

HABIB BANK มิเกิด กับเฉลาย FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2023

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023	BANK (UNAUDITED) LKR	BANK (AUDITED) LKR	GROUP (AUDITED) PKR	
In Rupees Thousand	30/09/2023	31/12/2022	31/12/2022	31/12/2021
Assets				
Cash and cash equivalents	814,047	2,706,590	177,041,873	264,559,692
Balances with central banks	63,153	110,918	118,973,513	176,692,554
Placements with banks	3,405,123	2,121,872	296,106,309	158,180,507
Derivative financial instruments		12,083	3,639,550	8,951,592
Financial assets at amortised cost - Investments	2,399,355	3,168,145	380,979,487	337,642,414
Financial assets at amortised cost - Loans & Advances	3,244,119	5,070,000	1,782,497,923	1,507,047,097
Financial assets measured at fair value through other comprehensive income	7,014,578	4,154,908	1,527,789,658	1,576,225,204
Income Tax Receivable				
Investments in associates and joint ventures			40,031,897	35,088,360
Property, plant and equipment	295,177	285,680	113,871,657	98,676,342
Goodwill and Intangible assets			18,422,200	12,630,475
ROU Asset	13,288	23,682		
Deferred tax assets			5,797,045	
Other assets	214,472	176,531	173,654,999	141,773,908
Total assets	17,463,313	17,830,409	4,638,806,111	4,317,468,145
Liabilities				
Due to banks	424,999	6,988		
Derivative financial instruments	12,766			
Due to other customers	8,689,449	10,234,860	3,469,342,252	3,381,998,398
Borrowing			583,771,399	436,258,005
Current tax liabilities	240,498	244,412	13,362,266	7,690,809
Deferred tax liabilities	21,830	21,830		5,082,602
Employee benefit liabilities	41,623	41,312	6,689,292	8,424,335
Subordinated loan	:		18,874,000	12,374,000
Other liabilities	251,554	135,893	261,745,088	181,954,194
Due to subsidiaries				
Total liabilities	9,682,718	10,685,296	4,353,784,297	4,033,782,343
Equity Stated capital/Assigned capital	4.938.390	4.938.390	14.668.525	14.668.525
Stated capital/Assigned capital Statutory reserve fund	4,938,390	4,938,390 115,929	45,653,900	42,159,040
Retained earnings	2.366.645	1,851,919	178.467.639	158,441,418
Other reserves	359.630	238.874	43,352,801	64,375,850
Total shareholders' equity	7.780.595	7.145.113	282,142,865	279,644,833
Non Controlling Interest	1,100,383	1,140,113	2,878,949	4.040.969
Total equity	7,780,595	7.145.113	285,021,814	283,685,802
Total equity Total equity and liabilities	17,463,313	17,830,409	4,638,806,111	4,317,468,145
Contingent liabilities and commitments	6,624,755	7,634,794	1,205,402,450	1,380,523,022
Memorandum Information				
Number of Employees	61	61	21,632	21,703
Number of Branches	4	4	1,746	1,685

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED	

	Reserves						
BANK (Unaudited)	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total equity
Balance as at 01/01/2023 (Opening balance)	·	4,938,390	115,929	199,090	1,851,919	39,784	7,145,113
Total comprehensive income for the year Profit/(loss) for the year Other comprehensive income (net of tax)	-				514,726 -	120,756	514,726 120,756
Total comprehensive income for the year	<u> </u>			<u> </u>	514.72 6	120.756	635.482
Total comprehensive meetine for the year	—			-	014,720	120,700	000,102
Transaction with equity holders, recognised directly in equity				l			
Share issue/increase of assigned capital	l :	l ·					
Share options exercised		'					-
Bonus issue		1					
Right issue Transfers to reserves during the period							-
Dividend to equity holders						l .	
profit transferred to head office							
Profit capitalisation during the year							
Total transaction with equity holders	·						-
Balance as at 30/09/2023 (Closing Balance)		4,938,390	115,929	199,090	2,366,645	160,541	7,780,595

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2022

	Reserves								
GROUP (Audited)	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total	Non controlling interest	Total equity
Balance as at 01/01/2022 (Opening balance)	14,668,525		42,159,040	27,608,578	158,441,418	36,767,272	279,644,833	4,040,969	283,685,802
Total comprehensive income for the year Profit/(loss) for the year Other comprehensive income (net of tax)				(45,251)	34,070,087 98,490	(21,495,219)	34,070,087 (21,441,980)	328,243 (36,946)	34,398,330 (21,478,926)
Total comprehensive income for the year	14,668,525		42,159,040	27,563,327	192,609,995	15,272,053	292,272,940	4,332,266	296,605,206
Transaction with equity holders, recognised directly in equity Transfers to reserves during the period Trasferred from surplus on revaluation of assets - net of tax Dividend to equity holders 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			3,494,860	(71,979)	(3,494,860) 72,970 (11,001,394)		991 (11,001,394)	(991)	(11,001,394) - - - - - -
Acquisition of additional interest in subsidiary			2 404 000	3,726	280,928	585,674	870,328	(1,452,326)	(581,998)
Total transaction with equity holders Balance as at 31/12/2022(Closing Balance)	14,668,525		3,494,860 45,653,900	(68,253) 27,495,074	(14,142,356) 178,467,639	15,857,727	(10,130,075) 282,142,865	(1,453,317) 2,878,949	(11,583,392) 285,021,814

	Bank - LKR		
Item	30/09/2023 (Unaudited)	31/12/2022 (Audited)	
Regulatory Capital Adequacy			
Common Equity Tier 1 Rs. '000	4,019,634	5,876,267	
Core Capital (Tier 1 Capital), Rs. '000	6,913,169	6,910,397	
Total Capital Base, Rs. '000	4,019,634	6,016,977	
Regulatory Capital Ratios			
Common Equity Tier 1 Capital (%) , (Minimum Requirement - 7%)	60.83%	54.13%	
Tier 1 Capital Ratio (%), (Minimum Requirement - 8.5%)	60.83%	54.13%	
Total Capital Ratio (%) , (Minimum Requirement - 12.5%)	64.22%	55.42%	
Leverage Ratio , (Minimum Requirement - 3%)	23%	30%	
Regulatory Liquidity			
Statutory Liquid Assets, Rs.'000			
Domestic Banking unit	12,647,637	9,615,021	
Off-Shore Banking Unit - USD	4,006	5,490	
Statutory Liquid Assets Ratio (%), (Minimum Requirement - 20%)	·	·	
Domestic Banking unit	160%	170%	
Off-Shore Banking Unit	49%	44%	
Total Stock of High Quality Liquidity Assets , Rs.'000	9,593,223	7,942,976	
Liquidity Covereage Ratio (%), (Minimum Requirement - 100%)			
Rupee (%)	1052%	597%	
All Currency (%)	1069%	767%	
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	322%	190%	
Assets Quality (Quality of Loan Portfolio)			
Gross Stage 3 Loans to Total Loans %	6.45%	4.64%	
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 (%)	10.65%	7.77%	
Return on Assets (before Tax) (%)	6.33%	6.30%	
Return on Equity (%)	9.25%	8.81%	

INCOME STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2023	BANK (Unaudited) LKR		GROUP (A	
In Rupees Thousand	30/09/2023	30/09/2022	31/12/2022	31/12/2021
Interest income	1,905,518	1,048,612	436,101,037	262,253,962
Interest expenses	524,992	211,484	270,538,340	130,834,913
Net interest income	1,380,526	837,128	165,562,697	131,419,049
Fee and commission income	73,344	59,991	31,510,143	25,433,355
Fee and commission expense	1,386	1,125		
Net fee and commission income	71,958	58,867	31,510,143	25,433,355
Net gain/ (Loss) from trading			866,175	1,024,384
Net fair value gain/ (Loss) from financial instruments		-	-	-
Net gain/(loss) on derecognition of financial assets	-	-	-	
Other Operating Income (net)	107,895	447,138	14,355,419	9,853,621
Total operating income	107,895	447,138	15,221,594	10,878,005
Impairment for loans and other losses	(67,014)	(11,947)	8,481,761	8,087,105
Net operating income	1,493,365	1,331,185	203,812,673	159,643,304
Personnel expenses	281,736	222,728	51,242,703	41,580,457
Depreciation and amortisation	19,058	18,052	11,760,648	10,353,966
Other expenses	122,846	102,003	63,779,384	45,680,970
Operating profit/(loss) before value added tax (VAT)	1,069,726	988,402	77,029,938	62,027,911
Value added tax (VAT) on financial services	249,000	187,029	-	-
Nation Building tax (NBT) on financial services			-	
Profit/(loss) before tax	820,726	801,373	77,029,938	62,027,911
Tax expenses	306,000	146,000	42,631,608	26,521,038
Profit/(loss) for the period	514,726	655,373	34,398,330	35,506,873
Profit attributable to:				
Owners of the parent	514,726	655,373	34,070,087	35,021,853
Non-controlling interests	-		328,243	485,020
Earnings per share on profit				
Basic earnings per ordinary share	.	-	23.23	23.88
Diluted earnings per ordinary share	-		23.23	23.88

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2023							
	Bank (Un Li	audited) (R	GROUP (AUDITED) PKR				
In Rupees Thousand	30/09/2023	30/09/2022	12/31/2022	31/12/2021			
Profit/(loss) for the period	514,726	655,373	34,398,330	35,506,873			
Other Comprehensive income, net of tax							
Changes in revaluation surpuls Actuarial gains and losses on defined benefit plans			79,834	207,054			
Gains and losses (arising from translating the financial statements of foreign operation)			2,302,352	5,550,804			
Excahnge differences & realization of on translation of foreign currency capital & reserve	(5,264)	22,119					
Realisation of exchange equalisation of capital	-						
Income tax on Other comprehensive Income	-						
Share of surplus on revaluation of investments/operating fixed assets of associates			(48,332)	132,680			
Gain/ (Loss) on revaluation of Investments	126,020	(64,651)	(23,812,780)	(10,857,466)			
Deficit on revaluation of fixed assets							
Other comprehensive income for the period, net of taxes	120,756	(42,533)	(21,478,926)	(4,966,928)			
Total comprehensive income for the period	635,482	612,840	12,919,404	30,539,945			
Attributable to:							
Owners of the parent	635,482	612,840	12,628,107	30,031,002			
Non-Controlling interests			291,297	508,943			

STATEMENT OF CASH FLOWS					
FOR THE PERIOD ENDED 30 SEPTEMBER 2023	Bank (Ur	naudited)	Group (Audited)		
Item	2023 LKR	2022 LKR	2022 PKR	2021 PKR	
Cash Flow from Operating Activities					
Profit before tax	820,726	1,003,346	77,029,938	62,027,911	
(Gain)/Loss on disposal of Property, plant & equipment	(127)	(1,350)	(42,024)	(95,639)	
Share of profit of associates & joint venture	-	•	(3,028,453)	(2,585,595)	
Depreciation & Amortisation	19,058	24,193	13,612,998	11,415,001	
Provision for gratuity	6,750	8,259			
Interest on Lease Creditor	740	1,842	F 040 001	7.045.044	
Impairment charge for Loans & advances	67,014	111,250	5,943,661	7,645,044	
(Increase)/Decrease in Interest Receivable Increase/ (Decrease) in interest payable	•	-	-		
Increase/(Decrease) in interest payable Increase/(Decrease) in accrued expenses	•	•		·	
Impairment charge for Unfunded facilities and Investments		•	(622,951)	1,663,398	
Gratuity payments made	(6,440)	(6,850)	(022,331)	1,000,000	
Other non cash items	12,083	(34,787)	5,037,045	4,490,500	
Dividend income	12,000	(2,293)	(1,508,643)	(913,769)	
Exchange loss on sub-ordinated loan/goodwill-net	_	(2,200)	(429,394)	(491,239)	
Reversal against dimunution in the value of investments			3,851,708	(1,258,723)	
Workers Welfare Fund			1,498,693	1,273,226	
Operating Profit before changes in Operating Assets & Liabilities	919,805	1,103,612	101,342,578	83,170,115	
(Increase)/Decrease in Operating Assets and Liabilities					
(Increase)/Decrease in Operating Assets	(1,475,043)	(1,987,638)	(330,799,956)	(462,055,167)	
(Increase)/Decrease in Operating Liabilities	(998,974)	3,379,370	310,659,232	457,546,605	
Net Cash from Operating Activities before Income Tax	(2,474,018)	1,391,732	(20,140,724)	(4,508,562)	
Income Tax (Paid) / Refunds	(309,914)	(221,136)	(32,102,961)	(26,199,570)	
Net Cash from Operating Activities	(1,864,127)	2,274,208	49,098,893	52,461,983	
	(1/001/121)		10/200/200	52,151,555	
Cash Flow from Investing Activities					
Dividends Received		2,293	1,689,973	743,582	
Purchase of Property & Equipment	(18,211)	(15,213)	(27,108,397)	(16,573,306)	
Proceeds form Sale of Property Plant & Equipment	176	1,350	65,071	344,881	
Net cash flows from purchase of financial investments	-	•	(182,610,109)	59,674,749	
Net cash flows on business combination	-	•			
Effect of translation of net investment in foreign branches, subsidiaries & associates	-	-	2,258,212	5,465,689	
Net investment in associates	(40.005)	(44.574)	(2,819,460)	(857,866)	
Net Cash from Investing Activities	(18,035)	(11,571)	(208,524,710)	48,797,729	
Cash Flow from Financing Activities					
Proceed from issuance of subordinated loans					
Excannge adjustment on translation of non-controlling interest in subsidiarry			44,140	85,115	
Issuance/ (Repayment) of surbordinated loan			6,500,000	(9,982,000)	
Payment of Lease Liability against right of use	(15,644)	(15,331)	(6,786,722)	(6,631,300)	
Dividend paid	(10,011)	(10,001)	(8,493,514)	(10,855,155)	
	(15,644)	(15,331)	(8,736,096)	(27,383,340)	
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Not Ingressed/Degreeses) in Cook and Cook 5	/1 007 000	0 047 007	(100 101 010)	70.070.074	
Net Increase/(Decrease) in Cash and Cash Equivalents	(1,897,806)	2,247,307	(168,161,913)	73,876,371	
Exchange difference on translation of foreign currency reserves	5,264	22,147	22,943,867	9,212,126	
Cash and Cash Equivalents at Beginning of the year	2,706,590	437,136	482,746,454	422,601,823	
Cash and Cash Equivalents at end of the period	814,047	2,706,590	337,528,408	505,690,321	

We, the undersigned, being the Regional General Manager Sri Lanka & Maldives and the Head of Finance of Habib Bank Limited certify jointly that :-

- (a) The above statements have been prepared in compliance with the format and definitions prescribed by the Central Bank of Sri Lanka
- (b) The information contained in these statements have been extracted from the unaudited financial statements of the bank unless indicated as audited (c) Bank figures are reported in SLRs. while the Group figures are in Pak Rs. (US\$ 1 = Pak. Rs. 226.7029 as at 31 December 2022) (d) Habib Bank Limited Was assigned rating of 'A' with a 'Stable' Outlook by Fitch Rating Lanka Ltd.

Wajid Ali Shah RGM Sri Lanka / Maldives 27-Nov-2023

Fathima Zahara Mohamed Head of Finance 27-Nov-2023