

HABIB BANK வள்ள ரிம்வத் FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2024

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024	BANK LKR	BANK (AUDITED) LKR	GROUP (AUDITED) PKR		
In Rupees Thousand	31/03/2024	31/12/2023	31/12/2023	31/12/2022	
Assets Cash and cash equivalents Balances with central banks	368,192 223,902	2,650,978 78,128	328,537,645 218,990,936	177,041,873 118,973,513	
Placements with banks Derivative financial instruments Financial assets at amortised cost - Investments	3,075,005 - 3,830,749 2,895,737	1,500,465 376 1,769,866 3,433,847	145,201,708 2,653,977 459,663,103	296,106,309 3,639,550 380,979,487	
Financial assets at amortised cost - Loans & Advances Financial assets measured at fair value through other comprehensive income Income Tax Receivable Investments in associates and joint ventures	2,895,737 8,805,586	8,308,342 -	1,861,344,592 2,066,503,361 36,132,623	1,782,497,923 1,527,789,658 - 40.031.897	
Property, plant and equipment Goodwill and Intangible assets ROU Asset	379,756 6,360	380,917 9,824	141,894,467 22,720,543	113,871,657 18,422,200	
Deferred tax assets Other assets Total assets	167,209 19,752,497	82,320 1 8,215,062	480,874 250,224,474 5,534,348,303	5,797,045 173,654,999 4,638,806,111	
Liabilities Due to banks Derivative financial instruments	992,027 1,611	28,468			
Due to other customers Borrowing Debt securities issued	10,012,837	9,529,646 250,191 -	4,142,351,836 665,042,679	3,469,342,252 583,771,399	
Current tax liabilities Deferred tax liabilities Employee benefit liabilities	268,189 62,037 46,178	283,597 62,037 47,487	14,721,663 - 7,244,757	13,362,266 - 6,689,292	
Subordinated loan Lease Liability Other liabilities	4,799 354,386	4,699 118,551	19,699,000 - 319,267,715	18,874,000 - 261,745,088	
Due to subsidiaries Total liabilities Equity	11,742,065	10,324,675	5,168,327,650	4,353,784,297	
Stated capital/Assigned capital Statutory reserve fund Retained earnings	4,938,390 147,166 2,557,136	4,938,390 147,166 2,441,502	14,668,525 48,815,676 221,883,756	14,668,525 43,130,076 178,467,639	
Other reserves Total shareholders' equity Non Controlling Interest	367,739 8,010,432	363,329 7,890,387	77,846,804 363,214,761 2,805,892	45,876,625 282,142,865 2,878,949	
Total equity Total equity and liabilities Contingent liabilities and commitments	8,010,432 19,752,497 9,369,222	7,890,387 18,215,062 7,018,591	366,020,653 5,534,348,303 1,253,534,402	285,021,814 4,638,806,111 1,228,617,584	
Memorandum Information					
Number of Employees Number of Branches	57 4	58 4	20,301 1,758	21,632 1,746	

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2024								
BANK (Audited)	Share capital	Assigned capital	Reserve fund	Revaluation reserve	Retained earnings	Other reserves	Total equity	
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 Profit/(loss) for the year Other comprehensive income (net of tax)	:	:			115,635	4,410	115,635 4,410	
Total comprehensive income for the year					115,635	4,410	120,045	
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 31/03/2024 (Closing Balance)		4,938,390	147,166	254,598	2,557,136	113,141	8,010,432	

STATEMENT OF CHAN	IGES	IN EO	UITY	FOR	THE P	ERIO	D END	ED 31	ST D	ECEM	BER 2	023
GROUP (Audited)			ributable t									
dhoor (Addited)				Reserves				(deficit) on			Non	
	Share capital		utory		Capital		Statutory r	evaluation of			controlling	Total equity
	сарітаі	Joint venture and subsidiary	Reserve fund	Exchange translation	Non distributable	On acquisition of common control entity	Investments	Fixed / Non Banking Assets	Un appropriated profits	Sub Total	interest	oquity
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	
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 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 Acquisition of additional interest in subsidiary Derecognition of joint venture Minority share of surpuls on revaluation of fixed assets of subsidiaries		214,354		(1,951,567)				2,395	234,425	(10,634,681)	(229,723)	(10,634,681) (1,951,567)
Total transaction with equity holders		(1,229,902)	5,685,600	(1,951,567)			(4,104)			(12,356,525)		(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 31 MARCH 2024												

	Bank	- LKR	
Item	31/03/2024 (Unaudited)	31/12/2023 (Audited)	
Regulatory Capital Adequacy			
Common Equity Tier 1 Rs. '000	5,080,526	6,912,007	
Core Capital (Tier 1 Capital), Rs. '000	7,608,270	7,608,270	
Total Capital Base, Rs. '000	5,301,285	7,130,401	
Regulatory Capital Ratios			
Common Equity Tier 1 Capital (%), (Minimum Requirement - 7%)	75.50%	75.64%	
Tier 1 Capital Ratio (%), (Minimum Requirement - 8.5%)	75.50%	75.64%	
Total Capital Ratio (%), (Minimum Requirement - 12.5%)	78.78%	78.03%	
Leverage Ratio , (Minimum Requirement - 3%)	25%	31%	
Regulatory Liquidity			
Statutory Liquid Assets, Rs.'000			
Domestic Banking unit	15,140,218	13,309,427	
Off-Shore Banking Unit - USD	3,464	3,164	
Statutory Liquid Assets Ratio (%), (Minimum Requirement - 20%)			
Domestic Banking unit	227%	200%	
Off-Shore Banking Unit	28%	38%	
Total Stock of High Quality Liquidity Assets , Rs.'000	12,803,857	9,964,635	
Liquidity Covereage Ratio (%), (Minimum Requirement - 100%)			
Rupee (%)	552%	987%	
All Currency (%)	553%	346%	
Net Stable Funding Ratio (%) - (Minimum Requirement - 100%)	374%	258%	
Assets Quality (Quality of Loan Portfolio)			
Gross Stage 3 Loans to Total Loans %	7.05%	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 (%)	7.80%	10.31%	
Return on Assets (before Tax) (%)	4.29%	6.07%	
Return on Equity (%)	5.96%	8.25%	

Interest income Interest expenses Net interest income Fee and commission income Fee and commission expense Net fee and commission income Net gain/ (Loss) from trading Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income	480,551 133,378 347,173 30,237 465 29,772	31/03/2023 620,515 160,980 459,535 24,585 310 24,275	31/12/2023 712,345,078 470,212,037 242,133,041 42,250,183 42,250,183	31/12/2022 436,101,037 270,538,340 165,562,697 31,510,143
Interest expenses Net interest income Fee and commission income Fee and commission expense Net fee and commission income Net gain/ (Loss) from trading Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income	133,378 347,173 30,237 465	160,980 459,535 24,585 310	470,212,037 242,133,041 42,250,183 42,250,183	270,538,340 165,562,697
Net interest income Fee and commission income Fee and commission expense Net fee and commission income Net gain/ (Loss) from trading Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income	347,173 30,237 465	459,535 24,585 310	242,133,041 42,250,183 42,250,183	165,562,697
Fee and commission income Fee and commission expense Net fee and commission income Net gain/ (Loss) from trading Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income	30,237 465	24,585 310	42,250,183 42,250,183	
Fee and commission expense Net fee and commission income Net gain/ (Loss) from trading Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income	465	310	42,250,183	31,510,143
Net fee and commission income Net gain/ (Loss) from trading Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income				
Net gain/ (Loss) from trading Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income	29,772	24,275		-
Net fair value gain/ (Loss) from financial instruments Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income				31,510,143
Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income			945,981	866,175
Net gain/(loss) on derecognition of financial assets Other Operating Income (net) Total operating income				-
Total operating income			.	-
	32,387	59,506	14,254,941	14,355,419
	32,387	59,506	15,200,922	15,221,594
Impairment for loans and other losses	110	(70,640)	13,265,779	8,481,761
Net operating income	409,442	472,675	286,318,367	203,812,673
Personnel expenses	96,806	91,476	63,513,263	51,242,703
Depreciation and amortisation	7,309	6,131	16,354,003	13,612,998
Other expenses	50,623	42,222	92,900,105	61,927,034
Operating profit/(loss) before value added tax (VAT)	254,705	332,847	113,550,996	77,029,938
Value added tax (VAT) on financial services	64,070	98,000		-
Nation Building tax (NBT) on financial services				-
Profit/(loss) before tax	190,635	234,847	113,550,996	77,029,938
Tax expenses	75,000	117,000	55,793,580	42,631,608
Profit/(loss) for the period	115,635	117,847	57,757,416	34,398,330
Profit attributable to:				
Owners of the parent	115,635	117,847	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 31.03.2024							
	BANK LKR		GROUP (AUDITED) PKR				
In Rupees Thousand	31/03/2024	31/03/2023	31/12/2023	31/12/2022			
Profit/(loss) for the period	115,635	117,847	57,757,416	34,398,330			
Other Comprehensive income, net of tax				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
Changes in revaluation surpuls 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			
Excahnge differences & realization of on translation of foreign currency capital & reserve	(2,981)	(4,877)					
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	7,391	42,332	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	4,410	37,454	35,827,671	(21,478,926)			
Total comprehensive income for the period	120,045	155,301	93,585,087	12,919,404			
Attributable to:							
Owners of the parent	120,045	155,301	93,428,421	12,628,107			
Non-Controlling interests			156,666	291,297			

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 MARCH 2024	Ba	nk	Group (Audited)
Item	31/03/2024 LKR	31/12/2023 LKR	31/12/2023 PKR	31/12/2022 PKR
Cash Flow from Operating Activities Profit before tax (Grindless on disposal of Proporty, plant & equipment	190,635 (20)	1,056,957 (127)	113,550,996 (48,681)	77,029,938 (42,024)
(Gain)/Loss on disposal of Property, plant & equipment Share of profit of associates & joint venture Depreciation & Amortisation	7,309	26,152	(4,422,695) 16,354,003	(3,028,453) 13,612,998
Provision for gratuity Interest on Lease Creditor Impairment charge for Loans & advances	4,350 101 -	11,492 839 60,713	13,469,201	5,943,661
(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	(5,659)	(10,922)	7,627,375	5,037,045
Other non cash items Dividend income Exchange loss on sub-ordinated loan/goodwill-net	1,988	11,707 (1,916) -	(2,300,969) (1,055,507) (184,104)	(1,508,643) (429,394) 3,851,708
Reversal against dimunution in the value of investments Workers Welfare Fund Operating Profit before changes in Operating Assets & Liabilities	198,702	1,154,893	(3,731,399) 2,282,323 142,307,047	1,498,693 101,342,578
(Increase)/Decrease in Operating Assets and Liabilities (Increase)/Decrease in Operating Assets	(3.805.023)	(327,341)	(188,928,229)	(330.799.956)
(Increase)/Decrease in Operating Assets (Increase)/Decrease in Operating Liabilities Net Cash from Operating Activities before Income Tax	1,419,588 (2,385,435)	(327,341) (431,381) (758,722)	809,502,347 620,574,118	310,659,232 (20,140,724)
Income Tax (Paid) / Refunds Net Cash from Operating Activities	(90,408) (2,277,141)	(402,864) (6,693)	(51,150,860) 711,730,305	(32,102,961) 49,098,893
Cash Flow from Investing Activities Dividends Received		1,916	2,295,759	1,689,973
Purchase of Property & Equipment Proceeds form Sale of Property Plant & Equipment Net cash flows from purchase of financial investments	(2,684) 20	(30,032) 176	(22,598,865) 281,697 (413,680,517)	(27,108,397) 65,071 (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 Net Cash from Investing Activities	(2,664)	(27,940)	(450,925) (423,623,157)	(2,819,460) (208,524,710)
Cash Flow from Financing Activities Proceed from issuance of subordinated loans Excahnge adjustment on translation of non-controlling interest in subsidiarry			:	44.140
Issuance/ (Repayment) of surbordinated loan Payment of Lease Liability against right of use Dividend paid		(15,644)	825,000 (9,970,218) (12,358,209)	6,500,000 (6,786,722) (8,493,514)
отугиени раги		(15,644)	(21,503,427)	(8,493,514) (8,736,096)
Net Increase/(Decrease) in Cash and Cash Equivalents Exchange difference on translation of foreign currency reserves	(2,279,805) (2,981)	(50,277) (5,335)	266,603,721 6,655,413	(168,161,914) 22,943,867
Cash and Cash Equivalents at Beginning of the year Cash and Cash Equivalents at end of the period	2,650,978 368,192	2,706,590 2,650,978	330,872,995 604,132,129	482,746,454 337,528,408

We, the undersigned, being the officiating Country Manager 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
- (c) Bank figures are reported in SLRs. while the Group figures are in Pak Rs. (US\$ 1 = Pak. Rs. 282.114 as at 31 December 2023)

(d) Habib Bank Limited Was assigned rating of 'A' with a 'Stable' Outlook by Fitch Rating Lanka Ltd.

Sujeenie Gunasekera Officiating Country Manager 27 May 2024

Fathima Zahara Mohamed **Head of Finance** 27 May 2024