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Independent Auditor's Review Report on Condensed Interim Financial Statements

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To the Shareholders of Afghan United Bank

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Afghan United Bank ("the Bank") as at June 30, 2020 and the related condensed interim statement of 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 six 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) and the Law of Banking in Afghanistan and other laws and regulations 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 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.



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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 June 30, 2020, and of its financial performance and its cash flows for the six 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 other laws and regulations issued by Da Afghanistan Bank.

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Chartered Accountants

Location: Kabul, Afghanistan

Date: 11- Aug- 2020



AFGHAN UNITED BANK

Condensed Interim Statement of Financial Position

As at 30 June 2020

		<u>Unaudited</u>	<u>Audited</u>
		<u>30-Jun-20</u>	<u>31-Dec-19</u>
		<u>AFN '000'</u>	
	<i>Note</i>		
ASSETS			
Cash and balances with central bank	5	8,849,384	7,430,578
Balances with other banks	6	1,186,280	2,213,871
Investments	7	1,278,132	2,747,707
Loans and advances to customers	8	6,742,480	6,617,895
Property and equipment	9	1,354,491	945,023
Intangible assets	10	5,479	7,286
Other assets		2,927,100	2,804,801
Total assets		22,343,345	22,767,160
EQUITY AND LIABILITIES			
EQUITY			
Share capital		1,757,020	1,757,020
Revaluation reserve on property and equipment		881,012	431,018
Retained earnings		454,258	135,393
Total equity		3,092,291	2,323,431
LIABILITIES			
Deposits from customers	11	18,326,369	19,617,872
Deferred tax liability		123,923	123,924
Provision for tax		55,779	6,155
Other liabilities		744,983	695,779
Total liabilities		19,251,054	20,443,729
Total equity and liabilities		22,343,345	22,767,160

CONTINGENCIES AND COMMITMENTS

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The annexed notes 1 to 15 form an integral part of these financial statements.



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AFGHAN UNITED BANK

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the six months ended 30 June 2020

	Note	Six months ended		Three months ended	
		30-Jun-20	30-Jun-19	30-Jun-20	30-Jun-19
		AFN '000'			
Mark-up/ return/ interest earned		402,356	436,249	203,139	221,721
Mark-up/ return/ interest expense		(27,955)	(55,241)	(10,323)	(27,862)
Net mark-up/ return/ interest income		374,401	381,008	192,816	193,859
Fee and commission income		227,136	168,736	124,435	89,657
Fee and commission expense		(4,629)	(3,977)	(2,512)	(2,468)
Net fee and commission income		222,507	164,759	121,923	87,189
Other income/ expense		35,527	(26,522)	31,140	(18,938)
Net operating income		632,435	519,245	345,879	262,110
Provision against non-performing loans and advances to customers	8.5	66,676	(67,842)	180	187,548
Net provision against off balance sheet items and other assets		2,708	72,479	3,472	(6,734)
Depreciation	9	(73,848)	(64,013)	(43,323)	(47,625)
Amortization	10	(1,807)	(2,594)	(886)	(1,342)
Employee compensation		(116,953)	(113,243)	(54,914)	(54,778)
Operating lease expenses		(5,607)	(3,067)	(2,678)	9,029
Other expenses		(141,919)	(135,633)	(63,879)	(70,128)
Profit/ (loss) before tax		361,685	205,331	183,851	278,080
Income tax expense		(72,337)	(41,066)	(36,770)	(55,616)
Profit/ (loss) for the period		289,348	164,265	147,081	222,464
Other comprehensive income					
Profit/ (loss) for the period		289,348	164,265	147,081	222,464
Items that will not be reclassified to profit and loss account in subsequent periods:					
Surplus on revaluation of property and equipment - net of tax		479,512	-	479,512	-
Total comprehensive income for the period ended		768,860	164,265	626,592	222,464

The annexed notes 1 to 15 form an integral part of these financial statements.

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AFGHAN UNITED BANK**Condensed Interim Statement of Changes in Equity (Unaudited)***For the six months ended 30 June 2020*

	Share capital	Revaluation reserve	Retained earnings	Total
	AFN '000'			
Balance as at 1 January 2019	1,522,030	463,472	123,104	2,108,606
Incremental depreciation on revaluation surplus	-	(16,227)	16,227	-
Total comprehensive income for the period				
Profit for the period	-	-	164,265	164,265
Other comprehensive income	-	-	-	-
	-	-	164,265	164,265
Balance as at 30 June 2019	<u>1,522,030</u>	<u>447,245</u>	<u>303,596</u>	<u>2,272,871</u>
 Balance as at 1 January 2020	 1,757,020	 431,018	 135,393	 2,323,432
Incremental depreciation on revaluation surplus	-	(29,517)	29,517	-
Issuance of share capital	-	-	-	-
Total comprehensive income for the period				
Profit for the period	-	-	289,348	289,348
Other comprehensive income	-	479,512	-	479,512
	-	479,512	289,348	768,860
Balance as at 30 June 2020	<u>1,757,020</u>	<u>881,012</u>	<u>454,258</u>	<u>3,092,292</u>

The annexed notes 1 to 15 form an integral part of these financial statements.



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Condensed Interim Statement of Cash Flows (Unaudited)

For the six months ended 30 June 2020

		<i>Six months ended</i>	
		<i>30-Jun-20</i>	<i>30-Jun-19</i>
	<i>Note</i>	<i>AFN '000'</i>	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		361,685	205,331
Adjustments for:			
Net impairment loss on financial assets		(66,676)	67,842
Provision against off balance sheet items		(2,708)	(72,479)
Depreciation	9	73,848	64,013
Amortization	10	1,807	2,594
		367,956	267,301
Increase/ decrease in current assets and liabilities			
Investments		1,469,575	(307,863)
Loans and advances to customers		(55,201)	(121,396)
Other assets		(122,299)	(187,182)
Deposits from customers		(1,291,503)	383,670
Other liabilities		62,529	(50,332)
		431,058	(15,802)
Income tax paid		(22,376)	(9,178)
Net cash used in operating activities		408,682	(24,979)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment	9	(3,805)	(136,123)
Purchase of intangible assets		-	(1,610)
Net cash used in investing activities		(3,805)	(137,733)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liabilities		(13,661)	-
Cash generated from financing activities		(13,661)	-
Net increase/ (decrease) in cash and cash equivalents		391,216	(162,712)
Cash and cash equivalents, beginning of period		9,644,448	9,118,131
Cash and cash equivalents, end of period	4 & 5	10,035,664	8,955,419

The annexed notes 1 to 15 form an integral part of these financial statements.


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Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

1 LEGAL STATUS AND OPERATIONS

The Bank commenced its operations on 4 October 2007 under the license of commercial banking issued by Da Afghanistan bank (DAB) under the Law of Banking in Afghanistan. It is a full fledge bank principally engaged in the business of commercial banking with a network of 26 branches including two full fledge Islamic banking branches in different provinces of Afghanistan. The bank also holds license from Afghanistan Investment Support Agency (AISA) bearing license no: D-27284. The registered office of the Bank is located at Shahr e Naw, Kabul, Afghanistan.

2 BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with the 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. In case requirements differ, the provisions of the Law of Banking in Afghanistan will prevail.

The disclosures in these condensed interim financial statements do not include those reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements for the year ended 31 December 2019.

Comparative statement of financial position is extracted from the annual audited financial statements as of 31 December 2019, whereas comparative statement of comprehensive income, statement of changes in equity and statement of cash flows have been taken from unaudited condensed interim financial statements for the six months period ended 30 June 2019.

Standards, amendments and interpretations to publish accounting standards	Effective date
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Following are the standards, amendments and interpretations which effective 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.

• IAS 1/ IAS 8 - Definition of Material (Amendments)	effective in the current period	1-Jan-20
• Definition of business - Amendment to IFRS 3	effective in the current period	1-Jan-20
• The Conceptual Framework of Financial Reporting	Not yet effective	1-Jan-22
• IFRS 9 "Financial Instruments"	Not yet effective	1-Jan-21

3 ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these interim financial statements and financial risk management policies are the same as those applied in preparation of annual audited financial statements for the year ended 31 December 2019.

4 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2019.

COVID-19 outbreak has impacted the banking sector on a number of fronts including increase in overall credit risk in loans and advances and reduced fee income due to overall economic slowdown. To reduce the impact on economy and banking sector, DAB has introduced a host of measures on both the fiscal and economic fronts to provide an impetus to economic activity; some of those cited in note 8.3.

Bank has strengthened its risk management procedures; however, there is no such direct and material impact on bank's financial that require a separate disclosure under IFAC's financial reporting considerations.

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Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

	Note	30-Jun-20 AFN '000'	31-Dec-19
5 CASH AND BALANCES WITH CENTRAL BANK			
In hand			
Local currency		1,384,106	779,738
Foreign currencies		2,210,408	1,872,495
		3,594,514	2,652,232
With Da Afghanistan Bank in:			
Local currency current accounts		864,660	1,704,822
Foreign currency current accounts		4,135,305	3,070,188
Overnight deposit with Central Bank		254,905	3,335
		5,254,870	4,778,346
		8,849,384	7,430,578
6 BALANCES WITH OTHER BANKS			
In Afghanistan			
National Bank of Pakistan		581	583
Pashtany Bank		1,968	1,972
New Kabul Bank		4	8,002
		2,553	10,557
Outside Afghanistan			
CSC Bank, Lebanon		45,831	56,813
Aktif Bank, Turkey		86,841	186,863
Axis Bank, India		3,918	23,386
Ziraat Bank Uzbekistan		77,320	77,460
BMCE Bank, Spain		577,273	966,684
Nurol Bank, Turkey		297,791	225,433
Bahrain Middle East Bank		12,186	294,410
Transkapital Bank, Russia		82,567	372,264
		1,183,727	2,203,314
		1,186,280	2,213,871
7 INVESTMENTS			
Capital notes	7.1	244,750	1,444,055
Held to maturity			
Aktif Bank, Turkey		502,580	503,490
Ziraat Bank Uzbekistan		-	232,380
BMCE Bank, Spain		-	154,920
Nurol Bank, Turkey		309,280	426,030
RAK Bank, UAE		231,960	-
	7.2	1,043,820	1,316,820
General provision on investments	7.3	(10,438)	(13,168)
Investments - net of provision		1,278,132	2,747,707

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Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

7.1 This represents capital notes from Da Afghanistan bank carrying interest rate from 1.75% to 2.97% (2019: 0.80% to 1.60%) per annum and having maturity date in Jun 2020.

7.2 This represents foreign currency fixed term placements with foreign banks carrying interest ranging from 1.50% to 5.25% (2019: 1.50% to 5.25%) per annum and having maturity by Nov 2020.

7.3 Particulars of provision against investments

	30-Jun-20	31-Dec-19
	AFN '000'	
Opening balance	13,168	10,920
Charge for the period/ year	(2,730)	2,248
Write off during the period/ year	-	-
	(2,730)	2,248
Closing balance	10,438	13,168

General provision against investment is held as per the DAB's *Asset Classification and Provisioning Regulation* @ 1% of the gross amount of investments.

8 LOANS AND ADVANCES TO CUSTOMERS

Conventional financing

	Note	30-Jun-20	31-Dec-19
		AFN '000'	
Running finance	8.2	6,356,631	5,903,728
Term finance	8.3	676,851	774,417
		7,033,483	6,678,145

Islamic financing

Murabaha	8.4	1,293,159	1,655,249
Loans and advances to customers - gross		8,326,641	8,333,394
Provision against non-performing loans and advances	8.5	(1,584,162)	(1,715,499)
Loans and advances to customers - net of provision		6,742,480	6,617,895

8.1 Particulars of loans and advances to customers - gross

In local currency	3,301,902	3,480,341
In foreign currencies	5,024,739	4,853,053
	8,326,641	8,333,394

8.2 These carry interest ranging between 10% to 16% per annum (2019: 10% to 16% per annum). All facilities are extended for maximum period of 12 months and are expected to be recovered within 12 months of the reporting date. These are secured against personal guarantees, mortgage of immoveable properties and hypothecation over stock in trade.

8.3 These carry interest rate at 13% to 15% per annum (2019: 13% to 15% per annum). These loans have been extended for periods ranging from one and a half year to five years (2019: one and a half year to five years) and are secured against personal guarantees, mortgage of immoveable commercial and residential properties and assignment of receivables.

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Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

- 8.4 These represent sale and purchase agreements under which the Bank had paid finance for the purchase of goods and then sold the requisite goods to the customer on profit margin which is ranging from 12% to 18% per annum (2019: 12% to 18% per annum). These facilities are extended for the period of two months to five years (2019: two months to five years) and secured against personal guarantees, mortgage of immovable properties and goods supplied under the sale and purchase agreement.

	30-Jun-20	31-Dec-19
	AFN '000'	
8.5 Particulars of provision against non-performing loans and advances to customers		
Opening balance	1,715,499	1,229,773
Charge for the period/ year	(66,676)	517,143
Write-off during the period/ year	(63,741)	(10,226)
Foreign currency fluctuation effect	(920)	(21,190)
	(131,337)	485,726
Closing balance	1,584,162	1,715,499

- 8.6 During the period, in response to the severe impact of COVID 19 on the economy and business and its expected hit on the banking sector, Da Afghanistan Bank (DAB) given several regulatory, financial and operational relaxations to the banks sector in the country. This E-circular was issued on April 09, 2020. Following are the key relieves provided through this circular having impact on our Bank:

- Ease in making provisioning against the doubtful loans; while allowing the banks to carry on the provisioning balances as on February 29, 2020 till June 30, 2020.
- The settlement date of overdraft facilities maturing in March, April and June 2020 extended to further 3 months.
- The Banks have option to re-structure the term loans which were classified as standard or watch category up till January 21, 2020.

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Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

		30-Jun-20	31-Dec-19
		AFN '000'	
9	PROPERTY AND EQUIPMENT		
	Operating fixed assets		
	Owned	9.1	1,299,012
	Leased		862,600
	- Right of use asset - building	9.2	55,479
		1,354,491	945,023
9.1	Cost		
	Opening balances	1,699,156	1,681,993
	Additions during the period/ year	3,805	23,290
	Revaluation Adjustment during the period/year	479,512	-
	Disposals during the period/ year	-	(6,127)
	Closing balances	2,182,472	1,699,156
	Accumulated depreciation		
	Opening balances	836,556	777,854
	Charge during the period/ year	46,904	64,829
	Disposals during the period/ year	-	(6,127)
	Closing balances	883,461	836,556
	Written down value	1,299,012	862,600
9.2	Right of use assets - building		
	Balance created upon the adoption of IFRS 16	-	143,596
	Opening balance	82,423	-
	Depreciation expense for the period/ year	(26,943)	(61,173)
	Closing balances	55,479	82,423
10	INTANGIBLE ASSETS		
	Cost		
	Opening balance	244,624	238,165
	Additions during the period/ year	-	6,460
	Closing balance	244,624	244,624
	Less: Accumulated amortization		
	Opening balance	237,339	231,980
	Charge for the period/ year	1,807	5,358
	Closing balance	239,146	237,339
	Written down value	5,479	7,286

10.1 Intangible assets include computer software and licenses. The amortization rate of intangible assets is 33.33% (2019: 33.33%). The gross carrying amount of fully amortized intangible assets still in use is AFN 234,835 thousand (2019: AFN 233,579 thousand).

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Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

		30-Jun-20	31-Dec-19
	Note	AFN '000'	
11 DEPOSITS FROM CUSTOMERS			
Conventional			
Current deposits		11,236,693	10,858,074
Saving deposits	11.1	491,014	764,464
Term deposits	11.2	443,443	439,783
Margin deposits		1,760,186	2,569,951
		13,931,336	14,632,272
Islamic			
Current deposits		2,372,635	2,673,124
Saving deposits	11.3	853,674	796,519
Term deposits	11.4	801,405	1,011,546
Margin deposits		367,318	504,411
		4,395,033	4,985,600
		18,326,369	19,617,872

11.1 Saving deposits carry interest ranging from 1% to 3% (2019: 1% to 3% per annum) per annum.

11.2 Term deposits carry interest ranging from 1.5% to 4% per annum (2019: 1.5% to 4% per annum), based on the term, with maturity ranging from three to twelve months (2019: three to twelve months).

11.3 The profit disbursed during the period on the Islamic saving deposits ranged from 0.18% to 0.25% (2019: 0.18% to 0.46%) per annum.

11.4 Profit distribution rates on Islamic term deposits during the period ranged from 0.9% to 1.80% (2019: 2.40% to 3.04%) per annum.

12 CONTINGENCIES AND COMMITMENTS

	30-Jun-20	31-Dec-19
	AFN '000'	
LCs and BGs issued on behalf of the customers	11,144,543	10,175,057

This include outstanding BGs amounting to AFN 1,901 million (2019: 1,944 million) issued in Islamic mode of finance.

	30-Jun-20	31-Dec-19
	AFN '000'	
Commitment for operating lease		
- not later than one year	11,214	6,710
- later than one year and not later than five year	44,856	26,840
	56,070	33,550

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AFGHAN UNITED BANK

Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

13 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

Key management personnel includes Board of Supervisors, Chief Executive Officer, Chief Financial Officer, Chief Credit Officer and Chief Risk 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:

	Balances		Transactions	
	30-Jun-20	31-Dec-19	30-Jun-20	30-Jun-19
	AFN '000'			
Shareholders				
Deposits	443	686	-	-
Transactions with key management personnel				
Short-term employee benefits				
Salary and other benefits	-	-	22,086	26,230
Advance salary	-	1,084	-	-

14 CAPITAL MANAGEMENT

Regulatory capital

The Banks' regulator Da Afghanistan Bank sets and monitors capital requirements for the Bank. The capital adequacy of the Bank is assessed in two tiers as per regulations of the Da Afghanistan Bank.

- Tier 1 or core capital, consisting of the highest quality capital elements that fully meet all the essential characteristics of capital; to be 6% of risk weighted assets.
- Tier 2 or supplementary capital, which includes other instruments which, to a varying degree, fall short of the quality of Tier 1 capital, but nonetheless contribute to the overall strength of a bank as a going concern.
- Regulatory capital is the sum of Tier 1 and Tier 2 capital. Besides, Tier 2 capital cannot exceed from total amount of Tier 1 capital. The Bank complies with these regulations.

The Bank's regulatory capital position at 30 June 2020 was as follows:

AFGHAN UNITED BANK

Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

	30-Jun-20	31-Dec-19
	AFN '000'	
Tier 1 capital		
Total Equity	3,092,291	2,323,431
Less:		
Intangible assets	5,479	7,286
Profit for the year	289,348	-
Revaluation reserve on property and equipment	881,012	431,018
	1,175,839	438,304
Total tier 1 (core) capital	1,916,451	1,885,127
Tier 2 capital		
General loss reserves on credits	-	-
Profit for the year	289,348	-
Revaluation reserve on property and equipment	881,012	431,018
Total tier 2 (supplementary) capital	1,170,360	431,018
Total regulatory capital	3,086,812	2,316,145
Risk-Weight Categories		
0% risk weight:		
Cash in Afghani and fully-convertible foreign currencies	3,594,514	2,652,232
Direct claims on DAB	7,141,986	7,802,162
Direct claims on Central Banks and Central Governments of Category A countries	-	-
Precious metals and precious stones	-	-
Direct claims on DAB	-	-
Loans collateralized by blocked deposits	-	-
Other	-	-
Total	10,736,500	10,454,395
0% Risk-Weight Total (Above Total x 0%)	-	-
20% risk weight		
Loans Collateralized by Claims on Central Banks and Central Governments of Category A Countries	-	-
Direct Claims on banks licensed in Category A countries	577,273	1,121,604
Short-term Claims on Banks Licensed In Non-Category A Countries Guaranteed by Multilateral Lending Institutions	1,652,826	2,409,087
Cash Items in Process of Collection	-	-
Other	-	-
Total	2,230,099	3,530,691
20% Risk-Weight Total (Above Total x 20%)	446,020	706,138

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Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

	30-Jun-20	31-Dec-19
	AFN '000'	
50% risk weight		
Qualifying Residential Mortgage Loans	-	-
Qualifying Real Estate Construction Loans	-	-
Other	-	-
Total	-	-
50% Risk-Weight Total (Above Total x 50%)	-	-
100% risk weight		
All Other Assets	10,985,212	10,524,634
Minus: Intangible Assets	5,479	7,286
Net Deferred Tax Assets	-	-
Deducted Equity Investments	-	-
Equals: Total	10,979,733	10,517,348
100% Risk-Weight Total (Above Total x 100%)	10,979,733	10,517,348
Off-balance-sheet items with 0% Credit Conversion Factor		
Unused Portions of Commitments with Original Maturity of 1 Year or Less	481,098	379,726
Unused Portions of Commitments that are Unconditionally Cancellable	-	-
Total	481,098	379,726
0% Credit Conversion Factor Total (Above Total x 0%)	-	-
Off-balance-sheet items with 20% Credit Conversion Factor		
Commercial Letter of Credits		
0 % Risk Weight	9,761	22,586
20% Risk Weight	-	-
50% Risk Weight	-	-
100% Risk Weight	87,851	143,871
Total	97,612	166,457
Risk-Weighted Total	87,851	143,871
20% Credit Conversion Factor Total (Risk-Weighted Total x 20%)	17,570	28,774
Off-balance sheet items with 100% Credit Conversion Factor		
Guarantees and Standby Letter of Credits		
0 % Risk Weight	3,345,141	6,482,008
20% Risk Weight	-	-
50% Risk Weight	-	-
100% Risk Weight	7,220,692	3,146,865
Total	10,565,833	9,628,873

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AFGHAN UNITED BANK

Notes to the Condensed Interim Financial Statements (Unaudited)

For the six months ended 30 June 2020

	30-Jun-20	31-Dec-19
	AFN '000'	
100% Credit Conversion Factor Total (Risk-Weighted Totals x 100%)	<u>7,220,692</u>	<u>3,146,865</u>
Total Risk-Weighted Assets	<u>18,664,015</u>	<u>14,399,125</u>
	30-Jun-20	31-Dec-19
	PERCENT	
<u>Tier 1 Capital Ratio</u>	<u>10.27%</u>	<u>13.09%</u>
<u>Regulatory Capital Ratio</u>	<u>16.54%</u>	<u>16.09%</u>

15 GENERAL

15.1 Figures have been rounded-off to the nearest thousand of AFN, unless otherwise stated.

15.2 These condensed interim financial statements for the have been approved and authorized for issue by the Board of Supervisors on 11 - Aug - 2020.



ACTING CHIEF FINANCIAL
OFFICER



CHIEF EXECUTIVE OFFICER