



HABIB BANK
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ஹப்ப் வங்கி

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2021

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021	BANK LKR	BANK (AUDITED) LKR	GROUP (AUDITED) PKR	
In Rupees Thousand	30/6/2021	30/6/2020	31/12/2020	31/12/2019
Assets				
Cash and cash equivalents	124,273	818,568	223,977,669	216,935,356
Balances with central banks	32,912	30,570	151,302,451	150,658,361
Placements with banks	1,627,276	101,042	86,688,022	86,551,753
Derivative financial instruments	5,633	4,145	4,284,867	6,761,789
Financial assets at amortised cost - Investments	2,676,217	3,407,939	265,146,998	202,767,306
Financial assets at amortised cost - Loans & Advances	2,632,143	2,902,815	1,223,510,222	1,166,956,994
Financial assets measured at fair value through other comprehensive income	5,582,404	3,541,177	1,651,631,461	1,146,478,070
Income Tax Receivable	3,253	30,203	-	-
Investments in associates and joint ventures	-	-	31,798,363	30,362,003
Property, plant and equipment	285,173	287,349	89,190,210	80,462,410
Goodwill and Intangible assets	-	-	10,412,880	9,089,345
ROU Asset	47,984	26,294	-	-
Deferred tax assets	-	-	-	-
Other assets	192,072	82,140	111,119,675	130,109,010
Total assets	13,209,341	11,232,242	3,849,062,818	3,227,132,397
Liabilities				
Due to banks	75,511	58,996	-	-
Derivative financial instruments	-	-	-	-
Due to other customers	4,753,029	4,081,192	2,830,371,390	2,437,597,169
Borrowing	1,767,434	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	51,001	49,565	8,678,703	8,147,228
Subordinated loan	-	-	22,356,000	22,360,000
Other liabilities	118,029	104,012	160,592,160	138,370,104
Total liabilities	6,821,922	4,912,723	3,583,567,571	3,002,380,885
Equity				
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	1,144,796	1,078,071	138,208,223	114,550,097
Other reserves	228,605	227,430	70,003,562	56,432,822
Total shareholders' equity	6,387,419	6,319,519	260,943,687	220,354,516
Non Controlling Interest	-	-	4,551,560	4,396,996
Total equity	6,387,419	6,319,519	265,495,247	224,751,512
Total equity and liabilities	13,209,341	11,232,242	3,849,062,818	3,227,132,397
Contingent liabilities and commitments	3,711,173	2,942,991	998,195,047	1,002,271,021
Memorandum Information				
Number of Employees	62	62	20,795	21,005
Number of Branches	4	6	1,697	1,712

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 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	-	-	-	-	66,725	-	66,725
Profit/(loss) for the year	-	-	-	-	-	1,175	1,175
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	66,725	1,175	67,900
Transaction with equity holders, recognised directly in equity							
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	-	-	-	-	-	-	-
Total transaction with equity holders	-	-	-	-	-	-	-
Balance as at 30/06/2021 (Closing Balance)	-	4,938,390	75,628	200,854	1,144,797	27,750	6,387,419

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
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-
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
Total comprehensive income for the year	14,668,525	-	34,703,072	27,512,450	145,293,042	42,473,134	264,650,223	4,552,124	269,202,347
Transaction with equity holders, recognised directly in equity									
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
Total transaction with equity holders	-	-	3,360,305	(50,869)	(7,084,819)	68,847	(3,706,536)	(564)	(3,707,100)
Balance as at 31/12/2020 (Closing Balance)	14,668,525	-	38,063,377	27,464,581	138,208,223	42,541,981	260,943,687	4,551,560	265,495,247

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING) AS AT 30 JUNE 2021			
Item	Bank - LKR		
	30/6/2021 (Audited)	31/12/2020 (Audited)	
Regulatory Capital Adequacy			
Common Equity Tier 1 Rs. '000	6,092,089	6,092,090	
Core Capital (Tier 1 Capital), Rs. '000	6,068,003	5,987,659	
Total Capital Base, Rs. '000	6,143,754	6,063,410	
Regulatory Capital Ratios			
Common Equity Tier 1 Capital (%) , (Minimum Requirement - 7%)	124.83%	133.40%	
Tier 1 Capital Ratio (%) , (Minimum Requirement - 8.5%)	124.83%	133.40%	
Total Capital Ratio (%) , (Minimum Requirement - 12.5%)	126.39%	135.09%	
Leverage Ratio , (Minimum Requirement - 3%)	45%	51%	
Regulatory Liquidity			
Statutory Liquid Assets, Rs.'000			
Domestic Banking unit	8,936,408	6,863,706	
Off-Shore Banking Unit - USD	10,607	1,621	
Statutory Liquid Assets Ratio (%) , (Minimum Requirement - 20%)	143%	163%	
Domestic Banking unit	221%	42%	
Off-Shore Banking Unit	8,013,189	7,153,540	
Total Stock of High Quality Liquidity Assets , Rs.'000			
Liquidity Coverage Ratio (%) , (Minimum Requirement - 100%)	2385%	635%	
Rupee (%)	830%	320%	
All Currency (%)	239%	210%	
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)			
Assets Quality (Quality of Loan Portfolio)			
Gross Non - Performing Advances Ratio (%) (net of interest in suspense)	7.27%	6.40%	
Non - Performing Advances (%) (net of interest in suspense and provision)	0.27%	0.43%	
Profitability			
Interest Margin (%)	4.15%	4.91%	
Return on Assets (before Tax) (%)	1.42%	1.62%	
Return on Equity (%)	2.09%	1.89%	

INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2021	BANK LKR		GROUP (AUDITED) PKR	
In Rupees Thousand	30/6/2021	30/6/2020	31/12/2020	31/12/2019
Interest income	356,576	357,313	271,237,258	258,113,896
Interest expenses	82,162	80,145	141,132,940	156,790,596
Net interest income	274,414	277,168	130,104,318	101,323,300
Fee and commission income	5,478	1,730	18,795,739	20,447,851
Fee and commission expense	-	-	-	-
Net fee and commission income	5,478	1,730	18,795,739	20,447,851
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)	27,207	8,031	4,744,247	6,370,984
Total operating income	27,207	8,031	11,799,121	3,713,728
Impairment for loans and other losses	(493)	(5,090)	12,219,614	3,314,081
Net operating income	307,592	292,020	148,479,564	122,170,798
Personnel expenses	122,569	117,932	33,639,523	29,757,054
Depreciation and amortisation	12,699	19,377	9,405,619	8,261,992
Other expenses	47,224	40,524	52,403,786	55,270,830
Operating profit/(loss) before value added tax (VAT)	125,100	114,187	53,030,636	28,880,922
Value added tax (VAT) on financial services	31,425	28,755	-	-
Profit/(loss) before tax	93,675	85,432	53,030,636	28,880,922
Tax expenses	26,950	26,662	22,117,287	13,381,127
Profit/(loss) for the period	66,725	58,770	30,913,349	15,499,795
Profit attributable to:				
Owners of the parent	66,725	58,770	30,892,271	15,332,792
Non-controlling interests	-	-	21,078	167,003
Earnings per share on profit				
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 30.06.2021				
In Rupees Thousand	BANK LKR		GROUP (AUDITED) PKR	
	30/6/2021	30/6/2020	31/12/2020	31/12/2019
Profit/(loss) for the period	66,725	58,770	30,913,349	15,499,795
Other Comprehensive income, net of tax	-	-	-	-
Changes in revaluation surplus 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	2,005	(42,039)	-	-
Share of surplus on revaluation of investments/operating fixed assets of associates	-	-	6,204,914	(99,367)
Gain/ (Loss) on revaluation of Investments	(831)	5,032	5,032,330	10,903,168
Deficit on revaluation of fixed assets	-	-	-	-
Other comprehensive income for the period, net of taxes	1,175	(37,007)	13,537,486	17,324,430
Total comprehensive income for the period	67,900	21,763	44,450,835	32,824,225
Attributable to:				
Owners of the parent	67,900	21,763	44,295,707	32,437,135
Non-Controlling interests	-	-	155,128	387,080

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2021	Bank		Group (Audited)	
Item	2021 LKR	2020 LKR	2020 PKR	2019 PKR
Cash Flow from Operating Activities				
Profit before tax	93,675	58,770	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	12,699	19,377	10,557,400	9,259,451
Provision for gratuity	6,000	6,000	-	-
Impairment charge for Loans & advances	(493)	(5,090)	12,059,829	3,376,099
(Increase)/Decrease in Interest Receivable	(30,242)	(3,034)	-	-
Increase/ (Decrease) in interest payable	1,802	(57,962)	-	-
Increase/(Decrease) in accrued expenses	23,253	(13,130)	-	-
Impairment charge for Unfunded facilities and Investments	-	-	1,005,352	124,577
Gratuity payments made	(4,564)	(298)	-	-
Other non cash items	(699)	3,364	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
Operating Profit before changes in Operating Assets & Liabilities	101,103	7,997	75,716,691	39,961,050
(Increase)/Decrease in Operating Assets and Liabilities				
(Increase)/Decrease in Operating Assets	(2,647,437)	(448,657)	95,815,460	(388,987,363)
(Increase)/Decrease in Operating Liabilities	1,862,655	229,626	573,029,338	140,997,672
Net Cash from Operating Activities before Income Tax	(784,783)	(219,031)	668,844,798	(247,989,691)
Income Tax (Paid) / Refunds	-	(899)	(14,560,805)	2,767,314
Net Cash from Operating Activities	(683,680)	(211,933)	730,000,684	(205,261,327)
Cash Flow from Investing Activities				
Dividends Received	319	-	474,277	590,796
Purchase of Property & Equipment	(2,790)	(1,807)	(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
Net Cash from Investing Activities	(2,462)	(1,807)	(698,674,910)	292,308,288
Cash Flow from Financing Activities				
Proceed from issuance of subordinated loans	-	-	-	12,374,000
Exchagne adjustment on translation of non-controlling interest in subsidiary	-	-	76,720	168,861
Issuance/ (Repayment) of subordinated loan	-	-	(4,000)	(4,000)
Payemnt of Lease Liability against right of use	(10,158)	-	(4,762,581)	(5,264,295)
Dividend paid	-	-	(3,664,234)	(7,581,966)
	(10,158)	-	(8,354,095)	(307,400)
Net Increase/(Decrease) in Cash and Cash Equivalents	(696,300)	(213,740)	22,971,678	86,739,561
Exchange difference in respect of cash & cash equivalent	2,005	6,261	5,147,244	12,745,914
Cash and Cash Equivalents at Beginning of the year	818,568	1,594,367	403,695,027	309,356,796
Cash and Cash Equivalents at end of the period	124,273	1,386,888	431,813,949	408,842,271