

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**

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Report on review of interim financial information

To the shareholders of Phnom Penh Commercial Bank Plc.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Phnom Penh Commercial Bank Plc. (the Bank) and its subsidiary, J&A (Cambodia) Investment Co., Ltd. (together the Group) as at 30 September 2022, condensed separate statement of financial position of the Bank as at 30 September 2022, and the related condensed consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and condensed consolidated and separate statements of changes in equity and cash flows for the nine-month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information of the Group and condensed separate interim financial information of the Bank in accordance with Cambodian International Accounting Standard 34, "Interim financial reporting". Our responsibility is to express a conclusion on this condensed consolidated and separate interim financial information based on our review.

Scope of review

We conducted our review in accordance with Cambodian International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Cambodian International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated and separate interim financial information is not prepared, in all material respects, in accordance with Cambodian International Accounting Standard 34, "Interim financial reporting".

For PricewaterhouseCoopers (Cambodia) Ltd.




By Kuy Lim
Partner

Phnom Penh, Kingdom of Cambodia
1 November 2022

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**

	Notes	30 September 2022		31 December 2021	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		33,376,970	137,479,739	35,428,236	144,334,633
Balances with the central bank		21,646,060	89,160,121	20,962,263	85,400,259
Balances with other banks and financial institutions		66,593,732	274,299,582	87,356,096	355,888,735
Statutory deposits with the central bank		49,969,085	205,822,661	60,603,162	246,897,282
Loans to customers	6	779,524,429	3,210,861,123	742,346,672	3,024,320,342
Investment securities	7	195,408	804,886	3,164,405	12,891,786
Intangible assets		5,464,290	22,507,410	6,658,228	27,125,620
Property and equipment		12,897,606	53,125,239	13,792,136	56,189,162
Right of use assets		10,272,323	42,311,698	9,697,968	39,509,521
Other assets		6,790,613	27,970,535	5,518,811	22,483,636
TOTAL ASSETS		986,730,516	4,064,342,994	985,527,977	4,015,040,976
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		203,154,686	836,794,151	97,992,038	399,219,563
Deposits from non-bank customers		530,588,045	2,185,492,157	646,376,177	2,633,336,545
Current income tax liabilities		1,159,491	4,775,943	3,853,020	15,697,203
Deferred tax liabilities	8	3,396,750	13,991,212	85,274	347,406
Borrowings		4,713,802	19,416,151	11,288,241	45,988,294
Debt securities issued	9	19,697,583	81,134,345	19,683,096	80,188,933
Lease liabilities		11,072,622	45,608,130	10,335,805	42,108,070
Employee benefit obligations		185,141	762,596	129,022	525,635
Other liabilities		2,063,685	8,500,319	1,908,320	7,774,495
Subordinated debts		20,037,128	82,532,930	20,037,128	81,631,259
TOTAL LIABILITIES		796,068,933	3,279,007,934	811,688,121	3,306,817,403
EQUITY					
Share capital	10	114,000,000	469,566,000	102,000,000	415,548,000
Regulatory reserve	11	32,725,588	134,902,877	14,852,049	62,086,079
Retained earnings		43,935,995	177,441,112	56,987,807	230,614,195
Other reserves		-	3,425,071	-	(24,701)
TOTAL EQUITY		190,661,583	785,335,060	173,839,856	708,223,573
TOTAL LIABILITIES AND EQUITY		986,730,516	4,064,342,994	985,527,977	4,015,040,976

The accompanying notes on pages 10 to 27 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2022

Notes	For the three-month period ended				For the nine-month period ended				
	30 September 2022		30 September 2021		30 September 2022		30 September 2021		
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	
Interest income	19,253,308	78,957,816	18,467,429	75,273,241	56,606,521	230,614,967	54,909,203	223,260,819	
Interest expense	(6,321,768)	(25,925,571)	(6,568,117)	(26,771,645)	(18,116,238)	(73,805,554)	(20,742,573)	(84,339,302)	
Net interest income	12,931,540	53,032,245	11,899,312	48,501,596	38,490,283	156,809,413	34,166,630	138,921,517	
Fees and commission income	461,125	1,891,074	773,659	3,153,434	1,698,069	6,917,933	1,642,256	6,677,413	
Fees and commission expense	(242,478)	(994,402)	(215,013)	(876,393)	(657,551)	(2,678,863)	(756,250)	(3,074,913)	
Net fees and commission income	218,647	896,672	558,646	2,277,041	1,040,518	4,239,070	886,006	3,602,500	
Impairment losses on financial assets	12	(212,990)	(873,472)	(325,641)	(1,327,313)	(1,303,447)	(5,310,244)	(2,488,487)	(10,118,188)
Other losses – net		(193,154)	(792,125)	(77,480)	(315,808)	(192,089)	(782,571)	(180,120)	(732,367)
Other operating income		373,918	1,533,438	32,912	134,149	397,201	1,618,197	686,372	2,790,789
Net other operating loss		(32,226)	(132,159)	(370,209)	(1,508,972)	(1,098,335)	(4,474,618)	(1,982,235)	(8,059,766)
Personnel expenses		(2,036,414)	(8,351,334)	(2,023,236)	(8,246,710)	(5,684,329)	(23,157,956)	(5,874,101)	(23,884,095)
Depreciation and amortisation		(1,677,421)	(6,879,104)	(2,009,879)	(8,192,267)	(4,993,996)	(20,345,539)	(5,808,338)	(23,616,703)
Other operating expenses		(1,747,782)	(7,167,654)	(1,282,500)	(5,227,470)	(4,775,202)	(19,454,173)	(5,760,238)	(23,421,128)
Profit before income tax		7,656,344	31,398,666	6,772,134	27,603,218	22,978,939	93,616,197	15,627,724	63,542,325
Income tax expense		(1,510,115)	(6,192,982)	(1,406,060)	(5,731,101)	(4,657,212)	(18,973,482)	(3,186,020)	(12,954,357)
Profit for the period		6,146,229	25,205,684	5,366,074	21,872,117	18,321,727	74,642,715	12,441,704	50,587,968
Other comprehensive income									
<i>Items that will not be reclassified to profit or loss</i>									
Currency translation differences		-	3,817,878	-	630,797	-	3,517,272	-	2,195,412
		-	3,817,878	-	630,797	-	3,517,272	-	2,195,412
Total comprehensive income for the period		6,146,229	29,023,562	5,366,074	22,502,914	18,321,727	78,159,987	12,441,704	52,783,380
Profit attributable to owners of the Group		6,146,229	25,205,684	5,366,074	21,872,117	18,321,727	74,642,715	12,441,704	50,587,968
Total comprehensive income attributable to owners of the Group		6,146,229	29,023,562	5,366,074	22,502,914	18,321,727	78,159,987	12,441,704	52,783,380

The accompanying notes on pages 10 to 27 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

	Attributable to owners of the Group									
	Share capital		Regulatory reserve		Retained earnings		Other reserves		Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Balance at 1 January 2021	92,000,000	372,140,000	11,683,167	49,195,067	51,954,170	210,137,359	-	(1,919,398)	155,637,337	629,553,028
Profit for the period	-	-	-	-	12,441,704	50,587,968	-	-	12,441,704	50,587,968
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	2,195,412	-	2,195,412
Total comprehensive income for the period	-	-	-	-	12,441,704	50,587,968	-	2,195,412	12,441,704	52,783,380
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 10)	10,000,000	40,660,000	-	-	(10,000,000)	(40,660,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	638,266	2,595,190	(638,266)	(2,595,190)	-	-	-	-
Currency translation differences	-	3,258,000	-	-	-	-	-	-	-	3,258,000
Total transactions with owners	10,000,000	43,918,000	638,266	2,595,190	(10,638,266)	(43,255,190)	-	-	-	3,258,000
Balance at 30 September 2021	102,000,000	416,058,000	12,321,433	51,790,257	53,757,608	217,470,137	-	276,014	168,079,041	685,594,408
Balance at 1 January 2022	102,000,000	415,548,000	14,852,049	62,086,079	56,987,807	230,614,195	-	(24,701)	173,839,856	708,223,573
Profit for the period	-	-	-	-	18,321,727	74,642,715	-	-	18,321,727	74,642,715
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	3,517,272	-	3,517,272
Total comprehensive income for the period	-	-	-	-	18,321,727	74,642,715	-	3,517,272	18,321,727	78,159,987
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 10)	12,000,000	48,888,000	-	-	(12,000,000)	(48,888,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	17,873,539	72,816,798	(17,873,539)	(72,816,798)	-	-	-	-
Dividend paid	-	-	-	-	(1,500,000)	(6,111,000)	-	-	(1,500,000)	(6,111,000)
Currency translation differences	-	5,130,000	-	-	-	-	-	(67,500)	-	5,062,500
Total transactions with owners	12,000,000	54,018,000	17,873,539	72,816,798	(31,373,539)	(127,815,798)	-	(67,500)	(1,500,000)	(1,048,500)
Balance at 30 September 2022	114,000,000	469,566,000	32,725,588	134,902,877	43,935,995	177,441,112	-	3,425,071	190,661,583	785,335,060

The accompanying notes on pages 10 to 27 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**

	For the nine-month period ended			
	30 September 2022		30 September 2021	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit before income tax	22,978,939	93,616,197	15,627,724	63,542,325
<i>Adjustments for:</i>				
Provision for employee benefit obligations	56,119	228,629	50,663	205,996
Depreciation and amortisation	4,993,996	20,345,539	5,808,338	23,616,703
Impairment losses on financial assets	1,303,447	5,310,244	2,488,487	10,118,188
Unrealised exchange gains on investment securities	(26,508)	(107,994)	(3,823)	(15,544)
Unrealised exchange losses/(gains) on borrowings and debt securities	47,003	191,491	(284,684)	(1,157,525)
Interest income	(56,606,521)	(230,614,967)	(54,909,203)	(223,260,819)
Interest expense	18,116,238	73,805,554	20,742,573	84,339,302
<i>Changes in working capital:</i>				
Reserve requirement with the central bank	11,843,679	48,251,148	815,802	3,317,051
Loans to customers	(40,112,361)	(163,417,759)	(10,838,657)	(44,069,979)
Other assets	(1,271,802)	(5,181,321)	(133,381)	(542,327)
Deposits from other banks	103,881,735	423,214,188	27,991,754	113,814,472
Deposit from non-bank customers	(113,824,895)	(463,722,622)	(40,898,191)	(166,292,045)
Other liabilities	183,504	747,595	3,979,906	16,182,298
Cash used in operations	(48,437,427)	(197,334,078)	(29,562,692)	(120,201,904)
Interest received	58,127,817	236,812,726	54,395,371	221,171,578
Interest paid	(19,174,141)	(78,115,450)	(22,144,167)	(90,038,183)
Income tax paid	(4,039,265)	(16,455,966)	(3,803,900)	(15,466,657)
Net cash used in operating activities	<u>(13,523,016)</u>	<u>(55,092,768)</u>	<u>(1,115,388)</u>	<u>(4,535,166)</u>
Cash flows from investing activities				
Placements of capital guarantee deposits	(1,200,000)	(4,888,800)	(1,000,000)	(4,066,000)
Purchases of property and equipment	(840,983)	(3,426,165)	(695,165)	(2,826,541)
Purchases of intangible assets	(314,890)	(1,282,862)	(436,034)	(1,772,914)
Proceeds from matured investment securities	2,947,317	12,007,369	-	-
Withdrawals of Negotiable Certificate of Deposits with the central bank	5,762,000	23,474,388	3,163,000	12,860,758
Balances with other banks and financial institutions	8,019,152	32,670,025	16,668,229	67,773,019
Net cash generated from investing activities	<u>14,372,596</u>	<u>58,553,955</u>	<u>17,700,030</u>	<u>71,968,322</u>
Cash flows from financing activities				
Dividends paid	(1,500,000)	(6,111,000)	-	-
Proceeds from borrowings	1,326,500	5,404,161	15,740,285	63,999,999
Repayments of borrowings	(7,557,876)	(30,790,787)	(20,796,089)	(84,556,898)
Principal elements of lease payments	(1,587,194)	(6,466,228)	(1,694,450)	(6,889,634)
Net cash used in financing activities	<u>(9,318,570)</u>	<u>(37,963,854)</u>	<u>(6,750,254)</u>	<u>(27,446,533)</u>
Net (decrease)/increase in cash and cash equivalents	(8,468,990)	(34,502,667)	9,834,388	39,986,623
Cash and cash equivalents at beginning of period	65,822,934	268,162,631	110,973,850	448,889,223
Currency translation differences	-	2,580,931	-	3,900,956
Cash and cash equivalents at end of period	<u>57,353,944</u>	<u>236,240,895</u>	<u>120,808,238</u>	<u>492,776,802</u>

Non-cash investing activities

Retained earnings amounting to US\$12,000,000 of the Bank was converted into share capital during the period (see note 10).

The accompanying notes on pages 10 to 27 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**

	Notes	30 September 2022		30 December 2021	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		33,376,970	137,479,739	35,428,236	144,334,633
Balances with the central bank		21,646,060	89,160,121	20,962,263	85,400,258
Balances with other banks and financial institutions		66,593,732	274,299,582	87,356,097	355,888,739
Statutory deposits with the central bank		49,969,085	205,822,661	60,603,162	246,897,282
Loans to customers	6	785,778,283	3,236,620,747	748,576,949	3,049,702,491
Investment securities	7	195,408	804,886	3,164,405	12,891,786
Investment in subsidiary		490,000	2,018,310	490,000	1,996,260
Intangible assets		5,464,290	22,507,410	6,658,228	27,125,621
Property and equipment		6,274,307	25,843,870	7,161,337	29,175,287
Right of use assets		18,193,849	74,940,464	18,200,395	74,148,409
Deferred tax assets	8	-	-	82,960	337,979
Other assets		6,789,073	27,964,192	5,517,271	22,477,362
TOTAL ASSETS		<u>994,771,057</u>	<u>4,097,461,982</u>	<u>994,201,303</u>	<u>4,050,376,107</u>
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		203,154,686	836,794,151	97,992,038	399,219,563
Deposits from non-bank customers		531,121,434	2,187,689,186	646,768,326	2,634,934,160
Current income tax liabilities		1,159,491	4,775,943	3,859,106	15,721,998
Deferred tax liabilities	8	3,204,969	13,201,267	-	-
Borrowings		4,713,802	19,416,151	11,288,241	45,988,294
Debt securities issued	9	19,697,583	81,134,345	19,683,096	80,188,933
Lease liabilities		20,034,477	82,522,011	19,756,232	80,486,889
Employee benefit obligations		185,141	762,596	129,022	525,636
Other liabilities		2,056,622	8,471,225	1,900,053	7,740,814
Subordinated debts		20,037,128	82,532,930	20,037,128	81,631,259
TOTAL LIABILITIES		<u>805,365,333</u>	<u>3,317,299,805</u>	<u>821,413,242</u>	<u>3,346,437,546</u>
EQUITY					
Share capital	10	114,000,000	469,566,000	102,000,000	415,548,000
Regulatory reserve	11	32,783,810	135,123,304	14,911,718	62,312,401
Retained earnings		42,621,914	172,106,155	55,876,343	226,104,698
Other reserves		-	3,366,718	-	(26,538)
TOTAL EQUITY		<u>189,405,724</u>	<u>780,162,177</u>	<u>172,788,061</u>	<u>703,938,561</u>
TOTAL LIABILITIES AND EQUITY		<u>994,771,057</u>	<u>4,097,461,982</u>	<u>994,201,303</u>	<u>4,050,376,107</u>

The accompanying notes on pages 10 to 27 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2022

Notes	For the three-month period ended				For the nine-month period ended				
	30 September 2022		30 September 2021		30 September 2022		30 September 2021		
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	
Interest income	19,389,683	79,517,090	18,602,506	75,823,814	57,002,497	232,228,173	55,306,478	224,876,140	
Interest expense	(6,421,443)	(26,334,338)	(6,659,642)	(27,144,701)	(18,401,500)	(74,967,711)	(21,029,000)	(85,503,914)	
Net interest income	12,968,240	53,182,752	11,942,864	48,679,113	38,600,997	157,260,462	34,277,478	139,372,226	
Fees and commission income	486,681	1,995,879	773,659	3,153,434	1,774,178	7,228,001	1,642,256	6,677,413	
Fees and commission expense	(242,478)	(994,402)	(215,013)	(876,393)	(657,514)	(2,678,712)	(756,250)	(3,074,913)	
Net fees and commission income	244,203	1,001,477	558,646	2,277,041	1,116,664	4,549,289	886,006	3,602,500	
Impairment losses on financial assets	12	(212,969)	(873,386)	(325,641)	(1,327,313)	(1,304,894)	(5,316,138)	(2,489,774)	(10,123,421)
Other losses - net		(193,154)	(792,125)	(51,923)	(211,638)	(173,675)	(707,552)	(114,682)	(466,297)
Other operating income		373,918	1,533,438	32,912	134,149	397,201	1,618,197	686,373	2,790,793
Net other operating loss		(32,205)	(132,073)	(344,652)	(1,404,802)	(1,081,368)	(4,405,493)	(1,918,083)	(7,798,925)
Personnel expenses		(2,036,414)	(8,351,334)	(2,023,236)	(8,246,710)	(5,684,329)	(23,157,956)	(5,874,101)	(23,884,095)
Depreciation and amortisation		(1,838,817)	(7,540,989)	(2,173,463)	(8,859,035)	(5,478,184)	(22,318,121)	(6,293,007)	(25,587,367)
Other operating expenses		(1,757,818)	(7,208,812)	(1,297,457)	(5,288,435)	(4,807,851)	(19,587,185)	(5,856,557)	(23,812,761)
Profit before income tax		7,547,189	30,951,021	6,662,702	27,157,172	22,665,929	92,340,996	15,221,736	61,891,578
Income tax expense		(1,500,313)	(6,152,784)	(1,396,532)	(5,692,264)	(4,548,266)	(18,529,636)	(3,144,886)	(12,787,106)
Profit for the period		6,046,876	24,798,237	5,266,170	21,464,908	18,117,663	73,811,360	12,076,850	49,104,472
Other comprehensive income									
<i>Items that will not be reclassified to profit or loss</i>									
Currency translation difference		-	3,758,202	-	623,184	-	3,460,756	-	2,170,819
		-	3,758,202	-	623,184	-	3,460,756	-	2,170,819
Total comprehensive income for the period		6,046,876	28,556,439	5,266,170	22,088,092	18,117,663	77,272,116	12,076,850	51,275,291
Profit attributable to owners of the Bank		6,046,876	24,798,237	5,266,170	21,464,908	18,117,663	73,811,360	12,076,850	49,104,472
Total comprehensive income attributable to owners of the Bank		6,046,876	28,556,439	5,266,170	22,088,092	18,117,663	77,272,116	12,076,850	51,275,291

The accompanying notes on pages 10 to 27 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

	Attributable to owners of the Bank									
	Share capital		Regulatory reserve		Retained earnings		Other reserves		Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Balance at 1 January 2021	92,000,000	372,140,000	11,744,124	49,426,629	51,309,407	207,526,401	-	(1,901,497)	155,053,531	627,191,533
Profit for the period	-	-	-	-	12,076,850	49,104,472	-	-	12,076,850	49,104,472
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	2,170,819	-	2,170,819
Total comprehensive income for the period	-	-	-	-	12,076,850	49,104,472	-	2,170,819	12,076,850	51,275,291
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 10)	10,000,000	40,660,000	-	-	(10,000,000)	(40,660,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	636,979	2,589,957	(636,979)	(2,589,957)	-	-	-	-
Currency translation differences	-	3,258,000	-	-	-	-	-	-	-	3,258,000
Total transactions with owners	10,000,000	43,918,000	636,979	2,589,957	(10,636,979)	(43,249,957)	-	-	-	3,258,000
Balance at 30 September 2021	102,000,000	416,058,000	12,381,103	52,016,586	52,749,278	213,380,916	-	269,322	167,130,381	681,724,824
Balance at 1 January 2022	102,000,000	415,548,000	14,911,718	62,312,401	55,876,343	226,104,698	-	(26,538)	172,788,061	703,938,561
Profit for the period	-	-	-	-	18,117,663	73,811,360	-	-	18,117,663	73,811,360
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	3,460,756	-	3,460,756
Total comprehensive income for the period	-	-	-	-	18,117,663	73,811,360	-	3,460,756	18,117,663	77,272,116
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 10)	12,000,000	48,888,000	-	-	(12,000,000)	(48,888,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	17,872,092	72,810,903	(17,872,092)	(72,810,903)	-	-	-	-
Dividend paid	-	-	-	-	(1,500,000)	(6,111,000)	-	-	(1,500,000)	(6,111,000)
Currency translation difference	-	5,130,000	-	-	-	-	-	(67,500)	-	5,062,500
Total transactions with owners	12,000,000	54,018,000	17,872,092	72,810,903	(31,372,092)	(127,809,903)	-	(67,500)	(1,500,000)	(1,048,500)
Balance at 30 September 2022	114,000,000	469,566,000	32,783,810	135,123,304	42,621,914	172,106,155	-	3,366,718	189,405,724	780,162,177

The accompanying notes on pages 10 to 27 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED SEPARATE STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**

	For the nine-month period ended			
	30 September 2022		30 September 2021	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit before income tax	22,665,929	92,340,996	15,221,736	61,891,578
<i>Adjustments for:</i>				
Provision for employee benefit obligations	56,119	228,629	50,663	205,996
Depreciation and amortisation	5,478,184	22,318,121	6,293,007	25,587,367
Impairment losses on financial assets	1,304,894	5,316,138	2,489,774	10,123,421
Unrealised exchange gains on investment securities	(26,508)	(107,994)	(3,823)	(15,544)
Unrealised exchange losses/(gains) on borrowings and debt securities	47,003	191,491	(284,684)	(1,157,525)
Interest income	(57,002,497)	(232,228,173)	(55,306,478)	(224,876,140)
Interest expense	18,401,500	74,967,711	21,029,000	85,503,914
<i>Changes in working capital:</i>				
Placements of reserve requirement with the central bank	11,843,679	48,251,148	815,802	3,317,051
Loans to customers	(40,112,362)	(163,417,763)	(10,838,657)	(44,069,979)
Other assets	(1,271,802)	(5,181,321)	(133,381)	(542,327)
Deposits from other banks	103,881,735	423,214,188	27,991,754	113,814,472
Deposits from non-bank customers	(113,683,655)	(463,147,210)	(40,681,330)	(165,410,288)
Other liabilities	184,708	752,500	3,979,895	16,182,253
Cash used in operations	(48,233,073)	(196,501,539)	(29,376,722)	(119,445,751)
Interest received	58,498,770	238,323,989	54,792,787	222,787,472
Interest paid	(19,459,403)	(79,277,608)	(22,430,594)	(91,202,795)
Income tax paid	(3,959,952)	(16,132,844)	(3,737,857)	(15,198,127)
Net cash used in operating activities	(13,153,658)	(53,588,002)	(752,386)	(3,059,201)
Cash flows from investing activities				
Placements of capital guarantee deposits	(1,200,000)	(4,888,800)	(1,000,000)	(4,066,000)
Purchases of property and equipment	(840,983)	(3,426,165)	(695,165)	(2,826,541)
Purchases of intangible assets	(314,890)	(1,282,862)	(436,034)	(1,772,914)
Proceeds from matured investment securities	2,947,317	12,007,369	-	-
Withdrawals of Negotiable Certificate of Deposits with the central bank	5,762,000	23,474,388	3,163,000	12,860,758
Balances with other banks and financial institutions	8,019,152	32,670,025	16,668,229	67,773,019
Net cash generated from investing activities	14,372,596	58,553,955	17,700,030	71,968,322
Cash flows from financing activities				
Dividends paid	(1,500,000)	(6,111,000)	-	-
Proceeds from borrowings	1,326,500	5,404,161	15,740,285	63,999,999
Repayments of borrowings	(7,557,876)	(30,790,787)	(20,796,089)	(84,556,898)
Principal elements of lease payments	(1,956,552)	(7,970,993)	(2,057,452)	(8,365,600)
Net cash used in from financing activities	(9,687,928)	(39,468,619)	(7,113,256)	(28,922,499)
Net (decrease)/increase in cash and cash equivalents	(8,468,990)	(34,502,666)	9,834,388	39,986,622
Cash and cash equivalents at beginning of period	65,822,934	268,162,631	110,973,850	448,889,223
Currency translation differences	-	2,580,930	-	3,900,957
Cash and cash equivalents at end of period	57,353,944	236,240,895	120,808,238	492,776,802

Non-cash from investing activities

Retained earnings amounting to US\$12,000,000 of the Bank was converted into share capital during the period (see note 10).

The accompanying notes on pages 10 to 27 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

1. GENERAL INFORMATION

Phnom Penh Commercial Bank Plc. (the Bank) was registered with the Ministry of Commerce as a public limited liability company under the registration number 00015794, dated 20 May 2008 and obtained a licence from the National Bank of Cambodia (the NBC) to carry out banking operations effective from 27 August 2008. The Bank officially commenced its operations on 1 September 2008.

The principal activity of the Bank is the provision of all aspects of banking business and related financial services in the Kingdom of Cambodia. As at 30 September 2022, the Bank has a head office and sixteen branches in Phnom Penh and seven branches in Siem Reap, Battambang, Sihanoukville, Kampong Cham, Kampong Thom, Kandal and Kampot provinces.

Star & Crane Cam Co., Ltd. (the Subsidiary) is a private limited company, which was registered with the Ministry of Commerce under the registration number 00013276, dated 28 August 2014. On 23 April 2020, the Subsidiary has obtained an approval from the Ministry of Commerce on changing its legal name from Star & Crane Cam Co., Ltd. to J&A (Cambodia) Investment Co., Ltd. The principal activities of the subsidiary are buying, selling, renting and operating self-owned or leased real estate and development of building projects for the business operations of the Group.

The registered office of the Bank and its subsidiary (the Group) are located at No. 217, Norodom Boulevard (Street 41), Sangkat Tonle Basak, Khan Chamkar Mon, Phnom Penh, Kingdom of Cambodia.

In 2019, the Bank requested the Cambodia Securities Exchange (CSX) and Securities and Exchange Regulator of Cambodia (SERC) to list its corporate bonds in the CSX. The request was approved in principle by CSX on 25 December 2019. The Bank obtained the final approval from SERC to list its corporate bonds on the CSX on 10 April 2020 and it issued its first bond securities on 13 April 2020.

The condensed consolidated and separate interim financial information was authorised for issue by the Board of Directors on 1 November 2022.

The condensed consolidated and separate interim financial information for the nine-month period ended 30 September 2022 has been reviewed, not audited.

2. BASIS OF PREPARATION

This condensed consolidated and separate interim financial information for the nine-month period ended 30 September 2022 has been prepared in accordance with Cambodian International Accounting Standard (CIAS) 34 "Interim Financial Reporting".

The condensed consolidated and separate interim financial information does not include all the notes of the type normally included in the annual audited consolidated and separate financial statements. Accordingly, this report is to be read in conjunction with the annual audited consolidated and separate financial statements for the year ended 31 December 2021, which have been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRS).

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

An English version of this consolidated and separate interim financial information has been prepared from the consolidated and separate interim financial information that is in the Khmer language. In the event of a conflict or a difference in interpretation between the two languages, the Khmer language consolidated and separate interim financial information shall prevail.

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**

2. BASIS OF PREPARATION (continued)

New and amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period as follows:

- Property, Plant, and Equipment: Proceeds before intended use – Amendments to CIAS 16,
- Reference to the Conceptual Framework – Amendments to CIFRS 3,
- Onerous Contracts – Cost of Fulfilling a Contract Amendments to CIAS 37, and
- Annual Improvement to CIFRS Standards 2018 – 2020

Those amended standards have no material impact on the Group or the Bank. As a result, the Group or the Bank did not have to change its accounting policies or make retrospective adjustments.

Presentation in Khmer Riel (KHR)

In compliance with the Law on Accounting and Auditing, the condensed consolidated and separate financial information shall be expressed in Khmer Riel. The condensed consolidated and separate statements of profit or loss and other comprehensive income and cash flows are translated into Khmer Riel using the average rates for the period. Assets and liabilities for condensed consolidated and separate statements of financial position presented are translated at the closing rates as of the reporting date. Resulting exchange difference arising from the translation of shareholders' capital is recognised directly in equity; all other resulting exchange differences are recognised in the other comprehensive income.

As at the reporting date, the average rates and closing rates are based on the following exchange rates per \$1:

	For the three-month period ended		For the nine-month period ended	
	30 September 2022	30 September 2021	30 September 2022	30 September 2021
Average rate	KHR 4,101	KHR 4,076	KHR 4,074	KHR 4,066
			30 September 2022	31 December 2021
Closing rate			KHR 4,119	KHR 4,074

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**

3. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

The following are the significant events that occurred in the current reporting period:

Impact on impairment charge from COVID-19 pandemic

The COVID-19 pandemic and its ongoing effect on global and domestic economies has continued to impact the Bank's customers, operations and performance. The government has responded at unprecedented levels to protect the health of the population, local economies and livelihoods. Cambodian economy has been reopened despite the risk of further waves of infection remaining, so there is still a high level of estimation uncertainty involved in the preparation of this financial information. This includes the extent and duration of the disruption to business arising from the actions of the government, businesses and consumers in the ongoing management of the virus, and the impact and expected response of the economy. Therefore, management has continuously refreshed the parameters of the allowances for expected losses to reflect the current economic situation. Moreover, management overlays have been applied to ensure allowance for ECL for its financial assets are appropriate. This has resulted in additional impairment charges for the period.

Other than the additional impairment loss recognised, management considers that the Bank's activities slowed down over the short term and started to recover gradually in the period. Moreover, the impact of Covid-19 pandemic would not lead to a going concern issue given the size of operations, current profitability level and liquidity headroom of the Bank.

Classification and provisioning requirement by the central bank on restructured loans

On 28 December 2021, the National Bank of Cambodia issued Circular No. B7-021-2314 on the classification and provisioning requirements for restructured loans to reduce credit risks, preserve financial stability and support economic recovery. Under this circular, financial institutions must change their restructured loan classifications and make the regulatory provisions based on those classifications by 31 December 2021, potentially affecting the retained earnings amount to be transferred to the regulatory reserve in the current period.

Following the announcement, the central bank held a workshop where the Bank was confirmed that financial institutions can either implement the new requirements by 31 December 2021 or delay the implementation to 31 January 2022.

The Bank chose to implement the requirement by 31 January 2022 and reflected the impact of more retained earnings amount to be transferred to the regulatory reserve (see note 11 below).

In addition, the increase of regulatory provisions resulting from this requirement caused the increase in deferred tax liabilities for the period because there was more deductible expense from the loan provisioning, which result in increased temporary reduction of the taxable profit in the current period (see note 8).

The maturity of investment securities - corporate bond

On 22 April 2022, the Bank received a principal payment of KHR12 billion, equivalent to US\$2,947,317, on its corporate bonds from LOLC (Cambodia) Co., Ltd. upon the bond maturity (see note 7).

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**

3. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD(continued)

The conversion of retained earnings to share capital

During the period, the Bank converted its retained earnings amounting to US\$12 million to share capital, which was approved by the Central Bank and the Ministry of Commerce on 24 June 2022 and 27 July 2022, respectively (see note 10).

Dividend declaration

On 22 April 2022, the Board of Directors has approved the declaration of dividend to be paid of US\$1,500,000, which was approved by the Central Bank on 24 June 2022. The dividend was paid on 30 August 2022.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Group and the Bank make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The significant estimates, assumptions and judgements made by management in applying the Group and the Bank's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the annual audited financial statements for the year ended 31 December 2021.

5. SEGMENT AND REVENUE INFORMATION

The Group and the Bank has only one reportable segment, namely, banking service income. The chief operating decision-maker (the executive committee) reviews the internal management report, which reports the performances of the banking service income segment as a whole, to assess performance and allocate resources. The executive committee also reviews profit before tax and net profit as a whole compared to prior periods.

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

6. LOANS TO CUSTOMERS

(a) Details of loans to customers:

	Consolidated financial information				Separate financial information			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Loans to customers at amortised costs	784,193,305	3,230,092,223	745,687,452	3,037,930,680	790,451,036	3,255,867,817	751,920,160	3,063,322,733
Less: Allowance for expected credit loss	(4,668,876)	(19,231,100)	(3,340,780)	(13,610,338)	(4,672,753)	(19,247,070)	(3,343,211)	(13,620,242)
Net loans to customers	779,524,429	3,210,861,123	742,346,672	3,024,320,342	785,778,283	3,236,620,747	748,576,949	3,049,702,491

(b) Allowance for expected credit loss

	Consolidated financial information				Separate financial information			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
12-month ECL (Stage 1)	1,718,601	7,078,918	1,541,775	6,281,191	1,722,478	7,094,888	1,544,206	6,291,095
Lifetime ECL - not credit impaired (Stage 2)	269,851	1,111,516	281,993	1,148,839	269,851	1,111,516	281,993	1,148,839
Lifetime ECL - credit impaired (Stage 3)	2,680,424	11,040,666	1,517,012	6,180,308	2,680,424	11,040,666	1,517,012	6,180,308
	4,668,876	19,231,100	3,340,780	13,610,338	4,672,753	19,247,070	3,343,211	13,620,242

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

7. INVESTMENT SECURITIES

	Consolidated financial statements				Separate financial statements			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Non-current								
<i>Debt investment at amortised cost:</i>								
<i>Listed corporate bonds</i>								
LOLC (Cambodia) Co., Ltd.	-	-	2,965,058	12,079,646	-	-	2,965,058	12,079,646
Total debt investment at amortised cost	-	-	2,965,058	12,079,646	-	-	2,965,058	12,079,646
<i>Equity investment at FVOCI:</i>								
<i>Listed securities</i>								
Phnom Penh Autonomous Port	173,590	715,018	177,529	723,253	173,590	715,018	177,529	723,253
<i>Unlisted securities</i>								
Credit bureau (Cambodia) Co., Ltd.	21,818	89,868	21,818	88,887	21,818	89,868	21,818	88,887
Total equity investment at FVOCI	195,408	804,886	199,347	812,140	195,408	804,886	199,347	812,140
	195,408	804,886	3,164,405	12,891,786	195,408	804,886	3,164,405	12,891,786

The Bank, on 22 April 2022, redeemed its corporate bonds of KHR12 billion, equivalent to US\$2,947,317, from LOLC (Cambodia) Co., Ltd upon maturity.

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

8. DEFERRED TAX ASSETS/(LIABILITIES)

	Consolidated financial information				Separate financial information			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Non-current								
Deferred tax assets	1,609,190	6,628,254	1,210,329	4,930,880	1,812,652	7,466,314	1,390,520	5,664,978
Deferred tax liabilities	(5,005,940)	(20,619,466)	(1,295,603)	(5,278,286)	(5,017,621)	(20,667,581)	(1,307,560)	(5,326,999)
Deferred tax liabilities - net	(3,396,750)	(13,991,212)	(85,274)	(347,406)	(3,204,969)	(13,201,267)	82,960	337,979

The movement of net deferred tax assets/(liabilities) during the period as follows:

	Consolidated financial information				Separate financial information			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
At 1 January	(85,274)	(347,406)	237,010	958,705	82,960	337,979	371,863	1,504,186
Charged to profit or loss	(3,311,476)	(13,490,953)	(322,284)	(1,311,051)	(3,287,929)	(13,358,856)	(288,903)	(1,175,257)
Currency translation differences	-	(152,853)	-	4,940	-	(180,390)	-	9,050
At 30 September/31 December	(3,396,750)	(13,991,212)	(85,274)	(347,406)	(3,204,969)	(13,201,267)	82,960	337,979

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

8. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Deferred tax assets:

	Consolidated financial information					
	Unamortised loan processing fees US\$	Unrealised exchange losses US\$	Leases US\$	Seniority payment US\$	Accelerated depreciation US\$	Total US\$
At 1 January 2021	462,866	-	28,957	24,864	242,656	759,343
(Charged)/credited to profit or loss	178,227	20,256	87,270	(283)	165,516	450,986
At 31 December 2021	641,093	20,256	116,227	24,581	408,172	1,210,329
<i>In KHR'000 equivalent</i>	2,611,813	82,523	473,509	100,143	1,662,892	4,930,880
At 1 January 2022	641,093	20,256	116,227	24,581	408,172	1,210,329
(Charged)/credited to profit or loss	67,122	(20,256)	48,436	12,447	291,112	398,861
At 30 September 2022	708,215	-	164,663	37,028	699,284	1,609,190
<i>In KHR'000 equivalent</i>	2,917,138	-	678,247	152,518	2,880,351	6,628,254

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

8. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Deferred tax assets (continued):

	Separate financial information					Total US\$
	Unamortised loan processing fees US\$	Unrealised exchange losses US\$	Leases US\$	Seniority payment US\$	Accelerated depreciation US\$	
At 1 January 2021	462,866	-	176,012	24,864	242,656	906,398
(Charged)/credited to profit or loss	178,227	20,256	120,406	(283)	165,516	484,122
At 31 December 2021	641,093	20,256	296,418	24,581	408,172	1,390,520
<i>In KHR'000 equivalent</i>	2,611,813	82,523	1,207,607	100,143	1,662,892	5,664,978
At 1 January 2022	641,093	20,256	296,418	24,581	408,172	1,390,520
(Charged)/credited to profit or loss	67,122	(20,256)	71,707	12,447	291,112	422,132
At 30 September 2022	708,215	-	368,125	37,028	699,284	1,812,652
<i>In KHR'000 equivalent</i>	2,917,138	-	1,516,307	152,518	2,880,351	7,466,314

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

8. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Deferred tax liabilities:

	Consolidated financial information			Separate financial information		
	Impairment loss on financial assets US\$	Unrealised exchange gains US\$	Total US\$	Impairment loss on financial assets US\$	Unrealised exchange gains US\$	Total US\$
At 1 January 2021	462,676	59,657	522,333	474,878	59,657	534,535
Charged/(credited) to profit or loss	832,927	(59,657)	773,270	832,682	(59,657)	773,025
At 31 December 2021	1,295,603	-	1,295,603	1,307,560	-	1,307,560
<i>In KHR'000 equivalent</i>	5,278,286	-	5,278,286	5,326,999	-	5,326,999
At 1 January 2022	1,295,603	-	1,295,603	1,307,560	-	1,307,560
Charged to profit or loss	3,468,986	241,351	3,710,337	3,468,710	241,351	3,710,061
At 30 September 2022	4,764,589	241,351	5,005,940	4,776,270	241,351	5,017,621
<i>In KHR'000 equivalent</i>	19,625,342	994,125	20,619,467	19,673,456	994,125	20,667,581

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9. DEBT SECURITIES ISSUED

	Consolidated financial statements				Separate financial statements			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Current	19,697,583	81,134,345	1,397,592	5,693,790	19,697,583	81,134,345	1,397,592	5,693,790
Non-current	-	-	18,285,504	74,495,143	-	-	18,285,504	74,495,143
	<u>19,697,583</u>	<u>81,134,345</u>	<u>19,683,096</u>	<u>80,188,933</u>	<u>19,697,583</u>	<u>81,134,345</u>	<u>19,683,096</u>	<u>80,188,933</u>
	Consolidated financial statements				Separate financial statements			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Principal amount	19,340,527	79,663,631	19,328,073	78,742,569	19,340,527	79,663,631	19,328,073	78,742,569
Interest payables	357,056	1,470,714	355,023	1,446,364	357,056	1,470,714	355,023	1,446,364
	<u>19,697,583</u>	<u>81,134,345</u>	<u>19,683,096</u>	<u>80,188,933</u>	<u>19,697,583</u>	<u>81,134,345</u>	<u>19,683,096</u>	<u>80,188,933</u>

The Bank's debt securities will mature in April 2023 and September 2023.

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10. SHARE CAPITAL

During the period, the Bank requested the central bank to increase its share capital from US\$102 million to US\$114 million by converting its retained earnings of US\$12 million to be the share capital, which was approved by the Central Bank and the Ministry of Commerce on 24 June 2022 and 27 July 2022, respectively.

	Consolidated financial information				Separate financial information			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
At beginning of the period	102,000,000	415,548,000	92,000,000	372,140,000	102,000,000	415,548,000	92,000,000	372,140,000
Conversion of retained earnings to share capital	12,000,000	48,888,000	10,000,000	40,680,000	12,000,000	48,888,000	10,000,000	40,740,000
Currency translation differences	-	5,130,000	-	2,728,000	-	5,130,000	-	2,668,000
At end of the period	<u>114,000,000</u>	<u>469,566,000</u>	<u>102,000,000</u>	<u>415,548,000</u>	<u>114,000,000</u>	<u>469,566,000</u>	<u>102,000,000</u>	<u>415,548,000</u>

	30 September 2022			31 December 2021		
	Number of shares	%	US\$	Number of shares	%	US\$
Shareholders:						
Jeonbuk Bank Co., Ltd	57,000	50%	57,000,000	51,000	50%	51,000,000
Apro Financial Co., Ltd	45,600	40%	45,600,000	40,800	40%	40,800,000
JB Woori Capital Co., Ltd	11,400	10%	11,400,000	10,200	10%	10,200,000
			<u>114,000,000</u>			<u>102,000,000</u>
<i>In KHR'000 equivalent</i>			<u>469,566,000</u>			<u>415,548,000</u>

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11. REGULATORY RESERVE

	Consolidated financial information				Separate financial information			
	30 September 2022		31 December 2021		30 September 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
At beginning of the period	14,852,049	62,086,079	11,683,167	49,195,067	14,911,718	62,312,401	11,744,124	49,426,629
Transfers from retained earnings to regulatory reserve	17,873,539	72,816,798	3,168,882	12,891,012	17,872,092	72,810,903	3,167,594	12,885,772
At end of the period	32,725,588	134,902,877	14,852,049	62,086,079	32,783,810	135,123,304	14,911,718	62,312,401

The increase in regulatory reserve is mainly due to the implementation of the new circular on classification and provisioning of restructured loans issued by the central bank in December 2021 and implemented in January 2022, which results in an increase in non-performing loans per the central bank's classification in the current period.

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12. IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Consolidated financial information							
	For the three-month period ended				For the nine-month period ended			
	30 September 2022		30 September 2021		30 September 2022		30 September 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Expected Credit Loss (ECL):</i>								
Loans to customers	237,118	972,421	338,153	1,378,312	1,331,586	5,424,881	2,406,662	9,785,488
Off-balance sheet financial commitments	(24,128)	(98,949)	(12,512)	(50,999)	(28,139)	(114,637)	81,825	332,700
	<u>212,990</u>	<u>873,472</u>	<u>325,641</u>	<u>1,327,313</u>	<u>1,303,447</u>	<u>5,310,244</u>	<u>2,488,487</u>	<u>10,118,188</u>
	Separate financial information							
	For the three-month period ended				For the nine-month period ended			
	30 September 2022		30 September 2021		30 September 2022		30 September 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Expected Credit Loss (ECL):</i>								
Loans to customers	237,097	972,335	338,153	1,378,312	1,333,033	5,430,776	2,407,949	9,790,721
Off-balance sheet financial commitments	(24,128)	(98,949)	(12,512)	(50,999)	(28,139)	(114,638)	81,825	332,700
	<u>212,969</u>	<u>873,386</u>	<u>325,641</u>	<u>1,327,313</u>	<u>1,304,894</u>	<u>5,316,138</u>	<u>2,489,774</u>	<u>10,123,421</u>

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**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
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13. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

This note provides an update on the judgements and estimates made by the Group and the Bank in determining the fair values of the financial instruments since the last annual audited financial statements.

(a) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group and the Bank classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group and the Bank's financial assets measured and recognised at fair value at 30 September 2022 and 31 December 2021 on a recurring basis:

As at 30 September 2022	Consolidated financial information			
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	173,590	-	21,818	195,408
Total financial assets	173,590	-	21,818	195,408
<i>In KHR'000 equivalent</i>	<u>715,017</u>	<u>-</u>	<u>89,868</u>	<u>804,885</u>
As at 31 December 2021				
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	177,529	-	21,818	199,347
Total financial assets	177,529	-	21,818	199,347
<i>In KHR'000 equivalent</i>	<u>723,253</u>	<u>-</u>	<u>88,887</u>	<u>812,140</u>

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13. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(a) Fair value hierarchy (continued)

As at 30 September 2022	Separate financial information			Total US\$
	Level 1 US\$	Level 2 US\$	Level 3 US\$	
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	173,590	-	21,818	195,408
Total financial assets	173,590	-	21,818	195,408
<i>In KHR'000 equivalent</i>	<u>715,017</u>	<u>-</u>	<u>89,868</u>	<u>804,885</u>
As at 31 December 2021				
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	177,529	-	21,818	199,347
Total financial assets	177,529	-	21,818	199,347
<i>In KHR'000 equivalent</i>	<u>723,253</u>	<u>-</u>	<u>88,887</u>	<u>812,140</u>

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group and the Bank is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(b) Financial instruments measured at fair value

The Group and the Bank's financial asset at FVOCI are investment in listed and unlisted equity securities where the fair values have been determined based on the quoted market prices available on the Cambodian Securities Exchange, and present values and the discount rate used, respectively, were adjusted for counterparty or own credit risk.

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13. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements using significant unobservable inputs (level 3)

The unlisted equity securities are the investment in Credit Bureau Cambodia (“CBC”) to be measured at fair value through other comprehensive income as they are not held for trading and the Group or the Bank has irrevocably elected at initial recognition to recognise as the financial assets at FVOCI. These are the strategic investments and the Group or the Bank considers this classification to be more relevant.

The fair value has been determined based on present values and the discount rate used were adjusted for counterparty or own credit risk. There is no gain/loss recognised in other comprehensive income due to fair value approximate the carrying amount. There is no loss allowance for this FVOCI at 30 September 2022.

(d) Financial instruments not measured at fair value

As at the balance sheet date, the fair values of financial instruments of the Group and the Bank approximate their carrying amounts.

The estimated fair values are based on the following methodologies and assumptions:

(i) *Deposits and placements with the central bank and other banks*

The carrying amounts of deposits and placements with the central bank and other banks approximate their fair values, since these accounts consist mostly of current, savings and short-term deposits.

(ii) *Loans to customers*

For fixed rate loans with remaining period to maturity of less than one year, the carrying amounts are generally reasonable estimates of their fair values.

For fixed rate loans with remaining period to maturity of one year and above, fair values are estimated by discounting the estimated future cash flows using a current lending rate as the prevailing market rates of loans with similar credit risks and maturities have been assessed as insignificantly different to the contractual lending rates. As a result, the fair value of non-current loan and advances to customers might approximate to their carrying value as reporting date.

(iii) *Deposits from banks and non-bank customers*

The fair value of deposits from customers with maturities of less than one year approximate their carrying amount due to the relatively short maturity of these instruments. The fair value of deposits from customers with remaining maturities of more than one year are expected to approximate their carrying amount due to the Bank offered similar interest rate of the instrument with similar maturities and terms.

The estimated fair value of deposits with no stated maturities, which includes non-interest bearing deposits, deposits payable on demand is the amount payable at the reporting date.

(iv) *Other financial assets and other financial liabilities*

The carrying amounts of other financial assets and other financial liabilities are assumed to approximate their fair values as these items are not materially sensitive to the shift in market interest rates.

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13. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(d) Financial instruments not measured at fair value (continued)

(v) *Lease liabilities*

The estimated fair value of lease liabilities with maturities of less than one year approximate the carrying values. For other lease liabilities with maturities of one year or more, the fair values are estimated based on discounted cash flows using prevailing market rates of incremental borrowings.

(vi) *Borrowings and subordinated debts*

Borrowings and subordinated debts are not quoted in active market and their fair value approximates their carrying amount.

(vii) *Debt securities*

The estimated fair value of debt securities is generally based on quoted and observable market prices at the date of statement of financial position. They are not actively traded. The estimated fair values of debt securities approximate their carrying values based on estimated future cash flows using prevailing market rates.