**M.G.N Emperor Bank Plc.**

**Credit Proposal**

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| **🗹 Individual 🞏 Company** | |
| **CP No. MGN-BDD-2019-0005** | **From: BDM** |
| **Approval Level: DCEO & CEO** | **ARO: Mr. Sok Ratanak** |
| **Submission Date:** | **Head: Mr. Chiv Hak** |

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| 1. **MATER FOR CONSIDERATION** | **NATURE OF PROPOSAL** | |
| To request 10-Year TL1 of USD270K at interest rate 7.50% p.a. and 10-Year TL2 of KHR120Mil (Equivalent to USD30K) to partially finance the purchased warehouse. | **New** | **✓** |
| **Additional** | **-** |
| **Renewal** | **-** |
| **Restructuring** | **-** |
| **Others** | **-** |

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| 1. **purpose And Justification** |
| To part finance on purchased warehouse (USD300K)  Applicants have purchased a warehouse located along Street 355, Ph. 1, SK. Boeung Kak 1, Kh. Toul Kork, PP, to be charged with us. Based on verbal SPA, the property worth of USD660K. Meanwhile, we also checked with our bank’s panel, CPL and ARC in Apr 2019. So, MOF shall be shown as follow:   |  |  |  |  | | --- | --- | --- | --- | | Purchased Property  (Warehouse not to be charged) | SPA  Date  07 Dec 18 | Verbal check in Apr 2019 | | | CPL | ARC | | TD No. 12040701-0127 | | | | | Land area: 114sqm | - | USD399,000 | USD399,000 | | Estimated Building area: 104sqm | - | USD6,240 | USD5,000 | | Total OMV | USD660,000 | USD405,240 | USD404,000 | | MOF (Loan vs the purchased warehouse) | 45.45% | 74.03% | 74.26% |   Comment:   * The property worth of USD660K and the applicant has paid of USD360K. They apply loan of USD300K to fully settle on payment while the differential sum will be paid by applicant. The ownership transfer has already been transferred/registered the applicant’s name. * Since the property to be charged located in favorable zone of Khan Toul Kork of Phnom Penh City where is considered as the second-best residential area/commercial zone after Sangkat Boeung Keng Korng of Phnom Penh City, the property shall be assigned in Grade A, Commercial (LTV: up to 80%), of our credit policy. * Against the verbal check of ARC and SPA, the LTV is at 74.26% and 45.45% respectively. Noted, the indicative value is lower than SPA at 36% since it is a conservative value (Min. value of verbal inspection). After issuing a formal valuation, it shall be valued more than this. However, we still access loan against the min. value to mitigate our bank’s risk.   They further mentioned that, the purpose of purchasing this property is to generate additional income from rental purpose as those are in favorable zone of Khan Toul Kork of Phnom Penh City where is considered as the second-best residential area/commercial zone after Sangkat Boeung Keng Korng of Phnom Penh City.  To request loan tenure of 10 years due to:   * Applicants are just offered HL of USD450K to part finance the purchased house (SPA: USD850K) with tenure of 20 years by Maybank (Loan repayment schedule is attached). As confirmed by them, that house has been leasing with rental income of USD2.5K per month, where located next to the subject property (Warehouse) to be charged with us. * So far, the main income of applicant come from properties rental. And in order to expand their businesses as well as their incomes, they should purchase more fixed assets to generate more rental income. * Mr. Marady also revealed that he has plan to renovate those properties to be office building for rent in future. So, he decided to purchase them by financing from us and Maybank at the same time. |

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| 1. **DETAILS OF FACILITIES (USD) / (KHR)** | | | | | |
| **Facility** | **Current Limit** | **Proposed Limit** | **O/S as at**  **03-Jul-19** | **-/+** | **New Limit** |
| 10-Year TL1 | - | USD270K | - | USD270K | USD270K |
| 10-Year TL2 | - | KHR120M |  | KHR120M | KHR120M |
| **Total** | **-** | **USD300K** | **-** | **USD300K** | **USD300K** |

*Note: KHR120M equivalent to USD30K (assumed exchange rate of KHR 4,000 per USD)*

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| 1. **TERMS AND CONDITIONS OF CREDIT PROPOSAL** | | | | | | |
| **Facility** | **Terms & Conditions** | | | | | |
| TL1  (New) | Purpose | To partially finance on purchased warehouse | | | | |
| Tenure | 10 Years | | | | |
| Interest rate | BLR-0.25% subject to min 7.50% p.a.  (Current BLR=7.75%) | | | | |
| Repayment | 120 monthly installments of USD3,204.95 | | | | |
| Processing fee | Max 1% on approved amount | | | | |
| Renewal fee | N/A | | | | |
| Prepayment | Within first 3 years: 3% on prepayment amount  4th year onward: Waive | | | | |
| Commitment Fee | N/A | | | | |
| Refinance Fee | N/A | | | | |
| Change Condition Fee | USD200 per revision/approval | | | | |
| NBC Sector | 2.12 Real Estate Activities | NBC Sub-Sector | | 2.12.4 Real Estate Operation- Residential | |
| **Pre-Disbursement** | To issue undertaking letter from the bank to borrowers after loan approval. | | | | |
| **Disbursement Method** | After completion of blocking TD, TL1 of USD270K shall be released to seller/vender subject to submission of SPA and differential sum on purchased warehouse.  **Or** reimbursement into the borrower’s account is allowed subject to submission of SPA and evidence of all payments of purchased warehouse were fully paid by borrowers. | | | | |
| TL2  (New) | Purpose | To partially finance on purchased warehouse | | | | |
| Tenure | 10 Years | | | | |
| Interest rate | BLR-0.25% subject to min 7.50% p.a.  (Current BLR=7.75%) | | | | |
| Repayment | 120 monthly installments of KHR1.46M (Round-up) | | | | |
| Processing fee | Max 1% on approved amount | | | | |
| Renewal fee | N/A | | | | |
| Prepayment | Within first 3 years: 3% on prepayment amount  4th year onward: Waive | | | | |
| Commitment Fee | N/A | | | | |
| Refinance Fee | N/A | | | | |
| Change Condition Fee | USD200 per revision/approval | | | | |
| NBC Sector | 2.12 Real Estate Activities | | NBC Sub-Sector | | 2.12.4 Real Estate Operation- Residential |
| **Pre-Disbursement** | To issue undertaking letter after LOO acceptance by borrower. | | | | |
| **Disbursement Method** | After completion of blocking TD, TL2 of KHR120M shall be released to seller/vender subject to submission of SPA and differential sum on purchased warehouse.  **Or** reimbursement into the borrower’s account is allowed subject to submission of SPA and evidence of all payments of purchased warehouse were fully paid by borrowers. | | | | |

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| 1. **Borrower/Guarantor Information** | | |  | | |
| **Borrower** | **Pro. Of Default** | | **LTV (%)** | **Exposure** | **Relationship** |
| Current | New |
| Mr. Oeng Marady and  Mdm. Bo Vannary | - | 0.50% | 74.26% | USD300K | New |
| **Guarantor** | **Pro. Of Default** | | **LTV (%)** | **Exposure** | **Relationship** |
| Current | New |
| N/A |  |  |  |  | mm/yyyy |
| **Group** | **ICR Scoring** | | **LTV (%)** | **Exposure** | **Relationship** |
| Current | New |
| N/A |  |  |  |  | mm/yyyy |

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| 1. **PROFILE OF BORROWERS/GUARANTORS** | | | |
| **Borrower Profile** | | | |
| **Applicant** | : Oeng Marady | DOB: 04-05-1982 | Passport No. N00628176 |
| Nationality | : Cambodian | Occupancy: Employment | Tel. No. 012 66 22 36 |
| Address: | : Sangkat Chraing Chamres 2, Khan Russey Keo, Phnom Penh. | | |
| KYC Level | : Low / Medium/ High | | |
| Connected Party | : Yes / No | | |
| Employer Name | : Lim Heang Yu Enterprise Co., Ltd. | | Monthly Income: USD4,000 |
| Employer Address | : St. 598, Phum Khar 1, S/K Chraing Chamres 2, Kh. Russey Keo, Phnom Penh. | | |
| **Joint Applicant** | : Bo Vannary | DOB: 15-09-1983 | ID Card No. 010044776(01) |
| Nationality | : Cambodian | Occupancy: Employment | Tel. No. 016 66 22 36 |
| Address | : St. 598, Phum Khar 1, S/K Chraing Chamres 2, Kh. Russey Keo, Phnom Penh. | | |
| KYC Level | : Low / Medium/ High | | |
| Connected Party | : Yes / No | | |
| Employer Name | : Lim Heang Yu Enterprise Co., Ltd. | | Monthly Income: USD5,000 |
| Employer Address | : No. 168Eo, St. 598, S/K Chraing Chamres 2, Kh. Russey Keo, PP. | | |
| **Guarantor Profile** | | | |
| **Guarantor** | : N/A | DOB: dd/mmm/yyyy | ID Card/Passport No. |
| Nationality | : | Occupancy: | Tel. No. |
| Address: | : | | |
| KYC Level | : Low / Medium/ High | | |
| Connected Party | : Yes / No | | |
| Employer Name | : | | Monthly Income: |
| Employer Address | : | | |
| **Joint Guarantor** | : | DOB: dd/mmm/yyyy | ID Card/Passport No. |
| Nationality | : | Occupancy: | Tel. No. |
| Address | : | | |
| KYC Level | : Low / Medium/ High | | |
| Connected Party | : Yes / No | | |
| Employer Name | : | | Monthly Income: |
| Employer Address | : | | |

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| 1. **COMPANY PROFILE** | | | | | | | | |
| Registration No. | | : N/A | | | Establishment Date | | | : |
| Tax Identification No. | | : | | |  | | |  |
| Registered Address | | : | | | | | | |
| Current Address  (if different from above) | | : | | | | | | |
| Business Activity | | : | | | | | | |
| Paid Up Capital | | : | | | | | | |
| Contact Person | | : | | | Tel No. | | | : |
| **shareholder (s)/ Directors (D)/guarantors (g)** | | | | | | | | |
| Name | Age (year) | | Shareholding (%) | Shareholding (USD) | | Serviced year | Qualification/Experience | |
| N/A |  | |  |  | |  |  | |
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| **Total** |  | |  |  | |  |  | |

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| 1. **CBC / AML / Blacklist Check** |
| **CBC check:** Based on CBC report on 20 Jun 2109, the applicant has maintained with CIMB, ANZ Royal, and Maybank. And their monthly installment was promptly paid for last 24 cycles.  **Watchlist:** there are not any distresses based on Dow Jones Report as at 14-Jun-2019 |

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| 1. **Borrower’s Exposure with other FIs** | | | | | | |
| **Name of FIs** | **Facility** | **Total Facilities (USD’000)** | | | | **Conduct of Account** |
| **Secured Limit** | **Clean Limit** | **Total** | **O/S @**  **31-May-19** |  |
| ANZ | HL1 | 135 | - | 135 | 118.45 | Good |
| ANZ | HL2 | 68 | - | 68 | 41.37 | Good |
| Maybank | PL | 330 | - | 330 | 259.00 | Good |
| Maybank | HL\* | 450 | - | 450 | 450.00 | N/A |
| CIMB | HL | 200 | - | 200 | 181.38 | Good |
| **Total** |  | **1,183** | **-** | **1,183** | **1,050.20** |  |

Comment: \*HL with Maybank is just released in May 2019 based on the furnished HL schedule. Mr. Marady revealed that the property charged (HL: 450K) is located next to the warehouse to be charged with us. The SPA is USD850K.

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| 1. **Terms and Conditions** | | | |
|  | Complied | | To Comply |
| Yes | No |  |
| **Exiting Conditions Precedent**  N/A  **New Conditions Precedent (USD270K and KHR120M)**   1. Acceptance of Letter of Offer 2. Payment of 1% processing fee on approved amount 3. Released conditions of facilities subject to:  * Compliance of Terms under condition precedent * The release of banking facilities shall be subject to satisfactory completion of documentation and any other conditions imposed by bank which may be necessary to protect the security of bank or which a reasonable and prudent bank may require. * Before releasing, Credit Administration staff will verify that application for the release and any required documentation furnished by borrower (s) are sufficient in form and substance to satisfy the bank that borrower (s) is entitled to disburse the applied amount for pursuant to the provision of the Facility Agreement. * Submission of formal valuation report on the subject property by our bank’s panel with total value of USD404,000. |  |  | ✓  ✓  ✓  ✓  ✓  ✓ |

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| 1. **security SUMMARY** | | |
| **Descriptions** | **Security Value (USD’000**) | |
| **OMV** | **Max. LTV** |
| 1. Facility Agreement for USD300K as principal instrument 2. Supplementary Hypothec Agreement as subsidiary instrument. 3. Joint and Several Guarantee for USD270K and KHR120M by: N/A 4. 1st Ranking Hypothecator (1st party legal charge) in favor of MGN Emperor Bank over the following property:   **New Security**   |  |  |  |  | | --- | --- | --- | --- | | **Security Type** | A parcel of land cum with a single warehouse | | | | **Title Deed No.** | 12040701-0127 | | | | **Registered Owner** | To be registered under name of:-  Mr. Oeng Marady and Mdm. Bo Vannary | | | | **Tenure** | N/A | | | | **Encumbrance** | N/A | | | | **Address** | Ph. 1, SK. Boeung Kak 1, Kh. Toul Kork, PP | | | | **Fire Insurance** | N/A | Expiry: | | | **Land Area** | 114sqm | | | | **Building Area** | 104sqm (Estimated measurement) | | | | **Security Value** | **Formal VR** | **Verbal Check** | | | Land Value |  | USD399,000 | USD399,000 | | Building Value |  | USD6,240 | USD5,000 | | **OMV** |  | **USD405,240** | **USD404,000** | | Valuer |  | CPL | ARC | | Date |  | Apr 2019 | Apr 2019 | | **404.0** | **323.2**  **(80%)** |
| **Total Security Value** | **404.0** | **323.2** |
| **Facility Limit** | **Amount (USD’000)** | **LTV (%)** |
| **Existing** | **-** | **-** |
| **New** | **300.0** | **74.26%** |
| **COMMENT oN SECURITY** | | |
| **Subject property:**  Property located along Street No. 355, Phum 1, Sangkat Boeung Kak 1, Khan Toul Kork, Phnom Penh where it is near Toul Kork Antenna, about 300 meters and 500 meters far away from TK Avenue and Toul Sangke Market respectively. So, it is considered as a good location for business operation as well as for rent- Office Space.  Presently, the properties are surrounded by many business activities and residence such as Banks/MFIs, Markets, Schools, Shophouses, Camko City, Borey New World, Borey Peng Hout, Borey Vimean Phnom Penh, and Borey Toul Sangke, etc.  As Mr. Sorn Seap, Director of KEY Real Estate, said that Located in the northern part of Phnom Penh City, Sangkat Toul Kork is increasingly attracting both expats and locals. Currently, Toul Kork is becoming more popular for new commers, especially foreigners seeking permanent residence in Cambodia. He further said that Toul Kork has been regarded as a great residential area for a long time ago with many special characteristics. It is considered as the second-best residential area after Sangkat Boeung Keng Korng of Phnom Penh City. Therefore, the subject property shall be classified as a commercial area of Phnom Penh City reflects **LTV is up to 80%.** | | |

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| 1. **borrower information** |
| Applicants, Mr. Oeng Marady (Age:37) and Mdm. Bo Vannary (Age: 36), are related as husband and wife. Their current residence is located along St. 598, Phum Khar 1, S/K Chraing Chamres 2, Kh. Russey Keo, Phnom Penh. A couple are active businessmen who have involved in employment and running business for years.  Presently, applicants have maintained loans with CIMB, ANZ Royal, and Maybank with totaling O/S of USD1.05M as at May 2019. And their source of incomes is generated from property rental and employment. The information is briefed as follow:  **Employment**   * Advisor and Board of Member (LIM HEANG YU Enterprise Co., Ltd.)   Mr. Oeng Marady is an Advisor while Mdm. Bo Vannary is Board of Member with monthly gross salary of USD4,000 and USD5,000 respectively. Noticeably, Mdm. Bo Vannary is a daughter of Mr. Bo Reth who is the main shareholder of LIM HEANG YU Enterprise Co., Ltd which is well-known as the leader and largest cracker and candy manufacturer in Cambodia since 2001.   * Director (KEY Real Estate Co., Ltd.)   Mr. Oeng Marady is a Director of KEY Real Estate Co., Ltd. since July 2014 and earns current cross salary of USD3,000 per month (Employment Confirmation Letter and pay-slip for last 6 months are enclosed). Key Real Estate Co., Ltd. [“Key”], founded in 2010 by professional local and returnee Cambodians, is a fully licensed real estate consulting firm offering full-fledged real estate service to corporate, institutional and individual clients in Cambodia. Its company address is operated in No. 92AB, Street 289, Sangkat Boeung Kak 2, Khan Toul Kork, Phnom Penh City. Moreover, KEY is our bank’s panel for property’s valuation recently.   * Public Relationship Manager (KIMMO Korean 7 Level Spicy Noodle)   Mr. Oeng Marady is holding position as Public Relationship Manager of KHIMMO Korean 7 Level Spicy Noodle with monthly gross salary of USD5,000 based on the furnished pay-slip for last 6 months (Dec/12 to May/19). Currently, the business is well operated in 3 branches located in AEON2, Samnang 12, and Olympia. KIMMO is the Korean 7 Levels Spicy Noodle which is the son of Sasin Noodle that is the popular brand in Korea and Vietnam which has more than hundred branches. In Cambodia, KIMMO is the master franchise based on the healthy food system under supervision of Sasin both recipe, ingredient, material, cooking formula, and, etc. KIMMO is consistently acknowledged and controlled according to quality standard by MOH of Cambodia.  Moreover, Mr. Oeng Marady is an Advisor to Samdech Akeak Moha Punnhea Chakrei HENG SAMRIN, President of National Assembly.  **Rental income**   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | No. | Lessee | Property Add. | Tenure | Rental Fee  (Monthly) | Security Deposit | | 1 | Thai Airways | Condo, Noblesse Residence  Unit-1504 | 3 Years  (Start 15-02-18) | USD2,250 | USD4,500 | | 2 | Long Grain Co., Ltd. | Villa, Located in Oudong District, Kompong Speu Province. | 1 Year  (Start 10-08-18) | USD1,500 | USD1,500 | | 3 | Skun Sophal | Boutique, located in Svay Dangkom District, Siem Reap Province. | 5 Years  (Start 10-02-16) | USD3,000 | USD15,000 | | 4 | Sam Kimly | Boeung Kak 1, Toul Kork,, Phnom Penh | 3 Years  (Start 03-07-17) | USD2,500 | USD10,000 | | Total | | | | **USD9,250** | USD31,000 |   **Note: All leased agreements are attached.**  **Industry Development Project (Along Street 51)**  Verbally disclosed by Mr. Oeng Marady, he has a joint venture business with his business’s partner in Industry Development Project located along Street 51 with total land area of about 90ha near Bat Doeung Market. For more detail infor. of business, the applicant has not disclosed as Mr. Marady is not consented to declare from related parties. |

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| 1. **financial highlights** |

**Balance Sheet: N/A**

**Income Statement**

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| **Description** | **@May** | **Income Projection** | | |
| **2019** | **2020** | **2021** | **2022** |
| **Monthly** | **Monthly** | **Monthly** | **Monthly** |
| Income |  |  |  |  |
| Salary (Lim Heang Yu) | 9,000 | 9,450 | 9,923 | 10,419 |
| Salary (KEY Real Estate) | 3,000 | 3,150 | 3,308 | 3,473 |
| Salary (Kimmo) | 5,000 | 5,250 | 5,512 | 5788 |
| Property Rental |  |  |  |  |
| * Condo unit 1504 (Phnom Penh) | 2,250 | 2,250 | 2,250 | 2,475 |
| * Villa (Kampong Speu) | 1,500 | 1,650 | 1,650 | 1,650 |
| * Guesthouse (Siem Reap) | 3,000 | 3,000 | 3,000 | 3,300 |
| * Flat (next to the property charged) | 2,500 | 2,500 | 2,750 | 2,750 |
| * Warehouse to be charged | - | 700 | 700 | 700 |
| **Total monthly incomes** | **26,250** | **27,950** | **29,093** | **30,555** |

**Financial Comment:**

* Applicant’s incomes are generated from their salaries with evidence of employment confirmation letter. Also, they earn property rental incomes and all lease agreements are provided.
* Total monthly income reports of USD26.75K. It is strongly verified through the bank statement of Maybank with average monthly deposit of USD496.93K for latest 6 months. As mentioned above, the applicants are employment and businessman. So, the different between their incomes’ disclosure and bank statement report shall be not doubtful. Honestly, they have many source’s income with supporting documentary but those are not provided as we don’t want to complicate as well as to make applicant mind on loan assessment with us.
* Noted, they have loan with CIMB, ANZ, and May Bank Recently where the DSR shall at 1.70x where is acceptable based on our credit policy for salary earner (≥1.5x) in term of loan is approved as per request.

**Financial Projection:**

* Salaries are projected to increase by 5% based on annual performance’s appraisal.
* All rental incomes are projected to increase by 10% subject to renewal agreement.
* The purchased warehouse to be charged with us is projected to generate renal income of USD500 per month next 3 years coming.

**DSR Computation**

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| --- | --- | --- | --- | --- |
| Year | 2019 (USD) | 2020 (USD) | 2021 (USD) | 2022 (USD) |
| Monthly income | **26,250.00** | **27,950.00** | **29,093.00** | **30,555.00** |
| Monthly Installment |  |  |  |  |
| MGN-TL: USD300K | 3,204.95 | 3,204.95 | 3,204.95 | 3,204.95 |
| ANZ-HL1: USD135K | 1,302.51 | 1,302.51 | 1,302.51 | 1,302.51 |
| ANZ-HL2: USD68K | 923.78 | 923.78 | 923.78 | 923.78 |
| Maybank-PL: USD330K | 4,158.00 | 4,158.00 | 4,158.00 | 4,158.00 |
| Maybank-HL: USD400K | 3,248.00 | 3,248.00 | 3,248.00 | 3,248.00 |
| Maybank-HL: KHR200Mil | 449.87 | 449.87 | 449.87 | 449.87 |
| CIMB- HL: USD200K | 2,176.99 | 2,176.99 | 2,176.99 | 2,176.99 |
| **Total monthly installment** | **15,464.10** | **15,464.10** | **15,464.10** | **15,464.10** |
| **DSR (Times)** | **1.70x** | **1.81x** | **1.88x** | **1.98x** |
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| 1. **Industry information- applicable for Loan over USD500k** |
| N/A |

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| 1. **CONDUCT OF ACCOUNTS** |
| 1. **Account transactionS**  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | Bank: | Maybank | | | | | | Account | Oeng Marady and Bo Vannary | | | | | | Account No. | 00007/02/000295/03 (Current USD account) | | | | | | Period | 6 Months | | | | | | Month | No. Cr | Credit | No. Dr | Debit | Ending Balance | |  |  |  |  | Bal. Forward | 54,671.22 | | Dec-18 | 17 | 599,657.21 | 32 | 645,809.05 | 8,519.38 | | Jan-19 | 12 | 402,049.41 | 25 | 403,847.76 | 6,721.03 | | Feb-19 | 9 | 229,681.46 | 19 | 148,823.49 | 87,579.00 | | Mar-19 | 10 | 443,988.87 | 24 | 420,494.71 | 111,073.16 | | Apr-19 | 8 | 594,654.08 | 24 | 657,323.76 | 48,403.48 | | May-19 | 14 | 960,025.97 | 34 | 705,263.17 | 303,166.28 | | **Total** | **70** | **3,230,057.00** | **158** | **2,981,561.94** |  | | **Average** | **12** | **538,342.83** | **26** | **496,926.99** | **94,243.72** |   **Comment:**   * For last 6 months, turnover of credit and debit reported of USD2.98M and USD3.23M derived average monthly deposit of USD496.93K and USD538.34K respectively. * Common transactions are cash/cheque deposit and withdrawal. * The account has been so active as it is the main banking while the others are used for loan installment only consist of CIMB and ANZ Royal Bank.  1. **Repayment records**  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **20-Year HL1: USD135K since 20-Nov-2013 (O/S: USD118.45K)** | | | | | | | **Bank Name: ANZ Royal Bank** | | | | | | | AC Name: Marady Oeng and Vannary Bo | | | | | | | AC No.: 2898115 | | | | | | | Period: 12 months | | | | | | | Month | Installment | Due Date | Paid Date | Overdue Days | Remarks | | Jul-18 | 1,302.51 | 20-Jul-18 | 23-Jul-18 | 3 |  | | Aug-18 | 1,302.51 | 20-Aug-18 | 20-Aug-18 | - |  | | Sep-18 | 1,302.51 | 20-Sep-18 | 20-Sep-18 | - |  | | Oct-18 | 1,302.51 | 22-Oct-18 | 22-Oct-18 | - |  | | Nov-18 | 1,302.51 | 20-Nov-18 | 20-Nov-18 | - |  | | Dec-18 | 1,302.51 | 20-Dec-18 | 20-Dec-18 | - |  | | Jan-19 | 1,302.51 | 21-Jan-19 | 21-Jan-19 | - |  | | Feb-19 | 1,302.51 | 20-Feb-19 | 22-Feb-19 | 2 |  | | Mar-19 | 1,302.51 | 20-Mar-19 | 20-Mar-19 | - |  | | Apr-19 | 1,302.51 | 22-Apr-19 | 22-Apr-19 | - |  | | May-19 | 1,302.51 | 21-May-19 | 23-May-19 | 2 |  | | Jun-19 | 1,302.51 | 20-Jun-19 | 20-Jun-19 | - |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **10-Year HL2: USD68K since 31-Mar-2013 (O/S: USD41.37K)** | | | | | | | **Bank Name: ANZ Royal Bank** | | | | | | | AC Name: Marady Oeng and Vannary Bo | | | | | | | AC No.: 3012582 | | | | | | | Period: 12 months | | | | | | | Month | Installment | Due Date | Paid Date | Overdue Days | Remarks | | Jul-18 | 923.78 | 20-Jul-18 | 23-Jul-18 | 3 |  | | Aug-18 | 923.78 | 20-Aug-18 | 20-Aug-18 | - |  | | Sep-18 | 923.78 | 20-Sep-18 | 20-Sep-18 | - |  | | Oct-18 | 923.78 | 22-Oct-18 | 22-Oct-18 | - |  | | Nov-18 | 923.78 | 20-Nov-18 | 20-Nov-18 | - |  | | Dec-18 | 923.78 | 20-Dec-18 | 20-Dec-18 | - |  | | Jan-19 | 923.78 | 21-Jan-19 | 21-Jan-19 | - |  | | Feb-19 | 923.78 | 20-Feb-19 | 22-Feb-19 | 2 |  | | Mar-19 | 923.78 | 20-Mar-19 | 20-Mar-19 | - |  | | Apr-19 | 923.78 | 22-Apr-19 | 22-Apr-19 | - |  | | May-19 | 923.78 | 21-May-19 | 23-May-19 | 2 |  | | Jun-19 | 923.78 | 20-Jun-19 | 20-Jun-19 | - |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **Loan: HL USD200K (O/S: USD181.34K)** | | | | | | | **Bank Name: CIMB** | | | | | | | AC Name: Oeng Marady | | | | | | | AC No.: 1010127000016999 | | | | | | | Period: 12 months | | | | | | | Month | Installment | Due Date | Paid Date | Overdue Days | Remarks | | Jul-18 | 2,176.99 | 02-Jul-18 | 02-Jul-18 | 0 |  | | Aug-18 | 2,176.99 | 01-Aug-18 | 01-Aug-18 | 0 |  | | Sep-18 | 2,176.99 | 01-Sep-18 | 01-Sep-18 | 0 |  | | Oct-18 | 2,176.99 | 01-Oct-18 | 01-Oct-18 | 0 |  | | Nov-18 | 2,176.99 | 01-Nov-18 | 01-Nov-18 | 0 |  | | Dec-18 | 2,176.99 | 01-Dec-18 | 01-Dec-18 | 0 |  | | Jan-19 | 2,176.99 | 01-Jan-19 | 01-Jan-19 | 0 |  | | Feb-19 | 2,176.99 | 01-Feb-19 | 01-Feb-19 | 0 |  | | Mar-19 | 2,176.99 | 01-Mar-19 | 01-Mar-19 | 0 |  | | Apr-19 | 2,176.99 | 01-Apr-19 | 01-Apr-19 | 0 |  | | May-19 | 2,176.99 | 01-May-19 | 01-May-19 | 0 |  | | Jun-19 | 2,176.99 | 03-Jun-19 | 04-Jun-19 | 1 |  |   **Comment:**   * There are 2 loans with ANZ Royal Bank with the same due date of monthly installment. And the applicants have maintained loan with CIMB. * Based on account conducting for last 12 months, their monthly installment has been considered as good however there was a few overdue days record. It was because their main account is at Maybank and need to take time for cash deposit into CIMB and ANZ for monthly installment only. |

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| 1. **CHECKLIST- applicable for Annual Review** | **Yes** | **No** | **N/A** | **Remarks** |
| 1. Is there any late in principal and/or interest repayment for the last 6 months? |  | **✓** |  |  |
| 1. Is there any breach of conditions covenant noted from borrowers and/or guarantor? |  | **✓** |  |  |
| 1. Is there significant loan increment of borrowers/guarantors noted from CBC or other sources? |  | **✓** |  |  |
| 1. Based on the provided financial statement, did the revenues/net profit of the business/borrowers’ record significantly drop? (more than 30%) |  | **✓** |  |  |
| 1. Is there any record of inconsistency between loan purpose and its utilization? |  | **✓** |  |  |
| 1. Did the lasted audited financial report show Qualified/Adverse/Disclaimer Opinion from Auditor? |  |  | **✓** | In form of family business |
| 1. Is there any warning/negative comment from government or related authority to the borrowers? |  | **✓** |  |  |
| 1. Is there non-compliance of terms, conditions or other commitment? |  | **✓** |  |  |
| 1. Is there any major change in shareholders, directors, executives or key managements in the organization? |  | **✓** |  |  |
| 1. Is the lawsuit/illegal accusation against borrowers/guarantors? |  | **✓** |  |  |
| 1. Is there a major change in business nature/strategy? |  | **✓** |  |  |
| 1. Is there change in borrowers’ address? |  | **✓** |  |  |
| 1. Is there a major change of business objective? |  | **✓** |  |  |
| 1. Is there a change of key suppliers or buyers of borrowers? |  | **✓** |  |  |
| 1. Is there a major change of construction plan/budget? (applicable for construction loan) |  | **✓** |  |  |
| 1. Does the bank displace the pledged collateral? |  | **✓** |  |  |
| 1. Is there major deterioration to collateral/security? i.e flood or fire …etc. |  | **✓** |  |  |
| 1. Is there a deficit of collateral market value? (more than 10%) |  | **✓** |  |  |

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| 1. **credit summary & recommendations** | |
| * Applicants are active businessmen who has involved in property rental for many years. Further, Mr. Oeng Marady is Gov’t employee (H.E. Level), Director of KEY, and a joint investor in Housing Project in Bat Doeung Market. While his wife, Mdm. Bo Vannary, is shareholder and daughter of Mr. Bo Reth who is the main shareholder of LIM HEANG YU Enterprise Co., Ltd which is well-known as the leader and largest cracker and candy manufacturer in Cambodia since 2001. * Their capacity repayment is good where mainly generated from property rental and their salaries. DSR is at 1.70x where is acceptable for salary earner based on our credit policy. Currently, they have maintained loan with other CIMB, ANZ, and May Bank. Noted, their monthly repayments have been good so far. * The Cambodian real estate sector has been growing tremendously in the last few years. In Phnom Penh, Siem Reap, Sihanoukville, Poipet, Bavet, Kep, and other parts of the country, there is a flurry of non-stop construction work going on as massive investments, mostly from China, fuel a roaring building boom. Meanwhile, the property rental business is satisfactory profitable and continued to gradually increase in long term period. * Applicant’s net-worth is more that USD500K derived from collateral to be charged with us and the property charged with Maybank.      * Collateral located in favorable zone where is considered as the second-best residential area after Sangkat Boeung Keng Korng of Phnom Penh City (Grade A based on our credit policy). Based on min. verbal check of ARC, MOA is at 74.26% and it shall be further improved due to principal monthly installments (TL Feature) | |
| **Prepared by:** | **Recommended by:** |
| Mr. Sok Ratanak  Manager, Credit Analyst  Date: | Mr. Chiv Hak  Head, Business Development  Date: |