

ISSUER

Cambodia's No. 1 Micro-Finance Institution

BOND

ISSUER

GUARANTOR

SWAP BANK

ISSUER BOND | USD 70mm | 4.5% coupon rate

100% GUARANTEED BY CGIF

The Credit Guarantee and Investment Facility, a trust fund of the Asian Development Bank with over USD 1 Billion paid-in capital, was established to develop and strengthen bond markets in the ASEAN+3 region.

CGIF S&P rating: AA / Stable

This presentation is strictly private and confidential. [see DISCLAIMER](#)

Issue Size: USD 70mm (currency swap)

Coupon Rate: 4.5% (in USD)

Coupon Payment: Semi-annual

Issue Date: February 2020

Maturity: 3 years

CGIF Rating: AA

Hong Leong Rating: A-

Lead Manager: xxxxxxxx

Guarantor: Credit Guarantee and Investment Facility (CGIF)

Legal, Accounting, Tax: Ernst & Young, Deloitte, Freshfields, HBS Law

Swap Bank: Hong Leong Bank

Bondholder Representative: xxxxxxxx

Registrar, Paying & Transfer Agent: xxxxxxxx

Offshore Coordinators: xxxxxxxx, Oxford Portfolio Advisers Ltd

TERMS OF OFFER

CHARACTERISTICS

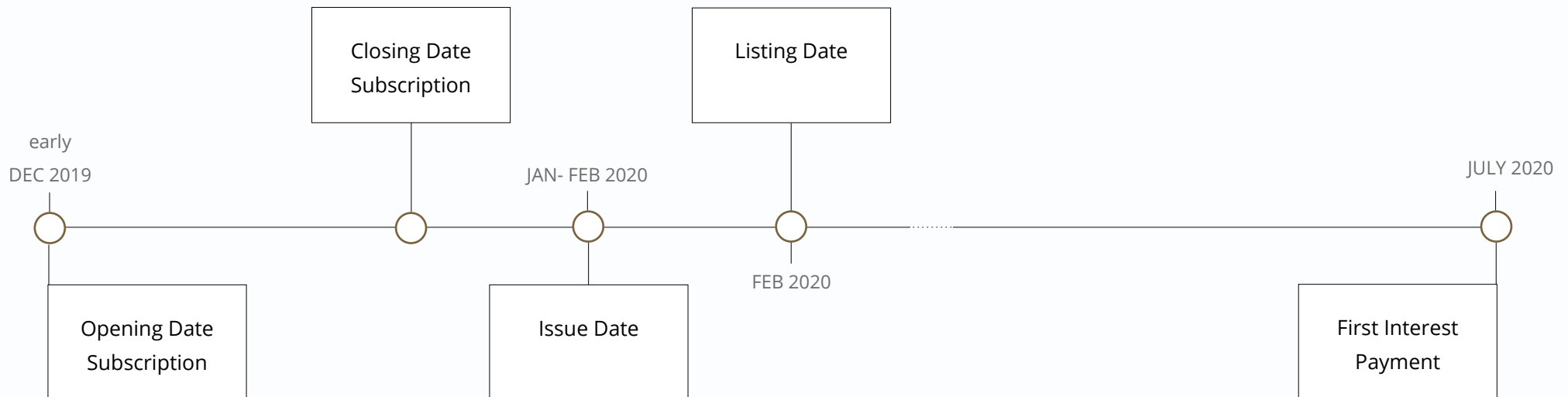
Issuer	ISSUER Micro-finance Institution Limited ("ISSUER")
Value of Bonds offered	Up to KHR 280 Billion (~USD 70 Million)
Currency	KHR, with currency swap into USD
Guarantor	Credit Guarantee and Investment Facility ("CGIF")
Issue Date	February 2020
Maturity	3 years
Offering Price	100% fully paid
Bond Type	Guaranteed bonds in registered form
Gross Coupon Rate	6.5% - 7.5%
Net Coupon Rate, USD	4.5% net after currency swap
Coupon Payment	Semi-annual
Number of Bonds offered	2,800,000
Nominal Value	KHR 100,000 (~USD 25)
Minimum Investment Amount	KHR 20 Billion (~USD 5 Million)
Principal Payment	Bullet Payment at Maturity

REGISTRATION

The Issuer will apply for the Bonds to be registered with the Securities and Exchange Commission of Cambodia (SECC) and will be listed on the Cambodia Securities Exchange (CSX).

USE OF PROCEEDS

Proceeds will be used to fund ISSUER's lending activities in Cambodia



- The timetable above is subject to change if necessary to follow all necessary legal requirements of the Bonds.
- If the closing date of subscription is delayed, the date for securities allotment and CSX listing date will be extended. ISSUER will make the public announcement in Khmer and English of the changes to the dates in the daily newspapers accredited by the SECC.

ABOUT

ISSUER started in 1995 with funding from the European Union and began as a development project aimed at rehabilitating and supporting the agricultural sector in six provinces around Phnom Penh.

and growth, ISSUER ranks number 1 in the microfinance sector and among the top 5 commercial banks in Cambodia.

After more than 20 years of development

FINANCIALS (USD Million)	2018	2017	% Change
Total Assets	2,378	1,754	+ 35.6%
Net Loan Portfolio	1,936	1,525	+ 26.9%
Total Deposits	1,291	915	+ 41.1%
Net Profit	78.6	57.5	+ 36.7%
Total Equity	307	228	+ 34.4%

Agency	Rating	Outlook	Issue Date
MicroFinanza Rating *	A	Stable	2018

* MicroFinanza Rating is a global rating agency based in Italy, specializing in inclusive finance.



SERVICES

ISSUER has a microfinance deposit taking license from the National Bank of Cambodia. ISSUER is dedicated in offering full-fledged financial services namely loans, deposits, PPWSA bill payment, EDC bill payment, phone top-up, fund transfer, cash-by-code, foreign exchange, fast payment, payroll, bank confirmation, mobile banking, internet banking, ATM, POS, and others to target clients.

SOCIAL PERFORMANCE

INDICATORS	2018
Percentage of Borrowers as MSME	99.9%
Percentage of Borrowers in Rural Areas	89%
Percentage of Borrowers as Women	80%

UNITED NATIONS

SUSTAINABLE DEVELOPMENT GOALS



SHAREHOLDERS

XXXXXXXX

One of the leading conglomerates in Sri Lanka with a diversified portfolio in multiple industries. XXXX Group’s unprecedented growth accounts from its core business, financial services, which have a special focus on Micro and SME sectors. XXXXalso has a strong micro-finance presence in Cambodia, Myanmar and Pakistan.

XXXXXXXXXXXXX	70%
XXXXXXXXXXXXX	21%
XXXXXXXXXXXXX	9%

XXXXXXXX

Incorporated in 1918, XXXXX is Hong Kong’s largest independent local bank, with total consolidated assets of HK\$ 839.5 billion (USD 107.2 billion) as of 31st December 2018. Listed on The Stock Exchange of Hong Kong, XXXXX is a constituent stock of the Hang Seng Index.

XXXXXXXX

Established under the law and general provisions of the Kingdom of Cambodia and has the following objectives: to make equity investments in ISSUER MFI Ltd. and to manage the investments in accordance with high ethical and professional standards, transparency and good governance. The company may engage in other capital and asset management, investment, and trading as well as financial or other activities and services, which relate directly or indirectly to the above objectives or similar purposes, and are characteristic of the development of the company’s operations.



ABOUT

Credit Guarantee and Investment Facility was established by the ten members of the Association of Southeast Asian Nations (ASEAN) together with the People's Republic of China, Japan, Republic of Korea (ASEAN+3) and Asian Development Bank (ADB).

CGIF is a key component of the **Asian Bond Markets Initiative (ABMI)** of the ASEAN+3 cooperation. The main function of CGIF is to provide credit guarantees for local currency denominated bonds issued by investment grade companies in ASEAN+3 countries.

As of 19 June 2019, CGIF's capitalization stands at USD1.0038 billion.

THE GUARANTEE

The guarantee issued by CGIF is an irrevocable and unconditional commitment to pay bondholders principal and interest upon non-payment by the issuers throughout the tenor of the bond. This commitment is backed by CGIF's equity capital which has been fully paid-in by all of its contributors. Since 2013, CGIF has guaranteed 30 bond issued in 5 different countries

Agency	Scale	Rating	Outlook	Issue Date
Standard & Poor's	Global (Long & Short Term)	AA / A-1+	Stable	22 Jun 2018
RAM Rating	Global / ASEAN / National	gAAA / seaAAA / AAA	Stable	16 Jan 2019
MARC	National	AAA	Stable	14 Jan 2019
TRIS Ratings	National	AAA	Stable	10 Oct 2018
Fitch Ratings Indonesia	National	AAA	Stable	15 Nov 2018



Hong Leong Bank

BOND

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Agency	Term	Rating	Issue Date
Fitch Ratings Ltd	Long-term	A-	22 Jun 2018
Moody's	Long-term	A3	16 Jan 2019
Rating Agency Malaysia Berhad	Long-term	AAA	14 Jan 2019

Hong Leong Bank Berhad, as part of the Hong Leong Group, has been listed on the Kuala Lumpur Stock Exchange since 1994. Its merger with EON Bank Group in 2011 placed Hong Leong Bank as Malaysia's fifth largest banking group. It now holds over RM 229 billion in assets as at December 2018.

CURRENCY SWAP

Subscription

The Qualified Investors will sign a Swap Agreement with Hong Leong Bank to swap their USD investment into KHR at a fixed exchange rate. This rate will be the NBC average rate on the 5th working day before subscription. The KHR amount will be transferred to the Issuer's Account

Coupon Payment

The Issuer will deposit the coupon payment into the Qualified Investor's trading account at Hong Leong Bank. Hong Leong Bank will swap this amount back into USD at the arranged fixed FX rate.

Maturity

The Issuer will deposit the invested KHR amount into the Qualified Investor's trading account at Hong Leong Bank. Hong Leong Bank will swap this amount back into USD at the arranged fixed FX rate.



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