

NAVIGATING OUR WAY TO SUCCESS

HALF YEARLY REPORT JUNE 2021 (UN-AUDITED)















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CORPORATE INFORMATION

CHAIRMAN

MR. ALAUDDIN FEERASTA

CHIEF EXECUTIVE OFFICER

MR. MUHTASHIM AHMAD ASHAI

DIRECTORS

MR. NOORUDDIN FEERASTA
MR. AHMED A. FEERASTA
MR. MUHAMMAD RASHID ZAHIR
MR. MANZOOR AHMED (NIT NOMINEE)
MR. JAMIL HASSAN HAMDANI
MS. NAVIN SALIM MERCHANT

CHIEF FINANCIAL OFFICER

MR. MIRZA ZAFAR BAIG

COMPANY SECRETARY

MR. MUHAMMAD ALTAF BUTT

AUDITORS

KPMG TASEER HADI & CO. CHARTERED ACCOUNTANTS

SHARIAH BOARD

MUFTI EHSAN WAQUAR AHMAD (CHAIRMAN) MUFTI BILAL AHMED QAZI (MEMBER) MUFTI SAMI ULLAH (MEMBER) MUFTI SYED ABID SHAH (MEMBER) MUFTI MUHAMMAD ZAHIID (RESIDENT MEMBER)

LEGAL ADVISORS

MANAN ASSOCIATES, ADVOCATES

REGISTERED OFFICE

2ND FLOOR, 307 - UPPER MALL SCHEME, LAHORE - 54000

CENTRAL OFFICE

10TH FLOOR, PNSC BUILDING, M.T. KHAN ROAD, KARACHI-74000

REGISTRAR AND SHARE TRANSFER AGENT

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DIRECTORS' REVIEW

On behalf of the Board of Directors, we are pleased to present the Directors' Review of Soneri Bank Limited ('the Bank'), along with the un-audited condensed interim financial statements for the half year ended 30 June 2021.

Economy:

FY21 started on a positive note for Pakistan's economy, with recovery driven particularly by growth in large-scale manufacturing, construction and service industries. Several indicators have depicted strong year-on-year growth in most sectors, yet capacity utilisation in manufacturing is still below the peak levels achieved during FY16-18. At the same time the service sector's activity has not yet fully returned to normal due to intermittent mobility restrictions.

In FY22, growth is expected to pick up further, supported by measures announced in the recent budget, accommodative monetary conditions and disbursements under the SBP's TERF facility for investment and other refinance facilities. Key budgetary measures include increased development spending and reduced regulatory duties and taxes on the import of raw materials and capital goods. Such measures are expected to directly benefit construction and allied industries, as well as export-oriented industries. Agricultural growth is also expected to contribute favourably to the economy going forward.

After recording surpluses in the initial part of FY21, the current account deficit widened in recent months, reflecting pick-up in domestic activity, as well as seasonality in import payments, coupled with higher global commodity prices and vaccine imports. However, the increased import of capital goods does reflect the improvement in the investment outlook of the economy. Pakistan's external position was termed to be at its strongest in several years over the course of FY21. The current account deficit fell to only 0.6 percent of GDP, being the lowest deficit in 10 years, supported by all-time high exports and remittances. SBP's foreign exchange reserves rose by \$5.2 billion during FY21 to end at over \$17 billion or around 3 months of imports, which was a four and a half year high. SBP's net external reserve buffers (gross reserves less forward liabilities) have risen by \$14.1 billion since the beginning of FY20. With expected resilience in remittances and an improving outlook for exports, the current account deficit is expected to converge toward a sustainable range of 2-3 percent of GDP in FY22.

The country's external financing needs are also expected to be more than fully met in FY22. Resultantly, the country's foreign exchange reserves are projected to rise even further and the balance of payments' position is expected to remain sustainable.

In terms of the monetary sector, financial conditions continue to remain appropriately accommodative, with market yields and benchmark rates broadly remaining unchanged. Private sector credit has continued to recover, albeit at a slow pace, primarily due to the low interest rate environment and SBP's support measures post COVID. In FY22, private sector credit is expected to grow broadly in line with nominal GDP and SBP stress-tests indicate that the banking sector should remain stable even under adverse scenarios, with system-wide NPLs contained and capital adequacy well above the domestic regulatory benchmark.

The SBP has maintained that the increase in inflation witnessed at the start of 2021 was primarily due to supply-side factors, while core inflation continues to be relatively subdued, and inflation expectations still remain well anchored. Inflation fell from 11.1 percent year on year in April to 9.7 percent in June. Food prices fell on a month-on-month basis in June, on the back of the government's administrative measures and imports of wheat and sugar. Looking ahead, as the temporary increase in inflation from administered prices wanes, inflation should fall to the 5-7 percent target range over the medium-term. The risks that could raise inflation include higher than expected global commodity prices, especially if they are coupled with upward adjustments in the petroleum levies or other domestic energy tariffs.

The SBP's policy rate over the course of the last fifteen months has seen a cumulative reduction of 625 basis points – i.e. from mid-March 2020 till date. Over the course of their last few meetings, the SBP's Monetary Policy Committee has decided to keep the policy rate unchanged at the level of 7 percent, as the Committee expects that any adjustments in the policy rate would be measured and gradual, to achieve mildly positive real interest rates in the future, as the recovery becomes more durable and the economy returns to full capacity.

The COVID-19 pandemic still continues to have a significant impact on the domestic as well as the global economies. Pakistan has been able to deal with the crisis reasonably well thus far, but maintaining the positive momentum shall continue to remain a challenge in the immediate term, as risks continue to remain due to the emergence of more virulent waves of the virus across the globe. The mass vaccine roll-out shall continue to remain a top priority for the government in the coming months.

The Bank's Financial Position and Operating Results:

The summarised financial position and operating results of the Bank for the half year ended 30 June 2021 are as follows:

As at

30 June 2021

1.6529

As at 31 Dec 2020

1 0243

| FINANCIAL POSITON | (Rupees | in 000s) |
|---|---------------------------------|---------------------------------|
| Advances – net | 175,126,631 | 164,544,519 |
| Investments – net | 291,520,475 | 249,955,671 |
| Total Assets | 536,206,693 | 485,345,223 |
| Deposits and Other Accounts | 336,818,514 | 345,498,768 |
| Shareholders' Equity | 22,920,093 | 23,157,038 |
| | Half year ended 30 June 2021 | Half year ended 30 June 2020 |
| FINANCIAL PERFORMANCE | (Rupees | in 000s) |
| Net Interest Income | 5,704,944 | 5,354,965 |
| Non Mark-up Income | 2,051,225 | 2,062,097 |
| Total Revenue | 7,756,169 | 7,417,062 |
| Non Mark-up Expenses | 5,000,088 | 4,456,993 |
| Profit Before Provisions and Taxation | 2,756,081 | 2,960,069 |
| (Reversals) / Provisions and impairment | (270,445) | 1,029,121 |
| Profit Before Taxation | 3,026,526 | 1,930,948 |
| Profit After Taxation | 1,822,262 | 1,129,305 |
| | | |

The Bank posted Profit before tax (PBT) of Rs. 3,026.526 million and Profit after tax (PAT) of Rs. 1,822.262 million for the half year ended 30 June 2021, as compared to Rs. 1,930.948 million and Rs. 1,129.305 million respectively, for the comparative period last year, indicating an improvement of 56.74 percent and 61.36 percent respectively. As a result, earnings per share (EPS) was recorded at Rs. 1.6529 per share for the current reporting period, as compared to Rs. 1.0243 for the comparative prior period.

The Bank's net interest income for the half year ended 30 June 2021 improved to Rs. 5,704.944 million from Rs. 5,354.965 million for the comparative prior period, improving by 6.54 percent, despite continued pressure on spreads over the course of the six-month period, at the back of lower policy rates. Non-interest income for the period was maintained at the levels achieved for HY2020, and was reported at Rs. 2,051.225 million on 30 June 2021 (HY2020: Rs. 2,062.097 million). The slight reduction witnessed was primarily on account of lower foreign exchange income and lower gains on securities. However, in terms of overall income, the Bank reported a growth of Rs. 339.107 million, or 4.57 percent year on year.

Amidst this backdrop, the Bank prudently continued to manage its liquidity, with an observable shift reflected in the Bank's asset mix. Average investment volumes notably increased, while average advances' volumes only marginally declined. The Bank's average net investments improved to Rs. 277,665.364 million for the half year ended 30 June 2021, as against Rs. 197,413.731 million maintained in the comparative prior period. As a result of this volumetric increase, the Bank's income from investments remained intact at Rs. 11,320.966 million for the current period, as against Rs. 11,297.409 million for the comparative prior period, despite investment yields significantly declining to 8.22 percent in the current period, as against 11.51 percent for the comparative prior period.

On a year on year comparison, yields on advances also remained noticeably lower, at 7.52 percent, as against 11.99 percent for the comparative prior period, as the gradual reduction in policy rates by the State Bank of Pakistan over the course of the last year took full effect. The Bank's average net advances reduced to Rs. 184,308.709 million for the half year ended 30 June 2021, as against Rs. 200,466.217 million for the comparative prior period. Due to decline in volumes, but primarily driven by reduction in yields, income from advances ended lower at Rs. 6,869.828 million for the current period, as against Rs. 11,947.940 million for the prior comparative period.

Earnings per Share (Rupees)

Period end deposits amounted to Rs. 336,818.514 million as on 30 June 2021, ending lower by Rs. 8,680.254 million against year-end levels. In terms of averages however, the portfolio grew by Rs. 31,646.528 million, or 10.53 percent year on year. The attrition in end of period deposits was mainly noticeable under high cost deposits, as the Bank continued to maintain its focus on CASA mix improvement and retention of current accounts, rationalising of funding costs and improvement of overall margins, whilst ensuring service levels of the highest quality.

As a result of this strategy, the Bank's end of period CASA growth was recorded at an impressive Rs. 48,886.980 million, or 24.10 percent year on year, with mix improving to 74.73 percent on June 2021 (June 2020: 62.71 percent). In terms of Current Accounts, the Bank was able to achieve a significant growth of Rs. 17,846.502 million, or 20.24 percent year on year, with Current Account mix improving to 31.48 percent in June 2021, as against 27.27 percent in June 2020.

In terms of averages, the Bank's Current Account grew by an impressive Rs. 22,353.078 million or 31.39 percent as against the comparative period last year, the effect of which is noticeable in terms of the Bank's overall cost of deposits, which has reduced by 356 bps, ending at 4.66 percent, as against 8.22 percent for the comparative period last year.

On the borrowings side, the Bank's average borrowings increased by Rs. 36,663.247 million from December 2020 levels, while cost decreased to 6.28 percent for the current period, as against 9.40 percent for the comparative prior period. The Bank's overall cost of funds decreased to 5.22 percent for the period ended 30 June 2021, as against 8.62 percent for the comparative prior period.

Non Mark-up expenses were reported at Rs. 5,000.088 million for the period ended 30 June 2021, as against Rs. 4,456.993 million in the comparative period of 2020, indicating a growth of 12.19 percent. This includes expenses on account of branch expansion as well as development expenditure on systems, and while expected inflationary costs continue to remain in the pipeline, the management remains committed on pursuing stringent cost discipline measures over the remaining course of the year to manage costs.

Under the head of provisions, with the absence of one off additional equity investment impairment charge of Rs. 453.40 million booked in the prior comparative period, and decent recoveries against classified advances in the current period, a positive year on year variance can be observed. The Bank booked provisional recoveries of Rs. 555.085 million for the current period, while a fresh charge of Rs. 268.266 million was considered. For the period ended 30 June 2020, a higher charge of Rs. 670.108 million had been considered, while recoveries had also been lower at Rs. 104.893 million.

Nonetheless, the Bank continues to carefully and prudently monitor its portfolio. Various relief measures were advised by the State Bank of Pakistan to facilitate banks and borrowers to restructure and reschedule their commitments over the course of the year 2020. Furthermore, as per SBP and GOP directives, all banks have been assigned with targets for housing and construction finance to be met over the course of the year. With an effective risk management framework in place, the Bank remains committed to facilitating the rebound of the economy, whilst maintaining regulatory compliance with all applicable laws and best practices. As on 30 June 2021, the Bank's non-performing loans to total advances ratio stands at 5.71 percent (December 2020: 6.25 percent), with specific coverage at 74.16 percent (December 2020: 75.16 percent).

The Bank remains adequately capitalised, with a Capital Adequacy Ratio of 16.23 percent on 30 June 2021. The Bank's Liquidity Coverage Ratio and Net Stable Funding Ratio currently stand at 146.10 percent and 143.41 percent respectively, which are comfortably above the regulatory requirements.

Credit Rating:

The Pakistan Credit Rating Agency (PACRA) maintained the long term credit rating of 'AA-' (Double A Minus) and short term rating of 'A1+' (A One Plus) with Stable Outlook of the Bank in June 2021.

PACRA also maintained the credit rating of the Bank's unsecured, subordinated and listed Term Finance Certificates (TFC-2) issue of Rs. 3,000 million at 'A+' (Single A plus) with Stable Outlook, while the Bank's unsecured, subordinated, rated, listed, perpetual and non-cumulative Term Finance Certificates of Rs. 4,000 million were assigned a rating of 'A' (Single A) with Stable Outlook in June 2021.

The ratings reflect the Bank's sustained and stable position in the market with strong risk profiling and lending capacity.

Acknowledgment:

On behalf of the Board, we would like to place on record our appreciation for the efforts of our regulators and the Government of Pakistan, in particular the State Bank of Pakistan, the Ministry of Finance and the Securities and Exchange Commission of Pakistan, for their balanced, proactive and prudent approach for safeguarding the integrity and soundness of the financial services sector. We also remain indebted to our valued customers for their continued patronage amidst challenging times, and appreciate our employees for their exemplary hard work, passion and relentless dedication, even in times of hardship.

We continue to remain optimistic and confident that the economy would be on the track to recovery, and the Bank shall continue to play its role amidst challenging times ahead, meeting the expectations of our customers as well as stakeholders.

On behalf of the Board of Directors.

MUHTASHIM AHMAD ASHAI

President & Chief Executive Officer

ALAUDDIN FEERASTA Chairman

Lahore: 24 August 2021

اس کے باوجود، بینک اپنے پورٹ فولیو کی مختاط مگرانی کرتار بتا ہے۔ اسٹیٹ بینک آف پاکستان نے مختلف امدادی اقد امات کی سفارش کی تھی تا کہ 2020 کے دوران بینکوں اور قرض دہندگان کواپنی ذمہدوار یوں کی از سر نوتشکیل اور دوبارہ شیڈول کرنے میں آسانی ہو۔ مزید برآس اسٹیٹ بینک اور حکومت پاکستان کی ہدایات کے مطابق تمام بینکوں کیلئے ہاؤسٹک اور تغییراتی امہاف مقرر کئے گئے ہیں۔ مؤثر رسک مینجنٹ فریم ورک کے ساتھ ، بینک تمام قابل اطلاق تو اندین اور بہترین طریقوں کے ساتھ ریگولیٹری تغییل کو برقر ارر کھتے ہوئے معیشت کی بحالی کی سہولت کے لیے پر عزم مہد کے دوران بینک میں موات کے لیے پر عزم میں۔ ورک میں کا معیشت کی بحالی کی سہولت کے لیے پر عزم میں۔ 30 بینک کو بینک کے غیر فعال قرضوں کا کل ایڈ وانسز کا تناسب % 5.71 (دمبر 60.20) ، بہع مخصوص کورتی گئی 14.16 (دمبر 2020 : 75.16 کی ہے۔

بینک 30 جون 2021 کو%16.23 کیپٹل ایڈ یکو کسی ریٹو کے ساتھ مناسب سر ماہیر کھتا ہے۔ بینک کی کیکویڈ بٹی کورنج ریشؤ اور نبیٹ اشٹیل فنڈنگ ریشؤز فی الحال ریگولیٹری ضروریات سے کافی زیادہ ہیں اور بالتر تیب 146.10% اور 143.41% ہیں۔

كريڭەك يىنىگ:

پاکستان کریڈٹ ریٹنگ ایجننی (PACRA) نے جون 2021 میں طویل المیعاد حوالے ہے دبیک کی کریڈٹ ریٹنگ کو '-AA' (ڈیل اے مائنس) اورقلیل المیعاد ریٹنگ '+A1' (اے دن پلس) پمیشتکم منظرنا ہے کے ساتھ برقر اردکھا ہے۔

پاکرانے بینک کے غیر محفوظ و نیلی اور لٹاٹر م فنانس سر ٹیفکیٹ (TFC-2) کے 3,000 ملین روپے مالیت کے اجراء کی کریڈٹ ریڈنگ بھی '+A'(سنگل اے پلس) پر متحکم منظر نامے کے ساتھ برقر اررکھی ہے جبکہ جون 2021 میں بدیک کے 1,700 ملین روپے کے غیر محفوظ و ذیلی ، ریٹر ، ورجہ بند ، وائکی اور غیر مجموعی ٹرم فنانس سر ٹیفکیٹ کے اجراء کو متحکم منظر نامے کے ساتھ 'A'(سنگل اے) ریٹنگ تفویض کی ہے۔
'A'(سنگل اے) ریٹنگ تفویض کی ہے۔

پریٹگز بینک کی مضبوط رسک پروفا کلنگ اور قرض کی فراہمی کی گنجائش کے ساتھ مارکیٹ میں مسلسل اور شنحکم لپوزیشن کی عکاسی کرتی ہیں۔

اظهارتشكر

بورڈ کی جانب ہے ہم اپنے ریگولیٹرز اور حکومت پاکستان ، ہاکھوس اسٹیٹ بینک آف پاکستان ، وزارت خزانداور سیکو رشیز اینڈ ایکیجنج نمیشن آف پاکستان کی مالیاتی خدمات کے شیعے کی سالمیت اور بہتری کے تحفظ کیلئے متوازن ، فعال اور بجھدارانداز سے کی گئی کاوشوں کوسرا ہنا چاہیں گے۔ہم اپنے معزز صارفین کے مقروض ہیں جنہوں نے اس مشکل وقت میں بھی مسلسل سر پرتی جاری رکھی ، اور مشکل حالات میں اپنے ملاز مین کی مثالی محنت ، جذیباور انتقاب ککن کوسراج ہیں۔

ہم پُر امیداور پراعتاد ہیں کہ معیشت بحالی کی راہ پرگا مزن ہوگی اوراس شکل وقت کے دوران بینک اپنے صارفین اوراسٹیک ہولڈرز کی تو قعات پر پورااتر تے ہوئے اپنا کر دارادا کرتارہے گا۔

منجانب بوردٌ آف دُائرَ يكثرز

علا**ؤالدین فیراسته** چیئر مین **محتشم احما شاکی** پریزیڈنٹ اینڈ چیف ایگزیکٹیوآفیسر

لا ہور: 24 اگست 2021

اس پس منظر میں ، بینک نے اپنی کیو بیٹر بیٹ کو جھھداری سے سنجالنا جاری رکھا ، اور قابل مشاہدہ تبدیلیاں بینک کے اثاثوں کے کمس میں ظاہر ہوئیں۔سر ماید کاری کے اوسط جم تھوڑ اسا کم ہوا۔ جبکہ جاری کردہ قرضوں کا اوسط جم تھوڑ اسا کم ہوا۔

بینک کی اوسط خالص سرمایہ کاری میں بہتری آئی اور 30 جون 2021 کوختم ہونے والی ششماہی کیلئے تقابلی مدت میں برقر ارر ہنے والے 197,413.731 ملین روپے کے مقابلے میں 277,665.364 ملین روپے کے مقابلے میں مینک کی سرمایہ کاری کی آمدنی گزشتہ تقابلی مدت کے 277,665.40 ملین روپے کے مقابلے میں صالیہ مدت میں نمایاں طور پر کم ہوکر 8.22% ہوگیا۔ 11,320.966 میں موال نکد ہرمایہ کاری پرمنافع گذشتہ تقابلی مدت کے 11.51% کے مقابلے میں موجودہ مدت میں نمایاں طور پر کم ہوکر 8.22% ہوگیا۔

سال بسال موازنے پر،ایڈوانسز پرمنافع بھی نمایاں کی کےساتھ گذشتہ سال کی ای مدت کے 11.99 کے مقابلے میں 7.52 درہا، کیونکہ گذشتہ سال کے دوران اسٹیٹ بینک آف پاکستان کی جانب سے شرح سود میں بتدریج کی نے واضح اثر ڈالا۔30 جون 2021 کوختم ہونے والی ششمانی کیلئے بینک کے اوسط خالص ایڈوانسز کم ہوکر 184,308,709 ملین روپے پرآگئے جو گذشتہ سال نقابلی مدت میں 200,466.217 ملین روپے تھے جم میں کی اور بنیادی طور پرکم منافع کی وجہ سے، ایڈوانسز سے ہونے والی آمدنی کم ہوکر 6,869.828 ملین روپے رہی جو گذشتہ تقابلی مدت میں 1,947.940 ملین روپے تھے۔

ڈپازٹس جو 30 جون 2021 کو 336,818.514 ملین روپے تھے سال کے اختتام ہے 8,680.254 ملین روپے کم ہوگئے۔ پورٹ فولیو میں اوسطاً 31,646.528 ملین روپ یا 10.53% سال بسال اضافہ ہوا ہے۔ مدت کے اختتام پرڈپازٹس میں کی بنیادی طور پر زیادہ مالیت کے ڈپازٹس کے نکل جانے کی وجہ سے ہوئی ، کیونکہ بینک نے CASA کے ڈھا ٹچ کو بہتر بنانے اور کرنے اکا ؤنٹس کو برقر ارر کھنے، فند مگ کی قیمتوں کو محقول بنانے اور مجموق طور پر مارجن بڑھانے پر توجہ مرکوز رکھی جبکہا طل ترین سطح کی خدمات فراہم کر تاریا۔

اس حکت عملی کے بنتیج میں ، مدت کے اختتام پر بینک کے CASA ڈپازٹس میں متاثر کن 48,886.980ملین روپے یا %24.10 سال بسال اضافہ ہوا ، جبکہ CASA مکس جون 2021 کو %74.73 (جون 2020: 62.71%) ریکار ڈکی گئی۔اس کھا تا ، سے بینک کرنٹ اکا کوئٹس میں 17,846.502 ملین روپے یا %20.24 سال بسال نمایاں اضافے کے ساتھ جون 2021 میں %31.48 مکس نموحاصل کرنے میں کا میاب رہا ، جو جون 2020 کو %27.27 تھی۔

بینک کے کرنٹ اکاؤنٹس میں گذشتہ سال کی اس مدت کے مقابلے میں اوسطاً 22,353.078 ملین روپے یا %31.39 سال بسال کا ایک متاثر کن اضافہ ہوا ہے۔جس کا اثر بینک کے ڈپازٹس کی لاگت کے لحاظ سے نمایاں ہے، جو 356 بی پی ایس کی کے ساتھ اختتا م پر %4.66 پر آگئ، جو گذشتہ سال کی اس مدت میں %8.22 تھی۔

قرضوں کے لحاظ ہے، بینک کے اوسط قرضوں میں دیمبر 2020 کی سطح کے مقابلے میں 36,663.247ملین روپے کا اضافہ ہوا۔ جبکہ لاگت کم ہوکر % 6.28 فیصد پر آگئی ، جو گذشتہ سال ای مدت کیلئے % 9.40 تھی۔ 30 جون 2021 کوختم ہونے والی مدت کیلئے بینک کے فنڈ زی کل مالیت کم ہوکر % 5.22 فیصد پر آگئی ، جو گذشتہ سال کی اسی مدت میں % 8.62 فیصد تھی۔

30 جون 2021 کوختم ہونے والی مدت کیلئے غیر مارک اپ اخراجات 2020 کی اسی مدت کیلئے رپورٹ ہونے والے 4,456.993 ملین روپے کے مقابلے میں 5,000.088 ملین روپے تھے جو 12.19 نموکی نشاندہ کر کرتا ہے۔اس میں شاخوں کی توسیع کے اخراجات کے ساتھ سسٹمز پرتر قیاتی اخراجات شامل ہیں،اورا گرچہ متوقع افراط زر کے اخراجات پائپ لائن میں برقرار ہیں،کین انتظام میرسال کے باقی اخراجات کوسنجالئے کیلئے لاگت کا تنحیظ موضوط نافذ کرنے کیلئے پرعوزم ہے۔

پروویژنز پرنظرڈالی جائے تو، پچھلے تقابلی دور میں ایکویٹی انوسٹمنٹس پرہونے والے 453.40 ملین روپے کے ایک وقتی اضافی فرسودگی چاری کے نہ ہونے اور موجودہ مدت میں درجہ بند پیشکیوں کیلئے محقول وصولی سے سال ہسال مثبت تبدیلی دیکھی جاسکتی ہے۔ بینک نے موجودہ مدت کیلئے 555.085 ملین روپے کی پروویژن وصولیاں حاصل کی ہیں، جبکہ 682.866 ملین روپے کے مئے چارج کو مذاخر کھا گیا ہے۔ 30 جون 2020 کو تھ ہونے والی مدت کیلئے 670.108 ملین روپے کازیادہ چارج کیا گیا تھا جبکہ ریکوری بھی 104.893 ملین روپے دہی تھی۔ کووڈ 19 کی وبا کاملکی اورعالمی دونوں معیشتوں پرنمایاں اثر پڑر ہاہے۔ پاکستان اب تک کافی حد تک بحران سے نمٹنے میں کامیاب رہاہے، کیکن شبت قوت رفتار برقر اررکھنامت تقبل قریب میں ایک مسئلہ رہے گا، کیونکہ دینا بھر میں وائرس کی مزید خطرناک اہروں کے ابھرنے کی وجہ سے خطرات برقرار ہیں۔ بڑے پیانے پر جاری دیکسین آنے والے مہینوں میں حکومت کی اولین ترجیح رہے گی۔

بینک کی مالی پوزیش اور آپریٹنگ نتائج:

30 جون 2021 کوختم ہونے والی ششمانی کیلئے بینک کی مالیاتی پوزیش اور آپریٹنگ نتائج کا خلاصه مندرجہ ذیل ہے۔

| 2 بمطابق 31 دسمبر 2020 | بمطايق 30 جون 021 | مالياتى كيفيت |
|--|--|----------------------------------|
| ۵000 يس) | (روپ | |
| 164,544,519 | 175,126,631 | نىيى <u>ش</u> انىڭد وانسىز |
| 249,955,671 | 291,520,475 | خالص سرما ميكاري |
| 485,345,223 | 536,206,693 | مجموعي ا ثاث ي |
| 345,498,768 | 336,818,514 | ڈ پازٹس اور دیگر کھاتے |
| 23,157,038 | 22,920,093 | حصص یا فتگان کی ایکویٹی |
| 30 جون 202 0 کو چ ختم ہونے والی ششما ہی کیلیئے | 30 جون 202 1 کو تم ہونے والی ششھا ہی کسلنہ | مالیاتی کارکردگی |
| ه 000 میس)۔۔۔۔۔ | | |
| 5,354,965 | 5,704,944 | خالص سودی آبدنی |
| 2,062,097 | 2,051,225 | نان مارک اپ آمدنی |
| 7,417,062 | 7,756,169 | مجموعي محصولات |
| 4,456,993 | 5,000,088 | نان مارک اپ اخراجات |
| 2,960,069 | 2,756,081 | پروویژ نزاورئیکسیشن ہے قبل منافع |
| 1,029,121 | (270,445) | (ر پورسلز)/ پروویژ نز اور نقصان |
| 1,930,948 | 3,026,526 | منافع قبل ازئيس |
| 1,129,305 | 1,822,262 | منافع بعدا زئيس |
| 1.0243 | 1.6529 | فی خصص آمدنی (روپے میں) |

بینک نے 30 جون 2021 میں ختم ہونے والے ششاہی کیلئے منافع قبل از ٹیکس (PBT) 3,026.526 ملین روپے اور منافع بعداز ٹیکس (PAT) 1,822.262 ملین روپے حاصل کیا جو گذشتہ سال ای مدت میں بالترتیب 1,930.948 ملین روپے اور 1,129.305 ملین روپے تھا یعنی بالترتیب 61.36% اور 61.36% کا اضافہ ہوا۔ ان نتائج نے بالآخر بینک کی فی حصص آمدنی کو گذشتہ تقابلی مدت کے 1.0234 روپے کے مقابلے میں حالیہ مدت میں 1.6529 میں پر پہنچادیا۔

30 جون 2021 کوختم ہونے والی ششماہی کیلئے بینک کی خالص سودی آ مدنی گذشتہ تقابلی مدت کے 5,354.965 ملین روپے سے بڑھ کر 5,704.944 ملین روپے ہوگئی، جوپالیسی کی شرح میں کی سے چھ ماہ کی مدت میں پھیلاؤ پر مسلسل دباؤ کے باوجود 6.54% فیصداضا فیہ ہے۔ اس مدت کیلئے غیر سودی آ مدنی 2020 کی ششماہی میں حاصل کردہ سطح پر رہی اور 30 جون میں کی سے چھ ماہ کی مدت میں پھیلاؤ پر مسلسل دباؤ کے باوجود 2,062.097 فیصداضا فیہ ہے۔ اس مدت کیلئے غیر سودی آ مدنی 2020 کی ششماہی میں حاصل کردہ سطح پر رہی اور 30 جون 2021 کو 2051.205 میں میں مولور پر زرمبادلہ کی کم آمدنی اور سیکیو رشیز پر کم فائدے کی وجہ سطح کی ساتھ میں مجموعی آمدنی کے لحاظ ہے، بینک نے 339.107 ملین روپے یا سال بسال 4.57% میں اضافہ رپورٹ کیا۔

ڈائزیکٹرز کی جائزہ رپورٹ

ہم نہا ہے۔ مسرت کے ساتھ یورڈ آف ڈائر کیٹرز کی جانب سے 30 جون 2021 کوختم شدہ ششاہی کیلئے، غیر پڑتال شدہ مختصرعبوری مالیاتی گوشواروں کے ساتھ سونیری بدیک کمیٹڈ (' بینک') کے ڈائر کیٹرز کا جائزہ چیش کررہے ہیں۔

اقتصادی جائزہ:

بڑے پیانے پرمینونیکچرنگ بقیرات اور سروسز میں اضافے کی وجہ ہے مالی بحالی کے ساتھ سال 2021 پاکتانی معیشت پر شبت اثر کے ساتھ شروع ہوا۔ کچھا شارے زیادہ ترشعبوں میں سال بسال مضبوط فوائد دکھارہے ہیں، کین مینونیکچرنگ کی صلاحیت کا استعمال مالی سال 18-16 میں حاصل ہونے والی چوٹی کی سطح ہے اب بھی نیچے ہے۔ اسی طرح وقتفے وقفے سے نقل وحرکت پر پابندیوں کی وجہ سے سروس کیکٹر میں سرگرمیاں ابھی تک ممل طور پرمعمول پڑہیں آئی ہیں۔

حالیہ بجٹ میں اعلان کردہ اقد امات ، سازگار مالیاتی حالات اور سرمایہ کاری کیلئے اسٹیٹ بینک آف پاکستان کی TERF کی سہولت کے تحت سرمایہ کاری اور دیگرری فنانسنگ سہولیات کیلئے ادائیکیوں کی مددستو قع ہے کہ مالی سال 2022 میں ترقی میں مزید تیزی آئے گی۔ بجٹ سے متعلق کلیدی مالیاتی اقد امات میں ترقیق اخراجات میں اضافہ اور ریگو لیٹیوں میں کی اور خام مال اور اشیاے سرمایہ کی درآ مد پر بنی صنعتوں کو بھی براہ راست فائدہ پہنچ گا۔ زرعی ترقی کے مستقبل میں معیشت پر شب سر شامل ہیں۔ اس طرح کے اقد امات سے توقع ہے کہ تعیبرات اور متعلقہ صنعتوں کے ساتھ ساتھ برآ مد پر بنی صنعتوں کو بھی براہ راست فائدہ پہنچ گا۔ زرعی ترقی کے مستقبل میں معیشت پر شبت اثر اے مرتب ہونے کی توقع ہے۔

مالی سال 2021 کے ابتدائی ھے میں اضافہ ریکارڈ کرنے کے بعد، حالیہ مہینوں میں کرنٹ اکا ؤنٹ کا خسارہ بڑھتا گیا، جس کی وجہ ملکی سرگرمیوں کے ساتھ درآ مدی ادائیکیوں میں سوسی اضافہ، اشیاء کی بڑھتی ہوئی عالمی قیمتیں اور ویکسین کی درآ مدہ ہے۔ تاہم، اشیا ہے سرمایہ کی درآ مدات میں اضافہ معیشت کے بہتر سرمایہ کاری کے امکانات کی عکامی کرتا ہے۔ مالی سال 2021 میں پاکستان کی بیرونی پوزیشن کوئی سالوں میں مضبوط ترین قرار دیا گیا ہے۔ برآ مدات اور ترسیات زرمیں ریکارڈ اضافے سے کرنٹ اکا ؤنٹ کا خسارہ ہی ڈی پی کے 6.6 فیصد پر آگیا تھوں اسالوں میں سب سے زیادہ ہے کہ ہے۔ اسٹیٹ بینک کے زرمباد لیہ کو خائر مالی 2021 میں 5.7 میلین ڈالر یا تقریبا 3 ماہ کی درآ مدات پر پینی گئے جو ساڑھ چوارسالوں میں سب سے زیادہ ہے۔ اسٹیٹ بینک کے بیرونی فرخائر ولفرز (مجموعی فرخائر سالے 1809میں جی ڈی کی کے 20 کے قان سے 14.1 میلین ڈالر تک کا اضافہ ہوا ہے۔ متوقع ترسیلات زرگی کچک اور برآ مدات کے تھنیوں میں بہتری کے ساتھ، کرنے اکا ؤنٹ کا خیارہ مالی سال 2020 میں جی ڈی پی کے 20 کے فیصد کی پائیدار مدتک پینچنے کی توقع ہے۔

ملک کی بیرونی فٹانسگ کی ضروریات مالی سال 2022 میں کممل طور پر پوری ہونے کی توقع ہے۔اس کے نتیج میں ، ملک کے زرمبادلہ کے ذخائر میں مزیدا ضافہ متوقع ہے اورادائیگیوں کا تواز ن مشتکام رہنے کی توقع ہے۔

مارکیٹ کی پیداواراورمعیاراتی شرح میں کوئی تبدیلی ندہونے سے مالیاتی شعبے کیلئے ، مالی حالات سازگارر ہے ہیں۔ پرائیویٹ کیڈٹ کی وصولی جاری رہی ، تاہم ست رفقار سے ، جس کی بنیادی وجہ کم شرح سوداورکووؤ کے بعدا مٹیٹ بینکآف پاکستان کے تعاون کے اقدامات تھے۔ مالی سال 2022 میں نجی شعبے کر ٹیٹ میں جی ڈی پی کی رفقار کے ساتھ اضافہ متوقع ہے اوراسٹیٹ بینک کے دباؤ کے ٹمیٹ بتاتے ہیں کہ بینکنگ سیکٹر کی کارکردگی کو محدود نان پر فارمنگ قرضوں اورا ندرونی ریگولیٹری معیارات سے کافی زیادہ سرمائے کی وجہ سے منفی حالات میں بھی منتظم رہنا ہے۔

اسٹیٹ بینک کا کہنا ہے کہ 2021 کے اوائل میں افراط زر میں اضافہ بنیا دی طور پرسپلائی سائیڈ عوال کی وجہ ہے ہوا، جبکہ بنیا دی افراط زرنستا تا بومیں ہے اور افراط زرکی تو تعات اب بھی مشخکم میں۔افراط زراپریل کے 11.1 فیصد سال بسال ہے کم ہوکر جون میں 9.7 فیصد ہوگئے۔ جون میں، حکومتی انتظامی اقد امات اور گندم اور چینی کی درآ مدکی وجہ سے غذائی قیمتیں ماہانہ بنیا دوں پر گرگئیں۔آگئیں۔آگئیں۔آگ و کیھتے ہوئے، جبیبا کررگو فیصد تک گرجانا چا ہے۔وہ خطرات جوافراط زرور میانی مدت کے ہدف کی حد 5 سے 7 فیصد تک گرجانا چا ہے۔وہ خطرات جوافراط زر کوبڑھا سکتے ہیں ان میں عالمی اشیاء کی قیمتوں میں توقع سے زیادہ اضافہ شامل ہوجائے۔

ایس بی پی پالیسی کی شرح پیچلے پندرہ مہینوں کے دوران یعنی مارچ 2020 کے وسط ہے لے کرا ب تک مجموعی طور پر 625 میسز پوائنٹس کم ہوئی ہے۔ اپنی آخری چندمینگس کے دوران ، اسٹیٹ بینک کی مانیٹری پالیسی کمیٹی نے پالیسی کی شرح کو 7 فیصد پر برقر ارر کھنے کا فیصلہ کیا ، کیونکہ کمیٹی تو قع کرتی ہے کہ کسی بھی رعایت شرح ایڈ جسٹمنٹ کی بیائش کی جائے گی اور آ ہستہ آ ہستہ ایک اعتدال پیند شبت چیقی سودی شرح حاصل کی جائے گی جیسے ہی مستقبل میں سودی شرحیں بحال ہوتی ہیں اور معیشت پوری صلاحیت کی طرف اوقتی ہے۔

INDEPENDENT AUDITOR'S REVIEW REPORT

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Soneri Bank Limited ("the Bank") as at 30 June 2021 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flow statement and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the " interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the quarter ended 30 June 2021 and 30 June 2020 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the engagement resulting in this independent auditor's review report is Muhammad Taufiq.

KPMG Taseer Hadi & Co. Chartered Accountants

Karachi: 26 August 2021

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

| | Note | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
|---|------|---------------------------------|----------------------------------|
| ASSETS | | (Rupees | s in '000) |
| Cash and balances with treasury banks | 6 | 29,481,212 | 29,963,954 |
| Balances with other banks | 7 | 1,937,387 | 4,268,063 |
| Lendings to financial and other institutions | 8 | 10,108,076 | 8,956,086 |
| Investments | 9 | 291,520,475 | 249,955,671 |
| Advances | 10 | 175,126,631 | 164,544,519 |
| Fixed assets | 11 | 11,925,354 | 11,910,925 |
| Intangible assets | 12 | 447,294 | 408,274 |
| Deferred tax assets | | - | - |
| Other assets | 13 | 15,660,264 | 15,337,731 |
| | | 536,206,693 | 485,345,223 |
| LIABILITIES | | | |
| Bills payable | 15 | 7,462,374 | 6,707,581 |
| Borrowings | 16 | 146,010,505 | 87,020,539 |
| Deposits and other accounts | 17 | 336,818,514 | 345,498,768 |
| Liabilities against assets subject to finance lease | | - | - |
| Subordinated debt | 18 | 6,993,400 | 6,994,000 |
| Deferred tax liabilities - net | 19 | 1,100,978 | 1,533,265 |
| Other liabilities | 20 | 14,900,829 | 14,434,032 |
| | | 513,286,600 | 462,188,185 |
| NET ASSETS | | 22,920,093 | 23,157,038 |
| | | | |
| REPRESENTED BY | | | |
| Share capital | | 11,024,636 | 11,024,636 |
| Reserves | | 3,334,938 | 2,970,486 |
| Surplus on revaluation of assets | 21 | 2,741,846 | 3,471,003 |
| Unappropriated profit | | 5,818,673 | 5,690,913 |
| | | 22,920,093 | 23,157,038 |
| | | | |

CONTINGENCIES AND COMMITMENTS

22

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

Alauddin Feerasta
Chairman

Muhtashim Ahmad Ashai President & Chief Executive Officer Mirza Zafar Baig Chief Financial Officer

Ahmed A. Feerasta
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

| | | For the quarter ended | | For the half year ended | | | |
|---|------|-----------------------|-----------------|-------------------------|-----------------|--|--|
| | Note | 30 June 2021 | 30 June 2020 | 30 June 2021 | 30 June 2020 | | |
| | | | (Rupees | in '000) | | | |
| Mark-up / return / interest earned | 23 | 9,729,516 | 11,563,229 | 18,567,944 | 23,388,495 | | |
| Mark-up / return / interest expensed | 24 | 6,744,434 | 8,316,940 | 12,863,000 | 18,033,530 | | |
| Net mark-up / interest income | | 2,985,082 | 3,246,289 | 5,704,944 | 5,354,965 | | |
| Non mark-up / interest income | | | | | | | |
| Fee and commission income | 25 | 495,155 | 378,644 | 987,686 | 837,227 | | |
| Dividend income | | 55,943 | 31,320 | 103,610 | 81,951 | | |
| Foreign exchange income | | 242,228 | 222,040 | 473,312 | 624,095 | | |
| Gain / (loss) on securities - net | 26 | 285,524 | 256,127 | 463,089 | 498,492 | | |
| Other income | 27 | 11,404 | 5,660 | 23,528 | 20,332 | | |
| Total non-markup / interest Income | | 1,090,254 | 893,791 | 2,051,225 | 2,062,097 | | |
| Total income | | 4,075,336 | 4,140,080 | 7,756,169 | 7,417,062 | | |
| Non mark-up / interest expenses | | | | | | | |
| Operating expenses | 28 | 2,422,275 | 2,110,258 | 4,920,989 | 4,339,061 | | |
| Workers' Welfare Fund | 29 | 37,260 | 27,967 | 65,969 | 43,120 | | |
| Other charges | 30 | 12,650 | 59,234 | 13,130 | 74,812 | | |
| Total non mark-up / interest expenses | | 2,472,185 | 2,197,459 | 5,000,088 | 4,456,993 | | |
| Profit before provisions | | 1,603,151 | 1,942,621 | 2,756,081 | 2,960,069 | | |
| (Reversals) / provisions and write offs - net | 31 | (147,146) | 696,007 | (270,445) | 1,029,121 | | |
| Extraordinary / unusual items | | - | - | - | - | | |
| Profit before taxation | | 1,750,297 | 1,246,614 | 3,026,526 | 1,930,948 | | |
| Taxation | 32 | 709,945 | 524,770 | 1,204,264 | 801,643 | | |
| Profit after taxation | | 1,040,352 | 721,844 | 1,822,262 | 1,129,305 | | |
| | | (Rupees) | | | | | |
| Basic earnings per share | 33 | 0.9437 | 0.6548 | 1.6529 | 1.0243 | | |

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

Alauddin Feerasta Chairman Muhtashim Ahmad Ashai President & Chief Executive Officer Mirza Zafar Baig Chief Financial Officer Ahmed A. Feerasta
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND HALF YEAR ENDED 30 JUNE 2021

| | For the qua | rter ended | For the half year ende | |
|---|-----------------|-----------------|------------------------|-----------------|
| | 30 June 2021 | 30 June 2020 | 30 June 2021 | 30 June 2020 |
| | | (Rupees | in '000) | |
| Profit after taxation for the period | 1,040,352 | 721,844 | 1,822,262 | 1,129,305 |
| Other comprehensive income | | | | |
| Items that may be reclassified to profit and loss | | | | |
| account in subsequent periods: Movement in surplus / (deficit) on revaluation of | | | | |
| investments - net of tax | 56,783 | 1,627,865 | (681,127) | 2,559,177 |
| Items that will not be reclassified to profit and loss | | | | |
| account in subsequent periods: | | | | |
| Remeasurement gain on defined benefit | | | | |
| obligations - net of tax | - | - | - | - |
| Total comprehensive income | 1,097,135 | 2,349,709 | 1,141,135 | 3,688,482 |

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

Alauddin Feerasta Chairman Muhtashim Ahmad Ashai President & Chief Executive Officer Mirza Zafar Baig Chief Financial Officer

Ahmed A. Feerasta
Director

EMENT (UN-AUDITED)

2020 2021 -----(Rupees in '000)-----CASH FLOWS FROM OPERATING ACTIVITIES 3,026,526 1,930,948 Profit before taxation Less: dividend income 103,610 81,951 Adjustments: Depreciation on fixed assets Depreciation on right-of-use assets 326,938 167,032 77,276 Amortisation 95,669 Depreciation on non-banking assets 1,919 1,108 Finance charge on lease liability against right-of-use assets 200,559 152,806 (270,445)(Reversals) / provisions and write offs - net 31 1,029,121 (187,043)Reversal of provision for diminution in the value of investments Gain on sale of fixed assets - net 27 (9,989)(6.995)Provision for Workers' Welfare Fund 29 43.120 65,969 (5,222) ,551,735 Unrealised gain on revaluation of held-for-trading / forward securities 26 3,400,732 (Increase) / decrease in operating assets (1,013,991)Lendings to financial and other institutions (1,151,990)Held-for-trading securities 992,798 197,908 (10,297,114) (723,286) Advances 5,794,435 (1.585,229) Others assets (excluding advance taxation) 3,393,123 Increase / (decrease) in operating liabilities 1,236,634 Bills payable 58,666,739 Borrowings from financial institutions 9,942,555 Deposits (8,680,254) 21,370,597 2.895.223 Other liabilities 200.269 35,445,009 50,941,547 Income taxes paid (651,636)Net cash flow generated from operating activities 41,587,228 CASH FLOWS FROM INVESTING ACTIVITIES Net investments in available-for-sale securities (44,112,045) (44,809,505) Net investments in held-to-maturity securities 534,148 527,452 81,951 Dividends received 105,158 Investments in fixed assets (829,731)(1,577,926)Proceeds from sale of fixed assets 15,095 8,926 Net cash flow used in investing activities (45,769,102) CASH FLOWS FROM FINANCING ACTIVITIES Payments of subordinated debt (600)(1,102,463) Dividend paid (1,378,080)Net cash flow used in financing activities (1,103,063)(5,284,937) Decrease in cash and cash equivalents (3,136,645)35,946,694 Cash and cash equivalents at beginning of the period 34,183,169 Cash and cash equivalents at end of the period CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD Cash and balances with treasury banks 6 29,481,212 29,543,079 Balances with other banks 1,937,387 1,198,090 16 (79,412)Overdrawn nostro accounts 30,661,757

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

Alauddin Feerasta Chairman

Muhtashim Ahmad Ashai President & Chief Executive Officer

Mirza Zafar Baig Ahmed A. Feerasta Chief Financial Officer

Jamil Hassan Hamdani Director

Director

Note

30 June

30 June

CHANGES IN EQUITY (UN-AUDITED)

| | Share | Statutory | Surplus / (| . , , | Unappro- | |
|--|------------------|------------------|------------------------|---|------------------------------|--|
| | capital | reserve (a) | Investments | Fixed assets / Non Banking assets | priated profit (b) | Total |
| | | | (Rupees | s in '000) | | |
| Balance as at 01 January 2020 | 11,024,636 | 2,490,432 | (632) | 1,894,087 | 4,805,072 | 20,213,595 |
| Comprehensive income for the half year ended 30 June 2020 - Profit after taxation for the half year ended 30 June 2020 | - | - | - | - | 1,129,305 | 1,129,305 |
| Other comprehensive income / (loss) - Movement in surplus / (deficit) on revaluation of investments - net of tax | - | - | 2,559,177 | - | - | 2,559,177 |
| | - | - | 2,559,177 | - | 1,129,305 | 3,688,482 |
| Transfer to statutory reserve | - | 225,861 | - | - | (225,861) | - |
| Transfer from surplus on revaluation of assets to unappropriated profit - net of tax | - | - | - | (31,679) | 31,679 | - |
| Transactions with owners recorded directly in equity Final cash dividend for the year ended 31 December 2019 at Re 1.00 per share | = | - | = | = | (1,102,463) | (1,102,463) |
| Balance as at 30 June 2020 | 11,024,636 | 2,716,293 | 2,558,545 | 1,862,408 | 4,637,732 | 22,799,614 |
| Comprehensive income for the half year ended 31 December 2020 - Profit after taxation for the half year ended 31 December 2020 | - | - | - | - | 1,270,967 | 1,270,967 |
| Other comprehensive income / (loss) - Movement in surplus / (deficit) on revaluation of investments - net of tax - Remeasurement loss on defined benefit obligations - net of tax - Movement in surplus on revaluation of fixed assets - net of tax - Movement in surplus on revaluation of non banking assets | - - - - | - - - - | (2,032,418) | 1,090,493 23,648 1,114,141 | 4,734 - - 1,275,701 | (2,032,418) 4,734 1,090,493 23,648 357,424 |
| Transfer to statutory reserve | - | 254,193 | - | - | (254,193) | - |
| Transfer from surplus on revaluation of assets to unappropriated profit - net of tax | - | - | - | (31,673) | 31,673 | - |
| Balance as at 01 January 2021 | 11,024,636 | 2,970,486 | 526,127 | 2,944,876 | 5,690,913 | 23,157,038 |
| Comprehensive income for the half year ended 30 June 2021 - Profit after taxation for the half year 30 June 2021 | - | - | - | - | 1,822,262 | 1,822,262 |
| Other comprehensive income / (loss) - Movement in surplus / (deficit) on revaluation of investments - net of tax | - | - | (681,127) (681,127) | - | 1,822,262 | (681,127) 1.141.135 |
| Transfer to statutory reserve | - | 364,452 | - | - | (364,452) | - |
| Transfer from surplus on revaluation of assets to unappropriated profit - net of tax | - | - | - | (48,030) | 48,030 | - |
| Transactions with owners recorded directly in equity Final cash dividend for the year ended 31 December 2020 at Rs. 1.25 per share | - | - | - | - | (1,378,080) | (1,378,080) |
| Balance as at 30 June 2021 | 11,024,636 | 3,334,938 | (155,000) | 2,896,846 | 5,818,673 | 22,920,093 |

- (a) This represents reserve created under section 21(i)(a) of the Banking Companies Ordinance, 1962.
- (b) As explained in note 10.3.3 to these condensed interim financial statements, unappropriated profit includes an amount of Rs.1,380.404 million - net of tax as at 30 June 2021 (31 December 2020: Rs.1,275.492 million) representing additional profit arising from availing forced sales value benefit for determining provisioning requirement which is not available for distribution either as cash or stock dividend to shareholders and bonus

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.

Alauddin Feerasta

Muhtashim Ahmad Ashai President & Chief Executive Officer

Mirza Zafar Baig Chief Financial Officer

Ahmed A. Feerasta

TO AND FORMING PART OF THE ASED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

STATUS AND NATURE OF BUSINESS 1

Soneri Bank Limited ("the Bank") was incorporated in Pakistan on 28 September 1991 as a public limited Bank under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Its registered office and central office are situated at 2nd Floor, 307-Upper Mall Scheme, Lahore, Puniab and at 10th Floor, PNSC Building, M.T. Khan Road, Karachi respectively, The shares of the Bank are quoted on Pakistan Stock Exchange Limited. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and operates with 340 branches including 30 Islamic banking branches and 01 sub branch (31 December 2020: 340 branches including 30 Islamic banking branches and 01 sub branch) in Pakistan. The credit rating of the Bank is disclosed in note 34 of these condensed interim financial statements.

2 BASIS OF PRESENTATION

- 2.1 These condensed interim financial statements have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular No. 5 dated 22 March 2019.
- 2.2 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilised and appropriate portion of mark-up thereon. However, the Islamic Banking branches of the Bank have complied with the requirements set out under the Islamic Financial Accounting Standards (IFAS), issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the provisions of Companies Act. 2017.
- 2.3 The financial results of all Islamic banking branches of the Bank have been consolidated in these condensed interim financial statements for reporting purposes, after eliminating material intra branch transactions / balances. The financial results of all Islamic banking branches are disclosed in note 39 to these condensed interim financial statements.

3 STATEMENT OF COMPLIANCE

- 3.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. These comprise of:
 - International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) from time to time

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017, or the directives issued by SBP and the SECP differ with the requirements of IFRS or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives shall prevail.

- 3.2 The disclosures made in these condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 5 dated 22 March 2019 and IAS 34. These condensed interim financial statements do not include all the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements for the year ended 31 December 2020.
- 3.3 The SBP, vide its BSD Circular Letter no. 10 dated 26 August 2002 has deferred the applicability of International Accounting Standard 40. Investment Property, for banking companies till further instructions, Moreover, SBP vide BPRD circular no. 4. dated 25 February 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP, through S.R.O 411(1) / 2008 dated 28 April 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Further, the SBP has deferred the applicability of International Accounting Standard (IAS) 39, Financial Instruments, Recognition and Measurement, and has directed all Banks to implement IFRS 9, Financial Instruments, with effect from 01 January 2022 vide BPRD Circular No. 24 of 2021 dated 05 July 2021. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars. The Bank awaits further instructions from the SBP on applicability of IFRS 9 as also detailed in note 3.5 to these condensed interim financial statements.

Standards, interpretations and amendments to published approved accounting and reporting standards that 34 are effective in the current period

There are certain new standards and interpretations of and amendments to existing accounting standards that have become applicable to the Bank for accounting periods beginning on or after 1 January 2021. These are considered either to not be relevant or do not to have any significant impact on the Bank's financial statements and are therefore, not disclosed in these financial statements.

3.5 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

Subsequent to the period end, 'SBP, vide its BPRD Circular Letter No. 24 of 2021 dated 05 July 2021, has deferred the applicability of IFRS 9 on banks in Pakistan to accounting period beginning on or after January 01, 2022. The impact of application of IFRS 9 on Bank's financial statements is presently being assessed and the same will conclude subsequent to issuance of final application guidelines by SBP.

Furthermore, following standards, amendments and interpretations of approved accounting standards will be effective for the accounting periods as stated below:

Standard, Interpretation or Amendment Effective date (annual periods beginning on or after) Classification of Liabilities as Current or Non-current - Amendments to IAS 1 January 01, 2023 Reference to the Conceptual Framework – Amendments to IFRS 3 January 01, 2022 Property, Plant and Equipment: Proceeds before Intended Use January 01, 2022 - Amendments to IAS 16 Onerous Contracts - Costs of Fulfilling a Contract - Amendments to IAS 37 January 01, 2022 Annual improvement process IFRS 1 First-time Adoption of International January 01, 2022 Financial Reporting Standards - Subsidiary as a first-time adopter Annual improvement process IFRS 9 Financial Instruments – Fees in the January 01, 2022 '10 per cent' test for de-recognition of financial liabilities Annual improvement process IAS 41 Agriculture - Taxation in fair value January 01, 2022 measurements

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standard

IASB Effective date (annual periods beginning on or after)

Not yet finalized

| IFRS 1 – First time adoption of International Financial Reporting Standards | January 01, 2014 |
|---|------------------|
| IFRS 17 – Insurance Contracts | January 01, 2023 |

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Venture - Amendments to IFRS 10 and IAS 28

The significant accounting policies and the methods of computation used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Bank for the year ended 31 December 2020.

5 BASIS OF MEASUREMENT AND FINANCIAL RISK MANAGEMENT

Sale or Contribution of Assets between an Investor and its Associate or Joint

These condensed interim financial statements have been prepared under the historical cost convention except that certain fixed assets / non-banking assets acquired in satisfaction of claims have been stated at revalued amounts, certain investments and derivative financial instruments have been stated at fair value and net obligations in respect of defined benefit schemes and lease liability under IFRS 16 are carried at their present values.

5.1 Critical Accounting Estimates And Judgements

The basis for accounting estimates adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the annual unconsolidated financial statements of the Bank for the year ended December 31, 2020.

5.2 Financial Risk Management

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the financial statements for the year ended 31 December 2020.

| | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
|---|---------------------------------|----------------------------------|
| CASH AND BALANCES WITH TREASURY BANKS | (Rupees | s in '000) |
| In hand Local currency | 6,557,454 | 6,393,784 |
| Foreign currencies With State Bank of Pakistan in | 717,734 7,275,188 | 1,788,180 8,181,964 |
| Local currency current accounts Foreign currency current accounts Foreign currency deposit accounts against | 16,162,469 838,135 | 17,083,273 871,899 |
| foreign currency deposits mobilised | 1,549,637 18,550,241 | 1,585,852 19,541,024 |
| With National Bank of Pakistan in Local currency current accounts | 2,482,235 | 1,669,585 |
| Prize bonds | 1,173,548 | 571,381 |
| BALANCES WITH OTHER BANKS | 29,481,212 | 29,963,954 |
| In Pakistan | | |
| In current accounts In deposit accounts | 12,041 <u>26</u> | 12,041 450 |
| Outside Pakistan In current accounts | 12,067 1,925,320 | 12,491 4,255,572 |
| | 1,937,387 | 4,268,063 |
| LENDINGS TO FINANCIAL AND OTHER INSTITUTIONS | | |
| Repurchase agreement lendings (reverse repo) Bai Muajjal receivable | 2,938,590 | 6,974,800 |
| - with other financial institutions Foreign currency placement | 6,381,768 787,718 | 1,981,286 |
| | 10,108,076 | 8,956,086 |

7

8

9 INVESTMENTS

91 Investments by type:

| | (Un-audited) 30 June 2021 | | | | (Audi | | | |
|--------------------------------|------------------------------|--------------------------|------------------------|----------------|-----------------------------|--------------------------|------------------------|----------------|
| | Cost / amortised cost | Provision for diminution | Surplus / (deficit) | Carrying value | Cost / amortised cost | Provision for diminution | Surplus / (deficit) | Carrying value |
| | | | | (Rupees | in '000) | | | |
| Held-for-trading securities | | | | | | | | |
| Federal Government securities | 940,304 | - | 585 | 940,889 | 1,925,742 | - | 8,125 | 1,933,867 |
| Shares | 765 | - | (11) | 754 | - | - | - | - |
| | 941,069 | - | 574 | 941,643 | 1,925,742 | - | 8,125 | 1,933,867 |
| Available-for-sale securities | | | | | | | | |
| Federal Government securities | 270,490,989 | - | (208,018) | 270,282,971 | 226,129,343 | - | 701,977 | 226,831,320 |
| Shares | 3,135,155 | (122,331) | (112,538) | 2,900,286 | 3,189,295 | (122,331) | 37,866 | 3,104,830 |
| Non-Government debt securities | 4,000,174 | - | 46,545 | 4,046,719 | 3,910,455 | - | 43,851 | 3,954,306 |
| Units of mutual funds | 139,298 | - | 35,549 | 174,847 | 390,284 | - | 25,732 | 416,016 |
| Commercial Papers | - | - | - | - | 34,194 | - | - | 34,194 |
| | 277,765,616 | (122,331) | (238,462) | 277,404,823 | 233,653,571 | (122,331) | 809,426 | 234,340,666 |
| Held-to-maturity securities | | | | | | | | |
| Federal Government securities | 13,166,866 | | - | 13,166,866 | 13,666,853 | | - | 13,666,853 |
| Non Government debt securities | 66,218 | (59,075) | - | 7,143 | 100,379 | (86,094) | - | 14,285 |
| | 13,233,084 | (59,075) | - | 13,174,009 | 13,767,232 | (86,094) | - | 13,681,138 |
| Total investments | 291,939,769 | (181,406) | (237,888) | 291,520,475 | 249,346,545 | (208,425) | 817,551 | 249,955,671 |

Total investments 92 Investments by segments:

| | (Un-au | · · · · · · · | | | (Aud | , | |
|-----------------------------|--------------------------|------------------------|----------------|--|------|---|----------------|
| Cost / amortised cost | Provision for diminution | Surplus / (deficit) | Carrying value | | | | Carrying value |

----- (Rupees in '000) ------**Federal Government securities** 27,005 103,343,212 Market Treasury Bills Pakistan Investment Bonds (304,430)136,869,540 130,301,875 682,297 130,984,172 Bai Muajjal with Government 2,603,856 of Pakistan (GoP) 2,734,856 2,734,856 2,603,856 liarah sukuks 31.300 5.531.300 5.500.000 800 5.500.800 284,390,726 241,721,938 710,102 242,432,040 Units of mutual funds 139,298 35,549 174,847 390,284 25,732 416,016 Shares Listed companies 37,866 3,043,730 (5,700) Unlisted companies 66.800 66.800 (5,700)61,100 61,100 37,866 Non-Government debt securities 1,390,785 Listed 1,406,499 (16,269)Unlisted 2,476,162 2,460,242 2,638,529 (69,825) 43,296 2,612,000 43,851 (86,094) 249,346,545 **Total investments** (181,406)(237,888) 291,520,475 (208, 425)817,551 249,955,671

| 9.2.1 | Investments given as collateral - market value | | Note | (Un-audited) 30 June 2021 (Rupee | (Audited) 31 December 2020 s in '000) |
|-------|---|-----------------------------------|------------------|---|--|
| | Market Treasury Bills Pakistan Investment Bonds | | | 44,151,024 77,663,825 121,814,849 | 25,533,895 39,434,851 64,968,746 |
| 9.3 | Bai Muajjal with Government of Pakistan | | | 121,614,649 | 04,900,740 |
| | Bai Muajjal investment Less: deferred income Bai Muajjal investment - net | | | 2,855,000 (120,144) 2,734,856 | 2,855,000 (251,144) 2,603,856 |
| 9.4 | Provision for diminution in the value of investment | s | | | |
| | Opening balance Charge for the period / year Reversal recognised in capital gains for the year Reversal during the period Amounts written off Closing balance | | 9.8 | 208,425 - - (3,515) (23,504) 181,406 | 119,631 717,214 (628,420) - - 208,425 |
| 9.5 | Particulars of provision against debt securities | | | | |
| | | (Un-aud | | | dited) |
| | | 30 June | 2021 | | mber 2020 |
| | | Non- Performing Investments | Provision | Non- Performing Investments | Provision |
| | Category of classification | | (Rupees | in '000) | |
| | Loss Total | 59,075 59,075 | 59,075 59,075 | 86,094 86,094 | 86,094 86,094 |

- 9.6 The market value of securities classified as held-to-maturity as at 30 June 2021 amounted to Rs. 13,259.095 million (31 December 2020: Rs. 13,901.468 million).
- 9.7 Federal Government Securities include Pakistan Investment Bonds having book value of Rs. 18.400 million (31 December 2020: Rs. 18.400 million) pledged with the State Bank of Pakistan and National Bank of Pakistan to facilitate T. T. discounting facility for the branches of the Bank. Market Treasury Bills and Pakistan Investment Bonds under Federal Government Securities, are eligible for discounting with the State Bank of Pakistan.
- 9.8 During the period, the Bank has entered into an agreement with Azgard Nine Limited to settle outstanding dues amounting to Rs. 27.019 million, receiving an amount of Rs. 5.211 million (Rs. 3.515 million against principal and Rs. 1.696 million against markup) as full and final settlement. The entire amount was fully provided for at the time of settlement.

| | | Perfo | rming | Non-performing | | Total | |
|----|--------------------------------------|-------------------------|--------------------------|-------------------------|--------------------------|-------------------------|--------------------------|
| | | (Un-audited) 30 June | (Audited) 31 December | (Un-audited) 30 June | (Audited) 31 December | (Un-audited) 30 June | (Audited) 31 December |
| 10 | ADVANCES | 2021 | 2020 | 2021 (Rupees | 2020 s in '000) | 2021 | 2020 |
| | Loans, cash credits, running | | | | | | |
| | finances, etc. | 159,627,920 | 148,810,537 | 9,032,627 | 9,342,768 | 168,660,547 | 158,153,305 |
| | Islamic financing and related assets | 8,028,257 | 7,602,553 | 1,410,255 | 1,442,638 | 9,438,512 | 9,045,191 |
| | Bills discounted and purchased | 4,818,373 | 5,494,147 | - | - | 4,818,373 | 5,494,147 |
| | Advances - gross | 172,474,550 | 161,907,237 | 10,442,882 | 10,785,406 | 182,917,432 | 172,692,643 |
| | Provision against advances | | | | | | |
| | - Specific | - | - | (7,744,723) | (8,106,586) | (7,744,723) | (8,106,586) |
| | - General | (46,078) | (41,538) | - | - | (46,078) | (41,538) |
| | | (46,078) | (41,538) | (7,744,723) | (8,106,586) | (7,790,801) | (8,148,124) |
| | Advances - net of provision | 172,428,472 | 161,865,699 | 2,698,159 | 2,678,820 | 175,126,631 | 164,544,519 |

10.1 Particulars of advances (Gross)

In local currency
In foreign currencies

10.2 Advances include Rs. 10,442.882 million (31 December 2020 Rs. 10,785.406 million) which have been placed under non-performing status as detailed below:

| N | lote | (Un-audited) 30 June 2021 | | (Audited) 31 December 2020 | |
|--|-------|---|--|---|--|
| | | Non- performing loans | Provision | Non- performing loans | Provision |
| Category of Classification | | | (Rupees | in '000) | |
| Other Assets Especially Mentioned 10 Substandard Doubtful Loss | 0.2.1 | 39,496 134,581 779,195 9,489,610 10,442,882 | 50 5,959 210,077 7,528,637 7,744,723 | 28,219 763,631 141,849 9,851,707 10,785,406 | 99,243 28,580 7,978,763 8,106,586 |

10.2.1 The 'Other Assets Especially Mentioned' category pertains to agriculture finance, small enterprise finance and consumer finance amounting to Rs.14.489 million (31 December 2020: Rs. 4.513 million), Rs. 5.873 million (31 December 2020: Rs. 5.706 million) and Rs. 19.134 million (31 December 2020: Rs. 18.000 million) respectively.

10.3 Particulars of provision against advances

| | | Un-audited) | | - 04 | (Audited) | 000 | |
|---|----------------------|-------------|----------------------|------------------------|------------------|------------------------|--|
| | | 0 June 2021 | | 31 | 31 December 2020 | | |
| | Specific | General | Total | Specific | General | Total | |
| | | | (Rupees | in '000) | | | |
| Opening balance | 8,106,586 | 41,538 | 8,148,124 | 7,573,063 | 41,538 | 7,614,601 | |
| Charge for the period / year Reversals for the period / year | 263,726 (555,085) | 4,540 | 268,266 (555,085) | 1,352,331 (678,845) | | 1,352,331 (678,845) | |
| | (291,359) | 4,540 | (286,819) | 673,486 | - | 673,486 | |
| Amounts written off | (70,504) | - | (70,504) | (139,963) | - | (139,963) | |
| Transfers | - 1 | - | - ' | - | - | - | |
| Closing balance | 7,744,723 | 46,078 | 7,790,801 | 8,106,586 | 41,538 | 8,148,124 | |

- **10.3.1** The general provision against consumer financing is required to be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages range from 1% to 2.5% for secured and 4% to 7% for unsecured portfolio.
- 10.3.2 The Bank has maintained general provision against housing finance portfolio at the rate of 0.50% of the performing portfolio. The State Bank of Pakistan vide its circular no. 9 of 2017 dated 22 December 2017 abolished the requirement of maintaining general reserve of 1% against secured Small Enterprise (SE) portfolio, while general reserve to be maintained against unsecured SE portfolio has been reduced from 2% to 1%. Currently, the Bank does not have any unsecured SE portfolio.
- 10.3.3 The Bank has availed the benefit of forced sale value of pledged stocks, mortgaged residential and commercial properties held as collateral against non-performing advances as allowed under the Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 2,123.698 million (31 December 2020: Rs. 1,962.296 million). The additional profit arising from availing this benefit net of the tax amounts to Rs.1,380.404 million (31 December 2020: Rs. 1,275.492 million). The FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.
- **10.3.4** The SBP has granted relaxation in provisioning requirements in respect of exposures in Dewan Mushtaq Group (DMG). Had this relaxation not been available, provision against loans and advances would have been higher by Rs. 44.930 million (31 December 2020: Rs. 44.930 million).

10.3.5 The Bank has made provision against its non-performing portfolio as per the category of classification of the loans. However, the Bank still holds enforceable collateral realisable through litigation. This enforceable collateral includes mortgage charge etc. against various tangible assets of the borrower including land, building and machinery, stock in trade, etc.

| | etc. against various tangible assets of the borrower including land, building and | macninei | ry, stock in trade, | etc. |
|------|--|--------------|---|---|
| | | Note | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
| 11 | FIXED ASSETS | | (Rupees | s in '000) |
| | Capital work-in-progress Right-of-use assets Property and equipment | 11.1 11.2 | 317,697 2,932,393 8,675,264 11,925,354 | 253,914 3,094,617 8,562,394 11,910,925 |
| 11.1 | Capital work-in-progress | | | |
| | Civil works Advances to suppliers and contractors Consultant's fee and other charges | | 67,800 237,478 12,419 317,697 | 122,408 118,411 13,095 253,914 |
| 11.2 | Right-of-use assets | | 017,007 | 200,014 |
| | Opening balance Additions during the period / year Depreciation for the period / year Closing balance | | 3,094,617 164,714 (326,938) 2,932,393 | 1,943,868 1,700,929 (550,180) 3,094,617 |
| 11.3 | Additions to fixed assets | | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
| | The following additions have been made to fixed assets during the period: | | (Rupees | s in '000) |
| | Capital work-in-progress | | 63,783 | 801,550 |
| | Buidling on freehold land Buidling on leasehold land Leasehold improvements Furniture and fixtures Electrical, office and computer equipments Right-of-use assets Vehicles Total | | 23,133 10,731 156,515 37,519 222,783 164,714 15,863 631,258 695,041 | 515 55,356 82,835 22,050 105,058 378,485 64,391 708,690 1,510,240 |
| 11.4 | Disposal of fixed assets | | | |
| | The net book value of fixed assets disposed off during the period is as follows: | | | |
| | Leasehold Improvements Furniture and fixtures Electrical, office and computer equipments Vehicles Total | | 9,992 444 1,238 - 11,674 | 6,414 288 1,338 549 8,589 |
| | | | (Un-audited) 30 June | (Audited) 31 December |
| 12 | INTANGIBLE ASSETS | | 2021 | 2020 |
| | 0 100 | | | s in '000) |
| | Computer Software Trademark | | 447,249 <u>45</u> | 408,190 |
| | | | 447,294 | 408,274 |

| 12.1 | Additions to intangible assets | | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 in '000) |
|--------|--|-------------------------------------|---|---|
| | The following additions have been made to intangible assets during the period: | | (nupees | iii 000j |
| | Directly purchased | | 134,690 | 67,686 |
| 12.2 | There were no disposals in intangible assets during the current and prior period. | | | |
| | | Note | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 s in '000) |
| 13 | OTHER ASSETS | | (i tupees | , III 000) |
| | Income / mark-up accrued in local currency Income / mark-up accrued in foreign currencies Dividend receivable Advances, deposits, advance rent and other prepayments Advance taxation (payments less provisions) Non-banking assets acquired in satisfaction of claims Branch adjustment account Mark to market gain on forward foreign exchange contracts Cash margin against future trading Stationery and stamps on hand Due from the State Bank of Pakistan Advance against subscription of term finance certificates Acceptances Claims against fraud and forgeries Others Less: provision held against other assets | 13.1 13.2 13.3 | 6,194,438 12,143 4,675 530,375 896,930 1,113,885 - 95,764 53 42,103 55,090 - 5,929,149 143,443 857,453 15,875,501 (238,811) | 6,571,289 12,390 6,223 291,067 1,283,681 1,115,729 5,870 - 41,810 8,678 250,000 5,471,061 143,443 340,153 15,541,394 (227,311) |
| | Other assets - net of provision Surplus on revaluation of non-banking assets acquired in satisfaction of claims Other assets - total | .0.0 | 15,636,690 23,574 15,660,264 | 15,314,083 23,648 15,337,731 |
| 13.1 | Market value of non-banking assets acquired in satisfaction of claims | 13.1.1 | 1,139,377 | 1,139,377 |
| 13.1.1 | The non-banking assets acquired in satisfaction of claims by the Bank were revaluers in August 2020 and December 2020. The valuations were carried out larch-e-Decon, M/s. K.G. Traders, M/s. Oceanic Surveyors, M/s Indus Survey Financial and Legal Consultants and M/s Asrem (Private) Limited on the basis of parallel and the revalued amount is disclosed in note 13.1.2 to these financial states. | by M/s H yors, M/s profession | Harvester Service s. Amir Evaluato | s (Pvt) Ltd, M/s rs, M/s Al Hadi |
| | | | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
| 13.1.2 | Non-banking assets acquired in satisfaction of claims | | | es in '000) |
| 13.2 | Opening balance Acquired during the period / year Revaluation during the period / year Depreciation during the period / year Closing balance This represents amount in respect of fraud and forgery claims relating to cash en | | | |
| | has initiated legal proceedings against the alleged and has also taken necessal control system. | ry steps | to further streng | then its internal |

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| 13.3 | Provision held against other assets | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
|--------|--|--|--|
| | • | (Rupee | s in '000) |
| | Provision held against receivable against fraud and forgeries Others | 143,443 95,368 238,811 | 143,443 83,868 227,311 |
| 13.3.1 | Movement in provision held against other assets | | |
| | Opening balance Charge for the period Amount written-off Closing balance | 227,311 11,500 - 238,811 | 237,160 - (9,849) 227,311 |
| 14 | CONTINGENT ASSETS | | |
| | There were no contingent assets as at the reporting date. | | |
| 15 | BILLS PAYABLE | | |
| | In Pakistan Outside Pakistan | 7,462,374 | 6,707,581 |
| | | 7,462,374 | 6,707,581 |
| 16 | BORROWINGS | | |
| | Secured Borrowings from State Bank of Pakistan Under export refinance scheme Long term financing facility for plant and machinery Refinance scheme for payment of wages and salaries Temporary economic refinance scheme Modernisation of SME-Rice Husking Financing facility for storage of agriculture produce Financing facility for Renewable Energy Repurchase agreement borrowings | 16,639,758 1,885,362 2,298,023 421,156 4,905 135,968 421,526 75,170,160 96,976,858 | 17,307,129 1,807,212 2,711,913 - 5,886 150,281 79,562 - 22,061,983 |
| | Repurchase agreement borrowings - other banks Borrowings from other financial institutions - local Refinance from Pakistan Mortgage Refinance Company Limited Total secured | 25,209,560 19,906,976 1,000,000 143,093,394 | 22,521,876 41,379,320 - 85,963,179 |
| | Unsecured Call borrowings Overdrawn nostro accounts Total unsecured | 2,545,036 372,075 2,917,111 146,010,505 | 1,008,512 48,848 1,057,360 87,020,539 |
| 16.1 | Particulars of borrowings with respect to currencies | | |
| | In local currency In foreign currencies | 145,638,430 372,075 146,010,505 | 86,971,691 48,848 87,020,539 |

_NAVIGATING OUR WAY TO SUCCESS.

17 DEPOSITS AND OTHER ACCOUNTS

| | (Un-audited) | | | | (Audited) | | |
|------------------------|-------------------|-----------------------|-------------|-------------------|-----------------------|-------------|--|
| | | 30 June 202 | ı | | 31 December 2020 | | |
| | In local currency | In foreign currencies | Total | In local currency | In foreign currencies | Total | |
| | | | (Rupe | es in '000) | | | |
| Customers | | | | | | | |
| Current deposits | 89,774,113 | 7,019,220 | 96,793,333 | 78,044,230 | 7,372,950 | 85,417,180 | |
| Savings deposits | 102,642,439 | 6,267,522 | 108,909,961 | 97,777,707 | 6,339,080 | 104,116,787 | |
| Term deposits | 76,073,749 | 1,138,651 | 77,212,400 | 98,963,570 | 1,754,341 | 100,717,911 | |
| Others* | 7,749,611 | - | 7,749,611 | 4,921,675 | - | 4,921,675 | |
| | 276,239,912 | 14,425,393 | 290,665,305 | 279,707,182 | 15,466,371 | 295,173,553 | |
| Financial Institutions | | | | | | | |
| Current deposits | 940,382 | 554,556 | 1,494,938 | 1,010,867 | 420,671 | 1,431,538 | |
| Savings deposits | 36,773,007 | - | 36,773,007 | 41,310,831 | - | 41,310,831 | |
| Term deposits | 7,885,264 | - | 7,885,264 | 7,582,846 | - | 7,582,846 | |
| | 45,598,653 | 554,556 | 46,153,209 | 49,904,544 | 420,671 | 50,325,215 | |
| | 321,838,565 | 14,979,949 | 336,818,514 | 329,611,726 | 15,887,042 | 345,498,768 | |

^{*} This includes deposits in respect of import margin, guarantee margin and security deposits

17.1 Deposits eligible under Insurance arrangements

This includes deposits eligible to be covered under the State Bank of Pakistan's Depositor Protection Scheme. The amount of eligible deposits worked out based on the audited financial position of the Bank as at 31 December 2020 amounts to Rs. 142,792 million.

| | 12,102 11111011 | Note | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
|----|--|--------------|-------------------------------------|-------------------------------------|
| 18 | SUBORDINATED DEBT | | (Rupees | s in '000) |
| | Listed Term Finance Certificates - Additional Tier I Listed Term Finance Certificates - Tier II | 18.1 18.2 | 4,000,000 2,993,400 6,993,400 | 4,000,000 2,994,000 6,994,000 |

18.1 Listed Term Finance Certificates - Additional Tier I

This denotes rated, listed and unsecured Term Finance Certificates (TFCs) issued as instrument of redeemable capital of Rs. 4,000 million issue under Section 66 of the Companies Act, 2017. The funds raised by the Bank through the issuance of these TFCs have contributed towards the Bank's Additional Tier 1 Capital for meeting its capital adequacy requirements as per Basel III Guidelines set by SBP under BPRD Circular Number 6 dated 15 August 2013. The instrument is sub-ordinated as to the payment of principal and profit to all other indebtedness of the Bank (including the listed term finance certificates - Tier II previously issued by the Bank) and is not redeemable before maturity without prior approval of SBP. Furthermore, these funds are intended to be utilized for the Bank's ongoing business operations in accordance with the Bank's Memorandum and Articles of Association. The key features of the issue are as follows:

Issue amount Rs. 4,000 million

Maturity date Perpetual

Rating (Note 34) "A" by PACRA on 25 June 2021

06 December 2018

Security Unsecured

Profit payment frequency Semi-annually

Redemption No fixed or final redemption date

Mark-up 6 Months KIBOR + 2.00% per annum

Issue date

Call option The Bank may call the TFCs (either partially or in full), after five (5) years from the date of issuance

with the prior approval of SBP. Moreover, and as per Clause iv(b) of Annexure 2 of the Basel III Circular, the Issuer shall not exercise a call option unless the called instrument is replaced with capital of same or better quality. The Call must be subject to a prior notice of not less than 60 days given by the Bank to the investors. The Call Option once announced will not be revocable.

Lock-in-clause The TFCs contain a lock-in clause which stipulates that no profit payments would be made if

such payments result in a shortfall in the Bank's Minimum Capital Requirement (MCR) or Capital Adequacy Requirement (CAR) or increase any existing shortfalls in MCR and / or CAR.

Adoquacy requirement (0.41) or increase any existing shortials in worth and 7 or 0.41.

Loss absorbency clause The TFCs are also subject to loss absorbency and / or any other requirements under SBP's Basel

III Capital Rules. Upon the occurrence of a Point of Non-Viability event as defined by SBP's Basel III Capital Rule, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC Holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFC' divided by market value per share of the Bank's common equity on the date of trigger of the non-viability event as declared by SBP, subject to a cap of 360.000.000.

shares.

18.2 Listed Term Finance Certificates - Tier II

This denotes rated, listed and unsecured Term Finance Certificates (TFCs) issued as instrument of redeemable capital with a tenor of 8 years. The instrument is sub-ordinated as to the payment of principal and profit to all other indebtedness of the Bank, except Listed Term Finance Certificates - Additional Tier I as recently issued; and is not redeemable before maturity without prior approval of SBP. The key features of the issue are as follows:

Issue amount Rs. 3,000 million

 Issue date
 07 July 2015

 Maturity date
 07 July 2023

Rating (Note 34) "A+" by PACRA on 25 June 2021

Security Unsecured

Profit payment frequency Semi-annually

Redemption Principal is redeemable semi-annually in such a way that 0.30% of the principal will be redeemed

in the first 90 months and the remaining principal of 99.70% at maturity at the end of the 96th

month in July 2023.

Mark-up 6 Months KIBOR + 1.35% per annum

Call option The Bank may call the TFCs, in part or full, on any profit payment date from the 60th month from

last day of public subscription and on all subsequent profit payment dates, subject to SBP's

approval and not less than 45 days prior notice being given to the Trustee.

Lock-in-clause The TFCs contain a lock-in clause which stipulates that neither interest nor principal may be paid

(even at maturity) if such payments will result in shortfall in the Bank's Minimum Capital Requirement (MCR) or Capital Adequacy Requirement (CAR) or increase any existing shortfall in

MCR and CAR.

Loss absorbency clause The instrument will be subject to loss absorbency and / or any other requirements under SBP's

Basel III Capital Rules. Upon the occurrence of a Point of Non-Viability event as defined by SBP's Basel III Capital Rule, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC Holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFC' divided by market value per share of the Bank's common equity on the date of trigger of the non-viability event as declared by SBP, subject to the cap of 225,000,000

shares.

19 **DEFERRED TAX LIABILITIES**

Deductible temporary differences on

- Post retirement employee benefits
- Deficit on revaluation of investments
- Provision against advances, off balance sheet etc.

Taxable temporary differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of investments
- Accelerated tax depreciation

| Deductible | temporary | differences | on |
|------------|-----------|-------------|----|

- Post retirement employee benefits
- Deficit on revaluation of investments
- Provision against advances, off balance sheet etc.

Taxable temporary differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of investments
- Accelerated tax depreciation

(Un-audited) 30 June 2021

| 00 04110 2021 | | | | | | |
|--------------------------|--|--|-----------------------|--|--|--|
| At 01 January 2021 | Recognised in the profit and loss account (Rupee | Recognised in Other Comprehensive Income es in '000) | At 30 June 2021 | | | |
| (11,922) | - | - | (11,922) | | | |
| - ' | - | (83,462) | (83,462) | | | |
| (75,939) | (30,892) | - | (106,831) | | | |
| (87,861) | (30,892) | (83,462) | (202,215) | | | |
| 931,805 | (25,862) | - | 905,943 | | | |

| 406,022 | (8,772) | - | 397,250 |
|-----------|----------|-----------|-----------|
| 1,621,126 | (34,634) | (283,299) | 1,303,193 |
| | | | |
| 1,533,265 | (65,526) | (366,761) | 1,100,978 |

(283, 299)

283,299

(Audited)

| At 01 January 2020 | January in the profit | | At 31 December 2020 | |
|--------------------------|-----------------------|-------|---------------------------|--|
| (14,471) | - | 2,549 | (11,922) | |
| (340) | - | 340 | - | |
| (55,307) | (20,632) | - | (75,939) | |

| (14,471) | - | 2,549 | (11,922) |
|-----------|----------|---------|-----------|
| (340) | - | 340 | - |
| (55,307) | (20,632) | - | (75,939) |
| (70,118) | (20,632) | 2,889 | (87,861) |
| | | | |
| 645,401 | (34,069) | 320,473 | 931,805 |
| - | - | 283,299 | 283,299 |
| 376,176 | 29,846 | - | 406,022 |
| 1,021,577 | (4,223) | 603,772 | 1,621,126 |
| | | | |
| 951 459 | (24 855) | 606 661 | 1 533 265 |

(Un-audited) (Audited) 30 June 31 December Note 2021 2020

3,058,394

-----(Rupees in '000)-----

3,302,012

OTHER LIABILITIES 20

Mark-up / return / interest payable in local currency Mark-up / return / interest payable in foreign currencies Unearned commission and income on bills discounted Accrued expenses Acceptances Unclaimed dividends Mark to market loss on forward foreign exchange contracts Branch adjustment account Payable to defined benefit plan Charity fund balance Payable to workers' welfare fund Provision against off-balance sheet obligations Lease liability against right-of-use assets

10,877 28,461 132,095 113,390 499,935 492,676 5,929,149 5,471,061 95,630 75,613 201,321 6.223 58,716 18 65 411,733 345,763 20.1 27,475 27,475 20.2 3,314,781 3,350,017 548,606 516,018 510,207 807,150 14,900,829 14,434,032

Sundry deposits

Others

| 20.1 | N Movement in provision held against off-balance sheet obligations | ote | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 s in '000) |
|------|--|-----|---------------------------------|--|
| | | | | , |
| | Opening balance | | 27,475 | - 07.475 |
| | Charge for the period / year Closing balance | | 27,475 | <u>27,475</u> 27,475 |
| | Glosing balance | | 21,410 | 21,410 |
| 20.2 | Movement in lease liability against right-of-use assets | | | |
| | Opening balance | | 3,350,017 | 2,023,516 |
| | Additions during the period / year | | 163,480 | 1,674,538 |
| | Finance charge on lease liability during the period / year | | 200,559 | 373,470 |
| | Repayments Closing balance | | (399,275) 3,314,781 | (721,507) |
| | | | 0,011,101 | |
| 21 | SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS | | | |
| | Surplus / (deficit) on revaluation of | | | |
| | - Available-for-sale securities | 9.1 | (238,462) | 809,426 |
| | | 1.1 | 3,703,295 | 3,777,073 |
| | - Non-banking assets acquired in satisfaction of claims 2 | 1.2 | 99,534 3,564,367 | 99,608 |
| | Deferred tax on surplus / (deficit) on revaluation of | | 3,304,307 | 4,000,107 |
| | - Available-for-sale securities | 19 | 83,462 | (283,299) |
| | - Fixed assets 2 | 1.1 | (905,983) | (931,805) |
| | | | (822,521) 2,741,846 | (1,215,104) 3,471,003 |
| | | | 2,741,040 | 3,471,003 |
| 21.1 | Surplus on revaluation of fixed assets | | | |
| | Surplus on revaluation of fixed assets as at 01 January | | 3,777,073 | 2,463,447 |
| | Recognised during the period / year | | - | 1,410,966 |
| | Transferred to unappropriated profit in respect of incremental | | (47.050) | (00.074) |
| | depreciation charged during the period / year - net of deferred tax Related deferred tax liability on incremental | | (47,956) | (63,271) |
| | depreciation charged during the period / year | | (25,822) | (34,069) |
| | Surplus on revaluation of fixed assets | | 3,703,295 | 3,777,073 |
| | | | | |
| | Less: related deferred tax liability on | | (021 905) | (645.401) |
| | revaluation as at 01 January revaluation recognised during the period / year | | (931,805) | (645,401) (320,473) |
| | - incremental depreciation charged during the period / year | | 25,822 | 34,069 |
| | | | (905,983) | (931,805) |
| | | | 2,797,312 | 2,845,268 |
| 21.2 | Surplus on revaluation of non-banking assets acquired in satisfaction of clai | ims | | |
| | Surplus on revaluation as at 01 January | | 99,608 | 76,041 |
| | Recognised during the period / year | | 99,000 | 23,648 |
| | Transferred to unappropriated profit in respect of incremental | | | , |
| | depreciation charged during the period / year | | (74) | (81) |
| | Surplus on revaluation of non-banking assets | | 99,534 | 99,608 |
| 22 | CONTINGENCIES AND COMMITMENTS | | | |
| | -Guarantees 2 | 2.1 | 20,360,665 | 17,677,531 |
| | -Commitments 2 | 2.2 | 128,893,832 | 154,084,937 |
| | -Other contingent liabilities 2 | 2.3 | 5,621,934 | 3,041,804 |
| | | | 154,876,431 | 174,804,272 |
| | | | | |

| | | Note | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
|----------|---|--------------------------------------|---|---|
| 22.1 | arantees(Rupees in '000) | | | s in '000) |
| 22.2 | Financial guarantees Performance guarantees Other guarantees Commitments | | 4,495,964 14,295,392 1,569,309 20,360,665 | 4,671,493 12,121,177 884,861 17,677,531 |
| 22.2 | | | | |
| | - forward lending - forward government securities transactions | 22.2.1 22.2.2 22.2.3 22.2.4 | 35,019,837 89,324,992 3,090,797 1,167,491 778 | 31,755,753 114,269,483 2,549,990 4,996,920 |
| | Commitments for acquisition of - fixed assets - intangible assets | 22.2.5 | 177,977 15,960 96,000 128,893,832 | 399,466 17,325 96,000 154,084,937 |
| 22.2.1 | Commitments in respect of forward foreign exchange contracts | | | |
| | Purchase Sale The maturities of the above contracts are spread over a period of one year. | | 46,859,122 42,465,870 89,324,992 | 57,715,311 56,554,172 114,269,483 |
| | | | | |
| 22.2.2 | Commitments in respect of forward lending Undrawn formal standby facilities, credit lines and other commitments to lend 2 | 2.2.2.1 | 3,090,797 | 2,549,990 |
| 22.2.2.1 | These represent commitments that are irrevocable because they cannot be withdomediate risk of incurring significant penalty or expense. The Bank has certain other comprevocable commitments and do not attract any significant penalty or expense in calculations. | nmitmen | its to extend cre | dit that represent |
| | | | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
| 22.2.3 | Commitment in respect of forward government securities transactions | | (Rupee: | s in '000) |
| | Purchase Sale | | 1,167,491 | 4,996,920 |
| 22.2.4 | Commitments in respect of equity future contracts | | | |
| | Sale | | 778 | |

Other commitments

Other contingent liabilities

Donation

22.2.5

22.3

96,000

3,041,804

96,000

5,621,934

- 22.3.1 (a) The income tax returns of the Bank have been filed up to tax year 2020 (accounting year ended 31 December 2019). The income tax authorities have issued amended assessment orders for tax years 2011, 2015, 2016 and 2020, thereby creating additional tax demands of Rs. 2,750.44 million against which payments have been made as required under the law. The Bank has filed appeals before various appellate forums against these amendments. Assessments from tax year 2001 up to tax year 2010 have been decided at the level of Appellate Tribunal Inland Revenue. The department has filed tax references in respect of certain matters with the Honourable Lahore High Court which are currently pending. In case of any adverse decision, an additional tax liability of Rs. 617.120 million (which includes impact of certain timing differences as well) may arise. Further, assessments for tax years 2012, 2013, 2014, 2017, 2018 and 2019 have been decided at the level of Commissioner Inland Revenue (Appeals). The department has filed appeals for tax years 2012 and 2013 with Appellate Tribunal Inland Revenue which are currently pending and in case of any adverse decision, an additional tax liability of Rs. 866.384 million (which include impact of certain timing differences as well) may arise. The Bank has decided to file appeal for tax years 2014, 2018 and 2019 with Appellate Tribunal Inland Revenue, which in case of any adverse decision may create an additional tax liability of Rs. 73.78 million. However, the management is confident that these matters will be ultimately decided in favor of the Bank and the Bank may not be exposed to any additional tax liability in such matters.
 - (b) Tax authorities have passed orders for tax years 2008 to 2012, levying Federal Excise Duty on certain items. The Bank filed appeals against these assessments before Appellate Tribunal Inland Revenue, which have been decided in favor of Bank and tax demand has been deleted in full. The department has filed tax reference with Honourable High Court Lahore against the order issued by Appellate Tribunal Inland Revenue, which is still pending. Provision to the extent of Rs. 81.083 million, created on the recommendation of the State Bank of Pakistan, is still being maintained in the accounts. Management is confident that SBP will allow reversal of this provision based on orders passed by Appellate Tribunal Inland Revenue. Management is also confident that Honourable High Court Lahore will decide the case in favor of the Bank and the Bank may not be exposed to any additional tax liability in these matters.
 - (c) Tax authorities have passed order for fiscal years 2016 and 2017, levying sales tax and penalty amounting to Rs. 17.18 million on disposal of fixed assets. The Bank filed appeal against the assessment order before Appellate Tribunal Inland Revenue, which is currently pending. However, the management is confident that the matter will be ultimately decided in favor of the Bank and the Bank may not be exposed to any additional tax liability in this matter.
 - (d) Tax authorities have passed order for tax year 2016 under section 161/205 of the Income Tax Ordinance, 2001, creating demands of Rs. 43.52 million, for non-deduction of tax at source. Against the said demand, the Bank has already filed appeal before the Commissioner Inland Revenue (Appeals), which is currently pending. The department has filed appeals for tax years 2014, 2015 and 2017 with Appellate Tribunal Inland Revenue, which are currently pending and in case of any adverse decision an additional tax liability of Rs. 216.49 million may arise. However, the management is confident that the matter will be ultimately decided in favor of the Bank and the Bank may not be exposed to any additional tax liability in this matter.
 - (e) Punjab Revenue Authority has passed orders for years 2015, 2016 and 2017 under section 14 and 19 of the Punjab Sales Tax on Services Act, 2012, creating demands of Rs. 144.688 million, 46.9 million and 24.79 million respectively, on non-deduction of withholding tax. The Bank has filed appeals before Commissioner Inland Revenue (Appeals) against these orders, which are currently pending. However, the management is confident that these matters will be ultimately decided in favor of the Bank and the Bank may not be exposed to any additional tax liability in such matters.
 - (f) Sindh Revenue Board has passed orders for years 2012 and 2014 under section 23 of the Sindh Sales Tax on Services Act, 2011, creating demands of Rs. 213.43 million and Rs. 142.18 million respectively, on non-deduction of Sindh Sales Tax. The Bank has filed appeals before Commissioner Inland Revenue (Appeals) against these orders, which are currently pending. Further, Commissioner Appeals has passed order for year 2013 creating a demand of Rs. 19.89 million. Appeal against this order has been filed in Appellate Tribunal, which is still pending. However, the management is confident that these matters will be ultimately decided in favor of the Bank and the Bank may not be exposed to any additional tax liability in such matters.
 - (g) The income tax authorities in Azad Jammu & Kashmir region have issued amended assessment orders for tax years 2013 to tax year 2019, thereby creating additional tax demands which have been paid by the Bank as required under the law. The Bank had filed appeals before Commissioner Inland Revenue (Appeals) against these orders which were decided in favour of the Bank except for tax years 2013 and 2016. The Bank will file appeal against orders for tax year 2013 & 2016 in Appellate Tribunal. In case of any adverse decision, an additional tax liability of Rs. 43.75 million may arise. Department has filed appeals against orders for tax year 2014 to 2019 in Appellate Tribunal, which are still pending. However, the management is confident that these matters will ultimately be decided in favor of the Bank and the Bank may not be exposed to any additional tax liability in such matters.
- **22.3.2** Claims against the Bank which are not acknowledged as debts amounted to Rs. 10.981 million (31 December 2020: Rs. 10.832 million).

- 22.3.3 The Assistant Commissioner, Inland Revenue vide orders under section 182/140 of the Income Tax Ordinance, 2001 has levied penalties against staff of the Bank amounting to Rs. 30 million. The action taken by the Bank in this case was backed by legal opinion of the customers' lawyer / stay order of the Islamabad High Court. Currently, the matter is pending before Commissioner Inland Revenue (Appeals) subsequent to appeal filed by the staff. In case of any adverse decision in appeals, the Bank reserves the right of recourse on customers for re-imbursement. However, the management is confident that these matters will be ultimately decided in favor of the Bank and the Bank may not be exposed to any additional tax liability on this account.
- 22.3.4 A penalty of Rs. 50 million had been imposed by the Competition Commission of Pakistan ("the Commission") on the Bank on account of uncompetitive behaviour and imposing uniform cost on cash withdrawal from ATM transactions. The Bank along with other Banks had filed a constitutional petition before the Competition Appellate Tribunal which has set aside the order of the Commission. Against the said order of the Competition Appellate Tribunal, the Commission has filed an appeal before the Supreme Court of Pakistan, the hearing of which is currently pending. The management of the Bank is confident that the appeal will be decided in the favor of the Bank.
- 22.3.5 Through the Finance Act, 2008 an amendment was made in the Employees Old Age Benefits Act, 1976 whereby the exemption available to banks and their employees was withdrawn by omission of clause (e) of Section 47 of the said Act and banks and their employees were made liable for contribution to Employee Old Age Benefit Institution. The Lahore High Court, subsequently, nullified the amendments made through the Finance Act, 2008.

Subsequently, several other banks also filed the Constitutional Petition before the Sindh High Court which decided the matter in favor of the banks. As a result of the decision of the Lahore High Court and Sindh High Court, the Bank stopped EOBI contribution w.e.f. February 2012. An appeal was filed by the EOBI in the Supreme Court of Pakistan which has been disposed of by the Honorable Court vide its order dated 10 November 2016 in favor of the Banks. However, EOBI has filed review Petition on 07 March 2019 before the Supreme Court of Pakistan which is currently pending.

In case of any adverse decision by the Supreme Court of Pakistan, a contribution of Rs. 229.328 million (upto 31 December 2020: Rs. 213.857 million) will become payable by the Bank to the EOBI. The said amount of Rs. 229.328 million has not been provided in these financial statements as the Bank is confident that the case will be decided in the Bank's favour.

| | | Note | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
|----|--|------|---|---|
| 23 | MARK-UP / RETURN / INTEREST EARNED | | (Rupees in '000) | |
| | Loans and advances Investments Lendings to financial and other institutions Balances with banks Placement and call lendings Income on bai muajjal placements | | 6,869,828 11,320,966 180,918 59 111,410 84,763 18,567,944 | 11,947,940 11,297,409 43,943 8,552 26,993 63,658 23,388,495 |
| 24 | MARK-UP / RETURN / INTEREST EXPENSED | | | |
| | Deposits Borrowings Subordinated debt Cost of foreign currency swaps against foreign currency deposits / borrowings Finance cost lease liability | 24.1 | 7,677,923 4,481,383 317,656 185,479 200,559 12,863,000 | 12,280,593 4,655,817 514,240 430,074 152,806 18,033,530 |

24.1 A corresponding income of the same amount is recognised in foreign exchange income.

| | | Note | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
|------|---|-------------|---|---|
| 25 | FEE & COMMISSION INCOME | | (Rupees in '000) | |
| | Branch banking customer fees Consumer finance related fees Debit card related fees Investment banking / arrangement fees Credit related fees Commission on trade Commission on guarantees Commission on cash management Commission on remittances (including home remittances) Commission on bancassurance Rebate income Others | | 205,214 26,017 34,764 23,984 50,839 360,506 50,175 5,019 16,514 59,315 133,135 22,204 987,686 | 182,173 21,333 29,686 31,098 34,956 296,714 42,633 2,106 15,311 42,292 107,966 30,959 837,227 |
| 26 | GAIN / (LOSS) ON SECURITIES - NET | | | |
| | Realised Unrealised - held for trading Unrealised - forward sale of government securities Unrealised - forward of equity securities | 26.1 9.1 | 461,550 574 955 10 463,089 | 493,270 6,200 (978) - 498,492 |
| 26.1 | Realised gain / (loss) on | | | |
| | Federal Government securities Shares Mutual funds | | 260,677 199,702 1,171 461,550 | 406,278 99,410 (12,418) 493,270 |
| 27 | OTHER INCOME | | | |
| | Gain on sale of fixed assets-net Rent on property Staff notice period and other recoveries Insurance claim | | 9,989 2,200 8,396 2,943 23,528 | 6,995 375 6,955 6,007 20,332 |

| | Note | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
|--|------|---------------------------------|---------------------------------|
| OPERATING EXPENSES | | (Rupees | in '000) |
| Total compensation expense | | 2,018,465 | 1,867,760 |
| Property expense | | | |
| Rent & taxes | | 74,213 | 209,374 |
| Insurance | | 14,829 | 10,913 |
| Utilities cost | 00.4 | 163,067 | 122,864 |
| Security (including guards) | 28.1 | 182,180 | 172,464 |
| Repair & maintenance (including janitorial charges) | 28.1 | 129,491 | 113,030 |
| Depreciation on non-banking assets Depreciation on right-of-use assets | | 1,919 | 1,108 |
| | | 326,938 | 167,032 |
| Depreciation - property | | 1,023,850 | 97,480 894,265 |
| Information technology expenses | | 1,023,650 | 694,265 |
| Software maintenance | | 217,007 | 137,792 |
| Hardware maintenance | | 62,390 | 38,150 |
| Depreciation on computer equipments | | 104,077 | 91,528 |
| Amortisation of intangibles | | 95,669 | 77,276 |
| Network charges | | 113,721 | 107,465 |
| Others | | 76,427 | 78,680 |
| | | 669,291 | 530,891 |
| Other operating expenses | | | , |
| Directors' fees and allowances | | 7,140 | 7,871 |
| Fees and allowances to Shariah Board | | 2,550 | 2,550 |
| Legal & professional charges | | 27,184 | 19,174 |
| Outsourced services costs | 28.1 | 70,291 | 60,831 |
| Travelling & conveyance | | 4,409 | 8,676 |
| NIFT clearing charges | | 21,795 | 19,685 |
| Depreciation | | 106,711 | 91,524 |
| Training & development | | 4,056 | 2,536 |
| Postage & courier charges | | 33,531 | 32,742 |
| Communication | | 32,417 | 30,961 |
| Stationery & printing | | 126,244 | 102,405 |
| Marketing, advertisement & publicity | | 55,967 | 49,262 |
| Donations | | 6,350 | 10,000 |
| Auditors' Remuneration | | 5,428 | 6,701 |
| Brokerage and commission Entertainment | | 24,210 | 22,776 |
| Fees and subscription | | 105,497 29,150 | 90,057 24,541 |
| Motor vehicles running expenses | | 120,248 | 99,574 |
| Service charges | | 70,554 | 57,807 |
| Insurance | | 31,983 | 36,469 |
| Repair & maintenance | | 98,463 | 82,579 |
| Deposit protection insurance premium | 28.2 | 114,234 | 98,388 |
| Others | 20.2 | 110,971 | 89,036 |
| | | 1,209,383 | 1,046,145 |
| | | 4,920,989 | 4,339,061 |
| | | 1,020,000 | 1,000,001 |

28.1 Total cost for the period relating to outsourcing activities included in other operating activities and property expenses is Rs. 348.330 million (2020: Rs. 327.597 million) being paid to companies incorporated in Pakistan.

| | | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
|-------------------|-------------------------------|---------------------------------|---------------------------------|
| Name of company | Nature of Service | (Rupees | in '000) |
| Prime HR services | Business Development Services | 70,291 | 60,831 |

28.2 This represents the insurance premium paid to the State Bank of Pakistan's Depositors Protection Corporation (DPC) during the period. The premium amount was worked out in accordance with the mechanism specified by DPC, based on eligible deposits position of the Bank as at 31 December 2020.

28

| | | | | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
|----|---|---------------------------------|---------------------------------|--|--|
| 29 | WORKERS' WELFARE FUND | | | (Rupees | s in '000) |
| | Workers' Welfare Fund charge for the period | | | 65,969 | 43,120 |
| 30 | OTHER CHARGES | | | | |
| | Penalties imposed by State Bank of Pakistan (SBP) |) | | 13,130 | 74,812 |
| 31 | (REVERSALS) / PROVISIONS & WRITE OFFS - | NET | | | |
| | (Reversal) / provisions for diminution in the value of (Reversal) / provision against loans & advances Provision against off-balance sheet obligations Fixed assets written off Provision against other assets Bad debts written off directly | investments | | (3,515) (286,819) - 6,568 11,500 1,821 (270,445) | 453,401 565,215 3,847 6,658 - - - 1,029,121 |
| 32 | TAXATION | | | | |
| | Current Prior years Deferred | | | 1,269,790 - (65,526) 1,204,264 | 831,543 - (29,900) 801,643 |
| | | For the qua | arter ended | For the half | year ended |
| | | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
| 33 | BASIC EARNINGS PER SHARE | | (Rupees | in '000) | |
| | Profit for the period | 1,040,352 | 721,844 | 1,822,262 | 1,129,305 |
| | | | (Number | of shares) | |
| | Weighted average number of ordinary shares | 1,102,463,483 | 1,102,463,483 | 1,102,463,483 | 1,102,463,483 |
| | | | (Rup | ees) | |
| | Basic earnings per share | 0.9437 | 0.6548 | 1.6529 | 1.0243 |

34 CREDIT RATING

The Pakistan Credit Rating Agency (PACRA) has maintained the long term credit rating of 'AA-' (Double A Minus) and short term rating of 'A1+' (A One Plus) with Stable Outlook of the Bank through its notification dated 25 June 2021 [2020: long term 'AA-' (Double A Minus): short term 'A1+' (A One Plus)].

PACRA has also maintained the credit rating of the Bank's unsecured, subordinated and listed Term Finance Certificates (TFC - 2) issue of Rs 3,000 million at 'A+' (Single A plus) with Stable Outlook through its notification dated 25 June 2021.

Furthermore the Bank's unsecured, subordinated, rated, listed perpetual and non-cumulative Term Finance Certificates of Rs 4,000 million have been assigned a rating of 'A' (Single A) with Stable Outlook by PACRA through their notification dated 25 June 2021.

35 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

In the opinion of the management, the fair value of the remaining financial assets and liabilities are not significantly different from their carrying values since these are either short term in nature or, in the case of customer loans and deposits, are frequently repriced.

35.1 Fair value of financial assets

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

| | 30 June 2021 (Un-audited) | | | | |
|---|---------------------------|------------------|------------------------|--|--|
| On balance sheet financial instruments | | Level 2 (Rupe | Level 3 es in '000) | Total | |
| Financial assets - measured at fair value Investments | | | | | |
| Federal Government securities Shares Non-Government debt securities Units of mutual fund | 2,839,940 | 4,046,719 | 61,100 | 271,223,860 2,901,040 4,046,719 174,847 | |
| Financial assets - disclosed but not measured at fair value Investments Federal Government securities Non-Government debt securities | - | 13,251,949 | | 13,251,949 7,146 | |
| Off-balance sheet financial instruments - measured at fair value Forward purchase of foreign exchange Forward sale of foreign exchange Forward purchase of government securities transactions Forward sale of equity securities | - | | - | 47,039,557 42,550,543 1,168,446 768 | |
| Non - Financial Assets Land and Building (fixed assets & non-banking assets) | 3,014,787 | 379,281,842 | | 7,229,100 389,593,975 | |

| | 31 December 2020 (Audited) | | | | |
|---|----------------------------|---------------------------------------|------------------------------------|--|--|
| | Level 1 | Level 2 | Level 3 | Total | |
| On balance sheet financial instruments | | пирс | C3 III 000) | | |
| Financial assets - measured at fair value | | | | | |
| Investments Federal Government securities | | 228,765,187 | | | |
| Shares Non-Government debt securities | | 3,954,306 | - | 3,954,306 | |
| Units of mutual fund | 416,016 | - | - | 416,016 | |
| Financial assets - disclosed but not measured at fair value Investments | | | | | |
| Federal Government securities | - | , , | | 13,887,187 | |
| Non-Government debt securities | - | - | 14,281 | 14,281 | |
| Off-balance sheet financial instruments - measured at fair value | | EC 457 444 | | EC 4E7 444 | |
| Forward sale of foreign exchange | - | 55,497,626 | | | |
| Forward purchase of government securities transactions | - | 4,996,695 | - | 4,996,695 | |
| Non - Financial Assets | | | | | |
| Land and Building (fixed assets & non-banking assets) | 2 450 746 | 262 550 445 | 1,200,001 | | |
| Investments Federal Government securities Non-Government debt securities Off-balance sheet financial instruments - measured at fair value Forward purchase of foreign exchange Forward sale of foreign exchange Forward purchase of government securities transactions Non - Financial Assets | 416,016 | 56,457,444 55,497,626 4,996,695 | 14,281 - - - 7,285,684 | 14,24 56,457,4 55,497,6 4,996,6 | |

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer occurred. There were no transfers between levels 1 and 2 during the period.

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of GoP Ijarah Sukuks, Pakistan Investment bonds, Market Treasury bills, Corporate bonds, Term Finance, Sukuk certificates and units of mutual funds.

(c) Financial instruments in level 3

Financial instruments included in level 3 comprise of Land and Building (fixed assets & non-banking assets) and unlisted securities.

Valuation techniques and inputs used in determination of fair values

| Item | Valuation techniques and input used |
|--|---|
| Fully paid-up ordinary shares | Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the stock exchange. |
| Pakistan Investment Bonds / Market Treasury Bills | Fair values of Pakistan Investment Bonds and Treasury Bills are determined on the basis of rates / prices sourced from Reuters. |
| Government of Pakistan - Ijarah Sukuks | Fair values of GoP Ijarah Sukuks are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from pre-defined / approved dealers / brokers. |
| Term Finance, Bonds and Sukuk certificates | Investments in debt securities (comprising term finance certificates, bonds, sukuk certificates and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan. In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. |
| Units of mutual funds | Fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day. |

| Item | Valuation techniques and input used |
|--|--|
| Land and Buildings (fixed assets & non-banking assets) | Land and buildings are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with reasonable certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these financial statements. |

36 SEGMENT INFORMATION

36.1 Segment details with respect to business activities

30 June 2021 (Un-audited)

| | | | | · , | | |
|--|-------------------|---------------|-------------|----------------------|---|-------------|
| | Retail Banking | Corporate | Islamic | Trading and Sales | Others | Total |
| | | | (Rupee: | s in '000) | | |
| Profit and loss | | | | | (,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | |
| Net mark-up / return / profit | (4,693,441) | 3,834,873 | 300,538 | 6,672,194 | (409,220) | 5,704,944 |
| Inter segment revenue - net | 8,187,112 | (3,267,615) | - | (5,532,894) | (613,397) | - |
| Non mark-up / return / interest income | 1,011,985 | 186,209 | 39,565 | 1,190,827 | (377,361) | 2,051,225 |
| Total income | 4,505,656 | 753,467 | 340,103 | 2,330,127 | (173,184) | 7,756,169 |
| Segment direct expenses | 3,165,946 | 113,772 | 268,842 | 97,157 | 1,354,371 | 5,000,088 |
| Inter segment expense allocation | 103,816 | 1,764 | 7,016 | 421 | (113,017) | - |
| Total expenses | 3,269,762 | 115,536 | 275,858 | 97,578 | 1,241,354 | 5,000,088 |
| (Reversal) / Provision | (221,057) | (133,103) | 72,443 | (3,515) | 14,787 | (270,445) |
| Profit before tax | 1,456,951 | 771,034 | (8,198) | 2,236,064 | (1,429,325) | 3,026,526 |
| Tom Boloro tax | 1,100,001 | | (0,100) | 2,200,001 | (1,120,020) | 0,020,020 |
| | | | | | | |
| Balance sheet | 00.040.500 | 4 400 500 | 0.000.000 | 4 0 47 070 | | 04 440 560 |
| Cash & bank balances | 26,213,582 | 1,163,506 | 2,393,839 | 1,647,672 | - | 31,418,599 |
| Investments | - | - | 11,100,594 | 280,419,881 | - | 291,520,475 |
| Net inter segment lending | 232,615,491 | - | - 0.004 700 | (251,966,699) | 19,351,208 | 40.400.070 |
| Lendings to financial and other institutions | 40.754.444 | - 444 007 007 | 6,381,768 | 3,726,308 | 4 077 045 | 10,108,076 |
| Advances - performing | 48,754,444 | 111,267,927 | 8,028,256 | - | 4,377,845 | 172,428,472 |
| - non-performing | 1,198,404 | 300,577 | 1,157,632 | - 0.070.007 | 41,546 | 2,698,159 |
| Others Total assets | 6,747,662 | 4,340,191 | 1,234,194 | 3,072,807 | 12,638,058 | 28,032,912 |
| iotai assets | 315,529,583 | 117,072,201 | 30,296,283 | 36,899,969 | 36,408,657 | 536,206,693 |
| | | | | | | |
| Borrowings | 12,310,252 | 8,962,027 | 534,419 | 123,203,807 | 1,000,000 | 146,010,505 |
| Subordinated debt | - | - | - | - | 6,993,400 | 6,993,400 |
| Deposits & other accounts | 290,240,911 | 19,740,608 | 26,836,995 | - | - | 336,818,514 |
| Net inter segment borrowing | - | 85,235,424 | 1,742,036 | (86,977,460) | - | - |
| Others | 12,978,420 | 3,134,142 | 1,182,833 | 673,622 | 5,495,164 | 23,464,181 |
| Total liabilities | 315,529,583 | 117,072,201 | 30,296,283 | 36,899,969 | 13,488,564 | 513,286,600 |
| Equity | - | - | - | - | 22,920,093 | 22,920,093 |
| Total equity & liabilities | 315,529,583 | 117,072,201 | 30,296,283 | 36,899,969 | 36,408,657 | 536,206,693 |
| | | | | | | |
| Contingencies & commitments | | | | | | |
| In respect of letter of credit / guarantees | 30,947,573 | 23,008,771 | 1,424,158 | _ | | 55,380,502 |
| In respect of forward foreign exchange contracts | | - | - | 89,324,992 | | 89,324,992 |
| In respect of forward lendings | | 3,090,797 | _ | - | | 3,090,797 |
| In respect of fixed assets | _ | - | _ | _ | 193,937 | 193,937 |
| In respect of government securities | | _ | | 1,167,491 | - | 1,167,491 |
| In respect of equity securities | _ | _ | _ | 778 | _ | 778 |
| In respect of other commitments | _ | _ | _ | - | 96.000 | 96.000 |
| In respect of other contingencies | _ | _ | _ | - | 5,621,934 | 5,621,934 |
| Total | 30,947,573 | 26,099,568 | 1,424,158 | 90,493,261 | 5,911,871 | 154,876,431 |
| * ** | , , | -,, | .,, | | .,, | ,, |

30 June 2020 (Un-audited)

| | | | | (| | |
|--|-------------------|-------------|---------|-------------------|-------------|-----------|
| | Retail Banking | Corporate | Islamic | Trading and Sales | Others | Total |
| | | | (Rupee: | s in '000) | | |
| Profit and loss | | | | | | |
| Net mark-up / return / profit | (7,625,924) | 7,231,413 | 193,796 | 6,115,613 | (559,933) | 5,354,965 |
| Inter segment revenue - net | 10,563,328 | (5,777,431) | - | (5,977,759) | 1,191,862 | - |
| Non mark-up / return / interest income | 917,147 | 187,185 | 39,817 | 1,327,235 | (409,287) | 2,062,097 |
| Total income | 3,854,551 | 1,641,167 | 233,613 | 1,465,089 | 222,642 | 7,417,062 |
| Segment direct expenses | 2,772,154 | 92,709 | 202,589 | 84,828 | 1,304,713 | 4,456,993 |
| Inter segment expense allocation | 60,605 | 994 | 3,826 | 151 | (65,576) | - |
| Total expenses | 2,832,759 | 93,703 | 206,415 | 84,979 | 1,239,137 | 4,456,993 |
| Provision / (Reversal) | 418,248 | 133,542 | 15,924 | 453,375 | 8,032 | 1,029,121 |
| Profit before tax | 603,544 | 1,413,922 | 11,274 | 926,735 | (1,024,527) | 1,930,948 |
| | | | | | | |

31 December 2020 (Audited)

| | | | December | LULU (Addition) | | |
|---|-------------------|-------------|------------|----------------------|------------|-------------|
| | Retail Banking | Corporate | Islamic | Trading and Sales | Others | Total |
| Balance sheet | | | (Rupee: | s in '000) | | |
| Cash & bank balances | 27,133,734 | 1,420,947 | 1,822,076 | 3,855,260 | - | 34,232,017 |
| Investments | - | 163 | 11,098,217 | 238,857,291 | - | 249,955,671 |
| Net inter segment lending | 239,785,881 | - | - | (255,683,508) | 15,897,627 | - |
| Lendings to financial and other institutions | - | - | 1,981,286 | 6,974,800 | - | 8,956,086 |
| Advances - performing | 49,843,017 | 100,297,671 | 7,602,553 | - | 4,122,458 | 161,865,699 |
| - non-performing | 1,168,528 | 213,386 | 1,262,458 | - | 34,448 | 2,678,820 |
| Others | 5,217,854 | 4,744,848 | 994,373 | 3,291,112 | 13,408,743 | 27,656,930 |
| Total assets | 323,149,014 | 106,677,015 | 24,760,963 | (2,705,045) | 33,463,276 | 485,345,223 |
| | | | | | | |
| Borrowings | 13,289,403 | 8,228,957 | 543,623 | 64,958,556 | _ | 87,020,539 |
| Subordinated debt | - | - | - | - | 6,994,000 | 6,994,000 |
| Deposits & other accounts | 293,849,764 | 29,535,523 | 22,113,481 | - | - | 345,498,768 |
| Net inter segment borrowing | = | 67,328,379 | 1,261,824 | (68,590,203) | - | = |
| Others | 16,009,847 | 1,584,156 | 842,035 | 926,602 | 3,312,238 | 22,674,878 |
| Total liabilities | 323,149,014 | 106,677,015 | 24,760,963 | (2,705,045) | 10,306,238 | 462,188,185 |
| Equity | - | _ | - | - | 23,157,038 | 23,157,038 |
| Total equity & liabilities | 323,149,014 | 106,677,015 | 24,760,963 | (2,705,045) | 33,463,276 | 485,345,223 |
| | | | | | | |
| Contingencies & commitments | | | | | | |
| In respect of letter of credit / guarantees | 31,586,598 | 16,833,762 | 1,012,924 | - | - | 49,433,284 |
| In respect of forward foreign exchange contract | cts - | - | - | 114,269,483 | - | 114,269,483 |
| In respect of forward lendings | - | 2,549,990 | - | - | - | 2,549,990 |
| In respect of fixed assets | - | - | - | - | 416,791 | 416,791 |
| In respect of government securities | - | - | - | 4,996,920 | - | 4,996,920 |
| In respect of other Commitments | = | = | = | - | 96,000 | 96,000 |
| In respect of other contingencies | = | - | = | = | 3,041,804 | 3,041,804 |
| Total | 31,586,598 | 19,383,752 | 1,012,924 | 119,266,403 | 3,554,595 | 174,804,272 |

36.1.1 The operations of the Bank are currently based only in Pakistan, therefore, geographical segment is not relevant.

37 RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its related group companies, major shareholders, staff retirement funds, directors and their close family members (including their associates) employee benefit plans and key management personnel.

The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period / year, other than those which have been disclosed elsewhere in these condensed interim financial statements are as follows:

| | 30 Jui | ne 2021 (Un-a | udited) | 31 Dec | 31 December 2020 (Audited) | | |
|---|---|------------------|-----------------------|------------------|--|--------------|--|
| Particulars | Directors (a) | personnel (a) | Other related parties | Directors (a) | Key* management personnel (a) | parties | |
| | | | (Rupee | s in '000) | | | |
| Statement of financial position | | | | | | | |
| Investments | | | | | | | |
| Opening balance | - | - | 440,284 | - | - | 215,213 | |
| nvestment made during the period / year | - | - | - | - | - | 573,185 | |
| Investment redeemed / disposed during | | | (050,005) | | | (0.40.44.4) | |
| the period / year | - | - | (250,985) | | - | (348,114) | |
| Closing balance | - | - | 189,299 | | | 440,284 | |
| Advances | | | | | | | |
| Opening balance | 149.000 | 141,353 | | 65.000 | 176.995 | | |
| Addition during the period / year | 16,175 | 214,289 | _ | 244,570 | 59,543 | | |
| Repaid during the period / year | (31,175) | (42,191) | _ | (160,570) | (65,968) | _ | |
| Transfer in / (out) - net | (01,170) | 38,008 | _ | (100,070) | (29,217) | _ | |
| Closing balance | 134,000 | 351,459 | - | 149,000 | 141,353 | _ | |
| | | | | | | | |
| Other assets | | | | | | | |
| Interest / mark-up accrued | 9,149 | 3,256 | - | 4,464 | 56 | - | |
| Other receivable | | | | | | | |
| against E-banking settlement | - | - | 241,520 | | - | 656,418 | |
| | 9,149 | 3,256 | 241,520 | 4,464 | 56 | 656,418 | |
| Deposits and other accounts | | | | | | | |
| Opening balance | 533,284 | 99 656 | 5,229,818 | 602,994 | 10.013 | 5,425,540 | |
| Received during the period / year | 237,017 | | 57,760,612 | 1,804,933 | | 87,591,751 | |
| Withdrawn during the period / year | (238,733) | | (57,925,395) | (1,831,907) | , | (87,787,473) | |
| Transfer in / (out) - net | (200,700) | 823 | (07,020,000) | (42,736) | (70,310) | (01,101,410 | |
| Closing balance | 531,568 | 238,990 | 5,065,035 | 533,284 | 88,656 | 5,229,818 | |
| 3 | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | , , | | / | , | |
| Other liabilities | | | | | | | |
| Payable to staff retirement fund | - | - | 58,716 | - | - | - | |
| Interest / mark-up payable | 418 | 896 | 23,874 | 1,981 | 752 | 29,424 | |
| | 418 | 896 | 82,590 | 1,981 | 752 | 29,424 | |

| Particulars | Directors (a) | Key* management personnel (a) | Other related parties | Directors (a) | Key* management personnel (a) | Other related parties |
|---|------------------|--|-----------------------|------------------|--|-----------------------|
| | | | (Rupees | s in '000) | | |
| Profit and loss account Income | | | | | | |
| Mark-up / return / interest earned | 5,564 | 11,062 | - | 5,211 | 5,536 | - |
| Fee and commission income | 19 | 47 | 202 | 22 | 30 | 240 |
| Dividend income | - | - | 11,066 | - | - | - |
| Net gain / (loss) on sale of securities | - | - | 1,171 | - | - | (12,418) |
| Expense | | | | | | |
| Mark-up / return / interest paid | 9,841 | 3,600 | 173,152 | 22,284 | 776 | 280,245 |
| Compensation Expense | - | 193,373 | - | - | 151,122 | - |
| Directors' fee and allowance | 7,140 | - | - | 7,871 | - | - |
| Rent expense | - | - | 8,066 | - | - | 7,333 |
| ATM and ADC charges | - | - | 7,395 | - | - | 6,034 |
| Charge for staff retirement funds | - | - | 136,328 | - | - | 124,230 |

30 June 2021 (Un-audited)

30 June 2020 (Un-audited)

^{*} including President and CEO (a) including their relatives

| CARITAL AREQUACY LEVERAGE & LIQUIDITY REQUIREMENTS | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
|---|---------------------------------|----------------------------------|
| CAPITAL ADEQUACY, LEVERAGE & LIQUIDITY REQUIREMENTS | (Rupee | s in '000) |
| Minimum Capital Requirement (MCR): | | |
| Paid-up capital (net of losses) | 11,024,636 | 11,024,636 |
| | | |
| O-vital Adams (OAD) | | |
| Capital Adequacy Ratio (CAR): Eliqible Common Equity Tier 1 (CET 1) Capital | 19,438,472 | 19,260,436 |
| Eligible Additional Tier 1 (ADT 1) Capital | 3,684,770 | 3,584,770 |
| Total Eligible Tier 1 Capital | 23,123,242 | 22,845,206 |
| Eligible Tier 2 Capital | 4,040,750 | 4,610,533 |
| Total Eligible Capital (Tier 1 + Tier 2) | 27,163,992 | 27,455,739 |
| | | |
| Risk Weighted Assets (RWAs): | 100 007 110 | 1 [101 005 500] |
| Credit Risk | 138,387,410 | 134,385,533 |
| Market Risk | 6,988,779 | 8,610,225 |
| Operational Risk Total | 21,964,961 167,341,150 | 18,789,518 |
| lotui | , , | |
| | (Perc | entage) |
| Common Equity Tier 1 Capital Adequacy ratio | 11.62% | 11.90% |
| Tier 1 Capital Adequacy Ratio | 13.82% | 14.12% |
| Total Capital Adequacy Ratio | 16.23% | 16.97% |
| National minimum capital requirements prescribed by SBP | | |
| CET1 minimum ratio | 6.00% | 6.00% |
| Tier 1 minimum ratio | 7.50% | 7.50% |
| Total capital minimum ratio | 11.50% | 11.50% |
| | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
| Leverage Ratio (LR): | (Rupees | s in '000) |
| Eligible Tier-1 Capital | 23,123,242 | 22,845,206 |
| Total Exposures | 704,375,601 | 566,685,566 |
| Leverage Ratio | 3.28% | 4.03% |
| 1: 'I' 0 P I' (10P) | | |
| Liquidity Coverage Ratio (LCR): Total High Quality Liquid Assets | 170 706 001 | 155 050 500 |
| Total Net Cash Outflow | 172,786,391 118,265,919 | 155,353,599 125,268,638 |
| Liquidity Coverage Ratio | 146.10% | 124.02% |
| Equality coverage radio | 11011070 | 12 110270 |
| Net Stable Funding Ratio (NSFR): | | |
| Total Available Stable Funding | 248,335,564 | 235,312,708 |
| Total Required Stable Funding | 173,165,210 | 161,201,255 |
| Net Stable Funding Ratio | 143.41% | 145.97% |
| | | |

38.1 The Bank follows the below mentioned approach for determining credit risk, market risk and operational risk exposures in the capital adequacy calculation:

| Risk Type | Approach adopted by Bank |
|------------------|--------------------------|
| Credit Risk | Standardized Approach |
| Market Risk | Standardized Approach |
| Operational Risk | Basic Indicator Approach |

38

39 ISLAMIC BANKING BUSINESS

The Bank is operating with 30 Islamic Banking branches (31 December 2020: 30). The condensed interim statement of financial position and condensed interim profit and loss account of these branches (including Islamic Banking Division) are as follows:

BSD circular letter No. 03 dated 22 January 2013 requires all Islamic Banks and Banks with Islamic Banking Branches to present all financing, advances for assets under Islamic modes of financing and any other related items pertaining to Islamic mode of financing under the caption Islamic Financing and Related Assets in the Statement of Financial Position.

| | Note | (Un-audited) 30 June 2021 | (Audited) 31 December 2020 |
|---|--------------|---------------------------------|----------------------------------|
| | | (Rupees | in '000) |
| ASSETS | | | |
| Cash and balances with treasury banks | | 2,104,124 | 1,420,207 |
| Balances with other banks | 00.1 | 289,715 | 401,869 |
| Due from financial institutions | 39.1 | 6,381,768 | 1,981,286 |
| Investments | 39.2 39.3 | 11,100,594 | 11,098,217 |
| Islamic financing and related assets- net Fixed assets | 39.3 | 9,173,880 584,097 | 8,858,713 577,849 |
| Intangible assets | | 304,097 | 377,049 |
| Due from head office | 39.4 | 394,338 | 439,592 |
| Other assets | 00.4 | 650,097 | 416,525 |
| Total assets | | 30,678,613 | 25,194,258 |
| | | , | ,, |
| LIABILITIES | | | |
| Bills payable | | 527,634 | 318,544 |
| Due to financial institutions | | 534,419 | 543,623 |
| Deposits and other accounts | 39.5 | 26,836,995 | 22,113,481 |
| Due to head office | | - | - |
| Other liabilities | | 667,208 | 529,789 |
| Total liabilities | | 28,566,256 | 23,505,437 |
| VIII 400 | | 0.440.057 | |
| NET ASSETS | | 2,112,357 | 1,688,821 |
| REPRESENTED BY | | | |
| Islamic banking fund | | 2,000,000 | 1,750,000 |
| Accumulated profit * | 39.7 | (8,198) | (147,121) |
| Surplus on revaluation of assets - net of tax | 00.7 | 120,555 | 85,942 |
| Surplus of Total dation of desired floor of tax | | 2,112,357 | 1.688.821 |
| | | , 12,001 | |

^{*} This represents profit for the period / year, as last year's profit is remitted back to the head office at the start of the year.

39.8

CONTINGENCIES AND COMMITMENTS

The profit and loss account of the Bank's Islamic banking branches for the half year ended 30 June 2021 is as follows:

| | Note | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
|--------------------------------|-------|---------------------------------|---------------------------------|
| | | (Rupees | in '000) |
| Profit / return earned | 39.9 | 946,669 | 1,050,735 |
| Profit / return expensed | 39.10 | 646,131 | 856,939 |
| Net profit / return | | 300,538 | 193,796 |
| | | | |
| Other income | | | |
| Fee and commission Income | | 33,106 | 25,388 |
| Foreign exchange income | | 6,972 | 15,421 |
| Loss on securities | | (628) | (1,408) |
| Other income | | 115 | 416 |
| Total other income | | 39,565 | 39,817 |
| | | 340,103 | 233,613 |
| Other expenses | | | |
| Operating expenses | | 275,820 | 206,087 |
| Other charges | | 38 | 328 |
| Total other expenses | | 275,858 | 206,415 |
| | | | |
| Profit before provisions | | 64,245 | 27,198 |
| Provision and write offs - net | | (72,443) | (15,924) |
| (Loss) / profit before tax | | (8,198) | 11,274 |

39.1 Due from Financial Institutions

| | 30 June | 2021 (Un -au | dited) | 31 Dec | ember 2020 | Audited) |
|-----------------------------------|-------------------|-----------------------|-----------|-------------------|-----------------------|-----------|
| | In local currency | In foreign currencies | Total | In local currency | In foreign currencies | Total |
| | | | (Runees | s in '000) | | |
| Bai Muajjal receivable from other | | | (i.upoot | , 000, | | |
| financial institutions | 6,381,768 | - | 6,381,768 | 1,981,286 | - | 1,981,286 |
| | 6,381,768 | - | 6,381,768 | 1,981,286 | - | 1,981,286 |

39.2 Investments by segments:

| | | 30 June 2021 | (Un -audite | d) | 31 December 2020 (Audited) | | | |
|--------------------------------|-----------------------|--------------------------|------------------------|-------------------|---|--------------------------|------------------------|----------------|
| | Cost / amortised cost | Provision for diminution | Surplus / (deficit) | Carrying value | Cost / amortised cost ees in '000) | Provision for diminution | Surplus / (deficit) | Carrying value |
| Federal Government securities | | | | | | | | |
| -ljarah sukuks | 5,500,000 | - | 31,300 | 5,531,300 | 5,500,000 | - | 800 | 5,500,800 |
| -Bai muajjal from Government | | | | | | | | |
| of Pakistan (GoP) | 2,734,856 | - | - | 2,734,856 | 2,603,856 | - | - | 2,603,856 |
| | 8,234,856 | - | 31,300 | 8,266,156 | 8,103,856 | - | 800 | 8,104,656 |
| | | | | | | | | |
| Non-Government debt securities | | | | | | | | |
| -Listed | 100,000 | - | 914 | 100,914 | 150,000 | - | 1,515 | 151,515 |
| -Unlisted | 2,703,317 | (19,860) | 50,067 | 2,733,524 | 2,816,553 | (19,860) | 45,353 | 2,842,046 |
| | 2,803,317 | (19,860) | 50,981 | 2,834,438 | 2,966,553 | (19,860) | 46,868 | 2,993,561 |
| | | | | | | | | |
| Total Investments | 11,038,173 | (19,860) | 82,281 | 11,100,594 | 11,070,409 | (19,860) | 47,668 | 11,098,217 |

| 39.3 | Islamic financing and related assets - net | (Un-audited) 30 June 2021 (Rupees | (Audited) 31 December 2020 s in '000) |
|------|---|--|--|
| | | 0.40.404 | 000.400 |
| | ljarah Murabaha | 342,164 | 309,196 |
| | Musharaka | 1,283,662 | 1,120,620 |
| | Diminishing Musharaka | 1,032,431 3,542,266 | 1,127,082 4,245,096 |
| | Istisna | 5,542,200 | 469,622 |
| | Salam | 1,295,344 | 162,522 |
| | Advances against islamic assets | 1,200,011 | 102,022 |
| | Murabaha | 379,249 | 149,476 |
| | ljarah | 72,752 | 81,707 |
| | Diminishing musharakah | 285,191 | - |
| | Salam | 381,400 | 882,321 |
| | Istisna | 812,044 | 491,251 |
| | Gross Islamic financing and related assets | 9,426,503 | 9,038,893 |
| | Less: Provision against Islamic financing | | |
| | - Specific | 252,623 | 180,180 |
| | - General | - | - |
| | | 252,623 | 180,180 |
| | Islamic financing and related assets - net of provision | 9,173,880 | 8,858,713 |
| 39.4 | Due from Head Office | 394,338 | 439,592 |
| 39.5 | Deposits and other accounts | | |
| | Customers | | |
| | Current deposits | 2,630,946 | 2,648,182 |
| | Savings deposits | 12,100,821 | 5,225,076 |
| | Other | 533,200 | 356,889 |
| | Term deposits | 2,631,913 | 2,947,308 |
| | Financial Institutions | 17,896,880 | 11,177,455 |
| | Current deposits | 146,558 | 63,962 |
| | Savings deposits | 7,732,140 | 9,349,564 |
| | Term deposits | 1,061,417 | 1,522,500 |
| | | 8,940,115 | 10,936,026 |
| | | 26,836,995 | 22,113,481 |
| 39.6 | Charity Fund | | |
| | Opening balance | - | 13 |
| | Additions during the period / year | | |
| | Received from customers on account of delayed payment | 65 65 | 695_ 708 |
| | Payments / utilization during the period / year Health | | |
| | nealth | - | 708 708 |
| | Closing balance | 65 | |
| 39.7 | Islamic Banking Business - Unappropriated Profit | | |
| | Opening balance | (147,121) | 135,645 |
| | Add: Islamic Banking profit for the period / year | (8,198) | (147,121) |
| | Less: Transferred / remitted to Head Office | 147,121 | (135,645) |
| | Closing balance | (8,198) | (147,121) |
| | | | |

| 39.8 | CONTINGENCIES AND COMMITMENTS | (Un-audited) 30 June 2021 (Rupees | (Audited) 31 December 2020 in '000) |
|-------|--|--|--|
| | -Guarantees -Other contingent liabilities | 668,881 755,277 1,424,158 | 306,772 706,152 1,012,924 |
| | | (Un-audited) 30 June 2021 | (Un-audited) 30 June 2020 |
| 39.9 | Profit / Return Earned of Financing, Investments and Placement | (Rupees | in '000) |
| | Financing Investments Placements | 384,078 441,085 121,506 946,669 | 644,285 330,167 76,283 1,050,735 |
| 39.10 | Profit on Deposits and Other Dues Expensed | | |
| | Deposits and other accounts Due to financial institutions Others | 608,468 4,064 33,599 646,131 | 835,911 2,561 18,467 856,939 |

39.11 Deposits and other accounts include redeemable capital of Rs. 23,526.291 million (31 December 2020: Rs.19,044.448 million) and deposits on Qard basis of Rs. 3,310.704 million (31 December 2020: Rs. 3,069.033 million). Remunerative deposits which are on Mudaraba basis are considered as Redeemable capital and non-remunerative deposits are classified as being on Qard basis.

30 June 2021 (Un-audited)

| | Normal Pool | Special Pool | Total | Normal Pool | Special Pool | Total |
|---|----------------|-----------------|------------|----------------|-----------------|------------|
| | | | (Rupe | es in '000) | | |
| | | | | | | |
| Chemical and Pharmaceuticals | 1,036,945 | 611,744 | 1,648,688 | 488,962 | 998,060 | 1,487,022 |
| Textile | 288,750 | - | 288,750 | 23,525 | 410,153 | 433,678 |
| Cement | - | 40,894 | 40,894 | - | 87,463 | 87,463 |
| Sugar | 991,750 | 291,947 | 1,283,697 | 588,720 | 120,000 | 708,720 |
| GOP Bai Muajjal / Ijarah Sukuk | 10,829,056 | 6,590,885 | 17,419,941 | 4,666,946 | 8,402,457 | 13,069,403 |
| Automobile and transportation equipment | 750 | 1,300 | 2,050 | - | 3,800 | 3,800 |
| Financial | 77,497 | - | 77,497 | 79,179 | 2,055 | 81,234 |
| Electronics and electrical appliances | 191,882 | 120,182 | 312,064 | 65,143 | 171,443 | 236,586 |
| Production and transmission of energy | 1,270,295 | 1,675,858 | 2,946,153 | 827,722 | 2,190,284 | 3,018,006 |
| Exports Imports | - | - | - | - | 205,418 | 205,418 |
| Wholesale & Retail Trade | - | - | - | 94,165 | 86,791 | 180,956 |
| Construction | - | - | - | 63,222 | 176,583 | 239,805 |
| Food and allied | 780,703 | - | 780,703 | 787,492 | _ | 787,492 |
| Services | 575,841 | 687,402 | 1,263,243 | - | 659,310 | 659,310 |
| Iron & Steel | - | - | - | 399,600 | - | 399,600 |
| Others | 278,801 | 503,962 | 782,763 | 141,139 | 368,664 | 509,803 |
| | 16,322,269 | 10,524,175 | 26,846,444 | 8,225,815 | 13,882,481 | 22,108,296 |

Musharaka investments from the SBP under Islamic Export Refinance Scheme (IERS) are channelled towards the export sector of the economy and other financings as per SBP guidelines.

31 December 2020 (Audited)

39.12

Pool Management

39.13 Key features and risk and reward characteristics of all pools

The 'Mudaraba Pool' for Local Currency caters to all Soneri Bank Limited - Islamic Banking depositors and provides profit / loss based on Mudaraba.

The IERS Pool caters to the 'Islamic Export Refinance' requirements based on the guidelines issued by the SBP.

The risk characteristic of each pool mainly depends on the asset and liability profile of each pool.

Jointly financed by the Bank and unrestricted investments / PLS deposit account holders

This represents all earning assets of the Bank except those tagged to the Islamic Export Refinance Scheme. Major categories include:

| | Funded Income | Expenses | Gains / (loss) on sale of securities | Total |
|--------------------------------------|------------------|----------|---|---------|
| | | (Rupees | in '000) | |
| Islamic financing and related assets | 380,660 | - | - | 380,660 |
| Investments | 441,085 | - | - | 441,085 |
| Due from financial institutions | 36,743 | - | - | 36,743 |
| Others | 84,763 | (3,855) | (628) | 80,280 |
| | 943,251 | (3,855) | (628) | 938,768 |

39.14 Incentive profits (Hiba)

The Bank paid an aggregate amount of Rs. 58.160 million as incentive profits (Hiba), which includes Rs. 19.881 million for normal pool and Rs. 38.279 million for special pool during the half year ended 30 June 2021. The following guidelines are approved by the Bank's Sharia Advisor for determination of incentive profits (Hiba):

- Special weightage deposits in designated tiers / slabs in Mudaraba Pool shall be offered extra weightages outside the Mudaraba Pool, provided the specified parameters are met;
- The deposit deal shall be at least of Rs. 100 thousands;
- In case a Term Deposit is pre-maturely encased, profit shall be paid at the expected rate of completed tenor;
- The payment of Hiba on deposits will be at the sole discretion of the Bank and could be decreased or / and removed any time during the tenure of the deposit, under intimation to the customer, if the customer fails to meet the prerequisites at any time during the tenure of the deposit and / or the profit rate no longer remains sustainable from Bank's share; and
- The Bank shall ensure that all the operational procedures and controls to the satisfaction of Shariah are in place.

39.15 Contractual maturities of mudaraba based deposit accounts

| | | 30 June 2021 (Un-audited) | | | | | | |
|----------------------------------|------------|---------------------------|-----------------------|-----------------------|-------------------------------|----------------------|----------------------|----------------------|
| Particulars | Total | Up to 1 Month | Over 1 to 3 Months | Over 3 to 6 Months | Over 6 Months to 1 Year | Over 1 to 2 Years | Over 2 to 3 Years | Over 3 to 5 Years |
| | | | | (Rupe | es in '000) | | | |
| Fixed Deposits | 3,693,330 | 1,104,917 | 1,308,400 | 328,050 | 834,350 | 87,200 | 30,413 | - |
| Savings Deposits Current Account | 17,115,543 | 17,115,543 | - | - | - | - | - | - |
| - Remunerative | 2,717,418 | 2,717,418 | - | - | - | - | - | - |
| | 23,526,291 | 20,937,878 | 1,308,400 | 328,050 | 834,350 | 87,200 | 30,413 | - |

Profit / (loss) distribution to depositor's pool

| General Remunerative Depositor's Pools | Profit Sharing Ratio (Depositor: Mudarib) | Profit rate return earned | Mudarib Share transferred to the Depositors through Hiba (Rs. in '000) | Depositors | Mudarib share Net of Hiba (Rs. in '000) | Mudarib share Net of Hiba Percent | Profit rate and weightage announc- ement period | Profit rate return distributed |
|---|---|---------------------------------|--|--|--|--|--|---|
| Mudaraba Pool | | | | | | | | |
| Normal Pool | 55:45 | 5.04% | 19,881 | 25.16% | 58,765 | 33.62% | Monthly | 3.35% |
| Special Pool | 75:25 | 8.17% | 38,279 | 25.28% | 113,835 | 18.71% | Monthly | 6.64% |
| Total | 71:29 | 7.17% | 58,160 | 25.20% | 172,600 | 22.04% | Monthly | 5.59% |
| IERS Musharaka Pool | | | | Ratio of weightage of Bank to SBP | | HIBA (Rupees in '000) | Profit rate and weightage announc- ement period | Profit rate return earned by SBP |
| Musharaka Pool SBP's Isla | amic Export F | cheme | 0.1133 0.1636 | 1,669 1,716 | - | Quarterly Quarterly | 1.63% 1.59% | |

Parameters used for allocation of profit, charging expenses and provisions, etc. along with a brief description of their major components:

Income generated from relevant assets, calculated at the end of each month is first set aside for the Musharaka pool arrangement between the Bank and the State Bank of Pakistan. It is then allocated between the participants of the pool as per the agreed weightages and rates.

The Mudaraba Pool profit is divided between the Bank and depositors in the ratio of Bank's average equity (pertaining to Islamic banking branches) and average depositors balances commingled in each pool on a pro-rata basis. The depositors' share of profit is allocated amongst them on the basis of weightages declared before start of each month, after deduction of a mudarib fee. During the half year ended 30 June 2021, the Bank charged 22% (2020: 21%) of the profit as Mudarib fee. These weightages are declared by the Bank in compliance with the requirements of the SBP and Shariah.

The allocation (of income and expenses to different pools) is made on a pre-defined basis and accounting principles / standards. Provisions against any non-performing assets of the pool are not passed on to the pool.

39.16 Allocation of Income and Expenses to Depositors' Pools

a) Following are material items of revenues, expenses, gains and losses

(Un-audited) (Un-audited) 30 June 30 June 2021 2020 -----(Rupees in '000)-----

Profit / return earned on financings, investments and placements Other income (including other charges) Directly related costs attributable to pool 806,837 966,939 - (19,971) (39,627) 786,866 927,312

b) Following weightages have been assigned to different products under the Mudaraba Pool during the period:

| | Percentage of total Mudaraba based deposits | Minimum weightage | Maximum weightage |
|---------------------------------|---|----------------------|----------------------|
| Savings - Soneri Munafa Account | 71.78% | 0.3968 | 0.9259 |
| Savings - Soneri Bachat Account | 0.96% | 0.3968 | 0.3968 |
| Savings - Assan Account | 0.01% | 0.3968 | 0.3968 |
| Current Account - Remunerative | 11.55% | 0.0066 | 0.0066 |
| Time Deposits - Soneri Meadi | 15.70% | 0.4630 | 0.9656 |

The Bank shares all its revenue generated through banking operations with the deposit account (pertaining to Islamic Operation) holders.

40 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

41 COMPARATIVES

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim financial statements, wherever necessary to facilitate comparison and better presentation. There were no significant reclassifications during the current period.

42 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 24 August 2021 by the Board of Directors of the Bank.

Alauddin Feerasta Chairman

LIST OF BRANCHES

AS AT 30 JUNE 202

REGISTERED OFFICE

Floor, 307-Upper Mall Scheme Lahore-54000 - Pakistan Tel. No.: (021) 32444401-5

CENTRAL REGION

Main Branch, Lahore

Tel. No.: (042) 36368141-8 & (042) 111-567-890

Defence Branch, Lahore

Tel. No.; (042) 35730760-1, 3574616 & (042) 35691037-9

Gulberg Branch, Lahore

Tel. No.: (042) 35713445-8, 35759273 & (042) 35772294-5

Circular Road Branch, Lahore

Tel. No.: (042) 37670483, 86, 89 & (042) 37379319

Model Town Branch, Lahore

Tel. No.: (042) 35889311-2 & 35915666

Peco Road Branch, Lahore 6 Tel. No.: (042) 35222306-7.

(042) 35203050-1.35177804 & (042) 35173392

Cavalry Ground Branch, Lahore

Tel. No.: (042) 36653728-30 & (042) 36619702

Islamic Banking

8 Temple Road Branch, Lahore

Tel. No.: (042) 36376341, 2 & 6

Allama Iqbal Town Branch, Lahore

Tel. No.: (042) 37812395-7

Baghbanpura Branch, Lahore

Tel. No.: (042) 36832811-3

Thokar Niaz Baig Branch, Lahore

Tel. No.: (042) 35313651, 3 & 4 0317-4484542-3

Ghazi Chowk Branch, Lahore

Tel. No.: (042) 35188505-7 & (042) 35185661-3

Islamic Banking

13. New Garden Town Branch, Lahore

Tel. No.: (042) 35940611-616

14. DHA Phase-III Branch, Lahore

Tel. No.: (042) 35734081, 2, 3 & 5

15. Chungi Amer Sadhu Branch, Lahore

Tel. No.: (042) 35922182,184 & 186

16. Johar Town Branch, Lahore

Tel. No.: (042) 35204191-3

CENTRAL OFFICE

10th Floor, PNSC Building, M. T. Khan Road

Karachi

Wahdat Road Branch, Lahore

Tel. No.: (042) 37424821-7 &

Gunpat Road Branch, Lahore

Airport Road Branch Lahore

Timber Market Branch, Lahore

Tel. No.: (042) 37920085, 37941741-3 &

Tel. No.: (042) 37725353-8

21. Shahdara Branch, Lahore

(042) 37921743-8

22. Manga Mandi Branch, Lahore

23. Badian Road Branch, Lahore

24. Mughalpura Branch, Lahore

26 Islamnura Branch Lahore

(042) 36376096

Tel. No.: (042) 37214394-7

Garhi Shahu Branch, Lahore Tel. No.: (042) 36294201-3 &

Tel No: (042) 36635167-8

Tel. No.: (042) 35140261-3

Tel. No.: (042) 35472222 &

Tel. No.: (042) 37830881-6

33. Azam Cloth Market Branch, Lahore

Tel. No.: (042) 37662203-7

Tel. No.: (042) 35408936-8

Tel. No.: (042) 37731601, 2 & 4

35. Badami Bagh Branch, Lahore

34. Jail Road Branch, Lahore

32. DHA Phase-IV Branch, Lahore Tel. No.: (042) 35694156-7

30. Kana Kacha Branch, Lahore

0316-8226316-8

31. Sabzazar Branch, Lahore

29. Hamdard Chowk Kot Lakhpat Branch.

Tel. No.: (042) 35383516-9

Tel. No.: (042) 37165390-2

Tel. No.: (042) 36880892-4

Upper Mall (Corporate) Branch, Lahore

Tel. No.: (042) 35789346, 49, 51 & 55

Zarrar Shaheed Road Branch, Lahore

Tel. No.: (042) 35700115-8

Tel. No.: (042) 37361607-9

(042) 37420591

19

Tel. No.: (021) 32444401-5 & 111-567-890

Swift SONEPKKAXXX

36. Montgomery Road Branch, Lahore

Tel. No.: (042) 36291013-4

Islamic Banking

37 DHA Phase: VI Branch, Lahore Tel. No.: (042) 37180535-7

Bahria Town Branch Lahore

38

Tel. No.: (042) 35976354 & 0316-8226346-9

39 Expo Centre Branch, Lahore

Tel. No.: (042) 35314087, 88, 90 & 91

40. Wapda Town Branch, Lahore

Tel. No.: (042) 35187611-2

41. Shah Alam Market Branch, Lahore

Tel. No.: (042) 37376213-4 & 0316-8226277-8

42 DHΔ Phase-V Branch Lahore

Tel. No.: (042) 35695678 & 0316-8226322-3

43. Block-L Gulberg-III Branch, Lahore Tel. No.: (042) 35861052-4 &

0316-8226326-7

44. Walton Road Branch, Lahore

Tel. No.: (042) 36672305 & 0316-8226339 40 & 41

45. Faisal Town Branch, Lahore

Tel. No.: (042) 35170540 & 0316-8226335. 7 2. 2

46. Karim Block Branch, Lahore

Tel. No.: (042) 35417757 & 0316-8226412, 3 & 4

47. Defence Road Branch Lahore

Tel. No.: 0316-8226415-8

48 Safari Garden Branch, District Lahore

Tel. No.: 0317-4484537-9

49. Raiwind Branch, District Lahore

Tel. No.: (042) 35398661-2 &

0317-4484562-4

50. Main Boulevard Branch, Gulberg, Lahore

Tel. No.: (042) 35759924-5 &

0316-8226086-9

Islamic Banking

51. Township Branch, Lahore

Tel. No.: (042) 35113105

52. EME Housing Society Branch, Lahore

Tel. No.: 0318-4178733-4

53 Lake City Branch Labore

Tel No : 0318-4178739

54. Sundar Industrial Estate Branch, Lahore

Tel. No.: 0315-4980731 & 0315-4980742

Islamic Banking

55. Allama Igbal Town Branch, Lahore

Tel. No.: 0310-4031793 & 0310-4031781

56. Canal View Co-Operative Housing Society Branch, Lahore

Tel. No.: 0315-4304582-5

57. 'K' Block Model Town Branch, Lahore

Tel. No.: (042) 35880241-5

58. Lalik Chowk Branch, Lahore

Tel No.: (042) 35749534-5 & 35707640-1

59 Muridke Branch

Tel. No.: (042) 37166511-4 &

(042) 37981100

60. Main Branch. Guiranwala

Tel. No.: (055) 3843560-2 & (055) 111-567-890

Islamic Banking

61. Gujranwala Cantt. Branch, Gujranwala

Tel. No.: (055) 3861931-3 & 5

62. Wapda Town Branch, Gujranwala

Tel. No.: (055) 4291136-7

63. Kamokee Branch, District Gujranwala

Tel. No.: (055) 6813501-6

64 Wazirahad Branch

Tel. No.: (055) 6603703-4 & 6608555

65. Ghakkar Mandi Branch

Tel. No.: (055) 3832611-2

66. Main Branch, Faisalabad Tel. No.: (041) 2639873, 7-8 &

(041) 111-567-890

67. Peoples Colony Branch, Faisalabad

Tel. No.: (041) 8555714 & 8555720

68. Ghulam Muhammadabad

Branch, Faisalabad

Tel. No.: (041) 2680114, 110 & 117

69. Islamic Banking

East Canal Road Branch, Faisalabad Tel. No.: (041) 2421381-2

70. Civil Lines Branch, Faisalabad

Tel. No.: (041) 2648105, 8 & 11

71. Madina Town Branch, Faisalabad Tel. No.: (041) 8735551-2 &

0316-8226451-3

Jaranwala Branch, District Faisalabad Tel. No.: (041) 4312201-6

Samundri Branch, District Faisalabad

Tel. No.: (041) 3423983-4

Painsera Branch. District Faisalabad

Tel. No.: (041) 2557100-11 & 2574300

Killianwala Branch, Distt. Faisalabad

Tel. No.: (041) 3214151, 2 & 3

76 Khurrianwala Branch

Tel. No.: (041) 4360701-2

Chiniot Branch

Tel. No.: (047) 6333840-4

78 Jhang Branch

Tel. No.: (047) 7651601-2

79 Shorkot City Branch, Distt, Jhang

Tel No: 0316-8226093 95 97 & 98

80. Small Industrial Estate Branch, Sialkot

Tel. No.: (052) 3242607-9

Pasrur Road Branch, Sialkot

Tel. No.: (052) 3521655, 755 & 855 & (052) 3611655 & 755

Islamic Banking

82. Sialkot Cantt Branch, Sialkot

Tel. No.: (052) 4560023-7

83. Godhpur Branch, Sialkot

Tel No: (052) 4563932-3

84. Daska Branch, District Sialkot

Tel. No.: (052) 6617847-8

Daska Road Branch, Addah, District

Sialkot

Tel. No.: (052) 3525337 & 9

Sheikhupura Branch

Tel. No.: (056) 3810933 & 3813133

87. Nankana Sahib Branch

Tel. No.: (056) 2876342-3

88. Main Branch, Multan

Tel. No.: (061) 4504018, 4504118,

(061) 4519927 & 4512884

Islamic Banking

Shah Rukn-e-Alam Branch, Multan

Tel. No.: (061) 6784051-4 & 6782081

90. Bosan Road Branch, Multan

Tel. No.: (061) 6210690-2

91. Mumtazabad Branch, Multan

Tel. No.: (061) 6760212-4

Gulgasht Colony Branch, Multan

Tel. No.: (061)-6222701 & 0316-8226393-5

Wapda Town Branch, Multan Tel. No.: (061) 6213011 & 0316-8226441-2

Azmat Road Branch, Dera Ghazi Khan 94.

Tel. No.: (064) 2471630-6

95. Lodhran Branch

93

Tel. No.: (0608) 364766-7

96. Rahim Yar Khan Branch

Tel No: (068) 5886042-4

97. Liagatour Branch, District Rahim Yar

Tel No: (068) 5792041-4

98 Sadigabad Branch

Tel. No.: (068) 5702162, 5800161.

(068) 5800661 & 5801161

99 Bahawalpur Branch

Tel. No.: (062) 2731703-1

100. Satellite Town Branch, Bahawalpur

Tel. No.: (062) 2280602-3

101 Ahmedour Shargia Branch

District Bahawalpur

Tel. No.: (062) 2271345 &

0316-8226404.6 & 8

102. Hasilpur Branch

Tel. No.: (062) 2441481-7 & 2441478

103. Club Road Branch, Sargodha Tel. No.: (048) 3726021-3

104. Pull-111 Branch, District Sargodha

Tel No : (048) 3791403-4 & 0316-8226449 & 50

105. Jauharabad Branch, District Khushab

Tel. No.: (0454) 723011-2

106. Khushab Branch, District Khushab

Tel. No.: (0454) 710294, 5 & 6

107. Bhalwal Branch

Tel. No.: (048) 6642224 &

0316-8226331-2

108. Khanewal Branch

Tel. No.: (065) 2551560-3

109. Kabirwala Branch, District Khanewal Tel. No.: (065) 2400910-3

110. Abdul Hakeem Branch, District

Khanewal

Tel. No.: (065) 2441888 & 0316-8226310-2

Mian Channu Branch

Tel. No.: (065) 2662201-2

112. Depalpur Branch

Tel. No.: (044) 4541341-2

113 Okara Branch

Tel. No.: (044) 2553012-4 & 2552200

114. Hujra Shah Muqeem Branch District Okara

Tel. No.: (044) 4860401-3 &

0316-8226419-21

115. Haveli Lakha Branch

Tel. No.: (044) 4775412-3

116. Sahiwal Branch

Tel. No.: (040) 4467742-3

117 Farid Town Branch, Sahiwal

Tel. No.: (040) 4272173, 4 & 5

118. Chichawatni Branch, District Sahiwal

Tel. No.: (040) 5484852-3

119. Lavvah Branch

Tel. No.: (060) 6414205-7

120. Jampur Branch, District Rajanpur

Tel. No.: (060) 4567787 & 4567325

121 Kharoor Pacca Branch

Tel No: (0608) 341041-2

122. Muzafargarh Branch

Tel. No.: (066) 2422901, 3 & 5

123. Fazal Garh Sanawan Branch,

District Muzafargarh Tel. No.: (066) 2250214-5

124. Sheikho Sugar Mills Branch

District Muzafargarh

Tel. No.: 0345-8530242-4

125. Shahbaz Khan Road Branch, Kasur

Tel. No.: (0492) 764890-3

126. Jalalpur Bhattian Branch, District

Hafizahad

Tel. No.: (0547) 500848-50

127. Hafizabad Branch

Tel. No.: (0547) 541641-4

128. Pattoki Branch

Tel. No.: (049) 4422435-6

129. Ellahabad Branch

Tel. No.: (049) 4751130

130. Khudian Branch

Tel. No.: (049) 2791595-6

131. Sambrial Branch

Tel. No.: (052) 6523451-3

132 Gagoo Mandi Branch District Vehari Tel. No.: (067) 3500311-2

133. Mailsi Branch, District Vehari Tel. No.: (067) 3750140-5

134 Burewala Branch District Vehari

Tel. No.: (067) 3773110 & 20 &

(067) 3355779

135 Mandi Bahauddin Branch

Tel. No.: (0546) 507602, 3 & 8

136. Bahawalnagar Branch

Tel. No.: (063) 2274795-6

137 Haroonabad Branch, District

Bahawalnagar

Tel. No.: (063) 2251664-5

138 Toba Tek Singh Branch Tel. No.: (046) 2513203-4

139. Gojra Branch, District Toba Tek Singh

Tel. No.: (046) 3516392 & 3515577

140. Kamalia Branch, District Toba Tek Singh

Tel. No.: (046) 3411405-6

141. Pir Mahal Branch

Tel. No.: (046) 3361690 & 5

142. Guirat Branch

Tel. No.: (053) 3520591, 2 & 4

143. Kotla Arab Ali Khan, District Gujrat

Tel. No.: (053) 7575501 & 3

144. Kharian Branch

Tel. No.: (053) 7602904, 5 & 7

145. Pak Pattan Branch, District Pak Pattan

Tel No : (0457) 371781-5

146. Arif wala Branch, District Pak Pattan

Tel. No.: (0457) 834013, 5 & 6

147. Chishtian Branch

Tel. No.: (063) 2501141-2 &

0316-8226304-6

148. Khanpur Branch

Tel. No.: (068) 5577719-20 &

0316-8226307-9

149. Narowal Branch

Tel. No.: (0542) 411405 &

0316-8226328-30

150. Rajanpur Branch

Tel. No.: (0604) 688108 & 0316-8226396

151. Mianwali Branch

Tel. No.: (0459) 230825, 6 & 7

SOUTH REGION

152 Main Branch Karachi

Tel. No.: (021) 32436990 & 32444401-5

& (021) 111-567-890

153 Clifton Branch Karachi

Tel. No.: (021) 35877773-4, 35861286 & (021) 35375448 & 0316-826066-71

154 Garden Branch, Karachi

Tel. No.: (021) 32232877-8 &

0316-8226125-30

155 F.B. Area Branch Karachi

Tel. No.: (021) 36373782-3 &

(021) 36811646

156. Korangi Industrial Area Branch, Karachi

Tel. No.: (021) 35113898-9,

(021) 35113900-1 & 0316-8226189-92

157 AKLI Branch Karachi

Tel. No.: (021) 34852251-3 &

(021) 33102498-9

158. Haidery Branch, Karachi

Tel No: (021) 36638617

(021) 36630409-410 & 0316-8226231-8

159 Jodia Bazar Branch, Karachi

Tel. No.: (021) 32441786, 32442208 &

(021) 32463894 & 0316-8226202-10

160 Shahrah-e-Faisal Branch, Karachi

Tel. No.: (021) 34316128, 34316395,

(021) 34322150 34398430 &

(021) 34535545-46, 53-54

DHA Branch, Karachi 161 Tel. No.: (021) 35852209, 35845211 &

(021) 35340825

162. Gulshan-e-Igbal Branch, Karachi

Tel. No.: (021) 34811830-33 & 0316-8226239-45

163. SITE Branch, Karachi Tel. No.: (021) 32568330, 32550997 &

(021) 32550903-4

164. Zamzama Branch, Karachi

Tel. No.: (021) 35375835 & 35293435

165. Gole Market Branch, Karachi

Tel. No.: (021) 36618932, 36618925 &

0316-8226154-62

166. Gulistan-e-Jauhar Branch, Karachi Tel. No.: (021) 34020943-5

167. M. A. Jinnah Road Branch, Karachi

Tel. No.: (021) 32213972 & 32213498

168 Gulbahar Branch, Karachi

Tel. No.: (021) 36607744 &

0316-8226434-5

169. North Karachi Branch, Karachi Tel. No.: (021) 36920140-5 &

Tel. No.: (021) 36920140-5 8 0316-8226171-2

0316-8226171-2

170. Block-7 Gulshan-e-Iqbal Branch, Karachi Tel. No.: (021) 34815811-2, 34833728

lel. No.: (021) 34815811-2, 34833728 & 777

Islamic Banking

171. Cloth Market Branch, Karachi

Tel. No.: (021) 32442961 & 32442977

172. Paria Street Kharadar Branch, Karachi

Tel. No.: (021) 32201059, 60 & 61

173. Suparco Branch, Karachi

Tel. No.: (021) 34970560, 34158325-6, (021) 37080810 & 0316-8226457

174. Chandni Chowk Branch, Karachi

Tel. No.: (021) 34937933 & 34141296

175. Allama Iqbal Road Branch, Karachi

Tel. No.: (021) 34387673-4

176. Nishtar Road Branch, Karachi

Tel. No.: (021) 32239711-3 & 32239678

Islamic Banking

177. Waterpump Branch, Karachi

Tel. No.: (021) 36312113 & 36312108, (021) 36312349 & 36311908

178. Apwa Complex Branch, Karachi

Tel. No.: (021) 32253143 & 32253216

179 Clifton Block-2 Branch Karachi

Tel. No.: (021) 35361115-7

180. Malir Branch, Karachi

Tel. No.: (021) 34517982-3

181. Bahadurabad Branch, Karachi

Tel. No.: (021) 34135842-3

182. New Challi Branch, Karachi

Tel. No.: (021) 32625246 & 32625279

183. Shah Faisal Colony Branch, Karachi Tel. No.: (021) 34602446-7

lei. No.: (UZI) 346UZ446-7

184. Zaibunissa Street Saddar Branch, Karachi

Karaciii

Tel. No.: (021) 35220025-7

185. Liaquatabad Branch, Karachi

Tel. No.: (021) 34860723-25

186. Lea Market Branch, Karachi

Tel. No.: (021) 32526193-4

187. Korangi Township No: 2 Branch, Karachi

Tel. No.: (021) 35058041 & 35071181

188. North Karachi Ind. Area Branch, Karachi

Tel. No.: (021) 36962851, 52 & 55

189. F. B. Industrial Area Branch, Karachi

Tel. No.: (021) 36829961-4

190. Napier Road Branch, Karachi

Tel. No.: (021) 32713539-40

191. Gulshan-e-Hadeed Branch, Karachi

Tel. No.: (021) 34710252 & 256

192. Metroville Branch, Karachi

Tel. No.: (021) 36752206-7

193. Defence Phase-II Extension Branch,

Karachi

Tel. No.: (021) 35386910-12

194. North Karachi Township Branch, Karachi

Tel. No.: (021) 36968604-7

195. Stock Exchange Branch, Karachi

Tel. No.: (021) 32414003-4 &

(021) 32415927-8

196. Gulshan-e-Jamal Branch, Karachi

Tel. No.: (021) 34682682-4

197. Alvabad Branch, Karachi

Tel. No.: (021) 36826727 & 36332517

198. Saudabad Branch, Malir, Karachi

Tel. No.: (021) 34111901-5

199. Shireen Jinnah Colony Branch, Karachi

Tel. No.: (021) 34166262-4

Islamic Banking

200. Al-Tijarah Centre Branch, Karachi

Tel. No.: (021) 34169251-3

201. Barkat-e-Haidery Branch, Karachi

Tel. No.: (021) 36645688-9

202. Shadman Town Branch, Karachi

Tel. No.: (021) 36903038-9

203. Enquiry Office Nazimabad

No: 2 Branch, Karachi

Tel. No.: (021) 36601502-5

Islamic Banking

204. Rashid Minhas Road Branch, Karachi

Tel. No.: (021) 34983878 & 34837443-4

205. Timber Market Branch, Karachi

Tel. No.: (021) 32742491-2

206. Khayaban-e-Ittehad Branch, Karachi

Tel. No.: (021) 35347413-6

207. Bahria Complex-III (Corporate) Branch,

Karachi

Tel. No.: (021) 35640731-6 35640235-7

208. New M. A. Jinnah Road Branch, Karachi

Tel. No.: (021) 34894941-3

209. DHA Phase-IV Branch, Karachi

Tel. No.: (021) 35311491-2 & 0316-8226285-7

210 Gulberg Branch, Karachi

Tel. No.: (021) 36340553, 549 & 0316-8226291-2

211. New Sabzi Mandi Branch. Karachi

Tel. No.: (021) 36870506-7 &

0316-8226409-11

212. Clifton Block-08 Branch, Karachi

Tel. No.: (021) 35867435-6 &

0316-8226425-7

213. Block-02 Gulshan-e-Iqbal Branch,

Karachi

Tel. No.: (021) 34988781-2

214. Garden Market Branch, Karachi

Tel. No.: (021) 32244195-6 & 0316-8226431-3

0310-0220431-3

215. Block-N North Nazimabad Branch, Karachi

Tel. No.: (021) 36641623-4 &

0316-8226436-38

216. Marriot Road Branch, Karachi
Tel No. (021) 32461840-42 &

0316-8226428-30

217. SITE-II Branch, Karachi

Tel. No.: (021) 36881235-6 &

0316-8226445-47

218. Shersha Branch, Karachi

Tel. No.: (021) 32583001-3 & 0317-4484534-6

219. DHA Phase-VIII Branch, Karachi

Tel No: 0315-4979265 328 & 445

220. Khalid Bin Waleed Road Branch.

Karachi

Tel. No.: (021) 34522044, 5 & 6

221. Bokhari Commercial Branch, Karachi

Tel. No.: (021) 35170651, 2 & 3

222. 26th Commercial Street Branch, Karachi

Tel. No.: (021) 35290094, 5 & 6

223. Bahria Town Branch, Karachi

Tel. No.: 0318-4304576-7

Islamic Banking

224. Gulistan-e-Jauhar Branch, Karachi

Tel. No.: 0318-4304615, 7 & 8

Islamic Banking

225. North Karachi Township Branch, Karachi

Tel. No.: (021) 36948010, 1 & 2

226. Main Branch, Hyderabad

Tel. No.: (022) 2781528-9, 2782347, (022) 111-567-890 & 0316-8226044-5

227 F. J. Road Branch, Hyderabad

Tel. No.: (022) 2728131 & 2785997 (022) 2780205

228 Latifabad Branch Hyderabad

Tel. No.: (022) 3816309 & 3816625

229. Qasimabad Branch, Hyderabad

Tel No: (022) 2651968 & 70

Islamic Banking

230. Isra University Branch, District

Hyderabad

Tel. No.: (022) 2032322 & 2030161-4

231. Prince Ali Road Branch, Hyderabad

Tel. No.: (022) 2638514 & 2622122

232. S.I.T.E. Branch, Hyderabad Tel. No.: (022) 3886861-2

233. Fagir Jo Pir Branch, Hyderabad

Tel No : (022) 2612685-6

234. Auto Bhan Road Branch, Hyderabad

Tel. No.: (022) 2100062-3 & 0316-8226313-4

235. Matvari Branch, District Matvari Tel No: (022) 2760125-6

236. Tando Allah Yar Branch

Tel No: (022) 3890260-4

237. Sultanabad Branch, District

Tando Allah Yar

Tel. No.: (022) 3404101-2

238. Tando Muhammad Khan Branch

Tel. No.: (022) 3340371-2 & 0316-8226267-8

239. Sukkur Branch

Tel. No.: (071) 5622382, 5622925 &

0316-8226055-63

240. Pano Aqil Branch, District Sukkur

Tel. No.: (071) 5690081, 2 & 3

241. Sanghar Branch, District Sanghar

Tel. No.: (0235) 543376-7 &

0316-8226246-7

242. Tando Adam Branch, District Sanghar

Tel. No.: (0235) 571640-44

243. Shahdadpur Branch, District Sanghar

Tel. No.: (0235) 841982-4

244. Shahpur Chakar Branch, District

Sanghar

Tel. No.: (0235) 846010-12

245 Golarchi Branch District Badin Tel. No.: (0297) 853192-4

246. Talhar Branch, District Badin Tel. No.: (0297) 830387-9

247 Deh Sonhar Branch District Badin

Tel. No.: (0297) 870729 & 870781-3

248. Matli Branch

Tel. No.: (0297) 840171-2

249. Tando Bago Branch, District Badin

Tel. No.: (0297) 854554-6

250. Buhara Branch, District Thatta Tel. No.: 0316-8226439-40

251. Dhabeii Branch, District Thatta

Tel. No.: (021) 34420030, 31 & 39

252. Makli Branch, District Thatta

Tel. No: (0298) 581807, 8 & 9

253. Hub Branch, District Lasbela

Tel. No.: (0853) 310225-7

254 Umerkot Branch

Tel. No.: (0238) 571350 & 356

255 Nawabshah Branch

Tel. No.: (0244) 363918-9

Nawab Wali Muhammad Branch

256 District Shaheed Renazirahad

Tel. No.: (0244) 311069, 70 & 71

257 Mirpurkhas Branch

Tel. No.: (0233) 821221 & 821317-8

258. Digri Branch, District Mirpurkhas

Tel. No.: (0233) 869661, 2 & 3

259 Larkana Branch

Tel. No.: (074) 4058211-13

260. Panjhatti Branch

Tel. No.: (0243) 552183-6

261. Ghotki Branch

Tel. No.: (0723) 680305-6

262 Deharki Branch

Tel. No.: (0723) 644156, 158 & 160

263. Thull Branch

Tel. No.: (0722) 610153-4

264. Kandkhot Branch

Tel. No.: (0722) 572883-6

265. Jacobabad Branch

Tel. No.: (0722) 654041-5

266. Shahdadkot Branch, District Qamber Shahdadkot

Tel. No.: (074) 4012401-2

Dadu Branch

Tel. No.: (025) 4711417-8 &

0316-8226294-6

268 Mehar Branch, District Dadu

Tel. No.: (025) 4731113-4

269. Bhan Sayedabad Branch, District Jamshoro

Tel. No.: 0316-8226296-7

270. Shikarpur Branch

Tel No: (0726) 540381-3 &

0316-8226319-21

Moro Branch, District Naushero Feroze

Tel. No.: (0242) 4102000, 1 & 2

272. Mithi Branch, District Tharparkar

Tel. No.: (0232) 261291, 2 & 3

273. Main Branch, Quetta

Tel. No.: (081) 2821610 & 2821641

274. Islamic Banking Shahrah-e-Igbal Branch, Quetta

Tel. No.: (081) 2820227-30 & 37

275 Chamman Branch

Tel. No.: (0826) 613685 &

0316-8226342-4

276. Khuzdar Branch

Tel. No.: (0848) 412861-3 &

0316-8226466-68

NORTH REGION

277. Main Branch, Peshawar

Tel. No.: (091) 5277914-8 & 5277394

Chowk Yadgar Branch, Peshawar 278.

Tel. No.: (091) 2573335-7 & 2220006

Islamic Banking

Khyber Bazar Branch, Peshawar 279.

Tel. No.: (091) 2566811-3

280. Main Branch, Rawalpindi

Tel. No.: (051) 5123123, 4, 5 & 8 & (051) 5123136-7

281. Chandni Chowk Branch, Rawalpindi

Tel. No.: (051) 4571160, 63, 86 & 87 &

(051) 4571301

282. 22 Number Chungi Branch, Rawalpindi

Tel. No.: (051) 5563576-7

283. Muslim Town Branch, Rawalpindi

Tel. No.: (051) 5405506 & 4931112-3

284. Pindora Branch, Rawalpindi Tel. No.: (051) 4419020-22

285. Gulraiz Branch, Rawalpindi

Tel. No.: (051) 5595148-9 & 5974073

Islamic Banking

286. Peshawar Road Branch, Rawalpindi

Tel. No.: (051) 5460113-7

287. Bahria Town Branch, Rawalpindi

Tel. No.: (051) 5733772-3 & 5733768-9

Islamic Banking

288. Chaklala Scheme-III Branch, Rawalpindi

Tel. No.: (051) 5766345-7

289. Adyala Road Branch, Rawalpindi

Tel. No.: (051) 5569091, 96, 97 & 99

290. Bahria Town Phase-VII Branch, Rawalpindi

Tel. No.: (051) 5400259-60 &

(051) 5400255 & 58

291. Bahria Town Phase-VIII Branch,

Tel. No.: (051) 5195232, 4, 5 & 6

Islamic Banking

292. Faisal Town Branch, Rawalpindi

Tel. No.: (051) 2720670-5

293. Bewal Branch, District Rawalpindi

Tel. No.: (051) 3360274-5

294. Wah Cantt. Branch, District Rawalpindi

Tel. No.: (051) 4511140-1 & 0317-4484551-3

295. Kallar Syedan Branch, District

Rawalpindi

Tel. No.: (051) 3570903 & 0316-8226106

296. Main Branch, Islamabad

Tel. No.: (051) 2348174 & 78 &

(051) 111-567-890

297. G-9 Markaz Branch, Islamabad

Tel. No.: (051) 2850171-3

Islamic Banking

298. I-10 Markaz Branch, Islamabad

Tel. No.: (051) 4101733-5

299. I-9 Markaz Branch, Islamabad

Tel. No.: (051) 4858101-3

300, E-11 Branch, Islamabad

Tel. No.: (051) 2228757-8

301, DHA Phase-II Branch, Islamabad

Tel. No.: (051) 5161967-9 &

(051) 5161970-72

Islamic Banking

302. F-8 Markaz Branch, Islamabad

Tel. No.: (051) 2818019-21

303. G-11 Markaz Branch, Islamabad

Tel. No.: (051) 2363366-68

304. F-11 Markaz Branch, Islamabad

Tel. No.: (051) 2101076-7 & 0316-8226282-4

305 DHA Phase-II (Corporate) Branch.

Islamabad

Tel. No.: (051) 2826573-4 & 0316-8226303

306. PWD Branch, Islamabad

Tel. No.: (051) 5708789, 90 & 91

307. I-8 Markaz Branch, Islamabad

Tel. No.: (051) 2719242-44

308. Gulberg Greens Branch, Islamabad

Tel. No.: 0312-4015609, 0312-4019186 &

0312-4015629-30

309. Lehtrar Road Branch, Tarlai,

District Islamabad

Tel. No.: (051) 2241661-5

310. Soan Garden Branch, District Islamabad

Tel. No.: (051) 5738940-2

311. Guiar Khan Branch

Tel. No.: (051) 3516328, 29 & 30

312. Waisa Branch, District Attock

Tel. No.: (057) 2651068-9

Islamic Banking

313. Swabi Branch, District Swabi

Tel. No.: (0938) 221741-45

314. Mirpur Branch, (AJK)

Tel. No.: (05827) 444488 & 448044

315. Islamgarh Branch, (AJK)

Tel. No.: (05827) 423981-2

316. Jattlan Branch, District Mirpur (AJK)

Tel. No.: (05827) 403591-4

317. Gilgit Branch

Tel. No.: (05811) 453749, 450504,

(05811) 450498 & 451838

318. NLI Market (Sub Branch), Gilgit

Tel. No.: (05811) 450802, 4 & 5

319. Denyore Branch, District Gilgit

Tel. No.: (05811) 459986-7

lei. No.: (US811) 459986-7

320. Jutial Branch, District Gilgit

Tel. No.: (05811) 457233-5

321. Aliabad Branch, Hunza

Tel. No.: (05813) 455000, 455001 &

(05813) 455022

322. Gahkuch Branch

Tel. No.: (05814) 450409-10

323. Skardu Branch

Tel. No.: (05815) 450327 & 450188-9

324 Abbottabad Branch

Tel. No.: (0992) 385231-3 & 383073-75

325. Jhelum Branch

Tel. No.: (0544) 625794-5

326 Dina Branch District Jhelum

Tel. No: 0310-4755851, 2 & 6

327. Chitral Branch, District Chitral

Tel. No.: (0943) 412078-9

328. Chakwal Branch

Tel. No.: (0543) 543128-30 & 0316-8226045

329 Mardan Branch

Tel. No.: (0937) 864753-7

330. Muzaffarabad Branch

Tel. No.: (0582) 2920025-6

Islamic Banking

331. Chillas Branch, District Diamer

Tel. No.: (05812) 450631-2

Islamic Banking

332. Mingora Branch, Swat

Tel. No.: (0946) 714355, 714400 & 0316-8226273-75

333. Battagram Branch

Tel. No.: (0997) 311044-6

334 Mansehra Branch

Tel. No.: (0997) 301931-6

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335. Dera Ismail Khan Branch

Tel. No.: (0966) 718010-4 & 718091-4

336. Kohat Branch, District Kohat

Tel. No.: (0922) 511011 & 511033

Islamic Banking

337. Nowshera Branch, District Nowshera

Tel. No.: (0923) 611545-8

Islamic Banking

338. Shakas Branch, District Khyber Agency

Tel. No.: 0316-8226101 & 0316-8226091, 92 & 99

339. Batkhela Branch

Tel. No.: (0932) 411115, 6 & 7

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340. Timergara Branch, District Lower Dir

Tel. No.: (0945) 822081, 2 & 3





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