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Corporate Information

Board of Directors Mr. Wagar Ahmed Malik - Chairman

Lt Gen Tariq Khan, HI (M) (Retd) Mr. Sarfaraz Ahmed Rehman

Dr.Nadeem Inayat Syed Bakhtiyar Kazmi Mr. Manzoor Ahmed

Mr. Mohammad Aftab Manzoor Ms. Zoya Mohsin Nathani Raja Muhammad Abbas Mr. Mushtaq Malik

Mr. Khurshid Zafar - A/President & Chief Executive

Board Audit Committee Mr. Mohammad Aftab Manzoor - Chairman

Dr. Nadeem Inayat Syed Bakhtiyar Kazmi Mr. Manzoor Ahmed Raja Muhammad Abbas

Shariah Board MuftiMuhammad Zahid - Chairman

Dr. Muhammad Tahir Mansoori - Resident Shariah Board Member

Mufti Zaki Hassan Naumani - Member

Dr. Lutfullah Saqib - Member

Auditors M/s KPMG Taseer Hadi & Co

Chartered Accountants

Legal Advisors M/s RIAA, Barker Gillette - Advocates & Corporate Counselors

Company Secretary Syed Ali Safdar Naqvi, FCA

Registered Office AWT Plaza, The Mall, P. 0. BoxNo. 1084

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Entity Rating Long Term: AA+

Short Term: A1+

By PACRA

Website www.askaribank.com

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DIRECTORS' REVIEW

Dear Shareholders

On behalf of the Board of Directors, we are pleased to present the unaudited condensed interim unconsolidated financial statements for the quarter and half year ended June 30, 2021.

The Board of Directors take this opportunity to place on record our appreciation for the services rendered by the outgoing President & CEO, Mr Abid Sattar on completion of his term on August 8, 2021. We also wish to inform that the Board of Directors has appointed Mr Atif R. Bokhrai as the new President & CEO, subject to approval of the State Bank of Pakistan and compliance with applicable rules and regulations. The Board has further appointed Mr. Khurshid Zafar, Chief Operating Officer, as Acting President & CEO for the interim period.

Economic Review:

Pakistan's economy gained further traction as reflected by the latest GDP growth estimates above expectations. The recovery was mainly contributed by growth in large-scale manufacturing and services, particularly wholesale and retail trade. The industrial activity also gained on the back of stimulus measures, implemented in the wake of pandemic. CPI inflation decelerated to 9.7 percent for the 2nd consecutive month in June 2021. However, there are multiple upside risks to inflation expectations; international commodity prices, upward adjustments in utility tariffs and withdrawal of exemptions announced in the recent budget.

The SBP has maintained policy rate at 7 percent since July last year and in the recent statement, MPC expects monetary policy to remain accommodative in the near term, and any adjustment to be measured and gradual. Private sector credit has registered a notable uptick, led by fixed investment and consumer loans, primarily due to the low interest rates and regulatory refinance schemes, especially TERF and LTFF.

The recent surge in economic activity coupled with accelerated vaccination process offers some optimism for the economic outlook. Policy driven support for the construction sector along with government's indications for increased PSDP spending, favorable trends in agriculture and industrial sectors with spill-over impact for the services sector, increase in export receipts and buoyant remittances, are positive indicators. On the other hand, higher oil prices and rising trends in global non-energy prices, including food and metal will likely increase import payments. Though, a major downside risk to the overall economic growth is the current fourth and potentially more waves which may warrant mobility restrictions and disrupt ongoing economic momentum.

Financial Performance:

The financial results of Askari Bank for the half year ended June 30, 2021 are summarized as under:

	June 30, 2021	June 30, 2020
Net mark-up and non fund income	20,438	18,770
Administrative and other expenses	(10,916)	(9,990)
Operating profit	9,522	8,780
Provisions against loans and investments	(2,780)	(644)
Profit before taxation	6,742	8,135
Taxation	(2,631)	(3,182)
Profit after taxation	4,111	4,954
Basic earning per share - Rupees	3.26	3.93

The operating profit for the six months ended June 30, 2021 amounted to Rs.9.52 billion, an 8 percent increase over Rs.8.78 billion for the corresponding period last year. Profit after taxation declined by 17 percent and is reported at Rs.4.11 billion mainly due to sharp rise in provisions against non-performing loans; the Bank prudently recorded subjective provisioning for certain stressed accounts during the period in review. The earnings per share at Rs.3.26 for the current period compares with Rs.3.93 last year.

During the current six months, aggregate net revenues increased by 8.9 percent to Rs.20.44 billion from Rs.18.77 billion for the corresponding period last year. Net mark-up income increased by 9.5 percent mainly due to volumetric growth as the interest rates remained stable during the current six months compared to a sharp decline recorded during the same period last year. Aggregate non-mark-up income increased by 6.9 percent mainly contributed by increase in fee, commission and foreign exchange incomes offsetting the 43 percent decline in gain on sale of securities

Customer deposits are reported at Rs.927 billion, a growth of 17 percent during the six months in review. The current and savings accounts constituted 85 percent of the total deposit at June 30, 2021. Gross advances grew by 8.9 percent, from Rs.422 at year end 2020 to Rs.459 billion at June 30, 2021. Non-performing loans and aggregate provision there against, increased by 8.1 percent and 9.5 percent, respectively. Consequently, provision coverage ratio improved to 94.3 percent at the half year end. Administrative and other operating expenses for the current six months increased by 9 percent over the corresponding period last year mainly due to increase in other staff costs.

The Bank's entity rating was reaffirmed at 'AA+' (Double A Plus) for the long-term by Pakistan Credit Rating Agency Limited (PACRA), with outlook assigned as 'Stable'. The Bank's strong brand and affiliation with Fauji Foundation are recognized as the key rating drivers, supported by strengths in terms of market penetration, customer confidence, sustainable funding sources and avenues for generating mark-up and non-mark-up based income stream. The short-term rating was maintained at 'A1+' (A One Plus).

Looking ahead:

Askari Bank is well-positioned for sustainable growth and building long-term shareholder value. Our focus remains on strategies to improve customer experience by refinements in our business and operating model, to make it more robust, efficient and service oriented. We aim to grow our market share in low cost deposit, trade business, consumer products, SME and commercial segments and home remittances; while expanding our outreach and continually improving our service and offerings profile. Alongside, construction and housing finance including Government's markup subsidy scheme (Mera Pakistan Mera Ghar) to serve housing for low / middle income segments, has been assigned priority. Askari Digital is enabling an efficient alternative for everyday banking offering technology solutions that ensures customer needs are met in an advanced, secure and convenient manner. Digital transformation will be further accelerated in line with the changing dynamics across key segments. The Bank will remain focused on maintaining a stable liquidity profile, protecting capital and safeguarding Bank's assets and earning potential.

Acknowledgment:

On behalf of the Board, we would like to place on record our gratitude to our valued customers for their continued patronage to the Askari brand; our profound thanks to the State Bank of Pakistan, Securities and Exchange Commission of Pakistan and other regulatory authorities for their guidance and assistance. We would also like to express our appreciation for the hard work and dedication of our staff, especially in customer facing business units, who ensured uninterrupted delivery of service in these difficult times.

-sd-Khurshid Zafar A/President & Chief Executive

-sd-Waqar Ahmed Malik Chairman, Board of Directors

Rawalpindi August 12, 2021

ڈائر یکٹرز کا جائزہ

عزيز خصص داران،

بورڈ آف ڈائر کیٹرز کی جانب سے 30 جون 2021 کوختم ہونے والی ششماہی مدت کے لیے غیر آ ڈٹ شدہ مخضر عبوری غیر مدغم شدہ مالیاتی گوشوارے پیش کرتے ہوئے ہم پُر مسرت ہیں۔

اس موقع پر بورڈ آف ڈائر یکٹرز 8اگست 2021 کواپنی مدت پوری ہونے پر سبکدوش ہونے والے صدراور سی ای او جناب عابد ستار کی خدمات کو تدول سے سراہتے ہیں۔ ہم یہ بھی مطلع کرتے ہیں کہ بورڈ آف ڈائر یکٹرزنے جناب عاطف آر بخاری کی نئے صدراور سی ای او کے طور پر تقرری کی ہے جو کہ اسٹیٹ بینک آف پاکستان کی منظوری اور قابل اطلاق قواعد وضوالط کی قبیل سے مشروط ہیں۔ بورڈ کی جانب سے عبوری مدت کے لیے جناب خورشید ظفر، چیف آپریٹنگ آفیسر کوبطور قائم مقام صدر و سی ای او تعینات کیا گیا ہے۔

معاشى جائزه:

پاکستان کی معیشت میں مزید بہتری آئی جیسا کہ جی ڈی پی گروتھ کے تازہ ترین امید سے زیادہ مثبت اعشاریوں سے ظاہر ہوتا ہے۔ریکوری میں بنیادی طور پر ہڑے پیانے پر مینو کی چرنگ اور سروسز اورخصوصاً ہول کیل اور ریٹیل ٹریٹر میں اضافہ دیکھنے میں آیا۔وبائی مرض کے تناظر میں نافذ اعمل متحرک اقدامات کی وجہ سے منعتی سرگرمی میں تیزی دیکھنے میں آئی۔ سی پی آئی افراط زرجون 2021 میں مسلسل دوسرے ماہ 9.7 فیصد تک گھٹ گئی۔ تاہم ،افراط زرکی تو قعات کے متعدد متضاد خطرات ہیں: مثلاً بین الاقوامی اشیاء کے نرخ ، پٹیلیٹی ٹیرف میں بالائی ایڈ جسٹمنٹ اور حالیہ بجٹ میں اعلان کر دہ اسٹنی کی واپسی۔

اسٹیٹ بینک آف پاکتان نے گزشتہ سال جولائی سے پالیسی شرح7 فیصد پر برقر اررکھی ہےاور حالیہ گوشوارے میں ایم پی سی کوتو قع ہے کہ مانیٹری پالیسی مستقبل قریب میں ساز گارر ہے گی اور کوئی بھی ایڈ جسٹمنٹ نپی تلی اور بتدریج کی جائے گی۔ نجی شعبے کے کریڈٹ میں ایک قابل ذکراضا فید کیصنے میں آیا ہے، جو کہ فلسڈ سر ماریکاری اور کنزیومرقر ضہ جات، بنیا دی طور برکم شرح سوداورریگولیٹری ری فنانس اسکیموں،اور بالخصوص TERF اور LTFF کی وجہ سے ممکن ہوا۔

حالیہ معاثی سرگرمیوں میں اضافہ اور اس کے ساتھ ساتھ ویکسینیشن کے مل میں تیزی معاثی پس منظر کیلئے امیدافزاء ہیں۔ تعمیر اتی شعبے کے لیے حکمت عملی پرہنی معاونت اور اس کے ساتھ ساتھ وی ایس ڈی پی کیلئے اضافی رقوم مختص کرنے کی حکومتی اشار ہے، زراعت اور شعبوں میں سازگار رجحانات اور سروسز کے شعبے پرزیادہ فرج کے اثر ات، ہرآمدی وصولیوں میں بڑھوتری اور اضافی ترسیلات زر شبت اشار ہے ہیں۔ دوسری طرف تیل کی قیمتوں میں تیزی اور عالمی نان انرجی اشیاء بشمول خور اک اور دھاتوں کی قیمتوں میں اضافے کے رجحانات درآمدی ادائیگیوں میں اضافے کا سبب بنیں گے۔ اگر چہکوروناوائرس کی حالیہ چوتھی اہر کی وجہ سے مجموعی معاثی نمو کے لیے ایک بڑا منفی خطرہ لاحق ہونے کے ساتھ مزید وبائی لہروں کے امکانات موجود ہیں جونقل وحرکت کی پابندیوں اور پنیتی ہوئی معاثی رفتارکومتاثر کرنے کا پیش خیمہ بن سکتی ہیں۔

مالياتي كاركردگي:

عسرى بينك كے 30 جون 2021 كونتم ہونے والى ششاہى مدت كے مالى نتائج كا خلاصه درج ذيل ہے:

	(روپے	ملین میں) پین میں)
	جون	جون
۔اپاورنان فنڈ آمدن	7	7
ي يگراخراجات	3 7 4	374
نافع	7	7
بسر مایہ کاری کے عوض پر دویژن	374	3 4
منافع	7	7
	374	374
نافع	7	7
ص آمدن (روپے)	9	9

30 جون 2021 کوخم ہونے والی شفہ ہی مدت کا آپریٹنگ منافع 9.52 ارب روپے رہا جوگز شتہ سال کی اسی دورانیہ کی مدت میں ہونیوالے منافع 8.78 ارب روپے میں 8 فیصد اضافہ کے عصارت کے عوض پروویژنز میں تیزی سے اضافہ ہے فیصد اضافہ کے ایسا کہ بینک نے مختاط رہتے ہوئے زیر جائزہ مدت کے دوران بعض سڑیسڈا کا وُنٹس کی جیکٹو پرویژن ریکارڈ کی ۔ رواں دورانیہ کی مدت کیلئے آمدن فی حصص گز شتہ سال کے اسی دورانیہ کی مدت کیلئے آمدن فی حصص گز شتہ سال کے اسی دورانیہ کی مدت کیلئے آمدن فی حصص گز شتہ سال کے اسی دورانیہ کی مدت کیلئے آمدن فی حصص گز شتہ سال کے اسی دورانیہ کی مدت کیلئے آمدن فی حصص گز شتہ سال کے اسی دورانیہ کی مدت کے مقابلے میں 3.26رو ہے رہی۔

رواں ششماہی مدت کے دوران مجموعی خالص آمدنی 8.9 فیصداضا نے کے ساتھ 20.44 ارب روپے ہوگئی جوگز شتہ سال کے اسی دورانیے کی مدت کیلئے 18.77 ارب روپے تھی۔خالص مارک اپ آمدنی میں 5.9 فیصداضا فید و کیھنے میں آیا جس کی بنیادی وجہ جم کی نشونما میں اضافہ ہے کیونکہ رواں ششماہی مدت کے دوران شرح سوم شخکم رہی جبکہ گزشتہ سال کی اسی دورانیے کی مدت میں اس میں تیز کمی د کیھنے میں آئی تھی۔مجموعی نان مارک اپ آمدنی میں 9.6 فیصداضا فیہ واجو بنیادی طور پرفیس کمیشن اور زرمبادلہ کی آمدنی میں اضافے کی بدولت ہوا جس کی وجہ سے سیکیو رٹیز کی فروخت سے حاصل ہونے والے منافع میں 43 فیصد کی کا اثر زائل ہوا۔رواں ششماہی مدت کے انتظامی اور دیگر آپریٹنگ اخراجات میں اضافہ ہے۔

زیرجائزہ ششمائی میں کھانہ داران کی جانب ہے جمع کرائی گئی رقوم 17 فیصداضا نے کے ساتھ 927 ارب روپے تھیں۔30 جون 2021 کو کرنٹ اور سیونگ اکاؤنٹس کل ڈپازٹ کے 85 فیصد ھے پر مشتمل ہیں۔مجموعی ایڈوانسز میں 8.9 فیصداضا فہ ہوا، جو سال 2020 کے اختتام پر 422روپے تھے اور 30 جون 2021 کو 459ارب روپے ہوگئے۔غیر فعال قرضہ جات اوران کے بوض مجموعی پروویژن میں بالتر تیب 8.1 فیصداور 9.5 فیصداضا فیدد کیھنے میں آیا۔ نینجٹا پروویژن کوری کا تناسب ششماہی مدت کے اختتام پر بہتری کے ساتھ 94.3 فیصدر ہا۔

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) کی جانب سے مقرر کر دہ بینک کی طویل مدتی اینٹیٹ ریٹنگ"+"AA" پر برقر اررکھی گئی،اور بینک کی آؤٹ لک کو" مشحکم" قرار دیا گیا۔اہم ریٹنگ میں بینک کے مضبوط برایٹ اور فوجی فاؤٹ کیش کے ساتھ اس کی وابسٹگی کے عناصر کار فرما ہیں اوراس کے علاوہ مارکیٹ میں رسائی، کسٹمر کا اعتاد، پائن، ار فنڈ نگ کے ذرائع اور مارک اپ اور نان مارک اپ پربٹی آمدنی کے ذرائع کاعمل دخل ہے۔ بینک کی مختصر معیاد کی ریٹنگ A1+'(A ون پلس) برقر اررکھی گئی۔ مستقبل کا جائزہ:

عسکری بینک پائیدارتر تی اور صص داران کی طویل المدتی قدر کی تفکیل کیلے متحکم پوزیشن میں ہے۔ ہمارے کاروباراورا نظامی ماڈل میں اصلاحات لا کرصار فین کے بہتر تجربے کے لئے حکمت عملی وضع کرنا ہماری توجہ کا محورومرکز ہیں، تا کہ اسے زیادہ مضبوط، مؤثر اور ہروس پر بنی بنایا جاسکے۔ ہمارا مقصد ہماری رسائی کو بڑھاتے ہوئے اور ہماری خدمات اور پیشکشوں کے پروفائل میں بہتری لاتے ہوئے کم لاگت ڈپازٹ،ٹریڈ برنس، کنزیومر پروڈکٹس،الیسا یم ای اور کمرشل شعبوں اور ہوم ریمیٹینمز میں اپنامار کیٹ شیئر بڑھانا ہے۔ اس کے ساتھ ساتھ کم درمیانی آمدنی والے طبقات کو ہاؤسنگ خدمات پیش کرنے کیلئے حکومت کی مارک اپ سبسڈی سیم (میرا پاکستان میرا گھر) سمیت تعمیراتی اور ہاؤسنگ فنانس ہماری ترجیات میں شامل ہے۔ عسکری ڈبجیٹل ٹینا لوجی سلوشنز کے ساتھ روز مرہ بینکنگ کے لیے ایک مؤثر متبادل ذریعہ ہے تا کہ سٹمر کی ضروریات کو جدید محفوظ اور آمدنی کے اور اکیا جائے گا۔ بینک مشحکم کیکویڈ پٹی پروفائل کو برقر اررکھنے، سرما کے اور کی مطابق مزید تیز کیا جائے گا۔ بینک مشحکم کیکویڈ پٹی پروفائل کو برقر اررکھنے، سرما کے اور بینک مشحکم کیکویڈ پٹی پروفائل کو برقر اررکھنے، سرما کی اور کی کے اخالوں کے مطابق مزید تیز کیا جائے گا۔ بینک مشحکم کیکویڈ پٹی پروفائل کو برقر اررکھنے میں بدلتے ہوئے ماحول کے مطابق مزید تیز کیا جائے گا۔ بینک مشحکم کیکویڈ پٹی پروفائل کو برقر اررکھنے، سرما کی تعفیل اور آمدنی کے امکانات براینی توجہ مرکوز رکھاگے۔

اعترافات

بورڈ کی جانب سے،ہم عسکری برانڈ کی سرپرسی کرنے پراپنے گراں قدرصارفین کے بے حدمشکور ہیں۔ہم اسٹیٹ بینک آف پاکستان،سکیورٹیز اینڈ ایکیپینی آف پاکستان اور دیگرریگولیٹری اتھارٹیز کی جانب سے رہنمائی اور معاونت کا بھی شکر بیادا کرتے ہیں۔ہم اپنے عملے خصوصاً براہِ راست صارفین کوسہولیات فراہم کرنے والوں کی انتقک محنت اورکگن کے بھی معترف ہیں جنہوں نے اس مشکل وقت میں بلاتعطل خد مات کی فراہمی کولیٹنی بنایا۔

و تخط خورشيد ظفر قائم مقام صدرو چيف ايگزيکي و روْآف وْارْ يکمْرز راولپينڈي 12اگست. 2021



KPMG Taseer Hadi & Co. Chartered Accountants Sixth Floor, State Life Building, Blue Area Islamabad, Pakistan Telephone 92 (51) 282 3558, Fax 92 (51) 282 2671

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Askari Bank Limited ("the Bank") Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of the Bank as at 30 June 2021 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows. and notes to the financial statements for the six— month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this 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 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 is not prepared. in all material respects. in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for the unconsolidated condensed interim statement of profit or loss account and unconsolidated condensed interim statement of comprehensive income for the quarter ended 30 June 2021 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 M.Rehan Chughtai.

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Chartered Accountants

Islamabad

Date: 30 August, 2021

Unconsolidated Condensed Interim Statement of Financial Position As at June 30, 2021

		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
	Note	(Rupees	in '000)
ASSETS			
Cash and balances with treasury banks	6	91,563,154	73,651,718
Balances with other banks	7	6,017,584	7,954,288
Lendings to financial institutions	8	-	-
Investments	9	529,618,065	449,687,240
Advances	10	430,283,817	395,373,840
Fixed assets	11	20,380,511	21,213,709
Intangible assets	12	1,172,890	1,143,146
Deferred tax assets	13	2,008,543	1,623,001
Other assets	14	42,024,762	41,870,120
		1,123,069,326	992,517,062
LIABILITIES			
Bills payable	15	12,626,961	12,629,996
Borrowings	16	78,313,481	84,163,669
Deposits and other accounts	17	926,924,599	791,186,883
Liabilities against assets subject to finance lease		-	-
Subordinated debts	18	12,000,000	12,000,000
Deferred tax liabilities	13	-	-
Other liabilities	19	38,967,407	37,990,164
		1,068,832,448	937,970,712
NET ASSETS		54,236,878	54,546,350
REPRESENTED BY			
Share capital		12,602,602	12,602,602
Reserves		31,324,858	25,632,015
Surplus on revaluation of assets - net of tax	20	6,942,958	7,637,784
Unappropriated profit		3,366,460	8,673,949
		54,236,878	54,546,350

CONTINGENCIES AND COMMITMENTS

The annexed notes 1 to 38 form an integral part of these unconsolidated condensed interim financial statements.

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CFO	A/President & CE	Director	Director	Chairman
		9		

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)

For the half year ended June 30, 2021

		For the quart	er ended	For the half ye	ear ended
	-	June 30,	June 30,	June 30,	June 30,
		2021	2020	2021	2020
	Note	(Rupees ii	า '000)	(Rupees in	(000' ר
Mark-up / return / interest earned	23	18,368,675	21,175,265	35,430,806	43,243,571
Mark-up / return / interest expensed	24	10,196,028	12,600,146	19,648,177	28,827,271
Net mark-up / interest income	_	8,172,647	8,575,119	15,782,629	14,416,300
Non mark-up / interest income					
Fee and commission income	25	1,005,827	651,736	2,022,855	1,508,826
Dividend income		106,371	57,786	193,479	122,347
Foreign exchange income		788,604	806,683	1,439,460	1,184,196
Income / (loss) from derivatives		-	-	-	-
Gain on securities	26	48,096	826,208	790,539	1,391,749
Other income	27	111,473	64,864	209,064	146,539
Total non-markup / interest income	_	2,060,371	2,407,277	4,655,397	4,353,657
Total income		10,233,018	10,982,396	20,438,026	18,769,957
Non mark-up / interest expenses					
Operating expenses	28	5,015,491	5,183,910	10,889,920	9,951,824
Workers' Welfare Fund		15,899	(18,398)	20,157	26,602
Other charges	29	1,415	11,633	5,611	11,854
Total non-markup / interest expenses	_	5,032,805	5,177,145	10,915,688	9,990,280
Profit before provisions		5,200,213	5,805,251	9,522,338	8,779,677
Provisions and write offs - net	30	2,950,281	714,242	2,780,021	644,312
Extraordinary / unusual items	_		<u>-</u> .	<u>-</u> .	
Profit before taxation		2,249,932	5,091,009	6,742,317	8,135,365
Taxation	31	881,254	1,995,882	2,630,921	3,181,613
Profit after taxation	=	1,368,678	3,095,127	4,111,396	4,953,752
		Rupe	es	Rupe	es
Basic and diluted earnings per share	32	1.09	2.46	3.26	3.93

The annexed notes 1 to 38 form an integral part of these unconsolidated condensed interim financial statements.

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Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For the half year ended June 30, 2021

	For the quart	er ended	For the half ye	ear ended
	June 30,	June 30,	June 30,	June 30,
	2021	2020	2021	2020
	(Rupees in	(000' ח	(Rupees in	n '000)
Profit after taxation for the period	1,368,678	3,095,127	4,111,396	4,953,752
Other comprehensive income / (loss)				
Items that may be reclassified to profit and loss account in subsequent periods:				
Effect of translation of net investment in foreign branch	73,403	21,048	(22,604)	134,281
Movement in surplus / (deficit) on revaluation of				
investments - net of tax	1,246,947	3,165,744	(612,666)	5,317,246
	1,320,350	3,186,792	(635,270)	5,451,527
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement of defined benefit plan - net of tax	28,813	(9,750)	28,813	(9,750)
Movement in surplus on revaluation of operating fixed assets Movement in surplus / (deficit) on revaluation of	61,736	-	61,736	-
non-banking assets - net of tax	(143,896)	(25,495)	(143,896)	(32,495)
	(53,347)	(35,245)	(53,347)	(42,245)
	2,635,681	6,246,674	3,422,779	10,363,034

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Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited) For the half year ended June 30, 2021

		Exchange	Share			Surplus / (deficit)	on revaluation of		
	Share	translation	premium	Statutory	General		Fixed / Non	Un-appropriated	
	capital	reserve	account	reserve	reserve	Investments	banking assets	profit / (loss)	Total
					(Rupees in '00	0)			
Balance as at January 1, 2020	12,602,602	275,169	234,669	10,098,551	8,757,871	(1,534,291)	5,834,717	5,986,556	42,255,844
Total comprehensive income for the half year ended June 30, 2020									
Net profit for the half year ended June 30, 2020	-	-	-	-	-	-	-	4,953,752	4,953,752
Other comprehensive income related to equity	-	134,281	=	=	-	5,317,246	(32,495)	(9,750)	5,409,282
	-	134,281	-	-	-	5,317,246	(32,495)	4,944,002	10,363,034
Transfer to Statutory reserve	-	-	-	990,750	-	-	-	(990,750)	-
Transfer from surplus on revaluation of assets to									
unappropriated profit - net of tax	-	-	-	-	-	-	-	33,510	33,510
Transfer to General reserve	-	-	-	-	4,096,166	-	-	(4,096,166)	-
Transaction with owners, recorded directly in equity									
Final dividend 2019: Rs. 1.5 per share				<u> </u>	<u> </u>	-	-	(1,890,390)	(1,890,390)
Balance as at June 30, 2020	12,602,602	409,450	234,669	11,089,301	12,854,037	3,782,955	5,802,222	3,986,762	50,761,998
Total comprehensive income for the six months ended December 31, 2020									
Net profit for the six months ended December 31, 2020	-	-	-	-	-	-	-	5,846,623	5,846,623
Other comprehensive income related to equity	-	(124,767)	-	-	-	(3,732,323)	1,784,930	(35,176)	(2,107,336)
	-	(124,767)	-	=	-	(3,732,323)	1,784,930	5,811,447	3,739,287
Transfer to Statutory reserve	-	-	-	1,169,325	-	-	-	(1,169,325)	-
Transfer from surplus on revaluation of assets to									
unappropriated profit - net of tax	-	-	-	-	-	-	-	45,065	45,065
Balance as at December 31, 2020	12,602,602	284,683	234,669	12,258,626	12,854,037	50,632	7,587,152	8,673,949	54,546,350
Total comprehensive income for half year ended June 30, 2021									
Net profit for the half year ended June 30, 2021	-	-	-	-	-	-	-	4,111,396	4,111,396
Other comprehensive income related to equity	-	(22,604)	-	-	-	(612,666)	(82,160)	28,813	(688,617)
	-	(22,604)	-	=	-	(612,666)	(82,160)	4,140,209	3,422,779
Transfer to Statutory reserve	-	-	-	822,279	-	-	-	(822,279)	-
Transfer from surplus on revaluation of asset to unappropriated profit - net of tax	_	_	-	-	_	-	-	48,530	48,530
Transfer to General reserve	-	-	-	-	4,893,168	-	-	(4,893,168)	-
Transaction with owners, recorded directly in equity								, , , ,	
Final dividend 2020: Rs. 3 per share		<u> </u>	<u> </u>	<u>-</u>				(3,780,781)	(3,780,781)
Balance as at June 30, 2021	12,602,602	262,079	234,669	13,080,905	17,747,205	(562,034)	7,504,992	3,366,460	54,236,878

The annexed notes 1 to 38 form an integral part of these unconsolidated condensed interim financial statements.

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Unconsolidated Condensed Interim Cash Flow Statement (Un-audited) For the half year ended June 30, 2021

		For the helf ve	ar ended
	-	For the half ye June 30,	June 30,
		2021	2020
	Note	(Rupees in	n '000)
Cash flow from operating activities			
Profit before taxation		6,742,317	8,135,365
Less: dividend income	-	(193,479)	(122,347)
Adjustments:		6,548,838	8,013,018
Depreciation	Г	502,759	561,443
Depreciation on right of use assets		746,863	698,610
Amortization		110,515	112,427
Mark-up expense on lease liability against right of use assets		456,444	440,565
Termination of lease contracts under IFRS - 16 Leases		(2,807)	(2,287)
Charge for defined benefit plan		203,938	171,760
Provisions and write offs - net	30	2,843,605	684,741
Unrealised gain on held for trading securities		- (45,000)	(1,002)
Gain on sale of non - banking assets Gain on sale of fixed assets		(15,000)	- (2.700)
Gain on sale of fixed assets	L	(5,067) 4,841,250	(3,709) 2,662,548
	-	11,390,088	10,675,566
(Increase) / decrease in operating assets	_		· · ·
Lendings to financial institutions		-	14,075,190
Held for trading securities		-	(98,785)
Advances		(37,431,578)	(34,839,907)
Other assets (excluding advance taxation)		332,989	(3,934,726)
Increase / (decrease) in operating liabilities		(37,098,589)	(24,798,228)
Bills payable	Γ	(3,035)	3,008,733
Borrowings from financial institutions		(5,850,188)	38,063,105
Deposits		135,737,716	54,788,166
Other liabilities (excluding current taxation)		1,243,202	1,209,022
, , , , , , , , , , , , , , , , , , ,	<u> </u>	131,127,695	97,069,026
	-	105,419,194	82,946,364
Payment made to defined benefit plan		(310,314)	-
Income tax paid		(3,246,727)	(2,434,129)
Net cash flow generated from operating activities	-	101,862,153	80,512,235
Cash flow from investing activities			
Net investments in available for sale securities	Γ	(54,607,197)	(81,786,409)
Net investments in held to maturity securities		(26,256,576)	(8,656,151)
Dividend received		160,553	108,761
Investments in operating fixed assets		(520,827)	(518,551)
Investments in intangible assets		(139,662)	(316,458)
Proceeds from sale of fixed assets		9,938	6,921
Effect of translation of net investment in foreign branch	_	(22,604)	134,281
Net cash flow used in investing activities		(81,376,375)	(91,027,606)
Cash flow from financing activities			
Receipt of subordinated debts - net	Ţ	-	5,999,200
Payments against lease liabilities		(779,573)	(719,407)
Dividend paid		(3,731,479)	(1,868,885)
Net cash flow (used in) / generated from financing activities	_	(4,511,052)	3,410,908
Increase / (Decrease) in cash and cash equivalents	-	15,974,726	(7,104,463)
Cash and cash equivalents at beginning of the period		81,606,012	77,256,780
Cash and cash equivalents at end of the period	- -	97,580,738	70,152,317
The annexed notes 1 to 38 form an integral part of these unconsolidated condensed interi	- m financial stateme	ents.	

-sdCFO
A/President & CE
Director
Director
Director
Chairman

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

1. STATUS AND NATURE OF BUSINESS

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF), Fauji Fertilizer Company Limited (FFCL) and Fauji Fertilizer Bin Qasim Limited (FFBL) collectively owned 71.91 percent shares (December 2020: 71.91 percent sharfes) of the Bank as on June 30, 2021. The ultimate parent of the Bank is Fauji Foundation. The Bank has 537 branches (December 2020: 537 branches); 536 in Pakistan and Azad Jammu and Kashmir (including 95 (December 2020: 95) Islamic Banking branches and 49 (December 2020: 49) sub-branches) and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 BASIS OF PREPARATION

- 2.1.1 These unconsolidated condensed interim financial statements represent separate financial statements of Askari Bank Limited. The consolidated condensed interim financial statements of the Group are being issued separately
- 2.1.2 The unconsolidated condensed interim financial statements are presented in Pak Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand.
- 2.1.3 These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of fixed assets and non-banking assets acquired in satisfaction of claims are stated at revalued amounts and certain investments have been marked to market and are carried at fair value. In addition, obligations in respect of staff retirement benefits are carried at present value.

2.2 STATEMENT OF COMPLIANCE

- 2.2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards comprise of:
 - International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the 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.

- 2.2.2 The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Additionally, the SBP vide BPRD Circular Letter No. 24 of 2021 dated July 5, 2021 has deferred the applicability of IFRS 9 to banks to accounting periods beginning on or after January 1, 2022. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements.
- 2.2.3 The SECP vide its notification SRO 633 (I)/2014 dated 10 July 2014, adopted IFRS 10 effective from the periods starting from June 30,2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.
- 2.2.4 These unconsolidated condensed interim financial statements have been presented in accordance with the requirements of format prescribed by SBP vide BPRD Circular Letter No. 5 dated March 22, 2020 and International Accounting Standard 34 'Interim Financial Reporting' and do not include all the information and disclosures required in the audited annual unconsolidated financial statements, and should be read in conjunction with the audited annual unconsolidated financial statements of the Bank for the financial year ended December 31, 2020.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual unconsolidated financial statements of the Bank for the year ended December 31, 2020.

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2021 but are considered not to be relevant or do not have any significant effect on the Bank's operations and are therefore not detailed in these unconsolidated condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting and reporting standards that are not yet effective

As per the SBP's BPRD Circular Letter no.24 dated July 5, 2021, the applicability of IFRS 9 to banks in Pakistan has been deferred to accounting periods beginning on or after January 1, 2022. The impact of application of IFRS 9 in Pakistan on Bank's financial statements is being assessed and implementation guidelines are awaited.

There are various other standards, interpretations and amendments to accounting standards as applicable in Pakistan that are not yet effective in the current period. These are not likely to have material effect on the Bank's financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

5. FINANCIAL RISK MANAGEMENT

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

				(Un-audited) June 30,	(Audited) December 31,
				2021	2020
6.	CASH AND BALANCES WITH TREAS	URY BANKS		Rupees	s in '000
	In hand:				
	Local currency			17,440,611	17,290,446
	Foreign currencies			4,663,710	4,030,731
				22,104,321	21,321,177
	With the State Bank of Pakistan in:			<u> </u>	
	Local currency current accounts			51,815,623	37,199,449
	Foreign currency current accounts			4,263,632	4,513,312
	Foreign currency deposit account			8,102,899	7,501,569
	With National Bank of Pakistan in:			64,182,154	49,214,330
	Local currency current accounts			4,382,835	2,260,681
	Prize bonds			893,844	855,530
	The series			91,563,154	73,651,718
				01,000,101	
7.	BALANCES WITH OTHER BANKS				
	In Pakistan				
	In current accounts			604,544	230,682
	In deposit accounts				151
				604,544	230,833
	Outside Pakistan				
	In current accounts			1,592,643	2,206,020
	In deposit accounts			3,820,420	5,517,441
				5,413,063	7,723,461
	Provision under IFRS 9 related to WBB			(23)	(6)
				6,017,584	7,954,288
8.	LENDINGS TO FINANCIAL INSTITUTION	ONS			
	Purchase under resale arrangement of e	equity securities		148,606	148,606
	Provision held against lending to financia	al institutions		(148,606)	(148,606)
	Lendings to financial institutions - net of	provision		-	
		June 30, 2021	(Un-audited)	December 31,	2020 (Audited)
		Classified lending	Provision held	Classified lending	Provision held
8.1	Category of classification		(Rupees	in '000)	
	Domestic				
	Loss	148,606	148,606	148,606	148,606

		Cost /	June 30, 2021 Provision for		Cornina	Cost /	December 31, 2 Provision for		Cornina
		amortized cost	diminution	Surplus / (deficit)	Carrying value (Rupees	amortized cost in '000)	diminution	Surplus / (deficit)	Carrying value
l	Investments by type:				(1 tapooc				
	Available for sale securities								
	Federal Government Securities	390,212,719	(30,528)	(1,560,721)	388,621,470	335,378,424	(31,877)	(525,781)	334,820,
	Shares	4,722,094	(180,901)	313,098	4,854,291	4,696,428	(158,232)	249,169	4,787,
	Units of open end mutual funds Fully paid preference shares	1,405,036 27,314	(140,558) (11,914)	212,448 233	1,476,926 15,633	1,405,036 27,314	(140,558) (11,914)	171,942 46,545	1,436 61
	Non Government Debt Securities	10,804,001	(1,391,631)	95,513	9,507,883	11,048,874	(1,422,704)	117,486	9,743
	Foreign securities	474,656	(5,515)	18,062	487,203	482,547	(5,203)	18,534	495
	· ·	407,645,820	(1,761,047)	(921,367)	404,963,406	353,038,623	(1,770,488)	77,895	351,346
	Held to maturity securities								
	Federal Government Securities	121,327,374	(123,297)	-	121,204,077	95,034,902	(116,957)	-	94,917
	Non Government Debt Securities	110,000	(110,000)	-	-	110,000	(110,000)	-	
	Foreign securities	3,340,888	(55,925)	-	3,284,963	3,376,784	(85,070)	-	3,291
	Subsidiary	124,778,262	(289,222)	-	124,489,040	98,521,686	(312,027)	-	98,209
	Askari Securities Limited Total investments	165,619 532,589,701	(2,050,269)	(921,367)	165,619 529,618,065	165,619 451,725,928	(34,068) (2,116,583)	- 77,895	131 449,687
		,,	(-,)	(,501)		,. 20,020	(-, ,)		
							-	(Un-audited) June 30,	(Audite
								2021	2020
1	Investments given as collateral							(Rupees	in '000)
	-							, ,	•
	The market value of investments given a	as collateral is as follow	s:						
	The market value of investments given a Market Treasury Bills	as collateral is as follow	rs:					-	13,715
	Market Treasury Bills Pakistan Investment Bonds	as collateral is as follow	s:					- 8,977,154	7,005
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds	as collateral is as follow	rs:					8,977,154 4,593,494	7,005 6,442
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds	as collateral is as follow	rs:						7,005 6,442 501
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks	as collateral is as follow	rs:						7,005 6,442 501 973
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds	as collateral is as follow	rs:					4,593,494 - - 6,629,084 170,803	7,005 6,442 501 973 5,069
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks	as collateral is as follow	rs:				- -	4,593,494 - - 6,629,084	7,005 6,442 501 973 5,069
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks		rs:				-	4,593,494 - - 6,629,084 170,803	7,005 6,442 501 973 5,069 191
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve		rs:				-	4,593,494 - - 6,629,084 170,803 20,370,535 2,116,583	7,005 6,442 501 973 5,069 191 33,899
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments		rs:				-	4,593,494 - - 6,629,084 170,803 20,370,535	7,005 6,442 501 973 5,069 191 33,899
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inventional balance Exchange adjustments Charge / (reversals)		rs:				-	4,593,494 - 6,629,084 170,803 20,370,535 2,116,583 (3,618)	7,005 6,442 501 973 5,069 191 33,899
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year	estments	rs:				-	4,593,494 - 6,629,084 170,803 20,370,535 2,116,583 (3,618)	7,005 6,442 501 973 5,069 191 33,899
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inventional balance Exchange adjustments Charge / (reversals)	estments	rs:				-	4,593,494 - - 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221)	7,005 6,442 501 973 5,069 191 33,899 3,554 5
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 relations	estments	rs:				=	4,593,494 - 6,629,084 170,803 20,370,535 2,116,583 (3,618)	7,005 6,442 501 973 5,069 191 33,899 3,554 5
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related Reversals for the period / year	estments	rs:				=	4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141)	7,005 6,442 501 973 5,069 191 33,899 3,554 5 6 41 (82 465
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related to the period / year Net charge for the period / year	restments	rs:				-	4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141) (59,691)	7,005 6,442 501 973 5,069 191 33,899 3,554 5 506 41 (82 465
1	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related Reversals for the period / year Net charge for the period / year Reversal on disposals	restments	rs:				- -	4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141) (59,691)	7,005 6,442 501 973 5,069 191 33,899 3,554 5 641 (82 465 (1,943
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related Reversals for the period / year Net charge for the period / year Reversal on disposals Transfer of provision against assets held	estments Ited to WBB	rs:					4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141) (59,691) (3,005)	13,715 7,005 6,442 501 973 5,069 191 33,899 3,554 5 506 41 (82 465 (1,943 34
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related Reversals for the period / year Net charge for the period / year Reversal on disposals Transfer of provision against assets held Closing balance	estments Ited to WBB	rs:			June 30, 2021	, , , , , , , , , , , , , , , , , , ,	4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141) (59,691) (3,005) - 2,050,269 December 31, 2	7,005 6,442 501 973 5,069 191 33,899 3,554 5 6 41 (82 465 (1,943 34
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related Reversals for the period / year Net charge for the period / year Reversal on disposals Transfer of provision against assets held Closing balance	estments Ited to WBB	rs:			Non performing		4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141) (59,691) (3,005) - 2,050,269 December 31, 2 Non performing	7,005 6,442 501 973 5,069 191 33,899 3,554 5 641 (82 465 (1,943 34 2,116
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related Reversals for the period / year Net charge for the period / year Reversal on disposals Transfer of provision against assets held Closing balance	estments Ited to WBB	rs:			Non performing investments	, , , , , , , , , , , , , , , , , , ,	4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141) (59,691) (3,005) - 2,050,269 December 31, 2 Non performing investments	7,005 6,442 501 973 5,069 191 33,899 3,554 5 6 41 (82 465 (1,943 34
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related Reversals for the period / year Net charge for the period / year Reversal on disposals Transfer of provision against assets held Closing balance	estments Ited to WBB	rs:			Non performing		4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141) (59,691) (3,005) - 2,050,269 December 31, 2 Non performing investments (NPI)	7,005 6,442 501 973 5,069 191 33,899 3,554 5 6 41 (82 465 (1,943 34 2,116
	Market Treasury Bills Pakistan Investment Bonds Euro Bonds Bahrain International Bonds Turkish Sukuks Ijarah Sukuks Shares Provision for diminution in value of inve Opening balance Exchange adjustments Charge / (reversals) Charge for the period / year (Reversal) / provision under IFRS 9 related Reversals for the period / year Net charge for the period / year Reversal on disposals Transfer of provision against assets held Closing balance	estments Ited to WBB	rs:			Non performing investments	Provision	4,593,494 6,629,084 170,803 20,370,535 2,116,583 (3,618) 25,671 (20,221) (65,141) (59,691) (3,005) - 2,050,269 December 31, 2 Non performing investments (NPI)	7,005 6,442 501 973 5,069 191 33,899 3,554 5 641 (82 465 (1,943 34 2,116

^{9.2.3} In addition to the above, Bahrain Branch of the Bank holds general provision of Rs. 215,265 thousand (December 31, 2020: Rs 239,107 thousand) against investment in accordance with ECL requirements of IFRS 9.

^{9.3} Market value of held to maturity securities other than classified investments as at June 30, 2021 is Rs. 129,782,040 thousand (December 31, 2020: Rs. 104,630,207 thousand).

10.3

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

		Perform	ning	Non Performing		Total	
		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
		June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
10.	ADVANCES	2021	2020	2021	2020	2021	2020
				(Rupees	s in '000)		
	Loans, cash credits, running finances, etc.	340,803,895	310,114,350	27,903,816	25,666,137	368,707,711	335,780,487
	Islamic financing and related assets	66,453,103	62,691,358	2,610,675	2,684,267	69,063,778	65,375,625
	Bills discounted and purchased	21,288,174	20,603,372	191,805	60,406	21,479,979	20,663,778
	Advances - gross	428,545,172	393,409,080	30,706,296	28,410,810	459,251,468	421,819,890
	Provision against advances						
	- Specific	-	-	(27,337,997)	(24,820,923)	(27,337,997)	
	- General	(1,629,654)	(1,625,127)			(1,629,654)	
		(1,629,654)	(1,625,127)	(27,337,997)	(24,820,923)	(28,967,651)	(26,446,050)
	Advances - net of provision	426,915,518	391,783,953	3,368,299	3,589,887	430,283,817	395,373,840
						(Un-audited)	(Audited)
						June 30,	December 31,
						2021	2020
10.1	Particulars of advances (Gross)					(Rupees ir	ר'000)
	In local currency					434,166,569	398,239,110
	In foreign currencies					25,084,899	23,580,780
						459,251,468	421,819,890
10.2	Advances include Rs. 30,706,296 thousand (December 31, 2020: Rs. 28,410,810 thousand) which have been placed	d under non-performir	ng status as detaile	ed below:			

	June 30, 2021 (Un-audited)			December 31, 2020 (Audited)	
Category of classification	Non Performing	Provision	Non Performing	Provision	
	loans		loans		
Domestic		(Rupees in '000)			
Other Assets Especially Mentioned - note 10.2.1	1,343,103	899	1,406,324	-	
Substandard	666,765	144,828	480,927	63,119	
Doubtful	1,197,436	370,463	1,956,085	766,400	
Loss	27,498,992	26,821,807	24,567,474	23,991,404	
	30,706,296	27,337,997	28,410,810	24,820,923	
Doubtful	1,197,436 27,498,992	370,463 26,821,807	1,956,085 24,567,474	766,400 23,991,404	

10.2.1 This represents classification for Agricultural, Mortgage and Small Entities finances.

Particulars of provision against advances	June 30, 2021 (Un-audited)				December 31, 2020 (Audited)			
	Specific	General	Consumer	Total	Specific	General	Consumer	Total
		(note 10.3.1)	financing-General				financing-General	
				(Rupees	in '000)			
Opening balance	24,820,923	909,101	716,026	26,446,050	24,408,056	584,145	642,747	25,634,948
Exchange adjustment	-	(2,870)	-	(2,870)	-	9,287	-	9,287
Charge for the period / year	3,298,070	37,124	27,200	3,362,394	2,249,576	421,751	122,415	2,793,742
Reversal of provision under IFRS 9 related to WBB	-	(34,723)	-	(34,723)	-	(83,906)	-	(83,906)
Reversal for the period / year	(780,787)	(850)	(21,354)	(802,991)	(1,010,054)	(22,176)	(49,136)	(1,081,366)
	2,517,283	1,551	5,846	2,524,680	1,239,522	315,669	73,279	1,628,470
Amounts written off	(209)	-	-	(209)	(748,426)	-	-	(748,426)
Amounts charged off- agriculture financing				<u> </u>	(78,229)	-	-	(78,229)
Closing balance	27,337,997	907,782	721,872	28,967,651	24,820,923	909,101	716,026	26,446,050

- 10.3.1 General provision includes Rs 374,851 thousand (December 31, 2020: Rs 374,319 thousand) due to deferment / restructuring & rescheduling relief allowed by SBP.
- 10.3.2 The net FSV benefit already availed has increased by Rs. 152,888 thousand, which has resulted in reduction in charge for specific provision for the year by the same amount. Had the FSV benefit not increased, before and after tax profit for the year would have been lower by Rs. 152,888 thousand (2020: higher by Rs. 71,514 thousand) and Rs. 93,262 thousand (2020: Rs.46,484 thousand) respectively. Further, at June 30, 2021, cumulative net of tax benefit availed for Forced Sales Value (FSV) was Rs. 547,826 thousand (December 31, 2020: Rs. 484,372 thousand) under BSD circular No. 1 of 2011 dated October 21, 2011. Reserves and un-appropriated profit to that extent are not available for distribution by way of cash or stock dividend.

		(Un-audited) June 30,	(Audited) December 31,
		2021	2020
11.	FIXED ASSETS	(Rupees	in '000)
	Capital work-in-progress - note 11.1 Property and equipment Right of use assets	149,179 13,624,905 6,606,427 20,380,511	164,343 13,647,546 7,401,820 21,213,709
11.1	This represents advances to suppliers and contractors.		
		(Un-au	dited)
		Period ended	Period ended
		June 30, 2021	June 30, 2020
11.2	Additions to fixed assets	(Rupees	in '000)
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress	35,955	58,002
	Property and equipment		
	Land - freehold	137,350	- '
	Building on leasehold	1,103	-
	Renovation of premises	77,775	98,673
	Furniture, fixtures and office equipment	78,381	160,671
	Carpets Machine and equipment	7,051 94,157	11,812 92,447
	Computer equipment	79,458	80,783
	Vehicles	9,597	16,163
		484,872	460,549
	Right of use assets	113,094	856,268
	Total	633,921	1,374,819
11.3	Disposal of fixed assets	_	
	The net book value of fixed assets disposed off during the period is as follows:		
	Description of countries	570	0
	Renovation of premises Furniture, fixtures and office equipment	579 2,207	2 1,992
	Carpets	2,207 589	627
	Machine and equipment	1,377	556
	Computer equipment	51	35
	Vehicles	68_	
	Total	4,871	3,212
		(Un-audited)	(Audited)
		June 30, 2021	December 31, 2020
12.	INTANGIBLE ASSETS	(Rupees	in '000)
	Computer Software	794,982	777,695
	Less: Provision against intangibles	(2,544)	(4,660)
		792,438	773,035
	Capital work-in-progress	380,452	370,111
		1,172,890	1,143,146

		(Un-audited)	
		Period ended June 30,	Period ended June 30,
12.1	Additions to intangible assets	2021 (Rupees i	2020 n.'000)
12.1	Additions to intangible assets	(Nupees ii	11 000)
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress	92,719	164,930
	Directly purchased	46,943	151,528
	Total =	139,662	316,458
		(Un-audited)	(Audited)
	-	June 30,	December 31,
		2021	2020
13.	DEFERRED TAX ASSETS	(Rupees i	n '000)
	Deductible Temporary Differences on		
	- Post retirement employee benefits	15,740	34,162
	- Accelerated tax depreciation	59,069	48,095
	- Deficit on revaluation of investments	359,333	
	- Provision against advances, off balance sheet	1,608,020	1,568,007
	Taxable Temporary Differences on	2,042,162	1,650,264
	- Surplus on revaluation of non-banking assets	(33,619)	
	- Surplus on revaluation of investments	(55,515)	(27,263)
		(33,619)	(27,200)
		2,008,543	1,623,001
14.	OTHER ASSETS		
	Income / Mark-up accrued in local currency - net of provision	17,777,827	17,403,537
	Income / Mark-up accrued in foreign currencies	556,132	558,371
	Advances, deposits, advance rent and other prepayments	436,173	440,767
	Advance taxation (payments less provisions)	6,654,283	6,089,464
	Non banking assets acquired in satisfaction of claims	2,090,616	2,426,242
	Stationary and stamps in hand Dividend receivable	92,373 40,291	99,829 7,365
	Acceptances	11,251,519	11,829,891
	Others	1,002,468	781,460
	_	39,901,682	39,636,926
	Provision held against other assets - note 14.1	(209,615)	(209,778)
	Other assets - net of provision	39,692,067	39,427,148
	Surplus on revaluation of non-banking assets		
	acquired in satisfaction of claims	2,332,695	2,442,972
	Other assets - total	42,024,762	41,870,120
14.1	Provision held against other assets		
	Advances, deposits, advance rent and other prepayments	4,838	4,838
	Suspense account	34,520	34,520
	Stationery and stamps in hand	2,285	2,285
	Others	167,972	168,135
	-	209,615	209,778

1 01 110	Than your onded durie oo, 2	.021				(Un-audited)	(Audited)
						June 30,	December 31,
						2021	2020
14.1.1	Movement in provision h	eld against other	assets				s in '000)
	Opening balance					209,778	238,089
	Charge for the period / year					272	314
	Reversals for the period / y					(435)	(637)
	Net charge / (reversal) for	the period / year				(163)	(323)
	Reversal on disposal Amount written off / adjusti	manta				-	(15,952) (12,036)
	Closing balance	ments				209,615	209,778
45	_						=======================================
15.	BILLS PAYABLE In Pakistan					12,626,961	12,629,996
16.	BORROWINGS					,,	,,
	Secured						
	Borrowings from the State	Bank of Pakistan u	nder:				
	Export refinance scheme	е				18,592,189	16,903,776
	Long term financing facil	•				9,056,831	8,499,073
	Financing facility for stor	•	produce			65,492	76,399
	Renewable energy finan Refinance from SBP	cing facility				2,476,669	579,231
	Credit guarantee schei	me for women entre	epreneurs			1,070	1,568
	Payment of wages and		spronouro			10,895,965	12,583,566
	Temporary economic r					2,497,555	-
	Modernisation of SME					11,375	-
	Combating COVID - 19	9				248,769	-
	Danimahara amaranantha					43,845,915	38,643,613
	Repurchase agreement bo State Bank of Pakistan	orrowings				9,000,000	7,000,000
	Financial institutions					8,450,695	23,042,628
	i mandai msututions					17,450,695	30,042,628
	Refinance from Pakistan M	/lortgage Refinance	Company			2,388,105	1,923,886
	Total secured					63,684,715	70,610,127
	Unsecured						
	Call borrowings					8,256,244	10,276,937
	Financial institutions					866,490	3,276,605
	Bai Muajjal Payable					5,506,032	-
	Total unsecured					14,628,766	13,553,542
						78,313,481	84,163,669
		luna 1	20 2024 (Up au	ditad)	Dagon		
		In local	30, 2021 (Un-aud In foreign	Total	In local	nber 31, 2020 (Au In foreign	Total
		currency	currencies	Total	currency	currencies	Total
17.	DEPOSITS AND OTHER	canoncy	carronece	(Rupees		Garreness	
.,,	ACCOUNTS			(1.144000	555)		
	Customers						
	Current deposits	276,487,604	23,860,988	300,348,592	228,444,308	21,780,570	250,224,878
	Savings deposits	435,235,841	47,322,406	482,558,247	388,092,120	48,085,995	436,178,115
	Fixed deposits	120,700,946	13,218,999	133,919,945	90,069,109	7,058,608	97,127,717
		832,424,391	84,402,393	916,826,784	706,605,537	76,925,173	783,530,710
	Financial institutions						
	Current deposits	1,366,224	23,943	1,390,167	1,178,086	54,187	1,232,273
	Savings deposits	1,881,319	-	1,881,319	1,253,900	-	1,253,900
	Fixed deposits	6,826,329	-	6,826,329	5,170,000	-	5,170,000
		10,073,872	23,943	10,097,815	7,601,986	54,187	7,656,173
		842,498,263	84,426,336	926,924,599	714,207,523	76,979,360	791,186,883
				21			

Loss absorption clause

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
18.	SUBORDINATED DEBTS	(Rupees	in '000)
	Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000
	Term Finance Certificates - VII	6,000,000	6,000,000
		12,000,000	12,000,000

18.1 The Bank has raised unsecured sub-ordinated loans through issuance of Term Finance Certificates to improve the Bank's capital adequacy. Liability to the TFC holders is subordinated to and rank inferior to all other indebtedness of the Bank including deposits and is not redeemable before maturity without prior approval of the SBP. The salient features of outstanding issues are as follows:

	Term Finance Certificates - VI (ADT-1)	Term Finance Certificates - VII
Outstanding amount -	6,000,000	6,000,000
Rupees in '000		
Issue amount	Rupees 6,000 million	Rupees 6,000 million
Issue date	July 03, 2018	March 17, 2020
Maturity date	Perpetual	March 16, 2030
Rating	AA-	AA
Security	Unsecured	Unsecured
Listing	Listed	Listed
Profit payment frequency	Payable six monthly	Payable quarterly
Redemption	Perpetual	109-120th month: 100%
Profit rate	Base Rate plus 1.50%	Base Rate plus 1.20%
	Base Rate is the simple average of the ask rate of	Base Rate is the simple average of the

six month KIBOR prevailing on the base rate setting

Call option Exercisable after 60 months from the date of issue subject to approval by the SBP.

Payment of profit will be subject to the condition that Lock-in-clause such payment will not result in breach of the Bank's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the noncummulative features will subject these TFCs to mandatory conversion into common shares / write

off at the discretion of SBP.

The Instrument will be subject to loss absorption and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer 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 Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger event as declared by SBP, subject to a specified cap.

Excercisable after 60th month from the date of issue

Base Rate is the simple average of the ask rate of three

month KIBOR prevailing on the base rate setting date.

subject to approval by the SBP.

Requirement or Capital Adequacy Ratio.

As per the lock-in requirement for Tier II Issues, neither profit nor principal will be payable (even at maturity) in respect of the TFC, if such payment will result in a shortfall or increase in an existing shortfall in the Bank's Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio. That is, any payment (profit and/or principal) in respect of the TFC would be made, subject to the Bank being in compliance with the requirement of Leverage Ratio or Minimum Capital

As per Loss Absorbency Clause requirement for Tier II capital purpose, the instrument will be subject to loss absorbency and/or any other requirements under SBP's instructions on the subject. Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular # 6 of 2013, 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 TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP subject to a cap of 245,042,630 shares.

		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
19.	OTHER LIABILITIES	(Rupees	in '000)
	Mark-up / Return / Interest payable in local currency	3,304,880	3,793,829
	Mark-up / Return / Interest payable in foreign currencies	188,180	217,522
	Unearned commission and income on bills discounted	1,698,062	1,726,572
	Accrued expenses	3,546,568	2,955,844
	Advance payments	358,148	349,092
	Acceptances	11,251,519	11,829,891
	Dividends payable	206,741	157,439
	Mark to market loss on forward foreign exchange contracts - net	600,600	228,034
	Branch adjustment account	1,197,871	753,774
	Payable to defined benefit plan	87,743	310,314
	Security deposit against lease / Ijarah financing	4,264,350	4,169,840
	Levies and taxes payable	238,285	381,105
	Workers' Welfare Fund	235,256	215,099
	Switch fee payable	759,447	665,449
	Provision against off-balance sheet obligations - note 19.1	481,233	100,356
	Lease liability against ROU assets as per IFRS - 16 Leases	7,720,274	8,223,995
	Islamic pool management reserve - note 19.2	30,154	-
	Others	2,798,096	1,912,009
		38,967,407	37,990,164
19.1	Provision against off-balance sheet obligations		
	Opening balance	100,356	101,154
	Exchange adjustment	(1)	49
	Charge for the period / year	380,878	-
	Reversal for the period / year	-	(847)
	Net charge / (reversal) for the period / year	380,878	(847)
	Closing balance	481,233	100,356
	Glosing balance	401,200	100,000
19.2	This includes equity portion of profit equalisation reserve amounting to 2020: Nil) which has been presented as reserve in note 37.	Rs 15,077 thousa	ands (December
		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
20.	SURPLUS ON REVALUATION OF ASSETS - NET OF TAX	(Rupees	
	Surplus / (deficit) on revaluation of:		,
	- Available for sale securities	(921,367)	77,895
	- Fixed Assets	5,205,916	5,144,180
	- Non-banking assets acquired in satisfaction of claims	2,332,695	2,442,972
	- Non-banking assets acquired in satisfaction of claims	6,617,244	7,665,047
	Deferred tax (liability) / asset on surplus / (deficit) on revaluation of:	. ,	. ,
	- Non-banking assets acquired in satisfaction of claims	(33,619)	
	- Available for sale securities	359,333	(27,263)
	, trailable for sale securities	325,714	(27,263)
		6,942,958	7,637,784

		(Un-audited) June 30, 2021	(Audited) December 31, 2020
21	CONTINGENCIES AND COMMITMENTS	(Rupees	in '000)
	- Guarantees - note 21.1 - Commitments - note 21.2 - Other contingent liabilities - note 21.3	256,330,234 408,822,161 723,200 665,875,595	220,222,941 412,616,066 724,374 633,563,381
21.1	Guarantees		
	Financial guarantees Performance guarantees Other guarantees	5,303,399 146,407,013 104,619,822 256,330,234	9,952,617 138,751,395 71,518,929 220,222,941
21.2	Commitments		
	Documentary credits and short-term trade-related transactions - letters of credit Commitments in respect of:	201,402,989	159,457,683
	Commitments in respect of: - forward foreign exchange contracts - note 21.2.1 - forward government securities transactions - note 21.2.2 - forward non government securities transactions - note 21.2.3 - forward lending - note 21.2.4 Commitments for acquisition of:	166,642,633 450,000 4,775,000 35,322,280	209,279,794 - - 43,805,613
	- fixed assets - intangible assets	34,799 194,460 408,822,161	34,298 38,678 412,616,066
21.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase Sale	99,431,665 67,210,968 166,642,633	118,889,979 90,389,815 209,279,794
	The above commitments have maturities falling within one year.		
21.2.2	Commitments in respect of forward government securities transactions		
	Purchase	450,000	
21.2.3	Commitments in respect of forward non government securities transactions		
	Purchase	4,775,000	
21.2.4	Commitments in respect of forward lending		
	Forward repurchase agreement lending Undrawn commitments - note 21.2.4.1	17,480,723 17,841,557 35,322,280	30,084,187 13,721,426 43,805,613
21.2.4.1	These represent commitments that are irrevocable because these cannot be withdr without the risk of incurring significant penalty or expense.	awn at the discre	tion of the Bank
		(Un-audited) June 30, 2021	(Audited) December 31, 2020
21.3	Other contingent liabilities	(Rupees	
21.3.1	These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. The management is of the view that these relate to the normal course of business and are not likely to result in any liability against the Bank	723,200	724,374

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

22. **DERIVATIVE INSTRUMENTS**

The Bank's Treasury and Investment Banking Groups buy and sell derivative instruments such as Forward Exchange Contracts (FECs) and Equity Futures (EFs). These contracts are reported on their fair values at the date of statement of financial position.

Period ended June 30, 2021 20200 2020 2020 2020 2020 2020 2020 2020 2020 2020			(Un-au	dited)
MARK-UP / RETURN / INTEREST EARNED			Period ended	Period ended
2021 2020			June 30,	June 30,
On: Loans and advances Investments 15,480,177 23,139,754 (19,603,639) Lendings to financial institutions 43,915 202,123 (20,212) Balances with banks 3,279 80,742 (21,33) Securities purchased under resale agreements (reverse repo) 145,491 (21,313) VI MARK-UP / RETURN / INTEREST EXPENSED On: 15,906,837 (24,021,920) Borrowings 1,519,528 (2,557,041) Subordinated debts 520,790 (10,21,723) Cost of foreign currency swaps against foreign currency deposits / borrowings 1,244,578 (786,022) Interest expense on lease liability against right of use assets (19,648,177 (28,827,271) 28,827,271 25. FEE AND COMMISSION INCOME 284,924 (29,55,31) Branch banking customer fees 284,924 (29,55,31) Consumer finance related fees 55,365 (50,423) Card related fees (debit and credit cards) 403,010 (36,717) Credit related fees (debit and credit cards) 403,010 (36,717) Credit related fees (Debit and credit cards) 64,457 (63,493) Commission on trade (20,100,100) 400,100 (20,20) Commission on guarentees (20,200,200,200,200,200,200,200,200,200,			2021	
On: Loans and advances Investments 15,480,177 23,139,754 (19,603,639) Lendings to financial institutions 43,915 202,123 (20,212) Balances with banks 3,279 80,742 (21,33) Securities purchased under resale agreements (reverse repo) 145,491 (21,313) VI MARK-UP / RETURN / INTEREST EXPENSED On: 15,906,837 (24,021,920) Borrowings 1,519,528 (2,557,041) Subordinated debts 520,790 (10,21,723) Cost of foreign currency swaps against foreign currency deposits / borrowings 1,244,578 (786,022) Interest expense on lease liability against right of use assets (19,648,177 (28,827,271) 28,827,271 25. FEE AND COMMISSION INCOME 284,924 (29,55,31) Branch banking customer fees 284,924 (29,55,31) Consumer finance related fees 55,365 (50,423) Card related fees (debit and credit cards) 403,010 (36,717) Credit related fees (debit and credit cards) 403,010 (36,717) Credit related fees (Debit and credit cards) 64,457 (63,493) Commission on trade (20,100,100) 400,100 (20,20) Commission on guarentees (20,200,200,200,200,200,200,200,200,200,	23.	MARK-UP / RETURN / INTEREST EARNED	(Rupees	in '000)
Loans and advances 15,480,177 23,139,754 Investments 19,757,944 19,603,639 1,603,639 1,603,639 1,603,639 1,603,639 1,301,731 1			` '	,
Investments			15 400 177	22 120 754
Lendings to financial institutions				
Balances with banks 3,279 80,742 Securities purchased under resale agreements (reverse repo) 145,491 217,313 35,430,806 43,243,571 24. MARK-UP / RETURN / INTEREST EXPENSED Deposits 15,906,837 24,021,920 Borrowings 1,519,528 2,557,041 Subordinated debts 520,790 1,021,723 Cost of foreign currency swaps against foreign currency deposits / borrowings 1,244,578 786,022 Interest expense on lease liability against right of use assets 456,444 440,565 19,648,177 28,827,271 25. FEE AND COMMISSION INCOME 8 284,924 259,531 Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees (debit and credit cards) 401,199 301,901 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including				
Securities purchased under resale agreements (reverse repo) 145,491 313 35,430,806 43,243,571 35,430,806 43,243,571 35,430,806 43,243,571 35,430,806 43,243,571 35,430,806 43,243,571 35,430,806 35,			•	
35,430,806 43,243,571 24. MARK-UP / RETURN / INTEREST EXPENSED Deposits Deposits Deposits Deposits Deposits Subordinated debts Subordinated Mark Subordinated Subordinated Mark Subo				
MARK-UP / RETURN / INTEREST EXPENSED On: 15,906,837 24,021,920 Deposits 1,519,528 2,557,041 Subordinated debts 520,790 1,021,723 Cost of foreign currency swaps against foreign currency deposits / borrowings 1,244,578 786,022 Interest expense on lease liability against right of use assets 456,444 440,565 19,648,177 28,827,271 25. FEE AND COMMISSION INCOME Branch banking customer fees 284,924 259,531 Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 <		Securities purchased under resale agreements (reverse repo)		
On: Deposits 15,906,837 24,021,920 Borrowings 1,519,528 2,557,041 Subordinated debts 520,790 1,021,723 Cost of foreign currency swaps against foreign currency deposits / borrowings 1,244,578 786,022 Interest expense on lease liability against right of use assets 456,444 440,565 19,648,177 28,827,271 25. FEE AND COMMISSION INCOME 284,924 259,531 Consumer finance related fees 55,365 50,423 Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on guarantees 400,1199 301,901 Commission on guarantees 408,510 274,283 Commission on bancassurance 62,546 36,246 Others 34,182 35,858 2,022,855 1,508,826 Others 790,539 1,390,747			33,430,800	43,243,371
Deposits 15,906,837 24,021,920 Borrowings 1,519,528 2,557,041 Subordinated debts 520,790 1,021,723 786,022 Interest expense on lease liability against right of use assets 456,444 440,565 19,648,177 28,827,271 25. FEE AND COMMISSION INCOME	24.	MARK-UP / RETURN / INTEREST EXPENSED		
Deposits 15,906,837 24,021,920 Borrowings 1,519,528 2,557,041 Subordinated debts 520,790 1,021,723 786,022 Interest expense on lease liability against right of use assets 456,444 440,565 19,648,177 28,827,271 25. FEE AND COMMISSION INCOME		On:		
Borrowings		Deposits	15,906,837	24,021,920
Subordinated debts 520,790 1,021,723 Cost of foreign currency swaps against foreign currency deposits / borrowings 1,244,578 786,022 Interest expense on lease liability against right of use assets 456,444 440,565 19,648,177 28,827,271 25. FEE AND COMMISSION INCOME Branch banking customer fees 284,924 259,531 Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 2,022,855 1,508,826 26. GAIN ON SECURITIES 790,539 1,390,747 Unrealised - held for trading - 1,002 790,		·		
Cost of foreign currency swaps against foreign currency deposits / borrowings 1,244,578 786,022 Interest expense on lease liability against right of use assets 456,444 440,565 19,648,177 28,827,271 25. FEE AND COMMISSION INCOME Branch banking customer fees 284,924 259,531 Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees (debit and credit cards) 401,199 301,901 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Commission on bancassurance 62,546 Commission		•		
Interest expense on lease liability against right of use assets 456,444 440,565 19,648,177 28,827,271 28,827,271 25. FEE AND COMMISSION INCOME		Cost of foreign currency swaps against foreign currency deposits		
25. FEE AND COMMISSION INCOME Branch banking customer fees 284,924 259,531 Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,888 2002,855 1,508,826 26. GAIN ON SECURITIES Realised - note 26.1 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 Shares 135,432 113,900 Non Government Securities 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 <			456.444	440.565
Branch banking customer fees 284,924 259,531 Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 2,022,855 1,508,826 26. GAIN ON SECURITIES Realised - note 26.1 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: - Federal Government Securities 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds -				
Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 2,022,855 1,508,826 26. GAIN ON SECURITIES 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: 562,107 1,274,193 Shares 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452	25.	FEE AND COMMISSION INCOME		
Consumer finance related fees 55,365 50,423 Card related fees (debit and credit cards) 403,010 365,717 Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 2,022,855 1,508,826 26. GAIN ON SECURITIES 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: 562,107 1,274,193 Shares 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452		Branch banking customer fees	284 924	259 531
Card related fees (debit and credit cards) 403,010 365,717 Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 2.022,855 1,508,826 26. GAIN ON SECURITIES 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: 562,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452				
Credit related fees 147,558 93,791 Investment banking fees 64,457 63,493 Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 2,022,855 1,508,826 26. GAIN ON SECURITIES Realised - note 26.1 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452				
Investment banking fees		· · · · · · · · · · · · · · · · · · ·		
Commission on trade 401,199 301,901 Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 2,022,855 1,508,826 26. GAIN ON SECURITIES Realised - note 26.1 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: Federal Government Securities 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452				
Commission on guarantees 408,510 274,283 Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 20.022,855 1,508,826 26. GAIN ON SECURITIES Realised - note 26.1 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452		· · · · · · · · · · · · · · · · · · ·		
Commission on remittances including home remittances 161,104 27,403 Commission on bancassurance 62,546 36,426 Others 34,182 35,858 2.022,855 1,508,826 26. GAIN ON SECURITIES Realised - note 26.1 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: Federal Government Securities 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452				
Commission on bancassurance Others 62,546 36,426 35,858 34,182 35,858 20022,855 1,508,826 26. GAIN ON SECURITIES Realised - note 26.1 000 1000 1000 1000 1000 1000 1000 10				
Others 34,182 (2,022,855) (2,022,855) (1,508,826) 26. GAIN ON SECURITIES Realised - note 26.1 (Unrealised - held for trading) (1,002)			•	
2.022,855 1,508,826 26. GAIN ON SECURITIES Realised - note 26.1 790,539 1,390,747 Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: Federal Government Securities Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452				
Realised - note 26.1 Unrealised - held for trading 790,539 1,390,747 26.1 Realised gain on: 790,539 1,391,749 Federal Government Securities Shares 652,107 1,274,193 Non Government Debt Securities Mutual Funds 3,000 202 Mutual Funds - 2,452				
Realised - note 26.1 Unrealised - held for trading 790,539 1,390,747 26.1 Realised gain on: 790,539 1,391,749 Federal Government Securities Shares 652,107 1,274,193 Non Government Debt Securities Mutual Funds 3,000 202 Mutual Funds - 2,452	26	GAIN ON SECURITIES		
Unrealised - held for trading - 1,002 790,539 1,391,749 26.1 Realised gain on: Federal Government Securities 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452	20.	SAIN ON SESSIMILES		
790,539 1,391,749 26.1 Realised gain on: Federal Government Securities 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452			790,539	
Realised gain on: Federal Government Securities 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452		Unrealised - held for trading		
Federal Government Securities 652,107 1,274,193 Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452			790,539	1,391,749
Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452	26.1	Realised gain on:		
Shares 135,432 113,900 Non Government Debt Securities 3,000 202 Mutual Funds - 2,452		Federal Government Securities	652,107	1,274,193
Non Government Debt Securities 3,000 202 Mutual Funds - 2,452		Shares		
		Non Government Debt Securities		
<u>790,539</u> <u>1,390,747</u>		Mutual Funds		2,452
			790,539	1,390,747

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2021

27. OTHER INCOME Period ended June 30 June 3	FOI III	e naii year ended June 30, 2021	(Un-au	idited)
Content Cont				
27. OTHER INCOME (Rupees in 700) Gain on sale of fixed assets 5,067 3,70 Rent of lockers 26,613 21,830 Gain on sale of fixed assets 15,000 5 Recovery of expenses from customers 15,9577 1112,816 Government Grant - foreign branch - 2,807 2,287 2.80 209,064 146,839 28. OPERATING EXPENSES 209,064 146,839 Total compensation expenses - note 28.1 6,808,196 5,526,071 Property expense Rent and taxes 64,950 170,018 Insurance 47,558 52,766 Utilities cost 264,321 285,856 Security (including guards) 248,887 251,804 Repair and maintenance (including janitorial charges) 130,623 123,848 Depreciation on right of use assets 746,883 698,810 Depreciation on right of use assets 223,580 178,3108 Information technology expenses Software maintenance 20,000			June 30,	
Gain on sale of fixed assets 5,067 3,709 Rent of lockers 26,613 21,830 Gain on sale of non banking assets 15,000 5 Recovery of expenses from customers 159,577 112,816 Government Grant - foreign branch 2,807 2,287 Termination of lease contracts 209,064 146,839 28. OPERATING EXPENSES 209,064 146,839 Property expenses 64,950 170,018 18,000 Rent and taxes 64,950 170,018 18,000 170,018 18,000 Insurance 47,558 5,2760 Utilities cost 264,321 285,950 36,801 264,321 285,950 36,801 170,018 18,000 170,018 18,000 170,018 18,000 18,000 170,018 18,000 170,018 18,000 18,000 170,012 18,000 18,000 18,000 18,000 18,000 18,000 18,000 18,000 18,000 18,000 18,000 18,000 17,600 18,000 17,600 </td <td></td> <td></td> <td></td> <td></td>				
Rent of lockers	27.		•	•
Gain on sale of non banking assets 15,000 5 Recovery of expenses from customers 159,577 112,816 Government Grant - foreign branch 2,807 2,287 Termination of lease contracts 208,096 4165,339 28. OPERATING EXPENSES 7 Total compensation expenses - note 28.1 6,808,196 5,526,071 Property expense Rent and taxes 64,950 170,018 Insurance 47,558 22,66,321 285,950 Security (including guards) 248,687 251,804 Repair and maintenance (including janitorial charges) 130,623 69,861 Depreciation on right of use assets 746,863 69,861 Depreciation 1,671,729 1,783,108 Information technology expenses 1,671,729 1,783,108 Amortisation 223,580 17,653 Hardware maintenance 223,580 17,558 Depreciation 27,497 489,237 Other operating expenses 2,965 4,662 6,125 Fees and allowances to Shariah Board			•	
Recovery of expenses from customers 159,577 112,816 Government Grant - foreign branch 2,807 2,807 Termination of lease contracts 2,807 2,287 28. OPERATING EXPENSES Total compensation expenses - note 28.1 6,808,196 5,526,071 Property expense Rent and taxes 64,950 170,018 1,018 6,008,196 5,526,071 Repair and maintenance (including janitorial charges) 246,837 251,804 8,607 223,848 Repair and maintenance (including janitorial charges) 130,623 123,848 10,623 123,848 Depreciation on right of use assets 746,863 69,610 1,671,729 1,781,780 Information technology expenses 223,580 176,538 1,671,729 1,783,108 Hardware maintenance 223,580 175,558 1,652,200 1,75,558 1,652,200 1,75,558 1,744,949 9,2965 3,747 4,92,37 2,92,37 1,242,77 1,242,77 1,242,77 1,242,77 1,242,77 1,242,77 1,242,77 1,242,77				
Covernment Grant - foreign branch 2,807 2,287				_
Termination of lease contracts		· · · · · · · · · · · · · · · · · · ·	159,577	
209.064 146.539 146.539 162.539 170.161 170.018 170.		<u> </u>	-	
Property expenses Final State Final St		Termination of lease contracts		
Property expense Rent and taxes 64,950 170,018 Insurance 47,558 52,766 Utilities cost 264,321 285,950 Security (including guards) 248,687 225,950 Security (including janitorial charges) 130,623 123,848 Depreciation on right of use assets 746,863 698,610 Depreciation on right of use assets 746,863 698,610 Depreciation technology expenses 1,671,729 1,783,108 Information technology expenses 223,580 178,635 Hardware maintenance 223,580 178,635 Hardware maintenance 20,000 17,558 Depreciation 87,496 92,965 Amortisation 110,515 112,427 Network charges 105,280 37,652 Total companies 2,981 2,908 Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 47,474 NIFT clearing charges 36,776 49,364 Repair and maintenance 125,983 131,284 Communications 58,456 47,474 NIFT clearing charges 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 86,360 Security service charges 136,602 116,915 Training and development 2,968 83,316 Charge for defined benefit / contribution plan 363,655 428,758 Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 5,556,071 Charge for defined benefit / contribution plan 5,	28.	OPERATING EXPENSES	209.064	146.539
Rent and taxes		Total compensation expenses - note 28.1	6,808,196	5,526,071
Rent and taxes		Property expense		
Insurance			64.950	170.018
Utilities cost 264,321 285,950 Security (including guards) 248,687 251,802 Repair and maintenance (including janitorial charges) 130,623 123,848 Depreciation on right of use assets 746,863 698,610 Depreciation 1,671,729 1,783,108 Information technology expenses Software maintenance 203,580 178,635 Hardware maintenance 20,600 17,558 Depreciation 87,496 92,965 Amortisation 110,515 112,427 Network charges 547,471 489,237 Other operating expenses Directors' fees, allowances 44,662 6,125 Fees and allowances to Shariah Board 2,981 2,908 Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364			· ·	
Security (including guards)		Utilities cost	· · · · · · · · · · · · · · · · · · ·	1 '
Repair and maintenance (including janitorial charges) 130,623 123,848 Depreciation on right of use assets 746,863 698,610 Depreciation 1,671,729 1,783,108 Information technology expenses Software maintenance 223,580 178,635 Hardware maintenance 20,600 17,558 Depreciation 87,496 92,965 Amortisation 110,515 112,427 Network charges 547,471 489,237 Other operating expenses Directors' fees, allowances 44,662 6,125 Fees and allowances to Shariah Board 2,981 2,908 Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,993 131,284 Communications 238,170 275,894				
Depreciation on right of use assets 746,863 168,727 200,112 1671,729 1,671,635 1,671,635				
Depreciation 168,727 200,112 1,671,729 1,783,108 1,671,729 1,783,108 1,671,729 1,783,108 1,671,729 1,783,108 1,671,729 1,783,108 1,671,729 1,783,108 1,671,729 1,783,108 1,671,729 1,783,108 1,671,729 1,783,108 1,671,729 1,783,108 1,78,635		, , , , , , , , , , , , , , , , , , , ,		
1,671,729 1,783,108 Information technology expenses Software maintenance 223,580 178,635 178,635 Hardware maintenance 20,600 17,558 Depreciation 87,496 92,965 Amortisation 110,515 112,427 Network charges 547,471 489,237 White operating expenses 547,471 White operating expenses 547,471 White operating expenses 547,471 White operating expenses 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 White operating expenses 36,776 40,364 47,474 White operation 415,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 31,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Charge for defined benefit / contribution plan 363,655 428,758 Charge for defined benefit / contribution plan 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,528,071 6,808,196 5,5		· ·	· ·	
Information technology expenses 223,580 178,635 Hardware maintenance 20,600 17,558 Depreciation 87,496 92,965 Amortisation 110,515 112,427 Network charges 547,471 489,237		'		
Software maintenance		Information technology expenses	, ,	, ,
Hardware maintenance 20,600 17,558 Depreciation 87,496 92,965 Amortisation 110,515 112,427 Network charges 105,220 87,652 547,471 489,237			223,580	178,635
Depreciation		Hardware maintenance		
Amortisation Network charges 110,515 105,280 112,427 87,652 Other operating expenses 547,471 489,237 Directors' fees, allowances 44,662 6,125 Fees and allowances to Shariah Board 2,981 2,908 Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 287,490 231,569 Premium paid to D		Depreciation		
Network charges 105,280 87,652 547,471 489,237 Other operating expenses Directors' fees, allowances 44,662 6,125 Fees and allowances to Shariah Board 2,981 2,908 Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to De		·		
Other operating expenses Directors' fees, allowances 44,662 6,125 Fees and allowances to Shariah Board 2,981 2,908 Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,559 Other expenditure 1,862,524		Network charges		
Directors' fees, allowances 44,662 5,125 Fees and allowances to Shariah Board 2,981 2,908 Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses 10,004 10,004 Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		C		
Fees and allowances to Shariah Board 2,981 2,908 Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 1,532,518 457,506 1,862,524 2,153,408 10,889,920 9,951,824 <tr< td=""><td></td><td>Other operating expenses</td><td></td><td></td></tr<>		Other operating expenses		
Rates, taxes, insurance etc. 98,734 104,661 Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses 5,098,631 4,924,875 Charge for defined benefit / contribution plan		Directors' fees, allowances	44,662	6,125
Legal and professional charges 96,919 47,901 Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 10,889,920 9,951,824 28.1 10,889,920 9,951,824 28.2 10,889,920 9,951,824 28.2 10,889,920		Fees and allowances to Shariah Board	2,981	2,908
Travelling, conveyance and entertainment 87,845 114,828 Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439		Rates, taxes, insurance etc.	98,734	104,661
Brokerage and commission 58,458 47,474 NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439		Legal and professional charges	96,919	47,901
NIFT clearing charges 36,776 40,364 Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439		Travelling, conveyance and entertainment	87,845	114,828
Repair and maintenance 125,983 131,284 Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		Brokerage and commission	58,458	47,474
Communications 238,170 275,894 Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439		NIFT clearing charges	36,776	40,364
Stationery and printing 117,538 124,026 Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 Total compensation expenses Managerial remuneration Charge for defined benefit / contribution plan Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		Repair and maintenance	125,983	131,284
Marketing, advertisement and publicity 18,881 42,186 Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		Communications	238,170	275,894
Donations 58,424 112,390 Auditors' remuneration 8,239 10,701 Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		Stationery and printing	117,538	124,026
Auditors' remuneration Depreciation Depreciation Security service charges Training and development Premium paid to Deposit Protection Corporation Other expenditure 28.1 Total compensation expenses Managerial remuneration Charge for defined benefit / contribution plan Other staff cost - note 28.1.1 Auditors' remuneration 246,536 268,366 268,366 298,310 298,310 287,490 231,569 2		Marketing, advertisement and publicity	18,881	42,186
Depreciation 246,536 268,366 Security service charges 136,602 116,915 Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 07,506 1,862,524 2,153,408 10,889,920 9,951,824 10,889,920 1,862,524 2,153,408 1,862,524 1,		Donations	58,424	112,390
Security service charges 136,602 116,915		Auditors' remuneration	8,239	10,701
Training and development 2,968 18,310 Premium paid to Deposit Protection Corporation 287,490 231,569 Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		Depreciation	246,536	268,366
Premium paid to Deposit Protection Corporation Other expenditure 287,490 231,569 457,506 457,506 1,862,524 2,153,408 10,889,920 9,951,824 2,153,408 10,889,920 9,951,824 2,153,408		Security service charges	136,602	116,915
Other expenditure 195,318 457,506 1,862,524 2,153,408 10,889,920 9,951,824 28.1 Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		Training and development	2,968	18,310
Z8.1 Total compensation expenses 1,862,524 2,153,408 Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		Premium paid to Deposit Protection Corporation	287,490	231,569
28.1 Total compensation expenses Managerial remuneration Charge for defined benefit / contribution plan Other staff cost - note 28.1.1 10,889,920 9,951,824 4,924,875 5,098,631 4,924,875 428,758 428,758 6,808,196 5,526,071		Other expenditure	195,318	457,506
Total compensation expenses Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071				2,153,408
Managerial remuneration 5,098,631 4,924,875 Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071			10,889,920	9,951,824
Charge for defined benefit / contribution plan 363,655 428,758 Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071	28.1			
Other staff cost - note 28.1.1 1,345,910 172,439 6,808,196 5,526,071		<u> </u>		
<u>6,808,196</u> <u>5,526,071</u>				
		Other staff cost - note 28.1.1		
	20 1 1	Other staff cost includes incentive to consumer soles staff, dearness all		

28.1.1 Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

29. This represents penalties imposed by the State Bank of Pakistan.

		(Un-au	dited)
		Period ended	Period ended
		June 30,	June 30,
		2021	2020
30.	PROVISIONS AND WRITE OFFS - NET	(Rupees	in '000)
	(Reversal of provision) / provision for diminution in value of investments	(59,691)	146,987
	Provision against loans and advances	2,524,680	538,683
	Reversal of provision against fixed assets	(2,116)	-
	(Reversal of provision) / provision against other assets	(163)	273
	Provision / (reversal of provision) against off-balance sheet obligations	380,878	(1,201)
	Provision / (reversal of provision) against cash and bank balances	17	(1)
	Recovery of written off / charged off bad debts	(63,584)	(40,429)
		2,780,021	644,312
31.	TAXATION		
	Current	2,681,908	3,218,341
	Deferred	(50,987)	(36,728)
		2,630,921	3,181,613
0.4.4			

31.1 There are no changes to tax related contingencies from those disclosed in note 32.2 of the audited annual unconsolidated financial statements.

		(Un-audited)		
		Half year ended	Half year ended	
		June 30,	June 30,	
		2021	2020	
32.	BASIC AND DILUTED EARNINGS PER SHARE			
	Profit for the period - Rupees in '000	4,111,396	4,953,752	
	Weighted average number of Ordinary Shares - numbers	1,260,260,180	1,260,260,180	
	Basic earnings per share - Rupees	3.26	3.93	

There is no dilutive effect on the basic earnings per share of the Bank, therefore dilutive earnings per share have not been presented seperately.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

33. FAIR VALUE MEASUREMENTS

The fair value of traded investments is based on quoted market prices, except for securities classified by the Bank as 'held to maturity'. Securities classified as held to maturity are carried at amortized cost. Value of unquoted equity investments is determined on the basis of break up value of these investments as per the latest available audited financial statements.

Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to the absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Bank's accounting policy as stated in note 4 to the audited annual unconsolidated financial statements of the Bank for the year ended December 31, 2020.

Fair value of remaining financial assets and liabilities except fixed term loans, staff loans, non-performing advances and fixed term deposits is not significantly different from the carrying amounts since assets and liabilities are either short term in nature or are frequently repriced in the case of customer loans and deposits.

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

33.1 Fair value of financial assets

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets (Pakistan Stock Exchange) 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 liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices) available at MUFAP, Reuters page, Redemption prices and determined by valuers on the panel of Pakistan Bank's Association.
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques used in determination of fair values within level 2 and level 3

Federal Government Securities	The fair values of Federal Government Securities are determined on the basis of PKRV rates.
Non Government Debt Securities	Non Government Debt Securities are valued on the basis of rates announced by Mutual Fund Association of Pakistan (MUFAP).
Foreign Government Debt Securities	Foreign Government Debt Securities are valued on the basis of rates taken from custodian of the securities which are usually drawn from Bloomberg.
Unit of Mutual Funds	Fair values of mutual funds are determined based on their net asset values as published at the close of reporting period.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Fixed Assets and Non Banking Assets Acquired in Satisfaction of Claims	Land and Non Banking assets acquired in satisfaction of claims are valued on a periodic basis using professional valuers. The valuation is based on their assessments of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these condensed interim unconsolidated financial statements.

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

The table below analyses the financial assets carried at fair values, by valuation methods. Valuation of investments is carried out as per guidelines specified by the SBP.

	June 30, 2021 (Un-audited)			
_	Level 1	Level 2	Level 3	Total
		(Rupees	in '000)	
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	388,621,470	-	388,621,470
Shares	4,504,291	-	-	4,504,29
Units of open end mutual funds	-	1,476,926	-	1,476,92
Fully paid preference shares	15,633	-	-	15,63
Non-Government Debt Securities	-	9,507,883	-	9,507,88
Foreign Securities	-	487,203	-	487,20
Financial assets - disclosed but not measured at fair value				
Investments				
Federal Government Securities	-	121,204,077	-	121,204,077
Foreign Securities	-	3,284,963	-	3,284,963
Off-balance sheet financial instruments - measured at fair value	е			
Forward purchase of foreign exchange	-	99,431,665	-	99,431,66
Forward sale of foreign exchange	-	67,210,968	-	67,210,968
_		December 31,	2020 (Audited)	
	Level 1	Level 2	Level 3	Total
		(Rupees	in '000)	
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	334,820,766	-	334,820,766
Shares	4,437,365	-	-	4,437,36
Units of open end mutual funds	-	1,436,420	-	1,436,420
Fully paid preference shares Non-Government Debt Securities	61,945	- 0.742.656	-	61,94
Foreign Securities	-	9,743,656	-	9,743,650
· ·	-	495,878	-	495,878
Financial assets - disclosed but not measured at fair value				
Federal Government Securities	-	94,917,945	-	
	- -	94,917,945 3,291,714	-	
	- - e		-	
Federal Government Securities Foreign Securities	- - 9		- - -	94,917,945 3,291,714 118,889,975 90,389,815

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 such transfer takes place. There were no transfers between levels 1 and 2 during the period.

	(Un-audited)	(Audited)			
	June 30,	December 31,			
	2021	2020			
33.2 Fair value of non-financial assets	(Rupees in '000)				
	Level 3	Level 3			
Fixed assets					
Property and equipment (freehold and leasehold land)	9,689,980	9,552,630			
Other assets					
Non-banking assets acquired in satisfaction of claims	4,423,311	4,869,214			

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

34. **SEGMENT INFORMATION**

34.1 Segment details with respect to Business Activities

The segment analysis with respect to business activity is as follows:

Profit and loss	Branch			,	ıne 30, 2021 (Un	-audited)			
Drofit and loss	banking	Corporate banking	Treasury	Consumer banking (Rupees	Islamic banking	Foreign operations	Head Office / others	Total	
				(rtupees	111 000)				
Net mark-up / return / profit Inter segment revenue - net	(10,884,261) 18,067,288	7,538,585 (5,748,050)	16,188,220 (13,353,086)	1,257,936 (651,370)	1,782,981	644,652 (41,467)	(745,484) 1,726,685	15,782,629	
Non mark-up / return / interest income Total income	673,388 7,856,415	1,351,551 3,142,086	2,015,095 4,850,229	230,179 836,745	206,627 1,989,608	1,126 604,311	177,431 1,158,632	4,655,397 20,438,026	
Segment direct expenses Inter segment expense allocation	5,529,775 320,754	366,198 450,470	157,700 2,012	477,745 86,697	1,090,744	60,210	3,233,316 (859,933)	10,915,688	
Total expenses	5,850,529	816,668	159,712	564,442	1,090,744	60,210	2,373,383	10,915,688	
(Reversals) / Provisions	1,786	2,514,327	25,671	57,252	235,444	(54,548)	(4.214.840)	2,780,021	
Profit / (loss) before tax	2,004,100	(188,909)	4,664,846	215,051	663,420	598,649	(1,214,840)	6,742,317	
	Branch	Corporate		June 30, 2021 Consumer	Islamic	Foreign	Head Office		
	banking	banking	Treasury	banking (Rupees	banking	operations	/ others	Total	
Balance Sheet Cash and bank balances	25,116,902	45,213	64,231,816	123,641	6,522,378	1,298,994	241,794	97,580,738	
Investments	-	7,852,296	487,130,064	-	14,227,407	18,842,472	1,565,826	529,618,065	
Lendings to financial institutions Advances - performing - net of provision	- 12,742,380	- 311,906,290	-	- 19,334,798	- 66,359,437	- 9,557,507	- 7,015,106	- 426,915,518	
Advances - non-performing - net of provision	617,722	1,079,058	-	308,555	1,362,964	-	-	3,368,299	
Others Total Assets	1,689,133 40,166,137	15,893,539 336,776,396	7,645,648 559,007,528	242,823 20,009,817	5,286,702 93,758,888	305,749 30,004,722	34,539,698 43,362,424	65,603,292 1,123,085,912	
Borrowings	1,808,754	37,314,608	14,506,032	2,388,105	8,222,553	14,073,429	-	78,313,481	
Subordinated debts	-	-	-	-	-	-	12,000,000	12,000,000	
Deposits and other accounts Inter segment balances - net	664,770,889 (639,245,904)	186,905,465 94,788,177	- 542,984,313	20,149 16,793,828	72,952,650 -	2,189,582 11,028,059	85,864 (26,348,473)	926,924,599	
Others	12,832,398	17,768,146	1,517,183	807,735	4,899,117	2,713,652	11,072,723	51,610,954	
Total liabilities Equity	40,166,137	336,776,396	559,007,528	20,009,817	86,074,320 7,684,568	30,004,722	(3,189,886) 46,552,310	1,068,849,034 54,236,878	
Total Equity and liabilities	40,166,137	336,776,396	559,007,528	20,009,817	93,758,888	30,004,722	43,362,424	1,123,085,912	
Contingencies and Commitments	7,341,605	452,766,504	178,822,978	539,603	15,558,423	9,424,022	1,422,460	665,875,595	
	For the half year ended June 30, 2020 (Un-audited)								
	Branch	Corporate		Consumer	Islamic	Foreign	Head Office		
	banking	banking	Treasury	la a sa Leba as	بم بدادانه م		/ - 41		
			Trododry	banking (Rupees	banking in '000)	operations	/ others	Total	
Profit and loss	(17 / 97 795)			(Rupees	in '000)				
Net mark-up / return / profit	(17,487,785) 23,594,393	13,308,904	15,608,183	(Rupees 1,511,396	•	494,665	(959,409)	1 otal 14,416,300	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income	23,594,393 620,420	13,308,904 (8,954,044) 967,984	15,608,183 (15,755,888) 2,381,915	(Rupees 1,511,396 (1,001,719) 187,120	1,940,345 - 184,774	494,665 - 6,328	(959,409) 2,117,258 5,116	14,416,300 - 4,353,657	
Net mark-up / return / profit Inter segment revenue - net	23,594,393	13,308,904 (8,954,044)	15,608,183 (15,755,888)	(Rupees 1,511,396 (1,001,719)	1,940,345	494,665	(959,409) 2,117,258	14,416,300 - 4,353,657	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses	23,594,393 620,420 6,727,028 5,090,962	13,308,904 (8,954,044) 967,984 5,322,844 385,645	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369	1,940,345 - 184,774	494,665 - 6,328	(959,409) 2,117,258 5,116 1,162,965 2,881,005	14,416,300 - 4,353,657 18,769,957 9,990,281	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation	23,594,393 620,420 6,727,028 5,090,962 218,444	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738	1,940,345 - 184,774 2,125,119 1,045,711	494,665 - 6,328 500,993 57,545 -	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761)	14,416,300 - 4,353,657 18,769,957 9,990,281 (0)	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711	494,665 - 6,328 500,993 57,545 - 57,545	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation	23,594,393 620,420 6,727,028 5,090,962 218,444	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738	1,940,345 - 184,774 2,125,119 1,045,711	494,665 - 6,328 500,993 57,545 -	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761)	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630)	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021	494,665 - 6,328 500,993 57,545 - 57,545 (78,202)	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31,	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31,	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724)	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31,5 Consumer banking	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000)	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365 Total	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, 100 Consumer banking (Rupees 234,673	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 -	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 -	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365 Total	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees 234,673 18,522,780 433,395	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 - 62,598,616 1,671,075	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 10,653,303	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 - 6,830,567 -	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365 Total 81,606,006 449,687,240 - 391,783,953 3,589,887	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Others	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - - 12,987,203 563,642 1,806,853	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees 234,673 18,522,780 433,395 528,352	1,940,345 - 184,774 2,125,119 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 - 62,598,616 1,671,075 5,754,115	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 - 6,830,567 - 34,289,414	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365 Total 81,606,006 449,687,240 - 391,783,953 3,589,887 65,849,976	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees 234,673 18,522,780 433,395	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 - 62,598,616 1,671,075	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 10,653,303	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 - 6,830,567 - 34,289,414 44,634,314 3,276,606	14,416,300 - 4,353,657 18,769,957 9,990,280 644,312 8,135,365 Total 81,606,006 449,687,240 - 391,783,953 3,589,887 65,849,976 992,517,062 84,163,669	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 280,191,484 921,775 15,698,490 307,546,207	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 - 62,598,616 1,671,075 5,754,115 88,553,681	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 - 6,830,567 - 34,289,414 44,634,314	14,416,300 - 4,353,657 18,769,957 9,990,280 644,312 8,135,365 Total 81,606,006 449,687,240 - 391,783,953 3,589,887 65,849,976	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Inter segment balances - net	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,770,077 (533,524,209)	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553 97,723,672	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692 - 434,611,006	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935 16,809,062	1,940,345	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355 11,188,408	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 - 6,830,567 - 34,289,414 44,634,314 3,276,606 12,000,000 81,075 (26,807,939)	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365 Total 81,606,006 449,687,240 - 391,783,953 3,589,887 65,849,976 992,517,062 84,163,669 12,000,000 791,186,883	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Inter segment balances - net Others	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,770,077 (533,524,209) 12,902,600	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553 97,723,672 17,328,364	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692 - 434,611,006 1,066,600	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935 16,809,062 964,317	1,940,345	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355 11,188,408 3,346,088	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 - 6,830,567 - 34,289,414 44,634,314 3,276,606 12,000,000 81,075 (26,807,939) 10,572,014	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365 Total 81,606,006 449,687,240 - 391,783,953 3,589,887 65,849,976 992,517,062 84,163,669 12,000,000 791,186,883 - 50,620,160	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Inter segment balances - net Others Total liabilities Equity	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,770,077 (533,524,209) 12,902,600 46,296,557	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553 97,723,672 17,328,364 307,546,207	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692 - 434,611,006 1,066,600 456,390,298 -	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935 16,809,062 964,317 19,719,200 -	1,940,345 - 184,774 2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 - 62,598,616 1,671,075 5,754,115 88,553,681 11,810,905 - 65,305,888 - 4,440,177 81,556,970 6,996,711	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355 11,188,408 3,346,088 27,339,724 2,037,081	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 - 6,830,567 - 34,289,414 44,634,314 3,276,606 12,000,000 81,075 (26,807,939) 10,572,014 (878,244) 45,512,558	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365 Total 81,606,006 449,687,240 - 391,783,953 3,589,887 65,849,976 992,517,062 84,163,669 12,000,000 791,186,883 - 50,620,160 937,970,712 54,546,350	
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Balance Sheet Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Inter segment balances - net Others Total liabilities	23,594,393 620,420 6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,770,077 (533,524,209) 12,902,600	13,308,904 (8,954,044) 967,984 5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553 97,723,672 17,328,364	15,608,183 (15,755,888) 2,381,915 2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692 - 434,611,006 1,066,600	(Rupees 1,511,396 (1,001,719) 187,120 696,797 378,369 73,738 452,107 116,050 128,640 December 31, Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935 16,809,062 964,317	1,940,345	494,665 - 6,328 500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355 11,188,408 3,346,088 27,339,724	(959,409) 2,117,258 5,116 1,162,965 2,881,005 (806,761) 2,074,244 381,445 (1,292,724) Head Office / others 2,118,490 1,395,843 - 6,830,567 - 34,289,414 44,634,314 3,276,606 12,000,000 81,075 (26,807,939) 10,572,014 (878,244)	14,416,300 - 4,353,657 18,769,957 9,990,281 (0) 9,990,280 644,312 8,135,365 Total 81,606,006 449,687,240 - 391,783,953 3,589,887 65,849,976 992,517,062 84,163,669 12,000,000 791,186,883 - 50,620,160 937,970,712	

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)

For the half year ended June 30, 2021

35. RELATED PARTY TRANSACTIONS

Fauji Consortium comprising of Fauji Foundation, Fauji Fertilizer Company Limited and Fauji Fertilizer Bin Qasim Limited (the Parent) holds 71.91% of the Bank's share capital at the period end. The Bank has related party relationships with entities under common directorship, its directors, key management personnel, entities over which the directors are able to exercise significant influence and employees' funds.

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.

As at December 31, 2020 (Audited)

As at June, 2021 (Un-audited)

Details of transactions with related parties and balances are as follows:

			Key		Companies with				Key		Companies	
	Parent	Directors	management personnel	Subsidiary	common directorship	Other related parties	Parent	Directors	management personnel	Subsidiaries	with common directorship	Other related parties
						Rupees ir	ו '000					
Investments Opening balance	_	_	_	165,619	450,478	350,000	_	_	_	114,789	719,311	300,000
Investment made during the period / year	-	-	-	-	-	-	-	-	-	50,830	411,454	50,000
Investment redeemed / disposed off during the period / year	-	-	-	-	(18,449)	-	-	-	-	-	(247,268)	
Transfer in / (out) - net	-	-	-		-				-	_	(433,019)	_
Closing balance	-	-	-	165,619	432,029	350,000		-	-	165,619	450,478	350,000
Provision for diminution in value of investments	-	-	-	-	-	-	_	-	-	34,068	-	-
Advances												
Opening balance	2,805,786	28,671	423,764	-	4,766,042	-	5,035,504	19,771	364,453	-	4,701,476	-
Addition during the period / year	45,944,393	286	76,315	2,898	5,376,294	-	121,938,314	59,315	125,382	-	9,941,779	-
Repaid during the period / year Transfer in / (out) - net	(41,628,420)	(28,935)	(54,348) 9,945	(2,898)	(5,058,633) 2,328,032	-	(124,168,032)	(50,406) (9)		-	(10,545,058) 667,845	-
Closing balance	7,121,759	22	455,676	_	7,411,735	_	2,805,786	28,671	423,764	_	4,766,042	_
Provision held against advances			_	_								_
-												
Other Assets Interest / mark-up receivable	49,108		100,049	_	365,614	-	46,571	425	84,087	_	90,799	_
Advance rent	230	-	-	-	-	-	1,081	-	- -	-	-	-
Securities given as Collateral	-	-	-	-	-	188,963	-	-	-	-	-	-
Borrowings												
Opening balance	-	-	-	-	-	1,923,886	-	-	-	-	-	1,972,026
Borrowings during the period	-	-	-	-	-	500,000	-	-	-	-	-	1,000,000
Settled during the period Transfer in / (out) - net	-	-	-	-	-	(35,781)	-	-	-	-	-	(1,048,140)
Closing balance	-	-	-	-	-	2,388,105		-	-	-	-	1,923,886
Subordinated debt												
Opening balance	-	-	-	-	-	-	-	-	-	-	24,950	-
Issued during the period Redemption during the period	-	-	-	-	-	-	-	-	-	-	(5)	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-	(24,945)	-
Closing balance	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other accounts												
Opening balance	8,018,104	19,379	186,617	201,796	12,205,848	4,811,281	4,678,222	64,239	117,562	53,174	15,124,817	4,817,176
Received during the period / year	301,673,736	109,274	877,677	452,459	177,806,451	47,560,128	584,157,308	211,929	1,095,412	980,756	256,093,596	30,648,252
Withdrawn during the period / year Transfer in / (out) - net	(288,879,858)	(112,593)	(858,869) 1,451	(424,076)	(175,161,420) 4,398	(40,584,324) 231,180	(580,817,426)	(199,751) (57,038)			(257,566,215) (1,446,350)	(30,654,147)
Closing balance	20,811,982	16,060	206,876	230,179	14,855,277	12,018,265	8,018,104	19,379	186,617	201,796	12,205,848	4,811,281
	20,011,002	10,000	200,010	200,110	11,000,211	12,010,200	0,010,101	10,010	100,011	201,100	12,200,010	1,011,201
Other Liabilities	22.005		1.020		04.044	20.204	40.262		4 900		24.000	20.044
Interest / mark-up payable Payable to staff retirement fund	23,005	-	1,929 -	-	81,311 -	39,284 87,743	19,363 -	<u>-</u>	1,809	-	34,000	38,941 310,314
Security deposits payable	-	-	-	- -	322,397	-	- -	-	- 287	-	- 296,198	510,514
Others	-	-	5,467	-	-	-	4,986	-	4,588	-	-	-
Contingencies and Commitments												
Contingencies and Commitments	1,107,664	-	-	40,000	5,412,324	-	1,313,613	-	-	40,000	3,951,782	-
Others Securities held as custodian	4,590,000	-	-	-	-	2,079,500	4,590,000	-	-	-	-	6,992,500
										00.0000 (11	A 114 IV	
		For the	half year ended Key	June 30, 2021 (Un-Audited) Companies with			For the ha	alf year ended Ju Key	une 30, 2020 (U	n-Audited) Companies	
	Parent	Directors	management personnel	Subsidiary	common directorship	Other related parties	Parent	Directors	management personnel	Subsidiary	with common directorship	Other related parties
Incomo					r	Rupees ir						
Income Mark-up / return / interest earned	65,697	533	10,077	96	247,988	-	135,793	1,508	10,394	-	274,981	-
Fee and commission received	10	-	-	40	5,658	-	77	-	-	-	2,358	-
Dividend income Other income	-	-	-	-	15,785 -	11,066 -	-	-	-	-	4,118 -	- -
Expense Mark-up / return / interest expensed	545,697	154	3,252	62	249,277	272,982	314,744	170	3,334	6	796,201	382,267
Charge to defined benefit plan	-	-	-	-	-	134,978	-	-	-	-	-	171,760
Contribution to defined contribution plan	-	-	- 352 053	-	-	159,716	-	-	- 303 //11	-	-	146,079
Remuneration and allownces Rent	- 850	-	352,953 -	-	-	2,981 -	- 5,814	-	303,411 -	-	-	2,908
Communications	-	-	-	-	-	18,619	-	-	-	-	-	13,709
Brokerage and Commission Directors' Fee, Allownces	-	- 44,662	-	1,714	77	13,963	-	- 6,125	-	1,121	28	6,983
Dividend paid	2.718.846	44,002	- 225	-	-	- 42,350	- 1.359.423	0,123	- 113	-	=	- 11,745

In addition to above, rent free sub-branchs are operating at FFC Sona Tower, FFBL Tower and Foundation University (along with booth and Atm).

51,420

2,718,846

The term 'keymanagement personnel' has the same meaning as defined in IAS 24 - Related party disclosures.

Dividend paid

Others

Donations

Insurance premium

42,350

1,359,423

109,000

113

11,745

63,404

2,364

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

36. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30,	(Audited) December 31,
	2021	2020
	(Rupees	in '000)
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	12,602,602	12,602,602
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	45,297,190	44,867,667
Eligible Additional Tier 1 (ADT 1) Capital	5,926,839	5,928,538
Total Eligible Tier 1 Capital	51,224,029	50,796,205
Eligible Tier 2 Capital	12,535,615	13,104,622
Total Eligible Capital (Tier 1 + Tier 2)	63,759,644	63,900,827
Risk Weighted Assets (RWAs):		
Credit Risk	347,079,567	324,807,165
Market Risk	35,168,628	31,566,562
Operational Risk	56,352,087	56,352,087
Total	438,600,282	412,725,814
Common Equity Tier 1 Capital Adequacy ratio	10.33%	10.87%
Tier 1 Capital Adequacy Ratio	11.68%	12.31%
Total Capital Adequacy Ratio	14.54%	15.48%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	51,224,029	50,796,205
Total Exposures	1,614,263,210	1,419,666,541
Leverage Ratio	3.17%	3.58%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	434,924,314	345,807,337
Total Net Cash Outflow	224,253,796	201,510,814
Liquidity Coverage Ratio	193.94%	171.61%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	927,791,283	812,357,633
Total Required Stable Funding	488,725,646	441,907,178
Net Stable Funding Ratio	189.84%	183.83%

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

37. Islamic Banking Business

The Bank is operating 95 Islamic banking branches including 3 sub-branches at June 30, 2021 as compared to 95 Islamic banking branches including 3 sub-branches at year ended December 31, 2020.

		(Un-audited) June 30, 2021	(Audited) December 31, 2020
ACCETC	Note	(Rupees	in '000)
ASSETS Cash and balances with treasury banks Balances with other banks Due from financial Institutions Investments Islamic financing and related assets - net Fixed assets Intangible assets Due from Head Office Other assets	37.1 37.2	6,180,203 342,175 - 14,227,407 67,636,844 1,650,702 - 4,180,022	5,161,165 1,152,370 - 12,216,340 64,269,691 1,756,603 - - 5,562,647
Total assets		94,217,353	90,118,816
LIABILITIES Bills payable Due to financial institutions Deposits and other accounts Due to head office Sub-ordinated debt Other liabilities	37.3	1,129,520 8,222,552 72,952,650 - - 4,298,540 86,603,262	1,477,496 11,810,905 65,305,888 - - - 4,527,816 83,122,105
NET ASSETS		7,614,091	6,996,711
REPRESENTED BY Islamic Banking Fund Reserves Deficit on revaluation of assets	37.4 37.5	4,600,000 15,077 (33,230)	4,600,000 - (57,670)
Unappropriated profit	57.5	3,032,244 7,614,091	2,454,381 6,996,711
CONTINGENCIES AND COMMITMENTS	37.6	15,558,424	11,741,980

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

is do follows.		(Un-au	dited)
	Note	Period ended June 30, 2021 (Rupees	Period ended June 30, 2020 in '000)
Profit / return earned	37.8	2,934,478	, 4,058,311
Profit / return expensed	37.9	1,151,497	2,117,966
Net Profit / return		1,782,981	1,940,345
Other income			
Fee and Commission Income		116,915	85,158
Dividend Income		-	-
Foreign Exchange Income		44,201	72,211
Gain / (loss) on securities		-	-
Other Income		45,512	27,405
Total other income		206,628	184,774
Total Income		1,989,609	2,125,119
Other expenses			
Operating expenses		1,090,639	1,045,294
Workers' Welfare Fund		-	-
Other charges		106	417
Total other expenses		1,090,745	1,045,711
Profit before provisions		898,864	1,079,408
Provisions and write offs - net		321,001	(7,613)
Profit before taxation		577,863	1,087,021
Taxation		-	-
Profit after taxation		577,863.00	1,087,021.00

			June 30, 2021	(Un-audited)			December 31, 2	2020 (Audited)	
		Cost /	Provision for	Surplus /	Carrying	Cost /	Provision for	Surplus /	Carrying
		amortized cost	diminution	(deficit)	value	amortized cost	diminution	(deficit)	value
37.1	Investments by segments:				(Rupees	s in '000)			
	Federal Government Securities:		1					· · · · · · · · · · · · · · · · · · ·	
	- Ijarah Sukuks	7,060,431	-	(33,342)	7,027,089	5,538,804	-	(58,148)	5,480,656
	- GOP Bai Muajjal	5,246,146 12,306,577	- <u>-</u>	(33,342)	5,246,146 12,273,235	5,246,146 10,784,950	-	- (58,148)	5,246,146 10,726,802
	Non Government Debt Securities:								
	- Listed	35,000	-	112	35,112	70,000	-	478	70,478
	- Unlisted	2,479,023	(559,963)	-	1,919,060	1,979,023	(559,963)	-	1,419,060
		2,514,023	(559,963)	112	1,954,172	2,049,023	(559,963)	478	1,489,538
	Total investments	14,820,600	(559,963)	(33,230)	14,227,407	12,833,973	(559,963)	(57,670)	12,216,340
								(Un-audited)	(Audited)
							•		December 31 2020
37.2	ISLAMIC FINANCING AND RELA	TED ASSETS						(Rupees	
	ljarah							4,614,698	4,227,697
	Murabaha - note 37.2.1							6,237,826	4,379,276
	Musharaka							26,791,117	28,545,253
	Diminishing Musharaka Salam							12,936,697 6,056,525	16,936,532 4,935,938
	Istisna							4,100,624	2,744,352
	Receivable against sale of Istisna	/ Salam Inventory						368,444	150,000
	Service Ijarah Other Islamic Modes (Executive Ca	or Einanga Oarz	a Hacana)					1,472,176 106,099	752,176 93,424
	Advances against Islamic assets -		5-1 lasalla)					2,459,116	1,488,133
	Inventory related to Islamic financi	ng - note 37.2.3						3,920,456	1,122,844
	Gross islamic financing and related	d assets						69,063,778	65,375,625
	Less: provision against islamic fina	ancings					Ī	1,333,267	1,023,192
	SpecificGeneral							93,667	82,742
								1,426,934	1,105,934
	Islamic financing and related asset	ts - net of provision	n					67,636,844	64,269,691
37.2.	1 Includes advance against Murabah	na of Rs.979,845 t	housand (Dece	mber 31, 2020	: Rs.397,579 th	nousand).			
37.2.2	2 Advance against islamic assets								
37.2.2	2 Advance against islamic assets					Diminishing			
37.2.2	2 Advance against islamic assets			ljarah	Musharaka	Diminishing Musharaka	Salam	Istisna	Total
37.2.2	2 Advance against islamic assets			ljarah	Musharaka	•		Istisna	Total
37.2.2	2 Advance against islamic assets June 30, 2021 (Un-audited)		_ =	ljarah 854,971	Musharaka -	Musharaka		Istisna -	Total 2,459,116
37.2.2			_ =	-	Musharaka - -	Musharaka (Rupees		Istisna - -	2,459,116
	June 30, 2021 (Un-audited)	ncing	_ = =	854,971	Musharaka - -	Musharaka (Rupees 1,604,145		Istisna - -	2,459,116
	June 30, 2021 (Un-audited) December 31, 2020 (Audited)	ncing	<u>-</u> =	854,971 578,819	<u>-</u> -	Musharaka (Rupees 1,604,145 909,314 Diminishing	in '000) - -	<u>-</u> -	2,459,116 1,488,133
	June 30, 2021 (Un-audited) December 31, 2020 (Audited)	ncing	_ =	854,971	Musharaka - - Musharaka	Musharaka (Rupees 1,604,145 909,314 Diminishing Musharaka	in '000) - - - Salam	Istisna - - Istisna	2,459,116
	June 30, 2021 (Un-audited) December 31, 2020 (Audited) 3 Inventory related to islamic finar	ncing	- =	854,971 578,819	<u>-</u> -	Musharaka (Rupees 1,604,145 909,314 Diminishing	in '000) Salam in '000)	- - Istisna	2,459,116 1,488,133 Total
	June 30, 2021 (Un-audited) December 31, 2020 (Audited)	ncing	_ =	854,971 578,819	<u>-</u> -	Musharaka (Rupees 1,604,145 909,314 Diminishing Musharaka	in '000) - - - Salam	<u>-</u> -	2,459,116 1,488,133

ASKARI BANK LIMITEDNotes to the Unconsolidated Condensed Interim Financial Statements (Un-audited)
For the half year ended June 30, 2021

		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
37.3	DEPOSITS AND OTHER ACCOUNTS	(Rupee	s in '000)
	Customers		
	Current deposits - non remunerative	28,300,600	23,312,633
	Current deposits - remunerative	1,272,242	975,625
	Savings deposits	22,480,873	23,619,062
	Term deposits	12,947,582	12,058,779
	Others	1,481,521	584,729
		66,482,818	60,550,828
	Financial Institutions		
	Current deposits - non remunerative	28,730	19,576
	Savings deposits	384,773	335,484
	Term deposits	6,056,329	4,400,000
		6,469,832	4,755,060
		72,952,650	65,305,888
37.4	PROFIT EQUALISATION RESERVE		
0111	The profit equalisation reserve amounting to Rs.15,077 (December 31, 2020: Nil) class in note 19 has been presented as reserve.	sified in other lia	bilities
		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
37.5	ISLAMIC BANKING BUSINESS UNAPPROPRIATED PROFIT	(Rupee	s in '000)
	Opening balance	2,454,381	691,544
	Add: Islamic banking profit for the period	577,863	1,762,837
	Closing balance	3,032,244	2,454,381
37.6	CONTINGENCIES AND COMMITMENTS		
	-Guarantees	7,027,063	5,460,329
	-Commitments	8,531,361	6,281,651
	-Other contingent liabilities	-	-
		15,558,424	11,741,980
37.7	CHARITY FUND		
	Opening balance	20,529	52,137
	Additions during the period		
	- Received from customers on delayed payments	20,477	15,391
	- Profit on charity account	4	21
	- Others	174	233
		20,655	15,645
	Payments / utilization during the period		
	- Education	(155)	(1,055)
	- Health	-	(41,270)
	- Orphanage	-	(4,928)
		(155)	(47,253)
	Closing balance	41,029	20,529

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Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

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A/President & CE

roi iii	e fiall year effueu Julie 30, 2021		
		(Un-au	dited)
		Period ended	Period ended
		June 30,	June 30,
		2021	2020
		(Rupees	in '000)
37.8	PROFIT / RETURN EARNED ON FINANCING, INVESTMENTS AND PLACEMENTS		
	Profit earned on:		
	Financing	2,248,790	3,331,597
	Investments	662,806	491,203
	Placements	22,882	158,987
	Lendings	-	76,524
		2,934,478	4,058,311
37.9	PROFIT ON DEPOSITS AND OTHER DUES EXPENSED		
	Deposits and other accounts	885,208	1,948,631
	Due to financial institutions	149,869	79,685
	Due to head office	1,164	5,585
	Profit Equalization Reserve	30,294	-
	Lease liability against right-of-use assets	84,962	84,065
		1,151,497	2,117,966
38.	DATE OF AUTHORIZATION		
	These unconsolidated condensed interim financial statements were authorized birectors on August 12, 2021.	norized for issue	by the Board of

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Director

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Director

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Chairman

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2021

(UN-AUDITED)

Consolidated Condensed Interim Statement of Financial Position As at June 30, 2021

		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
	Note	(Rupees	in '000)
ASSETS			
Cash and balances with treasury banks	6	91,563,176	73,651,718
Balances with other banks	7	6,141,857	8,196,147
Lendings to financial institutions	8	-	-
Investments	9	529,498,847	449,611,987
Advances	10	430,373,488	395,416,055
Fixed assets	11	20,395,802	21,232,750
Intangible assets	12	1,183,732	1,158,857
Deferred tax assets	13	2,000,416	1,597,334
Other assets	14	42,215,984	42,021,813
		1,123,373,302	992,886,661
LIABILITIES			
Bills payable	15	12,626,961	12,629,996
Borrowings	16	78,313,481	84,163,669
Deposits and other accounts	17	926,694,928	790,982,287
Liabilities against assets subject to finance lease		-	-
Subordinated debts	18	12,000,000	12,000,000
Deferred tax liabilities	13	-	-
Other liabilities	19	39,358,602	38,429,433
		1,068,993,972	938,205,385
NET ASSETS		54,379,330	54,681,276
REPRESENTED BY			
Share capital		12,602,602	12,602,602
Reserves		31,575,750	25,701,665
Surplus on revaluation of assets - net of tax	20	6,976,132	7,670,956
Unappropriated profit	20	3,224,846	8,706,053
Chappiophatoa prom		54,379,330	54,681,276
CONTINGENCIES AND COMMITMENTS	21		

CONTINGENCIES AND COMMITMENTS

The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

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CFO	A/President & CE	Director	Director	Chairman

Consolidated Condensed Interim Profit and Loss Account (Un-audited) For the half year ended June 30, 2021

		For the quart	ter ended	For the half ye	ear ended
	-	June 30,	June 30,	June 30,	June 30,
		2021	2020	2021	2020
	Note	(Rupees i	n '000)	(Rupees in	ר'000)
Mark-up / return / interest earned	23	17,757,405	20,762,453	35,439,983	43,250,276
Mark-up / return / interest expensed	24	9,580,306	12,184,150	19,648,418	28,827,372
Net mark-up / interest income		8,177,099	8,578,303	15,791,565	14,422,904
Non mark-up / interest income					
Fee and commission income	25	1,057,126	677,350	2,132,637	1,551,435
Dividend income		106,371	57,786	193,479	122,347
Foreign exchange income		788,604	806,683	1,439,460	1,184,196
Income / (loss) from derivatives		-	-	-	-
Gain on securities	26	48,096	826,738	790,539	1,392,737
Other income	27	111,484	64,864	209,075	146,539
Total non-markup / interest income	_	2,111,681	2,433,421	4,765,190	4,397,254
Total income		10,288,780	11,011,724	20,556,755	18,820,158
Non mark-up / interest expenses					
Operating expenses	28	5,046,472	5,202,714	10,950,546	9,984,027
Workers' Welfare Fund		15,899	(18,398)	20,157	26,602
Other charges	29	1,415	11,633	5,611	11,854
Total non-markup / interest expenses	_	5,063,786	5,195,949	10,976,314	10,022,483
Profit before provisions		5,224,994	5,815,775	9,580,441	8,797,675
Provisions and write offs - net	30	2,989,350	714,242	2,819,090	644,312
Extraordinary / unusual items	_	<u>-</u>	<u>-</u>	<u>-</u>	-
Profit before taxation	_	2,235,644	5,101,533	6,761,351	8,153,363
Taxation	31	886,159	1,995,582	2,642,431	3,181,553
Profit after taxation	=	1,349,485	3,105,951	4,118,920	4,971,810
Attributable to:					
Equity holders of the Bank		1,349,485	3,103,339	4,118,920	4,967,610
Non-controlling interest		-	2,814	-	4,402
-	=	1,349,485	3,106,153	4,118,920	4,972,012
		Rupe	es	Rupe	es
Basic and diluted earnings per share	32	1.07	2.46	3.27	3.94

The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

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CFO

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For the half year ended June 30, 2021

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A/President & CE

	For the quart	ter ended	For the half year ended		
	June 30,	June 30,	June 30,	June 30,	
	2021	2020	2021	2020	
	(Rupees in	n '000)	(Rupees ir	upees in '000)	
Profit after taxation	1,349,485	3,106,153	4,118,920	4,972,012	
Other comprehensive income					
Items that may be reclassified to profit and loss account in subsequent periods:					
Effect of translation of net investment in foreign branch	73,403	21,048	(22,604)	134,281	
Movement in surplus / (deficit) on revaluation of investments - net of tax	1,246,950	3,167,783	(612,664)	5,313,750	
	1,320,353	3,188,831	(635,268)	5,448,031	
Items that will not be reclassified to profit and loss account in subsequent periods:					
Remeasurement of defined benefit plan - net of tax	28,813	(9,750)	28,813	(9,750)	
Movement in surplus on revaluation of operating fixed assets	61,736	-	61,736	-	
Movement in surplus / (deficit) on revaluation of non-banking assets - net of tax	(143,896)	(25,495)	(143,896)	(32,495)	
	8,389	(35,245)	(53,347)	(42,245)	
Total comprehensive income	2,678,227	6,259,739	3,430,305	10,377,798	
Total comprehensive income attributable to:					
Equity holders of the Bank	2,678,227	6,256,194	3,430,305	10,374,104	
Non-controling interest		3,344		3,493	
	2,678,227	6,259,538	3,430,305	10,377,597	
The annexed notes 1 to 38 form an integral part of these consolidated condensed in	terim financial statemer	nts.			

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Director

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Chairman

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Director

Consolidated Condensed Interim Statement of Changes in Equity (Un-audited)

For the half year ended June 30, 2021

		Exchange	Share			Surplus / (deficit) o	n revaluation of				
	Share	translation	premium	Statutory	General		Fixed / Non	Un-appropriated		Non-controlling	
_	capital	reserve	account	reserve	reserve	Investments	banking assets	profit / (loss)	Sub-total	interest	Total
						(Rupees in '000)					
Balance as at January 1, 2020	12,602,602	275,169	234,669	10,098,727	8,800,324	(1,508,638)	5,834,717	6,002,253	42,339,823	48,546	42,388,369
Total comprehensive income for the half year ended June 30, 2020											
Net profit for the half year ended June 30, 2020	-	-	-	-	-	-	-	4,967,409	4,967,409	4,402	4,971,811
Other comprehensive income related to equity	-	134,281	-	-	-	5,313,750	(32,495)	(9,750)	5,405,786	-	5,405,786
	-	134,281	-	-	-	5,313,750	(32,495)	4,957,659	10,373,195	4,402	10,377,597
Transfer to Statutory reserve	-	-	-	990,976	-	-	-	(990,976)	-	-	-
Transfer from surplus on revaluation of assets to											
unappropriated profit - net of tax	-	-	-	-	-	-	-	33,510	33,510	-	33,510
Transfer to General reserve	-	-	-	-	4,111,863	-	-	(4,111,863)	-	-	-
Transaction with owners directly recorded in equity											
Final dividend 2019: Re. 1.5 per share	-	-	-	-	-	-	-	(1,890,390)	(1,890,390)	-	(1,890,390)
Balance as at June 30, 2020	12,602,602	409,450	234,669	11,089,703	12,912,187	3,805,112	5,802,222	4,000,193	50,856,138	52,948	50,909,086
Total comprehensive income for the six month ended December 31, 2020											
Net profit for the six months ended December 31, 2020	-	-	-	-	-	-	-	5,878,924	5,878,924	6,262	5,885,186
Other comprehensive income related to equity	-	(124,767)	-	-	-	(3,721,307)	1,784,929	(37,707)	(2,098,852)	-	(2,098,852)
	-	(124,767)	-	-	-	(3,721,307)	1,784,929	5,841,217	3,780,072	6,262	3,786,334
Transfer to Statutory reserve	-	-	-	1,180,423	-	-	-	(1,180,423)	-	-	-
Transfer from surplus on revaluation of assets to											
unappropriated profit - net of tax	-	-	-	-	-	-	-	45,066	45,066	-	45,066
Acquisition of further interest in subsidiary	-	-	-	-	-	-	-	-	-	(59,210)	(59,210)
Balance as at December 31, 2020	12,602,602	284,683	234,669	12,270,126	12,912,187	83,805	7,587,151	8,706,053	54,681,276	-	54,681,276
Total comprehensive income for half year ended June 30, 2021											
Net profit for the half year ended June 30, 2021	-	-	-	-	-	-	-	4,118,920	4,118,920	-	4,118,920
Other comprehensive income related to equity	-	(22,604)	-	-	-	(612,664)	(82,160)	28,813	(688,615)	-	(688,615)
	-	(22,604)	-	-	-	(612,664)	(82,160)	4,147,733	3,430,305	-	3,430,305
Transfer to Statutory reserve	-	-	-	971,417	-	-	-	(971,417)	-	-	-
Transfer from surplus on revaluation of asset to unappropriated profit - net of tax	-	-	-	-	-	-	-	48,530	48,530	-	48,530
Transfer to General reserve	-	-	-	-	4,925,272	-	-	(4,925,272)	-	-	-
Transaction with owners, recorded directly in equity											
Final dividend 2020: Re. 1.5 per share	-		<u> </u>	<u> </u>				(3,780,781)	(3,780,781)		(3,780,781)
Balance as at June 30, 2021	12,602,602	262,079	234,669	13,241,543	17,837,459	(528,859)	7,504,991	3,224,846	54,379,330		54,379,330

The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

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Consolidated Condensed Interim Cash Flow Statement (Un-audited) For the half year ended June 30, 2021

		For the half ye	ear ended
		June 30,	June 30,
		2021	2020
	Note	(Rupees in	n '000)
Cash flow from operating activities			
Profit before taxation		6,761,351	8,153,363
Less: dividend income		(193,479)	(122,347)
	•	6,567,872	8,031,016
Adjustments:			
Depreciation		504,063	562,201
Depreciation on right of use assets		746,863	698,610
Amortization		110,778	112,680
Mark-up expense on lease liability against right of use assets		456,444	440,565
Termination of lease contracts under IFRS - 16 Leases Charge for defined benfit plan		(2,807) 206,538	(2,287) 171,760
Provisions and write offs - net	30	2,882,674	684,741
Unrealised gain on held for trading securities	50	2,002,014	(1,002)
Gain on sale of non - banking assets		(15,000)	(1,002)
(Gain) / loss on sale of fixed assets		(5,078)	(3,709)
	•	4,884,475	2,663,559
	•	11,452,347	10,694,575
(Increase) / decrease in operating assets			
Lendings to financial institutions		-	14,075,190
Held for trading securities		(58)	(98,785)
Advances		(37,479,034)	(34,852,390)
Other assets (excluding advance taxation)	Į	282,943	(3,983,439)
Increase / (decrease) in operating liabilities		(37,196,149)	(24,859,424)
Bills payable	Ī	(3,035)	3,008,733
Borrowings from financial institutions		(5,850,188)	38,063,105
Deposits		135,712,641	54,736,764
Other liabilities (excluding current taxation)		1,198,109	1,275,797
, ,	•	131,057,527	97,084,399
Net cash flow generated from operations	•	105,313,725	82,919,550
Payment made to defined benefit plan		(316,494)	(1,343)
Income tax paid	_	(3,247,910)	(2,434,665)
Net cash flow generated from operating activities		101,749,321	80,483,542
Cash flow from investing activities			
Net investments in available for sale securities	Ī	(54,606,597)	(81,786,409)
Net investments in held to maturity securities		(26,256,576)	(8,659,647)
Dividend received		160,553	108,761
Investments in operating fixed assets		(525,841)	(520,084)
Investments in intangible assets		(140,056)	(316,458)
Proceeds from sale of fixed assets		10,014	6,921
Effect of translation of net investment in foreign branch	l	(22,604)	134,281
Net cash flow used in investing activities		(81,381,107)	(91,032,635)
Cash flow from financing activities			
Receipts / (payments) of subordinated debts - net	ſ	-	5,999,200
Payments against lease liabilities		(779,573)	(719,407)
Dividend paid	l	(3,731,479)	(1,868,885)
Net cash flow generated from / (used in) financing activities		(4,511,052)	3,410,908
(Decrease) / Increase in cash and cash equivalents		15,857,162	(7,138,185)
Cash and cash equivalents at beginning of the period		81,847,871	77,358,478
Cash and cash equivalents at end of the period	:	97,705,033	70,220,293

The annexed notes 1 to 38 form an integral part of these consolidated condensed interim financial statements.

-sd-	-sd-	-sd-	-sd-	-sd-
CFO	A/President & CE	Director	Director	Chairman

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

1. STATUS AND NATURE OF BUSINESS

- 1.1 The Group consists of Askari Bank Limited, the holding company and Askari Securities Limited, a partly owned subsidiary.
- Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF), Fauji Fertilizer Company Limited (FFCL) and Fauji Fertilizer Bin Qasim Limited (FFBL) collectively owned 71.91 percent shares (December 2020: 71.91 percent sharfes) of the Bank as on June 30, 2021. The ultimate parent of the Bank is Fauji Foundation. The Bank has 537 branches (December 2020: 537 branches); 536 in Pakistan and Azad Jammu and Kashmir (including 95 (December 2020: 95) Islamic Banking branches and 49 (December 2020: 49) subbranches) and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain.
- Askari Securities Limited (ASL) was incorporated in Pakistan on October 1, 1999 under the repealed Companies Ordinance, 1984 as a public limited company. The Bank holds 100% Ordinary Shares of ASL. The principal activity includes share brokerage, investment advisory and consultancy services. The registered office of ASL is situated in Islamabad.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

2.1 BASIS OF PREPARATION

- 2.1.1 The consolidated condensed interim financial statements are presented in Pak Rupees, which is the Group's functional and presentation currency. The amounts are rounded off to the nearest thousand.
- 2.1.2 These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain classes of fixed assets and non-banking assets acquired in satisfaction of claims are stated at revalued amounts and certain investments have been marked to market and are carried at fair value. In addition, obligations in respect of staff retirement benefits are carried at present value.

2.2 STATEMENT OF COMPLIANCE

- 2.2.1 These consolidated condensed interim financial statements have been prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards comprise of:
 - International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan 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).

Whenever the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 or the directives issued by the 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.

- 2.2.2 The SECP vide its notification SRO 633 (I)/2014 dated 10 July 2014, adopted IFRS 10 effective from the periods starting from June 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.
- 2.2.3 The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Additionally, the SBP vide BPRD Circular Letter No. 24 of 2021 dated July 5, 2021 has deferred the applicability of IFRS 9 to banks to accounting periods beginning on or after January 1, 2022. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements.
- 2.2.4 These consolidated condensed interim financial statements have been presented in accordance with the requirements of format prescribed by SBP vide BPRD Circular Letter No. 5 dated March 22, 2020 and International Accounting Standard 34 'Interim Financial Reporting' (IAS 34) and do not include all the information and disclosures required in the audited annual consolidated financial statements, and should be read in conjunction with the audited annual consolidated financial statements of the Group for the year ended December 31, 2020.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual consolidated financial statements of the Group for the year ended December 31, 2020.

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Bank's accounting periods beginning on or after January 1, 2021 but are considered not to be relevant or do not have any significant effect on the Group's operations and are therefore not detailed in these consolidated condensed interim financial statements.

3.2 Standards, interpretations of and amendments to published approved accounting standards that are not yet effective

Asper the SBP's BPRD Circular Letter no.24 dated July 5, 2021, the applicability of IFRS9 to banks in Pakistan has been deferred to accounting periods beginning on or after January 1, 2022. The impact of application of IFRS 9 in Pakistan on Group's financial statements is being assessed and implementation guidelines are awaited.

There are various other standards, interpretations and amendments to accounting standards as applicable in Pakistan that are not yet effective in the current period. These are not likely to have material effect on the Group's financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements is the same as that applied in the preparation of audited annual consolidated financial statements of the Group for the year ended December 31, 2020.

5. FINANCIAL RISK MANAGEMENT

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements is the same as that applied in the preparation of audited annual consolidated financial statements of the Group for the year ended December 31, 2020.

				(Un-audited) June 30, 2021	(Audited) December 31, 2020
6.	CASH AND BALANCES WITH TREASUR	Y BANKS		Rupees	s in '000
	In hand:				
	Local currency			17,440,633	17,290,446
	Foreign currencies			4,663,710	4,030,731
				22,104,343	21,321,177
	With the State Bank of Pakistan in:				
	Local currency current accounts			51,815,623	37,199,449
	Foreign currency current accounts			4,263,632	4,513,312
	Foreign currency deposit account			8,102,899	7,501,569
				64,182,154	49,214,330
	With National Bank of Pakistan in:				
	Local currency current accounts			4,382,835	2,260,681
	Prize Bonds			893,844	855,530
				91,563,176	73,651,718
7.	BALANCES WITH OTHER BANKS				
	In Pakistan				
	In current accounts			681,660	469,080
	In deposit accounts			47,157	3,612
				728,817	472,692
	Outside Pakistan			,	
	In current accounts			1,592,643	2,206,020
	In deposit accounts			3,820,420	5,517,441
				5,413,063	7,723,461
	Provision under IFRS 9 related to WBB			(23)	(6)
				6,141,857	8,196,147
8.	LENDINGS TO FINANCIAL INSTITUTION	IS			
	Purchase under resale arrangement of equ	uity securities		148,606	148,606
	Provision held against lending to financial in	nstitutions		(148,606)	(148,606)
	Lendings to financial institutions - net of pro	ovision		_	-
		June 30 202	1 (Un-audited)	December 31	2020 (Audited)
	•	Classified lending	Provision held	Classified lending	Provision held
8.1	Category of classification	-	(Rupees	in '000)	
	Domestic				
	Loss	148,606	148,606	148,606	148,606

9.	INVESTMENTS		June 30, 2021					2020 (Audited)	
		Cost / amortized cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortized cost	Provision for diminution	Surplus / (deficit)	Carrying value
0.4					(Rupees	s in '000)			
9.1	Investments by type:								
9.1	Held for trading securities								
	Shares Units of open end mutual funds	52 199	-	-	52 199	193	-	-	- 193
	Office of opon one metaer failed	251		I	251	193	-	-	193
	Available for sale securities								
	Federal Government Securities	390,212,719	(30,528)	(1,560,721)	388,621,470	335,378,424	(31,877)	(525,781)	334,820,766
	Shares Units of open end mutual funds	4,725,850 1,405,036	(180,901) (140,558)	355,492 212,448	4,900,441 1,476,926	4,710,140 1,405,036	(158,232) (140,558)	291,562 171,942	4,843,470 1,436,420
	Fully paid preference shares	27,314	(11,914)	233	15,633	27,314	(140,336)	46,545	61,945
	Non Government Debt Securities	10,804,001	(1,391,631)	95,513	9,507,883	11,048,874	(1,422,704)	117,486	9,743,656
	Foreign securities	474,656	(5,515)	18,062	487,203	482,547	(5,203)	18,534	495,878
		407,649,576	(1,761,047)	(878,973)	405,009,556	353,052,335	(1,770,488)	120,288	351,402,135
	Held to maturity securities								
	Federal Government Securities Non Government Debt Securities	121,327,374 110,000	(123,297)	-	121,204,077	95,034,902 110,000	(116,957)	-	94,917,945
	Foreign securities	3,340,888	(110,000) (55,925)	-	3,284,963	3,376,784	(110,000) (85,070)	-	3,291,714
	Ç	124,778,262	(289,222)	I	124,489,040	98,521,686	(312,027)	-	98,209,659
	Total investments	532,428,089	(2,050,269)	(878,973)	529,498,847	451,574,214	(2,082,515)	120,288	449,611,987
								(Un-audited)	(Audited)
								June 30,	December 31,
								2021	2020
9.1.1	Investments given as collateral							(Rupees	in '000)
	The market value of investments give	ven as collateral is	as follows:						
	Market Treasury Bills							-	13,715,612
	Pakistan Investment Bonds Euro Bonds							8,977,154 4,593,494	7,005,600 6,442,504
	Bahrain International Bonds							4,595,494	501,081
	Turkish Sukuks							-	973,391
	Ijarah Sukuks							6,629,084	5,069,713
	Shares							170,803	191,168
								20,370,535	33,899,069
	Provision for diminution in value of	investments							
9.2.1	Opening balance							2,082,515	3,554,891
	Exchange adjustments							(3,618)	5,614
	Charge (reversals)							25 671	F06 776
	Charge for the period / year (Reversal) / provision under IFRS 9	related to WBB						25,671 (20,221)	506,776 41,248
	Reversals for the period / year	related to WBB						(31,073)	(82,163)
	Net charge for the period / year							(25,623)	465,861
	Reversal on disposals							(3,005)	(1,943,851)
	Closing balance							2,050,269	2,082,515
9.2.2	Particulars of provision against deb	ot securities				June 30, 2021	(Un-audited)	December 31, 2	2020 (Audited)
						Non performing investments	Provision	Non performing investments (NPI)	Provision
						(NPI)	(Runees	(NPI) s in '000)	
	Category of classification								
	Category of classification						(*	555)	
	Category of classification Domestic Loss					1,501,631	1,501,631	1,532,704	1,532,704

^{9.2.3} In addition to the above, Bahrain Branch of the Bank holds general provision of Rs. 215,265 thousand (December 31, 2020: Rs 239,107 thousand) against investment in accordance with ECL requirements of IFRS 9.

^{9.3} Market value of held to maturity securities other than non performing investments as at June 30, 2021 is Rs. 129,782,040 thousand (December 31, 2020: Rs. 104,630,207 thousand).

10.3

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

		Perforr	ning	Non Performing		Total	
		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
		June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
10.	ADVANCES	2021	2020	2021	2020	2021	2020
				(Rupees	in '000)		
	Loans, cash credits, running finances, etc.	340,893,566	310,156,565	27,903,816	25,666,137	368,797,382	335,822,702
	Islamic financing and related assets	66,453,103	62,691,358	2,610,675	2,684,267	69,063,778	65,375,625
	Bills discounted and purchased	21,288,174	20,603,372	191,805	60,406	21,479,979	20,663,778
	Advances - gross	428,634,843	393,451,295	30,706,296	28,410,810	459,341,139	421,862,105
	Provision against advances						
	- Specific	- 1	-	(27,337,997)	(24,820,923)	(27,337,997)	(24,820,923)
	- General	(1,629,654)	(1,625,127)	-	-	(1,629,654)	(1,625,127)
		(1,629,654)	(1,625,127)	(27,337,997)	(24,820,923)	(28,967,651)	(26,446,050)
	Advances - net of provision	427,005,189	391,826,168	3,368,299	3,589,887	430,373,488	395,416,055
						(Un-audited)	(Audited)
						June 30,	December 31,
						2021	2020
10.1	Particulars of advances (Gross)					(Rupees	in '000)
	In local currency					434,256,240	398,281,325
	In foreign currencies					25,084,899	23,580,780
						459,341,139	421,862,105
10.2	Advances include Rs. 30,706,296 thousand (December 31, 2020: Rs. 28,410,810 thousand) which	h have been placed und	er non-performing sta	atus as detailed below:			
				June 30, 2021	(Un-audited)	December 31, 2	2020 (Audited)
	Category of classification			Non Performing	Provision	Non Performing	Provision

Category of classification	Non Performing	Provision	Non Penoming	Provision
	Loans		Loans	
Domestic		(Rupees	in '000)	
Other Assets Especially Mentioned - note 10.2.1	1,343,103	899	1,406,324	-
Substandard	666,765	144,828	480,927	63,119
Doubtful	1,197,436	370,463	1,956,085	766,400
Loss	27,498,992	26,821,807	24,567,474	23,991,404
	30 706 206	27 337 007	28 /10 810	24 820 023

10.2.1 This represents classification for Agricultural, Mortgage and Small Entities finances.

3 Particulars of provision against advances		June 30, 2021	, 2021 (Un-audited) December 31, 2020 (Audited)					
	Specific	General (note 10.3.1)	Consumer financing-General	Total	Specific	General	Consumer financing-General	Total
				(Rupees	in '000)			
Opening balance	24,820,923	909,101	716,026	26,446,050	24,408,056	584,145	642,747	25,634,948
Exchange adjustment	-	(2,870)	-	(2,870)	-	9,287	-	9,287
Charge for the period / year	3,298,070	37,124	27,200	3,362,394	2,249,576	421,751	122,415	2,793,742
Provision under IFRS 9 related to WBB	-	(34,723)	-	(34,723)	-	(83,906)	- 11	(83,906)
Reversal for the period / year	(780,787)	(850)	(21,354)	(802,991)	(1,010,054)	(22,176)	(49,136)	(1,081,366)
	2,517,283	1,551	5,846	2,524,680	1,239,522	315,669	73,279	1,628,470
Amounts written off	(209)	-	-	(209)	(748,426)	-	-	(748,426)
Amounts charged off- agriculture financing	-	-	-	-	(78,229)	-		(78,229)
Closing balance	27,337,997	907,782	721,872	28,967,651	24,820,923	909,101	716,026	26,446,050

- 10.3.1 General provision includes Rs 374,851 thousand (December 31, 2020: Rs 374,319 thousand) due to deferment / restructuring & rescheduling relief allowed by SBP.
- 10.3.2 The net FSV benefit already availed has increased by Rs. 152,888 thousand, which has resulted in reduction in charge for specific provision for the year by the same amount. Had the FSV benefit not increased, before and after tax profit for the year would have been lower by Rs. 152,888 thousand (2020: higher by Rs. 71,514 thousand) and Rs. 93,262 thousand (2020: Rs.46,484 thousand) respectively. Further, at June 30, 2021, cumulative net of tax benefit availed for Forced Sales Value (FSV) was Rs. 547,826 thousand (December 31, 2020: Rs. 484,372 thousand) under BSD circular No. 1 of 2011 dated October 21, 2011. Reserves and un-appropriated profit to that extent are not available for distribution by way of cash or stock dividend.

		(Un-audited) June 30, 2021	(Audited) December 31, 2020
11.	FIXED ASSETS	(Rupee	s in '000)
	Capital work-in-progress - note 11.1 Property and equipment Right of use assets	149,179 13,640,196 6,606,427 20,395,802	164,343 13,666,587 7,401,820 21,232,750
11.1	This represents advances to suppliers and contractors.		
			udited)
		Period ended June 30, 2021	Period ended June 30, 2020
11.2	Additions to fixed assets	(Rupee	s in '000)
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress	35,955	58,002
	Property and equipment		
	Land - freehold	137,350	-
	Building on leasehold	1,103 77,775	- 00 672
	Renovation of premises Furniture, fixtures and office equipment	78,890	98,673 160,671
	Carpets	7,051	11,812
	Machine and equipments	94,157	92,447
	Computer equipments	83,963	80,783
	Vehicles	9,597 489,886	16,163 460,549
	Right of use assets	113,094	856,268
	Total	638,935	1,374,819
11.4	Disposal of fixed assets		
	The net book value of fixed assets disposed off during the period is as follows:	s·	
	The net 200K value of the access dispersed on dailing the period is de follows		
	Renovation of premises	579	2
	Furniture, fixtures and office equipment	2,272 589	1,992 627
	Carpets Machine and equipments	1,377	556
	Computer equipments	51	35
	Total	4,936	3,212
		(Un-audited)	(Audited)
		June 30,	December 31,
12.	INTANGIBLE ASSETS	2021 (Runee	2020 s in '000)
14.			
	Computer software	795,898	778,480
	Pakistan Mercantile Exchange - Membership Card Trading Right Entitlement Certificates	2,500 12,426	2,500 12,426
	Less: Provision against intangibles	(7,544)	(4,660)
		803,280	788,746
	Capital work in progress	380,452	370,111
		1,183,732	1,158,857

Period ended June 30, June 30, 2021 2020 (Rupestrout) 2021 2020			(Un-audited)	
12.1			Period ended	Period ended
12.1 Additions to intangible assets The following additions have been made to intangible assets during the periodic largeting work in progress			June 30,	June 30,
The following additions have been made to intangible assets during the period: Capital work in progress 92,719 164,930 47,337 151,528 150,468 140,056 140,056 152,282			2021	2020
Capital work in progress 92,719 164,930 174,337 151,528 1751al 174,0358 17528 1751al 174,0358 17528 1751al 174,0358 17528	12.1	Additions to intangible assets	(Rupees	s in '000)
Directly purchased 141,0356 316,458 140,056 316,458 140,056 316,458 140,056 316,458 140,056 316,458 140,056 316,458 140,056 316,458 140,056 316,458 140,056 316,458 140,056 316,458 140,056 32021 2020 12021 2020 120200 12020 12020 12020 12020 12020 12020 12020 120200 120200 120200 120200 120200 120200 120200 120200 120200 120200 120200 120200 120200 120200 120200		The following additions have been made to intangible assets during the period:		
Total 140,056 316,458 (Un-audited) June 30, December 31, 2021 2020 (Rupees in '000) (Rupees in '000)		Capital work in progress	92,719	164,930
Community Comm		Directly purchased	47,337	151,528
June 30, December 31, 2021 2020 2020 2021 2020 20		Total	140,056	316,458
2021 2020 (Rupes in '000)			(Un-audited)	(Audited)
13. DEFERRED TAX ASSETS CRupees in '000)			June 30,	December 31,
Deductible temporary differences on - Post retirement employee benefits 17,170 34,162 58,732 24,663 Deficit on revaluation of investments 350,113 - Provision against advances, off balance sheet 1,608,020 1,568,007 2,034,035 1,626,832 Taxable temporary differences on - Surplus on revaluation of non-banking assets (33,619) (29,498) (29,49			2021	2020
- Post retirement employee benefits - Accelerated tax depreciation - Deficit on revaluation of investments - Provision against advances, off balance sheet - Surplus on revaluation of non-banking assets - Surplus on revaluation of investments - Surplus on revaluation of provision - Try77,827 - Tr,403,537	13.	DEFERRED TAX ASSETS	(Rupees	s in '000)
- Accelerated tax depreciation - Deficit on revaluation of investments - Provision against advances, off balance sheet - Provision against advances, off balance sheet - Provision against advances, off balance sheet - Surplus on revaluation of non-banking assets - Surplus on revaluation of investments - Surplus on revaluation of one-banking assets - acquired in satisfaction of claims - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of one-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of one-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of sales of the respect to the representation of sales of the respect to the representation of sales of the respect to the		Deductible temporary differences on		
- Deficit on revaluation of investments - Provision against advances, off balance sheet - Surplus on revaluation of non-banking assets - Surplus on revaluation of investments - Surplus on revaluation of claims - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of rent assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of non-banking assets - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus on revaluation of non-banking assets - Advances, deposits, advance rent and other prepayments - Surplus o		- Post retirement employee benefits	17,170	34,162
- Provision against advances, off balance sheet - Provision against advances, off balance sheet - Provision against advances, off balance sheet - Surplus on revaluation of non-banking assets - Surplus on revaluation of investments - Surplus on revaluation of local currency - net of provision - 17,777,827 - 17,403,537 - 17,403,		- Accelerated tax depreciation	58,732	24,663
Taxable temporary differences on - Surplus on revaluation of non-banking assets - Surplus on revaluation of investments (29,498) (20,40416 1,597,334 14. OTHER ASSETS Income / mark-up accrued in local currency - net of provision Income / mark-up accrued in foreign currencies 556,132 558,371 Advances, deposits, advance rent and other prepayments 616,035 580,679 Advance taxation (payments less provisions) Non banking assets acquired in satisfaction of claims 2,090,616 2,426,242 Stationary and stamps in hand 92,373 99,829 Dividend receivable 40,291 7,365 Acceptances 11,251,519 11,829,891 Others 11,251,519 11,829,891 Others 11,251,519 11,829,891 Others 11,251,519 11,829,891 Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments Advances, deposits, advance rent and other prepayments Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		- Deficit on revaluation of investments	350,113	-
Taxable temporary differences on - Surplus on revaluation of non-banking assets - Surplus on revaluation of investments (33,619) (29,498) (29,498) (20,408)		- Provision against advances, off balance sheet	1,608,020	1,568,007
- Surplus on revaluation of non-banking assets - Surplus on revaluation of investments (29,498) (29,498) (33,619) (29,498) (29,498) (33,619) (29,498) (29,498) (29,498) (20,000,416) (29,498) (20,000,416) (29,498) (20,000,416) (Tayahla tamparany differences on	2,034,035	1,626,832
- Surplus on revaluation of investments (29,498) (33,619) (29,498) (2000,416 1,597,334 14. OTHER ASSETS Income / mark-up accrued in local currency - net of provision Income / mark-up accrued in foreign currencies 556,132 Advances, deposits, advance rent and other prepayments 616,035 Advance taxation (payments less provisions) Acceptances Dividend receivable Acceptances Others 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) Cugy,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 2,332,695 2,442,972 Other assets - total 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		· · · · · · · · · · · · · · · · · · ·	(33 610)	
14. OTHER ASSETS Income / mark-up accrued in local currency - net of provision 17,777,827 17,403,537 Income / mark-up accrued in foreign currencies 556,132 558,371 Advances, deposits, advance rent and other prepayments 616,035 580,679 Advance taxation (payments less provisions) 6,655,543 6,101,241 Non banking assets acquired in satisfaction of claims 2,090,616 2,426,242 Stationary and stamps in hand 92,373 99,829 Dividend receivable 40,291 7,365 Acceptances 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778)		·	(33,019)	(20.408)
14. OTHER ASSETS Income / mark-up accrued in local currency - net of provision 17,777,827 17,403,537 Income / mark-up accrued in foreign currencies 556,132 558,371 Advances, deposits, advance rent and other prepayments 616,035 580,679 Advance taxation (payments less provisions) 6,655,543 6,101,241 Non banking assets acquired in satisfaction of claims 2,090,616 2,426,242 Stationary and stamps in hand 92,373 99,829 Dividend receivable 40,291 7,365 Acceptances 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520		- ourplus of revaluation of investments	(33,610)	
14. OTHER ASSETS Income / mark-up accrued in local currency - net of provision 17,777,827 17,403,537 Income / mark-up accrued in foreign currencies 556,132 558,371 Advances, deposits, advance rent and other prepayments 616,035 580,679 Advance taxation (payments less provisions) 6,655,543 6,101,241 Non banking assets acquired in satisfaction of claims 2,090,616 2,426,242 Stationary and stamps in hand 92,373 99,829 Dividend receivable 40,291 7,365 Acceptances 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135				
Income / mark-up accrued in local currency - net of provision 17,777,827 17,403,537 Income / mark-up accrued in foreign currencies 556,132 558,371 Advances, deposits, advance rent and other prepayments 616,035 580,679 Advance taxation (payments less provisions) 6,655,543 6,101,241 Non banking assets acquired in satisfaction of claims 2,090,616 2,426,242 Stationary and stamps in hand 92,373 99,829 Dividend receivable 40,291 7,365 Acceptances 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 44,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135			2,000,410	1,597,554
Income / mark-up accrued in foreign currencies	14.	OTHER ASSETS		
Advances, deposits, advance rent and other prepayments Advance taxation (payments less provisions) Acceptances Dividend receivable Acceptances Dividend receivable Acceptances Acceptances Acceptances Others Acceptances Dividend against other assets - note 14.1 Acceptances Acceptance		Income / mark-up accrued in local currency - net of provision	17,777,827	17,403,537
Advance taxation (payments less provisions) 6,655,543 6,101,241 Non banking assets acquired in satisfaction of claims 2,090,616 2,426,242 Stationary and stamps in hand 92,373 99,829 Dividend receivable 40,291 7,365 Acceptances 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 2,332,695 2,442,972 Other assets - total 4,388 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		· · · · · · · · · · · · · · · · · · ·		
Non banking assets acquired in satisfaction of claims 2,090,616 2,426,242			•	
Stationary and stamps in hand 92,373 99,829 Dividend receivable 40,291 7,365 Acceptances 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		· · · · · · · · · · · · · · · · · · ·		
Dividend receivable 40,291 7,365 Acceptances 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		·		
Acceptances 11,251,519 11,829,891 Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 22,332,695 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		· · · · · · · · · · · · · · · · · · ·		
Others 1,012,568 781,464 40,092,904 39,788,619 Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135				
Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets		•		
Provision held against other assets - note 14.1 (209,615) (209,778) Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		Others		
Other assets - net of provision 39,883,289 39,578,841 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135				
Surplus on revaluation of non-banking assets acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135				
acquired in satisfaction of claims 2,332,695 2,442,972 Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135			39,883,289	39,578,841
Other assets - total 42,215,984 42,021,813 14.1 Provision held against other assets V Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		·	2 222 605	2 442 072
14.1 Provision held against other assets Advances, deposits, advance rent and other prepayments Suspense account Stationery and stamps in hand Others 4,838 4,838 4,838 34,520 34,520 34,520 52,285 167,972 168,135		·		
Advances, deposits, advance rent and other prepayments 4,838 4,838 Suspense account 34,520 34,520 Stationery and stamps in hand 2,285 2,285 Others 167,972 168,135		Other assets - total	42,215,984	42,021,813
Suspense account 34,520 Stationery and stamps in hand 2,285 Others 167,972 168,135	14.1	Provision held against other assets		
Stationery and stamps in hand 2,285 Others 167,972 168,135		Advances, deposits, advance rent and other prepayments		4,838
Others <u>167,972</u> 168,135		•		34,520
		Stationery and stamps in hand	2,285	2,285
<u>209,615</u> <u>209,778</u>		Others		
			209,615	209,778

14.1.1 Movement in provision held against other assets	For the	half year ended June 30, 2021					(Un-audited)	(Audited)
14.10								
Charge for the pariod / year Charge for the pariod / year Reversals for the period / year Reversal for the period / year Reversal or disposal or							2021	2020
Charge for the period / year (427) (435) (637	14.1.1	Movement in provision held against of	ther assets				(Rupees	s in '000)
Reversals for the period / year (435) (637) (22) Reversal on disposal (163 (22) (15,082) (163 (23) (163		Opening balance					209,778	238,089
Net charge / (reversal) for the period / year		Charge for the period / year					272	314
Reversal on disposal 15.050 20.071 20.0		Reversals for the period / year					(435)	(637)
Amounts written off / adjustments 12,036,150 209,078 209,0		· , , ,	ear				(163)	, ,
Closing balance							-	,
15. BILLS PAYABLE In Pakistan 16. BORROWINGS Sacured Borrowings from the State Bank of Pakistan under: Export refinance scheme Long term financing facility for storage of agricultural produce Renewable energy financing facility Relinance from SBP Credit guarantee scheme for women entrepreneurs Payment of wages and salaries Temporary economic relief Modernisation of SME Combaing COVID - 19 Repurchase agreement borrowings State Bank of Pakistan Financial institutions Refinance from Pakistan Mortgage Refinance Company Total secured Call borrowings Overdrawin nectos accounts Bal Manjaj Payable Total unsecured Payment of wages and Salaries In 1,070 1,568 1,258,368 1,258,368 1,100,000 1,		•					209.615	
16. BORROWINGS	15.	-						
16. BORROWINGS Socured Borrowings from the State Bank of Pakistan under: Export refinance scheme In 16,903,776 16,903,776							12,626,961	12,629,996
Secured Borrowings from the State Bank of Pakistan under: Export refinance scheme	16.	BORROWINGS						
Borrowings from the State Bank of Pakistan under: Export refinance scheme								
Export refinance scheme 18,592,189 16,903,776 19,056,831 16,903,776 19,056,831 19,057,831 19,057,831 19,057,131 19,057,131 19,057,131 19,057,131 19,057,131 19,057,131 19,057,131 19,058,935 19,057,131 19,058,935 19,057,131 19,058,935 19,057,131 19,058,935 19,058,035 19,058,935 19,058,935 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,058,035 19,			stan under:					
Long term financing facility Sinancing facility Financing facility Sinancing facility		_					18,592,189	16,903,776
Renewable energy financing facility Refinance from SBP Credit guarantee scheme for women entrepreneurs 1,070 1,568 1,0895,965 12,583,566 12,583,5		Long term financing facility					9,056,831	8,499,073
Refinance from SBP		Financing facility for storage of agricul	tural produce				65,492	76,399
Credit guarantee scheme for women entrepreneurs							2,476,669	579,231
Payment of wages and salaries 10,895,965 12,583,566 Temporary economic relief 2,497,555 11,375 1								
Temporary economic relief Modernisation of SME 11,375 24,87655 11,375 248,7655 11,375 248,7655		_	n entrepreneurs					1
Modemisation of SME 248,769 38,643,613		-						12,583,566
Repurchase agreement borrowings State Bank of Pakistan		• •						<u> </u>
Repurchase agreement borrowings State Bank of Pakistan Pakis								
State Bank of Pakistan Financial institutions 9,000,000 8,450,695 17,450,695 30,042,628 17,450,695 30,042,628 17,450,695 30,042,628 17,450,695 30,042,628 17,450,695 30,042,628 17,450,695 30,042,628 17,450,695 30,042,628 17,450,695 17,23,886 17,23,886 17,23,886 17,23,886 17,23,886 18,23,887		e com among e e con e						38,643,613
Financial institutions		Repurchase agreement borrowings						
Refinance from Pakistan Mortgage Refinance Company 17,450,695 30,042,628 2,388,105 1,923,886 1,879,890 1,250,988		State Bank of Pakistan						
Refinance from Pakistan Mortgage Refinance Company 1,923,886 1,823,886		Financial institutions						
Total secured		Definence from Dekisten Mortgage Defin	aanaa Camnany					
Call borrowings			nance Company					
Call borrowings Overdrawn nostro accounts Bai Muajjal Payable 8,256,244 10,276,937 10,276,937 10,276,605 10,276,937 10,276,605 10,276,605 10,276,605 10,276,605 10,276,605 10,276,605 10,276,605 10,276,607 10,276							03,004,713	70,010,127
Overdrawn nostro accounts Bai Muajjal Payable 866,490 5,506,032 3,276,605 5,506,032 3,276,605 5,506,032 - - - - 14,628,766 13,553,542 13,553,542 - - - 78,313,481 84,163,669 - <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>0.056.044</td> <td>40.076.007</td>							0.056.044	40.076.007
Bai Muajjal Payable Total unsecured 5,506,032 -		<u> </u>						
Total unsecured								5,270,005
Temperate Temp		-						13 553 5/12
Total In local currency In local currenc		Total unscouled						
In local currency In foreign currencies In foreign currency In foreign currence			luno	30, 2021 (Un au	uditod)	Docom		
Table Currency Currencies Currency Currencies Currency Currencies Currency Currencies Currency Currencies Current deposits Current deposits Savings deposits Current deposits				,			•	<u> </u>
Customers Current deposits 276,487,604 23,860,988 300,348,592 228,444,308 21,780,570 250,224,878 Savings deposits 435,235,841 47,322,406 482,558,247 388,092,120 48,085,995 436,178,115 Fixed deposits 120,700,946 13,218,999 133,919,945 90,069,109 7,058,608 97,127,717 Financial institutions Current deposits 1,137,982 23,943 1,161,925 976,402 54,187 1,030,589 Savings deposits 1,879,890 - 1,879,890 1,250,988 - 1,250,988 Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000			currency	_		•	=	
Current deposits 276,487,604 23,860,988 300,348,592 228,444,308 21,780,570 250,224,878 Savings deposits 435,235,841 47,322,406 482,558,247 388,092,120 48,085,995 436,178,115 Fixed deposits 120,700,946 13,218,999 133,919,945 90,069,109 7,058,608 97,127,717 832,424,391 84,402,393 916,826,784 706,605,537 76,925,173 783,530,710 Financial institutions Current deposits 1,137,982 23,943 1,161,925 976,402 54,187 1,030,589 Savings deposits 1,879,890 - 1,879,890 1,250,988 - 1,250,988 Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000	17.	DEPOSITS AND OTHER ACCOUNTS			(Rupee	s in '000)		
Savings deposits 435,235,841 47,322,406 482,558,247 388,092,120 48,085,995 436,178,115 Fixed deposits 120,700,946 13,218,999 133,919,945 90,069,109 7,058,608 97,127,717 832,424,391 84,402,393 916,826,784 706,605,537 76,925,173 783,530,710 Financial institutions Current deposits 1,137,982 23,943 1,161,925 976,402 54,187 1,030,589 Savings deposits 1,879,890 - 1,879,890 1,250,988 - 1,250,988 Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000		Customers						
Fixed deposits 120,700,946 13,218,999 133,919,945 90,069,109 7,058,608 97,127,717 832,424,391 84,402,393 916,826,784 706,605,537 76,925,173 783,530,710 Financial institutions Current deposits 1,137,982 23,943 1,161,925 976,402 54,187 1,030,589 Savings deposits 1,879,890 - 1,879,890 1,250,988 - 1,250,988 Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000		•						
Financial institutions 4,402,393 916,826,784 706,605,537 76,925,173 783,530,710 Financial institutions Current deposits 1,137,982 23,943 1,161,925 976,402 54,187 1,030,589 Savings deposits 1,879,890 - 1,879,890 1,250,988 - 1,250,988 Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000				1				
Financial institutions Current deposits 1,137,982 23,943 1,161,925 976,402 54,187 1,030,589 Savings deposits 1,879,890 - 1,879,890 1,250,988 - 1,250,988 Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000		Fixed deposits						
Current deposits 1,137,982 23,943 1,161,925 976,402 54,187 1,030,589 Savings deposits 1,879,890 - 1,879,890 1,250,988 - 1,250,988 Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000		Einanaial inatitutions	002,424,38 I	04,402,393	310,020,704	100,000,001	10,823,113	700,000,710
Savings deposits 1,879,890 - 1,879,890 1,250,988 - 1,250,988 Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000			1 127 002	22 042	1 161 025	076 402	EA 107	1 020 500
Fixed deposits 6,826,329 - 6,826,329 5,170,000 - 5,170,000		•		20,840			J 4 , 107	
		• •		_			_	
3,0 44 ,201 23, 343 3,000,144 1,331,330 34,101 1,45 1,311		•	9,844,201	23,943	9,868,144	7,397,390	54,187	7,451,577
842,268,592 84,426,336 926,694,928 714,002,927 76,979,360 790,982,287				84,426,336		714,002,927	76,979,360	
50								

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

		(Un-audited)	(Audited)		
		June 30,	December 31,		
		2021	2020		
18.	SUBORDINATED DEBTS	(Rupees	s in '000)		
	Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000		
-	Term Finance Certificates - VII	6,000,000	6,000,000		
		12,000,000	12,000,000		

18.1 The Group has raised unsecured sub-ordinated loans through issuance of Term Finance Certificates to improve the Group's capital adequacy. Liability to the TFC holders is subordinated to and rank inferior to all other indebtedness of the Group including deposits and is not redeemable before maturity without prior approval of the SBP. The salient features of outstanding issues are as follows:

	Term Finance Certificates - VI (ADT-1)	Term Finance Certificates - VII
Outstanding amount Runees in '000	6,000,000	6,000,000
Issue amount	Rupees 6,000 million	Rupees 6,000 million
Issue date	July 03, 2018	March 17, 2020
Maturity date	Perpetual	March 16, 2030
Rating	AA-	AA
Security	Unsecured	Unsecured
l istina	Listed	Listed
Profit payment frequency	Payable six monthly	Payable quarterly
Redemption	Perpetual	109-120th month: 100%
Profit rate	Base Rate plus 1.50%	Base Rate plus 1.20%
	Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.	Base Rate is the simple average of the ask rate three month KIBOR prevailing on the base rate setting date.
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.	Excercisable after 60th month from the date of issusubject to approval by the SBP.
Lock-in-clause	Payment of profit will be subject to the condition that such payment will not result in breach of the Bank's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cummulative features will subject these TFCs to mandatory conversion into common shares / write off at the discretion of SBP.	As per the lock-in requirement for Tier II Issues, neith profit nor principal will be payable (even at maturity) respect of the TFC, if such payment will result in shortfall or increase in an existing shortfall in the Bank's Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio. That is, an payment (profit and/or principal) in respect of the TF would be made, subject to the Bank being compliance with the requirement of Leverage Ratio Minimum Capital Requirement or Capital Adequation.
Loss absorption clause	The Instrument will be subject to loss absorption	As per Loss Absorbency Clause requirement for Tier

and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer 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 Value of the TFCs' divided by market value per share of the Bank's common share on the date of trigger event as declared by SBP, subject to a specified cap.

capital purpose, the instrument will be subject to loss absorbency and/or any other requirements under SBP's instructions on the subject. Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular # 6 of 2013, 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 TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP subject to a cap of 245,042,630 shares.

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
19.	OTHER LIABILITIES	(Rupees	in '000)
	Mark-up / return / interest payable in local currency	3,304,880	3,793,829
	Mark-up / return / interest payable in foreign currencies	188,180	217,522
	Unearned commission and income on bills discounted	1,698,062	1,726,572
	Accrued expenses	3,548,125	2,956,761
	Advance payments	358,148	349,092
	Acceptances	11,251,519	11,829,891
	Dividends payable	206,741	157,439
	Mark to market loss on forward foreign exchange contracts - net	600,600	228,034
	Branch adjustment account	1,197,871	753,774
	Payable to defined benefit plan	87,743	313,295
	Security deposit against lease / Ijarah financing	4,264,350	4,169,840
	Levies and taxes payable	238,285	381,105
	Workers' Welfare Fund	235,256	215,099
	Switch fee payable	759,447	665,449
	Provision against off-balance sheet obligations - note 19.1	481,233	100,356
	Lease liability against ROU assets as per IFRS - 16 Leases	7,720,274	8,223,995
	Islamic pool Management reserve - note 19.2	30,154	
	Others	3,187,734	2,347,380
		39,358,602	38,429,433
19.1	Provision against off-balance sheet obligations		
	Opening balance	100,356	101,154
	Exchange adjustment	(1)	49
	Charge for the period / year	380,878	-
	Reversal for the period / year	-	(847)
	Net charge / (reversal) for the period / year	380,878	(847)
	Closing balance	481,233	100,356

19.2 This includes equity portion of profit equalisation reserve amounting to Rs 15,077 thousands (December 2020: Nil) which has been presented as reserve in note 37.

20. SURPLUS ON REVALUATION OF ASSETS - NET OF TAX

Surplus / (deficit) on revaluation of:

- Available for sale securities	(878,973)	120,288
- Fixed Assets	5,205,916	5,144,180
- Non-banking assets acquired in satisfaction of claims	2,332,695	2,442,971
	6,659,638	7,707,439
Deferred tax (liability) / asset on surplus / (deficit) on revaluation of:		
- Non-banking assets acquired in satisfaction of claims	(33,619)	-
- Available for sale securities	350,113	(36,483)
	316,494	(36,483)
	6,976,132	7,670,956

		(Un-audited) June 30,	(Audited) December 31,
21	CONTINGENCIES AND COMMITMENTS	2021 (Rupees	2020 in '000)
21		` '	,
	- Guarantees - note 21.1 - Commitments - note 21.2	256,330,234 408,930,595	220,222,941 412,802,042
	- Other contingent liabilities - note 21.3	723,200	724,374
		665,984,029	633,749,357
21.1	Guarantees		
	Financial guarantees	5,303,399	9,952,617
	Performance guarantees Other guarantees	146,407,013 104,619,822	138,751,395 71,518,929
	gammes s	256,330,234	220,222,941
21.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	201,402,989	159,457,683
	Commitments in respect of:	400 040 000	000 070 704
	forward foreign exchange contracts - note 21.2.1forward government securities transactions - note 21.2.2	166,642,633 450,000	209,279,794
	- forward non government securities transactions - note 21.2.3	4,775,000	-
	- forward lending - note 21.2.4	35,322,280	43,805,613
	Commitments for acquisition of:		
	- fixed assets	34,799	34,298
	- intangible assets	194,460	38,678
	Commitments in respect of future contract transactions of		
	equity secutities	108,434	185,976
		408,930,595	412,802,042
21.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	99,431,665	118,889,979
	Sale	67,210,968	90,389,815
		166,642,633	209,279,794
	The above commitments have maturities falling within one year.		
21.2.2	Commitments in respect of forward government securities transactions		
	Purchase	450,000	
21.2.3	Commitments in respect of forward non government securities transactions		
	Purchase	4,775,000	
21.2.4	Commitments in respect of forward lending		
	Forward repurchase agreement lending	17,480,723	30,084,187
	Undrawn commitments - note 21.2.4.1	17,841,557	13,721,426
		35,322,280	43,805,613
21.2.4.1	These represent commitments that are irrevocable because these cannot be withdrawn without the risk of incurring significant penalty or expense.	at the discretion o	f the Group
		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
21.3	Other contingent liabilities	(Rupees	in '000)
21.3.1	These represent certain claims by third parties against the Group, which are being contested in the Courts of law. The management is of the view that these relate to the normal course of business and are not likely to result in any liability against the		
	Group.		
		723,200	724,374

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

22. **DERIVATIVE INSTRUMENTS**

The Bank's Treasury and Investment Banking Groups buy and sell derivative instruments such as Forward Exchange Contracts (FECs) and Equity Futures (EFs). These contracts are reported on their fair values at the date of statement of financial position.

	values at the date of statement of infancial position.	(Un-au	dited)
		Period ended	Period ended
		June 30,	June 30,
		2021	2020
23.	MARK-UP / RETURN / INTEREST EARNED	(Rupees	in '000)
	On:		
	Loans and advances	15,488,443	23,142,462
	Investments	19,757,949	19,606,676
	Lendings to financial institutions	43,915	202,123
	Balances with banks	4,185	81,702
	Securities purchased under resale agreements (reverse repo)	145,491	217,313
		35,439,983	43,250,276
24.	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	Deposits	15,906,775	24,021,920
	Borrowings	1,519,831	2,557,142
	Subordinated debts	520,790	1,021,723
	Cost of foreign currency swaps against foreign currency	1,244,578	786,022
	deposits / borrowings Interest expense on lease liability against right of use assets	456,444	440,565
	, , , ,	19,648,418	28,827,372
25.	FEE AND COMMISSION INCOME		
_0.			
	Branch banking customer fees	284,924	259,531
	Consumer finance related fees	55,365	50,423
	Card related fees (debit and credit cards)	403,010	365,717
	Credit related fees Investment banking fees	147,558 64,457	93,791 63,493
	Commission on trade	401,199	301,901
	Commission on guarantees	408,510	274,283
	Commission on remittances including home remittances	161,104	27,403
	Commission on bancassurance	62,546	36,426
	Others	143,964	78,467
		2,132,637	1,551,435
26.	GAIN ON SECURITIES		
	Dealth of mate 00.4	700 500	4 004 705
	Realised - note 26.1 Unrealised - held for trading	790,539 -	1,391,735 1,002
		790,539	1,392,737
00.4			
26.1	Realised gain on:		
	Federal Government Securities	652,107	1,274,193
	Shares	135,432	113,900
	Non Government Debt Securities	3,000	202
	Mutual Funds	700 500	2,452
		790,539	1,390,747

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

		(Un-audited)		
		Period ended	Period ended	
		June 30,	June 30,	
		2021	2020	
27.	OTHER INCOME	(Rupees	in '000)	
	Gain on sale of fixed assets	5,078	3,709	
	Rent of lockers	26,613	21,830	
	Gain on sale of non banking assets	15,000	5	
	Recovery of expenses from customers	159,577	112,816	
	Government Grant - foreign branch	-	5,892	
	Termination of lease contracts	2,807	2,287	
		209,075	146,539	
28.	OPERATING EXPENSES	0.050.000	5 540 000	
	Total compensation expenses - note 28.1	6,852,933	5,546,863	
	Property expense Rent and taxes	67.104	170.010	
		67,194	170,018	
	Insurance	47,586	52,774	
	Utilities cost	265,192	286,722	
	Security (including guards)	248,687	251,804	
	Repair & maintenance (including janitorial charges)	130,623	123,848	
	Depreciation on right of use assets	746,863	698,610	
	Depreciation	168,727	200,112	
		1,674,872	1,783,888	
	Information technology expenses	202 500	470.005	
	Software maintenance	223,580	178,635	
	Hardware maintenance	20,600	17,558	
	Depreciation	87,496	92,965	
	Amortisation	110,778	112,680	
	Network charges	105,280	87,652	
		547,734	489,490	
	Other operating expenses			
	Directors' fees, allowances	44,662	6,125	
	Fees and allowances to Shariah Board	2,981	2,908	
	Rates, taxes, insurance etc.	98,734	108,746	
	Legal and professional charges	97,643	48,375	
	Travelling, conveyance and entertainment	88,223	115,403	
	Brokerage and commission	56,724	47,587	
	NIFT clearing charges	36,776	40,364	
	Repair and maintenance	126,449	132,407	
	Communications	240,073	277,651	
	Stationery and printing	118,338	124,733	
	Marketing, advertisement and publicity	18,881	42,186	
	Donations	58,424	112,390	
	Auditors' remuneration	8,239	10,701	
			· ·	
	Depreciation	247,840	269,123	
	Security service charges	136,602	116,915	
	Training and development	2,968	18,310	
	Premium paid to Deposit Protection Corporation	287,490	231,569	
	Other expenditure	203,960	458,293	
		1,875,007	2,163,786	
		10,950,546	9,984,027	
28.1	Total compensation expenses			
	Managerial remuneration	4,836,171	4,944,753	
	Charge for defined benefit / contribution plan	364,752	429,672	
	Other staff cost - note 28.1.1	1,652,010	172,439	
		6,852,933	5,546,863	
28.1.1	Other staff cost includes incentive to consumer sales staff, dearness allowand	ce, cash handling a	allowance, staff	

28.1.1 Other staff cost includes incentive to consumer sales staff, dearness allowance, cash handling allowance, staff group insurance, provision for severance etc.

32.

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

29. This includes penalties imposed by the State Bank of Pakistan.

		(Un-audited)			
		Period ended	Period ended		
		June 30,	June 30,		
		2021	2020		
30.	PROVISIONS AND WRITE OFFS - NET	(Rupees	in '000)		
	(Reversal of provision) / provision for diminution in value of investments	(25,622)	146,987		
	Provision against loans and advances	2,524,680	538,683		
	Reversal of provision against fixed assets	2,884	-		
	(Reversal of provision) / provision against other assets	(163)	273		
	Provision / (reversal of provision) against off-balance sheet obligations	380,878	(1,201)		
	Provision / (reversal of provision) against cash and bank balances	17	(1)		
	Recovery of written off / charged off bad debts	(63,584)	(40,429)		
		2,819,090	644,312		
31.	TAXATION				
	Current	2,693,608	3,218,981		
	Deferred	(51,177)	(37,428)		
		2,642,431	3,181,553		
31.1	There are no changes to tax related contingencies from those disclosed in no consolidated financial statements.	ote 32.2 of the audited	I annual		

	(Un-audited)			
	Half year ended June 30, 2020	Half year ended June 30, 2018		
BASIC AND DILUTED EARNINGS PER SHARE				
Profit for the period - Rupees in '000	4,118,920	4,967,610		
Weighted average number of Ordinary Shares - numbers	1,260,260,180	1,260,260,180		
Basic earnings per share - Rupees	3.27	3.94		

There is no dilutive effect on the basic earnings per share of the Group, therefore dilutive earnings per share have not been presented seperately.

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

33. FAIR VALUE MEASUREMENTS

The fair value of traded investments is based on quoted market prices, except for securities classified by the Group as 'held to maturity'. Securities classified as held to maturity are carried at amortized cost. Value of unquoted equity investments is determined on the basis of break up value of these investments as per the latest available audited financial statements.

Fair value of fixed term loans, other assets, other liabilities and fixed term deposits cannot be calculated with sufficient reliability due to the absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments. The provision for impairment of loans and advances has been calculated in accordance with the Group's accounting policy as stated in note 4 to the audited annual consolidated financial statements for the year ended December 31, 2020.

Fair value of remaining financial assets and liabilities except fixed term loans, staff loans, non-performing advances and fixed term deposits is not significantly different from the carrying amounts since assets and liabilities are either short term in nature or are frequently repriced in the case of customer loans and deposits.

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

33.1 Fair value of financial assets

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets (Pakistan Stock Exchange) 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 liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices) available at MUFAP, Reuters page, Redemption prices and determined by valuers on the panel of Pakistan Bank's Association.
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques used in determination of fair values within level 2 and level 3

Federal Government Securities	The fair values of Federal Government Securities are determined on the basis of PKRV rates.
Non Government Debt Securities	Non Government Debt Securities are valued on the basis of rates announced by Mutual Fund Association of Pakistan (MUFAP).
Foreign Government Debt Securities	Foreign Government Debt Securities are valued on the basis of rates taken from custodian of the securities which are usually drawn from Bloomberg.
Unit of Mutual Funds	Fair values of mutual funds are determined based on their net asset values as published at the close of reporting period.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Fixed Assets and Non Banking Assets	Land and Non Banking assets acquired in satisfaction of claims are valued on a periodic basis using professional valuers. The valuation is based on their assessments of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these condensed interim consolidated financial statements.

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

The table below analyses the financial assets carried at fair values, by valuation methods. Valuation of investments is carried out as per guidelines specified by the SBP.

	June 30, 2021 (Un-audited)				
	Level 1	Level 2	Level 3	Total	
On halamas ahaat financial instruments		(Rupees	s in '000)		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	-	388,621,470	-	388,621,470	
Shares	4,550,640	-	-	4,550,640	
Units of open end mutual funds	- 45 622	1,476,926	-	1,476,926	
Fully paid preference shares Non Government Debt Securities	15,633	- 0 507 993	-	15,633	
	-	9,507,883 487,203	-	9,507,883 487,203	
Foreign securities	-	407,203	-	467,203	
Financial assets - disclosed but not measured at fair value					
Investments					
Federal Government Securities	-	121,204,077	-	121,204,077	
Foreign Securities	-	3,284,963	-	3,284,963	
Off-balance sheet financial instruments - measured at fair value	•				
Forward purchase of foreign exchange	_	99,431,665	_	99,431,665	
Forward sale of foreign exchange	-	67,210,968	-	67,210,968	
	December 31, 2020 (Audited)				
	Level 1	Level 2	Level 3	Total	
		(Rupees	s in '000)		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments					
Federal Government Securities	-	334,820,766	-	334,820,766	
Shares	4,493,470	-	-	4,493,470	
Unite of anon and mutual funds				1 // 26 // 20	
Units of open end mutual funds	-	1,436,420	-		
Fully paid preference shares	- 61,945	-	-	61,945	
Fully paid preference shares Non Government Debt Securities	- 61,945 -	- 9,743,656	- - -	61,945 9,743,656	
Fully paid preference shares	61,945 - -	-	- - -	61,945 9,743,656	
Fully paid preference shares Non Government Debt Securities Foreign securities	61,945 - -	- 9,743,656	- - -	61,945 9,743,656	
Fully paid preference shares Non Government Debt Securities Foreign securities Financial assets - disclosed but not measured at fair value	- 61,945 - -	- 9,743,656	- - -	61,945 9,743,656	
Fully paid preference shares Non Government Debt Securities Foreign securities Financial assets - disclosed but not measured at fair value Investments Federal Government Securities	- 61,945 - -	- 9,743,656	- - -	61,945 9,743,656 496,932	
Fully paid preference shares Non Government Debt Securities Foreign securities Financial assets - disclosed but not measured at fair value Investments	- 61,945 - - -	9,743,656 496,932	- - - -	61,945 9,743,656 496,932 94,942,447	
Fully paid preference shares Non Government Debt Securities Foreign securities Financial assets - disclosed but not measured at fair value Investments Federal Government Securities	- - -	9,743,656 496,932 94,942,447	- - - -	61,945 9,743,656 496,932 94,942,447	
Fully paid preference shares Non Government Debt Securities Foreign securities Financial assets - disclosed but not measured at fair value Investments Federal Government Securities Foreign securities	- - -	9,743,656 496,932 94,942,447	- - - -	1,436,420 61,945 9,743,656 496,932 94,942,447 3,299,267	

The Group'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 such transfer takes place. There were no transfers between levels 1 and 2 during the period.

	(Un-audited)	(Audited)
	June 30,	December 31,
	2021	2020
33.2 Fair value of non-financial assets	(Rupees	s in '000)
	Level 3	Level 3
Fixed assets Property and equipment (freehold and leasehold land)	9,689,980	9,552,630
Other assets Non-banking assets acquired in satisfaction of claims	4,423,311	4,869,214

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

34. **SEGMENT INFORMATION**

$34.1\,$ Segment details with respect to Business Activities

The segment analysis with respect to business activity is as follows:

			For the h		ne 30, 2021 (Un-			
	Branch banking	Corporate banking	Treasury	Consumer banking (Rupees	Islamic banking in '000)	Foreign operations	Head Office / others	Total
Profit and loss								
Net mark-up / return / profit Inter segment revenue - net	(10,884,261) 18,067,288	7,538,585 (5,748,050)	16,188,220 (13,353,086)	1,257,936 (651,370)	1,782,981	644,652 (41,467)	(736,548) 1,726,685	15,791,565
Non mark-up / return / interest income	673,388	1,351,551	2,015,095	230,179	206,627	1,126	287,224	4,765,190
Total income	7,856,415	3,142,086	4,850,229	836,745	1,989,608	604,311	1,277,361	20,556,755
Segment direct expenses	5,529,775	366,198	157,700	477,745	1,090,744	60,210	3,293,942	10,976,314
Inter segment expense allocation	320,754	450,470	2,012	86,697	-	<u> </u>	(859,933)	-
Total expenses	5,850,529	816,668	159,712	564,442	1,090,744	60,210	2,434,009	10,976,314
(Reversals) / Provisions	1,786	2,514,327	25,671	57,252	235,444	(54,548)	39,158	2,819,090
Profit / (loss) before tax	2,004,100	(188,909)	4,664,846	215,051	663,420	598,649	(1,195,806)	6,761,351
				June 30, 2021	(Un-audited)			
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
Statement of financial position				(Rupees	in 000)			
Cash and bank balances	25,116,902	45,213	64,231,816	123,641	6,522,378	1,298,994	366,089	97,705,033
nvestments	-	7,852,296	487,130,064	-	14,227,407	18,842,472	1,446,608	529,498,847
Lendings to financial institutions	-	-	-	-	-	-	-	-
Advances - performing - net of provision	12,742,380	311,906,290	-	19,334,798	66,359,437	9,557,507	7,104,777	427,005,189
Advances - non-performing - net of provision Others	617,722 1,689,133	1,079,058 15,893,539	- 7,645,648	308,555 242,823	1,362,964 5,286,702	- 305,749	- 34,748,926	3,368,299 65,812,520
Total Assets	40,166,137	336,776,396	559,007,528	20,009,817	93,758,888	30,004,722	43,666,400	1,123,389,888
Borrowings Subordinated debts	1,808,754	37,314,608	14,506,032	2,388,105	8,222,553	14,073,429	12,000,000	78,313,481 12,000,000
Deposits and other accounts	664,541,218	186,905,465	-	20,149	72,952,650	2,189,582	85,864	926,694,928
Net inter segment balances - net	(639,016,233)	94,788,177	542,984,313	16,793,828	-	11,028,059	(26,578,144)	-
Others	12,832,398	17,768,146	1,517,183	807,735	4,899,117	2,713,652	11,463,918	52,002,149
Total liabilities Equity	40,166,137	336,776,396	559,007,528	20,009,817	86,074,320 7,684,568	30,004,722	(3,028,362) 46,694,762	1,069,010,558 54,379,330
Total Equity and liabilities	40,166,137	336,776,396	559,007,528	20,009,817	93,758,888	30,004,722	43,666,400	1,123,389,888
Contingencies and commitments	7,341,605	452,766,504	178,822,978	539,603	15,558,423	9,424,022	1,530,894	665,984,029
	7,011,000	102,700,001	170,022,070		10,000,120	0,121,022	1,000,001	000,001,020
	Doggada	0	For the h	alf year ended Ju			1110#:	
	Branch banking	Corporate banking	Treasury	Consumer banking	Islamic banking	Foreign operations	Head Office / others	Total
			-	(Rupees	in '000)			
Profit and loss	(47 407 705)	12 200 004	1E 600 100	1 511 206	1 040 245	404 665	(052.805)	14 422 004
Net mark-up / return / profit nter segment revenue - net	(17,487,785) 23,594,393	13,308,904 (8,954,044)	15,608,183 (15,755,888)	1,511,396 (1,001,719)	1,940,345 -	494,665	(952,805) 2,117,258	14,422,904
		967,984	2,381,915	187,120	184,774	6,328	48,713	4,397,254
Non mark-up / return / interest income	620,420						70,710	T,001,20T
·	620,420 6,727,028	5,322,844	2,234,210	696,797	2,125,119	500,993	1,213,166	
Total income	6,727,028	5,322,844	2,234,210	696,797	2,125,119	500,993	1,213,166	18,820,158
Total income Segment direct expenses	6,727,028 5,090,962 218,444	5,322,844 385,645 512,587	2,234,210 151,044 1,992	696,797 378,369 73,738	2,125,119 1,045,711 -	500,993 57,545 -	1,213,166 2,913,208 (806,761)	18,820,158 10,022,484 (0
Total income Segment direct expenses Inter segment expense allocation	6,727,028 5,090,962	5,322,844 385,645	2,234,210 151,044	696,797 378,369	2,125,119	500,993	1,213,166 2,913,208	18,820,158 10,022,484 (0
Total income Segment direct expenses Inter segment expense allocation Total expenses	6,727,028 5,090,962 218,444	5,322,844 385,645 512,587	2,234,210 151,044 1,992	696,797 378,369 73,738	2,125,119 1,045,711 -	500,993 57,545 -	1,213,166 2,913,208 (806,761)	18,820,158 10,022,484 (0 10,022,483
Fotal income Segment direct expenses Inter segment expense allocation Fotal expenses Reversals) / Provisions	6,727,028 5,090,962 218,444 5,309,406	5,322,844 385,645 512,587 898,232	2,234,210 151,044 1,992 153,036	696,797 378,369 73,738 452,107	2,125,119 1,045,711 - 1,045,711	500,993 57,545 - 57,545	1,213,166 2,913,208 (806,761) 2,106,447	18,820,158 10,022,484 (0 10,022,483 644,312
Fotal income Segment direct expenses Inter segment expense allocation Fotal expenses Reversals) / Provisions	6,727,028 5,090,962 218,444 5,309,406 (41,630)	5,322,844 385,645 512,587 898,232 108,099	2,234,210 151,044 1,992 153,036 166,163	696,797 378,369 73,738 452,107 116,050 128,640	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021	500,993 57,545 - 57,545 (78,202)	1,213,166 2,913,208 (806,761) 2,106,447 381,445	18,820,158 10,022,484 (0 10,022,483 644,312
Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252	5,322,844 385,645 512,587 898,232 108,099 4,316,513	2,234,210 151,044 1,992 153,036 166,163	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited)	500,993 57,545 - 57,545 (78,202) 521,651	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726)	18,820,158 10,022,484 (0 10,022,483 644,312
Fotal income Segment direct expenses Inter segment expense allocation Fotal expenses Reversals) / Provisions	6,727,028 5,090,962 218,444 5,309,406 (41,630)	5,322,844 385,645 512,587 898,232 108,099	2,234,210 151,044 1,992 153,036 166,163	696,797 378,369 73,738 452,107 116,050 128,640	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021	500,993 57,545 - 57,545 (78,202)	1,213,166 2,913,208 (806,761) 2,106,447 381,445	18,820,158 10,022,484 (0 10,022,483 644,312
Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252	5,322,844 385,645 512,587 898,232 108,099 4,316,513	2,234,210 151,044 1,992 153,036 166,163 1,915,011	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking	500,993 57,545 - 57,545 (78,202) 521,651 Foreign	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726)	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363
Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000)	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total
Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total
Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000)	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total
Fotal income Segment direct expenses Inter segment expense allocation Fotal expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987
Gegment direct expenses Inter segment expense allocation Fotal expenses Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395	2,125,119 1,045,711	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 -	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 -	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887
Gegment direct expenses Inter segment expense allocation Total expenses Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Others	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352	2,125,119 1,045,711	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754
Gegment direct expenses Inter segment expense allocation Total expenses Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Others	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395	2,125,119 1,045,711	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 -	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 -	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754
Gegment direct expenses Inter segment expense allocation Total expenses Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352	2,125,119 1,045,711	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192 45,003,913 3,276,606	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754 992,886,661 84,163,669
Gegment direct expenses Inter segment expense allocation Fotal expenses Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Fotal Assets Borrowings Subordinated debts	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 -	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 -	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 -	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 - 62,598,616 1,671,075 5,754,115 88,553,681 11,810,905 -	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 -	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192 45,003,913 3,276,606 12,000,000	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754 992,886,661 84,163,669 12,000,000
Gegment direct expenses Inter segment expense allocation Fotal expenses Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Fotal Assets Borrowings Subordinated debts Deposits and other accounts	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,565,481	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935	2,125,119 1,045,711	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192 45,003,913 3,276,606 12,000,000 81,075	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754 992,886,661 84,163,669 12,000,000
Gegment direct expenses Inter segment expense allocation Fotal expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Fotal Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,565,481 (533,319,613)	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553 97,723,672	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692 - 434,611,006	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935 16,809,062	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 - 62,598,616 1,671,075 5,754,115 88,553,681 11,810,905 - 65,305,888 -	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355 11,188,408	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192 45,003,913 3,276,606 12,000,000 81,075 (27,012,535)	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754 992,886,661 84,163,669 12,000,000 790,982,287 -
Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,565,481	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935	2,125,119 1,045,711 - 1,045,711 (7,613) 1,087,021 2020 (Audited) Islamic banking in '000) 6,313,535 12,216,340 - 62,598,616 1,671,075 5,754,115 88,553,681 11,810,905 -	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192 45,003,913 3,276,606 12,000,000 81,075	18,820,158 10,022,484 (0 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754 992,886,661 84,163,669 12,000,000 790,982,287 - 51,059,429
Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Total liabilities Equity	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,565,481 (533,319,613) 12,902,600 46,296,557 -	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553 97,723,672 17,328,364 307,546,207	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692 - 434,611,006 1,066,600 456,390,298 -	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935 16,809,062 964,317 19,719,200 -	2,125,119 1,045,711	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355 11,188,408 3,346,088 27,339,724 2,037,081	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192 45,003,913 3,276,606 12,000,000 81,075 (27,012,535) 11,011,283 (643,571) 45,647,484	18,820,158 10,022,484 (0) 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754 992,886,661 84,163,669 12,000,000 790,982,287 - 51,059,429 938,205,385 54,681,276
Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Total liabilities Equity Total Equity and liabilities	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,565,481 (533,319,613) 12,902,600	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553 97,723,672 17,328,364	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692 - 434,611,006 1,066,600	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935 16,809,062 964,317	2,125,119 1,045,711	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355 11,188,408 3,346,088 27,339,724	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192 45,003,913 3,276,606 12,000,000 81,075 (27,012,535) 11,011,283 (643,571)	18,820,158 10,022,484 (0) 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168 3,589,887 66,010,754 992,886,661 84,163,669 12,000,000 790,982,287 - 51,059,429 938,205,385 54,681,276
Segment direct expenses Inter segment expense allocation Total expenses (Reversals) / Provisions Profit / (loss) before tax Statement of financial position Cash and bank balances Investments Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Total liabilities Equity	6,727,028 5,090,962 218,444 5,309,406 (41,630) 1,459,252 Branch banking 30,938,859 - 12,987,203 563,642 1,806,853 46,296,557 2,148,089 - 564,565,481 (533,319,613) 12,902,600 46,296,557 -	5,322,844 385,645 512,587 898,232 108,099 4,316,513 Corporate banking 2,174,588 8,559,870 - 280,191,484 921,775 15,698,490 307,546,207 32,344,618 - 160,149,553 97,723,672 17,328,364 307,546,207	2,234,210 151,044 1,992 153,036 166,163 1,915,011 Treasury 39,690,446 409,207,953 7,491,899 456,390,298 20,712,692 - 434,611,006 1,066,600 456,390,298 -	696,797 378,369 73,738 452,107 116,050 128,640 December 31, 2 Consumer banking (Rupees 234,673 - 18,522,780 433,395 528,352 19,719,200 1,923,886 - 21,935 16,809,062 964,317 19,719,200 -	2,125,119 1,045,711	500,993 57,545 - 57,545 (78,202) 521,651 Foreign operations 135,415 18,307,234 - 10,653,303 - 280,853 29,376,805 11,946,873 - 858,355 11,188,408 3,346,088 27,339,724 2,037,081	1,213,166 2,913,208 (806,761) 2,106,447 381,445 (1,274,726) Head Office / others 2,360,349 1,320,590 - 6,872,782 - 34,450,192 45,003,913 3,276,606 12,000,000 81,075 (27,012,535) 11,011,283 (643,571) 45,647,484	18,820,158 10,022,484 (0) 10,022,483 644,312 8,153,363 Total 81,847,865 449,611,987 - 391,826,168

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

35. RELATED PARTY TRANSACTIONS

Fauji Consortium comprising of Fauji Foundation, Fauji Fertilizer Company Limited and Fauji Fertilizer Bin Qasim Limited (the Parent) holds 71.91% of the Group's share capital at the period end. The Group has related party relationships with entities under common directorship, its directors, key management personnel, entities over which the directors are able to exercise significant influence and employees' funds.

The Group 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

Details of transactions with related parties and balances are as follows:

	As at June, 2021 (Un-audited)				As at December 31, 2020 (Audited)					
	Parent	Directors	Key management personnel	Companies with common directorship	Other related parties	Parent n '000	Directors	Key management personnel	Companies with common directorship	Other related parties
Investments						555				
Opening balance	-	-	-	450,478	350,000	-	-	-	719,311	300,000
Investment made during the period / year	-	-	-	-	-	-	-	-	411,454	50,000
Investment redeemed / disposed off during the period / year	-	-	-	(18,449)	-	-	-	-	(247,268)	-
Transfer in / (out) - net		-	-	-			-	-	(433,019)	-
Closing balance		-	-	432,029	350,000	-	-	-	450,478	350,000
Provision for diminution in value of investments		-	-	-			-	-	-	-
Advances										
Opening balance	2,805,786	28,671	423,764	4,766,042	_	5,035,504	19,771	364,453	4,701,476	-
Addition during the period / year	45,944,393	286	76,315	5,376,294	-	121,938,314	59,315	125,382	9,941,779	-
Repaid during the period / year	(41,628,420)	(28,935)	(54,348)	(5,058,633)	-	(124,168,032)	(50,406)			-
Transfer in / (out) - net	-	-	9,945	2,328,032	-	-	(9)	27,644	667,845	-
Closing balance	7,121,759	22	455,676	7,411,735	-	2,805,786	28,671	423,764	4,766,042	-
Provision held against advances	-	-	-	-	-	-	-	-	-	-
Other Assets						-				
Interest / mark-up receivable	49,108	-	100,049	365,614	-	46,571	425	84,087	90,799	-
Advance rent	230	-	-	-	-	1,081	-	-	-	-
Securities given as Collateral	-	-	-	-	188,963	-	-	-	-	-
Borrowings Opening balance	-	-	-	-	1,923,886	-	-	-	-	1,972,026
Borrowings during the period / year Settled during the period / year	-	-	-	-	500,000 (35,781)	-	-	-	-	1,000,000 (1,048,140
Transfer in / (out) - net	-	-	-	-	(33,761)	-	-	-	-	(1,040,140
Closing balance	_	-	-	-	2,388,105		-	-	-	1,923,886
Subordinated debt						-				
Opening balance	-	-	-	-	-	-	_	_	24,950	-
Issued during the period / year	-	-	-	-	-	-	-	-	-	-
Redemption during the period / year	-	-	-	-	-	-	-	-	(5)	-
Transfer in / (out) - net Closing balance		<u>-</u>	<u>-</u>	<u>-</u>	-	<u>-</u>	-	<u>-</u>	(24,945)	<u>-</u>
Deposits and other accounts	0.040.404	40.070	400.047	40.005.040	4.044.004	4 070 000	04.000	447.500	45 404 047	4 0 4 7 4 7 0
Opening balance	8,018,104	19,379	186,617	12,205,848	4,811,281	4,678,222	64,239	117,562	15,124,817	4,817,176
Received during the period / year	301,673,736	109,274	877,677	177,806,451	47,560,128	584,157,308	211,929	1,095,412	256,093,596	30,648,252
Withdrawn during the period / year	(288,879,858)	(112,593)		(175,161,420)	(40,584,324)	(580,817,426)	(199,751)	(1,016,580)	,	•
Transfer in / (out) - net	20.011.002	16.060	1,451	4,398	231,180	9.019.104	(57,038)	(9,777)		
Closing balance	20,811,982	16,060	206,876	14,855,277	12,018,265	8,018,104	19,379	186,617	12,205,848	4,811,281
Other Liabilities										
Interest / mark-up payable	23,005	-	1,929	81,311	39,284	19,363	-	1,809	34,000	38,941
Payable to staff retirement fund	-	-	-	-	87,743	-	-	-	-	310,314
Security deposits payable	-	-	<u>-</u>	322,397	-	<u>-</u>	-	287	296,198	-
Others	-	-	5,467	-	-	4,986	-	4,588	-	-
Contingencies and Commitments Contingencies and Commitments	1,107,664	_	_	5,412,324	_	1,313,613	_	_	3,951,782	_
-	.,,			-,,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			3,551,15	
Others Securities held as custodian	4,590,000	_	-	_	2,079,500	4,590,000	_	_	_	6,992,500
		For the half yea	r ended June 30 Key	2021 (Un-Audited) Companies with		Fo	or the half year o	ended June 30, Key	2020 (Un-Audited Companies with	•
			management	common	Other related			management	common	Other related
	Parent	Directors	personnel	directorship	parties Rupees i	Parent n '000	Directors	personnel	directorship	parties
Income										
Mark-up / return / interest earned	65,697	533	10,077	247,988	-	135,793	1,508	10,394	274,981	-
Fee and commission received	10	-	-	5,658 15,785	-	77	-	-	2,358	-
Dividend income Other income	-	-	-	15,785	11,066	-	-	- -	4,118	- -
Carlo, moonio	-	_	-	-	-	-	_	_	-	-
Expense										
Mark-up / return / interest expensed	545,697	154	3,252	249,277	272,982	314,744	170	3,334	796,201	382,267
Charge to defined benefit plan	-	-	-	-	134,978	-	-	-	-	171,760
Contribution to defined contribution plan Remuneration and allownces	-	-	360,707	-	160,813 2,981	-	-	303,411	-	146,079 2,908
Remuneration and allownices Rent	- 850	-	300,707 -	-	2,961	- 5,814	-	303,411	-	2,900
Communications	-	-	-	-	18,619	-	-	-	-	13,709
Brokerage and Commission	_	_	_	77	13,963	-	_	_	28	6,983

In addition to above, rent free sub-branches are operating at FFC Sona Tower, FFBL Tower and Foundation University (along with booth and Atm).

51,420

2,718,846

The term 'keymanagement personnel' has the same meaning as defined in IAS 24 - Related party disclosures.

Brokerage and Commission

Directors' Fee, Allownces

Dividend paid

Others

Donations

Insurance premium

225

77

13,963

42,350

-

1,359,423

109,000

28

63,404

2,364

6,125

113

6,983

11,745

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

36. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

(Un-audited) June 30, E 2021	(Audited) December 31, 2020
(Rupees in '	'000)
Minimum Capital Requirement (MCR):	
Paid-up capital (net of losses) 12,602,602	12,602,602
Capital Adequacy Ratio (CAR):	
Eligible Common Equity Tier 1 (CET 1) Capital Eligible Additional Tier 1 (ADT 1) Capital Total Eligible Tier 1 Capital Total Eligible Tier 2 Capital Total Eligible Capital (Tier 1 + Tier 2) 51,333,307 12,568,789 63,902,096	44,953,711 5,928,538 50,882,249 13,137,795 64,020,044
Risk Weighted Assets (RWAs): 347,390,235 Credit Risk 35,168,628 Market Risk 56,484,088 Total 439,042,951	325,175,823 31,566,562 56,484,088 413,226,473
Common Equity Tier 1 Capital Adequacy ratio10.34%	10.88%
Tier 1 Capital Adequacy Ratio 11.69%	12.31%
Total Capital Adequacy Ratio 14.55%	15.49%
Leverage Ratio (LR):	
Eligible Tier-1 Capital 51,333,307	50,882,249
	1,420,206,406
Leverage Ratio 3.18%	3.58%
Liquidity Coverage Ratio (LCR):	
Total High Quality Liquid Assets 434,924,314	345,807,337
Total Net Cash Outflow 224,253,796	201,510,814
Liquidity Coverage Ratio 193.94%	171.61%
Net Stable Funding Ratio (NSFR):	
Total Available Stable Funding 927,955,536	812,464,916
Total Required Stable Funding 488,687,097	442,061,686
Net Stable Funding Ratio 189.89%	183.79%

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

37. Islamic Banking Business

The Group is operating 95 Islamic banking branches including 3 sub-branches at June 30, 2021 as compared to 95 Islamic banking branches including 3 sub-branches at year ended December 31, 2020.

	Note	(Un-audited) June 30, 2021 (Rupees	(Audited) December 31, 2020 in '000)
ASSETS	1		
Cash and balances with treasury banks		6,180,203	5,161,165
Balances with other banks		342,175	1,152,370
Due from financial Institutions	07.4	-	-
Investments	37.1	14,227,407	12,216,340
Islamic financing and related assets - net	37.2	67,636,844	64,269,691
Fixed assets		1,650,702	1,756,603
Intangible assets		-	-
Due from Head Office Other assets		4,180,022	- 5 562 647
Total assets		94,217,353	5,562,647 90,118,816
Total assets		94,217,333	90,110,010
LIABILITIES			
Bills payable		1,129,520	1,477,496
Due to financial institutions		8,222,552	11,810,905
Deposits and other accounts	37.3	72,952,650	65,305,888
Due to head office		-	-
Sub-ordinated debt		-	-
Other liabilities		4,298,540	4,527,816
		86,603,262	83,122,105
NET ASSETS		7,614,091	6,996,711
REPRESENTED BY			
Islamic Banking Fund		4,600,000	4,600,000
Reserves	37.4	15,077	-
Deficit on revaluation of assets		(33,230)	(57,670)
Unappropriated profit	37.5	3,032,244	2,454,381
••••		7,614,091	6,996,711
CONTINGENCIES AND COMMITMENTS	37.6	15,558,424	11,741,980

The profit and loss account of the Group's Islamic banking branches for the period ended June 30, 2021 is as follows:

		(Un-audited)		
	Note	Period ended June 30, 2021 (Rupees	Period ended June 30, 2020	
5 60 / 1		` .	,	
Profit / return earned	37.8	2,934,478	4,058,311	
Profit / return expensed Net Profit / return	37.9	1,151,497	2,117,966	
		1,782,981	1,940,345	
Other income				
Fee and Commission Income		116,915	85,158	
Dividend Income		-	-	
Foreign Exchange Income		44,201	72,211	
Gain / (loss) on securities		-	-	
Other Income		45,512	27,405	
Total other income		206,628	184,774	
Total Income		1,989,609	2,125,119	
Other expenses				
Operating expenses		1,090,639	1,045,294	
Workers' Welfare Fund		-	-	
Other charges		106	417	
Total other expenses		1,090,745	1,045,711	
Profit before provisions		898,864	1,079,408	
Provisions and write offs - net		321,001	(7,613)	
Profit before taxation		577,863	1,087,021	

			June 30, 2021	(Un-audited)			December 31,	2020 (Audited)	
		Cost /	Provision for	Surplus /	Carrying	Cost /	Provision for	Surplus /	Carrying
		amortized cost	diminution	(deficit)	value	amortized cost	diminution	(deficit)	value
37.1	Investments by segments:				(Rupees	s in '000)			
	Federal Government Securities:		11-						
	- Ijarah Sukuks	7,060,431	-	(33,342)	7,027,089	5,538,804	-	(58,148)	5,480,656
	- GOP Bai Muajjal	5,246,146 12,306,577	<u>-</u>	(33,342)	5,246,146 12,273,235	5,246,146 10,784,950	<u>-</u>	(58,148)	5,246,146 10,726,802
		.2,000,011		(00,012)	12,210,200	10,101,000		(00,110)	. 0,1 20,002
	Non Government Debt Securities:		li				1		
	- Listed	35,000	- (550,000)	112	35,112	70,000	- (550,000)	478	70,478
	- Unlisted	2,479,023 2,514,023	(559,963) (559,963)	 112	1,919,060 1,954,172	1,979,023 2,049,023	(559,963) (559,963)	478	1,419,060 1,489,538
			(000,000)		.,00.,		(000,000)		.,,
	Total investments	14,820,600	(559,963)	(33,230)	14,227,407	12,833,973	(559,963)	(57,670)	12,216,340
								(Up audited)	(Auditad)
								(Un-audited) June 30,	(Audited) December 31,
27.2	ISLAMIC FINANCING AND DELAT	TED ASSETS						2021 (Puncos	2020
37.2	ISLAMIC FINANCING AND RELATIONS I I I I I I I I I I I I I I I I I I I	IED ASSETS						(Rupees	111 000)
	Murabaha - note 37.2.1							4,614,698	4,227,697
	Musharaka							6,237,826 26,791,117	4,379,276 28,545,253
	Diminishing Musharaka Salam							12,936,697	16,936,532
	Istisna							6,056,525	4,935,938
	Receivable against sale of Istisna /	Salam Inventory						4,100,624	2,744,352
	Service Ijarah Other Islamic Modes (Executive Ca	ar Finance -Oarz-	e-Hasana)					368,444 1,472,176	150,000 752,176
	Advances against Islamic assets -		o riadaria)					106,099	93,424
	Inventory related to Islamic financing							2,459,116	1,488,133
	Gross islamic financing and related	l assets						3,920,456 69,063,778	1,122,844
	Less: provision against islamic fina	ncings						09,003,776	65,375,625
	- Specific	-						1,333,267	1,023,192
	- General							93,667 1,426,934	82,742 1,105,934
								1,420,304	1,100,004
	Islamic financing and related assets	s - net of provisio	n					67,636,844	64,269,691
37.2.1	Includes advance against Murabah	a of Rs.979,845	thousand (Dece	ember 31, 2020	: Rs.397,579 tl	housand).			
27 2 2	2 Advance against islamic assets								
51.2.2	Advance against Islamic assets					Diminishing			
				ljarah	Musharaka	Diminishing Musharaka	Salam	Istisna	Total
				,		(Rupees	in '000)		
	June 30, 2021 (Un-audited)			854,971	_	1,604,145	, -	_	2,459,116
	December 31, 2020 (Audited)		=	578,819		909,314			1,488,133
	2020 (Madica)		=	070,010					1,100,100
37.2.3	Inventory related to islamic finan	cing							
				liorob	Mucharaka	Diminishing Mucharaka	Colom	lationa	Total
				ljarah	Musharaka	Musharaka	Salam	Istisna	Total
	June 30, 2021 (Un-audited)			-	-	(Rupees	in '000) 2,321,931	1,598,525	3,920,456
	December 31, 2020 (Audited)		=		_		50,073	1,072,771	1,122,844
	2000111501 01, 2020 (Addited)		=				50,075	1,012,111	1, 122,077

For the	e half year ended June 30, 2021		
		(Un-audited)	(Audited)
		June 30,	December 31,
		2021	2020
37.3	DEPOSITS AND OTHER ACCOUNTS	(Rupees in '000)	
	Customers		
	Current deposits - non remunerative	28,300,600	23,312,633
	Current deposits - remunerative	1,272,242	975,625
	Savings deposits	22,480,873	23,619,062
	Term deposits	12,947,582	12,058,779
	Others	1,481,521	584,729
	Financial Institutions	66,482,818	60,550,828
	Financial Institutions	20.720	40 F76
	Current deposits - non remunerative	28,730	19,576
	Savings deposits	384,773	335,484 4,400,000
	Term deposits	6,056,329 6,469,832	4,755,060
		72,952,650	65,305,888
37.4	PROFIT EQUALISATION RESERVE		
	The profit equalisation reserve amounting to Rs.15,077 (December 31, 2020: Nil) clas in note 19 has been presented as reserve.	sified in other lia	bilities
37.5	ISLAMIC BANKING BUSINESS UNAPPROPRIATED PROFIT		
	Opening balance	2,454,381	691,544
	Add: Islamic banking profit for the period	577,863	1,762,837
	Closing balance	3,032,244	2,454,381
37.6	CONTINGENCIES AND COMMITMENTS		
	-Guarantees	7,027,063	5,460,329
	-Commitments	8,531,361	6,281,651
	-Other contingent liabilities	_	-
		15,558,424	11,741,980
37.7	CHARITY FUND	,	,,.
• • • • • • • • • • • • • • • • • • • •	Opening balance	20,529	52,137
	Additions during the period	.,.	, -
	- Received from customers on delayed payments	20,477	15,391
	- Profit on charity account	4	21
	- Others	174	233
		20,655	15,645
	Payments / utilization during the period		
	- Education	(155)	(1,055)
	- Health	-	(41,270)
	- Orphanage	-	(4,928)
		(155)	(47,253)
	Closing balance	41,029	20,529
			 _

Notes to the Consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2021

		(Un-a	(Un-audited)	
		Period ended	Period ended	
		June 30,	June 30,	
		2021	2020	
		(Rupees	(Rupees in '000)	
37.8	PROFIT / RETURN EARNED ON FINANCING, INVESTMENTS AND PLACEMENTS			
	Profit earned on:			
	Financing	2,248,790	3,331,597	
	Investments	662,806	491,203	
	Placements	22,882	158,987	
	Lendings	-	76,524	
		2,934,478	4,058,311	
37.9	PROFIT ON DEPOSITS AND OTHER DUES EXPENSED			
	Deposits and other accounts	885,208	1,948,631	
	Due to financial institutions	149,869	79,685	
	Due to head office	1,164	5,585	
	Profit Equalization Reserve	30,294	-	
	Lease liability against right-of-use assets	84,962	84,065	
		1,151,497	2,117,966	

38. **DATE OF AUTHORIZATION**

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors on August 12, 2021.

-sd-	-sd-	-sd-	-sd-	-sd-
CFO	A/President & CE	Director	Director	Chairman

