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## REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

To the shareholders of New Kabul Bank

### *Introduction*

We have reviewed the accompanying statement of condensed interim financial position of **New Kabul Bank** ("the bank") as of **June 30, 2024**, 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 Six-months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these interim financial information in accordance with International Accounting Standards (IAS) 34 "Interim Financial Reporting", 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 information based on our review.

### *Scope of Review*

We conducted our review in accordance with the 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 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 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 information does not give a true and fair view of the financial position of the bank as at June 30, 2024, and of its financial performance and its cash flows for the Six-months period then ended in accordance with International Accounting Standards (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 (DAB) rules and regulations.

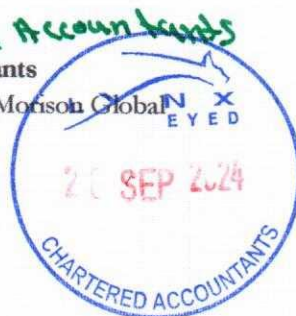
Lynx Eyed Chartered Accountants

Lynx Eyed Chartered Accountants

An independent member firm of Morrison Global

Kabul

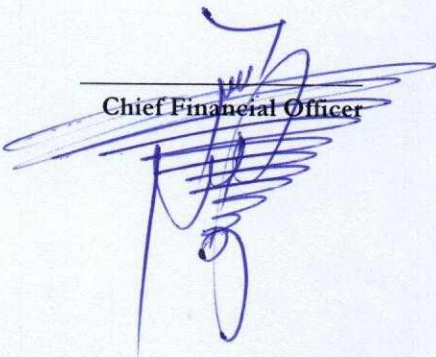
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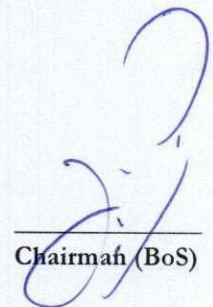
**NEW KABUL BANK**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION - UNAUDITED**  
**AS AT JUNE 30, 2024**

		Unaudited 30-Jun-24	Audited 31-Dec-2023
	Note	..... AFN .....	
<b>ASSETS</b>			
Cash and bank balances	5	14,299,571,309	13,333,068,660
Property and equipment	6	92,686,638	95,300,754
Intangible assets	7	-	-
Other assets	8	1,738,598,211	1,714,132,880
<b>Total assets</b>		<u>16,130,856,158</u>	<u>15,142,502,294</u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	9	1,000,000,000	1,000,000,000
Reserves from MoF		3,541,918,749	3,541,918,749
Accumulated losses		(1,931,471,447)	(2,080,028,566)
Revaluation surplus	10	24,096,290	24,112,963
<b>Total equity</b>		<u>2,634,543,592</u>	<u>2,486,003,146</u>
<b>LIABILITIES</b>			
Deposits from customers	11	12,353,120,396	11,907,217,584
Deferred grant	12	689,185	1,516,205
Deferred tax liability	10	6,024,073	6,028,241
Other liabilities	13	1,136,478,912	741,737,118
<b>Total liabilities</b>		<u>13,496,312,566</u>	<u>12,656,499,148</u>
<b>Total equity and liabilities</b>		<u>16,130,856,158</u>	<u>15,142,502,294</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes from 1 to 24 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 COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2024

		Six months ended 30-Jun-24	Six months ended 30-Jun-23	Three months ended 30-Jun-24	Three months ended 30-Jun-23
	Note	..... AFN .....			
Interest income		85,223	172,070	-	87,927
Interest expense		-	-	-	-
<b>Net interest income</b>	15	<b>85,223</b>	<b>172,070</b>	<b>-</b>	<b>87,927</b>
Fee and commission income		464,929,374	415,505,321	217,646,359	188,801,250
Fee and commission expense		(653,891)	(1,100,316)	(315,445)	(381,074)
<b>Net fee and commission income</b>	16	<b>464,275,483</b>	<b>414,405,005</b>	<b>217,330,914</b>	<b>188,420,176</b>
Other operating income	17	71,573,158	71,407,588	34,522,356	39,877,558
Amortization of deferred grant	12	827,020	827,020	413,510	413,510
Foreign exchange loss		7,258,705	(99,852,446)	(7,091,511)	(2,527,782)
<b>Net operating income</b>		<b>544,019,589</b>	<b>386,959,237</b>	<b>245,175,269</b>	<b>226,271,389</b>
Employee benefit expense	18	(211,684,034)	(193,711,944)	(111,798,249)	(97,507,636)
Depreciation expense	6	(5,426,604)	(5,601,486)	(2,798,129)	(2,857,226)
Recovery /(charge) against other assets	8.2	(671,856)	6,245,282	(599,614)	634,962
Finance Cost On Lease Liability		(1,774,008)	(1,496,349)	(802,273)	(975,898)
Rent Expenses		(21,358,721)	(19,322,147)	(10,680,020)	(8,987,660)
Other expenses	19	(117,654,724)	(122,771,711)	(59,351,066)	(68,166,019)
<b>Operating expenses</b>		<b>(358,569,947)</b>	<b>(336,658,356)</b>	<b>(186,029,351)</b>	<b>(177,859,478)</b>
<b>Profit before tax</b>		<b>185,449,642</b>	<b>50,300,881</b>	<b>59,145,918</b>	<b>48,411,911</b>
Taxation	20	(36,892,523)	(9,637,155)	(11,950,746)	(9,375,785)
<b>Profit for the period</b>		<b>148,557,119</b>	<b>40,663,726</b>	<b>47,195,172</b>	<b>39,036,126</b>
<b>Other comprehensive income</b>					
Revaluation surplus adjustment	10	(20,841)	(801,920)	-	-
Deferred tax adjustment	10	4,168	160,384	-	-
<b>Total comprehensive income</b>		<b>148,540,446</b>	<b>40,022,190</b>	<b>47,195,172</b>	<b>39,036,126</b>
Earnings per share		148.56	40.66	47.20	39.04

The annexed notes from 1 to 24 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 CHANGES IN EQUITY (UNAUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2024**

	Share capital	Reserve from MoF	Accumulated losses	Surplus on Revaluation of Fixed Assets	Total
Balance as at January 01, 2023	1,000,000,000	3,238,831,229	(2,152,629,079)	25,878,621	2,112,080,771
Total comprehensive income for the half year ended June 30, 2023					
Profit for the period	-	-	40,663,726	-	40,663,726
Additional Reserve Transferred from liabilities	-	303,087,520	-	-	303,087,520
Other comprehensive income	-	-	-	(641,536)	(641,536)
	-	303,087,520	40,663,726	(641,536)	343,109,710
Change in equity for nine months period ended December 31, 2023					
Profit for the period	-	-	31,936,787	-	31,936,787
Other comprehensive income	-	-	-	(1,124,122)	(1,124,122)
	-	-	31,936,787	(1,124,122)	30,812,665
Balance as at December 31, 2023	1,000,000,000	3,541,918,749	(2,080,028,566)	24,112,963	2,486,003,146
Balance as at January 01, 2024	1,000,000,000	3,541,918,749	-	24,112,963	2,486,003,146
Total comprehensive income for the half year ended June 30, 2024					
Profit for the period	-	-	148,557,119	-	148,557,119
Other comprehensive income	-	-	-	(16,673)	(16,673)
Balance as at June 30, 2024	1,000,000,000	3,541,918,749	(1,931,471,447)	24,096,290	2,634,543,592

The annexed notes from 1 to 24 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 THE HALF YEAR ENDED JUNE 30, 2024**

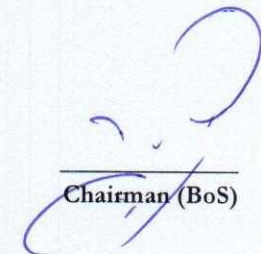
	Note	30-Jun-24	30-Jun-23
		AFN	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		185,449,642	50,300,881
<b>Adjustments for:</b>			
Depreciation expense	6.2	5,426,604	24,923,634
Amortization of deferred grant	12	(827,020)	(827,020)
Charge against other assets	8.2	671,856	(6,245,282)
		<u>190,721,082</u>	<u>68,152,213</u>
<b>Working capital changes:</b>			
Other assets	8	(95,698,975)	653,530,443
Required reserves with DAB	5.1	33,695,125	(232,632,330)
Deposits from customers	11	445,902,812	1,732,573,099
Other liabilities	13	394,741,794	(72,412,378)
		<u>969,361,838</u>	<u>2,149,211,047</u>
Advance tax paid		(25,860)	(40,945)
<b>Net cash generated from operating activities</b>		<u>969,335,978</u>	<u>2,149,170,102</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Additions in property & equipment	6.2	(2,833,329)	(32,385,242)
<b>Net cash (used in)/ generated from investing activities</b>		<u>(2,833,329)</u>	<u>(32,385,242)</u>
Net increase in cash and cash equivalents		966,502,649	2,116,784,860
Cash and cash equivalents at beginning of the period		13,333,068,660	9,909,123,446
<b>Cash and cash equivalents at end of the period</b>	5	<u>14,299,571,309</u>	<u>12,025,908,306</u>

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 Chairman (BoS)