



HABIB BANK
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ஹபீப் வங்கி

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2024

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024	BANK (UNAUDITED) LKR	BANK (AUDITED) LKR	GROUP (AUDITED) PKR	
In Rupees Thousand	30/06/2024	31/12/2023	31/12/2023	31/12/2022
Assets				
Cash and cash equivalents	471,893	2,650,978	328,537,845	177,041,873
Balances with central banks	85,220	78,128	218,990,936	118,973,513
Placements with banks	3,176,008	1,500,465	145,201,708	296,106,309
Derivative financial instruments	-	376	2,653,977	3,639,550
Financial assets at amortised cost - Investments	2,690,419	1,769,866	459,663,103	380,979,487
Financial assets at amortised cost - Loans & Advances	2,846,745	3,433,847	1,861,344,592	1,782,497,923
Financial assets measured at fair value through other comprehensive income	10,664,575	8,308,342	2,066,503,361	1,527,789,658
Income Tax Receivable	-	-	-	-
Investments in associates and joint ventures	-	-	36,132,623	40,031,897
Property, plant and equipment	378,178	380,917	141,894,467	113,871,657
Goodwill and Intangible assets	-	-	22,720,543	18,422,200
ROU Asset	2,824	9,824	-	-
Deferred tax assets	-	-	480,874	5,797,045
Other assets	153,677	82,320	250,224,474	173,654,999
Total assets	20,469,539	18,215,062	5,534,348,303	4,638,806,111
Liabilities				
Due to banks	610,990	28,468	-	-
Derivative financial instruments	466	-	-	-
Due to other customers	10,658,250	9,529,646	4,142,351,836	3,469,342,252
Borrowing	485,000	250,191	665,042,679	583,771,399
Debt securities issued	-	-	-	-
Current tax liabilities	261,781	283,597	14,721,663	13,362,266
Deferred tax liabilities	62,037	62,037	-	-
Employee benefit liabilities	48,894	47,487	7,244,757	6,689,292
Subordinated loan	-	-	19,699,000	18,874,000
Lease Liability	5,051	4,699	-	-
Other liabilities	238,292	118,551	319,267,715	261,745,088
Due to subsidiaries	-	-	-	-
Total liabilities	12,370,761	10,324,675	5,168,327,650	4,353,784,297
Equity				
Stated capital/Assigned capital	4,938,390	4,938,390	14,668,525	14,668,525
Statutory reserve fund	147,166	147,166	48,815,676	43,130,076
Retained earnings	2,660,524	2,441,502	221,883,756	178,467,639
Other reserves	352,697	363,329	77,846,804	45,876,625
Total shareholders' equity	8,098,778	7,890,387	363,214,761	282,142,865
Non Controlling Interest	-	-	2,805,892	2,878,949
Total equity	8,098,778	7,890,387	366,020,653	285,021,814
Total equity and liabilities	20,469,539	18,215,062	5,534,348,303	4,638,806,111
Contingent liabilities and commitments	8,505,578	7,018,591	1,253,534,402	1,228,617,584
Memorandum Information				
Number of Employees	56	58	20,301	21,632
Number of Branches	4	4	1,758	1,746

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2024							
BANK (Audited)	Reserves						Total equity
	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	
Balance as at 01/01/2024 (Opening balance)	-	4,938,390	147,166	254,598	2,441,502	108,731	7,890,387
Total comprehensive income for the year	-	-	-	-	219,023	219,023	219,023
Profit/(loss) for the year	-	-	-	-	-	(10,632)	(10,632)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	219,023	(10,632)	208,391
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 30/06/2024 (Closing Balance)	-	4,938,390	147,166	254,598	2,660,524	98,099	8,098,778

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST DECEMBER 2023												
GROUP (Audited)	Share capital	Attributable to shareholders of the Bank								Non controlling interest	Total equity	
		Reserves				Surplus / (deficit) on Statutory revaluation of						
		Statutory		Capital		Investments	Fixed / Non Banking Assets	Un appropriated profits	Sub Total			
Joint venture and subsidiary	Reserve fund	Exchange translation	Non distributable	On acquisition of common control entity								
Balance as at 01/01/2023 (Opening balance)	14,668,525	2,523,824	43,130,076	41,727,023	547,115	(156,706)	(26,064,591)	27,299,960	178,467,639	282,142,865	2,878,949	285,021,814
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-
Profit/(loss) for the year	-	-	-	-	-	-	-	-	57,676,040	57,676,040	81,376	57,757,416
Other comprehensive income (net of tax)	-	-	-	10,529,694	-	-	8,786,734	15,993,295	442,658	35,752,381	75,290	35,827,671
Total comprehensive income for the year	14,668,525	2,523,824	43,130,076	52,256,717	547,115	(156,706)	(17,277,857)	43,293,255	236,586,337	375,571,286	3,035,615	378,606,901
Transaction with equity holders, recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to reserves during the period	-	214,354	5,685,600	-	-	-	-	-	(5,899,954)	-	-	-
Transferred from surplus on revaluation of assets - net of tax	-	-	-	-	-	-	-	(156,366)	156,366	-	-	-
Dividend to equity holders	-	-	-	-	-	-	-	-	(10,634,681)	(10,634,681)	-	(10,634,681)
Exchange gain realised on capital reduction in subsidiary under liquidation - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Exchange gain realised on partial repatriation of branch capital - net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition of additional interest in subsidiary	-	-	-	-	-	-	(7,097)	2,395	234,425	229,723	(229,723)	-
Derecognition of joint venture	-	(1,444,256)	-	(1,951,567)	-	-	2,983	-	1,441,263	(1,951,567)	-	(1,951,567)
Minority share of surpluns on revaluation of fixed assets of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Total transaction with equity holders	-	(1,229,902)	5,685,600	(1,951,567)	-	-	(4,104)	(153,971)	(14,702,581)	(12,356,525)	(229,723)	(12,586,248)
Balance as at 31/12/2023 (Closing Balance)	14,668,525	1,293,922	48,815,676	50,305,150	547,115	(156,706)	(17,281,961)	43,139,284	221,883,756	363,214,761	2,805,892	366,020,653

SELECTED PERFORMANCE INDICATORS (AS PER REGULATORY REPORTING) AS AT 30 JUNE 2024			
Item	Bank - LKR		
	30/06/2024 (Unaudited)	31/12/2023 (Audited)	
Regulatory Capital Adequacy			
Common Equity Tier 1 Rs. '000	5,268,903	6,912,007	
Core Capital (Tier 1 Capital), Rs. '000	7,608,270	7,608,270	
Total Capital Base, Rs. '000	5,482,918	7,130,401	
Regulatory Capital Ratios			
Common Equity Tier 1 Capital (%) , (Minimum Requirement - 7%)	76.09%	75.64%	
Tier 1 Capital Ratio (%) , (Minimum Requirement - 8.5%)	76.09%	75.64%	
Total Capital Ratio (%) , (Minimum Requirement - 12.5%)	79.18%	78.03%	
Leverage Ratio , (Minimum Requirement - 3%)	25%	31%	
Regulatory Liquidity			
Statutory Liquid Assets, Rs.'000			
Domestic Banking unit	16,869,076	13,309,427	
Off-Shore Banking Unit - USD	N/A	3,164	
Statutory Liquid Assets Ratio (%) , (Minimum Requirement - 20%)			
Domestic Banking unit	193%	200%	
Off-Shore Banking Unit	N/A	38%	
Total Stock of High Quality Liquidity Assets , Rs.'000	14,715,919	9,964,635	
Liquidity Coverage Ratio (%) , (Minimum Requirement - 100%)			
Rupee (%)	679%	987%	
All Currency (%)	579%	346%	
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	391%	258%	
Assets Quality (Quality of Loan Portfolio)			
Gross Stage 3 Loans to Total Loans %	7.14%	6.26%	
Stage 3 Impairment to Stage 3 Loans %	100.00%	100.00%	
Stage 3 (net of Stage 3 impairment) to Total Loans %	0.00%	0.00%	
Profitability			
Interest Margin (%)	7.29%	10.31%	
Return on Assets (before Tax) (%)	4.06%	6.07%	
Return on Equity (%)	5.53%	8.25%	

INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2024	BANK (Unaudited) LKR		GROUP (AUDITED) PKR	
In Rupees Thousand	30/06/2024	30/06/2023	31/12/2023	31/12/2022
Interest income	979,293	1,299,742	712,345,078	436,101,037
Interest expenses	300,914	351,730	470,212,037	270,538,340
Net interest income	678,378	948,012	242,133,041	165,562,697
Fee and commission income	55,873	45,626	42,250,183	31,510,143
Fee and commission expense	925	611	-	-
Net fee and commission income	54,948	45,015	42,250,183	31,510,143
Net gain/ (Loss) from trading	-	-	945,981	866,175
Net fair value gain/ (Loss) from financial instruments	-	-	-	-
Net gain/(loss) on derecognition of financial assets	-	-	-	-
Other Operating Income (net)	57,401	83,607	14,254,941	14,355,419
Total operating income	57,401	83,607	15,200,922	15,221,594
Impairment for loans and other losses	2,220	(70,104)	13,265,779	8,481,761
Net operating income	792,947	1,006,530	286,318,367	203,812,673
Personnel expenses	173,462	185,171	63,513,263	51,242,703
Depreciation and amortisation	15,094	12,536	16,354,003	13,612,998
Other expenses	98,299	82,775	92,900,105	61,927,034
Operating profit/(loss) before value added tax (VAT)	506,093	726,047	113,550,996	77,029,938
Value added tax (VAT) on financial services	128,070	174,000	-	-
Nation Building tax (NBT) on financial services	-	-	-	-
Profit/(loss) before tax	378,023	552,047	113,550,996	77,029,938
Tax expenses	159,000	221,000	55,793,580	42,631,608
Profit/(loss) for the period	219,023	331,047	57,757,416	34,398,330
Profit attributable to:				
Owners of the parent	219,023	331,047	57,676,040	34,070,087
Non-controlling interests	-	-	81,376	328,243
Earnings per share on profit				
Basic earnings per ordinary share	-	-	39.32	23.23
Diluted earnings per ordinary share	-	-	39.32	23.23

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2024				
In Rupees Thousand	Bank (Unaudited) LKR		GROUP (AUDITED) PKR	
	30/06/2024	30/06/2023	31/12/2023	31/12/2022
Profit/(loss) for the period	219,023	331,047	57,757,416	34,398,330
Other Comprehensive income, net of tax	-	-	-	-
Changes in revaluation surplus Actuarial gains and losses on defined benefit plans	-	-	438,637	79,834
Gains and losses (arising from translating the financial statements of foreign operation)	-	-	10,529,694	2,302,352
Exchange differences & realization of on translation of foreign currency capital & reserve	(2,480)	(7,390)	-	-
Realisation of exchange equalisation of capital	-	-	-	-
Income tax on Other comprehensive Income	-	-	-	-
Share of surplus on revaluation of investments/operating fixed assets of associates	-	-	-	-
Gain/ (Loss) on revaluation of Investments	(8,152)	88,244	16,051,791	(48,332)
Deficit on revaluation of fixed assets	-	-	8,807,549	(23,812,780)
Other comprehensive income for the period, net of taxes	(10,632)	80,854	35,827,671	(21,478,926)
Total comprehensive income for the period	208,391	411,901	93,585,087	12,919,404
Attributable to:				
Owners of the parent	208,391	411,901	93,428,421	12,628,187
Non-Controlling interests	-	-	156,666	291,297

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2024	Bank (Unaudited)		Group (Audited)	
Item	30/06/2024 LKR	31/12/2023 LKR	31/12/2023 PKR	31/12/2022 PKR
Cash Flow from Operating Activities				
Profit before tax	378,023	1,056,957	113,550,996	77,029,938
(Gain)/Loss on disposal of Property, plant & equipment	(20)	(127)	(48,681)	(42,024)
Share of profit of associates & joint venture	-	-	(4,422,695)	(3,028,453)
Depreciation & Amortisation	15,094	26,152	16,354,003	13,612,998
Provision for gratuity	8,700	11,492	-	-
Interest on Lease Creditor	353	839	13,469,201	5,943,661
Impairment charge for Loans & advances	-	60,713	-	-
(Increase)/Decrease in Interest Receivable	-	-	-	-
Increase/ (Decrease) in interest payable	-	-	-	-
Increase/(Decrease) in accrued expenses	-	-	766,504	(622,951)
Impairment charge for Unfunded facilities and Investments	-	-	-	-
Gratuity payments made	(7,293)	(10,922)	7,627,375	5,037,045
Other non cash items	842	11,707	(2,300,969)	(1,508,643)
Dividend income	-	(1,916)	(1,055,507)	(429,394)
Exchange loss on sub-ordinated loan/goodwill-net	-	-	(184,104)	3,851,708
Reversal against diminution in the value of investments	-	-	(3,731,399)	-
Workers Welfare Fund	-	-	2,282,323	1,498,693
Operating Profit before changes in Operating Assets & Liabilities	395,698	1,154,893	142,307,047	101,342,578
(Increase)/Decrease in Operating Assets and Liabilities				
(Increase)/Decrease in Operating Assets	(4,439,022)	(327,341)	(188,928,229)	(330,799,956)
(Increase)/Decrease in Operating Liabilities	2,052,869	(431,381)	809,502,347	310,659,232
Net Cash from Operating Activities before Income Tax	(2,386,153)	(758,722)	620,574,118	(20,140,724)
Income Tax (Paid) / Refunds	(180,816)	(402,864)	(51,150,860)	(32,102,961)
Net Cash from Operating Activities	(2,171,270)	(6,693)	711,730,305	49,098,893
Cash Flow from Investing Activities				
Dividends Received	-	1,916	2,295,759	1,689,973
Purchase of Property & Equipment	(5,355)	(30,032)	(22,598,865)	(27,108,397)
Proceeds form Sale of Property Plant & Equipment	20	176	281,697	65,071
Net cash flows from purchase of financial investments	-	-	(413,880,517)	(182,610,109)
Net cash flows on business combination	-	-	-	-
Effect of translation of net investment in foreign branches, subsidiaries & associates	-	-	10,529,694	2,258,212
Net investment in associates	-	-	(450,925)	(2,819,460)
Net Cash from Investing Activities	(5,335)	(27,940)	(423,623,157)	(208,524,710)
Cash Flow from Financing Activities				
Proceed from issuance of subordinated loans	-	-	-	-
Exchange adjustment on translation of non-controlling interest in subsidiary	-	-	-	44,140
Issuance/ (Repayment) of subordinated loan	-	-	825,000	6,500,000
Payment of Lease Liability against right of use	-	(15,644)	(9,970,218)	(6,786,722)
Dividend paid	-	-	(12,358,209)	(8,493,514)
	-	(15,644)	(21,503,427)	(8,736,096)
Net Increase/(Decrease) in Cash and Cash Equivalents	(2,176,605)	(50,277)	266,603,721	(168,161,914)
Exchange difference on translation of foreign currency reserves	(2,480)	(5,335)	6,655,413	22,943,867
Cash and Cash Equivalents at Beginning of the year	2,650,978	2,706,590	330,872,995	482,746,454
Cash and Cash Equivalents at end of the period	471,893	2,650,978	604,132,129	337,528,408