

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 **September 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 Nine-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 September 30, 2024, and of its financial performance and its cash flows for the Nine-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

Date: **16-November-2024**



NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2024

		Un-audited 30-Sep-2024	Audited 31-Dec-2023
	Note AFN	
ASSETS			
Cash and cash equivalents	5	15,429,820,105	13,333,068,660
Property, plant and equipment	6	94,933,648	95,300,754
Intangible assets	7	-	-
Other assets	8	1,685,253,746	1,714,132,880
Total assets		17,210,007,499	15,142,502,294
EQUITY AND LIABILITIES			
EQUITY			
Share capital	9	1,000,000,000	1,000,000,000
Reserve from MoF		3,541,918,749	3,541,918,749
Accumulated losses		(1,887,382,802)	(2,080,028,566)
Revaluation surplus	10	23,355,164	24,112,963
Total equity		2,677,891,111	2,486,003,146
LIABILITIES			
Deposits from customers	11	13,887,776,348	11,907,217,584
Deferred grant	12	275,675	1,516,205
Deferred tax	10	5,838,791	6,028,241
Other liabilities	13	638,225,574	741,737,118
Total liabilities		14,532,116,388	12,656,499,148
Total equity and liabilities		17,210,007,499	15,142,502,294

Contingencies and Commitments

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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 (UN-AUDITED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

		Nine months ended 30-Sep-24	Nine months ended 30-Sep-23	Quarter ended 30-Sep-24	Quarter ended 30-Sep-23
Note		AFN			
		248,025	250,693	162,802	78,623
Interest income		-	-	-	-
Interest expense		248,025	250,693	162,802	78,623
Net interest income	15				
Fee and commission income		709,930,780	631,238,902	245,001,406	215,733,581
Fee and commission expense		(965,727)	(1,834,494)	(311,836)	(734,178)
Net fee and commission income	16	708,965,053	629,404,408	244,689,570	214,999,403
Other operating income	17	88,668,464	118,254,223	17,095,306	46,846,635
Amortization of deferred grant	12	1,240,530	1,240,530	413,510	413,510
Foreign exchange loss		(12,079,187)	(202,141,499)	(19,337,892)	(102,289,053)
		77,829,807	(82,646,746)	(1,829,076)	(55,028,908)
Net operating income		787,042,885	547,008,355	243,023,296	160,049,118
Employee benefit expense	18	(320,108,288)	(290,969,965)	(108,424,254)	(97,258,021)
Depreciation expense	6.2	(8,609,478)	(8,719,691)	(3,182,874)	(3,118,205)
Recovery/ (Charge) against other assets	8	226,848	(487,578)	898,704	(6,732,860)
Finance Cost On Lease Liability		(2,537,469)	(2,140,905)	(763,461)	(644,556)
Rent Expenses		(32,149,280)	(29,821,516)	(10,790,559)	(10,499,369)
Other expenses	19	(182,857,251)	(183,455,263)	(65,202,527)	(60,683,554)
Operating expenses		(546,034,918)	(515,594,918)	(187,464,971)	(178,936,564)
Profit / (loss) before tax		241,007,967	31,413,437	55,558,325	(18,887,446)
Taxation	20	(48,362,203)	(6,253,982)	(11,469,680)	3,383,173
Profit / (loss) for the period		192,645,764	25,159,455	44,088,645	(15,504,273)
Other comprehensive income					
Items that will not be reclassified to profit or loss:					
Revaluation surplus adjustment	10	(947,249)	(801,920)	-	-
Deferred tax adjustment	10	189,450	160,384	-	-
Total Comprehensive income for the period		191,887,965	24,517,919	44,088,645	(15,504,273)

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
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

	Share Capital	Reserve from MoF	Surplus on Revaluation (Fixed Assets)	Accumulated losses	Total
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			AFN		
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)	-	303,087,520	(641,536)	25,159,455	327,605,439
Change in equity for three-month period ended December 31, 2023	1,000,000,000	3,541,918,749	25,237,085	(2,127,469,624)	2,439,686,210
Profit for the period	-	-	-	47,441,058	47,441,058
Other comprehensive income	-	-	(1,124,122)	-	(1,124,122)
Balance as at Dec 31, 2023 - Audited	-	-	(1,124,122)	47,441,058	46,316,936
Balance as at January 01, 2024	1,000,000,000	3,541,918,749	24,112,963	(2,080,028,566)	2,486,003,146
Total comprehensive income for the nine-month period ended September 30, 2024	1,000,000,000	3,541,918,749	24,112,963	(2,080,028,566)	2,486,003,146
Profit for the period	-	-	-	192,645,764	192,645,764
Other comprehensive income	-	-	(757,799)	-	(757,799)
As at September 30, 2024 (Un-audited)	-	-	(757,799)	192,645,764	191,887,965
As at September 30, 2024 (Un-audited)	1,000,000,000	3,541,918,749	23,355,164	(1,887,382,802)	2,677,891,111

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.


Chief Financial Officer


Chief Executive Officer

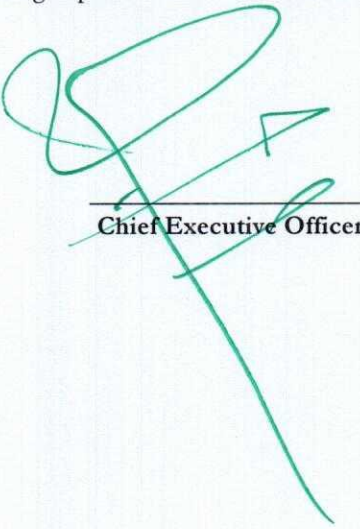

Chairman (BoS)

NEW KABUL BANK
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2024

	Note	30-Sep-2024 AFN	31-Dec-2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		241,007,967	90,750,641
Adjustments for:			
Depreciation expense		8,609,478	11,834,028
Depreciation on right of use assets		32,149,280	40,165,448
Amortization of deferred grant	12	(1,240,530)	(1,654,041)
Gain on sale of fixed assets		(2,600,334)	(4,034,360)
Charge/(re-integration) for the period	8.2	226,848	323,707
Adjustment for exchange loss		12,079,187	276,040,179
		290,231,896	413,425,602
Working capital changes:			
Other assets	8	(19,669,625)	102,256,529
Deposits from customers	11	1,980,558,764	3,424,574,087
Other liabilities	13	(103,511,544)	(170,631,163)
		2,147,609,491	3,769,625,055
Taxes paid		(235,642)	(75,416)
Net cash generated from operating activities		2,147,373,849	3,769,549,639
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions in property & equipment	6.2	(41,149,451)	(73,680,759)
Proceeds from disposal of property & equipment		2,606,234	4,116,513
Net cash (used in)/ generated from investing activities		(38,543,217)	(69,564,246)
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
Increase in cash and cash equivalents		2,108,830,632	3,699,985,393
Cash and cash equivalents at beginning of the period	5	13,333,068,660	9,909,123,446
Effect of exchange rate differences		(12,079,187)	(276,040,179)
Cash and cash equivalents at end of the period	5	15,429,820,105	13,333,068,660

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Chief Financial Officer


Chief Executive Officer


Chairman (BoS)