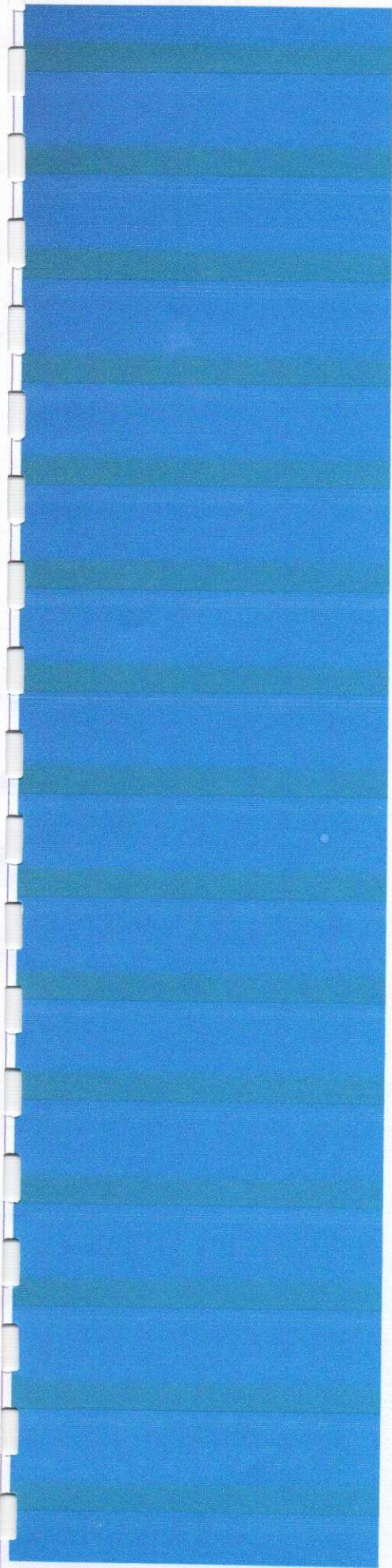




Reviewed Financial Statements

for New Kabul Bank

(For the period ended September 30, 2019)

MGI ILYAS SAEED CHARTERED ACCOUNTANTS

Contact: Muhammad Abdul Basit

Cell: +93 780 780 786

Email: basit@ilyassaeedca.com

Date: October 31, 2019

INDEPENDENT REVIEW REPORT TO SHAREHOLDERS

Introduction

We have reviewed the accompanying Statement of Condensed Interim Financial Position of **New Kabul Bank** ("the bank") as of **September 30, 2019**, and the related Statement of Condensed Interim Comprehensive Income, Statement of Condensed Interim Changes in Equity and Statement of Condensed Interim Cash Flows for the nine month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of this interim financial statement in accordance with International Financial Reporting Standards (IFRSs), the requirements of the Law of Banking in Afghanistan and directives issued by the Da Afghanistan Bank (DAB). Our responsibility is to express a conclusion on this interim financial statement based on our review.

Scope of Review

We conducted our review in accordance with International Standards on Review Engagements (ISRE) 2410, "Review of interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statement 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 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 cause to believe that accompanying interim financial statement does not give a true and fair view of the condensed interim financial position of the bank as at September 30, 2019, and of its condensed interim financial performance and its condensed interim cash flows for the nine month period then ended in accordance with International Financial Reporting Standards (IFRSs), the requirements of the Law of Banking in Afghanistan and the directives issued by Da Afghanistan Bank (DAB) rules and regulations.



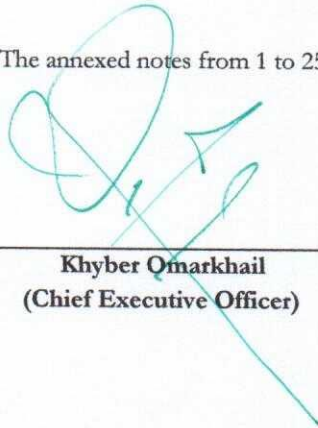
Irfan Khalid – ACCA
Engagement Partner
Ilyas Saeed Chartered Accountants
Kabul, Afghanistan
Date:

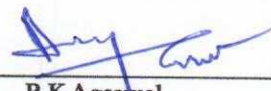


NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2019

Unaudited	Audited		Unaudited	Audited
30-Sep-19	31-Dec-2018	Note	30-Sep-19	31-Dec-2018
..... USD			 AFN	
ASSETS				
98,138,420	124,819,773	6	7,680,312,755	9,402,673,525
101,089,889	114,520,914	7	7,911,294,749	8,626,860,443
35,000,000	30,000,000	8	2,739,100,000	2,259,900,000
458,177	522,262	9	35,856,904	39,342,022
-	-	10	-	-
14,176,311	12,448,469	11	1,109,438,122	937,743,163
248,862,797	282,311,418		19,476,002,530	21,266,519,153
Total assets				
EQUITY AND LIABILITIES				
EQUITY				
14,353,380	14,353,380	12	1,000,000,000	1,000,000,000
49,073,692	49,073,692		3,238,831,229	3,238,831,229
(40,636,499)	(42,304,434)		(2,655,926,974)	(2,786,459,574)
(2,564,349)	(1,842,516)		-	-
20,226,224	19,280,122		1,582,904,255	1,452,371,655
Total equity				
LIABILITIES				
212,717,256	253,757,756	13	16,647,252,493	19,115,571,743
15,919,317	9,273,540	14	1,245,845,782	698,575,755
228,636,573	263,031,296		17,893,098,275	19,814,147,498
Total liabilities				
248,862,797	282,311,418		19,476,002,530	21,266,519,153
Total equity and liabilities				
Contingencies and commitments				
		15		

The annexed notes from 1 to 25 form an integral part of these condensed financial statements.


Khyber Omarkhail
(Chief Executive Officer)


P.K Agrawal
(Chief Finance Officer)

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019

Nine months ended 30-Sep-19	Quarter ended 30-Sep-19	Nine months ended 30-Sep-18	Quarter ended 30-Sep-18	USD	
				30-Sep-19	30-Sep-18
942,392	332,695	353,700	172,886	Interest income	
(105)	-	-	-	Interest expense	
942,287	332,695	353,700	172,886	Net interest income	
10,423,183	3,691,778	11,579,270	3,942,633	Fee and commission income	
(75,493)	(21,170)	(189,435)	(66,540)	Fee and commission expense	
10,347,690	3,670,608	11,389,835	3,876,093	Net fee and commission income	
1,418,199	370,957	1,555,862	527,041	Other operating income	
12,708,176	4,374,260	13,299,397	4,576,020	Net operating income	
(5,335,920)	(1,754,413)	(5,578,799)	(1,866,298)	Employee benefit expense	
(95,093)	(30,712)	(110,333)	(36,384)	Depreciation expense	
(19,297)	(50,972)	(73,807)	1,593	Provision against other assets	
14,216	14,558	(26,709)	13,503	Provision / (Reversal) against bank guarantees	
(5,186,893)	(1,734,918)	(5,243,512)	(1,827,858)	Other expenses	
(10,622,987)	(3,556,457)	(11,033,160)	(3,715,444)	Operating expenses	
2,085,190	817,803	2,266,237	860,576	Profit before tax	
(417,255)	(163,526)	(446,435)	(184,464)	Taxation	
1,667,935	654,277	1,819,802	676,112	Profit for the period	
-	-	-	-	Other comprehensive income	
1,667,935	654,277	1,819,802	676,112	Total Comprehensive income for the period	
130,532,600	51,203,674	137,668,133	51,147,881		
163,186,956	64,001,207	171,440,933	65,102,551		
(32,654,356)	(12,797,533)	(33,772,800)	(13,954,670)		
130,532,600	51,203,674	137,668,133	51,147,881		

The annexed notes from 1 to 25 form an integral part of these condensed financial statements.

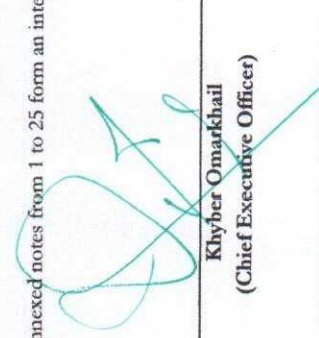
Khyber Omairkhal
(Chief Executive Officer)

P.K Agrawal
(Chief Finance Officer)

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019

Share capital	Reserve from MoF	Accumulated Profit/(loss)	Total		Share capital	Reserve from MoF	Accumulated Profit/(loss)	Total
				USD			AFN	
14,353,380	49,073,692	(45,394,659)	18,032,413	Balance as at January 01, 2018	1,000,000,000	3,238,831,229	(3,019,246,219)	1,219,585,010
-	-	1,827,534	1,827,534	- Total comprehensive income for the nine months ended September 30, 2018	-	-	137,668,133	137,668,133
-	-	1,262,691	1,262,691	Profit after taxation for the nine months period ended 30 September 2018	-	-	95,118,512	95,118,512
-	-	1,262,691	1,262,691	- Change in equity for three months period ended December 31, 2018	-	-	95,118,512	95,118,512
14,353,380	49,073,692	(42,304,434)	21,122,638	Balance as at December 31, 2018	1,000,000,000	3,238,831,229	(2,786,459,574)	1,452,371,655
14,353,380	49,073,692	(42,304,434)	21,122,638	Balance as at January 01, 2019	1,000,000,000	3,238,831,229	(2,786,459,574)	1,452,371,655
-	-	1,667,935	1,667,935	- Total comprehensive income for the nine month ended September 30, 2019	-	-	130,532,600	130,532,600
-	-	1,667,935	1,667,935	Profit after taxation for the nine months period ended 30 September 2019	-	-	130,532,600	130,532,600
14,353,380	49,073,692	(40,636,499)	22,790,573	Balance as at September 30, 2019	1,000,000,000	3,238,831,229	(2,655,926,974)	1,582,904,255

The annexed notes from 1 to 25 form an integral part of these condensed financial statements.


Khyber Omarkhail
 (Chief Executive Officer)

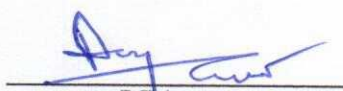

P.K. Agrawal
 (Chief Finance Officer)

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2019

30-Sep-19	30-Sep-18		Note	30-Sep-19	30-Sep-18
..... USD				 AFN	
CASH FLOWS FROM OPERATING ACTIVITIES					
2,085,190	2,266,238	Profit before tax		163,186,956	171,440,933
95,093	110,333	Adjustments for:		7,441,981	8,346,671
2,180,283	2,376,571	Depreciation		170,628,937	179,787,604
Increase/decrease in current assets and liabilities					
(2,473,003)	2,999,874	Other assets		(193,537,234)	226,940,484
(31,539,985)	(63,279,625)	Deposits from customers		(2,468,319,250)	(4,787,103,626)
2,564,118	-	Bank deposits		200,667,868	-
6,992,972	(602,807)	Other liabilities		547,270,027	(45,602,352)
(22,275,615)	(58,505,987)			(1,743,289,652)	(4,425,977,890)
(138,156)	(71,471)	Advance tax paid		(10,812,081)	(5,406,770)
(22,413,771)	(58,577,458)	Net cash (used in) operating activities		(1,754,101,733)	(4,431,384,660)
CASH FLOWS FROM INVESTING ACTIVITIES					
(50,560)	(138,697)	Investment in operating fixed assets		(3,956,863)	(10,492,415)
9,143,441	(40,394,316)	Investment in capital notes - net		715,565,694	(3,055,829,988)
(6,123,179)	(30,000,000)	Placement		(479,200,000)	(2,269,500,000)
2,969,702	(70,533,013)	Net cash (used in)/ generated from investing activities		232,408,831	(5,335,822,403)
-	-	CASH FLOWS FROM FINANCING ACTIVITIES		-	-
(19,444,069)	(129,110,471)	Net decrease in cash and cash equivalents		(1,521,692,902)	(9,767,207,063)
100,191,537	209,432,556	Cash and cash equivalents at beginning of the period		7,840,989,718	15,843,572,784
-	-	Effect of exchange differences		-	-
80,747,468	80,322,085	Cash and cash equivalents at end of the period	23	6,319,296,816	6,076,365,721

The annexed notes from 1 to 25 form an integral part of these condensed financial statements.


Khyber Omarkhail
(Chief Executive Officer)


P.K. Agrawal
(Chief Finance Officer)