



HABIB BANK  
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ஹப்ப் வங்கி

# FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2021	BANK LKR	BANK (AUDITED) LKR	GROUP (AUDITED) PKR	
In Rupees Thousand	31/3/2021	31/3/2020	31/12/2020	31/12/2019
<b>Assets</b>				
Cash and cash equivalents	1,069,417	818,568	223,977,669	216,935,356
Balances with central banks	39,074	30,570	151,302,451	150,658,361
Placements with banks	548,075	101,042	86,688,022	86,551,753
Derivative financial instruments	26,021	4,145	4,284,867	6,761,789
Financial assets at amortised cost - Investments	2,701,297	3,407,939	265,146,998	202,767,306
Financial assets at amortised cost - Loans & Advances	2,675,513	2,902,815	1,223,510,222	1,166,956,994
Financial assets measured at fair value through other comprehensive income	5,340,740	3,541,177	1,651,631,461	1,146,478,070
Income Tax Receivable	18,453	30,203	-	-
Investments in associates and joint ventures	-	-	31,798,363	30,362,003
Property, plant and equipment	286,669	287,349	89,190,210	80,462,410
Goodwill and Intangible assets	-	-	10,412,880	9,089,345
ROU Asset	22,471	26,294	-	-
Deferred tax assets	-	-	-	-
Other assets	193,719	82,140	111,119,675	130,109,010
<b>Total assets</b>	<b>12,921,452</b>	<b>11,232,242</b>	<b>3,849,062,818</b>	<b>3,227,132,397</b>
<b>Liabilities</b>				
Due to banks	19,579	58,996	-	-
Derivative financial instruments	-	-	-	-
Due to other customers	4,669,212	4,081,192	2,830,371,390	2,437,597,169
Borrowing	1,691,820	562,041	544,107,826	382,206,306
Current tax liabilities	-	-	7,073,633	7,510,391
Deferred tax liabilities	56,917	56,917	10,387,859	6,189,687
Employee benefit liabilities	52,565	49,565	8,678,703	8,147,228
Subordinated loan	-	-	22,356,000	22,360,000
Other liabilities	81,263	104,012	160,592,160	138,370,104
<b>Total liabilities</b>	<b>6,571,357</b>	<b>4,912,723</b>	<b>3,583,567,571</b>	<b>3,002,380,885</b>
<b>Equity</b>				
Stated capital/Assigned capital	4,938,390	4,938,390	14,668,525	14,668,525
Statutory reserve fund	75,628	75,628	38,063,377	34,703,072
Retained earnings	1,105,879	1,078,071	138,208,223	114,550,097
Other reserves	230,197	227,430	70,003,562	56,432,822
Total shareholders' equity	<b>6,350,095</b>	<b>6,319,519</b>	<b>260,943,687</b>	<b>220,354,516</b>
Non Controlling Interest	-	-	4,551,560	4,396,996
<b>Total equity</b>	<b>6,350,095</b>	<b>6,319,519</b>	<b>265,495,247</b>	<b>224,751,512</b>
<b>Total equity and liabilities</b>	<b>12,921,452</b>	<b>11,232,242</b>	<b>3,849,062,818</b>	<b>3,227,132,397</b>
<b>Contingent liabilities and commitments</b>	<b>3,516,995</b>	<b>2,942,991</b>	<b>998,195,047</b>	<b>1,002,271,021</b>
<b>Memorandum Information</b>				
Number of Employees	61	62	20,795	21,005
Number of Branches	4	6	1,697	1,712

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2021							
BANK	Reserves						Total equity
	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	
Balance as at 01/01/2021 (Opening balance)	-	4,938,390	75,628	200,854	1,078,072	26,576	6,319,519
Total comprehensive income for the year	-	-	-	-	27,808	-	27,808
Profit/(loss) for the year	-	-	-	-	-	2,768	2,768
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,808</b>	<b>2,768</b>	<b>30,576</b>
<b>Transaction with equity holders, recognised directly in equity</b>							
Share issue/increase of assigned capital	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-
Bonus issue	-	-	-	-	-	-	-
Right issue	-	-	-	-	-	-	-
Transfers to reserves during the period	-	-	-	-	-	-	-
Dividend to equity holders	-	-	-	-	-	-	-
profit transferred to head office	-	-	-	-	-	-	-
Profit capitalisation during the year	-	-	-	-	-	-	-
<b>Total transaction with equity holders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31/03//2021 (Closing Balance)</b>	<b>-</b>	<b>4,938,390</b>	<b>75,628</b>	<b>200,854</b>	<b>1,105,880</b>	<b>29,343</b>	<b>6,350,095</b>

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST DECEMBER 2020									
GROUP (Audited)	Reserves						Total	Non controlling interest	Total equity
	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves			
Balance as at 01/01/2020 (Opening balance)	14,668,525	-	34,703,072	21,345,233	114,550,097	35,087,589	220,354,516	4,396,996	224,751,512
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Profit/(loss) for the year	-	-	-	-	30,892,271	-	30,892,271	21,078	30,913,349
Other comprehensive income (net of tax)	-	-	-	6,167,217	(149,326)	7,385,545	13,403,436	134,050	13,537,486
<b>Total comprehensive income for the year</b>	<b>14,668,525</b>	<b>-</b>	<b>34,703,072</b>	<b>27,512,450</b>	<b>145,293,042</b>	<b>42,473,134</b>	<b>264,650,223</b>	<b>4,552,124</b>	<b>269,202,347</b>
<b>Transaction with equity holders, recognised directly in equity</b>									
Transfers to reserves during the period	-	-	3,360,305	-	(3,360,305)	-	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	(50,869)	51,433	-	564	(564)	-
Dividend to equity holders	-	-	-	-	(3,667,130)	-	(3,667,130)	-	(3,667,130)
Exchange gain realised on capital reduction in subsidiary under liquidation - net of tax	-	-	-	-	-	(1,082,350)	(1,082,350)	-	(1,082,350)
Reversal of deferred tax asset recognised on subsidiary under liquidation	-	-	-	-	(108,817)	-	(108,817)	-	(108,817)
Exchange translation realized on sale of Bank branches	-	-	-	-	1,151,197	1,151,197	1,151,197	-	1,151,197
<b>Total transaction with equity holders</b>	<b>-</b>	<b>-</b>	<b>3,360,305</b>	<b>(50,869)</b>	<b>(7,084,819)</b>	<b>68,847</b>	<b>(3,706,536)</b>	<b>(564)</b>	<b>(3,707,100)</b>
<b>Balance as at 31/12/2020 (Closing Balance)</b>	<b>14,668,525</b>	<b>-</b>	<b>38,063,377</b>	<b>27,461,581</b>	<b>138,208,223</b>	<b>42,541,981</b>	<b>260,943,687</b>	<b>4,551,560</b>	<b>265,495,247</b>

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING) AS AT 31 MARCH 2021			
Item	Bank - LKR		
	3/31/2021 (Audited)	12/31/2020 (Audited)	
<b>Regulatory Capital Adequacy</b>			
Common Equity Tier 1 Rs. '000	6,092,090	6,092,090	
Core Capital (Tier 1 Capital), Rs. '000	5,790,298	5,987,659	
Total Capital Base, Rs. '000	5,866,049	6,063,410	
<b>Regulatory Capital Ratios</b>			
Common Equity Tier 1 Capital (%) , (Minimum Requirement - 7%)	130.01%	133.40%	
Tier 1 Capital Ratio (%) , (Minimum Requirement - 8.5%)	130.01%	133.40%	
Total Capital Ratio (%) , (Minimum Requirement - 12.5%)	131.71%	135.09%	
Leverage Ratio , (Minimum Requirement - 3%)	44%	51%	
<b>Regulatory Liquidity</b>			
<b>Statutory Liquid Assets, Rs.'000</b>			
Domestic Banking unit	8,881,347	6,863,706	
Off-Shore Banking Unit - USD	2,774	1,621	
Statutory Liquid Assets Ratio (%) , (Minimum Requirement - 20%)	172%	163%	
Domestic Banking unit	84%	42%	
Off-Shore Banking Unit	8,441,635	7,153,540	
Total Stock of High Quality Liquidity Assets , Rs.'000			
Liquidity Coverage Ratio (%) , (Minimum Requirement - 100%)	605%	635%	
Rupee (%)	389%	320%	
All Currency (%)	229%	210%	
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)			
<b>Assets Quality (Quality of Loan Portfolio)</b>			
Gross Non - Performing Advances Ratio (%) (net of interest in suspense)	7.11%	6.40%	
Non - Performing Advances (%) (net of interest in suspense and provision)	0.27%	0.43%	
<b>Profitability</b>			
Interest Margin (%)	4.02%	4.91%	
Return on Assets (before Tax) (%)	1.22%	1.62%	
Return on Equity (%)	1.75%	1.89%	

INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2021	BANK LKR		GROUP (AUDITED) PKR	
In Rupees Thousand	31/3/2021	31/3/2020	31/12/2020	31/12/2019
Interest income	171,083	177,810	271,237,258	258,113,896
Interest expenses	41,241	40,158	141,132,940	156,790,596
<b>Net interest income</b>	<b>129,842</b>	<b>137,652</b>	<b>130,104,318</b>	<b>101,323,300</b>
Fee and commission income	2,423	642	18,795,739	20,447,851
Fee and commission expense	-	-	-	-
<b>Net fee and commission income</b>	<b>2,423</b>	<b>642</b>	<b>18,795,739</b>	<b>20,447,851</b>
Net gain/ (Loss) from trading	-	-	7,054,874	(2,657,256)
Net fair value gain/ (Loss) from financial instruments	-	-	-	-
Net gain/(loss) on derecognition of financial assets	-	-	-	-
Other Operating Income (net)	11,341	2,775	4,744,247	6,370,984
<b>Total operating income</b>	<b>11,341</b>	<b>2,775</b>	<b>11,799,121</b>	<b>3,713,728</b>
Impairment for loans and other losses	(240)	(30)	12,219,614	3,314,081
<b>Net operating income</b>	<b>143,846</b>	<b>141,099</b>	<b>148,479,564</b>	<b>122,170,798</b>
Personnel expenses	51,712	51,055	33,639,523	29,757,054
Depreciation and amortisation	6,318	10,083	9,405,619	8,261,992
Other expenses	31,833	29,459	52,403,786	55,270,830
<b>Operating profit/(loss) before value added tax (VAT)</b>	<b>53,983</b>	<b>50,502</b>	<b>53,030,636</b>	<b>28,880,922</b>
Value added tax (VAT) on financial services	14,425	13,855	-	-
<b>Profit/(loss) before tax</b>	<b>39,558</b>	<b>36,647</b>	<b>53,030,636</b>	<b>28,880,922</b>
Tax expenses	11,750	13,062	22,117,287	13,381,127
<b>Profit/(loss) for the period</b>	<b>27,808</b>	<b>23,585</b>	<b>30,913,349</b>	<b>15,499,795</b>
<b>Profit attributable to:</b>				
Owners of the parent	27,808	23,585	30,892,271	15,332,792
Non-controlling interests	-	-	21,078	167,003
<b>Earnings per share on profit</b>				
Basic earnings per ordinary share	-	-	21.06	10.45
Diluted earnings per ordinary share	-	-	21.06	10.45

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31.03.2021				
In Rupees Thousand	BANK LKR		GROUP (AUDITED) PKR	
	31/3/2021	31/3/2020	31/12/2020	31/12/2019
Profit/(loss) for the period	27,808	23,585	30,913,349	15,499,795
Other Comprehensive income, net of tax	-	-	-	-
Changes in revaluation surpluses Actuarial gains and losses on defined benefit plans	-	-	(148,840)	90,861
Gains and losses (arising from translating the financial statements of foreign operation)	-	-	2,449,082	6,429,768
Exchange differences & realization of on translation of foreign currency capital & reserve	1,720	(39,019)	-	-
Share of surplus on revaluation of investments/operating fixed assets of associates	-	-	6,204,914	(99,367)
Gain/ (Loss) on revaluation of Investments	1,048	2,219	5,032,330	10,903,168
Deficit on revaluation of fixed assets	-	-	-	-
<b>Other comprehensive income for the period, net of taxes</b>	<b>2,768</b>	<b>(36,800)</b>	<b>13,537,486</b>	<b>17,324,430</b>
<b>Total comprehensive income for the period</b>	<b>30,576</b>	<b>(13,215)</b>	<b>44,450,835</b>	<b>32,824,225</b>
<b>Attributable to:</b>				
Owners of the parent	30,576	(13,215)	44,295,707	32,437,135
Non-Controlling interests	-	-	155,128	387,080

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2021	Bank		Group (Audited)	
Item	2021 LKR	2020 LKR	2020 PKR	2019 PKR
<b>Cash Flow from Operating Activities</b>				
Profit before tax	39,558	36,648	53,030,636	28,880,922
(Gain)/Loss on disposal of Property, plant & equipment	(9)	-	(89,080)	(266,807)
Share of profit of associates & joint venture	-	-	(2,963,090)	(3,483,593)
Depreciation & Amortisation	6,318	10,083	10,557,400	9,259,451
Provision for gratuity	3,000	3,000	-	-
Impairment charge for Loans & advances	(240)	(30)	12,059,829	3,376,099
(Increase)/Decrease in Interest Receivable	6,936	33,478	-	-
Increase/ (Decrease) in interest payable	(9,280)	(19,822)	-	-
Increase/(Decrease) in accrued expenses	(1,162)	(22,520)	-	-
Impairment charge for Unfunded facilities and Investments	-	-	1,005,352	124,577
Gratuity payments made	-	(298)	-	-
Other non cash items	(21,520)	22,724	1,989,759	1,857,860
Dividend income	(319)	-	(489,303)	(586,353)
Exchange loss on sub-ordinated loan/goodwill-net	-	-	(185,219)	(327,684)
Reversal against diminution in the value of investments	-	-	(309,323)	553,086
Workers Welfare Fund	-	-	1,109,730	573,492
<b>Operating Profit before changes in Operating Assets &amp; Liabilities</b>	<b>23,283</b>	<b>63,262</b>	<b>75,716,691</b>	<b>39,961,050</b>
<b>(Increase)/Decrease in Operating Assets and Liabilities</b>				
(Increase)/Decrease in Operating Assets	(1,438,385)	142,424	95,815,460	(388,987,363)
(Increase)/Decrease in Operating Liabilities	1,665,719	530,639	573,029,338	140,997,672
<b>Net Cash from Operating Activities before Income Tax</b>	<b>227,334</b>	<b>673,063</b>	<b>668,844,798</b>	<b>(247,989,691)</b>
Income Tax (Paid) / Refunds	-	(899)	(14,560,805)	2,767,314
<b>Net Cash from Operating Activities</b>	<b>250,616</b>	<b>735,426</b>	<b>730,000,684</b>	<b>(205,261,327)</b>
<b>Cash Flow from Investing Activities</b>				
Dividends Received	319	-	474,277	590,796
Purchase of Property & Equipment	(1,815)	(568)	(8,747,096)	(7,452,347)
Proceeds form Sale of Property Plant & Equipment	9	-	251,130	2,006,836
Net cash flows from purchase of financial investments	-	-	(694,609,653)	288,771,929
Net cash flows on business combination	-	-	-	-
Effect of translation of net investment in foreign branches, subsidiaries & associates	-	-	2,372,362	6,260,907
Net investment in associates	-	-	1,584,070	2,130,167
<b>Net Cash from Investing Activities</b>	<b>(1,487)</b>	<b>(568)</b>	<b>(698,674,910)</b>	<b>292,308,2</b>