

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL
INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

PHNOM PENH COMMERCIAL BANK PLC.

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FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

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Report on review of interim financial information

To the shareholders of Phnom Penh Commercial Bank Plc.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Phnom Penh Commercial Bank Plc. (the 'Bank') and its subsidiary, J&A (Cambodia) Investment Co., Ltd. (together the 'Group') as at 30 September 2021, condensed separate statement of financial position of the Bank as at 30 September 2021, and the related condensed consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and condensed consolidated and separate statements of changes in equity and cash flows for the nine-month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information of the Group and condensed separate interim financial information of the Bank in accordance with Cambodian International Accounting Standard 34, "Interim financial reporting". Our responsibility is to express a conclusion on this condensed consolidated and separate interim financial information based on our review.



Scope of review

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

Conclusion

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

For PricewaterhouseCoopers (Cambodia) Ltd.

By Kuy Lim
Partner

Phnom Penh, Kingdom of Cambodia
5 November 2021

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021**

	Notes	30 September 2021		31 December 2020	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		44,313,001	180,752,731	36,272,455	146,722,080
Balances with the central bank		56,099,125	228,828,331	73,290,366	296,459,530
Balances with other banks and financial institutions		99,014,194	403,878,897	99,998,608	404,494,369
Statutory deposits with the central bank		59,699,198	243,513,029	59,535,255	240,820,106
Loans to customers	6	730,361,678	2,979,145,284	721,322,069	2,917,747,769
Investment securities		3,226,467	13,160,759	3,157,903	12,773,718
Intangible assets		6,924,588	28,245,394	8,028,928	32,477,014
Property and equipment		14,575,256	59,452,469	16,279,751	65,851,593
Right of use assets	7	10,206,145	41,630,865	9,780,184	39,560,844
Deferred tax assets		107,127	436,971	237,010	958,705
Other assets		5,428,840	22,144,239	5,295,459	21,420,132
TOTAL ASSETS		<u>1,029,955,619</u>	<u>4,201,188,969</u>	<u>1,033,197,988</u>	<u>4,179,285,860</u>
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		116,740,840	476,185,886	88,565,577	358,247,759
Deposits from non-bank customers		675,877,174	2,756,902,992	718,342,962	2,905,697,281
Current income tax liabilities		2,774,949	11,319,017	3,522,712	14,249,370
Borrowings		10,221,689	41,694,270	15,407,410	62,322,973
Debt securities issued		19,621,202	80,034,883	19,793,474	80,064,602
Lease liabilities	7	10,789,656	44,011,007	10,189,841	41,217,907
Employee benefit obligations		213,663	871,531	163,000	659,335
Other liabilities		5,600,277	22,843,530	1,538,547	6,223,423
Subordinated debts		20,037,128	81,731,445	20,037,128	81,050,182
TOTAL LIABILITIES		<u>861,876,578</u>	<u>3,515,594,561</u>	<u>877,560,651</u>	<u>3,549,732,832</u>
EQUITY					
Share capital	8	102,000,000	416,058,000	92,000,000	372,140,000
Regulatory reserve		12,321,433	51,790,257	11,683,167	49,195,067
Retained earnings		53,757,608	217,470,137	51,954,170	210,137,359
Other reserves		-	276,014	-	(1,919,398)
TOTAL EQUITY		<u>168,079,041</u>	<u>685,594,408</u>	<u>155,637,337</u>	<u>629,553,028</u>
TOTAL LIABILITIES AND EQUITY		<u>1,029,955,619</u>	<u>4,201,188,969</u>	<u>1,033,197,988</u>	<u>4,179,285,860</u>

The accompanying notes on pages 11 to 24 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2021

	Notes	For the three-month period ended				For the nine-month period ended			
		30 September 2021		30 September 2020		30 September 2021		30 September 2020	
		US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Interest income		18,467,429	75,273,241	17,427,748	71,366,628	54,909,203	223,260,819	50,553,462	206,359,232
Interest expense		(6,568,117)	(26,771,645)	(7,508,798)	(30,748,528)	(20,742,573)	(84,339,302)	(20,644,590)	(84,271,216)
Net interest income		11,899,312	48,501,596	9,918,950	40,618,100	34,166,630	138,921,517	29,908,872	122,088,016
Fees and commission income		773,659	3,153,434	811,600	3,323,502	1,642,256	6,677,413	2,695,351	11,002,423
Fees and commission expense		(215,013)	(876,393)	(210,573)	(862,296)	(756,250)	(3,074,913)	(807,280)	(3,295,317)
Net fees and commission income		558,646	2,277,041	601,027	2,461,206	886,006	3,602,500	1,888,071	7,707,106
Impairment (losses)/gains on financial assets	9	(325,641)	(1,327,313)	161,244	660,294	(2,488,487)	(10,118,188)	(347,854)	(1,419,940)
Other (losses)/gains – net		(77,480)	(315,808)	14,830	60,729	(180,120)	(732,367)	10,377	42,359
Other operating income		32,912	134,149	23,029	94,304	686,372	2,790,789	43,447	177,351
Net other operating (loss)/income		(370,209)	(1,508,972)	199,103	815,327	(1,982,235)	(8,059,766)	(294,030)	(1,200,230)
Personnel expenses		(2,023,236)	(8,246,710)	(1,917,787)	(7,853,338)	(5,874,101)	(23,884,095)	(5,873,810)	(23,976,892)
Depreciation and amortisation		(2,009,879)	(8,192,267)	(1,821,610)	(7,459,493)	(5,808,338)	(23,616,703)	(4,890,648)	(19,963,625)
Other operating expenses	10	(1,282,500)	(5,227,470)	(1,773,911)	(7,264,166)	(5,760,238)	(23,421,128)	(5,108,890)	(20,854,489)
Profit before income tax		6,772,134	27,603,218	5,205,772	21,317,636	15,627,724	63,542,325	15,629,565	63,799,886
Income tax expense		(1,406,060)	(5,731,101)	(1,084,847)	(4,442,448)	(3,186,020)	(12,954,357)	(3,476,196)	(14,189,832)
Profit for the period		5,366,074	21,872,117	4,120,925	16,875,188	12,441,704	50,587,968	12,153,369	49,610,054
Other comprehensive income									
<i>Items that will not be reclassified to profit or loss</i>									
Currency translation differences		-	630,797	-	479,704	-	2,195,412	-	1,465,244
		-	630,797	-	479,704	-	2,195,412	-	1,465,244
Total comprehensive income for the period		5,366,074	22,502,914	4,120,925	17,354,892	12,441,704	52,783,380	12,153,369	51,075,298
Profit attributable to owners of the Group		5,366,074	21,872,117	4,120,925	16,875,188	12,441,704	50,587,968	12,153,369	49,610,054
Total comprehensive income attributable to owners of the Group		5,366,074	22,502,914	4,120,925	17,354,892	12,441,704	52,783,380	12,153,369	51,075,298

The accompanying notes on pages 11 to 24 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

	Attributable to owners of the Group									
	Share capital		Regulatory reserve		Retained earnings		Other reserves		Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Balance at 1 January 2020	80,000,000	326,000,000	8,252,811	35,209,506	50,246,672	203,175,889	-	-	138,499,483	564,385,395
Profit for the period	-	-	-	-	12,153,369	49,610,054	-	-	12,153,369	49,610,054
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	1,465,244	-	1,465,244
Total comprehensive income for the period	-	-	-	-	12,153,369	49,610,054	-	1,465,244	12,153,369	51,075,298
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 8)	12,000,000	48,984,000	-	-	(12,000,000)	(48,984,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	3,102,913	12,666,091	(3,102,913)	(12,666,091)	-	-	-	-
Currency translation differences	-	2,216,000	-	-	-	-	-	-	-	2,216,000
Total transactions with owners	12,000,000	51,200,000	3,102,913	12,666,091	(15,102,913)	(61,650,091)	-	-	-	2,216,000
Balance at 30 September 2020	<u>92,000,000</u>	<u>377,200,000</u>	<u>11,355,724</u>	<u>47,875,597</u>	<u>47,297,128</u>	<u>191,135,852</u>	-	<u>1,465,244</u>	<u>150,652,852</u>	<u>617,676,693</u>
Balance at 1 January 2021	92,000,000	372,140,000	11,683,167	49,195,067	51,954,170	210,137,359	-	(1,919,398)	155,637,337	629,553,028
Profit for the period	-	-	-	-	12,441,704	50,587,968	-	-	12,441,704	50,587,968
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	2,195,412	-	2,195,412
Total comprehensive income for the period	-	-	-	-	12,441,704	50,587,968	-	2,195,412	12,441,704	52,783,380
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 8)	10,000,000	40,660,000	-	-	(10,000,000)	(40,660,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	638,266	2,595,190	(638,266)	(2,595,190)	-	-	-	-
Currency translation differences	-	3,258,000	-	-	-	-	-	-	-	3,258,000
Total transactions with owners	10,000,000	43,918,000	638,266	2,595,190	(10,638,266)	(43,255,190)	-	-	-	3,258,000
Balance at 30 September 2021	<u>102,000,000</u>	<u>416,058,000</u>	<u>12,321,433</u>	<u>51,790,257</u>	<u>53,757,608</u>	<u>217,470,137</u>	-	<u>276,014</u>	<u>168,079,041</u>	<u>685,594,408</u>

The accompanying notes on pages 11 to 24 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

	For the nine-month period ended			
	30 September 2021		30 September 2020	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit before income tax	15,627,724	63,542,325	15,629,565	63,799,886
<i>Adjustments for:</i>				
Provision for employee benefit obligations	50,663	205,996	-	-
Depreciation and amortisation	5,808,338	23,616,703	4,890,648	19,963,625
Impairment losses on financial assets	2,488,487	10,118,188	347,854	1,419,940
Unrealised exchange (gains)/losses on investment securities	(3,823)	(15,544)	48,491	197,940
Unrealised exchange gains on borrowings and debt securities	(284,684)	(1,157,525)	(227,726)	(929,578)
Interest income	(54,909,203)	(223,260,819)	(50,553,462)	(206,359,232)
Interest expense	20,742,573	84,339,302	20,644,590	84,271,216
<i>Changes in working capital:</i>				
Reserve requirement with the central bank	815,802	3,317,051	25,960,872	105,972,280
Loans to customers	(10,838,657)	(44,069,979)	(57,426,185)	(234,413,687)
Other assets	(133,381)	(542,327)	(338,816)	(1,383,047)
Deposits from other banks	27,991,754	113,814,472	25,094,625	102,436,259
Deposit from non-bank customers	(40,898,191)	(166,292,045)	65,868,502	268,875,225
Other liabilities	3,979,906	16,182,298	359,709	1,468,332
Cash (used in)/generated from operations	(29,562,692)	(120,201,904)	50,298,667	205,319,159
Interest received	54,395,371	221,171,578	49,533,853	202,197,188
Interest paid	(22,144,167)	(90,038,183)	(18,460,657)	(75,356,402)
Income tax paid	(3,803,900)	(15,466,657)	(4,752,149)	(19,398,272)
Net cash (used in)/generated from operating activities	(1,115,388)	(4,535,166)	76,619,714	312,761,673
Cash flows from investing activities				
Placements of capital guarantee deposits	(1,000,000)	(4,066,000)	(1,200,000)	(4,898,400)
Purchases of property and equipment	(695,165)	(2,826,541)	(2,775,003)	(11,327,562)
Purchases of intangible assets	(436,034)	(1,772,914)	(1,507,403)	(6,153,219)
Withdrawals of Negotiable Certificate of Deposits with the central bank	3,163,000	12,860,758	16,870,000	68,863,340
Balances with other banks and financial institutions	16,668,229	67,773,019	(65,661,677)	(268,030,966)
Net cash generated from/(used in) investing activities	17,700,030	71,968,322	(54,274,083)	(221,546,807)
Cash flows from financing activities				
Dividends paid	-	-	(1,000,000)	(4,082,000)
Proceeds from borrowings	15,740,285	63,999,999	18,862,410	76,996,358
Repayments of borrowings	(20,796,089)	(84,556,898)	(41,953,060)	(171,252,391)
Proceeds from issuance of debt securities	-	-	19,538,742	79,757,145
Principal elements of lease payments	(1,694,450)	(6,889,634)	(1,502,394)	(6,132,772)
Net cash used in from financing activities	(6,750,254)	(27,446,533)	(6,054,302)	(24,713,660)
Net increase in cash and cash equivalents	9,834,388	39,986,623	16,291,329	66,501,206
Cash and cash equivalents at beginning of period	110,973,850	448,889,223	98,262,036	400,417,797
Currency translation differences	-	3,900,956	-	2,749,794
Cash and cash equivalents at end of period	120,808,238	492,776,802	114,553,365	469,668,797

Non-cash investing activities

Retained earnings amounting to US\$10,000,000 of the Bank was converted to be share capital during the period (see note 8).

The accompanying notes on pages 11 to 24 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021**

	Notes	30 September 2021		31 December 2020	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		44,313,001	180,752,731	36,272,455	146,722,080
Balances with the central bank		56,099,125	228,828,331	73,290,366	296,459,530
Balances with other banks and financial institutions		99,014,194	403,878,897	99,998,609	404,494,373
Statutory deposits with the central bank		59,699,198	243,513,029	59,535,255	240,820,106
Loans to customers	6	736,591,815	3,004,558,013	727,553,634	2,942,954,450
Investment securities		3,226,467	13,160,759	3,157,903	12,773,718
Investment in subsidiary		490,000	1,998,710	490,000	1,982,050
Intangible assets		6,924,588	28,245,394	8,028,928	32,477,014
Property and equipment		7,941,427	32,393,080	9,636,834	38,980,994
Right of use assets	7	18,872,468	76,980,797	18,940,263	76,613,364
Deferred tax assets		267,162	1,089,754	371,863	1,504,186
Other assets		5,427,301	22,137,962	5,293,919	21,413,902
TOTAL ASSETS		<u>1,038,866,746</u>	<u>4,237,537,457</u>	<u>1,042,570,029</u>	<u>4,217,195,767</u>
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		116,740,840	476,185,886	88,565,577	358,247,759
Deposits from non-bank customers		676,197,838	2,758,210,981	718,446,765	2,906,117,165
Current income tax liabilities		2,781,036	11,343,846	3,478,708	14,071,374
Borrowings		10,221,689	41,694,270	15,407,410	62,322,973
Debt securities issued		19,621,202	80,034,883	19,793,474	80,064,602
Lease liabilities	7	20,330,959	82,929,982	20,094,146	81,280,821
Employee benefit obligations		213,663	871,531	163,000	659,335
Other liabilities		5,592,010	22,809,809	1,530,290	6,190,023
Subordinated debts		20,037,128	81,731,445	20,037,128	81,050,182
TOTAL LIABILITIES		<u>871,736,365</u>	<u>3,555,812,633</u>	<u>887,516,498</u>	<u>3,590,004,234</u>
EQUITY					
Share capital	8	102,000,000	416,058,000	92,000,000	372,140,000
Regulatory reserve		12,381,103	52,016,586	11,744,124	49,426,629
Retained earnings		52,749,278	213,380,916	51,309,407	207,526,401
Other reserves		-	269,322	-	(1,901,497)
TOTAL EQUITY		<u>167,130,381</u>	<u>681,724,824</u>	<u>155,053,531</u>	<u>627,191,533</u>
TOTAL LIABILITIES AND EQUITY		<u>1,038,866,746</u>	<u>4,237,537,457</u>	<u>1,042,570,029</u>	<u>4,217,195,767</u>

The accompanying notes on pages 11 to 24 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2021

Notes	For the three-month period ended				For the nine-month period ended				
	30 September 2021		30 September 2020		30 September 2021		30 September 2020		
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	
Interest income	18,602,506	75,823,814	17,591,381	72,036,705	55,306,478	224,876,140	50,949,293	207,975,014	
Interest expense	(6,659,642)	(27,144,701)	(7,760,631)	(31,779,784)	(21,029,000)	(85,503,914)	(21,250,050)	(86,742,704)	
Net interest income	11,942,864	48,679,113	9,830,750	40,256,921	34,277,478	139,372,226	29,699,243	121,232,310	
Fees and commission income	773,659	3,153,434	811,600	3,323,502	1,642,256	6,677,413	2,695,351	11,002,423	
Fees and commission expense	(215,013)	(876,393)	(210,573)	(862,296)	(756,250)	(3,074,913)	(807,248)	(3,295,186)	
Net fees and commission income	558,646	2,277,041	601,027	2,461,206	886,006	3,602,500	1,888,103	7,707,237	
Impairment (losses)/gains on financial assets	9	(325,641)	(1,327,313)	161,512	661,392	(2,489,774)	(10,123,421)	(348,906)	(1,424,234)
Other gains/(losses) - net		(51,923)	(211,638)	(663,635)	(2,717,585)	(114,682)	(466,297)	92,611	378,038
Other operating income		32,912	134,149	23,029	94,304	686,373	2,790,793	43,447	177,351
Net other operating loss		(344,652)	(1,404,802)	(479,094)	(1,961,889)	(1,918,083)	(7,798,925)	(212,848)	(868,845)
Personnel expenses		(2,023,236)	(8,246,710)	(1,917,787)	(7,853,338)	(5,874,101)	(23,884,095)	(5,873,810)	(23,976,892)
Depreciation and amortisation		(2,173,463)	(8,859,035)	(1,913,291)	(7,834,927)	(6,293,007)	(25,587,367)	(5,287,528)	(21,583,689)
Other operating expenses	10	(1,297,457)	(5,288,435)	(1,620,847)	(6,637,368)	(5,856,557)	(23,812,761)	(4,727,205)	(19,296,451)
Profit before income tax		6,662,702	27,157,172	4,500,758	18,430,605	15,221,736	61,891,578	15,485,955	63,213,670
Income tax expense		(1,396,532)	(5,692,264)	(953,999)	(3,906,626)	(3,144,886)	(12,787,106)	(3,451,767)	(14,090,113)
Profit for the period		5,266,170	21,464,908	3,546,759	14,523,979	12,076,850	49,104,472	12,034,188	49,123,557
Other comprehensive income									
<i>Items that will not be reclassified to profit or loss</i>									
Currency translation difference		-	623,184	-	467,083	-	2,170,819	-	1,453,309
		-	623,184	-	467,083	-	2,170,819	-	1,453,309
Total comprehensive income for the period		5,266,170	22,088,092	3,546,759	14,991,062	12,076,850	51,275,291	12,034,188	50,576,866
Profit attributable to owners of the Bank		5,266,170	21,464,908	3,546,759	14,523,979	12,076,850	49,104,472	12,034,188	49,123,557
Total comprehensive income attributable to owners of the Bank		5,266,170	22,088,092	3,546,759	14,991,062	12,076,850	51,275,291	12,034,188	50,576,866

The accompanying notes on pages 11 to 24 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

	Attributable to owners of the Bank									
	Share capital		Regulatory reserve		Retained earnings		Other reserves		Total	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Balance at 1 January 2020	80,000,000	326,000,000	8,314,820	35,445,357	49,792,989	201,343,965	-	-	138,107,809	562,789,322
Profit for the period	-	-	-	-	12,034,188	49,123,557	-	-	12,034,188	49,123,557
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	1,453,309	-	1,453,309
Total comprehensive income for the period	-	-	-	-	12,034,188	49,123,557	-	1,453,309	12,034,188	50,576,866
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 8)	12,000,000	48,984,000	-	-	(12,000,000)	(48,984,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	3,101,861	12,661,797	(3,101,861)	(12,661,797)	-	-	-	-
Currency translation differences	-	2,216,000	-	-	-	-	-	-	-	2,216,000
Total transactions with owners	12,000,000	51,200,000	3,101,861	12,661,797	(15,101,861)	(61,645,797)	-	-	-	2,216,000
Balance at 30 September 2020	92,000,000	377,200,000	11,416,681	48,107,154	46,725,316	188,821,725	-	1,453,309	150,141,997	615,582,188
Balance at 1 January 2021	92,000,000	372,140,000	11,744,124	49,426,629	51,309,407	207,526,401	-	(1,901,497)	155,053,531	627,191,533
Profit for the period	-	-	-	-	12,076,850	49,104,472	-	-	12,076,850	49,104,472
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	2,170,819	-	2,170,819
Total comprehensive income for the period	-	-	-	-	12,076,850	49,104,472	-	2,170,819	12,076,850	51,275,291
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 8)	10,000,000	40,660,000	-	-	(10,000,000)	(40,660,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	636,979	2,589,957	(636,979)	(2,589,957)	-	-	-	-
Currency translation difference	-	3,258,000	-	-	-	-	-	-	-	3,258,000
Total transactions with owners	10,000,000	43,918,000	636,979	2,589,957	(10,636,979)	(43,249,957)	-	-	-	3,258,000
Balance at 30 September 2021	102,000,000	416,058,000	12,381,103	52,016,586	52,749,278	213,380,916	-	269,322	167,130,381	681,724,824

The accompanying notes on pages 11 to 24 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED SEPARATE STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

	For the nine-month period ended			
	30 September 2021		30 September 2020	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit before income tax	15,221,736	61,891,578	15,485,955	63,213,670
<i>Adjustments for:</i>				
Provision for employee benefit obligations	50,663	205,996	-	-
Depreciation and amortisation	6,293,007	25,587,367	5,287,528	21,583,689
Impairment losses on financial assets	2,489,774	10,123,421	348,906	1,424,234
Unrealised exchange (gains)/losses on investment securities	(3,823)	(15,544)	48,491	197,940
Unrealised exchange gains on borrowings and debt securities	(284,684)	(1,157,525)	(227,726)	(929,578)
Interest income	(55,306,478)	(224,876,140)	(50,949,293)	(207,975,014)
Interest expense	21,029,000	85,503,914	21,250,050	86,742,704
<i>Changes in working capital:</i>				
Placements of reserve requirement with the central bank	815,802	3,317,051	25,960,872	105,972,280
Loans to customers	(10,838,657)	(44,069,979)	(57,426,183)	(234,413,679)
Other assets	(133,381)	(542,327)	(339,244)	(1,384,794)
Deposits from other banks	27,991,754	113,814,472	25,094,625	102,436,259
Deposits from non-bank customers	(40,681,330)	(165,410,288)	65,845,224	268,780,204
Other liabilities	3,979,895	16,182,253	409,182	1,670,281
Cash (used in)/generated from operations	(29,376,722)	(119,445,751)	50,788,387	207,318,196
Interest received	54,792,787	222,787,472	49,929,553	203,812,435
Interest paid	(22,430,594)	(91,202,795)	(19,066,117)	(77,827,890)
Income tax paid	(3,737,857)	(15,198,127)	(4,747,236)	(19,378,217)
Net cash (used in)/generate from operating activities	(752,386)	(3,059,201)	76,904,587	313,924,524
Cash flows from investing activities				
Placements of capital guarantee deposits	(1,000,000)	(4,066,000)	(1,200,000)	(4,898,400)
Purchases of property and equipment	(695,165)	(2,826,541)	(2,775,003)	(11,327,562)
Purchases of intangible assets	(436,034)	(1,772,914)	(1,507,403)	(6,153,219)
Withdrawals of Negotiable Certificate of Deposits with the central bank	3,163,000	12,860,758	16,870,000	68,863,340
Balances with other banks and financial institutions	16,668,229	67,773,019	(65,661,677)	(268,030,966)
Net cash generated from/(used in) investing activities	17,700,030	71,968,322	(54,274,083)	(221,546,807)
Cash flows from financing activities				
Dividends paid	-	-	(1,000,000)	(4,082,000)
Proceeds from borrowings	15,740,285	63,999,999	18,862,410	76,996,358
Repayments of borrowings	(20,796,089)	(84,556,898)	(41,953,060)	(171,252,391)
Proceeds from issuance of debt securities	-	-	19,538,742	79,757,145
Principal elements of lease payments	(2,057,452)	(8,365,600)	(1,787,267)	(7,295,624)
Net cash used in from financing activities	(7,113,256)	(28,922,499)	(6,339,175)	(25,876,512)
Net increase in cash and cash equivalents	9,834,388	39,986,622	16,291,329	66,501,205
Cash and cash equivalents at beginning of period	110,973,850	448,889,223	98,262,036	400,417,797
Currency translation differences	-	3,900,957	-	2,749,795
Cash and cash equivalents at end of period	120,808,238	492,776,802	114,553,365	469,668,797

Non-cash from investing activities

Retained earnings amounting to US\$10,000,000 of the Bank was converted to be share capital during the period (see note 8).

The accompanying notes on pages 11 to 24 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

1. GENERAL INFORMATION

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

The principal activity of the Bank is the provision of all aspects of banking business and related financial services in the Kingdom of Cambodia. As at 30 September 2021, 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 condensed consolidated and separate interim financial information was authorised for issue by the Board of Directors on 5 November 2021.

The condensed consolidated and separate interim financial information for the nine-month period ended 30 September 2021 has been reviewed, not audited.

2. BASIS OF PREPARATION

This condensed consolidated and separate interim financial information for the nine-month period ended 30 September 2021 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 2020, which have been prepared in accordance with Cambodian International Financial Reporting Standards (CIFRS).

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

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

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

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:

- COVID-19 Related Rent Concessions – Amendments to CIFRS 16
- Interest rate benchmark reform - Phase 2 - Amendments to CIFRS 9, CIAS 39, CIFRS 7, and CIFRS 16

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

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

	For the three-month period ended		For the nine-month period ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
Average rate	KHR 4,076	KHR 4,095	KHR 4,066	KHR 4,082
			30 September 2021	31 December 2020
Closing rate			KHR 4,079	KHR 4,045

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

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

Because of the ongoing spread of COVID-19 pandemic and a recent travel restriction and lockdown in Phnom Penh and Takmao city issued by the Royal Government of Cambodia, the country economy is experiencing an economic downturn, which could potentially have an impact on the quality of the financial assets including loans to customers. Therefore, the management continuously refreshes the parameters of the allowances for expected losses to reflect the current economic condition and downgrades the staging of its borrowers for the expected credit losses calculation purpose on the additional restructured loans to customers who are having financial difficulties due to the recent community outbreak, which result in additional impairment charges for the period.

Other than additional impairment loss recognised, management considers that the Group and the Bank's activities may be slow in this short period but would not lead to a going concern issue given the size of the operations, current profitability level and liquidity headroom of the Group and the Bank.

The conversion of retained earnings to share capital

During the period, the Bank transferred its retained earnings amounting to US\$10,000,000 to be its share capital, which was approved by the Central Bank and the Ministry of Commerce on 2 June 2021 and 30 June 2021, respectively (see note 8).

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 2020.

5. SEGMENT AND REVENUE INFORMATION

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

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

6. LOANS TO CUSTOMERS

(a) Details of loans to customers:

	Consolidated financial information				Separate financial information			
	30 September 2021		31 December 2020		30 September 2021		31 December 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Loans to customers at amortised costs	733,848,654	2,993,368,659	722,412,525	2,922,158,664	740,081,221	3,018,791,300	728,645,233	2,947,369,968
Less: Allowance for expected credit loss	(3,486,976)	(14,223,375)	(1,090,456)	(4,410,895)	(3,489,406)	(14,233,287)	(1,091,599)	(4,415,518)
Net loans to customers	730,361,678	2,979,145,284	721,322,069	2,917,747,769	736,591,815	3,004,558,013	727,553,634	2,942,954,450

(b) Allowance for expected credit loss

	Consolidated financial information				Separate financial information			
	30 September 2021		31 December 2020		30 September 2021		31 December 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
12-month ECL (Stage 1)	1,532,406	6,250,684	193,668	783,387	1,534,836	6,260,596	194,811	788,010
Lifetime ECL - not credit impaired (Stage 2)	535,194	2,183,056	85,127	344,339	535,194	2,183,056	85,127	344,339
Lifetime ECL - credit impaired (Stage 3)	1,419,376	5,789,635	811,661	3,283,169	1,419,376	5,789,635	811,661	3,283,169
	3,486,976	14,223,375	1,090,456	4,410,895	3,489,406	14,233,287	1,091,599	4,415,518

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

7. LEASES

This note provides information for leases where the Bank is a lessee.

The Bank leases various buildings for its head office and branch operations. Rental contracts are typically made for fixed periods of 1 to 20 years.

(i) Amounts recognised in the statement of financial position

	Consolidated financial information				Separate financial information			
	30 September 2021		31 December 2020		30 September 2021		31 December 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Right-of-use assets (Non-current)</i>								
Office space	9,870,243	40,260,721	9,417,649	38,094,390	18,536,566	75,610,653	18,577,728	75,146,910
ATM space	149,565	610,076	168,926	683,306	149,565	610,076	168,926	683,306
Billboard	51,419	209,738	95,872	387,802	51,419	209,738	95,872	387,802
Generator	75,393	307,528	57,561	232,834	75,393	307,528	57,561	232,834
Vehicle	59,525	242,802	40,176	162,512	59,525	242,802	40,176	162,512
	<u>10,206,145</u>	<u>41,630,865</u>	<u>9,780,184</u>	<u>39,560,844</u>	<u>18,872,468</u>	<u>76,980,797</u>	<u>18,940,263</u>	<u>76,613,364</u>
<i>Lease liabilities</i>								
Current	2,198,873	8,969,203	2,118,619	8,569,814	2,198,873	8,969,203	2,118,619	8,569,814
Non-current	8,590,783	35,041,804	8,071,222	32,648,093	18,132,086	73,960,779	17,975,527	72,711,007
	<u>10,789,656</u>	<u>44,011,007</u>	<u>10,189,841</u>	<u>41,217,907</u>	<u>20,330,959</u>	<u>82,929,982</u>	<u>20,094,146</u>	<u>81,280,821</u>

Right-of-use assets' additions for the Group and the Bank during the nine-month period ended 30 September 2021 were US\$2,200,743 (the nine-month period ended 30 September 2020: US\$4,424,767).

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

7. LEASES (continued)

(ii) Amounts recognised in the statement of profit or loss and other comprehensive income

The statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	Consolidated financial information							
	For the three-month period ended				For the nine-month period ended			
	30 September 2021		30 September 2020		30 September 2021		30 September 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Depreciation of right-of-use assets</i>								
Office spaces	528,675	2,154,879	392,970	1,609,212	1,402,023	5,700,626	846,090	3,453,739
ATM spaces	36,948	150,600	34,025	139,332	109,241	444,174	52,842	215,701
Billboards	61,161	249,292	28,888	118,296	125,320	509,551	111,519	455,221
Generators	36,036	146,883	34,837	142,658	111,382	452,879	94,610	386,198
Vehicles	37,994	154,864	37,380	153,071	120,338	489,294	82,429	336,475
	<u>700,814</u>	<u>2,856,518</u>	<u>528,100</u>	<u>2,162,569</u>	<u>1,868,304</u>	<u>7,596,524</u>	<u>1,187,490</u>	<u>4,847,334</u>
Interest expense	111,706	455,314	78,703	322,289	330,607	1,344,248	238,219	972,410
Expense relating to leases of low-value assets (included in other operating expenses)	<u>16,171</u>	<u>65,913</u>	<u>30,861</u>	<u>126,376</u>	<u>56,643</u>	<u>230,310</u>	<u>74,091</u>	<u>302,439</u>
Total expenses related to leases	<u>127,877</u>	<u>521,227</u>	<u>109,564</u>	<u>448,665</u>	<u>387,250</u>	<u>1,574,558</u>	<u>312,310</u>	<u>1,274,849</u>

The total cash outflow for leases for the nine-month period ended 30 September 2021 was US\$2,025,057 (the nine-month period ended 30 September 2020: US\$1,828,947).

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

7. LEASES (continued)

(ii) Amounts recognised in the statement of profit or loss and other comprehensive income (continued)

	Separate financial information							
	For the three-month period ended				For the nine-month period ended			
	30 September 2021		30 September 2020		30 September 2021		30 September 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Depreciation of right-of-use assets</i>								
Office spaces	695,287	2,833,990	559,266	2,290,194	1,895,779	7,708,237	1,252,058	5,110,901
ATM spaces	36,948	150,600	34,025	139,332	109,241	444,174	52,842	215,701
Billboards	61,161	249,292	28,888	118,296	125,320	509,551	111,519	455,221
Generators	36,036	146,881	34,837	142,658	111,382	452,879	94,610	386,198
Vehicles	37,995	154,868	37,380	153,071	120,339	489,299	82,430	336,479
	<u>867,427</u>	<u>3,535,631</u>	<u>694,396</u>	<u>2,843,551</u>	<u>2,362,061</u>	<u>9,604,140</u>	<u>1,593,459</u>	<u>6,504,500</u>
Interest expense	190,197	775,243	167,037	684,017	588,604	2,393,264	326,553	1,332,989
Expense relating to leases of low-value assets (included in operating expenses)	<u>16,171</u>	<u>65,913</u>	<u>30,861</u>	<u>126,376</u>	<u>56,643</u>	<u>230,310</u>	<u>74,091</u>	<u>302,439</u>
Total expenses related to leases	<u>206,368</u>	<u>841,156</u>	<u>197,898</u>	<u>810,393</u>	<u>645,247</u>	<u>2,623,574</u>	<u>400,644</u>	<u>1,635,428</u>

The total cash outflow for leases for the nine-month period ended 30 September 2021 was US\$2,644,732 (the nine-month period ended 30 September 2020: US\$2,113,820).

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

8. SHARE CAPITAL

During the period, the Bank requested the central bank to increase its share capital from US\$92,000,000 to US\$102,000,000 by converting its retained earnings of US\$10,000,000 to the share capital, which was approved by the central bank and the Ministry of Commerce on 2 June 2021 and 30 June 2021, respectively.

	Consolidated financial information				Separate financial information			
	30 September 2021		31 December 2020		30 September 2021		31 December 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
At beginning of the period	92,000,000	372,140,000	80,000,000	326,000,000	92,000,000	372,140,000	80,000,000	326,000,000
Conversion of retained earnings to share capital	10,000,000	40,660,000	12,000,000	48,924,000	10,000,000	40,660,000	12,000,000	48,924,000
Currency translation differences	-	3,258,000	-	(2,784,000)	-	3,258,000	-	(2,784,000)
At end of the period	<u>102,000,000</u>	<u>416,058,000</u>	<u>92,000,000</u>	<u>372,140,000</u>	<u>102,000,000</u>	<u>416,058,000</u>	<u>92,000,000</u>	<u>372,140,000</u>

	30 September 2021			31 December 2020		
	Number of shares	%	US\$	Number of shares	%	US\$
Shareholders:						
Jeonbuk Bank Co., Ltd	51,000	50%	51,000,000	46,000	50%	46,000,000
Apro Financial Co., Ltd	40,800	40%	40,800,000	36,800	40%	36,800,000
JB Woori Capital Co., Ltd	10,200	10%	10,200,000	9,200	10%	9,200,000
			<u>102,000,000</u>			<u>92,000,000</u>
<i>In KHR'000 equivalent</i>			<u>416,058,000</u>			<u>372,140,000</u>

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

9. IMPAIRMENT LOSSES/(GAINS) ON FINANCIAL ASSETS

	Consolidated financial information							
	For the three-month period ended				For the nine-month period ended			
	30 September 2021		30 September 2020		30 September 2021		30 September 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Expected Credit Loss (ECL):</i>								
Loans to customers	338,153	1,378,312	(161,987)	(663,337)	2,406,662	9,785,488	344,056	1,404,437
Off-balance sheet financial commitments	(12,512)	(50,999)	743	3,043	81,825	332,700	3,798	15,503
	<u>325,641</u>	<u>1,327,313</u>	<u>(161,244)</u>	<u>(660,294)</u>	<u>2,488,487</u>	<u>10,118,188</u>	<u>347,854</u>	<u>1,419,940</u>
	Separate financial information							
	For the three-month period ended				For the nine-month period ended			
	30 September 2021		30 September 2020		30 September 2021		30 September 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Expected Credit Loss (ECL):</i>								
Loans to customers	338,153	1,378,312	(162,255)	(664,435)	2,407,949	9,790,721	345,108	1,408,731
Off-balance sheet financial commitments	(12,512)	(50,999)	743	3,043	81,825	332,700	3,798	15,503
	<u>325,641</u>	<u>1,327,313</u>	<u>(161,512)</u>	<u>(661,392)</u>	<u>2,489,774</u>	<u>10,123,421</u>	<u>348,906</u>	<u>1,424,234</u>

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

10. OTHER OPERATING EXPENSES

	Consolidated financial information							
	For the three-month period ended				For the nine-month period ended			
	30 September 2021		30 September 2020		30 September 2021		30 September 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Repairs and maintenance	356,402	1,452,695	357,965	1,465,867	1,164,441	4,734,617	958,373	3,912,079
Other tax expenses	173,056	705,376	230,673	944,606	550,080	2,236,625	636,118	2,596,634
Professional fees	155,899	635,444	127,351	521,502	460,335	1,871,722	530,078	2,163,778
Bank security expenses	124,753	508,493	123,928	507,485	377,281	1,534,025	373,277	1,523,717
Utilities expenses	111,764	455,550	123,518	505,806	318,741	1,296,001	334,305	1,364,633
Business meals and entertainment	100,841	411,028	93,921	384,606	292,563	1,189,561	281,095	1,147,430
License fees	88,478	360,636	144,910	593,406	267,584	1,087,997	145,706	594,772
Marketing and advertising	83,315	339,592	176,943	724,582	337,372	1,371,755	551,138	2,249,745
Telephone expenses	55,367	225,676	45,947	188,153	164,713	669,723	142,537	581,836
Insurance expenses	22,210	90,528	51,517	210,962	63,881	259,740	55,933	228,319
Travelling expenses	6,721	27,395	16,125	66,032	26,786	108,912	96,156	392,509
Conventions and conference	3,173	12,933	14,630	59,910	14,757	60,002	58,700	239,613
Charitable contribution	-	-	-	-	1,415,000	5,753,390	-	-
Office supplies	-	-	934	3,825	748	3,041	18,176	74,194
Others	521	2,124	265,549	1,087,424	305,956	1,244,017	927,298	3,785,230
	<u>1,282,500</u>	<u>5,227,470</u>	<u>1,773,911</u>	<u>7,264,166</u>	<u>5,760,238</u>	<u>23,421,128</u>	<u>5,108,890</u>	<u>20,854,489</u>

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

10. OTHER OPERATING EXPENSES (continued)

	Separate financial information							
	For the three-month period ended				For the nine-month period ended			
	30 September 2021		30 September 2020		30 September 2021		30 September 2020	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Repairs and maintenance	355,502	1,449,026	356,915	1,461,567	1,214,101	4,936,535	954,663	3,896,934
Other tax expenses	170,844	696,360	199,259	815,966	542,457	2,205,630	599,615	2,447,628
Professional fees	155,899	635,444	127,351	521,502	460,335	1,871,722	530,078	2,163,778
Bank security expenses	124,753	508,493	123,928	507,485	377,281	1,534,025	373,277	1,523,717
Utilities expenses	111,764	455,550	123,518	505,806	318,741	1,296,001	334,305	1,364,633
Business meals and entertainment	100,841	411,028	93,921	384,606	292,563	1,189,561	281,095	1,147,430
License fees	88,478	360,636	144,910	593,406	267,584	1,087,997	145,706	594,772
Marketing and advertising	83,315	339,592	176,943	724,582	337,372	1,371,755	551,138	2,249,745
Telephone expenses	55,367	225,676	45,947	188,153	164,713	669,723	142,537	581,836
Insurance expenses	22,210	90,528	51,517	210,962	63,881	259,740	55,933	228,319
Travelling expenses	6,721	27,395	16,125	66,032	26,786	108,912	96,156	392,509
Conventions and conference	3,173	12,933	14,630	59,910	14,757	60,002	58,700	239,613
Charitable contribution	-	-	-	-	1,415,000	5,753,390	-	-
Office supplies	-	-	934	3,825	748	3,041	18,176	74,194
Others	18,590	75,774	144,949	593,566	360,238	1,464,727	585,826	2,391,343
	<u>1,297,457</u>	<u>5,288,435</u>	<u>1,620,847</u>	<u>6,637,368</u>	<u>5,856,557</u>	<u>23,812,761</u>	<u>4,727,205</u>	<u>19,296,451</u>

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

11. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

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

(a) Fair value hierarchy

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

The following table presents the Group and the Bank's financial assets measured and recognised at fair value at 30 September 2021 and 31 December 2020 on a recurring basis:

As at 30 September 2021	Consolidated financial information			
	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total US\$
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	180,757	-	21,818	202,575
Total financial assets	180,757	-	21,818	202,575
<i>In KHR'000 equivalent</i>	<u>737,308</u>	<u>-</u>	<u>88,996</u>	<u>826,304</u>
As at 31 December 2020				
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	142,651	-	21,818	164,469
Total financial assets	142,651	-	21,818	164,469
<i>In KHR'000 equivalent</i>	<u>577,023</u>	<u>-</u>	<u>88,254</u>	<u>665,277</u>

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021

11. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

(a) Fair value hierarchy (continued)

As at 30 September 2021	Separate financial information			Total US\$
	Level 1 US\$	Level 2 US\$	Level 3 US\$	
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	180,757	-	21,818	202,575
Total financial assets	180,757	-	21,818	202,575
<i>In KHR'000 equivalent</i>	<u>737,308</u>	<u>-</u>	<u>88,996</u>	<u>826,304</u>
As at 31 December 2020				
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	142,651	-	21,818	164,469
Total financial assets	142,651	-	21,818	164,469
<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 are investment in listed and unlisted equity securities where the fair values have been determined based on the quoted market prices available on the Cambodian Securities Exchange, and present values and the discount rate used, respectively, were adjusted for counterparty or own credit risk.

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

11. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

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

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

The fair value has been determined based on present values and the discount rate used were adjusted for counterparty or own credit risk. There is no gain/loss recognised in other comprehensive income due to fair value approximate the carrying amount. There is no loss allowance for this FVOCI at 30 September 2021.

(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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**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2021**

11. 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.