



INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of New Kabul Bank ("the Bank") as at March 31, 2023 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and the notes to the condensed interim financial statements for the three months then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with the International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), the requirements of the Law of Banking in Afghanistan and directives issued by Da Afghanistan Bank. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements 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 causes us to believe that the accompanying condensed interim financial statements do not give a true and fair view of the financial position of the Bank as at March 31, 2023, and of its financial performance and its cash flows for the three months period then ended in accordance International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and the requirements of the Law of Banking in Afghanistan and directives issued by the Da Afghanistan Bank.

UHY Shafiq Umar Daraz & Co.

Chartered Accountants

Engagement Partner: Muhammad Shafiq

Location: Kabul, Afghanistan

Date: 14 May 2023



NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		Unaudited 31-Mar-23	Audited 31-Dec-22
Note	 AFN	
ASSETS			
	5	10,983,105,543	10,346,550,068
	6	75,458,018	75,908,696
	7	-	-
	8	762,197,303	1,397,361,206
		<u>11,820,760,864</u>	<u>11,819,819,970</u>
EQUITY AND LIABILITIES			
EQUITY			
	9	1,000,000,000	1,000,000,000
		3,238,831,229	3,238,831,229
		(2,151,001,479)	(2,152,629,079)
	10	25,825,329	25,878,621
		<u>2,113,655,079</u>	<u>2,112,080,771</u>
LIABILITIES			
	11	8,930,778,299	8,295,724,543
	12	2,756,736	3,170,246
		6,456,332	6,469,655
	13	767,114,418	1,402,374,755
		<u>9,707,105,785</u>	<u>9,707,739,199</u>
		<u>11,820,760,864</u>	<u>11,819,819,970</u>
CONTINGENCIES AND COMMITMENTS			
	14		

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Chief Executive Officer

044

Chairman (BoS)

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPRHENSIVE INCOME (UNAUDITED)
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2023

		Three months ended 31 March 2023	Three months ended 31 March 2022
	Note AFN	
Interest income		84,143	19,810
Fee and commission income	15	226,704,071	196,453,781
Fee and commission expense		(719,242)	(756,476)
Net fee and commission income		225,984,829	195,697,305
Other operating income	16	31,530,030	17,924,040
Amortization of deferred grant	12	413,510	508,535
Foreign exchange loss		(97,324,664)	(76,239,940)
		(65,381,124)	(57,807,365)
Net operating income		160,687,848	137,909,750
Employee benefit expense	17	(96,204,308)	(97,587,257)
Depreciation expense		(13,078,747)	(5,837,230)
(Recovery) / charge against other assets	8.3	5,610,320	(3,314,178)
Other expenses	18	(55,126,143)	(74,875,465)
Operating expenses		(158,798,878)	(181,614,130)
Profit / (loss) before income tax		1,888,970	(43,704,380)
Taxation	19	(261,370)	-
Profit / (loss) for the period		1,627,600	(43,704,380)
Reversal of revaluation of disposed off fixed assets		(66,615)	-
Income tax related to the above item		13,323	-
Total comprehensive income		1,574,308	(43,704,380)
Earnings per share (EPS)		1.63	(43.70)

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Chief Financial Officer

Chief Executive Officer

Chairman (BoS)

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2023

	Share Capital	Reserve from MoF	Accumulated losses	Surplus on Revaluation of Fixed Assets	Total
Balance as at January 01, 2022	1,000,000,000	3,238,831,229	(2,159,214,986)	25,878,621	2,105,494,864
Total comprehensive income for three months ended March 31, 2022					
Profit for the period	-	-	(43,704,380)	-	(43,704,380)
Other comprehensive income	-	-	-	-	-
Change in equity for nine months period ended December 31, 2022			(43,704,380)	-	(43,704,380)
Profit for the period	-	-	50,290,287	-	50,290,287
Other comprehensive income	-	-	-	-	-
Balance as at December 31, 2022	1,000,000,000	3,238,831,229	(2,152,629,079)	25,878,621	2,112,080,771
Total comprehensive income for three months ended March 31, 2023					
Profit for the period	-	-	1,627,600	(53,292)	1,627,600
Other comprehensive income	-	-	-	(53,292)	(53,292)
Balance as at March 31, 2023	1,000,000,000	3,238,831,229	(2,151,001,479)	25,825,329	2,113,655,079

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Chief Executive Officer


Chairman (BoS)

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THREE MONTHS PERIOD ENDED MARCH 31, 2023

		Three months ended 31 March 2023	Three months ended 31 March 2022
	Note AFN	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before income tax		1,888,970	(43,704,380)
Adjustments for:			
Depreciation	6.2	13,078,747	5,837,230
Amortization of deferred grant	12	(413,510)	(508,535)
(Recovery) / charge against other assets	8.3	(5,610,320)	3,314,178
		8,943,887	(35,061,507)
Working capital changes			
Other assets	8	640,524,862	(321,183,461)
Required reserves held with DAB	5.1	(313,788,254)	20,566,605
Deposits from customers	11	635,053,756	80,398,809
Other liabilities	13	(635,260,337)	(23,613,745)
		335,473,914	(278,893,299)
Income tax paid		(12,009)	(24,072)
Net Cash generated from / (used in) operating activities		335,461,905	(278,917,371)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in operating fixed assets	6	(12,694,684)	(158,240)
Investment in DAB capital notes		-	970,825,034
Net cash (used in) / generated from investing activities		(12,694,684)	970,666,794
Net increase in cash and cash equivalents		322,767,221	691,749,423
cash and cash equivalents at beginning of the period		9,909,123,446	6,446,522,959
Cash and Cash equivalents at end of the period	5.3	10,231,890,667	7,138,272,382

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Chief Financial Officer

Chief Executive Officer

Chairman (BoS)