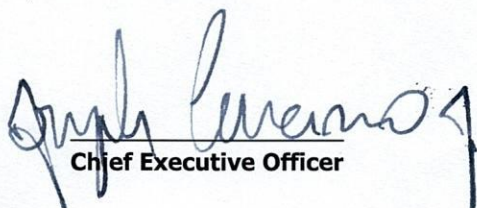


**AFGHANISTAN INTERNATIONAL BANK**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**  
**AS AT 31 MARCH, 2024**

|   | Note | 2024<br>----- AFN '000 ----- | 2023<br>----- |
|---|------|------------------------------|---------------|
| <b>ASSETS</b>                                 |      |                              |               |
| Cash and balances with Da Afghanistan Bank    | 4    | <b>32,559,311</b>            | 27,209,283    |
| Balances with other banks                     | 5    | <b>3,253,682</b>             | 4,819,385     |
| Placements - net                              | 6    | <b>7,777,995</b>             | 8,269,656     |
| Investments - net                             | 7    | <b>6,102,833</b>             | 4,991,227     |
| Loan and advances to customers - net          | 8    | <b>248,217</b>               | 288,884       |
| Operating fixed assets                        | 9    | <b>2,603,108</b>             | 2,662,767     |
| Intangible assets                             |      | <b>338,696</b>               | 356,504       |
| Deferred tax assets                           | 10   | -                            | 26,953        |
| Other assets                                  | 11   | <b>852,345</b>               | 778,022       |
| <b>Total assets</b>                           |      | <b>53,736,187</b>            | 49,402,680    |
| <b>LIABILITIES</b>                            |      |                              |               |
| Customers' deposits                           | 12   | <b>49,025,216</b>            | 44,926,368    |
| Deferred income                               |      | <b>1,703</b>                 | 1,998         |
| Deferred tax liabilities                      | 10   | <b>27,679</b>                | -             |
| Lease liabilities                             | 13   | <b>145,200</b>               | 172,620       |
| Other liabilities                             | 14   | <b>416,766</b>               | 437,593       |
| <b>Total liabilities</b>                      |      | <b>49,616,564</b>            | 45,538,579    |
| <b>EQUITY</b>                                 |      |                              |               |
| Share capital                                 | 15   | <b>1,465,071</b>             | 1,465,071     |
| Capital reserves                              | 16   | <b>434,088</b>               | 434,088       |
| Retained earnings                             |      | <b>2,305,404</b>             | 2,056,035     |
| Revaluation loss on debt instruments at FVOCI |      | <b>(84,940)</b>              | (91,093)      |
| <b>Total equity</b>                           |      | <b>4,119,623</b>             | 3,864,102     |
| <b>Total liabilities and equity</b>           |      | <b>53,736,187</b>            | 49,402,680    |
| <b>Contingencies and commitments</b>          | 17   |                              |               |

The annexed notes 1 to 26 form an integral part of these condensed interim financial information.

MU

  
**Chief Executive Officer**

  
**Chief Financial Officer**



**AFGHANISTAN INTERNATIONAL BANK**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE THREE MONTHS PERIOD ENDED 31 MARCH, 2024**

|  |             | <b>31 March 2024</b>           | <b>31 March 2023</b> |
|--|-------------|--------------------------------|----------------------|
|  |             | <b>(Un-audited)</b>            | <b>(Un-audited)</b>  |
|  |             | <b>----- AFN in '000 -----</b> |                      |
|  | <b>Note</b> |                                |                      |
| Interest income - calculated using the effective interest method   | 18          | <b>160,345</b>                 | 171,045              |
| Interest expense   |             | <b>(2,801)</b>                 | (2,625)              |
| Net interest income  |             | <b>157,544</b>                 | 168,420              |
| Fee and commission income  | 19          | <b>583,605</b>                 | 729,320              |
| Fee and commission expense   |             | <b>(6,389)</b>                 | (3,703)              |
| Net fee and commission income                                      |             | <b>577,216</b>                 | 725,617              |
| Income from dealing in foreign currencies                          |             | <b>82,733</b>                  | 96,303               |
|  |             | <b>817,493</b>                 | 990,340              |
| Other income   |             | <b>617</b>                     | 14                   |
| Loss on sale of securities   |             | -                              | (58,950)             |
| Credit losses reversal   | 20          | <b>2,493</b>                   | 19,263               |
| Finance cost on lease liability                                    |             | <b>(345)</b>                   | (603)                |
| General and administrative expenses                                | 21          | <b>(517,796)</b>               | (508,326)            |
| <b>Profit before taxation</b>                                      |             | <b>302,462</b>                 | 441,738              |
| Taxation   | 22          | <b>(53,093)</b>                | (89,441)             |
| <b>Profit for the period</b>                                       |             | <b>249,369</b>                 | 352,297              |
| <b>Other comprehensive income</b>                                  |             |                                |                      |
| <i>Items that may be classified to profit or loss subsequently</i> |             |                                |                      |
| Surplus on debt instruments at FVOCI                               |             | <b>7,691</b>                   | 42,342               |
| Related deferred tax   |             | <b>(1,538)</b>                 | (10,585)             |
| Other comprehensive loss, net of tax                               |             | <b>6,152</b>                   | 31,757               |
| <b>Total comprehensive income for the year</b>                     |             | <b>255,521</b>                 | 384,054              |
| Earnings per share - Basic and diluted (AFN)                       |             | <b>8.31</b>                    | 11.74                |

The annexed notes 1 to 26 form an integral part of these condensed interim financial information.

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**Chief Executive Officer**

  
**Chief Financial Officer**



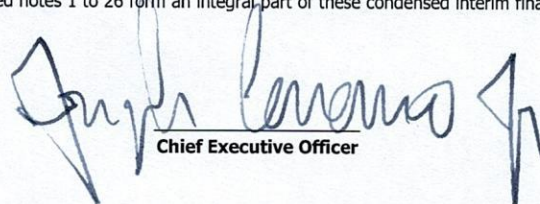
**AFGHANISTAN INTERNATIONAL BANK**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE THREE MONTHS PERIOD ENDED 31 MARCH, 2024**

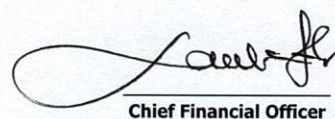
|   | Share capital         | Revaluation<br>loss on debt<br>instruments at<br>FVOCI | Capital reserves | Retained<br>earnings | Total     |
|---|-----------------------|--|------------------|----------------------|-----------|
|   | ----- AFN '000' ----- |  |                  |                      |           |
| Balance at 01 January 2023              | 1,465,071             | (114,303)  | 369,069          | 2,051,465            | 3,771,302 |
| Total comprehensive income              |                       |  |                  |                      |           |
| Profit for the period                   | -                     | -  | -                | 352,297              | 352,297   |
| Other comprehensive income, net of tax: | -                     | -  | -                | -                    | -         |
| Debt instruments at FVOCI               | -                     | -  | -                | -                    | -         |
| Net change in fair value                | -                     | 42,342   | -                | -                    | 42,342    |
| Related tax                             | -                     | (10,585)   | -                | -                    | (10,585)  |
| <b>Total comprehensive income</b>       | -                     | 31,757   | -                | 352,297              | 384,054   |
| Transferred to capital reserve          | -                     | -  | -                | -                    | -         |
| Transactions with owners of the bank    |                       |  |                  |                      |           |
| Dividend paid                           | -                     | -  | -                | -                    | -         |
| Balance at 31 March 2023                | 1,465,071             | (82,547)   | 369,069          | 2,403,762            | 4,155,356 |

|  | Share capital         | Revaluation<br>loss on debt<br>instruments at<br>FVOCI | Capital reserve | Retained<br>earnings | Total            |
|--|-----------------------|--|-----------------|----------------------|------------------|
|  | ----- AFN '000' ----- |  |                 |                      |                  |
| <b>Balance at 01 January 2024</b>              | <b>1,465,071</b>      | <b>(91,093)</b>  | <b>434,088</b>  | <b>2,056,035</b>     | <b>3,864,102</b> |
| Total comprehensive income                     |                       |  |                 |                      |                  |
| Profit for the period                          | -                     | -  | -               | 249,369              | 249,369          |
| Other comprehensive income, net of tax:        | -                     | -  | -               | -                    | -                |
| Fair value reserve (debt instruments at FVOCI) | -                     | -  | -               | -                    | -                |
| Net change in fair value                       | -                     | 7,691  | -               | -                    | 7,691            |
| Related tax                                    | -                     | (1,538)  | -               | -                    | (1,538)          |
| <b>Total comprehensive income</b>              | -                     | <b>6,152</b>   | -               | <b>249,369</b>       | <b>255,521</b>   |
| Transferred to capital reserve                 | -                     | -  | -               | -                    | -                |
| Transactions with owners of the bank           |                       |  |                 |                      |                  |
| Dividend paid                                  | -                     | -  | -               | -                    | -                |
| <b>Balance at 31 March 2024</b>                | <b>1,465,071</b>      | <b>(84,940)</b>  | <b>434,088</b>  | <b>2,305,404</b>     | <b>4,119,623</b> |

The annexed notes 1 to 26 form an integral part of these condensed interim financial information.

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**Chief Executive Officer**

  
**Chief Financial Officer**



**AFGHANISTAN INTERNATIONAL BANK**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE THREE MONTHS PERIOD ENDED 31 MARCH, 2024**

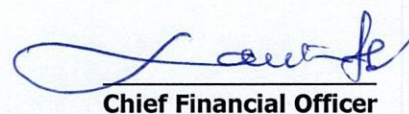
|  | 31 March<br>2024        | 31 March<br>2023   |
|--|-------------------------|--------------------|
|  | (Un-audited)            | (Un-audited)       |
| Note   | ----- AFN in '000 ----- |                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                      |                         |                    |
| Profit before Income Tax   | 302,462                 | 441,738            |
| Adjustments for:   |                         |                    |
| Depreciation   | 67,544                  | 65,211             |
| Amortization   | 37,822                  | 37,180             |
| Finance cost on lease liability                                  | 345                     | 603                |
| Exchange rates differences in lease liabilities                  | 3,130                   | 777                |
| Credit losses reversal   | (2,493)                 | (19,263)           |
|  | <u>408,810</u>          | <u>526,246</u>     |
| Changes in operating assets and liabilities:                     |                         |                    |
| Required reserve maintained with DAB                             | 232,925                 | 731,071            |
| Cash margin held with other banks                                | -                       | 375                |
| Loans and advances to customers - net                            | 40,667                  | 319,786            |
| Other assets   | (74,323)                | (139,714)          |
| Deferred income on commercial letter<br>of credit and guarantees | (295)                   | (8,699)            |
| Customers' deposits  | 4,098,848               | 5,468,008          |
| Other liabilities  | (14,955)                | (604,911)          |
|  | <u>4,691,677</u>        | <u>6,292,162</u>   |
| Income tax paid  | -                       | -                  |
| <b>Net cash flow from operating activities</b>                   | <u>4,691,677</u>        | <u>6,292,162</u>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                      |                         |                    |
| Capital work-in-progress   | -                       | (2,559)            |
| Acquisition of operating fixed assets                            | (7,885)                 | (6,232)            |
| Acquisition of intangible assets                                 | (20,014)                | (20,735)           |
| Placements (with maturity more than three months)                | 1,365,424               | (4,817,770)        |
| Investments  | (1,103,916)             | 1,315,425          |
| <b>Net cash flow from / (used) in investing activities</b>       | <u>233,610</u>          | <u>(3,531,872)</u> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                      |                         |                    |
| Lease liability repaid   | (30,895)                | (10,815)           |
| Dividend paid  | -                       | -                  |
| <b>Net cash used in financing activities</b>                     | <u>(30,895)</u>         | <u>(10,815)</u>    |
| <b>Net increase in cash and cash equivalents</b>                 | <u>4,894,391</u>        | <u>2,749,474</u>   |
| Cash and cash equivalents at 1 January 2024                      | <u>31,056,963</u>       | <u>46,827,238</u>  |
| <b>Cash and cash equivalents at 31 March 2024</b>                | <u>35,951,354</u>       | <u>49,576,713</u>  |

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The annexed notes 1 to 26 form an integral part of these condensed interim financial information.

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**Chief Executive Officer**

  
**Chief Financial Officer**



**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

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**1. Status and nature of business**

Afghanistan International Bank (the Bank) was registered with Afghan Investment Support Agency (AISA) on 27 December 2003 and received formal commercial banking license on 22 March 2004 from Da Afghanistan Bank (DAB), the central bank of Afghanistan, to operate nationwide. The Bank obtained Islamic banking license from DAB via letter no. 1863/1890 dated 21 July 2014.

The Bank initially was incorporated as a limited liability company and domiciled in Afghanistan, however, on the basis that the bank capital is divided into shares the status of the bank is changed from limited liability to Corporation under the Corporations and Limited Liability Companies Law, this status is effective from 04 May 2016. The principal business place of the Bank is at AIB Head Office, Airport Road, Kabul, Afghanistan.

The Bank has been operating as one of the leading commercial banking service providers in Afghanistan. The Bank has 15 branches and 1 cash outlet (2023: 15 branches and 1 cash outlets) in operation.

**2. Basis of preparation and measurement**

- 2.1 This condensed interim financial information of the Bank for the three months ended 31 March 2024 has been prepared in accordance with the requirements of the International Accounting Standard 34 - 'Interim Financial Reporting' and the Law of Banking in Afghanistan and other laws and regulations issued by Da Afghanistan Bank. Whenever the requirement of the Law of Banking in Afghanistan differs with the requirements of the IAS 34 the requirement of the Law of Banking in Afghanistan and other laws and regulations issued by Da Afghanistan Bank takes precedence.
- 2.2 The disclosures made in this condensed interim financial information have been limited based on the format prescribed by the International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and do not include all the information required in the annual financial statements. Accordingly, this condensed interim financial information should be read in conjunction with the annual financial statements of the Bank for the year ended 31 December 2023.
- 2.3 Comparative statement of financial position is extracted from the annual financial statements as at 31 December 2023 whereas comparative statement of comprehensive income, statement of changes in equity and statement of cash flows have been taken from un audited condensed interim financial statements for the three months period ended 31 March 2023.

**Standards, interpretations and amendments to published approved accounting standards that are effective in the current period**

There are certain new and amended standards and interpretations that are mandatory for the Bank's accounting periods beginning on or after 1 January 2020 but are considered not to be relevant or do not have any significant effect on the Bank's operations.

**3. Accounting Policies**

- 3.1 The accounting policies adopted in preparation of this condensed interim financial information are consistent with those followed in the preparation of the annual financial statements of the Bank for the year ended 31 December
- 3.2 The estimates / judgments assumptions used in the preparation of this condensed interim financial information is consistent with those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2023.
- 3.3 The financial risk management policies and procedures are the same as those disclosed in annual financial statements of the Bank for the year ended 31 December 2023.

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

|   |             | <b>31 March 2024</b>        | <b>31 December</b> |
|---|-------------|-----------------------------|--------------------|
|   |             | <b>(Un-audited)</b>         | <b>2023</b>        |
|   |             | <b>(Audited)</b>            |                    |
|   | <b>Note</b> | <b>----- AFN '000 -----</b> |                    |
| <b>4 Cash and balances with Da Afghanistan Bank</b> |             |                             |                    |
| Cash in hand  |             | <b>21,504,744</b>           | 18,518,674         |
| Cash in hand - Islamic banking division             |             | <b>4,765,975</b>            | 3,231,437          |
| Cash at Automated Teller Machines (ATMs)            |             | <b>102,413</b>              | 60,148             |
|   |             | <b>26,373,132</b>           | 21,810,259         |
| Balances with Da Afghanistan Bank:                  |             |                             |                    |
| Local currency:                                     |             |                             |                    |
| - Required reserve accounts                         | 4.1         | <b>526,618</b>              | 593,948            |
| - Current accounts                                  |             | <b>369,881</b>              | 459,026            |
|   |             | <b>896,499</b>              | 1,052,974          |
| Foreign currency:                                   |             |                             |                    |
| - Required reserve accounts                         | 4.1         | <b>3,364,000</b>            | 3,529,595          |
| - Current accounts                                  |             | <b>1,925,680</b>            | 816,455            |
|   |             | <b>5,289,680</b>            | 4,346,050          |
|   |             | <b>32,559,311</b>           | 27,209,283         |

**4.1** Required reserves are maintained with DAB, denominated in respective currencies, to meet minimum reserve requirement in accordance with Article 3 "Required Reserves Regulation" of the Banking Regulations issued by DAB. These balances are interest free.

|                                    |             | <b>31 March 2024</b>        | <b>31 December</b> |
|------------------------------------|-------------|-----------------------------|--------------------|
|                                    |             | <b>(Un-audited)</b>         | <b>2023</b>        |
|                                    |             | <b>----- AFN '000 -----</b> |                    |
|                                    | <b>Note</b> |                             |                    |
| <b>5 Balances with other banks</b> |             |                             |                    |
| With Crown Agents Bank             |             | <b>1,359,754</b>            | 2,804,596          |
| With other banks                   | 5.1         | <b>1,893,928</b>            | 2,014,789          |
|                                    |             | <b>3,253,682</b>            | 4,819,385          |

**5.1** These represent non-interest bearing balances available on demand basis.

|                                  |             | <b>31 March 2024</b>        | <b>31 December</b> |
|----------------------------------|-------------|-----------------------------|--------------------|
|                                  |             | <b>(Un-audited)</b>         | <b>2023</b>        |
|                                  |             | <b>(Audited)</b>            |                    |
|                                  | <b>Note</b> | <b>----- AFN '000 -----</b> |                    |
| <b>6 Placements - net</b>        |             |                             |                    |
| Placements with banks            | 6.1         | <b>7,785,185</b>            | 8,276,681          |
| Impairment allowances for losses |             | <b>(7,190)</b>              | (7,025)            |
|                                  |             | <b>7,777,995</b>            | 8,269,656          |

**6.1** These represent USD denominated fixed term placements with financial institutions outside Afghanistan with maturity ranging from April 2024 to January 2034 (2023: one year) and carry interest at rates ranging from 3.50% to 5.30% (31 December 2023: 3.50% to 5.30%) per annum.

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

|  |      | 31 March 2024<br>(Un-audited) | 31 December<br>2023<br>(Audited) |
|--|------|-------------------------------|----------------------------------|
|  | Note | ----- AFN '000 -----          | ----- AFN '000 -----             |
| <b>7 Investments - net</b>                         |      |                               |                                  |
| <b>Debt instruments at fair value through OCI:</b> |      |                               |                                  |
| - Investment bonds                                 | 7.1  | 1,248,731                     | 1,290,479                        |
| <b>Debt instruments at amortised cost:</b>         |      |                               |                                  |
| - Investment bonds                                 | 7.2  | 4,860,196                     | 3,706,715                        |
|  |      | <b>6,108,927</b>              | 4,997,194                        |
| Allowance for ECL / impairment losses              |      | <b>(6,094)</b>                | (5,967)                          |
|  |      | <b>6,102,833</b>              | 4,991,227                        |

**7.1** These represent investments in sovereign bonds having maturity ranging from September 2024 to October 2029 (31 December 2023: January 2024 to October 2029) and carrying interest rates ranging from 1.63% to 5.63% (31 December 2023: 1.63% to 6.00%) per annum. These investments are managed by Emirates NBD on behalf of the Bank.

**7.2** These represent investments in sovereign bonds carrying interest rates ranging from 1.00% to 4.75% (31 December 2023: 1.00% to 4.80%) per annum. These investments have maturity ranging from April 2025 to May 2033 (31 December 2023: April 2025 to May 2033). These investments are managed by Emirates NBD on behalf of the Bank.

|   |      | 31 March 2024<br>(Un-audited) | 31 December<br>2023<br>(Audited) |
|---|------|-------------------------------|----------------------------------|
|   | Note | ----- AFN '000 -----          | ----- AFN '000 -----             |
| <b>8 Loan and advances to customers - net</b> |      |                               |                                  |
| Overdrafts                                    | 8.1  | 503,688                       | 529,523                          |
| Term loans                                    | 8.2  | 43,499                        | 51,442                           |
| Consumer loans                                | 8.3  | 11,879                        | 11,533                           |
|   |      | <b>559,066</b>                | 592,498                          |
| General provision                             | 8.4  | <b>(251,650)</b>              | (245,875)                        |
| Allowance for ECL / impairment losses         | 8.5  | <b>(59,199)</b>               | (57,738)                         |
|   |      | <b>248,217</b>                | 288,884                          |

**Particulars of loans and advances - (gross)**

|                                 |                |         |
|---------------------------------|----------------|---------|
| Short term (for up to one year) | 543,421        | 592,439 |
| Non-current (for over one year) | 15,645         | 59      |
|                                 | <b>559,066</b> | 592,498 |

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

|  |      | 31 March 2024<br>(Un-audited) | 31 December<br>2023<br>(Audited) |
|--|------|-------------------------------|----------------------------------|
|  | Note | ----- AFN '000 -----          |                                  |
| <b>9 Operating fixed assets</b>                |      |                               |                                  |
| Property and equipment                         | 9.1  | <b>2,587,627</b>              | 2,645,902                        |
| Capital work-in-progress                       | 9.2  | <b>15,480</b>                 | 16,865                           |
|  |      | <b><u>2,603,108</u></b>       | <u>2,662,767</u>                 |
| <b>9.1 Operating fixed assets - movement</b>   |      |                               |                                  |
| <i>Opening balance</i>                         |      |                               |                                  |
| Cost   |      | <b>3,735,663</b>              | 3,688,315                        |
| Accumulated depreciation                       |      | <b>(1,089,762)</b>            | (815,379)                        |
| Net book value                                 |      | <b><u>2,645,902</u></b>       | <u>2,872,936</u>                 |
| <i>Movement in cost:</i>                       |      |                               |                                  |
| Transfers from capital work-in-progress        |      | <b>1,385</b>                  | 8,799                            |
| Additions                                      |      | <b>7,885</b>                  | 41,747                           |
| Adjustments/ write-off                         |      | -                             | (3,198)                          |
|  |      | <b><u>9,270</u></b>           | <u>47,348</u>                    |
| <i>Movement in depreciation:</i>               |      |                               |                                  |
| Depreciation charge                            |      | <b>67,544</b>                 | 274,383                          |
| Adjustments/ write-off                         |      | -                             | -                                |
|  |      | <b><u>67,544</u></b>          | <u>274,383</u>                   |
| <i>Closing balance</i>                         |      |                               |                                  |
| <b>Cost</b>                                    |      | <b>3,744,933</b>              | 3,735,663                        |
| <b>Accumulated depreciation</b>                |      | <b>(1,157,306)</b>            | (1,089,762)                      |
| <b>Net book value</b>                          |      | <b><u>2,587,627</u></b>       | <u>2,645,902</u>                 |
| <b>9.2 Capital work-in-progress - movement</b> |      |                               |                                  |
| Opening  |      | <b>16,865</b>                 | 7,204                            |
| Additions during the period                    |      | -                             | 18,460                           |
| Transferred to operating fixed assets          |      | <b>(1,385)</b>                | (8,799)                          |
| Closing  |      | <b><u>15,480</u></b>          | <u>16,865</u>                    |

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

| 10  | Deferred tax  | Note | 31 March             | 31 December   |
|---|---|------|----------------------|---------------|
|   |   |      | 2024                 | 2023          |
|   |   |      | (Un-audited)         | (Audited)     |
|   |   |      | ----- AFN '000 ----- |               |
| <b>Deferred tax (liabilities) / assets arising in respect of:</b> |   |      |                      |               |
|   | Provision on investments, placements, loans and advances and other assets |      | 3,129                | 2,963         |
|   | Provision on guarantees and commercial letter of credits                  |      | 51,833               | 51,321        |
|   | Surplus on revaluation of investments                                     |      | 11,659               | 13,197        |
|   | Carry forward taxable losses  |      | 268,287              | 341,669       |
|   | Accelerated tax depreciation and amortization                             |      | (362,587)            | (382,197)     |
|   |   | 10.1 | <u>(27,679)</u>      | <u>26,954</u> |

| 10   | Movement in temporary differences during the period      | Balance at      |                              | Balance at       |                              | Recognized in profit or loss | Recognized in equity | Balance at 31 March 2024 |
|--|--|-----------------|------------------------------|------------------|------------------------------|------------------------------|----------------------|--------------------------|
|  |  | 01 January 2023 | Recognized in profit or loss | 31 December 2023 | Recognized in profit or loss |                              |                      |                          |
| -----AFN '000-----                                     |  |                 |                              |                  |                              |                              |                      |                          |
| <b>Deferred tax assets arising in respect of:</b>      |  |                 |                              |                  |                              |                              |                      |                          |
|  | Provision on investments placements and other assets     | 6,334           | (3,371)                      | -                | 2,963                        | 167                          | -                    | 3,129                    |
|  | Provision on guarantees and commercial letter of credits | 36,442          | 14,879                       | -                | 51,321                       | 512                          | -                    | 51,833                   |
|  | Revaluation reserve on investments                       | 18,999          | -                            | (5,802)          | 13,197                       | -                            | (1,538)              | 11,659                   |
|  | Carry forward taxable losses                             | 401,778         | (60,109)                     | -                | 341,669                      | (73,382)                     | -                    | 268,287                  |
|  |  | 61,775          | 11,507                       | (5,802)          | 67,481                       | (72,703)                     | (1,538)              | 334,908                  |
| <b>Deferred tax liabilities arising in respect of:</b> |  |                 |                              |                  |                              |                              |                      |                          |
|  | Accelerated tax depreciation and amortization            | (449,752)       | 67,555                       | -                | (382,197)                    | 19,610                       | -                    | (362,587)                |
|  |  | (449,752)       | 67,555                       | -                | (382,197)                    | 19,610                       | -                    | (362,587)                |
|  |  | (387,977)       | 79,062                       | (5,802)          | (314,716)                    | (53,093)                     | (1,538)              | (27,679)                 |

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

|  |             | <b>31 March 2024</b>        | <b>31 December</b>    |
|--|-------------|-----------------------------|-----------------------|
|  |             | <b>(Un-audited)</b>         | <b>2023 (Audited)</b> |
|  |             | <b>----- AFN '000 -----</b> | <b>-----</b>          |
| <b>11 Other assets</b>   | <b>Note</b> |                             |                       |
| Advances to employees  |             | <b>18,544</b>               | 23,013                |
| Security deposits  |             | <b>456</b>                  | 455                   |
| Prepayments  |             | <b>236,670</b>              | 272,722               |
| Interest receivable  |             | <b>182,151</b>              | 160,879               |
| Advance income tax - net   |             | <b>44,040</b>               | 44,040                |
| Receivable from credit card service company - CSC                |             | <b>349,339</b>              | 230,882               |
| Other receivable and advances                                    |             | <b>23,507</b>               | 47,852                |
|  |             | <b>854,707</b>              | 779,843               |
| Allowance for ECL / impairment losses                            |             | <b>(2,362)</b>              | (1,821)               |
|  |             | <b>852,345</b>              | 778,022               |
|  |             | <b>31 March 2024</b>        | <b>31 December</b>    |
|  |             | <b>(Un-audited)</b>         | <b>2023 (Audited)</b> |
|  |             | <b>----- AFN '000 -----</b> | <b>-----</b>          |
| <b>12 Customers' deposits</b>                                    | <b>Note</b> |                             |                       |
| Current deposits   |             | <b>42,206,675</b>           | 39,614,126            |
| Saving deposits  |             | <b>82,303</b>               | 78,613                |
| Islamic deposits   | 12.1        | <b>5,869,036</b>            | 4,361,441             |
| Cash margin held against bank guarantees and letters of credit   |             | <b>867,202</b>              | 872,188               |
|  |             | <b>49,025,216</b>           | 44,926,368            |
| <b>12.1</b> Islamic deposits can be further analyzed as follows: |             |                             |                       |
| Current deposits   |             | <b>4,916,368</b>            | 3,533,761             |
| Saving deposits  |             | <b>952,668</b>              | 827,680               |
|  |             | <b>5,869,036</b>            | 4,361,441             |
|  |             | <b>31 March 2024</b>        | <b>31 December</b>    |
|  |             | <b>(Un-audited)</b>         | <b>2023 (Audited)</b> |
|  |             | <b>----- AFN '000 -----</b> | <b>-----</b>          |
| <b>13 Lease liabilities</b>                                      | <b>Note</b> |                             |                       |
| Opening balance  |             | <b>172,620</b>              | 247,634               |
| Lease rentals paid   |             | <b>(30,895)</b>             | (30,750)              |
| Finance cost for the period                                      |             | <b>345</b>                  | 2,261                 |
| Exchange loss / (gain)   |             | <b>3,130</b>                | (46,525)              |
|  |             | <b>145,200</b>              | 172,620               |

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

|                                       | Note | 31 March 2024<br>(Un-audited) | 31 December<br>2023 (Audited) |
|---------------------------------------|------|-------------------------------|-------------------------------|
|                                       |      | ----- AFN '000 -----          |                               |
| <b>14 Other liabilities</b>           |      |                               |                               |
| Accruals and other payables           |      | 34,275                        | 16,629                        |
| Pending outward remittances           | 14.1 | 6,706                         | 7,943                         |
| Provision for salaries and allowances |      | 48,981                        | 90,954                        |
| Payable to customers                  |      | 21,099                        | 20,685                        |
| Others                                |      | 46,542                        | 44,779                        |
| Provision on financial guarantees     |      | <u>259,163</u>                | <u>256,603</u>                |
|                                       |      | <u>416,766</u>                | <u>437,593</u>                |

**14.1** This represents amounts received on behalf of the customers, however, not credited in the respective customer accounts due to incomplete identification data.

|  | 31 March 2024<br>(Un-audited) | 31 December<br>2023 (Audited) |  |
|--|-------------------------------|-------------------------------|--|
|  |                               | ----- AFN '000 -----          |  |
| <b>15 Share capital</b>  |                               |                               |  |
| Authorized 30,000,000 (2023: 30,000,000) ordinary shares of USD 1 each     | <u>1,465,071</u>              | 1,465,071                     |  |
| Issued, subscribed and paid-up - 30,000,000 (31 December 2023: 30,000,000) | <u>1,465,071</u>              | 1,465,071                     |  |

**15.1** Pursuant to letter no.918/703 dated 17 May 2010 issued by Da Afghanistan Bank (DAB), the Bank complies with the minimum paid-up capital requirement for commercial banks in Afghanistan amounting to AFN 1 billion or US \$ 20 million.

**15.2** Horizon Associates LLC and Wilton Holding Limited each holds 46.25% of issued, subscribed and paid up capital while remaining 7.5% is held by International Finance Corporation which is same as per previous year.

**16 Capital reserves**

Article 93 Reserve Capital of Corporations and Limited Liability Companies Law of Afghanistan, requires that Bank should transfer 5% of its profit to Capital Reserve to compensate for future possible losses to the extent such capital reserves reach up to 25% of the Bank's capital. The Bank's capital reserves as at 31 March 2024 stood at AFN 434,088 thousands (31 March 2023: AFN 369,069 thousands).

|  | Note | 31 March 2024<br>(Un-audited) | 31 December<br>2023 (Audited) |
|--|------|-------------------------------|-------------------------------|
|  |      | ----- AFN '000 -----          |                               |
| <b>17 Contingencies and commitments</b>  |      |                               |                               |
| <b>Contingencies</b>   |      |                               |                               |
| Financial guarantees   | 17.1 | <u>733,059</u>                | <u>881,875</u>                |
| <b>17.1</b> These represent bid bonds and performance guarantees issued by the Bank in the normal course of business. These are 100% secured against the cash margin and counter guarantees. |      |                               |                               |
| <b>Commitments</b>   |      |                               |                               |
| (a) Undrawn loan and overdraft facilities  |      | 142,202                       | 153,591                       |
| (b) Commercial letters of credit   |      | -                             | -                             |
|  |      | <u>142,202</u>                | <u>153,591</u>                |

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

|           |   | Three months ended            |                               |
|-----------|---|-------------------------------|-------------------------------|
|           |   | 31 March 2024<br>(Un-audited) | 31 March 2023<br>(Un-audited) |
|           |   | ----- AFN '000 -----          |                               |
| <b>18</b> | <b>Interest income - calculated using the effective interest method</b>   |                               |                               |
|           | Interest income on overnight deposits   | 20,462                        | 19,480                        |
|           | Placements  | 91,318                        | 105,416                       |
|           | Debt instruments at FVOCI   | 7,124                         | 10,201                        |
|           | Debt instruments at amortized cost  | 31,697                        | 16,541                        |
|           | Loans and advances to customers   | 9,744                         | 19,407                        |
|           |   | <u>160,345</u>                | <u>171,045</u>                |
|           |   | 31 March 2024<br>(Un-audited) | 31 March 2023<br>(Un-audited) |
|           |   | ----- AFN '000 -----          |                               |
| <b>19</b> | <b>Fee and commission income</b>  |                               |                               |
|           | Income from domestics/international inward/outward remittances  | 146,729                       | 183,174                       |
|           | Customers' account service charges  | 11,446                        | 16,593                        |
|           | Income from electronic banking  | 16,025                        | 23,631                        |
|           | Income from guarantee arrangements  | 440                           | 8,300                         |
|           | Income from payroll disbursement services   | 10,660                        | 9,901                         |
|           | Physical cash management income   | 356,859                       | 465,996                       |
|           | Income from pay on ID's services  | 39,173                        | 19,667                        |
|           | Others  | 2,273                         | 2,058                         |
|           |   | <u>583,605</u>                | <u>729,320</u>                |
|           |   | 31 March 2024<br>(Un-audited) | 31 March 2023<br>(Un-audited) |
|           |   | ----- AFN '000 -----          |                               |
| <b>20</b> | <b>Credit losses reversal (net)</b>   |                               |                               |
|           | The table below shows the ECL charges on financial instruments for the period recorded in the income statement: |                               |                               |
|           | Placements  | 6                             | (8) (12,531)                  |
|           | Investments   | 7                             | (5) (327)                     |
|           | Loans and advances  | 8                             | 391 (7,976)                   |
|           | Other assets  | 11                            | 508 1,419                     |
|           | Financial guarantees  | 14                            | (3,379) 152                   |
|           | <b>Total credit losses reversal for the period - net</b>  |                               | <u>(2,493) (19,263)</u>       |

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

| 21 | General and administrative expenses         | Note | 31 March 2024        | 31 March 2023  |
|----|---|------|----------------------|----------------|
|    |   |      | (Un-audited)         | (Un-audited)   |
|    |   |      | ----- AFN '000 ----- |                |
|    | Salaries, bonus & other benefits            |      | 143,538              | 157,840        |
|    | Head office building support services       |      | 10,048               | 10,374         |
|    | Electricity, generator and fuel             |      | 19,663               | 29,758         |
|    | Repairs and maintenance                     |      | 11,279               | 9,878          |
|    | Information technology cost                 |      | 27,069               | 29,448         |
|    | Security cost                               |      | 10,736               | 11,947         |
|    | Depreciation                                | 9.1  | 67,544               | 65,211         |
|    | Amortization                                |      | 37,822               | 37,180         |
|    | Directors fee and their meeting expenses    |      | 6,223                | 5,901          |
|    | Travelling and accommodation                |      | 7,768                | 5,969          |
|    | Communication, swift and internet           |      | 6,529                | 6,697          |
|    | Stationery and printing                     |      | 4,971                | 4,255          |
|    | Legal and professional charges              |      | 70,778               | 67,144         |
|    | Asset management fee to investment advisors |      | 3,296                | 6,634          |
|    | Auditors' remuneration                      |      | 2,679                | 3,957          |
|    | Marketing and promotion                     |      | 2,973                | 205            |
|    | Money service providers charges             |      | 26,633               | 3,198          |
|    | Insurance                                   |      | 28,664               | 26,741         |
|    | Subscriptions and memberships               |      | 239                  | 119            |
|    | ATM expenses                                |      | 2,005                | 13,401         |
|    | Corporate social responsibility             |      | 9,506                | -              |
|    | Others                                      |      | 17,833               | 12,469         |
|    |   |      | <b>517,796</b>       | <b>508,326</b> |
|    |   |      | 31 March 2024        | 31 March 2023  |
|    |   |      | (Un-audited)         | (Un-audited)   |
|    |   |      | ----- AFN '000 ----- |                |
| 22 | <b>Taxation</b>                             | Note |                      |                |
|    | <b>Current:</b>                             |      |                      |                |
|    | For the period                              | 22   | -                    | -              |
|    | Prior periods                               |      | -                    | -              |
|    | <b>Deferred:</b>                            |      |                      |                |
|    | For the period                              |      | 53,093               | 89,441         |
|    |   |      | <b>53,093</b>        | <b>89,441</b>  |

22.1 Owing to carry forward tax losses, no provision for taxation has been made during the period.

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

**23 Related party transactions**

The Bank has a related party relationship with its shareholders, their related entities, directors and key management personnel. The Bank had transactions with following related parties at mutually agreed terms during the period:

| Nature of transactions                                  | Directors and other key management personnel (and close family members) |                               | Shareholders and its associated companies |                               |
|---|---|-------------------------------|---|-------------------------------|
|   | 31 March 2024<br>(Un-audited)   | 31 December 2023<br>(Audited) | 31 March 2024<br>(Un-audited)             | 31 December 2023<br>(Audited) |
|   | ----- AFN '000 -----  |                               |   |                               |
| <b>(a) Loans and advances to related parties</b>        |   |                               |   |                               |
| Loans outstanding at the beginning of the period / year | 5,971   | 11,943                        | 163,773                                   | 176,878                       |
| Loans issued during the period / year                   | -   | 5,971                         | -   | -                             |
| Loans repayments during the period / year               | -   | (11,943)                      | (741)                                     | (25,306)                      |
| Exchange gain   | -   | -                             | -   | -                             |
| Loans outstanding at the end of the period / year       | <u>5,971</u>  | <u>5,971</u>                  | <u>163,032</u>                            | <u>163,773</u>                |
| Interest income earned                                  | -   | -                             | 3,050                                     | 12,201                        |

Provision for expected credit losses on outstanding balances of loans and advances to related parties amounts to AFN 1,663 thousand (31 December 2023: AFN 1,628 thousand).

The facilities provided to related parties carry mark-up of 7% p.a. (31 December 2023: 7% p.a.) payable on monthly basis and are secured against mortgage of residential property and personal guarantees of directors and representative of shareholders of the Bank.

| Nature of transactions                         | Directors and other key management personnel (and close family members) |                               | Shareholders and its associated companies |                               |
|--|---|-------------------------------|---|-------------------------------|
|  | 31 March 2024<br>(Un-audited)   | 31 December 2023<br>(Audited) | 31 March 2024<br>(Un-audited)             | 31 December 2023<br>(Audited) |
|  | ----- AFN '000 -----  |                               |   |                               |
| <b>(b) Deposits from related parties</b>       |   |                               |   |                               |
| Deposits at the beginning of the period / year | 47,722  | 49,635                        | 16,157                                    | 21,295                        |
| Deposits received during the period / year     | 1,409   | 10,057                        | 61,539                                    | 279,985                       |
| Deposits repaid during the period / year       | (1,502)   | (11,805)                      | (49,652)                                  | (284,200)                     |
| Exchange rate difference                       | 6   | (165)                         | 444                                       | (923)                         |
| Deposits at the end of the period / year       | <u>47,635</u>   | <u>47,722</u>                 | <u>28,488</u>                             | <u>16,157</u>                 |
| Interest expense on deposits                   | -   | -                             | -   | -                             |

These represent current account of related parties, which do not carry interest (31 December 2023: Nil).

| Nature of transactions                      | Directors and other key management personnel (and close family members) |                               | Shareholders and its associated companies |                               |
|---|---|-------------------------------|---|-------------------------------|
|   | 31 March 2024<br>(Un-audited)   | 31 March 2023<br>(Un-audited) | 31 March 2024<br>(Un-audited)             | 31 March 2023<br>(Un-audited) |
|   | ----- AFN '000 -----  |                               |   |                               |
| <b>(c) Other related party transactions</b> |   |                               |   |                               |
| Fee and commission income                   | -   | -                             | 202                                       | 21                            |
| Directors' fee                              | 6,223   | 4,827                         | -   | -                             |
| Rental expenses                             | -   | -                             | 10,590                                    | 24,168                        |
| Travelling expense                          | -   | -                             | -   | -                             |
|   |   |                               | <b>31 March 2024</b>                      | <b>31 March 2023</b>          |
|   |   |                               | <b>(Un-audited)</b>                       | <b>(Un-audited)</b>           |
|   |   |                               | ----- AFN in '000 -----                   |                               |
| <b>(d) Key Management compensation</b>      |   |                               |   |                               |
| Salaries and other short-term benefits      |   |                               | 16,447                                    | 19,682                        |
|   |   |                               | <u>16,447</u>                             | <u>19,682</u>                 |

Key Management personnel of the Bank include the Chief Executive Officer, Deputy Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

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**Afghanistan International Bank**  
**Notes to the condensed interim financial statements (Un-audited)**  
**For the three months period ended 31 March, 2024**

|  | <b>31 March 2024</b><br><b>(Un-audited)</b> | <b>31 March 2023</b><br><b>(Un-audited)</b> |
|--|---|---|
|  | ----- AFN in '000 -----                     |   |
| <b>24 Cash and cash equivalents</b>                        |   |   |
| Cash in hand and at ATM                                    | <b>26,373,132</b>                           | 36,001,590                                  |
| Balances with DAB (other than minimum reserve requirement) | <b>2,295,561</b>                            | 2,422,979                                   |
| Balances with other banks                                  | <b>3,253,682</b>                            | 4,048,288                                   |
| Placements (with maturity less than three months)          | <b>4,028,979</b>                            | 7,103,856                                   |
|  | <b><u>35,951,354</u></b>                    | <u>49,576,713</u>                           |

**25 General**

**25.1** The figures in this condensed interim financial statements have been rounded off to the nearest thousands.

**26 Date of authorization for issue**

This condensed interim financial statements were authorized for issue by the Board of Supervisors of the Bank on \_\_\_\_\_.

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**Chief Executive Officer**

  
**Chief Financial Officer**