Condensed Interim

FINANCIAL INFORMATION

For the Period Ended March 31, 2022



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CORPORATE INFORMATION

Board of Directors

Shahab Ali Shah Chairman/Non-Executive Director

Ikramullah KhanNon-Executive DirectorSaleha AsifIndependent DirectorSyed Asad Ali ShahIndependent DirectorTahir JawaidIndependent Director

Managing Director / CEO

Muhammad Ali Gulfaraz

Shariah Board

Mufti Muhammad Zahid Chairman Shariah Board
Mufti Muhammad Arif Khan Member Shariah Board
Mufti Abdul Wahab Member Shariah Board

Qazi Abdul Samad Resident Shariah Board Member

(RSBM)

Board Audit Committee

Syed Asad Ali Shah Chairman Ikramullah Khan Member Saleha Asif Member

Board Human Resource & Remuneration Committee

Saleha Asif Chairperson
Tahir Jawaid Member
Managing Director Member

Board Risk Management Committee

Ikramullah KhanChairmanSyed Asad Ali ShahMemberManaging DirectorMember

Board I.T. Steering Committee

Syed Asad Ali Shah Chairman Tahir Jawaid Member Managing Director Member



Board Compliance Committee

Tahir Jawaid Syed Asad Ali Shah Managing Director Chairman Member Member

Chief Financial Officer

Irfan Saleem Awan

Company Secretary

Zahid Sahibzada

Registered Office / Head Office

The Bank of Khyber

24 - The Mall, Peshawar Cantt.

1st Floor, State Life Building, 34 – The Mall, Peshawar Cantt., Pakistan UAN# 00-92-91-111 95 95 95 URL: www.bok.com.pk

Auditors

M/s A.F. Ferguson & Co. Chartered Accountants

Legal Advisors

M/s. Mohsin Tayebaly & Co., Karachi

Registrar and Share Registration Office

THK Associates (Pvt) Ltd.
Plot # 32 – C, Jami Commercial Street 2
D.H.A., Phase – VII,
Karachi – 75500



Directors' Review

On behalf of the Board of Directors of the Bank of Khyber, I am pleased to present the condensed interim financial information of the Bank for the 1st quarter ended March 31, 2022. The results are inclusive of Islamic Banking Operations.

Financial Highlights

The financial results of the Bank of Khyber for the 1st quarter ended March 31, 2022 are as under:

	(Rs. ir	n Million)
	March 31 <u>2022</u>	December 31 <u>2021</u>
Total Assets	459,280	358,606
Deposits	235,660	221,876
Advances (Gross)	145,868	131,166
Investments (Net)	256,407	184,399
	•	n Million) ded March 31 <u>2021</u>
Operating Profit	746	741
Provision against non-performing advances/others	99	88
Profit before taxation	647	653
Taxation	257	214
Profit after tax	390	439

Performance Review

Since effects of Corona pandemic have subsided across the globe, the economies have shown recoveries and as such Pakistan has also attained significant momentum in overall economic activities. The political uncertainty in the country may however, engulf the positive impact of the economy and further aggravate the economic conditions. In the backdrop of this situation, the Bank managed to post Rs.647 million profit before tax whereas profit after tax for the first quarter of the year 2022 stood at Rs.390 million.

With an increase of 6%, the deposits stood at Rs.235,660 million from Rs.221,876 million as of year-end 2021. Due to commodity financing extended during the quarter under review, advances increased by 11% and stood at Rs.145,868 million. Investments registered an increase of 39% and reached Rs.256,407 million from Rs.184,399 million. This increase mainly attributed to purchase of federal government securities i.e. TBills and PIBs. The balance sheet size has increased by 28% to reach at Rs.459,280 million from Rs.358,606 million as of year-end 2021.



Future Outlook

Pakistan faces a challenging economic outlook in which a host of factors need to be addressed. In the current environment, pressure will likely remain on the Bank's operations. The Bank is taking necessary steps to mitigate likely adverse impact of host of economic factors and ensure smooth operations.

At the end of the quarter under review, the Bank was operating with 215 branches and 14 sub-branches throughout the country out of which 110 branches were functioning as dedicated Islamic Banking Branches.

The Bank remains cognizant of the challenging business environment and stands committed to its strategy of steady growth through diversification in products, services and outreach. We are confident to achieve our targets and believe that the year in progress will prove to be a successful year for the Bank.

Credit Rating

VIS Credit Rating Company Limited (VIS) has upgraded the medium to long term entity rating of the Bank from 'A' (Single A) to 'A+' (Single A Plus) while maintaining short term rating at 'A-1' (A-One). The medium to long-term rating of 'A+' denotes good credit quality, with adequate protection factors. Outlook on the assigned rating is 'Stable'.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained the medium to long term and short term entity rating of the Bank at "A" (Single A) and "A-1" (A One). Outlook on the assigned rating is "Stable".

The ratings denote low expectation of credit risk emanating from strong capacity for timely payment of financial commitments.

Acknowledgement

The Board would like to thank the Bank's valued customers for their patronage and continued confidence in the Bank. We are also grateful to the State Bank of Pakistan and other regulatory authorities for their support and guidance.

For and on behalf of the Board of Directors

Muhammad Ali Gulfaraz Managing Director

Peshawar: April 27, 2022



THE BANK OF KHYBER CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2022

		(Un-audited) March 31, 2022	(Audited) December 31, 2021
	Note	Rupees	in '000
ASSETS			
Cash and balances with treasury banks	5	16,273,766	17,375,313
Balances with other banks	6	17,080,823	12,114,583
Lendings to financial institutions	7	15,384,178	4,982,294
Investments	8	256,407,217	184,398,946
Advances	9	139,218,611	124,549,195
Fixed assets	10	5,114,633	5,137,202
Intangible assets	11	436,604	450,239
Deferred tax assets	12	998,122	992,412
Other assets	13	8,366,228	8,605,861
		459,280,182	358,606,045
LIABILITIES			
Bills payable	14	889,613	874,567
Borrowings	15	198,190,080	110,068,928
Deposits and other accounts	16	235,660,007	221,875,898
Liabilities against assets subject to finance lease		=	-
Sub-ordinated debt		=	-
Deferred tax liabilities		=	-
Other liabilities	17	7,664,306	9,216,778
		442,404,006	342,036,171
NET ASSETS		16,876,176	16,569,874
REPRESENTED BY			
Share capital	18	11,027,905	10,502,710
Reserves		3,633,698	3,555,773
Surplus on revaluation of assets - net	19	265,701	350,617
Unappropriated profit		1,948,872	2,160,774
		16,876,176	16,569,874
CONTINGENCIES AND COMMITMENTS	20		

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

MANAGING DIRECTOR

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CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR



THE BANK OF KHYBER CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2022

	Note	January 01 to March 31, 2022 Rupees	January 01 to March 31, 2021 in '000
Mark-up / return / interest earned	21	7,905,160	5,540,980
Mark-up / return / interest expensed	22	6,019,188	3,743,295
Net mark-up / interest income	•	1,885,972	1,797,685
NON MARK-UP/INTEREST INCOME Fee and commission income	23	120,549	70,725
Dividend income		3,005	5,284
Share of profit of associate		1,280	-
Foreign exchange income		216,231	235,851
Gain / (loss) on securities	24	19,613	(176,612)
Other income	25	27,024	24,640
Total non-markup/interest income		387,702	159,888
Total income		2,273,674	1,957,573
NON MARK-UP/INTEREST EXPENSE			
Operating expenses Workers welfare fund	26	1,527,613	1,214,323
Other charges	27		2,300
Total non-markup/interest expenses	21	1,527,618	1,216,623
PROFIT BEFORE PROVISIONS	•	746,056	740,950
Provisions and write offs - net	28	99.093	87,720
PROFIT BEFORE TAXATION	20 .	646,963	653,230
Taxation	29	257,339	213.741
PROFIT AFTER TAXATION		389,624	439,489
	•		-
		Rupees	
			(Restated)
Basic and diluted earnings per share	30	0.35	0.40

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

MANAGING DIRECTOR

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CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR



FOR THE THREE MONTHS ENDED MARCH 31, 2022 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) THE BANK OF KHYBER

	January 01 to	January 01 to
	March 31, 2022 March 31, 2021	March 31, 2021
	200 004	
Profit after taxation	389,624	439,489
Other comprehensive income		
Items that may be reclassified to profit and loss account in subsequent periods:		
Net change in fair value of available for sale securities - net of tax	(83,368)	(256,811)
Share of surplus on revaluation of investments of associate - net of tax	46	I
Items that will not be reclassified to profit		
and loss account in subsequent periods: Surplus on revaluation of non-banking asset - net of tax		(2,999)
1		
Total comprehensive income ==	306,302	179,679

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements

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MANAGING DIRECTOR

OFFICER CHIEF FINANCIAL

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DIRECTOR



The Bank of Khyber

THE BANK OF KHYBER CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2022

Share capital

Statutory

Investments Fixed assets

Non-banking

Unappropriated

Total

Surplus / (deficit) on revaluation of

---- Rupees in '000 -----

Balance as at December 31, 2020 (audited)

Profit after taxation for the three months ended March 31, 2021 Other comprehensive income - net of tax

Transfer to statutory reserve

Transactions with owners recorded directly in equity Final cash dividend for the year ended December 31, 2020

(Rs. 1.50 per share)

Bonus shares for the year ended December 31, 2020 (Rs. 0.50 per share)

Balance as at March 31, 2021 (un-audited)

Profit after taxation for the nine months ended December 31, 2021
Other comprehensive income - net of tax

Transfer to statutory reserve

Transfer from surplus on revaluation of non-banking asset - net of tax Balance as at December 31, 2021 (audited)

Profit after taxation for the three months ended March 31, 2022 Other comprehensive income - net of tax

Transfer to statutory reserve

Transfer from surplus on revaluation of non-banking asset - net of tax

Transactions with owners recorded directly in equity

Bonus shares for the year ended December 31, 2021 (Rs. 0.50 per share)

Balance as at March 31, 2022 (un-audited)

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements

MANAGING

DIRECTOR

CHIEF FINANCIAL OFFICER

DIRECTOR

DIRECTOR

16,876,176	1,948,872	47,982	787,200	(569,481)	3,633,698	11,027,905
	(525,195)		ı			525,195
	1,548	(1,548)	•	ı	i	•
	(77,925)		i	i	77,925	i
306,302	389,670	•	ij	(83,368)	,	ı
389,624 (83,322)	389,624 46			(83,368)		
16,569,874	2,160,774	49,530	787,200	(486,113)	3,555,773	10,502,710
	5,082	(5,082)	·			
į	(132,827)	•	•	٠	132,827	•
119,202	670,654	8,877	1,098	(561,427)	,	•
(544,936)	6,516	8,877	1,098	(561,427)		
664,138	664,138		ı		-	-
16,450,672	1,617,865	45,735	786,102	75,314	3,422,946	10,502,710
	(500,186)	•	ı	į	ı	500,186
(1,500,557)	(1,500,557)	ı	ı	•		ı
•	(87,898)	•	·	ı	87,898	·
179,679	439,489	(2,999)	į	(256,811)		
439,489 (259,810)	439,489	(2,999)		(256,811)		
17,771,550	3,267,017	48,734	786,102	332,125	3,335,048	10,002,524



THE BANK OF KHYBER CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2022

	January 01	January 01
	to	to
	March 31, 2022	March 31, 2021
	Rupees in	'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	646,963	653,23
Less: Dividend income	3,005	5,28
Adjustments:	643,958	647,94
Depreciation - Fixed assets	112,210	70,65
Depreciation - Non-banking assets acquired in satisfaction of claims	5,649	5,13
Depreciation - Right-of-use assets	125,825	88,80
Amortization	17,971	21,84
Provisions - net	99,093	87,72
Mark-up expense on lease liability against right-of-use assets	33,126	28,11
Unrealized loss on securities	5,492	
(Gain) / loss on sale of fixed assets	(1,556)	9
(Sulli) / 1000 off sullo of fixed docoto	397,810	302,280
	1,041,768	950,226
Decrease / (Increase) in operating assets		
Lendings to financial institutions	(10,401,884)	(5,394,37
Held-for-trading securities	(14,630,044)	1,267,90
Advances	(14,701,497)	(7,980,59
Others assets (excluding advance taxation)	(39,443,684)	304,29
Increase / (Decrease) in operating liabilities	(39,443,664)	(11,002,76
Bills payable	15,046	(162,31)
Borrowings from financial institutions	88,121,152	(1,732,36
Deposits	13,784,109	11,912,52
Other liabilities	(1,439,311)	(854,46)
	100,480,996	9,163,38
Income tax paid	(262,113)	(834,860
Net cash flow generated from / (used in) operating activities	61,816,967	(2,524,022
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(57,674,519)	(5,409,31
Net investments in held-to-maturity securities	87,322	69,150
Dividends received	3,005	5.28
Investments in operating fixed assets	(220,724)	(143,63)
Proceeds from sale of fixed assets	3,062	` '
Net cash flow used in investing activities	(57,801,854)	(5,478,50
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(106)	(1
Payment against lease liabilities	(150,314)	(100,66)
Net cash flow used in financing activities	(150,420)	(100,68
Net increase / (decrease) in cash and cash equivalents	3.864.693	(8,103,21
Cash and cash equivalents at beginning of the period	29,489,896	24,932,71
Cash and cash equivalents at beginning of the period	33,354,589	16,829,502
Oash and Gash equivalents at end of the period	33,334,309	10,029,30

The annexed notes 1 to 39 form an integral part of these condensed interim financial statements.

MANAGING DIRECTOR

CHIEF FINANCIAL OFFICER

Uselem bry. Cansol DIRECTOR

DIRECTOR



1 STATUS AND NATURE OF BUSINESS

The Bank of Khyber ("the Bank") was established under The Bank of Khyber Act, 1991 and is principally engaged in the business of commercial banking and related services. The Bank acquired the status of a scheduled bank in 1994 and is listed on the Pakistan Stock Exchange Limited. The registered office of the Bank is situated at 24-The Mall, Peshawar Cantt, Peshawar and it has been temporarily shifted to 1st Floor, State Life Building, 34 - The Mall, Peshawar Cantt. The Bank operates 215 branches including 110 Islamic banking branches (December 31, 2021: 216 branches including 110 Islamic banking branches). The long term credit rating of the Bank assigned by The VIS Credit Rating Company Limited and Pakistan Credit Rating Agency Limited (PACRA) are 'A+' and 'A' respectively and the short-term credit ratings assigned are 'A-1' (A-One) and 'A-1' (A-One) respectively.

2 BASIS OF PREPARATION

- 2.1 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by the banks from their customers and immediate resale to them at appropriate profit in price on deferred payment basis. The purchases and sales arising under the respective arrangements (except for Murabaha financings accounted for under Islamic Financial Accounting Standard 1 "Murabaha") are not reflected in these financial statements as such, but are restricted to the amount of facility actually utilized and the appropriate portion of profit thereo.
- 2.2 The Islamic banking branches of the Bank have complied with the requirements as set out in the Islamic Financial Accounting Standards (IFAS), issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the provisions of Companies Act, 2017.
- 2.3 The financial results of the Islamic Banking Branches have been included in these condensed interim financial statements for reporting purpose, after eliminating the effects of inter-branch transactions and balances. Key financial figures of the Islamic Banking Branches are disclosed in note 36 to these condensed interim financial statements.
- 2.4 These condensed interim financial statements have been presented in Pakistani Rupee, which is the Bank's functional and presentation currency. The figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

3 STATEMENT OF COMPLIANCE

- 3.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting 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;
 - Provisions of and directives issued under 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 IAS 34 or IFAS, the requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

- 3.2 The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34. These condensed interim financial statements do not include all the information and disclosures required for annual financial statements and should be read in conjunction with the annual financial statements for the year ended December 31, 2021.
- 3.3 The SBP, vide BSD Circular No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 40, Investment Property for banking companies till further instructions. Further, according to a notification of SECP dated April 28, 2008, IFRS 7 "Financial Instruments: Disclosure" has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by SBP through its various circulars.
- 3.4 The SBP through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of Islamic Financial Accounting Standard-3 for Profit & Loss Sharing on Deposits (IFAS-3) issued by the Institute of Chartered Accountants of Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP), vide their SRO No. 571 of 2013 dated June 12, 2013 for institutions offering Islamic financial services. The standard will result in certain new disclosures in the financial statements of the Bank as and when notified by SBP.



4 SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS AND FINANCIAL RISK MANAGEMENT POLICIES

4.1 Significant Accounting Policies

The accounting policies, underlying estimates and judgments and method of computation followed in the preparation of these condensed interim financial statements are same as those applied in preparing the most recent annual financial statements of the Bank for the year ended December 31, 2021.

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

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2022. These are considered either not to be relevant or not to have any significant impact on the Bank's financial statements.

4.3 Standards, amendments to approved accounting standards that are not yet effective or implemented

As per SBP's BPRD circular No. 24 of July 05, 2021, the effective date for implementation of IFRS-9 by the banks in Pakistan was January 01, 2022. However, SBP's final implementation instructions for the banks are awaited and therefore, the requirements of this standard have not been considered in the preparation of these condensed interim financial statements. Moreover, in light of the aforementioned SBP circular, the impact of IFRS-9 on Bank's financial statements is being assessed. This impact assessment will be finalized upon issuance of final implementation instructions by SBP.

4.4 Critical accounting estimates and judgements

The basis for accounting estimates adopted in the preparation of these condensed interim financial statements are the same as that applied in the preparation of the financial statements for the year ended December 31, 2021.

4.5 Financial risk management

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the financial statements for the year ended December 31, 2021.



THE BANK OF KHYBER NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2022

	(Un-audited) March 31, 2022	(Audited) December 31, 2021
CASH AND BALANCES WITH TREASURY BANKS	Rupees	in '000
In hand:		
Local currency	4,491,877	3,697,744
Foreign currencies	1,529,397	107,476
	6,021,274	3,805,220
With State Bank of Pakistan in:	0.700.444	44 000 505
Local currency current account	8,763,114	11,209,505
Foreign currency current account	22,923	59,079
Foreign currency deposit account	106,509	128,943
Milds Nedland David of Dakiston in	8,892,546	11,397,527
With National Bank of Pakistan in:	1,336,770	1,154,182
Local currency current account Local currency deposit account		1,154,182
Foreign currency deposit account	3,476 16,297	8,162
r oreign currency deposit account	1,356,543	2.166.482
National prize bonds	3,403	6,084
National prize bonds		
	16,273,766	17,375,313
BALANCES WITH OTHER BANKS		
In Pakistan:		
In current accounts	2,151,050	2,908,280
In deposit accounts	6,905,562	8,626,717
	9,056,612	11,534,997
Outside Pakistan:		
In current accounts	8,034,239	589,614
In deposit accounts		<u> </u>
	8,034,239	589,614
Provision for doubtful placement with the bank	(10,028)	(10,028)
	17,080,823	12,114,583
LENDINGS TO FINANCIAL INSTITUTIONS		
Call money lending	-	3,000,000
Repurchase agreement lendings (Reverse Repo)	15,384,178	1,982,294
Placements with financial institutions	238,944	238,944
	15,623,122	5,221,238
		(238,944)
Less: Provision held against lending to financial institutions	(238,944)	(230,944)

THE BANK OF KHYBER

.	8.2	T	h	e	В	a	n	k	0	f	k	C h	ıy	be z	er 											7.1	
Market Treasury Bills Pakistan Investment Bonds	Investments given as collateral	Total III vesullellus	Total Investments	Associate	Federal Government Securities	Held-to-maturity securities	Non Government Debt Securities	Shares	Available-for-sale securities	made idina	Shares Mutual funds	Federal Government Securities	Hold for trading securities	Investments by type:	INVESTMENTS	Total		> 365 days	91 to 180 days 181 to 365 days	Upto 90 days	Overdue by:	Overseas		Domestic	:	Category of classification	
		230,131,303	250 454 002	40,504	13,851,630 13,851,630		9,196,709 227,245,308	1,046,214	217 002 385	17.014.461	1 110 000	15,904,461		Cost / amortized													
		(003,200)	(950 955)	•		(000)=00)	(165,042)	(694,213)	Ī			į		Provision for diminution	(Un-audited) March 31, 2022												
		(003,431)	(005 424)	53,636	. .	(000)010)	22,405	64,306	(1 020 287)	(5.491)	161	(5,652)		(Deficit) / Surplus	dited) , 2022												
		230,407,217	256 407 247	94,140	13,851,630 13,851,630	-	9,054,072	416,307	215 982 098	17.008.970	1 110 161	15,898,809	Rupe	Carrying value													
		100,504,002	105 03/ 663	40,504	13,938,952 13,938,952	0000	9,431,948	1,054,918	159 083 923	2.384.417	15,272	1,219,145	Rupees in '000	Cost / amortized cost		238,944		•		•			238,944	238 044		Classified lending	(Un-audited) March 31, 2022
8.2.1	Note	(132,243)	(CVC COZ)	•	1 1	(101)	(165,042)	(627,201)	•	•		•		Provision for diminution	(Audite December 3	238,944		•			•		238,944	238 044	Rupees	Provision held	(Un-audited) arch 31, 2022
114,165,779 72,933,754 187,099,533	March 31, 2022	(Un-audited)	(777 777)	52,280		(100)00	43,290 (796,907	20,353	(860 550	1.154	9 803 2 803	(2,285		(Deficit) / Surplus	(Audited) nber 31, 2021	238,944	i						238,944	238 077	s in '000	Classified lending	(Audited) December 31, 2021
64,331,572 29,708,695 94,040,267	March 31, December 31, 2022 2021 2021	(Audited)	101		13,938,952 13,938,952	, , , , , , , , , , , , , , , , , , , ,	167		<u>,</u>	2.385.571		1		Carrying value		238,944	i	1		•			238,944	770 850		Provision held	(Audited) nber 31, 2021

Provision for diminution in value of investments

181 to 365 days > 365 days Total

In local currency In foreign currency

THE BANK OF KHYBER NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2022

	Opening balance Charge / (reversals)			792,243	742,125	
	Charge for the period / year			67,012	95,237	
	Reversals for the period / year			-		
	Reversal on disposals / repayment				(45,119)	
	Closing balance			67,012 859,255	50,118 792,243	
8.4	Particulars of provision against debt securities					
	Category of classification	(Un-a March 3	udited) 1, 2022	(Audite December 3	1, 2021	
		NPI	Provision	NPI	Provision	
	Domestic		Rupees in '0	000	•	
	Other assets especially mentioned	-	-	-	-	
	Substandard	-	-	-	-	
	Doubtful	-	-	-	-	
	Loss	165,042	165,042	165,042	165,042	
		165,042	165,042	165,042	165,042	
	Overseas					
	Not past due but impaired	-	-	-	-	
	Overdue by:					
	Upto 90 days	1 -		_	-	
	91 to 180 days					

(Un-audited) March 31,

December 31,

2022 2021 ----- Rupees in '000 -----

165,042

145,867,979

165,042

131,166,482

165,042

(I In audited)

165,042

8.5	The market value of securities classified as he million).	ld-to-maturity amo	unted to Rs. 13,422	2.229 million as a	at March 31, 2022	(December 31, 2021	l: Rs. 13,504.467
9	ADVANCES	Perfo	rming	Non per	rforming	Tota	al
		Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
		March 31,	December 31,	March 31,	December 31,	March 31,	December 31,
		2022	2021	2022	2021	2022	2021
				Rupe	es in '000		
	Loans, cash credits, running finances, etc.	88,159,796	60,780,475	8,294,096	7,481,128	96,453,892	68,261,603
	Islamic financing and related assets	45,079,324	59,317,410	1,273,292	1,498,726	46,352,616	60,816,136
	Bills discounted and purchased	1,520,107	547,379	1,541,364	1,541,364	3,061,471	2,088,743
	Advances - gross	134,759,227	120,645,264	11,108,752	10,521,218	145,867,979	131,166,482
	Provision against advances						
	- Specific			6,581,160	6,553,768	6,581,160	6,553,768
	- General	68,208	63,519	-	-	68,208	63,519
		68,208	63,519	6,581,160	6,553,768	6,649,368	6,617,287
	Advances - net of provision	134,691,019	120,581,745	4,527,592	3,967,450	139,218,611	124,549,195
9.1	Particulars of advances (gross)				_	(Un-audited) March 31, 2022 Rupees	(Audited) December 31, 2021

131,166,482 9.2 Advances include Rs. 11,108.752 million (December 31, 2021; Rs. 10,521.218 million) which have been placed under non-performing status as detailed

	(Un-au March 31		December 31	
Category of classification	Non performing loans	Provision	Non performing loans	Provision
		Rupee	es in '000	
Domestic				
Other assets especially mentioned	243,502	2,135	161,451	79
Substandard	1,085,784	29,408	902,564	32,188
Doubtful	1,882,804	118,955	1,544,090	164,395
Loss	7,896,662	6,430,662	7,913,113	6,357,106
	11,108,752	6,581,160	10,521,218	6,553,768
Overseas				
Not past due but impaired	-	-	-	-
Overdue by:				
Upto 90 days	-	-	-	-
91 to 180 days	-	-	- /	\ -
181 to 365 days	- 1	-	_	
> 365 days	-	-	-	
	-		-	
Total	11,108,752	6,581,160	10,521,218	6,553,768



	_		Jn-audited) arch 31,2022		De	(Audited) ecember 31,2021	
9.3	Particulars of provision against advances	Specific	General	Total	Specific	General	Total
				Rupees	in '000		<u>.</u>
	Opening balance	6,553,768	63,519	6,617,287	4,662,740	1,181,125	5,843,865
	Charge for the period / year	118,586	8,804	127,390	2,273,429	17,028	2,290,457
	Reversals	(91,194)	(4,115)	(95,309)	(382,401)	(1,134,634)	(1,517,035)
	•	27,392	4,689	32,081	1,891,028	(1,117,606)	773,422
	Amounts written off	-	-		-	-	
	Closing balance	6,581,160	68,208	6,649,368	6,553,768	63,519	6,617,287

9.3.1 State Bank of Pakistan through BSD Circular No.1 dated October 21, 2011 has allowed benefit of the forced sales value (FSV) of plant & machinery under charge, pledged stocks & mortgaged residential, commercial and industrial properties (land and building only) held as collateral against Non-Performing Loans (NPLs) for a maximum of five years from the date of classification. As at March 31, 2022 the Bank has availed cumulative benefit of forced sales value of Rs.2,367.981 million (December 31, 2021: Rs.2,335.254 million). Increase in unappropriated profit amounting to Rs.1,444.468 million (December 31, 2021: Rs. 1,424.505 million) is not available for the distribution of cash or stock dividend to shareholders or bonus to employees.

			(Un-audited) March 31,	(Audited) December 31,
			2022	2021
10	FIXED ASSETS	Note	Rupee:	s in '000
	Capital work-in-progress	10.1	1,274,822	1,205,899
	Property and equipment		2,563,636	2,529,306
	Right of use assets		1,276,175	1,401,997
	Total		5,114,633	5,137,202
10.1	Capital work-in-progress			
	Civil works		1,193,445	1,129,156
	Furniture and equipments		76,903	66,933
	Advances to suppliers		4,474	9,810
	Total	10.1.1	1,274,822	1,205,899

10.1.1 This also includes expenditure incurred on new head office building which is under construction.

10.2 Additions to fixed assets

Following additions have been made to fixed assets during the period ended March 31, 2022:

	(Un-au	aitea)
	March 31,	March 31,
	2022	2021
	Rupees	in '000
Capital work-in-progress - net	68,923	27,980
Property and equipment		
Electrical, office and computer equipments	68,383	37,515
Leasehold improvements	62,826	63,058
Furniture and fixtures	16,244	8,882
Vehicles		-
Books	11	-
	147,464	109,455
Total	216.387	137.435



1.0.3 Disposal of fixed assets 1.0.2			(Um aux	dia- d\
10.3 Disposal of Tirce dissets disposed off during the period is as follows: Furnative and federate 1.5			March 31,	March 31,
Fundament of fluence 1267 1268	10.3	Disposal of fixed assets		
Purpose of the process of the pro				
March Marc			165	15
Total Tot				- 15
March Marc				<u>.</u>
March Mar		ıotai		
11 INTANCIBLE ASSETS				
MITAMORIBE ASSETS Capilation for progress 4.3.287 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.4.873 4.2.872 4.2.872 4.2.872 4.2.872 2.2.872				
Capital work in progress 4,337 1,526			Rupees	in '000
Licenses and computer softwares	11			
Additions to intangible assets February Additions to CWIP Add				1,526
1.1.1 Additions to intangible assets 1.2		Elochood and computer contractor		
1.1.1 Additions to intangible assets 1.2				
Mathematical Provision for Intangible assets Following additions to Intangible assets Following additions to Iransfers have been made to / from intangible assets during the period: Provision for CWIP				
Following additions / Iransfers have been made to / from intrapflee assets during the period:			2022	
Intangible assets during the period: Directly purchased 4,337 6,197 7,0000	11.1	Additions to intangible assets	Rupees	in '000
Directly purchased 4.337 6.197				
Additions to CWIPP Additions to CWIPP Addition to Note Additi				6 107
Post			4,337	
DEFERRED TAX ASSETS			4,337	6,197
DEFERRED TAX ASSETS Deferred tax assets arising in respect of: Provision for balances with other banks 9,911 3,911 3,911 9,912 3,911 9,912				
DEFERRED TAX ASSETS		Note		
Deferred tax assets arising in respect of: Provision for blances with other banks				
Provision for balances with other banks 3,911 3,911 Provision for diminution in value of investments 33,623 67,488 Deficit on revaluation of investments 34,095 310,794 Provision for other assets 25,056 25,056 Accelerated accounting depreciation 57,172 61,409 Islamic Pool Management reserves 48,885 52,4835 52,4835 Deferred tax liabilities arising in respect of: 1,047,016 1,044,046	12	DEFERRED TAX ASSETS		
Provision for diminution in value of investments 33,623 67,488 Deficit or revaluation of investments 336,095 310,794 Provision for other assets 25,056 25,056 Accelerated accounting depreciation 75,172 61,409 Islamic Pool Management reserves 48,296 50,976 Against Dama and advances - net 1,044,469				
Deficit on revaluation of investments 344,095 310,794 Provision for other assets 25,056 25,056 Accelerated accounting depreciation 75,172 61,409 Islamic Pool Management reserves 46,226 50,576 Accelerated accounting depreciation 75,172 61,409 Islamic Pool Management reserves 46,226 50,576 Accelerated accounting depreciation 75,172 61,409 Islamic Pool Management reserves 46,226 50,576 Accelerated accounting depreciation 75,472 61,409 Islamic Pool Management reserves 46,236 52,435 I.044,408 I				
Accelerated accounting depreciation 75,172 61,409 18lamin Pool Management reserves 46,226 50,309 18 18 18 18 18 18 18 1		Deficit on revaluation of investments		
Islamic Pool Management reserves 46,296 50,976 Provision against loans and advances - net 438,863 524,835 524,835 524,835 524,835 524,835 524,835 524,835 524,835 524,835 524,835 52,835 52,765				
Provision against loans and advances - net				
Deferred tax liabilities arising in respect of: Share of profit of associate (20.40) (20.390) Surplus on revaluation of non-banking asset (28.474) (31.667) Deferred tax assets - net (28.474) (31.667) Deferred tax assets - net (28.474) (31.667) Share of profit of associate (28.474) (31.667) Share of mark-up accrued in local currency (28.478) (4.108.473) Profit receivable on Bail Muajia (2.240.078) Advance, deposits and prepayments (28.4789) (4.108.473) Advance, deposits and prepayments (28.4789) (4.108.473) Advance taxation (payments less provisions) (499.339) (47.054) Branch adjustment account (275.000 100.000) Pre-IPO investment (275.000 100.000) Stationary and stamps on hard (275.000 100.000) Stationary and stamps on hard (275.000 100.000) Stationary and stamps on hard (37.429 52.184) Non-banking assets acquired in satisfaction of claims (30.656 309.668) Mark to market gain on forward foreign exchange contracts (37.742) Employees benefits (3.266.268) Clearing and settlement accounts (3.749.269) Clearing and settlement accounts (3.29.462 309.628) Receivable from the State Bank of Pakistan (3.1446 67.607) Clearing and settlement accounts (3.1456 67.607) Clearing and settlement accounts (3.40.334 8.677.429) Less: Provision held against other assets (3.11 152.765) (152.765) Other Assets - net of provision (3.27.559 8.52.664 Surplus on revaluation of non-banking assets acquired in satisfaction of claims (3.27.559 8.52.665 8.52.655 (3.52.655 8.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655 (3.52.655 6.52.655				
Share of profit of associate (20,420) (20,390)		Defermed to the little existence in recent of	1,047,016	1,044,469
Surplus on revaluation of non-banking asset (28.474) (31.667)			(20.420)	(20.390)
STATE STAT		Surplus on revaluation of non-banking asset	(28,474)	(31,667)
Income / mark-up accrued in local currency 5,824,789 4,108,473 Profit receivable on Bal Muajjal - 2,540,078 Advances, deposits and prepayments 134,835 109,645 Advance taxation (payments less provisions) 134,835 109,645 Advance taxation (payments less provisions) - 6,995 Pre-IPO investment 275,000 100,00		Deferred tax assets - net	998,122	992,412
Income / mark-up accrued in local currency 5,824,789 4,108,473 Profit receivable on Bal Muajjal - 2,540,078 Advances, deposits and prepayments 134,835 109,645 Advance taxation (payments less provisions) 134,835 109,645 Advance taxation (payments less provisions) - 6,995 Pre-IPO investment 275,000 100,00	13	OTHER ASSETS		
Profit receivable on Ball Mulajial - 2,540,078 Advances, deposits and prepayments 134,835 109,686 Advance taxation (payments less provisions) 499,389 447,054 Branch adjustment account - 6,905 - 6,905 Pre-IPD investment 275,000 100,000 Stationary and stamps on hand 57,429 52,184 Non-benking assets acquired in satisfaction of claims 306,556 309,686 Mark to market gain on forward foreign exchange contracts 233,462 303,862 Employees benefits 233,462 303,862 Clearing and settlement accounts - 6,283 Acceptances 170,010 114,708 Receivable from the State Bank of Pakistan 170,011 114,708 Receivable from the State Bank of Pakistan 13,1 152,675 152,765 Other Sects - net of provision 8,287,569 8,247,429 Less: Provision held against other assets 13,1 152,765 152,765 Other assets - Total 8,27,569 8,197 Other assets - Total 8,366,228 8,605,861	13		5.824.789	4.108.473
Advance taxation (payments less provisions) Branch adjustment account Pre-IPO investment Stationary and stamps on hand Stationary and stamps on hand Non-banking assets acquired in satisfaction of claims Mark to market gain on forward foreign exchange contracts Employees benefits Clearing and settlement accounts Employees benefits Clearing and settlement accounts Receivable from the State Bank of Pakistan Other Assets - net of provision Surplice of provision and acquired in satisfaction of claims Other Assets - net of provision Others Surplice on revaluation of non-banking assets acquired in satisfaction of claims Other Assets - Total 13.1 Provision held against other assets Advances for Pre-IPO Others BILLS PAYABLE In Pakistan Outside Pakistan Outside Pakistan 889,613 874,667 875,765 874,765 875,765 8		Profit receivable on Bai Muajjal	-	2,540,078
Branch adjustment account 6,905 Pre-IP-Direstment 275,000 100,000 Stationary and stamps on hand 57,429 52,184 Non-banking sasets acquired in satisfaction of claims 306,556 309,686 Mark to market gain on forward foreign exchange contracts 757,312 357,492 Employees benefits 293,462 303,962 Clearing and settlement accounts - 62,283 Acceptances 170,010 114,706 Receivable from the State Bank of Pakistan 31,245 67,607 Others 90,307 97,372 Less: Provision held against other assets 13.1 152,765 152,765 Other Assets - net of provision 8,287,569 8,524,664 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 78,659 81,197 Other assets - Total 8,366,228 8,058,861 13.1 Provision held against other assets 10,000 100,000 Others 52,765 52,765 52,765 52,765 14 BILLS PAYABLE 889,613 874,567		Advances, deposits and prepayments Advance taxation (narments less provisions)		109,645
Stationary and stamps on hand 57,429 52,184 Non-banking assets acquired in satisfaction of claims 306,556 309,685 Mark to market gain on forward foreign exchange contracts 757,312 357,492 Employees benefits 23,462 303,862 Clearing and settlement accounts - 62,283 Acceptances 170,010 114,706 Receivable from the State Bank of Pakistan 31,245 67,607 Others 90,307 97,372 Less: Provision held against other assets 13.1 1152,765 (152,765) Other Assets - net of provision 8,287,569 8,524,564 Surplus on revaluation of non-banking assets acquired 13.1 11,97 in satisfaction of claims 78,659 81,197 Other assets - Total 8,366,228 8,058,861 13.1 Provision held against other assets 4.4 Vances for Pre-IPO 100,000 100,000 Others 52,765 52,765 52,765 52,765 14 BILLS PAYABLE 11,92,765 152,765 152,765			-	
Non-banking assets acquired in satisfaction of claims 306,556 309,656 Mark to market gain on forward foreign exchange contracts 757,312 357,492 Employees benefits - 62,283 Clearing and settlement accounts - 62,283 Acceptances 170,010 114,706 Receivable from the State Bank of Pakistan 31,245 67,607 Other 90,307 97,372 Less: Provision held against other assets 13,1 115,765 (152,765) Other Assets - net of provision 8,287,569 8,24,664 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 78,659 81,197 Other assets - Total 8,366,228 8,058,811 13.1 Provision held against other assets 100,000 100,000 Others 52,765 52,765 15.2 152,765 152,765 15.2 152,765 152,765 15.2 152,765 152,765 15.2 152,765 152,765 15.2 152,765 152,765 <td></td> <td></td> <td></td> <td></td>				
Mark to market gain on forward foreign exchange contracts 757,312 357,492 Employees benefits 293,462 303,692 Clearing and settlement accounts - 62,283 Acceptances 170,010 114,706 Receivable from the State Bank of Pakistan 31,245 67,607 Others 99,307 97,372 Less: Provision held against other assets 8,440,334 8,677,492 Other Assets - net of provision 8,287,569 8,524,664 Surplus on revaluation of non-banking assets acquired in satisfaction of claims 78,659 81,197 Other assets - Total 8,366,228 8,05,881 13.1 Provision held against other assets 100,000 100,000 Others 52,765 52,765 52,765 Others 152,765 152,765 152,765 14 BILLS PAYABLE 1 1 1 889,613 874,567 10 Uside Pakistan 0 889,613 874,567 675,675				
Clearing and settlement accounts		Mark to market gain on forward foreign exchange contracts	757,312	357,492
Acceptances			293,462	
Receivable from the State Bank of Pakistan Others 31,245 67,607 90,377 97,372 90,377 97,372 90,377 97,372 90,			170,010	
Less: Provision held against other assets 8,440,334 8,677,429 Less: Provision held against other assets 13.1 152,765 152,765 Other Assets - net of provision 8,267,569 8,524,664 Surplus on revaluation of non-banking assets acquired in satisfaction of claims Other assets - Total 78,659 81,197 Other assets - Total 8,366,228 8,605,861 13.1 Provision held against other assets Advances for Pre-IPO			31,245	67,607
Less: Provision held against other assets 13.1 (152.765) (Others		97,372
Surplus on revaluation of non-banking assets acquired in satisfaction of claims 78,659 81,197 Other assets - Total 8,666,228 8,605,861 13.1 Provision held against other assets 4dvances for Pre-IPO 100,000 100,000 Others 100,000 100,000 100,000 Others 100,000 100,000 100,000 Others 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,000 100,00			(152,765)	(152,765)
In satisfaction of claims 78,659 81,197 Other assets - Total 8,366,228 8,605,801 13.1 Provision held against other assets Advances for Pre-IPO 100,000 52,765 52,765 152,765 14 BILLS PAYABLE In Pakistan 889,613 874,567 Outside Pakistan 889,613 874,567			8,287,569	8,524,664
Other assets - Total 8,366,228 8,605,861 13.1 Provision held against other assets 100,000 100,000 Advances for Pre-IPO Others 52,765 52,765 52,765 14 BILLS PAYABLE In Pakistan Outside Pakistan 889,613 874,567			78.659	81,197
13.1 Provision held against other assets 404 ances for Pre-IPO 52,765 52,765 52,765 52,765 52,765 152,765 152,765 14 BILLS PAYABLE 1n Pakistan Outside Pakistan Outside Pakistan 1 889,613 874,567 784,				
Advances for Pre-IPO 100,000 1	13.1			
Others 52,765 52,765 14 BILLS PAYABLE In Pakistan 889,613 874,567 Outside Pakistan 889,613 874,567			100 000	100.000
152,765 152,				
In Pakistan Outside Pakistan 889,613 874,567			152,765	
Outside Pakistan	14	BILLS PAYABLE		
Outside Pakistan		In Pakistan	889,613	874,567
			889,613	8/4,567

5	BORROWINGS	(Un-audited) March 31, 2022	(Audited) December 31 2021
	Secured	Rupees	
	Borrowings from State Bank of Pakistan (SBP) under:		
	- Export refinance scheme	5,312,860	4,866,36
	- Long term financing facility	2,611,318	2,692,47
	- Refinance and credit guarantee scheme for women entrepreneurs	50,343	54,73
	- Financing facility for renewable energy	64,112	54,44
	 Refinance facility for modernization of Small and Medium Enterprises (SMEs) 	33,127	34,53
	 Refinance scheme for payment of wages and salaries 	93,320	123,88
	- Refinance facility for combating COVID-19	1,077,084	1,134,86
		9,242,164	8,961,28
	Bai Muajjal Borrowings	17,950,142	17,950,14
	Repurchase agreement borrowings	170,014,482	76,174,20
	Call borrowings	983,292	983,29
		188,947,916	95,107,64
	Unsecured		
	Call borrowings		6,000,00
	Total	198,190,080	110.068.92

(Un-audited)

		arch 31, 2022		De	cember 31,2021	
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
Customers			Rupees	s in '000		
Current deposits	36,475,004	428,647	36,903,651	34,469,737	448,039	34,917,776
Saving deposits	114,815,367	123,329	114,938,696	104,669,961	121,570	104,791,531
Term deposits	66,396,144	96,077	66,492,221	65,816,696	92,431	65,909,127
Others	11,571,270	-	11,571,270	11,253,752	-	11,253,752
	229,257,785	648,053	229,905,838	216,210,146	662,040	216,872,186
Financial Institutions						
Current deposits	743,126		743,126	648,065	-	648,065
Saving deposits	5,011,043	-	5,011,043	4,355,647	-	4,355,647
	5,754,169	-	5,754,169	5,003,712		5,003,712
	235.011.954	648.053	235,660,007	221.213.858	662.040	221.875.898

(Audited)

	(Un-audited) March 31, 2022	(Audited) December 31, 2021
	Rupees	in '000
17 OTHER LIABILITIES		
Mark-up/ return/ interest payable in local currency	3,389,277	5.595,139
Mark-up/ return/ interest payable in foreign currencies	674	242
Unearned income - Bai Muajjal Sukuk	<u>-</u>	138.896
Lease liability against right-of-use assets	1,334,225	1,447,280
Branch adjustment account	247,086	
Unearned commission and income on bills discounted	156,180	154,373
Deferred income on government schemes	6,352	8,090
Deferred income on islamic financing	102,003	84,199
Islamic pool management reserves	118,708	130,708
Accrued expenses and supplier payables	474,699	436,979
Unclaimed dividends	64,684	64,790
Share subscription money refund	1,091	1,091
Retention money	56,848	55,000
Bills payment system over the counter (BPS-OTC)	299,329	34,544
Charity fund	8,926	7,648
Security deposits against ijarah	229,896	218,380
Mark to market loss on forward foreign exchange contracts	625,288	477,392
Clearing and settlement accounts	5,742	-
Acceptances	170,010	114,706
Levies and other taxes payable	84,534	47,306
Others	288,754	200,015
	7,664,306	9,216,778



TOIL	THE THREE WORT	TIO ENDED III.	1011 01, 2022		
18	SHARE CAPITAL				
18.1	Authorized capital (Un-audited) March 31, 2022	(Audited) December 31, 2021		(Un-audited) March 31, 2022	(Audited) December 31 2021
	Number of shares	3		Rupees in	'000
	1,500,000,000	1,500,000,000	Ordinary shares of Rs. 10 each.	15,000,000	15,000,000
18.2	Issued, subscribe	ed and paid up			
	(Un-audited) March 31, 2022	(Audited) December 31, 2021		(Un-audited) March 31, 2022	(Audited) December 31 2021
	Number o	f shares		Rupee	s in '000
			Ordinary shares of Rs. 10 each	_	
	722,698,448	722,698,448	Fully paid in cash	7,226,984	7,226,98
			Issued as fully paid bonus shares:		
	327,572,595	277,554,037	Opening balance	3,275,726	2,775,54
	52,519,486	50,018,558	Issued during the period / year (Note 18.3)	525,195	500,18
	380,092,081	327,572,595	Closing balance	3,800,921	3,275,72
	1,102,790,529	1,050,271,043	•	11,027,905	10,502,71
18.4	Industries Limited	held 774,184,57	hares and at reporting date, the Governmen 76 (December 31, 2021: 737,318,644) and tively. Moreover, the Bank has no reserved sha	269,383,781 (Dece	
19	SURPLUS / (DEFI	CIT) ON REVALU	IATION OF ASSETS	(Un-audited) March 31, 2022	(Audited) December 31 2021
	(D-6-it) /		Note	Rupees	in '000
	(Deficit) / surplus of				
	 Available-for-sale Related deferred 			(933,576) 364,095	(796,90 310,79
	rtolatea acierre	· tux		(569,481)	(486,11
	- Fixed assets			787,200	787,20
	- Non-banking ass	sets		78,659	81,19
	 Related deferred 	l tax		(30,677)	(31,66
	Suplus on revalua	ation of accets	not of toy	47,982 265,701	49,53 350,61
	Supius on revalu	ation or assets -	net of tax	203,701	330,61
20	CONTINGENCIES	AND COMMITM	ENTS		
	-Guarantees		20.1	20,912,446	20,848,98
	-Commitments		20.2	72,003,214	62,930,91
				92,915,660	83,779,89
20.1	Guarantees:				
	Financial guarante			1,519,298	1,878,76
	Performance guara	antees		19,387,066	18,963,92
	Other guarantees			6,082 20,912,446	20,848,98
				20,312,440	20,040,30
20.2	Commitments:				
	Documentary cre - Letters of credit	dits and short-te	rm trade-related transactions	7,639,337	6,316,49
	Commitments in - Forward foreign e		20.2.	64,086,779	56,203,51
	Commitments for				
	 Operating fixed a Intangible assets 	ssets		193,205 78,893	312,91 77,46
	Other commitmen	nts	20.2.2		20,52
				72,003,214	62,930,914



		(Un-audited) March 31, 2022	(Audited) December 31, 2021
20.2.1	Commitments in respect of forward foreign exchange contracts		s in '000
	Purchase	27,555,072	27,988,087
	Sale	36,531,707	28,215,426
		64,086,779	56,203,513
20.2.2	Other commitments		
	Forward purchase - shares	-	15,525
	Commitment for donation	5,000	5,000
		5,000	20,525

- 20.2.2 There are certain claims which have not been acknowledged as debts. These mainly represent counter claims by the borrowers for damages, claims filed by the former employees of the Bank and certain other claims. Based on legal advice and/or internal assessments management is confident that the matters will be decided in the Bank's favor and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these financial statements for the same.
- 20.2.3 The income tax assessments of the Bank have been finalized up to tax year 2021.

During the year 2021, Commissioner Inland Revenue (Appeals), Peshawar, issued an order dated: November 24, 2021 under section 129 of the Income Tax Ordinance, 2001 for the tax year 2014, in favor of the Bank by setting aside the Commissioner IR, Peshawar Order dated September 30, 2019 which had created a demand of Rs 1.73 billion. The Commissioner IR, (Appeals) while deciding the matter, remanded back matters requiring details and also upheld few matters including Depreciation, Provisions and others, having tax impact of Rs 132 million, by ignoring the facts on record that these have already been added back and offered for taxation by Bank, disallowing again tantamount to double taxation which is bad in-law, against the application of Seventh schedule and provision of Income Tax Ordinance, 2001.Being aggrieved the Bank filed an appeal with Appellate Tribunal, Peshawar. During the period ended March 31, 2022, the remand back proceedings were also completed, and order was issued, creating a demand of Rs 99 million accounts of Rs 58 million under section 21(c), tax withholding from customers and Rs. 41 million being WWF (Workers Welfare Fund) which is also not applicable on the Bank. Being aggrieved, the Bank also filed correction application with Commissioner IR, Peshawar as well as appeal with Commissioner (Appeals) Peshawar. Since the matters explained above are not sustainable before the law being devoid of merit, the management is confident that the matters will be decided in favor of the Bank and hence no provision has been recognized for the same.

During the year 2021, Audit proceeding under section 177 for the tax year 2015 completed with tax demand of Rs 64 million, by applying section 21(c), while net tax impact under section 161 calculated to Rs 13 million only. The Commissioner Inland Revenue, Peshawar issued revised order by adjusting the tax demand to Rs 54 million, by accepting correction application under section 221(1) of the Income Tax Ordinance, 2001. The Bank has filed an appeal with the Commissioner (Appeals) Peshawar. The management is confident that the matters will be decided in favor of the Bank and hence no provision has been recognized for the same.

An order dated February 18, 2022 was issued by applying section 122(5A) of the Income Tax Ordinance, 2001, for Tax year 2020 by the Additional Commissioner (Audit), without considering the facts on record, created an unjustifiable additional tax amounting to Rs 260 million by applying section 111(1) of the Income Tax Ordinance on Bai Muajjal Transaction and Penalty vide order dated: March 22, 2022 amounting to Rs 260 million, under section 182 of the Income Tax Ordinance, 2001, equal to amount of tax. The Bank has filed an appeal against the said order and the case was discussed with Commissioner (Appeals) Peshawar and stay was granted with remarks that prima facie case exists in favor of the appellant. The management is confident that matter will be decided in favor of the Bank and hence no provision has been recognized for the same.



			(Un-aud	ited)
			For the three me	onths ended
		-	March 31, 2022	March 31, 2021
21	MARK-UP/RETURN/INTEREST EARNED	Note	Rupees i	
	On:		•	
	Loans and advances		3,000,491	2,680,908
	Investments		3,942,237	2,088,144
	Sukuk bonds		752,191	440,194
	Lendings to financial institutions		200,967	320,579
	Balances with banks	_	9,274	11,155
		=	7,905,160	5,540,980
22	MARK-UP/RETURN/INTEREST EXPENSED			
	On:			
	Deposits		3,041,534	2,564,092
	Borrowings		2,944,528	1,151,085
	Lease liability	-	33,126	28,118
		=	6,019,188	3,743,295
23	FEE AND COMMISSION INCOME			
	Branch banking customer fees		6,505	2,949
	Consumer finance related fees		307	589
	Card related fees		15,760	11,790
	Investment banking fees		4,924	2,860
	Commission on trade		33,126	17,783
	Commission on guarantees		53,512	22,458
	Commission on remittances including home remittances		3,211	4,850
	Commission on foreign currency bills		2,763	5,389
	Others	-	441 120.549	2,057 70,725
24	GAIN / (LOSS) ON SECURITIES	=	120,549	70,723
	Realised	24.1	25,105	(176 610)
	Unrealised - held-for-trading	24.1	(5,492)	(176,612)
	Officialised - field-for-trading	-	19,613	(176,612)
24.1	Realised gain / (loss) on:	•	10,010	(170,012)
			0.225	(200 040)
	Federal Government Securities Shares		9,235 1,221	(200,840)
	Non-Government Debt Securities		4,835	20,290
	Mutual Funds		9,814	3,938
	Wutuan i unus	-	25,105	(176,612)
25	OTHER INCOME	=		
	Postal, swift and other services		22,058	21,257
	Rental income from property		825	924
	Gain on sale of fixed assets		1,556	
	Service income on Government schemes		2,191	1,445
	Rebate from financial institutions	4	394	1,014
		_	27,024	24,640

(Un-audited)



26

27

THE BANK OF KHYBER NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2022

	For the three m	onths ended
	March 31,	March 31,
	2022	2021
OPERATING EXPENSES	Rupees	in '000
Total compensation expense	769,089	708,50
Property expenses		
Rent and taxes	6,468	36
Utilities cost	44,984	36,49
Security (including guards)	44,966	28,42
Repair and maintenance	1,799	1.08
Depreciation - Right of use assets	125,825	88,80
Depreciation - Non banking assets acquired in	·	· ·
satisfaction of claims	5,649	5,13
Depreciation	51,767	35,06
	281,458	195,37
Information technology expenses	,	•
Software maintenance	57,749	20,47
Hardware maintenance	2,390	3,75
Depreciation	51,876	29,10
Amortization	17,971	21,84
Network charges	3,665	3,21
ATM charges	50,889	29,92
Tim sharges	184,540	108,32
Other operating expenses	,	,.
Directors' fees and allowances	1,400	2,31
Fees and allowances to Shariah Board	83	_
Outsourced service cost	50,164	22,04
Legal and professional charges	20,802	15,32
Travelling and conveyance	17,769	16,15
Cash carriage charges	15,499	11,38
NIFT clearing charges	5,857	4,03
Depreciation	8,567	6,47
Communication	7,045	13,78
Postage and courier charges	6,466	3,64
Stationery and printing	11,994	12,83
Marketing, advertisement and publicity	35,219	17,45
Repair and maintenance	24,275	10,32
Insurance	8,242	8,60
Auditors' remuneration	5,447	2,70
Brokerage and commission	9,865	16,33
Rent and taxes	353	46
Entertainment	10,387	8,84
Newspapers and periodicals	466	23
Training and development	10,586	2,69
Fees and subscriptions	2,092	2,03
Deposit protection premium	23,871	22,38
Others	16,077	4,02
Others	292,526	202,12
	292,526	
	1 527 612	
	1,527,613	1,214,32
OTHER CHARGES	1,527,613	1,214,32
OTHER CHARGES Penalties imposed by State Bank of Pakistan	<u>1,527,613</u>	1,214,32

(Un-audited)



			(Un-au	dited)
			For the three n	nonths ended
			March 31,	March 31,
			2022	2021
28	PROVISIONS AND WRITE OFFS - NET	Note	Rupees	in '000
	Provision / (reversal) for diminution in value of investments	8.3	67,012	(505)
	Provisions against loans and advances - net	9.3	32,081	88,225
			99,093	87,720
29	TAXATION			
	Current		209.778	275,595
	Deferred		47,561	(61,854)
		29.1	257,339	213,741
29.1	This includes the impact of Super Tax applicable at the rate of 4%.			_
			(Un-au	dited)
			For the three n	
			March 31,	March 31,
			2022	2021
			Rupees in '	000
30	BASIC AND DILUTED EARNINGS PER SHARE			
	Profit for the period		389,624	439,489
			(Number o	f shares)
				(Restated - Note 18.3)
	Weighted average number of ordinary shares		1,102,790,529	1,102,790,529
			(Rupe	es)
				(Restated)
	Basic and diluted earnings per share		0.35	0.40

31 FAIR VALUE MEASUREMENTS

The fair value of quoted investments other than those classified as held to maturity is based on quoted market prices. The fair value of unquoted equity investments is determined on the basis of break-up value of these investments as per their latest available audited financial statements. The 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 these 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.

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

31.1 Fair value of financial assets

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

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

The table below analyzes financial instruments measured at the end of the reporting period by the level in the fair value heirarchy in to which the fair value measurement is categorized:

	(Un-audited) March 31, 2022								
	Level 1	Level 2	Level 3	Total					
On balance sheet financial instruments		Rupees i	n '000						
Financial assets - measured at fair value									
Investments									
Federal Government Securities	342.606	231,880,907	-	231,880,907 342,606					
Shares in listed companies Non-Government Debt Securities	342,000	4,227,430	-	4,227,430					
Mutual funds	1,110,161	4,227,430	-	1,110,161					
Financial assets - disclosed but not measured at fair value									
Investments									
Federal Government Securities	-	13,851,630	-	13,851,630					
Shares in unlisted companies	•	73,701	-	73,701					
Non-Government Debt Securities	-	4,826,642	-	4,826,642					
Associate	-	94,140	-	94,140					
Off-balance sheet financial instruments - measured at fair value									
Forward purchase of foreign exchange	-	27,555,072	-	27,555,072					
Forward sale of foreign exchange	•	36,531,707	-	36,531,707					
		(Audit							
	Level 1	December Level 2	Level 3	Total					
On balance sheet financial instruments		Rupees i							
Financial assets measured at fair value									
Investments									
Federal Government Securities	-	153,051,522	-	153,051,522					
Shares in listed companies	390,277	=	-	390,277					
Non-Government Debt Securities	-	4,385,946	-	4,385,946					
Mutual funds	1,152,803	-	-	1,152,803					
Financial assets - disclosed but not measured at fair value									
Investments									
Federal Government Securities	-	20,327,663 73,701	-	20,327,663					
Shares in unlisted companies Non-Government Debt Securities	•	4.924.250	-	73,701 4,924,250					
Non-Government Debt Securities Associate	-	92.784	-	4,924,250 92.784					
Off-balance sheet financial instruments - measured at fair value	-	32,704	_	32,704					
Forward purchase of foreign exchange	_	27.988.087	_	27,988,087					
Forward sale of foreign exchange	-	28,215,426	-	28,215,426					
The valuation techniques used for above assets are same as disclosed in the	o most recent appual fin								

The valuation techniques used for above assets are same as disclosed in the most recent annual financial statements

(a) Financial instruments in level 1

Financial instruments included in level 1 comprise of investments in listed ordinary shares and units of mutual funds.

(b) Financial instruments in level 2

Financial instruments included in level 2 comprise of Sukuks Bonds, Pakistan Investment Bonds, Market Treasury Bills, Term Finance certificates, FX options and Forward Exchange Contracts.

(c) Financial instruments in level 3

Currently, no financial instruments are classified in level 3.

Valuation techniques and inputs used in determination of fair values within level 1

Fully paid-up ordinary shares

Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

Unit of mutual funds

The fair value of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.

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

Pakistan Investment Bonds / Market Treasury Bills

Fair values of Pakistan Investment Bonds and Treasury Bills are derived using the PKRV rates for fixed rate securities and PKFRV rates for floating rate PIB's (Reuters page).

Government of Pakistan (GoP) - Ijarah Sukuks

Fair values of GoP Ijarah Sukuks are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from eight different pre-defined / approved dealers / brokers.

Term Finance, Bonds and Sukuk certificates

Investments in debt securities (comprising term finance certificates, bonds, Sukuk certificates and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan. In the determination of the rates, the MUFAP takes into account the holding pattern of these securities and categorises these as traded, thinly traded and non-traded securities.

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

Operating fixed assets (Leasehold land) and non-banking assets acquired in satisfaction of claims

These assets are revalued on regular basis using professional valuers on the panel of Pakistan Banker's Association. The valuation is based on their assessment of market value of the properties.

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



32 SEGMENT INFORMATION

32.1 Segment details with respect to business activities

Part India Ind			the three months	ended March 3	1, 2022 (Un-audi	ted)
Porfit and loss Net mark-up / return / interest income 426,576 1,157,764 30,153 271,479 3,267,702 332,702 75tal income 433,109 1,423,45 46,220 30,700 2,273,674 30,155 32,0700 2,273,674 32,0700 3,273,674 3,2		Corporate				Total
Profit and loss		Finance				
Non mark-up / return / interest income	Profit and loss			rapees in ooo		
Total income	Net mark-up / return / profit	426,576	1,157,764	30,153	271,479	1,885,972
Segment direct expenses 375,604 904,565 77,269 220,190 1,227,618 71,701e expenses 375,604 904,565 27,259 220,190 1,227,618 71,701e expenses 375,604 904,565 27,728 220,943 29,903 20,						
1,227,1678 904,565						
Profit before tax 55,505 457,768 16,823 116,867 640,908 640,						
Pont		375,604				
Balance sheet		55 505				
Balance sheet	Profit before tax	55,505				040,963
Gash and bank balances 3,863,343 10,325,074 25,3160 19,113,012 33,345,189 Leadings to financial institutions 15,384,178 - 15,384,178 - 9,138,193 258,407,217 Advances - non performing 77,891,667 - 313,805 30,667,259 134,849,109 Advances - non performing 626,774 - 13,380,35 5,867,279 44,821,109 46,871,109 59,779 496,211 98,162,20 5,551,237 Deferred tax assets/(liabilities) 1,118,179 5,507,71 41,327 984,162 5,551,237 Deferred tax assets/(liabilities) 1,118,179 5,507,71 49,211 998,162 20,201 20,201 49,211 1,118,179 994,062 25,551,237 Deferred tax assets/(liabilities) 1,118,118,118,118 1,118,					-audited)	
Insestments		3 663 343			10 113 012	33 354 580
Mayones - performing 78,816,80 24,461,448 - 9,413 256,407,217 Advances - performing 626,774 - 313,605 3,587,213 3,4891,019 Advances - non performing 626,774 - 313,605 3,587,213 3,		3,003,343		255,100	19,113,012	
Advances - performing 77, 91, 667		13.851.630		_	94.139	
Departing fixed assets fixed infiliancy 149,976 3,320,748 86,461 994,952 5,51,237 998,141 998,142 134,848 149,846 149,845 149,846 149,845 149,846 149,845 149,841 149,846,24 149,846 149,846,24 149,846 149,846,24	Advances - performing	77,691,667	· · · · -	6,332,093	50,667,259	
Definer of tax assets (liabilities) 1,137 501,721 1,327 496,211 998,16222 701 138468 4,845.05 937,79 2,049,637 8,366,228 701 138468 4,845.05 70,701,543 459,280,182 70,701,543 459,280,182 70,701,543			-			
Deposits 1,384,687 2,77,092,714 7,082,425 76,701,543 459,280,182						
Decided 198,466,940 277,029,274 7,082,425 76,701,543 459,280,182						
Bills payable S76,114						
Bornwings	i otai assets	98,466,940	277,029,274	7,082,425	76,701,543	459,280,182
Bornwings	Rills payable	576 114	4 324	159 164	150 011	889 613
Deposits and other accounts				-		
Total labilities				42,162,768		
Total equity and liabilities \$8,466,340 \$27,029,274 \$7,082,425 \$76,701,543 \$459,280,182 \$8,466,340 \$27,029,274 \$7,082,425 \$76,701,543 \$459,280,182 \$8,466,340 \$8,466,340 \$8,466,340 \$8,466,340 \$8,466,340 \$8,466,340 \$8,428,342 \$138,500 \$18,955,234 \$92,915,660 \$8,660,360 \$8,660,360 \$8,660,360 \$8,660,360 \$8,660,360 \$8,660,360 \$8,660,340 \$8,						
Total equity and liabilities						
Profit and loss						
Profit and loss	I otal equity and liabilities	98,466,940	277,029,274	7,082,425	76,701,543	459,280,182
Corporate Finance	Contingencies and commitments	9,693,582	64,128,344	138,500	18,955,234	92,915,660
Corporate Finance						
Profit and loss		For	the three months	ended March 3	1 2021 (Lin quidito	d)
Profit and loss Net mark-up / return / profit Non mark-up / return / interest income 1,769 1,759 1,152,463 23,143 1,152,463 23,143 1,152,463 23,143 1,152,463 23,143 1,152,463 23,143 1,152,463 23,143 1,152,463 23,143 1,152,463 23,143 23,143 1,152,463 23,143 24,143 25,143						(a)
Profit and loss Net mark-up / return / profit A32,630		Corporate	Trading and	Retail	Commercial	
Non mark-up / return / Indreest income 1,769 73,535 23,143 61,441 198,881 Total Income 434,3399 1,152,643 52,260 318,451 1,957,673 Segment direct expenses 448,296 562,028 21,372 184,927 1,216,623 Total expenses 448,296 562,028 21,372 184,927 1,216,623 Provisions / (reversals) - (505) 55,944 82,241 87,220 Profit before tax (13,897) 599,940 24,904 51,283 653,230 Balance sheet Rupees in 000 Cash and bank balances 4,340,681 9,827,498 332,729 14,982,988 29,489,996 Lendings to financial institutions - 4,982,294 9,982,996 1,982,748 9,982,996 1,982,948 1,982,948 9,986 1,982,948 1,982,948 9,986 1,982,948 1,982,996 1,982,948 1,982,996 1,982,948 1,982,996 1,982,948 1,982,996 1,982,948 1,982,996 1,982,948		Corporate	Trading and	Retail Banking	Commercial Banking	
Total Income	Profit and loss	Corporate Finance	Trading and Sales	Retail Banking	Commercial Banking	Total
Segment direct expenses	Net mark-up / return / profit	Corporate Finance 432,630	Trading and Sales	Retail Banking - Rupees in 000 29,117	Commercial Banking 257,010	Total
Total expenses Provisions / (reversals) Provi	Net mark-up / return / profit Non mark-up / return / interest income	Corporate Finance 432,630 1,769	Trading and Sales 1,078,928 73,535	Retail Banking - Rupees in 000 29,117 23,143	Commercial Banking 257,010 61,441	Total 1,797,685 159,888
Profit before tax 1,3897 590,940 24,904 51,283 653,230 58,948 82,241 87,720 For fit before tax 1,3897 590,940 24,904 51,283 653,230 58,340 51,283 51,202 4,904 51,283 51,202 4,904 51,283 51,202 4,904,986 51,202 4,904,986 51,202 4,904,986 51,202 4,904,986 51,202 4,904,986 51,202 4,904,986 51,202 4,904,986 51,203 51,173,597 51,173	Net mark-up / return / profit Non mark-up / return / interest income Total Income	Corporate Finance 432,630 1,769 434,399	Trading and Sales 1,078,928 73,535 1,152,463	Retail Banking - Rupees in 000 29,117 23,143 52,260	Commercial Banking 257,010 61,441 318,451	Total 1,797,685 159,888 1,957,573
Profit before tax (13.897) 590,940 24,904 51,283 653,230	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses	Corporate Finance 432,630 1,769 434,399 448,296	Trading and Sales 1,078,928 73,535 1,152,463 562,028	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372	Commercial Banking 257,010 61,441 318,451 184,927	Total 1,797,685 159,888 1,957,573 1,216,623
Balance sheet Rupes in 000 Cash and bank balances 4,340,681 9,827,498 332,729 14,989,898 29,489,896 Lendings to financial institutions 4,982,294 4,982,294 - 92,781 184,398,946 Advances - performing 63,466,418 - 5,941,730 51,173,597 120,581,745 Advances - non performing 605,628 - 276,533 3,085,289 3,967,450 Operating fixed assets/intangible assets 1,995,035 3,160,230 107,085 925,091 55,677,450 Deferred tax assets 18,884 408,569 1,459 563,500 992,412 Others 1,118,547 5,435,355 8,861 1,986,098 8,605,861 Total assets 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045 Billis payable 563,673 5,510 166,748 138,636 874,567 Borrowings 8,961,287 76,174,207 2,4893,434 110,068,928 Deferred tax liability 4,440,006 1,745,183	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses	Corporate Finance 432,630 1,769 434,399 448,296	Trading and Sales 1,078,928 73,535 1,152,463 562,028 562,028	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372	257,010 61,441 318,451 184,927 184,927	Total 1,797,685 159,888 1,957,573 1,216,623 1,216,623
Balance sheet Rupees in 900 Rupees in 900 Cash and bank balances 4,340,681 9,827,498 332,729 14,988,986 29,489,896 Lendings to financial institutions 1,338,38,552 170,367,213 - 9,2781 148,982,294 Investments 63,466,418 - 5,941,730 51,775,897 120,581,745 Advances - performing 605,628 - 276,533 3,085,289 3,967,450 Operating fixed assets/intangible assets 1,989,035 3,160,230 107,085 925,091 5,587,441 Deferred tax assets 1,884 408,569 1,145 96,580,00 992,412 Others 1,118,547 5,435,355 8,581 1,986,098 8,605,861 Total assets 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045 Bills payable 563,673 5,510 166,748 138,636 874,567 Borrowings 8,961,287 76,174,207 24,933,434 110,068,938 Deferred tax liability 4,440,006 1,745,183 <	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals)	Corporate Finance 432,630 1,769 434,399 448,296 448,296	Trading and Sales 1,078,928 73,535 1,152,463 562,028 562,028 (505)	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 5,984	257,010 61,441 318,451 184,927 184,927 82,241	Total 1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720
Cash and bank balances 4,340,681 9,827,498 332,729 14,989,886 29,489,896 Lendings to financial institutions - 4,982,294 - 9-7,81 14,989,896 Lendings to financial institutions 13,338,952 170,367,213 - 9-7,81 184,389,946 Advances - performing 605,628 - 276,533 3,085,289 3,967,450 Operating fixed assets/intengible assets 1,395,035 3,160,230 107,085 925,91 5,587,441 Deferred tax assets 18,884 408,569 1,459 563,500 992,412 Others 1,118,547 5,435,355 85,861 1,986,098 8,606,861 Total assets 84,884,145 194,181,159 674,53,97 72,795,344 385,606,045 Bills payable 563,673 5,510 166,748 138,636 874,567 Borrowings 8,961,287 76,174,207 - 24,933,434 110,068,928 Deposits and other accounts 43,002,685 13,397,973 42,303,635 35,717,160 22	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals)	Corporate Finance 432,630 1,769 434,399 448,296 448,296	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 5,984 24,904	257,010 61,441 318,451 184,927 184,927 82,241 51,283	Total 1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720
Lendings to financial institutions investments 4,982,294 (170,367,213) 4,982,294 (170,367,213) 92,781 (184,398,946) 4,842,294 (170,367,213) 92,781 (184,398,946) 4,843,98,946 4,843,98,946 4,843,98,946 4,843,98,946 4,843,98,946 4,843,98,946 4,843,98,946 4,843,98,946 4,843,98,946 3,967,450 5,941,730 51,173,597 120,581,745 2,674,50 2,765,33 3,085,289 3,967,450 292,791 120,581,745 2,691,745 2,692,745 2,69	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax	Corporate Finance 432,630 1,769 434,399 448,296 448,296	Trading and Sales 1,078,928 73,535 1,152,463 562,028 652,028 (505) 590,940 As at Dec	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 5,984 24,904 ember 31, 2021	257,010 61,441 318,451 184,927 184,927 82,241 51,283	Total 1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720
Investments	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet	Corporate Finance Finance 432,630 1,769 443,399 448,296 448,296 (13,897)	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940 As at Dec	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 21,372 4,904 ember 31, 2021 Rupees in 000	257,010 61,441 318,451 184,927 184,927 82,241 51,283 (Audited)	Total 1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720 653,230
Advances - non performing Operating Rived assets/intangible assets 605,628 (19,50) 276,533 (1,60) 3,085,289 (3,67,46) 3,085,289 (3,67,46) 3,085,289 (3,67,46) 3,085,289 (25,69) 3,087,460 205,091 (1,07) 3,085,289 (25,69) 3,092,213 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,280 (25,69) 3,085,280 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,280 (25,69) 3,085,289 (25,69) 3,085,280 (25,69) 3,085,280 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) 3,085,289 (25,69) <	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances	Corporate Finance Finance 432,630 1,769 443,399 448,296 448,296 (13,897)	Trading and Sales 1,078,928 73,535 1,152,463 562,028 562,028 (505) 590,940 As at Dec	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 21,372 4,904 ember 31, 2021 Rupees in 000	257,010 61,441 318,451 184,927 184,927 82,241 51,283 (Audited)	1,797,685 159,888 1,957,573 1,216,623 1,216,623 1,216,523 653,230
Operating fixed assets/intangible assets 1,395,035 3,160,230 107,085 925,091 5,587,441 Deferred tax assets 18,884 408,569 1,459 563,500 992,412 Others 1,118,547 5,435,355 85,861 1,966,098 8,605,861 Total assets 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045 Bills payable 563,673 5,510 166,748 138,636 874,567 Borrowings 8,961,287 76,174,207 24,933,434 110,068,928 20,993,334 110,068,928 Deferred tax liability 143,002,685 1,397,973 42,303,635 35,171,605 221,875,898 Unity Inter-segment (lending) / borrowing 4,440,006 1,745,183 1,174,384 1,857,205 9,216,778 Total labilities 156,967,651 79,322,873 43,644,767 62,100,880 342,036,171 Equity / Inter-segment (lending) / borrowing (72,083,506) 114,885,286 (8,899,370) 10,694,464 16,569,874 Total equity and liabilities 84,8	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions	Corporate Finance 432,630 1,769 434,399 448,296 448,296 (13,897)	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 21,372 4,904 ember 31, 2021 Rupees in 000	257.010 61,441 318,451 184,927 82,241 51,283 (Audited) 14,988,988	1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720 653,230
Deferred tax assets 18,884 408,569 1.459 563,500 992,412 Others 1,118,547 5,435,355 5,851 1,966,098 8,605,861 Total assets 84,864,145 194,181,159 6,745,397 72,795,344 358,606,045 Bills payable 563,673 5,510 166,748 138,636 874,567 Borrowings 8,961,287 76,174,207 24,933,434 110,068,928 Deferred tax liability 4,440,006 1,745,183 1,174,384 1,857,205 9,216,778 Total liabilities 156,967,651 79,322,873 43,644,767 62,100,880 342,091,714 Total equity and liabilities 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing	Corporate Finance 432,630 1,769 434,399 448,296 448,296 (13,897) 4,340,681 13,939,952 63,466,418	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 21,372 24,904 - ember 31, 2021 Rupees in 000 332,729 5,941,730	Commercial Banking 257,010 61,441 318,451 184,927 184,927 82,241 51,283 (Audited) 14,988,988 92,781 51,173,597	1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720 653,230 29,489,896 4,982,294 184,398,946 120,581,745
Others 1.118,547 5.435,355 85,861 1.986,098 8.05,861 Total assets 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045 Bills payable 563,673 5,510 166,748 138,636 874,567 Borrowings 8,961,287 76,174,207 - 24,933,434 110,068,928 Deposits and other accounts 143,002,685 1,397,973 42,303,635 35,171,605 221,875,989 Deferred tax liability 4440,008 1,745,183 1,174,384 1,857,205 9,216,778 Total iabilities 156,967,651 79,322,673 43,644,76 62,100,880 342,036,171 Equity Inter-segment (lending) / borrowing (72,08,350e) 114,858,286 66,899,370 10,694,464 16,569,874 Total equity and liabilities 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - non performing	Corporate Finance 432,630 1,769 434,399 448,296 448,296 (13,897) 4,340,681 13,938,952 63,466,418 605,628	Trading and Sales 1,078,928 73,535 1,152,463 562,028 562,028 562,028 562,028 590,940 As at Dec 9,827,498 4,982,294 170,367,213	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 21,372 24,904 ember 31, 2021 Rupees in 000 332,729 - 5,941,730 276,533	Commercial Banking 257,010 61,441 318,451 184,927 184,927 184,927 184,927 184,927 184,927 184,927 184,927 184,927 184,927 184,927 184,927 184,928 92,781 14,988,988 92,781 92,781 3,1055,289	1,797,685 159,888 1,957,573 1,216,623 1,216,623 1,216,623 2,216,623 2,216,720 653,230 29,488,896 4,982,294 184,398,946 120,581,745
Total assets 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045 Bills payable 563,673 5,510 166,748 138,636 874,667 Borrowings 8,961,287 76,174,207 2 24,933,434 110,068,928 Deposits and other accounts 143,002,685 1,397,973 42,303,635 35,171,605 221,875,898 Deferred tax liability 4,440,006 1,745,183 1,174,384 1,857,205 9,216,778 Total liabilities 156,967,651 79,322,873 43,644,767 62,100,880 342,036,171 Equity / Inter-segment (lending) / borrowing (72,083,506) 114,888,286 68,99,370 10,894,464 16,569,874 Total equity and liabilities 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendrings to financial institutions Investments Advances - performing Advances - performing Operating fixed assets/intangible assets	Corporate Finance 432,630 1,769 434,399 448,296 448,296 (13,897) 4,340,681 13,938,952 63,465,418 605,628 1,395,035	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 - 3,160,230	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 25,984 24,904 ember 31, 2021 Rupees in 000 332,729 - 5,941,730 276,533 107,085	Commercial Banking 257,010 61,441 318,451 184,927 184,927 82,241 51,283 (Audited) 14,986,988 92,781 51,173,597 3,085,299 925,091	1,797,685 159,888 1,957,573 1,216,623 87,720 653,230 29,489,896 4,982,294 184,398,946 120,581,745 3,967,450 5,587,441
Bills payable 563,673 5,510 166,748 138,636 874,567 Borrowings 8,961,287 76,174,270 42,033,635 35,171,605 221,875,898 Deferred tax liability 14,440,006 1,745,183 1,174,384 1,857,205 9,216,778 Total liabilities 156,967,651 79,322,873 43,644,767 62,100,880 342,036,171 Equity / Inter-segment (lending) / borrowing (72,083,506) 141,885,286 (36,893,70) 10,694,464 16,659,874 Total equity and liabilities 64,884,145 194,181,159 6,745,397 72,795,344 368,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - non performing Operating fixed assets/intangible assets Deferred tax assets	Corporate Finance 432,630 1,769 434,399 448,296 448,296 (13,897) 4,340,681 13,938,952 63,466,418 605,628 1,395,035 18,884	Trading and Sales 1,078,928 73,535 1,152,463 562,028 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 - 3,160,230 408,569	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 21,372 21,372 24,904 ember 31, 2021 Rupees in 000 332,729 - 5,941,730 276,533 107,085 1,459	Commercial Banking 257,010 61,441 318,451 184,927 184,927 184,927 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 563,500	1,797,685 159,888 1,957,573 1,216,623 1,216,623 3,7,720 653,230 29,489,896 4,982,294 184,389,946 120,581,745 5,387,451 992,412
Borrowings 8,961,287 76,174,207 24,933,434 110,068,928	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - non performing Operating fixed assets/intangible assets Deferred tax assets Others	Corporate Finance 432,630 1,769 434,399 448,296 448,296 (13,897) 4,340,681 13,398,952 63,466,418 605,628 1,399,035 18,884 1,118,547	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 3,160,230 408,569 5,435,355	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 5,984 24,904 ember 31, 2021 Rupees in 000 332,729 5,941,730 276,533 107,085 1,459 85,861	Commercial Banking 257,010 61,441 318,451 184,927 184,927 82,241 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 563,500 1,966,098	1,797,685 159,888 1,957,573 1,216,623 87,720 653,230 29,489,896 4,982,294 184,399,946 120,581,745 3,967,450 5,587,441 992,412 8,605,861
Deposits and other accounts 143,002,685 1,397,973 42,303,635 35,171,605 221,875,898 Deferred tax liability 4,440,006 1,745,183 1,174,384 1,857,205 9,216,778 Total liabilities 156,967,651 79,322,873 43,644,767 62,100,880 342,036,171 Equity / Inter-segment (lending) / borrowing (72,08,506) 114,888,286 68,99,370 10,694,464 16,569,874 Total equity and liabilities 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - non performing Operating fixed assets/intangible assets Deferred tax assets Others Total assets	Corporate Finance 432,630 1,769 434,399 448,296 448,296 43,399,395 4,340,681 13,939,952 63,465,418 605,628 1,395,035 18,884 1,118,547 84,884,145	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 - 3,160,230 408,569 5,435,355	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 5,984 24,904 ember 31, 2021 Rupees in 000 332,729 5,941,730 276,533 107,085 1,459 85,861 6,745,397	Commercial Banking 257,010 61,441 318,451 184,927 184,927 82,241 51,283 (Audited) 14,986,988 92,781 51,173,597 3,085,289 925,091 563,500 1,966,098 72,795,344	1,797,685 159,888 1,957,573 1,216,623 87,720 653,230 29,489,896 4,982,294 120,581,745 3,967,450 5,587,441 982,414 8,605,861 358,606,045
Deferred tax liability 4,440,006 1,745,183 1,174,384 1,857,205 9,216,778 Total liabilities 156,967,651 79,322,873 43,644,767 62,100,880 342,036,171 Equity Inter-segment (lending) / borrowing (72,083,506) 114,858,286 (36,899,370) 10,694,464 16,569,874 Total equity and liabilities 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Operating fixed assets/intangible assets Others Total assets Bills payable	Corporate Finance 432,630 1,769 434,399 448,296 448,296 (13,897) 4,340,681 13,939,952 63,466,418 605,628 1,395,035 18,884 1,118,547 84,884,145 563,673	Trading and Sales 1,078,928 73,535 1,152,463 562,028 562,028 (505) 590,940 As at Dec 9,827,498 4,962,294 170,367,213 - 3,160,230 408,569 5,435,355 194,181,159 5,510	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 5,984 24,904 ember 31, 2021 Rupees in 000 332,729 5,941,730 276,533 107,085 1,459 85,861 6,745,397	Commercial Banking 257,010 61,441 318,451 184,927 184,927 184,927 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 966,098 72,795,344 138,636	1,797,685 159,888 1,957,573 1,216,623 1,216,623 37,720 653,230 29,489,896 4,982,294 184,398,946 120,581,745 3,967,450 5,587,441 992,412 8,605,861 358,606,045
Others 4.440,006 1,745,183 1,174,384 1,857,205 9,216,778 Total liabilities 156,967,651 79,322,873 43,644,767 62,100,880 342,036,171 Equity Inter-segment (lending) / borrowing (72,083,506) 114,858,286 (36,899,370) 10,994,464 16,569,874 Total equity and liabilities 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - non performing Operating fixed assets/intangible assets Deferred tax assets Others Total assets Bills payable Borrowings	Corporate Finance 432,630 1,769 434,399 448,296 448,296 448,296 43,399,395 4,340,681 13,938,952 63,466,418 605,628 605,628 1,399,035 18,884 1,118,547 84,884,145 563,673 8,961,287	Trading and Sales 1,078,928 73,535 73,535 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 3,160,230 408,569 5,435,355 194,181,159 5,510 76,174,207	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 5,984 24,904 ember 31, 2021 Rupees in 000 332,729 5,941,730 276,533 107,085 1,459 85,861 6,745,397 166,748 -	Commercial Banking 257,010 61,441 318,451 184,927 82,241 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 563,500 1,966,098 72,795,344 138,636 24,933,434	1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720 653,230 29,489,896 4,982,294 184,398,946 120,581,745 3,967,450 5,587,441 992,412 8,605,861 358,606,045 874,567
Total liabilities 156,967,651 79,322,873 43,644,767 62,100,880 342,036,171 Equity / Inter-segment (lending) / borrowing (72,083,506) 114,858,286 (36,899,370) 10,694,464 16,569,874 Total equity and liabilities 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - non performing Operating fixed assets/intangible assets Deferred tax assets Others Total assets Bills payable Borrowings Deposits and other accounts	Corporate Finance 432,630 1,769 434,399 448,296 448,296 448,296 43,399,395 4,340,681 13,938,952 63,466,418 605,628 605,628 1,399,035 18,884 1,118,547 84,884,145 563,673 8,961,287	Trading and Sales 1,078,928 73,535 73,535 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 3,160,230 408,569 5,435,355 194,181,159 5,510 76,174,207	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 5,984 24,904 ember 31, 2021 Rupees in 000 332,729 5,941,730 276,533 107,085 1,459 85,861 6,745,397 166,748 -	Commercial Banking 257,010 61,441 318,451 184,927 82,241 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 563,500 1,966,098 72,795,344 138,636 24,933,434	1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720 653,230 29,489,896 4,982,294 184,398,946 120,581,745 3,967,450 5,587,441 992,412 8,605,861 358,606,045 874,567
Equity Inter-segment (lending) / borrowing (72,083,506) 114,858,286 (36,899,370) 10,694,464 16,569,874 Total equity and liabilities 84,884,145 194,181,159 6,745,397 72,795,344 358,606,045	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - performing Operating fixed assets/intangible assets Deferred tax assets Others Total assets Bills payable Borrowings Deposits and other accounts Deferred tax liability	Corporate Finance 432,630 1,769 434,399 448,296 448,296 448,296 4,340,681 13,938,952 63,466,418 605,628 1,389,035 18,884 1,118,547 84,884,145 563,673 8,961,287 143,002,685	Trading and Sales 1,078,928 73,535 73,535 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 3,160,230 408,569 5,435,355 194,181,159 5,510 6,174,207 1,397,973	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 5,984 24,904 ember 31, 2021 Rupees in 000 332,729 5,941,730 276,533 107,085 1,459 85,861 6,745,397 166,748 42,303,635	Commercial Banking 257,010 61,441 318,451 184,927 82,241 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 563,500 1,966,098 72,795,344 35,171,605	1,797,685 159,888 1,957,573 1,216,623 87,720 653,230 29,489,896 4,982,294 184,399,946 120,581,745 3,967,450 5,587,441 992,412 8,605,861 358,606,045 71,0068,928 221,875,898
	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - performing Operating fixed assets/intangible assets Deferred tax assets Others Total assets Bills payable Borrowings Deposits and other accounts Deferred tax liability Others	Corporate Finance 432,630 1,769 4343,999 448,296 448,296 (13,897) 4,340,681 13,939,952 63,466,418 605,628 1,395,035 13,884 1,118,547 84,884,145 563,673 8,981,273 143,002,685	Trading and Sales 1,078,928 73,535 1,152,463 562,028 620,228 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 - 3,160,230 408,569 5,435,355 194,181,159 76,174,207 1,337,973 1,745,183	Retail Banking - Rupees in 000 29,117 23,143 52,280 21,372 21,372 5,984 24,904	Commercial Banking 257,010 61,441 318,451 184,927 82,241 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 563,500 1,966,098 72,795,344 138,636 24,933,434 51,71,605 1,857,205	1,797,685 159,888 1,957,573 1,216,623 1,216,623 87,720 653,230 29,489,896 4,982,294 184,398,946 120,581,745 3,967,450 5,587,441 1992,412 8,605,861 10,088,928 874,567 110,088,928 221,875,898
Contingencies and commitments 9,528,777 56,277,595 153,376 17,820,146 83,779,894	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - performing Operating fixed assets/intangible assets Deferred tax assets Others Total assets Bills payable Borrowings Deposits and other accounts Deferred tax liability Others Total liabilities Equity / Inter-segment (lending) / borrowing	Corporate Finance 432,630 1,769 434,399 448,296 448,296 448,296 4,340,681 13,939,952 63,466,418 605,628 1,395,035 18,884 1,118,547 84,884,145 563,673 8,961,287 143,002,685 4,440,006 156,967,651 (72,083,506)	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 - 3,160,230 408,569 5,435,355 194,181,159 5,510 76,174,207 1,397,973 1,745,183 79,322,873 114,888,286	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 1,372 5,984 24,904 ember 31, 2021 Rupees in 000 232,729 5,941,730 276,533 107,085 1,459 85,861 6,745,397 166,748 42,303,635 1,174,384 43,644,767 (36,899,370)	Commercial Banking 257,010 61,441 318,451 184,927 82,241 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 563,500 1,966,098 72,795,344 138,636 138,636 138,636 138,636 138,636 138,636 138,636 138,636 138,636	1,797,685 159,888 1,957,573 1,216,623 1,216,623 27,720 653,230 29,489,896 4,962,294 184,398,946 120,581,745 3,967,450 192,412 8,605,861 874,567 110,068,928 221,875,898 9,216,778
	Net mark-up / return / profit Non mark-up / return / interest income Total Income Segment direct expenses Total expenses Provisions / (reversals) Profit before tax Balance sheet Cash and bank balances Lendings to financial institutions Investments Advances - performing Advances - performing Operating fixed assets/intangible assets Deferred tax assets Others Total assets Bills payable Borrowings Deposits and other accounts Deferred tax liability Others Total liabilities Equity / Inter-segment (lending) / borrowing	Corporate Finance 432,630 1,769 434,399 448,296 448,296 448,296 4,340,681 13,939,952 63,466,418 605,628 1,395,035 18,884 1,118,547 84,884,145 563,673 8,961,287 143,002,685 4,440,006 156,967,651 (72,083,506)	Trading and Sales 1,078,928 73,535 1,152,463 562,028 (505) 590,940 As at Dec 9,827,498 4,982,294 170,367,213 - 3,160,230 408,569 5,435,355 194,181,159 5,510 76,174,207 1,397,973 1,745,183 79,322,873 114,888,286	Retail Banking - Rupees in 000 29,117 23,143 52,260 21,372 1,372 5,984 24,904 ember 31, 2021 Rupees in 000 232,729 5,941,730 276,533 107,085 1,459 85,861 6,745,397 166,748 42,303,635 1,174,384 43,644,767 (36,899,370)	Commercial Banking 257,010 61,441 318,451 184,927 82,241 51,283 (Audited) 14,988,988 92,781 51,173,597 3,085,289 925,091 563,500 1,966,098 72,795,344 138,636 138,636 138,636 138,636 138,636 138,636 138,636 138,636 138,636	1,797,685 159,888 1,957,573 1,216,623 1,216,623 27,720 653,230 29,489,896 4,982,294 184,398,946 120,581,745 3,967,450 192,412 8,605,861 874,567 110,068,928 221,875,898 9,216,778 342,036,1771 16,569,874

32.1.1 Geographical segment

The Bank conducts all it's operations in Pakistan.

32.2 Comparative figures have been re-arranged and reclassified for comparison purposes.

33 TRUST ACTIVITIES

The Bank is not engaged in any significant trust activities.

The Bank of Khyber

Accrued markup Other liabilities Closing balance Withdrawn during the period / year

Transfer in / (out) - net

Received during the period / year Opening balance Deposits and other accounts Closing balance Repaid during the period / year Addition during the period / year Opening balance

Fransfer (out) / in - net

THE BANK OF KHYBER

FOR THE THREE MONTHS ENDED MARCH 31, 2022 NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

RELATED PARTY TRANSACTIONS

other related parties The Bank has related party relationship with its majority shareholders (Government of Khyber Pakhtunkhwa and Ismail Industries Limited), associates, directors, key management personnel, staff retirement benefit plan and

Banking transactions with related parties are carried out in the normal course of business at agreed terms. Contribution to and accruals in respect of staff retirement benefit plan are made in accordance with actuarial

Details of transactions with related parties during the period/year, other than those which have been disclosed elsewhere in these financial statements are as follows: valuations. Remuneration to the executives are determined in accordance with terms of their appointments.

			Directors	For					i	·			•	•	•			Directors	
2	1,215		Key management personnel	(Un-audited) For the three months ended March 31, 2022	_	16,219		53,583	62,684	7,118	218,795	(4,227)	12,202	18,242	216,982			Key management personnel	(Un-Audited) As at March 31, 2022
		Rupees in '000	Associate	dited) nded March 31, 20		36,371		2,466	3,688	35,149			•	•				Associate	dited) h 31, 2022
59,548		Rupees	Employee Funds	122	46,460	2,684,944		74,298	110,529	2,648,713			•	•		Rupees in ood	Dimon	Employee Funds	
ı	1	in '000	Directors	For				•		į			•	•		000	5 1000	Directors	
22	1,004		Key management personnel	(Un-audited) For the three months ended March 31, 2021	199	7,118	16	195,909	196,786	6,225	216,982	1,527	33,109	123,563	125,001			Key management personnel	(Audited) As at December 31, 2021
508	•		Associate	dited) nded March 31, 20	1,040	35,149		47,202	48,348	34,003			•	•	ı			Associate	ited) ber 31, 2021
44,644			Employee Funds	21	36,931	2,648,713		854,231	967,962	2,534,982				•				Employee Funds	

34.1 Government of Khyber Pakhtunkhwa (GoKP) holds 70.20% shareholding in the Bank and therefore, entities which are owned and / or controlled by the GoKP, or where the GoKP may exercise significant influence, are also related parties of the Bank. The Bank in the ordinary course of its business enters into transaction with various departments of the GoKP and its related entities. However, it is impracticable to completely disloses such transactions.

1,400

Operating expenses

Mark-up / return / interest expensec Mark-up / return / interest earned Income



		(Un-audited) March 31, 2022	(Audited) December 31, 2021
35	CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	Rupees	in '000
	Minimum Capital Requirement (MCR): Paid-up capital (net of losses)	11,027,905	10,502,710
	Capital Adequacy Ratio (CAR):		
	Eligible common equity tier 1 (CET 1) capital	15,896,581	15,248,508
	Eligible additional tier 1 (ADT 1) capital	45 000 504	45.040.500
	Total eligible tier 1 capital Eligible tier 2 capital	15,896,581 235,366	15,248,508 281,569
	Total eligible capital (Tier 1 + Tier 2)	16,131,947	15.530.077
	Risk weighted assets (RWAs):	10,101,041	10,000,011
	Credit risk	77,770,090	76,141,937
	Market risk	25,144,538	15,889,464
	Operational risk	13,301,652	13,301,652
	Total	116,216,280	105,333,053
	Common equity tier 1 capital adequacy ratio	13.68%	14.47%
	Tier 1 capital adequacy ratio	13.68%	14.47%
	Total capital adequacy ratio	13.88%	14.74%
	National minimum capital requirements prescribed by SBP		
	CET1 minimum ratio	6.00%	6.00%
	ADT-1 minimum ratio	1.50%	1.50%
	Tier 1 minimum ratio	7.50%	7.50%
	Total capital minimum ratio	10.00%	10.00%
	Capital conservation buffer (CCB- consisting of CET1 only)	1.50%	1.50%
	Total capital plus CCB	11.50%	11.50%
	Leverage Ratio (LR): Eligible tier-1 capital	15,896,581	15,248,508
	Total exposures	437,882,552	363,898,758
	Leverage ratio	3.63%	4.19%
	Liquidity Coverage Ratio (LCR):		
	Total high quality liquid assets	79,558,929	101,636,622
	Total net cash outflow	59,897,865	64,356,557
	Liquidity coverage ratio	132.82%	157.93%
	Net Stable Funding Ratio (NSFR):		
	Total available stable funding	369,552,694	179,120,821
	Total required stable funding	339,039,436	138,152,486
	Net stable funding ratio	109.00%	129.65%

36 <u>ISLAMIC BANKING BUSINESS</u>

The Bank is operating 110 (December 31, 2021: 110) Islamic banking branches and 39 (December 31, 2021: 39) Islamic banking windows as at March 31, 2022.

		(Un-audited) March 31, 2022	(Audited) December 31, 2021			
STATEMENT OF FINANCIAL POSITION	Note	Rupees in '000				
ASSETS						
Cash and balances with treasury banks		6,018,797	7,987,067			
Balances with other banks		7,765,250	9,675,971			
Due from financial institutions		-	-			
Investments	36.1	31,228,017	30,485,600			
Islamic financing and related assets - net	36.2	46,016,742	60,469,280			
Fixed assets		872,991	877,386			
Intangible assets		-	-			
Due from head office		1,927,187	194,812			
Other assets		2,132,250	3,984,244			
Total Assets		95,961,234	113,674,360			
LIABILITIES						
Bills payable		346,997	315,084			
Due to financial institutions		9,263,744	29,404,393			
Deposits and other accounts	36.3	77,813,881	75,372,840			
Due to head office		-	-			
Other liabilities		2,674,209	2,772,583			
Total Liabilities		90,098,831	107,864,900			
NET ASSETS		5,862,403	5,809,460			
REPRESENTED BY						
Islamic banking fund		1,000,000	1,000,000			
Reserves		29,263	35,263			
Deficit on revaluation of assets		(12,192)	(36,198)			
Unappropriated profit	36.4	4.845,332	4.810.395			
		5,862,403	5,809,460			
CONTINGENCIES AND COMMITMENTS	36.5					

The profit and loss account of the Bank's Islamic banking branches for the three months ended March 31, 2022 is as follows:

		(Un-audited) January 01 to March 31, 2022	(Un-audited) January 01 to March 31, 2021
PROFIT AND LOSS ACCOUNT	Note	Rupees	in '000
Profit / return earned Profit / return expensed Net profit / return	36.6 36.7	1,936,160 934,787 1,001,373	1,555,917 696,501 859,416
OTHER INCOME Fee and commission income Dividend income Foreign exchange income Gain on securities Other income		32,308 659 10,083 4,411	16,387 - 76,089 3,938
		12,501 59,962 1,061,335	13,395 109,809 969,225
OTHER CHARGES Operating expenses Other charges		707,505	599,879
Profit before provisions Provisions / (reversals) - net		707,505 353,830 (10,982)	599,879 369,346 (22)
Profit before taxation Taxation Profit after taxation		364,812 142,277 222,535	369,368 144,054 225,314

Islamic financing and related assets - net of provision

THE BANK OF KHYBER NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2022

											36.2												36.1	
	- General	Less: provision against Islamic financing	Gross Islamic financing and related assets	Others	Istisna	Qarze Hasna	Running musharka	Diminishing musharaka	Murabaha	ljarah	36.2 Islamic financing and related assets				I	Mutual Funds - HFT	-Power/gas and other sukuks	Other non-government debt securities	-Bai Muajjal	-GoP ijarah sukuks	Federal Government Securities:		36.1 Investments by segments:	I
		ing	ssets												31,240,215	610,000	5,041,667	Ó	•	25,588,548		1	Cost	
																			•	•		Rupees in '000	Provision for diminution	(Un-audited) March 31, 2022
															(12,198)	(6)	19,900		•	(32,092)			(Deficit) / Surplus	ited) , 2022
															31,228,017	609,994	5,061,567		•	25,556,456		Rupees in	Carrying value	
															30,521,734	650,000	5,056,250		6,388,711	18,426,773			Cost	
																	•		•	ij			Provision for diminution	(Audited) December 31, 2021
335,874	19,641	316 233	46,352,616	129,201	5,659,246	79,969	29,293,252	9,051,029	1,588,702	551,217	Rupes	2022	March 31,	(Un-audited)	(36,134)	64	37,500		•	(73,698)			(Deficit) / Surplus	ted) 31, 2021
346,856	10,838	336 018	60,816,136	128,586	5,189,157	•	44,447,550	8,953,865	1,556,538	540,440	Rupees in '000	2021	December 31,	(Audited)	30,485,600	650,064	5,093,750		6,388,711	18,353,075		1	Carrying value	



THE BANK OF KHYBER

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE THREE MONTHS ENDED MARCH 31, 2022

36.3	Deposits		March 31, 2022		December 31, 2021					
30.3 Deposits		In local	In foreign		In local	In foreign	•			
		currency	currencies	Total	currency	currencies	Total			
		currency	currencies	Rupees i						
	Customers			. tapeco.						
	Current deposits	18,568,004	52,719	18,620,723	17,781,070	51,692	17,832,762			
	Savings deposits	47,667,267	658	47,667,925	48,212,947	619	48,213,566			
	Term deposits	4,247,429	-	4,247,429	4,878,095	-	4,878,095			
	Others	2,607,396	•	2,607,396	2,854,136	•	2,854,136			
		73,090,096	53,377	73,143,473	73,726,248	52,311	73,778,559			
	Financial Institutions									
	Current Deposits	368,321	-	368,321	255,520	•	255,520			
	Savings deposits	4,302,087	•	4,302,087	1,338,761	•	1,338,761			
		4,670,408		4,670,408	1,594,281		1,594,281			
		77,760,504	53,377	77,813,881	75,320,529	52,311	75,372,840			
						(Un-audited)	(Audited)			
						March 31,	December 31,			
						2022	2021			
36.4		ropriated profit					s in '000			
	Opening balance					4,810,395	5,539,709			
	Add: Islamic banking profit before t	axation for the per	iod / year			364,812	1,537,686			
	Less: Taxation					(142,277)	(599,698)			
	Less: Transferred to head office					(187,598) 4,845,332	(1,667,302)			
	Closing balance					4,845,332	4,810,395			
36.5	Contingencies and commitments	5								
	Guarantees					5.925.397	5.460.308			
	Commitments					1,569,923	1,322,560			
						7,495,320	6,782,868			
					•	(Un-au	udited)			
						For the three				
					-	March 31.	March 31.			
						2022	2021			
36.6	Profit / return earned on financing	ıg, investments aı	nd placements		'-	Rupees	s in '000			
	Financing		•			1,089,173	1,114,459			
	Investments					752,191	440,194			
	Placements and balances with ban	ks			.=	94,796	1,264			
						1,936,160	1,555,917			
36.7	Profit on deposits and other due	s expensed			•					
	Deposits and other accounts					657,960	362,558			
	Due to Financial Institutions					267,428	324,074			
	Lease liability					9,399	9,869			
						934,787	696,501			
37	Profit equalization reserve				'-					

(Un-audited)

Profit equalization reserve

The profit equalization reserves amounting to Rs. 29.263 million (Decmber 31, 2021: Rs. 35.263 million) classified in other liabilities, which has been presented as reserves in note 36.

Comparative information has been re-classified, re-arranged or additionally incorporated in these condensed interim financial statements for the purpose of better presentation.

DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue in the Board of Directors meeting of the Bank held on April 27, 2022.

MANAGING

DIRECTOR

Uselem Any. Can sol

CHIEF FINANCIAL OFFICER

DIRECTOR

(Audited)

- 24, The Mall, Peshawar Cantt.
- **=** +92-91-111 95 95 95
- □ customercare@bok.com.pk
- www.bok.com.pk

