

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

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Report on review of interim financial information

To the shareholders of Phnom Penh Commercial Bank Plc.

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Phnom Penh Commercial Bank Plc. (the "Bank") and its subsidiary, J&A (Cambodia) Investment Co., Ltd. (together the "Group") as at 31 December 2020, condensed separate statement of financial position of the Bank as at 31 December 2020, and the related condensed consolidated and separate statements of profit or loss and other comprehensive income for the three-month and twelve-month periods then ended, and condensed consolidated and separate statements of changes in equity and cash flows for the twelve-month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information of the Group and condensed separate interim financial information of the Bank in accordance with Cambodian International Accounting Standard 34, "Interim financial reporting". Our responsibility is to express a conclusion on this condensed consolidated and separate interim financial information based on our review.

Scope of review

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

Conclusion


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




Other matter

The comparative information for the condensed consolidated and separate statements of financial position, the condensed consolidated and separate statements of profit or loss and other comprehensive income for the twelve-month period then ended, condensed consolidated and separate statements of changes in equity and cash flows for the twelve-month period then ended, and related explanatory notes for the twelve-month period ended 31 December 2019 is based on the audited consolidated and separate financial statements for the year ended 31 December 2019. The comparative information for the condensed consolidated and separate statements of profit or loss and other comprehensive income for the three-month period then ended, and related explanatory notes for the three-month period ended 31 December 2019 has not been audited or reviewed.

For PricewaterhouseCoopers (Cambodia) Ltd.


By Kuy Lim
Partner

A blue circular official stamp of PricewaterhouseCoopers (Cambodia) Ltd. The stamp contains the company name in Khmer and English, along with the text 'PricewaterhouseCoopers (Cambodia) Ltd.' and 'សមាជិកក្រុមហ៊ុន' (Member of the Group).

Phnom Penh, Kingdom of Cambodia
12 February 2021

PHNOM PENH COMMERCIAL BANK PLC.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020**

		31 December 2020		31 December 2019	
	Notes	US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		36,272,455	146,722,080	35,393,946	144,230,330
Balances with the central bank		73,290,366	296,459,530	93,903,019	382,654,802
Balances with other banks and financial institutions		99,998,608	404,494,369	36,800,649	149,962,645
Statutory deposits with the central bank		59,535,255	240,820,106	83,033,615	338,361,982
Loans to customers	6	721,322,069	2,917,747,769	647,463,266	2,638,412,809
Investment securities		3,157,903	12,773,718	3,178,194	12,951,141
Intangible assets		8,028,928	32,477,014	8,451,311	34,439,092
Property and equipment		16,279,751	65,851,593	15,905,545	64,815,096
Right of use assets	7	9,780,184	39,560,844	6,078,035	24,767,993
Deferred tax assets		237,010	958,705	500,163	2,038,164
Other assets		5,295,459	21,420,132	5,578,350	22,731,776
TOTAL ASSETS		<u>1,033,197,988</u>	<u>4,179,285,860</u>	<u>936,286,093</u>	<u>3,815,365,830</u>
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		88,565,577	358,247,759	64,182,658	261,544,330
Deposits from non-bank customers		716,821,724	2,899,543,874	646,275,606	2,633,573,094
Current income tax liabilities		3,522,712	14,249,370	4,412,840	17,982,323
Borrowings		15,407,410	62,322,973	52,198,004	212,706,866
Debt securities issued	8	19,793,474	80,064,602	-	-
Lease liabilities	7	10,189,841	41,217,907	6,743,741	27,480,745
Employee benefit obligations		163,000	659,335	302,243	1,231,640
Other liabilities		3,059,785	12,376,830	3,634,390	14,810,140
Subordinated debts		20,037,128	81,050,182	20,037,128	81,651,297
TOTAL LIABILITIES		<u>877,560,651</u>	<u>3,549,732,832</u>	<u>797,786,610</u>	<u>3,250,980,435</u>
EQUITY					
Share capital	9	92,000,000	372,140,000	80,000,000	326,000,000
Regulatory reserve		11,683,167	49,195,067	8,252,811	35,209,506
Retained earnings		51,954,170	210,137,359	50,246,672	203,175,889
Other reserves		-	(1,919,398)	-	-
TOTAL EQUITY		<u>155,637,337</u>	<u>629,553,028</u>	<u>138,499,483</u>	<u>564,385,395</u>
TOTAL LIABILITIES AND EQUITY		1,033,197,988	4,179,285,860	936,286,093	3,815,365,830

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 TWELVE-MONTH PERIODS ENDED 31 DECEMBER 2020**

Notes	For the three-month period ended				For the twelve-month period ended			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Interest income	18,783,875	76,337,668	16,166,959	65,686,354	69,337,337	282,688,323	59,845,949	242,495,785
Interest expense	(7,591,059)	(30,850,064)	(6,055,820)	(24,604,797)	(28,235,649)	(115,116,741)	(21,279,111)	(86,222,958)
Net interest income	11,192,816	45,487,604	10,111,139	41,081,557	41,101,688	167,571,582	38,566,838	156,272,827
Fees and commission income	773,470	3,143,382	848,399	3,447,045	3,468,821	14,142,383	2,877,911	11,661,295
Fees and commission expense	(269,895)	(1,096,853)	(333,586)	(1,355,360)	(1,077,175)	(4,391,642)	(703,989)	(2,852,563)
Net fees and commission income	503,575	2,046,529	514,813	2,091,685	2,391,646	9,750,741	2,173,922	8,808,732
Impairment losses on financial assets	(110,598)	(449,470)	(549,127)	(2,231,103)	(458,452)	(1,869,109)	(685,939)	(2,779,425)
Other gains/(losses) - net	288,969	1,174,370	7,328	29,774	299,346	1,220,434	(197,868)	(801,762)
Other operating income	34,816	141,492	49,509	201,156	78,263	319,078	180,195	730,150
Net other operating income/(loss)	213,187	866,392	(492,290)	(2,000,173)	(80,843)	(329,597)	(703,612)	(2,851,037)
Personnel expenses	(1,884,722)	(7,659,510)	(1,735,370)	(7,050,808)	(7,758,532)	(31,631,535)	(6,840,858)	(27,719,157)
Depreciation and amortisation	(2,003,469)	(8,142,098)	(1,636,783)	(6,650,249)	(6,894,117)	(28,107,315)	(5,512,817)	(22,337,934)
General and administrative expenses	(2,251,140)	(9,148,633)	(1,656,023)	(6,728,421)	(7,360,030)	(30,006,842)	(6,252,817)	(25,336,414)
Profit before income tax	5,770,247	23,450,284	5,105,486	20,743,591	21,399,812	87,247,034	21,430,656	86,837,017
Income tax expense	(785,762)	(3,193,337)	(753,336)	(3,060,804)	(4,261,958)	(17,376,003)	(4,647,590)	(18,832,035)
Profit for the period	4,984,485	20,256,947	4,352,150	17,682,787	17,137,854	69,871,031	16,783,066	68,004,982
Other comprehensive income								
<i>Items that will not be reclassified to profit or loss</i>								
Currency translation differences	-	(3,384,642)	-	(2,746,581)	-	(1,919,398)	-	386,011
	-	(3,384,642)	-	(2,746,581)	-	(1,919,398)	-	386,011
Total comprehensive income for the period	4,984,485	16,872,305	4,352,150	14,936,206	17,137,854	67,951,633	16,783,066	68,390,993
Profit attributable to owners of the Group	4,984,485	20,256,947	4,352,150	17,682,787	17,137,854	69,871,031	16,783,066	68,004,982
Total comprehensive income attributable to owners of the Group	4,984,485	16,872,305	4,352,150	14,936,206	17,137,854	67,951,633	16,783,066	68,390,993

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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

	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 2019	80,000,000	321,440,000	8,200,983	32,201,652	34,515,434	139,432,914	-	-	122,716,417	493,074,566
Profit for the period	-	-	-	-	16,783,066	68,004,982	-	-	16,783,066	68,004,982
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	386,011	-	386,011
Total comprehensive income for the period	-	-	-	-	16,783,066	68,004,982	-	386,011	16,783,066	68,390,993
Transactions with owners in their capacity as owners:										
Transfers from retained earnings to regulatory reserve	-	-	51,828	210,007	(51,828)	(210,007)	-	-	-	-
Dividends	-	-	-	-	(1,000,000)	(4,052,000)	-	-	(1,000,000)	(4,052,000)
Currency translation differences	-	4,560,000	-	2,797,847	-	-	-	(386,011)	-	6,971,836
Total transactions with owners	-	4,560,000	51,828	3,007,854	(1,051,828)	(4,262,007)	-	(386,011)	(1,000,000)	2,919,836
Balance at 31 December 2019	<u>80,000,000</u>	<u>326,000,000</u>	<u>8,252,811</u>	<u>35,209,506</u>	<u>50,246,672</u>	<u>203,175,889</u>	<u>-</u>	<u>-</u>	<u>138,499,483</u>	<u>564,385,395</u>
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	-	-	-	-	17,137,854	69,871,031	-	-	17,137,854	69,871,031
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	(1,919,398)	-	(1,919,398)
Total comprehensive income for the period	-	-	-	-	17,137,854	69,871,031	-	(1,919,398)	17,137,854	67,951,633
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 9)	12,000,000	48,924,000	-	-	(12,000,000)	(48,924,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	3,430,356	13,985,561	(3,430,356)	(13,985,561)	-	-	-	-
Currency translation differences	-	(2,784,000)	-	-	-	-	-	-	-	(2,784,000)
Total transactions with owners	<u>12,000,000</u>	<u>46,140,000</u>	<u>3,430,356</u>	<u>13,985,561</u>	<u>(15,430,356)</u>	<u>(62,909,561)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,784,000)</u>
Balance at 31 December 2020	<u>92,000,000</u>	<u>372,140,000</u>	<u>11,683,167</u>	<u>49,195,067</u>	<u>51,954,170</u>	<u>210,137,359</u>	<u>-</u>	<u>(1,919,398)</u>	<u>155,637,337</u>	<u>629,553,028</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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

	For the twelve-month period ended			
	31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit before income tax	21,399,812	87,247,034	21,430,656	86,837,017
<i>Adjustments for:</i>				
Provision for employee benefit obligations	(139,243)	(567,694)	(16,157)	(65,468)
Depreciation and amortisation	6,894,117	28,107,315	5,512,817	22,337,934
Impairment losses on financial assets	458,452	1,869,109	685,939	2,779,425
Unrealised exchange losses on investment securities	20,599	83,982	-	-
Unrealised exchange losses on borrowings and debt securities	219,592	895,277	-	-
Gains on disposal of property and equipment	(2,680)	(10,926)	-	-
Interest income	(69,337,337)	(282,688,323)	(59,845,949)	(242,495,785)
Interest expense	28,235,649	115,116,741	21,279,111	86,222,958
<i>Changes in working capital:</i>				
Reserve requirement with the central bank	24,669,819	100,578,852	(3,243,536)	(13,142,808)
Loans to customers	(72,477,482)	(295,490,694)	(107,270,536)	(434,660,212)
Other assets	282,890	1,153,343	(1,332,360)	(5,398,723)
Deposits from other banks	24,342,367	99,243,830	20,471,544	82,950,696
Deposits from non-bank customers	68,407,284	278,896,497	49,560,229	200,818,048
Other liabilities	422,506	1,722,557	994,611	4,030,164
Cash generated from/(used in) operations	33,396,345	136,156,900	(51,773,631)	(209,786,754)
Interest received	66,637,095	271,679,436	60,037,774	243,273,060
Interest paid	(25,735,379)	(104,923,140)	(21,018,949)	(85,168,781)
Income tax paid	(4,888,933)	(19,932,180)	(4,110,270)	(16,654,814)
Net cash generated from/(used in) operating activities	69,409,128	282,981,016	(16,865,076)	(68,337,289)
Cash flows from investing activities				
Placements of capital guarantee deposits	(1,200,000)	(4,892,400)	-	-
Purchases of property and equipment	(3,519,043)	(14,347,138)	(3,178,673)	(12,879,983)
Purchases of intangible assets	(1,515,249)	(6,177,670)	(4,782,573)	(19,378,986)
Payments for acquisition of investment securities	-	-	(3,004,052)	(12,172,419)
Proceeds from sale of property and equipment	2,680	10,926	-	-
Withdrawals/(placements) of Negotiable Certificate of Deposits with the central bank	30,570,000	124,633,890	(43,700,000)	(177,072,400)
Balances with other banks and financial institutions	(61,057,409)	(248,931,056)	20,831,477	84,409,145
Net cash used in investing activities	(36,719,021)	(149,703,448)	(33,833,821)	(137,094,643)
Cash flows from financing activities				
Dividends paid	(1,000,000)	(4,077,000)	-	-
Proceeds from borrowings	21,031,377	85,744,924	51,869,057	210,173,419
Repayments of borrowings	(58,107,715)	(236,905,154)	(2,975,084)	(12,055,040)
Proceeds from issuance of debt securities	19,538,742	79,659,451	-	-
Principal elements of lease payments	(2,067,697)	(8,430,001)	(1,492,820)	(6,048,907)
Net cash (used in)/generated from financing activities	(20,605,293)	(84,007,780)	47,401,153	192,069,472
Net increase/(decrease) in cash and cash equivalents	12,084,814	49,269,788	(3,297,744)	(13,362,460)
Cash and cash equivalents at beginning of period	98,262,036	397,469,936	101,559,780	408,067,196
Currency translation differences	-	(386,716)	-	5,713,061
Cash and cash equivalents at end of period	110,346,850	446,353,008	98,262,036	400,417,797

Non-cash investing activities

Retained earnings amounting to US\$12,000,000 of the Bank was converted to be share capital during the period (see note 9).

Negotiable Certificate of Deposits of US\$13,700,000 (2019: nil) were rolled over from the year ended 31 December 2019.

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 31 DECEMBER 2020**

		31 December 2020		31 December 2019	
	Notes	US\$	KHR'000	US\$	KHR'000
ASSETS					
Cash on hand		36,272,455	146,722,080	35,393,946	144,230,330
Balances with the central bank		73,290,366	296,459,530	93,903,019	382,654,802
Balances with other banks and financial institutions		99,998,609	404,494,373	36,800,649	149,962,645
Statutory deposits with the central bank		59,535,255	240,820,106	83,033,615	338,361,982
Loans to customers	6	727,553,634	2,942,954,450	653,695,600	2,663,809,570
Investment securities		3,157,903	12,773,718	3,178,194	12,951,141
Investment in subsidiary		490,000	1,982,050	490,000	1,996,750
Intangible assets		8,028,928	32,477,014	8,451,311	34,439,092
Property and equipment		9,636,834	38,980,994	9,250,510	37,695,828
Right of use assets	7	18,940,263	76,613,364	11,874,357	48,388,005
Deferred tax assets		371,863	1,504,186	602,239	2,454,124
Other assets		5,293,919	21,413,902	5,571,695	22,704,658
TOTAL ASSETS		1,042,570,029	4,217,195,767	942,245,135	3,839,648,927
LIABILITIES AND EQUITY					
LIABILITIES					
Deposits from other banks		88,565,577	358,247,759	64,182,658	261,544,332
Deposits from non-bank customers		716,925,527	2,899,963,757	646,314,238	2,633,730,520
Current income tax liabilities		3,478,708	14,071,374	4,414,012	17,987,099
Borrowings		15,407,410	62,322,973	52,198,004	212,706,866
Debt securities issued	8	19,793,474	80,064,602	-	-
Lease liabilities	7	20,094,146	81,280,821	13,112,451	53,433,238
Employee benefit obligations		163,000	659,335	302,243	1,231,640
Other liabilities		3,051,528	12,343,431	3,576,592	14,574,613
Subordinated debts		20,037,128	81,050,182	20,037,128	81,651,297
TOTAL LIABILITIES		887,516,498	3,590,004,234	804,137,326	3,276,859,605
EQUITY					
Share capital	9	92,000,000	372,140,000	80,000,000	326,000,000
Regulatory reserve		11,744,124	49,426,629	8,314,820	35,445,357
Retained earnings		51,309,407	207,526,401	49,792,989	201,343,965
Other reserves		-	(1,901,497)	-	-
TOTAL EQUITY		155,053,531	627,191,533	138,107,809	562,789,322
TOTAL LIABILITIES AND EQUITY		1,042,570,029	4,217,195,767	942,245,135	3,839,648,927

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 TWELVE-MONTH PERIODS ENDED 31 DECEMBER 2020

Notes	For the three-month period ended				For the twelve-month period ended			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Interest income	18,915,063	76,870,816	16,256,772	66,051,265	69,864,356	284,836,979	60,327,355	244,446,442
Interest expense	(7,820,809)	(31,783,768)	(6,152,426)	(24,997,307)	(29,070,859)	(118,521,892)	(21,500,747)	(87,121,027)
Net interest income	11,094,254	45,087,048	10,104,346	41,053,958	40,793,497	166,315,087	38,826,608	157,325,415
Fees and commission income	773,470	3,143,382	848,399	3,447,045	3,468,821	14,142,383	2,877,911	11,661,295
Fees and commission expense	(269,895)	(1,096,853)	(333,591)	(1,355,380)	(1,077,143)	(4,391,512)	(703,989)	(2,852,563)
Net fees and commission income	503,575	2,046,529	514,808	2,091,665	2,391,678	9,750,871	2,173,922	8,808,732
Impairment losses on financial assets	(110,598)	(449,470)	(554,227)	(2,251,824)	(459,504)	(1,873,398)	(685,991)	(2,779,636)
Other gains/(losses) - net	288,969	1,174,370	7,328	29,774	381,580	1,555,702	(197,868)	(801,761)
Other operating income	34,816	141,492	49,510	201,159	78,263	319,078	180,195	730,150
Net other operating profit/(loss)	213,187	866,392	(497,389)	(2,020,891)	339	1,382	(703,664)	(2,851,247)
Personnel expenses	(1,884,722)	(7,659,510)	(1,678,670)	(6,820,436)	(7,758,532)	(31,631,535)	(6,840,858)	(27,719,157)
Depreciation and amortisation	(2,159,471)	(8,776,090)	(1,730,359)	(7,030,449)	(7,446,999)	(30,361,415)	(5,887,123)	(23,854,622)
General and administrative expenses	(2,077,875)	(8,444,484)	(1,864,218)	(7,574,318)	(6,805,080)	(27,744,311)	(6,195,451)	(25,103,968)
Profit before income tax	5,688,948	23,119,885	4,848,518	19,699,529	21,174,903	86,330,079	21,373,434	86,605,153
Income tax expense	(777,414)	(3,159,410)	(639,548)	(2,598,484)	(4,229,181)	(17,242,371)	(4,590,686)	(18,601,460)
Profit for the period	4,911,534	19,960,475	4,208,970	17,101,045	16,945,722	69,087,708	16,782,748	68,003,693
Other comprehensive income								
<i>Items that will not be reclassified to profit or loss</i>								
Currency translation difference	-	(3,354,806)	-	(2,723,110)	-	(1,901,497)	-	386,003
	-	(3,354,806)	-	(2,723,110)	-	(1,901,497)	-	386,003
Total comprehensive income for the period	4,911,534	16,605,669	4,208,970	14,377,935	16,945,722	67,186,211	16,782,748	68,389,696
Profit attributable to owners of the Bank	4,911,534	19,960,475	4,208,970	17,101,045	16,945,722	69,087,708	16,782,748	68,003,693
Total comprehensive income attributable to owners of the Bank	4,911,534	16,605,669	4,208,970	14,377,935	16,945,722	67,186,211	16,782,748	68,389,696

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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

	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 2019	80,000,000	321,440,000	8,263,044	32,460,027	34,062,017	137,602,068	-	-	122,325,061	491,502,095
Profit for the period	-	-	-	-	16,782,748	68,003,693	-	-	16,782,748	68,003,693
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	386,003	-	386,003
Total comprehensive income for the period	-	-	-	-	16,782,748	68,003,693	-	386,003	16,782,748	68,389,696
Transactions with owners in their capacity as owners:										
Transfers from retained earnings to regulatory reserve	-	-	51,776	209,796	(51,776)	(209,796)	-	-	-	-
Dividends	-	-	-	-	(1,000,000)	(4,052,000)	-	-	(1,000,000)	(4,052,000)
Currency translation differences	-	4,560,000	-	2,775,534	-	-	-	(386,003)	-	6,949,531
Total transactions with owners	-	4,560,000	51,776	2,985,330	(1,051,776)	(4,261,796)	-	(386,003)	(1,000,000)	2,897,531
Balance at 31 December 2019	<u>80,000,000</u>	<u>326,000,000</u>	<u>8,314,820</u>	<u>35,445,357</u>	<u>49,792,989</u>	<u>201,343,965</u>	<u>-</u>	<u>-</u>	<u>138,107,809</u>	<u>562,789,322</u>
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	-	-	-	-	16,945,722	69,087,708	-	-	16,945,722	69,087,708
Other comprehensive income - currency translation differences	-	-	-	-	-	-	-	(1,901,497)	-	(1,901,497)
Total comprehensive income for the period	-	-	-	-	16,945,722	69,087,708	-	(1,901,497)	16,945,722	67,186,211
Transactions with owners in their capacity as owners:										
Conversion of retained earnings to share capital (Note 9)	12,000,000	48,924,000	-	-	(12,000,000)	(48,924,000)	-	-	-	-
Transfers from retained earnings to regulatory reserve	-	-	3,429,304	13,981,272	(3,429,304)	(13,981,272)	-	-	-	-
Currency translation difference	-	(2,784,000)	-	-	-	-	-	-	-	(2,784,000)
Total transactions with owners	<u>12,000,000</u>	<u>46,140,000</u>	<u>3,429,304</u>	<u>13,981,272</u>	<u>(15,429,304)</u>	<u>(62,905,272)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,784,000)</u>
Balance at 31 December 2020	<u>92,000,000</u>	<u>372,140,000</u>	<u>11,744,124</u>	<u>49,426,629</u>	<u>51,309,407</u>	<u>207,526,401</u>	<u>-</u>	<u>(1,901,497)</u>	<u>155,053,531</u>	<u>627,191,533</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 CASH FLOWS
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

	For the twelve-month period ended			
	31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000
Cash flows from operating activities				
Profit before income tax	21,174,903	86,330,079	21,373,434	86,605,153
<i>Adjustments for:</i>				
Provision for employee benefit obligations	(139,243)	(567,694)	(16,157)	(65,468)
Depreciation and amortisation	7,446,999	30,361,415	5,887,123	23,854,622
Impairment losses on financial assets	459,504	1,873,398	685,991	2,779,636
Unrealised exchange losses on investment securities	20,599	83,982	-	-
Unrealised exchange losses on borrowings and debt securities	219,592	895,277	-	-
Gains on disposal of property and equipment	(2,680)	(10,926)	-	-
Interest income	(69,864,356)	(284,836,979)	(60,327,355)	(244,446,442)
Interest expense	29,070,859	118,521,892	21,500,747	87,121,027
<i>Changes in working capital:</i>				
Placements of reserve requirement with the central bank	24,669,819	100,578,852	(3,243,536)	(13,142,808)
Loans to customers	(72,477,482)	(295,490,694)	(107,270,536)	(434,660,212)
Other assets	277,773	1,132,481	(1,326,325)	(5,374,269)
Deposits from other banks	24,342,367	99,243,830	20,471,544	82,950,696
Deposits from non-bank customers	68,472,455	279,162,199	49,402,148	200,177,504
Other liabilities	472,047	1,924,536	941,840	3,816,336
Cash generated from/(used in) operations	34,143,156	139,201,648	(51,921,082)	(210,384,225)
Interest received	67,163,831	273,826,939	60,508,818	245,181,731
Interest paid	(26,570,589)	(108,328,291)	(21,240,585)	(86,066,850)
Income tax paid	(4,934,109)	(20,116,362)	(4,110,270)	(16,654,814)
Net cash generated from/(used in) operating activities	69,802,289	284,583,934	(16,763,119)	(67,924,158)
Cash flows from investing activities				
Placements of capital guarantee deposits	(1,200,000)	(4,892,400)	-	-
Purchases of property and equipment	(3,519,043)	(14,347,138)	(3,178,674)	(12,879,987)
Purchases of intangible assets	(1,515,249)	(6,177,670)	(4,782,573)	(19,378,986)
Payments for acquisition of investment securities	-	-	(3,004,052)	(12,172,419)
Proceeds from sale of property and equipment	2,680	10,926	-	-
Withdrawal/(placements) of Negotiable Certificate of Deposits with the central bank	30,570,000	124,633,890	(43,700,000)	(177,072,400)
Balances with other banks and financial institutions	(61,057,409)	(248,931,056)	20,831,477	84,409,144
Net cash used in investing activities	(36,719,021)	(149,703,448)	(33,833,822)	(137,094,648)
Cash flows from financing activities				
Dividends paid	(1,000,000)	(4,077,000)	-	-
Proceeds from borrowings	21,031,377	85,744,924	51,869,057	210,173,419
Repayments of borrowings	(58,107,715)	(236,905,154)	(2,975,084)	(12,055,040)
Proceeds from issuance of debt securities	19,538,742	79,659,451	-	-
Principal elements of lease payments	(2,460,858)	(10,032,918)	(1,594,776)	(6,462,033)
Net cash (used in)/generated from financing activities	(20,998,454)	(85,610,697)	47,299,197	191,656,346
Net increase/(decrease) in cash and cash equivalents	12,084,814	49,269,788	(3,297,744)	(13,362,460)
Cash and cash equivalents at beginning of period	98,262,036	397,469,936	101,559,780	408,067,196
Currency translation differences	-	(386,716)	-	5,713,061
Cash and cash equivalents at end of period	110,346,850	446,353,008	98,262,036	400,417,797

Non-cash from investing activities

Retained earnings amounting to US\$12,000,000 of the Bank was converted to be share capital during the period (see note 9).

Negotiable Certificate of Deposits of US\$13,700,000 (2019: nil) were rolled over from the year ended 31 December 2019.

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 TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

1. GENERAL INFORMATION

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

The principal activity of the Bank is the provision of all aspects of banking business and related financial services in the Kingdom of Cambodia. As at 31 December 2020, 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.

The condensed consolidated and separate interim financial information was authorised for issue by the Board of Directors on 12 February 2021.

The condensed consolidated and separate interim financial information for the twelve-month period ended 31 December 2020 has been reviewed, not audited.

2. BASIS OF PREPARATION

This condensed consolidated and separate interim financial information for the twelve-month period ended 31 December 2020 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 2019, 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.

The comparative information for the condensed consolidated and separate statements of profit or loss and other comprehensive income for the three-month period then ended, and related explanatory notes for the three-month period ended 31 December 2019 has not been audited or reviewed.

New and amended standards adopted by the Group and the Bank

A number of new or amended standards became applicable for the current reporting period. The Group and the Bank did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

2. BASIS OF PREPARATION (continued)

New and amended standards adopted by the Group and the Bank (continued)

COVID-19 Related Rent Concessions – Amendments to CIFRS 16

As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. In May 2020, the IASB made an amendment to CIFRS 16 Leases which provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted.

Entities applying the practical expedients must disclose this fact, whether the expedient has been applied to all qualifying rent concessions or, if not, information about the nature of the contracts to which it has been applied, as well as the amount recognised in profit or loss arising from the rent concessions.

The Group and the Bank do not have any rent concession during the period, so the amendment has no impact on the condensed consolidated and separate interim financial information.

Presentation in Khmer Riel (KHR)

In compliance with the Law on Accounting and Auditing, the condensed consolidated financial information of the Group and condensed separate financial information of the Bank 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 twelve-month period ended	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Average rate	KHR 4,064	KHR 4,063	KHR 4,077	KHR 4,052
			31 December 2020	31 December 2019
Closing rate			KHR 4,045	KHR 4,075

3. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT REPORTING PERIOD

The financial position and performance of the Group and the Bank was particularly affected by the following events and transactions during the twelve-month period to 31 December 2020:

The COVID-19 Outbreak

The novel coronavirus (COVID-19) declared as pandemic has spread into Cambodia since late January 2020. Since then, the country is facing sustained risk of further national spread causing disruption to business and economic activities. However, management considers that 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.

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

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

The lease modification

On 10 March 2020, J&A (Cambodia) Investment Co., Ltd. (the “Subsidiary”), as a lessor, amended the rental agreement with the Bank, as a lessee, to increase the rental fees for the remaining lease periods. The Bank has to remeasure the lease liability and corresponding right-of-use asset at the effective date of the modification on 1 May 2020 (see note 7).

The corporate bond issuance

During the period, the Bank successfully listed its corporate bonds on the CSX amounting to KHR40,000 million during the first phase and another KHR40,000 million during the second phase of its bond issuance process. These bonds were fully subscribed (see note 8).

The conversion of retained earnings to share capital

On 18 May 2020, the Bank transferred its retained earnings amounting to US\$12,000,000 to be its share capital, which was approved by the central bank on 30 June 2020 and by the Ministry of Commerce on 27 July 2020 (see note 9).

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The Bank and the Group make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period are outlined below:

The Bank assesses on a forward-looking basis the expected credit losses (“ECL”) associated with its debt instrument assets carried at amortised cost and FVOCI and with the exposure arising from credit commitments (including overdraft and revolving facilities) and financial guarantee contracts. The measurement of ECL allowance reflects reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Management noted the impact of COVID-19 outbreak on its assessment of the ECL allowance on its financial assets including the restructured loans resulted from impact of COVID-19 outbreak. The Bank has restructured loans for its borrowers who are having financial difficulties during the period. As a result, the Bank has downgraded the staging of the borrowers for ECL allowance calculation purpose. In addition, because of the uncertainty associated with the COVID-19 pandemic, and the extent to which the actions of governments, businesses and consumers mitigate against potentially adverse credit outcomes are not fully incorporated into existing ECL models, management overlays have been applied to ensure ECL allowance for its financial assets are appropriate. Management overlays which add to the modelled ECL allowance have been made for the balance of loans to customers.

The other 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 consolidated and separate financial statements for the year ended 31 December 2019.

5. SEGMENT AND REVENUE INFORMATION

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

PHNOM PENH COMMERCIAL BANK PLC.

NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020

6. LOANS TO CUSTOMERS

(a) Details of loans to customers:

	Consolidated financial information				Separate financial information			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Loans to customers at amortised costs	722,412,525	2,922,158,664	648,480,882	2,642,559,594	728,645,233	2,947,369,967	654,713,307	2,667,956,726
Less: Allowance for expected credit loss	(1,090,456)	(4,410,895)	(1,017,616)	(4,146,785)	(1,091,599)	(4,415,517)	(1,017,707)	(4,147,156)
Net loans to customers	721,322,069	2,917,747,769	647,463,266	2,638,412,809	727,553,634	2,942,954,450	653,695,600	2,663,809,570

(b) Allowance for expected credit loss

	Consolidated financial information				Separate financial information			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
12-month ECL (Stage 1)	230,882	933,918	28,706	116,976	232,025	938,540	28,797	117,347
Lifetime ECL - not credit impaired (Stage 2)	82,946	335,517	5,754	23,448	82,946	335,517	5,754	23,448
Lifetime ECL - credit impaired (Stage 3)	776,628	3,141,460	983,156	4,006,361	776,628	3,141,460	983,156	4,006,361
	1,090,456	4,410,895	1,017,616	4,146,785	1,091,599	4,415,517	1,017,707	4,147,156

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

7. LEASES

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

The Group and 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.

On 10 March 2020, J&A (Cambodia) Investment Co., Ltd. (the "Subsidiary"), as a lessor, amended its lease agreement with the Bank, as a lessee, to increase the rental fees price as follows:

- From US\$ 40,000 to US\$ 69,000 per month from 1 May 2020 to 31 December 2025; and
- From US\$ 69,000 to US\$ 80,000 from 1 January 2026 to 31 December 2034.

The Bank has to remeasure the lease liability and corresponding right-of-use asset at the effective date of the modification, which was on 1 May 2020, using a revised discount rate.

For the separate interim financial information, the modification increases the carrying amount of lease liabilities on the date of the modification by US\$ 4,088,486 and a corresponding amount to right-of-used assets to reflect the amendment of the lease.

(i) Amounts recognised in the statement of financial position

	Consolidated financial information				Separate financial information			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
<i>Right-of-use assets (Non-current)</i>								
Office space	9,417,649	38,094,390	5,731,519	23,355,940	18,577,728	75,146,910	11,527,841	46,975,952
ATM space	168,926	683,306	69,314	282,455	168,926	683,306	69,314	282,455
Billboard	95,872	387,802	37,428	152,519	95,872	387,802	37,428	152,519
Generator	57,561	232,834	116,341	474,090	57,561	232,834	116,341	474,090
Vehicle	40,176	162,512	123,433	502,989	40,176	162,512	123,433	502,989
	<u>9,780,184</u>	<u>39,560,844</u>	<u>6,078,035</u>	<u>24,767,993</u>	<u>18,940,263</u>	<u>76,613,364</u>	<u>11,874,357</u>	<u>48,388,005</u>
<i>Lease liabilities</i>								
Current	2,118,619	8,569,814	2,190,936	8,928,064	2,118,619	8,569,814	2,190,936	8,928,064
Non-current	8,071,222	32,648,093	4,552,805	18,552,681	17,975,527	72,711,007	10,921,515	44,505,174
	<u>10,189,841</u>	<u>41,217,907</u>	<u>6,743,741</u>	<u>27,480,745</u>	<u>20,094,146</u>	<u>81,280,821</u>	<u>13,112,451</u>	<u>53,433,238</u>

Right-of-use assets' additions for the Group and the Bank during the period were US\$4,424,767 (2019: US\$ 1,392,773).

PHNOM PENH COMMERCIAL BANK PLC.

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
FOR THE TWELVE-MONTH PERIOD ENDED 31 DECEMBER 2020**

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 twelve-month period ended			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
			<i>Un-reviewed</i>	<i>Un-reviewed</i>			<i>Un-reviewed</i>	<i>Un-reviewed</i>
<i>Depreciation of right-of-use assets</i>								
Office spaces	492,338	2,000,862	340,044	1,774,109	1,338,428	5,456,771	1,289,808	5,226,302
ATM spaces	27,285	110,886	31,871	129,491	80,127	326,678	83,960	340,206
Billboards	33,839	137,522	67,217	273,103	145,358	592,625	197,679	800,995
Generators	34,376	139,704	34,046	138,329	128,986	525,876	120,203	487,063
Vehicles	36,319	147,600	40,990	166,542	118,749	484,139	137,956	558,998
	<u>624,157</u>	<u>2,536,574</u>	<u>514,168</u>	<u>2,481,574</u>	<u>1,811,648</u>	<u>7,386,089</u>	<u>1,829,606</u>	<u>7,413,564</u>
Interest expense	201,119	817,348	212,813	1,088,445	307,546	1,253,865	294,023	1,191,381
Expense relating to leases of low-value assets (included in general and administrative expenses)	<u>21,138</u>	<u>85,905</u>	<u>22,078</u>	<u>89,703</u>	<u>61,874</u>	<u>252,260</u>	<u>90,708</u>	<u>367,549</u>
Total expenses related to leases	<u>222,257</u>	<u>903,253</u>	<u>234,891</u>	<u>1,178,148</u>	<u>369,420</u>	<u>1,506,125</u>	<u>384,731</u>	<u>1,558,930</u>

The total cash outflow for leases for the period ended 31 December 2020 was US\$2,694,080. (31 December 2019: US\$1,492,820).

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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 twelve-month period ended			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
			<i>Un-reviewed</i>	<i>Un-reviewed</i>			<i>Un-reviewed</i>	<i>Un-reviewed</i>
<i>Depreciation of right-of-use assets</i>								
Office spaces	583,144	2,369,897	436,650	1,774,109	1,903,428	7,760,276	1,676,232	6,792,092
ATM spaces	37,291	151,551	31,871	129,492	80,127	326,678	83,960	340,206
Billboards	44,425	180,543	67,217	273,103	145,358	592,625	197,679	800,995
Generators	37,980	154,351	34,046	138,329	128,986	525,876	120,203	487,063
Vehicles	39,102	158,911	40,990	166,542	118,749	484,139	137,956	558,998
	<u>741,942</u>	<u>3,015,253</u>	<u>610,774</u>	<u>2,481,575</u>	<u>2,376,648</u>	<u>9,689,594</u>	<u>2,216,030</u>	<u>8,979,354</u>
Interest expense	299,830	1,218,509	267,892	1,088,445	626,383	2,553,763	515,659	2,089,450
Expense relating to leases of low-value assets (included in general and administrative expenses)	<u>21,138</u>	<u>85,905</u>	<u>22,078</u>	<u>89,703</u>	<u>61,874</u>	<u>252,260</u>	<u>90,708</u>	<u>367,549</u>
Total expenses related to leases	<u>320,968</u>	<u>1,304,414</u>	<u>289,970</u>	<u>1,178,148</u>	<u>688,257</u>	<u>2,806,023</u>	<u>606,367</u>	<u>2,456,999</u>

The total cash outflow for leases for the period ended 31 December 2020 was US\$3,087,241. (31 December 2019: US\$1,594,776).

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8. DEBT SECURITIES ISSUED

The Bank issued its bond securities for the first phase with a par value of KHR100,000 totaling to KHR40,000 million and maturity of three-year period. On 22 September 2020, the Bank issued its bond securities for the second phase with a par value of KHR100,000 totaling to KHR40,000 million and maturity of three-year period. These bonds are classified as foreign exchange-indexed bond with coupon rate of 6.5% per annum with the interest to be paid semi-annually.

	Consolidated financial information				Separate financial information			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Current	337,873	1,366,696	-	-	337,873	1,366,696	-	-
Non-current	19,455,601	78,697,906	-	-	19,455,601	78,697,906	-	-
	19,793,474	80,064,602	-	-	19,793,474	80,064,602	-	-
	Consolidated financial information				Separate financial information			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
Principal amount	19,455,601	78,697,906	-	-	19,455,601	78,697,906	-	-
Interest payables	337,873	1,366,696	-	-	337,873	1,366,696	-	-
	19,793,474	80,064,602	-	-	19,793,474	80,064,602	-	-

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9. SHARE CAPITAL

On 18 May 2020, the Bank has increased its share capital from US\$80,000,000 to US\$92,000,000 by converting its retained earnings of US\$12,000,000 to the share capital, which was approved by the central bank and the Ministry of Commerce on 30 June 2020 and 27 July 2020, respectively.

	Consolidated financial information				Separate financial information			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
At beginning of the period	80,000,000	326,000,000	80,000,000	321,440,000	80,000,000	326,000,000	80,000,000	321,440,000
Conversion of retained earnings to share capital	12,000,000	48,924,000	-	-	12,000,000	48,924,000	-	-
Currency translation differences	-	(2,784,000)	-	4,560,000	-	(2,784,000)	-	4,560,000
At end of the period	<u>92,000,000</u>	<u>372,140,000</u>	<u>80,000,000</u>	<u>326,000,000</u>	<u>92,000,000</u>	<u>372,140,000</u>	<u>80,000,000</u>	<u>326,000,000</u>

	31 December 2020			31 December 2019		
	Number of shares	%	US\$	Number of shares	%	US\$
Shareholders:						
Jeonbuk Bank Co., Ltd	46,000	50%	46,000,000	40,000	50%	40,000,000
Apro Financial Co., Ltd	36,800	40%	36,800,000	32,000	40%	32,000,000
JB Woori Capital Co., Ltd	9,200	10%	9,200,000	8,000	10%	8,000,000
			<u>92,000,000</u>			<u>80,000,000</u>
<i>In KHR'000 equivalent</i>			<u>372,140,000</u>			<u>326,000,000</u>

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10. IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Consolidated financial information								
	For the three-month period ended				For the twelve-month period ended			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
			<i>Un-reviewed</i>	<i>Un-reviewed</i>			<i>Un-reviewed</i>	<i>Un-reviewed</i>
<i>Expected Credit Loss (ECL):</i>								
Loans to customers	111,507	453,164	549,580	2,232,944	455,563	1,857,330	686,259	2,780,721
Off-balance sheet financial commitments	(909)	(3,694)	(453)	(1,841)	2,889	11,779	(320)	(1,296)
	<u>110,598</u>	<u>449,470</u>	<u>549,127</u>	<u>2,231,103</u>	<u>458,452</u>	<u>1,869,109</u>	<u>685,939</u>	<u>2,779,425</u>
Separate financial information								
	For the three-month period ended				For the twelve-month period ended			
	31 December 2020		31 December 2019		31 December 2020		31 December 2019	
	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000	US\$	KHR'000
			<i>Un-reviewed</i>	<i>Un-reviewed</i>			<i>Un-reviewed</i>	<i>Un-reviewed</i>
<i>Expected Credit Loss (ECL):</i>								
Loans to customers	111,507	453,164	554,680	2,253,665	456,615	1,861,619	686,259	2,780,721
Off-balance sheet financial commitments	(909)	(3,694)	(453)	(1,841)	2,889	11,779	(268)	(1,085)
	<u>110,598</u>	<u>449,470</u>	<u>554,227</u>	<u>2,251,824</u>	<u>459,504</u>	<u>1,873,398</u>	<u>685,991</u>	<u>2,779,636</u>

**NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE INTERIM FINANCIAL INFORMATION
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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 classify its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group and the Bank's financial assets measured and recognised at fair value at 31 December 2020 and 31 December 2019 on a recurring basis:

As at 31 December 2020	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	142,651	-	21,818	164,469
Total financial assets	142,651	-	21,818	164,469
<i>In KHR'000 equivalent</i>	577,023	-	88,254	665,277
As at 31 December 2019				
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	181,919	-	21,818	203,737
Total financial assets	181,919	-	21,818	203,737
<i>In KHR'000 equivalent</i>	741,320	-	88,908	830,228

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11. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

a. Fair value hierarchy (continued)

As at 31 December 2020	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	142,651	-	21,818	164,469
Total financial assets	<u>142,651</u>	<u>-</u>	<u>21,818</u>	<u>164,469</u>
<i>In KHR'000 equivalent</i>	<u>577,023</u>	<u>-</u>	<u>88,254</u>	<u>665,277</u>
As at 31 December 2019				
Financial assets				
<i>Financial assets at fair value through other comprehensive income (FVOCI)</i>				
Equity securities – public service	181,919	-	21,818	203,737
Total financial assets	<u>181,919</u>	<u>-</u>	<u>21,818</u>	<u>203,737</u>
<i>In KHR'000 equivalent</i>	<u>741,320</u>	<u>-</u>	<u>88,908</u>	<u>830,228</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. Valuation techniques used to determine fair values

Valuation techniques used to value financial instruments include the use of quoted market prices available on the Cambodian Securities Exchange (CSX).

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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 Company has irrevocably elected at initial recognition to recognise as the financial assets at FVOCI. These are the strategic investments and the Company considers this classification to be more relevant.

The fair value has been determined based on present values and the discount rate used were adjusted for counterparty or own credit risk. There is no gain/loss recognised in other comprehensive income due to fair value approximate the carrying amount. There is no loss allowance for this FVOCI at 31 December 2020.

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 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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11. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

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

(v) Borrowings and subordinated debts

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

(vi) 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.

12. PRIOR PERIOD RECLASSIFICATION

The Group and the Bank previously did not initially recognised and measured their loans provided to employees at fair value. In 2020, they assessed the impact of the measurement of the loans. As a result, they made the retrospective adjustment to the prior year figures. The impact to the consolidated and separate interim financial information line items is as follows:

	Consolidated financial information				Separate financial information			
	2019	Reclassification	2019		2019	Reclassification	2019	
	US\$	US\$	US\$	KHR'000	US\$	US\$	US\$	KHR'000
Loans to customers	648,753,833	(1,290,567)	647,463,266	2,638,412,809	654,986,167	(1,290,567)	653,695,600	2,663,809,570
Other assets	4,287,783	1,290,567	5,578,350	22,731,776	4,281,128	1,290,567	5,571,695	22,704,658