

PHNOM PENH COMMERCIAL BANK PLC.
(Registration No. 00015794)

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM
FINANCIAL INFORMATION**

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

PHNOM PENH COMMERCIAL BANK PLC.

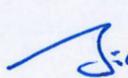
**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023**

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STATEMENT OF THE BOARD OF DIRECTORS

In the opinion of the Board of Directors, the accompanying condensed consolidated and separate interim financial information presents fairly, in all material respects, the financial position of Phnom Penh Commercial Bank Plc. (the "Bank") and its subsidiary, J&A (Cambodia) Investment Co., Ltd. (together referred to as the "Group") as at 31 March 2022, their financial performance, and their cash flows for the three-month period then ended in accordance with Cambodian International Accounting Standard 34 *Interim Financial Reporting*, and at the date of this statement, there are reasonable grounds to believe that the Group and the Bank will be able to pay their debts as and when they fall due.

On behalf of the Board of Directors




Lee Jin Young
President

Phnom Penh, Kingdom of Cambodia
Date: 12 May 2023

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 referred to as the "Group") and condensed separate statement of financial position of the Bank as at 31 March 2023, and the related condensed consolidated and separate statements of profit or loss and other comprehensive income, condensed consolidated and separate statements of changes in equity and condensed consolidated and separate statements of cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory information. 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*.

Other Matter

The comparative information for the condensed consolidated and separate interim financial information is based on the audited consolidated and separate financial statements for the year ended 31 December 2022 and the reviewed condensed consolidated and separate interim financial information for the period ended 31 March 2022. The consolidated and separate financial statements as at and for the year ended 31 December 2022, were audited by another auditor who expressed an unmodified opinion on those statements on 23 March 2023. The condensed consolidated and separate statements of profit or loss and other comprehensive income, condensed consolidated and separate statements of changes in equity and condensed consolidated and separate statements of cash flows for the three-month period ended 31 March 2022 were reviewed by another auditor who expressed an unmodified conclusion on those statements on 11 May 2022.

For Deloitte (Cambodia) Co., Ltd.



Khoy Kimleng
Partner

Phnom Penh, Kingdom of Cambodia
Date: 12 May 2023

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Notes	31 March 2023		31 December 2022	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		29,242,641	118,549,667	29,268,408	120,498,036
Balances with the NBC		84,353,270	341,968,156	83,264,682	342,800,695
Balances with other banks and financial institutions		62,890,959	254,959,948	62,108,803	255,701,942
Loans to customers	6	792,316,319	3,212,050,357	773,248,063	3,183,462,276
Investment securities		203,133	823,502	190,709	785,149
Intangible assets		4,604,870	18,668,143	5,097,152	20,984,975
Property and equipment		12,373,164	50,160,807	12,778,872	52,610,616
Right-of-use assets		9,985,362	40,480,658	9,889,518	40,715,145
Other assets		6,606,706	26,783,586	6,308,173	25,970,748
TOTAL ASSETS		1,002,576,424	4,064,444,824	982,154,380	4,043,529,582
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		161,464,598	654,577,480	173,064,254	712,505,533
Deposits from non-bank customers		567,065,169	2,298,882,195	549,350,759	2,261,677,075
Current income tax liabilities		1,903,843	7,718,180	1,569,446	6,461,409
Deferred tax liabilities		3,803,315	15,418,639	4,009,904	16,508,774
Borrowings	7	14,860,899	60,246,085	4,951,366	20,384,774
Debt securities issued	8	20,053,739	81,297,858	19,728,126	81,220,695
Lease liabilities		10,869,709	44,065,800	10,737,684	44,207,045
Employee benefit obligations		150,676	610,841	95,253	392,157
Other liabilities		1,519,870	6,161,553	2,956,828	12,173,261
Subordinated debts		20,037,128	81,230,517	20,040,530	82,506,862
TOTAL LIABILITIES		801,728,946	3,250,209,148	786,504,150	3,238,037,585
EQUITY					
Share capital		114,000,000	462,156,000	114,000,000	469,338,000
Regulatory reserve		35,288,002	143,057,560	36,047,781	148,713,036
Retained earnings		51,559,476	208,410,735	45,602,449	184,082,236
Currency translation differences		-	611,381	-	3,358,725
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE BANK		200,847,478	814,235,676	195,650,230	805,491,997
TOTAL LIABILITIES AND EQUITY		1,002,576,424	4,064,444,824	982,154,380	4,043,529,582

The accompanying notes on pages 12 to 18 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 PERIOD ENDED 31 MARCH 2023

	Notes	For the three-month period ended			
		31 March 2023		31 March 2022	
		US\$	KHR'000	US\$	KHR'000
Interest income		19,880,069	81,190,202	18,740,626	76,143,163
Interest expense	9	(8,253,136)	(33,705,807)	(5,860,879)	(23,812,751)
Net interest income		<u>11,626,933</u>	<u>47,484,395</u>	<u>12,879,747</u>	<u>52,330,412</u>
Fees and commission income		911,774	3,723,685	601,854	2,445,333
Fees and commission expense		(266,798)	(1,089,603)	(232,589)	(945,009)
Net fees and commission income		<u>644,976</u>	<u>2,634,082</u>	<u>369,265</u>	<u>1,500,324</u>
Other gains – net		380,816	1,555,253	394,518	1,602,927
Other operating income		10,424	42,572	5,336	21,680
Net other operating income		<u>391,240</u>	<u>1,597,825</u>	<u>399,854</u>	<u>1,624,607</u>
Impairment losses on financial assets		(947,776)	(3,870,717)	(413,957)	(1,681,907)
Personnel expenses		(2,167,579)	(8,852,393)	(1,665,064)	(6,765,155)
Depreciation and amortisation		(1,545,500)	(6,311,822)	(1,666,211)	(6,769,815)
Other operating expenses		(1,372,006)	(5,603,273)	(1,368,818)	(5,561,508)
Profit before income tax		<u>6,630,288</u>	<u>27,078,097</u>	<u>8,534,816</u>	<u>34,676,958</u>
Income tax expense		(1,433,040)	(5,852,535)	(1,707,602)	(6,937,987)
Profit for the period		<u>5,197,248</u>	<u>21,225,562</u>	<u>6,827,214</u>	<u>27,738,971</u>
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Currency translation differences		-	(2,747,344)	-	(1,812,910)
Total comprehensive income for the period		<u>5,197,248</u>	<u>18,478,218</u>	<u>6,827,214</u>	<u>25,926,061</u>
Profit attributable to owners of the Bank		<u>5,197,248</u>	<u>21,225,562</u>	<u>6,827,214</u>	<u>27,738,971</u>
Total comprehensive income attributable to owners of the Bank		<u>5,197,248</u>	<u>18,478,218</u>	<u>6,827,214</u>	<u>25,926,061</u>

The accompanying notes on pages 12 to 18 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 THREE-MONTH PERIOD ENDED 31 MARCH 2023

	Attributable to owners of the Bank								
	Share capital		Regulatory reserve		Retained earnings		Currency translation differences	Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	KHR'000	US\$	KHR'000
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	-	-	-	-	6,827,214	27,738,971	-	6,827,214	27,738,971
Other comprehensive income - currency translation differences	-	-	-	-	-	-	(1,812,910)	-	(1,812,910)
Total comprehensive income for the period	-	-	-	-	6,827,214	27,738,971	(1,812,910)	6,827,214	25,926,061
Transactions with owners in their capacity as owners:									
Transfers from retained earnings to regulatory reserve	-	-	9,417,360	38,262,734	(9,417,360)	(38,262,734)	-	-	-
Currency differences	-	(2,448,000)	-	-	-	-	-	-	(2,448,000)
Total transactions with owners	-	(2,448,000)	9,417,360	38,262,734	(9,417,360)	(38,262,734)	-	-	(2,448,000)
Balance at 31 March 2022	<u>102,000,000</u>	<u>413,100,000</u>	<u>24,269,409</u>	<u>100,348,813</u>	<u>54,397,661</u>	<u>220,090,432</u>	<u>(1,837,611)</u>	<u>180,667,070</u>	<u>731,701,634</u>
Balance at 1 January 2023	114,000,000	469,338,000	36,047,781	148,713,036	45,602,449	184,082,236	3,358,725	195,650,230	805,491,997
Profit for the period	-	-	-	-	5,197,248	21,225,562	-	5,197,248	21,225,562
Other comprehensive income - currency translation differences	-	-	-	-	-	-	(2,747,344)	-	(2,747,344)
Total comprehensive income for the period	-	-	-	-	5,197,248	21,225,562	(2,747,344)	5,197,248	18,478,218
Transactions with owners in their capacity as owners:									
Transfers from regulatory reserve to retained earnings	-	-	(759,779)	(3,102,937)	759,779	3,102,937	-	-	-
Currency translation differences	-	(7,182,000)	-	(2,552,539)	-	-	-	-	(9,734,539)
Total transactions with owners	-	(7,182,000)	(759,779)	(5,655,476)	759,779	3,102,937	-	-	(9,734,539)
Balance at 31 March 2023	<u>114,000,000</u>	<u>462,156,000</u>	<u>35,288,002</u>	<u>143,057,560</u>	<u>51,559,476</u>	<u>208,410,735</u>	<u>611,381</u>	<u>200,847,478</u>	<u>814,235,676</u>

The accompanying notes on pages 12 to 18 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023**

	Note	For the three-month period ended			
		31 March 2023		31 March 2022	
		US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities					
Profit before income tax		6,630,288	27,078,097	8,534,816	34,676,958
<i>Adjustments for:</i>					
Provision for employee benefit obligations		55,423	226,348	48,784	198,209
Depreciation and amortisation		1,545,500	6,311,822	1,666,211	6,769,815
Impairment losses on financial assets		949,975	3,879,698	413,957	1,681,907
Unrealised fair value gains on investment securities		(12,425)	(50,744)	(41,742)	(169,598)
Unrealised exchange losses on borrowings and debt securities		322,817	1,318,385	343,925	1,397,367
Interest income		(20,012,525)	(81,731,152)	(18,395,411)	(74,740,555)
Interest expense		8,259,394	33,731,365	5,860,879	23,812,751
<i>Changes in working capital:</i>					
Balance with the NBC		(9,500,461)	(38,799,883)	7,635,888	31,024,613
Balance with other banks		1,000,000	4,084,000	(12,000,000)	(48,756,000)
Loans to customers		(19,972,165)	(81,566,322)	(15,938,986)	(64,760,100)
Other assets		(298,533)	(1,219,209)	(301,205)	(1,223,796)
Deposit from other banks		(10,607,877)	(43,322,570)	40,273,251	163,630,219
Deposit from non-bank customers		16,351,761	66,780,592	(14,881,816)	(60,464,818)
Other liabilities		(1,436,958)	(5,868,536)	(171,942)	(698,600)
Cash (used in)/generated from operations		(26,725,786)	(109,148,109)	3,046,609	12,378,372
Interest received		20,837,795	85,101,555	19,780,330	80,367,481
Interest paid		(7,539,582)	(30,791,653)	(6,306,933)	(25,625,069)
Income tax paid		(1,648,908)	(6,734,140)	(3,830,550)	(15,563,525)
Net cash (used in)/from operating activities		(15,076,481)	(61,572,347)	12,689,456	51,557,259
Cash flows from investing activities					
Purchases of property and equipment		(72,051)	(294,256)	(51,759)	(210,297)
Purchases of intangible assets		-	-	(166,100)	(674,864)
Net cash used in investing activities		(72,051)	(294,256)	(217,859)	(885,161)
Cash flows from financing activities					
Proceeds from borrowings		14,849,714	60,646,232	-	-
Repayments of borrowings		(4,946,053)	(20,199,680)	(6,844,292)	(27,808,358)
Principal elements of lease payments		(539,278)	(2,202,411)	(518,838)	(2,108,039)
Net cash from/(used in) financing activities		9,364,383	38,244,141	(7,363,130)	(29,916,397)
Net (decrease)/increase in cash and cash equivalents		(5,784,149)	(23,622,462)	5,108,467	20,755,700
Cash and cash equivalents at beginning of period		64,751,137	266,580,431	65,822,934	268,162,631
Currency translation differences		-	(3,905,800)	-	(1,646,157)
Cash and cash equivalents at end of period	10	58,966,988	239,052,169	70,931,401	287,272,174

The accompanying notes on pages 12 to 18 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 MARCH 2023

	Notes	31 March 2023		31 December 2022	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		29,242,641	118,549,667	29,268,408	120,498,036
Balances with the NBC		84,353,270	341,968,156	83,264,682	342,800,695
Balances with other banks and financial institutions		62,890,959	254,959,948	62,108,803	255,701,942
Loans to customers	6	798,520,241	3,237,201,057	779,504,653	3,209,220,656
Investment securities		203,133	823,501	190,709	785,149
Investment in subsidiary		490,000	1,986,460	490,000	2,017,330
Intangible assets		4,604,870	18,668,143	5,097,152	20,984,975
Property and equipment		5,754,866	23,330,227	6,158,073	25,352,786
Right-of-use assets		17,531,843	71,074,092	17,647,148	72,653,309
Other assets		6,663,685	27,014,579	6,306,633	25,964,408
TOTAL ASSETS		1,010,255,508	4,095,575,830	990,036,261	4,075,979,286
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		161,464,598	654,577,480	173,064,254	712,505,533
Deposits from non-bank customers		567,671,874	2,301,341,777	549,961,225	2,264,190,364
Current income tax liabilities		1,903,843	7,718,180	1,569,446	6,461,409
Deferred tax liabilities		3,595,833	14,577,507	3,810,799	15,689,059
Borrowings	7	14,860,899	60,246,085	4,951,366	20,384,774
Debt securities issued	8	20,053,739	81,297,858	19,728,126	81,220,695
Lease liabilities		19,527,165	79,163,127	19,574,137	80,586,722
Employee benefit obligations		150,676	610,841	95,253	392,157
Other liabilities		1,511,645	6,128,208	2,949,845	12,144,511
Subordinated debts		20,037,128	81,230,517	20,040,530	82,506,862
TOTAL LIABILITIES		810,777,400	3,286,891,580	795,744,981	3,276,082,086
EQUITY					
Share capital		114,000,000	462,156,000	114,000,000	469,338,000
Regulatory reserve		35,344,024	143,284,673	36,106,002	148,933,440
Retained earnings		50,134,084	202,618,238	44,185,278	178,323,314
Currency translation differences		-	625,339	-	3,302,446
TOTAL EQUITY		199,478,108	808,684,250	194,291,280	799,897,200
TOTAL LIABILITIES AND EQUITY		1,010,255,508	4,095,575,830	990,036,261	4,075,979,286

The accompanying notes on pages 12 to 18 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 PERIOD ENDED 31 MARCH 2023

	Notes	For the three-month period ended			
		31 March 2023		31 March 2022	
		US\$	KHR'000	US\$	KHR'000
Interest income		20,012,525	81,731,152	18,869,188	76,665,511
Interest expense	9	(8,322,571)	(33,989,380)	(5,949,550)	(24,173,021)
Net interest income		<u>11,689,954</u>	<u>47,741,772</u>	<u>12,919,638</u>	<u>52,492,490</u>
Fees and commission income		936,774	3,825,785	626,854	2,546,908
Fees and commission expense		(266,798)	(1,089,603)	(232,587)	(945,001)
Net fees and commission income		<u>669,976</u>	<u>2,736,182</u>	<u>394,267</u>	<u>1,601,907</u>
Other gains - net		380,816	1,555,253	412,929	1,677,731
Other operating income		10,424	42,572	5,336	21,680
Net other operating income		<u>391,240</u>	<u>1,597,825</u>	<u>418,265</u>	<u>1,699,411</u>
Impairment losses on financial assets		(949,975)	(3,879,698)	(415,406)	(1,687,795)
Personnel expenses		(2,167,579)	(8,852,393)	(1,665,064)	(6,765,155)
Depreciation and amortisation		(1,712,379)	(6,993,356)	(1,827,607)	(7,425,567)
Other operating expenses		(1,388,479)	(5,670,548)	(1,378,170)	(5,599,505)
Profit before income tax		<u>6,532,758</u>	<u>26,679,784</u>	<u>8,445,923</u>	<u>34,315,786</u>
Income tax expense		(1,345,930)	(5,496,778)	(1,618,478)	(6,575,876)
Profit for the period		<u>5,186,828</u>	<u>21,183,006</u>	<u>6,827,445</u>	<u>27,739,910</u>
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Currency translation difference		-	(2,677,107)	-	(1,787,672)
		-	(2,677,107)	-	(1,787,672)
Total comprehensive income for the period		<u>5,186,828</u>	<u>18,505,899</u>	<u>6,827,445</u>	<u>25,952,238</u>

The accompanying notes on pages 12 to 18 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 THREE-MONTH PERIOD ENDED 31 MARCH 2023

	Share capital		Regulatory reserve		Retained earnings		Currency translation	Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	differences KHR'000	US\$	KHR'000
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	-	-	-	-	6,827,445	27,739,910	-	6,827,445	27,739,910
Other comprehensive income - currency translation differences	-	-	-	-	-	-	(1,787,672)	-	(1,787,672)
Total comprehensive income for the period	-	-	-	-	6,827,445	27,739,910	(1,787,672)	6,827,445	25,952,238
Transactions with owners in their capacity as owners:									
Transfers from retained earnings to regulatory reserve	-	-	9,415,911	38,256,846	(9,415,911)	(38,256,846)	-	-	-
Currency translation difference	-	(2,448,000)	-	-	-	-	-	-	(2,448,000)
Total transactions with owners	-	(2,448,000)	9,415,911	38,256,846	(9,415,911)	(38,256,846)	-	-	(2,448,000)
Balance at 31 March 2022	<u>102,000,000</u>	<u>413,100,000</u>	<u>24,327,629</u>	<u>100,569,247</u>	<u>53,287,877</u>	<u>215,587,762</u>	<u>(1,814,210)</u>	<u>179,615,506</u>	<u>727,442,799</u>
Balance at 1 January 2023	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
Profit for the period	-	-	-	-	5,186,828	21,183,006	-	5,186,828	21,183,006
Other comprehensive income - currency translation differences	-	-	-	-	-	-	(2,677,107)	-	(2,677,107)
Total comprehensive income for the period	-	-	-	-	5,186,828	21,183,006	(2,677,107)	5,186,828	18,505,899
Transactions with owners in their capacity as owners:									
Transfers from regulatory reserve to retained earnings	-	-	(761,978)	(3,111,918)	761,978	3,111,918	-	-	-
Currency translation difference	-	(7,182,000)	-	(2,536,849)	-	-	-	-	(9,718,849)
Total transactions with owners	-	(7,182,000)	(761,978)	(5,648,767)	761,978	3,111,918	-	-	(9,718,849)
Balance at 31 March 2023	<u>114,000,000</u>	<u>462,156,000</u>	<u>35,344,024</u>	<u>143,284,673</u>	<u>50,134,084</u>	<u>202,618,238</u>	<u>625,339</u>	<u>199,478,108</u>	<u>808,684,250</u>

The accompanying notes on pages 12 to 18 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED SEPARATE STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

	Note	For the three-month period ended			
		31 March 2023		31 March 2022	
		US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities					
Profit before income tax		6,532,758	26,679,784	8,445,923	34,315,786
<i>Adjustments for:</i>					
Provision for employee benefit obligations		55,423	226,348	48,784	198,209
Depreciation and amortisation		1,712,379	6,993,356	1,827,607	7,425,567
Impairment losses on financial assets		949,975	3,879,698	415,406	1,687,795
Unrealised exchange gains on investment securities		(12,426)	(50,748)	(41,742)	(169,598)
Unrealised exchange losses on borrowings and debt securities		322,817	1,318,385	343,925	1,397,367
Interest income		(20,012,525)	(81,731,152)	(18,523,973)	(75,262,902)
Interest expense		8,322,571	33,989,380	5,949,550	24,173,021
<i>Changes in working capital:</i>					
Balance with the NBC		(9,500,461)	(38,799,883)	7,635,888	31,024,613
Balance with other banks		1,000,000	4,084,000	(12,000,000)	(48,756,000)
Loans to customers		(19,969,966)	(81,557,341)	(15,938,986)	(64,760,100)
Other assets		(357,052)	(1,458,200)	(301,205)	(1,223,796)
Deposits from other banks		(10,607,877)	(43,322,570)	40,273,251	163,630,219
Deposits from non-bank customers		16,348,000	66,765,232	(14,880,822)	(60,460,780)
Other liabilities		(1,438,200)	(5,873,609)	(170,635)	(693,290)
Cash (used in)/generated from operations		(26,654,584)	(108,857,320)	3,082,971	12,526,110
Interest received		20,888,264	85,307,670	19,879,832	80,771,757
Interest paid		(7,602,759)	(31,049,668)	(6,395,604)	(25,985,339)
Income tax paid		(1,570,175)	(6,412,595)	(3,755,754)	(15,259,629)
Net cash (used in)/from operating activities		(14,939,254)	(61,011,913)	17,114,445	69,535,989
Cash flows from investing activities					
Purchases of property and equipment		(72,051)	(294,256)	(51,759)	(210,297)
Purchases of intangible assets		-	-	(166,100)	(674,864)
Net cash used in investing activities		(72,051)	(294,256)	(217,859)	(885,161)
Cash flows from financing activities					
Proceeds from borrowings		14,849,714	60,646,232	-	-
Repayments of borrowings		(4,946,053)	(20,199,680)	(6,844,292)	(27,808,358)
Principal elements of lease payments		(676,505)	(2,762,846)	(640,827)	(2,603,680)
Net cash from/(used in) financing activities		9,227,156	37,683,706	(7,485,119)	(30,412,038)
Net (decrease)/increase in cash and cash equivalents		(5,784,149)	(23,622,465)	5,108,467	20,755,701
Cash and cash equivalents at beginning of period		64,751,137	266,580,431	65,822,934	268,162,631
Currency translation differences		-	(3,905,797)	-	(1,646,158)
Cash and cash equivalents at end of period	10	58,966,988	239,052,169	70,931,401	287,272,174

The accompanying notes on pages 12 to 18 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 THREE-MONTH PERIOD ENDED 31 MARCH 2023

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 March 2023, 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.

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 (the “CSX”) and Securities and Exchange Regulator of Cambodia (the “SERC”) to list its corporate bonds on the CSX. 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 12 May 2023.

2. BASIS OF PREPARATION

This condensed consolidated and separate interim financial information for the three-month period ended 31 March 2023 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 2022, which have been prepared in accordance with Cambodian International Financial Reporting Standards (“CIFRSs”).

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

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023**

2. BASIS OF PREPARATION (continued)

New and amended standards adopted by the Group and the Bank

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

Amendments to CIAS 1	<i>Classification of Liabilities as Current or Non-current</i>
Amendments to CIAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to CIFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
CIFRS 17	<i>Insurance Contracts</i>
Amendments to CIAS 8	<i>Definition of Accounting Estimates</i>
Amendments to CIAS 1 and CIFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>

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)

The translation of the US\$ amounts into Khmer Riel (“KHR”) is presented in the interim financial information to comply with the Law on Accounting and Auditing dated 11 April 2016 using the closing and average rates for the year, as announced by the National Bank of Cambodia.

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 and other reserves 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	
	31 March 2023	31 March 2022
Average rate	KHR 4,084	KHR 4,063
	31 March 2023	31 December 2022
Closing rate	KHR 4,054	KHR 4,117

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023**

3. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

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

Classification and provisioning requirement by the NBC on restructured loans

On 28 December 2021, the NBC 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 2022 period.

Following the announcement, the NBC 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 transferring additional retained earnings amount to the regulatory reserve.

As of the reporting date, the Bank has a limited number of active restructured loans resulting from Covid 19 and thus, this Circular does not have material impact on the Bank in the current reporting period. For those loans which were restructured after 30 June 2022, the Bank follows the existing requirement as in the Prakas No. B7-017-344 on Credit Risk Grading and Impairment Provisioning dated 1 December 2017.

The maintenance of reserve requirement against banks and financial institutions' deposits and borrowings

On 9 January 2023, the NBC issued a Prakas No. B7-023-005 on the maintenance of reserve requirement against banks and financial institutions' deposits and borrowings requiring banks to maintain reserve requirement against deposits and borrowings at a daily average balance with the NBC in accordance with the dates and rates as follows:

- From 1 January 2023 to 31 December 2023, reserve requirement in foreign currencies (i.e. currencies other than KHR) shall be at the rate of 9%.
- From 1 January 2024 onwards, reserve requirement in foreign currencies (currency other than KHR) shall be at the rate of 12.5%.

The Bank has fully complied with this new requirement during the period.

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 2022.

5. SEGMENT AND REVENUE INFORMATION

The Group and the Bank have 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.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

6. LOANS TO CUSTOMERS

(a) Details of loans to customers:

	Consolidated financial information				Separate financial information			
	31 March 2023		31 December 2022		31 March 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Loans to customers at amortised costs	798,250,829	3,236,108,861	778,195,107	3,203,829,256	804,460,829	3,261,284,201	784,455,576	3,229,603,606
Less: Allowance for expected credit losses	(5,934,510)	(24,058,504)	(4,947,044)	(20,366,980)	(5,940,588)	(24,083,144)	(4,950,923)	(20,382,950)
Net loans to customers	792,316,319	3,212,050,357	773,248,063	3,183,462,276	798,520,241	3,237,201,057	779,504,653	3,209,220,656

(b) Allowance for expected credit losses

	Consolidated financial information				Separate financial information			
	31 March 2023		31 December 2022		31 March 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
12-month ECL (stage 1)	2,496,793	10,121,999	1,686,921	6,945,054	2,502,871	10,146,639	1,690,800	6,961,024
Lifetime ECL - not credit impaired (stage 2)	262,498	1,064,167	248,576	1,023,387	262,498	1,064,167	248,576	1,023,387
Lifetime ECL - credit impaired (stage 3)	3,175,219	12,872,338	3,011,547	12,398,539	3,175,219	12,872,338	3,011,547	12,398,539
	5,934,510	24,058,504	4,947,044	20,366,980	5,940,588	24,083,144	4,950,923	20,382,950

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

7. BORROWINGS

	Consolidated financial information				Separate financial information			
	31 March 2023		31 December 2022		31 March 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Borrowing at amortised cost:								
Current	2,072,657	8,402,552	2,557,838	10,530,619	2,072,657	8,402,552	2,557,838	10,530,619
Non-current	12,788,242	51,843,533	2,393,528	9,854,155	12,788,242	51,843,533	2,393,528	9,854,155
	<u>14,860,899</u>	<u>60,246,085</u>	<u>4,951,366</u>	<u>20,384,774</u>	<u>14,860,899</u>	<u>60,246,085</u>	<u>4,951,366</u>	<u>20,384,774</u>

All borrowings are unsecured and were obtained from local and overseas banks with term ranging from 12 months to 84 months (2022: 12 months to 84 months) and interest rate ranging from 2.5% to 7.69% (2022: 2% to 6.5%).

8. DEBT SECURITIES ISSUED

	Consolidated financial information				Separate financial information			
	31 March 2023		31 December 2022		31 March 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Current	20,053,739	81,297,858	19,728,126	81,220,695	20,053,739	81,297,858	19,728,126	81,220,695
Non-current	-	-	-	-	-	-	-	-
	<u>20,053,739</u>	<u>81,297,858</u>	<u>19,728,126</u>	<u>81,220,695</u>	<u>20,053,739</u>	<u>81,297,858</u>	<u>19,728,126</u>	<u>81,220,695</u>

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023

8. DEBT SECURITIES ISSUED (continued)

	Consolidated financial information				Separate financial information			
	31 March 2023		31 December 2022		31 March 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Principal amount (*)	19,695,988	79,847,535	19,373,170	79,759,341	19,695,988	79,847,535	19,373,170	79,759,341
Interest payable	357,751	1,450,323	354,956	1,461,354	357,751	1,450,323	354,956	1,461,354
	<u>20,053,739</u>	<u>81,297,858</u>	<u>19,728,126</u>	<u>81,220,695</u>	<u>20,053,739</u>	<u>81,297,858</u>	<u>19,728,126</u>	<u>81,220,695</u>

(*) The Bank's debt securities with principal amount of US\$9,863,149 (approximately KHR'000 39,970,494) and US\$9,863,149 (approximately KHR'000 39,970,494) will mature in April 2023 and September 2023 respectively.

9. INTEREST EXPENSE

	Consolidated financial information				Separate financial information			
	For the three-month period ended				For the three-month period ended			
	31 March 2023		31 March 2022		31 March 2023		31 March 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Deposits from other banks	1,773,563	7,243,231	689,243	2,800,394	1,773,563	7,243,231	689,243	2,800,394
Deposits from non-banks	5,566,000	22,731,544	4,324,078	17,568,729	5,572,258	22,757,102	4,327,740	17,583,608
Borrowings	123,798	505,591	75,468	306,626	123,798	505,591	75,468	306,626
Debt securities	334,644	1,366,686	333,787	1,356,177	334,644	1,366,686	333,787	1,356,177
Leases	114,857	469,076	98,029	398,292	178,034	727,091	183,038	743,683
Subordinated debts	340,274	1,389,679	340,274	1,382,533	340,274	1,389,679	340,274	1,382,533
	<u>8,253,136</u>	<u>33,705,807</u>	<u>5,860,879</u>	<u>23,812,751</u>	<u>8,322,571</u>	<u>33,989,380</u>	<u>5,949,550</u>	<u>24,173,021</u>

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2023**

10. CASH AND CASH EQUIVALENT

For the purpose of statement of cash flows, the cash and cash equivalents comprise of:

	Consolidated financial information				Separate financial information			
	31 March 2023		31 March 2022		31 March 2023		31 March 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Cash on hand	29,242,641	118,549,667	33,296,610	134,851,271	29,242,641	118,549,667	33,296,610	134,851,271
<i>Balances with the NBC:</i>								
Settlement accounts	1,754,725	7,113,655	5,240,916	21,225,710	1,754,725	7,113,655	5,240,916	21,225,710
Current accounts	15,639,432	63,402,257	13,692,980	55,456,569	15,639,432	63,402,257	13,692,980	55,456,569
Negotiable certificate of deposits	3,196,000	12,956,584	-	-	3,196,000	12,956,584	-	-
<i>Balances with other banks and financial institutions:</i>								
Savings accounts	323,363	1,310,914	3,644,404	14,759,836	323,363	1,310,914	3,644,404	14,759,836
Current accounts	6,810,827	27,611,092	2,056,491	8,328,788	6,810,827	27,611,092	2,056,491	8,328,788
Fixed deposits with original maturity less than 3 months	2,000,000	8,108,000	13,000,000	52,650,000	2,000,000	8,108,000	13,000,000	52,650,000
	58,966,988	239,052,169	70,931,401	287,272,174	58,966,988	239,052,169	70,931,401	287,272,174

11. EVENTS AFTER REPORTING PERIOD

Repayment of debt securities

On 10 April 2023, debt securities with principal of US\$9,863,149 (approximately KHR'000 39,970,494) and interest of US\$320,434 (approximately KHR'000 1,299,041) were matured and repaid to the bond holders by the Bank.

Dividend distribution

On 27 April 2023, the Board of Directors passed a resolution to approve dividend payments amounting to US\$2,000,000. As of the date of this report, the Bank awaits the approval from the NBC and the amount is not yet paid.