

PASHTANY BANK

Condensed Interim Financial Statements

For the period ended March 20, 2025

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Pashtany Bank ("the Bank") as at 30 Hoot 1403 (March 20, 2025) and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, and the notes to the condensed interim financial statements for the three months then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and fair presentation of these interim financial statements in accordance with the International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB), the requirements of the Law of Banking in Afghanistan and directives issued by Da Afghanistan Bank. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view of the financial position of the Bank as at 30 Hoot 1403 (March 20, 2025) and of its financial performance and its cash flows for the three months period then ended in accordance International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) and the requirements of the Law of Banking in Afghanistan and directives issued by the Da Afghanistan Bank.

Emphasis of Matters

We draw attention to note 6.1 of the financial statements which discloses that an income earning deposit held with Citibank UAE is subject to no debit restriction. Our opinion is not modified in this regard.

UHY Shafiq Umar Daraz & Co.
Chartered Accountants

Engagement Partner: Umar Daraz, FCA

Location: Kabul, Afghanistan

Date: May 01, 2025



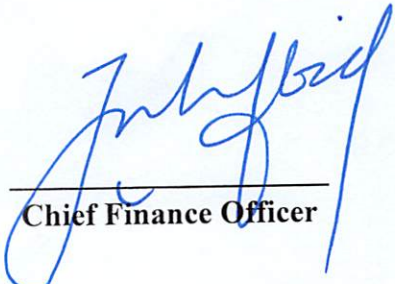
PASHTANY BANK
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 HOOT 1403 (MARCH 20, 2025)

		Un-Audited 30 Hoot 1403 (Mar 20, 2025)	Audited 29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
Assets			
Cash and cash equivalents	4	18,177,336,178	18,345,295,523
Loans and Advances	5	2,305,475	3,225,584
Investment and placements	6	3,679,558,208	3,647,519,625
Investment in governmental entities	7	105,752,502	105,752,502
Property and equipment	8	1,324,523,830	1,333,185,196
Intangible assets	9	33,501,658	34,384,117
Investment properties		1,996,001,390	1,996,001,390
Deferred tax assets - net		10,860,970	60,530,585
Other assets	10	2,743,664,675	2,684,739,141
Total assets		28,073,504,885	28,210,633,663
Equity and liabilities			
Equity			
Share capital		3,820,257,000	3,820,257,000
Accumulated losses		(801,618,184)	(1,266,680,008)
Surplus on revaluation of assets- net of tax		783,083,446	832,753,066
Total equity		3,801,722,262	3,386,330,058
Liabilities			
Deposits from banks and other financial institutions	11	41,419,781	41,423,171
Deposits from customers	12	23,947,102,385	24,464,608,165
Deferred grant		25,751,286	27,189,580
Other liabilities	13	257,509,171	291,082,689
Total liabilities		24,271,782,623	24,824,303,605
Total equity and liabilities		28,073,504,885	28,210,633,663

Contingencies and commitments 14

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Finance Officer

PASHTANY BANK

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-Audited)

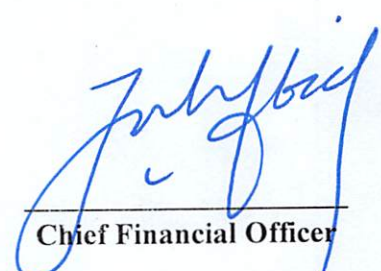
FOR THE PERIOD ENDED 30 HOOT 1403 (MARCH 20, 2025)

		30 Hoot 1403 (Mar 20, 2025)	29 Hoot 1402 (Mar 19, 2024)
	Notes	AFN	AFN
Interest income		28,828,107	29,139,733
Interest expense		-	(37,934)
Net interest income	15	28,828,107	29,101,799
Fee and commission income		52,538,915	41,999,781
Fee and commission expense		(176,025)	(527,931)
Net fee and commission income	16	52,362,891	41,471,850
		81,190,998	70,573,649
Other income	17	460,712,997	18,111,801
Amortization of deferred grant		1,438,294	1,422,133
Employee compensation	18	(41,268,154)	(38,826,079)
Impairment on loan and advances		364,836	-
Depreciation on property and equipment		(11,242,194)	(8,743,198)
Depreciation on right of use asset		(3,125,130)	(2,662,855)
Amortization on intangible assets		(1,766,041)	(1,422,133)
Finance cost on lease liabilities		(194,254)	(128,911)
Other operating expenses	19	(26,270,548)	(23,868,567)
Exchange Gain		5,221,011	84,261,662
Profit before tax		465,061,816	98,717,502
Income tax		-	(2,324,070)
Profit for the period		465,061,816	96,393,432
Other comprehensive income		-	-
Adjustment of deferred tax liability relating to surplus on revaluation		(49,669,620)	-
Total comprehensive income for the period		415,392,196	96,393,432

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer

PASHTANY BANK

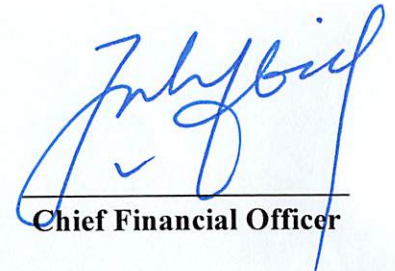
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)

FOR THE PERIOD ENDED 30 HOOT 1403 (MARCH 20, 2025)

	Share capital	Retained earnings	Surplus on revaluation of property and equipment	Total
	-----AFN-----			
Balance as at December 21, 2023 - audited	3,820,257,000	(1,448,060,627)	847,146,946	3,219,343,319
Other comprehensive income	-	96,393,432	-	96,393,432
Balance as at March 19, 2024 - un-audited	3,820,257,000	(1,351,667,195)	847,146,946	3,315,736,751
Balance as at December 19, 2024- audited	3,820,257,000	(1,266,680,000)	832,753,066	3,386,330,066
Adjustment of deferred tax liability relating to surplus on revaluation	-	-	(49,669,620)	(49,669,620)
Other comprehensive income	-	465,061,816	-	465,061,816
Balance as at March 20, 2025 - un-audited	3,820,257,000	(801,618,184)	783,083,446	3,801,722,262

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive Officer

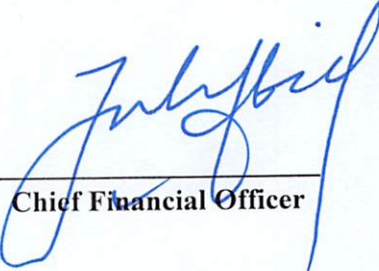

Chief Financial Officer

PASHTANY BANK
CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-Audited)
FOR THE PERIOD ENDED 30 HOOT 1403 (MARCH 20, 2025)

	30 Hoot 1403 (Mar 20, 2025)	29 Hoot 1402 (Mar 19, 2024)
	AFN	AFN
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	465,061,816	98,717,502
Adjustments for:		
Depreciation on property and equipment	11,242,194	8,743,198
Amortization on intangible assets	1,766,041	1,422,133
Depreciation on right of use asset	2,698,631	2,662,855
Finance cost on lease liabilities	194,254	128,911
Amortization of deferred grants	(1,438,294)	(1,422,133)
	<u>479,524,642</u>	<u>110,252,467</u>
Deposits from banks	(3,390)	28,921
Deposits from customers	(517,505,780)	1,736,089,480
Loan and Advances	920,109	1,875,067
Other assets	(58,925,534)	7,387,560
Other liabilities	(30,891,291)	11,735,164
Net cash (used) in / generated from operating activities	<u>(126,881,244)</u>	<u>1,867,368,659</u>
Tax paid	-	-
Net cash (used) in / generated from operating activities	<u>(126,881,244)</u>	<u>1,867,368,659</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(6,132,457)	(2,967,769)
Placements and investments	(32,038,583)	(110,166,046)
Net cash used in investing activities	<u>(38,171,040)</u>	<u>(113,133,816)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rentals paid	(2,907,060)	(2,662,855)
Net cash used in financing activities	<u>(2,907,060)</u>	<u>(2,662,855)</u>
Net (decrease)/ Increase in cash and cash equivalents	<u>(167,959,344)</u>	<u>1,751,571,988</u>
Cash and cash equivalents at beginning of the period	<u>18,345,295,523</u>	<u>14,035,140,531</u>
Cash and cash equivalents at the end of the period	<u>18,177,336,178</u>	<u>15,786,712,520</u>

The annexed notes from 1 to 23 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer

PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

1. STATUS AND NATURE OF OPERATIONS

Pashtany Bank ("the Bank") got registered with Afghanistan Investment Support Agency (AISA) on 26 June 2004 as a limited liability company and received formal commercial bank license from Da Afghanistan Bank (DAB) to operate nationwide at the same date. The principal business place of the Bank is at Muhammad Jan Khan Watt, Kabul, Afghanistan with 26 branches and 10 counter (2024: 22 branches and one counter) nationwide.

The condensed financial information for the three months ended March 20, 2025 have been approved and authorized for issue by the Board of Supervisors on 1st May 2025.

2. STATEMENT OF COMPLIANCE

- 2.1** The condensed interim financial statements of the Bank for the three months period ended March 20, 2025 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting", the Law of Banking in Afghanistan, and other laws and regulations issued by Da Afghanistan Bank (DAB). In case where requirements differ, the requirement of the Law of Banking in Afghanistan, and other laws and regulations issued by DAB take precedence.

The disclosures made in this condensed interim condensed interim financial statements 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 information. Accordingly, the condensed interim financial statements should be read in conjunction with the annual financial statements of the Bank for the year ended December 19, 2024.

Comparative statement of financial position is extracted from the annual financial statements as at December 19, 2024 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 information for the three months period ended March 20, 2025.

2.2 Basis of preparation

These condensed interim financial statements has been prepared under historical cost convention except that Property and equipment which are stated at the revaluated amounts, pension liability stated at present value and investment properties which are stated at Fair values.

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PASHTANY BANK

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)**

3. MATERIAL ACCOUNTING POLICIES INFROMATIONS

- 3.1 The material accounting policies informations adopted in preparation of the condensed interim financial information are consistent with those followed in the preparation of the annual financial statements of the Bank for the year ended December 19, 2024.
- 3.2 The estimates / judgments assumptions used in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements of the Bank for the year ended December 19, 2024.
- 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 December 19, 2024.

		Un-Audited 30 Hoot 1403 (Mar 20, 2025)	Audited 29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
4. CASH AND CASH EQUIVALENTS			
Cash in hand	4.1	1,531,005,294	1,787,798,826
Cash at ATM	4.2	27,768,852	21,540,188
Balances with Da Afghanistan Bank	4.3	16,351,211,163	15,986,208,049
Balances with other banks	4.4	267,350,868	549,748,460
		<u>18,177,336,178</u>	<u>18,345,295,523</u>
4.1 Cash in hand			
Local currency		743,338,400	593,423,752
Foreign currency .		787,666,895	1,194,375,074
		<u>1,531,005,294</u>	<u>1,787,798,826</u>
4.2 Cash at ATM			
Local currency		27,288,500	21,058,000
Foreign currency		480,352	482,188
		<u>27,768,852</u>	<u>21,540,188</u>
4.3 Balances with Da Afghanistan Bank			
Current accounts:			
Local currency Current accounts		15,445,093,780	15,530,224,010
Foreign currency current accounts		906,102,887	455,969,543
		16,351,196,667	15,986,193,553
Overnight deposit	4.3.1	14,496	14,496
		<u>16,351,211,163</u>	<u>15,986,208,049</u>

- 4.3.1 This represent overnight deposit with Da Afghanistan Bank in local currency which are interest free.

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
4.4 Balances with other banks			
In Afghanistan			
Local currency Current accounts:			
Azizi Bank		-	-
Bank Millie Afghan		40,223,965	40,224,155
Maiwand Bank		362,384	2,078,387
Ghazanfar Bank		-	5,395,562
		40,586,349	47,698,104
Foreign Currency Current accounts:			
Bank Millie Afghan		5,249,655	5,267,725
Azizi Bank		19,097,723	19,171,002
Maiwand Bank		1,707,663	-
Ghazanfar Bank		3,905	-
Aktif Bank, Turkey		9,443,154	5,953,172
Zhejiang Chouzhou China		184,776,527	465,434,715
Nurol Bank, Turkey		6,485,892	6,223,741
		226,764,519	502,050,355
4.4.1		267,350,868	549,748,460

4.4.1 These represent non-interest bearing balances available on demand.

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
5. LOANS AND ADVANCES			
Consumer Loan			
Gross Loan		6,577,586	7,862,531
Allowances for impairment losses		(4,272,111)	(4,636,947)
Carrying Value	5.1	2,305,475	3,225,584

5.1 Consumer loans were funded facilities designed for permanent government employees with a service period of 5 to 33 years. These loans carry no interest rate (2024: Nil).

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
6. INVESTMENTS AND PLACEMENTS			
Placements	6.1	3,679,558,208	3,647,519,625
		3,679,558,208	3,647,519,625

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
		AFN	AFN
6.1 Placements			
Outside Afghanistan			
Aktif Bank, Turkey		183,664,000	184,366,000
Citi Bank, UAE	6.1.1	2,597,787,399	2,593,066,059
First Abu Dhabi Bank		792,603,408	766,044,066
Nurol Bank, Turkey		105,503,400	104,043,500
	6.1.2	3,679,558,208	3,647,519,625

6.1.1

The bank has invested in Money Market Deposit (MMTD) in Citibank UAE. Due to international sanctions on the country, Citibank has imposed no debit restriction on this balance

6.1.2 These placements are in foreign currencies with a maturity up to 364 days and carry interest rate ranging from 2.50% to 4.42% (2024:2.50% to 5.56%) per annum.

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
7. INVESTMENT IN GOVERNMENTAL ENTITIES			
Shirkat Nasaji Afghan		83,518,400	83,518,400
Bank-e-Millie Afghan		11,340,000	11,340,000
Afghan National Insurance Company		7,660,000	7,660,000
Afghan Cart Corporation		2,822,884	2,822,884
Shirkat-e-Aryana Afghan Airline		281,241	281,241
Pakht-e-Herat		65,542	65,542
Hotel Intercontinental		64,435	64,435
	7.1	105,752,502	105,752,502

7.1 These are designated as investments which qualify as financial instruments under IAS 39,"Financial Instruments" and held at cost in the absence of related fair value.

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
8. PROPERTY AND EQUIPMENT			
Operating fixed assets	8.1	1,300,471,490	1,305,581,228
Right of use assets - buildings	8.2	24,052,339	27,603,968
		1,324,523,830	1,333,185,196

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
8.1	PROPERTY AND EQUIPMENT		
Gross Carrying Amount			
At beginning of the period/ year		1,685,694,401	1,630,601,229
Additions during the period/ year		6,132,457	55,100,072
Disposals of the period/ year		-	(6,900)
Closing balance		1,691,826,858	1,685,694,401
Accumulated Depreciation			
At beginning of the period/ year		380,113,173	348,895,223
Charge for the period/ year		11,242,194	31,224,935
Accumulated deprecation on disposal		-	(6,985)
Closing balance		391,355,367	380,113,173
Carrying Value		1,300,471,490	1,305,581,228

8.2 **RIGHT OF USE ASSET**

Cost			
Opening Balance		59,005,154	32,571,096
Additions during the period/year		-	26,434,058
Lease modifications	8.2.1	(426,499)	-
Closing balance		58,578,655	59,005,154
Accumulated depreciation			
Opening balance		31,401,186	20,115,977
Adjustment		-	-
Charge for the period/year		3,125,130	11,285,209
Closing balance		34,526,316	31,401,186
Carrying amount as of the year end		24,052,339	27,603,968

8.2.1 As a result of leases of branches renegotiated by the Bank after August 15, 2021, lease rentals have been reduced. Reduction in rent has been treated as lease modification in accordance with IFRS 16.

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
9.	Intangible assets		
Cost			
Opening balance		66,577,541	64,003,541
Additions during the year - Core Banking		883,582	2,574,000
Closing balance	9.1	67,461,123	66,577,541

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

Note 9 (Contd...)

	30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
Note	AFN	AFN
Less: Accumulated amortization		
Opening balance	32,193,424	25,676,766
Charge for the period/ year	1,766,041	6,516,658
Closing balance	33,959,465	32,193,424
Written down value	33,501,658	34,384,117

- 9.1 Intangible assets include cost amounting to AFN 58,178,178 for licenses acquired for Core Banking System (Oracle) as a part of the IT infrastructure development financed by the World Bank project to modernize Afghan State-Owned Banks. The amortization rate of intangible assets determined is 10% p.a. Moreover, new licenses of Sophos were aquired and the amortization rate of intangible assets determined is 33.33% p.a.

	30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
Note	AFN	AFN

10. OTHER ASSETS

Required reserves with Da Afghanistan Bank	10.1	2,112,592,171	2,042,979,987
Advance tax		510,648,625	510,648,625
Advances to employees		18,910,141	13,974,478
Advances to suppliers		4,378,295	2,034,039
Interest accrued on loan and time deposits		22,009,918	42,775,645
Security deposit		4,658,400	4,674,600
Receivable from financial institution		14,879,224	14,683,600
Others		70,467,125.40	67,651,767
		2,758,543,899	2,699,422,741
Provision against receivable from financial institution	10.2	(14,879,224)	(14,683,600)
Net carrying amount		2,743,664,675	2,684,739,141

10.1 Currency profile of required reserve with DAB

Local currency	10.1.1	1,461,376,954	1,334,199,210
Foreign currencies		651,215,217	708,780,777
		2,112,592,171	2,042,979,987

- 10.1.1 This represents statutory reserve maintained with DAB as minimum reserve in accordance with Banking Regulations issued by Da Afghanistan Bank. These minimum reserves carry no interest rate.

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
10.2 Receivable from financial institutions			
Opening for the year		14,683,600	14,351,634
Additions for the year		-	
Exchange (loss) / gain on translation		195,623	331,967
Closing for the year	10.2.1	14,879,224	14,683,600

10.2.1 This amount relates to a time deposit maintained with UBL Peshawar branch matured several years ago however could not be received by the Bank despite several reminders and attempts. Inspection team of DAB, in their review report of 2019, concluded that this amount should be written-off. Full provision has been maintained against this balance as disclosed in note 14.5 to the financial statements.

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
11. DEPOSITS FROM BANKS			
Current deposit			
Bank-e-Millie Afghan		40,292,883	40,294,119
Maiwand Bank		80,750	80,750
Afghan United Bank		930,198	931,909
Azizi Bank		80,919	81,228
New Kabul Bank		14,411	14,466
Ghazanfar Bank		20,621	20,699
		41,419,781	41,423,171

12. DEPOSITS FROM CUSTOMERS

Fixed deposits	12.1	704,689	707,376
Saving deposits	12.2	4,544,127,052	4,578,316,186
Current deposits		19,442,270,644	19,885,584,603
		23,947,102,385	24,464,608,165

12.1 This includes fixed deposit of USD 9,976 (equivalent AFN 704 thousands) from the Ministry of Commerce which carry no interest .

12.2 These carry no interest rate (2024: 0) p.a. for AFN currency and no interest for deposits in USD and other currencies.

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

		30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	Note	AFN	AFN
13. OTHER LIABILITIES			
Employees pension fund		96,404,696	108,122,717
Accrued expenses		19,138,270	10,456,020
Other payables		93,821,977	149,807,277
Withholding tax payable		313,694	1,966,643
Lease liability		17,822,972	20,730,032
Inter-branch settlement balance		30,007,562	-
		257,509,171	291,082,689

14. CONTINGENCIES AND COMMITMENTS

Bank guarantees issued	14.1	1,445,209,388	1,455,073,869
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14.1 Bank guarantees issued by the Bank are backed up by 100% cash margin.

		Un-Audited 30 Hoot 1403 (Mar 20, 2025)	Un-Audited 29 Hoot 1402 (Mar 19, 2024)
	Note	AFN	AFN
15. NET INTEREST INCOME			
Interest income calculated using the effective interest method			
Cash and cash equivalents		28,828,107	28,805,242
Loan and advances		-	334,491
		28,828,107	29,139,733
Interest expense			
Saving deposits		-	(37,934)
		-	(37,934)
Net interest income		28,828,107	29,101,799

16. NET FEE AND COMMISSION INCOME

Fee and commission income			
Fee		12,685,953	9,505,126
Commission		39,852,963	32,494,655
		52,538,915	41,999,781
Fee and commission expense			
Fund transfer charges		148,279	64,520
Account maintenance charges		27,745	463,411
		176,025	527,931
Net fee and commission income		52,362,891	41,471,850

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

	Note	Un-Audited 30 Hoot 1403 (Mar 20, 2025) AFN	Un-Audited 29 Hoot 1402 (Mar 19, 2024) AFN
17. OTHER INCOME			
Recovery of loans written-off			
Loan principal		1,158,081	2,835,488
Loan interest		23,750	49,663
Rental income		16,522,520	14,014,529
Other		443,008,646	1,212,121
		<u>460,712,997</u>	<u>18,111,801</u>
18. EMPLOYEE COMPENSATION			
Salaries, wages and benefits		41,218,154	38,370,455
Staff welfare		50,000	455,624
		<u>41,268,154</u>	<u>38,826,079</u>
19. OTHER OPERATING EXPENSES			
Repair and maintenance		3,739,529	1,442,849
Travel and conveyance		397,384	122,800
Advertisement and publicity		921,845	345,115
Deposit insurance		-	3,535,410
Internet expense		2,471,238	1,793,470
Security expense		6,692,540	6,097,430
Printing and stationery		1,651,850	820,471
Communication		145,155	135,214
Electricity		3,397,510	3,037,929
Fuel expenses		1,177,011	866,246
Auditor's remuneration		800,000	600,000
Cleaning and water		148,417	69,181
Others		4,728,069	5,002,452
		<u>26,270,548</u>	<u>23,868,567</u>

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PASHTANY BANK

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

20 Exposure to currency risk

The Bank's exposure to foreign currency risk was as follows based on notional amounts.

	USD	Euro	Others
Cash and cash equivalents	1,371,128,345	88,897,840	460,988,467
Investment and placements	3,644,694,808	34,863,400	-
Other assets	682,726,626	22,446,863	14,880,318
	<u>5,698,549,779</u>	<u>146,208,103</u>	<u>475,868,785</u>
Deposits from banks and other financial institutions	-	-	-
Deposits from customers	5,657,523,840	145,494,697	455,606,429
Other liabilities	29,765,490	98,391	4,497,108
	<u>5,687,289,330</u>	<u>145,593,087</u>	<u>460,103,537</u>
Net foreign currency exposure	<u>11,260,449</u>	<u>615,016</u>	<u>15,765,249</u>
2024	USD	Euro	Others
Cash and cash equivalents	2,287,350,246	307,206,701	673,058,570
Investment and placements	3,545,761,793	-	-
Other assets	734,951,176	21,367,647	29,948,143
	<u>6,568,063,214</u>	<u>328,574,348</u>	<u>703,006,712</u>
Deposits from banks and other financial institutions	1,671,474	90,536	-
Deposits from customers	6,329,466,368	208,695,048	669,109,728
Other liabilities	62,849,792	1,985,507	4,057,900
	<u>6,393,987,633</u>	<u>210,771,091</u>	<u>673,167,627</u>
Net foreign currency exposure	<u>(6,382,727,184)</u>	<u>(210,156,075)</u>	<u>(657,402,379)</u>

21 RELATED PARTY TRANSACTIONS

Parent and ultimate controlling party

The Bank is owned by individual shareholders who owns Bank's shares in different proportions.

Key management personnel

Chief Executive Officer

Deputy Chief Executive Officer

Chief Financial Officer

Chief Operating Officer

Chief Credit Officer

Transactions with related parties

Transactions and balances with related parties, including remuneration and benefits paid to key management personnel under the terms of their employment are as follows:

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

Note 21 (Contd...)

	Transactions		Balances	
	Un-audited			
	March 20, 2025	March 19, 2024	March 20, 2025	March 19, 2024
	AFN		AFN	
Transactions with key management	-	-	-	-
Salaries and other benefits	3,404,250	2,789,875	-	-

22 Capital management

The Bank's objective when managing capital, which is broader concept than the equity on the face of balance sheets are:

- (i) To comply with the capital requirement set by the DAB
- (ii) To safeguard the Bank's ability to continue as going concern so that it can continue to be self sustainable ; and
- (iii) To maintain strong capital base to support the development of its business.

The Bank regulatory capital position as at March 20, 2025 is as follows:

	30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	AFN	AFN
Core (Tier 1) Capital:		
Total shareholder's equity	3,801,722,262	3,386,330,058
Less:		
Profit for the period	(465,061,816)	(166,986,739)
Deferred tax assets - Net	(10,860,970)	(60,530,585)
Intangible assets	(33,501,658)	(34,384,117)
Surplus on revaluation of fixed assets	(783,083,446)	(832,753,066)
	2,509,214,373	2,291,675,551
Supplementary (Tier 2) Capital:		
Profit for the period	465,061,816	166,986,739
Surplus on revaluation of fixed assets	783,083,446	832,753,066
	1,248,145,262	999,739,805
Total regulatory capital	3,757,359,635	3,291,415,356

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PASHTANY BANK
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED '30 HOOT 1403 (MARCH 20, 2025)

	30 Hoot 1403 (Mar 20, 2025)	29 Qaws 1403 (Dec 19, 2024)
	AFN	AFN
<i>Note 22 (Contd...)</i>		
Risk-weight categories		
0% risk weight:		
Cash in Afghani and fully-convertible foreign currencies	1,558,774,146	1,809,339,014
Direct claims on DAB	18,463,803,334	18,029,188,036
Total	20,022,577,480	19,838,527,050
0% risk-weight total (above total x 0%)	-	-
20% risk weight:		
Balances with other banks	3,946,909,076	4,197,268,085
20% risk-weight total (above total x 20%)	789,381,815	839,453,617
100% risk weight:		
All other assets	4,123,169,662	4,194,159,075
Intangible assets	(33,501,658)	(34,384,117)
Net deferred tax asset	(10,860,970)	(60,530,585)
100% risk-weight total (above total x 100%)	4,078,807,035	4,099,244,373
0% risk weight:		
Guarantees	1,445,209,388	1,455,073,869
0% credit conversion factor total (risk-weighted total x 0%)	-	-
Total risk-weighted assets	4,868,188,851	4,938,697,990
Tier 1 Capital Ratio (Tier 1 capital as % of total risk-weighted assets)	51.54%	46.40%
Regulatory Capital Ratio (Regulatory capital as % of total risk-weighted assets)	77.18%	66.65%

23 CORRESPONDING FIGURES

23.1 Corresponding figures have been reclassified / re-arranged wherever necessary to facilitate comparison in the presentation in the current year.

23.2 The figures in these condensed interim financial statement have been rounded off to the nearest in AFN.

Chief Executive Officer

Chief Financial Officer