

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 September 30, 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 notes to the condensed interim financial statements for the nine months period 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, 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 September 30, 2023, and of its financial performance and its cash flows for the nine months period then ended in accordance International Accounting Standard (IAS) 34, Interim Financial Reporting, 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 November 2023



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UHY Shafiq Umar Daraz & Co.
Chartered Accountants

Engagement Partner: Muhammad Shafiq
Location: Kabul, Afghanistan
Date: 14 November 2023



NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

		Un-audited 30-Sep-2023	Audited 31-Dec-2022
	Note AFN	
ASSETS			
Cash and cash equivalents	5	15,592,430,157	10,346,550,068
Property, plant and equipment	6	70,440,049	75,908,696
Intangible assets	7	-	-
Other assets	8	696,148,517	1,397,361,206
Total assets		16,359,018,723	11,819,819,970
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	1,000,000,000	1,000,000,000
Reserve from MoF		3,238,831,229	3,238,831,229
Reserve from MoF (II)	10	303,087,520	-
Accumulated losses		(2,127,469,624)	(2,152,629,079)
Revaluation surplus	11	25,237,085	25,878,621
Total equity		2,439,686,210	2,112,080,771
LIABILITIES			
Deposits from customers	12	13,015,339,636	8,295,724,543
Deferred grant	13	1,929,716	3,170,246
Deferred tax	11	6,309,271	6,469,655
Other liabilities	14	895,753,890	1,402,374,755
Total liabilities		13,919,332,513	9,707,739,199
Total equity and liabilities		16,359,018,723	11,819,819,970

Contingencies and Commitments

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

UHY.

Chief Financial Officer

Chief Executive Officer

Chairman (BoS)

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

		Nine months ended 30-Sep-23	Nine months ended 30-Sep-22	Quarter ended 30-Sep-23	Quarter ended 30-Sep-22
Note AFN				
Interest income		250,693	54,350	78,623	17,465
Interest expense		-	-	-	-
Net interest income	16	250,693	54,350	78,623	17,465
Fee and commission income		631,238,902	500,632,666	215,733,581	165,690,476
Fee and commission expense		(1,834,494)	(857,309)	(734,178)	(147,480)
Net fee and commission income	17	629,404,408	499,775,357	214,999,403	165,542,996
Other operating income	18	118,254,223	62,611,486	46,846,635	25,660,997
Amortization of deferred grant	13	1,240,530	1,525,605	413,510.00	508,535
Foreign exchange (loss) / gain		(202,141,499)	(74,880,544)	(102,289,053)	2,569,209
		(82,646,746)	(10,743,453)	(55,028,908)	28,738,741
Net operating income		547,008,355	489,086,254	160,049,118	194,299,202
Employee benefit expense	19	(290,969,965)	(262,234,332)	(97,258,021)	(79,948,849)
Depreciation expense	6.2	(38,541,207)	(15,229,571)	(13,617,573)	(3,501,176)
Provision against other assets	8	(487,578)	(5,410,814)	(6,732,860)	(1,221,650)
Other expenses	20	(185,596,168)	(228,031,841)	(61,328,110)	(79,989,385)
Operating expenses		(515,594,918)	(510,906,558)	(178,936,564)	(164,661,060)
Profit / (loss) before tax		31,413,437	(21,820,304)	(18,887,446)	29,638,142
Taxation	21	(6,253,982)	-	3,383,173	-
Profit / (loss) for the period		25,159,455	(21,820,304)	(15,504,273)	29,638,142
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Revaluation surplus adjustment	11	(801,920)	-	-	-
Deferred tax adjustment	11	160,384	-	-	-
Total Comprehensive income for the period		24,517,919	(21,820,304)	(15,504,273)	29,638,142

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

UHY.


Chief Financial Officer


Chief Executive Officer

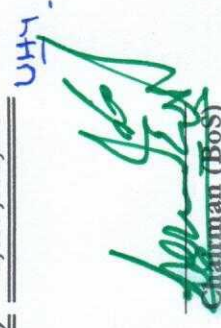

Chairman/Board

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

	Share Capital	Reserve from MoF	Reserve from MoF (II)	Surplus on Revaluation (Fixed Assets)	Accumulated losses	Total
Balance as at January 01, 2022	1,000,000,000	3,238,831,229	-	25,878,621	(2,159,214,986)	2,105,494,864
Total comprehensive income for the nine-month period ended September 30, 2022				AFN		
Profit for the period	-	-	-	-	(21,820,304)	(21,820,304)
Other comprehensive income	-	-	-	-	(21,820,304)	(21,820,304)
As at September 30, 2022 (Un-audited)	1,000,000,000	3,238,831,229	-	25,878,621	(2,181,035,290)	2,083,674,560
Change in equity for three-month period ended December 31, 2022						
Profit for the period	-	-	-	-	28,406,211	28,406,211
Other comprehensive income	-	-	-	-	28,406,211	28,406,211
Balance as at Dec 31, 2022 - Audited	1,000,000,000	3,238,831,229	-	25,878,621	(2,152,629,079)	2,112,080,771
Balance as at January 01, 2023	1,000,000,000	3,238,831,229	-	25,878,621	(2,152,629,079)	2,112,080,771
Total comprehensive income for the nine-month period ended September 30, 2023						
Profit for the period	-	-	-	-	25,159,455	25,159,455
Transferred from liabilities	-	-	303,087,520	-	-	303,087,520
Other comprehensive income	-	-	-	(641,536)	-	(641,536)
As at September 30, 2023 (Un-audited)	1,000,000,000	3,238,831,229	303,087,520	(641,536)	25,159,455	327,605,439
			303,087,520	25,237,085	(2,127,469,624)	2,439,686,210

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


Chief Financial Officer


Chairman (BoS)

Chief Executive Officer

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023

		30-Sep-23	31-Dec-2022
	Note AFN	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before tax		31,413,437	(21,820,304)
Adjustments for:			
Amortization of deferred grant	13	(1,240,530)	(1,525,605)
Depreciation expense		38,541,207	15,229,571
Provision against other assets	8.3	487,578	5,410,814
Adjustment for exchange loss		202,141,499	74,880,544
		271,343,191	72,175,020
Working capital changes:			
Other assets	8	694,526,992	(538,579,134)
Deposits from customers	12	4,719,615,093	(209,404,801)
Required reserves with Da Afghanistan Bank	5.1	(531,372,704)	347,220,987
Other liabilities	14	(203,533,345)	343,455,010
		4,950,579,227	14,867,082
Taxes paid		(216,247)	(212,083)
Net cash generated from operating activities		4,950,362,980	14,654,999
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in operating fixed assets	6.2	(33,714,096)	(2,539,340)
Investment in Capital Notes - net		-	4,178,017,555
Net cash (used in)/ generated from investing activities		(33,714,096)	4,175,478,215
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in cash and cash equivalents		4,916,648,884	4,190,133,214
Cash and cash equivalents at beginning of the period	5.3	9,909,123,446	6,446,522,959
Effect of exchange rate differences		(202,141,499)	(74,880,544)
Cash and cash equivalents at end of the period	5.3	14,623,630,831	10,561,775,629

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UHY.

Chief Financial Officer

Chief Executive Officer

Chairman (BoS)