bonds.

15.2. Removal of the Bondholders' Representative is required under the following circumstances:

15.2.1. The Bondholders' Representative becomes disqualified to act as a representative of Bondholders and fails to rectify the event of such disqualification within 30 (thirty) days from the date that such disqualification arose;

- 15.2.2. A Bondholders' meeting passes a resolution to terminate the appointment of the Bondholders' Representative due to its negligent performance or failure to perform its duties;
 - 15.2.3. The Bondholders' Representative is in breach of any provision of the Bondholders' Representative Agreement or these Conditions and such breach has not been remedied within 30 (thirty) days from the date the Issuer or any one or more of the Bondholders holding together at least 25% (twenty-five per cent) of the total outstanding principal amount of the Bonds sends a written notice to the Bondholders' Representative demanding such remedy;
 - 15.2.4. any proceeding or other action is commenced by or against the Bondholders' Representative, seeking reorganisation, receivership, liquidation, dissolution, winding-up, composition, and other similar events, or there is any order or judgment for dissolution or suspension of business by the court; and
 - 15.2.5. the appointment of the Bondholders' Representative is terminated in accordance with the Bondholders' Representative Agreement.
- 15.3.** In case of a removal of the Bondholders' Representative, the Bondholders' Representative or the Issuer shall proceed in accordance with either of the following:
- 15.3.1. call a meeting of the Bondholders to approve the appointment of a new Bondholders' Representative; or
 - 15.3.2. issue a notice to all Bondholders requesting approval for the appointment of the new Bondholders' Representative, and if such request is not rejected in writing by Bondholders holding more than 10% (ten per cent) of the total outstanding principal amount of the Bonds within 30 (thirty) days from the date of such notice, it shall be deemed that all Bondholders approve the appointment of the new Bondholders' Representative.
- 15.4.** The existing Bondholders' Representative shall in any event continue to perform its duties and functions in order to protect the Bondholders' interests under these Conditions until the new Bondholders' Representative is legally appointed in accordance with these Conditions, applicable laws and regulations.
- 15.5.** If the Bondholders' Representative is replaced, the Issuer and/or the new Bondholders' Representative, as the case may be, shall, if required by applicable laws and regulations, apply for approval from the SECC. After the Issuer has appointed the new Bondholders' Representative, such new Bondholders' Representative shall notify each Bondholder in writing of its appointment within 30 (thirty) days from the date thereof and the Bondholders' Representative who has been terminated shall promptly hand over all assets, information and documents currently held by it to the new Bondholders' Representative and shall fully co-operate with the new Bondholders' Representative so as to ensure an orderly transition and the proper performance and assumption of duties by the new Bondholders' Representative.

16. AMENDMENT TO THESE CONDITIONS AND THE CGIF GUARANTEE

- 16.1.** Subject to the applicable regulations, any amendment to these Conditions and the CGIF Guarantee require the approval of the Issuer, the Guarantor, the

SECC and the Bondholders' Representative (acting upon the resolution of Bondholders' meeting), other than:

- 16.1.1. any amendment or modification of these Conditions, the CGIF Guarantee and/or any agreement relating to the Bonds in any respect that the Bondholders' Representative deems to be beneficial to the Bondholders or in a manner that would not materially prejudice the Bondholder's rights, may only be made if the Bondholders' Representative receives written approval from Bondholders holding at least 50% (fifty per cent) of the value of the Bonds;
- 16.1.2. any amendment or modification of these Conditions, the CGIF Guarantee and/or any agreement relating to the Bonds in order to correct any manifest errors or to ensure they are in compliance with any mandatory provision of applicable laws, shall not require any consent of the Bondholders' meeting; and
- 16.1.3. any agreement to any waiver, exemption or authorisation of any breach or proposed breach, of any provisions of these Conditions (including, but not limited to Clause 11.1) that is in the opinion of the Bondholders' Representative not materially prejudicial to the interest of the Bondholders, may only be made if the Bondholders' Representative receives written approval from Bondholders holding at least 50% (fifty per cent) of the value of the Bonds;
- 16.2. The Bondholders' Representative must deliver copies of the amended Conditions, CGIF Guarantee and other relating documents (if any) to the Issuer, the Guarantor, the Securities Transfer Agent, the SECC and the CSX or the Secondary Market (if listed), within 15 (fifteen) days from the effective date of such amendment and to the Bondholders upon written request.

17. NOTICES

17.1. Notices to the Issuer will be deemed to be validly given:

- 17.1.1. if sent by registered mail (or the equivalent) or (if posted to an overseas address) by airmail to the address;
- 17.1.2. if sent by mail will be deemed to have been validly given on the third day after the date it is mailed;
- 17.1.3. if sent by hand, at the time of delivery;
- 17.1.4. if posted from a country other than that of the addressee, on the seventh day after the date it is posted; and
- 17.1.5. if given or made by email, immediately provided that, following the delivery, the sender's email produces a delivery confirmation report, confirming successful delivery of the email.

17.2. Neither the failure to give notice nor any defect in any notice given to any particular Bondholder shall affect the sufficiency of any notice with respect to other Bondholders.

THE ISSUER

RMA CAMBODIA PLC.

Address : No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7
Makara, Phnom Penh, the Kingdom of Cambodia
Telephone : 023 888 000
Attention : Mr. NGORN Saing, CEO

17.3. Notices to the Guarantor shall be validly given if sent to the address, email or fax number of the Guarantor specified in the CGIF Guarantee.

17.4. Language

All notices and communications to be made to the Issuer in relation to the Bonds and these Conditions shall be made in Khmer or English language, unless as otherwise required under the applicable laws or any other agreement, in which case an English translation thereof shall be provided to the Issuer.

18. GOVERNING LAW AND JURISDICTION

- 18.1.** These Conditions and the Bonds shall be governed by and construed in accordance with the laws of Cambodia. To the extent of discrepancy or inconsistency between any provision of these Conditions and any laws or notifications applicable to the Bonds, the provisions of such laws or notifications applicable to the Bonds shall supersede only the parts of these Conditions which give rise to such discrepancy or inconsistency.
- 18.2.** The CGIF Guarantee shall be governed by and construed in accordance with English law.
- 18.3.** The Issuer agrees that any legal action arising out of or relating to these Conditions may be brought in the courts of Cambodia.
- 18.4.** Notwithstanding Clause 18.3, nothing in these Conditions shall limit the right of the Bondholders' Representative and/or the Bondholders (when entitled to do so) to commence any legal action against the Issuer and/or its assets in any other jurisdiction or to serve process in any manner permitted by law, and the taking of proceedings in any jurisdiction shall, to the full extent permitted by applicable laws of the relevant jurisdictions, not preclude the Bondholders' Representative and/or the Bondholders from taking proceedings in any other jurisdiction whether concurrently or not.
- 18.5.** In the case where the Issuer has acquired or will subsequently acquire immunity from the proceedings in respect of itself or its property, the Issuer waives such immunity, except immunity in respect of its property used for diplomatic or consular missions, property of a military nature, and property located in its territory and dedicated to a public or governmental use as distinguished from the property dedicated to commercial use.

These Conditions are made on March, 27, 2020 and shall be effective from the Issue Date.

RMA CAMBODIA PLC.
as Issuer

By: _____



(Mr. NGORN Saing, CEO)

Authorised Signatory

ANNEX A

BONDHOLDERS MEETINGS RULES

1. Calling Meetings

If the Issuer or the Bondholders' Representative (as the case may be), wishes to call a meeting of the Bondholders, it must arrange for the Securities Transfer Agent to send notices calling the meeting by registered email and/or mail to the Issuer, the Bondholders' Representative and the Bondholders not less than 10 (ten) Calendar Days (excluding the date the notice is sent and the date of the meeting) before the date of the meeting. The notice calling the meeting must specify the date, time and place of the meeting, agenda of the meeting and the person requesting that the meeting be called. The Securities Transfer Agent must send the notice calling the meeting of Bondholders to every Bondholder according to the names and addresses that appear in the Bondholders' Book as at the Record Date.

2. Persons with the right to attend a meeting

The following persons have the right to attend a meeting of Bondholders:

- (a) the Bondholders, the Issuer and the Bondholders' Representative;
- (b) any person or other Bondholder approved by a Bondholder as a proxy ("proxy") to attend the meeting and vote on their behalf under an instrument for appointing a proxy in the form prescribed by the Securities Transfer Agent (available at the head office of the Securities Transfer Agent). A Bondholder who wishes to appoint a proxy must submit the original instrument appointing his proxy to the Securities Transfer Agent not less than 24 (twenty-four) hours before the time appointed for holding of a meeting of Bondholders;
- (c) a financial advisor, legal adviser or other person who has been requested by the Issuer and/or the Bondholders' Representative to attend the meeting to give any explanation and opinion to the meeting on matters to be transacted at the meeting; and
- (d) any persons permitted by the chairman of the meeting to attend the meeting as observers.

3. Quorum

- 3.1 At a meeting of Bondholders to consider and pass resolutions on matters other than those specified in Clauses 6.3 and 6.4 of this Rules, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 51 (fifty one) % of the total number of units of outstanding Bonds attending the meeting to constitute a quorum. If a meeting of Bondholders to consider matters under this Clause 3.1 is postponed under Clause 5.1 of this Rules due to a lack of a quorum,

a quorum at the subsequent meeting shall be constituted if 2 (two) or more Bondholders holding an aggregate number of not less than 25 (twenty-five) % of the total number of units of outstanding Bonds attend at that meeting.

- 3.2 At a meeting of Bondholders to consider and pass resolutions on the matters specified in Clause 6.3 of this Rules, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 66 (sixty six) % of the total number of units of outstanding Bonds attending the meeting to constitute a quorum. If a meeting of Bondholders to consider matters under this Clause 3.2 is postponed under Clause 5.1 of this Rules due to a lack of a quorum, a quorum at the subsequent meeting shall be constituted if 2 (two) or more Bondholders holding an aggregate number of not less than 33 (thirty three) % of the total number of units of outstanding Bonds attend at that meeting.
- 3.3 At a meeting of Bondholders to consider and pass resolutions on the matters specified in Clause 6.4 of this Rules, there must be 2 (two) or more Bondholders holding an aggregate number of not less than 75 (seventy five) % of the total number of units of outstanding Bonds attending the meeting to constitute a quorum. If a meeting to consider matters under this Clause 3.3 is postponed under Clause 5.1 of this Rules due to a lack of a quorum, a quorum at the subsequent meeting shall be constituted if 2 (two) or more Bondholders holding an aggregate number of not less than 45 (forty five) % of the total number of units of outstanding Bonds attend at that meeting.

4. Chairman of a meeting

The Bondholders' Representative or the person authorized by the Bondholders' Representative shall be the chairman of the meeting. If the person acting as the chairman has not attended the meeting 45 (forty-five) minutes after the time appointed to hold the meeting, 51 (fifty one) % of the total number of units of outstanding Bonds attending the meeting shall resolve to select one Bondholder to act as chairman of the meeting.

5. Postponement of a meeting

- 5.1 At any meeting of Bondholders, if it appears that a quorum of Bondholders is not present within 90 (ninety) minutes after the time appointed for holding the meeting, the chairman of the meeting shall postpone the meeting of Bondholders to be held at a date, time and place specified by the chairman, whereby the date for the new meeting must be scheduled not less than 14 (fourteen) days but not more than 30 (thirty) days from the original meeting date. In addition, the matters to be transacted and resolved in this subsequent meeting must be limited to the matters which were to be duly transacted in the original meeting.
- 5.2 The Securities Transfer Agent must send a notice calling a subsequent meeting due to a postponement of a meeting caused by a lack of a quorum pursuant to Clause 5.1 of this Rules to the Issuer, the Bondholders' Representative and the Bondholders according to the names and addresses, to which the previous notices

calling the meeting of Bondholders were sent, not less than 10 (ten) days prior to the scheduled date for the subsequent meeting (excluding the date the notices were sent and the date of the meeting), and the notice calling the meeting must specify the date, time, place for the meeting, agenda and quorum for such subsequent meeting.

- 5.3 If subsequent meeting does not meet Quorum (Clause 3 above), the chairman shall order that subsequent meeting be cancelled and there shall be no postponement of that subsequent meeting.

6. Resolutions of a meeting

- 6.1 The passing of resolutions on various matters at a meeting of Bondholders shall be made by a show of hands or voting by means specified by the chairman of the meeting. Each unit of outstanding Bonds held by a Bondholder shall have one vote. Each Bondholder shall therefore have the same number of votes as the number of units of outstanding Bonds held by him. Voting in favour of a resolution shall be the votes corresponding to all Bondholders present in person or by proxy LESS (a) the votes corresponding to the Bondholders present in person or by proxy stating their vote against or in blank or abstain by communication or statement of their vote, and (b) the total number of votes of the Bondholders who have conflicting interest against said resolution, if any. In the case of a tied vote, the chairman of the meeting shall have a casting vote (in addition to any vote entitled to be cast by the chairman as a Bondholder or as a proxy).
- 6.2 Except as provided in Clauses 6.3 and 6.4 of this Rules, the resolutions of the meeting of Bondholders, shall be passed by a majority vote which is more than 50 (fifty) % of the total number of votes of the Bondholders attending the meeting and casting their votes LESS the total number of votes of the Bondholders who have conflicting interest against said resolution, if any.
- 6.3 Any resolutions of the meeting of Bondholders on the following matters must be passed by a vote of not less than 66 (sixty-six) % of the total number of votes of the Bondholders attending the meeting and casting their votes LESS the total number of votes of the Bondholders who have conflicting interest against the resolution, if any:
- (a) any amendment of the Conditions other than in respect of the matters specified in Clause 6.4 of these Rules and/or in respect of an amendment or modification to the Conditions described in Clauses 16.1.1 to 16.1.3 of the Conditions;
 - (b) any change to the Bondholders' Representative and the appointment of any person as a new Bondholders' Representative; and
 - (c) following the occurrence of an Event of Default, any authorisation of the Bondholders' Representative to require the Issuer to make payment of the

principal together with all accrued interest under all of the Bonds under the Conditions.

6.4 Any resolutions of the meeting of Bondholders on the following matters must be passed by a vote of not less than 75 (seventy-five) % of the total number of votes of the Bondholders attending the meeting and casting their votes LESS the total number of votes of the Bondholders who have conflicting interest against the resolution, if any:

- (a) the amendment of the due date for payment of any amount of money under the Bonds;
- (b) the reduction, cancellation or amendment of the amount of principal, interest and/or any other amount of money outstanding or to be paid under the Bonds;
- (c) a change in the currency denomination of any amount of money to be paid under the Bonds;
- (d) an amendment to the rules regarding meetings of Bondholders relating to the quorum requirements (Clause 3 of this Rules) and resolutions of meetings (Clause 6 of this Rules);
- (e) any amendment to the terms and conditions under the CGIF Guarantee (other than any amendment or modification to the CGIF Guarantee described in Clauses 16.1.1 to 16.1.3 of the Conditions); and
- (f) an amendment of the Conditions in order to be able to effect any matter contemplated under Clause 6.4 (a) to (e) above.

6.5 Any Bondholder who has a conflict of interest on any matter shall have no right to vote on such matter.

7. Minutes of a meeting of Bondholders

The Bondholders' Representative must prepare the minutes of a Bondholders' meeting to be signed by the chairman of such meeting within 7 (seven) Business Days from the date of the meeting and must maintain the original minutes. The minutes of the Bondholders' meeting must be prepared in Khmer and English. Copies of the minutes of a Bondholders' meetings shall be made available to be examined by the Bondholders at the head office of the Bondholders' Representative on a Business Day and time suitable to the Bondholders' Representative.

PROXY LETTER
(For Individual Bondholder)

Date: _____

Investor ID No. issued by SECC :

I, _____, _____, holding ID/Passport No.

issued on _____, and residing at No.

_____, being bondholder as the date of

_____, holding _____ Bonds in the _____, an issued company incorporated under the laws of the Kingdom of Cambodia, hereby appoint:

Mr/Ms., _____, _____, holding ID/Passport No.

issued on _____, and residing at No.

to act as my representative/belief to:

Participate and other relevant documents needed to be filed in the Meeting of Bondholders of _____, which will be held on

_____ or such other time, date and place as the meeting may be held.

Any acts performed by this proxy letter in _____ Meeting of Bondholders shall be deemed to be the actions performed by myself.

IN WITNESS of the above, I hereby confirm the above on the date written below.

BONDHOLDER

PROXY

Signature and Name

Signature and Name

**PROXY LETTER
(For Institutional Shareholder)**

Date: _____

Investor ID No. issued by SECC :

I, _____, holding ID/Passport No. _____
issued on _____, and residing at
No. _____

_____ being legal representative of
_____ ; bondholder as the date of _____, holding
_____ Bonds in the
_____ an issued company

incorporated under the laws of the Kingdom of Cambodia,
hereby appoint:

Mr/Ms, _____, holding ID/Passport No _____
issued on _____, and residing at
No. _____

_____ to act as my representative/behalf to:

Participate and other relevant documents needed to be filed in the Meeting of
Bondholders of _____, which will be held on

_____ or such other time, date and place as the meeting may be held.

Any acts performed by this proxy letter in _____ Meeting of Bondholders
shall be deemed to be the actions performed by ourselves.

IN WITNESS of the above, I hereby confirm the above on the date written below.

**BONDHOLDER
(LEGAL REPRESENTATIVE)**

PROXY

Signature and Company Seal

Signature and Name

ANNEX B
CGIF Guarantee

GUARANTEE AGREEMENT

DATED _____ 2020

**CREDIT GUARANTEE AND INVESTMENT FACILITY,
a trust fund of the Asian Development Bank**

and

**ACLEDA Securities Plc.
as Bondholders' Representative for and on behalf of all Bondholders**

and

**ACLEDA Bank Plc.
as Agent**

and

**THE PERSONS AND FINANCIAL INSTITUTIONS
set out in Schedule 1 and such other persons and entities
who accede to this Agreement from time to time
as Bondholders**

relating to

**KHR 80,000,000,000 fixed rate bonds
The Guaranteed Bonds of RMA (Cambodia) Plc.
due B.E. 2025**

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THIS GUARANTEE (this Agreement) is dated _____ 2020 and is made **BETWEEN:**

- (1) **CREDIT GUARANTEE AND INVESTMENT FACILITY**, a trust fund of the Asian Development Bank with its principal office in Manila, the Philippines, in its capacity as the guarantor (**CGIF**);
- (2) **ACLEDA Securities Plc.** in its capacity as the representative for and on behalf of the Bondholders (as defined below) (the **Bondholders' Representative**);
- (3) **ACLEDA Bank Plc.** in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**); and
- (4) **THE PERSONS AND FINANCIAL INSTITUTIONS** set out in Schedule 1 and such other persons and financial institutions who accede to this Agreement from time to time (the **Bondholders**),

(each a **Party** and collectively the **Parties**).

BACKGROUND:

- (A) At the request of the Issuer (as defined below), CGIF has agreed, subject to the terms and conditions of this Agreement, to issue a guarantee in favour of the Bondholders in respect of the Public Bonds (as defined below).
- (B) It is intended that this Agreement takes effect as a deed notwithstanding the fact that a Party may only execute this Agreement under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

Acceleration Due Date has the meaning given to it in Clause 5.4 (CGIF Acceleration).

Acceleration Step has the meaning given to it in Clause 5.1 (Acceleration Step).

Additional Accrual Period means:

- (a) in the case of a CGIF Acceleration or a Bondholders' Representative Acceleration, the period from (and including) the Bond Interest Payment Date immediately preceding the CGIF Acceleration or Bondholders' Representative Acceleration (as the case may be) to (but excluding) the Guarantor Payment Date; or
- (b) where a Demand has been made in respect of principal due on the Bond Maturity Date, the period from (and including) the Bond Maturity Date to (but excluding) the Guarantor Payment Date.

Additional Accrued Interest means the amount of interest in respect of any Public Bonds for the Additional Accrual Period at the Bond Interest Rate.

Affiliate means, in relation to a person, a Subsidiary or Holding Company of that person or a Subsidiary of that Holding Company.

Agent means ACLEDA Bank Plc. or any successor appointed as the securities registrar, securities transfer agent and paying agent in respect of the Bonds from time to time in accordance with the RTP Agency Agreement.

Articles of Agreement means the articles of agreement of CGIF originally dated 11 May 2010 as amended on 27 November 2013, 31 May 2016, 23 May 2017, 31 May 2018 and 1 August 2019 (as may be further amended or supplemented from time to time).

BHR Demand means a demand for payment under this Agreement from the Bondholders' Representative to CGIF substantially in the form set out in Schedule 3 (Form of BHR Demand).

Bond Conditions has the meaning given to the term **Bond Conditions** in the Bondholders' Representative Agreement.

Bond Documents means the Disclosure Document, the Underwriting Agreement, the Bond Conditions, the Bondholders' Representative Agreement, the RTP Agency Agreement, the Single Submission Form, and all other documentation (excluding the Guarantee Documents) related to the issuance of the Bonds.

Bond Event of Default has the meaning given to the term **Event of Default** in Clause 11 (Events of Default and Acceleration) of the Bond Conditions.

Bond Interest Payment Date has the meaning given to the term **Interest Payment Date** under the Bond Conditions.

Bond Interest Rate has the meaning given to the term **Interest Rate** under the Bond Conditions.

Bond Maturity Date has the meaning given to the term **Maturity Date** under the Bond Conditions.

Bondholder Accession Instrument means a document substantially in the form of Schedule 6 (Form of Bondholder Accession Instrument).

Bondholder Demand means a demand for payment made by a Bondholder under this Agreement from the Bondholders to CGIF substantially in the form set out in Schedule 4 (Form of Bondholder Demand).

Bondholder Demand Period means, in respect of a Non-Payment Event, a period of 10 Business Days starting on the date of expiry of the Demand Period in respect of such Non-Payment Event.

Bondholders' Book has the meaning given to the term **Bondholders' Book** in the Bondholders' Representative Agreement.

Bondholders' Representative means ACLEDA Securities Plc. or any successor appointed as the bondholders' representative in respect of the Bonds from time to time in accordance with the Bond Conditions and the Bondholders' Representative Agreement.

Bondholders' Representative Acceleration has the meaning given to it in Clause 5.2 (Bondholders' Representative Acceleration).

Bondholders' Representative Agreement means the Cambodian law governed bondholders' representative agreement entered into between the Bondholders' Representative and the Issuer dated

on or about the date of this Agreement or any agreement appointing a new Bondholders' Representative to replace the existing Bondholders' Representative (if any) from time to time.

Bondholders' Representative Expenses means:

- (a) all costs, expenses and liabilities properly incurred by the Bondholders' Representative in making a BHR Demand on CGIF in accordance with this Agreement; and
- (b) the remuneration due and payable to the Bondholders' Representative in accordance with clause 6 (Remuneration of the Bondholders' Representative) of the Bondholders' Representative Agreement.

Bonds means the Guaranteed Bonds of RMA (Cambodia) Plc. due B.E. 2025.

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in Manila, New York and Phnom Penh.

CGIF Acceleration has the meaning given to it in Clause 5.4 (CGIF Acceleration).

CGIF Acceleration Notice means a written notice delivered by CGIF to the Issuer and the Bondholders' Representative, substantially in the form set out in Schedule 3 (Form of CGIF Acceleration Notice).

CGIF Assets means all property and assets of CGIF held in trust in accordance with the Articles of Agreement of CGIF and available from time to time to meet the liabilities of CGIF. For the avoidance of doubt, a CGIF Asset does not include any assets of the Asian Development Bank or any other contributors to CGIF.

CGIF Certificate means the certificate to be issued by CGIF to the Bondholders' Representative certifying it has received (or waived receipt of) the documents and evidence set out in schedule 1 (Conditions Precedent) to the Indemnity Agreement in form and substance satisfactory to CGIF, substantially in the form set out in Schedule 1 (Form of CGIF Certificate).

CGIF Non-Payment Event has the meaning given to it in Clause 5.2(a).

Demand means a BHR Demand and/or a Bondholder Demand.

Demand Period means:

- (a) in respect of a Non-Payment Event that relates to either:
 - (i) any Scheduled Interest (including the Scheduled Interest due on the last Bond Interest Payment Date); or
 - (ii) the Principal Amount (other than the Principal Amount due on the Bond Maturity Date),a period of ten (10) Business Days starting on the date of such Non-Payment Event; and
- (b) in respect of a Non-Payment Event that relates to the Principal Amount due on the Bond Maturity Date, a period of twenty (20) Business Days starting on the date of such Non-Payment Event.

Disclosure Document means the disclosure document prepared and issued by the Issuer (with assistance from the Underwriter) in relation to the issuance of the Bonds.

Eligible Bondholder means a Bondholder who is not (a) an Issuer Related Entity or (b) the Issuer (or a person acting at the direction of the Issuer).

Government Agency means any government department or any government agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute).

Guarantee means the guarantee provided by CGIF pursuant to, and subject to the terms and conditions of this Agreement.

Guarantee Documents means this Agreement, the Indemnity Agreement and any other document or agreement entered into between any of CGIF, the Issuer and the Bondholders' Representative (as applicable) in connection with any of those documents, designated as such by CGIF.

Guarantee Term has the meaning given to it in Clause 2.2 (Term of the Guarantee).

Guaranteed Amount has the meaning given to it in Clause 2.1 (Guarantee).

Guarantor Default Interest Amount has the meaning given to it in Clause 3.4 (Guarantor Default Interest).

Guarantor Default Rate means the Bond Interest Rate plus two (2) per cent. per annum.

Guarantor Payment Due Date means the original due date for the payment of any Guaranteed Amount, which is:

- (a) thirty (30) Business Days from the date of receipt of a valid BHR Demand in respect of such Guaranteed Amount by CGIF; or
- (b) thirty (30) Business Days after the expiry of the Bondholder Demand Period after the receipt of a valid Bondholder Demand in respect of such Guaranteed Amount by CGIF.

Guarantor Payment Date means the date of actual payment by CGIF in respect of a Guaranteed Amount.

Holding Company means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

Indemnity Agreement means the reimbursement and indemnity agreement dated on or about the date of this Agreement between, amongst others, CGIF and the Issuer in connection with this Agreement.

Issue Date has the same meaning given to such term in the Bond Conditions.

Issuer means RMA (Cambodia) Plc., a company incorporated under the laws of Cambodia with company registration number 00001121 (old registration number Co.1515E/2002), and having its registered at No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh, Kingdom of Cambodia.

Issuer Event of Default means the occurrence of any of the events described in Clauses 11.1.4 (Enforcement Proceedings), 11.1.5 (Insolvency) or 11.1.6 (Winding-up) of the Bond Conditions.

Issuer Related Entity means

- (a) the Holding Company of the Issuer and any of its Affiliates (other than the Issuer);

- (b) any Affiliate of the Issuer; and
- (c) any other person acting at the direction of any person set out in (a) or (b) above.

New Bondholder has the meaning set out in Clause 12 (Changes to Bondholders).

Non-Payment Event means the non-payment (after giving effect to any applicable grace period) of any Guaranteed Amount by the Issuer in accordance with the terms of the Bond Conditions and the Bondholders' Representative Agreement.

Paid Guaranteed Amount has the meaning given to it in Clause 4.1 (Subrogation).

Principal Amount means the outstanding principal amount in respect of the Bonds at any time.

Public Bonds means the Bonds excluding those owned by the Issuer (or any other person acting at the direction of the Issuer) or an Issuer Related Entity.

Recovered Amount has the meaning given to it in Clause 6 (Recoveries).

RTP Agency Agreement means the Contract on Providing Service of Securities Registrar, Securities Transfer Agent and Paying Agent dated 20 December 2019 and entered into between the Issuer and ACLEDA Bank Plc.

Riel or KHR means Khmer Riel, the lawful currency of the Kingdom of Cambodia.

Scheduled Interest means scheduled interest on the Public Bonds payable at the Bond Interest Rate on each Bond Interest Payment Date (excluding, for the avoidance of doubt, default interest (if any)).

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Single Submission Form means the single submission form (being the Common Document for Submission to Regulatory, Listing, and Registration Authorities, and Market Institutions for the Issuance of Notes under the ASEAN+3 Multi-Currency Bond Issuance Framework) prepared by the Issuer in connection with the issue of the Bonds, as the same may have been amended or supplemented from time to time.

Subsidiary means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest).

Tax Deduction means a deduction or withholding for or on account of Tax from a payment under this Agreement.

Transfer Date means, in relation to a transfer by a Transferring Bondholder of its rights and interests in Bonds to a New Bondholder, and for the purposes of this Agreement, the date on which a Bondholder Accession Instrument is delivered to CGIF by the Agent or the New Bondholder (as the case may be) in accordance with this Agreement and the Bond Conditions.

Transferring Bondholder has the meaning set out in Clause 12 (Changes to Bondholders).

Underwriter means SBI Royal Securities, a public limited company incorporated under the laws of Cambodia, having a commercial registration No. 00000824 and a registered address at 13th floor, Phnom Penh Tower, No. 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh, Cambodia.

Underwriting Agreement means the underwriting agreement to be entered into between the Underwriter and the Issuer for full or partial subscription by the Underwriter of any remaining Bonds following a public offering of the Bonds.

1.2 Construction

- (a) In this Agreement, terms not defined herein have the meaning as set out in the Bond Conditions and unless the contrary intention appears, a reference to:
- (i) an **amendment** includes a supplement, novation, extension (whether of maturity or otherwise), restatement, re-enactment or replacement (however fundamental and whether or not more onerous) and **amended** will be construed accordingly;
 - (ii) **assets** includes present and future properties, revenues and rights of every description;
 - (iii) a **Clause**, a **Subclause**, a **Paragraph** or a **Schedule** is a reference to a clause, subclause of, or paragraph of, or a schedule to, this Agreement;
 - (iv) a currency is a reference to the lawful currency for the time being of the relevant country;
 - (v) a **Bond Document**, **Guarantee Document** or other document or Security includes (without prejudice to any prohibition on or consent required for any amendments) any amendment to that Bond Document or other document or Security;
 - (vi) **including** means including without limitation, and **includes** and **included** shall be construed accordingly;
 - (vii) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
 - (viii) a **Party** or any other person includes its successors in title, permitted assigns and permitted transferees;
 - (ix) a **person** includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, fund, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
 - (x) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any

governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (xi) a **successor** shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of its jurisdiction of establishment, incorporation or domicile has assumed the rights and obligations of such party under this Agreement or to which, under such laws, such rights and obligations have been transferred;
 - (xii) a time of day is a reference to Manila time; and
 - (xiii) the **winding-up, dissolution** or **administration** of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is established or incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.
- (b) Unless the contrary intention appears, a reference to a **month** or **months** is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
- (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);
 - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and
 - (iii) notwithstanding sub-Paragraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (c) The headings in this Agreement are provided for convenience only and do not affect the construction or interpretation of any provision of this Agreement.

2. GUARANTEE

2.1 Guarantee

- (a) Subject to the provisions of this Agreement, CGIF irrevocably and unconditionally guarantees to the Bondholders the full and punctual payment of each Bondholder Guaranteed Amount and irrevocably and unconditionally guarantees to the Bondholders' Representative the full and punctual payment of the Bondholders' Representative Expenses.
- (b) Subject to Subclauses (d) and (e) below, in this Agreement:
 - (i) **Bondholder Guaranteed Amount** means:
 - (A) any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under the Bond Conditions; and
 - (B) any Additional Accrued Interest; and

(ii) **Guaranteed Amount** means:

- (A) any Bondholder Guaranteed Amount; and
- (B) any Bondholders' Representative Expenses which is overdue and unpaid (whether in whole or in part),

provided that a Demand is delivered in respect of any Guaranteed Amount in accordance with the terms of this Agreement.

- (c) For the avoidance of doubt, a Guaranteed Amount does not include any increased costs, tax-related indemnity, gross-up amounts, default interest, fees, or any other amounts other than any Principal Amount, any Scheduled Interest, any Additional Accrued Interest and any Bondholders' Representative Expenses payable by the Issuer to the Bondholders' Representative or any Bondholders.
- (d) A Guaranteed Amount does not and shall not include any Principal Amount or any Scheduled Interest which is payable or could become payable under or in respect of any Bonds purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity or the Issuer (or any person acting on the instructions or directions of the Issuer).
- (e) The Guaranteed Amount shall cover coupon and principal payments in KHR under the Bonds with all payments made or to be made shall be settled in USD at the exchange rate calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia one each of the 6th Business Day to the 2nd Business Day prior to the date on which subscription for the Bonds commence.
- (f) If any of the Bonds become payable on an accelerated basis:
 - (i) as a result of:
 - (A) CGIF exercising its rights pursuant to Clause 5.4 (CGIF Acceleration); or
 - (B) the Bondholders' Representative being entitled to declare that the Bonds are payable on an accelerated basis in accordance with its right to do so under Clause 5.2 (Bondholders' Representative Acceleration),

CGIF will pay the Guaranteed Amount in accordance with Clauses 5.2 (Bondholders' Representative Acceleration) and 5.4 (CGIF Acceleration); and

- (ii) at the instigation of the Issuer, including, without limitation, as a result of the Issuer's voluntary redemption of the Bonds (whether in full or in part) prior to the Bond Maturity Date, CGIF will not have any obligation under this Agreement nor under any other Bond Document to pay any such amounts that have become due and payable in this manner and, for the avoidance of doubt, such amounts will not form part of the Guaranteed Amount.

2.2 Term of the Guarantee

- (a) The Guarantee shall be effective as of the first date on which both:
 - (i) the Issue Date has taken place; and
 - (ii) CGIF has issued the CGIF Certificate.

- (b) Subject to Paragraph (c) below and Clauses 2.7 (Reinstatement) and 13 (Termination), the Guarantee will expire on the earlier of:
- (i) the date on which all Guaranteed Amounts have been paid, repaid or prepaid in full, or the payment obligations of the Issuer in respect of all Guaranteed Amounts have been otherwise discharged or released pursuant to the Bond Documents or any other arrangement between the Issuer, the Bondholders and the Bondholders' Representative;
 - (ii) the date of full redemption, prescription or cancellation of the Bonds by the Issuer;
 - (iii) the date on which all outstanding Bonds are held by one or more Issuer Related Entities;
 - (iv) in the event of an occurrence of a Non-Payment Event and no Bondholder Demand having been made within the relevant Bondholder Demand Period in accordance with this Agreement, the last day of a Bondholder Demand Period;
 - (v) the date on which the Bondholders' Representative takes an Acceleration Step other than in respect of a CGIF Non-Payment Event;
 - (vi) the date on which the Bonds become payable under the Bond Conditions on an accelerated basis at the instigation of the Issuer in accordance with the Bond Conditions; and
 - (vii) the effective date of any termination of this Guarantee pursuant to Clause 13 (Termination),
- (such period of effectiveness of the Guarantee being the **Guarantee Term**).
- (c) The Guarantee will remain effective where a Demand has been made in accordance with this Agreement and payment by CGIF has not yet been made to the Bondholders' Representative or the Bondholders (as the case may be).

2.3 Continuing guarantee

This Guarantee is a continuing guarantee and will extend to the ultimate balance of all Guaranteed Amounts payable by the Issuer under the Bond Documents and this Agreement, regardless of any intermediate payment or discharge in whole or in part or where the payment of a Guaranteed Amount has been made but further Guaranteed Amounts are still due and payable or where any Public Bonds are outstanding.

2.4 Limited recourse

Notwithstanding any other provisions of this Agreement, any other Guarantee Document or any Bond Document, the recourse of the Bondholders, the Bondholders' Representative and the Agent against CGIF under this Agreement, any other Guarantee Document and any Bond Document is limited solely to the CGIF Assets. Each of the Bondholders, the Bondholders' Representative and the Agent acknowledges and accepts that it only has recourse to the CGIF Assets and it has no recourse to any assets of the Asian Development Bank or any other contributors to CGIF. Any obligation of CGIF under this Agreement, any other Guarantee Document or any Bond Document shall not constitute an obligation of the Asian Development Bank or any other contributors to CGIF.

2.5 No personal liability of the Asian Development Bank or any other contributors to CGIF

Notwithstanding any other provisions of this Agreement, any other Guarantee Document or any Bond Document, neither the Asian Development Bank nor any other contributors to CGIF or the officers, employees or agents of the Asian Development Bank or any contributor to CGIF shall be subject to any personal liability whatsoever to any third party including the Bondholders, the Bondholders' Representative and the Agent in connection with the operation of CGIF or under this Agreement, any other Guarantee Document or any Bond Document. No action may be brought against the Asian Development Bank as the trustee of CGIF or as contributor to CGIF or against any other contributors to CGIF or any of their respective officers, employees or agents by any third party including the Bondholders, the Bondholders' Representative and the Agent in connection with this Agreement, any other Guarantee Document or any Bond Document.

2.6 Waiver of defences

The obligations of CGIF under this Agreement will not be affected by and shall remain in force notwithstanding any act, omission, event or thing of any kind which, but for this provision, would reduce, release or prejudice any of its obligations under this Agreement. This includes:

- (a) any time, waiver or any other concession or consent granted to, or composition with, any person;
- (b) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any person;
- (c) any failure to realise the full value of any Security;
- (d) any incapacity, or lack of power, authority or legal personality of any person;
- (e) any termination, amendment, modification, variation, novation, replacement, supplement, or superseding of or to a Bond Document or any other document or Security relating thereto, but only if the prior written consent of CGIF has been obtained;
- (f) any unenforceability, illegality or, invalidity of any obligation of any person under any Bond Document or any other document or Security relating thereto;
- (g) any insolvency or similar proceedings affecting CGIF or the Issuer; or
- (h) the replacement of the Bondholders' Representative as representative for and on behalf of the Bondholders.

2.7 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Issuer and/or CGIF or any Security (if any) for those obligations or otherwise) is made in whole or in part in respect of a Guaranteed Amount on the basis of any payment, Security (if any) or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, then the liability of CGIF under Clauses 2 (Guarantee) and 3 (Payment under the Guarantee) will continue or be reinstated as if the discharge, release or arrangement had not occurred.

2.8 Additional Security

This Agreement is in addition to and is not in any way prejudiced by any Security (to the extent applicable, if any) in respect of the Issuer's obligations under the Bond Documents now or

subsequently held by the Bondholders or the Bondholders' Representative (or any trustee or agent on its behalf).

2.9 Pari Passu Ranking

Without limiting any other provision contained in this Agreement or any other Bond Documents, CGIF's payment obligations under this Agreement rank *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law (if any).

3. PAYMENT UNDER THE GUARANTEE

3.1 General

- (a) CGIF is only liable to pay a Guaranteed Amount under the Guarantee (and only in accordance with the terms and subject to the conditions of this Agreement) if and to the extent that the Bondholders' Representative delivers to CGIF a BHR Demand or a Bondholder delivers to CGIF a Bondholder Demand in respect of that Guaranteed Amount and such Demand complies with the requirements set out in this Clause 3.
- (b) The Bondholders' Representative may make a BHR Demand for payment of a Guaranteed Amount within the Demand Period following the occurrence of a Non-Payment Event.
- (c) If the Bondholders' Representative has failed to make a BHR Demand pursuant to Clause 3.1(b) above, then an Eligible Bondholder may make a Bondholder Demand for payment of a Guaranteed Amount within 10 Business Days after the expiry of the Demand Period in respect of that portion of the Guaranteed Amount that would have been paid to it by the Issuer had the Non-Payment Event not occurred only to the extent that a Demand has not been made in respect of that portion of the Guaranteed Amount.
- (d) The Bondholders' Representative and the Bondholders undertake to revoke a Demand by written notice to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received by the Bondholders' Representative or the Bondholders, as the case may be, in respect of a Guaranteed Amount prior to such date from a source other than CGIF.
- (e) Notwithstanding any term to the contrary, the Bondholders' Representative may not (and undertake not to) make a BHR Demand and no Bondholder may (and each Bondholder undertakes not to) make a Bondholder Demand in respect of any amount that is payable under or in respect of a Bond that is purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity.
- (f) Notwithstanding any other provisions of this Agreement, a Demand may only be made for payment of a Guaranteed Amount with respect to that Bond. Furthermore, if a Non-Payment Event occurs as a result of the Bonds becoming payable on an accelerated basis:
 - (i) a Demand may only be made in respect of that Non-Payment Event in accordance with Clause 5 (Acceleration of the Bonds) or Clause 5.2 (Bondholders' Representative Acceleration); and
 - (ii) no Demand may be made in respect of a Non-Payment Event where the relevant amount of principal or accrued interest became payable under the Bond Conditions on an accelerated basis at the instigation of the Issuer in accordance with the Bond Conditions, including, without limitation, as a result of the Issuer's voluntary

redemption of the Bonds (whether in full or in part) prior to the Bond Maturity Date (other than in accordance with Clause 9.1.1 (Partial Redemption Date) of the Bond Conditions).

- (g) CGIF agrees that the Bondholders and the Bondholders' Representative is not required to proceed against, enforce any other rights or Security (if any), or claim payment from any person before claiming from CGIF under this Agreement, irrespective of any law or any provision of any Bond Document to the contrary, provided that CGIF shall only be required to make payments to the Bondholders or the Bondholders' Representative in accordance with the terms of this Agreement and the Bond Conditions.
- (h) The Parties irrevocably and unconditionally agree that CGIF's obligation to make a payment in respect of any Guaranteed Amount under the Guarantee shall be discharged in full if CGIF makes a payment to the Bondholders and, in case such Guaranteed Amount includes any Bondholders' Representative Expenses, the Bondholders' Representative of an aggregate amount equal to the Guaranteed Amount in accordance with this Agreement, and the Bondholders shall not make a Bondholder Demand in respect of any sum that forms part of a Guaranteed Amount for which the Bondholders' Representative has already made a proper and valid BHR Demand.

3.2 Form and procedure of making a Demand under this Agreement

- (a) Following the occurrence of a Non-Payment Event, the Bondholders' Representative will, in accordance with such procedures as may be set out in the Bondholders' Representative Agreement, as soon as becoming aware of the occurrence of a Non-Payment Event in any event within the Demand Period, deliver to CGIF (with a copy to the Issuer, the Agent and each Bondholder) a BHR Demand and any other information reasonably required by CGIF in connection with the Non-Payment Event to the extent available.
- (b) Following the receipt by CGIF of a BHR Demand in accordance with Subclause (a) above and at any time prior to the date on which a Guaranteed Amount is due for payment:
 - (i) if the Bondholders' Representative subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders' Representative shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer);
 - (ii) if the Agent subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Agent shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer); and
 - (iii) if the Bondholders subsequently receive payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer).
- (c) Upon receipt of a notice referred to in Subclause (b) above, the obligation of CGIF to pay the Guaranteed Amount specified in the relevant BHR Demand shall, in respect of any payment received in part, be reduced by the corresponding amount received by the Agent, the Bondholders' Representative or the Bondholders, and in respect of any payment received in full, be terminated.
- (d) Each BHR Demand must comply with the following:

- (i) each BHR Demand must (i) be substantially in the form set out in Schedule 3 (Form of BHR Demand); (ii) set out the basis of the relevant notice including details of the calculation of the Guaranteed Amount; and (iii) include all relevant evidence, information and documentation in support of the BHR Demand as is reasonably necessary to evidence in reasonable detail the occurrence of the Non-Payment Event, the amounts unpaid and the payment due from CGIF in respect of the relevant Guaranteed Amount;
 - (ii) no BHR Demand may include any portion of a Guaranteed Amount that is or was the subject of another Demand; and
 - (iii) if a BHR Demand is not on its face correct, properly completed, executed or delivered, or is not supported by the necessary evidence or other information or documentation referred to in paragraph (i) above, CGIF (acting reasonably) may notify the Bondholders' Representative if it considers this to be the case, and advise the Bondholders' Representative of its requirements, and the Bondholders' Representative shall promptly, and in any case within ten (10) Business Days of the occurrence of such Non-Payment Event, submit a new BHR Demand to CGIF in accordance with the procedures set out in this Clause 3.2.
- (e) If the Bondholders' Representative fails to make a valid and proper BHR Demand in accordance with this Clause 3, any Eligible Bondholder may make a Bondholder Demand within the Bondholder Demand Period in respect of that portion of the Guaranteed Amount that would have been paid to it by the Issuer had the Non-Payment Event not occurred to the extent that it has not received payment in respect of that portion of the Guaranteed Amount. Such Bondholder Demand shall be delivered to CGIF (with a copy to the Issuer and the Bondholders' Representative). For the avoidance of doubt, no Bondholder may make a Bondholder Demand in respect of any Bonds purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity.
- (f) Following the receipt by CGIF of a Bondholder Demand in accordance with Subclause (e) above and at any time prior to the date on which a Guaranteed Amount is due for payment:
 - (i) if that Bondholder subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, that Bondholder shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer);
 - (ii) if the Bondholders' Representative subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders' Representative shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer); and
 - (iii) if the Agent subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Agent shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer).
- (g) Upon receipt of the notice referred to in Subclause (f) above, the obligation of CGIF to pay the Guaranteed Amount specified in the relevant Bondholder Demand shall, in respect of any payment received in part, be reduced by the corresponding amount received by that Bondholder, the Agent and/or the Bondholders' Representative, and in respect of any payment received in full, be terminated.

- (h) No Bondholder may make a Bondholder Demand unless the Bondholder Demand complies with the following provisions:
- (i) such Bondholder Demand must (i) be substantially in the form set out in Schedule 4 (Form of Bondholder Demand); (ii) set out the basis of the relevant notice including details of the calculation of the Guaranteed Amount owing to that Bondholder (iii) include all relevant evidence, information and documentation in support of the Bondholder Demand as is reasonably necessary to evidence in reasonable detail the occurrence of the Non-Payment Event, the amounts unpaid and the payment due from CGIF in respect of the Guaranteed Amount owing to that Bondholder, the identity of the Bondholder, the number of Bonds held by that Bondholder and any other information as may be required by CGIF;
 - (ii) such Bondholder Demand shall not include any portion of a Guaranteed Amount that is or was the subject of another Demand; and
 - (iii) if a Bondholder Demand is not on its face correct, properly completed, executed or delivered, or is not supported by the necessary evidence or other information or documentation referred to in paragraph (i) above, CGIF (acting reasonably) may notify that Bondholder if it considers this to be the case, and advise the Bondholder of its requirements, and that Bondholder shall promptly, and in any case within the Bondholder Demand Period, submit a new Bondholder Demand to CGIF in accordance with the procedures set out in this Clause 3.2.

3.3 Payment of a Demand

- (a) Subject to Clauses 2.1 (Guarantee), 5.2 (Bondholders' Representative Acceleration) and 5.4 (CGIF Acceleration), CGIF will, in accordance with Clause 8 (Payments):
- (i) within thirty (30) Business Days of the receipt of a BHR Demand, pay directly to the Bondholders the Guaranteed Amount, which is the subject of the BHR Demand received by CGIF, that remains unpaid as at the Guarantor Payment Date; or
 - (ii) within thirty (30) Business Days after the expiry of the Bondholder Demand Period, pay directly to the Bondholders, that portion of the Guaranteed Amount which is the subject of a Bondholder Demand received by CGIF from that Bondholder which remains unpaid as at the Guarantor Payment Date.
- (b) Following receipt of any Guaranteed Amount paid by CGIF pursuant to a Demand, the Bondholders' Representative and/or the Bondholders, as the case may be, shall promptly notify the Issuer and CGIF that such payment has been received.

3.4 Guarantor Default Interest

- (a) If CGIF fails to make a payment in accordance with Clause 3.3 (Payment of a Demand), CGIF will pay interest at the Guarantor Default Rate on the Guaranteed Amount which is the subject of the Demand received by CGIF or any part thereof which remains unpaid (excluding the Bondholders' Representative Expenses) for the period from (and including) the Guarantor Payment Due Date for the Guaranteed Amount to (but excluding) the Guarantor Payment Date of the Guaranteed Amount (or the relevant part thereof) (a **Guarantor Default Interest Amount**).

- (b) For the avoidance of doubt, CGIF shall not pay any Guarantor Default Interest Amount on any amounts that become payable pursuant to the delivery of a Bondholders' Representative Acceleration or a CGIF Acceleration.

4. SUBROGATION AND TRANSFERS

4.1 Subrogation

- (a) Notwithstanding any provision to the contrary in any Bond Document, immediately upon the payment by CGIF under this Agreement of all or any part of the Guaranteed Amount in accordance with this Agreement (a **Paid Guaranteed Amount**), CGIF shall be:
 - (i) subrogated to and may direct the exercise of:
 - (A) all of the rights, powers and remedies of the Bondholders' Representative, on behalf of the Bondholders and of the Bondholders themselves, in respect of the Bonds and each Bond Document (in each case, to the extent relating and proportionate to that Paid Guaranteed Amount), against any relevant person, including (and to the extent relating and proportionate to that Paid Guaranteed Amount), any rights or claims, whether accrued, contingent or otherwise; and
 - (B) all of the Bondholders' Representative's and the Bondholders' privileges, rights and security against the Issuer or with respect to the Public Bonds insofar as they extend to an amount equal to that Paid Guaranteed Amount;
 - (ii) entitled to direct the Bondholders' Representative and/or the Bondholders to take action in the name of the Bondholders' Representative or the Bondholders, as the case may be, to enforce any rights of the Bondholders' Representative and/or the Bondholders against any person in relation to that Paid Guaranteed Amount.
- (b) The Bondholders' Representative must, at its own expense, execute such instruments or documents and take such other actions as CGIF may require to give effect to, facilitate or evidence the subrogation referred to in this Clause 4 and to perfect the rights of CGIF to receive such amounts equal to the Paid Guaranteed Amount under the Bond Documents.
- (c) For the avoidance of doubt, no Bondholder shall be obliged to transfer or assign any rights or any legal title in the Public Bonds, except to the extent that it has received payment of any amounts from CGIF in respect thereof.

4.2 Transfer

- (a) Notwithstanding any provision to the contrary in any Bond Document, upon payment by CGIF of a Paid Guaranteed Amount, the Bondholders' Representative, the Agent and the Bondholders shall, at the written request of CGIF and in consideration of such payment:
 - (i) transfer and assign, free from any Security, to CGIF all its rights:
 - (A) under the Bond Documents; and
 - (B) in respect of any Security securing the Bonds (if any) or any other amounts payable under the Bond Documents (including any right, title and interest to any asset which has arisen as a result of enforcement of such Security, if any),
- insofar as those rights relate and are proportionate to that Paid Guaranteed Amount; and

- (ii) execute such instruments or documents and take such other actions as necessary for CGIF to give effect to, facilitate or evidence the transfer and assignment referred to in this Clause 4 and to perfect the rights of CGIF to receive such amounts equal to the Paid Guaranteed Amount under the Bond Documents.
- (b) The Bondholders, the Agent and the Bondholders' Representative shall not, and shall take reasonable steps to ensure that the Issuer does not, do anything that could lessen or impair any of the rights referred to in subparagraph (a)(i) above, CGIF's rights of subrogation or any other right of CGIF to recover any amount equal to the Paid Guaranteed Amount.

5. ACCELERATION OF THE BONDS

5.1 Acceleration Step

The Bondholders' Representative and the Bondholders agrees with, and undertakes in favour of, CGIF that, notwithstanding any term of the Bond Documents to the contrary, it shall not:

- (a) take any step to declare any Bond to be or become immediately due and payable, or payable on an accelerated basis under the Bond Documents; or
- (b) take any enforcement or similar action in relation to any Security (if any) in respect of the Bonds,

(each an **Acceleration Step**), for so long as CGIF continues to make payment of the Guaranteed Amount in accordance with the terms of this Agreement, other than in accordance with Clause 5.2 (Bondholders' Representative Acceleration).

5.2 Bondholders' Representative Acceleration

The Bondholders' Representative may, on behalf of the Bondholders and subject to the terms of the Bond Documents, take an Acceleration Step if:

- (a) a Non-Payment Event has occurred and is continuing and a BHR Demand has been properly delivered to CGIF (within the Demand Period) in accordance with this Agreement in respect of the relevant Guaranteed Amount and not paid by CGIF by the applicable due date in accordance with the terms of this Agreement (a **CGIF Non-Payment Event**); or
- (b) a Bond Event of Default occurs (other than pursuant to Clause 11.1.1 (Non-Payment) of the Bond Conditions) and the requirements of Clause 11.5 (The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 (Non-Payment)) of the Bond Conditions have been fulfilled,

(in each case, a **Bondholders' Representative Acceleration**).

5.3 Demand upon a Bondholders' Representative Acceleration

- (a) Upon the occurrence of a Bondholders' Representative Acceleration which is continuing pursuant to Clause 5.2(a), the Bondholders' Representative may deliver in accordance with this Agreement a Demand (where no Demand Period is applicable) in respect of the aggregate of the Guaranteed Amounts and the Guarantor Default Interest Amount (if any) to be paid by CGIF in accordance with this Agreement.
- (b) Upon the occurrence of a Bondholders' Representative Acceleration which is continuing pursuant to Clause 5.2(b), the Bondholders' Representative and the Bondholders shall have no right to deliver a Demand in respect of the Guaranteed Amounts to be paid by CGIF in

accordance with this Agreement and CGIF shall have no further obligation to pay any Guaranteed Amount.

5.4 CGIF Acceleration

- (a) At any time after (A) the occurrence of an Issuer Event of Default or (B) the receipt by CGIF of a Demand under this Agreement (regardless of whether or not CGIF has made payment in accordance with such Demand), CGIF may, in its absolute discretion, deliver a CGIF Acceleration Notice to the Issuer and the Bondholders' Representative:
 - (i) declaring the Bonds to be immediately due and payable under the Bond Documents on a specified date (which must be no later than ten (10) Business Days from the date the CGIF Acceleration Notice is delivered by CGIF to the Issuer and the Bondholders' Representative pursuant to this Clause 5.4 (such date, the **Acceleration Due Date**)); and
 - (ii) confirming that it will pay all Guaranteed Amounts on or before the Acceleration Due Date,

(a **CGIF Acceleration**). The Parties agree that any such notice shall take effect in accordance with its terms.
- (b) The Parties also agree that CGIF may, in its absolute discretion, cancel and withdraw any CGIF Acceleration Notice at any time prior to the Bonds and/or amounts owing under the Bond Documents being redeemed or paid in full.

6. RECOVERIES

- (a) If, at any time after the delivery of a Demand to CGIF but before a payment by CGIF of the Guaranteed Amount relating to that Demand, the Agent, the Bondholders' Representative and/or the Bondholders recover any money or asset from the Issuer or any other person in respect of any Guaranteed Amount relating to that Demand (the **Recovered Amount**), the Agent, the Bondholders' Representative (if it becomes aware of the payment of any Recovered Amount) and the Bondholders shall promptly, and in any event no later than two (2) Business Days following such recovery, provide details of the recovery to CGIF (with a copy to the Issuer and the Agent, if applicable) and the Bondholders' Representative and/or the Bondholders, as the case may be, shall withdraw and revoke such Demand to the extent of an amount equal to such Recovered Amount.
- (b) If, at any time after payment by CGIF of a Guaranteed Amount relating to a Demand, the Agent, the Bondholders' Representative and/or the Bondholders recover a Recovered Amount, the Agent, the Bondholders' Representative and the Bondholders must as soon as reasonably practicable provide details of the recovery to CGIF (with a copy to the Issuer), and the Agent, the Bondholders' Representative and the Bondholders, as the case may be, shall pay to CGIF an amount equal to such Recovered Amount, together with all expenses, charges, Tax and fees incurred by CGIF (as determined by CGIF, acting reasonably) for the recovery of that amount.
- (c) Following payment by CGIF of any Paid Guaranteed Amount, if CGIF discovers that the Bondholders' Representative or the Bondholders, as the case may be, had no right to receive a payment of the relevant Guaranteed Amount (or any portion thereof) to which such Paid Guaranteed Amount relates, CGIF shall be entitled, upon notice to the Bondholders' Representative and the Issuer, to recover from the Bondholders' Representative or the Bondholders, as the case may be, the relevant payment (or the relevant portion thereof)

together with all expenses, charges, Tax and fees incurred by CGIF in relation to the return of the relevant payment to the extent that the Bondholders' Representative still holds such amounts itself or to its order (and provided only that it has the ability to direct the relevant amounts).

- (d) To the extent any part of a Guaranteed Amount has been recovered from any source, the Bondholders' Representative and the Bondholders shall not seek to recover such amounts from CGIF under this Agreement.

7. TAXES

- (a) If CGIF is required by law to make a Tax Deduction in respect of a payment to be made by it under this Agreement (the **Relevant Payment**), CGIF may make the Relevant Payment with such Tax Deduction and is not required to make any increased payment in respect of the Relevant Payment.
- (b) If CGIF is aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Bondholders' Representative.
- (c) If CGIF is required to make a Tax Deduction, it must make the minimum Tax Deduction allowed by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (d) Nothing in this Clause 7 shall be considered to constitute a waiver of the privileges, immunities and exemptions applicable to CGIF, the Asian Development Bank or any contributors to CGIF pursuant to the Articles of Agreement.

8. PAYMENTS

8.1 Payment by CGIF and other Parties

- (a) CGIF shall make a payment under the Guarantee only:
 - (i) if the requirements of Clause 3 (Payment under the Guarantee) have been fully satisfied, and
 - (ii) after the Agent, the Bondholders' Representative, or any Eligible Bondholder, as the case may be, has notified CGIF in writing promptly, but in any event within the Demand Period or Bondholder Demand Period, respectively, that a Non-Payment Event has occurred.
- (b) CGIF shall make all payments under this Agreement directly to each Bondholder in respect of the Bonds to the bank account specified for such Bondholder in the Bondholders' Book, except for any Bondholders' Representative Expenses that form part of a Guaranteed Amount for which the Bondholders' Representative has made a valid BHR Demand which shall be payable to the Bondholders' Representative to the bank account specified by the Bondholders' Representative in the BHR Demand. All costs and expenses associated with CGIF making payments under this Clause 8.1(b) are to be borne by the Bondholders.
- (c) CGIF shall be entitled to rely upon and make a payment to a Bondholder's account (the details of which are set out in the Bondholders' Book as such Bondholders' Book may be updated and provided to CGIF by the Agent from time to time) and a payment made by CGIF to the Bondholder's account shall be binding on all the Parties, and CGIF shall have no liability whatsoever to any Party if CGIF makes a payment to the Bondholder's account that is specified in the Bondholders' Book most recently provided to CGIF.

- (d) A payment by CGIF of a Paid Guaranteed Amount or a payment by CGIF under this Agreement of all or any part of the Guarantor Default Interest Amount pursuant to a Demand in accordance with this Agreement will discharge the payment obligations of CGIF under this Agreement to the extent of such payment.
- (e) All payments to be made by a Party under this Agreement must be made on the due date for payment in immediately available funds and, in the case of a Bondholder, to such account as set out in the Bondholders' Book and, in the case of each other Party, to such account to be notified by the receiving Party to the other Party at least five (5) Business Days prior to the relevant due date for payment.

8.2 Currency

Subject to Clause 2.1(e) (Guarantee), all payments to be made by a Party under this Agreement must be made, unless otherwise specified in this Agreement, in the currency in which the amounts are incurred in relation to costs, fees, expenses, liabilities and other indemnities.

8.3 Certificates and determinations

Any certification, determination or notification by a Party of a rate or amount made pursuant to the terms of this Agreement will be, in the absence of manifest error, conclusive evidence of the matters to which it relates.

8.4 Business Days

If a payment under this Agreement is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not) or whatever day CGIF reasonably determines is market practice.

9. UNDERTAKINGS

9.1 No amendment to Bond Documents

Unless with prior written consent of CGIF, the Bondholders' Representative and the Bondholders shall not:

- (a) amend, modify, vary, novate, replace, supplement, supersede, terminate, give any consent in relation to, or waive any breach or proposed breach of, any term of a Bond Document; or
- (b) take, or omit to take, any action that would lessen or impair any right of the Bondholders' Representative, the Agent or CGIF under any Bond Document.

9.2 Compliance with Bond Documents

Each of the Bondholders' Representative, the Agent and the Bondholders shall comply in all respects with the terms of, and perform all of its obligations under, each Bond Document to which it is a party.

9.3 Notification of default

The Bondholders' Representative, the Agent and the Bondholders shall notify CGIF of any Bond Event of Default promptly upon becoming aware of its occurrence or being notified by the Issuer or any other related party.

9.4 Information: miscellaneous

- (a) The Bondholders' Representative must supply to CGIF:
 - (i) promptly upon receipt, all documents dispatched or information disclosed by the Issuer to it or the Bondholders generally under the Bond Documents;
 - (ii) all documents (including, without limitation, any notice, request or certificate) dispatched or issued by the Bondholders' Representative to the Issuer in accordance with the Bond Documents or otherwise in connection with the Bonds at the same time as they are dispatched or issued; and
 - (iii) a copy of any default notice delivered by the Bondholders' Representative to the Issuer under Clause 11.3 (Acceleration Step under the CGIF Guarantee) of the Bond Conditions.
- (b) The Agent must supply to CGIF:
 - (i) a copy of the duly completed Bondholders' Book within five (5) Business Days of the Bond Issue Date;
 - (ii) a copy of the duly completed Bondholders' Book within five (5) Business Days of each time the Bondholders' Book is updated;
 - (iii) the following details, at least one (1) Business Day prior to each Bond Interest Payment Date and the Bond Maturity Date:
 - (A) the details of each Bondholder;
 - (B) the amount that each Bondholder is entitled to receive on a Bond Interest Payment Date; and
 - (C) the details of the bank account of each Bondholder;
 - (iv) the following details, at least five (5) Business Days after each Bond Interest Payment Date and the Bond Maturity Date:
 - (A) the details of each Bondholder;
 - (B) the amount that each Bondholder has received on the Bond Interest Payment Date and the Bond Maturity Date; and
 - (C) the details of the bank account of each Bondholder; and
 - (v) written notice that a Non-Payment Event has occurred and is continuing within twenty (20) Business Days of the occurrence of such Non-Payment Event.

10. AMENDMENTS AND WAIVERS

10.1 Amendments

Any term of this Agreement may be amended or waived with the written agreement of the Parties and the Issuer.

10.2 Waivers and remedies cumulative

- (a) The rights and remedies of each Party under this Agreement:
 - (i) may be exercised as often as necessary;
 - (ii) are cumulative and not exclusive of its rights and remedies under the general law; and
 - (iii) may be waived only in writing and specifically.
- (b) No delay in exercising or non-exercise by a Party of any right or remedy under this Agreement shall operate as a waiver of that right or remedy, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy other than where any rights (including, without limitation, the right to require payment of any Guaranteed Amount) are to be exercised in accordance with specified requirements under this Agreement.

11. ASSIGNMENT OR TRANSFER

No Party may assign or transfer any of its rights and obligations under this Agreement without the prior consent of the other Party except that CGIF may assign or transfer any of its rights and benefits under this Agreement (including its right of subrogation) to any person without the prior written consent of the Bondholders' Representative, the Bondholders or any other person.

12. CHANGES TO BONDHOLDERS

12.1 Transfers by the Bondholders

Subject to the other provisions of this Clause 12, a Bondholder (a **Transferring Bondholder**) may transfer by novation any of its rights and obligations, under this Agreement to another person (a **New Bondholder**) provided and on the condition that the Transferring Bondholder and the New Bondholder comply with the requirements set out in the Bond Conditions (including Clause 4 (Transfers of Bonds) of the Bond Conditions).

12.2 Limitation of responsibility of Transferring Bondholders

- (a) Unless expressly agreed to the contrary, a Transferring Bondholder and CGIF make no representation or warranty and assumes no responsibility to a New Bondholder for:
 - (i) the legality, validity, effectiveness, adequacy or enforceability of the Bond Documents or any other documents;
 - (ii) the financial condition of the Issuer;
 - (iii) the performance and observance by the Issuer of its obligations under the Bond Documents or any other documents; or
 - (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Bond Document or any other document,and any representations or warranties implied by law are excluded.
- (b) Each New Bondholder confirms to a Transferring Bondholder, CGIF and the other Parties that it:

- (i) has made (and must continue to make) its own independent investigation and assessment of the financial condition and affairs of the Issuer and its related entities (including the nature and extent of any recourse against any Party or its assets) in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Transferring Bondholder in connection with any Bond Document or Guarantee Document; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of the Issuer and its related entities whilst any amount is or may be outstanding under the Bond Documents.
- (c) Nothing in any Bond Document or this Agreement obliges a Transferring Bondholder to:
- (i) accept a re-transfer or re-assignment from a New Bondholder of any of the rights and obligations assigned or transferred under this Clause 12; or
 - (ii) support any losses directly or indirectly incurred by the New Bondholder by reason of the non-performance by the Issuer of its obligations under the Bond Documents or otherwise.

12.3 Procedure for transfer

- (a) A transfer of rights and obligations under this Agreement by the Transferring Bondholder to a New Bondholder, and an accession by a New Bondholder to this Agreement, shall be effected by the delivery to CGIF of a duly completed Bondholder Accession Instrument (with a copy to the Issuer). Such transfer and any such accession shall be binding on each of the other Parties to this Agreement on and from the Transfer Date without any further action required on their part. As soon as practicable but in any event within five (5) Business Days of receipt of a Bondholder Accession Instrument from the Agent, CGIF shall deliver, or cause to be delivered, a written acknowledgement of the same to the Agent.
- (b) On the Transfer Date:
 - (i) to the extent that the relevant Transferring Bondholder seeks to transfer by novation its rights and obligations to a New Bondholder, under the Bond Documents, each of the Bondholders' Representative, CGIF, the Agent and the Transferring Bondholder will be released from further obligations towards one another under this Agreement and their respective rights against one another under this Agreement will be cancelled (being the **Discharged Rights and Obligations**);
 - (ii) each of the Bondholders' Representative, CGIF, the Agent and the New Bondholder will assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as the Bondholders' Representative, CGIF, the Agent and the New Bondholder have assumed and/or acquired the same in place of the Bondholders' Representative, CGIF, the Agent and the Transferring Bondholder;
 - (iii) the New Bondholder and other Bondholders will acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Bondholder been the Transferring Bondholder with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Transferring Bondholder will be released from further obligations under this Agreement; and

- (iv) the New Bondholder will become a party to this Agreement as a **Bondholder**.

13. TERMINATION

- (a) Except as otherwise provided in Clause 2.4 (Limited recourse), Clause 2.5 (No personal liability of the Asian Development Bank or any other contributors to CGIF), Clause 4 (Subrogation and transfers), Clause 19 (Governing law), Clause 20 (Dispute resolution) and Clause 22 (ADB and CGIF Immunities), all rights and obligations of each Party will cease and expire on the last day of the Guarantee Term.
- (b) Termination or expiry of the Guarantee pursuant to the terms of this Agreement is without prejudice to the rights of any Party which have accrued prior to such termination or expiry, whether arising under this Agreement, at law or otherwise.
- (c) CGIF may terminate this Agreement with immediate effect if:
- (i) any term of a Bond Document has been amended, modified, varied, novated, replaced, supplemented, superseded or terminated, or the breach or proposed breach of which is or has been waived without the prior written consent of CGIF;
 - (ii) the Bondholders' Representative is in breach of its undertaking in Clause 5.1(a) (Acceleration Step) or the Bondholders take an Acceleration Step (in accordance with any Bond Document) in contravention of Clause 5.1(a) (Acceleration Step); or
 - (iii) CGIF issues a new guarantee on substantially similar terms as this Agreement in favour of the Bondholders and/or a replacement Bondholders' Representative who is appointed as such as a representative of the Bondholders, with prior notification to be provided to Bondholders and/or the Bondholder Representative of this action. For the avoidance of doubt, CGIF will not issue a new guarantee on terms that will materially impair the Bondholders' rights and benefits without first obtaining Bondholders' consent through the Bondholder Representative (or any replacement thereof).

14. SET-OFF

No Party may set off any obligation owed to it by the other Party under this Agreement against any obligation owed by it to that other Party.

15. SEVERABILITY

If a term of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any jurisdiction, it shall not affect:

- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Agreement; or
- (b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Agreement.

16. COUNTERPARTS

This Agreement may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

17. NOTICES

17.1 In writing

- (a) Any communication in connection with this Agreement must be in writing, with a copy sent to the Issuer, and, unless otherwise stated, may be given:
 - (i) in person, by post or fax; or
 - (ii) to the extent agreed by the Parties making and receiving communication, by email or other electronic communication.
- (b) For the purpose of this Agreement, an electronic communication will be treated as being in writing.
- (c) Unless it is agreed to the contrary, any consent or agreement required under this Agreement must be given in writing.

17.2 Contact details

- (a) The contact details of CGIF for all notices in connection with this Agreement are:

Address: Asian Development Bank Building,
6 ADB Avenue, Mandaluyong City,
1550 Metro Manila, Philippines

Fax number: +632-8683-1377

Email: rmac.khr@cgif-abmi.org

Attention: CEO and Vice President, Operations
- (b) The contact details of the Bondholders' Representative for all notices in connection with this Agreement are:

Address: 5th floor, ACLEDA Building at #61, Preah Monivong Blvd
Sangkat Srah Chork, Khan Daun Penh, Phnom Penh
Kingdom of Cambodia

Telephone: +855(0)23 9999 66 / 23 9999 77 / 23 72 33 88

Email: simeth@acledasecurities.com.kh / sar.sreypech@acledasecurities.com.kh

Attention: Mr. Hor Simeth, VP & Head of Operations / Mrs. Sar Sreypech
Bondholders' Representative
- (c) The contact details of the Agent for all notices in connection with this Agreement are:

Address: #61, Preah Monivong Blvd
Sangkat Srah Chork, Khan Daun Penh, Phnom Penh
Kingdom of Cambodia

Telephone: (855) 23 998 777 / 430 999/ 015 600 738/ 015 800 881

Fax number: (855) 23 430 555

Email: siya.malida@acledabank.com.kh

Attention: Mr. Suos Ousaphea, SVP & Head of Legal Division /
Mr. Siya Malida, ASVP of Operation Division
- (d) The contact details of the Issuer for all notices in connection with this Agreement are:

Address: No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh,
the Kingdom of Cambodia

Telephone: +855(0)23 888 000
Email: saing.ngorn@rmagroup.net
Attention: Mr. NGORN Saing, CEO

- (e) The contact details of the Bondholders are as set out in the Bondholders' Book.
- (f) Any Party may change its contact details by giving five (5) Business Days' notice to the other Party.
- (g) Where a Party nominates a particular department or officer to receive a communication, a communication will not be effective if it fails to specify that department or officer.

17.3 Effectiveness

- (a) Except as provided below, any communication in connection with this Agreement will be deemed to be given as follows:
 - (i) if delivered in person, at the time of delivery;
 - (ii) if posted, when received;
 - (iii) if by fax, when received in legible form; and
 - (iv) if by e-mail or any other electronic communication, when received in legible form.
- (b) A communication given under Paragraph (a) above but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.

17.4 English Language

- (a) Any notice given in connection with this Agreement must be in English.
- (b) Any other document provided in connection with this Agreement must be:
 - (i) in English; or
 - (ii) in the language of the jurisdiction in which the Bonds are issued, accompanied by a certified English translation. In this case, the English translation prevails unless the document is a statutory or other publicly available official document.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Unless expressly provided to the contrary in a Guarantee Document, a person who is not a party to a Guarantee Document may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of any Guarantee Document, no consent of any third party is required for any amendment (including any release or compromise of any liability) or termination of any Guarantee Document. Notwithstanding the foregoing, the Asian Development Bank and other contributors to CGIF, and any of their respective officers, employees or agents may enforce Clauses 2.4 (Limited recourse), 2.5 (No personal liability of the Asian Development Bank or any other contributors to CGIF), 20.2 (Arbitration) and 22 (ADB and CGIF Immunities) of this Agreement.

19. GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by English law.

20. DISPUTE RESOLUTION

20.1 Governing Law

This Clause 20 and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

20.2 Arbitration

- (a) Any dispute, claim, difference or controversy arising out of, relating to, or having any connection with this Agreement (which includes this Clause 20) or any Guarantee Document other than this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination, or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (for the purpose of this Clause 20, a **Dispute**), shall be referred to and be finally resolved by arbitration administered by the Singapore International Arbitration Centre (**SIAC**) under the Arbitration Rules of the SIAC in force when the Notice of Arbitration is submitted (for the purpose of this Clause 20, the **Rules**).
- (b) The Parties further agree that following the commencement of arbitration, they will initially attempt in good faith to resolve the Dispute through mediation at the Singapore International Mediation Centre (**SIMC**), in accordance with the SIAC-SIMC Arb-Med-Arb Protocol (the **Protocol**) for the time being in force which shall last for a period not exceeding sixty-five (65) Business Days from the commencement of the mediation proceedings (the **Mediation Period**). Where a settlement has been reached between the Parties within the Mediation Period, such terms of settlement shall be referred to the arbitral tribunal and the arbitral tribunal may make a consent award on such agreed terms. In the absence of a settlement by the Parties within the Mediation Period, the Dispute shall revert back to arbitration pursuant to the Protocol. Unless otherwise agreed by the Parties, the arbitration shall resume by arbitrators who were not involved in the mediation process above.
- (c) The Rules and the Protocol are incorporated by reference into this Clause 20 and capitalised terms used in this Clause 20 (which are not otherwise defined in this Agreement or any Guarantee Document) shall have the meaning given to them in the Rules and the Protocol.
- (d) The number of arbitrators shall be three. The arbitrators nominated by the parties in accordance with the Rules shall jointly nominate the third arbitrator who, subject to appointment by the President of the Court of Arbitration of SIAC (the **President**), will act as president of the arbitral tribunal. If the third arbitrator is not chosen by the two arbitrators nominated by the parties within thirty (30) days of the date of appointment of the later of the two party-appointed arbitrators to be appointed, the third arbitrator shall be appointed by the President.
- (e) The seat or the legal place of arbitration shall be Singapore. All hearings shall take place in Singapore unless the arbitral tribunal in its absolute discretion decides that a different location will be appropriate.
- (f) Except as modified by the provisions of this Clause 20, the Rules and the Protocol, Part II of the International Arbitration Act (Cap. 143A) of Singapore shall apply to any arbitration

proceedings commenced under this Clause 20. Neither party shall be required to give general discovery of documents, but may be required only to produce specific, identified documents which are relevant to the Dispute.

- (g) The language used in the arbitral proceedings shall be English. All documents submitted in connection with the proceedings shall be in the English language, or, if in another language, accompanied by an English translation and in which case, the English translation shall prevail.
- (h) Service of any Notice of Arbitration made pursuant to this Clause 20 shall be made in accordance with the Rules and at the addresses given for the sending of notices under this Agreement at Clause 17 (Notices).
- (i) The arbitration award(s) rendered by the arbitral tribunal shall be final and binding on the parties. To the fullest extent permitted under any applicable law, the parties irrevocably exclude and agree not to exercise any right to refer points of law or to appeal to any court or other judicial authority.
- (j) The arbitral tribunal and any emergency arbitrator appointed in accordance with the Rules shall not be authorized to order, and each of the Bondholders, the Agent and the Bondholders' Representative agrees that it shall not seek from the arbitral tribunal or any judicial authority:
 - (i) any order of whatsoever nature against the Asian Development Bank and other contributors to CGIF, and any of their respective officers, employees or agents; or
 - (ii) any interim order to sell, attach, freeze or otherwise enforce against the CGIF Assets.
- (k) The Rules shall not prohibit CGIF from disclosing any information relating to any arbitral proceedings and/or arbitral award arising out of this Clause 20 to the board of directors of CGIF (the **CGIF Board**) as part of its approval process and portfolio administration, or to the Asian Development Bank or any other contributors to CGIF or any of their respective officers, employees, advisers, agents or representatives. The members of the CGIF Board may seek instructions from their constituents for the purpose of CGIF Board approval and portfolio administration and the Board documents and other relevant information may be distributed to any representatives of the relevant member countries of CGIF for the said purpose only, provided that such information and documents distributed by the CGIF Board insofar as they relate to any arbitral proceedings and/or arbitral award shall be clearly marked "CONFIDENTIAL".

21. DISCLOSURE OF INFORMATION

21.1 Confidential information

Except as disclosed under the offering circular dated on or about the date of this Agreement relating to the Bonds or as permitted or required under this Agreement, the Bond Documents, this Agreement and the terms thereof as well as any information relating any dispute arising therefrom are confidential (**Confidential Information**) and each Party agrees that it will not, without the prior consent of the other Parties, disclose the contents of this Agreement or any Bond Document or its existence to any other person, except where such information is:

- (a) publicly available (including, without limitation, through disclosure made in a Bond Document), other than as a result of a breach of this Clause 21;

- (b) required to be disclosed by law, regulation or any Government Agency;
- (c) required in connection with any legal or arbitration proceedings;
- (d) disclosed to its auditors and any rating agency provided that such auditor and rating agency shall be informed of its confidential nature and that some or all of such information may be price-sensitive information;
- (e) disclosed to any Bondholder, its officers, employees, advisers, agents and representatives by the Bondholders' Representative, provided and on the condition that the Bondholders' Representative procures that the person receiving such confidential information is also bound by the provisions of this Clause 21 (Disclosure of Information); or
- (f) disclosed to its Affiliates, its and its Affiliates' respective officers, employees, advisers, agents and representatives who, in any such case, have reasonably required to know such information, provided that such person shall be made aware of and agree to be bound by the confidentiality obligations under this Paragraph prior to such information being disclosed to it.

21.2 Disclosure by CGIF

This Clause 21 (Disclosure of Information) does not prohibit the disclosure by CGIF of any information deemed confidential under this Clause 21 (Disclosure of Information) which is circulated to the CGIF Board as part of CGIF's approval process and portfolio administration, or to the Asian Development Bank or any other contributors to CGIF or any of their respective officers, employees, advisers, agents and representatives. The members of CGIF Board may seek instructions from their constituents and the Bond Documents, Guarantee Documents and other relevant information may be distributed to representatives of the contributors to CGIF.

22. ADB AND CGIF IMMUNITIES

Nothing in this Agreement, any other Guarantee Document or any Bond Document or any agreement, understanding or communication relating to this Agreement (whether before or after the date of this Agreement), shall constitute or be construed as an express or implied waiver, renunciation, exclusion or limitation of any of the immunities, privileges or exemptions accorded to the Asian Development Bank under the Agreement Establishing the Asian Development Bank, any other international convention or any applicable law, or accorded to CGIF under the Articles of Agreement.

THIS AGREEMENT has been executed as a deed by the Parties hereto and is intended to be and is hereby delivered on the date first written above.

SCHEDULE 1
LIST OF BONDHOLDERS

#	NAME OF PERSON OR FINANCIAL INSTITUTION	NUMBER OF BONDS HELD	PRINCIPAL AMOUNT OF BONDS HELD
1.			
2.			
3.			

SCHEDULE 2

FORM OF CGIF CERTIFICATE

To: ACLEDA Securities Plc. in its capacity as the bondholders' representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

From: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (**CGIF**)

Copy: ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Date: _____

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Reimbursement and Indemnity Agreement dated [●] (the Indemnity Agreement) between, amongst others, the Issuer and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

I refer to the Indemnity Agreement and the guarantee agreement dated [*insert date*] between CGIF and the Bondholders' Representative (the **Guarantee Agreement**).

I am a duly authorised officer of CGIF. I am authorised to give this certificate and certify that CGIF has received (or waived receipt of) all of the documents and evidence set out in schedule 2 (*Conditions Precedent*) to the Indemnity Agreement in form and substance satisfactory to CGIF.

This also serves as notification to the Bondholders' Representative in accordance with Clause 2.2 (*Term of the Guarantee*) of the Guarantee Agreement that the guarantee pursuant to the Guarantee Agreement is in effect, subject to the issuance of the Bonds, and to the Issuer that CGIF has no objection to the issuance of the Bonds.

Unless we notify you to the contrary in writing, you may assume that this certificate remains true and correct.

This certificate, and any non-contractual obligations arising out of or in connection to it, should be governed by and construed in accordance with English law.

For **CREDIT GUARANTEE AND INVESTMENT FACILITY,**
a trust fund of the Asian Development Bank

Name:

Title:

SCHEDULE 3

FORM OF BHR DEMAND

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (CGIF)

From: ACLEDA Securities Plc. in its capacity as the bondholders' representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Copy: ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

Copy: Each Bondholder specified in the Schedule to this Demand (the **Bondholders**)

Date:

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between the Bondholders' Representative, the Agent, the Bondholders and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We, as the Bondholders' Representative, hereby certify as follows:

1. A Non-Payment Event occurred on *[insert date]*.
2. An amount of *[insert aggregate amount]* was due on *[insert due date]* under the Bond Conditions and remains unpaid as of the date hereof. The unpaid amount(s) comprise(s):
 - (a) Principal Amount in an amount of *[insert the amount of principal overdue]*; and / or
 - (b) Scheduled Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations].

In addition, the following amounts are payable under the Guarantee:

- (c) Additional Accrued Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations]; and/or
- (d) Bondholders' Representative Expenses in an amount of *[insert the amount of Bondholders' Representative Expenses]*, incurred in relation to (with attached documentary evidence):

[Specify]

3. We therefore demand payment of the Guaranteed Amount, calculated as follows:
- (a) [Specify unpaid Principal Amount and Scheduled Interest and Bondholders' Representative Expenses]; and
 - (b) up to a maximum amount of [insert maximum amount] of Additional Accrued Interest.
4. [CGIF failed to make a payment in accordance with Clause 3.3 of the Guarantee, we therefore demand payment of the Guarantor Default Interest Amount:
- (a) [insert amount], for the period from (and including) the original due date for the Guaranteed Amount to (but excluding) the date of this Demand:

[Specify calculations];

plus
 - (b) the Guarantor Default Interest Amount for the period from (and including) the date of this Demand to (but excluding) the date of actual payment by CGIF.]

OR

[CGIF did not fail to make a payment in accordance with Clause 3.3 of the Guarantee, we therefore do not demand payment of the Guarantor Default Interest Amount]

5. In addition to the Guaranteed Amount and Guarantor Default Interest Amount referred to above, the following amount(s) is/are also due and unpaid as of the date hereto in respect of the Bonds, however, do(es) not constitute the Guaranteed Amount or the Guarantor Default Interest Amount and is/are not payable by CGIF:

[Specify]

6. We enclose the following evidence, information and documentation in support of the information contained in this Demand:

[Specify evidence, information and documentation]

Please make payment of the amounts referred to in paragraph 2(a), (b), and (c) of this Demand to the bank account of the Bondholders, the details of which are set out in the most recent copy of the Bondholders' Book as provided to CGIF by the Agent in accordance with the Guarantee.

Please make payment of the Bondholders' Representative Expenses, the details of which are set out in paragraph 2(d) of this Demand, to the following account:

Bank Name : [•]
Bank Swift : [•]
Beneficiary Name : [•]
Account Number : [•]

A Demand may be revoked by written notice by the Bondholders’ Representative to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received in respect of a Guaranteed Amount prior to such date from a source other than CGIF.

ACLEDA Securities Plc. acting for and on behalf of all Bondholders

Name:

Title:

SCHEDULE
LIST OF BONDHOLDERS

#	NAME OF PERSON OR FINANCIAL INSTITUTION	NUMBER OF BONDS HELD	AMOUNT TO BE PAID TO EACH BONDHOLDER

SCHEDULE 4
FORM OF BONDHOLDER DEMAND

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank
From: [●] (the **Bondholder**)
Copy: ACLEDA Securities Plc. (the **Bondholders' Representative**)
Copy: RMA (Cambodia) Plc. (the **Issuer**)

[Date]

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We hereby certify as follows:

1. A Non-Payment Event occurred on *[insert date]*.
2. We are an Eligible Bondholder.
3. An amount of *[insert aggregate amount]* was due to be paid to [me/us] on *[insert due date]* under the Bond Conditions and remains unpaid as of the date hereof. The unpaid amount(s) comprise(s):
 - (a) Principal Amount in an amount of *[insert the amount of principal overdue]*; and/or
 - (b) Scheduled Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations].
4. CGIF shall pay the Guaranteed Amount in accordance with the terms of the Guarantee, being an amount equal to *[insert amount, being paragraphs 3(a) plus 3(b)]*.
5. We enclose the following evidence, information and documentation in support of the information contained in this Bondholder Demand:

[Specify evidence, information and documentation]

Please make payment to our bank account, the details of which are set out in the most recent copy of the Bondholders' Book as provided to CGIF by the Agent in accordance with the Guarantee.

This Bondholder Demand may be revoked by written notice by the Bondholder to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received in respect of a Guaranteed Amount prior to such date from a source other than CGIF.

[●]

Signed: _____

[Authorised Representative]

Name:

Title:

SCHEDULE 5

FORM OF CGIF ACCELERATION NOTICE

To: ACLEDA Securities Plc. in its capacity as the bondholder representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

From: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (CGIF)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Date: _____

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We hereby confirm as follows:

1. [An Issuer Event of Default has occurred.] [A Non-Payment Event has occurred and is continuing in accordance with the Bond Conditions on *[insert date]* / [We have received a Demand under the Guarantee] / []. As a result, we have exercised our rights pursuant to clause 5.4 (CGIF Acceleration) of the Guarantee to carry out a CGIF Acceleration. We hereby declare the Bonds to be immediately due and payable under the Bond Documents on *[insert date]*.
2. We therefore agree to pay the aggregate unpaid Guaranteed Amounts, being *[insert amount]*.
3. We enclose the following evidence, information and documentation in support of the information contained in this CGIF Acceleration Notice:

[Specify evidence, information and documentation]

For and on behalf of
**CREDIT GUARANTEE AND INVESTMENT FACILITY,
a trust fund of the Asian Development Bank**

Name:

Title:

SCHEDULE 6

FORM OF BONDHOLDER ACCESSION INSTRUMENT

From: *[New Bondholder]* (the **New Bondholder**)

and

ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (**CGIF**)

Copy: ACLEDA Securities Plc. (the **Bondholders' Representative**)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Copy: *[Transferring Bondholder]* (the **Transferring Bondholder**)

Date: _____

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. This is a Bondholder Accession Instrument.

Terms defined in the Guarantee have, unless otherwise defined in this Bondholder Accession Instrument, the same meaning when used in this Bondholder Accession Instrument.

1. The Transferring Bondholder transferred [●] Bonds of an aggregate principal amount of KHR[●] to the New Bondholder.
2. The New Bondholder agrees to be a Bondholder under the Guarantee and to be bound by the terms of the Guarantee as a Bondholder in respect of the Bonds that it has acquired.
3. The Transfer Date is the date of delivery to CGIF of this Bondholder Accession Instrument.
4. The administrative details of the New Bondholder for the purposes of the Guarantee are set out below:

[Insert administrative details].
5. This Bondholder Accession Instrument is intended to be executed as a deed.
6. This Bondholder Accession Instrument and any non-contractual obligations arising out of or in connection with it are governed by English law.

By:

[NEW BONDHOLDER]

EXECUTED as a **DEED** by)

[NEW BONDHOLDER])

and **SIGNED** and delivered as a **DEED** on its behalf by)

in the presence of:

Witness' signature:

Witness' name:

Witness' address:

SIGNATORIES

CGIF

EXECUTED as a **DEED** by)
CREDIT GUARANTEE AND)
INVESTMENT FACILITY,)
a trust fund of the Asian Development Bank)
and SIGNED and DELIVERED as a DEED)
on its behalf by)

BONDHOLDERS' REPRESENTATIVE

EXECUTED as a **DEED** by)
ACLEDA Securities Plc.)
by the affixing of its **COMMON SEAL**)

[affix seal]

Name:

Title:

In the presence of:

Witness' signature:

Witness' name:

AGENT

EXECUTED as a **DEED** by)
ACLEDA Bank Plc.)
by the affixing of its **COMMON SEAL**)

[affix seal]

Name:
Title:

In the presence of:

Witness' signature:

Witness' name:

[Bondholder signature pages to be inserted]

Appendix III:
Code of Conduct



**RMA GROUP
CODE OF CONDUCT
AND
COMPLIANCE POLICY
MANUAL**

Chief Executive Officer's Message

RMA Group Business Ethics and Code of Conduct

Our Mission, to create sustained value for our stakeholders, is simple to say, and perhaps, easy to underestimate. Yet the full implication of our Mission reflects a core belief: That we create sustained value for our customers, our employees and the communities and societies in which we operate by providing innovative product and service solutions within the context of sound business ethics.

Conducting business in a lawful and responsible manner and with integrity is a must. We have to be alert to situations that pose ethical questions. Each of us needs to have a good understanding of our values and the laws that are pertinent to the work we do and the decisions we make. And, most important, we must use good judgment in deciding what course of action is most appropriate.

The Group and the Law

The term the "Group" refers to the RMA Group of Companies and its subsidiaries worldwide.

This section of the policy manual will explain the Group's basic corporate conduct policy.

The Group is committed to following all laws and regulations wherever it conducts business activities. We expect every employee to perform their responsibilities with uncompromising honesty, integrity and in accordance with those laws, regulations and the Group's policies and procedures. Where local country laws contain requirements that differ from the provisions of this code of conduct and the following policies, those requirements prevail for employees working in those countries.

The Group and Employees

This section of the policy will explain the Group's requirements of employees.

Employees must at all times act in the best interests of the Group. The Group requires that employees disclose all potential conflicts of interest and promptly take action to eliminate any conflicts identified. A conflict of interest arises when an employee has a personal relationship, financial interest or other interest that could interfere with their judgement and duties, or when they use their position within the Group for personal gain.

The Group does not permit the improper use of its assets. Improper use occurs when an employee uses Group property or information for personal gain or advantage, or for the benefit of others outside of the Group, such as friends or family members. Improper use also occurs when Group property, information or technology is used for more than limited or incidental personal use or used in violation of other Group policies.

The Group's confidential information is to be appropriately protected at all times and should only be used for its proper purpose. Confidential information is proprietary or commercially sensitive information about the Group and any other information or data whose disclosure, loss or misuse would negatively impact the Group, its future success or its competitive position. It includes trade secret information, and can also include other proprietary information that the Group has collected, developed, or acquired. Confidential information also includes sensitive business-related information belonging to third parties, including the Group's partners, clients, and employees.

The Group and Third Parties

This section of the policy manual explains the Group's requirements for relationships with third parties.

Suppliers are valued partners in the success of the Group. Suppliers are selected based on their total value which includes quality, service, technology and price. Terms and conditions are communicated early in the supplier selection process. Agreements to such terms and conditions, with any acceptable modifications, are reached before work begins.

The Group's products and services are often purchased by government entities for use or resale to authorised military or government consumers. The Group requires strict observance of the laws and regulations which govern the acquisition of goods and services by government entities, whether in the United States or in any other country. It is the Group's policy that all statements and representation to government procurement officials are accurate and truthful, including costs and financial data.

Commercial bribery is illegal and subject to criminal penalties in many countries. Any personal payment or bribe to individuals employed by the Group's customers or suppliers, or receipt of a bribe or personal payment by the Group's employees is strictly prohibited. Even in locations where such activity may not be, technically speaking, illegal, it is absolutely prohibited by the Group's policy.

The Group prohibits improper payments to government officials. Improper payments are direct or indirect payments, whether in cash or in other things of value (such as lavish entertainment), to a government official or political party in order to influence acts or decisions, to receive special treatment or personal gain, or to obtain or retain business.

Questions and Violations

An employee should notify management if they believe a violation of law, regulation or the Group's policies/standards has occurred. If employees have any questions, they should contact their immediate Supervisor and/or the Group Compliance Manager.

Kevin Whitcraft
CEO

RMA Group Compliance Manual

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Business Ethics and Corporate Culture Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the behavioural expectations of doing business in the Group.

Definitions

Business Ethics: Moral and social responsibility in the context of conducting business and making decisions on behalf of the group.

Corporate Culture: The “personality” of an organisation often exhibited in the psychology, attitudes, beliefs and behaviours of employees at all levels of the organisation.

Group Policy Statement

The Group is committed to conducting business with innovation, integrity and endurance. The objective of this policy is to guide employees in maintaining the highest standards of business conduct and to help employees understand how to act, identify ethical issues, and how to resolve them satisfactorily.

Your Responsibility

When working for or on behalf of the Group, you must always:

- Treat others with the same honesty, respect and consideration you want to receive; this includes fellow employees, customers, shareholders, business prospects, and suppliers;
- Comply with all relevant laws, regulations and the Group's policies;
- Deliver products and services in an appropriate manner and meet all contractual obligations;
- Ensure all employment decisions are made solely on the basis of an individual's performance, qualifications and experience;
- Avoid conflicts of interest;
- Be professional in all internal and external communications including email, telephone, fax, in person, or any other method;
- Maintain accurate business records and never falsify documentation;
- Report any wrong doing to your immediate Supervisor who will report it to the Group Compliance Manager. If for any reason this is not practical, contact the Whistleblower Hotline.

You must never:

- Engage in harassment; harassment includes offensive comments, unwanted physical or sexual advances, requests for sexual favours, and offensive touching;
- Disobey the law or override the commitment to do the right thing in order to achieve sales or other business objectives;
- Make employment decisions solely on the basis of race, gender, nationality, ethnicity, religion, age, disability, or sexual preference;
- Misuse the Group's confidential information;

- Misuse the Group's property;
- Threaten or act violently towards others; threats and acts of violence are strictly forbidden and may result in immediate termination;
- Do anything which may violate a law, harm a customer or otherwise damage the reputation of the Group.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after any investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following Group Policies:

- Conflicts of Interest Policy;
- Gifts, Hospitality and Travel with Third-Parties Policy;
- Government Contracting and the Relationship Policy;
- Supplier Selection and Third Party Relationships Policy;
- Whistleblower Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Anti-Bribery and Anti-Corruption Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the requirements of the Group in establishing proactive anti-bribery and anti-corruption attitudes, behaviours and outcomes.

Definitions

Bribery: Bribery is the offering, promising, giving or acceptance of a financial or other advantage to another person (government official or private business partner), whether directly or through a third party, which is intended to:

- Induce that person to perform improperly a relevant function or activity, for example with the aim to obtain or retain a business or an advantage in the conduct of business; or
- Reward a person for the improper performance of such a function or activity.

Bribery can occur in many shapes or forms, such as, but not limited to, political contributions, charitable donations and sponsorships, gifts, entertainment, hospitality, job offers, vacations, scholarships, cash or company shares.

Corruption: Corruption is the misuse of entrusted power for direct or indirect personal gain.

Third party: someone acting on behalf of the Group, including but not limited to logistic agents, suppliers, customs brokers, freight forwarders, distributors, dealers, sales agents and consultants.

Group Policy Statement

The Group, as an active participant and a supporter of the United Nations Global Compact, is committed to operating a strict zero tolerance policy towards bribery and corruption in all forms, whether directly or through third parties. We acknowledge that we operate our business in a challenging environment. However, we will never accept, promise or give, nor will authorise or condone our business partners to accept, promise or give, any bribe, or engage in any corrupt behaviour to achieve our business objectives.

Bribery and Corruption are illegal in all countries. A breach of anti-bribery and anti-corruption laws is a serious offence, which can result in significant fines to the Group and its employees and/or imprisonment. Even if never proven, the mere appearance of offering or receiving a bribe or engaging in corrupt activities can have a serious impact on the reputation of the Group and its employees.

The Group is committed to complying with the anti-bribery and anti-corruption laws, including but not limited to the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act.

The Group is committed to maintaining fair and accurate books and to ensuring accounts cannot be used for the purpose of bribery or concealing such bribery.

Your Responsibility

When working for or on behalf of the Group, you must always:

- Know how to recognise requests for improper payments or suggestions of improper payments by others;
- Make sure charitable contributions do not create any conflict of interest;
- Report requests for any improper payments such as bribes or facilitation payments to your immediate Supervisor without delay;
- Ensure that all transactions are accurately recorded in reasonable detail in books and records.

When working with third-parties, you must always:

- Conduct and document risk-based due diligence prior to hiring third-parties;
- Inform third-parties of the Group's commitment to abiding by laws prohibiting bribery and corruption;
- Seek a reciprocal commitment from third-parties, by including standard anti-bribery and anti-corruption provisions in all contracts;
- Ensure third-parties' activities are appropriately monitored over the life of the contract;
- Request detailed invoices for services provided;
- Review invoices of third parties carefully and request clarification and supporting documentation, on charges not part of the agreed fee structure.

You must never:

- Pay a bribe or accept a bribe, even a small one, however widespread or condoned the practice may be locally;
- Ask third-parties or approve third-parties to do something that you are prohibited from doing under this policy or the law;
- Give anything of value to third-parties when there is a material risk that the third-parties, in turn, will engage in prohibited conduct on the Group's behalf;
- Penalise individuals and teams for failing to achieve business objectives as a result of compliance with this policy.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. You should also immediately report any bribery or corruption concerns so that appropriate action can be taken. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Conflicts of Interest Policy;
- Gifts, Hospitality and Travel with Third-Parties Policy;
- Government Contracting and the Relationship Policy;
- Supplier Selection and Third Party Relationships Policy;
- Whistleblower Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Gifts, Hospitality and Travel with Third-Parties Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers gifts, hospitality and travel offered to or received from public officials, clients, prospects and suppliers.

Definitions

Gift: A gift can be money, goods, services or loans given in friendship or appreciation. Gifts may be offered to consolidate relations or promote the giver’s Company.

Hospitality: Hospitality includes entertaining, meals, receptions or tickets to entertainment, social or sports events at which the host will be present. Hospitality can offer an informal opportunity to develop relationships with business contacts and third parties.

Travel: Travel and accommodation to allow our clients/prospects, partners or dealers to visit our sites.

Group Policy Statement

The Group recognises the importance of offering to, or receiving from, business contacts modest gifts or hospitality to develop business relationships and to better present our products and services.

The Group, as an active participant and a supporter of the United Nations Global Compact, we are committed to operating a strict zero tolerance policy towards bribery and corruption in all forms, which include gifts, hospitality and travel.

Our guiding principle is that gifts, hospitality and travel offered by or received from our business contacts or anyone affiliated with our business contacts are authorised by this policy, provided they are reasonable, transparent, of modest value, infrequent, conform to the laws and local customs of the country where it is made and any other applicable laws, and are not intended to or appear to influence the recipient’s actions or decisions.

When deciding what is “modest and nominal”, consideration needs to be given to the average local income and standard of living.

Expenses related to gifts, hospitality and travel must be properly recorded in our books and records, and expense reports must contain all the necessary information and be supported by appropriate receipts.

Your Responsibility

Gifts and Hospitality

Offering gifts and hospitality

Provided the requirements listed above are satisfied, the Group authorises its employees and business partners to offer the following gifts and hospitality without pre-approval:

- Group promotional items of nominal value;
- Small gifts (not exceeding 50 US Dollars);
- Reasonable hospitality (not exceeding 100 US Dollars).

Gifts exceeding 50 US Dollars, meals exceeding 100 US Dollars, and any entertainment offered must be pre-approved by your immediate supervisor.

Gifts or meals exceeding 100 US Dollars, and entertainment exceeding 250 US Dollars require the pre-approval of the Head of the Business Division.

The Group prohibits offering gifts of:

- Loans, cash, or cash equivalent;
- Adult entertainment;
- Securities such as stocks or bonds;
- Weapons;
- Any gift that would be illegal or result in a violation of law or the receiver's company Gifts Policy;
- Large, extravagant gift-giving (sports cars, fur coats and other luxury items) as well as frequent gifts of smaller items resembling a pattern of bribes.

Receiving gifts and hospitality

You must always:

- Inform your immediate Supervisor if you are given or receive a gift of more than nominal value;
- Refuse any excessive or inappropriate gifts or hospitality, reporting the offer to your immediate supervisor.

You must never:

- Accept any excessive gifts or hospitality;
- Accept any gifts or hospitality that could influence business decision-making or cause others to perceive that there has been undue influence;
- Ask for gifts or hospitality of any kind from anyone with whom the Group conducts business or may conduct business with in the future.

Gifts and hospitality given and received must be recorded in the Gift register available at <http://go.rmagroup.net/stlsa>

Travel

The Group may, on some occasions, provide reasonable travel and accommodation to allow our clients/prospects, partners or dealers to visit our sites so that they can see the high standards of our installations and operations, as well as our various products and services. Any travel should have legitimate business purpose. Travel costs and expenses will be limited to the necessary and reasonable ones needed to educate our visitors about the Group's operation.

We authorise:

- Travel and expenses to visit the Group facilities and operations;
- Travel and expenses for training when mutually agreed upon;
- Travel for the purpose of demonstration or promotional activities, including meals and entertainment of reasonable value.

We prohibit:

- Travel with no legitimate business reason for the trip;
- Travel that includes more than the business event (side trips);
- Trips that could be seen as an attempt to gain an improper advantage, such as award or retention of business;
- Trips if it can be done in a cheaper location or closer to the visitor's location;
- Trips that are primarily for personal entertainment purposes;

- Inviting our business contact's relatives.

In all cases, pre-approval must be obtained from the Country Manager before any travel is offered to a business partner (public official or any other business partner).

In the case of public officials, we must not select the particular officials who will travel; this decision must be made by the government/agency.

Please note that rules on travel bookings, air transportation, ground transportation, reimbursable expenses and non-reimbursable expenses in the context of travel offered to clients/prospects or public officials are the same as the rules specified in the Group's travel policy – "Travel Policy".

For processing and reimbursement of travel expenses, please refer to the Group's travel policy - "Travel Policy".

Group HR Policies can be found here: <http://go.rmagroup.net/vgtz2>

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Anti-Bribery and Anti-Corruption Policy;
- Business Ethics and Corporate Culture Policy;
- Government Contracting and the Relationship Policy;
- Whistleblower Policy and Open Door Policy.

Kevin Whitcraft



Chief Executive Officer
2016

Internal Travelling Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

The obligations contained in this policy apply to all travel conducted on behalf of the Group.

Definitions

Internal Travelling: Travelling on behalf of the Group either domestic or international, regardless of the mode of transportation.

Conflict Area: A region or country where conflict, war or civil unrest exists.

Other Unsafe Area: A region which has experienced a natural disaster or other event which has created a higher than normal risk to personal safety.

Group Policy Statement

The Group identifies travel as a key factor of our strong, sustainable and ethical partnerships with all of our stakeholders. The Group expects that travel will only be undertaken if safe to do so and only for the purposes of Group business activities and will not include unnecessary or disproportionate expenses or unapproved activities unrelated to Group business activities.

If you plan to travel to conflict and unsafe areas please check with HR that the trip can be made and if additional precautions need to be taken to ensure the trip is safe.

The Group has made insurance arrangements to protect employees who need to travel to a conflict area or other unsafe area. Employees are required to follow the Group’s arrangement and exercise reasonable judgment to the safety of their surroundings when traveling and/or living in the area for the duration of their stay.

It is the Group’s policy to ensure that any travelling on behalf of the Group demonstrates value for money and a clear intention to achieve the Group’s business objectives.

Reasonable expenses will be required when travelling on behalf of the Group and will be reimbursed as per local expense reimbursement guidelines.

Group HR Policies can be found here: <http://go.rmagroup.net/vqtz2>

Your Responsibility

You must always:

- Plan your travel effectively;
- Seek approvals in advance as appropriate;
- Book your hotels and tickets well in advance as this allows the Group to get better rates;
- Keep receipts for expenses (including transfers, visa’s, meals, accommodation, plane tickets, hire car);
- Abide by local procedures for travel.

You must never:

- Travel for reasons that don’t support the business objectives of the Group;
- Conduct travel for reasons that don’t support Group policy.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Occupational Health and Safety Policy;
- Anti-Bribery and Anti-Corruption Policy;
- Gifts, Hospitality and Travel with Third-Parties Policy;
- Business Ethics and Corporate Culture Policy;
- Confidentiality and Careful Communication Policy;
- Government Contracting and the Relationship Policy;
- Whistleblower Policy and Open Door Policy;
- Environment Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Confidentiality and Careful Communication Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the protection of the Group’s confidential information and the requirements for careful communication.

Definitions

Confidential Information: Confidential information is any information of a confidential nature or Intellectual Property relating to the Employer or any Group Company, business, employees, directors, consultants, customers, suppliers, distributors, agents or shareholders or any other information, the disclosure, loss or misuse of which would negatively impact the Group, its future success or its competitive position. It includes trade secret information, and can also include other proprietary information that the Group has collected, developed, or acquired.

Intellectual Property: includes but is not limited to copyrights, moral rights, patents, inventions, know-how, database rights, brands, business names, rights in trademarks/service marks/designs (whether registered or unregistered), techniques and manufacturing processes

Data Storage Device: Any type of hardware that is used to store digital data.

Group Policy Statement - Confidentiality

The Group’s Confidential Information and Intellectual Property, including corporate data, employees’ sensitive data and customer’s data, is to be appropriately protected at all times and should only be used for its proper purpose. Using confidential information for anything other than its proper purpose is prohibited without prior management approval. Employees’ obligation to protect the Group’s Confidential Information and Intellectual Property continues even after their employment with the Group ends. The Group is committed to comply with local data protection laws when collecting, using, storing, disclosing and transmitting personal information.

Your Responsibility

To minimise the likelihood of an unintentional disclosure of sensitive information, make sure you use care whenever you deal with Confidential Information.

You must always:

- Avoid speaking about confidential topics in public areas such as elevators, airplanes, restaurants, etc. where others may overhear sensitive conversations;
- Select strong passwords longer than eight characters where possible using mix of letters, numbers and special characters;
- Use care when forwarding or using “reply all” to an email to make sure confidential information is not sent to anyone who is not authorised to receive it;
- Send documents with confidential information only when necessary and encrypt confidential documents when attaching them to emails;

- Verify who you are communicating with, whether internally or externally, as you may not be authorised to give out such information and likewise they may not be authorised to receive such information;
- Ensure documents which are confidential are clearly marked as such;
- Protect confidential information stored on data storage devices such as USB drives, external hard drives or removable disks.

You must never:

- Write down passwords;
- Discuss Confidential Information with competitors, and make sure you comply with this Policy when you discuss Confidential Information with the Group's partners, suppliers or customers;
- Leave sensitive documents on desks or anywhere else where unauthorised people could read them;
- Intentionally or unintentionally disclose non-public or confidential information to anyone who does not have a business need to know, unless required by law;
- Compromise computer networks or data storage facilities.

Group Policy Statement – Careful Communications

All Group employees must act in a professional manner when using the Group's communication devices and systems, and should give careful thought to any electronic communications correspondence.

Your Responsibility

Communication Devices and Systems

The Group's communication devices and systems, including telephones, computers, tablets, smartphones, email, voicemail, instant messaging, internet and fax, are provided exclusively to assist in the conduct of Group business. All employees and all Non-Group personnel are responsible for protecting the Group's communications devices and systems and for using these devices and systems in an appropriate manner for business purposes. If you have any questions about whether a particular use of the Group's systems is appropriate, ask your supervisor.

The Group prohibits the sending or receiving of messages, documents, graphics or other communications or data which have inappropriate language, humor, images or audio when using the Group's communication devices and systems or when using your personal devices over the Group network. The Group also prohibits all communications that are:

- Discriminatory or harassing in nature;
- Threatening;
- Obscene or pornographic in nature;
- Unlawful or fraudulent;
- Degrading, insulting or embarrassing;
- Embarrassing to the Group;
- Otherwise in violation of the Group's standards of conduct.

Social Media and the Internet

When using the Group equipment or systems or while working during office time, you must avoid visiting inappropriate websites or participating in inappropriate conversations online. Remember that your communications on the internet can have significant implications for you and the Group. Your

comments should be in good taste and should not include inappropriate, degrading or embarrassing content.

Always exercise careful judgment when posting comments on social media, particularly those about the Group's business, employees, customers or business partners. You are personally responsible for the comments you make online.

Communication on behalf of the Group

All communications with the public must be honest and straightforward. To ensure accuracy and consistency, only those individuals with authority to speak publicly on the Group's behalf may do so. If you do not have this authority and are approached by a member of the public or the media, please refer them to your immediate Senior Manager or the CEO's Office of the Group.

Avoid personal use of social media that could be interpreted as being on behalf of the Group. If there could be some confusion, you should make it clear that you are expressing your own opinions and are not communicating on behalf of the Group.

No Expectation of Privacy

Employees should not have an expectation of privacy in anything they create, send, receive, or store on the Group's systems. The Group reserves the right to monitor all data involving the Group owned systems, provided such monitoring and/or interception activities comply with all applicable laws and regulations in relation to such activities.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Risk Management Policy;
- Business Ethics and Corporate Culture Policy;
- Corporate Assets (Intellectual Property) Policy.

Group IT Policies can be found here: <http://go.rmagroup.net/xieyy>

Kevin Whitcraft
Chief Executive Officer
2016

Conflicts of Interest Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the requirements for managing material personal interest that may come in conflict with the interests of the Group.

Definitions

Material Personal Interest: A personal investment, asset or other commercial arrangement of significance to someone’s personal financial situation.

Conflict of Interest: A conflict of interest arises when an employee has a personal relationship, financial interest or other interest that could interfere with their judgement and duties, or when they use their position within the Group for personal gain.

Group Policy Statement

The Group has diverse business interests and activities. Along with this diversity comes increased potential for conflicting interests.

Conflicts of interests arise when an individual has a material personal interest that may:

- Divide an employee’s loyalty to the Group;
- Adversely affect employee performance;
- Create a personal benefit outside of the Group.

The Group expects that anyone working on behalf of the Group is free of conflicting interests and, that they undertake their work in the best interests of the Group.

Your Responsibility

When working for or on behalf of the Group, you must always declare the following information to your immediate Supervisor (which shall be documented and recorded on your Personnel File):

- Any material personal interest that could be seen to create a conflict of interest (outside jobs);
- Personal investments in competing businesses;
- Investments and interests of close family and friends with whom there is potential to have a commercial relationship;
- Relationships with existing and potential key supply chain partners;
- Directors and Officers must declare any other directorships or relationships with other organisations including not-for-profit or community associations.

You must never:

- Benefit personally (other than wages/salary) by executing your duties;
- Invest in a competing organisation or, organisations that are suppliers or partners;
- Hold or accept any paid position or appointment with any company or organization without the express consent of the Employer and subject to any terms that the Employer may require to protect its interests.

- Engage with organisations/contractors if a personal interest might arise;
- Use your role or position for personal gain;
- Represent any external organisation where a conflict of interest might arise or be perceived to arise;
- Never use Group assets for any other purpose than conducting Group business.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Corporate Assets Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Corporate Assets Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the protection of corporate assets.

Definitions

Corporate Assets: Anything (tangible or intangible) owned by or made for the Group.

Confidential Information: Confidential information includes information about:

- The Group (e.g. how we develop our products and services, marketing and sales plans, or financial data);
- Group employees (e.g. personal or employment information such as salaries);
- Group customers (e.g. financial information);
- Group suppliers (e.g. how suppliers develop their products and services);
- Another company, including companies that compete with the Group (e.g. information which may have been obtained as a former employee).

Intellectual Property: Proprietary knowledge, confidential information, secrets and other information which is not publicly available or intended to be in the public domain. It may include, but is not limited to, strategic and operational information, technical and business initiatives.

Group Policy Statement

The Group requires all employees to actively protect tangible and intangible corporate assets, treat them as valuables critical to the Group achieving its business goals. Also, employees should be able to identify what is considered to be corporate assets.

Your Responsibility

When working for or on behalf of the Group, you must always:

- Ensure all assets, including documents and devices (e.g. laptops, USB drives, etc.) are never left out in the open or accessible by unauthorised persons;
- Ensure the Group’s assets are only used for permissible business purposes;
- Secure all assets and report stolen or lost assets immediately.

You must never:

- Leave unsecured devices unattended, particularly when travelling;
- Remove assets (including data storage devices) from Group offices and locations without authorisation.
- Use corporate assets for your personal benefit.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Conflicts of Interest Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Environment Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the expectations of the Group in establishing an environmentally conscious workforce and in conducting business in a way that minimises the impact on the environment.

Definitions

Environmental Compliance: Means managing the direct and indirect impacts on the environment, minimising the effects on the environment and enhancing it whenever possible.

Carbon Footprint: Refers to the amount of greenhouse gases released into the atmosphere as a result of the actions performed by organisations, companies, or individuals.

AS/NZS ISO 14001: A Standard prepared by the Joint Standards Australia/Standards New Zealand Committee requiring organisations to implement an environmental management system (EMS) in order to more effectively achieve environmental and economic goals.

UN Global Compact: A strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption.

Group Policy Statement

The Group complies with all relevant environmental laws, regulations, objectives and goals dedicated to the wellbeing of the environment. The Group will constantly develop and improve internal systems for environmental sustainability. The Group will encourage and participate in cooperative environmental programs with business partners and customers whenever possible.

The Group encourages employees to be sensitive to the value of natural resources and the efficient and their conscientious utilisation.

The Group will promote and communicate practical expectations on environmental sustainability to employees, sub-contractors, suppliers, customers and related communities.

Your Responsibility

- Promote environmentally responsible products and services;
- Challenge ourselves to reduce or offset our carbon footprint by moving away from non-renewable resources and making more efficient use of our renewable resources;
- Complying with the requirements of all applicable environmental laws and regulations and applicable Group standards in respective operating locations;
- Ensuring that management systems meet the accepted legal and regulatory requirements and effectively manage risks to the environments in which the Group operates;
- Incorporating the principles of the UN Global Compact in the Group's everyday business practices by encouraging a precautionary approach to environmental challenges, undertaking initiatives to promote greater environmental responsibility, and encouraging the development and use of environmentally friendly technologies;
- Continuously enhancing management's, employees', and contractors' knowledge, awareness, behaviour, and competence in environmental compliance. Through sharing and exchanging knowledge and experiences with contractors, suppliers and other business partners, we will mutually enhance our interaction with the environment;

- Actively pursuing continuous improvement in environmentally conscious business activities through targeted, defined environmental initiatives, and through measuring our performance via targets and performance measurement;
- Ensuring all project plans support and reflect a commitment to respect the Group's Environmental Policy.

We will seek business partners and contractors agreement to the Group's Environment Policy and our philosophy of environmental responsibility.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Whistleblower Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

International Operations Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the Group’s commitment to meeting the obligations applicable to conducting Group business in other countries.

Definitions

Domestic Law: The local laws of any country, state or territory that is applicable to Group operations.

Export: Selling a product or service to an overseas business.

Embargo/Sanction: Imposed trade restrictions that are legislated by a country or international body.

US trade restrictions: The United States Government’s Treasury Department houses the [Office of Foreign Asset Control](#) (FAC) which administers trade sanctions made under various legal instruments (which include the International Traffic in Arms Regulations, Foreign Trade Regulations, Export Administration Regulations, and Office of Foreign Assets Control).

UN trade restrictions: [The United Nations](#) imposes bans and trade restrictions based on the resolution of its members.

Group Policy Statement

The domestic laws of all countries where the Group has operations in, and other relevant international laws and codes are equally important for Group businesses and employees operating overseas. It is the Group’s policy to ensure all laws applicable to Group activities are known and met.

When exporting goods and services to other countries it is the Group’s policy to ensure all legal requirements are known and met.

Your Responsibility

When working for or on behalf of the Group, you must always:

- Comply with local laws and regulations of the country you are operating in;
- When working in a new location (as with any location) be sure to follow the procedures set for your job;
- Know how your business unit meets the requirements of this policy;
- Actively engage in training and awareness;
- Ask questions of your immediate Supervisor to identify the legal requirements associated with your job;
- Ensure that any business partner is free from legitimate sanctions;
- Ensure that any country you are doing business with is free from trade restrictions;
- Ensure that any country you are doing business with is free from embargo.

You must never:

- Assume that legal compliance has been considered when starting work in a new country;

- Act in any way that doesn't meet the legal requirements of an overseas country;
- Fail to know how legal obligations are being identified and met;
- Fail to meet local laws at any point whilst working for the Group in an overseas country.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

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Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Anti-Bribery and Anti-Corruption Policy;
- Gifts, Hospitality and Travel with Third-Parties Policy;
- Business Ethics and Corporate Culture Policy;
- Confidentiality and Careful Communication Policy;
- Government Contracting and the Relationship Policy;
- Whistleblower Policy and Open Door Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Government Contracting and the Relationship Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

The obligations contained in this policy remain in force throughout the duration of any government contract. They also apply to any interactions with any government officials, whether or not there is a current project involving that person.

Definitions

Hospitality: Hospitality includes entertaining, meals, receptions or tickets to entertainment, social or sports events at which the host will be present.

Favour: An action undertaken for the personal benefit of another.

Gift or Gratuity: Includes money, meals, event tickets, discounts, alcohol, electronic equipment, gift certificates or other items of value.

Government contractor: Any company doing business with the government or providing products or services for a government project. Sub-contractors on government projects often must follow the same rules that apply to the prime contractor.

Government official: Broadly defined and may vary depending on the country. Generally, anyone who holds public office or works for a political party, non-governmental organisation, military, or state-owned business.

Government procurement: The act of obtaining goods or services for a public or state-owned agency.

Group Policy Statement

The Group observes and complies with all applicable laws and regulations related to government procurement. Just as with all Group projects fraud corruption or questionable dealings will not be tolerated on government projects. We recognise that the laws related to dealings with the government can be stricter than laws that apply to purchasers in the private sector, and we are committed to acting as a good-faith business partner for all our government clients.

Your Responsibility

Any time you work on a government contract or engage with government officials, you must:

- Follow all procurement and bidding requirements. To ensure fairness in the bidding process, companies are required to observe certain requirements, which may vary by country. Any person acting on behalf of the Group in bidding on government projects must know and follow the rules that apply to that location;
- Compete fairly. Any kind of improper coordination with a competitor when bidding on a government contract is strictly prohibited;
- Avoid bribes and kickbacks. The Group will not condone or tolerate bribes or kickbacks. In addition to violating our ethical standards, bribes and kickbacks are a risk to our business. Any attempt to bribe a government official could lead to being barred from that contract as well as future government business;
- Avoid improper gifts and favours. The Group prohibits the use of gifts, payments, personal favors, or other benefits to inappropriately influence the award of a government contract. You must never offer a government official a personal benefit to try to obtain a business

advantage. And remember: Entertainment or hospitality that is appropriate in private industry may not be permissible when we or our customers are selling to the government;

- Avoid excessive or unnecessary travel expenses. The Group requires approval from the relevant Country Manager before funding travel for government officials;
- Avoid offering or suggesting job opportunities. You must never discuss a job opportunity, or even the possibility of a job opportunity, with a government official. This restriction applies to job opportunities for family members of the government official and to conversations conducted through an agent or head-hunter;
- Know and comply with all contract specifications. When delivering products or services under a government contract, the Group requires:
 - Accurate and complete billing of all labour and material costs;
 - Full compliance with any testing, inspection, or quality assurance requirements;
 - Accurate and complete recordkeeping related to the government contract, including inspection records, testing records, timecards, and invoices;
 - Avoidance of any fraudulent billing, submission of false documents, or false statements or attestations;
- Avoid political contributions or sponsorship that benefits a government official. You must not offer or make political or charitable contributions on the Group's behalf or using Group funds unless you have explicit approval. You must not use Group funds or resources for political activities, particularly where they may create a conflict of interest.

Any interaction with government officials on behalf of the Group must have regard to the Groups existing reputation of the highest ethical standards. There are severe consequences for noncompliance with this policy and the law, ranging from termination to jail time.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

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Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Conflicts of Interest Policy;

- Gifts, Hospitality and Travel with Third-Parties Policy;
- Supplier Selection and Third Party Relationships Policy;
- Whistleblower Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Occupational Safety and Health Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the Group’s commitment to ensuring a safe work environment and the requirements and obligations of all Group employees.

Definitions

Occupational safety and health: is an area concerned with protecting the safety, health and welfare of people engaged in work or employment.

Employer: means an Employer under the labour protection law and any entrepreneur for whom a person works, receives a benefit from the work or is present at the workplace. In this policy the Group and its business partners, contractors, sub-contractors and suppliers are all considered Employers.

Employee: means an Employee under the labour protection law and, any person who is either allowed to work, receives a benefit or is present at the workplace of the Employer.

Contractors and subcontractors: means a self-employed person and their workers where applicable that has been engaged by the Group to perform work activities on behalf of the Group as agreed to under the conditions of the contract.

Hazard: Anything that has potential to cause harm to people or property.

Group Policy Statement

The Group places the highest priority on occupational safety and health, and believes that no person should be harmed as the result of the Group’s business activities. The Group is committed to having a caring safety and health culture, aimed at achieving zero injuries at all of its work locations.

Safety Principles

To prevent employees from injuries, all managerial staff of work operations are responsible to ensure that the safety principles are cascaded to employees and are actively reinforcing these to help entrench a good “safety” mindset and keep all our employees safe from harm at work.

- All incidents, injuries and fatalities at work are preventable.
- No task is so important that it cannot be done safely.
- We are all responsible for preventing injuries to ourselves and others.
- Management is responsible for creating and maintaining a safe working environment.

Group Responsibility

To ensure the group policy statement and principles are achievable; the Group is committed as follows:

- The Group will follow all applicable Safety Health and Environmental Health Laws and regulations as well as other relevant requirements.
- The Group will focus on prevention of accidents and occupational diseases.
- The Group will encourage safety health and environmental health awareness by providing relevant training and awareness programs

- The Group will continually improve our work conditions and machinery and will develop new control measures to further develop our work locations to meet applicable safety health and environmental health standards.
- The Group will encourage all our employees to participate in the prevention of accidents, adverse health impacts and occupational diseases caused by their daily activities.
- Occupational Health and Safety Policies will be made available to the public upon request.
- Each work location will maintain specific policies, as applicable, which may address the following safety, health and environmental health issues:
 - Occupational health
 - Risk assessments
 - Hazardous substances
 - First aid
 - Noise
 - Display screen equipment
 - Personal protective equipment (PPE)
 - Emergency evacuation
 - Emergency Preparedness Plan and Response Plan (EPRP)
 - Fire
 - Electrical safety at work
 - Working at height
 - Working in confined spaces
 - Hazardous tasks
 - Contractors
 - Visitors
 - Investigating & reporting accidents
 - Driving
 - Drugs & Alcohol
 - Contagious Disease Policy
 - Occupational Assessment, Screening & Vaccination

Employee's Responsibility

Each of us should behave in a manner that promotes a positive safety culture for ourselves, our visitors and contractors. We are all responsible for the prevention of accidents and injuries to ourselves and others. This includes:

- Upholding safety as an integral part of what we do and a value that is never compromised;
- Enhancing the safety of the work environment and developing a proactive and positive team safety culture where we support each other by working safely; and where issues or concerns relating to occupational safety and health are communicated openly, fairly and with mutual respect;
- Managing occupational safety and health as an integral part of our work processes and activities, including taking a proactive approach to dealing with potential hazards and quick, effective responses to emergencies or incidents resulting from our operations;
- Complying with the requirements of all applicable occupational safety and health laws and regulations and applicable Group standards in respective operating locations;
- Ensuring clear accountability and responsibility for safety at all levels of the organisations, reinforcing the idea that we all have a responsibility to work safely. Management will lead by example and provide training and continuing visible support to the site safety efforts;
- Continuously enhancing management's, employees', and contractors' knowledge, awareness, behaviour, and competence in safety and hazard management. Through sharing and exchanging knowledge and experiences with contractors, suppliers and other business partners, we will mutually enhance occupational safety and health performance in our business;

- Actively pursuing continuous improvement in safety performance through targeted, defined safety initiatives, and establishing challenging, measureable objectives and targets while regularly reviewing and assessing performance;
- Ensuring all project plans support and reflect a commitment to respect the Group's occupational safety and health policies and principles.
- Selecting business partners and contractors based on their written acceptance and commitment to this policy. After the contract is agreed, enforcing contractual terms to help ensure our business partners, contractors and their sub-contractors meet their agreed commitment to occupational safety and health matters under their contracts with the Group.
- Our Country/Senior Managers in each location are accountable for the overall safety performance, and charged with the responsibility for implementing this policy, with the support of the Operations function.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor, Human Resources Manager and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor; the Human Resources Manager; the OHS Officer in your work location, if applicable and/or the Group Compliance Officer. We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with policies related to their work location on Health & Safety.

Kevin Whitcraft
Chief Executive Officer
2016

Plant Safety and Product Safety Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy outlines the requirements of all Group businesses and employees in ensuring the safety of plant and products.

Definitions

Hazard: Anything that has the potential to cause harm to people, property or the environment.

Machine: an item made up of components for generating, changing, altering or transmitting energy by use of water, steam, wind, gas, electricity or substances or any combination of energy sources and includes parts that work reciprocally such as belts, axles, fly wheels, pulleys and gears.

Plant: Industrial site consisting of buildings, machinery, equipment, and tools where workers operate any number of these items.

Safety Data Sheet: A document which provides information on substances including composition, safe storage, handling and disposal requirements, exposure limits, emergency procedures and environmental controls.

Group Policy Statement – Plant Safety

As with all aspects of occupational safety, health and the environment, the Group places the highest priority on ensuring the safety and health of its employees in relation to plant and products used or produced by the business and protection of the environment. The Group aims at achieving zero injuries to people or harm to the environment in relation to use of our plant and products through the:

- The provision and maintenance of plant and systems of work that are safe;
- Safe use, handling, storage, transport, disposal or decommissioning of articles and substances;
- Provision of products for use in its business activities that are safe for use; and
- Elimination of occupational hazards and control risks through research, design and testing of plant and products.

The Group will achieve this through management of plant and products including requirements to:

- Comply with all applicable occupational safety, health and environment laws, local and international standards and applicable Group standards;
- Maintain clear accountability and responsibility at all levels of the organisations to work safely with plant and products;
- Select plant and products based on risk assessments to ensure that they are suitable for the job and can be used without risks to safety and health or the environment;
- Eliminate the safety, health and environmental risks associated with plant and products used or produced or, if not possible, minimise those risks through the use of appropriate controls;
- Register, inspect and/or certify plant and product by the relevant regulator as required;
- Ensure the electrical safety of plant and equipment;

- Maintain plant and product in the workplace using competent persons; replace these items as required and ensure disposal occurs in a safe and environmentally responsible manner;
- Use only licensed operators of plant where required by relevant legislation;
- Provide adequate information, training and supervision of plant and products to ensure safe use by employees and contractors' of the Group and protection of the environment; and
- Provide adequate information to purchasers of Group products to ensure their safe use and protection of the environment.

Each Country Manager of the Group is accountable for overall safety performance, and charged with the responsibility for implementing this policy, with support from operational areas.

The Group will actively pursue continuous improvement in safety performance in relation to plant and products through safety initiatives, regular review of the suitability and safety of plant and product and the level of compliance with the requirements for use.

Group Policy Statement - Product Safety

Product safety is an integral component of the Group's production process and as such, our products meet legislative and relevant international and local standards. In the development of our products, the Group will ensure that research, risk assessment, testing and inspection is undertaken to meet legislative requirements and local and international standards. The risk assessment process will identify potential hazards, associated risks and the required controls.

The Group will ensure that purchasers of our products are provided with sufficient labelling and information including information on potential risks and the required controls; maintenance, inspection and testing requirements; and training and disposal requirements.

Your Responsibilities

When working with plant and products provided by the Group, all employees, contractors and third parties are required to:

- Use only plant and product that has been assessed and approved as being safe for people and the environment when used for its intended use in the required manner;
- Follow all procedures including safe work procedures, maintenance requirements, electrical safety, inspection and reporting requirements;
- Use the required controls to manage potential hazards and raise concerns if these controls are ineffective or not being used as required;
- Respond as trained to emergencies or incidents resulting from use of plant or products; and
- Dispose of plant and product as required ensuring the health and safety of people and protection of the environment.

You must always:

- Use only plant and products that are assessed and approved and you are trained to use;
- Follow the relevant safe work procedures and use relevant information as required (e.g. safety data sheets for substances);
- Complete pre-start checks to make sure that the plant is safe for use and report any maintenance issues;
- Report any plant defect or fault or concerns in relation to products to your supervisor immediately and remove from use;
- Wear the required personal protective equipment such as eye protection, gloves and hearing protection when using plant and products.

You must never:

- Operate plant or use products other than for its' intended purpose;
- Operate plant or use products that you are not competent to use;
- Operate plant or use products that has been identified as faulty or defective;
- Operate plant or use products that you are unsure of or is without the required information;
- Operate plant without guards in place and working warning signals and emergency controls.

If an item of plant is hired or leased by the Group, ensure that health and safety is reviewed together with the person the item is hired or leased from. Where the Group installs, commissions, maintains, operates, tests, repairs or carries out any other activity associated with plant in workplaces it will manage risks associated with the plant along with the owner or user of the plant as required.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor ; the Human Resources Manager the OHS Officer in your work location, if applicable and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Whistleblower Policy and Open Door Policy;
- Environment Policy;
- Risk Management Policy;
- Occupational Health and Safety Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Employment, Equal Opportunity and Respect Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the expectations of the Group for behavioural standards of all employees, business partners, customers and the public.

Definitions

Bullying: Using a position of power, either physical, verbally or socially, to devalue another individual or coerce them to behave in a certain way.

Discrimination: Treating another individual unfairly or inappropriately because of their race, religion, colour, sex, nationality/ethnicity, citizenship status, age, genetic characteristics, sexual orientation, mental or physical disability or any other characteristic protected by law.

Equal Employment: Making employment decisions on the basis of merit and without discrimination.

Harassment: Making unwanted/inappropriate advances to someone.

Hiring: The activity of engaging either an employee or a contractor in a formal relationship.

Group Policy Statements

The Group is committed to compliance with all legislative requirements of the markets in which it operates as they relate to the Hiring of Employees and Contractors.

The Group is also committed to employment of a diverse workforce and to making all employment related decisions and actions based on merit and without regard to a person's race; religion; color sex (including pregnancy) ; nationality/ethnicity; citizenship status; age; genetic characteristics; sexual orientation; mental or physical disability or any characteristic that may be protected by law.

The Group will not tolerate any discrimination, harassment; bullying; vilification; coercion; threats or unwelcomed advances to any Employee, Contractor, Customer or Business Partner of the Group.

The Group will meet this commitment through the following principles. We will:

- treat Employees and Contractors fairly, making employment decisions based on job qualifications (e.g. education, prior experience) and merit. Merit includes an individual's skills, performance, values, leading and other job-related criteria;
- make reasonable accommodations to ensure equal employment, training and promotional opportunities for all qualified people;
- emphasize management commitment and responsibility;
- encourage behaviours that support this policy and actively discourage those that don't;
- ;
- provide specific awareness and training that proactively facilitates the employment of minority groups.

Your Responsibility

When working for or on behalf of the Group, you must always:

Treat all other individuals with respect regardless of their race, religion, colour, sex, nationality/ethnicity, citizenship status, age, genetic characteristics, sexual orientation, mental or physical disability or nay other characteristic protected by law.

You must never:

- Discriminate against other individuals based on their race, religion, colour, sex, nationality/ethnicity, citizenship status, age, genetic characteristics, sexual orientation, mental or physical disability or any other characteristic protected by law;
- Harass, bully, vilify, threaten or behave in any way that could be perceived in this manner towards other individuals.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Whistleblower Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Whistleblower Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

This policy sets out expectations and procedures for the reporting of failures to comply with the Group Code of Ethics, Policies, or any legal or regulatory requirement.

Definitions

Whistleblowing: The disclosure by an employee or contractor to his or her immediate supervisor, or the Group Compliance Manager, or through the Whistleblower Hotline of a concern related to suspected noncompliance with the Group Code of Ethics, Policies, or any legal or regulatory requirement.

Grievance: Personal complaint about someone’s own employment situation.

Group Policy Statement

The Group’s dedication to the highest standards of business conduct requires internal vigilance and a high level of commitment.

The Group is committed to maintain a “Speak Up” culture, one in which concerns about suspected wrongdoing can be reported without fear of retaliation or recriminations.

The Group encourage all employees to report as soon as possible violations or suspected violations to the Group Code of Conduct, Policies or any legal or regulatory requirements by the employees of the Group.

Such reports can be made either to your immediate Supervisor, the Group Compliance Manager or by sending an e-mail to compliance@rmagroup.net. Employees are not expected to conduct their own investigation, but may be expected to disclose relevant facts about the situation.

Employees, in a country where anonymous reporting is allowed, can choose to make reporting anonymously. If you wish to remain anonymous, you can contact the Group’s Whistleblower Hotline: +66 (2) 762 8585 and you will be asked to leave a message. You can also elect to identify yourself when making the report so that the issue can be followed up upon.

No matter what channel you use to report concerns, the report, if made in good faith, will be taken seriously. The Audit and Compliance Committee will oversee the process of handling all reports. The Group Compliance Manager will monitor all reports and all reports will be communicated to the General Counsel and/or the Audit and Compliance Committee of the Group. When processing the reports, the Compliance Office of the Group ensures complete confidentiality. Information relating to reported concerns, including your identity or the identity of other persons involved in an inquiry or investigation may be disclosed to those who have a defined need for that information only. Any employees who participate in the investigation of reported compliance concerns must keep all details of the investigation confidential.

Any employee who, in good faith and using reasonable judgment makes a report will be safe from any retaliation or recrimination. The Group will not discharge, demote, suspend, threaten, harass or in any manner discriminate against any employees who make such reports. Anyone who retaliates against someone who has reported a violation or concern in good faith is subject to discipline up to and including termination of employment.

Your Responsibility

All employees are encouraged to report internally violations or suspected violations of the Group Code of Ethics, Policies, or any legal or regulatory requirements, this includes, for example:

- Actions which endanger the health or safety of staff or the public;
- Actions causing damage to the environment;
- Conflicts of interest;
- Bribery offences; or
- Violations of accounting regulations.

Employees must report only where it is reasonably believed that there has been a violation, and not where the reporting is intended to be harassing or based on personal opinion only.

Any employee who makes a malicious report to intentionally harm another employee may be subject to disciplinary action. The Whistleblower Hotline should not be used as an internal complaint service for personal grievances. For example, you must never make a report under this policy to:

- Question financial or business decisions;
- Submit a grievance; or
- Complain about the management style of your supervisor.

Other Policies

As well as reading this policy, all employees must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Conflicts of Interest Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Risk Management Policy

Scope

This policy outlines the requirements of all Group businesses engaging in risk management.

Definitions

Risk: Chance of something happening that will have an impact on objectives. **OR**

Possibility that an event will occur and adversely affect the achievement of objectives.

Risk Assessment: Overall process of risk identification, risk analysis and risk evaluation.

Risk Management: Coordinated activities to direct and control the Group with regard to risk.

Risk Management Framework: Set of components that provide the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving risk management throughout the Group.

Group Policy Statement

The Group is committed to maintaining an operational risk management framework that supports strategic and operational objectives, ensures compliance with regulatory requirements and embeds global industry best practice for operational risk management.

The policy requires risk management to be performed in order to identify, measure, monitor and control strategic and operational risks and minimise the chance of loss to the Group.

The Board of Directors is responsible for:

- Establishing the level of risk which is acceptable or tolerable for each risk type;
- Understanding the key risks faced by the Group;
- Ensuring that an adequate system of internal control is established and maintained;
- Approval of the risk management framework and related policies and procedures;
- Ensuring that the framework allows management to identify, monitor and control all risks;
- Ensuring that management implement the framework;
- Reviewing periodic reports on risk matters and responding accordingly.

Senior Management is responsible for:

- Reporting to the Board on relevant risk matters;
- Reviewing the overall implementation of the framework;
- Reviewing information reported from the risk management framework and ensuring that appropriate action is being taken to control risks.

The Audit and Compliance Committee is responsible for:

- Providing assurance that the major business risks are managed appropriately;
- Providing assurance that risks are correctly evaluated;
- Providing assurance that the risk management framework is operating effectively;
- Approving the annual internal audit plan and all major changes to the plan;
- Reviewing the effectiveness of the internal audit function;
- Overseeing the development and enforcement of the Group's compliance activities.

Each Head of the Business Division and Country Manager is responsible for:

- Implementing the risk management framework across their area(s) of responsibility;
- Reporting risks where identified to the Group Risk Manager or Senior Management;
- Implementing and monitoring control measures.

Kevin Whitcraft
Chief Executive Officer
2016

Customer Relations and Product Quality Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers the Group’s commitment to maintaining strong customer relations and to providing products and services of the highest quality.

Definitions

QMS: Quality Management System, the part of our overall management system which establishes documents and implements our quality policy, and related processes for providing products and services which meet or exceed customer requirements, and satisfy QMS requirements of *ISO 9001:2008*.

ISO 9001:2008: Refers to the [international standard for Quality Management Systems](#). It is the globally accepted standard for quality management and outlines in detail the business requirements for quality management.

Group Policy Statement

The Group is dedicated to providing the highest quality products and services to our customers.

Customer satisfaction is the foundation of everything we do at the Group. The Group’s quality management activities focus on the experience of the customer as the highest priority for process design and improvement.

The Group commits to a set of core beliefs and values that must be followed by all employees. These core values are:

Customer Focus - Satisfying our customers requires:

- Exceptional products;
- Exceeding expectations in quality, service, and value;
- Effective, responsive communication;
- Building trust through integrity.

Inspired People - Our success will be achieved only through inspired people, operating in an environment based on:

- Openness and honesty;
- Empowerment and teamwork;
- Innovation and risk assessment;
- Integrity.

Continuous Improvement - Our culture must be based on the continuous improvement of core processes in all aspects of the business by:

- Embracing improvement;
- Eliminating cost and bureaucracy.

To achieve optimal customer satisfaction, it is Group policy to continually improve processes, products, and services to ensure they consistently meet or exceed requirements, and that we learn from our past performance.

The Group will ensure that this policy is communicated and understood at all levels of the organisation through documented training, regular communication, and reinforcement during annual employee performance reviews. The person responsible for Quality Management retains responsibility for this policy, which is to be provided and explained to each employee.

Your Responsibility

Responsibility for Quality and Customer Relations varies depending on role and level within the Group. Responsibilities under the QMS are as follows:

Senior Management – Senior managers are ultimately responsible for the quality of the Group's products and services since they control the systems and processes by which work is accomplished. Senior Management is responsible for Business Planning, development and communication of our quality policy, QMS Planning (including the establishment and deployment of corporate level objectives), and the provision of resources needed to implement and improve the QMS.

Management – All managers, supervisors and team leaders are responsible for execution of the Business Plan and implementation of the policy, processes and systems described in the **QMS Manual**. All managers are responsible for planning and controlling QMS processes within their area(s) of responsibility, including the establishment and deployment of operational level objectives, and the provision of resources needed to implement and improve these processes.

Managers also conduct employee performance reviews. Management with responsibility and authority for corrective action are notified promptly of product or process non-conformities. Management ensures that responsibilities are assigned to ensure product quality for all shifts of production.

Employees - All employees are responsible for the quality of their work and implementation of the policy and procedures applicable to processes they perform. Employees also identify and report any known or potential problems and recommend related solutions through the internal audit and/or corrective/preventive action processes. Procedures and authorities for stopping production because of quality problems are detailed in the **QMS Manual**.

Detailed responsibilities and authorities for QMS implementation and improvement are contained in lower level documents referenced throughout the **QMS Manual** and other QMS documents including procedures, flow charts, job descriptions, work instructions, etc.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Business Ethics and Corporate Culture Policy;
- Risk Management Policy;
- Plant Safety and Product Safety Policy;
- Occupational Safety and Health Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Supplier Selection and Third Party Relationships Policy

Scope

This policy applies to all employees of the RMA Group of companies (the “Group”) and its subsidiaries worldwide.

Business partners undertaking business on behalf of the Group are expected to also comply with this policy.

This policy covers all requirements and activities related to supplier selection and third party relationships.

Definitions

Business Partners: Business partners include anyone who conducts business for or on behalf of the Group or has a contractual alliance with the Group.

Supplier: A person or company that provides products or services to the Group.

Third Party: Is a party not directly engaged by the Group who becomes involved in Group service delivery.

Conflicts of Interest: A conflict of interest is a situation where an individual's financial, personal, or other non-employment interests may conflict with their job responsibilities or business decisions.

Improper Payments: Improper payments are direct or indirect payments, whether in cash or in other items of value, to a third-party to influence acts or decisions, to receive special treatment or personal gain, or to obtain or retain business.

Group Policy Statement

The Group engages, directly or indirectly, with suppliers, business partners and other third parties in order to produce its goods and services. These important relationships are not without risks. It is Group policy to ensure that the principles of this policy are met wherever a relationship with a supplier, business partner or third party exists:

- Ensure a fair and competitive selection process;
- Avoid conflicts of interest;
- Avoid bribes and improper payments;
- Work appropriately with government;
- Protect private and confidential information;
- Ensure that all reporting is honest and accurate;
- Know and manage risks to the environment;
- Ensure that Group policy is not compromised by supplier or business partner activity.

The Group values our relationships with suppliers and all business partners and considers them essential to our success as a company. The Group works hard to develop strategies and to identify suppliers and business partners that have accepted the purchase order terms and conditions and can provide competitive cost, quality, and delivery.

Your Responsibility When Selecting Suppliers and Other Business Partners

Ensure a Fair and Competitive Selection Process

The Group selects suppliers and other business partners based on total value:

- Safety;
- Total life cycle;
- Quality;
- Timeliness;
- Environmental compatibility;
- Transaction processing cost;
- Delivery expenses;
- Supplier payment;
- Internal control.

Whenever possible, you should seek to work with preferred suppliers, business partners and third parties before engaging new ones. This helps with the enforcement of contract terms and it should help the Group obtain the best prices for goods and services. Valuing our relationships with suppliers, business partners and third parties reduces risks and leads to a higher level of trust and cooperation.

Finally, before entering into an agreement with a supplier, business partner third party, always conduct thorough "due diligence" according to Group policies. Due Diligence includes a thorough background check of the partner's identity, methods of doing business, and criminal history. If there are any "red flags," be especially careful. Agreements with suppliers and all other business partners must be in writing and must be reviewed by the legal advisor appointed by the Group.

Avoid Conflicts of Interest

Conflicts of interest can compromise the supplier and business partner selection process and prevent the Group from obtaining the best value. The appearance of a conflict of interest can be just as damaging as the existence of an actual conflict of interest.

The following can create potential conflicts of interest:

- Accepting gifts;
- Accepting excessive meals or entertainment;
- Job offers, employment discussions, or offers of stock options;
- Family relationships with a supplier or a vendor.

Although it may occasionally be appropriate to accept a modest meal or entertainment from a supplier or business partner, you should refuse all gifts and any offers of meals or entertainment from a supplier or business partner that seem excessive or costly. You should also refuse any offers of meals or entertainment from prospective vendors or suppliers who have submitted a bid for consideration or are currently in negotiations with the Group.

Avoid Bribes and Improper Payments

Commercial bribery is illegal and subject to criminal penalties in many countries. The Group strictly prohibits any personal payment or bribe made to individuals employed by our customers, suppliers, or business partners as well as the receipt of a bribe or personal payment by our employees. Even in locations where such activity may not be illegal, it is absolutely prohibited by Group policy.

Keep in mind that almost anything can be considered a bribe, including gifts, loans, services, vacations, trips, airline tickets, meals, or other benefits - even offers of employment. It does not

matter if the value offered is small. If something is intended to inappropriately influence someone's business decisions, it is still a bribe.

The Group also prohibits improper payments and bribes to government officials.

Always review applicable laws and customs, and discuss specific situations with management if you have any questions about what might be appropriate.

Working with the Government

Governments often purchase Group products and services for use or resale to authorised military consumers. The Group requires strict observance of the laws and regulations which govern the acquisition of goods and services by governmental entities, whether in the United States or in any other country. It is the Group's policy that all statements and representation to government procurement officials must be accurate and truthful, including costs and financial data.

Your Responsibility When Working with Suppliers and Third Parties

Protect the Privacy and Confidentiality of Supplier Information

It is our responsibility as good business partners to always protect the confidential and proprietary information of all companies with whom we do business. The Group prohibits employees from sharing information about our suppliers with anyone outside of the Group without written permission from the supplier or other business partner.

Ensure that All Reporting to the Group is Honest and Accurate

You must ensure that all financial submissions made by suppliers and business partners – including invoices and supporting expense documentation to the Group – appear to honestly and accurately portray the true nature of the transaction.

Dishonest reporting will jeopardise our business partnership. It can also lead to civil or criminal liability for the Group, our suppliers, or both.

Our Responsibility to the Environment

The Group's suppliers and business partners must operate in ways that are environmentally responsible. At a minimum, suppliers must comply with all applicable environmental laws, regulations, and standards. These include laws regarding:

- Chemical and waste management and disposal;
- Recycling;
- Waste water treatment and discharge, and;
- Air emission controls.

Suppliers and business partners must also comply with any additional environmental requirements called for in design and product specifications and contract documents. Suppliers and business partners should implement management systems to meet these requirements.

Our Commitment to Fair Treatment

The Group expects its business partners to apply good judgment and comply with our shared standards in their own hiring and labour practices and also when selecting second-tier suppliers.

The Group expects that all employees will be treated with respect. Corporal punishment, threats of violence, or other forms of physical coercion or harassment are not acceptable. The use of child

labour or human trafficking and forced labour are also absolutely prohibited. In addition, all rules related to wages and benefits should be followed.

Questions about this Policy

If you have any questions about this policy, or if you have any doubt about how to apply these guidelines, you should seek the advice of your immediate Supervisor and/or the Group's Compliance Manager.

Reporting Policy Violations

You are required to disclose any actions or behaviour you believe may be a breach of this policy. Your concerns can be raised with your immediate Supervisor and/or the Group Compliance Manager or call the Group Whistleblower hotline at +66 (0) 2 762 8585.

We will not tolerate any retaliation or discrimination of any kind against anyone who does the right thing. If you make a report in good faith you will never be penalised for doing so – even if found mistaken after the investigation is conducted.

Where misconduct is discovered, we will ensure appropriate steps are taken to prevent further similar misconduct, including assessing the internal controls and our compliance program and making modifications necessary to ensure the program is effective.

Monitoring and Review

This policy will be reviewed on an annual basis and updated if necessary based on risks identified within the business.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Anti-Bribery and Anti-Corruption Policy;
- Gifts, Hospitality and Travel with Third-Parties Policy;
- Business Ethics and Corporate Culture Policy;
- Confidentiality and Careful Communication Policy;
- Government Contracting and the Relationship Policy;
- Whistleblower Policy and Open Door Policy;
- Environment Policy;
- Risk Management Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Anti-Money Laundering Policy

It is the policy of the Group to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities. The Group will not knowingly transact business with sanctioned individuals, entities and/or countries identified by government agencies, law enforcement, regulators, or United Nations resolutions.

Money laundering is the illegal practice of placing money gained from criminal activity through a series of apparently legitimate transactions in order to hide the criminal origin of the money. The goal is to make money from criminal activity appear to be from legitimate sources. Although money laundering is usually associated with cash, any financial transaction may be a part of a process to hide the origin of the money.

Our anti-money laundering policies, procedures and internal controls are designed to ensure compliance with all applicable laws, regulations and rules and will be reviewed and updated on a regular basis to ensure appropriate policies, procedures and internal controls are in place to account for both changes in regulations and changes in our business.

In this regard, all companies in the Group will:

- Take reasonable steps to determine the true identity of all customers;
- Not knowingly accept funds from or conduct business with customers whose money the Group believes is derived from criminal activity or is intended to conduct, finance, or support terrorist activities
- Not ignore indications that a customer's money originated from criminal or other money laundering activities or is intended to conduct, finance or support terrorist activities.

All employees, officers and agents are required to read this policy and attend AML training as required. Further, all employees are prohibited from informing independent agents or customers that their activities have been or may be reported as suspicious or under investigation. Most importantly, if an employee suspects or knows that a transaction involved funds related to illegal activity, **it must be reported to the Group Compliance Manager**.

The Group Compliance Manager is responsible for this policy. Any questions may be directed to that Manager.

Other Policies

As well as reading this policy, all employees and business partners must also read and comply with the following the Group Policies:

- Anti-Bribery and Anti-Corruption Policy;
- Business Ethics and Corporate Culture Policy;
- Government Contracting and the Relationship Policy;
- Whistleblower Policy and Open Door Policy;
- Risk Management Policy; and
- Supplier Selection and Third Party Relationships Policy.

Kevin Whitcraft
Chief Executive Officer
2016

Appendix IV:
Guarantee

GUARANTEE AGREEMENT

DATED _____ 2020

**CREDIT GUARANTEE AND INVESTMENT FACILITY,
a trust fund of the Asian Development Bank**

and

**ACLEDA Securities Plc.
as Bondholders' Representative for and on behalf of all Bondholders**

and

**ACLEDA Bank Plc.
as Agent**

and

**THE PERSONS AND FINANCIAL INSTITUTIONS
set out in Schedule 1 and such other persons and entities
who accede to this Agreement from time to time
as Bondholders**

relating to

**KHR 80,000,000,000 fixed rate bonds
The Guaranteed Bonds of RMA (Cambodia) Plc.
due B.E. 2025**

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THIS GUARANTEE (this Agreement) is dated _____ 2020 and is made **BETWEEN:**

- (1) **CREDIT GUARANTEE AND INVESTMENT FACILITY**, a trust fund of the Asian Development Bank with its principal office in Manila, the Philippines, in its capacity as the guarantor (**CGIF**);
- (2) **ACLEDA Securities Plc.** in its capacity as the representative for and on behalf of the Bondholders (as defined below) (the **Bondholders' Representative**);
- (3) **ACLEDA Bank Plc.** in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**); and
- (4) **THE PERSONS AND FINANCIAL INSTITUTIONS** set out in Schedule 1 and such other persons and financial institutions who accede to this Agreement from time to time (the **Bondholders**),

(each a **Party** and collectively the **Parties**).

BACKGROUND:

- (A) At the request of the Issuer (as defined below), CGIF has agreed, subject to the terms and conditions of this Agreement, to issue a guarantee in favour of the Bondholders in respect of the Public Bonds (as defined below).
- (B) It is intended that this Agreement takes effect as a deed notwithstanding the fact that a Party may only execute this Agreement under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

Acceleration Due Date has the meaning given to it in Clause 5.4 (CGIF Acceleration).

Acceleration Step has the meaning given to it in Clause 5.1 (Acceleration Step).

Additional Accrual Period means:

- (a) in the case of a CGIF Acceleration or a Bondholders' Representative Acceleration, the period from (and including) the Bond Interest Payment Date immediately preceding the CGIF Acceleration or Bondholders' Representative Acceleration (as the case may be) to (but excluding) the Guarantor Payment Date; or
- (b) where a Demand has been made in respect of principal due on the Bond Maturity Date, the period from (and including) the Bond Maturity Date to (but excluding) the Guarantor Payment Date.

Additional Accrued Interest means the amount of interest in respect of any Public Bonds for the Additional Accrual Period at the Bond Interest Rate.

Affiliate means, in relation to a person, a Subsidiary or Holding Company of that person or a Subsidiary of that Holding Company.

Agent means ACLEDA Bank Plc. or any successor appointed as the securities registrar, securities transfer agent and paying agent in respect of the Bonds from time to time in accordance with the RTP Agency Agreement.

Articles of Agreement means the articles of agreement of CGIF originally dated 11 May 2010 as amended on 27 November 2013, 31 May 2016, 23 May 2017, 31 May 2018 and 1 August 2019 (as may be further amended or supplemented from time to time).

BHR Demand means a demand for payment under this Agreement from the Bondholders' Representative to CGIF substantially in the form set out in Schedule 3 (Form of BHR Demand).

Bond Conditions has the meaning given to the term **Bond Conditions** in the Bondholders' Representative Agreement.

Bond Documents means the Disclosure Document, the Underwriting Agreement, the Bond Conditions, the Bondholders' Representative Agreement, the RTP Agency Agreement, the Single Submission Form, and all other documentation (excluding the Guarantee Documents) related to the issuance of the Bonds.

Bond Event of Default has the meaning given to the term **Event of Default** in Clause 11 (Events of Default and Acceleration) of the Bond Conditions.

Bond Interest Payment Date has the meaning given to the term **Interest Payment Date** under the Bond Conditions.

Bond Interest Rate has the meaning given to the term **Interest Rate** under the Bond Conditions.

Bond Maturity Date has the meaning given to the term **Maturity Date** under the Bond Conditions.

Bondholder Accession Instrument means a document substantially in the form of Schedule 6 (Form of Bondholder Accession Instrument).

Bondholder Demand means a demand for payment made by a Bondholder under this Agreement from the Bondholders to CGIF substantially in the form set out in Schedule 4 (Form of Bondholder Demand).

Bondholder Demand Period means, in respect of a Non-Payment Event, a period of 10 Business Days starting on the date of expiry of the Demand Period in respect of such Non-Payment Event.

Bondholders' Book has the meaning given to the term **Bondholders' Book** in the Bondholders' Representative Agreement.

Bondholders' Representative means ACLEDA Securities Plc. or any successor appointed as the bondholders' representative in respect of the Bonds from time to time in accordance with the Bond Conditions and the Bondholders' Representative Agreement.

Bondholders' Representative Acceleration has the meaning given to it in Clause 5.2 (Bondholders' Representative Acceleration).

Bondholders' Representative Agreement means the Cambodian law governed bondholders' representative agreement entered into between the Bondholders' Representative and the Issuer dated

on or about the date of this Agreement or any agreement appointing a new Bondholders' Representative to replace the existing Bondholders' Representative (if any) from time to time.

Bondholders' Representative Expenses means:

- (a) all costs, expenses and liabilities properly incurred by the Bondholders' Representative in making a BHR Demand on CGIF in accordance with this Agreement; and
- (b) the remuneration due and payable to the Bondholders' Representative in accordance with clause 6 (Remuneration of the Bondholders' Representative) of the Bondholders' Representative Agreement.

Bonds means the Guaranteed Bonds of RMA (Cambodia) Plc. due B.E. 2025.

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in Manila, New York and Phnom Penh.

CGIF Acceleration has the meaning given to it in Clause 5.4 (CGIF Acceleration).

CGIF Acceleration Notice means a written notice delivered by CGIF to the Issuer and the Bondholders' Representative, substantially in the form set out in Schedule 3 (Form of CGIF Acceleration Notice).

CGIF Assets means all property and assets of CGIF held in trust in accordance with the Articles of Agreement of CGIF and available from time to time to meet the liabilities of CGIF. For the avoidance of doubt, a CGIF Asset does not include any assets of the Asian Development Bank or any other contributors to CGIF.

CGIF Certificate means the certificate to be issued by CGIF to the Bondholders' Representative certifying it has received (or waived receipt of) the documents and evidence set out in schedule 1 (Conditions Precedent) to the Indemnity Agreement in form and substance satisfactory to CGIF, substantially in the form set out in Schedule 1 (Form of CGIF Certificate).

CGIF Non-Payment Event has the meaning given to it in Clause 5.2(a).

Demand means a BHR Demand and/or a Bondholder Demand.

Demand Period means:

- (a) in respect of a Non-Payment Event that relates to either:
 - (i) any Scheduled Interest (including the Scheduled Interest due on the last Bond Interest Payment Date); or
 - (ii) the Principal Amount (other than the Principal Amount due on the Bond Maturity Date),a period of ten (10) Business Days starting on the date of such Non-Payment Event; and
- (b) in respect of a Non-Payment Event that relates to the Principal Amount due on the Bond Maturity Date, a period of twenty (20) Business Days starting on the date of such Non-Payment Event.

Disclosure Document means the disclosure document prepared and issued by the Issuer (with assistance from the Underwriter) in relation to the issuance of the Bonds.

Eligible Bondholder means a Bondholder who is not (a) an Issuer Related Entity or (b) the Issuer (or a person acting at the direction of the Issuer).

Government Agency means any government department or any government agency, semi-governmental or judicial entity or authority (including, without limitation, any stock exchange or any self-regulatory organisation established under statute).

Guarantee means the guarantee provided by CGIF pursuant to, and subject to the terms and conditions of this Agreement.

Guarantee Documents means this Agreement, the Indemnity Agreement and any other document or agreement entered into between any of CGIF, the Issuer and the Bondholders' Representative (as applicable) in connection with any of those documents, designated as such by CGIF.

Guarantee Term has the meaning given to it in Clause 2.2 (Term of the Guarantee).

Guaranteed Amount has the meaning given to it in Clause 2.1 (Guarantee).

Guarantor Default Interest Amount has the meaning given to it in Clause 3.4 (Guarantor Default Interest).

Guarantor Default Rate means the Bond Interest Rate plus two (2) per cent. per annum.

Guarantor Payment Due Date means the original due date for the payment of any Guaranteed Amount, which is:

- (a) thirty (30) Business Days from the date of receipt of a valid BHR Demand in respect of such Guaranteed Amount by CGIF; or
- (b) thirty (30) Business Days after the expiry of the Bondholder Demand Period after the receipt of a valid Bondholder Demand in respect of such Guaranteed Amount by CGIF.

Guarantor Payment Date means the date of actual payment by CGIF in respect of a Guaranteed Amount.

Holding Company means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

Indemnity Agreement means the reimbursement and indemnity agreement dated on or about the date of this Agreement between, amongst others, CGIF and the Issuer in connection with this Agreement.

Issue Date has the same meaning given to such term in the Bond Conditions.

Issuer means RMA (Cambodia) Plc., a company incorporated under the laws of Cambodia with company registration number 00001121 (old registration number Co.1515E/2002), and having its registered at No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh, Kingdom of Cambodia.

Issuer Event of Default means the occurrence of any of the events described in Clauses 11.1.4 (Enforcement Proceedings), 11.1.5 (Insolvency) or 11.1.6 (Winding-up) of the Bond Conditions.

Issuer Related Entity means

- (a) the Holding Company of the Issuer and any of its Affiliates (other than the Issuer);

- (b) any Affiliate of the Issuer; and
- (c) any other person acting at the direction of any person set out in (a) or (b) above.

New Bondholder has the meaning set out in Clause 12 (Changes to Bondholders).

Non-Payment Event means the non-payment (after giving effect to any applicable grace period) of any Guaranteed Amount by the Issuer in accordance with the terms of the Bond Conditions and the Bondholders' Representative Agreement.

Paid Guaranteed Amount has the meaning given to it in Clause 4.1 (Subrogation).

Principal Amount means the outstanding principal amount in respect of the Bonds at any time.

Public Bonds means the Bonds excluding those owned by the Issuer (or any other person acting at the direction of the Issuer) or an Issuer Related Entity.

Recovered Amount has the meaning given to it in Clause 6 (Recoveries).

RTP Agency Agreement means the Contract on Providing Service of Securities Registrar, Securities Transfer Agent and Paying Agent dated 20 December 2019 and entered into between the Issuer and ACLEDA Bank Plc.

Riel or KHR means Khmer Riel, the lawful currency of the Kingdom of Cambodia.

Scheduled Interest means scheduled interest on the Public Bonds payable at the Bond Interest Rate on each Bond Interest Payment Date (excluding, for the avoidance of doubt, default interest (if any)).

Security means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Single Submission Form means the single submission form (being the Common Document for Submission to Regulatory, Listing, and Registration Authorities, and Market Institutions for the Issuance of Notes under the ASEAN+3 Multi-Currency Bond Issuance Framework) prepared by the Issuer in connection with the issue of the Bonds, as the same may have been amended or supplemented from time to time.

Subsidiary means, in relation to any company or corporation, a company or corporation:

- (a) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (b) more than half the issued equity share capital of which is beneficially owned, directly or indirectly, by the first mentioned company or corporation; or
- (c) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation,

and for this purpose, a company or corporation shall be treated as being controlled by another if that other company or corporation is able to direct its affairs and/or to control the composition of its board of directors or equivalent body.

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest).

Tax Deduction means a deduction or withholding for or on account of Tax from a payment under this Agreement.

Transfer Date means, in relation to a transfer by a Transferring Bondholder of its rights and interests in Bonds to a New Bondholder, and for the purposes of this Agreement, the date on which a Bondholder Accession Instrument is delivered to CGIF by the Agent or the New Bondholder (as the case may be) in accordance with this Agreement and the Bond Conditions.

Transferring Bondholder has the meaning set out in Clause 12 (Changes to Bondholders).

Underwriter means SBI Royal Securities, a public limited company incorporated under the laws of Cambodia, having a commercial registration No. 00000824 and a registered address at 13th floor, Phnom Penh Tower, No. 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 Makara, Phnom Penh, Cambodia.

Underwriting Agreement means the underwriting agreement to be entered into between the Underwriter and the Issuer for full or partial subscription by the Underwriter of any remaining Bonds following a public offering of the Bonds.

1.2 Construction

- (a) In this Agreement, terms not defined herein have the meaning as set out in the Bond Conditions and unless the contrary intention appears, a reference to:
- (i) an **amendment** includes a supplement, novation, extension (whether of maturity or otherwise), restatement, re-enactment or replacement (however fundamental and whether or not more onerous) and **amended** will be construed accordingly;
 - (ii) **assets** includes present and future properties, revenues and rights of every description;
 - (iii) a **Clause**, a **Subclause**, a **Paragraph** or a **Schedule** is a reference to a clause, subclause of, or paragraph of, or a schedule to, this Agreement;
 - (iv) a currency is a reference to the lawful currency for the time being of the relevant country;
 - (v) a **Bond Document**, **Guarantee Document** or other document or Security includes (without prejudice to any prohibition on or consent required for any amendments) any amendment to that Bond Document or other document or Security;
 - (vi) **including** means including without limitation, and **includes** and **included** shall be construed accordingly;
 - (vii) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
 - (viii) a **Party** or any other person includes its successors in title, permitted assigns and permitted transferees;
 - (ix) a **person** includes any individual, company, corporation, unincorporated association or body (including a partnership, trust, fund, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
 - (x) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any person to which it applies is accustomed to comply) of any

governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

- (xi) a **successor** shall be construed so as to include an assignee or successor in title of such party and any person who under the laws of its jurisdiction of establishment, incorporation or domicile has assumed the rights and obligations of such party under this Agreement or to which, under such laws, such rights and obligations have been transferred;
 - (xii) a time of day is a reference to Manila time; and
 - (xiii) the **winding-up, dissolution** or **administration** of a company or corporation shall be construed so as to include any equivalent or analogous proceedings under the law of the jurisdiction in which such company or corporation is established or incorporated or any jurisdiction in which such company or corporation carries on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration, arrangement, adjustment, protection or relief of debtors.
- (b) Unless the contrary intention appears, a reference to a **month** or **months** is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
- (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);
 - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and
 - (iii) notwithstanding sub-Paragraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (c) The headings in this Agreement are provided for convenience only and do not affect the construction or interpretation of any provision of this Agreement.

2. GUARANTEE

2.1 Guarantee

- (a) Subject to the provisions of this Agreement, CGIF irrevocably and unconditionally guarantees to the Bondholders the full and punctual payment of each Bondholder Guaranteed Amount and irrevocably and unconditionally guarantees to the Bondholders' Representative the full and punctual payment of the Bondholders' Representative Expenses.
- (b) Subject to Subclauses (d) and (e) below, in this Agreement:
 - (i) **Bondholder Guaranteed Amount** means:
 - (A) any Principal Amount and any Scheduled Interest which is overdue and unpaid (whether in whole or in part) (after the expiry of any applicable grace periods) by the Issuer under the Bond Conditions; and
 - (B) any Additional Accrued Interest; and

(ii) **Guaranteed Amount** means:

- (A) any Bondholder Guaranteed Amount; and
- (B) any Bondholders' Representative Expenses which is overdue and unpaid (whether in whole or in part),

provided that a Demand is delivered in respect of any Guaranteed Amount in accordance with the terms of this Agreement.

- (c) For the avoidance of doubt, a Guaranteed Amount does not include any increased costs, tax-related indemnity, gross-up amounts, default interest, fees, or any other amounts other than any Principal Amount, any Scheduled Interest, any Additional Accrued Interest and any Bondholders' Representative Expenses payable by the Issuer to the Bondholders' Representative or any Bondholders.
- (d) A Guaranteed Amount does not and shall not include any Principal Amount or any Scheduled Interest which is payable or could become payable under or in respect of any Bonds purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity or the Issuer (or any person acting on the instructions or directions of the Issuer).
- (e) The Guaranteed Amount shall cover coupon and principal payments in KHR under the Bonds with all payments made or to be made shall be settled in USD at the exchange rate calculated by taking the arithmetic mean of the official KHR/USD exchange rate published by the National Bank of Cambodia one each of the 6th Business Day to the 2nd Business Day prior to the date on which subscription for the Bonds commence.
- (f) If any of the Bonds become payable on an accelerated basis:
 - (i) as a result of:
 - (A) CGIF exercising its rights pursuant to Clause 5.4 (CGIF Acceleration); or
 - (B) the Bondholders' Representative being entitled to declare that the Bonds are payable on an accelerated basis in accordance with its right to do so under Clause 5.2 (Bondholders' Representative Acceleration),

CGIF will pay the Guaranteed Amount in accordance with Clauses 5.2 (Bondholders' Representative Acceleration) and 5.4 (CGIF Acceleration); and

- (ii) at the instigation of the Issuer, including, without limitation, as a result of the Issuer's voluntary redemption of the Bonds (whether in full or in part) prior to the Bond Maturity Date, CGIF will not have any obligation under this Agreement nor under any other Bond Document to pay any such amounts that have become due and payable in this manner and, for the avoidance of doubt, such amounts will not form part of the Guaranteed Amount.

2.2 Term of the Guarantee

- (a) The Guarantee shall be effective as of the first date on which both:
 - (i) the Issue Date has taken place; and
 - (ii) CGIF has issued the CGIF Certificate.

- (b) Subject to Paragraph (c) below and Clauses 2.7 (Reinstatement) and 13 (Termination), the Guarantee will expire on the earlier of:
- (i) the date on which all Guaranteed Amounts have been paid, repaid or prepaid in full, or the payment obligations of the Issuer in respect of all Guaranteed Amounts have been otherwise discharged or released pursuant to the Bond Documents or any other arrangement between the Issuer, the Bondholders and the Bondholders' Representative;
 - (ii) the date of full redemption, prescription or cancellation of the Bonds by the Issuer;
 - (iii) the date on which all outstanding Bonds are held by one or more Issuer Related Entities;
 - (iv) in the event of an occurrence of a Non-Payment Event and no Bondholder Demand having been made within the relevant Bondholder Demand Period in accordance with this Agreement, the last day of a Bondholder Demand Period;
 - (v) the date on which the Bondholders' Representative takes an Acceleration Step other than in respect of a CGIF Non-Payment Event;
 - (vi) the date on which the Bonds become payable under the Bond Conditions on an accelerated basis at the instigation of the Issuer in accordance with the Bond Conditions; and
 - (vii) the effective date of any termination of this Guarantee pursuant to Clause 13 (Termination),
- (such period of effectiveness of the Guarantee being the **Guarantee Term**).
- (c) The Guarantee will remain effective where a Demand has been made in accordance with this Agreement and payment by CGIF has not yet been made to the Bondholders' Representative or the Bondholders (as the case may be).

2.3 Continuing guarantee

This Guarantee is a continuing guarantee and will extend to the ultimate balance of all Guaranteed Amounts payable by the Issuer under the Bond Documents and this Agreement, regardless of any intermediate payment or discharge in whole or in part or where the payment of a Guaranteed Amount has been made but further Guaranteed Amounts are still due and payable or where any Public Bonds are outstanding.

2.4 Limited recourse

Notwithstanding any other provisions of this Agreement, any other Guarantee Document or any Bond Document, the recourse of the Bondholders, the Bondholders' Representative and the Agent against CGIF under this Agreement, any other Guarantee Document and any Bond Document is limited solely to the CGIF Assets. Each of the Bondholders, the Bondholders' Representative and the Agent acknowledges and accepts that it only has recourse to the CGIF Assets and it has no recourse to any assets of the Asian Development Bank or any other contributors to CGIF. Any obligation of CGIF under this Agreement, any other Guarantee Document or any Bond Document shall not constitute an obligation of the Asian Development Bank or any other contributors to CGIF.

2.5 No personal liability of the Asian Development Bank or any other contributors to CGIF

Notwithstanding any other provisions of this Agreement, any other Guarantee Document or any Bond Document, neither the Asian Development Bank nor any other contributors to CGIF or the officers, employees or agents of the Asian Development Bank or any contributor to CGIF shall be subject to any personal liability whatsoever to any third party including the Bondholders, the Bondholders' Representative and the Agent in connection with the operation of CGIF or under this Agreement, any other Guarantee Document or any Bond Document. No action may be brought against the Asian Development Bank as the trustee of CGIF or as contributor to CGIF or against any other contributors to CGIF or any of their respective officers, employees or agents by any third party including the Bondholders, the Bondholders' Representative and the Agent in connection with this Agreement, any other Guarantee Document or any Bond Document.

2.6 Waiver of defences

The obligations of CGIF under this Agreement will not be affected by and shall remain in force notwithstanding any act, omission, event or thing of any kind which, but for this provision, would reduce, release or prejudice any of its obligations under this Agreement. This includes:

- (a) any time, waiver or any other concession or consent granted to, or composition with, any person;
- (b) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or Security over assets of, any person;
- (c) any failure to realise the full value of any Security;
- (d) any incapacity, or lack of power, authority or legal personality of any person;
- (e) any termination, amendment, modification, variation, novation, replacement, supplement, or superseding of or to a Bond Document or any other document or Security relating thereto, but only if the prior written consent of CGIF has been obtained;
- (f) any unenforceability, illegality or, invalidity of any obligation of any person under any Bond Document or any other document or Security relating thereto;
- (g) any insolvency or similar proceedings affecting CGIF or the Issuer; or
- (h) the replacement of the Bondholders' Representative as representative for and on behalf of the Bondholders.

2.7 Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Issuer and/or CGIF or any Security (if any) for those obligations or otherwise) is made in whole or in part in respect of a Guaranteed Amount on the basis of any payment, Security (if any) or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, then the liability of CGIF under Clauses 2 (Guarantee) and 3 (Payment under the Guarantee) will continue or be reinstated as if the discharge, release or arrangement had not occurred.

2.8 Additional Security

This Agreement is in addition to and is not in any way prejudiced by any Security (to the extent applicable, if any) in respect of the Issuer's obligations under the Bond Documents now or

subsequently held by the Bondholders or the Bondholders' Representative (or any trustee or agent on its behalf).

2.9 Pari Passu Ranking

Without limiting any other provision contained in this Agreement or any other Bond Documents, CGIF's payment obligations under this Agreement rank *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law (if any).

3. PAYMENT UNDER THE GUARANTEE

3.1 General

- (a) CGIF is only liable to pay a Guaranteed Amount under the Guarantee (and only in accordance with the terms and subject to the conditions of this Agreement) if and to the extent that the Bondholders' Representative delivers to CGIF a BHR Demand or a Bondholder delivers to CGIF a Bondholder Demand in respect of that Guaranteed Amount and such Demand complies with the requirements set out in this Clause 3.
- (b) The Bondholders' Representative may make a BHR Demand for payment of a Guaranteed Amount within the Demand Period following the occurrence of a Non-Payment Event.
- (c) If the Bondholders' Representative has failed to make a BHR Demand pursuant to Clause 3.1(b) above, then an Eligible Bondholder may make a Bondholder Demand for payment of a Guaranteed Amount within 10 Business Days after the expiry of the Demand Period in respect of that portion of the Guaranteed Amount that would have been paid to it by the Issuer had the Non-Payment Event not occurred only to the extent that a Demand has not been made in respect of that portion of the Guaranteed Amount.
- (d) The Bondholders' Representative and the Bondholders undertake to revoke a Demand by written notice to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received by the Bondholders' Representative or the Bondholders, as the case may be, in respect of a Guaranteed Amount prior to such date from a source other than CGIF.
- (e) Notwithstanding any term to the contrary, the Bondholders' Representative may not (and undertake not to) make a BHR Demand and no Bondholder may (and each Bondholder undertakes not to) make a Bondholder Demand in respect of any amount that is payable under or in respect of a Bond that is purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity.
- (f) Notwithstanding any other provisions of this Agreement, a Demand may only be made for payment of a Guaranteed Amount with respect to that Bond. Furthermore, if a Non-Payment Event occurs as a result of the Bonds becoming payable on an accelerated basis:
 - (i) a Demand may only be made in respect of that Non-Payment Event in accordance with Clause 5 (Acceleration of the Bonds) or Clause 5.2 (Bondholders' Representative Acceleration); and
 - (ii) no Demand may be made in respect of a Non-Payment Event where the relevant amount of principal or accrued interest became payable under the Bond Conditions on an accelerated basis at the instigation of the Issuer in accordance with the Bond Conditions, including, without limitation, as a result of the Issuer's voluntary

redemption of the Bonds (whether in full or in part) prior to the Bond Maturity Date (other than in accordance with Clause 9.1.1 (Partial Redemption Date) of the Bond Conditions).

- (g) CGIF agrees that the Bondholders and the Bondholders' Representative is not required to proceed against, enforce any other rights or Security (if any), or claim payment from any person before claiming from CGIF under this Agreement, irrespective of any law or any provision of any Bond Document to the contrary, provided that CGIF shall only be required to make payments to the Bondholders or the Bondholders' Representative in accordance with the terms of this Agreement and the Bond Conditions.
- (h) The Parties irrevocably and unconditionally agree that CGIF's obligation to make a payment in respect of any Guaranteed Amount under the Guarantee shall be discharged in full if CGIF makes a payment to the Bondholders and, in case such Guaranteed Amount includes any Bondholders' Representative Expenses, the Bondholders' Representative of an aggregate amount equal to the Guaranteed Amount in accordance with this Agreement, and the Bondholders shall not make a Bondholder Demand in respect of any sum that forms part of a Guaranteed Amount for which the Bondholders' Representative has already made a proper and valid BHR Demand.

3.2 Form and procedure of making a Demand under this Agreement

- (a) Following the occurrence of a Non-Payment Event, the Bondholders' Representative will, in accordance with such procedures as may be set out in the Bondholders' Representative Agreement, as soon as becoming aware of the occurrence of a Non-Payment Event in any event within the Demand Period, deliver to CGIF (with a copy to the Issuer, the Agent and each Bondholder) a BHR Demand and any other information reasonably required by CGIF in connection with the Non-Payment Event to the extent available.
- (b) Following the receipt by CGIF of a BHR Demand in accordance with Subclause (a) above and at any time prior to the date on which a Guaranteed Amount is due for payment:
 - (i) if the Bondholders' Representative subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders' Representative shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer);
 - (ii) if the Agent subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Agent shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer); and
 - (iii) if the Bondholders subsequently receive payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer).
- (c) Upon receipt of a notice referred to in Subclause (b) above, the obligation of CGIF to pay the Guaranteed Amount specified in the relevant BHR Demand shall, in respect of any payment received in part, be reduced by the corresponding amount received by the Agent, the Bondholders' Representative or the Bondholders, and in respect of any payment received in full, be terminated.
- (d) Each BHR Demand must comply with the following:

- (i) each BHR Demand must (i) be substantially in the form set out in Schedule 3 (Form of BHR Demand); (ii) set out the basis of the relevant notice including details of the calculation of the Guaranteed Amount; and (iii) include all relevant evidence, information and documentation in support of the BHR Demand as is reasonably necessary to evidence in reasonable detail the occurrence of the Non-Payment Event, the amounts unpaid and the payment due from CGIF in respect of the relevant Guaranteed Amount;
 - (ii) no BHR Demand may include any portion of a Guaranteed Amount that is or was the subject of another Demand; and
 - (iii) if a BHR Demand is not on its face correct, properly completed, executed or delivered, or is not supported by the necessary evidence or other information or documentation referred to in paragraph (i) above, CGIF (acting reasonably) may notify the Bondholders' Representative if it considers this to be the case, and advise the Bondholders' Representative of its requirements, and the Bondholders' Representative shall promptly, and in any case within ten (10) Business Days of the occurrence of such Non-Payment Event, submit a new BHR Demand to CGIF in accordance with the procedures set out in this Clause 3.2.
- (e) If the Bondholders' Representative fails to make a valid and proper BHR Demand in accordance with this Clause 3, any Eligible Bondholder may make a Bondholder Demand within the Bondholder Demand Period in respect of that portion of the Guaranteed Amount that would have been paid to it by the Issuer had the Non-Payment Event not occurred to the extent that it has not received payment in respect of that portion of the Guaranteed Amount. Such Bondholder Demand shall be delivered to CGIF (with a copy to the Issuer and the Bondholders' Representative). For the avoidance of doubt, no Bondholder may make a Bondholder Demand in respect of any Bonds purchased, repurchased or otherwise held, either legally or beneficially, by any Issuer Related Entity.
- (f) Following the receipt by CGIF of a Bondholder Demand in accordance with Subclause (e) above and at any time prior to the date on which a Guaranteed Amount is due for payment:
 - (i) if that Bondholder subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, that Bondholder shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer);
 - (ii) if the Bondholders' Representative subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Bondholders' Representative shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer); and
 - (iii) if the Agent subsequently receives payment in full or in part in respect of a Guaranteed Amount from a source other than CGIF, the Agent shall promptly, and in any event no later than two (2) Business Days following such receipt, notify CGIF (with a copy to the Issuer).
- (g) Upon receipt of the notice referred to in Subclause (f) above, the obligation of CGIF to pay the Guaranteed Amount specified in the relevant Bondholder Demand shall, in respect of any payment received in part, be reduced by the corresponding amount received by that Bondholder, the Agent and/or the Bondholders' Representative, and in respect of any payment received in full, be terminated.

- (h) No Bondholder may make a Bondholder Demand unless the Bondholder Demand complies with the following provisions:
- (i) such Bondholder Demand must (i) be substantially in the form set out in Schedule 4 (Form of Bondholder Demand); (ii) set out the basis of the relevant notice including details of the calculation of the Guaranteed Amount owing to that Bondholder (iii) include all relevant evidence, information and documentation in support of the Bondholder Demand as is reasonably necessary to evidence in reasonable detail the occurrence of the Non-Payment Event, the amounts unpaid and the payment due from CGIF in respect of the Guaranteed Amount owing to that Bondholder, the identity of the Bondholder, the number of Bonds held by that Bondholder and any other information as may be required by CGIF;
 - (ii) such Bondholder Demand shall not include any portion of a Guaranteed Amount that is or was the subject of another Demand; and
 - (iii) if a Bondholder Demand is not on its face correct, properly completed, executed or delivered, or is not supported by the necessary evidence or other information or documentation referred to in paragraph (i) above, CGIF (acting reasonably) may notify that Bondholder if it considers this to be the case, and advise the Bondholder of its requirements, and that Bondholder shall promptly, and in any case within the Bondholder Demand Period, submit a new Bondholder Demand to CGIF in accordance with the procedures set out in this Clause 3.2.

3.3 Payment of a Demand

- (a) Subject to Clauses 2.1 (Guarantee), 5.2 (Bondholders' Representative Acceleration) and 5.4 (CGIF Acceleration), CGIF will, in accordance with Clause 8 (Payments):
- (i) within thirty (30) Business Days of the receipt of a BHR Demand, pay directly to the Bondholders the Guaranteed Amount, which is the subject of the BHR Demand received by CGIF, that remains unpaid as at the Guarantor Payment Date; or
 - (ii) within thirty (30) Business Days after the expiry of the Bondholder Demand Period, pay directly to the Bondholders, that portion of the Guaranteed Amount which is the subject of a Bondholder Demand received by CGIF from that Bondholder which remains unpaid as at the Guarantor Payment Date.
- (b) Following receipt of any Guaranteed Amount paid by CGIF pursuant to a Demand, the Bondholders' Representative and/or the Bondholders, as the case may be, shall promptly notify the Issuer and CGIF that such payment has been received.

3.4 Guarantor Default Interest

- (a) If CGIF fails to make a payment in accordance with Clause 3.3 (Payment of a Demand), CGIF will pay interest at the Guarantor Default Rate on the Guaranteed Amount which is the subject of the Demand received by CGIF or any part thereof which remains unpaid (excluding the Bondholders' Representative Expenses) for the period from (and including) the Guarantor Payment Due Date for the Guaranteed Amount to (but excluding) the Guarantor Payment Date of the Guaranteed Amount (or the relevant part thereof) (a **Guarantor Default Interest Amount**).

- (b) For the avoidance of doubt, CGIF shall not pay any Guarantor Default Interest Amount on any amounts that become payable pursuant to the delivery of a Bondholders' Representative Acceleration or a CGIF Acceleration.

4. SUBROGATION AND TRANSFERS

4.1 Subrogation

- (a) Notwithstanding any provision to the contrary in any Bond Document, immediately upon the payment by CGIF under this Agreement of all or any part of the Guaranteed Amount in accordance with this Agreement (a **Paid Guaranteed Amount**), CGIF shall be:
 - (i) subrogated to and may direct the exercise of:
 - (A) all of the rights, powers and remedies of the Bondholders' Representative, on behalf of the Bondholders and of the Bondholders themselves, in respect of the Bonds and each Bond Document (in each case, to the extent relating and proportionate to that Paid Guaranteed Amount), against any relevant person, including (and to the extent relating and proportionate to that Paid Guaranteed Amount), any rights or claims, whether accrued, contingent or otherwise; and
 - (B) all of the Bondholders' Representative's and the Bondholders' privileges, rights and security against the Issuer or with respect to the Public Bonds insofar as they extend to an amount equal to that Paid Guaranteed Amount;
 - (ii) entitled to direct the Bondholders' Representative and/or the Bondholders to take action in the name of the Bondholders' Representative or the Bondholders, as the case may be, to enforce any rights of the Bondholders' Representative and/or the Bondholders against any person in relation to that Paid Guaranteed Amount.
- (b) The Bondholders' Representative must, at its own expense, execute such instruments or documents and take such other actions as CGIF may require to give effect to, facilitate or evidence the subrogation referred to in this Clause 4 and to perfect the rights of CGIF to receive such amounts equal to the Paid Guaranteed Amount under the Bond Documents.
- (c) For the avoidance of doubt, no Bondholder shall be obliged to transfer or assign any rights or any legal title in the Public Bonds, except to the extent that it has received payment of any amounts from CGIF in respect thereof.

4.2 Transfer

- (a) Notwithstanding any provision to the contrary in any Bond Document, upon payment by CGIF of a Paid Guaranteed Amount, the Bondholders' Representative, the Agent and the Bondholders shall, at the written request of CGIF and in consideration of such payment:
 - (i) transfer and assign, free from any Security, to CGIF all its rights:
 - (A) under the Bond Documents; and
 - (B) in respect of any Security securing the Bonds (if any) or any other amounts payable under the Bond Documents (including any right, title and interest to any asset which has arisen as a result of enforcement of such Security, if any),
- insofar as those rights relate and are proportionate to that Paid Guaranteed Amount; and

- (ii) execute such instruments or documents and take such other actions as necessary for CGIF to give effect to, facilitate or evidence the transfer and assignment referred to in this Clause 4 and to perfect the rights of CGIF to receive such amounts equal to the Paid Guaranteed Amount under the Bond Documents.
- (b) The Bondholders, the Agent and the Bondholders' Representative shall not, and shall take reasonable steps to ensure that the Issuer does not, do anything that could lessen or impair any of the rights referred to in subparagraph (a)(i) above, CGIF's rights of subrogation or any other right of CGIF to recover any amount equal to the Paid Guaranteed Amount.

5. ACCELERATION OF THE BONDS

5.1 Acceleration Step

The Bondholders' Representative and the Bondholders agrees with, and undertakes in favour of, CGIF that, notwithstanding any term of the Bond Documents to the contrary, it shall not:

- (a) take any step to declare any Bond to be or become immediately due and payable, or payable on an accelerated basis under the Bond Documents; or
- (b) take any enforcement or similar action in relation to any Security (if any) in respect of the Bonds,

(each an **Acceleration Step**), for so long as CGIF continues to make payment of the Guaranteed Amount in accordance with the terms of this Agreement, other than in accordance with Clause 5.2 (Bondholders' Representative Acceleration).

5.2 Bondholders' Representative Acceleration

The Bondholders' Representative may, on behalf of the Bondholders and subject to the terms of the Bond Documents, take an Acceleration Step if:

- (a) a Non-Payment Event has occurred and is continuing and a BHR Demand has been properly delivered to CGIF (within the Demand Period) in accordance with this Agreement in respect of the relevant Guaranteed Amount and not paid by CGIF by the applicable due date in accordance with the terms of this Agreement (a **CGIF Non-Payment Event**); or
- (b) a Bond Event of Default occurs (other than pursuant to Clause 11.1.1 (Non-Payment) of the Bond Conditions) and the requirements of Clause 11.5 (The Bondholders' Representative Acceleration Following the Occurrence of the Event of Default other than Clause 11.1.1 (Non-Payment)) of the Bond Conditions have been fulfilled,

(in each case, a **Bondholders' Representative Acceleration**).

5.3 Demand upon a Bondholders' Representative Acceleration

- (a) Upon the occurrence of a Bondholders' Representative Acceleration which is continuing pursuant to Clause 5.2(a), the Bondholders' Representative may deliver in accordance with this Agreement a Demand (where no Demand Period is applicable) in respect of the aggregate of the Guaranteed Amounts and the Guarantor Default Interest Amount (if any) to be paid by CGIF in accordance with this Agreement.
- (b) Upon the occurrence of a Bondholders' Representative Acceleration which is continuing pursuant to Clause 5.2(b), the Bondholders' Representative and the Bondholders shall have no right to deliver a Demand in respect of the Guaranteed Amounts to be paid by CGIF in

accordance with this Agreement and CGIF shall have no further obligation to pay any Guaranteed Amount.

5.4 CGIF Acceleration

- (a) At any time after (A) the occurrence of an Issuer Event of Default or (B) the receipt by CGIF of a Demand under this Agreement (regardless of whether or not CGIF has made payment in accordance with such Demand), CGIF may, in its absolute discretion, deliver a CGIF Acceleration Notice to the Issuer and the Bondholders' Representative:
 - (i) declaring the Bonds to be immediately due and payable under the Bond Documents on a specified date (which must be no later than ten (10) Business Days from the date the CGIF Acceleration Notice is delivered by CGIF to the Issuer and the Bondholders' Representative pursuant to this Clause 5.4 (such date, the **Acceleration Due Date**)); and
 - (ii) confirming that it will pay all Guaranteed Amounts on or before the Acceleration Due Date,

(a **CGIF Acceleration**). The Parties agree that any such notice shall take effect in accordance with its terms.
- (b) The Parties also agree that CGIF may, in its absolute discretion, cancel and withdraw any CGIF Acceleration Notice at any time prior to the Bonds and/or amounts owing under the Bond Documents being redeemed or paid in full.

6. RECOVERIES

- (a) If, at any time after the delivery of a Demand to CGIF but before a payment by CGIF of the Guaranteed Amount relating to that Demand, the Agent, the Bondholders' Representative and/or the Bondholders recover any money or asset from the Issuer or any other person in respect of any Guaranteed Amount relating to that Demand (the **Recovered Amount**), the Agent, the Bondholders' Representative (if it becomes aware of the payment of any Recovered Amount) and the Bondholders shall promptly, and in any event no later than two (2) Business Days following such recovery, provide details of the recovery to CGIF (with a copy to the Issuer and the Agent, if applicable) and the Bondholders' Representative and/or the Bondholders, as the case may be, shall withdraw and revoke such Demand to the extent of an amount equal to such Recovered Amount.
- (b) If, at any time after payment by CGIF of a Guaranteed Amount relating to a Demand, the Agent, the Bondholders' Representative and/or the Bondholders recover a Recovered Amount, the Agent, the Bondholders' Representative and the Bondholders must as soon as reasonably practicable provide details of the recovery to CGIF (with a copy to the Issuer), and the Agent, the Bondholders' Representative and the Bondholders, as the case may be, shall pay to CGIF an amount equal to such Recovered Amount, together with all expenses, charges, Tax and fees incurred by CGIF (as determined by CGIF, acting reasonably) for the recovery of that amount.
- (c) Following payment by CGIF of any Paid Guaranteed Amount, if CGIF discovers that the Bondholders' Representative or the Bondholders, as the case may be, had no right to receive a payment of the relevant Guaranteed Amount (or any portion thereof) to which such Paid Guaranteed Amount relates, CGIF shall be entitled, upon notice to the Bondholders' Representative and the Issuer, to recover from the Bondholders' Representative or the Bondholders, as the case may be, the relevant payment (or the relevant portion thereof)

together with all expenses, charges, Tax and fees incurred by CGIF in relation to the return of the relevant payment to the extent that the Bondholders' Representative still holds such amounts itself or to its order (and provided only that it has the ability to direct the relevant amounts).

- (d) To the extent any part of a Guaranteed Amount has been recovered from any source, the Bondholders' Representative and the Bondholders shall not seek to recover such amounts from CGIF under this Agreement.

7. TAXES

- (a) If CGIF is required by law to make a Tax Deduction in respect of a payment to be made by it under this Agreement (the **Relevant Payment**), CGIF may make the Relevant Payment with such Tax Deduction and is not required to make any increased payment in respect of the Relevant Payment.
- (b) If CGIF is aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Bondholders' Representative.
- (c) If CGIF is required to make a Tax Deduction, it must make the minimum Tax Deduction allowed by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (d) Nothing in this Clause 7 shall be considered to constitute a waiver of the privileges, immunities and exemptions applicable to CGIF, the Asian Development Bank or any contributors to CGIF pursuant to the Articles of Agreement.

8. PAYMENTS

8.1 Payment by CGIF and other Parties

- (a) CGIF shall make a payment under the Guarantee only:
 - (i) if the requirements of Clause 3 (Payment under the Guarantee) have been fully satisfied, and
 - (ii) after the Agent, the Bondholders' Representative, or any Eligible Bondholder, as the case may be, has notified CGIF in writing promptly, but in any event within the Demand Period or Bondholder Demand Period, respectively, that a Non-Payment Event has occurred.
- (b) CGIF shall make all payments under this Agreement directly to each Bondholder in respect of the Bonds to the bank account specified for such Bondholder in the Bondholders' Book, except for any Bondholders' Representative Expenses that form part of a Guaranteed Amount for which the Bondholders' Representative has made a valid BHR Demand which shall be payable to the Bondholders' Representative to the bank account specified by the Bondholders' Representative in the BHR Demand. All costs and expenses associated with CGIF making payments under this Clause 8.1(b) are to be borne by the Bondholders.
- (c) CGIF shall be entitled to rely upon and make a payment to a Bondholder's account (the details of which are set out in the Bondholders' Book as such Bondholders' Book may be updated and provided to CGIF by the Agent from time to time) and a payment made by CGIF to the Bondholder's account shall be binding on all the Parties, and CGIF shall have no liability whatsoever to any Party if CGIF makes a payment to the Bondholder's account that is specified in the Bondholders' Book most recently provided to CGIF.

- (d) A payment by CGIF of a Paid Guaranteed Amount or a payment by CGIF under this Agreement of all or any part of the Guarantor Default Interest Amount pursuant to a Demand in accordance with this Agreement will discharge the payment obligations of CGIF under this Agreement to the extent of such payment.
- (e) All payments to be made by a Party under this Agreement must be made on the due date for payment in immediately available funds and, in the case of a Bondholder, to such account as set out in the Bondholders' Book and, in the case of each other Party, to such account to be notified by the receiving Party to the other Party at least five (5) Business Days prior to the relevant due date for payment.

8.2 Currency

Subject to Clause 2.1(e) (Guarantee), all payments to be made by a Party under this Agreement must be made, unless otherwise specified in this Agreement, in the currency in which the amounts are incurred in relation to costs, fees, expenses, liabilities and other indemnities.

8.3 Certificates and determinations

Any certification, determination or notification by a Party of a rate or amount made pursuant to the terms of this Agreement will be, in the absence of manifest error, conclusive evidence of the matters to which it relates.

8.4 Business Days

If a payment under this Agreement is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not) or whatever day CGIF reasonably determines is market practice.

9. UNDERTAKINGS

9.1 No amendment to Bond Documents

Unless with prior written consent of CGIF, the Bondholders' Representative and the Bondholders shall not:

- (a) amend, modify, vary, novate, replace, supplement, supersede, terminate, give any consent in relation to, or waive any breach or proposed breach of, any term of a Bond Document; or
- (b) take, or omit to take, any action that would lessen or impair any right of the Bondholders' Representative, the Agent or CGIF under any Bond Document.

9.2 Compliance with Bond Documents

Each of the Bondholders' Representative, the Agent and the Bondholders shall comply in all respects with the terms of, and perform all of its obligations under, each Bond Document to which it is a party.

9.3 Notification of default

The Bondholders' Representative, the Agent and the Bondholders shall notify CGIF of any Bond Event of Default promptly upon becoming aware of its occurrence or being notified by the Issuer or any other related party.

9.4 Information: miscellaneous

- (a) The Bondholders' Representative must supply to CGIF:
 - (i) promptly upon receipt, all documents dispatched or information disclosed by the Issuer to it or the Bondholders generally under the Bond Documents;
 - (ii) all documents (including, without limitation, any notice, request or certificate) dispatched or issued by the Bondholders' Representative to the Issuer in accordance with the Bond Documents or otherwise in connection with the Bonds at the same time as they are dispatched or issued; and
 - (iii) a copy of any default notice delivered by the Bondholders' Representative to the Issuer under Clause 11.3 (Acceleration Step under the CGIF Guarantee) of the Bond Conditions.
- (b) The Agent must supply to CGIF:
 - (i) a copy of the duly completed Bondholders' Book within five (5) Business Days of the Bond Issue Date;
 - (ii) a copy of the duly completed Bondholders' Book within five (5) Business Days of each time the Bondholders' Book is updated;
 - (iii) the following details, at least one (1) Business Day prior to each Bond Interest Payment Date and the Bond Maturity Date:
 - (A) the details of each Bondholder;
 - (B) the amount that each Bondholder is entitled to receive on a Bond Interest Payment Date; and
 - (C) the details of the bank account of each Bondholder;
 - (iv) the following details, at least five (5) Business Days after each Bond Interest Payment Date and the Bond Maturity Date:
 - (A) the details of each Bondholder;
 - (B) the amount that each Bondholder has received on the Bond Interest Payment Date and the Bond Maturity Date; and
 - (C) the details of the bank account of each Bondholder; and
 - (v) written notice that a Non-Payment Event has occurred and is continuing within twenty (20) Business Days of the occurrence of such Non-Payment Event.

10. AMENDMENTS AND WAIVERS

10.1 Amendments

Any term of this Agreement may be amended or waived with the written agreement of the Parties and the Issuer.

10.2 Waivers and remedies cumulative

- (a) The rights and remedies of each Party under this Agreement:
 - (i) may be exercised as often as necessary;
 - (ii) are cumulative and not exclusive of its rights and remedies under the general law; and
 - (iii) may be waived only in writing and specifically.
- (b) No delay in exercising or non-exercise by a Party of any right or remedy under this Agreement shall operate as a waiver of that right or remedy, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy other than where any rights (including, without limitation, the right to require payment of any Guaranteed Amount) are to be exercised in accordance with specified requirements under this Agreement.

11. ASSIGNMENT OR TRANSFER

No Party may assign or transfer any of its rights and obligations under this Agreement without the prior consent of the other Party except that CGIF may assign or transfer any of its rights and benefits under this Agreement (including its right of subrogation) to any person without the prior written consent of the Bondholders' Representative, the Bondholders or any other person.

12. CHANGES TO BONDHOLDERS

12.1 Transfers by the Bondholders

Subject to the other provisions of this Clause 12, a Bondholder (a **Transferring Bondholder**) may transfer by novation any of its rights and obligations, under this Agreement to another person (a **New Bondholder**) provided and on the condition that the Transferring Bondholder and the New Bondholder comply with the requirements set out in the Bond Conditions (including Clause 4 (Transfers of Bonds) of the Bond Conditions).

12.2 Limitation of responsibility of Transferring Bondholders

- (a) Unless expressly agreed to the contrary, a Transferring Bondholder and CGIF make no representation or warranty and assumes no responsibility to a New Bondholder for:
 - (i) the legality, validity, effectiveness, adequacy or enforceability of the Bond Documents or any other documents;
 - (ii) the financial condition of the Issuer;
 - (iii) the performance and observance by the Issuer of its obligations under the Bond Documents or any other documents; or
 - (iv) the accuracy of any statements (whether written or oral) made in or in connection with any Bond Document or any other document,and any representations or warranties implied by law are excluded.
- (b) Each New Bondholder confirms to a Transferring Bondholder, CGIF and the other Parties that it:

- (i) has made (and must continue to make) its own independent investigation and assessment of the financial condition and affairs of the Issuer and its related entities (including the nature and extent of any recourse against any Party or its assets) in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Transferring Bondholder in connection with any Bond Document or Guarantee Document; and
 - (ii) will continue to make its own independent appraisal of the creditworthiness of the Issuer and its related entities whilst any amount is or may be outstanding under the Bond Documents.
- (c) Nothing in any Bond Document or this Agreement obliges a Transferring Bondholder to:
- (i) accept a re-transfer or re-assignment from a New Bondholder of any of the rights and obligations assigned or transferred under this Clause 12; or
 - (ii) support any losses directly or indirectly incurred by the New Bondholder by reason of the non-performance by the Issuer of its obligations under the Bond Documents or otherwise.

12.3 Procedure for transfer

- (a) A transfer of rights and obligations under this Agreement by the Transferring Bondholder to a New Bondholder, and an accession by a New Bondholder to this Agreement, shall be effected by the delivery to CGIF of a duly completed Bondholder Accession Instrument (with a copy to the Issuer). Such transfer and any such accession shall be binding on each of the other Parties to this Agreement on and from the Transfer Date without any further action required on their part. As soon as practicable but in any event within five (5) Business Days of receipt of a Bondholder Accession Instrument from the Agent, CGIF shall deliver, or cause to be delivered, a written acknowledgement of the same to the Agent.
- (b) On the Transfer Date:
 - (i) to the extent that the relevant Transferring Bondholder seeks to transfer by novation its rights and obligations to a New Bondholder, under the Bond Documents, each of the Bondholders' Representative, CGIF, the Agent and the Transferring Bondholder will be released from further obligations towards one another under this Agreement and their respective rights against one another under this Agreement will be cancelled (being the **Discharged Rights and Obligations**);
 - (ii) each of the Bondholders' Representative, CGIF, the Agent and the New Bondholder will assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as the Bondholders' Representative, CGIF, the Agent and the New Bondholder have assumed and/or acquired the same in place of the Bondholders' Representative, CGIF, the Agent and the Transferring Bondholder;
 - (iii) the New Bondholder and other Bondholders will acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Bondholder been the Transferring Bondholder with the rights and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Transferring Bondholder will be released from further obligations under this Agreement; and

- (iv) the New Bondholder will become a party to this Agreement as a **Bondholder**.

13. TERMINATION

- (a) Except as otherwise provided in Clause 2.4 (Limited recourse), Clause 2.5 (No personal liability of the Asian Development Bank or any other contributors to CGIF), Clause 4 (Subrogation and transfers), Clause 19 (Governing law), Clause 20 (Dispute resolution) and Clause 22 (ADB and CGIF Immunities), all rights and obligations of each Party will cease and expire on the last day of the Guarantee Term.
- (b) Termination or expiry of the Guarantee pursuant to the terms of this Agreement is without prejudice to the rights of any Party which have accrued prior to such termination or expiry, whether arising under this Agreement, at law or otherwise.
- (c) CGIF may terminate this Agreement with immediate effect if:
- (i) any term of a Bond Document has been amended, modified, varied, novated, replaced, supplemented, superseded or terminated, or the breach or proposed breach of which is or has been waived without the prior written consent of CGIF;
 - (ii) the Bondholders' Representative is in breach of its undertaking in Clause 5.1(a) (Acceleration Step) or the Bondholders take an Acceleration Step (in accordance with any Bond Document) in contravention of Clause 5.1(a) (Acceleration Step); or
 - (iii) CGIF issues a new guarantee on substantially similar terms as this Agreement in favour of the Bondholders and/or a replacement Bondholders' Representative who is appointed as such as a representative of the Bondholders, with prior notification to be provided to Bondholders and/or the Bondholder Representative of this action. For the avoidance of doubt, CGIF will not issue a new guarantee on terms that will materially impair the Bondholders' rights and benefits without first obtaining Bondholders' consent through the Bondholder Representative (or any replacement thereof).

14. SET-OFF

No Party may set off any obligation owed to it by the other Party under this Agreement against any obligation owed by it to that other Party.

15. SEVERABILITY

If a term of this Agreement is or becomes illegal, invalid or unenforceable in any respect under any jurisdiction, it shall not affect:

- (a) the legality, validity or enforceability in that jurisdiction of any other term of this Agreement; or
- (b) the legality, validity or enforceability in other jurisdictions of that or any other term of this Agreement.

16. COUNTERPARTS

This Agreement may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

17. NOTICES

17.1 In writing

- (a) Any communication in connection with this Agreement must be in writing, with a copy sent to the Issuer, and, unless otherwise stated, may be given:
 - (i) in person, by post or fax; or
 - (ii) to the extent agreed by the Parties making and receiving communication, by email or other electronic communication.
- (b) For the purpose of this Agreement, an electronic communication will be treated as being in writing.
- (c) Unless it is agreed to the contrary, any consent or agreement required under this Agreement must be given in writing.

17.2 Contact details

- (a) The contact details of CGIF for all notices in connection with this Agreement are:

Address: Asian Development Bank Building,
6 ADB Avenue, Mandaluyong City,
1550 Metro Manila, Philippines

Fax number: +632-8683-1377

Email: rmac.khr@cgif-abmi.org

Attention: CEO and Vice President, Operations
- (b) The contact details of the Bondholders' Representative for all notices in connection with this Agreement are:

Address: 5th floor, ACLEDA Building at #61, Preah Monivong Blvd
Sangkat Srah Chork, Khan Daun Penh, Phnom Penh
Kingdom of Cambodia

Telephone: +855(0)23 9999 66 / 23 9999 77 / 23 72 33 88

Email: simeth@acledasecurities.com.kh / sar.sreypech@acledasecurities.com.kh

Attention: Mr. Hor Simeth, VP & Head of Operations / Mrs. Sar Sreypech
Bondholders' Representative
- (c) The contact details of the Agent for all notices in connection with this Agreement are:

Address: #61, Preah Monivong Blvd
Sangkat Srah Chork, Khan Daun Penh, Phnom Penh
Kingdom of Cambodia

Telephone: (855) 23 998 777 / 430 999/ 015 600 738/ 015 800 881

Fax number: (855) 23 430 555

Email: siya.malida@acledabank.com.kh

Attention: Mr. Suos Ousaphea, SVP & Head of Legal Division /
Mr. Siya Malida, ASVP of Operation Division
- (d) The contact details of the Issuer for all notices in connection with this Agreement are:

Address: No. 27 E1, Street 134, Sangkat Mittakpheap, Khan 7 Makara, Phnom Penh,
the Kingdom of Cambodia

Telephone: +855(0)23 888 000
Email: saing.ngorn@rmagroup.net
Attention: Mr. NGORN Saing, CEO

- (e) The contact details of the Bondholders are as set out in the Bondholders' Book.
- (f) Any Party may change its contact details by giving five (5) Business Days' notice to the other Party.
- (g) Where a Party nominates a particular department or officer to receive a communication, a communication will not be effective if it fails to specify that department or officer.

17.3 Effectiveness

- (a) Except as provided below, any communication in connection with this Agreement will be deemed to be given as follows:
 - (i) if delivered in person, at the time of delivery;
 - (ii) if posted, when received;
 - (iii) if by fax, when received in legible form; and
 - (iv) if by e-mail or any other electronic communication, when received in legible form.
- (b) A communication given under Paragraph (a) above but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.

17.4 English Language

- (a) Any notice given in connection with this Agreement must be in English.
- (b) Any other document provided in connection with this Agreement must be:
 - (i) in English; or
 - (ii) in the language of the jurisdiction in which the Bonds are issued, accompanied by a certified English translation. In this case, the English translation prevails unless the document is a statutory or other publicly available official document.

18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

Unless expressly provided to the contrary in a Guarantee Document, a person who is not a party to a Guarantee Document may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 and, notwithstanding any term of any Guarantee Document, no consent of any third party is required for any amendment (including any release or compromise of any liability) or termination of any Guarantee Document. Notwithstanding the foregoing, the Asian Development Bank and other contributors to CGIF, and any of their respective officers, employees or agents may enforce Clauses 2.4 (Limited recourse), 2.5 (No personal liability of the Asian Development Bank or any other contributors to CGIF), 20.2 (Arbitration) and 22 (ADB and CGIF Immunities) of this Agreement.

19. GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by English law.

20. DISPUTE RESOLUTION

20.1 Governing Law

This Clause 20 and any non-contractual obligations arising out of or in connection with it shall be governed by English law.

20.2 Arbitration

- (a) Any dispute, claim, difference or controversy arising out of, relating to, or having any connection with this Agreement (which includes this Clause 20) or any Guarantee Document other than this Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination, or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with it (for the purpose of this Clause 20, a **Dispute**), shall be referred to and be finally resolved by arbitration administered by the Singapore International Arbitration Centre (**SIAC**) under the Arbitration Rules of the SIAC in force when the Notice of Arbitration is submitted (for the purpose of this Clause 20, the **Rules**).
- (b) The Parties further agree that following the commencement of arbitration, they will initially attempt in good faith to resolve the Dispute through mediation at the Singapore International Mediation Centre (**SIMC**), in accordance with the SIAC-SIMC Arb-Med-Arb Protocol (the **Protocol**) for the time being in force which shall last for a period not exceeding sixty-five (65) Business Days from the commencement of the mediation proceedings (the **Mediation Period**). Where a settlement has been reached between the Parties within the Mediation Period, such terms of settlement shall be referred to the arbitral tribunal and the arbitral tribunal may make a consent award on such agreed terms. In the absence of a settlement by the Parties within the Mediation Period, the Dispute shall revert back to arbitration pursuant to the Protocol. Unless otherwise agreed by the Parties, the arbitration shall resume by arbitrators who were not involved in the mediation process above.
- (c) The Rules and the Protocol are incorporated by reference into this Clause 20 and capitalised terms used in this Clause 20 (which are not otherwise defined in this Agreement or any Guarantee Document) shall have the meaning given to them in the Rules and the Protocol.
- (d) The number of arbitrators shall be three. The arbitrators nominated by the parties in accordance with the Rules shall jointly nominate the third arbitrator who, subject to appointment by the President of the Court of Arbitration of SIAC (the **President**), will act as president of the arbitral tribunal. If the third arbitrator is not chosen by the two arbitrators nominated by the parties within thirty (30) days of the date of appointment of the later of the two party-appointed arbitrators to be appointed, the third arbitrator shall be appointed by the President.
- (e) The seat or the legal place of arbitration shall be Singapore. All hearings shall take place in Singapore unless the arbitral tribunal in its absolute discretion decides that a different location will be appropriate.
- (f) Except as modified by the provisions of this Clause 20, the Rules and the Protocol, Part II of the International Arbitration Act (Cap. 143A) of Singapore shall apply to any arbitration

proceedings commenced under this Clause 20. Neither party shall be required to give general discovery of documents, but may be required only to produce specific, identified documents which are relevant to the Dispute.

- (g) The language used in the arbitral proceedings shall be English. All documents submitted in connection with the proceedings shall be in the English language, or, if in another language, accompanied by an English translation and in which case, the English translation shall prevail.
- (h) Service of any Notice of Arbitration made pursuant to this Clause 20 shall be made in accordance with the Rules and at the addresses given for the sending of notices under this Agreement at Clause 17 (Notices).
- (i) The arbitration award(s) rendered by the arbitral tribunal shall be final and binding on the parties. To the fullest extent permitted under any applicable law, the parties irrevocably exclude and agree not to exercise any right to refer points of law or to appeal to any court or other judicial authority.
- (j) The arbitral tribunal and any emergency arbitrator appointed in accordance with the Rules shall not be authorized to order, and each of the Bondholders, the Agent and the Bondholders' Representative agrees that it shall not seek from the arbitral tribunal or any judicial authority:
 - (i) any order of whatsoever nature against the Asian Development Bank and other contributors to CGIF, and any of their respective officers, employees or agents; or
 - (ii) any interim order to sell, attach, freeze or otherwise enforce against the CGIF Assets.
- (k) The Rules shall not prohibit CGIF from disclosing any information relating to any arbitral proceedings and/or arbitral award arising out of this Clause 20 to the board of directors of CGIF (the **CGIF Board**) as part of its approval process and portfolio administration, or to the Asian Development Bank or any other contributors to CGIF or any of their respective officers, employees, advisers, agents or representatives. The members of the CGIF Board may seek instructions from their constituents for the purpose of CGIF Board approval and portfolio administration and the Board documents and other relevant information may be distributed to any representatives of the relevant member countries of CGIF for the said purpose only, provided that such information and documents distributed by the CGIF Board insofar as they relate to any arbitral proceedings and/or arbitral award shall be clearly marked "CONFIDENTIAL".

21. DISCLOSURE OF INFORMATION

21.1 Confidential information

Except as disclosed under the offering circular dated on or about the date of this Agreement relating to the Bonds or as permitted or required under this Agreement, the Bond Documents, this Agreement and the terms thereof as well as any information relating any dispute arising therefrom are confidential (**Confidential Information**) and each Party agrees that it will not, without the prior consent of the other Parties, disclose the contents of this Agreement or any Bond Document or its existence to any other person, except where such information is:

- (a) publicly available (including, without limitation, through disclosure made in a Bond Document), other than as a result of a breach of this Clause 21;

- (b) required to be disclosed by law, regulation or any Government Agency;
- (c) required in connection with any legal or arbitration proceedings;
- (d) disclosed to its auditors and any rating agency provided that such auditor and rating agency shall be informed of its confidential nature and that some or all of such information may be price-sensitive information;
- (e) disclosed to any Bondholder, its officers, employees, advisers, agents and representatives by the Bondholders' Representative, provided and on the condition that the Bondholders' Representative procures that the person receiving such confidential information is also bound by the provisions of this Clause 21 (Disclosure of Information); or
- (f) disclosed to its Affiliates, its and its Affiliates' respective officers, employees, advisers, agents and representatives who, in any such case, have reasonably required to know such information, provided that such person shall be made aware of and agree to be bound by the confidentiality obligations under this Paragraph prior to such information being disclosed to it.

21.2 Disclosure by CGIF

This Clause 21 (Disclosure of Information) does not prohibit the disclosure by CGIF of any information deemed confidential under this Clause 21 (Disclosure of Information) which is circulated to the CGIF Board as part of CGIF's approval process and portfolio administration, or to the Asian Development Bank or any other contributors to CGIF or any of their respective officers, employees, advisers, agents and representatives. The members of CGIF Board may seek instructions from their constituents and the Bond Documents, Guarantee Documents and other relevant information may be distributed to representatives of the contributors to CGIF.

22. ADB AND CGIF IMMUNITIES

Nothing in this Agreement, any other Guarantee Document or any Bond Document or any agreement, understanding or communication relating to this Agreement (whether before or after the date of this Agreement), shall constitute or be construed as an express or implied waiver, renunciation, exclusion or limitation of any of the immunities, privileges or exemptions accorded to the Asian Development Bank under the Agreement Establishing the Asian Development Bank, any other international convention or any applicable law, or accorded to CGIF under the Articles of Agreement.

THIS AGREEMENT has been executed as a deed by the Parties hereto and is intended to be and is hereby delivered on the date first written above.

SCHEDULE 1
LIST OF BONDHOLDERS

#	NAME OF PERSON OR FINANCIAL INSTITUTION	NUMBER OF BONDS HELD	PRINCIPAL AMOUNT OF BONDS HELD
1.			
2.			
3.			

SCHEDULE 2

FORM OF CGIF CERTIFICATE

To: ACLEDA Securities Plc. in its capacity as the bondholders' representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

From: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (**CGIF**)

Copy: ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Date: _____

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Reimbursement and Indemnity Agreement dated [●] (the Indemnity Agreement) between, amongst others, the Issuer and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

I refer to the Indemnity Agreement and the guarantee agreement dated [*insert date*] between CGIF and the Bondholders' Representative (the **Guarantee Agreement**).

I am a duly authorised officer of CGIF. I am authorised to give this certificate and certify that CGIF has received (or waived receipt of) all of the documents and evidence set out in schedule 2 (*Conditions Precedent*) to the Indemnity Agreement in form and substance satisfactory to CGIF.

This also serves as notification to the Bondholders' Representative in accordance with Clause 2.2 (*Term of the Guarantee*) of the Guarantee Agreement that the guarantee pursuant to the Guarantee Agreement is in effect, subject to the issuance of the Bonds, and to the Issuer that CGIF has no objection to the issuance of the Bonds.

Unless we notify you to the contrary in writing, you may assume that this certificate remains true and correct.

This certificate, and any non-contractual obligations arising out of or in connection to it, should be governed by and construed in accordance with English law.

For **CREDIT GUARANTEE AND INVESTMENT FACILITY,**
a trust fund of the Asian Development Bank

Name:

Title:

SCHEDULE 3

FORM OF BHR DEMAND

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (CGIF)

From: ACLEDA Securities Plc. in its capacity as the bondholders' representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Copy: ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

Copy: Each Bondholder specified in the Schedule to this Demand (the **Bondholders**)

Date:

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between the Bondholders' Representative, the Agent, the Bondholders and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We, as the Bondholders' Representative, hereby certify as follows:

1. A Non-Payment Event occurred on *[insert date]*.
2. An amount of *[insert aggregate amount]* was due on *[insert due date]* under the Bond Conditions and remains unpaid as of the date hereof. The unpaid amount(s) comprise(s):
 - (a) Principal Amount in an amount of *[insert the amount of principal overdue]*; and / or
 - (b) Scheduled Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations].

In addition, the following amounts are payable under the Guarantee:

- (c) Additional Accrued Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations]; and/or
- (d) Bondholders' Representative Expenses in an amount of *[insert the amount of Bondholders' Representative Expenses]*, incurred in relation to (with attached documentary evidence):

[Specify]

3. We therefore demand payment of the Guaranteed Amount, calculated as follows:
- (a) [Specify unpaid Principal Amount and Scheduled Interest and Bondholders' Representative Expenses]; and
 - (b) up to a maximum amount of [insert maximum amount] of Additional Accrued Interest.
4. [CGIF failed to make a payment in accordance with Clause 3.3 of the Guarantee, we therefore demand payment of the Guarantor Default Interest Amount:
- (a) [insert amount], for the period from (and including) the original due date for the Guaranteed Amount to (but excluding) the date of this Demand:

[Specify calculations];

plus
 - (b) the Guarantor Default Interest Amount for the period from (and including) the date of this Demand to (but excluding) the date of actual payment by CGIF.]

OR

[CGIF did not fail to make a payment in accordance with Clause 3.3 of the Guarantee, we therefore do not demand payment of the Guarantor Default Interest Amount]

5. In addition to the Guaranteed Amount and Guarantor Default Interest Amount referred to above, the following amount(s) is/are also due and unpaid as of the date hereto in respect of the Bonds, however, do(es) not constitute the Guaranteed Amount or the Guarantor Default Interest Amount and is/are not payable by CGIF:

[Specify]

6. We enclose the following evidence, information and documentation in support of the information contained in this Demand:

[Specify evidence, information and documentation]

Please make payment of the amounts referred to in paragraph 2(a), (b), and (c) of this Demand to the bank account of the Bondholders, the details of which are set out in the most recent copy of the Bondholders' Book as provided to CGIF by the Agent in accordance with the Guarantee.

Please make payment of the Bondholders' Representative Expenses, the details of which are set out in paragraph 2(d) of this Demand, to the following account:

Bank Name : [•]
Bank Swift : [•]
Beneficiary Name : [•]
Account Number : [•]

A Demand may be revoked by written notice by the Bondholders’ Representative to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received in respect of a Guaranteed Amount prior to such date from a source other than CGIF.

ACLEDA Securities Plc. acting for and on behalf of all Bondholders

Name:

Title:

SCHEDULE
LIST OF BONDHOLDERS

#	NAME OF PERSON OR FINANCIAL INSTITUTION	NUMBER OF BONDS HELD	AMOUNT TO BE PAID TO EACH BONDHOLDER

SCHEDULE 4
FORM OF BONDHOLDER DEMAND

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank
From: [●] (the **Bondholder**)
Copy: ACLEDA Securities Plc. (the **Bondholders' Representative**)
Copy: RMA (Cambodia) Plc. (the **Issuer**)

[Date]

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We hereby certify as follows:

1. A Non-Payment Event occurred on *[insert date]*.
2. We are an Eligible Bondholder.
3. An amount of *[insert aggregate amount]* was due to be paid to [me/us] on *[insert due date]* under the Bond Conditions and remains unpaid as of the date hereof. The unpaid amount(s) comprise(s):
 - (a) Principal Amount in an amount of *[insert the amount of principal overdue]*; and/or
 - (b) Scheduled Interest in an amount of *[insert the amount of interest overdue]*, which is calculated as follows:

[Specify calculations].
4. CGIF shall pay the Guaranteed Amount in accordance with the terms of the Guarantee, being an amount equal to *[insert amount, being paragraphs 3(a) plus 3(b)]*.
5. We enclose the following evidence, information and documentation in support of the information contained in this Bondholder Demand:

[Specify evidence, information and documentation]

Please make payment to our bank account, the details of which are set out in the most recent copy of the Bondholders' Book as provided to CGIF by the Agent in accordance with the Guarantee.

This Bondholder Demand may be revoked by written notice by the Bondholder to CGIF at any time prior to the date on which a Guaranteed Amount is due for payment to the extent that moneys are actually received in respect of a Guaranteed Amount prior to such date from a source other than CGIF.

[●]

Signed: _____

[Authorised Representative]

Name:

Title:

SCHEDULE 5

FORM OF CGIF ACCELERATION NOTICE

To: ACLEDA Securities Plc. in its capacity as the bondholder representative for and on behalf of the holders of the Bonds (as defined below) (in this capacity the **Bondholders' Representative**).

From: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (CGIF)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Date: _____

Dear Sir / Madam,

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. Terms defined in the Guarantee have, unless otherwise defined in this demand, the same meaning when used in this demand.

We hereby confirm as follows:

1. [An Issuer Event of Default has occurred.] [A Non-Payment Event has occurred and is continuing in accordance with the Bond Conditions on *[insert date]* / [We have received a Demand under the Guarantee] / []. As a result, we have exercised our rights pursuant to clause 5.4 (CGIF Acceleration) of the Guarantee to carry out a CGIF Acceleration. We hereby declare the Bonds to be immediately due and payable under the Bond Documents on *[insert date]*.
2. We therefore agree to pay the aggregate unpaid Guaranteed Amounts, being *[insert amount]*.
3. We enclose the following evidence, information and documentation in support of the information contained in this CGIF Acceleration Notice:

[Specify evidence, information and documentation]

For and on behalf of
**CREDIT GUARANTEE AND INVESTMENT FACILITY,
a trust fund of the Asian Development Bank**

Name:

Title:

SCHEDULE 6

FORM OF BONDHOLDER ACCESSION INSTRUMENT

From: *[New Bondholder]* (the **New Bondholder**)

and

ACLEDA Bank Plc. in its capacity as securities registrar, securities transfer agent and paying agent (the **Agent**)

To: Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank (**CGIF**)

Copy: ACLEDA Securities Plc. (the **Bondholders' Representative**)

Copy: RMA (Cambodia) Plc. (the **Issuer**)

Copy: *[Transferring Bondholder]* (the **Transferring Bondholder**)

Date: _____

RMA (Cambodia) Plc. (the Issuer) – Guarantee Agreement dated [●] (the Guarantee) between, among others, the Bondholders' Representative, the Agent, the Bondholder and CGIF in connection with the Guaranteed Bonds of RMA (Cambodia) Plc. No. [●] ([●]) due B.E. 2025 (the Bonds)

We refer to the Guarantee. This is a Bondholder Accession Instrument.

Terms defined in the Guarantee have, unless otherwise defined in this Bondholder Accession Instrument, the same meaning when used in this Bondholder Accession Instrument.

1. The Transferring Bondholder transferred [●] Bonds of an aggregate principal amount of KHR[●] to the New Bondholder.
2. The New Bondholder agrees to be a Bondholder under the Guarantee and to be bound by the terms of the Guarantee as a Bondholder in respect of the Bonds that it has acquired.
3. The Transfer Date is the date of delivery to CGIF of this Bondholder Accession Instrument.
4. The administrative details of the New Bondholder for the purposes of the Guarantee are set out below:

[Insert administrative details].
5. This Bondholder Accession Instrument is intended to be executed as a deed.
6. This Bondholder Accession Instrument and any non-contractual obligations arising out of or in connection with it are governed by English law.

By:

[NEW BONDHOLDER]

EXECUTED as a **DEED** by)

[NEW BONDHOLDER])

and **SIGNED** and delivered as a **DEED** on its behalf by)

in the presence of:

Witness' signature:

Witness' name:

Witness' address:

SIGNATORIES

CGIF

EXECUTED as a **DEED** by)
CREDIT GUARANTEE AND)
INVESTMENT FACILITY,)
a trust fund of the Asian Development Bank)
and SIGNED and DELIVERED as a DEED)
on its behalf by)

BONDHOLDERS' REPRESENTATIVE

EXECUTED as a **DEED** by)
ACLEDA Securities Plc.)
by the affixing of its **COMMON SEAL**)

[affix seal]

Name:

Title:

In the presence of:

Witness' signature:

Witness' name:

AGENT

EXECUTED as a **DEED** by)
ACLEDA Bank Plc.)
by the affixing of its **COMMON SEAL**)

[affix seal]

Name:
Title:

In the presence of:

Witness' signature:

Witness' name:

[Bondholder signature pages to be inserted]

Appendix V:
Credit Rating Report of CGIF

Research Update:

**Credit Guarantee And Investment
Facility 'AA/A-1+' Ratings Affirmed;
Outlook Stable**

Primary Credit Analyst:

YeeFarn Phua, Singapore (65) 6239-6341; yeefarn.phua@spglobal.com

Secondary Contact:

Rain Yin, Singapore (65) 6239-6342; rain.yin@spglobal.com

Research Contributor:

Harshleen K Sawhney, CRISIL Global Analytical Center, an S&P Global Ratings affiliate, Mumbai

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Research Update:

Credit Guarantee And Investment Facility 'AA/A-1+' Ratings Affirmed; Outlook Stable

Overview

- CGIF continues to execute guarantees to catalyze the ASEAN corporate bond market, fostering economic development in the region.
- CGIF has an extremely strong financial profile underpinned by increasing capital injections. In our view, CGIF has an adequate business profile because it lacks an established track record and faces some concentration risk due to its small size.
- We are affirming our 'AA/A-1+' foreign-currency issuer credit ratings on CGIF.
- The stable outlook reflects our expectation that CGIF will maintain a solid balance sheet and prudent risk-management practices as it pursues new business growth over the next 24 months.

Rating Action

On Feb. 26, 2020, S&P Global Ratings affirmed its 'AA' long-term and 'A-1+' short-term foreign-currency issuer credit ratings on Credit Guarantee and Investment Facility (CGIF). The outlook remains stable.

Rationale

We affirmed the ratings to reflect CGIF's adequate enterprise risk profile and extremely strong financial risk profile. CGIF has no callable capital, so the long-term issuer credit rating reflects our assessment of CGIF's stand-alone credit profile at 'aa'.

Constraining CGIF's adequate enterprise risk profile is its relatively short track record of fulfilling its policy mandate compared with other supranational institutions. We believe that the deepening of the Association of Southeast Asian Nations (ASEAN) bond markets by credit enhancement will remain limited, and as such, CGIF's role could partially be filled by a commercial entity. CGIF acts as a catalyst for bond deals, rather than for deepening the capital markets through volume.

Established in November 2010, CGIF's mandate is to help deepen and develop liquid local-currency bond markets among ASEAN members. CGIF provides guarantees on bonds issued by corporates in the ASEAN region. As of February 2020, CGIF has issued 37 guarantees in Singapore, the Philippines, Thailand,

Indonesia, and Vietnam. The guaranteed amount typically ranges between US\$50 million and US\$100 million, and generally has a tenor of three to 10 years.

CGIF was set up as a trust fund of the Asian Development Bank (ADB). We believe that CGIF's creditworthiness benefits from its relationship with its contributors and the mandate they have entrusted it with. CGIF has a balanced shareholder base and all the shareholders are either governments or government-related agencies with strong government links. The current voting rights are dominated by four contributors: China (32.5%), Japan (32.5%), Korea (9.5%), and ADB (17.1%). The 10 ASEAN governments collectively hold the remaining voting rights (8.4%).

CGIF's shareholders have demonstrated their support by approving its first capital increase to US\$1.2 billion from US\$700 million in December 2017. The subscription increase is voluntary, and proposed to be a proportional increase across all current shareholders. Shareholder payments are likely to be completed by the end of 2023. By increasing its capital, CGIF's guarantee capacity will be boosted to US\$3 billion, from the previous capacity of US\$1.75 billion. As of Sept. 30, 2019, 10 shareholders had subscribed to the increase and paid-in capital reached US\$1.05 billion. In our view, the successful completion of this exercise will demonstrate a strong track record of shareholder support.

CGIF renewed its annual reinsurance arrangement with a syndicate of reinsurers rated between 'AA-' and 'A' to boost its guarantee capacity and manage credit concentration risk limits. This arrangement covers 25% of the existing guarantee portfolio and all new guarantees written up until the end of 2020. Current country and currency exposures have been alleviated by approximately 25% as a result of the transfer of exposure to the reinsurers. Coupled with the capital increase, these two measures will enhance CGIF's guarantee capacity.

CGIF's private-sector focused mandate excludes it from being treated as a preferred creditor, given that private-sector companies cannot selectively default to one group of creditors while paying others as sovereigns can. Hence, we do not incorporate preferred creditor treatment in our assessment of CGIF's enterprise risk profile. However, given CGIF's status as a multilateral lending institution, we consider preferential treatment granted by the governments of countries in which CGIF operates, which we incorporate into our assessment of its financial risk profile.

We believe CGIF's management team has the necessary expertise and experience to conduct the facility's business and achieve its mandate. That said, CGIF has a short track record of operations. Its guarantee operations are controlled by conservative risk parameters in accordance with governance standards laid out in its articles of agreement. CGIF has expanded at a gradual pace, allowing its staffing capacity to catch up with the scale of operations. ADB manages CGIF's capital, which results in conservative investment policies.

We consider CGIF's extremely strong financial profile to be a positive rating factor. The facility's risk-adjusted capital (RAC) ratio after diversification increased to 40.4% as of year-end 2018, from 39.2% the year before. This was well above our threshold for an extremely strong capital adequacy assessment (23%). CGIF's RAC ratio has remained broadly stable because the increase in guarantees has been counterbalanced by the increase in capital. We expect this trend to continue over the next few years, and the RAC ratio to remain above our threshold of 23%.

CGIF's asset quality has so far been pristine. No bond issuance has defaulted and required the payout on CGIF's guarantees during its 10 years of existence. We believe this to be a result of the guaranteed exposure representing the main companies in the region with relatively high ratings as well as CGIF's conservative risk appetite. Should a default occur, we take some comfort in the fact that the typical sizes of each issue are 7%-11% of the capital levels today.

CGIF does not borrow; it obtains funding for its activities solely through retained earnings and contributors' equity. While we believe sovereign and supranational backing provides one of the most stable sources of funding, this model also represents a concentration risk that could be tested in severe stress. We assign a neutral funding score because we believe the positive factor of paid-in capital base is counterbalanced by the lack of access to the wholesale market.

We assess CGIF's liquidity position as robust. Our liquidity ratios indicate that CGIF would be able to comfortably pay out its guarantees for at least a year under stressed market conditions, without recourse to liquidity facilities from contributors or from the market. As of end-June 2019, our calculated 12-month stressed liquidity ratio for CGIF was 16x. The facility's liquid assets, managed by ADB, are invested mostly in bonds of highly rated governments or government-related entities. They form the bulk of CGIF's balance sheet assets.

Outlook

The stable outlook on CGIF reflects our expectation that the facility will maintain a solid balance sheet and prudent risk-management practices as it pursues new guarantee growth over the next 24 months. We believe changes to the rating will most likely be driven by the effectiveness of CGIF's role in the local-currency ASEAN bond markets.

Downside scenario

We may lower the rating if CGIF struggles to execute its mandate at a profit or its financial metrics weaken. This could happen if the facility aggressively expands its guarantee portfolio beyond the natural growth capacity provided with the likely increase in capital.

Upside scenario

Upward pressure on the rating could emerge if we assess that CGIF's policy importance has strengthened, with significant contributions to a vibrant local-currency regional capital market backed by ongoing shareholder support and the establishment of a track record.

Ratings Score Snapshot

Issuer Credit Rating	AA/Stable/A-1+
SACP	aa
Enterprise Risk Profile	Adequate
Policy Importance	Adequate
Governance and management	Adequate
Financial Risk Profile	Extremely Strong
Capital Adequacy	Extremely Strong
Funding and Liquidity	Strong
Extraordinary Support	0
Callable capital	0
Group Support	0
Holistic Approach	0

Related Criteria

- Criteria | Governments | General: Multilateral Lending Institutions And Other Supranational Institutions Ratings Methodology, Dec. 14, 2018
- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings , April 7, 2017
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

Related Research

- ESG Industry Report Card: Supranationals, Feb. 11, 2020
- Supranationals Special Edition 2019: Report Says MLIs Are Focusing On Sustainable Development Goals, Oct. 25, 2019
- Supranationals Special Edition 2019: Comparative Data For Multilateral Lending Institutions, Oct. 17, 2019

- Introduction To Supranationals Special Edition 2019, Oct. 17, 2019

Ratings List

Ratings Affirmed

Credit Guarantee and Investment Facility

Issuer Credit Rating

Foreign Currency

AA/Stable/A-1+

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

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CREDIT RATING RATIONALE

RAM
RATINGS

INSURER FINANCIAL STRENGTH RATINGS



Credit Guarantee and Investment Facility

- Global Insurer Financial Strength Rating
- ASEAN Insurer Financial Strength Rating
- Insurer Financial Strength Rating

January 2020

CREDIT RATING RATIONALE

INSURER FINANCIAL STRENGTH RATINGS

January 2020

Credit Guarantee and Investment Facility

Rating Review

Ratings

Insurer Financial Strength Ratings:

National Scale	AAA/Stable/P1	[Reaffirmed]
ASEAN Scale	_{sea}AAA/Stable/_{sea}P1	[Reaffirmed]
Global Scale	_gAAA/Stable/_gP1	[Reaffirmed]

Last Rating Action

19 January 2019

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Related Criteria, Methodologies and Publications

- i. Methodology for Insurance & Takaful Companies (Update), September 2016
- ii. Leverage Guidelines for Financial Guarantee Insurance Companies, January 2014

Rating Action Basis

- The reaffirmation of Credit Guarantee and Investment Facility's (CGIF or the Fund) ratings considers improvements in its business traction, its conservative leverage and strong liquidity. The ratings also reflect CGIF's policy mandate to develop the bond markets in the ASEAN region, the sponsorship and continued support of its contributors – the governments of China, Japan, Korea and the 10 ASEAN countries (collectively, ASEAN + 3) as well as the Asian Development Bank (ADB) – and the Fund's strong operational ties with the development bank.

Rating Drivers

- + **Government sponsorship and developmental role.** CGIF was established as part of the Asian Bond Markets Initiative (ABMI) with a mandate to develop and promote the integration of local-currency bond markets in the ASEAN+3 region. The Fund provides credit enhancement to creditworthy corporates to enable them to tap regional local-currency bond markets and, in the process, aspires to increase cross-border transactions and facilitate greater intra-regional capital flows. The Fund's capital contributors¹ have demonstrated support for its cause, as evidenced by a recently planned USD500 mil capital increase. To date, CGIF has received commitments for the subscription of USD449 mil of additional capital contributions, which will be received in stages by 2023.
- + **Conservative leverage.** In 2019, CGIF has guaranteed an additional six new deals, increasing its guarantee portfolio to USD1.6 bil (end-December 2018: USD1.1 bil). Including deals closed in 2019 and additional capital contributions, our assessment indicates the Fund's leverage (as defined in RAM's Leverage Guidelines for Financial Guarantee Insurance Companies) is estimated at 1.0 time as at end-2019, comfortably below RAM's threshold of 2.0 times for its ratings. Notably, the Fund's capital base remains fully funded by equity, with no debt leverage.
- + **Low-risk and liquid investments.** CGIF maintains a conservative investment strategy with the objective of preserving capital and liquidity. As at end-September 2019, 93.5% of its invested assets comprised fixed-income securities of financial institutions and government-linked entities, rated A+ or higher on the international scale. Deposits made up the rest. The Fund's investment portfolio is geographically diversified, with investments in Europe, Asia Pacific and North America. CGIF's liquidity position remains strong, supported by USD1.2 bil of highly liquid assets as at end-September 2019 – a comfortable buffer to meet liquidity needs should claims arise.
- **Despite some traction, guarantee portfolio below capacity.** CGIF issued guarantees for six new deals in 2018, a record number since its establishment. In 2019, the Fund had issued guarantees of USD491 mil in respect of another six new deals. Although outstanding guarantees grew to USD1.6 bil, the progress of new deals is expected to remain measured, particularly in emerging ASEAN economies where bond market infrastructure is limited. Internal exposure limits may also cap growth, alongside adherence to stringent environmental and social safeguards in line with ADB's policies. The Fund's pre-tax earnings are still primarily derived from investment income, which contributed to improved pre-tax earnings of USD16.9 mil in FY Dec 2018 (FY Dec 2017: USD10.8 mil).

¹ All 10 ASEAN countries – the Philippines, Indonesia, Malaysia, Singapore, Thailand, Brunei, Vietnam, Cambodia, Laos and Myanmar. Other contributors outside of ASEAN are Japan, China, Korea. ADB is the only non-sovereign contributor.

- **Concentration risk.** The small portfolio renders CGIF inherently susceptible to concentration risk. While sufficiently diversified by sector, geographically, the Fund has a large exposure to companies in Vietnam (42%) and Thailand (17%). Guarantees extended to companies in Vietnam were USD680 mil as at end- December 2019, almost reaching the Fund's internal risk appetite. Mitigating the higher concentration, many of the underlying issuers are leading corporates with a sizeable presence in their respective markets. Going forward, the Fund will slowly shift its efforts towards developing local-currency debt markets in Brunei, Cambodia, Laos and Myanmar.

Rating Outlook: Stable

- The stable rating outlook reflects our expectation that CGIF's leverage and liquidity will stay supportive of its ratings and that support from capital contributors will remain forthcoming. The Fund's comprehensive underwriting and risk management practices are also anticipated to be upheld as it pursues new business growth in developing debt markets.
-

Rating Triggers

- Upside potential: None, as CGIF's ratings are already the highest on RAM's rating scales.
 - Downward pressure: The ratings would come under pressure should the Fund's leverage exceed our 2.0-time threshold for its current ratings. Other negative rating triggers include heightened portfolio credit risks or adverse claims development. The Fund's inability to further expand its portfolio to a meaningful size over the medium to long-term could also be a rating concern.
-

Company Profile

CGIF is a trust fund of the ADB, established in November 2010 under the ABMI. Its mandate is to facilitate the development of local-currency bond markets in the ASEAN+3 region. The Fund's credit enhancement enables viable investment-grade companies, based on local rating standards, to issue local-currency bonds, and regional investors to subscribe to them. As a trust fund of the ADB, CGIF is exempt from national jurisdiction rules and regulations that govern insurance companies in their respective home countries. ADB holds in trust and manages all of CGIF's funds and other properties.

At inception, the Fund's initial capital of USD700 mil was contributed by Japan and the People's Republic of China (28.6% each), ADB (18.6%), the Republic of Korea (14.3%) and the 10 ASEAN countries (collectively, a 9.9% share). In December 2017, CGIF's board approved a USD500 mil increase in the Fund's capital to USD1.2 billion, to boost its future guarantee capacity. To date, CGIF has received commitments for the subscription of USD449 mil² of additional capital contributions, USD328 mil of which has been received. The remaining contributions will be made in stages by 2023. Based on commitments received to date, China and Japan will stay CGIF's key capital contributors (each 29.8%), followed by ADB (15.7%). As the share subscription offered is not compulsory, a decision

² As of end-2019, a total of USD328 mil had been received from Japan and China (USD142.8 mil each), Singapore and the Philippines (USD9.0 mil each), Cambodia and Laos (USD0.1 mil each) and Korea (USD23.8 mil). Indonesia, Thailand, Malaysia and Vietnam have submitted contribution schedules to CGIF including subscribed amounts and the timeline for payment. The contribution schedules for Brunei and Myanmar are still pending.

on the reallocation of any unsubscribed quota³ will be decided at a contributors meeting in 2020.

In May 2019, the Fund announced that Ms GuiYing Sun would take the helm as CEO. Meanwhile, the appointment of a Deputy CEO / Chief Risk Officer and a clearer segregation of the credit monitoring and institutional risk functions have streamlined the organisation structure. CGIF's environmental, social and governance initiatives are aligned with ADB's policies which aim to ensure the environmental soundness and sustainability of projects and to integrate environmental considerations into decision-making processes. The Fund's investing and guarantee decisions require a careful evaluation of deals involving environmentally sensitive industries and other social factors. The Fund has recently formalised the adoption of ADB's safeguard policies into its institutional risk framework.

Peer Comparison

Table 1: Peer Comparison

Ratings	CGIF		Danajamin Nasional Berhad	
	AAA/Stable/P1		AAA/Stable/P1	
	seaAAA/Stable/seaP1			
	gAAA/Stable/gP1			
FY	Dec 2018	Sept 2019	Dec 2017	Dec 2018
Net earned premiums (USD mil)	7.3	7.4	19.0 [^]	20.3 [^]
Pre-tax profit/(loss) (USD mil)	16.9	14.8	26.6 [^]	29.16 [^]
Total assets (USD mil)	957.8	1,207.4	673.9 [^]	681.4 [^]
Claims ratio (%)	0.0	0.0	0.0	0.0
Management expenses ratio (%)	112.1	97.8	47.6	52.6
Combined ratio (%)	102.5	85.5	47.6	52.6
Investment yield (%)	2.3	2.3 [*]	3.7	4.2
Net insurance contract liabilities / net earned premiums (%)	608.9	554.1	616.7	501.2
Liquid assets / net insurance contract liabilities (times)	20.6	21.1	3.5	4.2
Leverage ratio (times)	0.9	0.9	3.6	2.8

Source: CGIF, Danajamin,

[^] Figures translated from reporting currency using exchange rates for the respective financial periods to facilitate a comparison.

^{*} Annualised

Business Risk Profile

- **Developmental role.** CGIF was established to develop and strengthen local-currency and regional bond markets in the ASEAN+3 region and to facilitate efficient allocation of savings within the region. The Fund is mandated to provide credit enhancement to creditworthy corporates to enable them access to regional bond markets, promote debt securities with longer maturities, and match regional Asian investors with these issuers. As a pioneer regional financial guarantee institution in Asia, CGIF's prioritises transactions that have a developmental impact.
- **Despite some traction, guarantee portfolio still below capacity.** CGIF issued guarantees for six new deals in 2018, a record number since its establishment. In 2019, the Fund had issued guarantees of USD491 mil in respect of another six new deals. With bond guarantees from Vietnamese corporates almost reaching the Fund's internal risk appetite, CGIF will shift its focus to countries such as Indonesia and the Philippines, as well as those with underdeveloped bond

³ Malaysia and ADB have partially subscribed for their allotted shares, while notices from Brunei and Myanmar have not been received.

markets such as Brunei, Cambodia, Laos and Myanmar. The progress of new deals is expected to remain measured, particularly in emerging ASEAN economies where bond market infrastructure is limited. Internal exposure limits and strict adherence to environmental and social safeguards in line with ADB's policies may also pose challenges to growth.

- **Catalyst for regional bond market development.** In keeping with its developmental mandate, CGIF's portfolio includes guarantees for project bonds, green bonds and securitisation transactions. In 2018, the Fund issued its first guarantee for bonds issued under the ASEAN+3 Multi-Currency Bond Issuance Framework (AMBIF) in the Philippines. It is currently conducting a feasibility study on the establishment of an Infrastructure Investor Partnership (IIP), a structure which will provide credit enhancements for infrastructure projects in the ASEAN region, utilising local-currency domestic savings in developed countries.
- **Shifting focus to untapped markets.** Recent market development initiatives have included supporting the Securities and Exchange Commission of Cambodia's (SEC) development of regulations for corporate bonds. This will set the stage for future issuances of CGIF-guaranteed domestic currency bonds in the country, two of which are in the pipeline.

Insured Portfolio

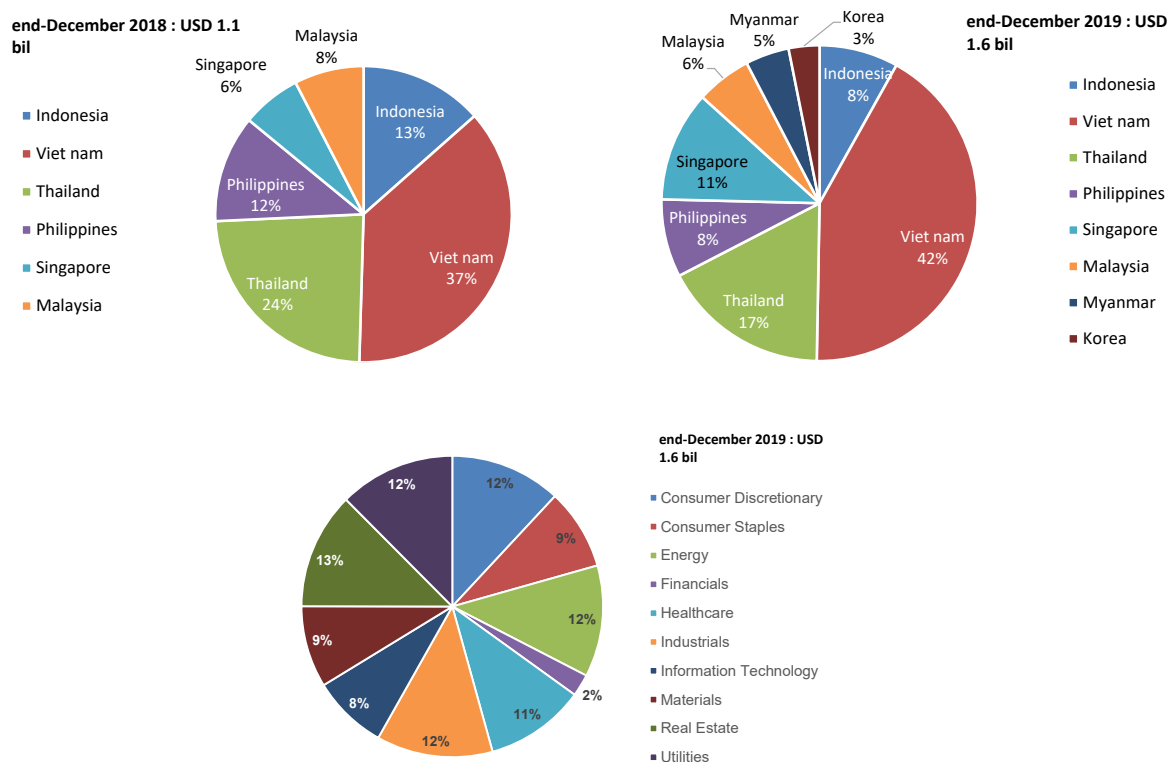
Table 2: CGIF's guarantee portfolio

(US\$ mil)	FY Dec 2015	FY Dec 2016	FY Dec 2017	FY Dec 2018	FY Dec 2019
Issued during the period	137.5	394.5	72.3	302.4	491.1
Redemptions during the period	-	103.3	127.9	-	20.6
Outstanding at the end of the period [^]	580.1	864.7	858.2	1131.0	1,608.8
Number of issuers	7	11	10	15	20

Figures translated using exchange rates as at end of each financial period.

[^] *Running balances do not add up due to exchange rate differences.*

Sources: RAM Ratings, CGIF

Figure 1: Breakdown of total insured portfolio by country of issuer and sector

Source: CGIF, RAM Ratings

- Record guarantee issuances in 2018.** After a record year with guarantees issued for six new deals in FY Dec 2018, CGIF's guarantee portfolio grew to USD1.6 bil as at end-December 2019 (end-December 2018: USD1.1 bil). In 2019, the Fund had extended guarantees to another six new issuers which cumulatively issued USD491 mil of bonds. CGIF's portfolio comprised 20 issuers as at end-December 2019, spread across 10 sectors in eight countries, including issuances from corporates in new countries such as Korea and Myanmar. As at end-December 2019, the Fund's largest exposures are almost evenly split between the real estate, industrials, utilities, energy, consumer discretionary and healthcare sectors.
- Moderate credit risk.** CGIF uses an internal credit risk model which rates an entity on a 1 to 10 scale, with 1 being the best credit⁴. Given a larger proportion of guarantees extended to corporates in lower-rated countries, the Fund's exposure to non-investment-grade obligors has increased over time but on average, CGIF's average portfolio rating is still in line with an international rating of BB. Portfolio credit risks are mitigated by the profile of the obligors, most of which are market leaders in their respective industries and have relatively satisfactory financial profiles. To date, the Fund has not had a claim on any of its guarantees.
- Concentration risk.** CGIF's small portfolio renders it inherently susceptible to concentration risk as well as the economic and business stress of issuers in its portfolio. While its guarantee portfolio is sufficiently diversified by sector, geographically, the Fund has a large exposure to companies in Vietnam (42%) and Thailand (17%). Guarantees extended to Vietnamese corporates were approximately USD680 mil as at end-December 2019 (end-December 2018: USD419 mil). The Fund's comprehensive risk management practices, which include various

⁴ The internal credit risk ratings are mapped to S&P's international-scale ratings. Under CGIF's underwriting guidelines, the maximum acceptable risk rating (MARR) is 7, which is approximately BB- on S&P's international rating scale.

country and sector limits, moderate concentration risk to some extent.

Capital Adequacy and Leverage

- **Leverage ratio remains within rating limit.** Leverage and capital adequacy are key rating considerations in our assessment of CGIF's financial strength, in view of its monoline focus and portfolio risk profile. Including deals closed in 2019 and additional capital contributions, our assessment indicates the Fund's leverage (as defined in RAM's Leverage Guidelines for Financial Guarantee Insurance Companies) is estimated at 1.0 times as at end-2019, comfortably below RAM's threshold of 2.0 times for its ratings. Should remaining pipeline deals materialise in 2020, CGIF's leverage is estimated to rise to about 1.4 times, still well within RAM's thresholds of 2.0 times for its ratings. The Fund's capital base remains fully funded by equity, with no debt leverage.
- **Sturdy capitalisation.** CGIF measures and monitors a risk-based capital adequacy ratio (CAR) that is adjusted for concentration risk. Its CAR stayed at 29% as at end-September 2019 – above the Fund's internal limit of 8.8%. CGIF also maintains a capital reserve, to which 100% of net profits of each financial year have been allocated since inception. As at end-September 2019, the Fund's capital reserve stood at USD62.3 mil (end-December 2018: USD45.6 mil).

Risk Management

- **Prudent underwriting standards.** CGIF's risk management framework entails a well-defined risk governance structure. The Fund's underwriting process is prudent, involving internal credit assessments by the Deal Operations Department that are independently validated at several levels including the Risk Management Department, the Guarantee and Investment Committee and an external advisory panel, after which final approval of the Board is required⁵. The Fund also obtains a bilateral risk rating from an independent third party⁶ if the potential issuer does not have an existing rating. In 2019, the Fund established a unit to oversee institutional risks and screen, appraise and supervise the environmental and social risks of potential and existing deals. The unit further oversees the Fund's market and operational risks.
- **Reinsurance with highly rated reinsurers.** CGIF's internal policy permits the use of reinsurance and other forms of unfunded risk participation to manage and/or transfer its credit risks, where counterparties must be rated at least A on a global scale. CGIF has renewed its annual reinsurance agreement, under which 25% of both principal and interest guaranteed will be ceded to a panel of reinsurers through treaty arrangement. Risk ceded is limited to USD150 mil (principal) and USD75 mil (interest) per issuer. This reinsurance agreement covers all guarantees issued up to end-2019.
- **Limits in place to mitigate risks.** Various limits placed to monitor the Fund's exposure have been adhered to. Guarantee exposures to a single currency or sector are capped at 40% of CGIF's maximum guarantee capacity, while guarantee exposures to a single country or

⁵ This applies to all deals except those with transaction amounts of USD50 mil or less, with a tenure of up to five years and an internal risk rating of 6.5 (equivalent to a BB rating) or better. Deals which meet these conditions can be approved by CGIF's in-house Guarantee and Investment Committee or Chief Risk Officer.

⁶ S&P Global Market Intelligence

subsector industry cannot exceed 20% and 10%, respectively. As its exposure to Vietnam has almost reached the Fund's internal risk appetite, CGIF will explore opportunities in other ASEAN countries. Single-obligor or group exposure is capped at 20% of CGIF's paid-in capital, or USD201 mil based on a capital contribution of USD1.1 bil.

Financial Performance

Table 5: CGIF's key financial indicators

USD mil	FY Dec 2015	FY Dec 2016	FY Dec 2017	FY Dec 2018	3Q FY Dec 2019
Gross premiums	4.8	8.0	9.1	9.8	10.8
Net earned premiums	4.8	7.5	6.9	7.3	7.4
Pre-tax profit	7.8	10.1	10.8	16.9	14.7
Investment yield (%)	1.3%	1.5%	1.7%	2.3%	2.3%

Source: CGIF

- **Higher guarantee fees from better business traction.** The record number of deals notwithstanding, CGIF's net earned premiums were a steady USD6.2 mil in FY Dec 2018 (FY Dec 2017: USD6.2 mil) as most transactions had only been concluded towards year-end. As its guarantee portfolio remains below capacity, the Fund's pre-tax earnings are still primarily derived from investment income which contributed to improved pre-tax earnings of USD16.9 mil in FY Dec 2018 (FY Dec 2017: USD10.8 mil). That said, improvements in its financial performance are expected with higher guarantee fees from better business traction over the past 12 to 18 months. With no guarantee calls since its inception, the Company has yet to record claims liabilities.

Investment Assets & Liquidity Profile

- **Conservative investment strategy.** CGIF maintains a conservative investment strategy with the objective of preserving capital and liquidity. As at end-September 2019, 93.5% of its invested assets comprised fixed-income securities of financial institutions and government-linked entities rated A+ or higher on the international scale. Deposits made up the remainder. The Fund's investment portfolio is geographically diversified with investments in Europe (30%), Asia Pacific (35%) and North America (35%). To manage concentration risk, CGIF recently incorporated additional requirements into its investment guidelines in the form of issuer and country limits. The Fund's investment yields stayed sound at an annualised 2.3% as at end-September 2019 (end-December 2018: 2.3%).
- **Strong liquidity.** CGIF's liquidity position remained strong, supported by highly liquid invested assets amounting to USD1.2 bil as at end-September 2019 (end-December 2018: USD909.7 million) – a comfortable buffer to meet liquidity needs should claims arise. To monitor and manage liquidity, CGIF performs quarterly stress tests on its portfolio. As at end-September 2019, these tests indicated sufficient liquidity in the event of concurrent defaults by four of the Fund's largest issuers.

Corporate Information

Date of Incorporation	12 November 2010	
Commencement of Business	1 May 2012	
Capital Contributors (as at end-December 2019)	Japan Bank for International Cooperation	31.8%
	People's Republic of China	31.8%
	Asian Development Bank	16.7%
	Republic of Korea	11.5%
	ASEAN countries	8.2%
Directors	Mr Yuchuan Feng (People's Republic of China) (Chairperson) Ms Zhang Zhengwei (People's Republic of China) Mr Kenichi Aso (Japan) Mr Mitsutoshi Kajikawa (Japan) Ms Jessica Ja Young Gu (Republic of Korea) Mdm Azah Hanim Ahmad (ASEAN) Mr Stefan Hruschka (ADB) Ms Guiying Sun (CGIF)	
Auditor	Deloitte & Touche LLP	
Listing	n.a.	
Key Management	Ms Guiying Sun Mr Mitsuhiro Yamawaki Mr Aarne Dimanlig Mr Jin Yong Park Mr Dong Woo Rhee Mr Gene Soon Park Mr Hou Hock Lim Ms Jackie Bang	Chief Executive Officer Deputy Chief Executive Officer (Chief Risk Officer) Chief Credit Risk Officer Vice President, Operations (Acting) Chief Financial Officer General Counsel & Board Secretary Corporate Planner & Head of Budget, Personnel & Management Systems Internal Auditor
Major Subsidiaries	n.a.	

Financials

	<i>unaudited</i>				
STATEMENT OF FINANCIAL POSITION (USD million)	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18	30-Sep-19
Property, Plant & Equipment	0.21	0.20	0.20	0.16	0.44
Investment Properties	0.00	0.00	0.00	0.00	0.00
Goodwill & Intangibles	0.34	0.50	0.30	0.16	0.06
Investments in Subsidiaries/Associates/Jointly-Controlled Entities	0.00	0.00	0.00	0.00	0.00
Financial Investments	714.90	721.34	702.28	850.39	1,086.59
Loans & Receivables	6.80	7.71	34.58	59.29	69.65
Reinsurance Assets	0.00	0.00	0.00	0.00	0.00
Insurance Receivables	25.53	38.57	34.53	39.94	47.25
Other Assets	0.60	1.48	0.62	0.77	1.02
Cash & Cash Equivalents	3.18	2.21	6.60	7.04	2.38
Total Assets	751.57	772.00	779.11	957.76	1,207.39
Insurance Contract Liabilities	27.84	41.80	37.28	44.36	54.59
Insurance Payables	0.00	0.00	0.00	0.00	0.00
Senior Debt	0.00	0.00	0.00	0.00	0.00
Subordinated Debt	0.00	0.00	0.00	0.00	0.00
Other Borrowings	0.00	0.00	0.00	0.00	0.00
Other Liabilities	1.17	2.68	2.61	2.41	2.39
Total Liabilities	29.01	44.48	39.89	46.76	56.98
Equity Share Capital	700.00	700.00	703.00	859.20	1,053.80
Share Premium Reserve	0.00	0.00	0.00	0.00	0.00
Capital Reserve	0.00	0.00	0.00	0.00	0.00
Revaluation Reserve	0.00	0.00	0.00	0.00	0.00
Available-for-Sale Reserve	(2.13)	(7.25)	(9.39)	(10.54)	19.51
Fair Value Through Other Comprehensive Income Reserve	0.00	0.00	0.00	0.00	0.00
Other Reserves	16.91	24.69	34.77	45.62	62.33
Retained Profits/(Accumulated Losses)	7.78	10.08	10.84	16.72	14.76
Non-Controlling Interests	0.00	0.00	0.00	0.00	0.00
Total Equity	722.56	727.52	739.22	910.99	1,150.41
Total Liabilities + Total Equity	751.57	772.00	779.11	957.76	1,207.39

Financials

	<i>unaudited</i>				
STATEMENT OF COMPREHENSIVE INCOME (USD million)	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18	30-Sep-19
Gross Premiums	4.78	8.04	9.12	9.82	10.76
Premiums Ceded to Reinsurers	0.00	(0.54)	(2.20)	(2.54)	(3.37)
Net Premiums	4.78	7.50	6.92	7.29	7.39
Change in Premium Liabilities	0.00	0.00	0.00	0.00	0.00
Net Earned Premiums	4.78	7.50	6.92	7.29	7.39
Net Benefits and Claims Paid	0.00	0.00	0.00	0.00	0.00
Net Change in Contract Liabilities	0.00	0.00	0.00	0.00	0.00
Net Fees and Commission Income/(Expenses)	0.00	0.15	0.60	0.70	0.91
Management Expenses	(5.28)	(6.38)	(7.10)	(8.17)	(7.23)
Underwriting Profit/(Loss)	(0.50)	1.26	0.42	(0.18)	1.08
Investment Income	9.15	10.09	11.81	18.62	17.89
Realised Gains/(Losses) on Financial Investments	0.22	0.51	0.03	0.00	0.01
Fair Value Gains/(Losses) on Financial Investments	0.00	0.00	0.00	0.00	0.00
Finance Costs	(0.05)	(0.05)	(0.06)	(0.07)	(0.07)
Other Revenue/(Expenses)	(1.03)	(1.72)	(1.35)	(1.51)	(4.15)
Operating Profit/(Loss) before Tax	7.78	10.08	10.84	16.86	14.76
Non-Recurring Items	0.00	0.00	0.00	0.00	0.00
Share of Associates/Jointly-Controlled Entities Profits/(Losses)	0.00	0.00	0.00	0.00	0.00
Pre-Tax Profit/(Loss)	7.78	10.08	10.84	16.86	14.76
Taxation	0.00	0.00	0.00	0.00	0.00
Net Profit/(Loss)	7.78	10.08	10.84	16.86	14.76
Other Comprehensive Income	(1.72)	(5.12)	(2.14)	(1.16)	30.06
Total Comprehensive Income/(Loss)	6.06	4.96	8.70	15.70	44.82
Additional Disclosure:					
Net Profit Attributable to Non-Controlling Interests	0.00	0.00	0.00	0.00	0.00
Dividends - Ordinary Shares & Preference Shares	0.00	0.00	0.00	0.00	0.00

Note: Some changes have been made to the Statement of Comprehensive Income for FY Dec 2015, FY Dec 2016, and FY Dec 2017 to reflect reclassifications relating to commission from reinsurer and reimbursements of legal and out of pocket expenses.

Financials

	<i>unaudited</i>				
KEY RATIOS	31-Dec-15	31-Dec-16	31-Dec-17	31-Dec-18	30-Sep-19
PROFITABILITY (%):					
Gross Underwriting Margin	100.00%	100.00%	100.00%	100.00%	100.00%
Net Underwriting Margin	(10.50%)	16.80%	6.11%	(2.53%)	14.55%
Claims Ratio	0.00%	0.00%	0.00%	0.00%	0.00%
Commissions Ratio	0.00%	(1.97%)	(8.73%)	(9.58%)	(12.36%)
Management Expenses Ratio	110.50%	85.18%	102.62%	112.11%	97.81%
Combined Ratio	110.50%	83.20%	93.89%	102.53%	85.45%
Operating Ratio	(85.34%)	(58.16%)	(77.15%)	(153.11%)	(156.79%)
Pre-Tax Profit Margin	162.71%	134.52%	156.73%	231.39%	199.78%
CAPITALISATION AND LEVERAGE (TIMES):					
Net Premiums Written / Equity	0.01	0.01	0.01	0.01	0.01 *
Net Leverage	0.05	0.07	0.06	0.06	0.06
Financial Leverage Ratio (%)	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT RISK PROFILE (%):					
Investment Yield	1.30%	1.46%	1.61%	2.26%	2.31% *
Deposits / Total Invested Assets	0.94%	1.06%	4.69%	6.52%	6.02%
Debt Securities / Total Invested Assets	98.58%	98.49%	94.84%	92.92%	93.47%
Equity Securities / Total Invested Assets	0.00%	0.00%	0.00%	0.00%	0.00%
LIQUIDITY (TIMES):					
Cash & Cash Equivalents / Net Insurance Contract Liabilities	0.11	0.05	0.18	0.16	0.04
Liquid Assets / Net Insurance Contract Liabilities	16.87	16.22	19.85	20.55	21.11
RESERVES ADEQUACY (%):					
Net Claims Reserves / Net Claims Incurred	n.a.	n.a.	n.a.	n.a.	n.a. *
Net Insurance Contract Liabilities / Net Earned Premiums	582.20%	557.76%	538.76%	608.89%	554.14% *
OTHERS (%):					
Retention Ratio	100.00%	93.28%	75.89%	74.16%	68.70%

Notes:

* annualised

n.a. = not available / not applicable

Financials

KEY FINANCIAL RATIOS	FORMULAE
PROFITABILITY (%):	
Gross Underwriting Margin	$(\text{Net Earned Premiums} - \text{Net Claims Incurred}) / \text{Net Earned Premiums}$
Net Underwriting Margin	$[\text{Net Earned Premiums} - \text{Net Claims Incurred} - \text{Net Fees and Commission Income} / (\text{Expenses}) - \text{Management Expenses}] / \text{Net Earned Premiums}$
Claims Ratio	$\text{Net Claims Incurred} / \text{Net Earned Premiums}$
Commissions Ratio	$\text{Net Fees and Commission Income} / (\text{Expenses}) / \text{Net Earned Premiums}$
Management Expenses Ratio	$\text{Management Expenses} / \text{Net Earned Premiums}$
Combined Ratio	$\text{Claims Ratio} + \text{Commissions Ratio} + \text{Management Expenses Ratio}$
Operating Ratio	$\text{Combined Ratio} - [(\text{Investment Income} + \text{Realised Gains} / (\text{Losses}) \text{ on Financial Investments} + \text{Fair Value Gains} / (\text{Losses}) \text{ on Financial Investments}) / \text{Net Earned Premiums}]$
Pre-Tax Profit Margin	$\text{Pre-Tax Profit} / (\text{Loss}) / \text{Net Earned Premiums}$
CAPITALISATION AND LEVERAGE (TIMES):	
Net Leverage	$(\text{Net Premiums Written} + \text{Total Liabilities} - \text{Reinsurance Asset}) / \text{Total Equity}$
Financial Leverage Ratio (%)	$\text{Total Debts} / (\text{Total Equity} + \text{Total Debts})$
INVESTMENT RISK PROFILE (%):	
Total Invested Assets	$\text{Financial Investments} + \text{Loans \& Receivables} + \text{Investment Properties}$
Investment Yield	$(\text{Investment Income} + \text{Realised Gains} / (\text{Losses}) \text{ on Financial Investments} + \text{Fair Value Gains} / (\text{Losses}) \text{ on Financial Investments}) / \text{Average Total Invested Assets}$
LIQUIDITY (TIMES):	
Liquid Assets / Net Insurance Contract Liabilities	$(\text{Cash \& Cash Equivalents} + \text{Deposits} + \text{Quoted Financial Investments (excluding Financial Investments Held-to-Maturity or Financial Investments at Amortised Cost)} + \text{Government Securities}) / \text{Net Insurance Contract Liabilities}$
OTHERS (%):	
Retention Ratio	$\text{Net Premiums} / \text{Gross Premiums}$

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MALAYSIAN RATING CORPORATION BERHAD
199501035601 (364803-V)

CREDIT GUARANTEE AND INVESTMENT FACILITY

Rating Review – 2019

Date	Rating Action	Current Rating	Outlook
December 2019	Affirmed	AAA/MARC-1	Stable
Rating History	Rating Action	Rating	Outlook
January 2019	Affirmed	AAA/MARC-1	Stable
January 2018	Affirmed	AAA/MARC-1	Stable
January 2017	Affirmed	AAA/MARC-1	Stable
January 2016	Affirmed	AAA/MARC-1	Stable
Rating Methodology	Financial Guarantee Insurer Rating Approach		
Analysts	Douglas De Alwis Mohd Izazee Ismail	douglas@marc.com.my izazee@marc.com.my	
	(603) 2717 2900		

Publication Date: December 17, 2019

CREDIT ANALYSIS



COUNTERPARTY CREDIT RATING/MULTILATERAL FACILITY
Rating Review - 2019

CREDIT GUARANTEE AND INVESTMENT FACILITY

Major Rating Factors

Strengths

- Conservative leverage and liquidity management policy;
- Strong credit underwriting policy;
- Sound governance structure; and
- Strong support from shareholders.

Challenge/Risk

- Guarantee portfolio exhibits limited diversification.

Rationale MARC has affirmed its long-term and short-term counterparty credit ratings of AAA/MARC-1 on Credit Guarantee and Investment Facility (CGIF) with a stable outlook. The ratings are based on Malaysia's national rating scale.

The affirmed ratings reflect CGIF's strong capital and liquidity position which are underpinned by sound policy guidelines and governance structure established by the Asian Development Bank (ADB) and ASEAN+3 governments, which set up CGIF as a trust fund of ADB. The ASEAN+3 governments comprise the 10 ASEAN nations plus China, Japan and Korea. The stable ratings outlook reflects MARC's expectation that CGIF will continue to receive support from its shareholders in respect of capital resources and will abide by its conservative leverage and investment policies.

CGIF's guarantee portfolio comprises guarantees on issuances by 17 companies operating across Indonesia, Vietnam, Thailand, the Philippines, Singapore, Myanmar, Vietnam, South Korea and Malaysia. For the eight-month period of 2019 (8M2019), CGIF provided guarantees to three new issuers, more than offsetting the redemption from one issuer and leading to a 12.7% year-to-date growth in net guaranteed portfolio to US\$917.7 million.

MARC notes that given its mandate to support the development of regional bond markets, CGIF will make further inroads into relatively undeveloped markets such as Laos, Cambodia and Myanmar. While this will **provide new business opportunities and diversification for CGIF, it will increase the facility's credit risk** profile given the lower sovereign ratings of these countries. Nevertheless, MARC **takes comfort in CGIF's** conservative approach in building its guarantee portfolio in line with growth in its capital base, which has enabled the facility to maintain a consistently healthy leverage position; as at end-August 2019, CGIF's net leverage ratio stood at 0.83:1, well within its internal limit of 2.50:1. The ratio is not likely to increase substantially in the near- to medium-term given additional capital contributions of another US\$200 million from member countries until 2023.

These **additional contributions follow shareholders' approval in 2017 to raise CGIF's capital to US\$1.2 billion** from US\$700 million by 2023. Since then, shareholder capital payments to CGIF have been forthcoming, with total paid-in capital rising to US\$1.0 billion as at end-June 2019. Of this, US\$144.6 million was paid-in during 1H2019. The ongoing capital increase has also boosted CGIF's maximum guarantee capacity

(MGC) to US\$2.7 billion as at end-June 2019, and eventually to US\$3 billion in 2023 when the capital raising is completed.

CGIF's moderate guarantee portfolio size limits diversification of risks related to country, currency and issuance size. As at end-August 2019, the largest country and currency exposure, which was Vietnam and the Vietnamese dong, comprised 36% of the total net guaranteed amount. At the same time, the top five largest issuances, net of reinsurance, collectively accounted for around 37% of total equity. Nonetheless, as the guarantee facility continues to expand its portfolio over the years in line with its growing capital base, company concentration risk has improved; the top five largest issuances had accounted for 44% of equity in 2018 and 56% in 2017. Additionally, country and currency exposures remain well within the internally established limits of 20% and 40% of CGIF's MGC of US\$2.7 billion.

In 1H2019, CGIF's net profit grew 56.7% y-o-y to US\$12.4 million (1H2018: US\$7.9 million), driven by strong growth in investment and guarantee income. Greater investment income largely came on the back of a larger investment base, as capital contributions of US\$144.6 million during the period were allocated towards relatively high quality fixed-income securities and time deposits. Investment income grew 31.9% y-o-y to US\$11.5 million in 1H2019 while yields on its investments were higher at an annualised 2.36% (1H2018: 1.96%). At the same time the increase in capital enabled CGIF to scale up its guarantee portfolio, resulting in a 42.5% y-o-y growth in guarantee income to US\$7.1 million for 1H2019 (1H2018: US\$4.5 million).

As CGIF funds its operations from retained earnings and paid-in capital, it maintains a sizeable holding of liquid assets to address operational obligations. Liquid assets accounted for 95.0% of total assets, underpinned by substantial investments in low-risk debt obligations issued by government and government-related entities, which comprised 79.1% of total investments as at end-June 2019. **Additionally, CGIF's** exposure to a large liquidity call arising from the default of any guaranteed obligation is somewhat mitigated by its ability to maintain the payment schedule of the obligations.

Exhibit 1: Financial highlights

FYE 31 December	1H2019 [^] (RM'000 equivalent)	1H2019 [^]	2018	2017	2016	2015
Operating revenue (US\$'000)	73,185	17,669	26,993	18,850	18,666	14,751
Net profit (US\$'000)	51,531	12,441	16,857	10,658	10,082	7,781
Return on assets (%)	2.36*	2.36*	1.94	1.37	1.32	1.04
Return on equity (%)	2.48*	2.48*	2.04	1.45	1.39	1.08
Cost-to-income ratio (%)	30.8	30.8	35.1	43.5	42.1	44.5
Average investment yields (%)	2.36*	2.36*	2.07	1.60	1.46	1.30
Total assets (US\$'000)	4,756,938	1,148,464	957,756	778,847	772,002	751,569
Liquid assets/Total assets (%)	95.0	95.0	95.2	95.0	94.3	96.0
Shareholders' funds (US\$'000)	4,523,362	1,092,072	910,992	739,224	727,521	722,557
Net guarantee amount (US\$'000)	3,801,060**	917,687**	814,267	698,657	649,448	583,787
Net leverage ratio [#]	0.83:1**	0.83:1**	0.89:1	0.95:1	0.91:1	0.81:1

Sources: CGIF, MARC

[^] Unaudited

* Annualised

[#] The net leverage ratio is measured by the aggregate outstanding guarantees (taking into consideration the ceded guarantee exposures and credit risk of reinsurers) to total paid-in capital plus retained earnings after deducting loss reserves and illiquid investments

** Based on net guarantee amount, total equity and foreign currency exchange rates as at August 31, 2019

Note: Exchange rates based on BNM middle rates of USD/MYR = 4.142 as at June 28, 2019

BACKGROUND

CGIF was established in November 2010 by 10 members of the Association of Southeast Asian Nations (ASEAN) together with China, Japan and South Korea (ASEAN+3) and the ADB, a supranational bank that also acts as the trustee of CGIF. The largest shareholders of CGIF are Japan Bank for International Cooperation (JBIC) and China, both with a paid-up capital of 34.2%, followed by ADB with 13.0% and South Korea with 10.0%. As a trust fund of the ADB, CGIF has the same privileges, immunities and exemptions accorded to ADB, including immunity from juridical proceedings and freedom of assets from restrictions in member countries.

As a key component of the Asian Bond Market Initiative (ABMI), **CGIF's** chief mandate is to develop the **region's** bond markets by providing guarantees on local currency-denominated bonds issued by corporations domiciled in the ASEAN+3 countries. Areas of priority when providing guarantees include supporting first-time issuers, enabling existing issuers to extend maturities without elevated premiums, encouraging cross-border transactions, broadening investor bases, and introducing new instruments to bond markets in the region.

The guarantees issued by CGIF are irrevocable and unconditional commitments to pay bondholders upon non-payment by issuers throughout the tenure of the bonds. (Please refer to the Appendix for further details **on CGIF's organisational governance.**)

BUSINESS REVIEW

Guarantee portfolio continued to grow

For 8M2019, CGIF provided guarantees to three new issuers: Yoma Strategic Holdings Ltd, a Myanmar-based company involved in property development and construction services; Refrigeration Electrical Engineering Corporation, a diverse Vietnamese group mainly involved in real estate development and management, engineering services and power and water utility infrastructure; and CJ Logistics Asia Pte Ltd, a leading logistics company in South Korea. The total issuances over the period amounted to US\$222.8 million, and **represents the facility's** foray into guaranteed issuances from Myanmar, Vietnam and South Korea-based companies.

These new guaranteed issuances more than offset the redemption of two issuances under PT Mitra Pinasthika Mustika Finance of over US\$20 million in early 2019, and CGIF saw a YTD growth of 12.7% in its guarantee portfolio to US\$917.7 million as at end-August 2019 (2018: US\$814.3 million). The portfolio comprises issuers operating in Indonesia, Vietnam, Thailand, the Philippines, Singapore, Myanmar, Vietnam, Korea and Malaysia (please refer to Exhibit 2). CGIF has upgraded its internal rating on Protelindo Finance B.V., Mobile World Investment Corporation, Refrigeration Electrical Engineering Corporation and the PAN Group JSC due to an improvement in **Indonesia and Vietnam's sovereign risk rating. At the same** time, the internal risk rating on KNM Group Berhad weakened due to a deterioration in its financial performance. Two new deals in the pipeline involving guarantees to Vietnamese and Singaporean companies in 2019 could see the net guaranteed portfolio growing to approximately US\$1,054 million by the end of the year.

Exhibit 2: Guarantee portfolio as at end-August 2019

Issuer	Issuers' base country	Issue date	Currency of issuance	Gross amount (US\$ mil equivalent)
PT Professional Telekomunikasi Indonesia	Indonesia	Nov 2014	Singapore dollar	129.8
Masan Consumer Holdings	Vietnam	Dec 2014	Vietnamese dong	90.5
IVL Singapore Pte Ltd	Thailand	Oct 2015	Singapore dollar	140.6
Vingroup Joint Stock Company	Vietnam	Feb 2016	Vietnamese dong	129.3
AP Renewables, Inc	Philippines	Mar 2016	Philippine peso	89.9
Fullerton Healthcare Corporation Ltd	Singapore	Jul 2016	Singapore dollar	72.1
KNM Group Berhad	Malaysia	Nov 2016	Thai baht	90.7
ASA Philippines Foundation	Philippines	Feb 2017, Jun 2017, Jan 2018	Philippine peso	20.0
Mobile World Investment Corporation	Vietnam	Nov 2017	Vietnamese dong	48.9
Siamgas and Petrochemicals Public Company Ltd	Thailand	Feb 2018 Dec 2018	Thai baht	101.2
The Pan Group SJC	Vietnam	Sep 2018	Vietnamese dong	48.9
Hoan My Medical Corporation	Vietnam	Oct 2018	Vietnamese dong	100.4
Aeon Credit Service	Philippines	Nov 2018	Philippine peso	19.2
Boonthavorn Ceramic 2000 Co Ltd	Thailand	Dec 2018	Thai baht	32.6
Yoma Strategic Holdings	Myanmar	Jan 2019	Thai baht	72.5
Refrigeration Electrical Engineering Corporation	Vietnam	Jan 2019	Vietnamese dong	99.9
CJ Logistics Asia Pte Ltd	South Korea	Mar 2019	Singapore dollar	50.5
Total				1,337.0

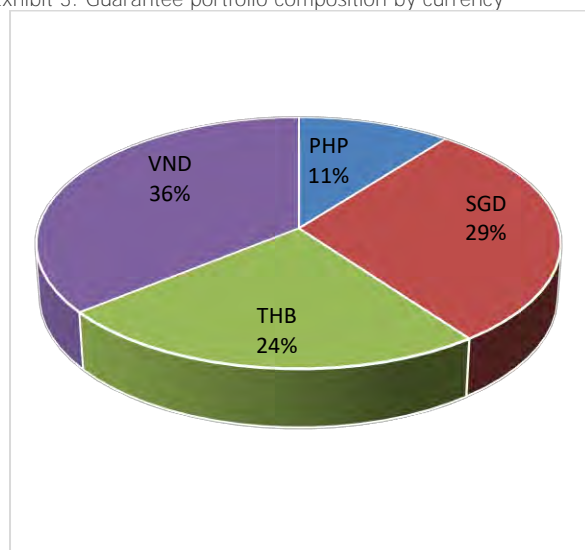
Sources: CGIF, MARC

Note: Figures may not add up due to rounding

MARC notes that given its mandate to support the development of regional bond markets, CGIF plans to make further inroads into relatively undeveloped markets such as Laos, Cambodia and Myanmar. While this will provide new business opportunities and diversification for CGIF, it will increase the facility's **credit risk profile given the lower sovereign ratings of these countries. Nevertheless, MARC takes comfort in CGIF's conservative approach in building its guarantee portfolio in line with the growth in its capital base, which has enabled the facility to consistently maintain a healthy leverage position.**

Guarantee portfolio exhibits concentration risks

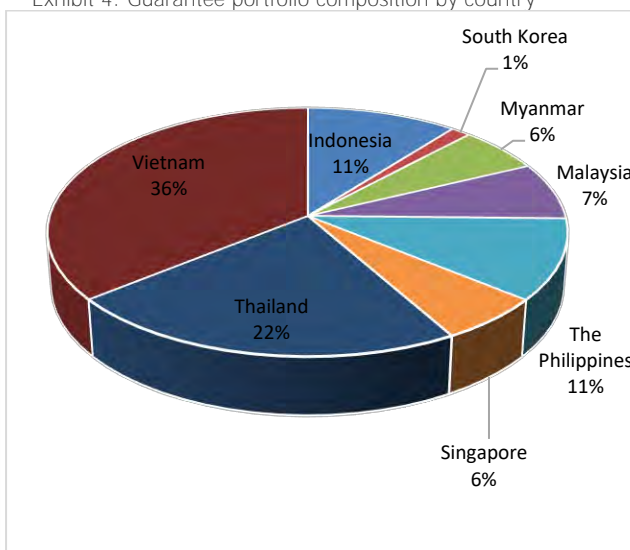
Exhibit 3: Guarantee portfolio composition by currency



Sources: CGIF, MARC

Note: Foreign currency exchange rates are as at August 31, 2019

Exhibit 4: Guarantee portfolio composition by country



Given CGIF's moderate guarantee portfolio, it is exposed to concentration risk. As at end-August 2019, Vietnamese dong-denominated bonds which were all issued by Vietnam-based corporates comprised 36% of the total net guaranteed amount. At the same time, its top five largest issuances, net of reinsurance, collectively accounted for around 37% of total equity. Nonetheless, as the guarantee facility continues to

expand its portfolio in line with its growing capital base, company concentration risk has improved over the years; the top five largest issuances accounted for 44% in 2018 and 56% in 2017.

Concentration risk also **remains well within CGIF's established single exposure limits that are based on its MGC¹**, which has increased to US\$2.7 billion as at end-June 2019 following shareholders' response to a call to increase paid-in capital to US\$1.2 billion from US\$700 million between 2018 and 2023, which has resulted in equity rising to about US\$1.1 billion (2018: US\$911.0 million). This has led to an increase in the country and currency exposure limit to US\$540 million or 20% and US\$1.1 billion or 40% of MGC. In addition, the **single borrower/group limit is 20% of CGIF's paid-in capital or US\$201 million**. **CGIF's net leverage ratio of 0.83:1** is well below its internal limit of 2.50:1 and indicates ample room to continue growing its guarantee portfolio.

Currency risk has increased; hedging to be done on a case-by-case basis

As **CGIF's guarantee portfolio comprises credit guarantees** on bonds denominated in several ASEAN currencies, it is exposed to currency risk given that the US dollar is its functional currency. It amended its foreign exchange hedging policy in November 2017 to hedge exposure to foreign exchange risk from guarantee fee receivables on a case-by-case basis, compared to the compulsory hedging for all foreign exchange guarantee fee receivables previously.

As a result of the policy change, CGIF currently has no hedged position over its foreign exchange exposure, compared to the nominal amount of foreign exchange forwards of US\$14.5 million in 2017, despite a larger net guarantee exposure. Reduced hedging activities may introduce greater variability to **CGIF's guarantee income** in the event of potential currency fluctuations. Furthermore, recent global economic headwinds have led to a flight to safety to US dollars, weakening emerging market currencies. This is expected to moderate **CGIF's** profitability in the near term. Nevertheless, MARC notes that weaker emerging market currencies also translate into a smaller obligation in the event of default of a covered bond.

Reinsurance reduces guarantee obligations

Under an arrangement with a reinsurance consortium, 25% of CGIF's existing exposures and new guarantees written from January 2019 to December 2019 are ceded to the consortium that meets certain reinsurance criteria. MARC views that reinsurance credit risk **is mitigated by CGIF's policy** of requiring reinsurers to have a minimum rating of A- on the international rating scale and a higher rating than the underlying issuer. CGIF has ceded a proportion of its risks to a reinsurance consortium. The international ratings of CGIF's current reinsurance partners range from AA- to A.

FINANCIAL PERFORMANCE

Higher profitability driven by investment income

Exhibit 5: Performance indicators

FYE 31 December	1H2019 [^]	1H2018 [^]	2018	2017	2016	2015
Gross guarantee income (US\$'000)	7,088	4,542	9,823	9,117	8,035	4,782
Net guarantee income (US\$'000)	4,892	3,432	7,285	6,919	7,158	4,664
Investment income (US\$'000)	11,466	8,695	18,654	11,825	10,432	9,268
Net realised gains from disposal of investments (US\$'000)	69	-	4	26	509	219
Net profit (US\$'000)	12,441	7,938	16,857	10,844	10,082	7,781
Average investment yields (%)	2.36*	1.96*	2.07	1.60	1.46	1.30
Return on assets (%)	2.36*	1.86*	1.94	1.40	1.32	1.04
Return on equity (%)	2.48*	1.95*	2.04	1.48	1.39	1.08
Cost-to-income ratio (%)	30.8	32.8	35.1	43.5	42.1	44.5

[^] Unaudited

* Annualised

Note: Average investment yields exclude gains or losses from the change in fair value and are calculated based on the portfolio held at the beginning and end of each month during the period

Sources: CGIF, MARC

¹ Maximum guarantee capacity = (total paid-up capital + retained profit - credit loss reserves - foreign exchange reserves - all illiquid investments) * maximum leverage ratio of 2.5

CGIF recorded a 56.7% y-o-y growth in net profit to US\$12.4 million during 1H2019, driven by strong growth in investment and guarantee income. Increased investment income largely came on the back of a larger investment base, as capital contributions of US\$144.6 million during the period were allocated towards relatively high quality fixed-income securities and time deposits. The annualised investment yield rose to 2.36% in 1H2019 (1H2018: 1.96%) and further supported the growth in investment income. At the same time the increase in capital enabled CGIF to scale up its guarantee portfolio, resulting in a 42.5% y-o-y growth in guarantee income to US\$7.1 million for 1H2019 (1H2018: US\$4.5 million). Nevertheless, it **should be noted that CGIF's income** continues to remain reliant on investment income, which accounted for 65.2% of total income for 1H2019. Its guarantee fee is currently not sufficient in covering operating expenses due to the small size of the guarantee portfolio.

Investment portfolio quality remains sound

Exhibit 6: Allocation of funds

Type	Amount (US\$ million)			Proportion (%)		
	1H2019	2018	2017	1H2019	2018	2017
Government and government-guaranteed obligations	861.2	741.7	639.4	79.1	82.0	87.2
Corporate obligations	91.1	103.6	59.4	8.4	11.5	8.1
Time deposits	136.0	59.3	34.6	12.5	6.6	4.7
Total	1,088.2	904.6	733.4	100.0	100.0	100.0

Source: CGIF

Note: All of CGIF's investments are denominated in US dollars

CGIF's investments are managed by ADB, the trustee of CGIF's investments. The facility's investment portfolio largely comprises government or corporate debt obligations in advanced economies, which has continued to support its strong liquidity profile. As at end-June 2019, a substantial 79.1% of the total investment funds were allocated to debt obligations issued by government and government-related entities. At the same time, time deposits in highly rated countries like Australia, Canada, Germany, the Netherlands and Singapore made up 12.5% of the portfolio. Corporate obligations largely refer to investments in financial institution debt in Sweden, Canada and Australia.

The average effective duration of CGIF's investment portfolio was higher at 2.8 years as at end-June 2019 (2018: 2.6 years), remaining well within its limit of 5.0 years as per policy guidelines. The recent cutting of interest rates in advanced economies may spur bond portfolio performance and as such improve CGIF's profitability metrics. Based on CGIF's interest rate sensitivity analysis, a 100 basis points decrease in interest rate will result in US\$30.1 million of unrealised gains which is more than CGIF's annual net profit.

Sound capital position

Exhibit 7: Capital adequacy

FYE 31 December	1H2019 [^]	2018	2017	2016	2015
Total assets (US\$'000)	1,148,464	957,756	779,109	772,002	751,569
Total equity (US\$'000)	1,092,072	910,992	739,224	727,521	722,557
Net guarantee amount (US\$'000)	917,687*	814,267	698,657	649,448	583,787
Net leverage ratio	0.83:1*	0.89:1	0.95:1	0.91:1	0.82:1
Basel II capital adequacy ratio (%)	32.2	26.8	24.3	25.3	26.7

Sources: CGIF, MARC

Note: The net leverage ratio is measured by the aggregate outstanding guarantees (taking into consideration the ceded guarantee exposures and credit risk of reinsurers) to total paid-in capital plus retained earnings after deducting loss reserves and illiquid investments

[^] Unaudited

* Based on net guarantee amount, total equity and foreign currency exchange rates as at August 31, 2019

CGIF's capital position remains sound as reflected by its net leverage ratio of 0.83:1, well within CGIF's internal limit of 2.50:1. Since the Capital Increase Programme was approved in 2017, paid-in capital has steadily risen to US\$1.0 billion as at end-June 2019 (2018: US\$859 million; 2017: US\$703 million), supporting the increase in capital adequacy ratio to 32.2% (2018: 26.8%; 2017: 24.3%). CGIF plans to increase its leverage ratio to 3.50:1 in 2020 to further grow its guarantee capacity, given its credit profile remains strong moving forward. MARC opines that the facility can moderately increase its leverage level without affecting its credit profile, as it gradually develops its guarantee portfolio and reduces single borrower exposure.

Sound liquidity profile

Exhibit 8: Proportion of liquid assets to total assets

FYE 31 December	1H2019 [^]	2018	2017	2016	2015
Liquid assets (US\$'000)	1,090,865	911,596	739,991	727,930	721,455
Total assets (US\$'000)	1,148,464	957,756	778,847	772,002	751,569
Liquid assets/Total assets (%)	95.0	95.2	95.0	94.3	96.0

Source: CGIF

CGIF's liquidity profile remained sound, as reflected by its liquid assets-to-total assets of 95.0% as at end-June 2019. Its liquid assets mainly comprise holdings of government and government-guaranteed securities, corporate debt and time deposits. Liquidity risk arising from sudden cash requirements may be mitigated by the global master repurchase agreement (GMRA) with a financial institution. The GMRA provides CGIF with access to liquidity and reduces the risk of undertaking forced sales of securities. CGIF also retains the right to maintain the payment schedule of the guaranteed obligations or accelerate the principal claim payments prior to the maturity of the debt issuance upon default of the issuer. This option would minimise liquidity risk in the event of claims.

MANAGEMENT

CGIF's management team is helmed by the new chief executive officer, Sun Guiying, who joined in June 2019. Sun brings with her longstanding experience in the developmental finance as well as credit guarantee lines, having previously held management roles in the Export-Import Bank of China and Chongqing Export-Import Credit Guarantee Company, among others. Having **served as a member of CGIF's** board of directors, Sun has been involved in CGIF since its formative years. MARC views positively on the depth of expertise **of CGIF's** management.

STRENGTH OF MEMBER SUPPORT

MARC opines there is a strong likelihood that support will be extended to CGIF by its shareholders, which include strong creditworthy member countries (China, Japan, South Korea, Malaysia and Singapore) and the supranational ADB. This view is based on CGIF's status as a trust fund of a multilateral development institution and a key component of the ABMI.

RISK MANAGEMENT AND CONTROLS

CGIF's board of directors plays a direct role in risk management through the internal control and risk management committee (ICRMC). The ICRMC is responsible for operating sound and effective internal control and risk management systems **to safeguard contributors' investments and CGIF's assets**. The day-to-day risk management functions are vested in the chief risk officer (CRO), who heads CGIF's risk management department and reports to the ICRMC and the board. **CGIF's risk management policies and procedures** draw on global best practices for multilateral institutions, with clear separation of duties between risk-taking units and risk managers as well as a well-designed risk appetite framework.

Prudent underwriting policy and controls

CGIF's internal credit rating system assesses the likelihood of default of a borrowing entity. Its credit assessment process considers the borrowing entity's ownership and management, business and operating environment, historical and projected financial performance, and cash flows, among others. Each borrowing entity assessed is assigned a rating on a 19-point scale from 1 (lowest risk) to 10 (highest risk), with 7 being the maximum acceptable risk rating. An internal rating of 7 is expected to correspond to a minimum rating of BB- on the international rating scale. This would map to a minimum investment grade rating on the applicable national rating scale. In May 2018, sovereign caps were **applied to CGIF's** internal risk rating system as a refinement to conservatively account for other country risks besides transferability and convertibility, requiring the maximum eligible rating of potential guaranteed bond issuers from Cambodia, Laos or Myanmar to be adjusted to B. The risk rating system appears to be sufficiently granular and CGIF's

internal ratings may also be augmented by external ratings from international and national credit rating agencies on the borrowing entities.

Sound credit guarantee pricing methodology

CGIF's guarantee fees are market-based and reflect the risk of the underlying credit being guaranteed. **CGIF's internal benchmark fee rate for each guarantee transaction takes into account the expected loss** [probability of default (PD) x loss given default (LGD)], the required return on capital and the administrative costs relating to the transaction. Additionally, CGIF will consider the comparable market rates available to the issuer to arrive at a final guarantee fee rate.

Accurate PD and LGD estimates are important for appropriate pricing of credit guarantees, provisioning for potential credit losses and **calculating CGIF's risk capital**. **The lack of uniformity in PD data, sample size limitations and general lack of credit loss and recovery data in much of CGIF's mandated region would pose challenges to accurately determine these parameters**. Refinement of **CGIF's estimation of PD and LGD parameters** will depend on improved uniformity in PD data and the availability of recovery data over time. CGIF enhances the estimates of LGD by accounting for stressed values of borrowers' **assets**.

Strong credit portfolio management processes

CGIF's operational policies provide for regular reporting on the nature and extent of its credit exposures to facilitate active management of its guarantee portfolio and the board's oversight duties. All credit risk exposures are reviewed at least once a year, or more frequently if required, by the Deal Operations Department to facilitate early identification of risks affecting issuer debt repayment capacity. Exposures that are deemed to contain heightened levels of default risk – these are either classified as watch-listed, especially mentioned or substandard – will be subject to closer **monitoring**. **Based on CGIF's risk management framework, credit loss reserves will be established based on default probabilities associated with CGIF's internal risk ratings**.

FUNDING AND LIQUIDITY

CGIF's operations are entirely funded by its paid-in capital which represents 100% of subscribed capital. CGIF may increase its authorised capital by vote of at least two-thirds of the number of its contributors who collectively hold two-thirds of the total outstanding shares. Its financial policies prohibit borrowings from any source to finance its operations although it may use short-term borrowings for cash management purposes, for instance to meet a call on a guarantee in place of liquidating an investment position when it is more advantageous to do so.

MANAGEMENT OF CAPITAL RESOURCES

CGIF's capital resources are currently placed with its trustee (ADB) and managed by ADB's treasury department according to board-approved specific investment strategies and performance benchmarks. **The agreed investment strategies are consistent with ADB's risk management policies and investment guidelines, and aligned to the specific requirements of CGIF's guarantee operations and its financial policies**. The primary investment objective is to protect the principal amount of the investments while **generating a reasonable return**. **The maximum allowable average duration of CGIF's investments is 5.0 years**. **CGIF's principal interest rate risk management objective is to generate stable overall interest income from the investment of its equity resources that is not overly sensitive to significant interest rate fluctuations but is adequately responsive to general market trends**.

SHAREHOLDING AND GOVERNANCE INFORMATION (As at June 30, 2019)

BOARD OF DIRECTORS

Feng Yuchuan (China)
 Zhang Zhengwei (China)
 Azah Hanim Ahmad (Malaysia)
 Mitsutoshi Kajikawa (Japan)
 Kenichi Aso (Japan)
 Ja Young Gu (Korea)
 Stefan Hruschka (ADB)
 Sun Guiying (Chief Executive Officer)

CONTRIBUTORS

Japan Bank for International Cooperation	34.15%
People's Republic of China	34.15%
Asian Development Bank	12.95%
Republic of Korea	9.96%
ASEAN countries	8.79%

MANAGEMENT

Sun Guiying	Chief Executive Officer
Aarne Dimanlig	Chief Risk Officer
Dong Woo Rhee	Chief Financial Officer
Gene Soon Park	General Counsel and Board Secretary
Hou Hock Lim	Corporate Planner and Head of Budget, Planning, Personnel and Management Systems
Jackie Jeong-Ae Bang	Internal Auditor

AUDITOR

Deloitte Touche LLP, Singapore

REGISTERED OFFICE

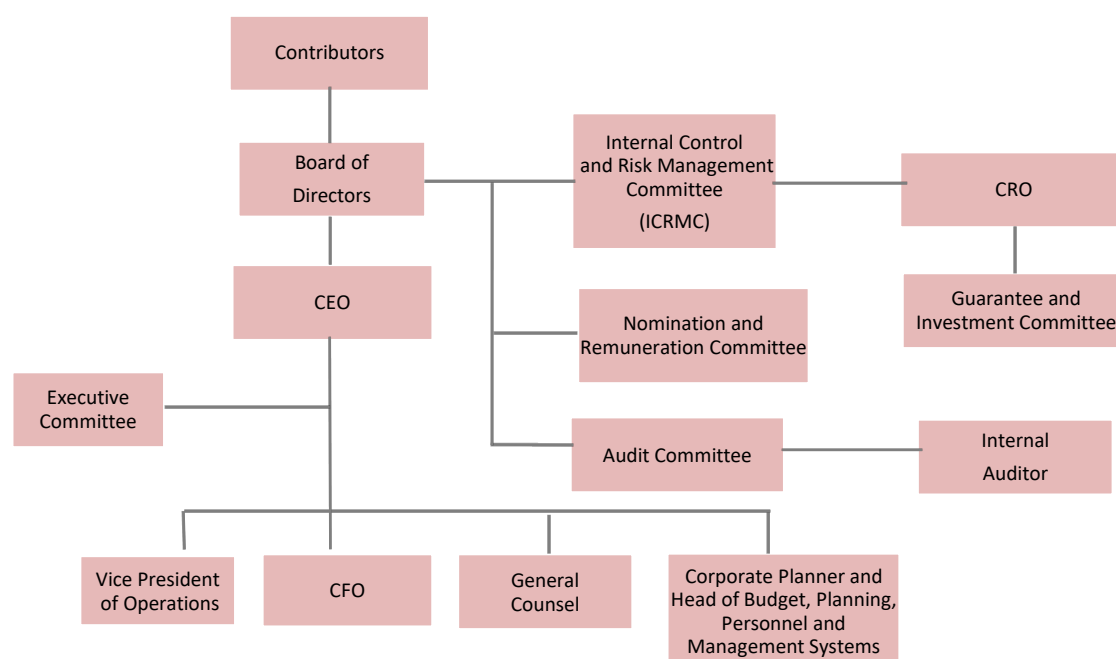
CREDIT GUARANTEE AND INVESTMENT FACILITY
 Asian Development Bank Building
 6 ADB Avenue,
 Mandaluyong City
 1550 Metro Manila
 PHILIPPINES

ORGANISATION AND GOVERNANCE

The governance structure of CGIF comprises the Meeting of Contributors, an eight-member board of directors, three board committees and two management committees. The Meeting of Contributors is the highest decision-making body of CGIF which determines strategic objectives and provides guidance on the overall operations and management. It reviews and approves recommendations from the board on the extent of operations that CGIF may undertake for the development of the bond market, the use of leverage, the maximum leverage ratio and any revision to country limits.

The board of directors is the second-highest decision-making body of CGIF with the role of representing and protecting the interests of the Contributors as well as providing oversight on the strategy, operations and management of CGIF. The board has established three committees, i.e. the audit committee, the internal control and risk management committee (ICRMC), and the nomination and remuneration committee, and determines the mandate and composition of management committees. CGIF currently has two management committees: the executive committee chaired by the CEO; and the guarantee and investment committee chaired by the CRO. As the trustee of CGIF, ADB holds in trust and currently manages all of CGIF's funds.

Exhibit 9: Governance structure



Sources: CGIF, MARC

CREDIT GUARANTEE AND INVESTMENT FACILITY
STATEMENT OF FINANCIAL POSITION

(USD'000)

Financial Year Ending : December 31

	1H2019	2018	2017	2016	2015	2014	Change (%)				
							2018	2017	2016	2015	2014
ASSETS:											
Cash	2,679	7,041	6,599	2,210	3,183	1,905	6.7	>100	(30.6)	67.1	(37.6)
Time deposits	135,956	59,293	34,580	7,706	6,798	35,599	71.5	>100	13.4	(80.9)	>100
Investments	952,230	845,262	698,812	718,014	711,474	677,257	21.0	(2.7)	0.9	5.1	(3.4)
Derivative assets	-	-	-	465	69	-	n.m.	(100.0)	>100	n.m.	n.m.
Accrued Revenue from investment	6,301	5,124	3,466	3,324	3,430	4,150	47.8	4.3	(3.1)	(17.3)	28.6
Guarantee fee receivables	49,802	39,944	34,526	38,565	25,533	20,732	15.7	(10.5)	51.0	23.2	>100
Other Assets	1,495	1,092	1,126	1,718	1,082	843	(3.0)	(34.5)	58.8	28.4	(25.9)
TOTAL ASSETS	1,148,464	957,756	779,109	772,002	751,569	740,486	22.9	0.9	2.7	1.5	3.1
LIABILITIES & MEMBER'S EQUITY											
Guarantee Liability	54,182	44,358	37,277	41,804	27,841	22,499	19.0	(10.8)	50.2	23.7	>100
Unearned interest income - guarantee	452	402	261	167	89	11	(100.0)	75.4	n.m.	n.m.	n.m.
Derivative liabilities	-	-	991	565	-	-	n.m.	n.m.	>100	(50.8)	>100
Lease liabilities	244	-	-	-	-	-	77.3	(47.2)	n.m.	n.m.	n.m.
Payable to other fund	-	-	-	-	-	-	19.9	n.m.	n.m.	n.m.	n.m.
Accrued expenses	1,065	1,165	657	1,245	382	777	17.2	(10.3)	53.3	20.9	>100
Other Liabilities	448	839	700	700	700	700					
TOTAL LIABILITIES	56,391	46,764	39,885	44,481	29,012	23,987					
MEMBERS' EQUITY											
Capital stock	1,003,800	859,200	703,000	700,000	700,000	700,000	22.2	0.4	n.m.	n.m.	n.m.
Unrealised gain/(loss) on sale of investment	13,498	(10,541)	(9,391)	(7,250)	(2,131)	(408)	(12.2)	(29.5)	<(100)	<(100)	<(100)
Reserve	62,333	45,615	34,771	24,689	16,907	13,359	31.2	40.8	46.0	26.6	25.5
Retained Earnings	12,441	16,718	10,844	10,082	7,781	3,548	54.2	7.6	29.6	>100	30.5
	1,092,072	910,992	739,224	727,521	722,557	716,499	23.2	1.6	0.7	0.8	0.2
TOTAL	1,148,464	957,756	779,109	772,002	751,569	740,486	22.9	0.9	2.7	1.5	3.1

n.m. : not meaningful

CREDIT GUARANTEE AND INVESTMENT FACILITY
STATEMENT OF COMPREHENSIVE INCOME

(USD'000)

Financial Year Ending : December 31

REVENUE :

	1H2019	2018	2017	2016	2015	2014
Gross income on guarantees	7,088	9,823	9,117	8,035	4,782	1,368
Reinsurance expense	(2,196)	(2,538)	(2,198)	(540)	-	-
Net income on guarantees	4,892	7,285	6,919	7,495	4,782	1,368
Income on investments	11,453	18,619	11,808	10,086	9,146	8,264
Net realised gains from investments	69	4	26	509	219	487
Others	1,255	1,085	97	576	604	13
	17,669	26,993	18,850	18,666	14,751	10,132

EXPENSES:

Administrative expenses	4,766	8,340	7,144	6,848	5,566	5,511
Financial expenses	43	73	59	54	50	56
Depreciation expenses	183	229	289	258	241	276
Other miscellaneous expenses	447	839	700	700	700	700
	5,439	9,481	8,192	7,860	6,557	6,543

TOTAL OPERATING INCOME

Provision for impairment losses

TRANSLATION (LOSS)/ GAIN

NET INCOME

OTHER COMPREHENSIVE INCOME

Unrealised (Loss)/Gain on AFS Investments

TOTAL COMPREHENSIVE INCOME

Change (%)				
2018	2017	2016	2015	2014
7.7	13.5	68.0	>100	>100
(15.5)	<(100)	n.m.	n.m.	n.m.
5.3	(7.7)	56.7	>100	>100
57.7	17.1	10.3	10.7	8.1
(84.6)	(94.9)	>100	(55.0)	n.m.
>100	(83.2)	(4.6)	>100	(80.0)
43.2	1.0	26.5	45.6	24.6
16.7	4.3	23.0	1.0	25.1
23.7	9.3	8.0	(10.7)	14.3
(20.8)	12.0	7.1	(12.7)	12.2
19.9	n.m.	n.m.	n.m.	n.m.
15.7	4.2	19.9	0.2	21.2
64.3	(1.4)	31.9	>100	31.4
n.m.	n.m.	n.m.	n.m.	n.m.
<(100)	>100	(75.3)	<(100)	<(100)
55.5	7.6	29.6	>100	30.5
45.8	58.2	<(100)	24.5	(69.3)
80.4	75.3	(18.1)	>100	(7.6)

n.m. : not meaningful

RATING SYMBOLS AND DEFINITIONS COUNTERPARTY CREDIT RATINGS

LONG-TERM RATINGS

Counterparty ratings are opinions of the ability of counterparties to honour senior obligations under financial contracts such as obligations under currency swaps, interest rate swaps, third party credit guarantees or partial guarantees, liquidity facilities and similar products, given appropriate documentation and authorisation.

AAA	A counterparty rated AAA has an exceptionally strong capacity to meet its obligations under financial contracts and has the least risk of an impairment of its creditworthiness relative to other counterparties.
AA	A counterparty rated AA has a very strong capacity to meet its obligations under financial contracts but is rated lower than a AAA counterparty because its long-term risks are higher than AAA counterparties.
A	A counterparty rated A has a strong capacity to meet its obligations under financial contracts, but shortcomings may be present to suggest a susceptibility to impairment in its creditworthiness sometime in the future.
BBB	A counterparty rated BBB has adequate capacity to meet its obligations under financial contracts, but some shortcomings are present to suggest higher risk of susceptibility to impairment in its creditworthiness in the event of adverse changes in its operating environment and/or entity-specific circumstances.
BB	A counterparty rated BB has somewhat uncertain capacity to meet its obligations under financial contracts and moderately high susceptibility to impairment in its creditworthiness in the event of adverse changes in its operating environment and/or entity-specific circumstances.
B	A counterparty rated B has uncertain capacity to meet its obligations under financial contracts and high susceptibility to impairment in its creditworthiness in the event of adverse changes in its operating environment and/or entity-specific circumstances.
C	A counterparty rated B has highly uncertain capacity to meet its obligations under financial contracts and is at risk of defaulting on its obligations.

Note: Long-term Ratings from AA to B may be modified by a plus (+) or minus (-) suffix to show its relative standing within the major rating categories.

SHORT-TERM RATINGS

MARC's Short-term Ratings reflect the counterparty's capacity to meet its short-term obligations not exceeding a year under financial contracts.

MARC-1	Very strong capacity to meet its obligations under financial contracts.
MARC-2	Strong capacity to meet its obligations under financial contracts.
MARC-3	Adequate capacity to meet its obligations under financial contracts.
MARC-4	Speculative capacity to meet its obligations under financial contracts.

RATING OUTLOOK

MARC's Rating Outlook assesses the potential direction of a counterparty's rating over the intermediate term (typically over a one-to two-year period). The Rating Outlook may either be:

POSITIVE	which indicates that a rating may be raised;
NEGATIVE	which indicates that a rating may be lowered;
STABLE	which indicates that a rating is likely to remain unchanged; or
DEVELOPING	which indicates that a rating may be raised, lowered or remain unchanged.

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Credit Guarantee and Investment Facility

Click here to enter text.

Key Rating Drivers

Leverage to Stay Manageable: Fitch Ratings Indonesia expects Credit Guarantee and Investment Facility (CGIF) to judiciously manage its net par/capital leverage ratio – defined as total outstanding guarantee exposure after reinsurance relative to members' equity – as its guarantee portfolio expands. The ratio stood at 1.11x at end-2018, and Fitch expects it to remain at or below 2.0x.

Prudent Investment Strategy: CGIF invests only in fixed-income securities with maturities of more than one year that are rated at least 'A+' on an international scale for government-related issuers of CGIF contributor countries and 'AA-' for other issuers. Its investments in short-term fixed-income instruments cannot be lower than 'F1' on Fitch's rating scale.

Short Operational Record: CGIF's profile is less robust than that of companies with established records of financial and operational success. This limits its ratings under Fitch's criteria, but is partially mitigated by operational linkage with its sponsor, the Asian Development Bank (ADB, AAA/Stable).

High-Risk Insured Portfolio: CGIF's insured portfolio is exposed to issuers with non-investment-grade ratings as well as uncapped currency risk as it provides largely local-currency-denominated guarantees on emerging-market Asian debt. This means that under extremely adverse scenarios, the portfolio is likely to experience periods of high default rates with low recoveries. Losses on defaulted securities would also be magnified by unfavourable movements in exchange rates.

Sponsorship Mitigates Some Risk: CGIF's Insurer Financial Strength (IFS) Rating has implicitly factored in its sponsorship by the 'AAA' rated ADB, which is a trustee and part-owner. ADB appoints all relevant staff and manages the funds and assets. CGIF's operations are likewise conducted according to its policies, and all applicable ADB operational policies and it shares the bank's multilateral supranational status. This linkage reduces some, but not all, start-up related risks, such as unpredictable business growth in light of CGIF's expansion mode.

Diversified Ownership Structure: CGIF's initial capital of USD700 million was contributed by ADB and various Asian sovereign nations, several of which are highly rated, and was used to form CGIF to support the development of Asian capital markets. The contributors have committed to raise CGIF's paid-in capital by USD500 million to USD1.2 billion by end-2023.

Rating Sensitivities

Weakening Capitalisation: Downgrade rating sensitivities include a rise in the net par/capital leverage ratio to above 3.0x, an investment policy change that may increase risky asset exposure, a move towards the higher use of, or reliance on, reinsurance protection, with the ratio of net/gross notional par insured falling below 75%, an inability to bring in capital to support expansion and deviation from Fitch's expectations.

Highest National Scale Rating: CGIF's National IFS Rating and National Long-Term Rating are already at the highest possible rating and cannot be upgraded. Fitch believes CGIF's credit profile is stronger than Indonesia's Long-Term Local-Currency Issuer Default Rating (IDR) of 'BBB', which supports the assignment of an 'AAA(idn)' IFS Rating on the National scale.

Ratings

Entity Name

National Insurer Financial Strength AAA(idn)
National Long-Term Rating AAA(idn)

Outlooks

National Insurer Financial Strength Stable
National Long-Term Rating Stable

Financial Data

Credit Guarantee and Investment Facility			
(USDm)	2017	2018	
Total equity	779	911	
Total assets ^a	739	958	
Return on equity (%)	2	2	
Net income	11	17	
Par-to-capital ratio ^a (x)	312	237	

^a Excludes reinsurance assets
Source: Fitch Ratings, CGIF

Applicable Criteria

[Insurance Rating Criteria \(November 2019\)](#)

Analysts

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Business Profile

Moderate Business Profile

Fitch ranks CGIF's business profile as 'Moderate', factoring in our view of CGIF's competitive position, business risk and diversification as 'Moderate'. The business profile credit factor has a low influence on the rating, reflecting CGIF's mandate to fulfil development goals.

Substantive Business and Smaller Operating Scale

CGIF was established in late 2010 to support the development of debt capital markets in Asia by providing financial guarantees on debt issues, primarily corporate issuers. It commenced operations in 2012 and wrote its first bond guarantee in 2013. Its capitalisation of USD911 million is above that of a guarantor with a 'Favourable' operating scale while its revenue size aligns with that of a 'Least Favourable' operating scale. However, it can be considered a much larger organisation, based on operational infrastructure, in light of its linkage with ADB.

Premiums from the guarantee business amounted to USD8.7 million in 2018 and USD8.4 million in 2017. CGIF had issued 23 guarantees to 15 issuers by end-2018. Fitch expects CGIF to steadily build up its operating record in the bond guarantee segment as its coverage expands. CGIF targets first-time issuers without, or with limited, local bond market access and mainly provides support to corporates in ASEAN countries as well as China, South Korea and Japan. It is also expanding into frontier markets with its support of the first bond in Cambodia, and Laos as the next near-term target. Myanmar will require more time due to the lack of corporate bond market regulations.

The company seeks to give guarantees to existing issuers to extend their bond maturities. CGIF supports cross-border transactions within its target markets by looking for opportunities to provide guarantees to local corporates to raise bonds in matching currencies.

Risk Appetite on a Par with Insurance Sector

Fitch sees CGIF as unique as it is sponsored and operated by ADB, an established multilateral supranational. This sets CGIF apart from commercial start-ups. CGIF's operational linkages with ADB mitigate some, but not all, the risks of a start-up, allowing Fitch to rate CGIF well above 'BBB' on the international scale, the start-up threshold.

CGIF is set up as a trust fund of ADB rather than a separate, independent legal entity. Hence, it is accorded the same supranational status as ADB. This is incorporated under Article 13.2 of CGIF's Articles of Association, which states that "the privileges, immunities, and exemptions accorded to ADB pursuant to the Agreement Establishing the Asian Development Bank shall apply to (i) the Trustee, and (ii) the property, assets, archives, income, operations and transactions of CGIF". The organisation, like the ADB, is not subject to the laws of the Philippines, where it is based, and, as such, is immune from taxation, local business laws and bank or insurance regulations.

ADB has close ties with CGIF and provides strong operational support, appointing staff as well as holding in trust and managing CGIF's funds and assets, as set out in the Articles of Association. CGIF's risk management culture and procedures are largely adopted from ADB.

Fitch also thinks CGIF's growth strategy is more favourable than that of commercial operators. There is no time pressure from ADB or the capital contributors to quickly utilise the capital for guaranteeing bond obligations, giving CGIF more leeway to carefully select the corporate bond issuance it guarantees, instead of adopting an aggressive or fast-growth path. This approach is in line with ADB's philosophy.

Nonetheless, CGIF is focussed on an undeveloped business segment as the use of debt guarantees in Asia is limited. This carries higher-than-average risk of making adverse selections as it is difficult to judge the business viability of the companies that seek to issue insured debt. This risk is core to CGIF's business model and is not mitigated by operational linkages with ADB. It guarantees bonds in diverse sectors including telecommunications, financial institutions and healthcare. CGIF also support cross-border transactions within its target markets by looking for opportunities to provide guarantees to local corporates.

Ownership

Fitch believes CGIF has a strong group of owners and capital providers, but there is no explicit uplift to its ratings due to ownership, other than the benefits of operational linkages with ADB that help mitigate a portion of the risk associated with a short operating record. The company obtains its funding exclusively from the sponsors; thus, Fitch has considered the benefits and risks of its ties to parent funding in the ownership evaluation.

Japan, China and Korea contributed around 75% of the capital. The number of votes for each contributor is equivalent to the proportion of its capital contribution. Hence, the largest contributors retain the strongest decision-making powers.

Callable capital facilities are used for some supranational organisations, but CGIF's capital providers chose not to use such an approach.

CGIF Capital Contributors at April 2019

	(%)	Rating/Outlook
Asian Development Bank	15.13	AAA/Stable
Japan (Japan Bank for International Cooperation)	39.89	A/Stable
China	23.27	A+/Stable
Korea	11.64	AA-/Stable
Brunei Darussalam	0.65	n.a.
Cambodia	0.02	n.a.
Indonesia	1.47	BBB/Stable
Lao People's Democratic Republic	0.02	n.a.
Malaysia	1.47	A-/Stable
Republic of the Union Myanmar	0.01	n.a.
Philippines	2.32	BBB/Stable
Singapore	2.51	AAA/Stable
Thailand	1.47	BBB+/Positive
Vietnam	0.13	BB/Positive
Total	100.00	

Source: Fitch Ratings, CGIF

Capitalisation and Leverage

Sustaining the Improvement in Capitalisation

Financial Highlights

(USDm)	2014	2015	2016	2017	2018	Fitch's expectation
Total shareholders' equity	716	723	728	739	911	Capitalisation to remain solid, with the net par/capital ratio below 2.0x over the long term.
Net par ^a	616	749	1,120	1,096	1,410	
Net par to capital leverage (x)	0.86	1.04	1.16	1.11	1.11	
Financial leverage (%)	0	0	0	0	0	

Source: Fitch Ratings, CGIF

^aMaximum guaranteed amount includes principal and coupon

Manageable Net Par/Capital Leverage

Fitch expects CGIF to manage its net par/capital leverage at 2.0x. This target falls within Fitch's ratings guideline for an 'A' rating on an international scale and is closely aligned to the frequency or severity standards that apply to financial guarantee organisations that face the possibility of very high frequency and high severity defaults on bonds they guarantee.

CGIF had guaranteed 23 bonds amounting to USD1.4 billion by end-2018, including bonds denominated in Singapore dollars, Vietnamese dong, Philippine peso, Thai baht and Indonesian rupiah. The guaranteed bonds had tenures of three to 10 years and were issued by corporates in various sectors, including telecommunications and automobiles. CGIF's net par/capital leverage was unchanged at 1.11x at end-2018 from 2017, although several transactions were still in the pipeline.

Additional Capital Infusion to Support Expansion

CGIF contributors approved a USD500 million increase in CGIF's authorised capital in view of its current growth pace, which will increase total capital to USD1.2 billion when the additional capital is fully subscribed by end-2023. The capital increase will be implemented in stages, with the first paid-in capital made in December 2017.

Financial Performance and Earnings

Steady Financial Performance

Financial Highlights

(%)	2014	2015	2016	2017	2018	Fitch's expectation
Net income (USDm)	3.5	7.8	10.1	10.8	16.8	The company's operating results are likely to remain volatile in the near term as it is in the early phase of its expansion.
Return on equity	0.5	1.1	1.4	1.5	2.0	
Combined ratio	438	125	90	102	118	
Investment yield	1.2	1.3	1.5	1.6	2.3	

Source: Fitch Ratings, CGIF

Steady Improvement in Operating Profitability

CGIF's operating results improved gradually over the last three years, with a return on equity of 2.0% in 2018 (2017: 1.5%). However, its combined ratio – the sum of the loss and expense ratios – was 118% (2017: 102%) due to higher administrative expenses during the year.

CGIF does not have specific profit targets or mandates, aside from its objective of supporting the development of the Asian bond market. This differs from most privately owned and commercially run organisations, which have earnings growth and dividend targets. This makes CGIF's performance goals similar to those of many mutual insurance companies or government agencies whose profit margins are set to ensure reasonable compensation for the risks assumed and to support long-term growth in capital commensurate with forecast business growth.

Managing a High-Risk Insured Portfolio with Uncapped Currency Risk

Fitch sees CGIF's insured portfolio as high risk within the context of its ratings criteria for financial guarantors; a high-risk portfolio is characterised by a high frequency and severity of losses and uncapped currency risk. CGIF's underwriting and controls appear well-thought-out and prudent, albeit as yet untested, to manage the high risk from its insured portfolio.

CGIF is exposed to volatile guarantee risks because it guarantees non-investment grade corporate issuance. It is also exposed to foreign-currency risk as it provides largely local-currency-denominated guarantees to emerging markets, including ASEAN countries, Japan, Korea and China.

CGIF caps the size of each bond guarantee at 20% of its paid-in capital, with sub-limits of up to 20% of its maximum guarantee capacity per country and up to 40% of its maximum guarantee capacity per currency. This ensures business diversification and curbs exposure to any single country or currency. CGIF factors in the level of paid-in capital and retained surplus, credit loss reserves, foreign-exchange loss reserves, the amount of illiquid investments and the maximum leverage ratio to determine the level of maximum guarantee capacity. Bonds guaranteed by CGIF are generally limited to tenors of 10 years or below.

Investment and Asset Risk

Prudent Investment Strategy Mitigates Risk

Financial Highlights

(%)	2014	2015	2016	2017	2018	Fitch's expectation
Risky asset ratio	0	0	0	0	0	No significant change to the risk profile of CGIF's investments in light of its investment approach
Equity investment to capital	0	0	0	0	0	

Source: Fitch Ratings, CGIF

Prudent Investment Guidelines

CGIF's key investment objective is to protect the principal amount of its investments by investing in liquid, low-risk and high-credit-quality instruments.

Investments are managed by the ADB treasury in accordance with CGIF's investment guidelines, which have been adopted in agreement with the sponsor. CGIF invests in only cash and deposits and fixed-income securities. No equity investments are considered. Eligible fixed-income securities with maturity terms of more than one year must be rated at least 'A+' on an international scale for government-related issuers of CGIF contributor countries and 'AA-' for other issuers. CGIF may invest in fixed-income securities with remaining terms to maturity of up to one year with credit ratings of at least 'A-' or the equivalent.

Foreign-Currency Risk Exposure

CGIF has significant exposure to foreign-currency risk because it guarantees bonds denominated in the various currencies of the market of issuance while its functional currency is the US dollar.

This means under extremely adverse scenarios, the portfolio is likely to experience periods of high default rates with low recoveries. However, defaults and low recoveries are likely to be mitigated by the weakening of the local currencies against CGIF's capital, which is denominated in US dollars.

CGIF retains the right to pay in US dollars if it is unable to obtain a sufficient amount of the bond issue's currency at the time of payment and it determines the method of calculating the exchange rate upfront as part of the policy language. Thus, CGIF is not at risk of defaulting on a guarantee due to a lack of the bond issue's currency.

Liquidity Risk is Reasonably Managed

Fitch does not expect CGIF to face severe liquidity problems due to its appropriate management of liquidity risk. All CGIF investments by policy must be marketable within a reasonable time. CGIF allocated more than 90% of its investments in bonds and time deposits with maturity durations of less than five years in 2018, giving the portfolio a duration of 2.6 years at the end of the year. The possibility of a liquidity crisis is limited due to CGIF's right to accelerate or retain the original interest or principal payment schedule in the event of a default on an insured bond, eliminating the liability-acceleration risk.

CGIF has a global master repurchase agreement with a European bank that allows the organisation to transact in repos, when necessary – for instance, when bond defaults are high during a period of high interest rates, implying unrealised losses exist on the investment bond portfolio – instead of liquidating a security before maturity, especially if it is at a loss.

Reserve Adequacy

Stable Reserving Trends and Practices

Financial Highlights

	2014	2015	2016	2017	2018	Fitch's expectation
Net loss reserves/incurred losses (x)	n.a.	n.a.	n.a.	n.a.	n.a.	CGIF's claim-reserve ratio could be volatile in the short term due to its limited claim liability development record. Nonetheless, no bond that CGIF has guaranteed is in default to date.
Paid/incurred losses (x)	n.a.	n.a.	n.a.	n.a.	n.a.	
Change in ratio of reserves/earned premiums (%)	0	0	0	0	0	

Source: Fitch Ratings, CGIF

Conservative Credit Loss-Reserve Process

CGIF appears to have a conservative, although untested, approach for establishing credit-loss reserves in light of the high-risk nature of its business, which is likely to result in periodic losses. Provisions for credit losses ranging from 20%-100% of the guarantee amount are set according to the internally generated bond ratings assigned to individual bonds. The provisions are based on statistical estimations and assumptions of probability of default and loss given a default.

Ratings from board-approved parties will be obtained to assess the consistency of CGIF's internal ratings with those assigned by the parties to ensure CGIF makes the correct application of international technical standards and its internal risk-rating system is effective during its initial operations. Each outstanding guarantee will be reviewed and re-rated at least annually. In the case of deterioration in the bond issuer's credit profile, additional provisions will be set aside based on the perceived lower credit rating. In addition, management will make specific provisions for any guarantee that is at risk on a case-by-case basis based on ongoing monitoring of all guarantees outstanding.

Reinsurance, Risk Mitigation and Catastrophe Risk

CGIF has arranged a quota-share reinsurance treaty to support its underwriting capacity. All reinsurers under this treaty have an IFS rating of at least 'A-'. There has been no material change to the current 25% quota share reinsurance treaty programme.

Appendix A: Industry Profile and Operating Environment

This section discusses Indonesia's insurance industry as the company's public ratings are Indonesia National Ratings.

Regulatory Oversight

Fitch considers the regulatory environment in Indonesia to be 'developing with limited level of transparency'. Indonesia's insurers are governed by the Financial Services Authority (OJK). The regulator has implemented a minimum risk-based capital (RBC) ratio of 120% and under new regulation circulated in 2017, the RBC covers five specified risk categories. The regulator's enforcement ranges from warnings and fines to rescinding registrations and barring offending individuals from key executive positions, which has been applied with moderate consistency. OJK, as a relatively new authority established in 2013, is gradually reinforcing its role in monitoring and supervising the insurance and reinsurance sectors.

Technical Sophistication of Insurance Market; Diversity and Breadth

The non-life segment is dominated by property and motor with business expanding in the engineering sector following massive infrastructure developments. Unit-linked products remain the biggest segment of the life insurance industry, accounting for 50% of total domestic life premiums. Technical skills in the industry are also developing but are considered less sophisticated than that of insurers in developed countries. Indonesia's insurance penetration is modest, accounting for around 3% of GDP.

Competitive Profile

The competitive landscape is often not rational and very challenging. The non-life segment pays high commissions to brokers, resulting in an industry combined ratio of 96%. The life insurance segment focuses on product diversification and services (i.e. digitalisation) to meet the challenges. Indonesia has a fragmented and competitive insurance market with 60 life insurers and 79 non-life insurance companies. The top-five life insurers account for 46%, while the top five non-life insurers account for more than 30% of total premiums.

Financial-Market Developments

Fitch considers Indonesia's debt and equity markets as not fully developed, and the market capitalisation of the country's listed companies is lower than that of its regional peers. The capital-market utilisation to finance investments is considered low with limited intermediation by non-bank financial institutions. The debt market is oriented towards the short term (one-three years), especially for life or other sectors selling long-duration products.

Country Risk

Fitch rates the local-currency sovereign obligations of Indonesia at 'BBB' with a Stable Outlook. Based on the industry profile and operating environment range suggested by the performance of the above sub-factors, the mid-point of the six-notch Industry Profile and Operating Environment score is in-line with the local-currency sovereign rating of Indonesia.

Appendix B: Peer Analysis

Unique Business Profile, No Direct Peers

CGIF has no equivalent like-for-like peers for a relevant peer comparison, given its specialised nature and its focus on supporting the development of debt capital markets in Asia by providing financial guarantees on debt issues.

Fitch compares CGIF with GuarantCo Ltd., a financial guarantor that is also owned by government agencies and follows development objectives. GuarantCo is focused on providing infrastructure guarantees in Africa and Asia.

Peer Comparison

(USDm)	IFS Rating	Total assets	Shareholders' equity	Maximum guaranteed amount	Net par to capital leverage (x)	Financial leverage (%)	Return on equity (%)	Risky assets to equity (%)
CGIF	AAA(idn)/Stable	958	911	1,410	1.1	0	2	0
GuarantCo	AA-/Stable	296	270	524	1.3	0	-2	0

Source: Fitch Ratings, CGIF, GuarantCo

Appendix C: Other Ratings Considerations

Below is a summary of additional ratings considerations that are part of Fitch's ratings criteria.

Group IFS Rating Approach

Group IFS Rating approach is not applicable for this company.

Notching

CGIF is based in the Philippines but has the same multilateral organisation status as ADB. As such, it is not subject to local business or insurance regulations or capital regulatory frameworks.

CGIF follows the 'Other' regulatory environment classification for notching purposes, although Fitch assesses the regulatory environment of the Philippines as 'Effective' and classified as following a ring-fencing approach.

Notching Summary

IFS Ratings

A recovery assumption of 'Average' applies to the IFS Rating and non-standard notching associated with the noted recovery assumption was used from the IFS anchor rating to the operating company Issuer Default Rating, given CGIF's status as a multilateral organisation and the limited scope of regulation assumed by Fitch.

Operating Company Debt

n.a.

Holding Company IDR

n.a.

Holding Company Debt

n.a.

Hybrids

n.a.

IFS – Insurer Financial Strength. IDR – Issuer Default Rating
Source: Fitch Ratings

Short-Term Ratings

Not applicable

Hybrid-Equity/Debt Treatment

Not applicable

Corporate Governance and Management

Fitch considers CGIF's corporate governance to be effective and neutral to the ratings. The governance structure of CGIF consists of the meeting of contributors, an eight-member board and three board committees, and two management committees. The eight-member board comprises the CEO, two representatives each from China and Japan, and one each from ASEAN, Korea and ADB. These country representatives are from the ministries of finance or development banks. The board meets at least three times a year.

Transfer and Convertibility Risk (Country Ceiling)

None

Criteria Variations

None

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CREDIT GUARANTEE AND INVESTMENT FACILITY

No. 167/2019
15 October 2019

SUPRANATIONALS

Company Rating: AAA
Outlook: Stable

Last Review Date: 10/10/18

Company Rating History:

Date	Rating	Outlook/Alert
28/08/14	AAA	Stable

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RATIONALE

TRIS Rating affirms the company rating on Credit Guarantee and Investment Facility (CGIF), a trust fund of Asian Development Bank (ADB), at “AAA”. The rating reflects CGIF’s status as a supranational institution owned by the governments of the ASEAN+3 countries and ADB, together referred to as “contributors”. The rating also reflects CGIF’s solid capital, conservative risk management framework and strong liquidity. The rating takes into consideration the challenges CGIF is facing in fulfilling its mission from potentially rising exposure to countries with higher credit risks.

KEY RATING CONSIDERATIONS

Supranational status underpins rating

The rating on CGIF reflects its status as a supranational institution. TRIS Rating believes there is a high likelihood that CGIF will receive financial support from its major contributors in times of financial distress. We also factor in strategically important objectives of the contributors that CGIF also serves by promoting development of the regional bond markets.

In 2017, CGIF’s contributors approved a capital increase proposal (CIP) to raise CGIF’s paid-up capital on an uncommitted basis to US\$1.2 billion by 2023 from US\$700 million to support business expansion. Since then, there have been rounds of capital injection by a number of contributors. CGIF’s paid-up capital reached US\$1.054 billion as of September 2019, with ADB being the latest contributor of US\$50 million. The capital contribution from contributors reflects their ability and willingness to provide financial support and maintain long-term partnership with CGIF to achieve development objectives.

S&P Global Ratings also assigns ratings to the top four contributors, which contributed around 90% of CGIF’s capital, in a range of “A+” to “AAA”. These include Japan Bank for International Cooperation, People’s Republic of China, ADB, and Republic of Korea.

Solid capital buffer

We expect CGIF to continue maintaining sufficient capital buffer to absorb potential credit loss under a stress scenario. This is in part due to the size of guarantee portfolio, net of reinsurance, which stood at a conservative 1.14 times over total capital at the end of June 2019. We also do not foresee any likely increase to an internal limit of 2.5 times over the next three years. CGIF’s Basel-II capital adequacy ratio, net of reinsurance, was 31.8% at the end of June 2019, well above an internal floor of 8.8%.

Conservative risk management contains guarantee risk

CGIF has prudently adopted internal credit risk assessment guidelines, governance framework, and audit policies that are developed by international standards. Conservative underwriting with internal credit risk assessment based on well-defined risk parameters should continue to help CGIF maintain good credit quality of its guarantee portfolio. The risk-based pricing framework should also provide CGIF with adequate cushion against potential claims. Furthermore, CGIF’s utilisation of credit risk mitigation tools, such as reinsurance and counter-guarantees is helping to reduce credit risk and free up its guarantee capacity. There has been no default case so far as of the first quarter of 2019 (H1/19).

However, going forward CGIF's strategic focus on frontier markets may expose CGIF to higher credit risk. Even as CGIF tends to provide guarantees to companies with acceptable credit profile based on its internal guidelines, credit risk could heighten as some of CGIF-guaranteed bond issuers have major business operations in countries with relatively less established economic and legal environment.

As for CGIF's overall country exposure per total capital, this remains well within pre-defined limits. We, however, notice a strong increase in the exposure for some countries. For instance, exposure to Vietnam has reached 32% of total guarantee as of H1/19, up from 26% as of H1/18. Exposure to cyclical sectors, such as real-estate developments and consumer discretionary, also increased meaningfully from the previous year.

Good quality investment portfolio

We expect CGIF to maintain good asset quality of its investment portfolio, supported by conservative investment strategy. Its investments are debt securities with high credit ratings ranging from "A+" to "AAA" (based on S&P Global Ratings' ratings). These largely comprise debts issued by government-related entities (GRE) and financial institutions, and US Treasuries. CGIF has recently revised the minimum credit ratings for investments in debts issued by GREs of contributing countries to "A+", a notch below "AA-" for all others. In our opinion, this still poses no material risk to CGIF as investments in GRE-issued debts are subject to a conservative country exposure limit of 10% of CGIF's equity. CGIF also maintains target duration of its investment at 2 to 4 years. An average duration of its investments was 2.61 years at end-2018, below 2.85 years at end-2017.

We also expect income from investments to remain a meaningful earnings contributor to CGIF's capital in the medium term, despite continuous growth in revenues on guarantees. In H1/19, interest income made up 61% of gross revenue¹. Other main sources of income were guarantee fees and commission fees from reinsurers.

Liquidity remains strong

We expect CGIF's liquidity to remain strong. CGIF regularly applies stress scenarios using conservative assumptions to assess its liquidity position, in our opinion. Cash inflows from investments and guarantee fees need to cover cash outflows from operating expenses over the next 12 months. Further, investment portfolios comprise marketable fixed-income securities with high credit ratings that can be readily liquidated to support funding needs. CGIF can also engage in repurchase transactions to manage its liquidity needs.

RATING OUTLOOK

The "stable" outlook reflects TRIS Rating's view on the ability and willingness of the major contributors to support CGIF and our expectation that CGIF will continue to serve its strategic roles in developing regional bond markets. The outlook also reflects our expectation that CGIF will maintain a strong credit profile, a prudent risk management framework and healthy financial performance.

RATING SENSITIVITIES

The rating could face downward pressure if losses in the guarantee portfolio cause CGIF's financial profile to deteriorate significantly, or if there is evidence of weakening supports from the contributors.

COMPANY OVERVIEW

CGIF was founded in November 2010 by the governments of the ASEAN+3 countries (10 ASEAN countries plus China, Japan, and Korea) and ADB, together referred to as "contributors". CGIF's main objective is to provide credit guarantees which allow eligible issuers to access local currency bond markets. Issuers can thus avoid currency and maturity mismatches by issuing bonds within the region. Establishment of CGIF was a continual development process following the Asian Bond Markets Initiative (ABMI) introduced in 2003 by the ASEAN+3 countries. The aims of ABMI are to develop and strengthen the local currencies and regional bond markets to promote economic growth and financial development, and to prevent disruptions to the international financial order so as to enable savings in the region to be used within the region.

CGIF has four business functions:

1. Guaranteeing bonds in local currencies, issued by entities with local-scale and investment-grade ratings, to help issuers reduce currency and maturity mismatches;
2. Guaranteeing bonds not in local currencies, issued by entities with local-scale and investment-grade ratings, given that issuers have natural or financial hedges in place, such as a currency matching their underlying business;

¹ According to unaudited financial statements.

3. Making investments for the development of the regional bond markets; and
4. Undertaking other activities and services consistent with the objectives.

Since its inception, CGIF has focused mainly on the first two functions. The latter two functions are for the future.

In a typical guarantee contract, CGIF's insurance services will provide coverage only when an issuer breaches the non-payment event clause. In addition, when a non-payment event occurs, CGIF retains the sole right to decide whether it will early redeem the bonds or continue to pay bondholders according to the original bond schedule. Upon payment by CGIF of all or any part of the guaranteed amounts, CGIF will be entitled to all the rights, powers, and security that bondholders had against the issuers and co-indemnity providers to an amount equal to the paid guaranteed amount.

CGIF finances its operations solely from capital contributions. CGIF is not allowed to borrow from any source, except for cash management purposes.

FINANCIAL STATISTICS AND KEY FINANCIAL RATIOS

Unit: US\$ million

	Jan-Jun *	-----Year Ended 31 December -----			
	2019	2018	2017	2016	2015
Interest income	12.2	19.7	12.5	10.4	9.4
Guarantee income	6.4	8.7	8.4	7.7	4.8
Other revenue**	1.3	1.1	0.1	1.1	0.8
Total revenue	19.9	29.5	21.0	19.2	14.8
Net income from operations	12.2	15.1	10.7	10.8	8.2
Total assets	1,148.2	957.8	779.1	772.0	751.6
Total liabilities	56.4	46.8	39.9	44.5	29.0
Shareholders' equity	1,092.1	911.0	739.2	727.5	722.6

* Unaudited and not annualised

** Including realised gain (loss) from securities, fair value changes from derivatives and miscellaneous income

RELATED CRITERIA

- Rating Methodology for Supranational Institutions, 24 July, 2014

Credit Guarantee Investment Facility (CGIF)

Company Rating:	AAA
Rating Outlook:	Stable

TRIS Rating Co., Ltd.

Silom Complex Building, 24th Floor, 191 Silom Road, Bangkok 10500, Thailand Tel: 0-2098-3000

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Credit Guarantee and Investment Facility

Analysts: Danan Dito / Adrian Noer

Phone/Fax/E-mail: (62-21) 72782380 / 72782370 / danan.dito@pefindo.co.id / adrian.noer@pefindo.co.id

<u>CREDIT PROFILE</u>		<u>FINANCIAL HIGHLIGHTS</u>				
Financial Strength Rating	idAAA/Stable	as of / for the years ended	Mar-2019	Dec-2018	Dec-2017	Dec-2016
			(Unaudited)	(Audited)	(Audited)	(Audited)
Rated Issues		Total assets [USD Mn]	986.0	957.8	779.1	772.0
-		Total equity [USD Mn]	926.1	911.0	739.2	727.5
		Total investment [USD Mn]	923.0	904.6	733.4	726.2
Rating Period		Net premium written [USD Mn]	2.4	7.3	6.9	7.5
July 29, 2019 – July 1, 2020		Net Claims [USD Mn]	0.0	0.0	0.0	0.0
		Underwriting Result [USD Mn]	2.4	7.3	6.9	7.5
Rating History		Net income after tax [USD Mn]	5.8	16.9	10.8	10.1
-		Total Comprehensive Income [USD Mn]	15.1	15.7	8.7	5.0
		ROAA [%]	*2.4	1.9	1.4	1.3
		Loss Ratio [%]	0.0	0.0	0.0	0.0
		Net Written Premium / Equity [x]	0.0	0.0	0.0	0.0
		Retention Ratio [%]	69.9	74.2	75.9	93.3
		Equity / Total Asset [%]	93.9	95.1	94.9	94.2
		Capital Adequacy Ratio [%] **	22.9	26.8	24.3	25.3
		USD exchange rate [USD/IDR]	14,240	14,380	13,473	13,795

**Annualized ** The CAR ratio is similar to banks*

The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.

Credit Guarantee and Investment Facility (CGIF) rated *idAAA* with stable outlook

PEFINDO has assigned its "*idAAA*" financial strength rating to Credit Guarantee and Investment Facility (CGIF). The outlook for the rating is "**stable**".

A guarantee provider rated *idAAA* has superior financial security characteristics relative to other companies in Indonesia. "*idAAA*" is the highest guarantee provider financial strength rating given by PEFINDO.

The rating reflects CGIF's strong support from the shareholders, important mandate to develop regional bond markets, superior capitalization profile, superior liquidity position and financial flexibility, and conservative underwriting criteria. The rating is constrained by its moderate operating performance.

The rating may be lowered if there is evidence of CGIF losses or a significant reduction of its bond market developmental mandate. A material decline of shareholder support could also put downward pressure on the rating. The rating could also be under pressure due to significant deterioration in financial performance, as it may result in key shareholders being less inclined to provide capital support. However, we consider those scenarios highly unlikely in the foreseeable future.

CGIF was established in November 2010 as a key component of the Asian Bond Market Initiative (ABMI), to promote economic development and financial stability by developing local currency regional bond markets in the ASEAN region. This mandate was given by contributing members consisting of ASEAN + 3 governments (People's Republic of China, Japan, and Republic of Korea) and the Asian Development Bank (ADB). CGIF was established as a trust fund of the ADB (rated AAA/Stable by Standard and Poor's), meaning that although it is operationally and financially separated from ADB, it is not a separate legal entity apart from it. CGIF's headquarter is in Manila, the Philippines, and its operations were supported by 50 employees as of March 2019 (1Q2019).

Supporting factors for the above rating are:

- **Strong shareholder support.** CGIF's shareholders, commonly called contributors, provided USD700 million in paid-in capital at its establishment, and have authorized another USD500 million capital increase by FY2017, of which USD300 million is expected to be received by end-July 2019, and the rest gradually by end-2023. The capital injection is to support CGIF's operation expansion to increase the number of guarantee deals and ultimately further strengthen the development of local bond markets in ASEAN member countries. Similar to ADB, CGIF also enjoys privileges and immunities from local jurisdictions and regulations, such as tax exemption, exemption of seizure of assets, archives, and exemption of moratoria of any nature. Such stipulations reinforce the view of strong support from the contributors to CGIF. Although its existence is subject to review every 10 years, given the plans for larger operations and authorization for capital increase, PEFINDO is of the view that a review that will result in termination is highly unlikely.
- **CGIF's important mandate to develop regional bond markets.** CGIF has a unique capacity in carrying out its mandate, in which it is the only multilateral institution in the ASEAN region to provide guarantee services in the local currency. In that way, it helps credible bond issuers tap into regional bond markets, including cross-border issuances in other ASEAN nations apart from the issuer's home country. We are of the view that its services are essential to the development of bond markets in the region, which was made a key initiative by ASEAN+3 governments through the establishment of ABMI. The development of local bond markets should promote economic development and financial resiliency, strengthening the depths of both issuer and buyer sides in ASEAN. CGIF has gradually increased its presence in ASEAN, as reflected by positive growth in the number of transactions over the years. It has also increased its developmental role to ASEAN countries such as Cambodia, Laos, and Myanmar, which have not yet established adequate bond market structures. We note that the number of guarantee transactions has been relatively low, given

the complexity of regulatory requirements that must be satisfied by issuers in each country, pricing issues, and CGIF's stringent underwriting practices and social and environmental implementation policies.

- **Superior capitalization profile.** PEFINDO is of the view that CGIF has superior capitalization, as reflected by its gearing ratio, measured by gross guarantee amount over total equity, at 1.8x as of 1Q2019, and 1.5x during 2016–2018, which is considered very low. Internally, with net guarantee amount exposure being regulated in its articles of agreement (point 6.1) through its maximum guarantee capacity (MGC) at 2.5:1 of its adjusted capital, being adjusted for credit loss, foreign exchange risk, and illiquid investments, we are of the view that CGIF should maintain a superior capitalization profile, having taken into account its projected bond guarantee portfolio growth in the medium term. As of 1Q2019, its net gearing ratio (leverage ratio) was very low at 1.3x. The recent capital increases and the future realization of a capital increase of USD500 million should allow for an increase of guarantee exposure without greatly increasing its credit risk exposure. CGIF also maintains a capital adequacy ratio (CAR) similar to banks, which also incorporates the concentration risk of the bond guarantee portfolio in addition to the typical credit, market, and operational risk weightings. The CAR calculation was reported at 22.9% as of 1Q2019 and 26.8% in FY2018, much higher than its internal minimum requirement of 8.8%.
- **Superior liquidity position and financial flexibility.** As CGIF's investments are in the form of high quality government institution and corporate bonds and bank time deposits, we are of the view that it has superior liquidity to handle potential claims that may arise. The investment portfolio, consisting of highly-rated bonds and time deposits (excluding cash and cash equivalents), was reported at USD923.0 million as of 1Q2019 and USD904.6 million as of FY2018, which provides a very strong buffer to cover more than half of its bond guarantee amount if there are any claims. The gross guarantee amount was USD1.7 billion in 1Q2019 and USD1.4 billion in FY2018. Liquid assets accounted for 93.6% of total assets in 1Q2019, and have been consistent at above 90% during the years under review. We are of the view that linkage to ADB is beneficial if it needs to conduct additional fundraising activities, in case it is deemed necessary.
- **Conservative underwriting criteria.** CGIF adopts conservative underwriting criteria, having established an internal risk rating criteria similar to the international rating scale of a rating agency. The underwriting process must go through the Guarantee and Investment Committee for approval, and also to the Board of Directors if it reaches a certain threshold. It is also reflected by the fact that no claims have been called since it began its operations in 2012. Furthermore, it has also established risk mitigation measures against a claim, such as requiring collaterals including fixed assets. Moreover, although individual guarantee deals are allowed as low as B to accommodate issuers from Cambodia, Laos, and Myanmar, and overall risk rating at BB-, those exposures are safeguarded by limits that are in place, such as country industry limits (each set at 20%), and the currency limit (40%). In addition, any exposure beyond the MGC limit of 2.5x capacity has to be reinsured.

The rating is constrained by:

- **Moderate operating performance.** As CGIF is not a profit maximization entity, given its developmental mandate, operating performance is not the highest priority, although making a profit is necessary to maintain and expand operations to support the mission and vision of contributing member governments and the ADB. PEFINDO is of the view that it has a moderate operating performance, with a combined ratio projection to remain high at above 95.0% in the near to medium term. This is in line with its historical figures of 100.0%, 115.9%, and 103.7% in 1Q2019, FY2018, and FY2017, respectively. A combined ratio at 100% or above means that guarantee fees alone are not sufficient to sustain operations, thus it must rely on investment income. Given its role, CGIF has to maintain a competitive guarantee fee on average of 1.0%. The required compliance to environmental and social safeguard standards has also put limitations on certain businesses and industries that may be accepted by CGIF's criteria, limiting the number of transaction opportunities.

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Appendix VI:
Certification of the Accuracy of Information

CERTIFICATION OF THE ACCURACY

I have verified the information contained in this Disclosure Document carefully in my capacity as the authorized representative of RMAC. I certify that such information is true, accurate and complete and contains no false or misleading statements or no omission of any material facts that should have been stated therein. I also represent that the financial statements and all financial information which form part of this Disclosure Document have been truly, accurately and completely disclosed and contain all material facts concerning the financial status, business operation and the cash flows of RMAC.

In this regard, to evidence that all documents are the same as the certified documents, the stamps of RMAC are on every page of the documents. If there is no stamp of RMAC, I will deem that such document is not the information that I have certified.

Authorized Representative of RMAC:

Name

Position

Signature

Mr. Ngorn Saing

Chief Executive Officer

Appendix VII:
Financial Statements

Company No. 00001121

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(00001121)
(Incorporated in Cambodia)

CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

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Company No. 00001121

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

STATEMENT BY THE DIRECTORS

In the opinion of the Directors, the accompanying condensed statement of financial position of the Company as at 30 June 2019, and the related condensed statement of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and condensed notes to the interim financial information (collectively known as "Condensed Interim Financial Information") are presented fairly, in all material respects, in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*, with the exception of matter described in Note 2.1 to the condensed interim financial information.

Signed on behalf of the Board,



.....
KEVIN ROBERT WHITCRAFT
Director

Date: 29 November 2019

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2019

		Unaudited 30.6.2019	
	Note	USD	KHR'000
ASSETS			
Non-current assets			
Property, plant and equipment	3	11,826,734	48,087,500
Intangible assets	4	17,456	70,976
Total non-current assets		<u>11,844,190</u>	<u>48,158,476</u>
Current assets			
Inventories	5	31,256,296	127,088,100
Trade and other receivables	6	24,052,063	97,795,688
Cash and bank balances	7	5,430,459	22,080,246
Total current assets		<u>60,738,818</u>	<u>246,964,034</u>
TOTAL ASSETS		<u>72,583,008</u>	<u>295,122,510</u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	8	4,000,000	16,000,000
Retained earnings		25,394,884	102,507,460
Exchange reserve		-	1,012,138
TOTAL EQUITY		<u>29,394,884</u>	<u>119,519,598</u>
Non-current liabilities			
Borrowings	9	4,216,945	17,146,098
Current liabilities			
Trade and other payables	10	9,786,276	39,790,998
Contract liabilities	11	2,382,579	9,687,566
Borrowings	9	24,122,448	98,081,874
Current tax liabilities		2,679,876	10,896,376
Total current liabilities		<u>38,971,179</u>	<u>158,456,814</u>
TOTAL LIABILITIES		<u>43,188,124</u>	<u>175,602,912</u>
TOTAL EQUITY AND LIABILITIES		<u>72,583,008</u>	<u>295,122,510</u>

The Condensed Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019**

	Note	Unaudited Six-month period ended 30.6.2019	
		USD	KHR'000
Revenue	12	161,408,337	650,475,598
Cost of sales	13	(134,362,309)	(541,480,105)
Gross profit		<u>27,046,028</u>	<u>108,995,493</u>
Other income	14	419,276	1,689,682
Operating expenses	15	(2,924,529)	(11,785,852)
Marketing expenses	16	147,712	595,279
Administrative expenses	17	(4,308,067)	(17,361,510)
Operating profit		<u>20,380,420</u>	<u>82,133,092</u>
Finance costs		(1,174,262)	(4,732,276)
Profit before tax		<u>19,206,158</u>	<u>77,400,816</u>
Income tax expense	18	(4,437,943)	(17,884,910)
Profit for the financial period		<u>14,768,215</u>	<u>59,515,906</u>
Other Comprehensive income, net of tax <i>Item that may be reclassified subsequent to profit or loss</i>			
Exchange translation		-	1,233,735
Total comprehensive income for the financial period		<u>14,768,215</u>	<u>60,749,641</u>

The Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

**CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019**

	Share capital		Retained earnings		Exchange reserve KHR'000	Total equity	
	USD	KHR'000	USD	KHR'000		USD	KHR'000
Unaudited							
At 1.1.2019	4,000,000	16,000,000	10,626,669	42,991,554	(221,597)	14,626,669	58,769,957
Total comprehensive income for the financial period							
Profit for the financial period	-	-	14,768,215	59,515,906	-	14,768,215	59,515,906
Other comprehensive income	-	-	-	-	1,233,735	-	1,233,735
Total comprehensive income	-	-	14,768,215	59,515,906	1,233,735	14,768,215	60,749,641
At 30.6.2019	4,000,000	16,000,000	25,394,884	102,507,460	1,012,138	29,394,884	119,519,598

The Condensed Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to the interim financial report.

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

	Unaudited	
	Six-month period ended	
	30.6.2019	
	USD	KHR'000
Cash flows from operating activities		
Profit before tax	19,206,158	77,400,816
Adjustments for:		
Depreciation of property, plant and equipment	1,365,522	5,503,054
Amortisation of intangible assets	2,534	10,212
Interest expense	1,174,262	4,732,276
Allowance for slow-moving inventories	58,905	237,387
Gain on disposal of property, plant and equipment	(84,880)	(342,066)
Operating profit before changes in working capital	21,722,501	87,541,679
Changes in working capital:		
Inventories	247,819	998,711
Trade and other receivables	(8,601,359)	(34,663,477)
Trade and other payables	(4,163,467)	(16,778,772)
Contract liabilities	(2,720,484)	(10,963,551)
Net cash generated from operations	6,485,010	26,134,590
Income tax paid	(1,677,886)	(6,761,881)
Interest paid	(1,291,914)	(5,206,413)
Net cash from operating activities	3,515,210	14,166,296
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,411,941)	(25,840,122)
Proceeds from disposals of property, plant and equipment	412,188	1,661,118
Net cash used in investing activities	(5,999,753)	(24,179,004)
Cash flows from financing activities		
Repayments of borrowings	(130,008,955)	(523,936,089)
Proceeds from borrowings	125,240,852	504,720,634
Lease liabilities	3,682,522	14,840,564
Net cash used in financing activities	(1,085,581)	(4,374,891)
Net decrease in cash and cash equivalents	(3,570,124)	(14,387,599)
Cash and cash equivalents at the beginning of the financial period	9,000,583	36,164,342
Effects of exchange rate changes on cash and cash equivalents	-	303,503
Cash and cash equivalents at the end of the financial period	5,430,459	22,080,246

The Condensed Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached to this interim financial report.

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

NOTES TO THE CONDENSED FINANCIAL INFORMATION

1. CORPORATE INFORMATION

R M A (CAMBODIA) PLC. ("the Company") was a private limited company, incorporated and domiciled in the Kingdom of Cambodia. The company was converted to a public limited company and assumed its present name on 30 July 2019. The registered office and operating office of the Company are located at No.27E₀, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia.

The principal activities of the Company are marketing and sale of motor vehicles, spare parts and heavy equipment and maintenance and servicing of equipment. There have been no significant changes in the principal activity during the financial period.

The condensed financial information was authorised for issue by the Board of Directors on 29 November 2019.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The interim financial report of the Company is unaudited and have been prepared in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*, with the exception of matter described below:

This is the Company's first condensed interim financial information and the Company does not have available in its accounting records the financial information needed to prepare the comparative condensed interim financial information, the Company has no choice but to omit prior period comparative financial information.

The Company had obtained a written approval from Securities and Exchanges Commission of Cambodia ("SECC"), dated 08 November 2019 for the exception of non-disclosures of prior period financial information.

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2018 and the accompanying explanatory notes attached therein.

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of new CIFRSs, amendments/improvements to CIFRSs and new IC Interpretation ("IC Int")

The Company have adopted the following new CIFRSs, amendments/improvements to CIFRSs and new IC Int that are mandatory for the current financial period:

New CIFRS

CIFRS 16	Leases
----------	--------

Amendments/Improvements to CIFRSs

CIFRS 3	Annual Improvements to CIFRS Standards 2015 – 2017 Cycle
CIFRS 9	Prepayment Features with Negative Compensation
CIFRS 11	Annual Improvements to CIFRS Standards 2015 – 2017 Cycle
CIAS 12	Annual Improvements to CIFRS Standards 2015 – 2017 Cycle
CIAS 19	Plan Amendment, Curtailment or Settlement
CIAS 23	Annual Improvements to CIFRS Standards 2015 – 2017 Cycle

New IC Int

IC Int 23	Uncertainty over Income Tax Treatments
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The adoption of the above new CIFRSs, amendments/improvements to CIFRSs and new IC Int did not have any significant effect on the financial statements of the Company, and did not result in significant changes to the Company's existing accounting policies, except for the adoption at CIFRS 16 described in the following section.

CIFRS 16 Leases

CIFRS 16, which upon the effective date will supersede CIAS 17 Leases and related interpretations introduces a single lessee accounting model and required a lessee to recognise assets and liabilities for all leases with a term of more 12 months, unless the underlying asset is of low value. Specifically, under CIFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classification cash repayments of the lease liability into a principle portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payment and also include payments to be made in optional periods if the lessee is reasonably certain to exercise as option to extend the lease, or to exercise an option to terminate the lease. This accounting treatment is significantly different from the leases that are classified as operating leases under the predecessor, CIAS 17.

In respect of the lessor accounting, CIFRS 16 substantially carries forward the lessor accounting requirements in CIAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

R M A (CAMBODIA) PLC.
(formerly known as R M A (CAMBODIA) CO., LTD.)
(Incorporated in Cambodia)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New CIFRSs, amendments/improvements to CIFRSs, new IC Interpretation ("IC Int") and amendments to IC Int that have been issued, but yet to be effective

The Company have not adopted the following new CIFRSs, amendments/improvements to CIFRSs, new IC Int and amendments to IC Int that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New CIFRS</u>		
CIFRS 17	Insurance Contracts	1 January 2021
<u>Amendments/Improvements to CIFRSs</u>		
	References to the Conceptual Framework in CIFRS Standards	1 January 2020
CIFRS 3	Definition of a Business	1 January 2020
CIFRS 10	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
and CIAS 28		
CIAS 1 and 8	Definition of Material	1 January 2020

- (a) The Company plans to adopt the above applicable new CIFRSs, amendments/improvements to CIFRSs, new IC Int and amendments to IC Int when they become effective. A brief discussion on the above significant new CIFRSs, amendments/improvements to CIFRSs, new IC Int and amendments to IC Int are summarised below.

CIFRS 17 Insurance Contracts

CIFRS 17 replaces CIFRS 4 and requires a current measurement model where estimates are re-measured each reporting period.

Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin ("CSM") representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the income statement or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under CIFRS 9.

An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.

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2. BASIS OF PREPARATION (CONTINUED)

2.3 New CIFRSs, amendments/improvements to CIFRSs, new IC Interpretation ("IC Int") and amendments to IC Int that have been issued, but yet to be effective (continued)

There is a modification of the general measurement model called the "variable fee approach" for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the contractual service margin. The results of insurers using this model are therefore likely to be less volatile than under the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

Amendments to References to the Conceptual Framework in CIFRS Standards

Together with the revised Conceptual Framework, the IASB issued Amendments to References to the Conceptual Framework in CIFRS Standards, which contains amendments to CIFRS 2, CIFRS 6, CIFRS 14, CIAS 1, CIAS 8, CIAS 34, CIAS 37, CIAS 38, and IC Interpretation 12, 19, 20 and 22 as well Standard Interpretations Committee-32.

Amendments to CIFRS 3 Definition of Business

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to CIFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

Amendments to CIFRS 10 and CIAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gain or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

Amendments to CIAS 1 and CIAS 8 Definition of Material

The amendments clarify the definition of material in the context of applying CIFRS. As the concept of what is and is not material is crucial in preparing financial statements in accordance with CIFRS, a change in the definition may fundamentally affect how preparers make judgement in preparing financial statements.

The new definition of material is information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

R M A (CAMBODIA) PLC.
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2. BASIS OF PREPARATION (CONTINUED)

2.3 New CIFRSs, amendments/improvements to CIFRSs, new IC Interpretation ("IC Int") and amendments to IC Int that have been issued, but yet to be effective (continued)

- (b) The Company is currently performing a detailed analysis to determine the election of the practical expedients and to quantify the financial effects arising from the adoption of the new CIFRSs, amendments/improvements to CIFRSs, new IC Int, and amendments to IC Int.

R M A (CAMBODIA) PLC.
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3. PROPERTY, PLANT AND EQUIPMENT

	Services and									
	Buildings USD	warehouse equipment USD	Furniture and fixtures USD	Leasehold improvements USD	Motor vehicles USD	Operating equipment USD	Container USD	Asset in progress USD	Total USD	
Unaudited										
Cost										
At 1.1.2019	4,485,298	1,070,226	902,630	1,590,753	4,612,312	2,095,244	31,952	55,510	14,843,925	
Additions	4,009,164	29,076	1,755	15,141	2,078,741	231,682	-	46,382	6,411,941	
Transfer	-	-	-	-	(138,350)	19,297	-	(19,297)	(138,350)	
Disposals	-	-	-	-	(719,142)	-	-	-	(719,142)	
Written off	-	-	-	-	-	(2,616)	-	-	(2,616)	
At 30.6.2019	8,494,462	1,099,302	904,385	1,605,894	5,833,561	2,343,607	31,952	82,595	20,395,758	
Accumulated depreciation										
At 1.1.2019	1,652,497	781,074	799,632	1,138,966	1,725,709	1,499,561	31,952	-	7,629,391	
Depreciation charge for the financial period	587,991	63,367	38,353	104,893	439,907	131,011	-	-	1,365,522	
Transfer	-	-	-	-	(31,439)	-	-	-	(31,439)	
Disposals	-	-	-	-	(391,834)	-	-	-	(391,834)	
Written off	-	-	-	-	-	(2,616)	-	-	(2,616)	
At 30.6.2019	2,240,488	844,441	837,985	1,243,859	1,742,343	1,627,956	31,952	-	8,569,024	
Carrying amount										
At 30.6.2019	6,253,974	254,861	66,400	362,035	4,091,218	715,651	-	82,595	11,826,734	
Equivalent in KHR'000	25,428,658	1,036,265	269,983	1,472,034	16,634,892	2,909,837	-	335,831	48,087,500	

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4. INTANGIBLE ASSETS

	Unaudited 30.6.2019	
	USD	KHR'000
Cost		
At beginning/end of the financial period	46,000	187,036
Accumulated amortisation		
At beginning of the financial period	26,010	105,757
Amortisation charge for the financial period	2,534	10,212
Exchange differences	-	91
At end of financial period	28,544	116,060
Carrying amount		
At end of financial period	17,456	70,976

5. INVENTORIES

	Unaudited 30.6.2019	
	USD	KHR'000
Trading goods and spare parts	32,926,766	133,880,231
Less: Allowance for inventory impairment	(1,670,470)	(6,792,131)
	31,256,296	127,088,100

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6. TRADE AND OTHER RECEIVABLES

	Unaudited 30.6.2019	
	USD	KHR'000
Trade receivables	5,069,298	20,611,766
Less: Expected credit loss	(56,512)	(229,778)
	<u>5,012,786</u>	<u>20,381,988</u>
Amount due from related companies	17,364,029	70,602,142
Prepayments	384,248	1,562,352
Deposits	391,466	1,591,701
Staff advances	2,173	8,835
Margin deposits	266,883	1,085,146
Other receivables	630,478	2,563,524
	<u>19,039,277</u>	<u>77,413,700</u>
	<u>24,052,063</u>	<u>97,795,688</u>

7. CASH AND BANK BALANCES

	Unaudited 30.6.2019	
	USD	KHR'000
Cash in bank	5,396,787	21,943,336
Cash on hand	33,672	136,910
	<u>5,430,459</u>	<u>22,080,246</u>

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8. SHARE CAPITAL

The Company's registered and paid-up capital is KHR16,000,000,000 (equivalents to USD4,000,000) divided into 1,000 shares with par value of KHR16,000,000 per share. Details as follows based on the Memorandum and Articles of Association.

	Unaudited 30.6.2019	
	Number of shares of USD4,000 each	USD
Ordinary shares		
Authorised:		
At beginning/end of the financial period	1,000	4,000,000
Issued and fully paid:		
At beginning/end of the financial period	1,000	4,000,000
(KHR'000 equivalent)	1,000	16,000,000

9. BORROWINGS

	Unaudited 30.6.2019	
	USD	KHR'000
Non-current		
Term loans	569,344	2,314,952
Lease liabilities	3,647,601	14,831,146
	4,216,945	17,146,098
Current		
Term loans	24,087,527	97,939,885
Lease liabilities	34,921	141,989
	24,122,448	98,081,874
Total borrowings	28,339,393	115,227,972

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10. TRADE AND OTHER PAYABLES

	Unaudited 30.6.2019	
	USD	KHR'000
Trade payables	1,087,961	4,423,649
Amount due to related companies	2,241,443	9,113,707
Tax payable	643,630	2,617,000
Provision	4,087,746	16,620,775
Accrued bonuses	655,681	2,665,999
Other payables	1,069,815	4,349,868
	<u>9,786,276</u>	<u>39,790,998</u>

Included in provision are warranty provision and tax reassessment provision.

11. CONTRACT LIABILITIES

	Unaudited 30.6.2019	
	USD	KHR'000
Customers' deposits	2,382,579	9,687,566

12. REVENUE

	Unaudited Six-month period ended 30.6.2019	
	USD	KHR'000
Sales of goods	155,058,895	624,887,347
Service revenue	6,349,442	25,588,251
	<u>161,408,337</u>	<u>650,475,598</u>

13. COST OF SALES

	Unaudited Six-month period ended 30.6.2019	
	USD	KHR'000
Cost of goods	130,512,512	525,965,423
Service charges	3,849,797	15,514,682
	<u>134,362,309</u>	<u>541,480,105</u>

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14. OTHER INCOME

Other income represents the gain on the disposal of property, plant and equipment, gain on the exchange rate difference and incentive from suppliers.

15. OPERATING EXPENSES

	Six-month period ended	
	30.6.2019	
	USD	KHR'000
Depreciation expense	1,365,522	5,503,054
Amortisation expense	2,534	10,212
Allowance for slow-moving inventories	58,905	237,387
Regional Office Headquarter ("ROH") allocation, net of country re-charges	23,952	96,527
Fuel and oil	211,267	851,406
Professional and legal fees	309,735	1,248,232
Bank charges and commission	193,220	778,677
Travelling	124,112	500,171
Entertainment	159,311	642,023
Property insurance	93,494	376,781
Communications	107,329	432,536
Printing and stationary	38,659	155,796
Gifts and donations	44,030	177,441
Accident insurance	31,234	125,873
Membership fee	3,546	14,290
Others	157,679	635,446
	2,924,529	11,785,852

16. MARKETING EXPENSES

	Unaudited	
	Six-month period ended	
	30.6.2019	
	USD	KHR'000
Advertising and sales promotion	(236,710)	(953,941)
Staff commission	88,998	358,662
	(147,712)	(595,279)

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17. ADMINISTRATIVE EXPENSES

	Unaudited	
	Six-month period ended	
	30.6.2019	
	USD	KHR'000
Salaries, wages and staff benefits	2,490,051	10,034,906
Utilities	99,986	402,944
Repairs and maintenance	135,559	546,303
Staff development	74,996	302,234
Others	1,507,475	6,075,123
	<u>4,308,067</u>	<u>17,361,510</u>

18. INCOME TAX EXPENSE

	Unaudited	
	Six-month period ended	
	30.6.2019	
	USD	KHR'000
Current income tax	<u>4,437,943</u>	<u>17,884,910</u>

Under the Law of Taxation, the Company has an obligation to pay Tax on Income at 20% of taxable income or minimum tax at 1% of total turnover, whichever is higher.

19. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

The Directors declared an interim ordinary dividend of USD4,500 per ordinary share at the Board of Directors' meeting on 12 July 2019 amounting to USD4,500,000 in respect of the financial period ended 30 June 2019 to shareholders registered in the Company's Register of Members. These financial statements do not reflect the interim ordinary dividend which will be accounted for in the financial year ending 31 December 2019.

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20. RELATED PARTIES

The Company has the following significant transactions with related parties:

(a) Related party transactions and balances

	Unaudited Six-month period ended 30.6.2019	
	USD	KHR'000
Sale of goods and services		
Fellow subsidiaries	3,247,259	13,086,454
Other related parties*	27,846,387	112,220,940
	<u>31,093,646</u>	<u>125,307,394</u>

* Finance company that provides financing to retail customers of the Company.

(a) Related party transactions and balances (continued)

	Unaudited Six-month period ended 30.6.2019	
	USD	KHR'000
Management/Technical/ Professional/Training fee received		
Fellow subsidiaries	275,215	1,109,116
Other related parties	30,000	120,900
	<u>305,215</u>	<u>1,230,016</u>
Purchase of goods and services		
Fellow subsidiaries	2,227,018	8,974,883
Other related parties	733,193	2,954,768
	<u>2,960,211</u>	<u>11,929,651</u>
Dividend paid[#]		
Immediate holding company	<u>1,800,000</u>	<u>7,254,000</u>
Management/Technical/ Professional/Training fee paid to		
Fellow subsidiaries	<u>329,167</u>	<u>1,326,543</u>

[#] Dividend paid during the financial period represents dividend declared by the Company for the year ended 31 December 2018.

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20. RELATED PARTIES (CONTINUED)

(b) Key management compensation

	Unaudited	
	Six-month period ended	
	30.6.2019	
	USD	KHR'000
Salaries, wages, rental fees, and other benefits	572,899	2,308,783

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objective of the Company is to optimise value creation for its shareholders whilst minimising the potential adverse impact arising from volatility of the financial markets.

The Directors are responsible for setting the objectives and underlying principles of financial risk management of the Company. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits in accordance with the objectives and underlying principles approved by the Directors.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to perform as contracted. It is the Company's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Company is exposed to minimal credit risk.

The Company's primary exposure to credit risk arises through its receivables. The credit period for trade receivables is 30 days and the Company seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by management.

(b) Liquidity and cash flow risk

Liquidity and cash flow risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations when due.

The Company actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In liquidity risk management strategy, the Company maintains a level of cash and cash equivalents deemed adequate to finance the Company's activities.

R M A (CAMBODIA) PLC.
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21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Company would fluctuate because of changes in market interest rates.

The exposure of the Company to interest rate risk arises primarily from loans and borrowings. The Company manages its interest rate exposure by closely monitoring the debt market and where necessary, maintaining a prudent mix of fixed and floating rate borrowings. The Company does not use derivative financial instruments to hedge any debt obligations.

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Company No. 00001121

**REPORT ON THE REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE
SHAREHOLDERS OF R M A (CAMBODIA) PLC. (FORMERLY KNOWN AS R M A
(CAMBODIA) CO., LTD.)**
(Incorporated in Cambodia)

Introduction

We have reviewed the accompanying condensed interim statement of financial position of R M A (CAMBODIA) PLC. (formerly known as R M A (CAMBODIA) CO., LTD.) ("the Company") as at 30 June 2019 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows for the six-month period then ended, and condensed notes to the interim financial information (collectively referred to as "condensed interim financial information of the Company"). The directors of the Company are responsible for the preparation and fair presentation of the condensed interim financial information of the Company in accordance with the Cambodian International Accounting Standard ("CIAS") 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on the condensed interim financial information of the Company based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* ("ISRE 2410"). A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Cambodian International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an opinion.

REPORT ON THE REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS OF R M A (CAMBODIA) PLC. (FORMERLY KNOWN AS R M A (CAMBODIA) CO., LTD.) (CONTINUED)
(Incorporated in Cambodia)

Emphasis of matter

We draw attention to Note 2.1 of the condensed financial information, which describes that the Company has not presented the comparatives for the condensed interim financial information. This is in accordance with a written approval from Securities and Exchange Commission of Cambodia ("SECC"), dated 08 November 2019. Our conclusion is not modified in respect of this matter.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information of the Company are not presented fairly, in all material respects, in accordance with Cambodian International Accounting Standard 34, *Interim Financial Reporting*.



Baker Tilly (Cambodia) Co., Ltd. OF CAMBODIA

Phnom Penh, Kingdom of Cambodia

Date: 29 November 2019

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

Company No.00001121

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

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RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited Financial Statements of RMA (Cambodia) Co., Ltd. ("the Company") for the financial year ended 31 December 2018.

PRINCIPAL ACTIVITIES

The principal activities of the Company are marketing and sale of motor vehicles, spare parts and heavy equipment and maintenance and servicing of the equipment. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	2018	
	USD	KHR'000
Profit for the financial year	6,622,693	26,788,794

DIVIDEND

The dividends declared by the Company during the financial year were as follows:

	2018	
	USD	KHR'000
Dividend of US\$2,350 per ordinary share in respect of financial year ended 31 December 2018 (2017:Nil)	2,350,000	9,505,750

Dividend of US\$2,350 per ordinary share, amounting to US\$2,350,000 be declared for the year ending 31 December 2018 to the shareholder whose name appear on the Register of Members of the Company as at 31 December 2018.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

DIRECTORS' REPORT (CONTINUED)

BAD AND DOUBTFUL DEBTS

Before the Financial Statements of the Company were prepared, the Directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the Directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the Financial Statements of the Company inadequate to any substantial extent.

CURRENT ASSETS

Before the Financial Statements of the Company were prepared, the Directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business at their values as shown in the accounting records of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render the values attributed to the current assets in the Financial Statements of the Company misleading.

VALUATION METHODS

At the date of this report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- (i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Company which has arisen since the end of the financial year.

In the opinion of the Directors, no contingent liabilities or other liabilities of the Company have become enforceable, or are likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company to meet its obligations as and when they fall due.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

DIRECTORS' REPORT (CONTINUED)

CHANGE OF CIRCUMSTANCES

At the date of this report, the Directors are not aware of any circumstances, not otherwise dealt with in this report or the Financial Statements of the Company that would render any amount stated in the Financial Statements misleading.

ITEMS OF AN UNUSUAL NATURE

In the opinion of the Directors,

- (i) the results of the operations of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

DIRECTORS OF THE COMPANY

The Directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Kevin Robert Whitcraft
Thomas Arthur Whitcraft
Ngorn Saing

HOLDING COMPANY

The directors regards Clipper Holdings Limited, a company incorporated in Hong Kong, as the holding company of the Company.

AUDITORS

The auditors, Messrs. Baker Tilly (Cambodia) Co., Ltd., have expressed their willingness to continue in office.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Directors is responsible for ascertaining that the Financial Statements present fairly, in all material respects, the financial position of the Company as at 31 December 2018, and its financial performance and its cash flows for the financial year then ended. In preparing these Financial Statements, the Board of Directors is required to:

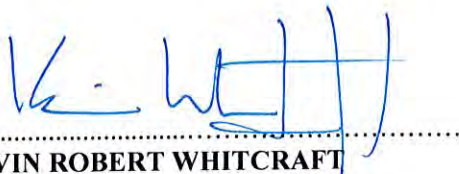
- (i) adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- (ii) comply with Cambodian International Financial Reporting Standards or, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the Financial Statements;
- (iii) oversee the Company's financial reporting process and maintain adequate accounting records and an effective system of internal controls;
- (iv) assess 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; and
- (v) control and direct effectively of the Company in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the Financial Statements.

The Board of Directors confirms they have complied with the above requirements in preparing the Financial Statements of the Company.

APPROVAL OF THE FINANCIAL STATEMENTS

I, **KEVIN ROBERT WHITCRAFT** being one of the Directors of the Company, hereby states that in the opinion of the Directors, the accompanying Financial Statements as set out on page 5 to 50 are properly drawn up in accordance with the Cambodian International Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 December 2018 and of their financial performance and cash flows for the financial year ended.

Signed on behalf of the Boards of Directors,



KEVIN ROBERT WHITCRAFT
Director

Date: 01 JUL 2019

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

		2018		2017	
	Notes	USD	KHR'000	USD	KHR'000
ASSETS					
Non-current assets					
Property and equipment	5	7,214,534	28,987,998	7,075,676	28,564,504
Intangible assets	6	19,990	80,320	25,952	104,768
Total non-current assets		7,234,524	29,068,318	7,101,628	28,669,272
Current assets					
Inventories	7	31,456,109	126,390,646	15,643,570	63,153,092
Trade and other receivables	8	15,450,704	62,080,929	14,779,837	59,666,202
Cash and bank balances	9	9,000,583	36,164,342	6,014,208	24,279,358
Total current assets		55,907,396	224,635,917	36,437,615	147,098,652
TOTAL ASSETS		63,141,920	253,704,235	43,539,243	175,767,924
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	10	4,000,000	16,000,000	4,000,000	16,000,000
Retained earnings		10,626,669	42,991,554	6,353,976	25,708,510
Exchange reserve	11	-	(221,597)	-	90,491
TOTAL EQUITY		14,626,669	58,769,957	10,353,976	41,799,001
Non-current liability					
Borrowings	12	731,668	2,939,842	1,394,466	5,629,459
Current liabilities					
Trade and other payables	13	13,173,561	52,931,368	11,942,026	48,209,959
Contract liabilities	14	5,103,063	20,504,107	-	-
Borrowings	12	28,855,630	115,941,921	19,788,004	79,884,172
Current tax liabilities		651,329	2,617,040	60,771	245,333
Total current liabilities		47,783,583	191,994,436	31,790,801	128,339,464
TOTAL LIABILITIES		48,515,251	194,934,278	33,185,267	133,968,923
TOTAL EQUITY AND LIABILITIES		63,141,920	253,704,235	43,539,243	175,767,924

The accompanying notes form an integral part of these Financial Statements.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

	Notes	2018		2017	
		USD	KHR'000	USD (Restated)	KHR'000 (Restated)
Revenue	15	150,018,815	606,826,107	103,320,725	417,932,333
Cost of sales	16	(127,319,652)	(515,007,992)	(87,696,639)	(354,732,905)
Gross profit		<u>22,699,163</u>	<u>91,818,115</u>	<u>15,624,086</u>	<u>63,199,428</u>
Other income	17	848,463	3,432,033	16,912	68,409
Operating expenses	18	(5,278,441)	(21,351,294)	(3,885,336)	(15,716,184)
Marketing expenses	19	(874,394)	(3,536,924)	(656,080)	(2,653,844)
Administrative expenses	20	(6,642,698)	(26,869,713)	(6,141,077)	(24,840,656)
Operating profit		<u>10,752,093</u>	<u>43,492,217</u>	<u>4,958,505</u>	<u>20,057,153</u>
Finance costs		<u>(2,186,541)</u>	<u>(8,844,558)</u>	<u>(2,322,191)</u>	<u>(9,393,263)</u>
Profit before income tax		<u>8,565,552</u>	<u>34,647,659</u>	<u>2,636,314</u>	<u>10,663,890</u>
Income tax expense	21	(1,942,859)	(7,858,865)	(1,011,425)	(4,091,214)
Profit for the financial year		<u>6,622,693</u>	<u>26,788,794</u>	<u>1,624,889</u>	<u>6,572,676</u>
Other comprehensive loss					
Exchange difference on translation of exchange operation		<u>-</u>	<u>(312,088)</u>	<u>-</u>	<u>(12,999)</u>
Total comprehensive income for the financial year		<u>6,622,693</u>	<u>26,476,706</u>	<u>1,624,889</u>	<u>6,559,677</u>

The accompanying notes form an integral part of these Financial Statements.

Company No.00001121

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

	Share capital		Retained earnings		Exchange reserve	Total equity	
	USD	KHR'000	USD	KHR'000	KHR'000	USD	KHR'000
At 1 January 2018	4,000,000	16,000,000	6,353,976	25,708,510	90,491	10,353,976	41,799,001
Total comprehensive income for the financial year							
Profit for the financial year	-	-	6,622,693	26,788,794	-	6,622,693	26,788,794
Other comprehensive loss for the financial year	-	-	-	-	(312,088)	-	(312,088)
Total comprehensive income	-	-	6,622,693	26,788,794	(312,088)	6,622,693	26,476,706
Transaction with owner							
Dividend attributable	-	-	(2,350,000)	(9,505,750)	-	(2,350,000)	(9,505,750)
At 31 December 2018	4,000,000	16,000,000	10,626,669	42,991,554	(221,597)	14,626,669	58,769,957

The accompanying notes form an integral part of these Financial Statements.

Company No.00001121

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (CONTINUED)**

	Share capital		Retained earnings		Exchange reserve	Total equity	
	USD	KHR'000	USD	KHR'000	KHR'000	USD	KHR'000
Balance 1 January 2017 (Restated)	4,000,000	16,000,000	4,729,087	19,135,834	103,490	8,729,087	35,239,324
Total comprehensive income for the financial year							
Profit for the financial year	-	-	1,624,889	6,572,676	-	1,624,889	6,572,676
Other comprehensive loss for the financial year	-	-	-	-	(12,999)	-	(12,999)
Total comprehensive income	-	-	1,624,889	6,572,676	(12,999)	1,624,889	6,559,677
At 31 December 2017	<u>4,000,000</u>	<u>16,000,000</u>	<u>6,353,976</u>	<u>25,708,510</u>	<u>90,491</u>	<u>10,353,976</u>	<u>41,799,001</u>

The accompanying notes form an integral part of these Financial Statements.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	2018		2017	
		USD	KHR'000	USD	KHR'000
Cash flows from operating activities					
Profit before income tax		8,565,552	34,647,659	2,636,314	10,663,890
Adjustments for:					
Depreciation of property and equipment	5	1,660,200	6,715,509	1,497,121	6,055,854
Amortisation of intangible assets	6	5,962	24,116	4,715	19,072
Written off of property and equipment		70	283	5,323	21,532
Interest expenses		2,186,541	8,844,558	2,322,191	9,393,263
Provision for slow-moving inventories		1,203,746	4,869,153	481,321	1,946,943
Gain on disposal of property and equipment		(69,129)	(279,627)	(77,630)	(314,014)
Operating profit before changes in working capital		13,552,942	54,821,651	6,869,355	27,786,540
Changes in working capital					
Inventories		(17,016,285)	(68,830,873)	4,751,058	19,218,030
Trade and other receivables		(851,369)	(3,443,788)	529,767	2,142,908
Trade and other payables		40,879	165,356	(1,516,793)	(6,135,428)
Contract liabilities		5,103,063	20,641,890	-	-
Cash generated from operations		829,230	3,354,236	10,633,387	43,012,050
Interest paid		(3,214,862)	(13,004,117)	(2,113,716)	(8,549,981)
Income tax paid		(1,303,552)	(5,272,868)	(1,092,261)	(4,418,196)
Net cash flows (used in)/from operating activities		<u>(3,689,184)</u>	<u>(14,922,749)</u>	<u>7,427,410</u>	<u>30,043,873</u>
Cash flows from investing activities					
Purchases of property and equipment	5	(3,026,512)	(12,242,241)	(2,590,916)	(10,480,255)
Proceeds from disposals of property and equipment		1,296,513	5,244,395	593,046	2,398,872
Net cash used in investing activities		<u>(1,729,999)</u>	<u>(6,997,846)</u>	<u>(1,997,870)</u>	<u>(8,081,383)</u>
Cash flows from financing activities					
Proceeds from borrowings		146,832,912	593,939,129	110,305,666	446,186,419
Repayments of borrowings		(138,427,354)	(559,938,647)	(111,745,708)	(452,011,389)
Net cash from/(used in) financing activities		<u>8,405,558</u>	<u>34,000,482</u>	<u>(1,440,042)</u>	<u>(5,824,970)</u>

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018 (CONTINUED)**

	Notes	2018		2017	
		USD	KHR'000	USD	KHR'000
Net increase in cash and cash equivalents		2,986,375	12,079,887	3,989,498	16,137,520
Cash and cash equivalents at the beginning of the financial year		6,014,208	24,279,358	2,024,710	8,173,754
Effect of exchange rate charges in cash and cash equivalents		-	(194,903)	-	(31,916)
Cash and cash equivalents at the end of the financial year	9	<u>9,000,583</u>	<u>36,164,342</u>	<u>6,014,208</u>	<u>24,279,358</u>

The accompanying notes form an integral part of these Financial Statements.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a private limited company, incorporated and domiciled in the Kingdom of Cambodia.. The registered and operating office of the Company is situated at No.27E0, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia.

The principal activities of the Company are marketing and sale of motor vehicles, spare parts and heavy equipment and maintenance and servicing of equipment. There have been no significant changes in the principal activity during the financial year.

At 31 December 2018, the Directors consider the immediate parent and ultimate controlling party of the company to be Clipper Holdings Limited incorporated in Hong Kong.

The Financial Statements were approved and authorised for issue on behalf of the Board of Directors on 1 July 2019.

2. BASIS FOR PREPARATION

2.1 Statement of compliance

The Financial Statements of the Company have been prepared in accordance with the Cambodian International Financial Reporting Standards (“CIFRSs”).

2.2 Adoption of new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Interpretation (“CIFIC Int”)

The Company has adopted the following new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Int that are mandatory for the current financial year:

New CIFRSs

CIFRS 9	Financial Instruments
CIFRS 15	Revenue from Contracts with Customers

Amendments/Improvements to CIFRSs

CIFRS 1	First-time adoption of CIFRSs
CIFRS 2	Share-based Payment
CIFRS 4	Insurance Contracts
CIFRS 28	Investments in Associates and Joint Ventures
CIFRS 40	Investment Property

New CIFIC Int

CIFIC Int 22	Foreign Currency Transactions and Advance Consideration
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The adoption of the above new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Int did not have any significant effect on the Financial Statements of the Company, and did not result in significant changes to the Company’s existing accounting policies.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Interpretation (“CIFIC Int”) (continued)

CIFRS 9 Financial Instruments

CIFRS 9 replaced the guidance of CIAS 39, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets and liabilities, on impairment of financial assets, and on hedge accounting.

Key requirements of CIFRS 9:

- CIFRS 9 introduces an approach for classification and measurement of financial assets which is driven by cash flow characteristics and the business model in which an asset is held.

In essence, if a financial asset is a simple debt instrument and the objective of the entity’s business model within which it is held is to collect its contractual cash flows, the financial asset is measured at amortised cost. In contrast, if that asset is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, then the financial asset is measured at fair value in the statements of financial position, and amortised cost information is provided through profit or loss. If the business model is neither of these, then fair value information is increasingly important, so it is provided both in the profit or loss and in the statements of financial position.

- CIFRS 9 introduces a new, expected-loss impairment model that will require more timely recognition of expected credit losses which replaced the “incurred loss” model in CIAS 39. Specifically, this Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised. Trade receivables and contract assets that do not contain a significant financing component shall always measure the loss allowance at an amount equal lifetime expected credit losses.
- CIFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their Financial Statements. In addition, as a result of these changes, users of the Financial Statements will be provided with better information about risk management and the effect of hedge accounting on the Financial Statements.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Interpretation (“CIFIC Int”) (continued)

CIFRS 9 Financial Instruments (continued)

The retrospective application of CIFRS 9 does not require restatement of 2017 comparative Financial Statements. As such, the Company has not restated the comparative information, which continues to be reported under CIAS 39. The Company recognised any difference between the carrying amount of financial instruments under CIAS 39 and the restated carrying amount under CIFRS 9 in the opening balance of retained earnings (or other equity components) of the annual reporting period including the date of initial application i.e. 1 January 2018.

Impact of the adoption of CIFRS 9

The adoption of CIFRS 9 resulted in changes in accounting policies and adjustments to the amounts recognised in the Financial Statements. Other than the enhanced new disclosures relating to financial instruments, which the Company has complied with in the current financial year, the adoption of this standard does not have any significant effect on the Financial Statements of the Company, except for those as discussed below.

(i) Classification and measurement

The following are the changes in the classification of the Company’s financial assets:

- Trade and other receivables, including refundable deposits and bank balances previously classified as Loans and Receivables under CIAS 39 as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. Accordingly, these financial assets are classified and measured as debt instruments at amortised cost beginning 1 January 2018.

In summary, upon the adoption of CIFRS9, the Company had the following reclassifications as at 1 January 2018.

	CIAS 39 measurement category		CIFRS 9 measurement category	
	Loans and receivables		Amortised cost	
	USD	KHR’000	USD	KHR’000
Trade and other receivables	14,779,837	59,666,202	14,779,837	59,666,202
Cash and bank balances	6,014,208	24,279,358	6,014,208	24,279,358
	<u>20,794,045</u>	<u>83,945,560</u>	<u>20,794,045</u>	<u>83,945,560</u>

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of new CIFRSs, amendments/improvements to CIFRSs and new CIFRIC Interpretation (“CIFRIC Int”) (continued)

Impact of the adoption of CIFRS 9 (continued)

(ii) Impairment

In previous financial years, trade and other receivables are impaired if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after initial recognition of the receivables (a ‘loss event’) and that loss event (or events) has an impact on the estimated future cash flows of the receivables (“incurred loss model”). Upon adoption of CIFRS 9, the Company is recording expected credit losses on all its trade and other receivables, either on a 12-month or lifetime basis.

CIFRS 15 Revenue from Contracts with Customers

The core principle of CIFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

- (i) identify the contracts with a customer;
- (ii) identify the performance obligation in the contract;
- (iii) determine the transaction price;
- (iv) allocate the transaction price to the performance obligations in the contract;
- (v) recognise revenue when (or as) the entity satisfies a performance obligation.

CIFRS 15 also includes new disclosures that would result in an entity providing users of Financial Statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The following CIFRSs and CIFRIC Interpretations will be withdrawn on the application of CIFRS 15:

CIAS 11	Construction Contracts
CIAS 18	Revenue
CIFRIC Interpretation 13	Customer Loyalty Programmes
CIFRIC Interpretation 15	Agreements for the Construction of Real Estate
CIFRIC Interpretation 18	Transfers of Assets from Customers
SIC Interpretation 31	Revenue – Barter Transactions Involving Advertising Services

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Interpretation (“CIFIC Int”) (continued)

CIFRS 15 Revenue from Contracts with Customers (continued)

The Company has applied CIFRS 15 using the modified retrospective method of adoption. The effect of the transition on the current period has not been disclosed as permitted under the standard. The Company has elected the practical expedients to apply the standard only to contracts that are not completed as at 1 January 2017 and those contracts begin and end within the same annual reporting period. The Company also elected the practical expedient in not disclosing the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the Company expects to recognise that amount as revenue for the comparative period.

Impact of the adoption of CIFRS 15

The adoption of CIFRS 15 resulted in changes in accounting policies and adjustments to the amounts recognised in the Financial Statements. Other than the enhanced new disclosures relating to contracts with customers, which the Company has complied with in the current financial year, the adoption of this standard does not have any significant effect on the Financial Statements of the Company, except for those as discussed below:

(i) Accounting for separate performance obligations arising from sale of goods

The application of CIFRS 15 resulted in the identification of various performance obligations which previously had been bundled as a single sale of goods. The goods or services promised in the contract with the customers are identified as separate performance obligation if the good or service is capable to be distinct and if the good or service is distinct within the context of the contract. Among the performance obligations identified separately are goods and installation services. Revenue is allocated to the respective performance obligation based on their relative stand-alone selling prices and recognised when controls in relation to the performance obligations have been transferred. Before the adoption of CIFRS 15, the Company recognised the entire revenue in accordance to CIAS 18 and CIAS 11. Under CIFRS 15, the allocated revenue would be deferred as a contract liability until transfer of promised goods or services. The Company recognised a contract liability relating to the unsatisfied performance obligation of USD3,086,129 and USD4,938,513 at 1 January 2018 and 31 December 2018 respectively.

(ii) Accounting for rights for refund

When the customer has a right to return the product within a given period, revenue was previously recognised in full and a provision was recorded for the expected return. Under CIFRS 15, revenue is accounted for as a variable consideration and adjusted for the expected value of returns and cost of sale is adjusted for the value of the corresponding goods expected to be returned. Therefore, a contract liability (refund liability) for the expected refund to customer and refund asset relating to the right of return product from the customer (right of return assets) when customer exercises the right of return are recognised. The Company does not have any refund liabilities and right of return assets as at 1 January 2018, and 31 December 2018.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Interpretation (“CIFIC Int”) (continued)

CIFRS 15 Revenue from Contracts with Customers (continued)

Impact of the adoption of CIFRS 15 (continued)

(iii) Capitalisation of costs of obtaining contracts

The incremental commission fees paid to intermediaries in connection with obtaining construction contracts. In the previous financial years, such incremental fees were expensed to profit or loss as and when incurred. Upon adoption of CFRS 15, the incremental costs of obtaining a contract with customer that the Company expects to be recoverable are capitalised as contract costs and amortised on a systematic basis that is consistent with the transfer of the performance obligation to the customer. The Company did not capitalise any costs of obtaining contracts as at 1 January 2017, 31 December 2017, 1 January 2018 and 31 December 2018.

(iv) Presentation of contract liabilities

The Company has changed the presentation of certain amounts in the statements of financial position to reflect the terminology of CIFRS 15:

Contract liabilities in relation to payment received in advance prior to transferring the related goods or services to the customers These were previously presented as trade and other payable.

The effect of adoption of CIFRS 15 is as follows:

Impact on statement of financial position of the Company (increase/(decrease)):

	As previously reported		Adjustments		As restated	
	USD		USD		USD	KHR'000
At 1 January 2018						
Liabilities						
Current liabilities						
Trade and other payables	11,942,026	(3,086,129)			8,855,897	35,751,256
Contract liabilities	-	3,086,129			3,086,129	12,458,703
	11,942,026	-			11,942,026	48,209,959

RMA (CAMBODIA) CO., LTD.
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2. BASIS OF PREPARATION (CONTINUED)

2.2 Adoption of new CIFRSs, amendments/improvements to CIFRSs and new CIFRIC Interpretation (“CIFRIC Int”) (continued)

Amendments to CIAS 40 Investment Property

Amendments to CIAS 40 clarify that to transfer to, or from, investment properties there must be evidence of a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition of investment property. A change in intention, in isolation, does not provide evidence of a change in use.

The amendments also clarify that the list of circumstances that evidence a change in use is not exhaustive.

CIFRIC Int 22 Foreign Currency Transactions and Advance Consideration

CIFRIC Int 22 clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The adoption of CIFRS 9, CIFRS 15, IC Int 22 did not have a material impact on the Company’s financial statements or the Company’s operating, investing and financing cash flows.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New CIFRSs, amendments/improvements to CIFRSs, new CIFRIC Interpretation (“CIFRIC Int”) and amendments to CIFRIC Int that have been issued, but yet to be effective

The Company has not adopted the following new CIFRSs, amendments/improvements to CIFRSs, new CIFRIC Int and amendments to CIFRIC Int that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New CIFRSs</u>		
CIFRS 16	Leases	1 January 2019
CIFRS 17	Insurance Contracts	1 January 2021
<u>Amendments/Improvements to CIFRSs</u>		
CIFRS 1	First-time Adoption of CIFRS	1 January 2021#
CIFRS 2	Share-based Payment	1 January 2020*
CIFRS 3	Business Combinations	1 January 2019/ 1 January 2020*
CIFRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2021#
CIFRS 6	Exploration for an Evaluation of Mineral Resources	1 January 2020*
CIFRS 7	Financial Instruments: Disclosures	1 January 2021#
CIFRS 9	Financial Instruments	1 January 2019
CIFRS 10	Consolidated Financial Statements	Deferred
CIFRS 11	Join Arrangements	1 January 2019
CIFRS 14	Regulatory Deferral Accounts	1 January 2020*
CIFRS 15	Revenue from Contracts with Customers	1 January 2021#
CIAS 1	Presentation of Financial Statements	1 January 2020*
CIAS 7	Statements of Cash Flows	1 January 2021#
CIAS 8	Accounting Policies, Changes in Accounting Estimates and Error	1 January 2020*
CIAS 12	Income Taxes	1 January 2019
CIAS 16	Property, Plant and Equipment	1 January 2021#
CIAS 19	Employee Benefits	1 January 2019
CIAS 23	Borrowing Costs	1 January 2019
CIAS 28	Investments in Associates and Joint Ventures	1 January 2019/ 1 January 2021#
CIAS 32	Financial instruments: Presentation	1 January 2021#
CIAS 34	Interim Financial Reporting	1 January 2020*
CIAS 36	Impairment of Assets	1 January 2021#
CIAS 37	Provisions, Contingent Liabilities and Contingent Assets	1 January 2020*
CIAS 38	Intangible Assets	1 January 2021#
CIAS 40	Investment Property	1 January 2021#
<u>New CIFRIC Int</u>		
CIFRIC Int 23	Uncertainty over Income Tax Treatments	1 January 2019

RMA (CAMBODIA) CO., LTD.
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2. BASIS OF PREPARATION (CONTINUED)

2.3 New CIFRSs, amendments/improvements to CIFRSs, new CIFIC Interpretation (“CIFIC Int”) and amendments to CIFIC Int that have been issued, but yet to be effective (continued)

The Company has not adopted the following new CIFRSs, amendments/improvements to CIFRSs, new CIFIC Int and amendments to CIFIC Int that have been issued, but yet to be effective: (continued)

Amendments to CIFIC Int (continued)

CIFIC Int 12	Service Concession Arrangements	1 January 2020*
CIFIC Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 January 2020*
CIFIC Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2020*
CIFIC Int 22	Foreign Current Translations and Advance Consideration	1 January 2020*
CIFIC Int 132	Intangible Assets – Web Site Costs	1 January 2020*

* *Amendments to References to the Conceptual Framework in CIFRSs*

Amendments as to the consequence of effective of CIFRS 17 Insurance Contract

- (a) The Company plans to adopt the above applicable new CIFRSs, amendments /improvements to CIFRSs, new CIFIC Int and amendments to CIFIC Int when they become effective. A brief discussion on the above significant new CIFRSs, amendments /improvements to CIFRSs, new CIFIC Int and amendments to CIFIC Int are summarised below.

CIFRS 16 Leases

Currently under CIAS 17 Leases, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from the finance leases.

CIFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position except for short-term and low value asset leases.

On initial adoption of CIFRS 16, there may be impact on the accounting treatment for leases, which the Company as a lessee currently accounts for as operating leases. On adoption of this standard, the Company will be required to capitalise its rented premises, equipment on the statements of financial position by recognising them as “rights-of-use” assets and their corresponding lease liabilities for the present value of future lease payments.

The Company plan to adopt this standard when it becomes effective in the financial year beginning 1 January 2019 by applying the transitional provisions and including the required additional disclosures in their Financial Statements of that year. The Company is likely electing the practical expedient not to reassess whether a contract contains a lease at the date of initial application. Accordingly, existing lease contracts that are still effective on 1 January 2019 will be accounted for as lease contracts under CIFRS 16.

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2. BASIS OF PREPARATION (CONTINUED)

2.3 New CIFRSs, amendments/improvements to CIFRSs, new CIFRIC Interpretation (“CIFRIC Int”) and amendments to CIFRIC Int that have been issued, but yet to be effective (continued)

- (a) The Company plans to adopt the above applicable new CIFRSs, amendments /improvements to CIFRSs, new CIFRIC Int and amendments to CIFRIC Int when they become effective. A brief discussion on the above significant new CIFRSs, amendments /improvements to CIFRSs, new CIFRIC Int and amendments to CIFRIC Int are summarised below. (continued)

Amendments to CIFRS 9 Financial Instruments

Amendments to CIFRS 9 allow companies to measure prepayable financial assets with negative compensation at amortised cost or at fair value through other comprehensive income if certain conditions are met.

The amendments also clarify that when a financial liability measured at amortised cost is modified without this resulting in derecognition, a gain or loss should be recognised in profit or loss.

Amendments to CIAS 12 Income Taxes

Amendments to CIAS 12 clarify that an entity recognises the income tax consequences of dividends in profit or loss because income tax consequences of dividends are linked more directly to past transactions than to distributions to owners, except if the tax arises from a transaction which is a business combination or is recognised in other comprehensive income or directly in equity.

Amendments to CIAS 19 Employee Benefits

Amendments to CIAS 19 require an entity to use updated actuarial assumptions to determine current service cost and net interest for the remainder of the annual reporting period after the plan amendment, curtailment or settlement when the entity remeasures its net defined benefit liability (asset).

Amendments to CIAS 23 Borrowing Costs

Amendments to CIAS 23 clarify that when a qualifying asset is ready for its intended use or sale, an entity treats any outstanding borrowing made specifically to obtain that qualifying asset as part of general borrowings.

CIFRIC Int 23 Uncertainty over Income Tax Treatments

CIFRIC Int 23 clarifies that where there is uncertainty over income tax treatments, an entity shall:

- (i) assume that a taxation authority will examine amounts it has a right to examine and have full knowledge of all related information when making those examinations.
- (ii) reflect the effect of uncertainty in determining the related tax position (using either the most likely amount or the expected value method) if it concludes it is not probable that the taxation authority will accept an uncertain tax treatment.

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2. BASIS FOR PREPARATION (CONTINUED)

2.3 New CIFRSs, amendments/improvements to CIFRSs, new CIFIC Interpretation (“CIFIC Int”) and amendments to CIFIC Int that have been issued, but yet to be effective (continued)

- (b) The Company is currently performing a detailed analysis to determine the election of the practical expedients and to quantify the financial effects arising from the adoption of the new CIFRSs, amendments/improvements to CIFRSs, new CIFIC Int. and amendment to CIFIC Int.

2.4 Basis of measurement

The Financial Statements of the Company have been prepared on the historical cost basis, except as otherwise disclosed in the summary of significant accounting policies.

2.5 Functional and presentation currency

The national currency of Cambodia is the Khmer Riel (“KHR”). However, as the Company transacts its business and maintains its accounting records primarily in United States Dollars (“USD”), management have determined the USD to be the Company’s functional currency as it reflects the economic substance of the underlying events and circumstances of the Company. These Financial Statements are presented in USD and KHR, which are the Company’s functional currency and statutory reporting currency respectively. All information in USD and KHR has been rounded to the nearest dollars and thousands respectively.

2.6 Use of estimates and judgement

The preparation of Financial Statements in conformity with the CIFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the Financial Statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires Directors to exercise their judgement in the process of applying the Company’s accounting policies. Although these estimates and judgement are based on the Directors’ best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates that are significant to the Company’s Financial Statements are disclosed in Note 4.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in Financial Statements of the Company.

3.1 Property and equipment

(a) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.4.

Cost of assets includes expenditures that are directly attributable to the acquisition of the asset and any other costs that are directly attributable to bringing the asset to working condition for its intended use.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

(b) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss as incurred.

(c) Depreciation

Property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Leasehold improvements	10% - 20%
Building	5% - 10%
Furniture and fixtures	25%
Operating equipment	20% - 33.33%
Service and warehouse	20%
Motor vehicle	20%
Containers	25%

The residual values, useful lives and depreciation methods are reviewed at the end of each reporting period and adjusted as appropriate.

(d) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is recognised in profit or loss.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Intangible assets

Intangible assets consist of premium location rights, which are stated at historical cost less accumulated amortisation and accumulated impairment losses, if any. Premium location rights are purchased from lessees for premium business location. The cost are amortised over the nine-year lease term.

3.3 Financial instruments

Financial instruments are recognised in the statements of financial position when, and only when, the Company become a party to the contractual provisions of the financial instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Company have applied the practical expedient are measured at the transaction price determined under CIFRS 15.

(a) Subsequent measurement

The Company categorise the financial instruments as follows:

(i) Financial assets

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost

Financial assets that are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the financial asset is derecognised, modified or impaired.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

(a) Subsequent measurement (continued)

(ii) Financial liabilities

The Company classifies its financial liabilities as financial liabilities at amortised cost

Financial liabilities at amortised cost

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss through the amortisation process.

(b) Derecognition

A financial asset or a part of it is derecognised when, and only when:

- (i) the contractual rights to receive the cash flows from the financial asset expire, or
- (ii) the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company have transferred substantially all the risks and rewards of the asset, or (b) the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

The Company evaluates if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continue to recognise the transferred asset to the extent of their continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the entity shall not offset the transferred asset and the associated liability.

3.4 Impairment of assets

(a) Impairment of financial assets

Financial assets measured at amortised cost will be subject to the impairment requirement in CIFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit loss is the weighted average of credit losses with the respective risks of a default occurring as the weights.

The Company measures loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit loss:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

For trade receivables, the Company applies the simplified approach permitted by CIFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due unless the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Impairment of assets (continued)

(a) Impairment of financial assets (continued)

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of lifetime expected credit losses that represent the expected credit losses that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive. Expected credit losses are discounted at the effective interest rate of the financial assets.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default of past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

The amount of expected credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedure for recovery of amounts due.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Impairment of assets (continued)

(b) Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories and non-current assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Company makes an estimate of the asset's recoverable amount. For goodwill and intangible assets that have indefinite useful life and are not yet available for use, the recoverable amount is estimated at each reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs"). Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a CGU or a group of CGUs that are expected to benefit from the synergies of business combination.

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in other comprehensive income. In the latter case, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

Impairment losses in respect of goodwill are not reversed. For other assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of motor vehicles and spare parts are determined using the specific identification method and weighted-average method respectively. The cost of finished goods comprise original purchase cost and other cost incurred in bringing the inventories to their present condition and locations. Cost of spare parts is determined using the weight average cost method, which includes purchase price, import duties and other direct costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

3.6 Cash and cash equivalents

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash on hand, bank balances and deposits, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

3.7 Share capital

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

3.8 Provision

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

Provisions are reviewed at of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

3.9 Employee benefits

Short-term employee benefits obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Company.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

(i) Lessee accounting

If the Company is a lessee in a finance lease, it capitalises the leased asset and recognises the related liability. The amount recognised at the inception date is the fair value of the underlying leased asset or, if lower, the present value of the minimum lease payments.

Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that assets. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are charged as expenses in the periods in which they are incurred.

For operating leases, the Company does not capitalise the leased asset or recognise the related liability. Instead lease payments under an operating lease are recognised as an expense on the straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

Any upfront lease payments are classified as premium location right within intangible assets.

(ii) Lessor accounting

If the Company is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If the Company is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statement of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Revenue recognition

The Company recognises revenue that depict the transfer of promised goods and services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods and services.

Revenue recognition of the Company is applied for each contract with a customer or a combination of contracts with the same customer (or related parties of the customer). For practical expedient, the Company applied revenue recognition to a portfolio of contracts (or performance obligations) with similar characteristics in the business if the Company reasonably expect that the effects on the Financial Statements would not differ materially from recognising revenue on the individual contracts (or performance obligations) within that portfolio.

The Company measures revenue from sale of goods and service at its transaction price, being the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods and service to a customer, excluding amounts collected on behalf of third parties such as taxes, adjusted for the effects of any variable consideration, constraining estimates of variable consideration, significant financing components, non-cash consideration and consideration payable to customer. If the transaction price includes variable consideration, the Company uses the expected value method by estimating the sum of probability-weighted amounts in a range or possible consideration amounts, or the most likely outcome method, depending on which method the Company expect to better predict the amount of consideration to which it is entitled.

For contract with separate performance obligations, the transaction price is allocated to the separate performance obligations on the relative stand-alone selling price basis. If the stand-alone selling price is not directly observable, the Company estimates it by using the costs plus margin approach [or adjusted market assessment approach or residual approach.

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer, i.e. when or as a performance obligation in the contract with customer is satisfied. A performance obligation is satisfied when or as the customer obtains control of the service underlying the particular performance obligation, which the performance obligation may be satisfied at a point in time or over time.

A contract modification is a change in the scope or price (or both) of a contract that is approved by the parties to the contract. A modification exists when the change either creates new or changes existing enforceable rights and obligations of the parties to the contract. The Company has assessed the type of modification and accounted for as either creates a separate new contract, terminates the existing contract and creation of a new contract; or forms a part of the existing contracts.

Financing components

The Company has applied the practical expedient not to adjust the promised amount of consideration for the effects of a significant financing components if the Company expects that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.11 Revenue recognition (continued)

(i) Sales of goods

Revenue from sale of goods is recognised at a point in time when control of the goods has been transferred, and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of being the customer accepts the delivery of the goods. Where consideration is collected from customer is recognised as revenue up on sale of goods to the customer.

(ii) Sales of services

Revenue from services is recognised when services are performed.

3.12 Income tax

Income tax expense in profit or loss comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

(a) Current tax

Current tax is the expected taxes payable or receivable on the taxable income or loss for the financial year, using the tax rates that have been enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

(b) Deferred tax

Deferred tax is recognised using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts in the statements of financial position. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unutilised tax losses and unused tax credits, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arise from the initial recognition of assets and liabilities in a transaction which is not a business combination and that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.12 Income tax (continued)

(b) Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity, or on different tax entities, but they intend to settle their income tax recoverable and income tax payable on a net basis or their tax assets and liabilities will be realised simultaneously.

3.13 Contingencies

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events(s) not wholly within the control of the Company.

Contingent liability is also referred as a present obligation that arises from past events but is not recognised because:

- (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
- (b) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities and assets are not recognised in the statements of financial position.

3.14 Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.14 Fair value measurements (continued)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company and the Company can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The Company recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3.15 Foreign currencies

Transactions in currencies other than USD are translated into USD at the exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in currencies other than USD at the reporting date are translated into USD at the rates of exchange ruling at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences arising on translation are recognised in profit or loss.

The translations of United States Dollars amounts into Khmer Riel (“KHR”) are included solely for meeting the presentation requirements pursuant to Law on Accounting and Auditing.

Assets and liabilities are translated at the closing rate as at the reporting date; and share capital account is translated at the historical rate. The statements of comprehensive income and cash flows are translated into KHR using the average rate for the year. Exchange differences arising from the translation are recognised as “Exchange differences on translation of exchange operations” in the other comprehensive income.

The Company uses the following official closing and average rate of exchange for the translation:

Financial year end	Closing rate	Average rate
31 December 2018	4,018	4,045
31 December 2017	4,037	4,045

These convenience translations should not be construed as representations that the United States Dollars amounts have been, could have been, or could in the future be, converted into Khmer Riel at this or any other rate of exchange.

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4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTION

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amounts recognised in the Financial Statements include the following:

4.1 Depreciation and useful lives of property and equipment

As disclosed in Note 3.1, the Company review the residual values, useful lives and depreciation methods at the end of each reporting period. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property and equipment may differ from the estimates applied and therefore, future depreciation charges could be revised.

The carrying amounts of the Company's property and equipment are disclosed in Note 5.

4.2 Useful lives of other intangible assets

The Company estimates the useful lives to amortise other intangible assets based on the future performance of the assets acquired and management's judgement of the period over which economic benefits will be derived from the assets. The estimated useful lives of other intangible assets are reviewed periodically, taking into consideration factors such as changes in technology. The amount and timing of recorded expenses for any period would be affected by changes in the estimates.

The carrying amounts of the other intangible assets are disclosed Note 6.

4.3 Impairment of financial assets

The Company assesses impairment of non-financial assets whenever the events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable i.e. the carrying amount of the asset is more than the recoverable amount.

Recoverable amount is measured at the higher of the fair value less costs of disposal for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flows derived from that asset discounted at an appropriate discount rate. The Company uses their judgement to decide the discount rates applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections, including forecast growth rates, inflation rates and gross profit margin. Cash flows that are projected based on those inputs or assumptions may have a significant effect on the Company's financial positions and results if the actual cash flows are less than the expected.

The carrying amounts of the non-financial assets is disclosed in Note 5.

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**4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTION
(CONTINUED)**

4.4 Write-down of obsolete or slow moving inventories

The Company writes down its obsolete or slow moving inventories based on the assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write-down of obsolete or slow moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

The carrying amount of the Company's inventories is disclosed in Note 7.

4.5 Income taxes

The Company operate in various jurisdictions and are subject to income taxes in each jurisdiction. Significant judgement is required in determining the Company's estimation for current and deferred taxes because the ultimate tax liability for the Company is uncertain. When the final outcome of the tax payable is determined with the tax authorities in each jurisdiction, the amounts might be different from the initial estimates of the tax payables. Such differences may impact the current and deferred taxes in the period when such determination is made. The Company will make adjustments for current or deferred taxes in respect of prior years in the current period on those differences arise.

The income tax expense of the Company is disclosed in Note 21.

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5. PROPERTY AND EQUIPMENT

	Buildings USD	Service and warehouse equipment USD	Furniture and fixtures USD	Leasehold improvements USD	Motor vehicles USD	Operating equipment USD	Containers USD	Asset in progress USD	Total USD
2018									
Cost									
At 1 January 2018	4,485,298	939,663	834,597	1,494,751	3,849,003	1,804,890	31,952	69,132	13,509,286
Additions	-	196,863	68,033	97,476	2,327,491	281,139	-	55,510	3,026,512
Disposals	-	(6,850)	-	-	(1,564,144)	(51,219)	-	-	(1,622,213)
Transfers	-	-	-	(1,474)	341	70,265	-	(69,132)	-
Written off	-	(59,450)	-	-	(379)	(9,831)	-	-	(69,660)
At 31 December 2018	4,485,298	1,070,226	902,630	1,590,753	4,612,312	2,095,244	31,952	55,510	14,843,925
Accumulated depreciation									
At 1 January 2018	1,313,654	718,450	704,911	914,571	1,440,920	1,309,152	31,952	-	6,433,610
Depreciation charge for the financial year	338,843	128,904	94,721	224,395	657,904	215,433	-	-	1,660,200
Disposals	-	(6,850)	-	-	(372,786)	(15,193)	-	-	(394,829)
Written off	-	(59,430)	-	-	(329)	(9,831)	-	-	(69,590)
At 31 December 2018	1,652,497	781,074	799,632	1,138,966	1,725,709	1,499,561	31,952	-	7,629,391
Carrying amount									
At 31 December 2018	2,832,801	289,152	102,998	451,787	2,886,603	595,683	-	55,510	7,214,534
At 31 December 2018 (KHR'000)	11,382,194	1,161,813	413,846	1,815,280	11,598,371	2,393,454	-	223,039	28,987,998

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5. PROPERTY AND EQUIPMENT (CONTINUED)

	Buildings USD	Service and warehouse equipment USD	Furniture and fixtures USD	Leasehold improvements USD	Motor vehicles USD	Operating equipment USD	Containers USD	Asset in progress USD	Total USD
2017									
Cost									
At 1 January 2017	4,485,298	1,015,799	860,827	1,519,866	2,424,623	2,148,670	45,338	-	12,500,421
Additions	-	36,509	9,865	123,296	2,135,988	216,126	-	69,132	2,590,916
Disposals	-	(5,032)	-	-	(665,989)	(130,106)	-	-	(801,127)
Written off	-	(107,613)	(36,095)	(148,411)	(45,619)	(429,800)	(13,386)	-	(780,924)
At 31 December 2017	4,485,298	939,663	834,597	1,494,751	3,849,003	1,804,890	31,952	69,132	13,509,286
Accumulated depreciation									
At 1 January 2017	973,178	699,293	627,977	835,136	1,238,869	1,579,393	43,955	-	5,997,801
Depreciation charge for the financial year	340,476	131,602	112,475	225,576	480,605	205,004	1,383	-	1,497,121
Disposals	-	(4,832)	-	-	(232,935)	(47,944)	-	-	(285,711)
Written off	-	(107,613)	(35,541)	(146,141)	(45,619)	(427,301)	(13,386)	-	(775,601)
At 31 December 2017	1,313,654	718,450	704,911	914,571	1,440,920	1,309,152	31,952	-	6,433,610
Carrying amount									
At 31 December 2017	3,171,644	221,213	129,686	580,180	2,408,083	495,738	-	69,132	7,075,676
At 31 December 2017 (KHR'000)	12,803,927	893,037	523,542	2,342,187	9,721,431	2,001,294	-	279,086	28,564,504

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6. INTANGIBLE ASSETS

	2018		2017	
	USD	KHR'000	USD	KHR'000
Cost				
At 1 January/31 December	46,000	184,828	46,000	185,702
Accumulated depreciation				
At 1 January	20,048	80,553	15,333	61,899
Amortisation charge for the financial year	5,962	23,955	4,715	19,035
At 31 December	26,010	104,508	20,048	80,934
Carrying amount				
At 31 December	19,990	80,320	25,952	104,768

7. INVENTORIES

	2018		2017	
	USD	KHR'000	USD	KHR'000
Trading goods and spare parts	33,575,436	134,906,102	16,559,151	66,849,292
Less: Allowance for inventories obsolescence	(2,119,327)	(8,515,456)	(915,581)	(3,696,200)
	31,456,109	126,390,646	15,643,570	63,153,092

8. TRADE AND OTHER RECEIVABLES

	2018		2017	
	USD	KHR'000	USD	KHR'000
Trade receivables	5,654,932	22,721,517	6,833,349	27,586,230
Less: Expected credit loss	(56,512)	(227,065)	(21,019)	(84,854)
Net trade receivable	5,598,420	22,494,452	6,812,330	27,501,376
Amount due from related companies	8,813,499	35,412,639	5,145,551	20,772,589
Prepayments	173,906	698,754	2,032,594	8,205,582
Deposits	337,876	1,357,586	350,905	1,416,603
Staff advances	11,018	44,270	140,927	568,922
Margin deposits	408,905	1,642,980	191,530	773,207
Other receivables	107,080	430,248	106,000	427,923
	15,450,704	62,080,929	14,779,837	59,666,202

Trade receivables are non-interest bearing and the normal trade credit term is 30 days (2017: 30 days). Other credit terms are assessed and approved on case by case basis.

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9. CASH AND BANK BALANCES

	2018		2017	
	USD	KHR'000	USD	KHR'000
Cash at banks	8,854,026	35,575,476	5,561,312	22,451,017
Cash on hand	146,557	588,866	452,896	1,828,341
	<u>9,000,583</u>	<u>36,164,342</u>	<u>6,014,208</u>	<u>24,279,358</u>

10. SHARE CAPITAL

The Company's registered and paid-up capital is KHR16,000,000,000 (equivalents to USD4,000,000) divided into 1,000 shares with par value of KHR16,000,000 per share. Details as follows based on the Memorandum and Articles of Association.

	2018		2017	
	USD	KHR'000	USD	KHR'000
Authorised:				
At 31 December	<u>4,000,000</u>	<u>16,000,000</u>	<u>4,000,000</u>	<u>16,000,000</u>
Issued and fully paid:				
At 1 January/At 31 December	<u>4,000,000</u>	<u>16,000,000</u>	<u>4,000,000</u>	<u>16,000,000</u>

11. EXCHANGE RESERVE

The exchange reserve represents exchange differences arising from the translation of the financial statements of functional currency are different from the Company's presentation currency.

12. BORROWINGS

	2018		2017	
	USD	KHR'000	USD	KHR'000
Non-current:				
Term loans	<u>731,668</u>	<u>2,939,842</u>	<u>1,394,466</u>	<u>5,629,459</u>
Current:				
Term loans	28,855,630	115,941,921	18,655,089	75,310,594
Loans from immediate holding company	<u>-</u>	<u>-</u>	<u>1,132,915</u>	<u>4,573,578</u>
	<u>28,855,630</u>	<u>115,941,921</u>	<u>19,788,004</u>	<u>79,884,172</u>
	<u>29,587,298</u>	<u>118,881,763</u>	<u>21,182,470</u>	<u>85,513,631</u>

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12. BORROWINGS (CONTINUED)

(a) Loan from Oxley Worldbridge Specialized Bank Plc.

Term loan 1

On 21 December 2017, the Company entered into the loan agreement amounting to USD2,000,000 bearing a fixed interest of 9% per annum and is repayable by monthly installment of USD63,599.47 over three years commencing from the day of the first disbursement and is an unsecured loan.

Term loan 2

On 25 July 2018, the Company entered into the loan agreement with the credit limit of USD2,000,000 bearing a fixed interest of 9% per annum and is repayable on demand over three months period commencing from the date of disbursement.

The borrowing is guaranteed by corporate guarantees by Clipper Holding Limited.

(b) Loan from Advanced Bank of Asia Ltd (ABA)

Term loan 3

On 4 April 2017, the Company entered into the loan agreement with the credit limit of USD500,000 bearing a fixed interest of 9.5% per annum and is repayable on demand over three months period commencing from the date of disbursement.

The borrowing is guaranteed by corporate guarantees by Clipper Holding Limited.

(c) Loan from CIMB Bank Plc.

Term loan 4

On 21 January 2017, the Company entered into the loan agreement with the credit limit of USD4,000,000 bearing a fixed interest of 7.5% per annum and is repayable on demand over three months period commencing from the date of disbursement .

The borrowing is guaranteed by corporate guarantees from Clipper Holding Limited. and Comin Khmere Co., Ltd.

(d) Loan from FCE Bank Plc.

Term loan 5

On 28 July 2015, the Company entered into wholesale finance facility agreement with the credit limit of USD23,500,000 bearing a floating interest of LIBOR/EURIBOR+6.5% per annum and is repayable on demand.

The borrowing is guaranteed by corporate guarantee by Clipper Holdings Limited.

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13. TRADE AND OTHER PAYABLES

	2018		2017	
	USD	KHR'000	USD	KHR'000
Trade payables	4,968,403	19,963,043	4,038,110	16,301,850
Amount due to related companies	3,809,658	15,307,206	2,049,130	8,272,338
Customers' deposits	-	-	3,086,129	12,458,703
Tax payable	962,285	3,866,461	631,803	2,550,589
Accrued bonuses	731,949	2,940,971	642,033	2,591,887
VAT payables	-	-	360,256	1,454,353
Warranty provision	1,361,704	5,471,327	493,887	1,993,822
Other payables	1,339,562	5,382,360	640,678	2,586,417
	<u>13,173,561</u>	<u>52,931,368</u>	<u>11,942,026</u>	<u>48,209,959</u>

14. CONTRACT LIABILITIES

	2018		2017	
	USD	KHR'000	USD	KHR'000
Customers' deposits	<u>5,103,063</u>	<u>20,504,107</u>	<u>-</u>	<u>-</u>

15. REVENUE

	2018		2017	
	USD	KHR'000	USD	KHR'000
Sales of goods	143,267,568	579,517,313	99,481,659	402,403,310
Service revenue	<u>6,751,247</u>	<u>27,308,794</u>	<u>3,839,066</u>	<u>15,529,023</u>
	<u>150,018,815</u>	<u>606,826,107</u>	<u>103,320,725</u>	<u>417,932,333</u>

16. COST OF SALES

	2018		2017	
	USD	KHR'000	USD	KHR'000
Cost of goods	123,280,244	498,668,587	85,499,636	345,846,028
Service charges	<u>4,039,408</u>	<u>16,339,405</u>	<u>2,197,003</u>	<u>8,886,877</u>
	<u>127,319,652</u>	<u>515,007,992</u>	<u>87,696,639</u>	<u>354,732,905</u>

17. OTHER INCOME

Other income represents the gain on the disposal of property and equipment, gain on the exchange rate difference and incentive from supplier.

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18. OPERATING EXPENSES

	2018		2017	
	USD	KHR'000	USD (Restated)	KHR'000 (Restated)
Depreciation expense	1,654,995	6,694,455	1,497,121	6,055,854
Amortisation expense	5,962	24,116	4,715	19,072
Allowance for slow-moving inventories	1,461,928	5,913,499	481,321	1,946,943
Regional Office Headquarter (ROH) allocation (*)	211,623	856,015	175,769	710,986
Fuel and oil	371,272	1,501,795	253,503	1,025,420
Professional and legal fees	270,934	1,095,928	333,774	1,350,116
Bank charges and commission	230,399	931,964	156,510	633,083
Travelling	219,749	888,885	224,371	907,581
Entertainment	173,060	700,028	180,118	728,577
Property insurance	169,326	684,924	125,221	506,519
Communications	168,815	682,857	131,046	530,081
Printing and stationary	59,018	238,726	54,722	221,350
Gifts and donations	47,525	192,239	75,104	303,796
Accident insurance	30,346	122,750	-	-
Membership fee	11,165	45,162	4,457	18,029
Others	192,324	777,951	187,584	758,777
	<u>5,278,441</u>	<u>21,351,294</u>	<u>3,885,336</u>	<u>15,716,184</u>

19. MARKETING EXPENSES

	2018		2017	
	USD	KHR'000	USD (Restated)	KHR'000 (Restated)
Advertising and sales promotion	824,168	3,333,760	644,369	2,606,473
Staff commission	50,226	203,164	11,711	47,371
	<u>874,394</u>	<u>3,536,924</u>	<u>656,080</u>	<u>2,653,844</u>

20. ADMINISTRATIVE EXPENSES

	2018		2017	
	USD	KHR'000	USD (Restated)	KHR'000 (Restated)
Salaries, wages and staff benefits	4,663,056	18,862,062	4,132,070	16,714,223
Rental expense	915,284	3,702,324	917,389	3,710,839
Utilities	219,300	887,069	193,503	782,720
Repairs and maintenance	214,856	869,093	261,764	1,058,835
Staff development	178,233	720,952	147,138	595,173
Others	451,969	1,828,213	489,213	1,978,866
	<u>6,642,698</u>	<u>26,869,713</u>	<u>6,141,077</u>	<u>24,840,656</u>

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21. INCOME TAX EXPENSE

	2018		2017	
	USD	KHR'000	USD	KHR'000
Current year income tax	1,942,859	7,858,865	1,011,425	4,091,214

Under the Law of Taxation, the Company has an obligation to pay Tax on Income at 20% of taxable income or minimum tax at 1% of total turnover, whichever is higher.

22. COMMITMENTS

The Company leases land and buildings under non-cancellable operating lease agreement for land and buildings for period ranging from 1 to 25 years. The lease agreement is renewable at the end of the lease period at market rate.

The future minimum lease payments under non-cancellable operating leases are as follows:

	2018		2017	
	USD	KHR'000	USD	KHR'000
Not later than one year	948,597	3,811,463	790,701	3,192,062
More than one year but not later than five years	2,835,971	11,394,931	1,290,357	5,209,170
More than five years	1,938,794	7,790,074	880,465	3,554,437
	5,723,362	22,996,468	2,961,523	11,955,669

The Company also leases various outlets and branches under cancellable operating lease agreements.

23. RELATED PARTY TRANSACTIONS

(a) Identity of related parties

Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Company include:

- (i) Company's holding company;
- (ii) Entities having significant influence over the Company;
- (iii) Subsidiaries;
- (iv) Associates;
- (v) Joint ventures;
- (vi) Entities in which directors have substantial financial interests; and
- (vii) Key management personnel of the Company's holding company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

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23. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Related party transactions and balances

Related party transactions other than disclosed elsewhere in the financial statement as shown below:

	2018		2017	
	USD	KHR'000	USD	KHR'000
Sale of goods and services				
Fellow subsidiaries	4,657,847	18,840,991	3,943,881	15,952,999
Other related parties*	<u>24,033,275</u>	<u>97,214,597</u>	<u>16,029,260</u>	<u>64,838,357</u>
	<u>28,691,122</u>	<u>116,055,588</u>	<u>19,973,141</u>	<u>80,791,356</u>
* Finance company that provides financing to retail customers of the Company.				
Management/ Technical/ Professional/ training fee received				
Fellow subsidiaries	520,434	2,105,156	533,427	2,157,712
Other related parties	<u>110,000</u>	<u>444,950</u>	<u>234,500</u>	<u>948,553</u>
	<u>630,434</u>	<u>2,550,106</u>	<u>767,927</u>	<u>3,106,265</u>
Purchase of goods and services				
Fellow subsidiaries	3,177,905	12,854,626	4,774,411	19,312,492
Other related parties	<u>685,672</u>	<u>2,773,543</u>	<u>718,398</u>	<u>2,905,920</u>
	<u>3,863,577</u>	<u>15,628,169</u>	<u>5,492,809</u>	<u>22,218,412</u>
Finance costs				
Immediate holding company	<u>-</u>	<u>-</u>	<u>47,404</u>	<u>191,749</u>
Management Technical/ Professional/ Training fee paid to				
Fellow subsidiaries	<u>845,333</u>	<u>3,396,548</u>	<u>1,122,006</u>	<u>4,538,514</u>

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23. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Related party transactions and balances (continued)

Related party transactions other than disclosed elsewhere in the financial statement as shown below: (continued)

	2018		2017	
	USD	KHR'000	USD	KHR'000
Amounts due from related parties				
Fellow subsidiaries	7,100,413	28,529,459	5,136,539	20,736,208
Other related parties	1,713,086	6,883,180	9,012	36,381
	<u>8,813,499</u>	<u>35,412,639</u>	<u>5,145,551</u>	<u>20,772,589</u>
Amounts due to related parties				
Immediate holding company	2,085,873	8,381,038	89,752	362,329
Fellow subsidiaries	1,197,171	4,810,233	1,790,877	7,229,770
Other related parties	526,614	2,115,935	168,501	680,239
	<u>3,809,658</u>	<u>15,307,206</u>	<u>2,049,130</u>	<u>8,272,338</u>

(c) Key management compensation

	2018		2017	
	USD	KHR'000	USD	KHR'000
Salaries, wages, rental fees and other benefits	481,112	1,933,110	398,950	1,610,561

24. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

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24. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

	Loans and receivables USD	Financial liabilities at amortised cost USD	USD	Total KHR'000
2018				
Financial Assets				
Trade and other receivables	15,276,798	-	15,276,798	61,382,174
Cash and bank balances	9,000,583	-	9,000,583	36,164,342
	<u>24,277,381</u>	<u>-</u>	<u>24,277,381</u>	<u>97,546,516</u>
Financial Liabilities				
Trade and other payables	-	13,173,561	13,173,561	52,931,368
Current liabilities	-	5,103,063	5,103,063	20,504,107
Borrowings	-	29,587,298	29,587,298	118,881,763
	<u>-</u>	<u>47,863,922</u>	<u>47,863,922</u>	<u>192,317,238</u>
2017				
Financial Assets				
Trade and other receivables	12,747,243	-	12,747,243	51,460,620
Cash and bank balances	6,014,208	-	6,014,208	24,279,358
	<u>18,761,451</u>	<u>-</u>	<u>18,761,451</u>	<u>75,739,978</u>
Financial Liabilities				
Trade and other payables	-	11,581,770	11,581,770	46,755,606
Borrowings	-	21,182,470	21,182,470	85,513,631
	<u>-</u>	<u>32,764,240</u>	<u>32,764,240</u>	<u>132,269,237</u>

(b) Financial risk management and objectives

The Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, and interest rate risk. The Company's overall financial risk management objective is to optimize value for their shareholders.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks.

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24. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and objectives (continued)

(i) Credit risk

Credit risk is the risk of financial loss to the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. The Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Amount of trade and other receivables are not secured by any collateral or supported by any other as at the end of the reporting period, the maximum exposure to credit risk arising from trade and other receivables is represented by their carrying amounts in the statements of financial position.

The carrying credit enhancements. In determining the recoverability of these receivables, the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date.

The Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Company use ageing analysis to monitor the credit quality of the trade receivables. The ageing of trade receivables as at the end of the financial year is disclosed in Note 9. Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Company. A significant portion of these trade receivables are regular customers that have been transacting with the Company. Management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired are stated at their realisable values. Impairment is made on specific receivables when there is objective evidence that the Company will not be able to collect all amounts due.

Credit risk concentration profile

The Company has no significant concentration of credit risk that may arise from exposures to a single or group of receivables.

(ii) Liquidity risk

The Company seeks to manage effectively the various risks namely liquidity risks, to which the Company is exposed to in its daily operations.

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and credit facilities from financial institution and the holding Company support.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

24. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and objectives (Continued)

(ii) Liquidity risk (continued)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	Contractual cash flows				KHR'000
	Carrying amount USD	On demand or within 1 year USD	Between 1 year and 5 years USD	Total USD	
2018					
Financial liabilities					
Trade and other payables	13,173,561	13,173,561	-	13,173,561	52,931,368
Contract liabilities	5,103,063	5,103,063	-	5,103,063	20,504,107
Borrowings	29,587,298	28,855,630	731,668	29,587,298	118,881,763
	<u>47,863,922</u>	<u>47,132,254</u>	<u>731,668</u>	<u>47,863,922</u>	<u>192,317,238</u>
2017					
Financial liabilities					
Trade and other payables	11,581,770	11,581,770	-	11,581,770	46,755,606
Borrowings	21,182,470	19,788,004	1,394,466	21,182,470	85,513,631
	<u>32,764,240</u>	<u>31,369,774</u>	<u>1,394,466</u>	<u>32,764,240</u>	<u>132,269,237</u>

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Company's financial instruments as a result of changes in market interest rates. The Company's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates. The Company reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

24. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair values

(i) Determination of Fair Value

The methods and assumptions used to estimate the fair value of the following classes of financial assets and liabilities are as follows:

(i) Cash and bank balances, other receivables amount due from/(to) related parties and payables

The carrying amounts approximate fair values due to the relatively short term maturities of these financial assets and liabilities.

(ii) Borrowing

The carrying amounts of short term loans approximate fair values due to the relatively short term maturities of these financial liabilities.

The carrying amounts of long term floating rate loans approximate their fair values as the loans will be re-priced to market interest rate on or near reporting date.

(ii) Fair Value Hierarchy

As the financial assets and liabilities of the Company are not carried at fair value by any valuation method, the fair value hierarchy analysis is not presented.

25. CAPITAL MANAGEMENT

The Company's capital management objective is to safeguard the Company's ability to continue as a going concern in order to provide return to shareholder.

The Company's capital is represented by its total equity in the statement of financial position. The Directors monitor the adequacy of capital on an ongoing basis and rely on the continuous financial support from its holding company. The Company is not subject to any externally imposed capital requirements.

26. TAXATION CONTINGENCIES

The taxation system in Cambodia is relatively new and is characterised by numerous taxes and frequently changing legislation, which is often unclear, contradictory, and subject to interpretation. Often, differing interpretations exist among numerous taxation authorities and jurisdictions. Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges.

These facts may create tax risks in Cambodia, substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have differing interpretations and the effects could be significant.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

27. PRIOR YEAR ADJUSTMENT AND COMPARATIVE FIGURES

- (a) The directors have made prior year adjustments in accordance to the relevant financial reporting standards and certain comparative figures have been reclassified to conform to current year presentation.
- (b) Details of these adjustments made arising from the above reclassification are as follows:

	As previously reported		As restated	
	USD	KHR'000	USD	KHR'000
2017				
Statement of comprehensive income				
Operating expenses	(1,989,531)	(8,047,653)	(3,885,336)	(15,716,184)
Marketing expenses	(641,710)	(2,595,717)	(656,080)	(2,653,844)
Administrative expenses	<u>(8,051,252)</u>	<u>(32,567,314)</u>	<u>(6,141,077)</u>	<u>(24,840,656)</u>

Baker Tilly (Cambodia) Co., Ltd.
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Company No.00001121

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RMA (CAMBODIA) CO., LTD**
(Incorporated in Cambodia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of RMA (Cambodia) Co., Ltd. ("the Company"), which comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 50.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2018, and of its financial performance and its cash flows for the financial year then ended in accordance with the Cambodian International Financial Reporting Standards ("CIFRSs").

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and the requirements of Kampuchea Institute of Certified Public Accountant and Auditors' *Code of Ethics for Certified Public Accountants and Auditors* ("KICPAA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ethical requirements of KICPAA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Company No.00001121

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RMA (CAMBODIA) CO., LTD. (CONTINUED)**
(Incorporated in Cambodia)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company 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 Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Cambodian International Financial Reporting Standards. The directors are also responsible for such internal controls as the directors determine are necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are responsible for overseeing the Company's financial reporting process.

Company No.00001121

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RMA (CAMBODIA) CO., LTD. (CONTINUED)**
(Incorporated in Cambodia)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Company, 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 the directors.
- conclude on the appropriateness of the directors' 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 auditors' report to the related disclosures in the financial statements of the Company 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 auditors' 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 of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Company No.00001121

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RMA (CAMBODIA) CO., LTD. (CONTINUED)**
(Incorporated in Cambodia)

Other Matters

This report is made solely to the members of the Company, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

For Baker Tilly (Cambodia) Co., Ltd



Tan Khee Meng
Engagement Partner

Phnom Penh, Kingdom of Cambodia

Date: 01 JUL 2019

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

Company No.00001121

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

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RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of RMA(Cambodia) Co., Ltd. ("the Company") for the financial year ended 31 December 2017.

PRINCIPAL ACTIVITIES

The principal activities of the Company are marketing and sale of motor vehicles and heavy equipment, rent of equipment, and maintenance and servicing of the equipment. There have been no significant changes in the nature of this principal activity during the financial year.

RESULTS

	USD	KHR'000
Profit for the financial year	<u>1,624,889</u>	<u>6,572,676</u>

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend the payment of any dividend in respect of the financial year ended 31 December 2017.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

DIRECTORS' REPORT (CONTINUED)

CURRENT ASSETS

Before the financial statements of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business included their values as shown in the accounting records of the Company had been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- (i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Company which has arisen since the end of the financial year.

In the opinion of the directors, no contingent liabilities or other liabilities of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Company to meet its obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Company that would render any amount stated in the financial statements misleading.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

DIRECTORS' REPORT (CONTINUED)

ITEMS OF AN UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

ISSUE OF SHARES AND DEBENTURES

During the financial year, no new issue of shares or debentures were made by the Company.

DIRECTORS OF THE COMPANY

The directors in office during the financial year and during the period from the end of the financial year to the date of the report are:

Kevin Robert Whitcraft
Thomas Arthur Whitcraft
Emile Gerard Antoine Galement (Passed away on 01 June 2017)
Simon Patrick Ward (Resigned on 12 January 2018)
Ngorn Saing

HOLDING COMPANY

The directors regard Clipper Holdings Limited, a company incorporated in Hong Kong, as the holding company of the Company.

AUDITORS

The auditors, Messrs. Baker Tilly (Cambodia) Co., Ltd., have expressed their willingness to continue in office.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Directors is responsible for ascertaining that the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2017, and its financial performance and its cash flows for the financial year then ended. In preparing these financial statements, the Board of Directors is required to:

- (i) adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- (ii) comply with Cambodian International Financial Reporting Standards or, if there have been any departures in the interest of true and fair presentation, ensure that these have been appropriately disclosed, explained and quantified in the financial statements;
- (iii) oversee the Company's financial reporting process and maintain adequate accounting records and an effective system of internal controls;
- (iv) assess 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; and
- (v) control and direct effectively of the Company in all material decisions affecting the operations and performance and ascertain that such have been properly reflected in the financial statements.

The Board of Directors confirms they have complied with the above requirements in preparing the financial statements of the Company.

APPROVAL OF THE FINANCIAL STATEMENTS

I, **KEVIN ROBERT WHITCRAFT** being a director of the Company, do hereby state that in the opinion of the directors, the accompanying financial statements as set out on page 5 to 45 are properly drawn up in accordance with the Cambodian International Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 December 2017 and of their financial performance and cash flows for the financial year ended.

On behalf of the Boards of Directors,


.....
KEVIN ROBERT WHITCRAFT
Director

Date: **08 AUG 2018**

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Notes	2017		2016		1.1.2016	
		USD	KHR'000	USD	KHR'000	USD	KHR'000
				(Restated)		(Restated)	
ASSETS							
Non-current assets							
Property and equipment	5	7,075,676	28,564,504	6,502,620	26,251,077	8,609,904	34,956,210
Intangible assets	6	25,952	104,768	30,667	123,803	35,778	145,259
Total non-current assets		<u>7,101,628</u>	<u>28,669,272</u>	<u>6,533,287</u>	<u>26,374,880</u>	<u>8,645,682</u>	<u>35,101,469</u>
Current assets							
Inventories	7	15,643,570	63,153,092	20,875,949	84,276,206	25,016,226	101,565,877
Trade and other receivables	8	9,634,286	38,893,613	7,324,304	29,568,215	5,119,613	20,785,629
Amount due from related parties	19	5,145,551	20,772,589	7,985,300	32,236,656	5,313,618	21,573,288
Cash and bank balances	9	6,014,208	24,279,358	2,024,710	8,173,754	2,881,992	11,700,888
Total current assets		<u>36,437,615</u>	<u>147,098,652</u>	<u>38,210,263</u>	<u>154,254,831</u>	<u>38,331,449</u>	<u>155,625,682</u>
TOTAL ASSETS		<u>43,539,243</u>	<u>175,767,924</u>	<u>44,743,550</u>	<u>180,629,711</u>	<u>46,977,131</u>	<u>190,727,151</u>
EQUITY AND LIABILITIES							
Equity							
Share capital	10	4,000,000	16,000,000	4,000,000	16,000,000	4,000,000	16,000,000
Retained earnings		6,353,976	25,708,510	4,729,087	19,135,834	3,862,451	15,623,358
Exchange reserve		-	90,491	-	103,490	-	298,193
Total equity		<u>10,353,976</u>	<u>41,799,001</u>	<u>8,729,087</u>	<u>35,239,324</u>	<u>7,862,451</u>	<u>31,921,551</u>
Non-current liability							
Borrowings	11	1,394,466	5,629,459	-	-	375,000	1,522,500
Current liabilities							
Trade and other payables	12	9,892,896	39,937,621	9,923,483	40,061,101	6,890,571	27,975,718
Amount due to related parties	19	2,049,130	8,272,338	3,326,861	13,430,538	5,387,517	21,873,319
Borrowings	11	19,788,004	79,884,172	22,622,512	91,327,081	26,400,821	107,187,333
Current tax liabilities		60,771	245,333	141,607	571,667	60,771	246,730
Total current liabilities		<u>31,790,801</u>	<u>128,339,464</u>	<u>36,014,463</u>	<u>145,390,387</u>	<u>38,739,680</u>	<u>157,283,100</u>
Total liabilities		<u>33,185,267</u>	<u>133,968,923</u>	<u>36,014,463</u>	<u>145,390,387</u>	<u>39,114,680</u>	<u>158,805,600</u>
TOTAL EQUITY AND LIABILITIES		<u>43,539,243</u>	<u>175,767,924</u>	<u>44,743,550</u>	<u>180,629,711</u>	<u>46,977,131</u>	<u>190,727,151</u>

The accompanying notes form an integral part of these financial statements.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Notes	2017		2016	
		USD	KHR'000	USD	KHR'000
				(Restated)	
Revenue	13	103,320,725	417,932,333	81,855,676	331,761,055
Cost of sales	14	(87,696,639)	(354,732,905)	(66,648,430)	(270,126,087)
Gross profit		<u>15,624,086</u>	<u>63,199,428</u>	<u>15,207,246</u>	<u>61,634,968</u>
Other income	15	16,912	68,409	35,746	144,879
Operating expenses		(1,989,531)	(8,047,653)	(2,187,919)	(8,867,636)
Marketing expenses		(641,710)	(2,595,717)	(717,715)	(2,908,899)
Administrative expenses		<u>(8,051,252)</u>	<u>(32,567,314)</u>	<u>(8,430,442)</u>	<u>(34,168,581)</u>
Operating profit	16	4,958,505	20,057,153	3,906,916	15,834,731
Finance costs		<u>(2,322,191)</u>	<u>(9,393,263)</u>	<u>(2,222,552)</u>	<u>(9,008,003)</u>
Profit before tax		2,636,314	10,663,890	1,684,364	6,826,728
Income tax expense	17	<u>(1,011,425)</u>	<u>(4,091,214)</u>	<u>(817,728)</u>	<u>(3,314,252)</u>
Profit for the financial year		<u>1,624,889</u>	<u>6,572,676</u>	<u>866,636</u>	<u>3,512,476</u>
Other comprehensive income					
Exchange difference on translation of exchange operation		-	(12,999)	-	(194,703)
Total comprehensive income for the financial year		<u>1,624,889</u>	<u>6,559,677</u>	<u>866,636</u>	<u>3,317,773</u>

The accompanying notes form an integral part of these financial statements.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	Share capital		Retained earnings		Exchange reserve	Total equity	
	USD	KHR'000	USD	KHR'000	KHR'000	USD	KHR'000
Balance 1.1.2017 (Restated)	4,000,000	16,000,000	4,729,087	19,135,834	103,490	8,729,087	35,239,324
Total comprehensive income for the financial year							
Profit for the financial year	-	-	1,624,889	6,572,676	-	1,624,889	6,572,676
Other comprehensive loss for the financial year	-	-	-	-	(12,999)	-	(12,999)
Total comprehensive income	-	-	1,624,889	6,572,676	(12,999)	1,624,889	6,559,677
At 31.12.2017	<u>4,000,000</u>	<u>16,000,000</u>	<u>6,353,976</u>	<u>25,708,510</u>	<u>90,491</u>	<u>10,353,976</u>	<u>41,799,001</u>
At 1.1.2016							
As previously reported	4,000,000	16,240,000	3,862,451	15,623,358	58,193	7,862,451	31,921,551
Prior year adjustment	-	(240,000)	-	-	240,000	-	-
At 1.1.2016 (Restated)	4,000,000	16,000,000	3,862,451	15,623,358	298,193	7,862,451	31,921,551
Total comprehensive income for the financial year							
Profit for the financial year	-	-	866,636	3,512,476	-	866,636	3,512,476
Other comprehensive loss for the financial year	-	-	-	-	(194,703)	-	(194,703)
Total comprehensive income	-	-	866,636	3,512,476	(194,703)	866,636	3,317,773
At 31.12.2016 (Restated)	<u>4,000,000</u>	<u>16,000,000</u>	<u>4,729,087</u>	<u>19,135,834</u>	<u>103,490</u>	<u>8,729,087</u>	<u>35,239,324</u>

The accompanying notes form an integral part of these financial statements.

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	Notes	2017		2016	
		USD	KHR'000	USD	KHR'000
Cash flows from operating activities					
Profit before tax		2,636,314	10,663,890	1,684,364	6,826,728
Adjustments for:					
Depreciation of property and Equipment	5	1,497,121	6,055,854	1,792,427	7,264,707
Amortisation of intangible assets	6	4,715	19,072	5,111	20,715
Written off of property and equipment		5,323	21,532	-	-
Interest expenses		2,322,191	9,393,263	2,222,552	9,008,003
Provision for slow-moving inventories		481,321	1,946,943	660,612	2,677,460
Gain on disposal of property and equipment		(77,630)	(314,014)	(53,752)	(217,857)
Operating profit before changes in working capital		6,869,355	27,786,540	6,311,314	25,579,756
Changes in working capital					
Inventories		4,751,058	19,218,030	4,724,661	19,149,051
Trade and other receivables		(2,309,982)	(9,343,877)	(2,204,691)	(8,935,613)
Trade and other payables		(239,062)	(967,006)	2,908,422	11,787,834
Amount due from related companies		2,839,749	11,486,785	(2,671,682)	(10,828,327)
Amount due to related companies		(1,277,731)	(5,168,422)	(2,060,656)	(8,351,839)
Cash generated from operations		10,633,387	43,012,050	7,007,368	28,400,862
Interest paid		(2,113,716)	(8,549,981)	(2,098,062)	(8,503,445)
Income tax paid		(1,092,261)	(4,418,196)	(736,891)	(2,986,619)
Net cash flows from operating Activities		7,427,410	30,043,873	4,172,415	16,910,798
Cash flows from investing activities					
Purchases of property and equipment	5	(2,590,916)	(10,480,255)	(1,867,263)	(7,568,017)
Proceeds from sales of property and equipment		593,046	2,398,872	989,303	4,009,645
Net cash used in investing activities		(1,997,870)	(8,081,383)	(877,960)	(3,558,372)
Cash flows from financing activities					
Proceeds from borrowings		110,305,666	446,186,419	99,262,329	402,310,219
Repayments of borrowings		(111,745,708)	(452,011,389)	(103,414,066)	(419,137,209)
Net cash used in financing activities		(1,440,042)	(5,824,970)	(4,151,737)	(16,826,990)

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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONTINUED)

	Notes	2017		2016	
		USD	KHR'000	USD	KHR'000
Net increase/(decrease) in cash and cash equivalents		3,989,498	16,137,520	(857,282)	(3,474,564)
Cash and cash equivalents at the beginning of the financial year		2,024,710	8,173,754	2,881,992	11,700,888
Currency translation differences		-	(31,916)	-	(52,570)
Cash and cash equivalents at the end of the financial year	9	<u>6,014,208</u>	<u>24,279,358</u>	<u>2,024,710</u>	<u>8,173,754</u>

The accompanying notes form an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2017

1. GENERAL INFORMATION

RMA (Cambodia) Co., Ltd. (“the Company”) is a single member private limited company, incorporated in Cambodia and registered with the Ministry of Commerce under the registration No.00001121, dated 12 September 2002. The Company is wholly owned subsidiary of Clipper Holdings Limited, a company incorporated in Hong Kong.

The registered and operating office of the Company is situated at No.27E0, Street 134, Sangkat Mittapheap, Khan 7 Makara, Phnom Penh, Cambodia.

The principal activities of the Company are marketing and sale of motor vehicles and heavy equipment, rent of equipment, and maintenance and servicing of equipment. There have been no significant changes in the principal activity during the financial year.

The financial statements were approved and authorised for issued on behalf of the Board of Director on 08 August 2018.

2. BASIS FOR PREPARATION

2.1 Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Cambodian International Financial Reporting Standards (“CIFRSs”).

The financial statements of the Company for the financial year ended 31 December 2017 are the first set of financial statements prepared in accordance with the CIFRSs, including CIFRS 1 ‘First-time adoption of CIFRSs’. In the previous financial year, the financial statements of the Company were prepared in accordance with the Cambodian Financial Reporting Standard for Small and Medium-Sized Entities (“CIFRS for SMEs”) in Cambodia.

The preparation of financial statements in conformity with CIFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Company’s accounting policies. Although these estimates and judgement are based on the directors’ best knowledge of current events and actions, actual results may differ.

RMA (CAMBODIA) CO., LTD.
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2. BASIS FOR PREPARATION (CONTINUED)

2.1 Statement of Compliance (continued)

CIFRS 1 requires comparative information to be restated as if the requirements of CIFRSs have always been applied, except when CIFRSs 1 allows certain elective exemptions from such full retrospective application or prohibits retrospective application of some aspects of CIFRSs.

The Company has consistently applied the same accounting policies in its opening CIFRSs statement of financial position as at 1 January 2016 (date of transition) and throughout all years presented, as if these policies had always been in effect.

The adoption of the CIFRSs for the current financial year did not result in any changes in accounting policies and material adjustments to the Company's statements of financial position, statements of comprehensive income and statements of cash flows which are reported in accordance with the previous CIFRS for SMEs.

2.2 New CIFRSs and Amendments/Improvements to CIFRSs that have been issued, but yet to be effective

The Company have not adopted the following new CIFRSs, amendments/improvements to CIFRSs and new IFRIC Interpretations that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New CIFRSs</u>		
CIFRS 9	Financial Instruments	1 January 2018
CIFRS 15	Revenue from Contracts with Customers	1 January 2018
CIFRS 16	Leases	1 January 2019
CIFRS 17	Insurance Contracts	1 January 2021
<u>Amendments/Improvements to CIFRSs</u>		
CIFRS 1	First-time adoption of CIFRSs	1 January 2018
CIFRS 2	Share-based Payment	1 January 2018
CIFRS 4	Insurance Contracts	1 January 2018
CIFRS 10	Consolidated Financial Statements	Deferred
CIAS 28	Investments in Associates and Joint Ventures	1 January 2018/ Deferred
CIAS 40	Investment Property	1 January 2018
<u>New IFRIC Interpretations</u>		
IFRIC 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
IFRIC 23	Uncertainty over Income Tax Treatments	1 January 2019

RMA (CAMBODIA) CO., LTD.
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2. BASIS FOR PREPARATION (CONTINUED)

2.2 New CIFRSs and Amendments/Improvements to CIFRSs that have been issued, but yet to be effective (continued)

A brief discussion on the above significant new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Interpretation are summarised below. Due to the complexity of these new CIFRSs, amendments/improvements to CIFRSs and new CIFIC Interpretations, the financial effects of their adoption are currently still being assessed by the Company.

CIFRS 9 Financial Instruments

Key requirements of CIFRS 9:

- CIFRS 9 introduces an approach for classification of financial assets which is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments.

In essence, if a financial asset is a simple debt instrument and the objective of the entity's business model within which it is held is to collect its contractual cash flows, the financial asset is measured at amortised cost. In contrast, if that asset is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, then the financial asset is measured at fair value in the statements of financial position, and amortised cost information is provided through profit or loss. If the business model is neither of these, then fair value information is increasingly important, so it is provided both in the profit or loss and in the statements of financial position.

- CIFRS 9 introduces a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, this Standard requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised.

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2. BASIS FOR PREPARATION (CONTINUED)

2.2 New CIFRSs and Amendments/Improvements to CIFRSs that have been issued, but yet to be effective (continued)

CIFRS 9 Financial Instruments (continued)

- CIFRS 9 introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements. In addition, as a result of these changes, users of the financial statements will be provided with better information about risk management and the effect of hedge accounting on the financial statements.

CIFRS 15 Revenue from Contracts with Customers

The core principle of CIFRS 15 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with the core principle by applying the following steps:

- (i) identify the contracts with a customer;
- (ii) identify the performance obligation in the contract;
- (iii) determine the transaction price;
- (iv) allocate the transaction price to the performance obligations in the contract;
- (v) recognise revenue when (or as) the entity satisfies a performance obligation.

CIFRS 15 also includes new disclosures that would result in an entity providing users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers.

The following CIFRSs, CIAS, SIC and IFRIC Interpretations will be withdrawn on the application of CIFRS 15:

CIAS 11	Construction Contracts
CIAS 18	Revenue
IFRIC Interpretations 13	Customer Loyalty Programmes
IFRIC Interpretations 15	Agreements for the Construction of Real Estate
IFRIC Interpretations 18	Transfers of Assets from Customers
SIC Interpretations 31	Revenue – Barter Transactions Involving Advertising Services

The Company is currently performing a detailed analysis to determine the election of the practical expedients and to quantify the transition adjustments on its financial statements.

RMA (CAMBODIA) CO., LTD.
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2. BASIS FOR PREPARATION (CONTINUED)

2.2 New CIFRSs and Amendments/Improvements to CIFRSs that have been issued, but yet to be effective (continued)

CIFRS 16 Leases

Currently under CIAS 17 Leases, leases are classified either as finance leases or operating leases. A lessee recognises on its statement of financial position assets and liabilities arising from the finance leases.

CIFRS 16 eliminates the distinction between finance and operating leases for lessees. All leases will be brought onto its statement of financial position except for short-term and low value asset leases.

Amendments to CIFRS 1 First-time Adoption of CIFRSs

Amendments to CIFRS 1 deleted the short-term exemptions that relate to CIFRS 7 Financial Instruments: Disclosure, CIAS 19 Employee Benefits and CIFRS 10 Consolidated Financial Statements because they are no longer applicable.

Amendments to CIFRS 7 Statement of Cash Flows

Amendments to CIFRS 7 require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including changes from cash flows and non-cash changes. The disclosure requirement could be satisfied in various ways, and one method is by providing reconciliation between the opening and closing balances in the statement of financial position for liabilities arising from financing activities.

Amendments to CIAS 40 Investment Property

Amendments to CIAS 40 clarify that to transfer to, or from, investment properties there must be evidence of a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition of investment property. A change in intention, in isolation, does not provide evidence of a change in use.

The amendments also clarify that the list of circumstances that evidence a change in use is not exhaustive.

IFRIC Interpretations 22 Foreign Currency Transactions and Advance Consideration

IFRIC Interpretations 22 clarifies that the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it) is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

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2. BASIS OF PREPARATION (CONTINUED)

2.2 New CIFRSs and Amendments/Improvements to CIFRSs that have been issued, but yet to be effective (continued)

IFRIC Interpretations 23 Uncertainty over Income Tax Treatments

IFRIC Interpretations 23 clarifies that where there is uncertainty over income tax treatments, an entity shall:

- (i) assume that a taxation authority will examine amounts it has a right to examine and have full knowledge of all related information when making those examinations.
- (ii) reflect the effect of uncertainty in determining the related tax position (using either the most likely amount or the expected value method) if it concludes it is not probable that the taxation authority will accept an uncertain tax treatment.

2.3 Basis of measurement

The financial statements of the Company have been prepared on the historical cost basis, except as otherwise disclosed in the summary of significant accounting policies.

2.4 Functional and presentation currency

The national currency of Cambodia is the Khmer Riel (“KHR”). However, as the Company transacts its business and maintains its accounting records primarily in United States Dollars (“USD”), management have determined the USD to be the Company’s functional currency as it reflects the economic substance of the underlying events and circumstances of the Company. These financial statements are presented in USD and KHR, which are the Company’s functional currency and statutory reporting currency respectively. All information in USD and KHR has been rounded to the nearest dollars and thousands respectively.

2.5 Use of estimates and judgement

The preparation of financial statements in conformity with the CIFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Company’s accounting policies. Although these estimates and judgement are based on the directors’ best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates that are significant to the financial statements are disclosed in Note 4.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been applied consistently to all the financial years presented in financial statements of the Company.

3.1 Property and equipment

All items of property and equipment are stated at cost less accumulated depreciation and any accumulated impairment loss. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial year in which they are incurred.

Depreciation of property and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following:

Buildings	5%
Service and warehouse equipment	10% - 33.33%
Furniture and fixtures	10% - 33.33%
Leasehold improvements	10% - 50%
Motor vehicles	20%
Operating equipment	20% - 50%
Containers	25%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property and equipment.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit or loss and the unutilised portion of the revaluation surplus on that item is taken directly to retained profits.

Depreciation of property and equipment which are used for a specific project will be charged to that particular project. Depreciation of other property and equipment are charged to profit or loss accordingly.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Intangible assets

Intangible assets consist of premium location rights, which are stated at historical cost less accumulated amortisation and accumulated impairment losses, if any. Premium location rights are purchased from lessees for premium business locations. The costs are amortised over the nine-year lease term.

3.3 Financial instruments

Financial instruments are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

Financial instruments are recognised initially at fair value, except for financial instruments not measured at fair value through profit or loss, they are measured at fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial instruments.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it not closely related to the economic characteristics and risks of the host contract and the host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with the policy applicable to the nature of the host contract.

(a) Subsequent measurement

The Company categorises the financial instruments as follows:

(i) Financial assets

Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market, trade and other receivables and cash and cash equivalents are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method less accumulated impairment losses, if any. The policy for the recognition and measurement of impairment losses is in accordance with Note 3.4. Gains and losses are recognised in profit or loss through the amortisation process.

RMA (CAMBODIA) CO., LTD.
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

(a) Subsequent measurement (continued)

(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

Derivatives that are linked to and must be settled by delivery of equity instruments that do not have a quoted price in an active market for identical instruments whose fair values otherwise cannot be reliably measured are measured at cost.

Other financial liabilities

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss through the amortisation process.

(b) Derecognition

A financial asset or a part of it is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

RMA (CAMBODIA) CO., LTD.
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Financial instruments (continued)

(c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.4 Impairment of non-financial assets

The Company assesses at the end of each reporting period whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future value cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of the assets exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.4 Impairment of non-financial assets (continued)

The increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in subsequent period.

3.5 Impairment of financial assets

The Company assess at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

(i) Trade and other receivables and other financial assets carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local or economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of motor vehicles and spare parts is determined using identification method and weighted-average method respectively. The cost of finished goods comprise original purchase cost and other cost incurred in bringing the inventories to their present condition and locations. Cost of spare parts is determined using the weight average cost method, which includes purchase price, import duties and other direct costs.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

3.7 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and cash at bank which are subject to an insignificant risk of changes in value.

3.8 Share capital

Ordinary shares are equity instruments. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

3.9 Provisions

Provisions are recognised when the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

If the effect of the time value of money is material, provisions that are determined based on the expected future cash flows to settle the obligation are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provisions due to passage of time is recognised as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases that do not meet this criterion are classified as operating leases.

(i) Lessee accounting

If the Company is a lessee in a finance lease, it capitalises the leased asset and recognises the related liability. The amount recognised at the inception date is the fair value of the underlying leased asset or, if lower, the present value of the minimum lease payments.

Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that assets. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are charged as expenses in the periods in which they are incurred.

The capitalised leased asset is classified by nature as property, plant and equipment or investment property.

For operating leases, the Company does not capitalise the leased asset or recognise the related liability. Instead lease payments under an operating lease are recognised as an expense on the straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

Any upfront lease payments are classified as premium location right within intangible assets.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.10 Leases (continued)

(ii) Lessor accounting

If the Company is a lessor in a finance lease, it derecognises the underlying asset and recognises a lease receivable at an amount equal to the net investment in the lease. Finance income is recognised in profit or loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

If the Company is a lessor in an operating lease, the underlying asset is not derecognised but is presented in the statement of financial position according to the nature of the asset. Lease income from operating leases is recognised in profit or loss on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished.

3.11 Borrowing costs

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period they are incurred. Borrowing costs consist of interest and other costs that the Company incurred in connection with the borrowing of funds.

3.12 Employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.13 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised.

(i) Sales of goods

Revenues from the sales of goods are stated net of discounts and allowances, and are recognised upon passage of title to the customer, which generally coincides with their delivery and acceptance.

(ii) Revenue

Rental revenue from vehicles that are leased under an operating lease is recognised in the statement of comprehensive income on a straight-line basis over the lease term.

(iii) Sales of services

Revenue from services is recognised when services performed.

3.14 Income tax

The tax expense for the period comprises current and deferred income tax and is recognised in the statement of comprehensive income.

The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the reporting date.

Deferred income tax is recognised on temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.15 Fair value measurements

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For a non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that The Company and the Company can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

The Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

3.16 Foreign currencies

Transactions in currencies other than USD are translated into USD at the exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in currencies other than USD at the reporting date are translated into USD at the rates of exchange ruling at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences arising on translation are recognised in profit or loss.

The translations of United States Dollars amounts into Khmer Riel ("KHR") are included solely for meeting the presentation requirements pursuant to Law on Accounting and Auditing.

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.16 Foreign currencies (continued)

Assets and liabilities are translated at the closing rate as at the reporting date; and share capital account is translated at the historical rate. The statements of comprehensive income and cash flows are translated into KHR using the average rate for the year. Exchange differences arising from the translation are recognised as “Exchange differences on translation of exchange operations” in the other comprehensive income.

The Company uses the following official closing and average rate of exchange for the translation:

Financial year end	Closing rate	Average rate
31 December 2017	4,037	4,045
31 December 2016	4,037	4,053

4. CRITICAL ACCOUNTINGS ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have significant effect in determining the amounts recognised in the financial statements include the following:

4.1 Depreciation and useful lives of property and equipment

As disclosed in Note 3.1, the Company review the residual values, useful lives and depreciation methods at the end of each reporting period. Estimates are applied in the selection of the depreciation method, the useful lives and the residual values. The actual consumption of the economic benefits of the property and equipment may differ from the estimates applied and therefore, future depreciation charges could be revised.

The carrying amounts of the Company’s property and equipment are disclosed in Note 5.

4.2 Useful lives of other intangible assets

The Company estimate the useful lives to amortise other intangible assets based on the future performance of the assets acquired and management’s judgement of the period over which economic benefits will be derived from the assets. The estimated useful lives of other intangible assets are reviewed periodically, taking into consideration factors such as changes in technology. The amount and timing of recorded expenses for any period would be affected by changes in the estimates.

The carrying amounts of the other intangible assets are disclosed Note 6.

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**4. CRITICAL ACCOUNTINGS ESTIMATES, ASSUMPTIONS AND JUDGEMENTS
(CONTINUED)**

4.3 Income taxes

Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

4.4 Write-down of obsolete or slow moving inventories

The Company writes down its obsolete or slow moving inventories based on the assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write-down of obsolete or slow moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

The carrying amount of the Company's inventories is disclosed in Note 7.

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5. PROPERTY AND EQUIPMENT

	Buildings USD	Services and warehouse equipment USD	Furniture and fixtures USD	Leasehold improvements USD	Motor vehicles USD	Operating equipment USD	Containers USD	Asset in progress USD	Total USD
Cost									
At 1 January 2017	4,485,298	1,015,799	860,827	1,519,866	2,424,623	2,148,670	45,338	-	12,500,421
Additions	-	36,509	9,865	123,296	2,135,988	216,126	-	69,132	2,590,916
Disposals	-	(5,032)	-	-	(665,989)	(130,106)	-	-	(801,127)
Written off	-	(107,613)	(36,095)	(148,411)	(45,619)	(429,800)	(13,386)	-	(780,924)
At 31 December 2017	4,485,298	939,663	834,597	1,494,751	3,849,003	1,804,890	31,952	69,132	13,509,286
Accumulated depreciation									
At 1 January 2017	973,178	699,293	627,977	835,136	1,238,869	1,579,393	43,955	-	5,997,801
Depreciation charge for the financial year	340,476	131,602	112,475	225,576	480,605	205,004	1,383	-	1,497,121
Disposals	-	(4,832)	-	-	(232,935)	(47,944)	-	-	(285,711)
Written off	-	(107,613)	(35,541)	(146,141)	(45,619)	(427,301)	(13,386)	-	(775,601)
At 31 December 2017	1,313,654	718,450	704,911	914,571	1,440,920	1,309,152	31,952	-	6,433,610
Carrying amount									
At 31 December 2017	3,171,644	221,213	129,686	580,180	2,408,083	495,738	-	69,132	7,075,676
At 31 December 2017 (KHR'000)	12,803,927	893,037	523,542	2,342,187	9,721,431	2,001,294	-	279,086	28,564,504

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5. PROPERTY AND EQUIPMENT (CONTINUED)

	Buildings USD	Services and warehouse equipment USD	Furniture and fixtures USD	Leasehold improvements USD	Motor vehicles USD	Operating equipment USD	Containers USD	Total USD
Cost								
At 1 January 2016	4,485,298	967,459	840,464	1,171,406	2,654,517	3,576,694	45,338	13,741,176
Additions	-	48,340	20,363	348,460	738,466	711,634	-	1,867,263
Transferred	-	-	-	-	-	(1,718,494)	-	(1,718,494)
Disposals	-	-	-	-	(968,360)	(421,164)	-	(1,389,524)
At 31 December 2016	4,485,298	1,015,799	860,827	1,519,866	2,424,623	2,148,670	45,338	12,500,421
Accumulated depreciation								
At 1 January 2016	636,011	577,616	458,612	613,714	1,083,902	1,722,041	39,376	5,131,272
Depreciation charge for the financial year	337,167	121,677	169,365	221,422	449,747	488,470	4,579	1,792,427
Disposals	-	-	-	-	(294,780)	(631,118)	-	(925,898)
At 31 December 2016	973,178	699,293	627,977	835,136	1,238,869	1,579,393	43,955	5,997,801
Carrying amount								
At 31 December 2016	3,512,120	316,506	232,850	684,730	1,185,754	569,277	1,383	6,502,620
At 31 December 2016 (KHR'000)	14,178,428	1,277,735	940,015	2,764,255	4,786,889	2,298,171	5,584	26,251,077

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6. INTANGIBLE ASSETS

	2017		2016	
	USD	KHR'000	USD	KHR'000
Cost				
At 1 January/31 December	46,000	185,702	46,000	185,702
Accumulated depreciation				
At 1 January	15,333	61,899	10,222	41,266
Amortisation charge for the financial year	4,715	19,035	5,111	20,633
At 31 December	20,048	80,934	15,333	61,899
Carrying amount				
At 31 December	25,952	104,768	30,667	123,803

7. INVENTORIES

	2017		2016	
	USD	KHR'000	USD	KHR'000
Trading goods and spare parts	16,559,151	66,849,292	21,378,955	86,306,841
Less: Allowance for impairment of inventories	(915,581)	(3,696,200)	(503,006)	(2,030,635)
	15,643,570	63,153,092	20,875,949	84,276,206

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8. TRADE AND OTHER RECEIVABLES

	2017		2016	
	USD	KHR'000	USD	KHR'000
Trade receivables	6,833,349	27,586,230	4,566,190	18,433,709
Less: Impairment of trade Receivables	<u>(21,019)</u>	<u>(84,854)</u>	<u>(100,103)</u>	<u>(404,115)</u>
Net trade receivables	6,812,330	27,501,376	4,466,087	18,029,594
Prepayment	2,032,594	8,205,582	1,666,325	6,726,953
Deposits	350,905	1,416,603	352,198	1,421,823
Staff advances	140,927	568,922	149,543	603,706
Margin deposits	191,530	773,207	253,877	1,024,899
Other receivables	<u>106,000</u>	<u>427,923</u>	<u>436,274</u>	<u>1,761,240</u>
	<u>9,634,286</u>	<u>38,893,613</u>	<u>7,324,304</u>	<u>29,568,215</u>

(a) Trade receivables

Trade receivables are non-interest bearing and the normal trade credit term is 30 days (2016: 30 days). Other credit terms are assessed and approved on case by case basis.

The Company maintains an ageing analysis in respect of trade receivables only. The ageing analysis of the Company's trade receivables are as follows:

	2017		2016	
	USD	KHR'000	USD	KHR'000
Neither past due nor impaired	2,433,645	9,824,625	2,674,730	10,797,885
Past due but not impaired				
1-30 days	1,088,678	4,394,993	757,442	3,057,793
31-60 days	1,224,477	4,943,214	147,177	594,154
More than 91 days	<u>2,086,549</u>	<u>8,423,398</u>	<u>986,841</u>	<u>3,983,877</u>
	<u>6,833,349</u>	<u>27,586,230</u>	<u>4,566,190</u>	<u>18,433,709</u>
Impaired				
Individually	(200)	(808)	(27,376)	(110,516)
Collectively	<u>(20,819)</u>	<u>(84,046)</u>	<u>(72,727)</u>	<u>(293,599)</u>
	<u>(21,019)</u>	<u>(84,854)</u>	<u>(100,103)</u>	<u>(404,115)</u>

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8. TRADE AND OTHER RECEIVABLE (CONTINUED)

(a) Trade receivables (continued)

Receivables that are past due but not impaired

The Company has trade receivables amounting to USD6,833,349 (2016: USD4,566,190) that are past due at the end of the reporting period but not impaired.

The directors are of the opinion that no impairment is required based on past experience and the likelihood of recoverability of these receivables.

The Company has no significant concentration of credit risk that may arise from exposures to a single or group of receivables.

(b) Trade and other receivables are denominated in USD.

9. CASH AND BANK BALANCES

	2017		2016	
	USD	KHR'000	USD	KHR'000
Cash at banks	5,561,312	22,451,017	1,735,224	7,005,099
Cash on hand	452,896	1,828,341	289,486	1,168,655
	<u>6,014,208</u>	<u>24,279,358</u>	<u>2,024,710</u>	<u>8,173,754</u>

10. SHARE CAPITAL

The Company's registered and paid-up capital is KHR16,000,000,000 (equivalents to USD4,000,000) divided into 1,000 shares with par value of KHR16,000,000 per share. Details as follows based on the Memorandum and Articles of Association.

	2017		2016	
	USD	KHR'000	USD	KHR'000
Authorised:				
At 31 December	<u>4,000,000</u>	<u>16,000,000</u>	<u>4,000,000</u>	<u>16,000,000</u>
Issued and fully paid:				
At 1 January/At 31 December	<u>4,000,000</u>	<u>16,000,000</u>	<u>4,000,000</u>	<u>16,000,000</u>

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11. BORROWINGS

	2017		2016	
	USD	KHR'000	USD	KHR'000
Non-current:				
Term loans	1,394,466	5,629,459	-	-
Current:				
Term loans	18,655,089	75,310,594	21,522,512	86,886,381
Loans from immediate holding company	1,132,915	4,573,578	1,100,000	4,440,700
	19,788,004	79,884,172	22,622,512	91,327,081
	21,182,470	85,513,631	22,622,512	91,327,081

(a) Loan from Oxley Worldbridge Specialized Bank Plc.

Term loan 1

On 21 December 2017, the Company entered into the loan agreement amounting to USD2,000,000 bearing a fixed interest of 9% per annum and is repayable by monthly installment of USD63,599.47 over three years commencing from the day of the first disbursement and is an unsecured loan.

(b) Loan from Advanced Bank of Asia Ltd (ABA)

Term loan 2

On 4 April 2017, the Company entered into the loan agreement with the credit limit of USD500,000 bearing a fixed interest of 9.5% per annum and is repayable on demand over three months period commencing from the date of disbursement.

The borrowing is guaranteed as corporate guarantee by Clipper Holding Limited., RMA Financial Services (Cambodia) Plc., and EFG (Express Food Group) Co., Ltd.

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11. BORROWINGS (CONTINUED)

(c) Loan from ACLEDA Bank Plc.

Term loan 3

On 28 October 2016, the Company entered into the loan agreement amounting with the credit limit of USD2,000,000 bearing a fixed interest of 9% per annum and is repayable on demand over two years commencing from the day of first drawdown and is secured by vehicle import tax receipt.

(d) Loan from CIMB Bank Plc.

Term loan 4

On 21 January 2017, the Company entered into the loan agreement with the credit limit of USD4,000,000 bearing a fixed interest of 7% per annum and is repayable on demand over one year commencing from the day of first drawdown.

The borrowing is guaranteed as corporate guarantee by Clipper Holding Limited. and Comin Khmere Co.,Ltd.

(e) Loan from FCE Bank Plc.

Term loan 5

On 28 July 2015, the Company entered into wholesale finance facility agreement with the credit limit of USD23,500,000 bearing a floating interest of LIBOR/EURIBOR +6.5% per annum and is repayable on demand.

The borrowing is guaranteed as corporate guarantee by Clipper Holdings Limited.

(f) Loan from Clipper Holdings Limited

Term loan 6

On 10 October 2016, the Company entered into the loan agreement with the credit limit of USD1,100,000 bearing a fixed interest of 5% per annum and is repayable on demand over one year commencing from the day of the first drawdown date and is an unsecured loan.

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11. BORROWINGS (CONTINUED)

(f) Loan from Clipper Holdings Limited (continued)

Term loan 7

On 1 December 2017, the Company entered into the loan agreement with the credit limit of USD785,580 bearing a fixed interest of 5% per annum and is repayable by monthly installment of USD60,000 over one year commencing from the day of the first drawdown date and is an unsecured loan.

12. TRADE AND OTHER PAYABLES

	2017		2016	
	USD	KHR'000	USD	KHR'000
Trade payables	4,038,110	16,301,850	6,005,247	24,243,182
Customers' deposits	3,086,129	12,458,703	1,747,224	7,053,544
Tax payable	631,803	2,550,589	845,272	3,412,361
Accrued bonuses	642,033	2,591,887	579,246	2,338,418
VAT payables	360,256	1,454,353	127,653	515,335
Warranty provision	493,887	1,993,822	174,592	704,827
Commission payable	-	-	4,380	17,684
Other payables	640,678	2,586,417	439,869	1,775,750
	<u>9,892,896</u>	<u>39,937,621</u>	<u>9,923,483</u>	<u>40,061,101</u>

13. REVENUE

	2017		2016	
	USD	KHR'000	USD	KHR'000
Sales of goods	97,669,142	395,071,679	77,572,201	314,400,131
Service revenue	3,839,066	15,529,023	3,111,802	12,612,133
Handling fees	813,608	3,291,044	427,483	1,732,589
Sales of car accessories	998,909	4,040,587	406,247	1,646,519
Rental income	-	-	337,943	1,369,683
	<u>103,320,725</u>	<u>417,932,333</u>	<u>81,855,676</u>	<u>331,761,055</u>

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14. COST OF SALES

	2017		2016	
	USD	KHR'000	USD	KHR'000
Motor vehicles	67,852,274	274,462,448	48,873,916	198,085,982
Heavy equipment	16,429,320	66,456,599	14,370,421	58,243,316
Service charges	3,329,788	13,468,993	2,756,312	11,171,333
Commission expense	85,257	344,865	158,006	640,398
Rental expense	-	-	489,775	1,985,058
	<u>87,696,639</u>	<u>354,732,905</u>	<u>66,648,430</u>	<u>270,126,087</u>

15. OTHER INCOME

Other income represents the gain on the disposal of property and equipment and gain on the exchange rate difference.

16. OPERATING PROFIT

Operating profit has been arrived at:

	2017		2016	
	USD	KHR'000	USD	KHR'000
After charging:				
Salaries, wages and staff benefits	4,132,070	16,714,223	4,164,366	16,878,176
Depreciation of property and equipment	1,497,121	6,055,854	1,533,315	6,214,529
Amortisation of intangible assets	4,715	19,072	5,111	20,718
Regional Office Headquarter (ROH)				
Allocation	932,805	3,773,196	1,299,707	5,267,716
Rental expense	917,226	3,710,179	1,316,401	5,335,377
Advertising and sales promotion	641,640	2,595,434	712,037	2,885,889
Allowance for slow-moving inventories	481,321	1,946,943	660,612	2,677,464
Legal and professional fees	333,774	1,350,116	164,488	666,673
Fuel and oil	253,503	1,025,420	145,563	589,970
Travelling	224,371	907,581	161,652	655,179
Utilities	193,503	782,720	253,164	1,026,077
Entertainment	180,118	728,577	135,134	547,702
Staff development	147,138	595,173	184,292	746,939
Staff commission	11,711	47,371	317,471	1,286,713

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17. INCOME TAX EXPENSE

	2017		2016	
	USD	KHR'000	USD	KHR'000
Current year income tax	1,011,425	4,091,214	817,728	3,314,252

Under the Law of Taxation, the Company has an obligation to pay Tax on Profit at 20% of taxable profit or minimum tax at 1% of total turnover, whichever is higher.

18. COMMITMENTS

Operating lease commitments

The Company leases land and buildings under non-cancellable operating lease agreement for land and buildings for period ranging from 1 to 25 years. The lease agreement is renewable at the end of the lease period at market rate.

The future minimum lease payments under non-cancellable operating leases are as follows:

	2017		2016	
	USD	KHR'000	USD	KHR'000
No later than one year	790,701	3,192,062	774,285	3,125,790
Later than one year and not later than five years	1,290,357	5,209,170	2,688,076	10,851,763
Later than five years	880,465	3,554,437	1,743,610	7,038,954
	<u>2,961,523</u>	<u>11,955,669</u>	<u>5,205,971</u>	<u>21,016,507</u>

The Company also leases various outlets and branches under cancellable operating lease agreements.

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19. RELATED PARTY TRANSACTIONS

(a) Identity of related parties

Parties are considered to be related to the Company if the Company has the ability to directly control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities. The Company has a related party relationship with its holding company and related companies and key management personnel. Related companies refer to subsidiaries of the holding company and the shareholders of the holding company.

(b) Related party transactions and balances

Related party transactions other than disclosed elsewhere in the financial statement as shown below:

	2017		2016	
	USD	KHR'000	USD	KHR'000
Sale of goods and services				
Fellow subsidiaries	19,973,141	80,791,357	19,126,305	77,518,914
Management/ Technical/ Professional/ training fee received				
Fellow subsidiaries	767,927	3,106,265	180,000	729,540
Purchase of goods and services				
Fellow subsidiaries	5,492,809	22,218,412	3,243,406	13,145,525
Finance costs				
Immediate parent	47,404	191,749	13,667	55,392
Fellow subsidiaries	-	-	18,878	76,513
	47,404	191,749	32,545	131,905
Management Technical/ Professional/ Training fee paid to				
Fellow subsidiaries	1,122,006	4,538,514	1,312,125	5,318,043

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19. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Related party transactions and balances (continued)

	2017		2016	
	USD	KHR'000	USD	KHR'000
Amounts due from related parties				
Fellow subsidiaries	5,145,551	20,772,589	7,985,300	32,236,656
Amounts due to related parties				
Intermediate holding company	89,752	362,329	78,540	317,066
Fellow subsidiaries	1,959,378	7,910,009	3,248,321	13,113,472
	2,049,130	8,272,338	3,326,861	13,430,538

(c) Key management compensation

	2017		2016	
	USD	KHR'000	USD	KHR'000
Salaries, wages, rental fees and other benefits	398,950	1,610,561	498,007	2,010,454

20. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how classes of financial instruments are measured, and how income and expense, including fair value gains and losses, are recognised. The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

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20. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Classification of financial instruments (continued)

	Loans and receivables USD	Financial liabilities at amortised cost USD	Total USD	KHR'000
2017				
Financial Assets				
Trade and other receivables	7,601,692	-	-	7,601,692
Amount due from a related companies	5,145,551	-	5,145,551	20,772,589
Cash and bank balances	6,014,208	-	6,014,208	24,279,358
	<u>18,761,451</u>	<u>-</u>	<u>18,761,451</u>	<u>75,739,978</u>
Financial Liabilities				
Trade and other payables	-	9,532,640	9,532,640	38,483,268
Amount due to related parties	-	2,049,130	2,049,130	8,272,338
Borrowings	-	21,182,470	21,182,470	85,513,631
	<u>-</u>	<u>32,764,240</u>	<u>32,764,240</u>	<u>132,269,237</u>
	Loans and receivables USD	Financial liabilities at amortised cost USD	Total USD	KHR'000
2016				
Financial Assets				
Trade and other receivables	5,657,979	-	5,657,979	22,841,262
Amount due from a related companies	7,985,300	-	7,985,300	32,236,656
Cash and bank balances	2,024,710	-	2,024,710	8,173,754
	<u>15,667,989</u>	<u>-</u>	<u>15,667,989</u>	<u>63,251,672</u>
Financial Liabilities				
Trade and other payables	-	9,795,830	9,795,830	39,545,766
Amount due to related parties	-	3,326,861	3,326,861	13,430,538
Borrowings	-	22,622,512	22,622,512	91,327,081
	<u>-</u>	<u>35,745,203</u>	<u>35,745,203</u>	<u>144,303,385</u>

RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)

20. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and objectives

The Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, and interest rate risk. The Company's overall financial risk management objective is to optimize value for their shareholders.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks.

(i) Credit risk

Credit risk is the risk of financial loss to the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from trade and other receivables. The Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Amount of trade and other receivables are not secured by any collateral or supported by any other as at the end of the reporting period, the maximum exposure to credit risk arising from trade and other receivables is represented by their carrying amounts in the statements of financial position.

The carrying credit enhancements. In determining the recoverability of these receivables, the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date.

The Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

The Company use ageing analysis to monitor the credit quality of the trade receivables. The ageing of trade receivables as at the end of the financial year is disclosed in Note 9. Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Company. A significant portion of these trade receivables are regular customers that have been transacting with the Company. Management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired are stated at their realisable values. Impairment is made on specific receivables when there is objective evidence that the Company will not be able to collect all amounts due.

Credit risk concentration profile

The Company has no significant concentration of credit risk that may arise from exposures to a single or group of receivables.

RMA (CAMBODIA) CO., LTD.
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20. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management and objectives (Continued)

(ii) Liquidity risk

The Company seeks to manage effectively the various risks namely liquidity risks, to which the Company is exposed to in its daily operations.

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash and credit facilities from financial institution and the holding Company support.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	Carrying amount USD	Contractual cash flows				
		On demand or within 1 year USD	Between 1 year and 5 years USD	Total USD KHR'000		
2017						
Financial liabilities						
Trade and other payables	9,532,640	9,532,640	-	9,532,640	38,483,268	
Amount due to related parties	2,049,130	2,049,130	-	2,049,130	8,272,338	
Borrowings	21,182,470	19,788,004	1,394,466	21,182,470	85,513,631	
	32,764,240	31,369,774	1,394,466	32,764,240	132,269,237	
2016						
Financial liabilities						
Trade and other payables	9,795,830	9,795,830	-	9,795,830	39,545,766	
Amount due to related parties	3,326,861	3,326,861	-	3,326,861	13,430,538	
Borrowings	22,622,512	22,622,512	-	22,622,512	91,327,081	
	35,745,203	35,745,203	-	35,745,203	144,303,385	

RMA (CAMBODIA) CO., LTD.
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20. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management and objectives (Continued)

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Company's financial instruments as a result of changes in market interest rates. The Company manages its interest rate exposure by maintaining a fixed rate borrowings from holding company. The Company reviews its debt portfolio, taking into account the investment holding period and nature of its assets. This strategy allows it to capitalise on cheaper funding in a low interest rate environment and achieve a certain level of protection against rate hikes.

Sensitivity analysis for interest rate risk

An increase in market interest rates by 10 basis point on financial liabilities of the Company which have variable interest rates at the end of the reporting period would decrease the profit before tax by USD200,496 (2016: USD215,225). This analysis assumes that all other variables remain unchanged.

A decrease in market interest rates by 10 basis point on financial liabilities of the Company which have variable interest rates at the end of the reporting period would have had the equal but opposite effect on the amounts shown above, on the basis that all other variables remain unchanged.

(c) Fair values

(i) Determination of Fair Value

The methods and assumptions used to estimate the fair value of the following classes of financial assets and liabilities are as follows:

(i) Cash and bank balances, other receivables amount due from/(to) related parties and payables

The carrying amounts approximate fair values due to the relatively short term maturities of these financial assets and liabilities.

(ii) Borrowing

The carrying amounts of short term loans approximate fair values due to the relatively short term maturities of these financial liabilities.

The carrying amounts of long term floating rate loans approximate their fair values as the loans will be re-priced to market interest rate on or near reporting date.

(ii) Fair Value Hierarchy

As the financial assets and liabilities of the Company are not carried at fair value by any valuation method, the fair value hierarchy analysis is not presented.

RMA (CAMBODIA) CO., LTD.
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21. CAPITAL MANAGEMENT

The Company's capital management objective is to safeguard the Company's liability to continue as a going concern in order to provide return to shareholder.

The Company's capital is represented by its total equity in the statement of financial position. The director monitors the adequacy of capital on an ongoing basis and rely on the continuous financial support from its holding company. The Company is not subject to any externally imposed capital requirements.

22. TAXATION CONTINGENCIES

The taxation system in Cambodia is relatively new and is characterised by numerous taxes and frequently changing legislation, which is often unclear, contradictory, and subject to interpretation. Often, differing interpretations exist among numerous taxation authorities and jurisdictions. Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges.

These facts may create tax risks in Cambodia, substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have differing interpretations and the effects could be significant.

23. PRIOR YEAR ADJUSTMENT AND COMPARATIVE FIGURES

- (a) The directors have made prior year adjustments in accordance to the relevant financial reporting standards and certain comparative figures have been reclassified to conform to current year presentation.
- (b) Details of these adjustments made arising from the above accounting errors and reclassification are as follows:

	As previously reported		As restated	
	USD	KHR'000	USD	KHR'000
2016				
Statement of financial position				
Equity				
Share capital	4,000,000	16,148,000	4,000,000	16,000,000
Exchange reserve	-	(44,510)	-	(103,490)
Current liabilities				
Trade and other payables	21,317,086	86,057,076	9,923,483	40,061,101
Borrowings	11,228,909	45,331,106	22,622,512	91,327,081

RMA (CAMBODIA) CO., LTD.
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23. PRIOR YEAR ADJUSTMENT AND COMPARATIVE FIGURES (CONTINUED)

	As previously reported		As restated	
	USD	KHR'000	USD	KHR'000
2016				
Statement of Comprehensive Income				
Revenue	83,813,051	339,694,296	81,855,676	331,761,055
Cost of sales	<u>(68,605,805)</u>	<u>(278,059,328)</u>	<u>(66,648,430)</u>	<u>(270,126,087)</u>
Statement of cash flows				
Cash flows from operating activities				
Changes in working capital				
Trade and other payables	(932,603)	(3,779,840)	2,908,422	11,787,834
Interest Paid	(1,897,137)	(7,689,096)	(2,113,716)	(8,549,981)
Cash flows from financing activities				
Proceeds from borrowings	61,701,199	250,074,960	99,262,329	402,310,219
Repayments for borrowings	<u>(62,212,836)</u>	<u>(252,148,624)</u>	<u>(103,414,066)</u>	<u>(419,137,209)</u>



BAKER TILLY

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Company No.00001121

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RMA (CAMBODIA) CO., LTD.
(Incorporated in Cambodia)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of RMA (Cambodia) Co., Ltd. which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 45.

The financial statements of the Company for the financial year ended 31 December 2016 were audited by another firm of Certified Public Accountants whose report dated 26 September 2017 expressed an unqualified opinion on those financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2017, and of its financial performance and its cash flows for the financial year then ended in accordance with the Cambodian International Financial Reporting Standards ("CIFRSs").

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and the requirements of Kampuchea Institute of Certified Public Accountant and Auditors' Code of Ethics for Certified Public Accountants and Auditors ("KICPAA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ethical requirements of KICPAA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Company No.00001121

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RMA (CAMBODIA) CO., LTD. (CONTINUED)**
(Incorporated in Cambodia)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company 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 Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Directors' Responsibility for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements so as to give a true and fair view in accordance with the Cambodian International Financial Reporting Standards. The directors are also responsible for such internal controls as the directors determine are 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 of the Company, the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors of the Company are responsible for overseeing the Company's financial reporting process.

Company No.00001121

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RMA (CAMBODIA) CO., LTD. (CONTINUED)**
(Incorporated in Cambodia)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements of the Company, 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 the directors.
- conclude on the appropriateness of the directors' 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 auditors' report to the related disclosures in the financial statements of the Company 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 auditors' 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 of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RMA (CAMBODIA) CO., LTD. (CONTINUED)**
(Incorporated in Cambodia)

Other Matters

1. As stated in Note 2.1 to the financial statements, RMA (Cambodia) Co., Ltd. adopted the Cambodian International Financial Reporting Standards on 1 January 2017 with a transition date of 1 January 2016. These standards were applied retrospectively by the directors to the comparative information in these financial statements, including the statements of financial position as at 31 December 2016 and 1 January 2016, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year ended 31 December 2016 and its related disclosures. We were not engaged to report on the restated comparative information and it is unaudited. Our responsibilities as part of our audit of the financial statements of the Company for the financial year ended 31 December 2017 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 January 2017 do not contain misstatements that materially affect the financial position as at 31 December 2017 and the financial performance and cash flows for the financial year then ended.
2. This report is made solely to the members of the Company, as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

For Baker Tilly (Cambodia) Co., Ltd.



Tan Khac Meng
Engagement Partner

Phnom Penh, Kingdom of Cambodia

Date: **08 AUG 2018**