

**PHNOM PENH COMMERCIAL BANK PLC.**

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL  
INFORMATION  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2022**

**PHNOM PENH COMMERCIAL BANK PLC.**

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 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 31 December 2022, condensed separate statement of financial position of the Bank as at 31 December 2022, and the related condensed consolidated and separate statements of profit or loss and other comprehensive income for the three-month and twelve-month periods then ended, and condensed consolidated and separate statements of changes in equity and cash flows for the twelve-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  
10 February 2023

**PHNOM PENH COMMERCIAL BANK PLC.**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**

	Notes	31 December 2022		31 December 2021	
		US\$	KHR'000	US\$	KHR'000
<b>ASSETS</b>					
Cash on hand		29,268,408	120,498,036	35,428,236	144,334,633
Balances with the central bank		32,979,565	135,776,869	20,962,263	85,400,259
Balances with other banks and financial institutions		62,108,803	255,701,942	87,356,096	355,888,735
Statutory deposits with the central bank		50,285,117	207,023,826	60,603,162	246,897,282
Loans to customers	6	773,248,063	3,183,462,276	742,346,672	3,024,320,342
Investment securities	7	190,709	785,149	3,164,405	12,891,786
Intangible assets		5,097,152	20,984,975	6,658,228	27,125,620
Property and equipment		12,778,872	52,610,616	13,792,136	56,189,162
Right of use assets		9,889,518	40,715,145	9,697,968	39,509,521
Other assets		6,308,173	25,970,748	5,518,811	22,483,636
<b>TOTAL ASSETS</b>		<b>982,154,380</b>	<b>4,043,529,582</b>	<b>985,527,977</b>	<b>4,015,040,976</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
Deposits from other banks		173,064,254	712,505,533	97,992,038	399,219,563
Deposits from non-bank customers		549,350,759	2,261,677,075	646,376,177	2,633,336,545
Current income tax liabilities		1,569,446	6,461,409	3,853,020	15,697,203
Deferred tax liabilities	8	4,009,904	16,508,774	85,274	347,406
Borrowings		4,951,366	20,384,774	11,288,241	45,988,294
Debt securities issued	9	19,728,126	81,220,695	19,683,096	80,188,933
Lease liabilities		10,737,684	44,207,045	10,335,805	42,108,070
Employee benefit obligations		95,253	392,157	129,022	525,635
Other liabilities		2,956,828	12,173,261	1,908,320	7,774,495
Subordinated debts		20,040,530	82,506,862	20,037,128	81,631,259
<b>TOTAL LIABILITIES</b>		<b>786,504,150</b>	<b>3,238,037,585</b>	<b>811,688,121</b>	<b>3,306,817,403</b>
<b>EQUITY</b>					
Share capital	10	114,000,000	469,338,000	102,000,000	415,548,000
Regulatory reserve	11	36,047,781	148,713,036	14,852,049	62,086,079
Retained earnings		45,602,449	184,082,236	56,987,807	230,614,195
Other reserves		-	3,358,725	-	(24,701)
<b>TOTAL EQUITY</b>		<b>195,650,230</b>	<b>805,491,997</b>	<b>173,839,856</b>	<b>708,223,573</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>982,154,380</b>	<b>4,043,529,582</b>	<b>985,527,977</b>	<b>4,015,040,976</b>

The accompanying notes on pages 10 to 26 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 TWELVE-MONTH PERIODS ENDED 31 DECEMBER 2022

Notes	For the three-month period ended				For the twelve-month period ended			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Interest income	19,151,734	79,077,510	19,201,208	78,148,917	75,758,255	309,623,989	74,110,411	301,481,152
Interest expense	(7,053,798)	(29,125,132)	(6,116,235)	(24,893,076)	(25,170,036)	(102,869,937)	(26,858,808)	(109,261,631)
<b>Net interest income</b>	<b>12,097,936</b>	<b>49,952,378</b>	<b>13,084,973</b>	<b>53,255,841</b>	<b>50,588,219</b>	<b>206,754,052</b>	<b>47,251,603</b>	<b>192,219,521</b>
Fees and commission income	496,771	2,051,167	282,417	1,149,437	2,194,840	8,970,311	1,924,673	7,829,570
Fees and commission expense	(253,478)	(1,046,611)	(315,995)	(1,286,100)	(911,029)	(3,723,376)	(1,072,245)	(4,361,893)
<b>Net fees and commission income</b>	<b>243,293</b>	<b>1,004,556</b>	<b>(33,578)</b>	<b>(136,663)</b>	<b>1,283,811</b>	<b>5,246,935</b>	<b>852,428</b>	<b>3,467,677</b>
Impairment losses on financial assets	(273,824)	(1,130,619)	153,760	625,803	(1,577,271)	(6,446,307)	(2,334,727)	(9,497,669)
Other gains/(losses) – net	41,736	172,328	99,869	406,467	(150,353)	(614,493)	(80,251)	(326,461)
Other operating income	5,478	22,619	1,947	7,924	402,679	1,645,749	688,319	2,800,082
<b>Net other operating (loss)/profit</b>	<b>(226,610)</b>	<b>(935,672)</b>	<b>255,576</b>	<b>1,040,194</b>	<b>(1,324,945)</b>	<b>(5,415,051)</b>	<b>(1,726,659)</b>	<b>(7,024,048)</b>
Personnel expenses	(2,112,695)	(8,723,318)	(2,302,051)	(9,369,348)	(7,797,024)	(31,866,437)	(8,176,152)	(33,260,586)
Depreciation and amortisation	(1,779,416)	(7,347,209)	(1,952,915)	(7,948,364)	(6,773,412)	(27,682,935)	(7,761,253)	(31,572,777)
Other operating expenses	(2,006,061)	(8,283,026)	(1,824,893)	(7,427,315)	(6,781,263)	(27,715,022)	(7,585,131)	(30,856,313)
<b>Profit before income tax</b>	<b>6,216,447</b>	<b>25,667,709</b>	<b>7,227,112</b>	<b>29,414,345</b>	<b>29,195,386</b>	<b>119,321,542</b>	<b>22,854,836</b>	<b>92,973,474</b>
Income tax expense	(1,227,800)	(5,069,586)	(1,466,297)	(5,967,829)	(5,885,012)	(24,052,044)	(4,652,317)	(18,925,626)
<b>Profit for the period</b>	<b>4,988,647</b>	<b>20,598,123</b>	<b>5,760,815</b>	<b>23,446,516</b>	<b>23,310,374</b>	<b>95,269,498</b>	<b>18,202,519</b>	<b>74,047,848</b>
<b>Other comprehensive income</b>								
<i>Items that will not be reclassified to profit or loss</i>								
Currency translation differences	-	(88,846)	-	(300,715)	-	3,428,426	-	1,894,697
	-	(88,846)	-	(300,715)	-	3,428,426	-	1,894,697
<b>Total comprehensive income for the period</b>	<b>4,988,647</b>	<b>20,509,277</b>	<b>5,760,815</b>	<b>23,145,801</b>	<b>23,310,374</b>	<b>98,697,924</b>	<b>18,202,519</b>	<b>75,942,545</b>
<b>Profit attributable to owners of the Group</b>	<b>4,988,647</b>	<b>20,598,123</b>	<b>5,760,815</b>	<b>23,446,516</b>	<b>23,310,374</b>	<b>95,269,498</b>	<b>18,202,519</b>	<b>74,047,848</b>
<b>Total comprehensive income attributable to owners of the Group</b>	<b>4,988,647</b>	<b>20,509,277</b>	<b>5,760,815</b>	<b>23,145,801</b>	<b>23,310,374</b>	<b>98,697,924</b>	<b>18,202,519</b>	<b>75,942,545</b>

The accompanying notes on pages 10 to 26 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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 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
<b>Balance at 1 January 2021</b>	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	-	-	-	-	18,202,519	74,047,848	-	-	18,202,519	74,047,848
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	1,894,697	-	1,894,697
<b>Total comprehensive income for the period</b>	-	-	-	-	18,202,519	74,047,848	-	1,894,697	18,202,519	75,942,545
<b>Transactions with owners in their capacity as owners:</b>										
Conversion of retained earnings to share capital (Note 10)	10,000,000	40,680,000	-	-	(10,000,000)	(40,680,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	3,168,882	12,891,012	(3,168,882)	(12,891,012)	-	-	-	-
Currency translation differences	-	2,728,000	-	-	-	-	-	-	-	2,728,000
<b>Total transactions with owners</b>	<b>10,000,000</b>	<b>43,408,000</b>	<b>3,168,882</b>	<b>12,891,012</b>	<b>(13,168,882)</b>	<b>(53,571,012)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,728,000</b>
<b>Balance at 31 December 2021</b>	<b>102,000,000</b>	<b>415,548,000</b>	<b>14,852,049</b>	<b>62,086,079</b>	<b>56,987,807</b>	<b>230,614,195</b>	<b>-</b>	<b>(24,701)</b>	<b>173,839,856</b>	<b>708,223,573</b>
<b>Balance at 1 January 2022</b>	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	-	-	-	-	23,310,374	95,269,498	-	-	23,310,374	95,269,498
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	3,428,426	-	3,428,426
<b>Total comprehensive income for the period</b>	-	-	-	-	23,310,374	95,269,498	-	3,428,426	23,310,374	98,697,924
<b>Transactions with owners in their capacity as owners:</b>										
Conversion of retained earnings to share capital (Note 10)	12,000,000	49,044,000	-	-	(12,000,000)	(49,044,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	21,195,732	86,626,957	(21,195,732)	(86,626,957)	-	-	-	-
Dividends paid	-	-	-	-	(1,500,000)	(6,130,500)	-	-	(1,500,000)	(6,130,500)
Currency translation differences	-	4,746,000	-	-	-	-	-	(45,000)	-	4,701,000
<b>Total transactions with owners</b>	<b>12,000,000</b>	<b>53,790,000</b>	<b>21,195,732</b>	<b>86,626,957</b>	<b>(34,695,732)</b>	<b>(141,801,457)</b>	<b>-</b>	<b>(45,000)</b>	<b>(1,500,000)</b>	<b>(1,429,500)</b>
<b>Balance at 31 December 2022</b>	<b>114,000,000</b>	<b>469,338,000</b>	<b>36,047,781</b>	<b>148,713,036</b>	<b>45,602,449</b>	<b>184,082,236</b>	<b>-</b>	<b>3,358,725</b>	<b>195,650,230</b>	<b>805,491,997</b>

The accompanying notes on pages 10 to 26 form an integral part of this condensed consolidated interim financial information.

**PHNOM PENH COMMERCIAL BANK PLC.**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2022**

	For the twelve-month period ended			
	31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000
<b>Cash flows from operating activities</b>				
Profit before income tax	29,195,386	119,321,542	22,854,836	92,973,474
<i>Adjustments for:</i>				
Provision for employee benefit obligations	(33,769)	(138,014)	(33,978)	(138,223)
Depreciation and amortisation	6,773,412	27,682,935	7,761,253	31,572,777
Impairment losses on financial assets	1,577,271	6,446,307	2,334,727	9,497,669
Unrealised exchange gains on investment securities	(21,809)	(89,133)	(6,963)	(28,325)
Unrealised exchange losses/(gains) on borrowings and debt securities	81,270	332,150	(206,423)	(839,729)
Loss/(gain) on disposal of property and equipment	43,647	178,385	(80,582)	(327,808)
Interest income	(75,758,255)	(309,623,989)	(74,110,411)	(301,481,152)
Interest expense	25,170,036	102,869,937	26,858,808	109,261,631
<i>Changes in working capital:</i>				
Reserve requirement with the central bank	11,548,048	47,196,872	(86,620)	(352,370)
Loans to customers	(33,843,373)	(138,317,865)	(22,172,461)	(90,197,571)
Other assets	(789,362)	(3,226,122)	(223,352)	(908,596)
Deposits from other banks	72,725,772	297,230,230	9,130,721	37,143,773
Deposit from non-bank customers	(95,173,053)	(388,972,268)	(69,753,074)	(283,755,505)
Other liabilities	1,079,570	4,412,203	293,658	1,194,601
Cash used in operations	(57,425,209)	(234,696,830)	(97,439,861)	(396,385,354)
Interest received	76,786,960	313,828,306	73,071,519	297,254,939
Interest paid	(25,047,674)	(102,369,844)	(28,691,222)	(116,715,891)
Income tax paid	(4,243,956)	(17,345,048)	(3,999,725)	(16,270,881)
<b>Net cash used in operating activities</b>	<b>(9,929,879)</b>	<b>(40,583,416)</b>	<b>(57,059,289)</b>	<b>(232,117,187)</b>
<b>Cash flows from investing activities</b>				
Placements of capital guarantee deposits	(1,200,000)	(4,904,400)	(1,000,000)	(4,068,000)
Purchases of property and equipment	(1,459,109)	(5,963,378)	(761,587)	(3,098,136)
Purchases of intangible assets	(451,127)	(1,843,756)	(701,421)	(2,853,381)
Proceeds from matured investment securities	2,947,317	12,045,685	-	-
Proceeds from sales of property and equipment	-	-	80,582	327,808
Withdrawals of Negotiable Certificate of Deposits with the central bank	7,622,000	31,151,114	2,943,000	11,972,124
Balances with other banks and financial institutions	11,019,152	45,035,274	17,668,229	71,874,356
<b>Net cash generated from investing activities</b>	<b>18,478,233</b>	<b>75,520,539</b>	<b>18,228,803</b>	<b>74,154,771</b>
<b>Cash flows from financing activities</b>				
Dividends paid	(1,500,000)	(6,130,500)	-	-
Proceeds from borrowings	1,271,203	5,195,407	16,717,258	68,005,806
Repayments of borrowings	(7,269,199)	(29,709,216)	(20,825,938)	(84,719,916)
Principal elements of lease payments	(2,122,155)	(8,673,247)	(2,211,750)	(8,997,399)
<b>Net cash used in from financing activities</b>	<b>(9,620,151)</b>	<b>(39,317,556)</b>	<b>(6,320,430)</b>	<b>(25,711,509)</b>
Net decrease in cash and cash equivalents	(1,071,797)	(4,380,433)	(45,150,916)	(183,673,925)
Cash and cash equivalents at beginning of period	65,822,934	268,162,631	110,973,850	448,889,223
Currency translation differences	-	2,798,233	-	2,947,335
Cash and cash equivalents at end of period	<b>64,751,137</b>	<b>266,580,431</b>	<b>65,822,934</b>	<b>268,162,633</b>

**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 26 form an integral part of this condensed consolidated interim financial information.

**PHNOM PENH COMMERCIAL BANK PLC.**

**CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2022**

	Notes	31 December 2022		31 December 2021	
		US\$	KHR'000	US\$	KHR'000
<b>ASSETS</b>					
Cash on hand		29,268,408	120,498,036	35,428,236	144,334,633
Balances with the central bank		32,979,565	135,776,869	20,962,263	85,400,258
Balances with other banks and financial institutions		62,108,803	255,701,942	87,356,097	355,888,739
Statutory deposits with the central bank		50,285,117	207,023,826	60,603,162	246,897,282
Loans to customers	6	779,504,653	3,209,220,656	748,576,949	3,049,702,491
Investment securities	7	190,709	785,149	3,164,405	12,891,786
Investment in subsidiary		490,000	2,017,330	490,000	1,996,260
Intangible assets		5,097,152	20,984,975	6,658,228	27,125,621
Property and equipment		6,158,073	25,352,786	7,161,337	29,175,287
Right of use assets		17,647,148	72,653,309	18,200,395	74,148,409
Deferred tax assets	8	-	-	82,960	337,979
Other assets		6,306,633	25,964,408	5,517,271	22,477,362
<b>TOTAL ASSETS</b>		<b>990,036,261</b>	<b>4,075,979,286</b>	<b>994,201,303</b>	<b>4,050,376,107</b>
<b>LIABILITIES AND EQUITY</b>					
<b>LIABILITIES</b>					
Deposits from other banks		173,064,254	712,505,533	97,992,038	399,219,563
Deposits from non-bank customers		549,961,225	2,264,190,364	646,768,326	2,634,934,160
Current income tax liabilities		1,569,446	6,461,409	3,859,106	15,721,998
Deferred tax liabilities	8	3,810,799	15,689,059	-	-
Borrowings		4,951,366	20,384,774	11,288,241	45,988,294
Debt securities issued	9	19,728,126	81,220,695	19,683,096	80,188,933
Lease liabilities		19,574,137	80,586,722	19,756,232	80,486,889
Employee benefit obligations		95,253	392,157	129,022	525,636
Other liabilities		2,949,845	12,144,511	1,900,053	7,740,814
Subordinated debts		20,040,530	82,506,862	20,037,128	81,631,259
<b>TOTAL LIABILITIES</b>		<b>795,744,981</b>	<b>3,276,082,086</b>	<b>821,413,242</b>	<b>3,346,437,546</b>
<b>EQUITY</b>					
Share capital	10	114,000,000	469,338,000	102,000,000	415,548,000
Regulatory reserve	11	36,106,002	148,933,440	14,911,718	62,312,401
Retained earnings		44,185,278	178,323,314	55,876,343	226,104,698
Other reserves		-	3,302,446	-	(26,538)
<b>TOTAL EQUITY</b>		<b>194,291,280</b>	<b>799,897,200</b>	<b>172,788,061</b>	<b>703,938,561</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>990,036,261</b>	<b>4,075,979,286</b>	<b>994,201,303</b>	<b>4,050,376,107</b>

The accompanying notes on pages 10 to 26 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 TWELVE-MONTH PERIODS ENDED 31 DECEMBER 2022

Notes	For the three-month period ended				For the twelve-month period ended			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Interest income	19,281,616	79,613,792	19,332,389	78,682,823	76,284,113	311,773,170	74,638,867	303,630,911
Interest expense	(7,145,690)	(29,504,554)	(6,215,253)	(25,296,080)	(25,547,190)	(104,411,366)	(27,244,253)	(110,829,621)
<b>Net interest income</b>	<b>12,135,926</b>	<b>50,109,238</b>	<b>13,117,136</b>	<b>53,386,743</b>	<b>50,736,923</b>	<b>207,361,804</b>	<b>47,394,614</b>	<b>192,801,290</b>
Fees and commission income	522,049	2,155,540	282,417	1,149,437	2,296,227	9,384,680	1,924,673	7,829,570
Fees and commission expense	(253,478)	(1,046,611)	(315,995)	(1,286,100)	(910,992)	(3,723,224)	(1,072,245)	(4,361,893)
<b>Net fees and commission income</b>	<b>268,571</b>	<b>1,108,929</b>	<b>(33,578)</b>	<b>(136,663)</b>	<b>1,385,235</b>	<b>5,661,456</b>	<b>852,428</b>	<b>3,467,677</b>
Impairment losses on financial assets	(273,825)	(1,130,623)	153,760	625,804	(1,578,719)	(6,452,225)	(2,336,015)	(9,502,909)
Other gains/(losses) - net	41,736	172,328	125,176	509,466	(131,939)	(539,235)	10,494	42,690
Other operating income	5,478	22,619	1,946	7,920	402,679	1,645,749	688,319	2,800,082
<b>Net other operating loss</b>	<b>(226,611)</b>	<b>(935,676)</b>	<b>280,882</b>	<b>1,143,190</b>	<b>(1,307,979)</b>	<b>(5,345,711)</b>	<b>(1,637,202)</b>	<b>(6,660,137)</b>
Personnel expenses	(2,112,695)	(8,723,318)	(2,302,051)	(9,369,348)	(7,797,024)	(31,866,437)	(8,176,152)	(33,260,586)
Depreciation and amortisation	(1,940,812)	(8,013,613)	(2,113,780)	(8,603,085)	(7,418,996)	(30,321,437)	(8,406,787)	(34,198,810)
Other operating expenses	(2,020,605)	(8,343,078)	(1,835,092)	(7,468,824)	(6,828,456)	(27,907,900)	(7,691,649)	(31,289,628)
<b>Profit before income tax</b>	<b>6,103,774</b>	<b>25,202,482</b>	<b>7,113,517</b>	<b>28,952,013</b>	<b>28,769,703</b>	<b>117,581,775</b>	<b>22,335,252</b>	<b>90,859,806</b>
Income tax expense	(1,218,218)	(5,030,022)	(1,455,836)	(5,925,253)	(5,766,484)	(23,567,620)	(4,600,722)	(18,715,737)
<b>Profit for the period</b>	<b>4,885,556</b>	<b>20,172,460</b>	<b>5,657,681</b>	<b>23,026,760</b>	<b>23,003,219</b>	<b>94,014,155</b>	<b>17,734,530</b>	<b>72,144,069</b>
<b>Other comprehensive income</b>								
<i>Items that will not be reclassified to profit or loss</i>								
Currency translation difference	-	(86,772)	-	(295,860)	-	3,373,984	-	1,874,959
	-	(86,772)	-	(295,860)	-	3,373,984	-	1,874,959
<b>Total comprehensive income for the period</b>	<b>4,885,556</b>	<b>20,085,688</b>	<b>5,657,681</b>	<b>22,730,900</b>	<b>23,003,219</b>	<b>97,388,139</b>	<b>17,734,530</b>	<b>74,019,028</b>
<b>Profit attributable to owners of the Bank</b>	<b>4,885,556</b>	<b>20,172,460</b>	<b>5,657,681</b>	<b>23,026,760</b>	<b>23,003,219</b>	<b>94,014,155</b>	<b>17,734,530</b>	<b>72,144,069</b>
<b>Total comprehensive income attributable to owners of the Bank</b>	<b>4,885,556</b>	<b>20,085,688</b>	<b>5,657,681</b>	<b>22,730,900</b>	<b>23,003,219</b>	<b>97,388,139</b>	<b>17,734,530</b>	<b>74,019,028</b>

The accompanying notes on pages 10 to 26 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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 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
<b>Balance at 1 January 2021</b>	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	-	-	-	-	17,734,530	72,144,069	-	-	17,734,530	72,144,069
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	1,874,959	-	1,874,959
<b>Total comprehensive income for the period</b>	-	-	-	-	17,734,530	72,144,069	-	1,874,959	17,734,530	74,019,028
<b>Transactions with owners in their capacity as owners:</b>										
Conversion of retained earnings to share capital (Note 10)	10,000,000	40,680,000	-	-	(10,000,000)	(40,680,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	3,167,594	12,885,772	(3,167,594)	(12,885,772)	-	-	-	-
Currency translation differences	-	2,728,000	-	-	-	-	-	-	-	2,728,000
<b>Total transactions with owners</b>	10,000,000	43,408,000	3,167,594	12,885,772	(13,167,594)	(53,565,772)	-	-	-	2,728,000
<b>Balance at 31 December 2021</b>	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
<b>Balance at 1 January 2022</b>	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	-	-	-	-	23,003,219	94,014,155	-	-	23,003,219	94,014,155
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	3,373,984	-	3,373,984
<b>Total comprehensive income for the period</b>	-	-	-	-	23,003,219	94,014,155	-	3,373,984	23,003,219	97,388,139
<b>Transactions with owners in their capacity as owners:</b>										
Conversion of retained earnings to share capital (Note 10)	12,000,000	49,044,000	-	-	(12,000,000)	(49,044,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	21,194,284	86,621,039	(21,194,284)	(86,621,039)	-	-	-	-
Dividends paid	-	-	-	-	(1,500,000)	(6,130,500)	-	-	(1,500,000)	(6,130,500)
Currency translation difference	-	4,746,000	-	-	-	-	-	(45,000)	-	4,701,000
<b>Total transactions with owners</b>	12,000,000	53,790,000	21,194,284	86,621,039	(34,694,284)	(141,795,539)	-	(45,000)	(1,500,000)	(1,429,500)
<b>Balance at 31 December 2022</b>	114,000,000	469,338,000	36,106,002	148,933,440	44,185,278	178,323,314	-	3,302,446	194,291,280	799,897,200

The accompanying notes on pages 10 to 26 form an integral part of this condensed separate interim financial information.

**PHNOM PENH COMMERCIAL BANK PLC.**

**CONDENSED SEPARATE STATEMENT OF CASH FLOWS  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2022**

	For the twelve-month period ended			
	31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000
<b>Cash flows from operating activities</b>				
Profit before income tax	28,769,703	117,581,775	22,335,252	90,859,806
<i>Adjustments for:</i>				
Provision for employee benefit obligations	(33,769)	(138,014)	(33,978)	(138,223)
Depreciation and amortisation	7,418,996	30,321,437	8,406,787	34,198,810
Impairment losses on financial assets	1,578,719	6,452,225	2,336,015	9,502,909
Unrealised exchange gains on investment securities	(21,809)	(89,133)	(6,963)	(28,325)
Unrealised exchange losses/(gains) on borrowings and debt securities	81,270	332,150	(206,423)	(839,729)
Loss/(gain) on disposal of property and equipment	43,647	178,385	(80,582)	(327,808)
Interest income	(76,284,113)	(311,773,170)	(74,638,867)	(303,630,911)
Interest expense	25,547,190	104,411,366	27,244,253	110,829,621
<i>Changes in working capital:</i>				
Placements of reserve requirement with the central bank	11,548,048	47,196,872	(86,620)	(352,370)
Loans to customers	(33,843,373)	(138,317,865)	(22,172,461)	(90,197,571)
Other assets	(789,362)	(3,226,122)	(223,352)	(908,596)
Deposits from other banks	72,725,772	297,230,230	9,130,721	37,143,773
Deposits from non-bank customers	(94,954,736)	(388,080,006)	(69,464,728)	(282,582,514)
Other liabilities	1,080,854	4,417,450	293,649	1,194,564
Cash used in operations	(57,132,963)	(233,502,420)	(97,167,297)	(395,276,564)
Interest received	77,285,057	315,864,028	73,599,975	299,404,698
Interest paid	(25,424,828)	(103,911,272)	(29,076,668)	(118,283,885)
Income tax paid	(4,162,385)	(17,011,667)	(3,931,421)	(15,993,021)
<b>Net cash used in operating activities</b>	(9,435,119)	(38,561,331)	(56,575,411)	(230,148,772)
<b>Cash flows from investing activities</b>				
Placements of capital guarantee deposits	(1,200,000)	(4,904,400)	(1,000,000)	(4,068,000)
Purchases of property and equipment	(1,459,109)	(5,963,378)	(761,587)	(3,098,136)
Purchases of intangible assets	(451,127)	(1,843,756)	(701,421)	(2,853,381)
Proceeds from matured investment securities	2,947,317	12,045,685	-	-
Proceeds from sales of property and equipment	-	-	80,582	327,808
Withdrawals of Negotiable Certificate of Deposits with the central bank	7,622,000	31,151,114	2,943,000	11,972,124
Balances with other banks and financial institutions	11,019,152	45,035,274	17,668,229	71,874,356
<b>Net cash generated from investing activities</b>	18,478,233	75,520,539	18,228,803	74,154,771
<b>Cash flows from financing activities</b>				
Dividends paid	(1,500,000)	(6,130,500)	-	-
Proceeds from borrowings	1,271,203	5,195,407	16,717,258	68,005,806
Repayments of borrowings	(7,269,199)	(29,709,216)	(20,825,938)	(84,719,916)
Principal elements of lease payments	(2,616,915)	(10,695,332)	(2,695,628)	(10,965,815)
<b>Net cash used in from financing activities</b>	(10,114,911)	(41,339,641)	(6,804,308)	(27,679,925)
Net decrease in cash and cash equivalents	(1,071,797)	(4,558,818)	(45,150,916)	(183,673,926)
Cash and cash equivalents at beginning of period	65,822,934	268,162,631	110,973,850	448,889,223
Currency translation differences	-	2,976,618	-	2,947,336
Cash and cash equivalents at end of period	64,751,137	266,580,431	65,822,934	268,162,633

**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 26 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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 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 31 December 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 10 February 2023.

The condensed consolidated and separate interim financial information for the twelve-month period ended 31 December 2022 has been reviewed, but not audited.

#### **2. BASIS OF PREPARATION**

This condensed consolidated and separate interim financial information for the twelve-month period ended 31 December 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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 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 presented 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:

	<u>For the three-month period ended</u>		<u>For the twelve-month period ended</u>	
	<u>31 December 2022</u>	<u>31 December 2021</u>	<u>31 December 2022</u>	<u>30 December 2021</u>
Average rate	KHR 4,129	KHR 4,070	KHR 4,087	KHR 4,068
			<u>31 December 2022</u>	<u>31 December 2021</u>
Closing rate			KHR 4,117	KHR 4,074

#### 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

While the course of the COVID-19 pandemic has currently been moderating and its impact on the populace, businesses and economic activity is better managed, the responses of consumers, business and the government remain uncertain, together with the compounding effects from rising geopolitical tensions, the conflict in Ukraine, and increasing inflation and interest rates impacting 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.

**PHNOM PENH COMMERCIAL BANK PLC.**

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2022**

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

**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 it 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 in deferred tax liabilities for the period arising from the increase of regulatory provisions resulting from this requirement 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).

**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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2022

6. LOANS TO CUSTOMERS

(a) Details of loans to customers:

	Consolidated financial information				Separate financial information			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Loans to customers at amortised costs	778,195,107	3,203,829,256	745,687,452	3,037,930,680	784,455,576	3,229,603,606	751,920,160	3,063,322,733
Less: Allowance for expected credit loss	(4,947,044)	(20,366,980)	(3,340,780)	(13,610,338)	(4,950,923)	(20,382,950)	(3,343,211)	(13,620,242)
<b>Net loans to customers</b>	<b>773,248,063</b>	<b>3,183,462,276</b>	<b>742,346,672</b>	<b>3,024,320,342</b>	<b>779,504,653</b>	<b>3,209,220,656</b>	<b>748,576,949</b>	<b>3,049,702,491</b>

(b) Allowance for expected credit loss

	Consolidated financial information				Separate financial information			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
12-month ECL (Stage 1)	1,686,921	6,945,054	1,541,775	6,281,193	1,690,800	6,961,024	1,544,206	6,291,096
Lifetime ECL - not credit impaired (Stage 2)	248,576	1,023,387	281,993	1,148,838	248,576	1,023,387	281,993	1,148,838
Lifetime ECL - credit impaired (Stage 3)	3,011,547	12,398,539	1,517,012	6,180,307	3,011,547	12,398,539	1,517,012	6,180,308
	<u>4,947,044</u>	<u>20,366,980</u>	<u>3,340,780</u>	<u>13,610,338</u>	<u>4,950,923</u>	<u>20,382,950</u>	<u>3,343,211</u>	<u>13,620,242</u>

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION  
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2022

7. INVESTMENT SECURITIES

	Consolidated financial information				Separate financial information			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<b>Current</b>								
<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
<b>Non-current</b>								
<i>Equity investment at FVOCI:</i>								
<i>Listed securities</i>								
Phnom Penh Autonomous Port	168,891	695,324	177,529	723,253	168,891	695,324	177,529	723,253
<i>Unlisted securities</i>								
Credit bureau (Cambodia) Co., Ltd.	21,818	89,825	21,818	88,887	21,818	89,825	21,818	88,887
Total equity investment at FVOCI	190,709	785,149	199,347	812,140	190,709	785,149	199,347	812,140
	190,709	785,149	3,164,405	12,891,786	190,709	785,149	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.

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8. DEFERRED TAX ASSETS/(LIABILITIES)

	Consolidated financial information				Separate financial information			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<b>Non-current</b>								
Deferred tax assets	1,792,282	7,378,825	1,210,329	4,930,880	2,003,065	8,246,619	1,390,520	5,664,978
Deferred tax liabilities	(5,802,186)	(23,887,599)	(1,295,603)	(5,278,286)	(5,813,864)	(23,935,678)	(1,307,560)	(5,326,999)
Deferred tax liabilities - net	(4,009,904)	(16,508,774)	(85,274)	(347,406)	(3,810,799)	(15,689,059)	82,960	337,979

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

	Consolidated financial information				Separate financial information			
	31 December 2022		31 December 2021		31 December 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	(3,924,630)	(16,039,963)	(322,284)	(1,311,051)	(3,893,759)	(15,820,343)	(288,903)	(1,175,257)
Currency translation differences	-	(121,405)	-	4,940	-	(206,695)	-	9,050
At 31 December	(4,009,904)	(16,508,774)	(85,274)	(347,406)	(3,810,799)	(15,689,059)	82,960	337,979

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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
Credited/(charged) 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
Credited/(charged) to profit or loss	52,399	(20,256)	58,387	(17,827)	509,250	581,953
At 31 December 2022	693,492	-	174,614	6,754	917,422	1,792,282
<i>In KHR'000 equivalent</i>	2,855,107	-	718,886	27,806	3,777,026	7,378,825

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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
Credited/(charged) 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
Credited/(charged) to profit or loss	52,399	(20,256)	88,979	(17,827)	509,250	612,545
At 31 December 2022	693,492	-	385,397	6,754	917,422	2,003,065
<i>In KHR'000 equivalent</i>	2,855,107	-	1,586,679	27,807	3,777,026	8,246,619

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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
Credited/(charged) 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	4,181,281	325,302	4,506,583	4,181,002	325,302	4,506,304
At 31 December 2022	5,476,884	325,302	5,802,186	5,488,562	325,302	5,813,864
<i>In KHR'000 equivalent</i>	22,548,331	1,339,268	23,887,599	22,596,409	1,339,269	23,935,678

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9. DEBT SECURITIES ISSUED

	Consolidated financial information				Separate financial information			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Current	19,728,126	81,220,695	1,397,592	5,693,790	19,728,126	81,220,695	1,397,592	5,693,790
Non-current	-	-	18,285,504	74,495,143	-	-	18,285,504	74,495,143
	<u>19,728,126</u>	<u>81,220,695</u>	<u>19,683,096</u>	<u>80,188,933</u>	<u>19,728,126</u>	<u>81,220,695</u>	<u>19,683,096</u>	<u>80,188,933</u>
	Consolidated financial information				Separate financial information			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Principal amount	19,373,170	79,759,341	19,328,073	78,742,569	19,373,170	79,759,341	19,328,073	78,742,569
Interest payables	354,956	1,461,354	355,023	1,446,364	354,956	1,461,354	355,023	1,446,364
	<u>19,728,126</u>	<u>81,220,695</u>	<u>19,683,096</u>	<u>80,188,933</u>	<u>19,728,126</u>	<u>81,220,695</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			
	31 December 2022		31 December 2021		31 December 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	49,044,000	10,000,000	40,680,000	12,000,000	49,044,000	10,000,000	40,680,000
Currency translation differences	-	4,746,000	-	2,728,000	-	4,746,000	-	2,728,000
At end of the period	<u>114,000,000</u>	<u>469,338,000</u>	<u>102,000,000</u>	<u>415,548,000</u>	<u>114,000,000</u>	<u>469,338,000</u>	<u>102,000,000</u>	<u>415,548,000</u>

	31 December 2022			31 December 2021		
	Number of shares	%	US\$	Number of shares	%	US\$
<b>Shareholders:</b>						
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>469,338,000</u>			<u>415,548,000</u>

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**11. REGULATORY RESERVE**

	<b>Consolidated financial information</b>				<b>Separate financial information</b>			
	<b>31 December 2022</b>		<b>31 December 2021</b>		<b>31 December 2022</b>		<b>31 December 2021</b>	
	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>	<b>US\$</b>	<b>KHR'000</b>
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	21,195,732	86,626,957	3,168,882	12,891,012	21,194,284	86,621,039	3,167,594	12,885,772
At end of the period	36,047,781	148,713,036	14,852,049	62,086,079	36,106,002	148,933,440	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 (GAINS)/LOSSES ON FINANCIAL ASSETS

	Consolidated financial information							
	For the three-month period ended				For the twelve-month period ended			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Expected Credit Losses (ECL):</i>								
Loans to customers	276,747	1,142,688	(148,050)	(602,564)	1,608,333	6,573,257	2,258,612	9,188,033
Off-balance sheet financial commitments	(2,923)	(12,069)	(5,710)	(23,239)	(31,062)	(126,950)	76,115	309,636
	<u>273,824</u>	<u>1,130,619</u>	<u>(153,760)</u>	<u>(625,803)</u>	<u>1,577,271</u>	<u>6,446,307</u>	<u>2,334,727</u>	<u>9,497,669</u>
	Separate financial information							
	For the three-month period ended				For the twelve-month period ended			
	31 December 2022		31 December 2021		31 December 2022		31 December 2021	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Expected Credit Losses (ECL):</i>								
Loans to customers	276,748	1,142,692	(148,050)	(602,564)	1,609,781	6,579,175	2,259,900	9,193,273
Off-balance sheet financial commitments	(2,923)	(12,069)	(5,710)	(23,240)	(31,062)	(126,950)	76,115	309,636
	<u>273,825</u>	<u>1,130,623</u>	<u>(153,760)</u>	<u>(625,804)</u>	<u>1,578,719</u>	<u>6,452,225</u>	<u>2,336,015</u>	<u>9,502,909</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 31 December 2022 and 31 December 2021 on a recurring basis:

	<b>Consolidated financial information</b>			
	<b>Level 1 US\$</b>	<b>Level 2 US\$</b>	<b>Level 3 US\$</b>	<b>Total US\$</b>
<b>As at 31 December 2022</b>				
<b>Financial assets</b>				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	168,891	-	21,818	190,709
<b>Total financial assets</b>	<b>168,891</b>	<b>-</b>	<b>21,818</b>	<b>190,709</b>
<i>In KHR'000 equivalent</i>	<u>695,324</u>	<u>-</u>	<u>89,825</u>	<u>785,149</u>
<b>As at 31 December 2021</b>				
<b>Financial assets</b>				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	142,651	-	21,818	164,469
<b>Total financial assets</b>	<b>142,651</b>	<b>-</b>	<b>21,818</b>	<b>164,469</b>
<i>In KHR'000 equivalent</i>	<u>577,023</u>	<u>-</u>	<u>88,254</u>	<u>665,277</u>

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13. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(a) Fair value hierarchy (continued)

	Separate financial information			Total US\$
	Level 1 US\$	Level 2 US\$	Level 3 US\$	
<b>As at 31 December 2022</b>				
<b>Financial assets</b>				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	168,891	-	21,818	190,709
<b>Total financial assets</b>	<b>168,891</b>	<b>-</b>	<b>21,818</b>	<b>190,709</b>
<i>In KHR'000 equivalent</i>	<u>695,324</u>	<u>-</u>	<u>89,825</u>	<u>785,149</u>
<b>As at 31 December 2021</b>				
<b>Financial assets</b>				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	142,651	-	21,818	164,469
<b>Total financial assets</b>	<b>142,651</b>	<b>-</b>	<b>21,818</b>	<b>164,469</b>
<i>In KHR'000 equivalent</i>	<u>577,023</u>	<u>-</u>	<u>88,254</u>	<u>665,277</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 is 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 31 December 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.