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QUARTERLY REPORT: QUARTER 3

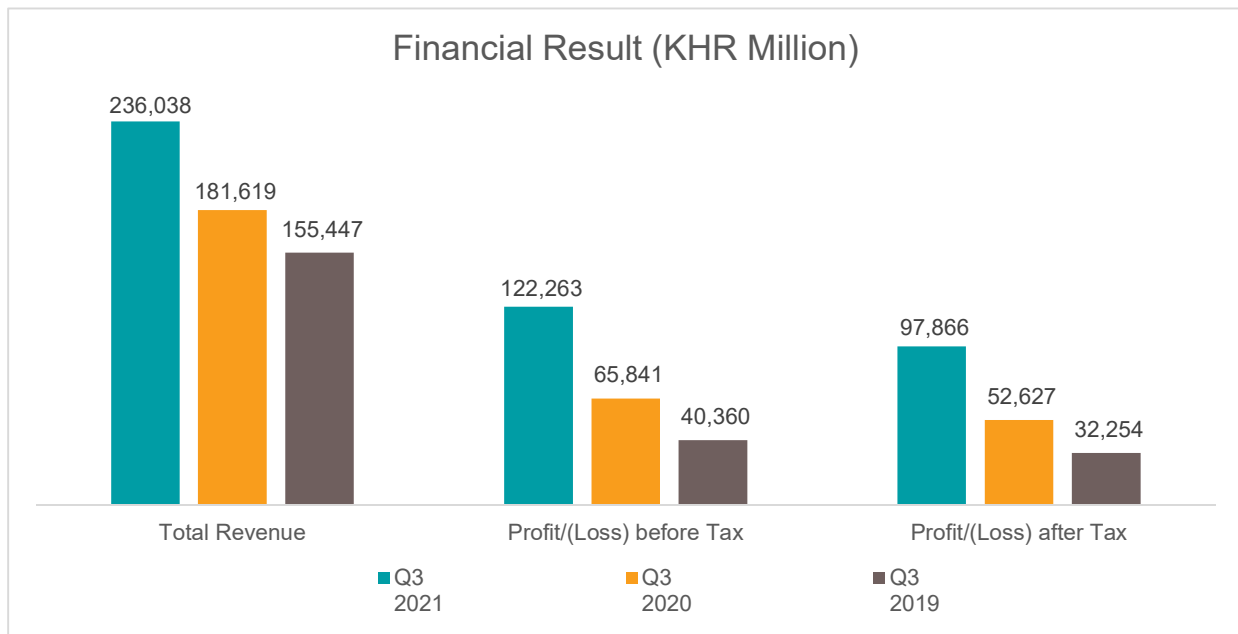
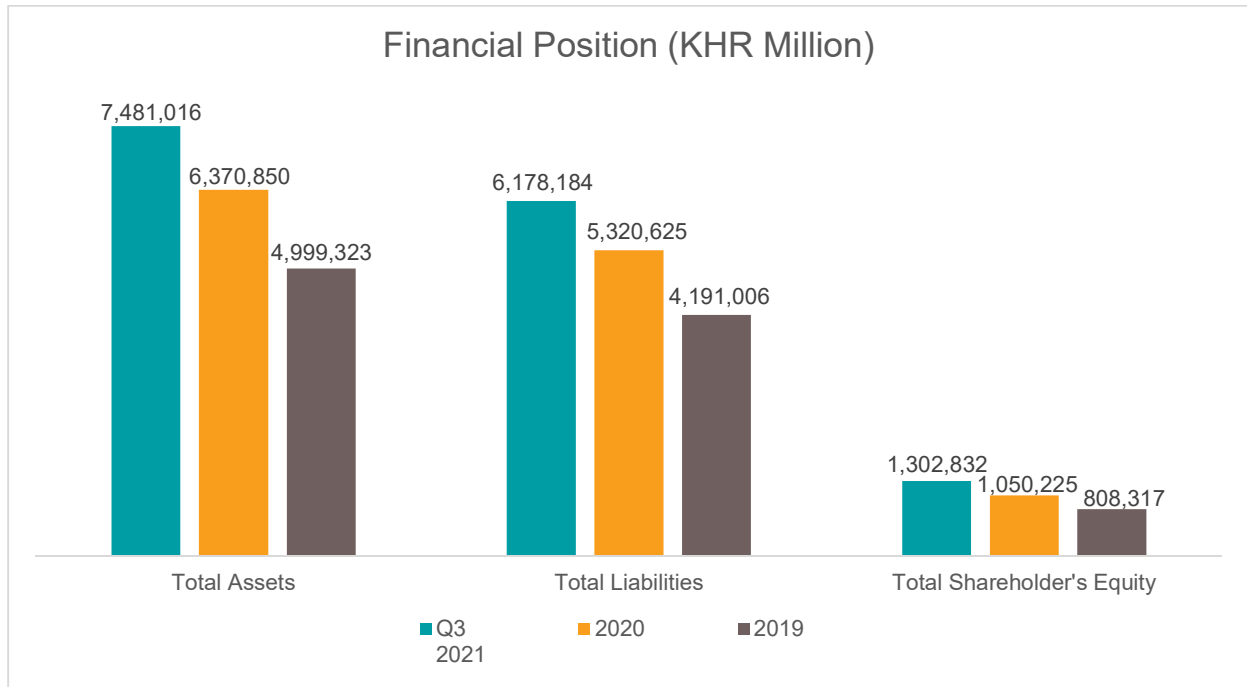
(END 30/09/2021)

Financial Highlight

Financial Position	Q 3 2021	2020	2019
Total Assets (KHR Million)	7,481,016	6,370,850	4,999,323
Total Liabilities (KHR Million)	6,178,184	5,320,625	4,191,006
Total Shareholder's Equity (KHR Million)	1,302,832	1,050,225	808,317
Profit/ (Loss)	Q 3 2021	Q 3 2020	Q 3 2019
Total Revenue (KHR Million)	236,038	181,619	155,447
Profit/ (Loss) before Tax (KHR Million)	122,263	65,841	40,360
Profit/ (Loss) after Tax (KHR Million)	97,866	52,627	32,254
Total Comprehensive Income (KHR Million)	100,328	54,503	34,652
Financial Ratios	Q 3 2021	2020	2019
Solvency ratio (%)	18.3	17.8	19.4
Debt to Equity (%)	474	507	518
Liquidity Coverage Ratio (%)	150.9	131.0	113.9
NPL ¹ (%)	1.52	1.31	0.30
Deposit to Loan Ratio (%)	56.8	59.9	57.0
	Q 3 2021	Q 3 2020	Q 3 2019
Return on Assets (%)	1.31	0.91	0.76
Return on Equity (%)	7.51	5.14	4.54
Interest Coverage Ratio (%)	236	190	164

¹ NBC's Definition

Financial Summary Charts



Board of Directors



Mr. Dan HARSONO
Chairman



Mr. Ieng Tong HOUT
Director



Miss. Duangdao WONGPANITKRIT
Director



Mr. Pairote CHEUNKRUT
Director



Mr. Chandrashekar S.K.
Director



Mr. Wanchairabin JITWATTANATAM
Director



Mr. Hay LONH
Independent Director



Dr. Davuth DY
Independent Director



Mr. Sereivathana PAK
Independent Director

Message from Chairman

Cambodia is in a good recovery path of economic growth as a result of various proactive measures from the government, and authorities including NBC, to manage Covid-19 situation. Efficient vaccination rollout, among the highest injection rate in ASEAN, has enabled effective containment of the Covid-19. In the third quarter of 2021, we saw increasing local economic activities in line with global stage. Hattha Bank Plc. business caught up strongly in this quarter.

Compared with the second quarter, loan portfolio grew to USD 1,524 million, a 7.5% increase. Our deposit stood at USD 866 million. PAR30+ improved to 0.78% compared with 1.21% in the second quarter, resulting from effective portfolio monitoring and management. Liquidity position stood at 151%, well above regulatory threshold at 100%. Overall, Hattha Bank Plc. financial position ended favorably.

Hattha Bank Plc. continued its relentless effort to support customers who were impacted by Covid-19. By end of the quarter, Hattha Bank Plc. had loan restructuring more than 28,000 outstanding accounts, amounting to USD 283 million balance outstanding or 18.5% of total loan portfolio. The bank continued necessary preventive measures to ensure safety to our customers as well as employees. These measures included worksite split, rapid test kit for staff, and work from home policy.

In addition, I am delighted to update several progresses made during this period. Foreign exchange service is now available at Hattha Bank Plc. branches in Phnom Penh and nearby provinces to facilitate client transactions at attractive exchange rate. Starting in October, the bank introduced a real-time money transfer service from Cambodia to Thailand at all Krungsri bank branches, enabled by our proprietary technology. This is one of the most cost-effective real-time service available in the country. Earlier in July, the bank also started construction of our new head office, namely Hattha Bank Tower, located along Samdech Techo Hun Sen Blvd which is the new economic development area with fast-growing number of businesses and investments. The construction and design of this building are aimed to achieve BCA Green Mark Certification to follow our sustainability mission.

Hattha Bank Plc. issued the very first corporate bond in Cambodia in 2018, under its previous name “Hattha Kaksekar Limited” is coming to maturity this November. We have come far from that starting point where we were one of the pioneers to the country’s debt capital market. I’d like to take this opportunity to thank for the great supports and trust from our regulators, investors, customers, and everyone at Hattha Bank Plc.

In spite of the global pandemic remaining, we see more lights and hopes for everyone in the new normal. Hattha Bank Plc. will continue to grow our banking business and expand our service to not only Cambodian customers but also investors looking to trade or invest in the country. I wish everyone to stay safe and strong on the new normal and beyond.

Date: 12-Nov-2021

Signature and Stamp



Mr. Dan HARSONO
Chairman

Message from President & CEO

Until the third quarter of 2021, Hattha Bank Plc. has continued its strength in expanding its business scope and proudly successful, which is one key driver of Hattha Bank Plc. to become as one of the leading commercial banks in Cambodia and also an important part in supporting the growth of the Cambodian national economy. Therefore, I sincerely hope that the staff of Hattha Bank Plc. at all levels will continue to strengthen good relationships with our customers and business partners to increase the superiority of financial services to be simple, easy and fast in order to improve efficient operation and security for customers as well as risk prevention effectively.

- As of September 30, 2021, the key main results achieved by Hattha Bank Plc. include:
- Loan balance was over operational plan by 11.82%
- Deposits exceeded operational plan by 5.54%
- PAR 30+ was at 0.78% which was favorable than operational plan by 0.92%
- Total net income exceeds 58.41% of plan
- We have introduced new products of Hattha Bank Plc., launching cross border remittance service to transfer money from Cambodia to Thailand and piloting FX service in the third quarter as well.

For the fourth quarter, we see that the impact of the COVID-19 epidemic is mild situation and the Royal Government is planning to open key sectors to boost Cambodia's economy, which is a good sign for all financial operators such as Hattha Bank Plc. as well, I therefore encourage the management and staff at all levels to continue pushing our strongest business operations to achieve the set business goals. In addition, we must continue to respect and implement the preventive measures of the Ministry of Health and the Royal Government of Cambodia strictly in order to prevent the spread of COVID-19, especially to protect health and safety together.

Finally, I would like to wish all the management and staff good health, good luck, successful business and harmony in the family with avoiding COVID-19.

Date: 12-Nov-2021

Signature



Ieng Tong HOUT

President & CEO

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PART 1 : General Information of the Listed Entity

A. Identity of the Listed Entity

Name of the Listed Entity in Khmer	ធនាគារ ហត្ថា ម.ក
Name in Latin	Hattha Bank Plc.
Standard Code	KH20000718B4
Address	#606, Street 271, Phum Sansom Kosal 3, Sangkat Boeng Tumpun 1, Khan Mean Chey, Phnom Penh
Phone number	023 994 304
Website	www.hatthabank.com
Email	info@hatthabank.com
Company registration number	00005355 dated on April 03, 2001)
License Number	B-56 issued by National Bank of Cambodia dated on Aug 5, 2020
Disclosure Document registration number	No 165/18គ.ម.ក. dated on November 01, 2018
Representative of the listed entity	Mr. Ieng Tong HOUT

B. Nature of Business

Hattha Bank Plc. is one of the leading banks in Cambodia, which received license from the National Bank of Cambodia and the Ministry of Commerce to conduct its commercial banking operations officially from 26th August 2020. With nearly 30 years of experience in providing financial services to Cambodian people, after its transformation, Hattha Bank Plc. has improved and introduced many financial services, including: Improvement of mobile banking service (named: Hattha Mobile), introduction of interbank transfers, overdraft loan, new deposit products (Current Accounts, HYSAs Deposits), in addition to its existing services such as: loans, deposits, local money transfer, ATM, payroll, fast payment, collection service and insurance referral service.

As of September 2021, Hattha Bank Plc. has total deposit balance over USD 866 million from 284,169 depositors and total loan portfolio over USD 1,524 million serving to its 195,291 borrowers through 177 office locations and 137 ATMs nationwide.

Hattha Bank Plc. is a subsidiary of Bank of Ayudhya Public Company Limited and its group companies (Krungsri) is the fifth largest financial group in Thailand in terms of assets, loans, and deposits, and one of Thailand's five Domestic Systemically Important Banks (D-SIBs) with 76 years

of history in Thailand. Krungsri is a strategic member of the Mitsubishi UFJ Financial Group (MUFG), Japan's largest financial group and one of the world's largest financial organizations.

C. Quarter's Key Event

Fortunately, active COVID-19 cases in the community remain low, and we are really proud of all effort from the ministry of health and government of Cambodia and much appreciated for all our employee's effort, also strong support from our customers, the public and all stakeholders during these pandemic times.

To build our strong growth and as the result from those effort, in quarter 3, 2021, Hattha Bank worked on several key tasks to improve its products feature, including but not limited to: 1- officially launch the Thai and Japanese Office to serve customers investing in Cambodia better, 2- provide on-site account opening which allows customers to open Hattha Bank account even more convenient anywhere as they wish, 3- upgraded to enable Bakong system on Hattha Mobile which allows customers to transfer directly to any bank of Bakong's members and many other functions 4- work with partners to expand the bill payment service to more key sectors and provinces.

In addition, to provide extra benefits to customers and enhance its brand on the market, Hattha Bank also launched and offer many promotions such as: 1- Hattha Mobile cash back promotion for online sellers, gas sellers and those clients whose pay the bill through Hattha Mobile, 2- free special account number which is same to date of birth, phone numbers or any special numbers that easy to remember, 3- offer Hattha Mobile bill payment promotion, 4- offer Hattha Mobile money transfer promotion during Pchum Ben.

With high responsibility to the society in which we are living, Hattha Bank Plc. strongly support Buddhism, the official religion of Cambodia by contributed some budget and assisted to open the pagoda accounts to more than 100 pagodas nationwide to ease customer sharing money from everywhere during this suffering time cause by Covid-19. Furthermore, Hattha Bank actively support to advertise the campaign by CMA (Cambodia Microfinance Association) related to money management and Covid-19 protection by the ministry of health and Cambodia government accordingly.

Hattha Bank Plc. is also ready for its next stage of banking to provide the customers with a better experience through its Hattha Mobile's new UX/UI improvement, and many other innovative financial services to ease customers in assisting their better growth.

PART 2 : Information on Business Operations Performance

A. Business Operation Performance including business segments information

Significant Achievements	Plan	Actual
Loan Product		
Loan Accounts	189,572	195,291
Total Gross Loan Balance (USD 000)	1,363,635	1,524,822
Deposit Product		
Deposit Accounts	286,229	284,169
Total Deposit Balance (USD 000)	820,172	865,637
Other Products		
ATM Card Users	86,098	67,028
Mobile Banking Users	66,264	47,283
Micro Insurance Referral Service (USD)	461,099	196,632
Credit Life Insurance Referral Service (USD)	6,211,412	8,386,195
Other Information		
Number of Branch	177	177
Number of ATM	162	137
Number of Staff	5,923	5,541

B. Revenue Structure

No	Source of Revenue	Q3 2021		Q3 2020		Q3 2019	
		Amount (Million KHR)	Percentage	Amount (Million KHR)	Percentage	Amount (Million KHR)	Percentage
1	Interest Revenue	225,931	95.7	174,976	96.3	149,406	96.1
2	Other Revenues	10,107	4.3	6,643	3.7	6,041	3.9
	Total Revenue	236,038		181,619		155,447	

PART 3 : Financial Statements Reviewed by the External Auditor

Please find the detailed report in the attached appendix.

PART 4 : Management’s Discussion and Analysis (MD&A)

The below discussion and analysis are the discussions on the operational result and financial position while senior management of Hattha Bank Plc. depends on the financial statements ended Sep 30, 2021, which is reviewed by independent auditor as at Sep 30, 2021.

Financial statements of Hattha Bank Plc. are prepared in accordance with Cambodian International Financial Reporting Standards (“CIFRSs”).

Senior management has discussed and analyzed some critical items in financial statements and other significant factors, affecting the net profit of Hattha Bank Plc. only.

A. Overview of operations

Revenue Analysis

Hattha Bank Plc. has two main revenues, which are interest revenue and other revenues.

Interest revenue: the net interest from providing loan to our customers and placement with other banks. This income is monthly recognized.	Other revenues include: insurance referral fee, money transfer fee, other fees, fees from written-off loan, and gain on exchange rate ...etc.
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Interest revenue is the main income for Hattha Bank Plc., standing for 95.7% of the total revenues.

B. Significant Factors affecting profit

For the period ended Sep 30, 2021, senior management of Hattha Bank Plc. found that the impact on the business from Covid-19 outbreak has been reduced during this quarter, leading higher net profit than the previous quarter. In addition to this, Hattha Bank Plc. has applied the own model on Expected Credit Loss (ECL).

C. Material changes in sales and revenue

For the period ended Sep 30, 2021, senior management of Hattha Bank Plc. found that sale or revenue has been increased amid of Covid-19 outbreak.

D. Impact of foreign exchange, interest rates and commodity prices

Hattha Bank Plc. records its own book by using USD as the functional currency. All business transactions in KHR and THB shall be translated to functional currency by using exchange rate at the transaction date. Gain or loss causing from such transactions, translating from assets and liabilities in foreign currency shall be recorded in the statement of profit or loss and other comprehensive income.

E. Impact of inflation

Hattha Bank Plc. has not changed interest rate based on the change in inflation rate, hence the interest rate is changed according to the real situation of the market competition by maintaining the sustainability.

F. Economic/ fiscal/ monetary policy of Royal Government

Within this 3rd quarter, 2021, the Royal Government of Cambodia has still kept carrying out its key existing measures to sustain national economic growth such as continuously implementing financial support to suspended workers including garment/textile/footwear and tourism, and also households with ID Poor cards mainly in response to mitigating the negative impact of COVID-19 pandemics. Other related policies are included as follows:

On 19th September 2021, the National Bank of Cambodia decided in its Monetary Policy Committee meeting to: (i) continue to maintain exchange rate stability via its exchange market intervention; (ii) provide riel liquidity via Liquidity-Providing Collateralized Operation facilities according to riel exchange rate and liquidity conditions; and (iii) maintain the reserve requirement ratio at 7 percent for both riel and U.S. dollar deposits and borrowings as necessary.

More relevantly, Cambodia decides to extend all the previous programs to continue to support people and business affected by COVID-19 as well as the economy. The purposes are to help support society/economy and prevent the large-scale community transmission; extend all the existing support programs; help support businesses to adapt with the “new normal” situation; and extend the financial support programs to help the poor and affected individual.

Signature of HATTHA BANK PLC.’s Board of Director

Date: 12-Nov-2021
Read and Approved

Mr. Hay LONH
Independent Director

Date: 12-Nov-2021
Read and Approved

Dr. Davuth DY
Independent Director



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Hattha Bank

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