



Building a better
working world

Ernst & Young Lao Limited
6th Floor, Capital Tower
23 Singha Road, Nongbone Village
Saysettha District, Vientiane Capital, Lao PDR

Tel: + 856 21 455 077
Fax: + 856 21 455 078
ey.com

Reference: 60886110/17292053

INDEPENDENT AUDITORS' REPORT

To: The Management of Maybank Lao Branch

We have audited the accompanying financial statements of Maybank Lao Branch ("the Branch"), which comprise the balance sheet as at 31 December 2014, the income statement, statement of changes in equity and cash flow statement for the year ended 31 December 2014, and a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 36.

Management's Responsibility for the Financial Statements

The Branch's management is responsible for the preparation and fair presentation of these financial statements in accordance with the Enterprise Accounting Law of Lao P.D.R and other relevant accounting regulations stipulated by the Bank of Lao P.D.R, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatements, 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 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 risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Branch's preparation and fair presentation of the financial statements 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 Branch's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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.



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Opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of Maybank Lao Branch as at 31 December 2014 and of its financial performance and cash flows for the year ended 31 December 2014 in accordance with the Enterprise Accounting Law of Lao P.D.R and relevant accounting regulations stipulated by the Bank of Lao P.D.R.

We draw attention to Note 2.2 to the financial statement on basis of preparation, which describes the purpose of presenting reference figures in USD in additions to LAK'000. The equivalent amounts in USD are presented in the accompanying financial statements for the purpose of the Branch's internal use only and should not be used for any other purpose.

Ernst & Young Lao Ltd



Vientiane, Lao P.D.R

31 January 2015

Maybank Lao Branch

INCOME STATEMENT
for the year ended 31 December 2014

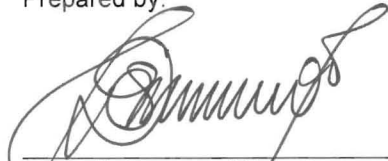
Code	ITEMS	Notes	For the year ended 31 December 2014 LAK'000	For the period from 5 November 2012 to 31 December 2013 LAK'000	For the year ended 31 December 2014 USD equivalent	For the period from 5 November 2012 to 31 December 2013 USD equivalent
A.	OPERATING INCOME AND EXPENSES					
1.	Interest and similar income	3	43,771,442	4,703,541	5,418,599	587,722
1.1	Interest and similar income from interbank		30,027,467	56,720	3,717,191	7,087
1.2	Interest and similar income from customers		13,743,975	3,465,571	1,701,408	433,034
1.3	Other interest and similar income		-	1,181,250	-	147,601
2.	Interest and similar expense	3	(20,681,076)	(2,739,925)	(2,560,173)	(342,362)
2.1	Interest and similar expense for interbank		(19,675,035)	(2,134,690)	(2,435,632)	(266,736)
2.2	Interest and similar expense for customers		(1,006,041)	(605,235)	(124,541)	(75,626)
I.	NET INTEREST AND SIMILAR INCOME		23,090,366	1,963,616	2,858,426	245,360
3	Fee and commission income	4	2,299,877	898,352	284,709	112,252
4	Fee and commission expense	4	(167,241)	(134,425)	(20,703)	(16,797)
5	Net gain from dealing in foreign currencies and gold	5	44,375	64,240	5,493	8,027
II.	NET OPERATING INCOME		25,267,377	2,791,783	3,127,925	348,842
B	OTHER INCOME AND EXPENSES					
6	Other operating income	6	298,223	158,161	36,918	19,763
7	Administration expenses		(8,771,258)	(7,531,584)	(1,085,820)	(941,095)
7.1	Payroll and other staff costs	7	(4,873,404)	(3,339,323)	(603,293)	(417,259)
7.2	Other administration expenses	8	(3,897,854)	(4,192,261)	(482,527)	(523,836)
8	Depreciation and amortization charges		(1,517,904)	(1,579,118)	(187,904)	(197,314)
9	Other operating expenses	9	(673,148)	(551,409)	(83,331)	(68,900)

Maybank Lao Branch

INCOME STATEMENT (continued)
for the year ended 31 December 2014

Code	ITEMS	Notes	For the year ended 31 December 2014 LAK'000	For the period from 5 November 2012 to 31 December 2013 LAK'000	For the year ended 31 December 2014 USD equivalent	For the period from 5 November 2012 to 31 December 2013 USD equivalent
10	Net specific provision (charges)/reversal for loans to customers	13.2	-	-	-	-
10.1	Specific provision of credit losses of loans to customers		-	(14,119)	-	(1,764)
10.2	Reversal of specific provision for credit losses		-	14,119	-	1,764
III.	PROFIT/(LOSS) BEFORE TAX		14,603,290	(6,712,167)	1,807,788	(838,704)
11	Current enterprise income tax	18	(1,893,870)	-	(234,448)	-
IV.	NET PROFIT/(LOSS) FOR THE YEAR		12,709,420	(6,712,167)	1,573,340	(838,704)

Prepared by:



Mr. Felix Desmond Francis
Head of Operation Department

Reviewed by:



Mr. Dim Wai Hoong
General Manager

Vientiane, Lao P.D.R

31 January 2015

Maybank Lao Branch

BALANCE SHEET
as at 31 December 2014

Code	ASSETS	Notes	31/12/2014 LAK'000	31/12/2013 LAK'000	31/12/2014 USD equivalent	31/12/2013 USD equivalent
I	Cash and balances with the BOL		1,931,413,907	128,974,087	239,095,557	16,115,717
1	Cash on hand	10	4,053,245	4,209,853	501,764	526,034
2	Demand deposits	11	69,420,662	124,764,234	8,593,793	15,589,683
3	Term deposits	11	1,857,940,000	-	230,000,000	-
II	Amounts due from other banks	12	33,872,772	22,605,866	4,193,213	2,824,674
1	Demand deposits		14,533,772	10,556,307	1,799,180	1,319,044
2	Term deposits		19,339,000	12,049,559	2,394,033	1,505,630
III	Investment in securities		-	-	-	-
1	Held to maturity		-	-	-	-
IV	Loans to customers (net of specific provision)	13	204,262,329	109,612,477	25,286,250	13,696,423
V	Fixed assets		6,293,121	7,044,114	779,044	880,185
1	Construction in progress and fixed assets in transit		-	420,802	-	52,580
2	Tangible fixed assets	14.1	6,259,153	6,269,155	774,839	783,351
3	Intangible fixed assets	14.2	33,968	354,157	4,205	44,254
VI	Other assets		31,894,623	3,644,601	3,948,332	455,405
1	Accrued interests		30,196,445	291,520	3,738,109	36,427
2	Other assets	15	1,698,178	3,353,081	210,223	418,978
	TOTAL ASSETS		2,207,736,752	271,881,145	273,302,396	33,972,404

Maybank Lao Branch

BALANCE SHEET (continued)
as at 31 December 2014

Code	LIABILITIES AND CAPITAL	Notes	31/12/2014 LAK'000	31/12/2013 LAK'000	31/12/2014 USD equivalent	31/12/2013 USD equivalent
I	Amounts due to other banks		2,011,299,534	150,844,949	248,984,839	18,848,550
1	Demand deposits	16.1	45,672,534	10,041,148	5,653,940	1,254,673
2	Term deposits	16.2	1,965,627,000	140,803,801	243,330,899	17,593,877
II	Amounts due to customers	17	67,340,527	18,213,058	8,336,287	2,275,779
1	Demand deposits		11,176,262	4,229,680	1,383,543	528,512
2	Saving deposits		17,910,324	4,312,083	2,217,173	538,808
3	Term deposits		38,253,941	9,671,295	4,735,571	1,208,459
III	Other liabilities		21,415,509	8,325,843	2,651,089	1,040,339
1	Accrued interest		18,544,686	2,303,129	2,295,703	287,782
2	Tax payable	18	2,028,849	36,574	251,156	4,570
3	Other payables	19	841,974	5,986,140	104,230	747,987
	TOTAL LIABILITIES		2,100,055,570	177,383,850	259,972,215	22,164,668
IV	Capital and reserves		107,681,182	94,497,295	13,330,181	11,807,736
1	Paid-up capital	20	100,661,400	100,661,400	12,461,179	12,577,958
2	Regulatory reserve fund		599,725	-	74,242	-
3	Business expansion fund		-	-	-	-
4	Foreign currency translation reserve		-	-	-	-
5	General provision for credit activities	13.2	1,022,529	548,062	126,582	68,482
6	Retained earnings		5,397,528	(6,712,167)	668,178	(838,704)
	TOTAL CAPITAL		107,681,182	94,497,295	13,330,181	11,807,736
	TOTAL LIABILITIES AND CAPITAL		2,207,736,752	271,881,145	273,302,396	33,972,404

Maybank Lao Branch

BALANCE SHEET (continued)
as at 31 December 2014

Code	OFF BALANCE SHEET ITEMS	Notes	31/12/2014 LAK'000	31/12/2013 LAK'000	31/12/2014 USD equivalent	31/12/2013 USD equivalent
I	Commitments					
1	Commitments for financing given to customers		6,940,405	62,958	859,174	7,867
	TOTAL COMMITMENTS GIVEN		6,940,405	62,958	859,174	7,867
II	Collaterals and Mortgages					
A	Collaterals and Mortgages for loans					
1	Collaterals and Mortgages for loans to customers		1,139,396,569	167,194,690	141,049,340	20,891,502
			1,139,396,569	167,194,690	141,049,340	20,891,502
B	Collaterals and Mortgages for guarantees					
1	Collaterals and Mortgages for guarantees given to customers		151,276,967	62,958	18,727,032	7,867
			151,276,967	62,958	18,727,032	7,867
	COLLATERALS AND MORTGAGES		1,290,673,536	167,257,648	159,776,372	20,899,369

Prepared by:

Mr. Felix Desmond Francis
Head of Operation Department

Reviewed by:

Mr. Lim Wai Hoong
General Manager



Vientiane, Lao P.D.R

31 January 2015

Maybank Lao Branch

STATEMENT OF CHANGES IN EQUITY for the year ended 31 December 2014

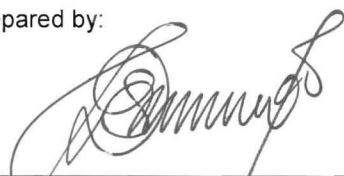
<i>ITEMS</i>	<i>Paid-up capital LAK'000</i>	<i>Regulatory reserve fund LAK'000</i>	<i>General provision for credit activities LAK'000</i>	<i>Foreign currency translation reserve LAK'000</i>	<i>Retained earnings LAK'000</i>	<i>Total LAK'000</i>
Balance as at 31 December 2013	100,661,400	-	548,062	-	(6,712,167)	94,497,295
Additional paid-up capital in the period	-	-	-	-	-	-
Net profit for the year	-	-	-	-	12,709,420	12,709,420
Created regulatory reserve fund for the period	-	599,725	-	-	(599,725)	-
General provision charged during the period	-	-	626,894	-	-	626,894
Reversal of general provision during the period	-	-	(155,609)	-	-	(155,609)
Foreign exchange difference	-	-	3,182	-	-	3,182
Balance as at 31 December 2014	100,661,400	599,725	1,022,529	-	5,397,528	107,681,182

Maybank Lao Branch

STATEMENT OF CHANGES IN EQUITY (continued)
for the year ended 31 December 2014

ITEMS	Paid-up capital USD equivalent	Regulatory reserve fund USD equivalent	General provision for credit activities USD equivalent	Foreign currency translation reserve USD equivalent	Retained earnings USD equivalent	Total USD equivalent
Balance as at 31 December 2013	12,577,958	-	68,482	-	(838,704)	11,807,736
Additional paid-up capital in the period	-	-	-	-	-	-
Net profit for the year	-	-	-	-	1,573,340	1,573,340
Created regulatory reserve fund for the period	-	74,242	-	-	(74,242)	-
General provision charged during the period	-	-	77,605	-	-	77,605
Reversal of general provision during the period	-	-	(19,263)	-	-	(19,263)
Foreign exchange difference	(116,779)	-	(242)	-	7,784	(109,237)
Balance as at 31 December 2014	12,461,179	74,242	126,582	-	668,178	13,330,181

Prepared by:



Mr. Felix Desmond Frands
Head of Operation Department

Reviewed by:



Mr. Lim Wai Hoong
General Manager

Vientiane, Lao P.D.R

31 January 2015

Maybank Lao Branch

CASH FLOW STATEMENT for the year ended 31 December 2014

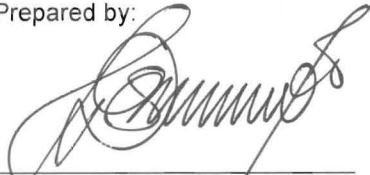
ITEMS	Notes	For the year	For the period	For the year	For the period
		ended 31 December 2014	from 5 November 2012 to 31 December 2013	ended 31 December 2014	from 5 November 2012 to 31 December 2013
		LAK'000	LAK'000	USD equivalent	USD equivalent
Net profit after tax		12,709,420	(6,712,167)	1,573,340	(838,704)
<i>Adjustments for:</i>					
Tax payable	18	1,893,870	36,574	234,448	4,570
Depreciation and amortization charges		1,517,904	1,579,118	187,904	197,314
Loan loss provision expenses	13.2	626,894	562,181	77,605	70,246
Reversal of provision for credit losses	13.2	(155,609)	(14,119)	(19,263)	(1,764)
Cash outflows due to operating profit/loss before changing in operating assets and liabilities		16,592,479	(4,548,413)	2,054,034	(568,338)
(Increase)/Decrease in operating assets					
Balances with other banks		(1,880,653,725)	(28,011,810)	(232,811,801)	(3,500,164)
Loans and advances to customers		(94,649,852)	(109,612,477)	(11,716,991)	(13,696,423)
Accrued interest receivables		(29,904,925)	(291,520)	(3,702,021)	(36,427)
Other assets		2,066,592	(3,773,883)	255,828	(471,558)
Increase/(Decrease) in operating liabilities					
Deposits and borrowings from other banks		1,860,454,585	150,844,949	230,311,288	18,848,550
Customer deposits and other amounts due to customers		49,127,469	18,213,058	6,081,638	2,275,779
Corporate tax paid during the period	18	-	-	-	-
Accrued interest payables		16,241,557	2,303,129	2,010,591	287,782
Other liabilities		(5,045,762)	5,986,140	(624,628)	747,987
Net cash flows (used in)/ from operating activities		(65,771,582)	31,109,173	(8,142,062)	3,887,188
INVESTING ACTIVITIES					
Payments to acquire property and equipment		(1,175,417)	(8,202,430)	(145,508)	(1,024,919)
Net cash flows used in investing activities		(1,175,417)	(8,202,430)	(145,508)	(1,024,919)

Maybank Lao Branch

CASH FLOW STATEMENT (continued)
for the year ended 31 December 2014

ITEMS	Notes	For the year	For the period	For the year	For the period
		ended 31 December 2014	from 5 November 2012 to 31 December 2013	ended 31 December 2014	from 5 November 2012 to 31 December 2013
		LAK'000	LAK'000	USD equivalent	USD equivalent
FINANCING ACTIVITIES					
Capital contribution		-	100,661,400	-	12,577,958
Net cash flows from financing activities		-	100,661,400	-	12,577,958
Net change in cash and cash equivalents		(66,946,999)	123,568,143	(8,287,570)	15,440,227
Cash and cash equivalents at the beginning of the period		123,568,143	-	15,440,227	-
Effect of foreign exchange difference		-	-	(143,354)	-
Cash and cash equivalents at the end of the period	21	56,621,144	123,568,143	7,009,303	15,440,227

Prepared by:



Mr. Felix Desmond Francis
Head of Operation Department

Reviewed by:



Mr. Lim Wai Hoong
General Manager

Vientiane, Lao P.D.R

31 January 2015