

MARUHAN Japan Bank Plc.

Audited financial statements in accordance with
Cambodian Accounting Standards and
Regulations and Guidelines of the National Bank of Cambodia

as at 31 December 2015 and for the year then ended

MARUHAN Japan Bank Plc.

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*These do not form part of the audited financial statements.

MARUHAN Japan Bank Plc.

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of MARUHAN Japan Bank Plc. (“the Bank”) presents its report together with the consolidated financial statements of the Bank and its subsidiary (together referred to as “the Group”) and the separate financial statements of the Bank (collectively referred to as “the financial statements”) as at 31 December 2015 and for the year then ended.

THE GROUP

The Bank

The Bank is a commercial bank operating under the Cambodian Law on Commercial Enterprises and the supervision of the National Bank of Cambodia (“NBC”), pursuant to the Law on Banking and Financial Institutions of Cambodia and in accordance with Banking License No. 20 issued by the NBC on 22 May 2008. The Bank is a wholly-owned subsidiary of Mahuran Investment Asia Pte., a company incorporated in Singapore at 31 December 2015.

The Bank is established to conduct banking activities, including mobilizing and receiving short, medium and long term deposit funds from various organizations and individuals; lending on a short, medium and long term basis to various organizations and individuals based on the nature and ability of the Bank’s capital resources; conducting foreign currency transactions; engaging in international trade finance services; discounting of commercial notes, providing transaction services between customers; and other banking services as approved by the NBC, through the Bank’s head office at Phnom Penh.

There were no significant changes to these principal activities during the financial year.

The address of the Bank’s registered office is No. 83, Preah Norodom Boulevard, Sangkat Phsarthmey 3, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia.

The Subsidiary

On 19 October 2012, the Bank entered into a sale and purchase agreement with Stichting Triodos-Doen (“ST”), Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (“NFVO”), DWM Funds S.C.A.-SICAV SIF (“DWM”), Cambodia Community Building (“CCB”), and Sathapana Employee Investment Limited (“SEI”) to acquire 95.1% equity of Sathapana Limited (“the Subsidiary”). This was subsequently approved by the NBC on 5 December 2012. In addition, the subject shares were approved for the change in ownership by the Ministry of Commerce on 17 December 2012.

The principal activity of the Subsidiary is to provide micro-finance services to poor entrepreneurs, especially women in urban and rural areas of Cambodia through its head office in Phnom Penh and its various provincial and district offices in the Kingdom of Cambodia. The NBC granted an indefinite life micro-finance license to the Subsidiary effective from 19 April 2006.

On 22 January 2009, the Subsidiary received a license from the NBC to conduct a deposit-taking business. On 31 January 2011, the Subsidiary received another three year-license to conduct money exchange business.

MARUHAN Japan Bank Plc.

REPORT OF THE BOARD OF DIRECTORS (continued)

RESULTS OF OPERATIONS AND DIVIDENDS

The financial results of the Group and of the Bank for the year ended 31 December 2015 are as follows:

	<i>Group</i>		<i>Bank</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Profit before income tax	23,268,889	12,275,473	2,161,758	810,614
Income tax expense	(4,906,436)	(2,678,248)	(183,302)	(25,478)
Net profit for the year	18,362,453	9,597,225	1,978,456	785,136
Net profit for the year - KHR'000	74,367,936	39,108,693	8,012,748	3,199,429
<i>Attributable to:</i>				
Equity holders of the Bank	17,434,361	9,079,305	1,978,456	785,136
Minority interest	928,092	517,920	-	-
	18,362,453	9,597,225	1,978,456	785,136

There were no dividends declared or paid by the Bank during the year.

PAID-UP CAPITAL

The paid-up capital of the Bank as at 31 December 2015 is US\$104.00 million (2014: US\$74.00 million).

RESERVES AND PROVISIONS

There were no material movements to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

BAD AND DOUBTFUL LOANS AND ADVANCES

Before the financial statements of the Group and the Bank were drawn up, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad loans or the making of provisions for bad and doubtful loans and advances, and satisfied themselves that all known bad loans and advances had been written off and that adequate provisions had been made for bad and doubtful loans and advances.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad loans and advances or the amount of the provision for bad and doubtful loans and advances in the financial statements of the Group and of the Bank inadequate to any material extent.

MARUHAN Japan Bank Plc.

REPORT OF THE BOARD OF DIRECTORS (continued)

CURRENT ASSETS

Before the financial statements of the Group and of the Bank were drawn up, the directors took reasonable steps to ensure that any assets which were unlikely to be realized in the ordinary course of business at their value as shown in the accounting records of the Group and of the Bank, have been written down to an amount which they might be expected to realize.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the assets in the financial statements of the Group and of the Bank misleading in any material respect.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances that have arisen which would render adherence to the existing method of valuation of assets and liabilities in the financial statements of the Group and of the Bank misleading or inappropriate in any material respect.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there is:

- no charge on the assets of the Group and the Bank which has arisen since the end of the financial year which secures the liabilities of any other person; and
- no contingent liability in respect of the Group and the Bank that has arisen since the end of the financial year other than in the ordinary course of business.

No contingent or other liability of the Group and of the Bank has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may have a material effect on the ability of the Group and of the Bank to meet its obligations as and when they become due.

EVENTS SINCE THE BALANCE SHEET DATE

Other than as disclosed in the notes to the financial statements, there were no other significant events that occurred after the balance sheet date requiring disclosure or adjustment to the financial statements.

THE BOARD OF DIRECTORS

The members of the Board of Directors during the year and at the date of this report are:

Dr. HAN, Chang-Woo	Chairman
Mr. HAN, Yu	Member
Mr. HAN, Ken	Member
Mr. YABE, Yoshikazu	Member
Oknha Dr. BUN, Mony	Member
H.E. SHINOHARA, Katsuhiko	Independent member
Mr. ISHIMURA, Mitsuru	Independent member (appointed on 1 October 2015 and approved by the NBC on 14 December 2015)
H.E. URABE, Kazuyoshi	Independent member (Resigned on 31 December 2015)

MARUHAN Japan Bank Plc.

REPORT OF THE BOARD OF DIRECTORS (continued)

AUDITOR

Ernst & Young (Cambodia) Ltd. is the auditor of the Group.

DIRECTORS' INTERESTS

No director who held office at the end of the financial year has a direct interest in the shares of the Bank.

DIRECTORS' BENEFITS

During and at the end of the year, no arrangement existed, to which the Bank was a party, whose object was to enable the directors of the Bank to acquire benefits by means of the acquisition of shares in or debentures of the Bank or any other corporate body.

No director of the Bank has received or become entitled to receive any benefit by reason of a contract made by the Bank or with a firm which the director is a member, or with a company which the director has a material financial interest other than those disclosed in the financial statements.

STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Directors is responsible for ensuring that the financial statements are properly drawn up so as to give a true and fair view of the respective financial position of the Group and of the Bank as at 31 December 2015, and their respective financial performance and cash flows for the year then ended. The Board of Directors oversees preparation of these financial statements by management who 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 the disclosure requirements and guidelines issued by the NBC and Cambodian Accounting Standards or, if there have been any departures in the interest of fair presentation, these have been appropriately disclosed, explained and quantified in the financial statements;
- iii) Maintain adequate accounting records and an effective system of internal controls;
- iv) Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Group will continue operations in the foreseeable future; and
- v) Effectively control and direct the Group and the Bank in all material decisions affecting the operations and performance and ascertain that these have been properly reflected in the financial statements.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Group and of the Bank and to ensure that the accounting records comply with the registered accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirms that the Group has complied with the above requirements in preparing the financial statements.


MARUHAN Japan Bank Plc.

REPORT OF THE BOARD OF DIRECTORS (continued)

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements which give a true and fair view of the respective financial position of the Group and of the Bank as at 31 December 2015, and their respective financial performance and cash flows for the year then ended in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the NBC.

On behalf of the Board of Directors:



HAN, Chang-Woo
Chairman

Phnom Penh, Kingdom of Cambodia

17 March 2016

Reference: 60755872-18101953

INDEPENDENT AUDITORS' REPORT

To: **The Shareholder of MARUHAN Japan Bank Plc.**

We have audited the accompanying consolidated financial statements of MARUHAN Japan Bank Plc. ("the Bank") and its subsidiary (together referred to as "the Group") and the separate financial statements of the Bank which comprise the respective consolidated and separate balance sheets as at 31 December 2015, and the respective consolidated and separate income statements, statements of changes in equity and statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (collectively referred to as "the financial statements").

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the National Bank of Cambodia ("NBC"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Cambodian International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation of financial statements that give a true and fair view 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated and separate financial statements give a true and fair view of the respective financial position of the Group and of the Bank as at 31 December 2015, and their respective consolidated and separate financial performance and cash flows for the year then ended in accordance with Cambodian Accounting Standards and relevant regulations and guidelines issued by the NBC.



Building a better
working world

Emphasis of matter

Without modifying our opinion, we draw attention to Note 1 to the financial statements that presents the merger of the operations of the Bank and its subsidiary, Sathapana Limited ("SPN"). On 29 May 2015, the Bank received approval in principle from the NBC on the merger subject to certain conditions that should be complied upon by the Bank and SPN within six months after the approval. On 13 November 2015, the management of the Bank and SPN submitted all pertinent documents required by the NBC which are pending approvals from the relevant regulatory bodies. According to the merger plan, the Bank's assets and liabilities will be transferred to SPN at the merger date which will continue to fulfill all rights and obligations of the Bank. Accordingly, these financial statements have been prepared on a going concern assumption basis.



Dai Xuan Nguyen
Partner

Ernst & Young (Cambodia) Ltd.
Certified Public Accountants
Registered Auditors

Phnom Penh, Kingdom of Cambodia

17 March 2016

MARUHAN Japan Bank Plc.

CONSOLIDATED BALANCE SHEET as at 31 December 2015

	Notes	2015		2014	
		US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
ASSETS					
Cash on hand	3	17,613,309	71,333,901	10,210,384	41,607,315
Balances with the NBC	4	65,852,851	266,704,047	82,948,728	338,016,067
Balances with other banks and local MFIs	5	16,083,950	65,139,998	15,866,073	64,654,247
Placements with other banks and local MFIs	6	9,589,778	38,838,601	17,588,210	71,671,956
Loans and advances to customers	7	546,710,543	2,214,177,699	370,722,788	1,510,695,361
Property and equipment	8	5,997,688	24,290,636	4,634,561	18,885,836
Software	9	294,997	1,194,738	557,253	2,270,806
Goodwill	25	17,380,030	70,389,122	17,380,030	70,823,622
Deferred tax assets	13.2	1,413,581	5,725,003	1,057,958	4,311,179
Other assets	10	13,518,485	54,749,866	9,730,172	39,650,451
TOTAL ASSETS		694,455,212	2,812,543,611	530,696,157	2,162,586,840
LIABILITIES AND EQUITY					
Liabilities					
Deposits from other banks	11	22,399,475	90,717,874	15,422,822	62,848,000
Deposits from customers	12	325,997,499	1,320,289,871	253,835,705	1,034,380,498
Income tax payable	13.1	4,415,941	17,884,561	2,482,746	10,117,190
Borrowings	14	160,425,396	649,722,854	115,530,220	470,785,647
Subordinated debts	15	32,313,217	130,868,529	47,313,217	192,801,359
Pension and provident fund obligation	16	5,816,733	23,557,769	4,082,666	16,636,864
Other liabilities	17	8,704,713	35,254,088	5,879,515	23,959,023
Total liabilities		560,072,974	2,268,295,546	444,546,891	1,811,528,581
Equity					
Paid-up capital	18	104,000,000	421,200,000	74,000,000	301,550,000
Accumulated earnings		26,975,742	109,251,756	9,541,381	38,881,128
Equity attributable to equity holders of the Bank		130,975,742	530,451,756	83,541,381	340,431,128
Minority interest		3,406,496	13,796,309	2,607,885	10,627,131
Total equity		134,382,238	544,248,065	86,149,266	351,058,259
TOTAL LIABILITIES AND EQUITY		694,455,212	2,812,543,611	530,696,157	2,162,586,840



Prepared by:
HOR, Sarom - Head of Finance



Approved by:
YABE, Yoshikazu - General Manager


Phnom Penh, Kingdom of Cambodia
17 March 2016


The attached notes 1 to 32 form part of these financial statements.

MARUHAN Japan Bank Plc.

CONSOLIDATED INCOME STATEMENT for the year ended 31 December 2015

	Notes	2015		2014	
		US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Interest and similar income	19	89,011,630	360,497,102	55,933,603	227,929,432
Interest and similar expense	20	(32,888,646)	(133,199,016)	(19,411,777)	(79,102,991)
Net interest and similar income		56,122,984	227,298,086	36,521,826	148,826,441
Fees and commission income		2,461,992	9,971,068	1,609,477	6,558,619
Fees and commission expense		(659,927)	(2,672,704)	(347,467)	(1,415,928)
Net fees and commission income	21	1,802,065	7,298,364	1,262,010	5,142,691
Other operating income	22	295,984	1,198,735	87,421	356,241
Total operating income		58,221,033	235,795,185	37,871,257	154,325,373
General and administrative expenses	23	(32,566,672)	(131,895,022)	(24,577,711)	(100,154,172)
Provision for losses on loans and advances	7	(1,130,687)	(4,579,282)	(1,018,073)	(4,148,647)
Provision for impairment losses	10	(1,254,785)	(5,081,879)	-	-
Profit before income tax		23,268,889	94,239,002	12,275,473	50,022,554
Income tax expense	13	(4,906,436)	(19,871,066)	(2,678,248)	(10,913,861)
Net profit for the year		18,362,453	74,367,936	9,597,225	39,108,693
Attributable to:					
Equity holders of the Bank		17,434,361	70,609,163	9,079,305	36,998,168
Minority interest		928,092	3,758,773	517,920	2,110,525
Net profit for the year		18,362,453	74,367,936	9,597,225	39,108,693


 Prepared by:
 HOR, Sarom - Head of Finance


 Approved by:
 YABE, Yoshikazu - General Manager

Phnom Penh, Kingdom of Cambodia

17 March 2016

The attached notes 1 to 32 form part of these financial statements.

MARUHAN Japan Bank Plc.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2015

	<i>Attributable to equity holders of the Bank</i>			<i>Minority interest</i>	<i>Total</i>
	<i>Paid-up capital</i>	<i>Accumulated earnings</i>	<i>Total</i>		
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>		
As at 1 January 2015	74,000,000	9,541,381	83,541,381	2,607,885	86,149,266
Conversion of subordinated debt into equity	30,000,000	-	30,000,000	-	30,000,000
Net profit for the year	-	17,434,361	17,434,361	928,092	18,362,453
Dividends declared	-	-	-	(129,481)	(129,481)
As at 31 December 2015	104,000,000	26,975,742	130,975,742	3,406,496	134,382,238
<i>Equivalent in KHR'000 (Note 2.1)</i>	421,200,000	109,251,756	530,451,756	13,796,309	544,248,065
As at 1 January 2014	74,000,000	462,076	74,462,076	1,718,665	76,180,741
Net profit for the year	-	9,079,305	9,079,305	517,920	9,597,225
Capital contribution	-	-	-	445,928	445,928
Dividends declared	-	-	-	(74,628)	(74,628)
As at 31 December 2014	74,000,000	9,541,381	83,541,381	2,607,885	86,149,266
<i>Equivalent in KHR'000 (Note 2.1)</i>	301,550,000	38,881,128	340,431,128	10,627,131	351,058,259



Prepared by:
HOR, Sarom - Head of Finance



Approved by:
YABE, Yoshikazu - General Manager

Phnom Penh, Kingdom of Cambodia

17 March 2016

The attached notes 1 to 32 form part of these financial statements.

MARUHAN Japan Bank Plc.

CONSOLIDATED STATEMENT OF CASH FLOWS for the year ended 31 December 2015

	Notes	2015		2014	
		US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Net cash used in operating activities	24	(81,206,491)	(328,886,288)	(3,442,058)	(14,026,385)
Cash flows from investing activities					
Decrease (increase) in placements with other banks and local MFIs		5,575,147	22,579,345	(13,025,147)	(53,077,474)
Purchases of property and equipment and software	8,9	(4,021,552)	(16,287,286)	(2,731,585)	(11,131,209)
Proceeds from disposal of property and equipment		20,489	82,980	36,365	148,187
Net cash from (used in) investing activities		1,574,084	6,375,039	(15,720,367)	(64,060,496)
Cash flows from financing activities					
Proceeds from borrowings		87,249,506	353,360,499	65,700,000	267,727,500
Repayment of borrowings		(42,354,330)	(171,535,037)	(33,577,165)	(136,826,947)
Proceeds from subordinated debt	15	15,000,000	60,750,000	10,000,000	40,750,000
Dividends paid		(129,481)	(524,398)	(74,628)	(304,109)
Capital contribution from minority interest		-	-	445,928	1,817,157
Net cash from financing activities		59,765,695	242,051,064	42,494,135	173,163,601
Net (decrease) increase in cash and cash equivalents		(19,866,712)	(80,460,185)	23,331,710	95,076,720
Cash and cash equivalents at beginning of year		77,635,895	316,366,272	54,304,185	216,945,219
Foreign exchange difference		-	(1,940,895)	-	4,344,333
Cash and cash equivalents at end of year	3	57,769,183	233,965,192	77,635,895	316,366,272
Significant non-cash transaction:					
Conversion of subordinated debt into equity		30,000,000	121,500,000	-	-

Prepared by:
HOR, Sarom - Head of Finance

Approved by:
YABE, Yoshikazu - General Manager

Phnom Penh, Kingdom of Cambodia


17 March 2016

The attached notes 1 to 32 form part of these financial statements.

MARUHAN Japan Bank Plc.

SEPARATE BALANCE SHEET
as at 31 December 2015

	Notes	2015		2014	
		US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
ASSETS					
Cash on hand	3	3,563,175	14,430,859	3,240,653	13,205,661
Balances with the NBC	4	37,071,148	150,138,149	56,636,453	230,793,546
Balances with other banks and local MFIs	5	9,170,496	37,140,509	9,707,176	39,556,742
Placements with other banks and local MFIs	6	11,471,834	46,460,928	18,909,242	77,055,161
Loans and advances to customers	7	84,815,441	343,502,536	69,022,156	281,265,286
Investment in subsidiary	25	47,939,683	194,155,716	47,939,683	195,354,208
Property and equipment	8	638,940	2,587,707	790,715	3,222,164
Software	9	96,093	389,177	159,444	649,734
Deferred tax assets	13.2	-	-	91,873	374,382
Other assets	10	2,336,150	9,461,408	2,283,464	9,305,116
TOTAL ASSETS		197,102,960	798,266,989	208,780,859	850,782,000
LIABILITIES AND EQUITY					
Liabilities					
Deposits from other banks	11	8,691,354	35,199,984	7,625,945	31,075,726
Deposits from customers	12	82,570,698	334,411,327	97,008,416	395,309,295
Income tax payable	13.1	4,896	19,829	-	-
Subordinated debt	15	-	-	30,000,000	122,250,000
Pension fund obligation	16	445,553	1,804,490	333,408	1,358,638
Other liabilities	17	1,270,167	5,144,176	1,671,254	6,810,359
Total liabilities		92,982,668	376,579,806	136,639,023	556,804,018
Equity					
Paid-up capital	18	104,000,000	421,200,000	74,000,000	301,550,000
Accumulated earnings (losses)		120,292	487,183	(1,858,164)	(7,572,018)
Total equity		104,120,292	421,687,183	72,141,836	293,977,982
TOTAL LIABILITIES AND EQUITY		197,102,960	798,266,989	208,780,859	850,782,000


Prepared by:
HOR, Sarom - Head of Finance


Approved by:
YABE, Yoshikazu - General Manager

Phnom Penh, Kingdom of Cambodia


17 March 2016


The attached notes 1 to 32 form part of these financial statements.

MARUHAN Japan Bank Plc.

SEPARATE INCOME STATEMENT
for the year ended 31 December 2015

	Notes	2015		2014	
		US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Interest and similar income	19	7,719,645	31,264,562	6,352,134	25,884,946
Interest and similar expense	20	(3,509,469)	(14,213,349)	(3,256,863)	(13,271,717)
Net interest and similar income		4,210,176	17,051,213	3,095,271	12,613,229
Fees and commission income		788,439	3,193,178	540,922	2,204,257
Fees and commission expense		(30,180)	(122,229)	(6,208)	(25,298)
Net fees and commission income	21	758,259	3,070,949	534,714	2,178,959
Other operating income	22	2,630,920	10,655,226	1,432,567	5,837,711
Total operating income		7,599,355	30,777,388	5,062,552	20,629,899
General and administrative expenses	23	(3,795,424)	(15,371,467)	(3,849,788)	(15,687,886)
Provision for losses on loans and advances	7	(387,388)	(1,568,921)	(402,150)	(1,638,761)
Provision for impairment losses	10	(1,254,785)	(5,081,879)	-	-
Profit before income tax		2,161,758	8,755,121	810,614	3,303,252
Income tax expense	13	(183,302)	(742,373)	(25,478)	(103,823)
Net profit for the year		1,978,456	8,012,748	785,136	3,199,429


Prepared by:
HOR, Sarom - Head of Finance


Approved by:
YABE, Yoshikazu - General Manager

Phnom Penh, Kingdom of Cambodia

17 March 2016

The attached notes 1 to 32 form part of these financial statements.

MARUHAN Japan Bank Plc.

SEPARATE STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2015

	<i>Paid-up capital</i> US\$	<i>Accumulated earnings (losses)</i> US\$	<i>Total</i> US\$
As at 1 January 2015	74,000,000	(1,858,164)	72,141,836
Conversion of subordinated debt into equity	30,000,000	-	30,000,000
Net profit for the year	-	1,978,456	1,978,456
As at 31 December 2015	104,000,000	120,292	104,120,292
<i>Equivalent in KHR'000 (Note 2.1)</i>	421,200,000	487,183	421,687,183
As at 1 January 2014	74,000,000	(2,643,300)	71,356,700
Net profit for the year	-	785,136	785,136
As at 31 December 2014	74,000,000	(1,858,164)	72,141,836
<i>Equivalent in KHR'000 (Note 2.1)</i>	301,550,000	(7,572,018)	293,977,982



Prepared by:
HOR, Sarom - Head of Finance



Approved by:
YABE, Yoshikazu - General Manager

Phnom Penh, Kingdom of Cambodia


17 March 2016

The attached notes 1 to 32 form part of these financial statements.

MARUHAN Japan Bank Plc.

SEPARATE STATEMENT OF CASH FLOWS for the year ended 31 December 2015

	Notes	2015		2014	
		US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Net cash (used in) from operating activities	24	(27,139,047)	(109,913,140)	32,495,738	132,420,134
Cash flows from investing activities					
Decrease (increase) in placements with other banks and local MFIs		5,014,123	20,307,198	(13,573,617)	(55,312,490)
Purchases of property and equipment and software	8, 9	(79,069)	(320,229)	(588,116)	(2,396,573)
Proceeds from disposal of property and equipment		1,093	4,427	20,186	82,258
Additional investment in subsidiary	24	-	-	(8,654,600)	(35,267,495)
Net cash from (used in) investing activities		4,936,147	19,991,396	(22,796,147)	(92,894,300)
Net (decrease) increase in cash and cash equivalents		(22,202,900)	(89,921,744)	9,699,591	39,525,834
Cash and cash equivalents at beginning of year		53,222,805	216,882,930	43,523,214	173,875,240
Foreign exchange difference		-	(1,330,570)	-	3,481,856
Cash and cash equivalents at end of year	3	31,019,905	125,630,616	53,222,805	216,882,930
Significant non-cash transaction					
Conversion of subordinated debt into equity		30,000,000	121,500,000	-	-


Prepared by:
HOR, Sarom - Head of Finance


Approved by:
YABE, Yoshikazu - General Manager

Phnom Penh, Kingdom of Cambodia

17 March 2016

The attached notes 1 to 32 form part of these financial statements.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2015 and for the year then ended

1. CORPORATE INFORMATION

Establishment and operations

MARUHAN Japan Bank Plc. (“the Bank”) and its subsidiary (together referred to as “the Group”) were incorporated in the Kingdom of Cambodia.

The Bank was established on 20 June 2008, duly registered with the Ministry of Commerce (“MoC”) and approved by the National Bank of Cambodia (“NBC”) on 22 May 2008. The Bank is a wholly-owned subsidiary of Mahuran Investment Asia Pte., a company incorporated in Singapore at 31 December 2015.

The Bank was established to conduct banking activities, including mobilizing and receiving short, medium and long term deposit funds from various organizations and individuals; lending on a short, medium and long term basis to various organizations and individuals based on the nature and ability of the Bank’s capital resources; conducting foreign currency transactions; international trade finance services, discounting of commercial notes, bonds and valued documents; providing transaction services between customers; and other banking services as approved by the NBC.

On 19 October 2012, the Bank entered into a sale and purchase agreement with Stichting Triodos-Doen (“ST”), Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (“NFVO”), DWM Funds S.C.A.-SICAV SIF (“DWM”), Cambodia Community Building (“CCB”), and Sathapana Employee Investment Limited (“SEI”) to acquire 95.1% equity of Sathapana Limited (“the Subsidiary”). This was subsequently approved by the NBC on 5 December 2012. In addition, the subject shares were approved for the change in ownership by the MoC on 17 December 2012.

The principal activity of the Subsidiary is to provide micro-finance services to poor entrepreneurs, especially women in urban and rural areas of Cambodia through its head office in Phnom Penh and its various provincial and district offices in the Kingdom of Cambodia. The NBC granted an indefinite life micro-finance license to the Subsidiary effective from 19 April 2006.

On 22 January 2009, the Subsidiary received a license from the NBC to conduct a deposit-taking business. On 31 January 2011, the Subsidiary received another 3 year-license to conduct money exchange business.

The financial statements were authorized for issue by the Board of Directors on 17 March 2016.

Paid-up capital

The paid-up capital of the Bank as at 31 December 2015 was US\$104.00 million (2014: US\$74.00 million).

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

1. CORPORATE INFORMATION (continued)

Board of Directors

The members of the Board of Directors during the year and at the date of this report are:

Dr. HAN, Chang-Woo	Chairman
Mr. HAN, Yu	Member
Mr. HAN, Ken	Member
Mr. YABE, Yoshikazu	Member
Oknha Dr. BUN, Mony	Member
H.E. SHINOHARA, Katsuhiko	Independent member
Mr. ISHIMURA, Mitsuru	Independent member (appointed on 1 October 2015 and approved by the NBC on 14 December 2015)
H.E. URABE, Kazuyoshi	Independent member (Resigned on 31 December 2015)

Location

The head office of the Bank is located at No. 83, Preah Norodom Boulevard, Sangkat Phsartheumey 3, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia.

Employees

As at 31 December 2015, the Bank has a total of 89 employees (2014: 81 employees).

Merger with Sathapana Limited

On 13 January 2015, the Board of Directors of the Group agreed to merge the operations of the Bank and its subsidiary. On 27 January 2015, the Board of Directors and management of the Group signed a memorandum of understanding for the said merger.

On 29 May 2015, the Bank received approval in principle from the NBC on the merger subject to certain conditions that should be complied upon by the Group within six months after the approval. On 13 November 2015, the management of the Group submitted all pertinent documents required by the NBC. To date, the Bank is yet to obtain necessary approvals from the relevant regulatory bodies.

2. ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the consolidated and separate financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 **Basis of preparation**

The consolidated and separate financial statements (referred to as “the financial statements”) have been prepared based on the historical cost convention. The Group maintains, records and prepares financial statements in United States dollar (“US\$”) in accordance with NBC Prakas No. B7-07-164 dated 13 December 2007, on *Using Language, Currency Unit and Exchange Rate for Accounting Records and Reports*.

The financial statements of the Group and of the Bank have been prepared in compliance with Cambodian Accounting Standards (“CAS”) and relevant regulations and guidelines issued by the NBC.

The translation of the US\$ amounts in the financial statements into Khmer Riel (“Riel”) is provided for the sole purpose of complying with Prakas No. B7-07-164 dated 13 December 2007 using the official rate of exchange regulated by the NBC as at the reporting date, which was US\$1 to KHR4,050 as at 31 December 2015 (2014: US\$1 to KHR4,075). Such translation should not be construed as a representation that the US\$ amounts represent, or have been or could be, converted into Riel at that or any other rate.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

Fiscal year

The Group's fiscal year starts on 1 January and ends on 31 December.

2.2 Significant accounting judgments and estimates

In applying the Group's accounting policies, management has used its judgment and made estimates in determining the amounts recognized in the financial statements as follows:

2.2.1 Going concern assumption

As disclosed in Note 1, the Group have submitted the application to merge their operations to the NBC. According to the merger plan, the Bank's assets and liabilities will be transferred to the Subsidiary at the merger date which will continue to fulfil all rights and obligations of the Bank. Accordingly, these financial statements have been prepared on a going concern assumption basis.

2.2.2 Operating leases

The Group has entered into property leases as a lessee for its office premises. The Group has determined that the lessor retained all the significant risks and rewards of ownership over this property based on the indicators of operating lease treatment. In determining whether or not there is an indication of operating lease treatment, the Group considers the following factors: retention of ownership title to the leased property, and period of lease contract relative to the estimated useful economic life of the leased property, bearer of executory costs, among others.

2.2.3 Impairment losses on loans and advances to customers

When preparing the financial statements, the quality of loans and advances is reviewed and assessed to determine their classification and level of allowance for impairment losses, as more fully disclosed in Note 2.3.8.

2.2.4 Impairment of non-financial assets

Assets that have indefinite useful lives are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identified cash flows (cash-generating units). Non-financial assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.2.5 Impairment of goodwill

Goodwill is reviewed for impairment, annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of the cash generating unit ("CGU") (or group of CGUs) to which the goodwill relates. Where the recoverable amount of the CGU (or group of CGUs) is less than the carrying amount of the CGU (or group of CGUs) to which goodwill has been allocated, an impairment loss is recognized immediately in the profit and loss. Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods. The Group performs its impairment test of goodwill annually.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies

2.3.1 Change in accounting policies

The respective accounting policies and methods of computation applied by the Bank and the Subsidiary are consistent with those adopted in prior periods.

2.3.2 Subsidiary

Subsidiary is an entity over which the Bank has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Bank has such power over another entity.

In the Bank's financial statements, investment in a subsidiary is stated at cost less impairment losses. On disposal of such investment, the difference between the net disposal proceeds and the carrying amount is included in the income statement.

2.3.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Bank and its subsidiary as at the balance sheet date. The financial statements of the Subsidiary are prepared for the same reporting date as the Bank.

The Subsidiary is consolidated from the date of acquisition, being the date on which the Bank obtains control and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intra-group balances, transactions and unrealized gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisition of a subsidiary is accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

2.3.4 Business combination

Business combination is accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in administrative expenses. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2.3.5 Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.6 Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash on hand, unrestricted balances with the NBC and other banks and short term highly liquid investments with original maturities of three months or less from the respective dates of placement, that are readily convertible to known amounts of cash and subject to insignificant change in value.

2.3.7 Loans and advances to customers

All loans and advances to customers are stated in the balance sheet at principal amount, less any amounts written off and allowance for losses on loans and advances. Short-term loans are those with repayment date within one year from the date the loan was advanced. Long-term loans are those with final repayment date of more than one year from the date the loan was advanced. Interest accrued not yet paid other than overdraft, was classified as other assets in the balance sheet.

Loans are written off when there is no realistic prospect of recovery. Recoveries of loans and advances previously written off or provided for, decrease the amount of the allowance for losses on loans and advances in the income statement.

Loans and advances classified as substandard, doubtful or loss are considered non-performing loans.

2.3.8 Allowance for losses on loans and advances

Allowance for losses on loans and advances is made with regard to specific risks and relate to those loans and advances that have been individually reviewed and specifically identified as special mention, substandard, doubtful or loss. In addition, a general allowance is also maintained for loans classified as normal.

The allowance is based on a percentage of total outstanding loans and advances, net of interest-in-suspense.

The Bank follows the mandatory credit classification and provisioning required by Prakas No. B7-09-074 dated 25 February 2009. The Prakas requires commercial banks to classify their loan portfolio into five classes. The mandatory level of general and specific allowances is provided depending on the loan classification as follows:

<i>Classification</i>	<i>Number of days past due</i>	<i>Allowance rate</i>
<i>General provision</i>		
Normal	Nil to less than 30 days	1%
<i>Specific provision</i>		
Special mention	30 days or more but less than 90 days	3%
Substandard	90 days or more but less than 180 days	20%
Doubtful	180 days or more but less than 360 days	50%
Loss	360 days or more	100%

An uncollectible loan or portion of a loan classified as bad is written off after taking into consideration the realizable value of the collateral, if any, when in the judgment of the management, there is no prospect of recovery.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.8 Allowance for losses on loans and advances (continued)

In compliance with the NBC guidelines, the Subsidiary also provides a specific allowance for bad and doubtful loans on loans that are identified as non-performing, as follows:

<i>Classification</i>	<i>Number of days past due</i>	<i>Allowance rate</i>
<i>Short term loans (less than one year):</i>		
Sub-standard	30 days or more	10%
Doubtful	60 days or more	30%
Loss	90 days or more	100%
<i>Long term loans (more than one year):</i>		
Sub-standard	30 days or more	10%
Doubtful	180 days or more	30%
Loss	360 days or more	100%

In addition to the specific provision mandated by the NBC, the Subsidiary also provides a general allowance for bad and doubtful loans, as follows:

- 0.2% on outstanding performing loans;
- 90% on sub-standard loans; and
- 70% on doubtful loans.

The provision is calculated as a percentage of the loan amount outstanding at the time the loan is classified, excluding accrued interest. The provision is recorded in the Subsidiary's accounts and charged to the income statement for the month during which the corresponding loan has been classified below standard. Recoveries on loans previously written off and reversal of previous provisions are disclosed as a deduction from losses on loans and advances in the income statement.

2.3.9 Other credit-related commitments

In the normal course of business, the Group enters into other credit-related commitments including loan commitments, letters of credit and guarantees. The accounting policy and provision methodology are similar to those for originated loans as noted above. Specific provisions are raised against other credit-related commitments when losses are considered probable.

2.3.10 Balances with other banks

Balances with other banks are carried at cost.

2.3.11 Statutory deposits

Statutory deposits for banking-related activities are maintained with the NBC in compliance with the Cambodian Law on Banking and Financial Institutions and are determined by defined percentages of minimum share capital and customers' deposits as required by the NBC.

2.3.12 Other assets

Other assets are carried at anticipated realizable values. An estimate is made for probable losses based on a review of all outstanding amounts as at the balance sheet date.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.13 Property and equipment

Items of property and equipment are stated at cost less accumulated depreciation and provision for impairment in value (if any). Changes in the expected useful life are accounted for by changing the depreciation period or method, as appropriate and treated as a change in accounting estimates.

Depreciation of property and equipment is charged to the income statement on a declining method basis over the estimated useful lives of the individual assets at the following rates:

Office furniture and equipment	25%
Motor vehicles	25%
Information technology ("IT") equipment and computers	50%

Leasehold improvements are depreciated on a straight-line basis over the term of related leases currently from 5 to 12 years.

Construction in progress is not depreciated until such time as the relevant assets are completed and put into operational use.

Subsequent expenditure relating to an item of property and equipment that has already been recognized is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Group. All other subsequent expenditure is recognized as an expense in the period in which it is incurred.

Gain or loss arising from the retirement or disposal of an item of property and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in the income statement on the date of retirement or disposal.

Fully depreciated property and equipment are retained in the financial statements until disposed of or written off.

2.3.14 Software

Software is stated at cost less accumulated amortization, and is amortized on a declining method basis at the rate of 50% per annum.

2.3.15 Liabilities

Deposits from customers, deposits and placements of banks and financial institutions are stated at placement values. Other liabilities are stated at cost which is the fair value of the consideration expected to be paid in the future for goods and services received.

2.3.16 Borrowings

Borrowings are stated at the amount of the principal outstanding. Fees paid on the establishment of borrowing facilities are capitalized and amortized over the period of the borrowings using the straight-line method.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.17 Subordinated debts

Subordinated debts are recognized initially at cost and subsequently stated at the outstanding principal amount. Subordinated debts are treated as part of the Group's liabilities but included in the Group's net worth computation under the relevant NBC guideline.

2.3.18 Provisions for liabilities

Provisions for liabilities are recognized when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

2.3.19 Pension and provident fund

Pension fund

The Bank operates two benefit pension schemes for its employees as follows:

- (i) A monthly contribution by the employees and the Bank at 4% of monthly gross salary:

The Bank contributes interest on the cumulative balance of the pension fund computed at 1.5% per annum.

The defined contribution pension scheme will be fully paid to the employees upon termination of their employment with the Bank for any reason any time, except serious misconduct, if the employee has completed his/her continuous service with the Bank for a period of 3 years or more.

- (ii) A defined benefit scheme or long term benefit entitlement where the employee will receive half of final month salary multiplied by number of years of service with the Bank in addition to the 4% contribution pension scheme above:

This defined benefit scheme represents the long service award and will be fully paid to the employee upon termination of employment with the Bank for any reason any time, except serious misconduct, if the employee has completed his/her continuous service with the Bank for a period of 5 years or more.

Provident fund

The Subsidiary provides its employees with benefits under a provident fund policy. Employees who complete the probationary year have an option of participating in the provident fund scheme. The fund is sourced from the following:

- Employees may contribute up to 5% of their monthly salary, and the Subsidiary contributes twice that amount. This contribution is charged to the income statement.
- The Subsidiary contributes interest on the cumulative balance of the provident fund computed at 6.5% per annum. This contribution is charged to the income statement.

The provident fund will be paid to employees (who have contributed to the fund) upon their retirement, resignation or termination of employment. The employee's contribution and interest are paid in full accordingly, while the Subsidiary's contribution is paid in accordance with the following conditions:

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.19 Pension and provident fund (continued)

Provident fund (continued)

<i>Years of service (*)</i>	<i>Percentage of contribution by the Subsidiary</i>
Equal to or less than 1 year	-
More than 1 year	20%
More than 2 years	40%
More than 3 years	60%
More than 4 years	80%
More than 5 years	100%

(*): Years of service are exclusive of the probationary year.

Those who have been terminated due to serious misconduct are only entitled to his/her contribution plus interest, regardless of how long they have been employed by the Subsidiary.

2.3.20 Current and deferred income tax

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amounts expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted at the balance sheet date.

Deferred income tax

Deferred income tax is provided using the balance sheet liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except where the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which these differences can be utilized, except where the deferred tax arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. Unrecognized deferred income tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.3 Summary of significant accounting policies (continued)

2.3.21 Recognition of income or expense

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably.

(i) Interest income

Interest income is recognized on an accrual basis.

Interest income on overdrafts, term loans and other loans is recognized by referencing to rest period, which is either monthly or daily. Where a loan becomes non-performing, the recognition of interest is suspended until it is realized on a cash basis. Loans are deemed to be non-performing where repayments are in arrears for ninety days or more.

(ii) Income from the various activities of the Group:

Income from the various activities of the Group is accrued using the following bases:

- 1) Loan arrangement fees and commissions on services and facilities extended to customers are recognized on the occurrence of such transactions;
- 2) Commitment fees and guarantee fees on services and facilities extended to customers are recognized as income over the period in which the services and facilities are extended;
- 3) Service charges and processing fees are recognized when the service is provided.

(iii) Interest expense

Interest expense on deposits of customers, settlement accounts of other banks and borrowings are recognized on accrual basis.

2.3.22 Operating leases

Payments made under operating leases are recognized in the income statement on a straight-line basis over the term of the lease.

2.3.23 Related parties

Parties are considered to be related if the Group has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or vice-versa, or where the Group and the party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Related parties, as defined in Article 49 and 50 of the Cambodian Law on Banking and Financial Institutions, include the following:

- (a) any person holding directly or indirectly at least ten percent (10%) of the capital or voting rights;
- (b) any company of which the Group directly or indirectly holds at least 10% of the capital or voting rights;
- (c) any individual who participates in the administration, direction, management or internal control; and
- (d) the external auditors.

Transactions with related parties and related account balances are disclosed in Note 26.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

2. ACCOUNTING POLICIES (continued)

2.3 *Summary of significant accounting policies* (continued)

2.3.24 *Foreign currency transactions and translation*

The Group maintains its accounting system and records all transactions in original currencies. Monetary assets and liabilities denominated in foreign currencies ("FC") other than the US\$ at year-end are re-translated to US\$ at the exchange rates ruling at the balance sheet date. Income and expenses arising in FC and KHR are converted into US\$ at month-end using the applicable middle exchange rates rather than the exchange rates ruling at the transaction dates. Unrealized foreign exchange differences arising from the translation of monetary assets and liabilities on the balance sheet date are recognized in the income statement.

See Note 31 for prevailing exchange rates of US\$ and applicable FCs against KHR as at 31 December 2015.

2.3.25 *Fiduciary assets*

Assets held in trust or in a fiduciary capacity are not reported in the financial statements since they are not the assets of the Group.

2.3.26 *Rounding of amounts*

Amounts in the financial statements have been rounded off to the nearest dollar. KHR equivalents are presented to the nearest thousand unless otherwise stated.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

3. CASH ON HAND

The Group and the Bank's cash on hand comprise:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
In US\$	13,302,961	53,876,992	7,854,421	32,006,766	3,397,058	13,758,085	2,982,722	12,154,592
In FC	4,310,348	17,456,909	2,355,963	9,600,549	166,117	672,774	257,931	1,051,069
	17,613,309	71,333,901	10,210,384	41,607,315	3,563,175	14,430,859	3,240,653	13,205,661

For the purpose of the statement of cash flows, cash and cash equivalents of the Group and the Bank comprise:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Cash on hand	17,613,309	71,333,901	10,210,384	41,607,315	3,563,175	14,430,859	3,240,653	13,205,661
Balances with the NBC:								
Current account	20,132,146	81,535,192	34,496,375	140,572,728	14,346,456	58,103,147	23,211,913	94,588,545
Term deposits*	1,800,000	7,290,000	12,500,000	50,937,500	1,800,000	7,290,000	12,500,000	50,937,500
Balances with other banks:								
Current accounts	16,083,950	65,139,998	15,866,073	64,654,247	9,170,496	37,140,509	9,707,176	39,556,742
Placement with other banks and local MFIs:								
Term deposits*	2,139,778	8,666,101	4,563,063	18,594,482	2,139,778	8,666,101	4,563,063	18,594,482
	57,769,183	233,965,192	77,635,895	316,366,272	31,019,905	125,630,616	53,222,805	216,882,930

(*) Term deposits with original maturities of three months or less.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

4. BALANCES WITH THE NBC

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Current accounts	20,132,146	81,535,192	34,496,375	140,572,728	14,346,456	58,103,147	23,211,913	94,588,545
Term deposits	1,800,000	7,290,000	12,500,000	50,937,500	1,800,000	7,290,000	12,500,000	50,937,500
Capital guarantee deposits	9,220,106	37,341,429	9,220,106	37,571,932	7,400,000	29,970,000	7,400,000	30,155,000
Reserve deposits	34,700,599	140,537,426	26,732,247	108,933,907	13,524,692	54,775,002	13,524,540	55,112,501
	65,852,851	266,704,047	82,948,728	338,016,067	37,071,148	150,138,149	56,636,453	230,793,546

Capital guarantee deposits

Under the relevant Prakas, banks and MFIs are required to maintain a statutory deposit at 10% of registered capital with the NBC. This deposit is not available for use in day-to-day operations but is refundable when the bank or MFI voluntarily ceases to operate its business in Cambodia.

The Bank placed the additional capital guarantee deposits in relation to the increase of its share capital on 24 February 2016.

Reserve deposits

Under NBC Prakas No. B7-012-140 dated 13 September 2012, banks are required to maintain certain cash reserves with the NBC in the form of compulsory deposits, computed at 8.00% and 12.50% of customer deposits and borrowings in KHR and in FC, respectively.

The reserve deposit of the Subsidiary represents the minimum reserve requirement which is calculated at 8% of the total deposits from customers as required by Prakas B7-07-163 on Licensing of Micro-finance Deposit Taking Institutions. The reserve deposit on customers' deposits fluctuates depending on the level of the customers' deposits.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

4. BALANCES WITH THE NBC (continued)

Interest rates

Annual interest rates on balances with the NBC follow:

	<i>Group</i>		<i>Bank</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Current accounts	Nil	Nil	Nil	Nil
Capital guarantee deposits	0.11%	0.08%	0.11%	0.08%
Reserve deposits	0.08%	0.08%	0.08%	0.08%

5. BALANCES WITH OTHER BANKS AND LOCAL MFIs

The Group and the Bank's balances with other banks and local microfinance financial institutions ("MFIs") are as follows:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Current accounts								
Local banks	6,039,782	24,461,117	7,974,968	32,497,995	3,713,750	15,040,687	4,213,023	17,168,069
Overseas bank	4,562,271	18,477,198	4,461,040	18,178,738	4,562,271	18,477,198	4,461,040	18,178,738
Savings accounts								
Local banks	4,587,422	18,579,059	2,396,952	9,767,579	-	-	-	-
Local MFIs	894,475	3,622,624	1,033,113	4,209,935	894,475	3,622,624	1,033,113	4,209,935
	16,083,950	65,139,998	15,866,073	64,654,247	9,170,496	37,140,509	9,707,176	39,556,742

Current account with an overseas bank does not earn interest while current accounts with local banks earn interest at 0.05% per annum (2014: 0.05%). Savings accounts earn interest at 0.05% to 1.20% per annum (2014: 3.75%).

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

6. PLACEMENTS WITH OTHER BANKS AND LOCAL MFIs

The Group and the Bank's placements with other banks and local MFIs are as follows:

	<i>Group</i>				<i>Bank</i>			
	2015		2014		2015		2014	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Term deposits with other banks	4,100,000	16,605,000	14,000,000	57,050,000	4,100,000	16,605,000	14,000,000	57,050,000
Term deposits with local MFIs	5,489,778	22,233,601	3,588,210	14,621,956	7,371,834	29,855,928	4,909,242	20,005,161
	9,589,778	38,838,601	17,588,210	71,671,956	11,471,834	46,460,928	18,909,242	77,055,161

Term deposits with other banks and local MFIs earn interest at rates ranging from 2.70% to 5.00% per annum (2014: 2.30% to 5.50%).

7. LOANS AND ADVANCES TO CUSTOMERS

The Group and the Bank's loans and advances to customers are as follows:

	<i>Group</i>				<i>Bank</i>			
	2015		2014		2015		2014	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Commercial loans:								
Short-term loans	19,646,485	79,568,264	24,495,336	99,818,494	3,000,000	12,150,000	3,000,000	12,225,000
Overdraft	8,006,141	32,424,871	7,434,425	30,295,282	8,006,141	32,424,871	7,434,425	30,295,282
Long-term loans	508,560,436	2,059,669,766	334,404,063	1,362,696,557	72,936,070	295,391,083	58,330,374	237,696,274
Consumer loans:								
Staff loans	13,889,171	56,251,143	6,814,082	27,767,384	2,581,731	10,456,011	1,578,470	6,432,265
Total gross loans	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Allowance for losses on loans and advances	(3,391,690)	(13,736,345)	(2,425,118)	(9,882,356)	(1,708,501)	(6,919,429)	(1,321,113)	(5,383,535)
	546,710,543	2,214,177,699	370,722,788	1,510,695,361	84,815,441	343,502,536	69,022,156	281,265,286

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

7. LOANS AND ADVANCES TO CUSTOMERS (continued)

Further analyses of loans and advances to customers are set out below.

(a) Movements of allowance for losses on loans and advances:

	<i>Group</i>			<i>Bank</i>		
	<i>Specific allowance</i>	<i>General allowance</i>	<i>Total</i>	<i>Specific allowance</i>	<i>General allowance</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Balance as at 1 January 2015	1,056,145	1,368,973	2,425,118	623,921	697,192	1,321,113
Charge for the year	810,894	319,793	1,130,687	338,370	49,018	387,388
Write offs	(165,827)	-	(165,827)	-	-	-
Foreign exchange difference	1,712	-	1,712	-	-	-
Balance as at 31 December 2015	1,702,924	1,688,766	3,391,690	962,291	746,210	1,708,501
<i>Equivalent in KHR'000 (Note 2.1)</i>	6,896,843	6,839,502	13,736,345	3,897,279	3,022,150	6,919,429
Balance as at 1 January 2014	321,416	1,346,873	1,668,289	101,117	822,755	923,872
Charge (reversal) for the year	995,973	22,100	1,018,073	527,713	(125,563)	402,150
Write offs	(259,862)	-	(259,862)	(4,909)	-	(4,909)
Foreign exchange difference	(1,382)	-	(1,382)	-	-	-
Balance as at 31 December 2014	1,056,145	1,368,973	2,425,118	623,921	697,192	1,321,113
<i>Equivalent in KHR'000 (Note 2.1)</i>	4,303,791	5,578,565	9,882,356	2,542,478	2,841,057	5,383,535

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

7. LOANS AND ADVANCES TO CUSTOMERS (continued)

(b) Grading of loans and advances and related allowance on non-performing loans:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>Principal</i>	<i>Provision</i>	<i>Principal</i>	<i>Provision</i>	<i>Principal</i>	<i>Provision</i>	<i>Principal</i>	<i>Provision</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Normal loans:								
Secured	530,638,082	1,536,156	365,192,867	1,164,637	59,359,984	593,600	54,281,508	542,814
Unsecured	6,820,540	152,610	6,848,936	154,378	15,260,980	152,610	15,437,840	154,378
Special mention loans:								
Secured	11,279,057	338,370	-	-	11,279,057	338,370	-	-
Substandard loans:								
Secured	423,049	423,049	328,876	328,876	-	-	-	-
Doubtful loans:								
Secured	229,286	229,286	104,652	104,652	-	-	-	-
Loss loans								
Secured	712,219	712,219	672,575	672,575	623,921	623,921	623,921	623,921
Total gross loans	550,102,233	3,391,690	373,147,906	2,425,118	86,523,942	1,708,501	70,343,269	1,321,113
<i>Equivalent in KHR'000</i> <i>(Note 2.1)</i>	2,227,914,044	13,736,345	1,520,577,717	9,882,356	350,421,965	6,919,429	286,648,821	5,383,535

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

7. LOANS AND ADVANCES TO CUSTOMERS (continued)

(c) For analysis of loan and advances to customers by maturity, refer to Note 29 on Liquidity risk.

(d) Analysis of loans and advances to customers by industrial sector:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Wholesale and retail	188,305,536	762,637,421	113,304,650	461,716,449	16,424,635	66,519,772	30,033,665	122,387,185
Agriculture, forestry and fishing	143,922,207	582,884,938	104,671,073	426,534,622	4,094,503	16,582,737	7,233,754	29,477,548
Services	83,380,119	337,689,482	52,333,373	213,258,495	2,581,731	10,456,011	1,578,470	6,432,265
Financial services	15,260,982	61,806,977	15,437,843	62,909,210	15,260,982	61,806,977	15,437,843	62,909,210
Construction	13,425,552	54,373,486	37,511,545	152,859,546	12,934,129	52,383,222	6,031,704	24,579,194
Utilities	9,227,744	37,372,363	-	-	9,227,744	37,372,363	-	-
Mortgages and housing	8,959,674	36,286,680	346,657	1,412,627	8,959,674	36,286,680	346,657	1,412,627
Mining and quarrying	7,215,217	29,221,629	-	-	7,215,217	29,221,629	-	-
Hotel and restaurant	4,552,270	18,436,694	5,888,742	23,996,624	4,552,270	18,436,694	5,888,742	23,996,624
Manufacturing	1,156,865	4,685,303	231,007	941,354	1,156,865	4,685,303	231,007	941,354
Others	74,696,067	302,519,071	43,423,016	176,948,790	4,116,192	16,670,577	3,561,427	14,512,814
Total gross loans	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

7. LOANS AND ADVANCES TO CUSTOMERS (continued)

(e) Analysis of loans and advances to customers by residency, relationship, exposure, interest rates and collateral:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Residence status:								
Residents	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Non-residents	-	-	-	-	-	-	-	-
	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Relationship:								
Related parties	1,261,914	5,110,752	766,111	3,121,902	8,510,135	34,466,047	8,716,238	35,518,670
Non-related parties	548,840,319	2,222,803,292	372,381,795	1,517,455,815	78,013,807	315,955,918	61,627,031	251,130,151
	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Exposure:								
Large	52,549,811	212,826,735	40,500,000	165,037,500	52,549,811	212,826,734	40,500,000	165,037,500
Non-large	497,552,422	2,015,087,309	332,647,906	1,355,540,217	33,974,131	137,595,231	29,843,269	121,611,321
	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821

A "large exposure" is defined under the relevant Prakas as the overall gross exposure of the aggregate balance of loans and advances with one single beneficiary, which exceeds 10% of the Bank's net worth. The exposure is the higher of the outstanding loans or commitments and the authorized loans or commitments.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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7. LOANS AND ADVANCES TO CUSTOMERS (continued)

(e) Analysis of loans and advances to customers by residency, relationship, exposure, interest rates and collateral (continued):

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Annual interest rates:								
Below 10%	80,319,271	325,293,048	63,664,774	259,433,954	77,453,985	313,688,639	67,063,477	273,283,669
Over 10% but not over 12%	8,836,341	35,787,181	3,097,906	12,623,967	8,836,341	35,787,181	3,097,906	12,623,967
Over 12% but not over 15%	4,271,712	17,300,434	3,166,886	12,905,060	233,616	946,145	181,886	741,185
Over 15% but not over 18%	219,956,523	890,823,918	101,464,449	413,467,630	-	-	-	-
Over 18%	236,718,386	958,709,463	201,753,891	822,147,106	-	-	-	-
	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
By collateral:								
Secured	534,841,253	2,166,107,075	366,344,381	1,492,853,353	71,262,962	288,614,996	54,905,429	223,739,623
Unsecured	15,260,980	61,806,969	6,803,525	27,724,364	15,260,980	61,806,969	15,437,840	62,909,198
	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

8. PROPERTY AND EQUIPMENT

Property and equipment of the Group and of the Bank are as follows:

	<i>Group</i>					
	<i>Leasehold improvements US\$</i>	<i>Office furniture and equipment US\$</i>	<i>IT equipment and computers US\$</i>	<i>Motor vehicles US\$</i>	<i>Construction in progress US\$</i>	<i>Total US\$</i>
Cost						
As at 1 January 2015	1,620,710	2,407,822	3,047,644	2,699,409	424,242	10,199,827
Additions	158,155	647,767	1,153,157	1,732,824	298,149	3,990,052
Disposals	-	(58,872)	(20,281)	(185,760)	-	(264,913)
Write offs	(778,903)	(416,305)	(148,885)	(177,190)	-	(1,521,283)
Transfer in (out)	-	-	424,241	-	(424,241)	-
As at 31 December 2015	999,962	2,580,412	4,455,876	4,069,283	298,150	12,403,683
Less: Accumulated depreciation						
As at 1 January 2015	1,100,947	1,125,613	2,223,971	1,114,735	-	5,565,266
Depreciation charge for the year	168,287	475,098	1,195,748	822,144	-	2,661,277
Disposals	-	(50,512)	(20,120)	(148,070)	-	(218,702)
Write offs	(778,901)	(390,881)	(145,399)	(176,931)	-	(1,492,112)
Others	(109,734)	-	-	-	-	(109,734)
As at 31 December 2015	380,599	1,159,318	3,254,200	1,611,878	-	6,405,995
Net book value						
As at 31 December 2015	619,363	1,421,094	1,201,676	2,457,405	298,150	5,997,688
As at 31 December 2014	519,763	1,282,209	823,673	1,584,674	424,242	4,634,561
Equivalent in KHR'000 (Note 2.1)						
As at 31 December 2015	2,508,419	5,755,431	4,866,788	9,952,490	1,207,508	24,290,636
As at 31 December 2014	2,118,034	5,225,002	3,356,467	6,457,547	1,728,786	18,885,836

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

8. PROPERTY AND EQUIPMENT (continued)

	<i>Bank</i>				<i>Total</i>
	<i>Leasehold improvements</i>	<i>Office furniture and equipment</i>	<i>IT equipment and computers</i>	<i>Motor vehicles</i>	
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Cost					
As at 1 January 2015	1,145,386	504,468	1,381,807	571,140	3,602,801
Additions	3,465	850	23,854	19,400	47,569
Disposals	-	(54,421)	-	-	(54,421)
Write-off	(778,903)	(380,420)	(122,832)	(175,670)	(1,457,825)
As at 31 December 2015	369,948	70,477	1,282,829	414,870	2,138,124
Less: Accumulated depreciation					
As at 1 January 2015	929,842	417,656	1,140,418	324,170	2,812,086
Depreciation charge for the year	71,900	15,693	128,078	66,592	282,263
Disposals	-	(47,101)	-	-	(47,101)
Write-off	(778,901)	(363,834)	(119,925)	(175,670)	(1,438,330)
Others	(109,734)	-	-	-	(109,734)
As at 31 December 2015	113,107	22,414	1,148,571	215,092	1,499,184
Net book value					
As at 31 December 2015	256,841	48,063	134,258	199,778	638,940
As at 31 December 2014	215,544	86,812	241,389	246,970	790,715
Equivalent in KHR'000 (Note 2.1)					
As at 31 December 2015	1,040,206	194,655	543,745	809,101	2,587,707
As at 31 December 2014	878,342	353,759	983,660	1,006,403	3,222,164

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as at 31 December 2015 and for the year then ended

9. SOFTWARE

Movements of Group and the Bank's computer software are as follows:

	<i>Group</i> US\$	<i>Bank</i> US\$
Cost		
As at 1 January 2015	2,807,274	1,750,981
Additions	31,500	31,500
Write offs	(323,791)	(323,791)
As at 31 December 2015	<u>2,514,983</u>	<u>1,458,690</u>
Less: Accumulated amortization		
As at 1 January 2015	2,250,021	1,591,537
Amortization during the year	293,756	94,851
Write offs	(323,791)	(323,791)
As at 31 December 2015	<u>2,219,986</u>	<u>1,362,597</u>
Net book value		
As at 31 December 2015	<u><u>294,997</u></u>	<u><u>96,093</u></u>
As at 31 December 2014	<u><u>557,253</u></u>	<u><u>159,444</u></u>
Equivalent in KHR'000 (Note 2.1)		
As at 31 December 2015	<u><u>1,194,738</u></u>	<u><u>389,177</u></u>
As at 31 December 2014	<u><u>2,270,806</u></u>	<u><u>649,734</u></u>

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

10. OTHER ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Accrued interest receivable	5,832,521	23,621,710	4,030,002	16,422,258	379,440	1,536,732	336,600	1,371,645
Prepayments	6,000,850	24,303,443	3,900,141	15,893,075	296,596	1,201,214	171,835	700,228
Advances and deposits	2,615,250	10,591,762	1,640,022	6,683,090	2,615,250	10,591,762	1,640,022	6,683,090
Others	324,649	1,314,830	160,007	652,028	299,649	1,213,579	135,007	550,153
	<u>14,773,270</u>	<u>59,831,745</u>	<u>9,730,172</u>	<u>39,650,451</u>	<u>3,590,935</u>	<u>14,543,287</u>	<u>2,283,464</u>	<u>9,305,116</u>
Allowance for impairment losses	<u>(1,254,785)</u>	<u>(5,081,879)</u>	<u>-</u>	<u>-</u>	<u>(1,254,785)</u>	<u>(5,081,879)</u>	<u>-</u>	<u>-</u>
	<u>13,518,485</u>	<u>54,749,866</u>	<u>9,730,172</u>	<u>39,650,451</u>	<u>2,336,150</u>	<u>9,461,408</u>	<u>2,283,464</u>	<u>9,305,116</u>

Others include sundry assets and investment in Credit Bureau of Cambodia amounting to US\$100,000 and US\$75,000 for the Group and of the Bank, respectively (2014: US\$150,000 and US\$125,000, respectively). Fair value of the investment could not be reliably determined due to the unpredictable nature of future cash flow and the lack of suitable methods of arriving at a reliable fair value. This investment is carried at original cost. In 2014, others include prepaid tax of the Bank amounting to US\$1,249 (Note 13.1).

Allowance for impairment losses pertains to advances made to Maruhan Office in Myanmar and refundable security deposits.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

11. DEPOSITS FROM OTHER BANKS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Current accounts	2,690,842	10,897,910	474,365	1,933,038	2,690,842	10,897,910	625,187	2,547,637
Savings accounts	102,633	415,664	46,693	190,274	512	2,074	758	3,089
Term deposits	19,606,000	79,404,300	14,901,764	60,724,688	6,000,000	24,300,000	7,000,000	28,525,000
	22,399,475	90,717,874	15,422,822	62,848,000	8,691,354	35,199,984	7,625,945	31,075,726

Current accounts are interest-free while term deposits earn annual interest at rates ranging from 0.38% to 5.00% in 2015 (2014: 1.25% to 4.50%).

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

12. DEPOSITS FROM CUSTOMERS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Demand deposits	3,137,316	12,706,130	3,179,855	12,957,909	3,137,316	12,706,130	3,179,855	12,957,909
Savings accounts	68,086,865	275,751,803	66,080,132	269,276,538	35,603,752	144,195,195	39,910,301	162,634,477
Term deposits	254,771,302	1,031,823,773	184,575,502	752,145,171	43,827,614	177,501,837	53,918,044	219,716,029
Certified checks	2,016	8,165	216	880	2,016	8,165	216	880
	325,997,499	1,320,289,871	253,835,705	1,034,380,498	82,570,698	334,411,327	97,008,416	395,309,295

Further analyses of deposits from customers are set out below.

(i) Interest rates of the Group and Bank on deposits from customers are as follows:

	<i>Group</i>		<i>Bank</i>	
	<i>2015</i>	<i>2014</i>	<i>2015</i>	<i>2014</i>
Demand deposits	0.50% - 1.50%	Nil	0.50% - 1.50%	Nil
Savings deposits	0.25% - 4.00%	0.75% - 4.00%	0.25% - 3.00%	0.50% - 2.50%
Term deposits	1.00% - 9.50%	1.00% - 8.00%	1.00% - 7.00%	1.00% - 7.00%

(ii) For deposits from related parties, refer to Note 27 on Related party transactions and balances.

(iii) For maturity analysis, refer to Note 29 on Liquidity risk.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

13. INCOME TAX

Major components of income tax expense for the year ended 31 December 2015 are as follows:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Income tax expense								
Current	5,262,059	21,311,339	3,013,512	12,280,062	91,429	370,287	70,397	286,868
Deferred	(355,623)	(1,440,273)	(335,264)	(1,366,201)	91,873	372,086	(44,919)	(183,045)
	4,906,436	19,871,066	2,678,248	10,913,861	183,302	742,373	25,478	103,823

13.1 Current income tax

The Bank's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

In accordance with the Cambodian tax regulations, current income tax expense is calculated at the higher of the taxable income for the year multiplied by the tax rate of 20% at the reporting date and 1% of turnover.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

13. INCOME TAX (continued)

13.1 Current income tax (continued)

Details of income tax expense are as follows:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Accounting profit before income tax	<u>23,268,889</u>	<u>94,239,002</u>	<u>12,275,473</u>	<u>50,022,554</u>	<u>2,161,758</u>	<u>8,755,121</u>	<u>810,614</u>	<u>3,303,252</u>
Current income tax expense, at the statutory rate of 20%	4,653,778	18,847,800	2,455,095	10,004,512	432,352	1,751,024	162,123	660,651
Non-deductible items	109,551	443,682	104,241	424,782	113,288	458,816	34,121	139,043
Non-taxable income	(1,224)	(4,956)	-	-	(506,669)	(2,052,009)	(289,678)	(1,180,438)
Effect of minimum tax	91,429	370,287	70,397	286,868	91,429	370,287	70,397	286,868
Movement of unrecognized deferred tax assets	52,902	214,253	48,515	197,699	52,902	214,255	48,515	197,699
Effective income tax	<u>4,906,436</u>	<u>19,871,066</u>	<u>2,678,248</u>	<u>10,913,861</u>	<u>183,302</u>	<u>742,373</u>	<u>25,478</u>	<u>103,823</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

13. INCOME TAX (continued)

13.1 Current income tax (continued)

Details of movements of income tax payable (prepaid tax) are as follows:

	Group				Bank			
	2015		2014		2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Balance at beginning of year	2,481,497	10,112,099	1,983,610	7,924,522	(1,249)	(5,090)	721,666	2,883,056
Current income tax expense	5,262,059	21,311,339	3,013,512	12,280,062	91,429	370,287	70,397	286,868
Payments for income tax during the year	(3,327,615)	(13,476,841)	(2,515,625)	(10,251,172)	(85,284)	(345,400)	(793,312)	(3,232,746)
Foreign exchange difference	-	(62,036)	-	158,688	-	32	-	57,731
Balance at end of year	4,415,941	17,884,561	2,481,497	10,112,100	4,896	19,829	(1,249)	(5,090)

Prepaid tax asset of the Bank in 2014 is presented as part of "Other assets" (see Note 10).

13.2 Deferred income tax

Tax loss carried forward

As at 31 December 2014, the Bank has estimated accumulated tax losses of US\$242,575 available for offset against any future taxable profits. With the change of ownership in 2015, the management has assessed that the accumulated tax losses cannot be offset against any future taxable profits.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

13. INCOME TAX (continued)

13.2 *Deferred income tax* (continued)

As at balance sheet date, deferred tax assets consist of:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
<i>Deferred tax assets on:</i>								
Accruals	761,775	3,085,188	544,265	2,217,881	-	-	-	-
Allowance for losses on loans and advances to customers	296,760	1,201,878	198,214	807,722	-	-	-	-
Pension fund	221,438	896,824	209,737	854,678	25,884	104,830	66,682	271,729
Unrealized foreign exchange loss	79,823	323,283	11,834	48,223	-	-	1,685	6,866
Property and equipment	48,133	194,939	59,747	243,469	-	-	23,506	95,787
Unearned income	31,536	127,721	34,161	139,206	-	-	-	-
	1,439,465	5,829,833	1,057,958	4,311,179	25,884	104,830	91,873	91,873
<i>Deferred tax liabilities on:</i>								
Unrealized foreign exchange gain	(25,884)	(104,830)	-	-	(25,884)	(104,830)	-	-
Deferred tax assets - net	1,413,581	5,725,003	1,057,958	4,311,179	-	-	91,873	374,382

The management of the Bank believes that it is doubtful to recover the deferred tax asset with the impending merger of the Group. As at 31 December 2015, unrecognised deferred tax asset of the Group and the Bank amounted to US\$127,780.

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

14. BORROWINGS

The borrowings of the Subsidiary are unsecured and broken down as follows:

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Nederlandse Financierings – Maatschappij voor Ontwikkelingslanden N.V (“FMO”)	45,000,000	182,250,000	25,656,851	104,551,668
Symbiotics	17,996,049	72,883,998	17,481,227	71,236,000
DEG	12,500,000	50,625,000	15,000,000	61,125,000
Micro-Finance Enhancement	15,000,000	60,750,000	10,000,000	40,750,000
ResponsAbility SICAV	11,000,000	44,550,000	10,000,000	40,750,000
ICBC	15,000,000	60,750,000	9,000,000	36,675,000
Norfund	4,200,000	17,010,000	7,000,000	28,525,000
Triodos – Doen	5,250,000	21,262,500	5,250,000	21,393,750
Blue Orchard	3,333,334	13,500,003	4,666,667	19,016,668
Cathay United Bank (Cambodia) Corporation Limited	2,896,013	11,728,853	4,475,475	18,237,561
NMI	4,000,000	16,200,000	4,000,000	16,300,000
Maruhan Investment Asia	10,000,000	40,500,000	-	-
Hatton National Bank Plc	4,750,000	19,237,500	-	-
ABA Bank	2,500,000	10,125,000	-	-
Union Commercial Bank	5,000,000	20,250,000	-	-
ACLEDA Bank	2,000,000	8,100,000	-	-
DWM Funds S.C.A	-	-	3,000,000	12,225,000
	160,425,396	649,722,854	115,530,220	470,785,647

The above amounts are unsecured with details as follows:

(a) By currency:

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
US\$	155,929,347	631,513,856	112,392,142	457,997,979
KHR	4,496,049	18,208,998	3,138,078	12,787,668
	160,425,396	649,722,854	115,530,220	470,785,647

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

14. BORROWINGS (continued)

(b) By maturity:

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Less than 1 month	2,080,353	8,425,430	-	-
1 to 3 months	9,491,014	38,438,607	9,581,119	39,043,060
3 to 12 months	43,035,617	174,294,248	32,230,441	131,339,047
1 to 5 years	105,818,412	428,564,569	71,218,660	290,216,040
Over 5 years	-	-	2,500,000	10,187,500
	160,425,396	649,722,854	115,530,220	470,785,647

(c) By interest rate (per annum including withholding tax):

	2015	2014
KHR	4.72% - 11%	5.21% - 10.50%
US\$	9.17% - 10.50%	9.00% - 10.50%

As at 31 December 2015, the Subsidiary breached the financial covenant with FMO and DEG to maintain a liquidity coverage ratio ("LCR") of 100%. Calculated LCR of the Subsidiary is 86%. On 12 January 2016, the Subsidiary informed the creditors of the breach and requested for a waiver of the LCR for the quarter ended 31 December 2015.

On 20 January 2016, DEG acknowledged the waiver request of the Subsidiary.

As at the date of the report, the FMO is yet approved the waiver request of the Subsidiary. The management believes that approval of the waiver request will be secured from the creditors.

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15. SUBORDINATED DEBTS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Maruhan (Cambodia) Corporation	15,000,000	60,750,000	-	-	-	-	-	-
DEG	10,000,000	40,500,000	10,000,000	40,750,000	-	-	-	-
MARUHAN Investment Asia Pte Ltd.	5,000,000	20,250,000	35,000,000	142,625,000	-	-	30,000,000	122,250,000
Triodos – Doen and Triodos Share Fund	1,313,217	5,318,529	1,313,217	5,351,359	-	-	-	-
DWM Funds S.C.A	1,000,000	4,050,000	1,000,000	4,075,000	-	-	-	-
	32,313,217	130,868,529	47,313,217	192,801,359	-	-	30,000,000	122,250,000

Maruhan (Cambodia) Corporation

On 6 April 2015, the NBC approved the Subsidiary's subordinated debt from Maruhan (Cambodia) Corporation ("MCC") amounting to US\$15,000,000. The Subsidiary drew down US\$15,000,000 on 28 January 2015. This subordinated has a seven-year term maturing on 28 January 2022 and bears a fixed interest at 7.00% per annum.

DEG

On 31 December 2014, the NBC approved the Subsidiary's subordinated debt from DEG amounting to US\$10,000,000. This subordinated has a seven-year term maturing on 15 December 2021 and bears a fixed interest at 10.65% per annum.

Maruhan Investment Asia Pte Ltd.

On 10 October 2013, the NBC approved the Subsidiary's subordinated debt from Maruhan Investment Asia ("MIA") amounting to US\$5,000,000. The Subsidiary drew down US\$5,000,000 on 12 August 2013. This subordinated debt has a seven-year term maturing on 12 August 2020 and bears gross interest at 10.4651% per annum.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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15. SUBORDINATED DEBTS (continued)

Maruhan Investment Asia Pte Ltd. (continued)

On 24 September 2015, the subordinated debt of MIA with the Bank amounting to US\$30.00 million was converted into paid-up capital (equivalent to 300,000 shares) (see Note 18) which was approved by the NBC on 31 December 2015.

Triodos – Doen and Triodos Share Fund

On 19 December 2007, the NBC approved the Subsidiary's subordinated debt from Triodos – Doen amounting to US\$1,000,000 and Triodos Fair Share Fund, amounting to US\$1,000,000. This subordinated debt has a 10-year term maturing on 1 January 2018 and bears interest at 11.6279% per annum for the first five years, and gross interest at 12-month LIBOR plus 6% (subject to a minimum gross interest rate charge at 12.2093%) for the remaining period from 1 January 2013.

On 6 January 2011, the NBC approved the Subsidiary's another subordinated debt from Triodos – Doen amounting to US\$500,000. This subordinated debt bears gross interest at 11.0466% per annum and matures on 1 January 2018. The subordinated debts from Triodos – Doen amounting to US\$900,000 and US\$286,783 were converted into the Subsidiary's share capital on 12 October 2011 and 1 December 2011, respectively, which were approved by the NBC on 11 August 2011. These shares of Triodos – Doen were subsequently sold and transferred to MJB in 2012.

DWM Funds S.C.A

On 29 October 2008, the NBC approved the Subsidiary's subordinated debt from DWM amounting to US\$1,000,000. The Subsidiary drew down US\$400,000 in 2009 and another US\$600,000 in 2010. This subordinated debt has an eight-year term maturing on 31 October 2016 and bears gross interest at 12.7907% per annum.

On 6 January 2011, the NBC approved the Subsidiary's another subordinated debt from DWM amounting to US\$1,000,000. This subordinated debt bears gross interest rate at 11.05% per annum and matures within 7 years after the disbursement date. This subordinated debt was subsequently converted into the Subsidiary's share capital on 24 October 2011 which was approved by the NBC on 11 August 2011.

Share of DWM were subsequently sold and transferred to the Bank in 2012.

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16. PENSION AND PROVIDENT FUND OBLIGATION

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Balance at beginning of year	4,082,666	16,636,864	2,899,452	11,583,311	333,408	1,358,638	271,745	1,085,621
Contribution for the year	1,680,959	6,807,884	1,250,222	5,094,655	146,148	591,899	125,013	509,428
Interest	261,369	1,058,544	180,911	737,212	2,768	11,210	1,960	7,987
Payment to employees	(208,261)	(843,457)	(247,919)	(1,010,270)	(36,771)	(148,923)	(65,310)	(266,138)
Foreign exchange difference	-	(102,066)	-	231,956	-	(8,334)	-	21,740
Balance at end of year	5,816,733	23,557,769	4,082,666	16,636,864	445,553	1,804,490	333,408	1,358,638

17. OTHER LIABILITIES

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Accrued interest expense	6,201,959	25,117,934	3,912,025	15,941,502	709,787	2,874,637	1,086,808	4,428,743
Salary and bonus payable	1,299,653	5,263,595	957,357	3,901,230	249,150	1,009,058	203,581	829,593
Withholding and other taxes payable	453,133	1,835,189	371,544	1,514,042	47,491	192,338	50,367	205,246
Payable to related parties	84,680	342,954	69,913	284,895	84,680	342,954	69,913	284,895
Accrued professional fees	29,700	120,285	84,023	342,394	29,700	120,285	31,262	127,393
Other liabilities	635,588	2,574,131	484,653	1,974,960	149,359	604,904	229,323	934,489
	8,704,713	35,254,088	5,879,515	23,959,023	1,270,167	5,144,176	1,671,254	6,810,359

Others include unearned income, accounts payable and other accruals.

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18. PAID-UP CAPITAL

The details of the Bank's paid-up capital are as follows:

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
<i>Authorized, registered, issued and fully paid:</i>				
At beginning of year	74,000,000	299,700,000	74,000,000	301,550,000
Conversion of subordinated debt	30,000,000	121,500,000	-	-
At end of year	104,000,000	421,200,000	74,000,000	301,550,000
	Number of shares of US\$ 100 each		Amount	
	2015	2014	2015 US\$	2014 US\$
<i>Issued and fully paid by:</i>				
Maruhan Investment Asia Pte. ("MIA")	1,040,000	-	104,000,000	-
MARUHAN Corporation ("MC")	-	362,600	-	36,260,000
SONAM Co., Ltd. ("SC")	-	377,400	-	37,740,000
	1,040,000	740,000	104,000,000	74,000,000

On 24 September 2015, the Board of Directors of the Bank agreed to convert the subordinated debt with MIA amounting to US\$30.00 million for an equivalent amount of paid-up capital (equivalent to 300,000 shares) which was approved by the NBC on 31 December 2015. On the same date, the NBC also approved the transfer of entire shares from MC and SC to MIA.

The capital guarantee of 10% of registered capital is maintained with the NBC, as disclosed in Note 4.

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19. INTEREST AND SIMILAR INCOME

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Lending	88,362,030	357,866,222	55,656,789	226,801,415	7,077,435	28,663,612	6,084,767	24,795,426
Deposits	649,600	2,630,880	276,814	1,128,017	642,210	2,600,950	267,367	1,089,520
	89,011,630	360,497,102	55,933,603	227,929,432	7,719,645	31,264,562	6,352,134	25,884,946

20. INTEREST AND SIMILAR EXPENSE

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Deposits from customers	18,292,912	74,086,294	10,939,356	44,577,876	2,909,469	11,783,349	2,656,863	10,826,717
Borrowings	10,338,658	41,871,564	6,539,263	26,647,496	-	-	-	-
Subordinated debt	4,257,076	17,241,158	1,933,158	7,877,619	600,000	2,430,000	600,000	2,445,000
	32,888,646	133,199,016	19,411,777	79,102,991	3,509,469	14,213,349	3,256,863	13,271,717

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21. NET FEES AND COMMISSION INCOME

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Fees and commission income from:								
Commercial loan fees	2,173,289	8,801,820	1,448,905	5,904,288	604,264	2,447,269	453,265	1,847,055
Telex and cable charges	98,397	398,508	72,949	297,267	3,377	13,677	6,238	25,420
Loan commitment fees	50,530	204,647	24,614	100,302	50,530	204,647	24,614	100,302
Settlement services	36,077	146,112	9,578	39,030	36,077	146,112	9,578	39,030
Other fees and commission	103,699	419,981	53,431	217,732	94,191	381,473	47,227	192,450
	2,461,992	9,971,068	1,609,477	6,558,619	788,439	3,193,178	540,922	2,204,257
Fees and commission expense from:								
Borrowings	(629,747)	(2,550,475)	(341,259)	(1,390,630)	-	-	-	-
Settlement services	(30,180)	(122,229)	(6,208)	(25,298)	(30,180)	(122,229)	(6,208)	(25,298)
Net	1,802,065	7,298,364	1,262,010	5,142,691	758,259	3,070,949	534,714	2,178,959

22. OTHER OPERATING INCOME

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Foreign exchange gain (loss)	163,156	660,782	(8,427)	(34,340)	129,418	524,143	(8,427)	(34,339)
Loan recoveries	129,688	525,236	101,932	415,373	-	-	-	-
Dividend income (Note 25)	28,369	114,894	-	-	2,527,224	10,235,257	1,448,391	5,902,193
Others	(25,229)	(102,177)	(6,084)	(24,792)	(25,722)	(104,174)	(7,397)	(30,143)
	295,984	1,198,735	87,421	356,241	2,630,920	10,655,226	1,432,567	5,837,711

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23. GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Staff and other related costs	19,341,647	78,333,670	14,282,932	58,202,948	1,917,060	7,764,093	1,884,658	7,679,981
Depreciation and amortization charges	2,845,299	11,523,461	2,512,033	10,236,534	267,380	1,082,889	590,715	2,407,164
Rental	2,630,014	10,651,557	2,054,141	8,370,625	240,644	974,608	162,000	660,150
Publication, marketing and promotion expenses	1,527,292	6,185,533	1,103,230	4,495,662	127,305	515,585	157,320	641,079
Motor vehicles	555,582	2,250,107	575,766	2,346,246	29,268	118,535	33,055	134,699
Maintenance and hire of fixed assets	643,784	2,607,325	550,683	2,244,033	239,787	971,137	270,450	1,102,084
Telecommunication	597,258	2,418,895	543,858	2,216,221	128,377	519,927	150,574	613,589
Utilities	645,217	2,613,129	531,729	2,166,796	68,142	275,975	70,876	288,820
Security	379,963	1,538,850	291,476	1,187,765	33,417	135,339	30,721	125,188
Professional and other related costs	384,248	1,556,204	175,025	713,227	187,044	757,528	90,451	368,588
Materials for banking activities	58,508	236,957	50,963	207,674	58,508	236,957	50,963	207,674
Business trip	41,670	168,764	49,807	202,964	41,670	168,764	49,807	202,964
Others	2,916,190	11,810,570	1,856,068	7,563,477	456,822	1,850,130	308,198	1,255,906
	32,566,672	131,895,022	24,577,711	100,154,172	3,795,424	15,371,467	3,849,788	15,687,886

Others include Board of Directors fees, donations, dues and membership, insurance, supplies, license fees and non-capitalised fixed assets.

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24. NET CASH (USED IN) PROVIDED BY OPERATING ACTIVITIES

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Profit before income tax	23,268,889	94,239,002	12,275,473	50,022,554	2,161,758	8,755,121	810,614	3,303,252
<i>Adjustments for:</i>								
Depreciation and amortization	2,845,299	11,523,461	2,512,033	10,236,534	267,380	1,082,889	590,715	2,407,164
Loss on disposals of property and equipment	25,722	104,174	6,084	24,792	25,722	104,174	7,397	30,143
Write off of property and equipment	29,171	118,143	19,290	78,607	-	-	-	-
Tax paid during the year	(3,327,615)	(13,476,841)	(2,515,625)	(10,251,172)	(85,284)	(345,400)	(793,312)	(3,232,746)
Cash provided by operating activities before changes in net operating assets and liabilities	22,841,466	92,507,939	12,297,255	50,111,315	2,369,576	9,596,784	615,414	2,507,813
Decrease (increase) in operating assets:								
Loans and advances to customers	(175,987,755)	(712,750,408)	(112,473,788)	(458,330,686)	(15,793,285)	(63,962,804)	12,803,231	52,173,166
Statutory deposits with the NBC	(7,968,352)	(32,271,826)	(9,457,562)	(38,539,565)	(152)	(616)	(1,499,509)	(6,110,499)
Other assets	(3,788,313)	(15,342,668)	(3,231,406)	(13,167,979)	(52,686)	(213,378)	(474,363)	(1,933,029)
Increase (decrease) in operating liabilities:								
Deposits from other banks	6,976,653	28,255,445	9,538,603	38,869,807	1,065,409	4,314,906	(22,154)	(90,278)
Deposits from customers	72,161,794	292,255,266	96,698,481	394,046,310	(14,437,718)	(58,472,758)	20,457,461	83,364,154
Provident fund obligation	1,734,067	7,022,971	1,183,214	4,821,597	112,145	454,187	61,663	251,277
Other liabilities	2,823,949	11,436,993	2,003,145	8,162,816	(402,336)	(1,629,461)	553,995	2,257,530
Net cash (used in) provided by operating activities	(81,206,491)	(328,886,288)	(3,442,058)	(14,026,385)	(27,139,047)	(109,913,140)	32,495,738	132,420,134

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25. INVESTMENT IN SUBSIDIARY

On 17 December 2012, the Bank acquired the Subsidiary for US\$39.29 million and generated a goodwill in the consolidated financial statements as follow:

Purchase price	39,285,083
Fair value of net assets acquired	<u>21,905,053</u>
Goodwill	<u>17,380,030</u>

On 27 March 2014 and 15 May 2014, the NBC and MoC approved the additional capital contributions from the Bank amounting to US\$8.65 million.

The financial information of the Subsidiary as at 31 December 2015 and for the year then ended follows:

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Total assets	539,088,011	2,183,306,444	362,535,957	1,477,334,025
Total liabilities	478,268,127	1,936,985,914	318,014,285	1,295,908,211
Net profit for the year	18,940,661	76,709,677	10,569,797	43,071,922

In 2015, the Subsidiary declared dividends to the Bank amounting to US\$2.51 million (2014: US\$1.45 million).

26. COMMITMENTS AND CONTINGENCIES

(a) Lending and other commitments

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Unused portion of overdraft	11,881,363	48,119,520	5,415,575	22,068,468
Bank guarantee	37,000	149,850	-	-
	<u>11,918,363</u>	<u>48,269,370</u>	<u>5,415,575</u>	<u>22,068,468</u>

(b) Lease commitments

Details of future minimum lease payments under non-cancellable operating leases of the Group and of the Bank are as follows:

	Group			
	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Within one year	2,417,691	9,791,649	2,065,751	8,417,935
Two to five years	7,535,749	30,519,783	5,784,523	23,571,931
More than five years	3,920,686	15,878,778	2,278,605	9,285,315
	<u>13,874,126</u>	<u>56,190,210</u>	<u>10,128,879</u>	<u>41,275,181</u>

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26. COMMITMENTS AND CONTINGENCIES (continued)

(b) Lease commitments (continued)

	<i>Bank</i>			
	<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Within one year	47,400	191,970	94,500	385,088
Two to five years	43,450	175,973	-	-
	90,850	367,943	94,500	385,088

(c) Taxation contingency

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 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.

(d) Option to purchase minority interest

The Bank granted Cambodia Community Building (“CCB”), a shareholder of the Subsidiary, a put option to sell its remaining shares with the Subsidiary to the Bank. The put option may be exercised by CCB at any time during the put option period starting from the first day of the put option period to the last day of the three year term. In the event that CCB does not exercise the put option and it expires, the Bank has the right and option at any time following the expiration of the put option period to purchase all the remaining shares.

The exercise price of both the put and call option will be calculated as 2.2 times of the total book value of the shares (based on the audited book value in the previous financial year preceding the year during which the put or call option will be exercised). If CCB exercises its put option between 31 December 2015 and the expiry date of the put option period, the exercise price calculation shall be based on the audited book value of the 2015 financial year.

In case there is any additional capital injection or subordinated debts extended by the Bank to the Subsidiary, such additional capital injection or subordinated debts will be deducted for the purpose of determining the exercise price.

The option was exercised on 17 March 2016.

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27. RELATED PARTY TRANSACTIONS AND BALANCES

(i) Significant transactions of the Bank with related parties are as follows:

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Conversion from subordinated debt to equity by MIA	30,000,000	121,500,000	-	-
Interest income from the Subsidiary	818,286	3,314,058	574,715	2,341,964

Significant transactions of the Subsidiary are as follows:

Related party	Transaction	2015		2014	
		US\$	KHR'000 equivalent (Note 2.3.1)	US\$	KHR'000 equivalent (Note 2.3.1)
the Bank	Dividends declared	2,512,968	10,177,520	1,448,391	5,902,193
	Borrowing	-	-	500,000	2,037,500
	Subordinated debt	-	-	4,000,000	16,300,000
	Repayments of borrowing	192,160	778,248	642,160	2,616,802
	Interest expense	817,799	3,312,088	494,337	2,014,423
	Deposit	1,414,381	5,728,243	548,464	2,234,991
Board of Directors	Remuneration	353,000	1,429,650	291,936	1,189,639
	Fee and related expenses	133,863	542,145	77,176	314,491

(ii) Amounts due to and due from related parties of the Bank are as follows:

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
<i>Deposits from related parties</i>				
MC MARUHAN (Cambodia) Corporation	19,605,651	79,402,887	19,479,853	79,380,401
MIA	3,361,922	13,615,784	4,716,689	19,220,508
Sathapana Limited	668,252	2,706,421	304,104	1,239,224
Key management	348,265	1,410,473	150,822	614,600
	1,164,977	4,718,157	22,419,672	91,360,163
	25,149,067	101,853,722	47,071,140	191,814,896

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27. RELATED PARTY TRANSACTIONS AND BALANCES (continued)

Amounts due to and due from related parties of the Bank are as follows (continued):

	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
<i>Subordinated debt</i>				
MIA	-	-	30,000,000	122,250,000
<i>Loans to related parties</i>				
Subsidiary	8,442,155	34,190,728	8,634,315	35,184,834
Key management	67,980	275,319	81,923	333,836
Accrued interest receivable from Subsidiary	70,681	286,258	-	-
	8,580,816	34,752,305	8,716,238	35,518,670

Amounts due to and due from related parties of the Subsidiary are as follows:

Related party	Transaction	2015		2014	
		US\$	KHR'000 equivalent (Note 2.3.1)	US\$	KHR'000 equivalent (Note 2.3.1)
the Bank	Borrowing	442,155	1,790,728	634,315	2,584,834
	Subordinated debt	8,000,000	32,400,000	8,000,000	32,600,000
	Deposit	2,735,661	11,079,427	1,321,280	5,384,215
MIA	Subordinated debt	5,000,000	20,250,000	5,000,000	20,375,000
Senior management	Deposit	562,772	2,279,227	356,309	1,451,958
	Loan	1,193,934	4,835,433	684,188	2,788,064

(iii) Key management personnel compensation

The details of remuneration of members of key management of the Group and the Bank are as follows:

	Group			
	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Salary and other benefits	731,621	2,963,065	887,049	3,614,725
	Bank			
	2015		2014	
	US\$	KHR'000 equivalent (Note 2.1)	US\$	KHR'000 equivalent (Note 2.1)
Salary and other benefits	378,621	1,533,415	595,113	2,425,085

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28. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: credit risk, market risk (including currency risk, interest rate risk and price risk), and liquidity risk. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business.

The Group does not use derivative financial instruments such as foreign exchange contract and interest rate swaps to manage its risk exposure.

A primary objective of the Group in risk management is to comply with NBC's regulations. On the other hand, the Group has recognized the importance of achieving international best practices on risk management. The Board of Directors has established an Asset and Liability Management Committee ("ALMC") for the Bank to formulate broad parameters of acceptable risk and monitor the activities against these parameters.

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28. FINANCIAL RISK MANAGEMENT (continued)

The Group and the Bank hold the following financial assets and liabilities:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Financial assets								
Cash on hand	17,613,309	71,333,901	10,210,384	41,607,315	3,563,175	14,430,859	3,240,653	13,205,661
Balances with the NBC	21,932,146	88,825,192	46,996,375	191,510,228	16,146,456	65,393,147	35,711,913	145,526,045
Balances with other banks and local MFIs	16,083,950	65,139,998	15,866,073	64,654,247	9,170,496	37,140,509	9,707,176	39,556,742
Placements with other banks and local MFIs	9,589,778	38,838,601	17,588,210	71,671,956	11,471,834	46,460,928	18,909,242	77,055,161
Loans and advances to customers	546,710,543	2,214,177,699	370,722,788	1,510,695,361	84,815,441	343,502,536	69,022,156	281,265,286
Other assets	7,292,986	29,536,593	5,820,024	23,716,598	1,814,905	7,350,365	2,101,622	8,564,110
Total financial assets	619,222,712	2,507,851,984	467,203,854	1,903,855,705	126,982,307	514,278,344	138,692,762	565,173,005
Financial liabilities								
Deposits from other banks	22,399,475	90,717,874	15,422,822	62,848,000	8,691,354	35,199,984	7,625,945	31,075,726
Deposits from customers	325,997,499	1,320,289,871	253,835,705	1,034,380,498	82,570,698	334,411,327	97,008,416	395,309,295
Borrowings	160,425,396	649,722,854	115,530,220	470,785,647	-	-	-	-
Subordinated debts	32,313,217	130,868,529	47,313,217	192,801,359	-	-	30,000,000	122,250,000
Other liabilities	6,951,927	28,155,304	4,550,614	18,543,751	973,526	3,942,780	1,417,306	5,775,520
Total financial liabilities	548,087,514	2,219,754,432	436,652,578	1,779,359,255	92,235,578	373,554,091	136,051,667	554,410,541
Net financial assets	71,135,198	288,097,552	30,551,276	124,496,450	34,746,729	140,724,253	2,641,095	10,762,464

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk

The Group takes on exposure to credit risk, which is the risk that counterparty will cause a financial loss to the Group by failing to discharge an obligation. Credit risk is the most important risk for the Group's business. Credit exposure arises principally in lending activities that lead to loans and advances. There is also credit risk in off-balance sheet financial instruments, such as loan commitments. The credit risk management is carried out by the Group's local credit committee.

(a) Credit risk measurement

The Group assesses the probability of default of individual counterparties using internal rating tool. Local credit committee is responsible for determining the risk rating for each borrower.

Risk ratings are reviewed and updated at least annually, and in events of (i) change of loan terms and conditions including extension; (ii) repayment irregularities or delinquencies and (iii) adverse information relating to the borrower or transaction.

(b) Risk limit control and mitigation policies

The Bank operates and provides loans and advances to individuals or enterprises within the Kingdom of Cambodia. The Bank manages, limits and controls the concentration of credit risk whenever it is identified. Large exposure is defined by the NBC as overall credit exposure to any individual beneficiary which exceeds 10% of the Bank's net worth.

The Bank is required, under the conditions of Prakas No. B7-06-226 of the NBC, to maintain at all times a maximum ratio of 20% between the Bank's overall credit exposure to any single beneficiary and the Bank's net worth. The aggregate of large credit exposure must not exceed 300% of the Bank's net worth.

The Bank employs a range of policies and practices to mitigate credit risk. The most traditional of these is the taking of security in the form of collateral for loans and advances to customers, which is common practice. The Bank implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types to secure for loans and advances to customers are:

- Mortgages over residential properties (land, building and other properties);
- Charges over business assets such as land and buildings; and
- Cash in the form of margin deposits.

(c) Impairment and provisioning policies

The Group is required to follow the mandatory credit classification and provisioning in accordance with the relevant Prakas as disclosed in Note 2.3.8.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

(d) Maximum exposure to credit risk before collateral held or other credit enhancements

Maximum exposure to credit risk before collateral held or other credit enhancements follows:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Balances with the NBC	21,932,146	88,825,192	46,996,375	191,510,228	16,146,456	65,393,147	35,711,913	145,526,045
Balances with other banks and local MFIs	16,083,950	65,139,998	15,866,073	64,654,247	9,170,496	37,140,509	9,707,176	39,556,742
Placements with other banks and local MFIs	9,589,778	38,838,601	17,588,210	71,671,956	11,471,834	46,460,928	18,909,242	77,055,161
Loans and advances to customer	546,710,543	2,214,177,699	370,722,788	1,510,695,361	84,815,441	343,502,536	69,022,156	281,265,286
Other assets	7,292,986	29,536,593	5,820,024	23,716,598	1,814,905	7,350,365	2,101,622	8,564,110
	601,609,403	2,436,518,083	456,993,470	1,862,248,390	123,419,132	499,847,485	135,452,109	551,967,344

The credit exposure amounts arising from off balance sheet items are disclosed in Note 26 on Commitments and contingencies.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

(e) Concentration of risks of financial assets with credit risk exposure

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location.

The Group monitors concentration of credit risk of counterparty by industry. An analysis of concentration of the Group and the Bank's credit risk as at the balance sheet date is shown below:

	<i>Group</i>					
	<i>2015</i>					
	<i>Balances with the NBC US\$</i>	<i>Balances with other banks and local MFIs US\$</i>	<i>Placements with other banks and local MFIs US\$</i>	<i>Loans and advances to customers US\$</i>	<i>Other assets US\$</i>	<i>Total US\$</i>
Financial intermediaries	21,932,146	16,083,950	9,589,778	15,260,982	8,547,771	71,414,627
Manufacturing	-	-	-	1,156,865	-	1,156,865
Others - community, social and personal activities	-	-	-	533,684,386	-	533,684,386
	21,932,146	16,083,950	9,589,778	550,102,233	8,547,771	606,255,878
Less allowance for losses on loans and advances	-	-	-	(3,391,690)	(1,254,785)	(4,646,475)
	21,932,146	16,083,950	9,589,778	546,710,543	7,292,986	601,609,403
<i>Equivalent in KHR'000 (Note 2.1)</i>	88,825,192	65,139,998	38,838,601	2,214,177,699	29,536,593	2,436,518,083

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

(e) Concentration of risks of financial assets with credit risk exposure (continued)

	Group					
	2014					
	<i>Balances with the NBC US\$</i>	<i>Balances with other banks and local MFIs US\$</i>	<i>Placements with other banks and local MFIs US\$</i>	<i>Loans and advances to customers US\$</i>	<i>Other assets US\$</i>	<i>Total US\$</i>
Financial intermediaries	46,996,375	15,866,073	17,588,210	15,437,843	5,820,024	101,708,525
Manufacturing	-	-	-	231,007	-	231,007
Others - community, social and personal activities	-	-	-	357,479,056	-	357,479,056
	46,996,375	15,866,073	17,588,210	373,147,906	5,820,024	459,418,588
Less allowance for losses on loans and advances	-	-	-	(2,425,118)	-	(2,425,118)
	46,996,375	15,866,073	17,588,210	370,722,788	5,820,024	456,993,470
<i>Equivalent in KHR'000 (Note 2.1)</i>	191,510,228	64,654,247	71,671,956	1,510,695,361	23,571,097	1,862,102,889

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28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

(e) Concentration of risks of financial assets with credit risk exposure (continued)

	<i>Bank</i>					<i>Total US\$</i>
	<i>2015</i>					
	<i>Balances with the NBC US\$</i>	<i>Balances with other banks and local MFIs US\$</i>	<i>Placements with other banks and local MFIs US\$</i>	<i>Loans and advances to customers US\$</i>	<i>Other assets US\$</i>	
Financial intermediaries	16,146,456	9,170,496	11,471,834	15,260,982	3,069,690	55,119,458
Manufacturing	-	-	-	1,156,865	-	1,156,865
Others - community, social and personal activities	-	-	-	70,106,095	-	70,106,095
	16,146,456	9,170,496	11,471,834	86,523,942	3,069,690	126,382,418
Less allowance for losses on loans and advances				(1,708,501)	(1,254,785)	(2,963,286)
	16,146,456	9,170,496	11,471,834	84,815,441	1,814,905	123,419,132
<i>Equivalent in KHR'000 (Note 2.1)</i>	65,393,147	37,140,509	46,460,928	343,502,536	7,350,365	499,847,485

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

(e) Concentration of risks of financial assets with credit risk exposure (continued)

	<i>Bank</i>					
	<i>2014</i>					
	<i>Balances with the NBC US\$</i>	<i>Balances with other banks and local MFIs US\$</i>	<i>Placements with other banks and local MFIs US\$</i>	<i>Loans and advances to customers US\$</i>	<i>Other assets US\$</i>	<i>Total US\$</i>
Financial intermediaries	35,711,913	9,707,176	18,909,242	15,437,843	2,101,622	81,867,796
Manufacturing	-	-	-	231,007	-	231,007
Others - community, social and personal activities	-	-	-	54,674,419	-	54,674,419
	<u>35,711,913</u>	<u>9,707,176</u>	<u>18,909,242</u>	<u>70,343,269</u>	<u>2,101,622</u>	<u>136,773,222</u>
Less allowance for losses on loans and advances	-	-	-	(1,321,113)	-	(1,321,113)
	<u>35,711,913</u>	<u>9,707,176</u>	<u>18,909,242</u>	<u>69,022,156</u>	<u>2,101,622</u>	<u>135,452,109</u>
<i>Equivalent in KHR'000 (Note 2.1)</i>	<u>145,526,045</u>	<u>39,556,742</u>	<u>77,055,161</u>	<u>281,265,286</u>	<u>8,564,110</u>	<u>551,967,344</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

(f) Loans and advances to customers

Loans and advances to customers are summarized as follows:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Neither past due nor impaired	537,458,622	2,176,707,419	372,041,803	1,516,070,347	74,620,964	302,214,904	69,719,348	284,106,343
Past due but not impaired	11,279,057	45,680,181	-	-	11,279,057	45,680,181	-	-
Individually impaired	1,364,554	5,526,444	1,106,103	4,507,370	623,921	2,526,880	623,921	2,542,478
Total loans and advances to customers - gross	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Less allowance for losses on loans and advances	(3,391,690)	(13,736,345)	(2,425,118)	(9,882,356)	(1,708,501)	(6,919,429)	(1,321,113)	(5,383,535)
Loans and advances to customers - net	546,710,543	2,214,177,699	370,722,788	1,510,695,361	84,815,441	343,502,536	69,022,156	281,265,286

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

	<i>Group</i>					
	<i>2015</i>					
	<i>Neither past due nor impaired</i>					
	<i>High grade US\$</i>	<i>Standard grade US\$</i>	<i>Substandard grade US\$</i>	<i>Past due but not impaired US\$</i>	<i>Past due or impaired US\$</i>	<i>Total US\$</i>
Balances with the NBC	21,932,146	-	-	-	-	21,932,146
Balances with other banks and local MFIs	-	16,083,950	-	-	-	16,083,950
Placements with other banks and local MFIs	-	9,589,778	-	-	-	9,589,778
Loans and advances to customers	-	537,458,622	-	11,279,057	1,364,554	550,102,233
Other assets	-	8,547,771	-	-	-	8,547,771
	21,932,146	571,680,121	-	11,279,057	1,364,554	606,255,878
Less allowance for losses on loans and advances and impairment of other assets	-	2,943,551	-	338,370	1,364,554	4,646,475
	21,932,146	568,636,570	-	10,940,687	-	601,509,403
<i>Equivalent in KHR'000 (Note 2.1)</i>	88,825,191	2,302,978,110	-	44,309,782	-	2,436,113,083

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

	<i>Group</i>					
	<i>2014</i>					
	<i>Neither past due nor impaired</i>					
	<i>High grade US\$</i>	<i>Standard grade US\$</i>	<i>Substandard grade US\$</i>	<i>Past due but not impaired US\$</i>	<i>Past due or impaired US\$</i>	<i>Total US\$</i>
Balances with the NBC	46,996,375	-	-	-	-	46,996,375
Balances with other banks and local MFIs	-	15,866,073	-	-	-	15,866,073
Placements with other banks and local MFIs	-	17,588,210	-	-	-	17,588,210
Loans and advances to customers	-	372,041,803	-	-	1,106,103	373,147,906
Other assets	-	5,820,024	-	-	-	5,820,024
	46,996,375	411,316,110	-	-	1,106,103	459,418,588
Less allowance for losses on loans and advances	-	(1,319,015)	-	-	(1,106,103)	(2,425,118)
	46,996,375	409,997,095	-	-	-	456,993,470
<i>Equivalent in KHR'000</i> (Note 2.1)	191,510,228	1,670,738,162	-	-	-	1,862,248,390

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

	<i>Bank</i>					
	<i>2015</i>					
	<i>Neither past due nor impaired</i>			<i>Past due but not impaired</i>	<i>Past due or impaired</i>	<i>Total</i>
<i>High grade</i>	<i>Standard grade</i>	<i>Substandard grade</i>	<i>US\$</i>			
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Balances with the NBC	16,146,456	-	-	-	-	16,146,456
Balances with other banks and local MFIs	-	9,170,496	-	-	-	9,170,496
Placements with other banks and local MFIs	-	11,471,834	-	-	-	11,471,834
Loans and advances to customers	-	74,620,964	-	11,279,057	623,921	86,523,942
Other assets :	-	3,069,690	-	-	-	3,069,690
	<u>16,146,456</u>	<u>98,332,984</u>	<u>-</u>	<u>11,279,057</u>	<u>623,921</u>	<u>126,382,418</u>
Less allowance for losses on loans and advances and impairment of other assets	-	2,000,995	-	338,370	623,921	2,963,286
	<u>16,146,456</u>	<u>96,331,989</u>	<u>-</u>	<u>10,940,687</u>	<u>-</u>	<u>123,419,132</u>
<i>Equivalent in KHR'000 (Note 2.1)</i>	<u>65,393,147</u>	<u>390,144,556</u>	<u>-</u>	<u>44,309,782</u>	<u>-</u>	<u>499,847,485</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

28. FINANCIAL RISK MANAGEMENT (continued)

28.1 Credit risk (continued)

	<i>Bank</i>					
	<i>2014</i>					
	<i>Neither past due nor impaired</i>					
	<i>High grade US\$</i>	<i>Standard grade US\$</i>	<i>Substandard grade US\$</i>	<i>Past due but not impaired US\$</i>	<i>Past due or impaired US\$</i>	<i>Total US\$</i>
Balances with the NBC	35,711,913	-	-	-	-	35,711,913
Balances with other banks and local MFIs	-	9,707,176	-	-	-	9,707,176
Placements with other banks and local MFIs	-	18,909,242	-	-	-	18,909,242
Loans and advances to customers	-	69,719,348	-	-	623,921	70,343,269
Other assets	-	2,101,622	-	-	-	2,101,622
	35,711,913	100,437,388	-	-	623,921	136,773,222
Less allowance for losses on loans and advances	-	(697,192)	-	-	(623,921)	(1,321,113)
	35,711,913	99,740,196	-	-	-	135,452,109
<i>Equivalent in KHR'000 (Note 2.1)</i>	145,526,045	406,441,299	-	-	-	551,967,344

The Group holds collateral against loans and advances to customers in the form of real estate and chattel mortgages, guarantees, and other registered securities over assets. Estimates of fair value are based on the value of collateral assessed at the time of borrowing.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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28. FINANCIAL RISK MANAGEMENT (continued)

28.2 Market risk

The Group takes on exposure to market risk, which is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market prices. Market risk arises from open positions in interest rates, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, credit spreads, foreign exchange rates and equity prices.

The Group does not use derivative financial instruments such as foreign exchange contract and interest rate swaps to hedge its risk exposure.

(i) Foreign exchange risk

The Group operates in the Kingdom of Cambodia and transacts in many currencies, and is exposed to various currency risks, primarily with respect to KHR, US\$, JPY, CNY, EUR, THB, GBP and AUD.

Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Bank's functional currency.

The Group has set limits on positions by currency, based on its internal risk assessment system and the NBC's regulations. Positions are monitored on a daily basis to ensure positions are maintained within the established limits.

As at 31 December 2015, balances in monetary assets and liabilities denominated in currencies other than US\$ are not significant. Therefore, no sensitivity analysis for foreign currency exchange risk was presented.

(ii) Price risk

The Group is not exposed to security price risk because it does not hold any investment classified on the balance sheet either as available for sale or at fair value through profit or loss. The Group currently does not have a policy to manage its price risk.

(iii) Interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. Interest margins may increase as a result of changes but may reduce losses in the event that unexpected movements arise. The management of the Group at this stage does not have a policy to set limits on the level of mismatch of interest rate re-pricing that may be undertaken; however, management regularly monitors the mismatch.

Interest rate risk arises from the possibility that changes in interest rates will affect future profitability or the fair values of financial instruments. The Group is exposed to interest rate risk as a result of mismatches of interest rate re-pricing of assets and liabilities. The Group manages this risk by matching the re-pricing of assets and liabilities through risk management strategies.

The Group has no financial assets and liabilities with floating interest rates. Balances with the NBC and with other banks, placements with local MFIs, and loans and advances earn fixed interest rates for the period of the deposits and deposits by banks and from customers have fixed interest rates.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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28. FINANCIAL RISK MANAGEMENT (continued)

28.3 *Liquidity risk*

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due and to replace funds when they are withdrawn. The consequence of this may be the failure to meet obligations to repay depositors and fulfill commitments to lend.

The Group's management monitors balance sheet liquidity and manages the concentration and profile of debt maturities. Monitoring and reporting take the form of the daily cash position and projection for the next day, week and month respectively, as these are key periods for liquidity management. Management monitors the movement of the main depositors and projection of their withdrawals.

Note 29 summarizes the financial assets and liabilities of the Group by relevant maturity based on the remaining period at the balance sheet date to the contractual or estimated maturity dates.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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28. FINANCIAL RISK MANAGEMENT (continued)

28.4 Capital management

The primary objectives of the Group's capital management are to ensure that it complies with externally imposed capital requirements and it maintains strong financial position and healthy capital ratios to support its business and to maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital structure, or issue capital securities. No changes were made in the objectives, policies and processes from previous years.

As at 31 December 2015, the Group is compliant with the solvency ratio prescribed by the NBC at 15%, as shown in the table below:

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>	<i>US\$</i>	<i>KHR'000 equivalent (Note 2.1)</i>
Tier I capital	113,232,735	458,592,577	65,522,175	267,002,864	95,514,064	386,831,960	63,266,154	257,809,577
Tier II capital	34,001,983	137,708,031	34,130,061	139,079,997	(47,193,473)	(191,133,566)	(17,242,491)	(70,263,151)
Net worth	147,234,718	596,300,608	99,652,236	406,082,861	48,320,591	195,698,394	46,023,663	187,546,426
Total risk-weighted assets	593,246,045	2,402,646,484	419,517,839	1,709,535,194	99,922,726	404,687,041	92,088,388	375,260,181
Solvency ratio	24.82%	24.82%	23.75%	23.75%	48.36%	48.36%	49.98%	49.98%

Net worth and risk-weighted assets are computed based on NBC regulations. Management believes the Group and the Bank has complied with all externally imposed capital requirements.

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as at 31 December 2015 and for the year then ended

29. LIQUIDITY RISK

Maturity profile of the Group and the Bank's financial assets and liabilities based on the remaining periods to repayment date is as follows.

	<i>Group</i>							<i>Total US\$</i>
	<i>Up to 1 month US\$</i>	<i>1 – 3 months US\$</i>	<i>3 – 6 months US\$</i>	<i>6 – 12 months US\$</i>	<i>1 to 5 years US\$</i>	<i>Over 5 years US\$</i>	<i>No fixed maturity date US\$</i>	
31 December 2015								
Financial assets								
Cash on hand	17,613,309	-	-	-	-	-	-	17,613,309
Balances with the NBC	21,932,146	-	-	-	-	-	-	21,932,146
Balances with other banks and local MFIs	16,083,950	-	-	-	-	-	-	16,083,950
Placements with other local banks and MFIs	-	2,139,778	7,450,000	-	-	-	-	9,589,778
Loans and advances to customers	23,800,607	43,821,585	2,722,866	154,244,313	299,980,099	23,087,578	-	547,657,048
Other assets	7,192,986	-	-	-	-	-	100,000	7,292,986
Total financial assets	86,622,998	45,961,363	10,172,866	154,244,313	299,980,099	23,087,578	100,000	620,169,217
Financial liabilities								
Deposits from other banks	6,643,475	1,400,000	7,556,000	6,800,000	-	-	-	22,399,475
Deposits from customers	116,289,904	52,787,404	48,691,634	101,218,815	6,839,742	170,000	-	325,997,499
Borrowings	2,080,353	9,491,014	-	43,127,772	105,726,257	-	-	160,425,396
Subordinated debts	-	-	-	1,000,000	6,313,217	25,000,000	-	32,313,217
Other liabilities	5,150,879	1,402,322	-	398,726	-	-	-	6,951,927
Total financial liabilities	130,164,611	65,080,740	56,247,634	152,545,313	118,879,216	25,170,000	-	548,087,514
Net liquidity surplus (gap) - US\$	(43,541,613)	(19,119,377)	(46,074,768)	1,699,000	181,100,883	(2,082,422)	100,000	72,081,703
<i>Equivalent In KHR'000 (Note 2.1)</i>	(176,343,533)	(77,433,477)	(186,602,810)	6,880,950	733,458,576	(8,433,809)	405,000	291,930,897

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

29. LIQUIDITY RISK (continued)

	<i>Group</i>							<i>Total US\$</i>
	<i>Up to 1 month US\$</i>	<i>1 – 3 months US\$</i>	<i>3 – 6 months US\$</i>	<i>6 – 12 months US\$</i>	<i>1 to 5 years US\$</i>	<i>Over 5 years US\$</i>	<i>No fixed maturity date US\$</i>	
31 December 2014								
Financial assets								
Cash on hand	10,210,384	-	-	-	-	-	-	10,210,384
Balances with the NBC	46,996,375	-	-	-	-	-	-	46,996,375
Balances with other banks and local MFIs	15,866,073	-	-	-	-	-	-	15,866,073
Placements with other local banks and MFIs	-	4,063,063	2,525,147	11,000,000	-	-	-	17,588,210
Loans and advances to customers	11,686,749	32,652,423	46,393,977	72,157,306	180,871,047	26,915,875	-	370,677,377
Other assets	5,670,024	-	-	-	-	-	150,000	5,820,024
Total financial assets	90,429,605	36,715,486	48,919,124	83,157,306	180,871,047	26,915,875	150,000	467,158,443
Financial liabilities								
Deposits from other banks	2,321,058	701,764	5,100,000	7,300,000	-	-	-	15,422,822
Deposits from customers	82,264,782	31,820,897	29,003,383	110,050,844	695,799	-	-	253,835,705
Borrowings	1,119,915	7,934,857	12,826,262	19,861,559	71,449,053	2,338,574	-	115,530,220
Subordinated debts	-	156,315	574,153	847,595	23,428,150	22,307,004	-	47,313,217
Other liabilities	2,425,061	1,833,602	25,296	228,155	38,500	-	-	4,550,614
Total financial liabilities	88,130,816	42,447,435	47,529,094	138,288,153	95,611,502	24,645,578	-	436,652,578
Net liquidity surplus (gap) - US\$	2,298,789	(5,731,949)	1,390,030	(55,130,847)	85,259,545	2,270,297	150,000	30,505,865
Equivalent In KHR'000 <i>(Note 2.1)</i>	9,367,565	(23,357,692)	5,664,372	(224,658,202)	347,432,646	9,251,460	611,250	124,311,399

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

29. LIQUIDITY RISK (continued)

	<i>Bank</i>							<i>Total US\$</i>
	<i>Up to 1 month US\$</i>	<i>1 – 3 months US\$</i>	<i>3 – 6 months US\$</i>	<i>6 – 12 months US\$</i>	<i>1 to 5 years US\$</i>	<i>Over 5 years US\$</i>	<i>No fixed maturity date US\$</i>	
31 December 2015								
Financial assets								
Cash on hand	3,563,175	-	-	-	-	-	-	3,563,175
Balances with the NBC	16,146,456	-	-	-	-	-	-	16,146,456
Balances with other banks and local MFIs	9,170,496	-	-	-	-	-	-	9,170,496
Placements with other local banks and MFIs	-	2,139,778	8,475,000	857,056	-	-	-	11,471,834
Loans and advances to customers	7,862,182	968,757	905,355	5,028,114	38,523,015	31,528,018	-	84,815,441
Other assets	1,739,905	-	-	-	-	-	75,000	1,814,905
Total financial assets	38,482,214	3,108,535	9,380,355	5,885,170	38,523,015	31,528,018	75,000	126,982,307
Financial liabilities								
Deposits from other banks	3,691,354	-	-	5,000,000	-	-	-	8,691,354
Deposits from customers	39,912,657	1,683,340	1,797,100	33,727,859	5,279,742	170,000	-	82,570,698
Other liabilities	709,787	263,739	-	-	-	-	-	973,526
Total financial liabilities	44,313,798	1,947,079	1,797,100	38,727,859	5,279,742	170,000	-	92,235,578
Net liquidity surplus (gap)	(5,831,584)	1,161,456	7,583,255	(32,842,689)	33,243,273	31,358,018	75,000	34,746,729
Equivalent In KHR'000 <i>(Note 2.1)</i>	(23,617,915)	4,703,897	30,712,183	(133,012,890)	134,635,256	126,999,973	303,750	140,724,254

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

29. LIQUIDITY RISK (continued)

	<i>Bank</i>							<i>Total US\$</i>
	<i>Up to 1 month US\$</i>	<i>1 – 3 months US\$</i>	<i>3 – 6 months US\$</i>	<i>6 – 12 months US\$</i>	<i>1 to 5 years US\$</i>	<i>Over 5 years US\$</i>	<i>No fixed maturity date US\$</i>	
31 December 2014								
Financial assets								
Cash on hand	3,240,653	-	-	-	-	-	-	3,240,653
Balances with the NBC	35,711,913	-	-	-	-	-	-	35,711,913
Balances with other banks and local MFIs	9,707,176	-	-	-	-	-	-	9,707,176
Placements with other local banks and MFIs	-	5,069,095	2,525,147	11,315,000	-	-	-	18,909,242
Loans and advances to customers	15,323	2,154,802	3,932,743	4,281,880	23,721,533	34,915,875	-	69,022,156
Other assets	1,976,622	-	-	-	-	-	125,000	2,101,622
Total financial assets	50,651,687	7,223,897	6,457,890	15,596,880	23,721,533	34,915,875	125,000	138,692,762
Financial liabilities								
Deposits from other banks	625,945	-	2,000,000	5,000,000	-	-	-	7,625,945
Deposits from customers	44,037,825	1,920,909	3,494,374	47,555,308	-	-	-	97,008,416
Subordinated debts	-	-	-	-	12,000,000	18,000,000	-	30,000,000
Other liabilities	1,086,808	330,498	-	-	-	-	-	1,417,306
Total financial liabilities	45,750,578	2,251,407	5,494,374	52,555,308	12,000,000	18,000,000	-	136,051,667
Net liquidity surplus (gap)	4,901,109	4,972,490	963,516	(36,958,428)	11,721,533	16,915,875	125,000	2,641,095
Equivalent In KHR'000 <i>(Note 2.1)</i>	19,972,019	20,262,897	3,926,328	(150,605,594)	47,765,247	68,932,191	509,375	10,762,463

MARUHAN Japan Bank Plc.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2015 and for the year then ended

30. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Fair value represents the amount at which an asset could be exchanged or a liability settled on an arms-length basis. As verifiable market prices are not available, market prices are not available for a significant proportion of the Group's financial assets and liabilities. Fair values, therefore, have been based on management assumptions according to the profile of the asset and liability base. In the opinion of the management, the carrying amounts of the financial assets and liabilities included in the balance sheet are a reasonable estimation of their fair values. In making this assessment, the management assumes that loans and advances are mainly held to maturity with fair values equal to the book value of loans adjusted for provision for loan losses, if any.


The aggregate fair values of financial assets and liabilities carried on the balance sheet are approximately equal to their carrying values, except for loans and advances which take into consideration the mandatory and specific provisioning required by NBC as disclosed in Notes 2.3.7 and 2.3.8.


31. SUBSEQUENT EVENTS

Other than as disclosed elsewhere in these financial statements, at the date of this report, there were no other events, which occurred subsequent to 31 December 2015 that had significant impact on the financial position of the Group and of the Bank as at 31 December 2015.

32. EXCHANGE RATES OF US\$ AND APPLICABLE FC AGAINST KHMER RIEL AT YEAR END

	2015 KHR	2014 KHR
GBP	6,030	6,374
EUR	4,451	4,980
US\$	4,050	4,075
CNY	627	660.50
AU\$	2,934.50	3,326.50
SG\$	2,877.50	3,098.50
THB	112.50	124.50
JPY	33	34


Prepared by:
HOR, Sarom - Head of Finance


Approved by:
YABE, Yoshikazu - General Manager

Phnom Penh, Kingdom of Cambodia

17 March 2016

FOR USE BY THE NATIONAL BANK OF CAMBODIA ONLY

**Supplementary financial information and other disclosures required by the
National Bank of Cambodia**

Ratio and information contained in this section have been extracted from the data and information contained in the audited financial statements as at 31 December 2015 and for the year then ended.

MARUHAN Japan Bank Plc.

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MARUHAN Japan Bank Plc.

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY
THE NATIONAL BANK OF CAMBODIA
as at 31 December 2014 and for the year then ended

STATEMENT BY DIRECTORS

I, the undersigned, being Chairman of MARUHAN Japan Bank Plc ("the Bank"), do hereby state that in our opinion, the accompanying supplementary financial information consisting of the disclosure requirements set by the relevant Prakas of the National Bank of Cambodia, are properly drawn up so as to reflect fairly the required financial information of the Group and the Bank as at 31 December 2015. Information and data contained herein are the responsibility of the Group's management.



HAN, Chang-Woo
Chairman

Phnom Penh, Kingdom of Cambodia

17 March 2016

MARUHAN Japan Bank Plc.

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY
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LIMITATIONS

This supplementary financial information is prepared by the management of the Group, solely for the use of the NBC. It is not to be used for any other purpose without the written consent of the directors or management of the Group.

The computations in the supplementary financial information according to the definitions of the relevant Prakas and applicable notices set out in the respective schedules form an integral part of, and should be read, in conjunction with the supplementary financial information.

For the purpose of this supplementary financial information, unless otherwise stated, United States dollar (US\$) is the reporting currency. The translation of US\$ amounts into Khmer Riel ("KHR") is included solely to comply with the guidelines issued by the NBC regarding the preparation and presentation of financial statements and have been made using the prescribed official exchange rate of US\$1 to KHR4,050 published by the NBC as at 31 December 2015 (2014: KHR4,075:US\$1). This translation should not be construed as a representation that the US\$ amounts have been, could have been, or could in the future be, converted into KHR at this or any other rate of exchange.

MARUHAN Japan Bank Plc.

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY
THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2015 and for the year then ended

NET WORTH

On 15 October 2010, the National Bank of Cambodia (“NBC”) issued Prakas B7-010-182 or the Prakas on calculation of Bank’s net worth. The new regulatory calculation aims at adopting the international standards related to the regulatory capital structure, by operating a distinction between core capital (“Tier 1”) and complementary capital (“Tier 2”).

Presented on the next page is the net worth computation of the Group and the Bank applying the provisions of the above Prakas.

MARUHAN Japan Bank Plc.

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY
THE NATIONAL BANK OF CAMBODIA (continued)
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NET WORTH (continued)

	<i>Group</i>			
	<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent</i>	<i>US\$</i>	<i>KHR'000 equivalent</i>
Section A				
Paid-in capital	104,000,000	421,200,000	74,000,000	301,550,000
Reserves (other than revaluation reserves)	-	-	-	-
Share premiums	-	-	-	-
Retained earnings	9,541,381	38,642,593	462,076	1,882,960
Other items approved by NBC	-	-	-	-
Audited net profit (last financial year)	17,434,361	70,609,163	9,079,305	36,998,168
Subtotal A	130,975,742	530,451,756	83,541,381	340,431,128
Limit check on retained earnings <i>(maximum 20% of Section A)</i>	7.00%	7.00%	1.00%	1.00%
Section B				
Own shares held (at Book Value)	-	-	-	-
Accumulated losses	-	-	-	-
Software	294,997	1,194,738	557,253	2,270,806
Goodwill	17,380,030	70,389,122	17,380,030	70,823,622
Shareholders, directors, and any other related parties				
1. Unpaid portions of capital (a)	-	-	-	-
2. Loans, overdrafts and other advances (b)	67,980	275,319	81,923	333,836
3. Debt instruments held bearing signature of shareholders, directors, related parties (c)	-	-	-	-
Loss determined on dates other than year end	-	-	-	-
Subtotal B	17,743,007	71,859,179	18,019,206	73,428,264
Total Tier 1 - Core Capital (A – B)	113,232,735	458,592,577	65,522,175	267,002,864
Section C				
Revaluation reserves (NBC's approval ref.)	-	-	-	-
Provision for general banking risks (NBC's approval ref.)	-	-	-	-
1% General provision	1,688,766	6,839,502	1,368,973	5,578,565
Subordinated debts approved by NBC	32,313,217	130,868,529	32,761,088	133,501,432
Other items with the prior approval by the NBC	-	-	-	-
Sub Total C	34,001,983	137,708,031	34,130,061	139,079,997
Limit check on subordinated debt <i>(max. 50% of Tier 1 Capital)</i>	28.54%	28.54%	50.00%	50.00%
Section D				
Less:				
Equity participation in banking or financial institutions, including securities companies, at their book value	-	-	-	-
Other items to be deducted (deferred charge)	-	-	-	-
Sub Total D	=	=	=	=
Total Tier 2 - Complementary capital (C – D)	34,001,983	137,708,031	34,130,061	139,079,997
Limit check on Tier 2 capital <i>(maximum of 100% of Tier 1 capital)</i>	30.03%	30.03%	52.09%	52.09%
Net worth (A - B + C - D)	147,234,718	596,300,608	99,652,236	406,082,861

MARUHAN Japan Bank Plc.

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY
THE NATIONAL BANK OF CAMBODIA (continued)
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NET WORTH (continued)

	<i>Bank</i>			
	<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent</i>	<i>US\$</i>	<i>KHR'000 equivalent</i>
Section A				
Paid-in capital	104,000,000	421,200,000	74,000,000	301,550,000
Reserves (other than revaluation reserves)	-	-	-	-
Share premiums	-	-	-	-
Retained earnings	-	-	-	-
Other items approved by NBC	-	-	-	-
Audited net profit (last financial year)	1,978,456	8,012,748	785,136	3,199,429
Subtotal A	105,978,456	429,212,748	74,785,136	304,749,429
Limit check on retained earnings <i>(maximum 20% of Section A)</i>	0.00%	0.00%	0.00%	0.00%
Section B				
Own shares held (at book value)	-	-	-	-
Accumulated losses	1,858,164	7,525,564	2,643,300	10,771,448
Intangible assets	96,093	389,177	159,444	649,734
shareholders, directors, and any other related parties				
1. Unpaid portions of capital (a)	-	-	-	-
2. Loans, overdrafts and other advances (b)	8,510,135	34,466,047	8,716,238	35,518,670
3. Debt instruments held bearing signature of Shareholders, Directors, Related parties (c)	-	-	-	-
Loss determined on dates other than year end	-	-	-	-
Subtotal B	10,464,392	42,380,788	11,518,982	46,939,852
Total Tier 1 - Core Capital (A – B)	95,514,064	386,831,960	63,266,154	257,809,577
Section C				
Revaluation reserves (NBC's approval ref.)	-	-	-	-
Provision for general banking risks (NBC's approval ref.)	-	-	-	-
1% General provision	746,210	3,022,150	697,192	2,841,057
Subordinated debts approved by NBC	-	-	30,000,000	122,250,000
Other items with the prior approval by the NBC	-	-	-	-
Sub Total C	746,210	3,022,150	30,697,192	125,091,057
Limit check on Subordinated Debt <i>(max. 50% of Tier 1 Capital)</i>	0.00%	0.00%	47.42%	47.42%
Section D				
Less:				
Equity participation in banking or financial institutions, including securities companies, at their book value	47,939,683	194,155,716	47,939,683	195,354,208
Other items to be deducted (deferred charge)	-	-	-	-
Sub Section D	47,939,683	194,155,716	47,939,683	195,354,208
Total Tier 2 - Complementary capital (C – D)	(47,193,473)	(191,133,566)	(17,242,491)	(70,263,151)
Limit check on Tier 2 capital <i>(maximum of 100% of Tier 1 capital)</i>	(49.41%)	(49.41%)	(27.25%)	(27.25%)
Net worth (A - B + C - D)	48,320,591	195,698,394	46,023,663	187,546,426

MARUHAN Japan Bank Plc.

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY
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LIQUIDITY RATIO

In accordance with Prakas No. B7-00-38 dated 9 February 2000 amended by Prakas No. B 7-02-187 dated 13 September 2002 and by Prakas No. B7-04-207 dated 29 December 2004, banks are required to calculate a liquidity ratio which should be at least 50%.

The Group and the Bank's liquidity ratio calculations follow:

	<i>Group</i>			
	<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent</i>	<i>US\$</i>	<i>KHR'000 equivalent</i>
Debit items				
Cash and gold	17,613,309	71,333,901	10,210,384	41,607,315
Deposits with NBC (excluding statutory deposits)	21,932,146	88,825,192	46,996,375	191,510,228
Deposits with other banks	25,673,728	103,978,599	33,454,283	136,326,203
Portion of lending to bank and financial Institutions less than one month	-	-	-	-
	65,219,183	264,137,692	90,661,042	369,443,746
Credit items				
Credit balances on sight accounts maintained with NBC, banks and financial institutions	-	-	-	-
Borrowings from NBC and banks less than one month	-	-	-	-
	-	-	-	-
Lender / (Borrower) position	65,219,183	264,137,692	90,661,042	369,443,746
Numerator				
Treasury balance - lender position	65,219,183	264,137,692	90,661,042	369,443,746
Portion of lending less than one month (excluded loans to customers without maturity date)	23,800,607	96,392,458	11,686,749	47,623,502
Treasury bills less than one month	-	-	-	-
Total numerator	89,019,790	360,530,150	102,347,791	417,067,248
Denominator				
Treasury balance - borrower position	-	-	-	-
Fixed deposits less than one month at 80%	4,971,095	20,132,935	87,774,467	357,680,953
Fixed deposits more than one month at 50%	134,071,720	542,990,466	44,879,591	182,884,333
Voluntary saving at 25%	8,146,309	32,992,551	6,553,942	26,707,314
Savings deposits at 50%	17,800,473	72,091,916	19,955,530	81,318,785
Demand deposits at 60%	3,488,614	14,128,887	2,192,662	8,935,098
	168,478,211	682,336,755	161,356,192	657,526,483
Liquidity ratio - Numerator / Denominator	52.84%	52.84%	63.43%	63.43%

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SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY
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LIQUIDITY RATIO (continued)

	<i>Bank</i>			
	<i>2015</i>		<i>2014</i>	
	<i>US\$</i>	<i>KHR'000 equivalent</i>	<i>US\$</i>	<i>KHR'000 equivalent</i>
Debit items				
Cash and gold	3,563,175	14,430,859	3,240,653	13,205,661
Deposits with NBC (excluding statutory deposits)	16,146,456	65,393,147	35,711,913	145,526,045
Deposits with other banks	20,642,330	83,601,437	28,616,418	116,611,903
Portion of lending to bank and financial Institutions less than one month	-	-	-	-
	40,351,961	163,425,443	67,568,984	275,343,609
Credit items				
Credit balances on sight accounts maintained with NBC, banks and financial institutions	-	-	-	-
Borrowings from NBC and banks less than one month	-	-	-	-
	-	-	-	-
Lender / (Borrower) position	40,351,961	163,425,443	67,568,984	275,343,609
Numerator				
Treasury balance - lender position	40,351,961	163,425,443	67,568,984	275,343,609
Portion of lending less than one month (excluded loans to customers without maturity date)	7,862,182	31,841,837	1,984	8,085
Treasury bills less than one month	-	-	-	-
Total numerator	48,214,143	195,267,280	67,570,968	275,351,694
Denominator				
Treasury balance - borrower position	-	-	-	-
Fixed deposits less than one month at 80%	1,719,663	6,964,635	757,962	3,088,695
Fixed deposits more than one month at 50%	23,829,021	96,507,535	29,985,296	122,190,081
Savings deposits at 50%	17,800,473	72,091,916	19,955,530	81,318,785
Demand deposits at 60%	3,488,614	14,128,887	2,283,155	9,303,857
	46,837,771	189,692,973	52,981,943	215,901,418
Liquidity ratio - Numerator / Denominator	102.94%	102.94%	127.54%	127.54%

MARUHAN Japan Bank Plc.

SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
as at 31 December 2015 and for the year then ended

SOLVENCY RATIO

In accordance with Prakas No. B 7-00-46 dated 16 February 2000 amended by Prakas No. B7-04-206 dated 29 December 2004 and Prakas No. B7-07-135 dated 27 August 2007, banks shall observe a solvency ratio, which is the ratio of their net worth to their aggregate credit risk exposures, of not less than 15 percent.

The Group and the Bank's solvency ratio calculations follow:

	<i>Weighting</i>	<i>Group</i>			
		<i>2015</i>		<i>2014</i>	
		<i>US\$</i>	<i>KHR'000 equivalent</i>	<i>US\$</i>	<i>KHR'000 equivalent</i>
Numerator					
Group's net worth		147,234,718	596,300,608	99,652,236	406,082,861
Denominator					
Total aggregate assets					
Cash, gold and claims on the NBC	0%	-	-	-	-
Assets collateralised by deposits	0%	-	-	-	-
Claims on sovereigns rated					
AAA to AA-	0%	-	-	-	-
Claims on sovereigns rated A+ to A-	20%	-	-	-	-
Claims on banks rated AAA to AA-	20%	-	-	-	-
Claims on sovereigns rated					
BBB+ to BBB-	50%	-	-	-	-
Claim on banks rated A+ to A-	50%	-	-	-	-
Other assets	100%	593,246,045	2,402,646,484	419,517,839	1,709,535,194
Off-balance sheet items:					
Full risk	100%	-	-	-	-
Medium risk	50%	-	-	-	-
Moderate risk	20%	-	-	-	-
Low risk	20%	-	-	-	-
Total risk-weighted assets		593,246,045	2,402,646,484	419,517,839	1,709,535,194
Solvency ratio - Numerator/ Denominator		24.82%	24.82%	23.75%	23.75%

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SOLVENCY RATIO (continued)

		<i>Bank</i>			
		<i>2015</i>		<i>2014</i>	
		<i>US\$</i>	<i>KHR'000 equivalent</i>	<i>US\$</i>	<i>KHR'000 equivalent</i>
Numerator					
Bank's net worth		48,320,591	195,698,394	46,023,663	187,546,426
Denominator					
Total aggregate assets					
Cash, gold and claims on the NBC	0%	-	-	-	-
Assets collateralised by deposits	0%	-	-	-	-
Claims on sovereigns rated AAA to AA-	0%	-	-	-	-
Claims on sovereigns rated A+ to A-	20%	-	-	-	-
Claims on banks rated AAA to AA-	20%	-	-	-	-
Claims on sovereigns rated BBB+ to BBB-	50%	-	-	-	-
Claim on banks rated A+ to A-	50%	-	-	-	-
Other assets	100%	99,922,726	404,687,041	92,088,388	375,260,181
Off-balance sheet items:					
Full risk	100%	-	-	-	-
Medium risk	50%	-	-	-	-
Moderate risk	20%	-	-	-	-
Low risk	20%	-	-	-	-
Total risk-weighted assets		99,922,726	404,687,041	92,088,388	375,260,181
Solvency ratio - Numerator/ Denominator		48.36%	48.36%	49.98%	49.98%

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LOAN CLASSIFICATION AND ALLOWANCE FOR LOSSES ON LOANS AND ADVANCES

In accordance with Prakas No. B7-09-074 dated 25 February 2009, banks shall classify their loan portfolio and their off-balance sheet commitments into five classes defined as normal, special mention, substandard, doubtful and loss. The mandatory level of specific allowance for losses on loans and advances is provided depending on the loan classification.

The classification of, and allowance for losses on, loans and advances of the Group and the Bank are as follows:

	<i>Group</i>				
	<i>Principal loans US\$</i>	<i>Allowance %</i>	<i>Per NBC's standard US\$</i>	<i>Group's allowance US\$</i>	<i>Difference (*) US\$</i>
31 December 2015					
Standard	471,278,098	0	-	942,556	(942,556)
Normal	66,180,524	1	746,209	746,209	-
Special mention	11,279,057	3	338,371	338,371	-
Substandard	423,049	10	42,305	423,049	(380,744)
Doubtful	229,286	30	68,786	229,286	(160,500)
Loss	712,219	100	712,219	712,219	-
Total	550,102,233		1,907,890	3,391,690	(1,483,800)
Equivalent in KHR'000	2,227,914,044		7,726,955	13,736,345	(6,009,390)

	<i>Group</i>				
	<i>Principal loans US\$</i>	<i>Allowance %</i>	<i>Per NBC's standard US\$</i>	<i>Group's allowance US\$</i>	<i>Difference (*) US\$</i>
31 December 2014					
Standard	310,911,359	0	-	621,823	(621,823)
Normal	61,130,444	1	697,192	697,192	-
Special mention	-	3	-	-	-
Substandard	328,876	10	32,888	328,876	(295,988)
Doubtful	104,652	30	31,396	104,652	(73,256)
Loss	672,575	100	672,575	672,575	-
Total	373,147,906		1,434,051	2,425,118	(991,067)
Equivalent in KHR'000	1,520,577,717		5,843,758	9,882,356	(4,038,598)

(*) The difference as at 31 December 2015 resulted from the additional allowance provided by the Subsidiary in addition to the minimum specific allowance required by the NBC, as presented on next page.

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LOAN CLASSIFICATION AND ALLOWANCE FOR LOSSES ON LOANS AND ADVANCES (continued)

	<i>Subsidiary</i>				
	<i>Principal loans(*) US\$</i>	<i>Allowance %</i>	<i>Per NBC's standard US\$</i>	<i>Subsidiary's allowance US\$</i>	<i>Difference (*) US\$</i>
31 December 2015 *					
Standard	471,278,098	0	-	942,556	(942,556)
Substandard	423,049	10	42,305	423,049	(380,744)
Doubtful	229,286	30	68,786	229,286	(160,500)
Loss	88,298	100	88,298	88,298	-
Total	472,018,731		199,389	1,683,189	(1,483,800)
Equivalent in KHR'000	1,911,675,861		807,525	6,816,915	(6,009,391)

	<i>Subsidiary</i>				
	<i>Principal loans(*) US\$</i>	<i>Allowance %</i>	<i>Per NBC's standard US\$</i>	<i>Subsidiary's allowance US\$</i>	<i>Difference (*) US\$</i>
31 December 2014 *					
Standard	310,911,359	0	-	621,823	(621,823)
Substandard	328,876	10	32,888	328,876	(295,988)
Doubtful	104,652	30	31,396	104,652	(73,256)
Loss	48,654	100	48,654	48,654	-
Total	311,393,541		112,938	1,104,005	(991,067)
Equivalent in KHR'000	1,268,928,680		460,222	4,498,820	(4,038,598)

(*) Based on the separate audited financial statements of the Subsidiary. This excludes fair value adjustment made in the consolidated financial statements to present in accordance with the requirements of IFRS 3, Business Combination.

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LOAN CLASSIFICATION AND ALLOWANCE FOR LOSSES ON LOANS AND ADVANCES (continued)

	<i>Bank</i>				
	<i>Principal loans US\$</i>	<i>Allowance %</i>	<i>Per NBC's standard US\$</i>	<i>Bank's allowance US\$</i>	<i>Difference US\$</i>
31 December 2015					
Normal	74,620,964	1	746,210	746,210	-
Special mention	11,279,057	3	338,370	338,370	-
Substandard	-	20	-	-	-
Doubtful	-	50	-	-	-
Loss	623,921	100	623,921	623,921	-
Total	86,523,942		1,708,501	1,708,501	-
Equivalent in KHR'000	350,421,965		6,919,429	6,919,429	-

	<i>Bank</i>				
	<i>Principal loans US\$</i>	<i>Allowance %</i>	<i>Per NBC's standard US\$</i>	<i>Bank's allowance US\$</i>	<i>Difference US\$</i>
31 December 2014					
Normal	69,719,348	1	697,192	697,192	-
Special mention	-	3	-	-	-
Substandard	-	20	-	-	-
Doubtful	-	50	-	-	-
Loss	623,921	100	623,921	623,921	-
Total	70,343,269		1,321,113	1,321,113	-
Equivalent in KHR'000	286,648,821		5,383,535	5,383,535	-

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NET OPEN POSITION IN FOREIGN CURRENCIES

In accordance with Prakas No. B7-07-134 dated 27 August 2007, commercial banks shall at all times maintain their net open position in foreign currencies in either any foreign currency or overall net open position in all foreign currencies, whether long or short, not exceeding 20% of a bank's net worth. Furthermore, in accordance with Prakas No. B7-00-50 dated 9 February 2000, banks are required to disclose a summary of assets and liabilities as at balance sheet date in their source currency, as follows:

The details of the Group and the Bank's net open position in foreign currencies follow:

	<i>Group</i>							
	<i>Assets</i>	<i>Liabilities and</i>	<i>Off balance</i>	<i>Off balance</i>	<i>Net open</i>	<i>Net open</i>	<i>Limit</i>	<i>Excess</i>
	<i>US\$</i>	<i>capital</i>	<i>sheet</i>	<i>sheet</i>	<i>position (+)</i>	<i>position</i>	<i>%</i>	
		<i>US\$</i>	<i>receivables</i>	<i>payables</i>	<i>long / (-) short</i>	<i>/ net worth</i>		
			<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>%</i>	<i>%</i>	
<i>31 December 2015</i>								
US\$	647,844,121	617,822,451	-	23,253,212	6,768,458	4.56%	20%	None
KHR	39,785,762	50,595,168	-	-	(10,809,406)	(7.29%)	20%	None
THB	4,966,246	987,696	-	-	3,978,550	2.68%	20%	None
JPY	1,800,671	25,049,457	23,253,212	-	4,426	0.00%	20%	None
EUR	49,598	440	-	-	49,158	0.03%	20%	None
GBP	4,647	-	-	-	4,647	0.00%	20%	None
AUD	2,516	-	-	-	2,516	0.00%	20%	None
CNY	1,651	-	-	-	1,651	0.00%	20%	None
Total	694,455,212	694,455,212	23,253,212	23,253,212				
Equivalent in KHR'000	2,812,543,611	2,812,543,611	94,175,509	94,175,509				

The Group did not enter into any hedging transaction for the above balances.

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NET OPEN POSITION IN FOREIGN CURRENCIES (continued)

	<i>Group</i>							
	<i>Assets</i> US\$	<i>Liabilities and capital</i> US\$	<i>Off balance sheet receivables</i> US\$	<i>Off balance sheet payables</i> US\$	<i>Net open position (+) long / (-) short</i> US\$	<i>Net open position / net worth</i> %	<i>Limit</i> %	<i>Excess</i>
<i>31 December 2014</i>								
US\$	526,647,490	529,739,288	5,415,575	5,415,575	(3,091,798)	(3.10%)	20%	None
JPY	3,493,856	2,817,565	-	-	676,291	0.68%	20%	None
KHR	498,382	(1,859,935)	-	-	2,358,317	2.37%	20%	None
EUR	55,978	(137)	-	-	56,115	0.06%	20%	None
AUD	809	(587)	-	-	1,396	0.00%	20%	None
GBP	(358)	(44)	-	-	(314)	0.00%	20%	None
THB	-	30	-	-	(30)	0.00%	20%	None
CNY	-	(23)	-	-	23	0.00%	20%	None
Total	530,696,157	530,696,157	5,415,575	5,415,575				
Equivalent in KHR'000	2,162,586,840	2,162,586,840	22,068,470	22,068,470				

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NET OPEN POSITION IN FOREIGN CURRENCIES (continued)

	<i>Bank</i>							
	<i>Assets</i> US\$	<i>Liabilities and capital</i> US\$	<i>Off balance sheet receivables</i> US\$	<i>Off balance sheet payables</i> US\$	<i>Net open position (+) long / (-) short</i> US\$	<i>Net open position / net worth</i> %	<i>Limit</i> %	<i>Excess</i>
<i>31 December 2015</i>								
US\$	194,180,010	171,797,062	-	23,253,212	(870,264)	(2.12%)	20%	None
JPY	1,800,671	25,049,457	23,253,212	-	4,426	0.01%	20%	None
KHR	1,061,957	256,001	-	-	805,956	1.96%	20%	None
CNY	49,598	-	-	-	49,598	0.12%	20%	None
AUD	4,647	-	-	-	4,647	0.01%	20%	None
EUR	2,517	440	-	-	2,077	0.01%	20%	None
THB	1,909	-	-	-	1,909	0.00%	20%	None
GBP	1,651	-	-	-	1,651	0.00%	20%	None
Total	197,102,960	197,102,960	23,253,212	23,253,212				
Equivalent in KHR'000	798,266,989	798,266,989	94,175,509	94,175,509				

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SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
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NET OPEN POSITION IN FOREIGN CURRENCIES (continued)

	<i>Bank</i>							
	<i>Assets</i> US\$	<i>Liabilities and capital</i> US\$	<i>Off balance sheet receivables</i> US\$	<i>Off balance sheet payables</i> US\$	<i>Net open position (+) long / (-) short</i> US\$	<i>Net open position / net worth</i> %	<i>Limit</i> %	<i>Excess</i>
<i>31 December 2014</i>								
US\$	204,732,192	205,571,428	5,415,575	5,415,575	(839,236)	(1.82%)	20%	None
JPY	3,493,856	2,817,565	-	-	676,291	1.47%	20%	None
KHR	498,382	392,627	-	-	105,755	0.23%	20%	None
EUR	55,978	(137)	-	-	56,115	0.12%	20%	None
AUD	809	(587)	-	-	1,396	0.00%	20%	None
GBP	(358)	(44)	-	-	(314)	0.00%	20%	None
THB	-	30	-	-	(30)	0.00%	20%	None
CNY	-	(23)	-	-	23	0.00%	20%	None
Total	208,780,859	208,780,859	5,415,575	5,415,575				
Equivalent in KHR'000	850,782,000	850,782,000	22,068,470	22,068,470				

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OTHER INFORMATION AND PRUDENTIAL REGULATIONS REQUIRED BY THE LAW ON BANKING AND FINANCIAL INSTITUTIONS

- (i) **Minimum capital** (Prakas No. B7-00-39 dated 9 February 2000, Prakas No. B7-08-193 dated 19 September 2008 and *Prakas No. B7-00-06 dated 11 January 2000*)

Under NBC Prakas No. B7-08-193, effective end of 2010, commercial banks having shareholders as individual or companies, must have minimum capital equal to at least KHR150.00 billion. The Bank's paid-up capital at the balance sheet date of US\$104.00 million (approximately KHR421.20 billion) meets the minimum capital requirement.

Under NBC Prakas No. B7-00-06 dated 11 January 2000, the Subsidiary as licensed micro-finance deposit taking institution, shall have minimum capital equal to KHR10.00 billion. The Subsidiary's paid-up capital at the balance sheet date of US\$18,201,060 (approximately KHR73. 71 billion) meets the minimum capital requirement.

- (ii) **Fixed assets** (Prakas No. B7-01-186 dated 8 November 2001)

The property and equipment of the Group and the Bank at the balance sheet date represent 4% and 1% (2014: 5% and 2%), respectively, of their net worth calculated elsewhere in this report and are within the ceiling limit of 30.00% of net worth as required by this Prakas.

- (iii) **Large exposures** (Prakas No. B7-06-226 dated 3 November 2006 and Prakas No. B7-07-163 dated 13 December 2007)

Under the provisions of Prakas No. B7-06-226 dated 3 November 2006, large exposure is defined as the overall gross exposure resulting from banking operations with one single beneficiary, where such exposure exceeds 10% of the Bank's net worth. Exposure means the higher of two items: (a) the outstanding loans or commitments, and (b) the authorized loans or commitments.

Banks are further required: (a) to maintain at all times a ratio not exceeding 20 percent between their overall exposure resulting from their operations with each individual beneficiary and their net worth, and (b) to maintain at all times a maximum ratio of 300 percent between the total of their large exposures and their net worth.

Under the provisions of Prakas No. B7-07-163 dated 13 December 2007:

- (a) The Subsidiary can only collect savings and fixed deposits; the amount of deposits from an individual customer shall not exceed 3% of the Subsidiary's net worth.
- (b) The Subsidiary cannot lend to an individual borrower at a rate exceeding 2%, nor to a group of related borrowers at a rate exceeding 3% of the Subsidiary's net worth.

As at 31 December 2015, the Group and Bank have large exposures of US\$52,549,811 (2014: US\$40,500,000).

For total large exposures to net worth, refer to item 20 on Financial soundness indicators.

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FINANCIAL SOUNDNESS INDICATORS

CAPITAL

1. EQUITY TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Equity	134,382,238	544,248,065	86,149,266	351,058,259	104,120,292	421,687,183	72,141,836	293,977,982
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Equity to total assets (A/B)	19.35%	19.35%	16.23%	16.23%	52.83%	52.83%	34.55%	34.55%

2. CAPITAL TIER I TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Capital tier 1	113,232,735	458,592,577	65,522,175	267,002,864	95,514,064	386,831,960	63,266,154	257,809,577
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Capital tier I to total assets (A/B)	16.31%	16.31%	12.35%	12.35%	48.46%	48.46%	30.30%	30.30%

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as at 31 December 2015 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

CAPITAL (continued)

3. CAPITAL TIER I TO RISK-WEIGHTED ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Capital tier 1	113,232,735	458,592,577	65,522,175	267,002,864	95,514,064	386,831,960	63,266,154	257,809,577
B - Risk-weighted assets	593,246,045	2,402,646,484	419,517,839	1,709,535,194	99,922,726	404,687,041	92,088,388	375,260,181
Capital tier 1 to risk-weighted assets (A/B)	19.09%	19.09%	15.62%	15.62%	95.59%	95.59%	68.70%	68.70%

4. CAPITAL TIER I + TIER II TO RISK-WEIGHTED ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Capital tier 1 + tier 2	147,234,718	596,300,608	99,652,236	406,082,861	48,320,591	195,698,394	46,023,663	187,546,426
B - Risk weighted assets	593,246,045	2,402,646,484	419,517,839	1,709,535,194	99,922,726	404,687,041	92,088,388	375,260,181
Capital tier 1 + tier 2 to risk-weighted assets (A/B)	24.82%	24.82%	23.75%	23.75%	48.36%	48.36%	49.98%	49.98%

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as at 31 December 2015 and for the year then ended

FINANCIAL SOUNDNESS INDICATORS (continued)

CAPITAL (continued)

5. NET WORTH TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Net worth	147,234,718	596,300,608	99,652,236	406,082,861	48,320,591	195,698,394	46,023,663	187,546,426
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Net worth to total assets (A/B)	21.20%	21.20%	18.78%	18.78%	24.52%	24.52%	22.04%	22.04%

6. SOLVENCY RATIO

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Net worth	147,234,718	596,300,608	99,652,236	406,082,861	48,320,591	195,698,394	46,023,663	187,546,426
B - Risk-weighted assets	593,246,045	2,402,646,484	419,517,839	1,709,535,194	99,922,726	404,687,041	92,088,388	375,260,181
Solvency ratio (A/B)	24.82%	24.82%	23.75%	23.75%	48.36%	48.36%	49.98%	49.98%

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FINANCIAL SOUNDNESS INDICATORS (continued)

CAPITAL (continued)

7. DEBT TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Total liabilities	560,072,974	2,268,295,546	444,546,891	1,811,528,581	92,982,668	376,579,806	136,639,023	556,804,018
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Debt to total assets (A/B)	80.65%	80.65%	83.77%	83.77%	47.17%	47.17%	65.45%	65.45%

8. DEBT TO EQUITY

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Total liabilities	560,072,974	2,268,295,546	444,546,891	1,811,528,581	92,982,668	376,579,806	136,639,023	556,804,018
B - Equity	134,382,238	544,248,065	86,149,266	351,058,259	104,120,292	421,687,183	72,141,836	293,977,982
Debt to equity (A/B)	416.78%	416.78%	516.02%	516.02%	89.30%	89.30%	189.40%	189.40%

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FINANCIAL SOUNDNESS INDICATORS (continued)

CAPITAL (continued)

9. DIVIDEND TO NET PROFIT

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Dividend	129,481	524,398	74,628	304,109	-	-	-	-
B - Net profit	18,362,453	74,367,936	9,597,225	39,108,693	1,978,456	8,012,748	785,136	3,199,429
Dividend to net profit (A/B)	0.71%	0.71%	0.78%	0.78%	0.00%	0.00%	0.00%	0.00%

ASSET QUALITY

10. BANKING RESERVES TO TOTAL LOANS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Banking reserves	-	-	-	-	-	-	-	-
B - Total loans (gross)	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Banking reserves to total loans (A/B)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

11. BANKING RESERVES TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Banking reserves	-	-	-	-	-	-	-	-
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Banking reserves to total assets (A/B)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

12. NON-PERFORMING LOANS (“NPLs”) TO TOTAL LOANS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Non-performing loans	1,364,554	5,526,444	1,106,103	4,507,370	623,921	2,526,880	623,921	2,542,478
B - Total loans (gross)	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
NPLs to total loans (A/B)	0.25%	0.25%	0.30%	0.30%	0.72%	0.72%	0.89%	0.89%

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FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

13. NPLs TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Non-performing loans	1,364,554	5,526,444	1,106,103	4,507,370	623,921	2,526,880	623,921	2,542,478
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
NPLs to total assets (A/B)	0.20%	0.20%	0.21%	0.21%	0.32%	0.32%	0.30%	0.30%

14. CLASSIFIED ASSETS TO TOTAL LOANS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Classified assets	12,643,611	51,206,625	1,106,103	4,507,370	11,902,978	48,207,061	623,921	2,542,478
B - Total loans (gross)	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Classified assets to total loans (A/B)	2.30%	2.30%	0.30%	0.30%	13.76%	13.76%	0.89%	0.89%

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FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

15. CLASSIFIED ASSETS TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Classified assets	12,643,611	51,206,625	1,106,103	4,507,370	11,902,978	48,207,061	623,921	2,542,478
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Classified assets to total assets (A/B)	1.82%	1.82%	0.21%	0.21%	6.04%	6.04%	0.30%	0.30%

16. CLASSIFIED ASSETS TO EQUITY

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Classified assets	12,643,611	51,206,625	1,106,103	4,507,370	11,902,978	48,207,061	623,921	2,542,478
B - Equity	134,382,238	544,248,065	86,149,266	351,058,259	104,120,292	421,687,183	72,141,836	293,977,982
Classified assets to equity (A/B)	9.41%	9.41%	1.28%	1.28%	11.43%	11.43%	0.86%	0.86%

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FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

17. LOANS TO RELATED PARTIES TO TOTAL LOANS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>		<i>equivalent or %</i>		<i>equivalent or %</i>		<i>equivalent or %</i>	
A - Loans to related parties	1,261,914	5,110,752	766,111	3,121,902	8,510,135	34,466,047	8,716,238	35,518,670
B - Total loans (gross)	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Loans to related parties to total loans (A/B)	0.23%	0.23%	0.21%	0.21%	9.84%	9.84%	12.39%	12.39%

18. LARGE EXPOSURES TO TOTAL LOANS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>		<i>equivalent or %</i>		<i>equivalent or %</i>		<i>equivalent or %</i>	
A - Large exposures	52,549,811	212,826,735	40,500,000	165,037,500	52,549,811	212,826,734	40,500,000	165,037,500
B - Total loans (gross)	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Large exposures to total loans (A/B)	9.55%	9.55%	10.85%	10.85%	60.73%	60.73%	57.57%	57.57%

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SUPPLEMENTARY FINANCIAL INFORMATION AND OTHER DISCLOSURES REQUIRED BY THE NATIONAL BANK OF CAMBODIA (continued)
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FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

19. LOANS TO RELATED PARTIES TO NET WORTH

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Loans to related parties	1,261,914	5,110,752	766,111	3,121,902	8,510,135	34,466,047	8,716,238	35,518,670
B - Net worth	147,234,718	596,300,608	99,652,236	406,082,861	48,320,591	195,698,394	46,023,663	187,546,426
Loans to related parties to net worth (A/B)	0.86%	0.86%	0.77%	0.77%	17.61%	17.61%	18.94%	18.94%

20. LARGE EXPOSURES TO NET WORTH

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Large exposures	52,549,811	212,826,735	40,500,000	165,037,500	52,549,811	212,826,734	40,500,000	165,037,500
B - Net worth	147,234,718	596,300,608	99,652,236	406,082,861	48,320,591	195,698,394	46,023,663	187,546,426
Large exposures to net worth (A/B)	35.69%	35.69%	40.64%	40.64%	108.75%	108.75%	88.00%	88.00%

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FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

21. GENERAL PROVISION TO TOTAL LOANS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - General provision	1,688,766	6,839,502	1,368,973	5,578,565	746,210	3,022,150	697,192	2,841,057
B - Total loans (gross)	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
General provision to total loans (A/B)	0.31%	0.31%	0.37%	0.37%	0.86%	0.86%	0.99%	0.99%

22. SPECIFIC PROVISIONS TO TOTAL LOANS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Specific provisions	1,702,924	6,896,843	1,056,145	4,303,791	962,291	3,897,279	623,921	2,542,478
B - Total loans (gross)	550,102,233	2,227,914,044	373,147,906	1,520,577,717	86,523,942	350,421,965	70,343,269	286,648,821
Specific provisions to total loans (A/B)	0.31%	0.31%	0.28%	0.28%	1.11%	1.11%	0.89%	0.89%

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FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

23. SPECIFIC PROVISIONS TO NON-PERFORMING (“NPLs”)

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>
A - Specific provisions	1,702,924	6,896,843	1,056,145	4,303,791	962,291	3,897,279	623,921	2,542,478
B - NPLs	1,364,554	5,526,444	1,106,103	4,507,370	623,921	2,526,880	623,921	2,542,478
Specific provisions to NPLs (A/B)	124.80%	124.80%	95.48%	95.48%	154.23%	154.23%	100.00%	100.00%

24. ALL ALLOWANCES TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>
A - Total all allowances	3,391,690	13,736,345	2,425,118	9,882,356	1,708,501	6,919,429	1,321,113	5,383,535
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
All allowances to total assets (A/B)	0.49%	0.49%	0.46%	0.46%	0.87%	0.87%	0.63%	0.63%

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FINANCIAL SOUNDNESS INDICATORS (continued)

ASSET QUALITY (continued)

25. LOANS TO DEPOSITS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>
A - Total loans to non-bank customers (gross)	543,281,691	2,200,290,849	366,298,967	1,492,668,291	71,262,960	288,614,988	54,905,426	223,739,611
B - Customer's deposits	325,997,499	1,320,289,871	253,835,705	1,034,380,498	82,570,698	334,411,327	97,008,416	395,309,295
Loans to deposits (A/B)	166.65%	166.65%	144.31%	144.31%	86.31%	86.31%	56.60%	56.60%

EARNINGS

26. RETURN ON ASSETS ("ROA")

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>
A - Net profit	18,362,453	74,367,936	9,597,225	39,108,693	1,978,456	8,012,748	785,136	3,199,429
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
ROA (A/B)	2.64%	2.64%	1.81%	1.81%	1.00%	1.00%	0.38%	0.38%

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EARNINGS (continued)

27. RETURN ON EQUITY (“ROE”)

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Net profit	18,362,453	74,367,936	9,597,225	39,108,693	1,978,456	8,012,748	785,136	3,199,429
B - Equity	134,382,238	544,248,065	86,149,266	351,058,259	104,120,292	421,687,183	72,141,836	293,977,982
ROE (A/B)	13.66%	13.66%	11.14%	11.14%	1.90%	1.90%	1.09%	1.09%

28. GROSS YIELD

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Interest income	89,011,630	360,497,102	55,933,603	227,929,432	7,719,645	31,264,562	6,352,134	25,884,946
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Gross yield (A/B)	12.82%	12.82%	10.54%	10.54%	3.92%	3.92%	3.04%	3.04%

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EARNINGS (continued)

29. NET INTEREST MARGIN (“NIM”) TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Interest income	89,011,630	360,497,102	55,933,603	227,929,432	7,719,645	31,264,562	6,352,134	25,884,946
B - Interest expense	32,888,646	133,199,016	19,411,777	79,102,991	3,509,469	14,213,349	3,256,863	13,271,717
C - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
NIM to total assets [(A-B)/C]	8.08%	8.08%	6.88%	6.88%	2.14%	2.14%	1.48%	1.48%

30. OTHER INCOME (“OTINC”) TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Other income	2,757,976	11,169,803	1,696,898	6,914,860	3,419,359	13,848,404	1,973,489	8,041,968
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
OTINC to total assets (A/B)	0.40%	0.40%	0.32%	0.32%	1.73%	1.73%	0.95%	0.95%

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FINANCIAL SOUNDNESS INDICATORS (continued)

EARNINGS (continued)

31. PROVISIONS TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Provisions	1,130,687	4,579,282	1,018,073	4,148,647	387,388	1,568,921	402,150	1,638,761
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Provisions to total assets (A/B)	0.16%	0.16%	0.19%	0.19%	0.20%	0.20%	0.19%	0.19%

32. OVERHEAD (“OHEAD”) TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000 equivalent or %</i>
A - Non-interest expense	33,226,599	134,567,726	24,925,178	101,570,100	3,825,604	15,493,696	3,855,996	15,713,184
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
OHEAD to total assets = (A/B)	4.78%	4.78%	4.70%	4.70%	1.94%	1.94%	1.85%	1.85%

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FINANCIAL SOUNDNESS INDICATORS (continued)

EARNINGS (continued)

33. NET INCOME BEFORE TAX ("NIBT") TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>		<i>equivalent or %</i>		<i>equivalent or %</i>		<i>equivalent or %</i>	
A - Net income before tax	23,268,889	94,239,002	12,275,473	50,022,554	2,161,758	8,755,121	810,614	3,303,252
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
NIBT to total assets (A/B)	3.35%	3.35%	2.31%	2.31%	1.10%	1.10%	0.39%	0.39%

34. TAX TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>		<i>equivalent or %</i>		<i>equivalent or %</i>		<i>equivalent or %</i>	
A - Tax (all categories)	4,906,436	19,871,066	2,678,248	10,913,861	183,302	742,373	25,478	103,823
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Tax to total assets (A/B)	0.71%	0.71%	0.50%	0.50%	0.09%	0.09%	0.01%	0.01%

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FINANCIAL SOUNDNESS INDICATORS (continued)

EARNINGS (continued)

35. INTEREST MARGIN TO GROSS INCOME

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Interest income	89,011,630	360,497,102	55,933,603	227,929,432	7,719,645	31,264,562	6,352,134	25,884,946
B - Interest expense	32,888,646	133,199,016	19,411,777	79,102,991	3,509,469	14,213,349	3,256,863	13,271,717
C - Gross income	58,221,033	235,795,185	37,871,257	154,325,373	7,599,355	30,777,388	5,062,552	20,629,899
Interest margin to gross income [(A-B)/C]	96.40%	96.40%	96.44%	96.44%	55.40%	55.40%	61.14%	61.14%

36. NON-INTEREST INCOME TO GROSS INCOME

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Non-interest income	2,757,976	11,169,803	1,696,898	6,914,860	3,419,359	13,848,404	1,973,489	8,041,968
B - Gross income	58,221,033	235,795,185	37,871,257	154,325,373	7,599,355	30,777,388	5,062,552	20,629,899
Non-interest income to gross income (A/B)	4.74%	4.74%	4.48%	4.48%	45.00%	45.00%	38.98%	38.98%

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FINANCIAL SOUNDNESS INDICATORS (continued)

EARNINGS (continued)

37. NON-INTEREST EXPENSE TO GROSS MARGIN

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Non-interest expense	33,226,599	134,567,726	24,925,178	101,570,100	3,825,604	15,493,696	3,855,996	15,713,184
B - Gross margin	58,221,033	235,795,185	37,871,257	154,325,373	7,599,355	30,777,388	5,062,552	20,629,899
Non-interest expense to gross margin (A/B)	57.07%	57.07%	65.82%	65.82%	50.34%	50.34%	76.17%	76.17%

38. TIMES INTEREST EARNED

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Income before tax	23,268,889	94,239,002	12,275,473	50,022,554	2,161,758	8,755,121	810,614	3,303,252
B - Interest expense	32,888,646	133,199,016	19,411,777	79,102,991	3,509,469	14,213,349	3,256,863	13,271,717
C - Interest expense	32,888,646	133,199,016	19,411,777	79,102,991	3,509,469	14,213,349	3,256,863	13,271,717
Times interest earned [(A+B)/C]	1.71 times	1.71 times	1.63 times	1.63 times	1.62 times	1.62 times	1.25 times	1.25 times

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LIQUIDITY

39. LIQUID ASSETS TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>
A - Liquid assets	89,019,790	360,530,150	102,347,791	417,067,248	48,214,143	195,267,280	67,570,968	275,351,694
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Liquid assets (A/B)	12.82%	12.82%	19.29%	19.29%	24.46%	24.46%	32.36%	32.36%

40. SHORT-TERM LIABILITIES TO TOTAL ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>
A - Short-term liabilities	404,038,298	1,636,355,107	316,395,498	1,289,311,654	86,785,836	351,482,636	106,051,667	432,160,543
B - Total assets	694,455,212	2,812,543,611	530,696,157	2,162,586,840	197,102,960	798,266,989	208,780,859	850,782,000
Short-term liabilities (A/B)	58.18%	58.18%	59.62%	59.62%	44.03%	44.03%	50.80%	50.80%

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LIQUIDITY (continued)

41. NET LIQUID ASSETS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>
A - Liquid assets	89,019,790	360,530,150	102,347,791	417,067,248	48,214,143	195,267,280	67,570,968	275,351,694
B - Short-term liabilities	404,038,298	1,636,355,107	316,395,498	1,289,311,654	86,785,836	351,482,636	106,051,667	432,160,543
C - Total liabilities	560,072,974	2,268,295,546	444,546,891	1,811,528,581	92,982,668	376,579,806	136,639,023	556,804,018
Net liquid assets [(A-B)/C]	-56.25%	-56.25%	-48.15%	-48.15%	-41.48%	-41.48%	-28.16%	-28.16%

42. QUICK RATIO

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>	<i>US\$ or %</i>	<i>KHR'000</i>
	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>	<i>equivalent or %</i>
A - Quick assets	65,219,183	264,137,691	90,661,042	369,443,746	40,351,961	163,425,442	67,568,984	275,343,610
B - Current liabilities	404,038,298	1,636,355,107	316,395,498	1,289,311,654	86,785,836	351,482,636	106,051,667	432,160,543
Quick ratio (A/B)	16.14%	16.14%	28.65%	28.65%	46.50%	46.50%	63.71%	63.71%

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FINANCIAL SOUNDNESS INDICATORS (continued)

LIQUIDITY (continued)

43. DEPOSITS TO TOTAL LOANS

	<i>Group</i>				<i>Bank</i>			
	<i>2015</i>		<i>2014</i>		<i>2015</i>		<i>2014</i>	
	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>	<i>US\$ or %</i>	<i>KHR'000</i> <i>equivalent or %</i>
A - Total customers' deposits	325,997,499	1,320,289,871	253,835,705	1,034,380,498	82,570,698	334,411,327	97,008,416	395,309,295
B - Total loans to non-bank customers (gross)	543,281,691	2,200,290,849	366,298,967	1,492,668,291	71,262,960	288,614,988	54,905,426	223,739,611
Deposits to total loans (A/B)	60.01%	60.01%	69.30%	69.30%	115.87%	115.87%	176.68%	176.68%