

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

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM
FINANCIAL INFORMATION**

**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED
30 JUNE 2023**

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 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 30 June 2023, their financial performance for the three-month and six-month periods then ended, and their cash flows for the six-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: 11 AUG 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 30 June 2023, and the related condensed consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods then ended, condensed consolidated and separate statements of changes in equity and condensed consolidated and separate statements of cash flows for the six-month period then ended, and a summary of material accounting policy information 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 Matters

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 30 June 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 interim financial information for the three-month and six-month periods ended 30 June 2022 were reviewed by another auditor who expressed an unmodified conclusion on those statements on 8 August 2022.

For Deloitte (Cambodia) Co., Ltd.



Kimheng Khoy
Partner

Phnom Penh, Kingdom of Cambodia
Date: 11 August 2023

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	30 June 2023		31 December 2022	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		31,594,650	130,485,905	29,268,408	120,498,036
Balances with the NBC		79,182,527	327,023,837	83,264,682	342,800,695
Balances with other banks and financial institutions		95,382,465	393,929,580	62,108,803	255,701,942
Loans to customers	6	820,197,813	3,387,416,968	773,248,063	3,183,462,276
Investment securities		194,046	801,410	190,709	785,149
Intangible assets		4,128,558	17,050,945	5,097,152	20,984,975
Property and equipment		12,099,352	49,970,324	12,778,872	52,610,616
Right-of-use assets		10,217,662	42,198,944	9,889,518	40,715,145
Other assets	7	9,803,937	40,490,260	6,308,173	25,970,748
TOTAL ASSETS		1,062,801,010	4,389,368,173	982,154,380	4,043,529,582
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		202,285,982	835,441,106	173,064,254	712,505,533
Deposits from non-bank customers		587,592,312	2,426,756,249	549,350,759	2,261,677,075
Current income tax liabilities		2,826,911	11,675,142	1,569,446	6,461,409
Deferred tax liabilities		4,140,089	17,098,568	4,009,904	16,508,774
Borrowings	8	14,690,387	60,671,298	4,951,366	20,384,774
Debt securities issued	9	9,869,031	40,759,098	19,728,126	81,220,695
Lease liabilities		11,145,762	46,031,997	10,737,684	44,207,045
Employee benefit obligations		87,094	359,698	95,253	392,157
Other liabilities		3,715,138	15,343,521	2,956,828	12,173,261
Subordinated debts		20,037,128	82,753,339	20,040,530	82,506,862
TOTAL LIABILITIES		856,389,834	3,536,890,016	786,504,150	3,238,037,585
EQUITY					
Share capital		114,000,000	470,820,000	114,000,000	469,338,000
Regulatory reserve		33,069,346	136,576,399	36,047,781	148,713,036
Retained earnings		59,341,830	240,331,262	45,602,449	184,082,236
Currency translation differences		-	4,750,496	-	3,358,725
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE BANK		206,411,176	852,478,157	195,650,230	805,491,997
TOTAL LIABILITIES AND EQUITY		1,062,801,010	4,389,368,173	982,154,380	4,043,529,582

The accompanying notes on pages 12 to 19 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 SIX-MONTH PERIODS ENDED 30 JUNE 2023

	For the three-month period ended				For the six-month period ended			
	30 June 2023		30 June 2022		30 June 2023		30 June 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Interest income	24,711,562	101,416,250	18,612,587	75,492,653	44,591,631	182,558,137	37,353,213	151,654,045
Interest expense (Note 10)	(8,768,802)	(35,987,163)	(5,933,591)	(24,066,645)	(17,021,938)	(69,687,814)	(11,794,470)	(47,885,548)
Net interest income	15,942,760	65,429,087	12,678,996	51,426,008	27,569,693	112,870,323	25,558,743	103,768,497
Fees and commission income	627,072	2,573,503	635,090	2,575,925	1,538,846	6,300,036	1,236,944	5,021,993
Fees and commission expense	(243,210)	(998,134)	(182,484)	(740,155)	(510,008)	(2,087,973)	(415,073)	(1,685,196)
Net fees and commission income	383,862	1,575,369	452,606	1,835,770	1,028,838	4,212,063	821,871	3,336,797
Other (losses)/ gains – net	(146,948)	(603,075)	(393,453)	(1,595,845)	233,868	957,456	1,065	4,324
Other operating income	55,077	226,036	17,947	72,793	65,501	268,161	23,283	94,529
Net other operating (loss)/income	(91,871)	(377,039)	(375,506)	(1,523,052)	299,369	1,225,617	24,348	98,853
Impairment losses on financial assets	(1,867,535)	(7,664,364)	(676,500)	(2,743,884)	(2,815,311)	(11,525,883)	(1,090,457)	(4,427,255)
Personnel expenses	(2,071,549)	(8,501,637)	(1,982,851)	(8,042,444)	(4,239,128)	(17,354,990)	(3,647,915)	(14,810,535)
Depreciation and amortisation	(1,501,818)	(6,163,461)	(1,650,364)	(6,693,876)	(3,047,318)	(12,475,720)	(3,316,575)	(13,465,294)
Other operating expenses	(1,534,619)	(6,298,076)	(1,658,602)	(6,727,290)	(2,906,625)	(11,899,723)	(3,027,420)	(12,291,325)
Profit before income tax	9,259,230	37,999,879	6,787,779	27,531,232	15,889,518	65,051,687	15,322,595	62,209,738
Income tax expense	(1,695,532)	(6,958,463)	(1,439,495)	(5,838,592)	(3,128,572)	(12,808,374)	(3,147,097)	(12,777,214)
Profit for the period	7,563,698	31,041,416	5,348,284	21,692,640	12,760,946	52,243,313	12,175,498	49,432,524
Other comprehensive income								
<i>Items that will not be reclassified to profit or loss</i>								
Currency translation differences	-	4,139,115	-	1,512,304	-	1,391,771	-	(300,606)
	-	4,139,115	-	1,512,304	-	1,391,771	-	(300,606)
Total comprehensive income for the period	7,563,698	35,180,531	5,348,284	23,204,944	12,760,946	53,635,084	12,175,498	49,131,918
Profit attributable to owners of the Bank	7,563,698	31,041,416	5,348,284	21,692,640	12,760,946	52,243,313	12,175,498	49,432,524
Total comprehensive income attributable to owners of the Bank	7,563,698	35,180,531	5,348,284	23,204,944	12,760,946	53,635,084	12,175,498	49,131,918

The accompanying notes on pages 12 to 19 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 SIX-MONTH PERIOD ENDED 30 JUNE 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	-	-	-	-	12,175,498	49,432,524	-	12,175,498	49,432,524
Other comprehensive income - currency translation differences	-	-	-	-	-	-	(300,606)	-	(300,606)
Total comprehensive income for the period	-	-	-	-	12,175,498	49,432,524	(300,606)	12,175,498	49,131,918
Transactions with owners in their capacity as owners:									
Conversion of retained earnings to share capital	12,000,000	48,720,000	-	-	(12,000,000)	(48,720,000)	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	17,606,039	71,480,518	(17,606,039)	(71,480,518)	-	-	-
Dividend provided for but not yet paid	-	-	-	-	(1,500,000)	(6,090,000)	-	(1,500,000)	(6,090,000)
Currency differences	-	(288,000)	-	-	-	-	-	-	(288,000)
Total transactions with owners	12,000,000	48,432,000	17,606,039	71,480,518	(31,106,039)	(126,290,518)	-	(1,500,000)	(6,378,000)
Balance at 30 June 2022	114,000,000	463,980,000	32,458,088	133,566,597	38,057,266	153,756,201	(325,307)	184,515,354	750,977,491
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	-	-	-	-	12,760,946	52,243,313	-	12,760,946	52,243,313
Other comprehensive income - currency translation differences	-	-	-	-	-	-	1,391,771	-	1,391,771
Total comprehensive income for the period	-	-	-	-	12,760,946	52,243,313	1,391,771	12,760,946	53,635,084
Transactions with owners in their capacity as owners:									
Transfers from regulatory reserve to retained earnings	-	-	(2,978,435)	(12,193,713)	2,978,435	12,193,713	-	-	-
Dividend provided for but not yet paid	-	-	-	-	(2,000,000)	(8,188,000)	-	(2,000,000)	(8,188,000)
Currency translation differences	-	1,482,000	-	57,076	-	-	-	-	1,539,076
Total transactions with owners	-	1,482,000	(2,978,435)	(12,136,637)	978,435	4,005,713	-	(2,000,000)	(6,648,924)
Balance at 30 June 2023	114,000,000	470,820,000	33,069,346	136,576,399	59,341,830	240,331,262	4,750,496	206,411,176	852,478,157

The accompanying notes on pages 12 to 19 form an integral part of this condensed consolidated interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

	For the six-month period ended			
	30 June 2023		31 June 2022	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit before income tax	15,889,518	65,051,687	15,322,595	62,209,738
<i>Adjustments for:</i>				
Provision for employee benefit obligations	(8,159)	(33,403)	(9,684)	(39,317)
Depreciation and amortisation	3,047,318	12,475,720	3,316,575	13,465,294
Impairment losses on financial assets	2,815,311	11,525,883	1,090,457	4,427,255
Unrealised fair value gains on investment securities	(3,337)	(13,662)	(38,596)	(156,700)
Unrealised exchange losses on borrowings and debt securities	149,817	613,351	186,765	758,266
Interest income	(44,591,631)	(182,558,137)	(37,353,213)	(151,654,045)
Interest expense	17,021,938	69,687,814	11,794,470	47,885,548
<i>Changes in working capital:</i>				
Balances with the NBC	(10,179,378)	(41,674,374)	3,644,750	14,797,685
Balances with other banks	3,000,000	12,282,000	4,152,000	16,857,120
Loans to customers	(46,403,897)	(189,977,554)	(29,769,477)	(120,864,077)
Other assets	(3,495,764)	(14,311,658)	(830,295)	(3,370,998)
Deposit from other banks	29,184,213	119,480,168	88,375,435	358,804,266
Deposit from non-bank customers	33,932,283	138,918,767	(64,987,113)	(263,847,679)
Other liabilities	(1,241,689)	(5,083,475)	(305,550)	(1,240,533)
Cash used in operations	(883,457)	(3,616,873)	(5,410,881)	(21,968,177)
Interest received	41,862,257	171,384,080	39,020,884	158,424,789
Interest paid	(12,133,039)	(49,672,662)	(12,335,059)	(50,080,340)
Income tax paid	(2,428,653)	(9,942,905)	(3,667,328)	(14,889,352)
Net cash from operating activities	26,417,108	108,151,640	17,607,616	71,486,920
Cash flows from investing activities				
Purchases of property and equipment	(246,643)	(1,009,756)	(591,425)	(2,401,186)
Purchases of intangible assets	(11,600)	(47,490)	(172,990)	(702,339)
Proceeds from investment securities	-	-	2,947,317	11,966,107
Repayment of investment securities	(9,863,149)	(40,379,732)	-	-
Net cash (used in)/ from investing activities	(10,121,392)	(41,436,978)	2,182,902	8,862,582
Cash flows from financing activities				
Proceeds from borrowings	14,681,523	60,106,155	1,326,500	5,385,590
Repayments of borrowings	(4,946,053)	(20,249,141)	(7,441,901)	(30,214,118)
Principal elements of lease payments	(1,061,027)	(4,343,845)	(1,046,627)	(4,249,306)
Net cash from/(used in) financing activities	8,674,443	35,513,169	(7,162,028)	(29,077,834)
Net increase in cash and cash equivalents	24,970,159	102,227,831	12,628,490	51,271,668
Cash and cash equivalents at beginning of period	64,751,137	266,580,431	65,822,934	268,162,631
Currency translation differences	-	1,740,690	-	(137,003)
Cash and cash equivalents at end of period (Note 12)	89,721,296	370,548,952	78,451,424	319,297,296

The accompanying notes on pages 12 to 19 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 JUNE 2023

	Notes	30 June 2023		31 December 2022	
		US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		31,594,650	130,485,905	29,268,408	120,498,036
Balances with the NBC		79,182,527	327,023,837	83,264,682	342,800,695
Balances with other banks and financial institutions		95,382,465	393,929,580	62,108,803	255,701,942
Loans to customers	6	826,460,113	3,413,280,267	779,504,653	3,209,220,656
Investment securities		194,046	801,410	190,709	785,149
Investment in subsidiary		490,000	2,023,700	490,000	2,017,330
Intangible assets		4,128,558	17,050,944	5,097,152	20,984,975
Property and equipment		5,483,554	22,647,078	6,158,073	25,352,786
Right-of-use assets		17,600,088	72,688,363	17,647,148	72,653,309
Other assets	7	9,802,397	40,483,900	6,306,633	25,964,408
TOTAL ASSETS		<u>1,070,318,398</u>	<u>4,420,414,984</u>	<u>990,036,261</u>	<u>4,075,979,286</u>
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		202,285,982	835,441,106	173,064,254	712,505,533
Deposits from non-bank customers		588,253,892	2,429,488,574	549,961,225	2,264,190,364
Current income tax liabilities		2,826,911	11,675,142	1,569,446	6,461,409
Deferred tax liabilities		3,925,437	16,212,055	3,810,799	15,689,059
Borrowings	8	14,690,387	60,671,298	4,951,366	20,384,774
Debt securities issued	9	9,869,031	40,759,098	19,728,126	81,220,695
Lease liabilities		19,675,010	81,257,791	19,574,137	80,586,722
Employee benefit obligations		87,094	359,698	95,253	392,157
Other liabilities		3,707,770	15,313,091	2,949,845	12,144,511
Subordinated debts		20,037,128	82,753,339	20,040,530	82,506,862
TOTAL LIABILITIES		<u>865,358,642</u>	<u>3,573,931,192</u>	<u>795,744,981</u>	<u>3,276,082,086</u>
EQUITY					
Share capital		114,000,000	470,820,000	114,000,000	469,338,000
Regulatory reserve		33,125,368	136,807,770	36,106,002	148,933,440
Retained earnings		57,834,388	234,202,770	44,185,278	178,323,314
Currency translation differences		-	4,653,252	-	3,302,446
TOTAL EQUITY		<u>204,959,756</u>	<u>846,483,792</u>	<u>194,291,280</u>	<u>799,897,200</u>
TOTAL LIABILITIES AND EQUITY		<u>1,070,318,398</u>	<u>4,420,414,984</u>	<u>990,036,261</u>	<u>4,075,979,286</u>

The accompanying notes on pages 12 to 19 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 SIX-MONTH PERIODS ENDED 30 JUNE 2023

	For the three-month period ended				For the six-month period ended			
	30 June 2023		30 June 2022		30 June 2023		30 June 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Interest income	24,842,602	101,954,039	18,743,626	76,024,147	44,855,128	183,636,894	37,612,814	152,708,025
Interest expense (Note 10)	(8,860,627)	(36,364,013)	(6,030,507)	(24,459,736)	(17,183,198)	(70,348,013)	(11,980,057)	(48,639,031)
Net interest income	15,981,975	65,590,026	12,713,119	51,564,411	27,671,930	113,288,881	25,632,757	104,068,994
Fees and commission income	652,629	2,678,389	660,643	2,679,568	1,589,402	6,507,012	1,287,497	5,227,238
Fees and commission expense	(243,210)	(998,134)	(182,449)	(740,013)	(510,008)	(2,087,973)	(415,036)	(1,685,046)
Net fees and commission income	409,419	1,680,255	478,194	1,939,555	1,079,394	4,419,039	872,461	3,542,192
Other (losses)/gains – net	(146,948)	(603,075)	(393,450)	(1,595,833)	233,868	957,456	19,479	79,085
Other operating income	55,077	226,036	17,947	72,793	65,501	268,161	23,283	94,529
Net other operating (loss)/income	(91,871)	(377,039)	(375,503)	(1,523,040)	299,369	1,225,617	42,762	173,614
Impairment losses on financial assets	(1,867,535)	(7,664,364)	(676,519)	(2,743,961)	(2,817,510)	(11,534,886)	(1,091,925)	(4,433,216)
Personnel expenses	(2,071,549)	(8,501,637)	(1,982,851)	(8,042,444)	(4,239,128)	(17,354,990)	(3,647,915)	(14,810,535)
Depreciation and amortisation	(1,663,373)	(6,826,483)	(1,811,760)	(7,348,499)	(3,375,752)	(13,820,329)	(3,639,367)	(14,775,830)
Other operating expenses	(1,529,315)	(6,276,309)	(1,671,863)	(6,781,076)	(2,917,794)	(11,945,449)	(3,050,033)	(12,383,134)
Profit before income tax	9,167,751	37,624,449	6,672,817	27,064,946	15,700,509	64,277,883	15,118,740	61,382,085
Income tax expense	(1,686,102)	(6,919,763)	(1,429,475)	(5,797,951)	(3,032,033)	(12,413,143)	(3,047,953)	(12,374,689)
Profit for the period	7,481,649	30,704,686	5,243,342	21,266,995	12,668,476	51,864,740	12,070,787	49,007,396
Other comprehensive income								
<i>Items that will not be reclassified to profit or loss</i>								
Currency translation difference	-	4,027,913	-	1,490,226	-	1,350,806	-	(297,446)
	-	4,027,913	-	1,490,226	-	1,350,806	-	(297,446)
Total comprehensive income for the period	7,481,649	34,732,599	5,243,342	22,757,221	12,668,476	53,215,546	12,070,787	48,709,950

The accompanying notes on pages 12 to 19 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 SIX-MONTH PERIOD ENDED 30 JUNE 2023

	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	14,911,718	62,312,401	55,876,343	226,104,698	(26,538)	172,788,061	703,938,561
Profit for the period	-	-	-	-	12,070,787	49,007,396	-	12,070,787	49,007,396
Other comprehensive income - currency translation differences	-	-	-	-	-	-	(297,446)	-	(297,446)
Total comprehensive income for the period	-	-	-	-	12,070,787	49,007,396	(297,446)	12,070,787	48,709,950
Transactions with owners in their capacity as owners:									
Conversion of retained earnings to share capital	12,000,000	48,720,000	-	-	(12,000,000)	(48,720,000)	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	17,604,571	71,474,558	(17,604,571)	(71,474,558)	-	-	-
Dividend provided for but not yet paid	-	-	-	-	(1,500,000)	(6,090,000)	-	(1,500,000)	(6,090,000)
Currency translation difference	-	(288,000)	-	-	-	-	-	-	(288,000)
Total transactions with owners	12,000,000	48,432,000	17,604,571	71,474,558	(31,104,571)	(126,284,558)	-	(1,500,000)	(6,378,000)
Balance at 30 June 2022	114,000,000	463,980,000	32,516,289	133,786,959	36,842,559	148,827,536	(323,984)	183,358,848	746,270,511
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	-	-	-	-	12,668,476	51,864,740	-	12,668,476	51,864,740
Other comprehensive income - currency translation differences	-	-	-	-	-	-	1,350,806	-	1,350,806
Total comprehensive income for the period	-	-	-	-	12,668,476	51,864,740	1,350,806	12,668,476	53,215,546
Transactions with owners in their capacity as owners:									
Transfers from regulatory reserve to retained earnings	-	-	(2,980,634)	(12,202,716)	2,980,634	12,202,716	-	-	-
Dividend provided for but not yet paid	-	-	-	-	(2,000,000)	(8,188,000)	-	(2,000,000)	(8,188,000)
Currency translation difference	-	1,482,000	-	77,046	-	-	-	-	1,559,046
Total transactions with owners	-	1,482,000	(2,980,634)	(12,125,670)	980,634	4,014,716	-	(2,000,000)	(6,628,954)
Balance at 30 June 2023	114,000,000	470,820,000	33,125,368	136,807,770	57,834,388	234,202,770	4,653,252	204,959,756	846,483,792

The accompanying notes on pages 12 to 19 form an integral part of this condensed separate interim financial information.

PHNOM PENH COMMERCIAL BANK PLC.

CONDENSED SEPARATE STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023

	For the six-month period ended			
	30 June 2023		30 June 2022	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit before income tax	15,700,509	64,277,883	15,118,740	61,382,085
<i>Adjustments for:</i>				
Provision for employee benefit obligations	(8,159)	(33,403)	(9,684)	(39,317)
Depreciation and amortisation	3,375,752	13,820,329	3,639,367	14,775,830
Impairment losses on financial assets	2,817,510	11,534,886	1,091,925	4,433,215
Unrealised exchange gains on investment securities	(3,337)	(13,662)	(38,596)	(156,700)
Unrealised exchange losses on borrowings and debt securities	149,817	613,351	186,765	758,266
Interest income	(44,855,128)	(183,636,894)	(37,612,814)	(152,708,025)
Interest expense	17,183,198	70,348,013	11,980,057	48,639,031
<i>Changes in working capital:</i>				
Balances with the NBC	(10,179,378)	(41,674,374)	3,644,750	14,797,685
Balances with other banks	3,000,000	12,282,000	4,152,000	16,857,120
Loans to customers	(46,403,897)	(189,977,554)	(29,769,478)	(120,864,081)
Other assets	(3,495,765)	(14,311,662)	(830,295)	(3,370,998)
Deposits from other banks	29,184,213	119,480,168	88,375,435	358,804,266
Deposits from non-bank customers	33,983,398	139,128,031	(64,881,972)	(263,420,806)
Other liabilities	(1,242,075)	(5,085,055)	(334,127)	(1,356,556)
Cash used in from operations	(793,342)	(3,247,943)	(5,287,927)	(21,468,985)
Interest received	42,117,845	172,430,457	39,221,705	159,240,122
Interest paid	(12,982,030)	(53,148,431)	(12,490,784)	(50,712,583)
Income tax paid	(1,659,929)	(6,795,749)	(3,590,274)	(14,576,512)
Net cash from operating activities	26,682,544	109,238,334	17,852,720	72,482,042
Cash flows from investing activities				
Purchases of property and equipment	(246,643)	(1,009,756)	(591,425)	(2,401,186)
Purchases of intangible assets	(11,600)	(47,490)	(172,990)	(702,339)
Proceeds from investment securities	-	-	2,947,317	11,966,107
Repayment of investment securities	(9,863,149)	(40,379,732)	-	-
Net cash (used in)/from investing activities	(10,121,392)	(41,436,978)	2,182,902	8,862,582
Cash flows from financing activities				
Proceeds from borrowings	14,681,523	60,106,155	1,326,500	5,385,590
Repayments of borrowings	(4,946,053)	(20,249,141)	(7,441,901)	(30,214,118)
Principal elements of lease payments	(1,326,463)	(5,430,540)	(1,291,731)	(5,244,428)
Net cash from/(used in) financing activities	8,409,007	34,426,474	(7,407,132)	(30,072,956)
Net increase in cash and cash equivalents	24,970,159	102,227,830	12,628,490	51,271,668
Cash and cash equivalents at beginning of period	64,751,137	266,580,431	65,822,934	268,162,631
Currency translation differences	-	1,740,691	-	(137,003)
Cash and cash equivalents at end of period (Note 12)	89,721,296	370,548,952	78,451,424	319,297,296

The accompanying notes on pages 12 to 19 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 AND SIX-MONTH PERIODS ENDED 30 JUNE 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 30 June 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 11 August 2023.

The condensed consolidated and separate interim financial information for the three-month and six-month periods ended 30 June 2023 has been reviewed, not audited.

2. BASIS OF PREPARATION

This condensed consolidated and separate interim financial information 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"), and any public announcements made by the Group and the Bank during the interim reporting period.

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 AND SIX-MONTH PERIODS ENDED 30 JUNE 2023**

2. BASIS OF PREPARATION (continued)

New and amended standards that are effective for the current period

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.

New and revised CIFRS Accounting Standards in issue but not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 30 June 2023 reporting period and have not been early adopted by the Group and the Bank. These standards, amendments or interpretations are not expected to have a material impact on the Group and the Bank in the current or future reporting periods and on foreseeable future transactions.

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 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 US\$1:

	For the three-month period ended		For the six-month period ended	
	30 June 2023	30 June 2022	30 June 2023	30 June 2022
Average rate	KHR 4,104	KHR 4,056	KHR 4,094	KHR 4,060
			30 June 2023	31 December 2022
Closing rate			KHR 4,130	KHR 4,117

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 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.

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 currencies other than KHR shall be at the rate of 9%.
- From 1 January 2024 onwards, reserve requirement in currencies other than KHR shall be at the rate of 12.5%.

However, the Group and the Bank shall maintain the reserve requirement in KHR at the rate of 7%.

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.

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2023

6. LOANS TO CUSTOMERS

(a) Details of loans to customers:

	Consolidated financial information				Separate financial information			
	30 June 2023		31 December 2022		30 June 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Loans to customers at amortised costs	827,915,238	3,419,289,933	778,195,107	3,203,829,256	834,183,616	3,445,178,334	784,455,576	3,229,603,606
Less: Allowance for expected credit losses	(7,717,425)	(31,872,965)	(4,947,044)	(20,366,980)	(7,723,503)	(31,898,067)	(4,950,923)	(20,382,950)
Net loans to customers	820,197,813	3,387,416,968	773,248,063	3,183,462,276	826,460,113	3,413,280,267	779,504,653	3,209,220,656

(b) Allowance for expected credit losses

	Consolidated financial information				Separate financial information			
	30 June 2023		31 December 2022		30 June 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
12-month ECL (stage 1)	2,322,248	9,590,884	1,686,921	6,945,054	2,328,326	9,615,986	1,690,800	6,961,024
Lifetime ECL - not credit impaired (stage 2)	164,297	678,547	248,576	1,023,387	164,297	678,547	248,576	1,023,387
Lifetime ECL - credit impaired (stage 3)	5,230,880	21,603,534	3,011,547	12,398,539	5,230,880	21,603,534	3,011,547	12,398,539
	<u>7,717,425</u>	<u>31,872,965</u>	<u>4,947,044</u>	<u>20,366,980</u>	<u>7,723,503</u>	<u>31,898,067</u>	<u>4,950,923</u>	<u>20,382,950</u>

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2023

7. OTHER ASSETS

	Consolidated financial information				Separate financial information			
	30 June 2023		31 December 2022		30 June 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Receivables from sales of collateral (*)	2,388,045	9,862,626	-	-	2,388,045	9,862,626	-	-
Advance payments	1,845,192	7,620,643	1,739,186	7,160,229	1,845,192	7,620,643	1,739,186	7,160,229
Deposit on office rental	1,775,465	7,332,670	1,657,261	6,822,944	1,775,465	7,332,670	1,657,261	6,822,944
Prepayments	879,753	3,633,380	646,936	2,663,436	879,753	3,633,380	646,936	2,663,436
Others	2,915,482	12,040,941	2,264,790	9,324,139	2,913,942	12,034,581	2,263,250	9,317,799
	<u>9,803,937</u>	<u>40,490,260</u>	<u>6,308,173</u>	<u>25,970,748</u>	<u>9,802,397</u>	<u>40,483,900</u>	<u>6,306,633</u>	<u>25,964,408</u>

(*) On 11 May 2023, the Bank received a ruling approval from the First Instance Court of Phnom Penh approving sales of two collaterals pledged at the Bank. The receivable will be settled upon completion of transferring the titles of collaterals' owners. The Bank is entitled to receive the full amount from the sales of those collaterals.

8. BORROWINGS

	Consolidated financial information				Separate financial information			
	30 June 2023		31 December 2022		30 June 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Borrowings at amortised cost:								
Current	2,053,104	8,479,318	2,557,838	10,530,619	2,053,104	8,479,318	2,557,838	10,530,619
Non-current	12,637,283	52,191,980	2,393,528	9,854,155	12,637,283	52,191,980	2,393,528	9,854,155
	<u>14,690,387</u>	<u>60,671,298</u>	<u>4,951,366</u>	<u>20,384,774</u>	<u>14,690,387</u>	<u>60,671,298</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% to 8.025% (2022: 2% to 6.5%).

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2023

9. DEBT SECURITIES ISSUED

	Consolidated financial information				Separate financial information			
	30 June 2023		31 December 2022		30 June 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Current	9,869,031	40,759,098	19,728,126	81,220,695	9,869,031	40,759,098	19,728,126	81,220,695
Non-current	-	-	-	-	-	-	-	-
	<u>9,869,031</u>	<u>40,759,098</u>	<u>19,728,126</u>	<u>81,220,695</u>	<u>9,869,031</u>	<u>40,759,098</u>	<u>19,728,126</u>	<u>81,220,695</u>

On 10 April 2023, debt securities with principal of US\$9,763,189 (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.

	Consolidated financial information				Separate financial information			
	30 June 2023		31 December 2022		30 June 2023		31 December 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Principal amount (*)	9,659,838	39,895,131	19,373,170	79,759,341	9,659,838	39,895,131	19,373,170	79,759,341
Interest payable	209,193	863,967	354,956	1,461,354	209,193	863,967	354,956	1,461,354
	<u>9,869,031</u>	<u>40,759,098</u>	<u>19,728,126</u>	<u>81,220,695</u>	<u>9,869,031</u>	<u>40,759,098</u>	<u>19,728,126</u>	<u>81,220,695</u>

(*) The Bank's debt securities with principal amount of US\$9,659,838 (approximately KHR'000 39,895,131) will mature in September 2023.

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2023

10. INTEREST EXPENSE

	Consolidated financial information				Separate financial information			
	For the three-month period ended				For the three-month period ended			
	30 June 2023		30 June 2022		30 June 2023		30 June 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Deposits from non-bank customers	5,868,848	24,085,752	4,205,123	17,055,979	5,868,848	24,085,751	4,205,123	17,055,979
Deposits from other banks	2,035,557	8,353,926	909,180	3,687,634	2,035,557	8,353,926	909,180	3,687,634
Subordinated debts	344,055	1,412,002	344,055	1,395,487	344,055	1,412,002	344,055	1,395,487
Debt securities	176,343	723,712	340,768	1,382,155	176,343	723,712	340,768	1,382,155
Borrowings	240,360	986,437	36,615	148,509	253,393	1,039,925	49,648	201,372
Leases	103,639	425,334	97,850	396,881	182,431	748,697	181,733	737,109
	8,768,802	35,987,163	5,933,591	24,066,645	8,860,627	36,364,013	6,030,507	24,459,736
	Consolidated financial information				Separate financial information			
	For the six-month period ended				For the six-month period ended			
	30 June 2023		30 June 2022		30 June 2023		30 June 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Deposits from non-bank customers	11,441,106	46,839,887	8,532,863	34,643,424	11,441,106	46,839,888	8,532,863	34,643,424
Deposits from other banks	3,809,120	15,594,537	1,598,423	6,489,597	3,809,120	15,594,537	1,598,423	6,489,597
Subordinated debts	684,329	2,801,643	684,329	2,778,376	684,329	2,801,643	684,329	2,778,376
Debt securities	510,987	2,091,981	674,555	2,738,693	510,987	2,091,981	674,555	2,738,693
Borrowings	357,900	1,465,243	108,421	440,189	377,191	1,544,220	125,116	507,971
Leases	218,496	894,523	195,879	795,269	360,465	1,475,744	364,771	1,480,970
	17,021,938	69,687,814	11,794,470	47,885,548	17,183,198	70,348,013	11,980,057	48,639,031

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2023**

11. DIVIDENDS

On 27 April 2023, the Board of Directors passed a resolution to approve dividend payments amounting to US\$2,000,000. The dividends were subsequently approved by the NBC on 16 June 2023 and were fully paid on 11 July 2023.

12. 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			
	30 June 2023		30 June 2022		30 June 2023		30 June 2022	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Cash on hand	31,594,650	130,485,905	29,947,397	121,885,906	31,594,650	130,485,905	29,947,397	121,885,906
<i>Balances with the NBC:</i>								
Settlement accounts	2,115,276	8,736,089	959,996	3,907,184	2,115,276	8,736,089	959,996	3,907,184
Current accounts	10,671,965	44,075,216	19,586,241	79,716,001	10,671,965	44,075,216	19,586,241	79,716,001
Negotiable certificate of deposits	1,955,000	8,074,150	-	-	1,955,000	8,074,150	-	-
<i>Balances with other banks and financial institutions:</i>								
Savings accounts	28,752,064	118,746,024	8,692,675	35,379,187	28,752,064	118,746,024	8,692,675	35,379,187
Current accounts	6,632,341	27,391,568	2,356,957	9,592,815	6,632,341	27,391,568	2,356,957	9,592,815
Fixed deposits with original maturity less than 3 months	8,000,000	33,040,000	16,908,158	68,816,203	8,000,000	33,040,000	16,908,158	68,816,203
	<u>89,721,296</u>	<u>370,548,952</u>	<u>78,451,424</u>	<u>319,297,296</u>	<u>89,721,296</u>	<u>370,548,952</u>	<u>78,451,424</u>	<u>319,297,296</u>