

Ref: SMBL/CSD/2022/08-17 **FORM-8**

Date: 29.08.2022

The General Manager, Pakistan Stock Exchange Limited, Stock Exchange Building, Stock Exchange Road, Karachi.

Subject: TRANSMISSION OF QUARTERLY REPORT FOR THE PERIOD ENDED

JUNE 30, 2022

Dear Sir,

We have to inform you that the Quarterly Report of Summit Bank Limited for the period ended June 30, 2022 have been transmitted through PUCARS and is also available on Bank's website.

You may please inform the TREC Holders of the Exchange accordingly.

Thanking you,

Yours truly,

For and on behalf of Summit Bank Limited

Syed Muhammad Talib Raza

Company Secretary

BUILDING TODAY SHAPING TOMORROW

HALFYEARLY REPORT JUNE 2022



Summit S Bank
Committed to you

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CORPORATE INFORMATION

Board of Directors

Mr. Waseem Mehdi Syed Chairman / Independent Director

Mr. Jawad Majid Khan
President & CEO / Executive Director

Mr. Wajahat Ahmed Baqai Non-Executive Director

Mr. Zafar Iqbal Siddiqi Non-Executive Director

Ms. Fauzia Hasnain Independent Director

Mr. Aziz Morris *
Executive Director

Mr. Salman Zafar Siddiqi **
Executive Director

Board Audit Committee

Ms. Fauzia Hasnain Chairperson

Mr. Wajahat Ahmed Baqa Member

Mr. Zafar Iqbal Siddiqi Member

Board Risk Management Committee

Mr. Wajahat Ahmed Baqai Chairman

Ms. Fauzia Hasnain Member

Mr. Zafar Iqbal Siddiqi Member

Mr. Aziz Morris

(he served as member of this committee until April 20, 2022)

Board Human Resource & Remuneration Committee

Ms. Fauzia Hasnain Chairperson

Mr. Zafar Iqbal Siddiqi Member

Mr. Wajahat Ahmed Baqa Member

Mr. Jawad Majid Khan

Board Information Technology Committee

Mr. Zafar Iqbal Siddiqi Chairman

Mr. Waseem Mehdi Syed

Mr. Aziz Morris

(he served as member of this committee until April 20, 2022)

^{*} Mr. Aziz Morris has resigned as Executive Director on April 20, 2022 and in his place, the Board of Directors have approved the appointment of Mr. Salman Zafar Siddiql, Chief Financial Officer as Executive Director of the Bank subject to clearance of his FPT from the State Bank of Pakistan.

^{**}The FPT clearance of Mr. Salman Zafar Siddiqi was not cleared by SBP until June 30, 2022, which was lately granted on July 04, 2022.

Board Compliance Committee

Mr. Wajahat Ahmed Baqai Chairman

Mr. Waseem Mehdi Syed Member

Mr. Zafar Iqbal Siddiqi Member

Mr. Aziz Morris (he served as member of this committee until April 20, 2022)

Shariah Board

Mufti Muhammad Najeeb Khan Chairman

Mufti Irshad Ahmed Aijaz Member

Dr. Noor Ahmed Shahtaz Member

Mufti Bilal Ahmed Qazi Member

Mufti Syed Zubair Hussain Resident Shariah Board Member

Chief Financial Officer

Mr. Salman Zafar Siddiqi

Company Secretary

Syed Muhammad Talib Raza

Auditors

Baker Tilly Mehmood Idrees Qamar Chartered Accountants

Legal Advisors

Hyat & Meerjees

Share Registrar

THK Associates (Private) Limited Plot No. 32-C, Jami Commercial Street-2,

D.H.A., Phase-VII, Karachi
Tel :021-111-000-322
Ext :107-111-115
Fax :021-35310190

Email : secretariat@thk.com.pk
Website : www.thk.com.pk

Head Office

Summit Tower

Plot No. G-2, Block-2, Clifton, Karachi

UAN: 021-1111-24365 Fax: 021-32463553

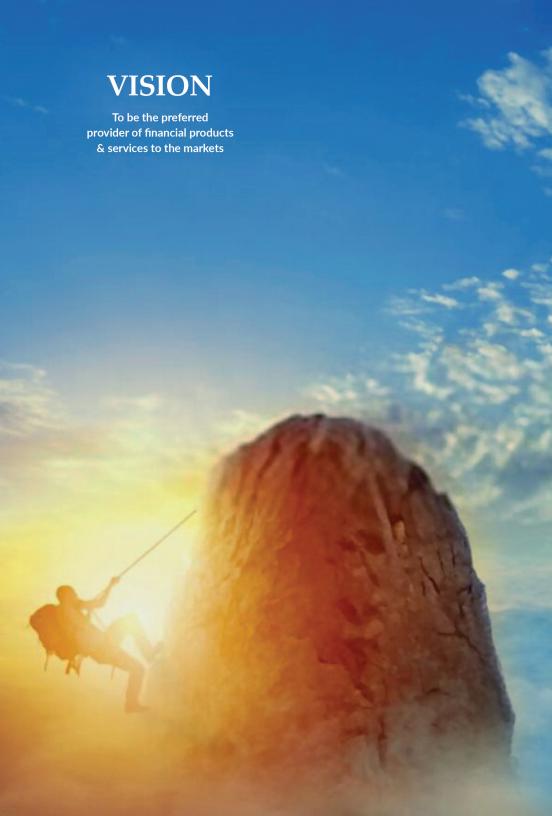
Registered Office

Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan

Email: info@summitbank.com.pk

companysecretary@summitbank.com.pk

Website: www.summitbank.com.pk





- To be a financial institution based on trust, integrity and good governance
- To deliver financial solutions to our customers
- To provide equal opportunities & professional working environment to our employees
- To provide fair returns to our shareholders on their investment
- To serve the community at large
- To discharge corporate social responsibility





DIRECTORS' REVIEW

On behalf of the Board of Directors, we are pleased to present the Directors' Review of the Bank along with the un-audited condensed interim financial statements and Auditors' Review Report for the half year ended June 30, 2022

THE BANK'S PERFORMANCE

The highlights of the financial results for the half year ended June 30, 2022 are as follows:

	June 30, 2022
Financial Position	Rupees in Millions
Shareholders' Equity	(15,236)
Total Deposits	116,383
Total Assets	127,173
Advances – net	25,275
Investments – net	40,835
Financial Performance	
Net Interest Income and Non Mark-up Income (Total Income)	(450)
Non Mark-up Expenses	2,805
Provisions and write offs (net)	239
Loss before tax	(3,494)
Loss after tax	(672)
Basic and diluted loss per share - Rupee	(0.25)

The Bank recorded a loss after tax of Rs. 672.363 million for the first half of 2022 as against a loss after tax of Rs. I.340 billion for comparative period last year, reflecting a sizeable reduction of 50% year on year. Loss per share was measured at Re. 0.25 versus Re. 0.51 for the comparative prior period. The Bank posted a profit after tax of Rs. 497.844 million for the second quarter of 2022, translating into earnings per share of Re. 0.19 as against a loss per share of Re. 0.07 for the comparative prior period.

Mark-up income for the current period is reported at Rs. 2.853 billion as against Rs. 1.964 billion against the comparative prior period as the balance sheet has repriced at higher yields. Similarly, the mark-up expense for the current period also registered an increase of Rs. 1.279 billion resulting in a net mark-up expense of Rs. 985.984 million for HY1 of 2022, 65% lower on a year on year basis.

Average net investments improved to Rs. 30.735 billion for the first half of 2022, as against Rs. 29.836 billion during the same period last year. The composition of investments remained largely skewed towards government securities and on the back of gradual increase in discount rate, yields on investments improved to 10.59% during HY1 of 2022, as against 6.67% during the same period last year, enabling the Bank to improve its income from investment by Rs. 628.015 million.

On a year on year comparison, net yields on advances also improved, ending at 8.34% as against 6.23% for the comparative prior period, reflecting the repricing effect of the gradual increase in policy rates by SBP over the course of the last few months. The Bank's average net advances book reduced by Rs. 4.465 billion for the half year ended June 30, 2022, ending at Rs. 26.713 billion, while income from advances ended higher at Rs. 1.104 billion for the current period as against Rs. 963.091 million for the comparative prior period.

Period end deposits reflected an increase of Rs. 6.900 billion over December 31, 2021 and closed at Rs. 116.383 billion. Achieving growth in current account base remained a key strategic objective for the Bank. Thereby, current deposits grew by 20% (Rs. 6.919 billion) to close at Rs. 41.128 billion; the Current Account mix also improved to 35.34% and non-remunerative to 37.34% in June 2022 as against 31.25% and 33.22% as at December 31, 2021. The entire growth in year to date deposits was in Current Account. The cost of deposits increased from 3.97% for the half year ended June 30, 2021 to 5.48% largely due to the increase in overall interest rates and impact of minimum floor rate of return on savings deposits. As at June 30, 2022, the Bank's CASA ratio stood at 85.69% as against 84.97% at December 31, 2021.



Average borrowings levels indicate a decrease of Rs. 821.50 million from June 2021 with the overall costs increasing to 6.91% for the current period as against 3.03% for the comparative prior period.

Non-funded income reflected a decline of 37% over the corresponding period last year, primarily due to lower gains on securities in the absence of the opportunity to tap capital gains. However, this decline was offset by a healthy foreign exchange income.

The Bank continued to prudently manage its operating expenses with a moderate increase of 9% despite inflationary pressures, currency devaluation, rising commodity prices and performance based adjustments of human capital. The total non-mark up expenses were reported at Rs. 2.805 billion as against Rs. 2.584 billion for the comparative period.

The Bank recorded a net provision charge of Rs. 239.063 million in the first half of June 2022 as against a net provisioning reversal of Rs. 355.840 million for the comparative prior period.

The Bank's gross NPL ratio (Gross non-performing loans to Gross Advances) as of June 30, 2022 stood at 63.35% as against 61.89% on December 31, 2021, while the coverage ratio at June 30, 2022 improved to 89.33% (December 2021:88.48%). At the half year end, the Bank's gross advances to deposits ratio (Gross Advances to Total Deposits) stands at 50.04% as compared to 54.63% on December 31, 2021. As a strategy, the management is targeting reduction in risk assets and deployment of funds in risk free GoP securities.

As at June 30, 2022, the Bank has deferred tax assets (net) of Rs. 19.347 billion. As at June 30, 2022, the Bank has recognized further deferred tax assets (net) of Rs. 2.670 billion mainly due to the effect of tax rate change for the banking sector in the Finance Bill 2022.

The management and the Board of Directors are hopeful that if the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve the projected improvement in business results and compliance with applicable regulatory requirements.

CREDIT RATING

In the year 2019,VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested SBP to allow an extension to complete the credit rating exercise by September 30, 2022. Moreover, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP). The TFC holders of the Bank in their meeting held on October 22, 2021, further approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts, with the revised maturity date set at October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules, regulations and requisite regulatory requirements in this regard.

ECONOMIC REVIEW

Economic growth in Macroeconomic risks are tilted to the downside. They include faster than expected tightening of global financing conditions and a further increase in world energy prices. Domestically, amidst political uncertainty ahead of next general elections and policy slippages, Pakistan is facing a challenging situation due to wider macroeconomic imbalances.

Strong aggregate demand pressures paired with the continued less conductive external environment for exports meant that Pakistan reported a current account deficit of USD 17.4 billion for FY2022 as against a deficit of USD 2.8 billion last year. Current account deficit widened due to constantly growing import volume of energy and non-energy commodities, along with a rising trend in the global prices of oil, COVID-19 vaccines, food and metals. The absence of an equivalent inflow in the financial account has led to a large drawdown of the foreign exchange reserves and SBP's net liquid FX reserves were reported at USD 10.2 billion as at June 2022.

As a result of deteriorating situation on the external front, the USD/PKR parity depreciated during the first six months of the current calendar year. Starting the year at PKR 178.1690, the rupee settled at PKR 204.8467 against USD at June end. The total depreciation of Rupee recorded during the half year was 15%.



During Jul-May FY2022, the fiscal deficit increased by 5.2% to Rs 3,468 billion as against 3.9% in the comparable period of last year. Measures to offset the impact of higher international commodity and oil prices due to the Russia-Ukraine conflict took a significant toll on expenditures. On the revenue side, FBR tax collection has maintained its growth momentum by posting a 29% increase during FY2022 and surpassed Rs 6 trillion due to various initiatives introduced during FY 2022.

The inflation is on a rising trend since September 2021. Headline inflation rose significantly and was recorded at 21.3% in June 2022 as against 9.7% for the same period last year - the highest since 2008, due to steep increase in the energy prices. The inflation is expected to remain elevated around current levels for much of FY23. However, the government will continue to alleviate the burden from the poorest segment of the society by providing targeted subsidy. Accordingly, the State Bank of Pakistan has been unwinding its expansionary monetary stance since September 2021 raising the policy rate by a cumulative 675bps and banks' cash reserve requirement by 100bps till June 2022. The State Bank of Pakistan, in its meeting held on July 07, 2022 raised the policy rate by a further 1.25% to 15%.

Rating agency Moody's Investor Service has downgraded Pakistan's outlook from stable to negative, citing heightened external vulnerability and uncertainty around securing external financing to meet the country's needs. However, the critical milestone of a staff level agreement on completing the next IMF review has been reached in July 2022 which would pave way for the disbursement of the next tranche of USD 1.2 billion.

MODIFICATIONS IN THE AUDITORS' REVIEW REPORT

The Bank's paid-up capital (net of losses), Capital Adequacy Ratio (CAR) and Leverage Ratio (LR) do not meet the requirements provided by State Bank of Pakistan (SBP) as at June 30, 2022. These conditions indicate the existence of material uncertainty which may cast significant doubt about the Bank's ability to continue as a going concern. However, the Bank is making continued efforts for necessary injection of capital and implementation of the Bank's plan to comply with applicable capital and liquidity requirements.

The Bank has recognized deferred tax asset of Rs. 19.347 billion which is considered realizable based on the financial projections of taxable profits in foreseeable future.

The Bank is currently partially non-compliant with the provisions of Banking Companies Ordinance, 1962 with respect to an investment in immovable property. The management has planned steps to achieve compliance with the same with selling off the part of the property that is in non-compliance with the applicable laws.

During the year 2018, Law Enforcement Agencies (LEAs) initiated its investigation on certain bank accounts alleged for money laundering activities in various banks including Summit Bank Limited. The matter is currently under NAB investigations and only partial references have been filled in the NAB Courts. The bank has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible. The Bank's management is of the view that such investigations will not affect the ongoing operations and functions of the Bank.

The review report is modified in respect of these matters but the opinion is not qualified.

FORWARD LOOKING STATEMENT

The Bank received a letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (Investor) in which the Investor had communicated his intention to acquire a controlling stake in the Bank by subscribing to fresh equity in the Bank which was followed by a Public Announcement of Intention (PAI) by the Investor to acquire at least 51% of the issued and paid up capital of the Bank together with the management control.

The Board of Directors considered and approved the offer received from the Investor following which the Share Subscription Agreement (SSA) was executed between the Bank and the Investor on October 04, 2021.

On expiry of time period for making a public announcement of offer (February 18, 2022), the Investor had submitted a revised PAI dated February 21, 2022 to acquire at least 51% of the issued and paid up capital of the Bank. The Investor continues to be fully committed to consummating the transaction.



The Bank further received a letter dated March 18, 2022 from the Investor informing the Bank about a Public Announcement of Offer (PAO) made to acquire 1,312,298,455 existing ordinary shares from the shareholders of the Bank at a price of Rs. 2.51 per share. The investor has also submitted irrevocable bank guarantees to the manager to the offer in this regard.

The Board of Directors in their meeting held on May 9, 2022 approved the inclusion of an investor in the consortium of the Acquirer subject to approval of the regulatory authorities and shareholders. The shareholders in the (Adjourned) Extra Ordinary General Meeting (EOGM) held on June 08, 2022 approved the consortium of Investors.

The Bank dispatched Subscription Entitlement Letters dated July 05, 2022 to its eligible minority shareholders inviting them to subscribe their respective shares in the Bank at the subscription price of Rs. 2.51 per share. As a result, 5,771 shares of the Bank have been subscribed by minority shareholders. The subscription by minority shareholders and the subsequent allotment of shares are subject to the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory approvals.

On consummation of the transaction, the Bank is fully prepared to capitalize on the business opportunities available in the market and will continue to focus on its strategy for long-term sustainable growth.

ACKNOWLEDGEMENT

On behalf of the Board, we would once again like to thank the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory authorities for their continuous guidance and support. At the same time, we would like to express our gratitude to our shareholders, our customers and the Bank's staff for their continued support.

Jawad Majid Khan
President and Chief Executive Officer

Fauzia Hasnain
Director

Summit Bank August 23, 2022 Karachi



تعريف وتوثيق

ہم، بورڈ کی جانب سے ایک بار پھراسٹیٹ بینک آف پاکستان، سیکو ریٹیز اینڈ ایجینئی کمیشن پاکستان، اور دیگر ضوابطی حکام کی مسلسل رہنمائی اور معاونت پر شکر گزار ہیں۔ نیز ہمسلسل معاونت پر ہمارے شیئر ہولڈرز ، ہمارے صارفین اور بینک کے عملے کاشکر بیادا کرنا جا ہیں گے۔

> فوزبيحسنين جواد ماجدخان ڈائر یکٹر صدراور چيف ايگزيکٹو آفيسر

> > سمٹ بینک 23 اگست 2022ء کراچی



پیش بنی بیانیه

20 مئی 2021ء کو ایج ای نصرعبداللہ حسین لوطہ (سر ماہیکار) کی جانب سے بینک کوالیک مراسلہ موصول ہوا جس میں سر ماہیکار نے بینک میں تاز ہ سپالیت سبسکرائب کرمے بینک کے کنٹرونگ اختیار حاصل کرنے کے ارادے کا اظہار کیا،جس کے بارے میں بعد میں سر مایہ کار کی جانب سے انتظامی کنٹرول کے ساتھ بینک کے کم از کم 51 فیصد جاری کردہ اوراداشدہ سر مائے کے حوالے سے اظہارِ دلچیتی عام (Announcement of Intention Public) کیا گیا۔

بورڈ آف ڈائز کیٹرز نے سم ماہدکار کی جانب ہےموصول ہونے والی پیشکش برغور کیا اوراسےمنظور کیا جس کے بعد 104 کتو بر2 202ء کو ہینک اورسر ماہد کار کے درمیان تیئرسبسکر پشن ایگریمنٹ (SSA) مرتمل درآ مد ہوا۔

پیشکش کےعوامی اعلان کی مدت (18 فرور 2022ء)ختم ہونے پرسر ماہیکارنے بینک کے جاری کردہ اورادا شدہ سر مائے کا کم از کم 51 فیصد حاصل کرنے کے لیے 21 فروری 2022ء کو نظر ٹانی شدہ پی اے آئی جمع کرایا تھا۔ سرمایہ کارلین دین کومکمل کرنے کے لیے یوری طرح برعزم ہیں۔

بینک کو18 مارچ2022ء کوسر مابیکار کی جانب سے مزیدا کی مراسلہ موصول ہواجس میں بینک کے شیئر ہولڈرز سے 1,312,298,455 رویے کے موجودہ عام حصص کی قیمت برحاصل کرنے کے لیے کیے گئے عوامی اعلان (PAO) کے بارے میں بینک کومطلع کیا گیا۔سر مابدکارنے منیجرکونا قامل واپسی بینک گارنٹی بھی پیش کی ہے۔

بورڈ آف ڈائر کیٹرز نے 99 مئی2022ء کومنعقدہ اپنی میٹنگ میں جناب سلمان اقبال کوا یکوائرر کے کنسوشیم میں شامل کرنے کی منظوری دی جس کے تحت ضوابطی حکام اور شیئر ہولڈرز سے مطلوبہ منظوری حاصل کی جائے گی۔08 جون2022ء کومنعقدہ (ملتوی) غیرمعمولی جزل میٹنگ (EOGM) میں شیئر ہولڈرز نے جناب سلمان اقبال کوسر ماریکار کے کنسورشیم میں شامل کرنے کی منظوری دی۔

05 جولا ئى2022ء كويبيك نے اپنے اہل اقليتي شيئر ہولڈرز كوسبسكريش اٹنا كىلىن كيٹرز جھيج جس ميں انہيں بينك ميں اپنے متعلقہ تھھ 12.5 روپے في شیئر کی سبسکر پشن قیت پرسبسکرائب کرنے کی دعوت دی گئی۔اس کے منتج میں، بینک کے5,771 حصص اقلیتی شیئر ہولڈرز نے خریدے ہیں۔اقلیتی شیئر ہولڈرز کی سبسکر پیشن اوراس کے بعد خصص کی الاٹمنٹ اسٹیٹ مبینک آف یا کستان سیکیورٹیز اینڈ ایجینج کمیشن آف یا کستان اور دیگر ضوابطی منظور ایول سے مشروط ہے۔

لین دین کی پیمیل یر، بینک مارکیٹ میں دستیاب کاروباری مواقع سے فائدہ اٹھانے کے لیے کمل طور پر تیار ہے اور طویل مدتی پائیدارتر تی کے لیے اپنی حکمت عملی برتوحه مرکوزر کھے گا۔



ریٹنگ ایجنسی Moody's Investor Service نے ملک کی ضروریات کو پورا کرنے کے لیے بیرونی مالی اعانت حاصل کرنے کے بارے میں بڑھتے ہوئے بیرونی خطرات اورغیریقینی صورت حال کا حوالہ دیتے ہوئے پاکستان کے منظرنا مے کومٹنگم مے منفی کر دیا ہے، تاہم ، آئی ایم ایف کے اگلے حائزے کو مکمل کرنے کے لیےا اشاف لیول معاہدے کا اہم سنگ میل جولا ئی 2022ء میں طے یا گیاہے جس ہے 2. 1 ارب ڈالر کی اگلی قبط کی ادائیگی کی راه ہموار ہوگی۔

آ ڈیٹرز کی جائزہ رپورٹ میں تبدیلیاں

30 جون 2022ء تك بينك كا اداشده سرمايه (خالص خمارے) ،شرح كفايت سرمايداور ليوراج كي شرح (LR) استيث بينك آف ياكستان (SBP) کے تقاضوں پر پورنے ہیں اتر تے ۔مزید یہ کہ بینک کی سالیت کی کورتج مقررہ حدیے کم ہے۔ یہ حالات مادی عدم لیننی کی موجود گی کی نشاند ہی کرتے ہیں جو کہ بینک کے جاری کاروبار کے طور پر جاری رہنے کی صلاحیت کے بارے میں اہم شک پیدا کرسکتی ہے۔ تاہم ، بینک سرمائے کے ضروری ا دخال اور قابل اطلاق سرمائے اور سیالیت کے قاضوں سے ہم آ ہنگ بینک کے منصوبے برعمل درآ مدکے لیمسلسل کوششیں کر رہاہے۔

بینک نے19.347 ارب رویے کے مؤخرنیکس اٹا ثے کوتسلیم کیا ہے۔ جوستقبل قریب میں قابل ٹیکس منافع کے مالی تخیینوں کی بنیاد پر قابل حصول سمجھا جا تا

بینک اس وقت غیرمنقولہ جائیداد میں ہم ماہیکاری کے حوالے ہے بینکنگ کمینیز آرڈیننس، 1962ء کی شقوں ہے جز وی طور پر ہم آ ہنگ نہیں ہے۔انتظامییہ نے اس ضمن میں نتیل کے حصول کے لیےاس برابر ٹی کاوہ حصہ بیچنے کے لیے منصوبہ بندی کی ہے جوقابل اطلاق قوانین ہے ہم آ ہنگ نہیں ہے۔

2018ء کے دوران، قانون نافذ کرنے والیا یجنسیوں (امل ای این) نے سٹ بینک کمیٹڈسمیت بعض بینکوں میں منی لانڈ رنگ کی سرگرمیوں کے لیے مبینہ طور پر کچھ ببنک ا کاؤنٹس کی تحقیقات شروع کی۔ یہ معاملہ فی الحال نیپ کے زیر تفتیش ہے اور نیپ عدالتوں میں صرف جزوی ریفرنسز دائر کیے گئے ہیں۔ بینک قانون نافذ کرنے والیا یجنسیوں کوان کی تحقیقات میں ہرممکن حد تک مکمل تعاون فراہم کرنے کے لیے برعزم ہےاوررہے گا۔ بینک کی انتظامیہ کا خیال ہے کہاس طرح کی تحقیقات بینک کے جاری آپریشنز اورافعال کومتا ٹرنہیں کریں گی۔

ان معاملات کے حوالے ہے آڈٹ رپورٹ میں ترمیم کی گئی ہے، تاہم بدر پورٹ معتبر ہے۔



اقضادي جائزه

کلی معاثی خطرات میں گھری معاثی نمواہتری کی طرف ماکل ہے۔عالمی مالکاری صورت ِ حال میں متوقع بختی اورتوانائی کی عالمی قیمتوں میں مزیداضافیان خطرات میں شامل ہے۔ ملکی سطیر،اگلے عام انتخابات ہے قبل سیاسی غیر نقینی صورت حال اور پالیسیوں کی نا کامیوں کے درمیان ،وسیع تر معاثی عدم توازن کی وجہ سے یا کتان کوایک دشوارصورت حال کا سامنا ہے۔

برآ مدات کے لیے مسلسل ناساز گار ہیرونی ماحول کے ساتھ مضبوط مجموعی طلب کے دباؤ کے نتیجے میں مالی سال2022ء کے دوران یا کستان میں 17.40 ارب ڈالر کا جاری کھاتے کا خیارہ درج کیا گیا جبکہ گذشتہ برس پہ 2.8ارب ڈالر کا خیارہ تھا۔ آئل ، کووڈ 19 ویکسین ،خوراک اور دھاتوں کی عالمی قیمتوں میں اضافے کے ربحان کے ساتھ تو انائی اورغیر تو انائی کی اشیا کے سلسل بڑھتے ہوئے درآ مدی جم کی وجہ سے جاری کھاتے کا خسارہ وسیع ہو گیا۔ مالی کھاتے میں رقوم کی مساوی آمد کی عدم موجود گی نے غیر ملکی زرمبادلہ کے ذخائر کونمایاں طور پر کم کردیا اور جون2022ء 🕝 تک اسٹیٹ بینک کے خالص سیال زرِمبادلہ کے ذخائر 20.2 ارب ڈالرتھے۔

بیرونی محاذیرابتر ہوتی صورت حال کے نتیجے میں،موجودہ سال کے پہلے چھمہینوں کے دوران ڈالراوررویے کا تفاوت بڑھ گیا۔سال کے آغازیرا یک ڈالر 178.1690روپے کا تھا جبکہ، جون کے اختتام پر ایک ڈالر204.8467روپے کے مساوی تھا۔ششماہی کے دوران روپے کی مجموعی فرسودگی 15 فیصد درج کی گئی۔

جولائی تامئی مالی سال 2022ء کے دوران مالی خسارہ 5.2 فیصد اضافے سے 3,468 ارب رویے ہو گیا جو گذشتہ برس کی اس مدت میں 9.3 فیصد تھا۔ روں۔ پوکرائن تنازعے کی وجہ سے بین الاقوامی اجناس اورتیل کی قبیتوں میں اضافے کے اثرات کو زائل کرنے کے اقدامات نے اخراجات پرنمایاں اثر ڈالا۔محاصل کی طرف، مالی سال2022ء کے دوران ایف ٹی آ رنگیس وصولی میں29 فیصداضا نے کےساتھا بنی ترقی کی رفیار کو برقر اررکھانیز مالی سال 2022ء کے دوران متعارف کرائے گئے مختلف اقدامات کی وجہ سے یہ 6 ٹریلین رویے سے تجاوز کر گیا۔

ستبر2021ء سے مبنگائی میں اضافے کار جمان ہے۔ عمومی مبنگائی میں نمایاں اضافیہ وااور جون2022ء میں 21.3 فیصد اضافیدرج کیا گیا جو گذشتہ برس کی ای مدت کے دوران 9.7 فیصد تھا- توانائی کی قیمتوں میں زبر دست اضافے کی وجہ سے 2008ء کے بعد سے بیسب سے زیادہ ہے۔ مالی سال 23ء کے بیشتر حصیں مہنگائی کے بلنداورموجودہ سطے کے آس یاس رہنے کی توقع ہے۔ تاہم محکومت ہدنی زیاعانت فراہم کر کے معاشرے کےغریب ترین طبقے سے بوجھ کو کم کرنا جاری رکھے گی۔ ای مناسبت ہے، اسٹیٹ بینک آف یا کتان تتبر 2021ء سے اپنے توسیعی زری موقف کوختم کر رہا ہے جس سے یالیسی کی شرح میں مجموعی طور پر 675 بی بی ایس اور مینکوں کے محفوظ نقذ کی ضرورت میں جون2022ء تک 100 بی بی ایس کا اضافہ کیا گیا ہے۔اسٹیٹ بینک آف پاکتان نے07 جولائی2022ء کو ہونے والے اپنے اجلاس میں پالیسی کی شرح کومزید 1.25 فیصد اضافے سے بڑھا کر 15 فیصد کر دیا۔



مہنگائی کے دیاؤ، کرنسی کی قدر میں کمی، اجناس کی بڑھتی ہوئی قیتوں اور کارکر دگی کی بنیاد پر انسانی سرمائے میں ردوبدل کے باوجود بینک اپنے آپریٹنگ اخراجات کو 9 فیصد کےمعتدل اضافے کے ساتھ بھوراری ہے سنجالتار ہا۔ کل غیر سودی اخراجات 2.805 ارب روپے درج کیے گئیجیکہ تقابلی مدت کے دوران بہ2.584 ارب رویے تھے۔

جون 2022ء کی پہلی ششماہی کے دوران بینک نے 239.063 ملین رویے کی خالص تموین درج کی جبکہ گذشتہ برس کی اس مدت کے دوران 355.840 ملين رويه كاخالص تمويني استر داد درج كيا گيا تھا۔

30 جون 2022ء تک بینک کےمجموعی غیر فعال قرضوں کا تناسب (مجموعی الڈوانسز کے لیےمجموعی غیر فعال قرضے) 63.35 فیصدر یا جبکہ 31 دیمبر 2021ءكويد61.89 فيصدتها، نيز،30 جون2022ءكوكوريخ كا تئاسب بهتر موكر 89.33 فيصد موليا(2021ء:88.48 فيصد) ششهاى كے اختتام یر، بینک کے مجموعی ایڈوانسز جمع کرنے کا تناسب (مجموعی ایڈوانسز اور مجموعی امانتیں) 50.04 فیصدر ہا جبکہ 31 دسمبر 2021ء کو بید 54.63 فیصد تھا۔ حکمت عملی کےطور پر،انتظامیہ کاہدف ہے کہ خطرے بربی ا اثوں میں کمی اورخطرے سے یا ک حکومتی تنسکات میں رقوم کااستعمال کیا جائے۔

30 جون 2022ء تک، بینک نے19.347 ارب روپے کے ٹیکس اٹانوں (خالص) کوموٹر کر دیا ہے۔30 جون 2022ء تک، بینک نے مزید 2.670 ارب رویے کوموٹرنیکس اٹا ثے (خالص) تشایم کیا ہے جس کی بنیادی وجہ فٹانس بل2022ء میں بینکاری شعبے کے لیٹیکس کی شرح میں تبدیلی کےاثرات تھے۔

ا نظامیهاور بورڈ آف ڈائر بیٹرز پرامید ہیں کہ اگر کار وہاری منصوبہ میں متعین ترقی کے عوامل اور دیگر کلیدی مفروضے پورے ہوجاتے ہیں، تو بینک کار وہاری نتائج میں متوقع بہتری اور قابل اطلاق ضوابطی تقاضوں کی تعمیل کرنے میں کامیاب ہوجائے گا۔

كريثرث ريثنگ

2019ء کے دوران، وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے بینک کی درممانی تاطویل مدتی ریٹنگ 'بی بی بی-'(ٹریل بی مائنس)اور قلیل مدتی ریٹنگ 'اے-'3 (اے-تھری) تازہ ترین معلومات کی عدم دستیانی کی وجہ ہے معطل کر دی۔ بینک نے وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ کے ساتھ درجہ بندی کانمل شروع کیا ہےاوراسٹیٹ بینک سے درخواست کی ہے کہ وہ 30 ستمبر 2022ء تک کریڈٹ ریٹنگ کی مثق کوکمل کرنے کے لیے توسیع کی اجازت دے۔مزید برآں، بینک کی ٹی ایف ہی ریٹنگ کوڈی (ڈیفالٹ) تفویض کیا گیاتھا کیونکہ مینی نے اسٹیٹ بینک آف یا کستان کے قابل اطلاق ضوابط کے تحت بینک کی لاک ان دفعہ کے حوالے سے اپنی تازہ ترین سودی اوا کیگی نہیں کی تھی۔ بینک کے ٹی ایف میں ہولڈرز نے 22 اکتوبر 2021ء کو ہونے والی اپنی میٹنگ میں ٹی ایف می ایشو کی مدت میں مزیدایک سال کی توسیع کی منظوری دی اور ساتھ ہی تمام انفکا کی رقوم کی ادائیکیوں میں توسیع کے ساتھ عرصیت کی نظر ثانی شده تاریخ27 اکتوبر2022ءمقرر کی بینک اس وقت تمام قابل اطلاق قوانین ، تواعد وضوابط اوراس سلسلے میں مطلوبہ ضوابطی نقاضوں کی تغییل کو یقینی بنانے کے لیے مصروف عمل ہے۔



موجودہ مدت کے لیےسودی آ مدنی 2.853ارب روپے درج کی گئی جبکہ اس کی گذشتہ برس کی اس مدت میں 1.964 ارب روپے تھی جس کی وجہ بیلنس شیٹ کی بلندیافتوں برنو قیمت بندی تھی۔اسی طرح موجودہ مدت کے لیے سودی اخراجات میں بھی 1.279 ارب روپے کا اضافہ درج کیا گیاجس کے نتیجے میں 2022ء کی پہلی ششاہی کے دوران خالص سود کی اخراجات 985.984 ملین روپے ہوگئے، جوسال بسال بنیادیر 65 فیصد کم تھے۔

2022ء کی پہلی ششماہی کے لیے اوسط خالص سر مایہ کاری بہتر ہوکر 30.735 ارب رویے ہوگئی جبکہ گذشتہ برس کی اس مدت کے دوران 29.836 ارب رویے تھے۔ سر مایدکاریاں بڑی حد تک سرکاری تمسکات کی طرف ماکن رہیں اورڈ سکاؤنٹ کی شرح میں بتدرتج اضافے کی وجیہے۔2022ء کی پہلی ششاہی کے دوران سرمایہ کاری پر یافت بڑھ کر10.59 فیصد ہوگئ، جو گذشتہ برس کی اس مدت کے دوران 6.67 فیصد تھی، جس کے باعث بینک 628.015 ملین رویے کی سر ماہیکاری سے اپنی آمدنی کو بہتر کرنے کے قابل ہو گیا۔

سال بسال موازنے کے لحاظ سے ایڈوانسز پر خالص یافت بھی بڑھ کر8.34 فیصد ہوگئی جبکہ گذشتہ برس کی ای مدت میں 6.23 فیصد تھی ، جو گذشتہ چند ماہ کے دوران اسٹیٹ بینک کی جانب سے پالیسی ریٹس میں ہندرتج اضافے کے باعث نو قیمت بندی کے اثر کوظا ہر کرتا ہے۔ 30 جون 2022ء کو اختیا م یذیر ہونے والی ششاہی کے لیے بینک کی اوسط خالص ایڈوانسز کی بک4.465 ارب رویے کی کئی سے گھٹ کر26.713 ارب رہ گئی، جبکہ موجودہ مدت کے لیےا ٹیروانسز سے ہونے والی آمدنی 1.104 ارب رویے ہوگئی جوگذشتہ برس کی اس مدت کے دوران 963.091ملین رویے تھی۔

31 دسمبر 2021ء سے اختیام مدت کے کے ذخائر میں 6.900 ارب رویے کے اضافے کی عکائی ہوئی اوروہ پڑھ کر116.383 ارب رویے ہوگئے۔جاری کھاتے کی اساس میں میں نموکا حصول بینک کے لیے ایک اہم اسٹر پنجگ مقصد رہا۔ چنانچہ موجودہ ذخائر 20 فیصد اضافے سے (919.6 ارب رویے) سے بڑھ کر41.128رویے ہوگئے؛ جون2022ء میں جاری کھاتے کا آمیزہ بڑھ کر35.34 فیصد ہو گیااور غیر مالی (non - remunerative) بزه كر35.34 فيصد ہو گيا جبكہ 31 دىمبر 2021ء كو بالترتيب 31.25 فيصد اور 33.22 فيصد تھا۔۔سال گھر سے اب تک کی تمام تر نموجاری کھاتے میں ہوئی۔30 جون201ء کو اختتام یذیر ہونے والی ششماہی کے دوران ڈیازٹس کی لاگت3.97 فیصد تھی جو رواں مدت میں بڑھ کر48.5 فیصد ہوگئی،جس کی بڑی وجہ مجموعی شرح سود میں اضافہ اور سیونگ ڈیازٹس برمنافعوں کی کم از کم زیریں شرح کے اثرات ہیں۔ 30 جون2022ء تك بينك كاس اليال الماليس المالي المالي

اوسط قرض گیری کی سطح جون 2021ء کے مقابلے میں 821.50 ملین روپے کی نیز موجودہ مدت کے دوران مجموعی لاگت میں 6.91 فیصدا ضافے کی نشاندہی کرتی ہے جبکہ گذشتہ برس کی اسی مدت کے دوران پد 3.03 فیصد تھی۔

نان فنڈ ڈآ مدنی میں گذشتہ برس کی اس مدت کے مقالبے میں 37 فیصد کی کی عکاسی ہوتی ہے،جس کی بنیادی وجہ سرمائے کےفوائد کواستعال کرنے کےمواقع کی عدم موجود گی میں تمسکات پر ملنے والے پیت فوائد تھے۔ تاہم ،اس کمی کوزرمبادلہ کی تجریورآ مدسے یورا کیا گیا۔



ڈائر یکٹرز کاجائزہ

بورڈ آف ڈائز کیکٹرز کی جانب ہے،ہم بینک کی 30 جون 2022ء کواختنام پذیر ہونے والی ششماہی کے لیے ڈائز کیکٹرز کا جائزہ اورغیر آ ڈٹ شدہ جامع عبوری مالی گوشوارے اور آڈیٹرز کے جائز کے کی رپورٹ پیش کرتے ہیں:

بینک کی کار کردگی

30 جون2022ء کواختتام پذر یہونے والی ششمانی کے لیے بینک کے مالی نتائج کی جھلکیاں مندرجہ ذیل ہیں:

	30 جون 2022ء
الى صورت ِ حال	ملین روپے
نيئر ہولڈرز کی ايکو پڻ	(15,236)
جموعيا مانت <u>ن</u>	116,383
چمو کا اثاث <u>ش</u>	127,173
يْدوانس- خالص	25,275
ىر ماييكاريان– خالص	40,835
الی کار کردگی	
غالص سودی آمدنی اورغیر سودی آمدنی (مجموعی آمدنی)	(450)
فيرسودى اخراجات	2,805
پروویژنزاوررائٹ آفس(نیٹ)	239
نساره قبل از تیکس	(3,494)
نساره بعدازتیکس	(672)
ضاره فی شیئر بنیادی اورسیال(diluted) -روپے	(0.25)

2022ء کی پہلی ششاہ می کے لیے بینک نے 672.363 ملین روپے کا خیارہ بعداز نیکس درج کیا جبکہ گذشتہ برس کی ای مدت کے دوران 1.340 ارب روپے کا خیارہ بعداز نیکس درج کیا تھا، جو کہ سال بسال 50 فیصد کی نمایاں کی کوظا ہر کرتا ہے۔ فی شیئر خیارہ 20.25 رہا جبکہ اس کی گذشتہ برس کی اس مدت کے دوران 0.51 فیصد تھا۔ بینک نے 2022ء کی دوسری سہ ماہی کے لیے 497.844 ملین روپے کا منافع بعداز ٹیکس درج کیا جس کے منتیج میں میں میں میں میں میں خیارہ فی تصص میں میں جبکہ گذشتہ برس کی اس مدت میں خیارہ فی تصص 0.07روپے تھا۔

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2022



INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF SUMMIT BANK LIMITED

REPORT ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Summit Bank Limited (the Bank) as at June 30, 2022 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement and unconsolidated condensed interim statement of changes in equity and notes to the accounts for the six-months' period then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the three months ended June 30, 2022 and June 30, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months' period ended June 30, 2022.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements as of and for the half year ended June 30, 2022 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to the following matters:

- note no. 1.3 to the unconsolidated condensed interim financial statements. As more fully described in that note, the Bank has incurred a net loss of Rs. 672.363 million (June 30, 2021: Rs. 1,340.464 million) during the six months' period ended June 30, 2022, resulting in accumulated losses of Rs. 39,388.091 million (December 31, 2021: Rs. 38,776.353 million) and negative equity of Rs. 15,236.322 million (December 31, 2021: Rs. 14,403.149 million) as at June 30, 2022. Further, the Bank's paid-up capital (net of losses), Capital Adequacy Ratio (CAR) and Leverage Ratio (LR) do not meet the requirements provided by State Bank of Pakistan (SBP) as at June 30, 2022. These conditions indicate the existence of material uncertainty which may cast significant doubt about the Bank's ability to continue as a going concern. However, the Bank is making continued efforts for necessary injection of capital and implementation of the Bank's Plan to comply with applicable capital requirements.
- note no. 13.1 to the unconsolidated condensed interim financial statements, where management has
 disclosed that the Bank has recognized deferred tax asset of Rs. 19,346.763 million (December 31, 2021: Rs.
 16,676.625 million) which was considered realizable based on financial projections of taxable profits in
 foreseeable future.



- note no. 14.1 to the unconsolidated condensed interim financial statements, which states that, the Bank holds
 an immovable property which is partially in contravention with the provisions of Banking Companies
 Ordinance, 1962.
- note no. 22.4 to the unconsolidated condensed interim financial statements, which discloses that the National Accountability Bureau (NAB) is currently conducting an investigation against certain bank accounts alleged of involvement in illegal activities in various banks. The Bank management is of the view that such investigations will not affect the ongoing operations and functions of the Bank.

Our conclusion is not qualified in respect of the matters stated above.

The engagement partner on the audit resulting in this independent auditor's review report is Mehmood A. Razzak.

BAKER TILLY MEHMOOD IDREES QAMAR CHARTERED ACCOUNTANTS

Karachi Date: August 24, 2022 UDIN: RR202210151qEZcnHs41



UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2022

ASSETS Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Investments Advances Fixed assets Intangible assets	Note 6 7 8 9 10 11	(Un-audited) June 30, 2022 (Rupees 15,274,749 1,279,158 3,982,000 40,834,557 25,274,580 10,686,738 148,488	(Audited) December 31, 2021 in '000) 14,415,006 1,092,288 298,931 31,133,345 27,043,728 10,917,257 137,586
Deferred tax assets	13	19,346,763	16,676,625
Other assets	14	10,346,147	10,301,246
		127,173,180	112,016,012
LIABILITIES	_		
Bills payable	16	2,113,098	2,071,048
Borrowings	17	15,499,577	6,922,040
Deposits and other accounts	18	116,383,158	109,483,658
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	6,918,154	6,446,900
		142,409,502	126,419,161
NET ASSETS	-	(15,236,322)	(14,403,149)
REPRESENTED BY			
Share capital - net		20,500,194	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	21	4,076,618	4,298,053
Accumulated losses		(39,388,091)	(38,776,353)
	-	(15,236,322)	(14,403,149)
CONTINGENCIES AND COMMITMENTS	22		

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

President / Chief Executive Chief Financial Officer Director Director Director



UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2022

		Quarter	Ended	Half Year	Ended
		June 30,	June 30,	June 30,	June 30,
		2022	2021	2022	2021
	Note		(Rupees	in '000)	
Mark-up / return / interest earned	23	1,679,511	1,016,412	2,853,218	1,964,000
Mark-up / return / interest expensed	24	2,181,819	1,297,964	3,839,202	2,559,827
Net Mark-up / interest expense		(502,308)	(281,552)	(985,984)	(595,827)
NON MARK-UP / INTEREST INCOME					
Fee and commission income	25	115,249	125,735	219,368	236,737
Dividend income		900	21,009	1,800	21,009
Foreign exchange income		238,356	47,608	295,424	69,130
Income / (loss) from derivatives		-	-		-
Gain on securities Other income	26 27	9,228 2,406	469,395 23,862	10,568 8,794	480,811 42,659
Total non-markup / interest income	21	366,139	687.609	535,954	850,346
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Total income		(136,169)	406,057	(450,030)	254,519
NON MARK-UP / INTEREST EXPENSE	S				
Operating expenses	28	1,448,557	1,295,166	2,804,923	2,580,183
Workers' Welfare Fund					
Other charges Total non-markup / interest expenses	29	1.448.564	3,960 1,299,126	2,804,930	3,960 2,584,143
Total Hon-markup / Interest expenses		1,448,564	1,299,126	2,804,930	2,584,143
Loss before provisions		(1,584,733)	(893,069)	(3,254,960)	(2,329,624)
Provisions / (reversals) and write offs - net	30	138,676	(648,219)	239,063	(355,840)
Extra ordinary / unusual items		-	-	· -	-
LOSS BEFORE TAXATION		(1,723,409)	(244,850)	(3,494,023)	(1,973,784)
Taxation	31	(2,221,253)	(63,001)	(2,821,660)	(633,320)
PROFIT / (LOSS) AFTER TAXATION		497,844	(181,849)	(672,363)	(1,340,464)
			(Rup	oee)	
Basic Earnings / (Loss) per share	32	0.19	(0.07)	(0.25)	(0.51)
Diluted Earnings / (Loss) per share	32	0.19	(0.07)	(0.25)	(0.51)

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

Chief Financial Officer

President / Chief Executive

Director Director





UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND HALFYEAR ENDED JUNE 30, 2022

	Quarter	ended	Half Year	r Ended
•	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
		(Rupees	in '000)	
Profit / (Loss) after taxation for the period	497,844	(181,849)	(672,363)	(1,340,464)
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	(90,783)	(321,803)	17,308	(186,942)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain on defined benefit obligations	-	5,519	-	12,140
Movement in surplus on revaluation of operating				
fixed assets - net of tax	(111,368)	9,063	(102,528)	18,129
Movement in surplus on revaluation of non-banking assets - net of tax	(30,929)	(863)	(29,159)	14,063
Movement in surplus on revaluation of	(00,727)	(000)	(27,107)	,000
held for sale property - net of tax	(46,431)	_	(46,431)	-
	(188,728)	13,719	(178,118)	44,332
Total comprehensive income / (loss)	218,333	(489,933)	(833,173)	(1,483,074)

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

President / Chief Executive Chief Financial Officer Director Director Director



Director

Director

Director

Chief Financial Officer

President / Chief Executive

(672,363) (160,810)

(672,363)

(46,431)

(131,687)

17,308

50,506

(50,506)

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALFYEAR ENDED JUNE 30, 2022

			Capital reserves	5	Surplus / (Surplus / (deficit) on revaluation of	luation of	Revenue reserve	
	Share capital	Share premium	Statutory	Reserve arising on amalgamation	Investments	Fixed / Non banking assets	Property held Accumulated for sale losses	Accumulated losses	Total
					(Rupees in '000)				
Balance as at January 01, 2021 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	511,688	3,546,085	754,510	(36,074,905)	(11,187,471)
Loss after taxation for six months period ended June 30, 2021	•		•	•				(1,340,464)	(1,340,464)
Other comprehensive income - net of tax	•	•	•	•	(186,942)	32,192	•	12,140	(142,610)
Transfer in manage of incremental description from cumber	•	•	•	•		•	•	•	
on revaluation of fixed assets to accumulated losses						(51,795)	•	51,795	
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses		•		•		(40,181)	•	40,181	
Balance as at July 01, 2021 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	324,746	3,486,301	754,510	(37,311,253)	(12,670,545)
Loss after taxation for six months period									
ended December 31, 2021	•		•	•			•	(1,546,460)	(1,546,460)
Other comprehensive income - net of tax	•			•	(278,138)	68,726		23,268	(186,144)
Transfer to statutory reserve		•	•	•	•	•	•	•	•
Transfer in respect of incremental depreciation from surplus									
on revaluation of fixed assets to accumulated losses	•		•	•	•	(50,533)	•	50,533	•
Transfer in respect of incremental depreciation from surplus									
on revaluation of non-banking assets to accumulated losses	•	•	•	•	•	(7,559)	•	7,559	•
Balance as at January 01, 2022 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	46,608	3,496,935	754,510	(38,776,353) (14,403,149)	(14,403,149)

o						(10,119)		10,119	
30, 2022 (Un-audited)	20,500,194	1,000,000 154,162	154,162	(1,579,205)	5) 63,916	3,304,623	708,079	(39,388,091)	(15,236,322)
							l		

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

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Transfer in respect of incremental depreciation from surplus Transfer in respect of incremental depreciation from surplus

on revaluation of fixed assets to accumulated losses

Loss after taxation for six months period ended June 30, 2022

Other comprehensive income - net of tax

Transfer to statutory reserve



FOR THE HALF YEAR ENDED JUNE 30, 2022		June 30, 2022	June 30, 2021
	Note	(Rupees i	n '000)
CASH FLOW FROM OPERATING ACTIVITIES			
Loss before taxation		(3,494,023)	(1,973,784)
Less: Dividend income		(1,800)	(21,009)
		(3,495,823)	(1,994,793)
Adjustments:		220 (27	244 152
Depreciation on fixed assets Depreciation on right-of-use assets		230,627 302,751	246,153 255,769
Depreciation on non-banking assets		30,421	60,058
Finance cost of lease liability		191,322	164,437
Amortization		11,638	18,931
Provision / (reversals) and write-offs excluding recoveries		239,526	(354,631)
Loss / (gain) on forward exchange contracts		20,055	(8,024)
Charge for defined benefit plan		38,120	36,736
Charge for employees compensated absences		9,224	2,614
Gain on sale of fixed assets		(9,603)	(16,136)
Loss on termination of lease (IFRS 16)		6,572	-
Loss on sale of non banking assets		431	405.007
		1,071,084	405,907 (1,588,886)
(Increase) / decrease in operating assets		(2,424,739)	(1,300,000)
Lendings to financial institutions		(3,683,069)	(3,483,329)
Advances		1,565,023	1,990,712
Others assets (excluding advance taxation)		(117,990)	196,699
,		(2,236,036)	(1,295,918)
Increase / (decrease) in operating liabilities			
Bills payable		42,050	(287,145)
Borrowings from financial institutions		8,598,281	(696,464)
Deposits		6,899,500	8,593,784
Other liabilities (excluding current taxation)		403,502 15,943,333	7,625,022
Payment on account of staff retirement benefits		(56,401)	(103,552)
Income tax paid		(24,824)	(35,812)
Net cash generated from operating activities		11,201,333	4,600,854
CASH FLOW FROM INVESTING ACTIVITIES		(0.400.434)	(2.7(2.214)
Net investments in available-for-sale securities Dividends received		(9,699,436) 1,800	(2,762,214)
Investments in fixed assets		(39,751)	(208,214)
Investments in intangible assets		(22,539)	(7,849)
Proceeds from sale of fixed assets		10,479	16,645
Proceeds from sale of non-banking assets		45,803	-
Net cash used in investing activities		(9,703,644)	(2,940,623)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of lease liability against right-of-use assets		(430,332)	(334,267)
Net cash used in financing activities		(430,332)	(334,267)
Effect of exchange rate changes on cash and cash equivalents		420,419	(57,221)
Increase in cash and cash equivalents		1,487,776	1,268,743
Cash and cash equivalents at beginning of the period		15,056,494	12,949,298
Cash and cash equivalents at end of the period	33	16,544,270	14,218,041



NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2022

I. STATUS AND NATURE OF BUSINESS

1.1 Summit Bank Limited (the Bank) is a banking company incorporated in Pakistan on December 09, 2005 as public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan. The Bank is a subsidiary of Suroor Investments Limited, a company incorporated in Mauritius, holding 66.77% of the issued, subscribed and paid up capital of the Bank as at June 30, 2022.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 179 Conventional Banking Branches and 14 Islamic Banking Branches (December 31, 2021: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

- 1.2 In the year 2019,VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested SBP to allow an extension to complete the credit rating exercise by September 30, 2022. Moreover, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP). The TFC holders of the Bank in their meeting held on October 22, 2021, further approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts, with the revised maturity date set at October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules, regulations and requisite regulatory requirements in this regard.
- 1.3 During the half year ended, the Bank has incurred a net loss of Rs. 672.363 million resulting in accumulated losses of Rs. 39,388.091 million and negative equity of Rs. 15,236.322 million. As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of June 30, 2022. However, the paid up capital of the Bank (net of losses), CAR and LR are negative.

The Bank is making best efforts to comply with applicable capital requirements through increase in capital / capital injection at the earliest. For this, the management has prepared a business plan, which has been approved by the Board.

This plan aims to improve the Bank's capital base and risk absorption capacity and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Bank will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Bank;
- Identifying opportunities for rationalization of the cost structure;
- Improvement in the risk management and technological infrastructure of the Bank to support the business plan;



- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark up income and non-mark up income.

The Bank received a letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (Investor) in which the Investor had communicated his intention to acquire a controlling stake in the Bank by subscribing to fresh equity in the Bank which was followed by a Public Announcement of Intention (PAI) by the Investor to acquire at least 51% of the issued and paid up capital of the Bank together with the management control.

The Investor submitted his offer via a letter dated October 01, 2021 and as per the Share Subscription Agreement (SSA) dated October 04, 2021 entered between the Bank and the Investor for the proposed subscription of new ordinary shares in the Bank by way of fresh equity injection Without Rights Offering at a discounted price of Rs. 2.51 per share. The Investor presented the offer as set out in the Share Subscription Agreement which was duly approved by the Board of Directors. The Bank intends to issue total 5,976.096 million new ordinary shares.

On expiry of time period for making a public announcement of offer (February 18, 2022), the Investor had submitted a revised PAI dated February 21, 2022 to acquire at least 51% of the issued and paid up capital of the Bank. The Investor continues to be fully committed to consummating the transaction.

The Bank further received a letter dated March 18, 2022 from the Investor informing the Bank about a Public Announcement of Offer (PAO) made to acquire 1,312,298,455 existing ordinary shares from the shareholders of the Bank at a price of Rs. 2.51 per share subject to a minimum level of acceptance of 35% of remaining voting shares outstanding as on the last date of PAO. The investor has also submitted irrevocable bank guarantees to the manager to the offer in this regard.

The Investor, via a letter dated April 28, 2022 shared with the Bank on May 06, 2022, disclosed the inclusion of Mr. Salman Iqbal in the consortium to acquire the Bank with an intention to subscribe to such number of shares which would enable him to become a maximum of 25% shareholder in the Bank. The Board of Directors in their meeting held on May 09, 2022 approved the inclusion of Mr. Salman Iqbal in the consortium of the Acquirer subject to obtaining the requisite approval from the regulatory authorities and shareholders. The shareholders in the (Adjourned) Extra Ordinary General Meeting (EOGM) held on June 08, 2022 approved the inclusion of Mr. Salman Iqbal in the consortium of the Investor.

The Bank dispatched Subscription Entitlement Letters dated July 05, 2022 to its eligible minority shareholders inviting them to subscribe their respective shares in the Bank at the subscription price of Rs. 2.51 per share. As a result, 5,771 shares of the Bank have been subscribed by minority shareholders. The subscription by minority shareholders and the subsequent allotment of shares are subject to the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory approvals.

The management and the Board of Directors are hopeful that with the capital injection along with the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve compliance with applicable regulatory requirements.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:

 International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;



- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017: and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. The SBP vide BPRD Circular No. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' for banks through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Moreover, the SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and has directed banks having asset size of less than Rs. 500 billion to implement IFRS 9 'Financial Instruments' with effect from January 01, 2024 vide BPRD Circular Letter No. 03 of 2022 dated July 05, 2022. The SBP is in process of issuing revised reporting formats for interim financial reporting following the implementation of IFRS 9. These are currently in draft form and are yet to be notified.

Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

These unconsolidated condensed interim financial statements represent separate financial statements of Summit Bank Limited in which investment in subsidiary are accounted for on the basis of direct equity interest rather on the basis of reported results. Accordingly, the consolidated condensed interim financial statements have been presented separately.

- 2.2 Key financial figures of the Islamic banking branches are disclosed in Note 38 to these unconsolidated condensed interim financial statements.
- 2.3 The disclosures made in these unconsolidated 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 'Interim Financial Reporting' and do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2021.
- 2.4 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period

There are certain 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 unconsolidated condensed interim financial statements.



2.5 Standards, interpretations of and amendments to existing accounting and reporting standards that are not yet effective

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for the accounting periods as stated below:

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Classification of Liabilities as Current or Non-current - Amendments to IAS I	January 01, 2023
Definition of Accounting estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS I and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
Sale or contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	January 01, 2023

2.6 Critical accounting estimates and judgments

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

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain operating fixed assets and non banking assets in satisfaction of claims are stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value and defined benefit obligations which are carried at present value.

3.2 Functional and Presentation Currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the unconsolidated financial statements for the year ended December 31, 2021.

5. FINANCIAL RISK MANAGEMENT

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



Committed to you

(Un-audited)	(Audited)
June 30,	December 31,
2022	2021
(Rupee:	s in '000)

6. CASH AND BALANCES WITH TREASURY BANKS

7.

8.

In hand		
Local currency	4,535,105	4,435,269
Foreign currency	368,778	565,956
	4,903,883	5,001,225
With State Bank of Pakistan in		
Local currency current account	6,922,980	6,966,624
Foreign currency current account	549,604	518,597
Foreign currency deposit account	972,011	875,136
	8,444,595	8,360,357
With National Bank of Pakistan in Local currency current account	1,906,374	959,344
Prize bonds	19,897	94,080
	15,274,749	14,415,006
BALANCES WITH OTHER BANKS		
In Pakistan		
In current account	20,391	20,641
In deposit account	89,397	5,391
	109,788	26,032
Outside Pakistan		
In current account	1,116,929	1,022,128
In deposit account	52,441	44,128
	1,169,370	1,066,256
	1,279,158	1,092,288
LENDINGS TO FINANCIAL INSTITUTIONS		
Repurchase agreement lendings (Reverse Repo)	3,982,000	298,931
Less: provision held against Lendings to Financial Institutions	-	-
Lendings to Financial Institutions - net of provision	3,982,000	298,931
· ·		



INVESTMENTS

9. I	Investments	hv	type:

	June 30, 2022	(Un-audited)			December 31,	2021 (Audited)
Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
(Rupees in '000)							

Available-for-sale securities								
Federal Government Securities								
 Market Treasury Bills 	16,655,126	-	(6,330)	16,648,796	13,879,696	-	(42,183)	13,837,513
 Pakistan Investment Bonds 	6,931,981	-	(11,791)	6,920,190	8,502	-	(173)	8,329
 GoP Ijarah Sukuks 	13,986,969	-	(76,019)	13,910,950	13,985,092	-	(65,242)	13,919,850
Shares								
 Fully paid up ordinary shares - Listed 	2,588,043	(2,165,924)	239,876	661,995	2,588,043	(2,133,273)	274,127	728,897
- Fully paid up ordinary shares - Unlisted	2,830	(1,000)	-	1,830	2,830	(1,000)	-	1,830
 Preference shares - Unlisted 	46,035	(46,035)	-	-	46,035	(46,035)	-	-
Non Government Debt Securities								
- Term Finance Certificates	1,593,600	(1,593,600)	-	-	1,594,950	(1,594,950)	-	-
- Sukuk Bonds	2,700,000	(200,000)	(40,955)	2,459,045	2,700,000	(200,000)	(94,825)	2,405,175
	44,504,584	(4,006,559)	104,781	40,602,806	34,805,148	(3,975,258)	71,704	30,901,594
Subsidiary	396,942	(165,191)	-	231,751	396,942	(165,191)	-	231,751

44,901,526 (4,171,750) 104,781 40,834,557 35,202,090 (4,140,449) Total Investments

71,704 31,133,345

June 30, December 31, 2022 202 I ----- (Rupees in '000) -----

9.1.1 Investments given as collateral - Market Value

Market Treasury Bills 8,754,974

9.2 Provision for diminution in value of investments

Opening balance

4,140,449 4,881,353

(Audited)

(Un-audited)

Charge / reversals Cha Rev Rev

6		
arge for the period / year	32,651	-
versals for the period / year	(1,350)	(2,700)
versal on disposals	-	(738,204)
	31,301	(740,904)

Closing balance 4,171,750 4,140,449

9.3 Particulars of provision against debt securities

Category of classification

June 30, 2022 (Un-audited)		December 31, 2021 (Audited)		
NPI	Provision	NPI	Provision	
(Rupees in '000)				

Domestic

1,793,600 1,793,600 1,794,950 1,794,950 Loss



Total

(Un-audited)

Committed to you

(Audited)

533,377 59 807 717

10. ADVANCES

		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
		June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
		2022	2021	2022	2021	2022	2021
ı	Note			(Rupees	in '000)		
Loans, cash credits, running finances, etc.		17,616,523	19,171,122	36,080,555	36,177,174	53,697,078	55,348,296
Islamic financing and related assets	38.3	2,664,754	3,090,791	758,118	772,718	3,422,872	3,863,509
Bills discounted and purchased		1,066,791	533,456	55,256	62,456	1,122,047	595,912
Advances - gross		21,348,068	22,795,369	36,893,929	37,012,348	58,241,997	59,807,717
Provision against advances							
	10.3	-	-	(32,956,115)	(32,750,104)	(32,956,115)	(32,750,104)
- General		(11,302)	(13,885)		-	(11,302)	(13,885)
		(11,302)	(13,885)	(32,956,115)	(32,750,104)	(32,967,417)	(32,763,989)
Advances - net of provision		21,336,766	22,781,484	3,937,814	4,262,244	25,274,580	27,043,728

Non Performing

Performing

		June 30,	December 31,
		2022	2021
10.1	Particulars of advances (Gross)	(Rupee	es in '000)
	In local currency	57,579,098	59,274,340

In foreign currencies 662,899 58 241 997

10.2 Advances include Rs. 36,893,929 million (December 31, 2021: Rs. 37,012.348 million) which have been placed under non-performing status as detailed below:

	June 30, 2022	(Un-audited)	December 31,	2021 (Audited)		
	Non		Non			
Category of Classification	Performing	Provision	Performing	Provision		
	Loans		Loans			
	(Rupees in '000)					
Domestic						
Other Assets Especially Mentioned	133,403	-	1,126	113		
Substandard	9,777	1,510	16,259	2,645		
Doubtful	267,080	5,069	440,901	98,695		
Loss	36,483,669	32,949,536	36,554,062	32,648,651		
	36,893,929	32.956.115	37.012.348	32.750.104		

10.3 Particulars of provision against advances

	June 30	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	Specific	General	Total	Specific	General	Total	
		(Rupees in '000)					
Opening balance	32,750,104	13,885	32,763,989	32,425,544	21,671	32,447,215	
Charge for the period / year	606,934	-	606,934	2,461,718	-	2,461,718	
Reversals	(400,226)	(2,583)	(402,809)	(2,137,158)	(7,786)	(2,144,944)	
	206,708	(2,583)	204,125	324,560	(7,786)	316,774	
Amounts written off	(697)	-	(697)	-	-	-	
Closing balance	32,956,115	11,302	32,967,417	32,750,104	13,885	32,763,989	

10.3.1 The general provision against consumer financing is required to be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages range ae 1.5% for secured and 6% for unsecured portfolio.

The Bank has maintained general provision against housing finance portfolio at the rate of 1.5% of the performig portfolio and 1% against unsecured performing SE portfolio.

The Bank has availed the Forced Sale Value (FSV) benefit of mortgaged properties, plant and machinery and liquid securities held as collateral against non-performing advances as allowed under the applicable Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 3,861.298 million (December 31, 2021: Rs. 4,028.587 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 2,355.392 million (December 31, 2021: Rs. 2,618.582 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.



11.	FIXED ASSETS	Note	(Un-audited) June 30, 2022 (Rupees	(Audited) December 31, 2021 s in '000)
	Capital work-in-progress Property and equipment Right-of-use assets	11.1	12,831 7,870,023 2,803,884	6,618 8,067,994 2,842,645
			10,686,738	10,917,257
11.1	Capital work-in-progress			
	, , , , , , , , , , , , , , , , , , ,			
	Civil works and related payments / progress billings Advances and other payments to suppliers and contractors		8,205 4,626	1,992 4,626
	Advances and other payments against capital work in progress considered doubtful		1,158,340	1,158,340
	Less: Provision held there against		(1,158,340)	(1,158,340)
			-	-
			12,831	6,618
			(Un-aı	ıdited)
			June 30,	June 30,
			2022	2021
11.2	Additions to fixed assets		(Kupees	s in '000)
	The following additions have been made to fixed assets during the period:			
	Capital work-in-progress - net		6,213	126,644
	Property and equipment			
	Building improvements		6,660	-
	Furniture and fixture Electrical, office and computer equipment		4,407 22,471	157 25,413
	Vehicles		- 22,471	56,000
			33,538	81,570
	Right-of-use assets		287,690	1,014,618
			327,441	1,222,832
11.3	Disposal of fixed assets			
	The net book value of fixed assets disposed of during the period is as follows:			
	Building improvements		29	-
	Furniture and fixture		108	-
	Electrical, office and computer equipment		739 876	509
			0,0	307
	Derecognition of right-of-use assets		16,919	-
			17,795	509



Com	mitter	l to	

June 30, 2022 12. INTANGIBLE ASSETS Note (Rupee:	December 31, 2021 s in '000)
Capital work-in-progress 12.1 67,369 Intangible assets in use 12.2 81,119	49,700 87,886
148,488	137,586
12.1 Capital work-in-progress	
Advances to suppliers and contractors 67,369	49,700
Advances against capital work in progress considered doubtful Less: Provision held there against (142,522)	142,522 (142,522)
67,369	49,700
12.2 Intangible assets in use	
Computer softwares 81,119	87,886
	ıdited)
June 30, 2022	June 30, 2021
12.3 Additions to intangible assets (Rupeer	s in '000)
The following additions have been made to intangible assets during the period:	
Capital work-in-progress - net I 7,669 Directly purchased 4,870	(720) 8,569
22,539	7,849

12.4 There were no disposals in intangible assets during the current and prior period.



13. DEFERRED TAX ASSETS

	June 30, 202	2 (Un-audited)	
At January 01, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	At June 30, 2022
(Rupees in '000)			

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss Investment
- Provision against intangible assets
- Staff compensated absences
- Unrealized loss on forward exchange contracts
- Provision against other assets
- Minimum tax

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of investments
- Surplus on revaluation of property held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation

L	(Rupees in '000)			
Γ	9,813,393	1,983,379	-1	11,796,772
l	7,086,935	861,963	-	7,948,898
l	1,449,157	177,826	-	1,626,983
l	43,107	4,927	-	48,034
l	50,412	4,129	-	54,541
l	10,472	(2,651)	-	7,821
l	149,656	17,103	-	166,759
ı	159.921	(159.921)	-	

ı	(1,069,472)	-	(102,528)	(1,172,000)
ı	(25,096)	-	(15,769)	(40,865)
ı	(406,274)	-	(46,431)	(452,705)
ı	(289,666)	-	(29,159)	(318,825)
ı	(295,920)	(22,730)	-	(318,650)
۰	(2,086,428)	(22,730)	(193,887)	(2,303,045)

21,649,808

2,886,755

16,676,625	2,864,025	(193,887)	19,346,763

December 31, 2021 (Audited)			
At January 01, 2021	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2021
(Rupes in '000)			

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss Investment
- Provision against intangible assets
- Staff compensated absences
- Unrealized loss on forward exchange contracts
- Provision against other assets
- Minimum tax

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of investments
- Surplus on revaluation of property held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation

7,847,641	1,965,752	-	9,813,393
6,878,619	208,316	-	7,086,935
1,708,474	(259,317)	-	1,449,157
43,107	-	-	43,107
46,247	4,165	-	50,412
7,032	3,440	-	10,472
149,656	-	-	149,656
-	159,921	-	159,921
16,680,776	2,082,277	-	18,763,053

Γ	(1,105,287)	-	35,815	(1,069,472)
ı	(275,524)	-	250,428	(25,096)
ı	(406,274)	-	-	(406,274)
ı	(280,316)	-	(9,350)	(289,666)
ı	(334,130)	38,210	-	(295,920)
_	(2,401,531)	38,210	276,893	(2,086,428)
	14,279,245	2,120,487	276,893	16,676,625

13.1 The net deferred tax asset has been recognized in accordance with the Bank's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the deferred tax asset could be realized. The projections includes certain key assumptions underlying management's estimation of profits. Any significant change in such assumptions may have effect on the recoverability of deferred tax asset. The management believes that it is probable that the Bank would be able to achieve the profits and consequently, the deferred tax amount will be fully realized in future.

18,763,053



Committed to you

	(Un-audited)	(Audited)		
	June 30,	December 3 I		
	2022	2021		
Note	(Rupees in '000)			

14. OTHER ASSETS

Income / mark-up accrued in local currency	1	962,953	709,304
Income / mark-up accrued in foreign currency		984	1,059
Advances, deposits, advance rent and other prepayments		315,790	369,568
Advance taxation (payments less provisions)		599,174	616,715
Non-banking assets acquired in satisfaction of claims		2,504,840	2,571,374
Branch adjustment account		-	174
Receivable from other banks against clearing and settlement		127,860	194,464
Mark to market gain on forward foreign exchange contracts		25,203	6,435
Acceptances		241,459	246,482
Stationery and stamps on hand		7,676	8,663
Commission receivable on home remittance		3,945	9,936
Property - Held for sale	14.1	3,836,309	3,836,309
Others		504,988	501,587
		9,131,181	9,072,070
Less: Provision held against other assets	14.2	(763,315)	(759,224)
Other Assets (net of provision)		8,367,866	8,312,846
Surplus on revaluation of non-banking assets acquired in satisfaction of	claims	817,497	827,616
Surplus on revaluation of property - held for sale		1,160,784	1,160,784
Other Assets - total			
Other Assets - total		10,346,147	10,301,246

14.1 This represents a portion of the Bank's self constructed property which has been earmarked for selling in the near future. This property is carried at lower of market value / fair value less cost to sell and carrying amount.

14.2	Provision held against other assets	(Un-audited) June 30, 2022 (Rupee:	(Audited) December 31, 2021 s in '000)
	Income / mark-up accrued in local currency Advances, deposits, advance rent and other prepayments Non-banking assets acquired in satisfaction of claims Commission receivable on guarantees Receivable from Dewan Group Account receivable - sundry claims Receivable from Speedway Fondmetal (Pakistan) Limited Others	1,389 96,689 360,107 9,880 34,436 145,391 25,694 89,729	1,389 96,689 360,107 9,880 34,436 141,300 25,694 89,729
14.2.1	Movement in provision held against other assets	763,315	759,224
	Opening balance Charge for the period / year Reversals	759,224 4,091 -	637,837 121,543 (156)
	Closing balance	763,315	759,224



15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

	June 30,	December 31,
	2022	2021
	(Rupee	s in '000)
BILLS PAYABLE		
In Pakistan	2,113,098	2,071,048
Outside Pakistan	-	-
	2,113,098	2,071,048

17. BORROWINGS

Secured

16.

Borrowings from State Bank of Pakistan

- Under export refinance scheme
- Under Islamic Export Refinance Scheme (IERF)
- Under long-term financing facility
- Refinance facility for modernization of SMEs
- Repurchase agreement borrowings

Total secured

Unsecured

Overdrawn nostro accounts

5,882,160	5,858,980
400,000	400,000
529,001	629,075
2,978	3,604
8,675,801	-
15,489,940	6.891.659

(Un-audited)

(Audited)

9,637 30,381

6,922,040

15,499,577

18. DEPOSITS AND OTHER ACCOUNTS

	June 30, 2022 (Un-audited)		December 31, 2021 (Audit		ıdited)	
	In local	In foreign	In foreign Total		In foreign	Total
	currency	currencies	Total	currency	currencies	Total
			(Rupees	in '000)		
Customers						
Current deposits	39,245,479	1,344,864	40,590,343	32,419,903	1,394,634	33,814,537
Savings deposits	52,230,396	4,681,865	56,912,261	53,921,219	3,902,261	57,823,480
Term deposits	9,859,013	3,451,150	13,310,163	9,783,869	3,954,546	13,738,415
Others	2,298,689	32,215	2,330,904	2,132,165	27,759	2,159,924
•	103,633,577	9,510,094	113,143,671	98,257,156	9,279,200	107,536,356
Financial institutions						
Current deposits	387,328	150,751	538,079	292,720	102,102	394,822
Savings deposits	1,686,507	6	1,686,513	991,330	5	991,335
Term deposits	1,014,895	-	1,014,895	561,145	-	561,145
Others	-	-	-	-	-	-
•	3,088,730	150,757	3,239,487	1,845,195	102,107	1,947,302
_	106,722,307	9,660,851	116,383,158	100,102,351	9,381,307	109,483,658

- 18.1 Deposits include Eligible Deposits of Rs. 80,767.961 million (December 31, 2021: Rs. 71,416.525 million) protected under Depositors Protection Mechanism introduced by the State Bank of Pakistan.
- 18.2 Deposits include USD 13.180 million (December 31, 2021: 13.180 million) held by H.E. Nasser Abdulla Hussain Lootah (The Investor) in FCY deposit account.



19. SUBORDINATED DEBT

Issue amount Rs.1,500,000,000

Issue date October 27, 2011

Maturity date October 27, 2021 (December 31, 2021; October 27, 2021)

> These TFCs were issued by the Bank on October 27, 2011 for an initial tenure of seven years and maturity date of October 27, 2018. In order to protect the interest of the TFC Holders, the tenure of the TFC together with the payment of applicable redemption amounts were extended thrice by the Bank to October 27, 2019, October 27, 2020 and October 27, 2021 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019 and October 22, 2020. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020 and July 09, 2021. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020 and October 22, 2021.

> Recently, the TFC holders of the Bank in their extraordinary meeting held on October 26, 2021 have approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts (principal and the related mark-up) with the revised maturity date of October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules and requisite regulatory requirements for seeking final approval from the State Bank of Pakistan.

Rating 'D' (Default).

Unsecured. Security

Redemption / profit payment frequency

Mark up

Call option

The redemption / profit payment details are mentioned in the above maturity date clause.

Base rate (6 months KIBOR - ask side) plus 325 bps.

The Bank had an option to call the TFC's subject to SBP's prior written approval, on any profit payment date after the 60th month from the last day of public subscription, with not less than 30 days prior notice to be given to the Trustee. The Call option once announced will not be revocable. Further, no premium will be paid to the TFC Holders in case the call option is exercised

by the Bank.

Lock-in-clause Neither interest nor principal can be paid (even at maturity) if such payments

will result in a shortfall in the Bank's Minimum Capital Requirements (MCR) or Capital Adequacy Ratio (CAR) or increase in the existing shortfall in MCR

and CAR.



20.

		(Un-audited) June 30,	(Audited) December 31,
		2022	2021
	Note	(Rupees	s in '000)
OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		1,771,063	1,305,054
Mark-up / return / interest payable in foreign currencies		3,709	3,291
Unearned income		73,133	16,329
Accrued expenses		71,425	100,518
Advance against sale of property		331,024	373,323
Acceptances		241,459	246,482
Unclaimed dividends		2,213	2,213
Mark to market loss on forward foreign exchange contracts		45,258	36,356
Payable to defined benefit plan		38,120	42,992
Charity fund balance		2,182	1,084
Branch adjustment account		80	-
Security deposits against lease		272,032	308,321
Payable to Bangladesh Bank		41,389	41,389
Payable to Rupali Bank - Bangladesh		16,293	16,293
Payable to vendors / creditors		220,079	196,909
Provision for compensated absences		139,845	144,030
Payable to Bank of Ceylon, Colombo		20,163	20,163
Retention money		3,365	3,133
Provision for Workers' Welfare Fund		13,360	13,360
Withholding taxes and government levies payable		12,671	14,290
Federal excise duty and sales tax payable		6,892	7,062
Commission payable on home remittances		3,472	3,102
Lease liability against right-of-use assets		3,247,215	3,215,664
Others		341,712	335,542
		6,918,154	6,446,900

21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS

Surplus / (deficit) on revaluation of

- Available for sale securities
- Fixed assets
- Non-banking assets acquired in satisfaction of claims
- Property held for sale

Deferred tax on surplus / (deficit) on revaluation of:

- Available for sale securities
- Fixed assets
- Non-banking assets acquired in satisfaction of claims
- Property held for sale

9. 1	104,781	71,704
	3,977,951	4,028,457
	817,497	827,616
	1,160,784	1,160,784
	6,061,013	6,088,561
	(40,865)	(25,096)
	(1,172,000)	(1,069,472)
	(318,825)	(289,666)
	(452,705)	(406,274)
	(1,984,395)	(1,790,508)
	4.076.618	4.298.053



			(Un-audited) June 30, 2022	(Audited) December 31, 2021
		Note	(Rupees	in '000)
22.	CONTINGENCIES AND COMMITMENTS			
	-Guarantees	22.1	11,921,964	9,824,912
	-Commitments	22.2	24,670,763	15,287,854
	-Other contingent liabilities	22.3	20,534,341	19,203,552
			57,127,068	44,316,318
22.1	Guarantees:			
	Financial guarantees		20,470	20.470
	Performance guarantees		8,809,673	8,003,196
	Other guarantees		3,091,821	1,801,246
			11,921,964	9,824,912
22.2	Commitments: Documentary credits and short-term trade-related transactions - letters of credit		1,489,081	1,990,941
	Commitments in respect of:			
	- Forward foreign exchange contracts	22.2.1	8,028,153	7,537,538
	- Forward lending	22.2.2	6,287,634	5,579,206
	Commitments for acquisition of:			
	- Fixed assets		12,871	664
	- Intangible assets		177,223	179,505
	Other commitments	22.2.3	8,675,801	-
			24,670,763	15,287,854
22.2.I	Commitments in respect of forward foreign exchange contracts			
	Purchase		7,056,013	6,748,974
	Sale		972,140	788,564
			8,028,153	7,537,538



22.2.2	Commitments in respect of forward lending	Note	(Un-audited) June 30, 2022(Rupee	(Audited) December 31, 2021 s in '000)
	Forward documentary bills		4,595,698	3,996,813
	Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.2.1	1,691,936	1,582,393
			6,287,634	5,579,206

22.2.2.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.

22.2.3	Other commitments	(Un-audited) June 30, 2022 (Rupee	(Audited) December 31, 2021 s in '000)
	Purchase (Repo)	8,675,801	
22.3	Other contingent liabilities - claims against the Bank not acknowledged as debts	20,534,341	19,203,552

22.4 During the year 2018, Law Enforcement Agencies (LEAs) initiated its investigation on certain bank accounts alleged for money laundering activities in various banks including Summit Bank Limited. The Honourable Supreme Court of Pakistan under Suo Moto Case HRC-39216-G, appointed a Joint Investigation Team (JIT) which was constituted to investigate the matter. On recommendation of JIT, the matter was referred by the Honourable Supreme Court to the National Accountability Bureau (NAB) for further investigation and filing of references in the National Accountability Courts. The matter is currently under NAB investigations and only partial references have been filed in the NAB Courts. The Bank has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible and the matter is currently sub judice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Bank.

22.5 Contingency for tax payable

Contingency related to tax payable is disclosed in note 31.2.



Committed to you

			(Un-audited) Half year ended	
23.	MARK-UP / RETURN / INTEREST EARNED	Note	June 30, 2022 (Rupees	June 30, 2021 in '000)
	On:			
	Loans and advances		1,104,129	963,091
	Investments		1,614,486	986,471
	Lendings to financial institutions		133,142	13,421
	Balances with banks		1,461	1,017
			2,853,218	1,964,000
24.	MARK-UP / RETURN / INTEREST EXPENSED			
	On:			
	Deposits		2,892,123	2,007,120
	Borrowings		275,466	133,331
	Subordinated debt		103,717	79,436
	Cost of foreign currency swaps against foreign			
	currency deposits / borrowings		376,574	175,503
	Finance cost of lease liability		191,322	164,437
			3,839,202	2,559,827
25.	FEE AND COMMISSION INCOME			
	Branch banking customer fees		20,536	21,526
	Consumer finance related fees		3,354	5,392
	Card related fees (debit cards)		43,826	37,256
	Credit related fees		1,896	1,973
	Investment banking fees		12,394	27,212
	Commission on trade		86,306	83,696
	Commission on guarantees		27,522	50,010
	Commission on cash management		893	1,602
	Commission on remittances including home remittances		4,771 422	6,845 602
	Commission on bancassurance Alternate Delivery Channels		17,443	616
	Others		5	7
			219,368	236,737
26.	GAIN ON SECURITIES		<u> </u>	
20.	GAIN ON SECORITIES			
	Realised Unrealised - held for trading	26.1	10,568	480,811
	Officialised - field for drading			
			10,568	480,811
26.1	Realised gain on:			
	Federal Government Securities		10,568	21,787
	Shares		-	459,024
			10,568	480,811
			 :	



			(Un-au- Half year	
			June 30, 2022	June 30, 2021
27.	OTHER INCOME	Note		in '000)
	Rent on property		3,354	10,733
	Gain on sale of fixed assets - net		9,603	16,136
	Loss on sale of non banking assets		(431)	-
	Gain on sale of ijarah assets		1,297	15,790
	Recoveries against previously expensed items Loss on termination of lease (IFRS 16)		1,056	-
	Income on settlement of nostro balances		(6,572) 448	-
	Others		39	-
			8,794	42,659
28.	OPERATING EXPENSES			
	Total compensation expense	28.1	1,017,889	920,098
	Property expense			
	Rent and taxes		46,242	83,456
	Insurance - property		5,446	2,792
	Insurance - non banking assets Utilities cost		426 152,651	313 115.489
	Security (including guards)		98,922	97,395
	Repair and maintenance (including janitorial charges)		57,428	65,590
	Depreciation on owned fixed assets		135,295	144,928
	Depreciation on right-of-use assets		302,751	255,769
	Depreciation on non banking assets		30,421	60,058
	Information technology expenses		829,582	825,790
	Software maintenance		48,135	45,232
	Hardware maintenance		45,354	42,845
	Depreciation on computer equipments		40,823	33,937
	Amortisation of computer softwares Network charges		11,638 42,031	11,766 43,582
	Insurance		168	439
			188,149	177,801
	Other operating expenses		10.000	0.150
	Directors' fees and allowances Fees and allowances to Shariah Board		19,800 10,200	9,150 7,230
	Legal and professional charges		36,160	30,954
	Outsourced services costs		103,363	80,440
	Travelling and conveyance		122,252	82,342
	NIFT clearing charges		12,467	13,019
	Depreciation		54,509	67,288
	Amortisation of core deposits and brand name Training and development		1,211	7,165 1,135
	Postage and courier charges		24,054	18,128
	Communication		23,414	24,874
	Stationery and printing		43,161	43,466
	Marketing, advertisement and publicity		5,195	3,164
	Brokerage and commission		14,378	13,456
	Fee and subscription Cash transportation and sorting charges		49,311 55,948	27,974 50,757
	Entertainment		17,650	16,690
	Insurance		61,450	64,403
	Deposit insurance premium expense		48,290	37,648
	Repair and maintenance		43,718	43,316
	Auditors' remuneration Others		5,245	6,612
	Outers		769,303	7,283 656,494
			2,804,923	2,580,183



Committed to you

		(Un-aud Half year	
20.1		June 30, 2022	June 30, 2021
28.1	Total compensation expense Note	(Rupees	in '000)
	Fees and allowances etc.	10,103	7,747
	Managerial remuneration		
	i) Fixed	631,582	570,058
	ii) Variable		
	of which;		17/5
	a) Cash bonus / awards etc. b) Incentives and commission	2,363	1,765 647
	Charge for defined benefit plan	38,120	36,736
	Contribution to defined contribution plan	35,049	36,587
	Charge for employees compensated absences	9,224	2.614
	Rent and house maintenance	200,814	181,445
	Utilities	44,623	40,301
	Medical	46,011	42,198
	Total	1,017,889	920,098
29.	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	7	3,860
	Penalties imposed by SECP	-	100
	-	7	3,960
30.	PROVISIONS / (REVERSALS) AND WRITE OFFS - NET		
	Provsion / (reversal of provision) for diminution in value of investments	31,301	(739,554)
	Provision against loans and advances	204,125	257,963
	Provision for capital work in progress	-	1,298
	Provision against intangible assets	-	4,098
	Provision against other assets	4,091	118,641
	Fixed assets written off	9	14
	Operational loss Recoveries against written off / charged off bad debts	(463)	2,909 (1,209)
		239,063	(355,840)
		237,003	(333,640)
31.	TAXATION		
31.	Current 31.1 & 31.2	42,365	28,444
31.		42,365 - (2,864,025)	28,444 - (661,764)

- 31.1 This represents the provision for minimum taxation made in accordance with the requirements of section 113 of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and accounting profit / loss has not been disclosed.
- 31.2 The Income Tax Returns of the Bank have been submitted up to and including the Bank's financial year ended December 31, 2020 i.e. tax year 2021.

In respect of assessments of Summit Bank Limited from tax years 2009 to tax year 2016 the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 329.13 million through amended assessment orders and the same have been paid / stayed / adjusted against available refunds.

In respect of assessments of Summit Bank Limited AJK Region from tax year 2013 to tax year 2017, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand of Rs. 9.684 million through amended assessment orders and the same have been paid / adjusted against advance tax paid.



In respect of assessments of ex-My Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2011, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2010, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 89.74 million through amended assessment orders and the same have been paid / adjusted against available refunds.

Such issues mainly include disallowances of mark up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non-banking assets, disallowances of certain HO expenses, addition to mark-up/interest earned in AJK region etc.The Bank has filed appeals before the various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Bank is confident about the favourable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these unconsolidated financial statements.

			(Un-aud Half year	
32.	BASIC AND DILUTED LOSS PER SHARE	Note	June 30, 2022 (Rupees	June 30, 2021 in '000)
	Loss for the period		(672,363)	(1,340,464)
			(Number o	of shares)
	Weighted average number of ordinary shares - Basic		2,638,151,060	2,638,151,060
			(Rup	ee)
	Basic loss per share		(0.25)	(0.51)
			(Number o	of shares)
	Weighted average number of ordinary shares - Diluted	32.1	2,638,151,060	2,638,151,060
			(Rup	ee)
	Diluted loss per share		(0.25)	(0.51)

32.1 There are no potential ordinary shares outstanding as of June 30, 2022.

		Half year	ended
		June 30, 2022	June 30, 2021
33.	CASH AND CASH EQUIVALENTS	(Rupees in	n '000)
	Cash and balances with treasury banks	15,274,749	13,453,093
	Balances with other banks	1,279,158	778,166
	Overdrawn nostro accounts	(9,637)	(13,218)
		16.544.270	14.218.041

(Un-audited)



34. FAIR VALUE MEASUREMENTS

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

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

34.1 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 I that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).
- 34.2 The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

		June 30, 2022	(Un-audited)	
	Level I	Level 2	Level 3	Total
On balance sheet financial instruments		(Rupees	in '000)	
Financial assets - measured at fair value				
Investments				
- Federal Government Securities	-	37,479,936	-	37,479,936
- Shares - Listed	661,995	-	-	661,995
- Non Government Debt Securities	2,459,045	-	-	2,459,045
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	3,242	3,242
Non-Financial assets - measured at fair value				
Fixed assets	-	-	7,374,576	7,374,576
Non banking assets acquired in satisfaction of claims	-	-	2,962,230	2,962,230
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	7,044,138	-	7,044,138
Forward sale of foreign exchange	-	980,320	-	980,320



ſ	-	locombox 31 3	2021 (Audited)	
	Level I	Level 2	Level 3	Total
On balance sheet financial instruments	Level I			
On balance sheet imancial instruments		(Rupees	in '000)	
Financial assets - measured at fair value Investments				
- Federal Government Securities	-	27,765,692	-	27,765,692
- Shares - Listed	728,897	-	-	728,897
- Non Government Debt Securities	2,405,175	-	-	2,405,175
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	3,070	3,070
Non-Financial assets - measured at fair value				
Fixed assets	-	-	7,503,241	7,503,241
Non banking assets acquired in satisfaction of claims	-	-	3,038,883	3,038,883
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	6,715,915	-	6,715,915
Forward sale of foreign exchange	-	785,426	-	785,426

Valuation techniques used in determination of fair value

Item	Valuation approach and input used
Federal Government Securities	The fair values of Market Treasury Bills (MTB) and Pakistan Investment Bonds (PIB) are determined using the PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair values of GOP Ijarah Sukuks are derived using the PKISRV rates.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds 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.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Fixed assets (land and building) and non-banking assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.



35. SEGMENT INFORMATION

35.1 Segment details with respect to business activities

1		For the ha	lf year ended Ju	ne 30. 2022 (Ui	n-audited)	
	Corporate	Trading and	Branch	Islamic	Others	Total
	finance	sales	Banking		Otners	I OTAI
			(Rupees	in '000)		
Profit and Loss						
Net mark-up / return / profit	(443)	509,292	(1,774,297)	279,464	-	(985,984)
Inter segment revenue - net		(422,843)		422,843	-	
Non mark-up / return / interest income	11,225	315,873	208,206	650	-	535,954
Total income	10,782	402,322	(1,566,091)	702,957	-	(450,030)
Segment direct expenses	2,017	281,446	2,329,832	160,788	30,847	2,804,930
Inter segment expense allocation	-	-	(239,049)	239,049	-	-
Total expenses	2,017	281,446	2,090,783	399,837	30,847	2,804,930
·						
Provisions	-	31,301	202,375	5,387	-	239,063
Profit / (loss) before tax	8,765	89,575	(3,859,249)	297,733	(30,847)	(3,494,023)
·						
r						
			s at June 30, 20	22 (Un-audited)	
	Corporate finance	Trading and sales	Branch Banking	Islamic	Others	Total
ľ	illiance	saies		in '000)		
Balance Sheet			(Rupces	111 000)		
Cash and bank balances	-	8,615,228	6,568,315	1,370,364	-	16,553,907
Investments	-	28,314,577	1,394,734	10,893,495	231,751	40,834,557
Net inter segment lending	-	300,000	-	8,993,057	-	9,293,057
Lendings to financial institutions	-	3,982,000	-	-	-	3,982,000
Advances - performing	-	-	18,674,862	2,661,904	-	21,336,766
Advances - non-performing	-	-	3,915,117	22,697	-	3,937,814
Others	147,346	11,764,086	16,255,252	777,776	11,583,676	40,528,136
Total assets	147,346	52,975,891	46,808,280	24,719,293	11,815,427	136,466,237
Borrowings	-	8,685,438	6,414,139	400,000	-	15,499,577
Subordinated debt	6,393	834,715	654,407	· -	-	1,495,515
Deposits and other accounts	· -	· -	95,171,281	21,211,877	-	116,383,158
Net inter segment borrowing	-	8,993,057	-	300,000	-	9,293,057
Others	6,978	1,018,942	6,986,096	707,505	311,731	9,031,252
Total liabilities	13,371	19,532,152	109,225,923	22,619,382	311,731	151,702,559
Equity	133,975	33,443,739	(62,417,643)	2,099,911	11,503,696	(15,236,322)
Total equity and liabilities	147,346	52,975,891	46,808,280	24,719,293	11,815,427	136,466,237
Contingencies and Commitments	-	16,036,441	15,706,791	4,659,401	20,724,435	57,127,068



		For the ha	lf vear ended lu	ne 30, 2021 (Ui	n-audited)	
	Corporate	Trading and	Branch	, ,		
	finance	sales	Banking	Islamic	Others	Total
			(Rupees	in '000)		
Profit and Loss						
Net mark-up / return / profit	(868)	492,622	(1,118,755)	31,174	-	(595,827)
Inter segment revenue - net	-	(376,657)	-	376,657	-	-
Non mark-up / return / interest income	26,278	586,404	220,774	16,890	-	850,346
Total income	25,410	702,369	(897,981)	424,721	-	254,519
Segment direct expenses	4,031	229,333	2,150,474	140,246	60,059	2,584,143
Inter segment expense allocation	-	-	(240,073)	240,073	-	-
Total expenses	4,031	229,333	1,910,401	380,319	60,059	2,584,143
Provisions	-	(739,554)	360,976	22,738	-	(355,840)
Profit / (loss) before tax	21,379	1,212,590	(3,169,358)	21,664	(60,059)	(1,973,784)
	Corporate	Trading and	Branch	I, 2021 (Audite	Others	Total
	Corporate finance		Branch Banking	Islamic		Total
Balance Chart		Trading and	Branch	Islamic		Total
Balance Sheet		Trading and sales	Branch Banking (Rupees	Islamic in '000)		
Cash and Bank balances		Trading and sales	Branch Banking (Rupees	Islamic in '000)	Others -	15,507,294
Cash and Bank balances Investments		8,189,994 17,873,826	Branch Banking (Rupees	Islamic in '000) 1,377,913 10,841,725		15,507,294 31,133,345
Cash and Bank balances Investments Net inter segment lending		8,189,994 17,873,826 425,000	Branch Banking (Rupees	Islamic in '000)	Others -	15,507,294 31,133,345 8,069,820
Cash and Bank balances Investments Net inter segment lending Lendings to financial institutions		8,189,994 17,873,826	Branch Banking (Rupees 5,939,387 2,186,043	Islamic in '000)	Others -	15,507,294 31,133,345 8,069,820 298,931
Cash and Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing		8,189,994 17,873,826 425,000	Branch Banking (Rupees	Islamic in '000) 1,377,913 10,841,725	Others -	15,507,294 31,133,345 8,069,820
Cash and Bank balances Investments Net inter segment lending Lendings to financial institutions		8,189,994 17,873,826 425,000	Branch Banking (Rupees 5,939,387 2,186,043 - - 19,694,216 4,218,887	Islamic in '000)	Others -	15,507,294 31,133,345 8,069,820 298,931 22,781,484 4,262,244
Cash and Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Advances - non-performing	finance	8,189,994 17,873,826 425,000 298,931	Branch Banking (Rupees 5,939,387 2,186,043 - - 19,694,216	Islamic in '000)	Others - 231,751	15,507,294 31,133,345 8,069,820 298,931 22,781,484
Cash and Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Advances - non-performing Others	finance	8,189,994 17,873,826 425,000 298,931 - 10,145,078	Branch Banking(Rupees 5,939,387 2,186,043 19,694,216 4,218,887 15,248,343	Islamic in '000)	Others - 231,751	15,507,294 31,133,345 8,069,820 298,931 22,781,484 4,262,244 38,032,714
Cash and Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Advances - non-performing Others Total Assets	finance	8,189,994 17,873,826 425,000 298,931 - 10,145,078 36,932,829	Branch Banking (Rupees 5,939,387 2,186,043 - 19,694,216 4,218,887 15,248,343 47,286,876	Islamic in '000)	Others - 231,751	15,507,294 31,133,345 8,069,820 298,931 22,781,484 4,262,244 38,032,714 120,085,832
Cash and Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Advances - non-performing Others Total Assets Borrowings	197,494	8,189,994 17,873,826 425,000 298,931 - 10,145,078 36,932,829	Branch Banking (Rupees 5,939,387 2,186,043 - 19,694,216 4,218,887 15,248,343 47,286,876 6,491,659	Islamic in '000)	Others - 231,751	15,507,294 31,133,345 8,069,820 298,931 22,781,484 4,262,244 38,032,714 120,085,832
Cash and Bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing Advances - non-performing Others Total Assets Borrowings Subordinated debt	197,494	8,189,994 17,873,826 425,000 298,931 - 10,145,078 36,932,829	Branch Banking (Rupees 5,939,387 2,186,043 19,694,216 4,218,887 15,248,343 47,286,876 6,491,659 654,170	Islamic in '000)	Others - 231,751	15,507,294 31,133,345 8,069,820 298,931 22,781,484 4,262,244 38,032,714 120,085,832 6,922,040 1,495,515

8,586,745

28,346,084

36,932,829

6,911,598

103,709,431

(56,422,555)

47,286,876

14,944,419

21,868,905

1,764,233

23,633,138

3,076,580

311,731

11,723,764

12,035,495

19,383,721

134,488,981

(14,403,149)

120,085,832

44,316,318

12,169

185,325

197,494

35.1.1 The Bank does not have any operations outside Pakistan.

Contingencies and Commitments

Total liabilities

Total equity and liabilities

Equity



36. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, subsidiary, employee benefit plans and its directors and Key Management Personnel.

The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accordance with the actuarial valuations / terms of the contribution plan. Renumeration to the executives / officers is determined in accordance with the terms of their appointment.

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

		June 3	June 30, 2022 (Un-audited)	dited)			Decem	December 31, 2021 (Audited)	udited)	
	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	Parent company	Directors	Key management personnel	Subsidiary	Other related parties
					(Rupees in '000)	(000, ui				
Investments Opening balance Investment made during the period / year				396,942	1,692,490				396,942	1,692,490
Investment redeemed / disposed of during the period / year Transfer in / (out) - net										
Closing balance				396,942	1,692,490				396,942	1,692,490
Provision for diminution in value of investments		,	'	162,191	1,613,242				161,291	1,613,242
Advances Opening balance			252,823		786,261			295,706		675,185
Addition during the period / year Renaid during the period / year			6,929		564,889			11,465	866'66)	1,888,290
Transfer in / (out) - net	•	•	(8,829)	•	Ì '			(10,322)	'	
Closing balance		•	225,346		681,827			252,823	•	786,261
Provision held against advances										



		June	June 30, 2022 (Un-audited)	lited)			Decem	December 31, 2021 (Audited)	udited)	
	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	P arent company	Directors	Key management personnel	Subsidiary	Other related parties
					(Rupees in '000)	in '000'				
Other Assets Interest / mark-up accrued Other receivable	- 669		507		39,869	- 669		999		13,630
Provision held against other assets										
Deposits and other accounts Opening balance			82,005	59,341		,		64,072	157,832	2,083,253
Received during the period / year			229,664	755,506	2,688,104	•	'	670,534	4,229,194	
Withdrawn during the period / year Transfer (out) / in - net			(216,126) (58,159)	(751,753)				(660,431) 7,830	(4,327,685)	(3,613,898) 2,568
Closing balance			37,384	63,094	2,080,445			82,005	59,341	2,110,049
Other Liabilities Interest / mark-up payable	,	•	157	718	31.459	•		545	4	16.647
Payable to defined benefit plan	•	•			38,120					42,992
brokerage payable	•		•	77		•	'		= '	
Contingencies and Commitments Guarantees, letters of credit and acceptances	•	•		•	86.500			•	,	217.289
Commitments to extend credit	•	•		62,241	2,174	•		•	300,000	65,377



dited)	Other related parties	
2021 (Un-au	Subsidiary	
ear ended June 30, 2021 (Key management personnel	
or the half year	Directors	
Fo	Parent company	(000, ui
(p)	Other related parties	(Rupees
022 (Un-audite	Subsidiary	
nded June 30, 2	Key management personnel	
r the half year e	Directors	
Fo	Parent	

			(vubees III 000)	(n				
 	3,933	. 63	43,176			5,842	297	36,991
	340	1,977	•			m	1,842	'
•	1,606	2,470	115,270		•	592	708	59,542
19,800			•		9,150			•
		139	•				3,243	•
	451		•			387		•
	158,245	•	•			111,230		'
		•	35,049					36,587
			38,120					36,736

personnel.
management
part of key
CEO are
President /
including the
Directors
. Executive
rectors only
Non-Executive Di
irectors include
۵

Expense
Mark-up / teum / interest expensed
Operating expenses:
- Directors' fees and allowances
- Brokenge and commission
- Fee and subscription
- Fee and subscription
- Corructution to defined corrubuion plan
- Charge for defined benefit plan

Mark-up / return / interest earned Fee and commission income

Other income Income



37.	CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	(Un-audited) June 30, 2022 (Rupees	(Audited) December 31, 2021 in '000)
	Minimum Capital Requirement (MCR): Paid-up capital (net of losses)	(19,467,102)	(18,855,364)
	Capital Adequacy Ratio (CAR): Eligible Common Equity Tier-I (CET-I) Capital	(39,529,740)	(36,266,670)
	Eligible Additional Tier-I (ADT-I) Capital Total Eligible Tier-I Capital Eligible Tier-2 Capital	(39,529,740)	(36,266,670)
	Total Eligible Capital (Tier-I + Tier-2) Risk Weighted Assets (RWAs):	(39,529,740)	(36,266,670)
	Credit Risk Market Risk Operational Risk	47,127,979 6,092,462 7,447,378	48,061,227 3,514,273 7,447,378
	Total	60,667,819	59,022,878
	Common Equity Tier-I Capital Adequacy Ratio	-65.16%	-61.45%
	Tier-I Capital Adequacy Ratio	-65.16%	-61.45%
	Total Capital Adequacy Ratio	-65.16%	-61.45%
	Leverage Ratio (LR): Eligible Tier-I Capital	(39,529,740)	(36,266,670)
	Total Exposures	-33.48%	-28.33%
	Liquidity Coverage Ratio (LCR):	4/ 705 193	40.225.050
	Total High Quality Liquid Assets Total Net Cash Outflow	46,705,183 20,914,695	40,325,959 21,880,329
	Liquidity Coverage Ratio	223.31%	184.30%
	Net Stable Funding Ratio (NSFR):		
	Total Available Stable Funding	79,342,750	72,650,421
	Total Required Stable Funding	54,733,511	52,487,876
	Net Stable Funding Ratio	144.96%	138.41%



38. ISLAMIC BANKING BUSINESS

CONTINGENCIES AND COMMITMENTS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2021: 14) Islamic banking branches and 35 (December 31, 2021: 35) Islamic banking windows at the end of the period.

STATEMENT OF FINANCIAL POSITION			
AS AT JUNE 30, 2022		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	(Rupees	
ASSETS		(Hapoo.	,
Cash and balances with treasury banks		1,175,269	1,344,202
Balances with other banks		195,095	33,711
Due from financial institutions	38. I	8,993,057	7,644,820
Investments	38.2	10,893,495	10,841,725
Islamic financing and related assets - net	38.3	2,684,601	3,130,625
Fixed assets		308,950	337,895
Intangible assets		126	409
Due from Head Office		-	-
Deferred tax assets		6,696	19,956
Other assets		462,004	279,795
Total Assets		24,719,293	23,633,138
LIABILITIES			
Bills payable		327,149	253,005
Due to financial institutions	38.4	700,000	840,878
Deposits and other accounts	38.5	21,211,877	18,943,359
Due to Head Office		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities		380,356	1,831,663
		22,619,382	21,868,905
NET ASSETS		2,099,911	1,764,233
REPRESENTED BY			
Islamic Banking Fund		1,000,000	1,000,000
Reserves		-	-
Surplus on revaluation of assets		(711)	(37,061)
Unappropriated / Unremitted profit	38.6	1,100,622	801,294
		2,099,911	1,764,233

38.7



ISLAMIC BANKING BUSINESS PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2022

		June 30, 2022	June 30, 2021
	Note	(Rupees i	in '000)
Profit / return earned	38.8	1,180,702	768,978
Profit / return expensed	38.9	478,395	361,147
Net Profit / return	•	702,307	407,831
Other income	-		
Fee and commission income		20,478	20,418
Dividend income		-	-
Foreign exchange loss		(17,781)	(15,800)
Income / (loss) from derivatives		-	-
Loss on sale of securities		(4,296)	(5,270)
Other income		2,249	17,542
Total other income		650	16,890
Total income	-	702,957	424,721
Other expenses	-		
Operating expenses		399,837	380,316
Workers' welfare fund		-	-
Other charges		-	3
Total other expenses		399,837	380,319
Profit before provisions	-	303,120	44,402
Provisions and write offs - net		5,387	22,738
Profit before taxation	-	297,733	21,664
Taxation		-	-
Profit after taxation	-	297,733	21,664
	=		,



7.644.820

Carrying

Value

ISLAMIC BANKING BUSINESS FOR THE HALF YEAR ENDED JUNE 30, 2022

38.2 Investments

Secured

Total secured

Musharakah

Total unsecured

Overdrawn nostro accounts

Acceptances from the SBP under Islamic Export Refinance Scheme

Investments by segments:

			June 3	0, 2022 (Un-ai	udited)	Decemi	ber 31, 2021 (Audited)
			In local	In foreign	Total	In local	In foreign	Total
			currency	currencies		currency	currencies	
38.1	Due from Financial Institutions	Note			(Rupees	s in '000)		
	Unsecured							
	Bai Muajjal Receivable from other Financial Institutions	38.1.1	8,993,057	-	8,993,057	7,644,820	-	7,644,820

8,993,057 38.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited and carries profit rate of 13.50% to 14.00% per annum (December 31, 2021: 8.50% to 9.50% per annum).

Surplus /

(Deficit)

Carrying

Value

June 30, 2022 (Un-audited)

Provision

for

diminution

Cost /

Amortised

cost

8,993,057

Cost /

Amortised

cost

7.644.820

Provision

for

diminution

December 31, 2021 (Audited)

Surplus /

(Deficit)

400,000

400,000

300,000

300,000

700,000

400.000

400.000

15,878

425,000

440.878

840,878

					(Rupees	in '000)			
	Federal Government Securities: - GOP Ijarah Sukuks	8,496,091	-	(61,641)	8,434,450	8,495,528		- (58,978)	8,436,550
	Non Government Debt Securities - Listed	2,500,000	-	(40,955)	2,459,045	2,500,000		- (94,825)	2,405,175
	Total Investments	10,996,091	-	(102,596)	10,893,495	10,995,528		- (153,803)	10,841,725
38.3	Islamic financing and related assets	i					Note	(Un-audited) June 30, 2022 (Rupee	(Audited) December 31, 2021 s in '000)
	Ijarah Murabaha Running Musharakah Diminishing Musharakah Tijarah Advance against Ijarah Tijarah Inventory Payment against Document Gross Islamic financing and related asset	s						346,115 - 166,708 2,158,486 699,998 50,368 1,197 - 3,422,872	284,662 762 539,651 2,281,155 699,998 22,791 2,400 32,090 3,863,509
	Less: provision against Islamic financings - Specific - General							(735,421) (2,850) (738,271)	(729,361) (3,523) (732,884)
	Islamic financing and related assets - net	of provision						2,684,601	3,130,625
38.4	Due to financial institutions								

38.4.1 This represents Musharakah acceptance with conventional operations of Summit Bank Limited and carries profit rate of 13.50% per annum (December 31, 2021: 8.50% per

38.4.1



Customers
Current deposits
Savings deposits
Term deposits
Others

Financial Institutions Current deposits Savings deposits Term deposits

20,429,487

38.5 Deposits

	June 3	0, 2022 (Un-aud	dited)	Decem	ber 31, 2021 (A	ludited)
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
			(Rupee:	s in '000)		_
	7,744,083	463,814	8,207,897	6,037,564	445,290	6,482,854
	11,312,876	147,661	11,460,537	11,135,390	98,557	11,233,947
	861,527	170,760	1,032,287	785,378	176,683	962,061
	219,659	-	219,659	164,091	_	164,091
	20,138,145	782,235	20,920,380	18,122,423	720,530	18,842,953
s						
	11,152	155	11,307	10,385	139	10,524
	280,190	-	280,190	78,882	-	78,882
	-	-	-	11,000	-	11,000
	291,342	155	291,497	100,267	139	100,406

18,222,690

720,669

18,943,359

38.5.1 This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 12,756.893 million (December 31, 2021: Rs. 11,054.384 million).

21,211,877

782,390

38.6	Islamic Banking Business Unappropriated Profit	(Un-audited) June 30, 2022 (Rupee	(Audited) December 3 I, 202 I s in '000)
	Opening balance	801,294	691.819
	Add: Islamic Banking profit for the period / year	297,733	106,284
	Transfer in respect of incremental depreciation from surplus	,,,,,	
	on revaluation of fixed assets to accumulated profit	1,595	3,191
	Clasica beliana	1,100,622	801,294
	Closing balance	1,100,622	001,274
38.7	CONTINGENCIES AND COMMITMENTS		
	-Guarantees	3,129,139	1,732,852
	-Commitments	1,530,262	1,343,728
	-Other contingent liabilities	-	-
		4,659,401	3,076,580
		4,039,401	3,076,360
		(Un-a	udited)
		June 30,	June 30,
		2022	2021
38.8	Profit / Return Earned of Financing, Investments and Placement	(Rupee	s in '000)
	Profit earned on:		
	Financing	142,997	161,428
	Investments	598,815	221,762
	Placements	438,536	385,484
	Balances with banks	354	304
		1,180,702	768,978
20.0	Built on Descrite and other Date Forested		
38.9	Profit on Deposits and other Dues Expensed		
	Deposits and other accounts	447,238	336,271
	Due to Financial Institutions	20,844	12,098
	Finance cost of lease liability	10,313	12,778
		478.395	361.147



39. DATE OF AUTHORIZATION OF ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on August 23, 2022 by the Board of Directors of the Bank.



CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED JUNE 30, 2022



CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2022

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	(Rupees	in '000)
ASSETS			
Cash and balances with treasury banks	6	15,274,755	14,415,012
Balances with other banks	7	1,280,403	1,094,069
Lendings to financial institutions	8	3,982,000	298,931
Investments	9	40,630,849	30,935,280
Advances	10	25,275,615	27,044,465
Fixed assets	11	10,718,330	10,952,336
Intangible assets	12	151,023	140,127
Deferred tax assets	13	19,289,178	16,624,648
Other assets	14	10,492,628	10,450,563
		127,094,781	111,955,431
LIABILITIES			
Bills payable	16	2,113,098	2,071,048
Borrowings	17	15,499,577	6,922,040
Deposits and other accounts	18	116,320,064	109,424,316
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	6,997,180	6,520,096
		142,425,434	126,433,015
NET ASSETS		(15,330,653)	(14,477,584)
REPRESENTED BY			
Share capital - net		20,500,194	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	21	4,088,350	4,315,428
Accumulated losses		(39,494,154)	(38,868,163)
		(15,330,653)	(14,477,584)
CONTINGENCIES AND COMMITMENTS	22		

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



CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER AND HALFYEAR ENDED JUNE 30, 2022

		Quarter	Ended	Half Year	Ended
		June 30,	June 30,	June 30,	June 30,
		2022	2021	2022	2021
	Note		(Rupees	in '000)	
Mark-up / return / interest earned	23	1,679,983	1,016,996	2,854,550	1,965,342
Mark-up / return / interest expensed	24	2,179,745	1,297,712	3,836,687	2,559,449
Net Mark-up / interest expense		(499,762)	(280,716)	(982,137)	(594,107)
NON MARK-UP / INTEREST INCOME					
Fee and commission income	25	124,138	145,777	239,986	276,628
Dividend income		900	21,009	2,433	21,009
Foreign exchange income		238,356	47,608	295,424	69,130
Income / (loss) from derivatives		-	-	-	-
Gain on securities	26	9,228	469,395	10,568	480,811
Other income Total non-markup / interest income	27	10,672	23,824	16,601	42,203
Total non-markup / Interest Income		383,294	707,613	565,012	889,781
Total income		(116,468)	426,897	(417,125)	295,674
NON MARK-UP / INTEREST EXPENSES	s				
Operating expenses	28	1,465,341	1,317,959	2,844,292	2,627,603
Workers' welfare fund		-	-	-	-
Other charges	29	7	3,960	7	3,960
Total non-markup / interest expenses		1,465,348	1,321,919	2,844,299	2,631,563
Loss before provisions		(1,581,816)	(895,022)	(3,261,424)	(2,335,889)
Provisions / (reversals) and write offs - net	30	138,676	(648,219)	239,063	(355,840)
Extra ordinary / unusual items		-	-	-	-
LOSS BEFORE TAXATION		(1,720,492)	(246,803)	(3,500,487)	(1,980,049)
Taxation	31	(2,215,036)	(60,692)	(2,813,871)	(629,371)
PROFIT / (LOSS) AFTER TAXATION		494,544	(186,111)	(686,616)	(1,350,678)
			(Rup	ee)	
Basic Earnings / (Loss) per share	32	0.19	(0.07)	(0.26)	(0.51)
Diluted Earnings / (Loss) per share	32	0.19	(0.07)	(0.26)	(0.51)

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



CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER AND HALFYEAR ENDED JUNE 30, 2022

	Quarter	ended	Half Year	Ended
_	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
		(Rupees i	n '000)	
Profit / (Loss) after taxation for the period	494,544	(186,111)	(686,616)	(1,350,678)
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	(94,630)	(308,130)	11,665	(175,273)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain on defined benefit obligations	-	5,519	-	12,140
Movement in surplus on revaluation of operating fixed assets - net of tax Movement in surplus on revaluation of	(111,368)	9,063	(102,528)	18,129
non-banking assets - net of tax	(30,929)	(863)	(29,159)	14,063
Movement in surplus on revaluation of held for sale property - net of tax	(46,431)		(46,431)	
neid for sale property - net of tax	(188,728)	13,719	(178,118)	44,332
Total comprehensive income / (loss)	211,186	(480,522)	(853,069)	(1,481,619)

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



10,119

(10,119)

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALFYEAR ENDED JUNE 30, 2022

								Douge	
		·	Capital reserves		Surplus /	Surplus / (deficit) on revaluation of	uation of	reserve	
	Share capital	Share premium	Statutory reserve	Reserve arising on amalgamation	Investments	Fixed / Non banking assets	Property held for sale	Accumulated losses	Total
					(Kupees in '000)				
Balance as at January 01, 2021 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	530,778	3,546,085	754,510	(36,144,298)	(11,237,774)
Loss after taxation for six months period ended June 30, 2021 Other comprehensive income - net of tax					(175,273)	32,192		(1,350,678) 12,140	(1,350,678) (130,941)
I ranster to stautorly reserve Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses						- (597,13)		51,795	
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses		٠	•	•	•	(40,181)	•	40,181	٠
Balance as at July 01, 2021 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	355,505	3,486,301	754,510	(37,390,860)	(12,719,393)
Loss after taxation for the six months period ended December 31, 2021 Other comprehensive income - net of tax					. (291,522)	- 68,726		(1,561,113) 25,718	(1,561,113)
I ransfer to statutory reserve Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses						- (50,533)		50,533	
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	•	•	•	٠		(7,559)		7,559	•
Balance as at January 01, 2022 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	63,983	3,496,935	754,510	(38,868,163)	(14,477,584)
Loss after taxation for six months period ended June 30, 2022 Other comprehensive income - net of tax Transfer for stantory reseaves	• • •				11,665	(131,687)	(46,431)	(686,616)	(686,616) (166,453)
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	•				•	(50,506)		50,506	

The annexed nates 1 to 39 form an integral part of these cansolidated candensed interim financial statements.

President / Chief Executive

Director

Chief Financial Officer

Director

Balance as at June 30, 2022 (Un-audited)

Fransfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses



CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE HALFYEAR ENDED JUNE 30, 2022

FOR THE HALF YEAR ENDED JUNE 3	0, 2022			
			June 30, 2022	June 30, 2021
		Note	(Rupees	in '000)
CASH FLOW FROM OPERATING	CACTIVITIES			
Loss before taxation	3 ACTIVITIES		(3,500,487)	(1,980,049)
Less: Dividend income			(2,433)	(21,009)
		-	(3,502,920)	(2,001,058)
Adjustments:				
Depreciation on fixed assets			231,230	247,092
Depreciation on right-of-use assets			302,751 30,603	255,769 60,243
Depreciation on non-banking assets Finance cost of lease liability			191,322	164,437
Amortization			11,644	18,940
Provision / (reversals) and write-offs ex	cluding recoveries		239,526	(354,631)
Loss / (gain) on forward exchange cont			20,055	(8,024)
Charge for defined benefit plan			39,170	38,236
Charge for employees compensated ab	sences		9,294	2,723
Gain on sale of fixed assets			(18,375)	(16,599)
Loss on termination of lease (IFRS 16)			6,572	-
Loss on sale of non banking assets		Ļ	1,064,223	408.186
		-	(2,438,697)	(1,592,872)
(Increase) / decrease in operating	assets		(2,130,077)	(1,372,072)
Lendings to financial institutions		Г	(3,683,069)	(3,483,329)
Advances			1,564,725	1,990,605
Others assets (excluding advance taxation	on)		(114,089)	129,461
			(2,232,433)	(1,363,263)
(Decrease) / increase in operating	liabilities	-		
Bills payable Borrowings from financial institutions			42,050	(287,145)
Deposits			8,598,281 6,895,748	(696,464) 8,553,314
Other liabilities (excluding current taxati	(on)		411,106	126,994
Care manaca (excuants carrent asia	J.,	L	15,947,185	7,696,699
Payment on account of staff retirement	benefits		(59,295)	(105,318)
Income tax paid		_	(28,252)	(39,258)
Net cash (used in) / generated from	m operating activities		11,188,508	4,595,988
CASH FLOW FROM INVESTING	ACTIVITIES			
Net investments in available-for-sale sec		Г	(9,699,436)	(2,762,214)
Dividend received	curities		2,433	21,009
Investments in operating fixed assets			(40,064)	(208,259)
Investments in intangible assets			(22,539)	(7,849)
Proceeds from sale of fixed assets			22,448	17,695
Proceeds from sale of non banking asso		L	45,803	-
Net cash generated from / (used in	n) investing activities		(9,691,355)	(2,939,618)
CASH FLOW FROM FINANCING	ACTIVITIES			
Payment of lease liability against right-of			(430,332)	(334,267)
Net cash used in financing activitie		-	(430,332)	
rec cash used in imalicing activities			(430,332)	(334,267)
Effect of exchange rate changes on cash	and cash equivalents		420,419	(57,221)
Decrease in cash and cash equivale	ents	-	1,487,240	1,264,882
Cash and cash equivalents at beginning of	of the period		15,058,281	12,955,107
Cash and cash equivalents at end	of the period	33	16,545,521	14,219,989
The annexed notes 1 to 39 form an integr	al part of these consolidated condens	= ed interim financ	ial statements.	
President / Chief Executive	Chief Financial Officer	Director	Director	Director



NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE HALFYEAR ENDED JUNE 30, 2022

STATUS AND NATURE OF BUSINESS ١.

1.1 The Group comprises of:

1.1.1 Holding Company: Summit Bank Limited

Summit Bank Limited (the Bank) is a banking company incorporated in Pakistan on December 09, 2005 as public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan. The Bank is a subsidiary of Suroor Investments Limited, a company incorporated in Mauritius, holding 66.77% of the issued, subscribed and paid up capital of the Bank as at June 30, 2022.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 179 Conventional Banking Branches and 14 Islamic Banking Branches (December 31, 2021: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

In the year 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested SBP to allow an extension to complete the credit rating exercise by September 30, 2022. Moreover, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP). The TFC holders of the Bank in their meeting held on October 22, 2021, further approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts, with the revised maturity date set at October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules, regulations and requisite regulatory requirements in this regard.

1.1.2 Subsidiary

Summit Capital Private Limited - 100 % Shareholding

SCPL, the subsidiary company was incorporated in Pakistan on March 08, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The subsidiary company is a corporate member / TREC holder of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the subsidiary company are equity and money market brokerage, interbank foreign exchange brokerage, commodity brokerage and research. The registered office of the Subsidiary is situated at 701-702, 7th Floor, Business and Finance Centre, opposite State Bank of Pakistan, I.I. Chundrigar Road, Karachi. The Group acquired interest in SCPL by virtue of amalgamation of Atlas Bank Limited.

1.2 During the half year ended, the Group has incurred a net loss of Rs. 686.616 million resulting in accumulated losses of Rs. 39,494.154 million and negative equity of Rs. 15,330.653 million. As per the applicable laws and regulations, the Group is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of June 30, 2022. However, the paid up capital of the Group (net of losses), CAR and LR are negative.

The Group is making best efforts to comply with applicable capital requirements through increase in capital / capital injection at the earliest. For this, the management has prepared a business plan, which has been approved by the Board.



This plan aims to improve the Group's capital base and risk absorption capacity and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Group will speed-up
 the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Group;
- Identifying opportunities for rationalization of the cost structure;
- Improvement in the risk management and technological infrastructure of the Group to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark-up income and non-mark up income.

In this respect, the Bank received a letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (Investor) in which the Investor had communicated his intention to acquire a controlling stake in the Bank by subscribing to fresh equity in the Bank which was followed by a Public Announcement of Intention (PAI) by the Investor to acquire at least 51% of the issued and paid up capital of the Bank together with the management control.

The Investor submitted his offer via a letter dated October 01, 2021 and as per the Share Subscription Agreement (SSA) dated October 04, 2021 entered between the Bank and the Investor for the proposed subscription of new ordinary shares in the Bank by way of fresh equity injection Without Rights Offering at a discounted price of Rs. 2.51 per share. The Investor presented the offer as set out in the Share Subscription Agreement which was duly approved by the Board of Directors. The Bank intends to issue total 5,976.096 million new ordinary shares.

On expiry of time period for making a public announcement of offer (February 18, 2022), the Investor had submitted a revised PAI dated February 21, 2022 to acquire at least 51% of the issued and paid up capital of the Bank. The Investor continues to be fully committed to consummating the transaction.

The Bank further received a letter dated March 18, 2022 from the Investor informing the Bank about a Public Announcement of Offer (PAO) made to acquire 1,312,298,455 existing ordinary shares from the shareholders of the Bank at a price of Rs. 2.51 per share subject to a minimum level of acceptance of 35% of remaining voting shares outstanding as on the last date of PAO. The investor has also submitted irrevocable bank guarantees to the manager to the offer in this regard.

The Investor, via a letter dated April 28, 2022 shared with the Bank on May 06, 2022, disclosed the inclusion of Mr. Salman Iqbal in the consortium to acquire the Bank with an intention to subscribe to such number of shares which would enable him to become a maximum of 25% shareholder in the Bank. The Board of Directors in their meeting held on May 09, 2022 approved the inclusion of Mr. Salman Iqbal in the consortium of the Acquirer subject to obtaining the requisite approval from the regulatory authorities and shareholders. The shareholders in the (Adjourned) Extra Ordinary General Meeting (EOGM) held on June 08, 2022 approved the inclusion of Mr. Salman Iqbal in the consortium of the Investor.

The Bank dispatched Subscription Entitlement Letters dated July 05, 2022 to its eligible minority shareholders inviting them to subscribe their respective shares in the Bank at the subscription price of Rs. 2.51 per share. As a result, 5,771 shares of the Bank have been subscribed by minority shareholders. The subscription by minority shareholders and the subsequent allotment of shares are subject to the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory approvals.



The management and the Board of Directors are hopeful that with the capital injection along with the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve compliance with applicable regulatory requirements.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements represent financial statements of the Holding Company - Summit Bank Limited and its subsidiary. The assets & liabilities of subsidiary have been consolidated on a line-by-line basis and the investment held by the Holding Company is eliminated against the corresponding share capital of the subsidiary in these consolidated condensed interim financial statements.

- 2.2 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as applicable in Pakistan comprise of:
 - International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. The SBP vide BPRD Circular No. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' for banks through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Moreover, the SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and has directed banks having asset size of less than Rs. 500 billion to implement IFRS 9 'Financial Instruments' with effect from January 01, 2024 vide BPRD Circular Letter No. 03 of 2022 dated July 05, 2022. The SBP is in process of issuing revised reporting formats for interim financial reporting following the implementation of IFRS 9. These are currently in draft form and are yet to be notified.

Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.



2.3 Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its investment with investee and has the ability to effect these return through its power over the investee.

These consolidated financial statements incorporate the financial statements of subsidiary from the date that control commences until the date that control ceases.

Non-controlling interests are that part of the net results of operations and of net assets of subsidiary attributable to the interest which are not owned by the Group. Material intra-group balances and transactions are eliminated.

- 2.4 Key financial figures of the Islamic banking branches are disclosed in note 38 to these consolidated condensed interim financial statements.
- 2.5 The disclosures made in these consolidated 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 'Interim Financial Reporting' and do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2021.
- 2.6 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period

There are certain amendments to existing accounting and reporting standards that have become applicable to the Group 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 Group's consolidated condensed interim financial statements.

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

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for the accounting periods as stated below:

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Classification of Liabilities as Current or Non-current - Amendments to IAS I	January 01, 2023
Definition of Accounting estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS I and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
Sale or contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	January 01, 2023



2.8 Critical accounting estimates and judgements

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

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain operating fixed assets and non banking assets in satisfaction of claims are stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value and defined benefit obligations which are carried at present value.

3.2 Functional and Presentation Currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2021.

5. FINANCIAL RISK MANAGEMENT

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



(Un-audited)	(Audited)
June 30,	December 31,
2022	2021
(Rupees	s in '000)

3,982,000

298,931

6. CASH AND BALANCES WITH TREASURY BANKS

In hand	4 525 111	4 425 27
Local currency	4,535,111	4,435,27
Foreign currency	368,778	565,95
With State Bank of Pakistan in	4,903,889	5,001,23
	(022 000	6,966,62
Local currency current account	6,922,980	
Foreign currency current account	549,604	518,59
Foreign currency deposit account	972,011	875,13
	8,444,595	8,360,35
With National Bank of Pakistan in Local currency current account	1,906,374	959,34
Prize bonds	19,897	94,08
	15,274,755	14,415,01
BALANCES WITH OTHER BANKS		
In Pakistan	21 632	22.41
In Pakistan In current account	21,632	
In Pakistan	89,401	5,40
In Pakistan In current account In deposit account		5,40
In Pakistan In current account In deposit account	89,401	22,41 5,40 27,81
In Pakistan In current account In deposit account Outside Pakistan In current account	89,401 111,033	5,40 27,81 1,022,12
In Pakistan In current account In deposit account Outside Pakistan	89,401	5,40 27,81
In Pakistan In current account In deposit account Outside Pakistan In current account	89,401 111,033 1,116,929 52,441	5,40 27,81 1,022,12 44,12
In Pakistan In current account In deposit account Outside Pakistan In current account	89,401 111,033 1,116,929 52,441 1,169,370	5,4(27,81 1,022,12 44,12 1,066,25
In Pakistan In current account In deposit account Outside Pakistan In current account	89,401 111,033 1,116,929 52,441 1,169,370	5,40 27,81 1,022,12 44,12 1,066,25

Less: provision held against Lendings to Financial Institutions

Lendings to Financial Institutions - net of provision

7.

8.



9. INVESTMENTS

			June 30, 2022	(Un-audited)			December 31,	2021 (Audited)	
). I	Investments by type:	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
					(Rupee:	s in '000)			
	Available-for-sale securities								
	Federal Government Securities								
	 Market Treasury Bills 	16,655,126	-	(6,330)	16,648,796	13,879,696	-	(42,183)	13,837,513
	 Pakistan Investment Bonds 	6,931,981	-	(11,791)	6,920,190	8,502	-	(173)	8,329
	 GoP Ijarah Sukuks 	13,986,969	-	(76,019)	13,910,950	13,985,092	-	(65,242)	13,919,850
	Shares								
	- Fully paid up ordinary shares - Listed	2,592,709	(2,165,924)	251,608	678,393	2,592,709	(2,133,273)	291,502	750,938
	- Fully paid up ordinary shares - Unlisted	14,475	(1,000)	-	13,475	14,475	(1,000)	-	13,475
	 Preference shares - Unlisted 	46,035	(46,035)	-	-	46,035	(46,035)	-	
	Non Government Debt Securities								
	- Term Finance Certificates	1,593,600	(1,593,600)	-	-	1,594,950	(1,594,950)	-	
	- Sukuk Bonds	2,700,000	(200,000)	(40,955)	2,459,045	2,700,000	(200,000)	(94,825)	2,405,175
	·	44,520,895	(4,006,559)	116,513	40,630,849	34,821,459	(3,975,258)	89,079	30,935,280
	Total Investments	44,520,895	(4,006,559)	116,513	40,630,849	34,821,459	(3,975,258)	89,079	30,935,280

(Un-audited) (Audited)
June 30, December 31,
2022 2021
----- (Rupees in '000) -----

9.2 Provision for diminution in value of investments

Opening balance 3,975,258 4,716,162 Charge / reversals Charge for the period / year 32,651 (2,700)Reversals for the period / year (1,350)Reversal on disposals (738,204)31,301 (740,904) 4,006,559 3,975,258 Closing balance

9.3 Particulars of provision against debt securities

Category of classification	NPI	Provision	NPI	Provision	
	(Rupees in '000)				
				·	
Domestic					
Loss	1,793,600	1,793,600	1,794,950	1,794,950	

June 30, 2022 (Un-audited) December 31, 2021 (Audited)



10. ADVANCES

1	Performing		Non Performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
	2022	2021	2022	2021	2022	2021
Note	te(Rupees in '000)					

Loans, cash credits, running finances, etc. Islamic financing and related assets Bills discounted and purchased Advances - gross

19,171,859 36.080.555 17.617.558 36,177,174 53.698.113 55 349 033 38.3 2,664,754 3,090,791 758,118 772,718 3,422,872 3.863.509 1,066,791 533,456 55,256 62,456 1,122,047 595,912 21,349,103 22,796,106 36,893,929 37,012,348 58,243,032 59,808,454

Provision against advances

- Specific - General 10.3 - | 1.385| (11,302) | (13,885) | (13,885) | (32,956,115) | (32,750,104) | (32,956,115) | (32,750,104) | (11,302) | (13,885) | (32,956,115) | (32,750,104) | (32,967,417) | (32,763,989)

Advances - net of provision

21,337,801 22,782,221 **3,937,814** 4,262,244 **25,275,615** 27,044,465

10.1 Particulars of advances (Gross)

In local currency
In foreign currencies

(Audited)

December 31.

(Un-audited)

lune 30.

10.2 Advances include Rs. 36,893.929 million (December 31, 2021: Rs. 37,012.348 million) which have been placed under non-performing status as detailed below:

	June 30, 2022	(Un-audited)	December 31, 2021 (Audite	
	Non		Non	
Category of Classification	Performing	Provision	Performing	Provision
	Loans		Loans	
	(Rupees in '000)			
Domestic				
Other Assets Especially Mentioned	133,403	-	1,126	113
Substandard	9,777	1,510	16,259	2,645
Doubtful	267,080	5,069	440,901	98,695
Loss	36,483,669	32,949,536	36,554,062	32,648,651
	36,893,929	32,956,115	37,012,348	32,750,104

10.3 Particulars of provision against advances

	June 30, 2022 (Un-audited)			Decemi	December 31, 2021 (Audited)			
	Specific	General	Total	Specific	General	Total		
			(Rupees	in '000)				
Opening balance	32,750,104	13,885	32,763,989	32,425,544	21,671	32,447,215		
Charge for the period / year	606,934		606,934	2,461,718		2,461,718		
Reversals	(400,226)	(2,583)	(402,809)	(2,137,158)	(7,786)	(2,144,944)		
	206,708	(2,583)	204,125	324,560	(7,786)	316,774		
Amounts written off	(697)	-	(697)	-		-		
Closing balance	32,956,115	11,302	32,967,417	32,750,104	13,885	32,763,989		

10.3.1 The general provision against consumer financing is required to be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages range are 1.5% for secured and 6% for unsecured portfolio.

The Bank has maintained general provision against housing finance portfolio at the rate of 1.5% of the performig portfolio and 1% against unsecured performing SE portfolio.

10.3.2 The Bank has availed the Forced Sale Value (FSV) benefit of mortgaged properties, plant and machinery and liquid securities held as collateral against non-performing advances as allowed under the applicable Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 3,86.1.298 million (December 31, 2021: Rs. 4,002.857 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 2,355.392 million (December 31, 2021: Rs. 2,618.582 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.



(Un-audited)

(Audited)

	ENVED 400EF6		June 30, 2022	December 31, 2021
11.	FIXED ASSETS	Note	(Rupees	s in '000)
	Capital work-in-progress	11.1	15,331	9,118
	Property and equipment		7,899,115	8,100,573
	Right-of-use assets		2,803,884	2,842,645
			10,718,330	10,952,336
11.1	Capital work-in-progress			
	Civil works and related payments / progress billings		10,705	4,492
	Advances and other payments to suppliers and contractors		4,626	4,626
	Advances and other payments against capital work in progress considered doubtful		1,158,340	1,158,340
	Less: Provision held there against		(1,158,340)	(1,158,340)
	5		-	-
			15,331	9,118
			June 30,	ıdited) June 30,
			2022	2021
				s in '000)
11.2	Additions to fixed assets		(,
	The following additions have been made to fixed assets during the	e period:		
	Capital work-in-progress - net		6,213	126,644
	Property and equipment			
	Building improvements		6,660	-
	Furniture and fixture		4,407	157
	Electrical, office and computer equipment		22,845	25,459
	Vehicles		33,912	56,000
			33,912	81,616
	Right-of-use assets		287,690	1,014,618
			327,815	1,222,878
11.3	Disposal of fixed assets			
	The net book value of fixed assets disposed off during the period	is as follows:		
	Property and equipment			
	Building improvements		29	-
	Furniture and fixture		108	
	Electrical, office and computer equipment		818	509
	Vehicles		3,118	587
			4,073	1,096

Derecognition of right-of-use assets

16,919

20,992

1,096



12.	INTANGIBLE ASSETS	Note	(Un-audited) June 30, 2022 (Rupees	(Audited) December 31, 2021 in '000)
	Control and the agency	12.1	(7.3/0	40.700
	Capital work-in-progress Intangible assets in use	12.1	67,369 83,654	49,700 90,427
	mangible assets in use		05,05	70,127
			151,023	140,127
12.1	Capital work-in-progress			
	Advances to suppliers and contractors		67,369	49,700
	Advances against capital work in progress considered doubtful		142,522	142,522
	Less: Provision held there against		(142,522)	(142,522)
	2000 TO NOISE THE CHECK AGAINST		- (1.12,022)	(112,022)
			67,369	49,700
12.2	Intangible assets in use			
	Computer softwares		81,119	87,927
	Trading Rights Entitlement Certificate		2,535	2,500
			83,654	90,427
			(Un-au	idited)
			June 30,	June 30,
			2022	2021
12.3	Additions to intangible assets		(Rupees	in '000)
	The following additions have been made to intangible assets during the period:			
	Capital work-in-progress - net		17,669	(720)
	Directly purchased		4,870	8,569
			22,539	7,849

12.4 There were no disposals in intangible assets during the current and prior period.



13. DEFERRED TAX ASSETS

Deductible	Temporary	Differences on	

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss Investment
- Provision against intangible assets
- Staff compensated absences
- Unrealized gain on forward exchange contracts
- Provision against other assets
- Minimum tax
- Alternative Corporate tax

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of investments
- Surplus on revaluation of property held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation

June 30, 2022 (Un-audited)						
At January 01, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	At June 30, 2022			
(Rupees in '000)						

9,813,393	1,985,202	-	11,798,595
7,086,935	861,963	-	7,948,898
1,391,340	171,218	-	1,562,558
43,107	4,927	-	48,034
51,647	3,648	-	55,295
10,472	(2,651)	-	7,821
149,656	17,103	-	166,759
160,275	(159,921)	-	354
4,235	-	-	4,235
18,711,060	2,881,489	-	21,592,549

Γ	(1,069,472)	-	(102,528)	(1,172,000)
	(25,096)	-	(15,769)	(40,865)
	(406,274)	-	(46,431)	(452,705)
	(289,666)	-	(29,159)	(318,825)
	(295,904)	(23,072)	-	(318,976)
	(2,086,412)	(23,072)	(193,887)	(2,303,371)
-	16.624.648	2.858.417	(193.887)	19.289.178

December 31, 2021 (Audited)						
At January 01, 2021	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2021			
	(Rupees in '000)					

7,847,641	1,965,752	-	9,813,393
6,878,619	208,316	-	7,086,935
1,650,657	(259,317)	-	1,391,340
43,107	-	-	43,107
47,744	3,903	-	51,647
7,032	3,440	-	10,472
149,656	-	-	149,656
76	160,199	-	160,275
4,512	(277)	-	4,235
16,629,044	2,082,016	-	18,711,060

Γ	(1,105,287)	-	35,815	(1,069,472)
1	(275,524)	-	250,428	(25,096)
1	(406,274)	-	-	(406,274)
1	(280,316)	-	(9,350)	(289,666)
1	(334,149)	38,245		(295,904)
•	(2,401,550)	38,245	276,893	(2,086,412)
	14,227,494	2,120,261	276,893	16,624,648

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss Investment
- Provision against intangible assets
- Staff compensated absences
- Unrealized (gain) / loss on forward exchange contracts
- Provision against other assets - Minimum tax
- Alternative Corporate tax

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of investments
- Surplus on revaluation of property held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation

13.1 The net deferred tax asset has been recognized in accordance with the Group's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the recognized deferred tax asset could be realized. The projections include certain key assumptions underlying management's estimation of profits. Any significant change in such assumptions may have effect on the recoverability of deferred tax asset. The management believes that it is probable that the Group would be able to achieve the profits and consequently, the recognized deferred tax asset will be fully realized in future.



14.

		June 30, 2022	December 31, 2021
OTHER ASSETS	Note	(Rupees	in '000)
Income / mark-up accrued in local currency		962,953	709,304
Income / mark-up accrued in foreign currency		984	1,059
Advances, deposits, advance rent and other prepayments		357,810	421,504
Advance taxation (payments less provisions)		635,127	651,421
Non-banking assets acquired in satisfaction of claims		2,522,792	2,589,508
Branch adjustment account		-	174
Receivable from other banks against clearing and settlement		127,860	194,464
Mark to market gain on forward foreign exchange contracts		25,203	6,435
Acceptances		241,459	246,482
Stationery and stamps on hand		7,676	8,663
Commission receivable on home remittance		3,945	9,936
Commission receivable on brokerage		4,285	7,050
Property - held for sale	14.1	3,836,309	3,836,309
Account receivable		102,154	93,374
Others		504,991	501,590
		9,333,548	9,277,273
Less: Provision held against other assets	14.2	(819,201)	(815,110)
Other Assets (net of provision)		8,514,347	8,462,163
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		817,497	827,616
Surplus on revaluation of property - held for sale		1,160,784	1,160,784
Other Assets - total		10,492,628	10,450,563

(Un-audited)

(Audited)

14.1 This represents a portion of the Bank's self constructed property which has been earmarked for selling in the near future. This property is carried at lower of market value / fair value less cost to sell and carrying amount.

14.2	Provision held against other assets	(Un-audited) June 30, 2022 (Rupees	(Audited) December 31, 2021 sin '000)
	Income / mark-up accrued in local currency Advances, deposits, advance rent and other prepayments Non-banking assets acquired in satisfaction of claims Commission receivable on guarantees Receivable from Dewan Group Account receivable - sundry claims Receivable from Speedway Fondmetal (Pakistan) Limited Others	1,389 96,689 360,107 9,880 34,436 201,277 25,694 89,729	1,389 96,689 360,107 9,880 34,436 197,186 25,694 89,729
14.2.1	Movement in provision held against other assets	819,201	815,110
	Opening balance Charge for the period / year Reversals Closing balance	815,110 4,091 - 819,201	695,012 121,543 (1,445) 815,110



15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

(Un-audited)	(Audited)
June 30,	December 31
2022	2021
(Rupees	in '000)

16. BILLS PAYABLE

In Pakistan 2,113,098 2,071,048 Outside Pakistan

2,113,098 2.071.048

17. BORROWINGS

Secured

Borrowings from State Bank of Pakistan

- Under export refinance scheme
- Under Islamic Export Refinance Scheme (IERF)
- Under long-term financing facility
- Refinance facility for modernization of SMEs
- Repurchase agreement borrowings

Total secured

Unsecured

Overdrawn nostro accounts

5,882,160	5,858,980
400,000	400,000
529,001	629,075
2,978	3,604
8,675,801	-
15,489,940	6,891,659

9,637	30,381
15,499,577	6,922,040

18. DEPOSITS AND OTHER ACCOUNTS

	June 3	30, 2022 (Un-aud	lited)	December 31, 2021 (Au		ıdited)	
	In local currency	In foreign currencies	Total	In local In foreign currency currencies		Total	
			(Rupees	in '000)			
Customers							
Current deposits	39,245,479	1,344,864	40,590,343	32,419,903	1,394,634	33,814,537	
Savings deposits	52,230,396	4,681,865	56,912,261	53,921,219	3,902,261	57,823,480	
Term deposits	9,859,013	3,451,150	13,310,163	9,783,869	3,954,546	13,738,415	
Others	2,298,689	32,215	2,330,904	2,132,165	27,759	2,159,924	
•	103,633,577	9,510,094	113,143,671	98,257,156	9,279,200	107,536,356	
Financial institutions							
Current deposits	387,227	150,751	537,978	239,464	102,102	341,566	
Savings deposits	1,623,514	6	1,623,520	985,244	5	985,249	
Term deposits	1,014,895	-	1,014,895	561,145	-	561,145	
Others	-	-	-	-	-	-	
'	3,025,636	150,757	3,176,393	1,785,853	102,107	1,887,960	
	106,659,213	9,660,851	116,320,064	100,043,009	9,381,307	109,424,316	

^{18.1} Deposits include Eligible Deposits of Rs. 80,767.961 million (December 31, 2021: Rs. 71,416.525 million) protected under Depositors Protection Mechanism introduced by the State Bank of Pakistan.

^{18.2} Deposits include USD 13.180 million (December 31, 2021: 13.180 million) held by H.E. Nasser Abdulla Hussain Lootah (The Investor) in FCY deposit account.



19. SUBORDINATED DEBT

Issue amount Rs.1,500,000,000

Issue date October 27, 2011

Maturity date October 27, 2021 (December 31, 2020: October 27, 2021)

These TFCs were issued by the Bank on October 27, 2011 for an initial tenure of seven years and maturity date of October 27, 2018. In order to protect the interest of the TFC Holders, the tenure of the TFC together with the payment of applicable redemption amounts were extended thrice by the Bank to October 27, 2019, October 27, 2020 and October 27, 2021 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019 and October 22, 2020. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020 and July 09, 2021. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020 and October 22, 2021.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 26, 2021 have approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts (principal and the related mark-up) with the revised maturity date of October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules and requisite regulatory requirements for seeking final approval from the State Bank of Pakistan.

Rating 'D' (Default).

Security Unsecured.

Redemption / profit payment frequency

The redemption / profit payment details are mentioned in the above maturity

date clause.

Mark up Base rate (6 months KIBOR - ask side) plus 325 bps.

Call option The Bank had an option to call the TFC's subject to SBP's prior written

approval, on any profit payment date after the 60th month from the last day of public subscription, with not less than 30 days prior notice to be given to the Trustee. The Call option once announced will not be revocable. Further, no premium will be paid to the TFC Holders in case the call option is exercised

by the Bank.

Lock-in-clause Neither interest nor principal can be paid (even at maturity) if such payments

will result in a shortfall in the Bank's Minimum Capital Requirements (MCR) or Capital Adequacy Ratio (CAR) or increase in the existing shortfall in MCR

and CAR.



Committed to you

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
OTHER LIABILITIES	Note	(Rupees	s in '000)
Mark-up / return / interest payable in local currency		1,770,345	1,305,054
Mark-up / return / interest payable in foreign currencies		3,709	3,291
Unearned income		73,133	16,329
Accrued expenses		76,086	105,415
Advance against sale of property		331,024	373,323
Acceptances		241,459	246,482
Unclaimed dividends		2,213	2,213
Mark to market loss on forward foreign exchange contracts		45,258	36,356
Payable to defined benefit plan		38,120	42,992
Charity fund balance		2,182	1,084
Branch adjustment account		80	-
Security deposits against lease		272,211	310,050
Payable to Bangladesh Bank		41,389	41,389
Payable to Rupali Bank - Bangladesh		16,293	16,293
Payable to vendors / creditors		220,079	196,909
Provision for compensated absences		142,495	148,454
Payable to Bank of Ceylon, Colombo		20,163	20,163
Retention money		3,365	3,133
Provision for Workers' Welfare Fund		13,360	13,360
Withholding taxes and government levies payable		12,671	14,290
Federal excise duty and sales tax payable		6,892	7,062
Commission payable on home remittances		3,472	3,102
Lease liability against right-of-use assets		3,247,215	3,215,664
Account payable		71,595	61,560
Others		342,371	336,128
	-	6,997,180	6,520,096
	=	•	

21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS

Surplus / (deficit) on revaluation of

- Available for sale securities
- Fixed assets

20.

- Non-banking assets acquired in satisfaction of claims
- Property held for sale

Deferred tax on surplus / (deficit) on revaluation of:

- Available for sale securities
- Fixed assets
- Non-banking assets acquired in satisfaction of claims
- Property held for sale

9.1	116,513	89,079
	3,977,951	4,028,457
	817,497	827,616
	1,160,784	1,160,784
	6,072,745	6,105,936
	(40,865)	(25,096)
	(1,172,000)	(1,069,472)
	(318,825)	(289,666)
	(452,705)	(406,274)
	(1,984,395)	(1,790,508)
	4.088.350	4.315.428



			(Un-audited) June 30, 2022	(Audited) December 3 I, 202 I
22.	CONTINGENCIES AND COMMITMENTS	Note	(Rupees	s in '000)
	CONTINUE NO LOS AND CONTINUES NO			
	-Guarantees	22.1	11,921,964	9,824,912
	-Commitments	22.2	24,608,522	14,987,854
	-Other contingent liabilities	22.3	20,534,341	19,203,552
			57,064,827	44,016,318
22.1	Guarantees:			
	Financial guarantees		20,470	20,470
	Performance guarantees		8,809,673	8,003,196
	Other guarantees		3,091,821	1,801,246
			11,921,964	9,824,912
22.2	Commitments:			
	$\label{local_problem} \mbox{Documentary credits and short-term trade-related transactions} \mbox{- letters of credit}$		1,489,081	1,990,941
	Commitments in respect of:			
	- Forward foreign exchange contracts	22. 2. I	8,028,153	7,537,538
	- Forward lending	22.2.2	6,225,393	5,279,206
	Commitments for acquisition of:			
	- Fixed assets		12,871	664
	- Intangible assets		177,223	179,505
	Other commitments	22.2.3	8,675,801	-
			24,608,522	14,987,854
22.2.1	Commitments in respect of forward foreign exchange contracts			
	Purchase		7,056,013	6,748,974
	Sale		972,140	788,564
			8,028,153	7,537,538



Com	mittad	to	vou	

22.2.2	Commitments in respect of forward lending	Note	(Un-audited) June 30, 2022 (Rupee	(Audited) December 31, 2021 s in '000)
	Forward documentary bills Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.2.1	4,595,698 1,629,695	3,996,813 1,282,393
		-	6,225,393	5,279,206

22.2.2.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Group without the risk of incurring significant penalty or expense.

(Un-audited)	(Audited)
June 30,	December 31,
2022	2021
(Rupee	s in '000)

22.2.3 Other commitments

Purchase (Repo) 8,675,801

22.3 Other contingent liabilities - claims against the Group not acknowledged as debts

20,534,341 19.203.552

22.4 During the year 2018, Law Enforcement Agencies (LEAs) initiated its investigation on certain bank accounts alleged for money laundering activities in various banks including Summit Bank Limited. The Honourable Supreme Court of Pakistan under Suo Moto Case HRC-39216-G, appointed a Joint Investigation Team (JIT) which was constituted to investigate the matter. On recommendation of JIT, the matter was referred by the Honourable Supreme Court to the National Accountability Bureau (NAB) for further investigation and filing of references in the National Accountability Courts. The matter is currently under NAB investigations and only partial references have been filed in the NAB Courts. The Bank has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible and the matter is currently sub judice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Bank.

22.5 Contingency for tax payable

Contingency related to tax payable is disclosed in note 31.2.



			(Un-au- Half year	
		Note	June 30, 2022	June 30, 2021 in '000)
23.	MARK-UP / RETURN / INTEREST EARNED	Note	(Kupees	in 000)
	On:			
	Loans and advances		1,104,162	962,832
	Investments		1,614,486	986,471
	Lendings to financial institutions		133,142	13,421
	Balances with banks		2,760	2,618
			2,854,550	1,965,342
24.	MARK-UP / RETURN / INTEREST EXPENSED			
	On:		2 000 /00	2 007 020
	Deposits		2,889,608 275,466	2,007,039 133,034
	Borrowings Subordinated debt		103,717	79,436
	Cost of foreign currency swaps against foreign		103,717	77,430
	currency deposits / borrowings		376,574	175.503
	Finance cost of lease liability		191,322	164,437
			3,836,687	2,559,449
25.	FEE AND COMMISSION INCOME			
	Branch banking customer fees		20,473	21,453
	Consumer finance related fees		3,354	5,392
	Card related fees (debit cards)		43,826	37,256
	Credit related fees		1,896	1,973
	Investment banking fees		12,394	27,212
	Commission on trade		86,306	83,696
	Commission on guarantees		27,522	50,010
	Commission on cash management		893	1,602
	Commission on remittances including home remittances Commission on bancassurance		4,771 422	6,845 602
	Alternate Delivery Channels		17,443	616
	Commission on brokerage		20,681	39,964
	Others		5	7
			239,986	276,628
26.	GAIN ON SECURITIES			
	Realised	26.1	10,568	480,811
	Unrealised - held for trading		-,	,
			10,568	480,811
26.1	Realised gain on:			
	Federal Government Securities		10,568	21,787
	Shares			459,024
			10,568	480,811
				.00,011



Committed to vo

			(Un-au Half yea	dited) r ended
			June 30, 2022	June 30, 2021
		Note	(Rupees	
27.	OTHER INCOME			-
	Rent on property		2,389	9,811
	Gain on sale of fixed assets - net		18,375	16,599
	Loss on sale of non banking assets		(431)	-
	Gain on sale of ijarah assets Recoveries against previously expensed items		1,297 1,056	15,790
	Loss on termination of lease (IFRS 16)		(6,572)	_
	Income on settlement of nostro balances		448	-
	Others		39	3
			16,601	42,203
28.	OPERATING EXPENSES	20.1	1 0 4 2 4 2 4	054304
	Total compensation expense Property expense	28.1	1,042,624	954,394
	Rent and taxes		46,559	83,756
	Insurance - property		5,446	2,792
	Insurance - non banking assets		448	313
	Utilities cost		154,195	116,823
	Security (including guards)		98,922	97,395
	Repair and maintenance (including janitorial charges)		58,264	66,277
	Depreciation on owned fixed assets		135,309	144,944 255,769
	Depreciation on right-of-use assets Depreciation on non banking assets		302,751 30,603	60,243
	Depreciation on non-banking assets		832,497	828,312
	Information technology expenses		,	
	Software maintenance		49,060	45,543
	Hardware maintenance		45,627	42,995
	Depreciation on computer equipments		40,947	34,080
	Amortisation of computer softwares		11,644 43,850	11,775 45,182
	Network charges Insurance		168	43,162
	insulation and the second and the se	ļ	191,296	180,014
	Other operating expenses	·		
	Directors' fees and allowances		19,800	9,150
	Fees and allowances to Shariah Board		10,200	7,230
	Legal and professional charges Outsourced services costs		37,775 103,525	32,790 80,602
	Travelling and conveyance		124,097	84,113
	NIFT clearing charges		12,467	13,019
	Depreciation		54,974	68,068
	Amortisation of core deposits and brand name		-	7,165
	Training and development		1,211	1,135
	Postage and courier charges		24,168	18,278
	Communication		24,205 43,379	25,832 43,749
	Stationery and printing Marketing, advertisement and publicity		5,195	3,164
	Brokerage and commission		14,243	10,216
	Fee and subscription		49,542	28,145
	Cash transportation and sorting charges		55,948	50,757
	Entertainment		18,415	17,443
	Insurance		62,337	65,755
	Deposit insurance premium expense		48,290	37,648
	Repair and maintenance Auditors' remuneration		43,718 5,501	43,316 6,664
	Others		18,885	10,644
		ļ	777,875	664,883
			2,844,292	2,627,603



			(Un-aud Half year	
		-	June 30,	June 30,
			2022	2021
28.1	Total compensation expense	Note	(Rupees	in '000)
	Fees and allowances etc.		10,103	7,747
	Managerial remuneration			
	i) Fixed		652,725	597, 4 30
	ii) Variable			
	of which;			
	a) Cash bonus / awards etc.		-	1,765
	b) Incentives and commission		2,571	3,072
	Charge for defined benefit plan		39,170	38,236
	Contribution to defined contribution plan		36,184	38,127
	Charge for employees compensated absences		9,294	2,723
	Rent and house maintenance		200,814	181,445
	Utilities		44,623	40,566
	Medical		46,887	43,283
	Employee old age benefit institution		253	-
	Total	-	1,042,624	954,394
29.	OTHER CHARGES			
	Penalties imposed by State Bank of Pakistan		7	3,860
	Penalties imposed by SECP		-	100
		-	7	3,960
		=		
30.	PROVISIONS AND WRITE OFFS - NET			
	Provision / (reversal) for diminution in value of investments		31,301	(739,554)
	Provision against loans and advances		204,125	257,963
	Provision against capital work in progress		-	1,298
	Provision against intangible assets		-	4,098
	Provision against other assets		4,091	118,641
	Fixed assets written off		9	14
	Operational loss		-	2,909
	Recoveries against written off / charged off bad debts		(463)	(1,209)
		- -	239,063	(355,840)
31.	TAXATION	·		
	Current	31.1 & 31.2	44,546	32,022
	Prior years Deferred		(2,858,417)	(661,393)
		<u>-</u>	(2,813,871)	(629,371)

^{31.1} This represents the provision for minimum taxation made in accordance with the requirements of section 113 of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and accounting profit / loss has not been disclosed.



31.2 The Income Tax Returns of the Bank and its subsidiary have been submitted up to and including financial year ended December 31, 2020 i.e. tax year 2021.

In respect of assessments of Summit Bank Limited from tax years 2009 to tax year 2016, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 329.13 million through amended assessment orders and the same have been paid / stayed / adjusted against available refunds.

In respect of assessments of Summit Bank Limited AJK Region from tax year 2013 to tax year 2017, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand of Rs. 9.684 million through amended assessment orders and the same have been paid / adjusted against advance tax paid.

In respect of assessments of ex-My Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2011, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2010, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 89.74 million through amended assessment orders and the same have been paid / adjusted against available refunds.

Such issues mainly include disallowances of mark up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non-banking assets, disallowances of certain HO expenses, addition to mark-up/interest earned in AJK region etc. The Bank has filed appeals before the various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Group is confident about the favourable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these consolidated financial statements.

			(Un-audi Half year	
			June 30,	June 30,
			2022	2021
32.	BASIC AND DILUTED LOSS PER SHARE	Note	(Rupees i	n '000)
	Loss for the period		(686,616)	(1,350,678)
			(Number of	shares)
	Weighted average number of ordinary shares - Basic		2,638,151,060	2,638,151,060
			(Rupe	e)
	Basic loss per share		(0.26)	(0.51)
			(Number of	shares)
	Weighted average number of ordinary shares - Diluted	32.1	2,638,151,060	2,638,151,060
			(Rupe	e)
	Diluted loss per share		(0.26)	(0.51)
32.1	There are no potential ordinary shares outstanding as of June 30, 2022.			
			(Un-audi Half year	
			June 30, 2022	June 30, 2021
			(Rupees in	
33.	CASH AND CASH EQUIVALENTS			
	Cash and balances with treasury banks		15,274,755	13,453,094
	Balances with other banks		1,280,403	780,113
	Overdrawn nostro accounts		(9,637)	(13,218)
			16,545,521	14,219,989
			10,545,521	14,219,989



34. FAIR VALUE MEASUREMENTS

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

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

34.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).
- 34.2 The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

		June 30, 2022	(Un-audited)	
	Level I	Level 2	Level 3	Total
On balance sheet financial instruments		(Rupees	in '000)	
Financial assets - measured at fair value				
Investments				
 Federal Government Securities 	-	37,479,936	-	37,479,936
- Shares - Listed	678,393	-	-	678,393
- Non Government Debt Securities	2,459,045	-	-	2,459,045
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	74,678	74,678
Non-Financial assets - measured at fair value				
Fixed assets	-	-	7,399,042	7,399,042
Non banking assets acquired in satisfaction of claims	-	-	2,980,182	2,980,182
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	7,044,138	-	7,044,138
Forward sale of foreign exchange	-	980,320	-	980,320



December 31, 2021 (Audited)									
Level I	Level 2	Level 3	Total						
	(Rupees in '000)								

On balance sheet financial instruments	(Rupees in '000)					
Financial assets - measured at fair value						
- Federal Government Securities	-	27,765,692	-	27,765,692		
- Shares - Listed	750,938	-	-	750,938		
- Non Government Debt Securities	2,405,175	-	-	2,405,175		
Financial assets - disclosed but not measured at fair value						
Investments						
- Shares - Unlisted	-	-	74,506	74,506		
Non-Financial assets - measured at fair value						
Fixed assets	-	-	7,527,721	7,527,721		
Non banking assets acquired in satisfaction of claims	-	-	3,057,017	3,057,017		
Off-balance sheet financial instruments - measured at fair value						
Forward purchase of foreign exchange	-	6,715,915	-	6,715,915		
Forward sale of foreign exchange	-	785,426	-	785,426		

Valuation techniques used in determination of fair value

ltem	Valuation approach and input used
Federal Government Securities	The fair values of Market Treasury Bills (MTB) and Pakistan Investment Bonds (PIB) are determined using the PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair values of GOP Ijarah Sukuks are derived using the PKISRV rates.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds 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.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Fixed assets (land and building) and non-banking assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.



35. SEGMENT INFORMATION

35.1 Segment details with respect to business activities

[For the half year ended June 30, 2022 (Un-audited)								
	Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total		
				Rupees in '000)					
Profit and Loss	((48)		(1 == 4 00=)	272 444	2017		(000 107)		
Net mark-up / return / profit	(443)	509,292	(1,774,297)	279,464 422.843	3,847	-	(982,137)		
Inter segment revenue - net Non mark-up / return / interest income	11.225	(422,843) 315.873	206.027	422,843	31.237	- 1	545.012		
Total income	10,782	402.322	(1.568.270)	702.957	35,084		565,012 (417,125)		
rotal income	10,762	402,322	(1,300,270)	702,737	33,004		(417,123)		
Segment direct expenses	2,017	281,446	2,327,653	160,788	41,548	30,847	2,844,299		
Inter segment expense allocation	-	-	(239,049)	239,049	-	-	-		
Total expenses	2,017	281,446	2,088,604	399,837	41,548	30,847	2,844,299		
Provisions	-	31,301	202,375	5,387	-	-	239,063		
Profit / (loss) before tax	8.765	89.575	(3,859,249)	297.733	(6,464)	(30,847)	(3,500,487)		
	0,700	37,513	(-,,,-	,,,,,	(0, .0 .)	(30,011)	(=,==0,107)		
[As at Jun	e 30, 2022 (Un-	audited)				
	Corporate	Trading and	Branch		Brokerage				
	finance	sales	Banking	Islamic	Business	Others	Total		
Balance Sheet				Rupees in '000'					
Cash and bank balances	-	8,615,228	6,505,319	1,370,364	64,247	-	16,555,158		
Investments	-	28,314,577	1,394,734	10,893,495	28,043	-	40,630,849		
Net inter segment lending	-	300,000	-	8,993,057	-	-	9,293,057		
Lendings to financial institutions	-	3,982,000	-	-	-	-	3,982,000		
Advances - performing	-	-	18,674,862	2,661,904	1,035	-	21,337,801		
Advances - non-performing	-	-	3,915,117	22,697	-	-	3,937,814		
Others	147,346	11,764,086	16,255,252	777,776	188,283	11,518,416	40,651,159		
Total assets	147,346	52,975,891	46,745,284	24,719,293	281,608	11,518,416	136,387,838		
Borrowings		8,685,438	6,414,139	400.000			15,499,577		
Subordinated debt	6.393	834.715	654.407	400,000			1,495,515		
Deposits and other accounts	- 1		95,108,187	21,211,877	-	-	116,320,064		
Net inter segment borrowing	-	8.993.057	-	300,000	-	-	9,293,057		
Others	6,978	1.018.942	6.986.096	707,505	79,767	310.990	9,110,278		
Total liabilities	13,371	19,532,152	109,162,829	22,619,382	79,767	310,990	151,718,491		
Equity	133,975	33,443,739	(62,417,545)	2,099,911	201,841	11,207,426	(15,330,653)		
Total a suite and linkilities	147.247	E2 07E 001	44 745 204	24 710 202	201.600	11 510 417	124 207 020		
Total equity and liabilities	147,346	52,975,891	46,745,284	24,719,293	281,608	11,518,416	136,387,838		
Contingencies and Commitments	-	16,036,441	15,644,550	4,659,401	-	20,724,435	57,064,827		



Committed to you

		Fo	or the half year o	ended June 30, 2	2021 (Un-audite	ed)	
	Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total
				(Rupees in '000)		
Profit and Loss							
Net mark-up / return / profit	(868)	492,622	(1,118,755)	31,174	1,720		(594,107)
Inter segment revenue - net	-	(376,657)	-	376,657	-	-	-
Non mark-up / return / interest income	26,278	586,404	215,616	16,890	44,593	-	889,781
Total income	25,410	702,369	(903,139)	424,721	46,313	-	295,674
Segment direct expenses	4,031	227,491	2,147,158	140,246	52,578	60,059	2,631,563
Inter segment expense allocation	-	-	(240,073)	240,073	-	-	-
Total expenses	4,031	227,491	1,907,085	380,319	52,578	60,059	2,631,563
Provisions		(739,554)	360,976	22,738	-	-	(355,840)
Profit / (loss) before tax	21,379	1,214,432	(3,171,200)	21,664	(6,265)	(60,059)	(1,980,049)

			As at	December 31.	2021		
	Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total
Balance Sheet				(Rupees in '000))		
Cash and Bank balances	-	8,189,994	5,880,299	1,377,913	60,875	-	15,509,081
Investments	-	17,873,826	2,186,043	10,841,725	33,686	-	30,935,280
Net inter segment lending	-	425,000	-	7,644,820	-	-	8,069,820
Lendings to financial institutions	-	298,931	-	-	-	-	298,931
Advances - performing	-	-	19,694,216	3,087,268	737	-	22,782,221
Advances - non-performing	-	-	4,218,887	43,357	-	-	4,262,244
Others	197,494	10,145,078	15,248,343	638,055	193,038	11,745,666	38,167,674
Total Assets	197,494	36,932,829	47,227,788	23,633,138	288,336	11,745,666	120,025,251
Borrowings	-	14,503	6,491,659	415,878	-	-1	6,922,040
Subordinated debt	11,261	830,084	654,170	-	-	-	1,495,515
Deposits and other accounts	-	-	90,480,957	18,943,359	-	-	109,424,316
Net inter segment borrowing	-	7,644,820	-	425,000	-	-	8,069,820
Others	908	97,338	6,023,303	2,084,668	73,207	311,720	8,591,144
Total liabilities	12,169	8,586,745	103,650,089	21,868,905	73,207	311,720	134,502,835
Equity	185,325	28,346,084	(56,422,301)	1,764,233	215,129	11,433,946	(14,477,584)
Total equity and liabilities	197,494	36,932,829	47,227,788	23,633,138	288,336	11,745,666	120,025,251
Contingencies and Commitments	-	6,911,598	14,644,419	3,076,580		19,383,721	44,016,318

^{35.1.1} The Bank does not have any operations outside Pakistan.



36. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, employee benefit plans and its directors and Key Management Personnel.

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

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:

		June 30, 202	June 30, 2022 (Un-audited)			December 31,	December 31, 2021 (Audited)	
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key Directors management personnel	Other related parties
				(Rupees in	(000, 1			
Investments Opening balance				1,692,490	•	•	•	1,692,490
Investment made during are year Investment redeemed / disposed off during the period / year Transfer in / (out) - net								
Closing balance				1,692,490				1,692,490
Provision for diminution in value of investments		•		- 1,613,242				1,613,242
Advances Opening balance	٠	•	252.823	786.261			295.706	675.185
Addition during the period / year	•	•	6,929	564,889	•	•	11,465	1,888,290
Repaid during the period / year Transfer in / (out) - net			(25,577) (8,829)	(669,323)			(44,026) (10,322)	(1,777,214)
Closing balance			225,346	681,827			252,823	786,261
Provision held against advances								



		June 30, 2022	June 30, 2022 (Un-audited)			December 31,	December 31, 2021 (Audited)	
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
			(Rupees in '000)	(Rupees ir	(000,			1
Other Assets Interest / mark-up accrued Other receivable	- 669		507	39,869	- 669		999	13,630
Provision against other assets								٠
Deposits and other accounts Opening balance	•		82,005	2,110,049			64,072	2,083,253
Received during the period / year	•	•	229,664		•	'	670,534	3,638,126
Withdrawn during the period / year	•	•	(216,126)	(2,717,708)	•		(660,431)	(3,613,898)
Transfer (out) / in - net	•	•	(58,159)	•	•	•	7,830	2,568
Closing balance			37,384	2,080,445			82,005	2,110,049
Other Liabilities				27			17	747.71
meres, / mark-up payable Payable to defined benefit plan				38,120			£ '	42,992
Contingencies and Commitments Guarantees, letters of credit and accepances			•	86,500	,	'	•	217,289
Commiments to extend credit	•	•	•	2,174		•	•	65,377



	For the half	year ended Ju	For the half year ended June 30, 2022 (Un-audited)	In-audited)	For the hal	f year ended Ju	For the half year ended June 30, 2021 (Un-audited)	Jn-audited)
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key Directors management personnel	Other related parties
			(Rupees in '000')	(Rupees in	(000, 1			
Income								
Mark-up / return / interest earned	_	•	3,933	43,176	_	•	5,842	36,991
Fee and commission income	_	•	6	218	•	•	9	558
Other income	_	•	340	•	'	•	м	•
Expense								
Mark-up / return / interest expensed	•	•	1,606	115,270	'	•	592	59,542
Operating expenses:								
- Directors' fees and allowances		19,800	•	•		9,150	•	•
- Brokerage and commission	_	•	•	•		•	•	•
- Fee and subscription	_	•	451	•		•	1,188	
- Managerial Remuneration	_	•	161,635	•		•	111,230	•
- Contribution to defined contribution plan	_	•	•	36,184	'	•	•	38,127
- Charge for defined benefit plan	_	•	•	39,170		•	•	38,236
- Chaige lot delined benefit plan		•	•	37,170	•		1	

Directors include Non-Executive Directors only. Executive Directors including the President / CEO are part of key management personnel.



CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS	(Un-audited) June 30, 2022 (Rupees	(Audited) December 3 I, 202 I in '000)
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	(19,573,165)	(18,947,174)
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier-I (CET-I) Capital	(39,365,400)	(36,088,938)
Eligible Additional Tier-I (ADT-I) Capital Total Eligible Tier-I Capital	(39,365,400)	(36,088,938)
Eligible Tier-2 Capital		
Total Eligible Capital (Tier-I + Tier-2)	(39,365,400)	(36,088,938)
Risk Weighted Assets (RWAs):		
Credit Risk	47,203,700	48,061,826
Market Risk	6,057,081	3,558,355
Operational Risk	3,800,036	3,800,036
Total	57,060,817	55,420,217
Common Equity Tier-1 Capital Adequacy Ratio	-68.99%	-65.12%
Tier-I Capital Adequacy Ratio	-68.99%	-65.12%
Total Capital Adequacy Ratio	-68.99%	-65.12%
Leverage Ratio (LR):		
Eligible Tier-I Capital	(39,365,400)	(36,088,938)
Total Exposures	123,573,859	127,883,112
	-31.86%	-28.22%
Liquidity Coverage Ratio (LCR): Total High Quality Liquid Assets	46,705,183	40,325,959
Total Net Cash Outflow	20,868,465	21,880,329
	20,000,103	21,000,027

37.

Liquidity Coverage Ratio

Total Required Stable Funding

Net Stable Funding Ratio

Net Stable Funding Ratio (NSFR): Total Available Stable Funding 184.30%

72,650,421

52,487,876

138.41%

223.81%

80,501,992

54,759,264

147.01%



38. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2021: 14) Islamic banking branches and 35 (December 31, 2021: 35) Islamic banking windows at the end of the period.

STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2022		(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	(Rupees	s in '000)
ASSETS			
Cash and balances with treasury banks		1,175,269	1,344,202
Balances with other banks		195,095	33,711
Due from financial institutions	38. I	8,993,057	7,644,820
Investments	38.2	10,893,495	10,841,725
Islamic financing and related assets - net	38.3	2,684,601	3,130,625
Fixed assets		308,950	337,895
Intangible assets		126	409
Due from Head Office		-	-
Deferred tax assets		6,696	19,956
Other assets		462,004	279,795
Total Assets		24,719,293	23,633,138
LIABILITIES			
Bills payable		327,149	253,005
Due to financial institutions	38.4	700,000	840,878
Deposits and other accounts	38.5	21,211,877	18,943,359
Due to Head Office		-	
Subordinated debt		-	_
Deferred tax liabilities		-	_
Other liabilities		380,356	1,831,663
		22,619,382	21,868,905
NET ASSETS		2,099,911	1,764,233
REPRESENTED BY			
Islamic Banking Fund		1,000,000	1,000,000
Reserves		1,000,000	1,000,000
		(711)	(27.0(1)
Surplus on revaluation of assets	38.6	(711)	(37,061)
Unappropriated / Unremitted profit	36.6	1,100,622	801,294
		2,099,911	1,764,233
CONTINGENCIES AND COMMITMENTS	38.7		



ISLAMIC BANKING BUSINESS PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED JUNE 30, 2022

	Note	June 30, 2022 (Rupees	June 30, 2021 in '000)
Profit / return earned	38.8	1,180,702	768,978
Profit / return expensed	38.9	478,395	361,147
Net Profit / return		702,307	407,831
Other income			
Fee and commission income		20,478	20,418
Dividend income		-	-
Foreign exchange loss		(17,781)	(15,800)
Income / (loss) from derivatives		-	-
Loss on sale of securities		(4,296)	(5,270)
Other income		2,249	17,542
Total other income		650	16,890
Total income		702,957	424,721
Other expenses			
Operating expenses		399,837	380,316
Workers' welfare fund		-	-
Other charges		-	3
Total other expenses		399,837	380,319
Profit before provisions		303,120	44,402
Provisions and write offs - net		5,387	22,738
Profit before taxation		297,733	21,664
Taxation		-	-
Profit after taxation		297,733	21,664



ISLAMIC BANKING BUSINESS FOR THE HALF YEAR ENDED JUNE 30, 2022

June 30	0, 2022 (Un-ai	udited)	Decem	ber 31, 2021 (Audited)
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
		(Rupees	s in '000)		

38.1 Due from Financial Institutions Note

Unsecured

38.1.1 Bai Muajjal Receivable from other Financial Institutions 8,993,057 - 8,993,057 7,644,820

8,993,057 8,993,057 7.644.820 7,644,820

38.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited and carries profit rate of 13.50% to 14.00% per annum (December 31, 2021: 8.50% to 9.50% per annum).

38.2 Investments

		June 30, 2022	(Un-audited)			December 31,	2021 (Audite	d)
Investments by segments:	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
				(Rupee:	s in '000)			
Federal Government Securities: - GOP Ijarah Sukuks	8,496,091	-	(61,641)	8,434,450	8,495,528	-	(58,978)	8,436,550
Non Government Debt Securities - Listed	2,500,000	-	(40,955)	2,459,045	2,500,000	-	(94,825)	2,405,175
Total Investments	10,996,091	-	(102,596)	10,893,495	10,995,528	-	(153,803)	10,841,725

38.3	Islamic financing and related assets	

	2022	202 I
Note	(Rupees in	'000)

700,000

840,878

(Un-audited) (Audited) June 30, December 31,

7,644,820

		2022	2021
Islamic financing and related assets	Note	(Rupees i	in '000)
ljarah		346,115	284,662
Murabaha		- 1	762
Running Musharakah		166,708	539.651
Diminishing Musharakah		2,158,486	2,281,155
Tijarah		699,998	699,998
Advance against Ijarah		50,368	22,791
Tijarah Inventory		1,197	2,400
Payment against Document		1,177	32,090
Gross Islamic financing and related assets		3,422,872	3,863,509
Gross Islamic financing and related assets		3,422,072	3,003,307
Less: provision against Islamic financings		(777 (71)	7700 2411
- Specific		(735,421)	(729,361)
- General		(2,850)	(3,523)
		(738,271)	(732,884)
Islamic financing and related assets - net of provision		2,684,601	3,130,625
Due to financial institutions			
Secured			
Acceptances from the SBP under Islamic Export Refinance Scheme		400,000	400,000
Total secured		400,000	400,000
Unsecured			
Overdrawn nostro accounts		- 1	15,878
Musharakah	38.4.1	300,000	425,000
Total unsecured		300,000	440,878
i otal discoured		,	.,

38.4.1 This represents Musharakah acceptance with conventional operations of Summit Bank Limited and carries profit rate of 13.50% per annum (December 31, 2021: 8.50% per annum).

38.4



38.5 Deposits

June 3	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total	
		(Rupee	s in '000)		-	
7,744,083	463,814	8,207,897	6,037,564	445,290	6,482,854	
11,312,876	147,661	11,460,537	11,135,390	98,557	11,233,947	
861,527	170,760	1,032,287	785,378	176,683	962,061	
219,659	-	219,659	164,091	-	164,091	
20,138,145	782,235	20,920,380	18,122,423	720,530	18,842,953	

Current deposits Savings deposits Term deposits Others

Customers

Financial Institutions Current deposits Savings deposits Term deposits

20,429,487	782,390	21,211,877	18,222,690	720,669	18,943,359
291,342	155	291,497	100,267	139	100,406
-	-	-	11,000	-	11,000
280,190	-	280,190	78,882	-	78,882
11,152	155	11,307	10,385	139	10,524
20,100,110	. 02,200	20,720,000	10,122,125	, 20,550	10,012,755
20,138,145	782,235	20,920,380	18.122.423	720,530	18,842,953
219,659	-	219,659	164,091	-	164,091
001,327	1,0,,00	1,032,207	703,370	170,003	702,001

38.5.1 This includes deposits eligible to be covered under insurance arrangements amounting to Rs. 12,756.893 million (December 31, 2021: Rs. 11,054.384 million).

38.6	Islamic Banking Business Unappropriated Profit	(Un-audited) June 30, 2022 (Rupee:	(Audited) December 31, 2021 s in '000)	
	Opening balance	801,294	691,819	
	Add: Islamic Banking profit for the period / year	297,733	106,284	
	Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated profit	1,595	3,191	
	Closing balance	1,100,622	801,294	
38.7	CONTINGENCIES AND COMMITMENTS			
	-Guarantees	3,129,139	1,732,852	
	-Commitments	1,530,262	1,343,728	
	-Other contingent liabilities	-	-	
		4,659,401	3.076,580	
		.,,		
		(Un-ar	n-audited)	
		June 30,	June 30,	
		2022	2021 s in '000)	
38.8	Profit / Return Earned of Financing, Investments and Placement	(Nupees	· III 000)	
	Profit earned on:			
	Financing	142,997	161,428	
	Investments	598,815	221,762	
	Placements	438,536 354	385,484 304	
	Balances with banks	334	304	
		1,180,702	768,978	
38.9	Profit on Deposits and other Dues Expensed			
	Deposits and other accounts	447,238	336,271	
	Due to Financial Institutions	20,844	12,098	
	•			



39. DATE OF AUTHORIZATION OF ISSUE

These consolidated condensed interim financial statements were authorised for issue on August 23, 2022 by the Board of Directors of the Group.

President / Chief Executive Chief Financial Officer Director Director Director



BRANCH NETWORK

CONVENTIONAL BANKING BRANCHES

KARACHI

Abdullah Haroon Road Branch

282/3, Abdullah Haroon Road, Area, Saddar, Karachi Tel: 021-35685269, 35685393,35685940

Fax: 021-35683991

Adamjee Nagar Branch

115-A/Z, Block 7/8, Tipu Sultan Road, Karachi

Tel: 021- 34312984-9 Fax: 021-34312980

Atrium Mall Branch

Shop No. 6 and 21 Ground floor, Plot No. 249, Atrium Mall, Staff Lines, Zaibunnisa Street, Saddar, Karachi

Tel: 021-35641001-7 Fax: 021-35641008

Badar Commercial Branch

Plot No. 41-C, Badar Commercial, Street No. 10, Phase-V Extension, DHA Karachi Tel: 021-35348501-3

Fax: 021-35348504

Bahadur Shah Center Branch

Bahadur Shah Center, Urdu Bazar, Off: M.A. linnah Road, Karachi Tel: 021-32768547, 32768559

Fax: 021-32765083

Bahadurabad Branch

Plot # C-23, Shop # 1&2 Block-3, BMC Commercial Area Bahadurabad, Karachi

Tel: 021-34913447 & 49 Fax: 021-34913453

Barkat-e-Hyderi Branch

Almas Square, Block-G, North Nazimabad, Karachi Tel: 021-36628931, 36706896-7

Fax: 021-36723165

Burns Road Branch

Plot No. 55-A, Survey Sheet A.M., Artillery Maidan Quarters (Burns Road), Karachi. Tel: 021-32215174,75 & 76

Fax: 021-32215289

Clifton Branch

Pearl Heaven Apartments, Khayaban-e-Roomi, Block No-5. Clifton, Karachi

Tel: 021-35823469, 35824171, 35823619

Fax: 021-35821463

Cloth Market Branch

41. Saleh Muhammad Street, Cloth Market, Karachi Tel: 021-32461601-03 & 32461605 Fax: 021-32461608

Com-3, Clifton Branch, Karachi

Show Room No. 12, Com-3, (Opp: Bar B.Q. Tonight), Block 6, Clifton, Karachi. Tel: 021-35148311 - 13 Fax: 021-35148314

Defence Branch

55-C, Phase-II, D.H.A, Opp Toyota Motors, Main Korangi Road, Karachi. Tel: 021-35387809-35396263 - 35312592

Fax: 021-35387810

DHA Phase I Branch

101-C, Commercial Area 'B', Phase-I DHA, Karachi Tel: 021- 35314061, 35314063-67, 35314105 Fax: 021-35314070

DHA Phase IV Branch

Plot # 129, 9th Commercial Street, Phase IV, DHA, Karachi Tel: 021-35313068-70

Fax: 021-35313071

Dhoraji Colony Branch

Plot No. 133, Block No. 7 & 8 Dhoraji Colony, C.P & Berar Co- operative Housing Society, Karachi Tel: 021-34860773-75

Fax: 021-34860772

Ex. Dolmen City Branch

temporary shifted to: Plot No. G-2, Block 2, (Ground Floor), Clifton, Karachi Tel: 021-3572020-22

Fax: 021-3572023

Electronic Market (Abdullah Haroon Road) Branch

Shop No I & 2, Plot # 19, Ghafoor Chambers, Preedy Quarters, Saddar, Karachi Tel: 021-32711614-8 Fax: 021-32716113

Fish Harbour Branch

K - 3, Export Zone, Adjacent Main Auction Hall, Fish Harbour, Karachi PABX: 021-32315383 - 85 Fax: 021-32315386



Garden East Branch

Shop No. 1,2,3,4, 5 & 6, Jumani Centre Plot No. 177-B, Garden

East, Karachi Tel: 021-32243311-13 Fax: 021-32243314

Gulistan-e-Jauhar - Branch I

Plot # 118/A-B, Shop # 02, 03, 04 Ground Floor Rufi Paradise Block-18 Gulistan-e-Jauhar, Karachi

Tel: 021-34621281-4 Fax: 021-34621285

Gulistan-e-Jauhar - Branch 2

Shop No. 5, 6,7 & Office No. D-2, Farhan Centre Block No. 1.

Gulistan-e-Jauhar, Karachi

Tel: 021-34022259, 34613674, 34016488-9

Fax: 021-34022639

Gulshan-e-Igbal - Branch I

Ground Floor, Hasan Center, Block-16, Main University Road, Karachi Tel: 021-34829024-27

Fax: 021-34829024-2

Gulshan-e-Iqbal - Branch 2

B-44, Block 13/A, Main University Road,

Gulshan-e-Iqbal, Karachi

Tel: 021-34987688, 34987739-40

Fax: 021-34987689

Hyderi Branch

D-10 Block-F, North Nazimabad, Hyderi, Karachi.

Tel: 021-36724991-4 Fax: 021-36724972

I. I. Chundrigar Road Branch I - Unitower

Uni Towers, I.I. Chundrigar Road, Karachi.

Tel: 021-32466410-13 Fax: 021-32466500

Jami Commercial, DHA Branch

64 C, Jami Commercial Phase VII, 7th Street, DHA, Karachi Tel: 021-35316200-07

Fax: 021-35316199

Jamshed Quarters Branch

Showroom no. 3 & 4, AB Arcade Plot # 714-6-1 Block A, New M.A. Jinnah Road, Karachi

Tel: 021-34860422-23, 34860425

Fax: 021-34860424

Jodia Bazar - Branch I

A/25/28 Daryalal Street, Jodia Bazar, Karachi

Tel: 021-32500121-5 Fax: 021-32500128

Karachi Stock Exchange Branch

Office No. 52, 52-A, 52-B, (1st Floor) KSE Building, Karachi Tel: 021-32462850, 32462844-9

Fax: 021-32462843

Karimabad Branch

Plot No BS-16, Block I, FB Area, Karimabad, Karachi

Tel: 021-36826646-48 Fax: 021-36826649

Khayaban-e-Shahbaz Branch

Plot No. 21-C Khayaban-e-Shahbaz, Phase VI, DHA, Karachi Tel: 021-35344952, 353444957 & 35344963

Fax: 021-35344942

Khayaban-e-Tanzeem Branch

C 4-C, Tauheed Commercial, Khayaban-e-Tanzeem, Phase-5, DHA, Karachi

Tel: 021-35869147-35810977 & 35871640

Fax: 021-35869342

Korangi Industrial Area Branch

33/1, Sector-15, Korangi Industrial Area, Karachi Tel: 021-35114290, 35121294, 35122231-32 Fax: 021-35114282

Malir Cantt Branch

Army Shopping Complex, Adjacent Tooba Army Store Malir Cantonment, Karachi

Tel: 021-34196142-44

Fax: 021-34196145

M. A. Jinnah Road Branch

Mezzanine & Ground Floor, Plot Survey # 19, Street # R.B.6. Shop # 3, 4, Ram Bagh Quarters 166 M.A. Jinnah Road. Karachi

Tel: 021-32218395, 32218409,32218428

Fax: 021-32218376

Muhammad Ali Society Branch

Plot # 4-C Commercial Area, Muhammad Ali Co-Operative Housing Society, Karachi

Tel: 021-34168036-37

Fax: 021-34186045

Nazimabad (Gol Market) Branch

Plot # 7, Sub Block 'E', in Block # III (III-E-7), Nazimabad (Gole Market), Karachi Tel: 021-36620261-63 & 36620267

Fax: 021-36620264

New Challi Branch

Plot No. 27, Survey No. 27, (New Challi), Altaf Hussain Road, Karachi.

Tel: 021 - 32423999 - 32423737

Fax: 021 - 32422051



North Karachi Industrial Area Branch

Plot No. R-14, Gabol Town, North Karachi Industrial Area, Karachi Tel: 021-32015919, 36995925 & 36963445 Fax: 071-36975919

PAF-Base Faisal Branch

Camp-2, Faisal Arcade, PF-I, Market PAF-Base Faisal, Karachi PABX: 021-34601360-62 Fax: 021-34601363

Paper Market Branch

Al-Abbas Centre, Paper Market, Shahrah-e-Liaquat, Karachi

Tel: 021-32639671-2 & 32634135

Fax: 021-32639670

Plaza Quarters Branch

Al-Shafi Building Noman Street, Off: M.A. Jinnah Road, Karachi Tel: 021-32771515-16-18 Fax: 021-32771517

Ranchore Line Branch

R.C. 11, Old Survey # E-7/143, Ranchore Line, New Lakhpati Hotel, Karachi Tel: 021-32767234-36 Fax: 021-32767460

Rizvia Society Branch

B-12, Rizvia Cooperative Society, Nazimabad, Karachi Tel: 021-36600956-57 Fax: 021-36600958

Sea View, Clifton Branch, Karachi

Plot No. G - 2, Block 2, (Ground Floor), Clifton, Karachi. Tel: 021 - 3572020 -22

Fax: 021 - 3572023

S.I.T.E. Branch

B/9-B/3, Near Metro Chowrangi, S.I.T.E., Area, Karachi Tel: 021-32586801-4, 32587166-8

Fax: 021-32586806

Saeedabad Branch

Plot # 1004/1 & 1004-A/1 (5G/102-A & 5G/012-A/2), Saeedabad, Baldia, Mahajir Camp, Karachi Tel: 021-32815092-94

Fax: 021-32815095

Shahrah-e-Faisal Branch

Business Avenue Block-6, P.E.C.H.S., Karachi Tel: 021-34386417-18 & 34374476 Fax: 021-34531819

Shershah Branch

Plot # D-175, Industrial Trading Estate Area, Trans Lyari Qrtrs, Shershah, Karachi Tel: 021-32588191-93 Fax: 021-32588195

Soldier Bazar Branch

Shop # 4, 5 & 6, Plot No 14, Survey # 13-B-2, Soldier Bazar Quarters, Karachi Tel: 021-32231559-60

Fax: 021-32231556

Steel Market Branch

Ground Floor, Shop # G-13, 14, 32, 33 Steel Market, Ranchore lines Quarters, Karachi Tel: 021-32763001- 07

Fax: 021-32763009

Tariq Road Branch

C-51, Central Commercial Area, Near Pizza Max Tariq Road, P.E.C.H.S., Karachi Tel: 021-34556486, 34556682 Fax: 021-34555478

Timber Market Branch

Siddique Wahab Road, Karachi Tel: 021-32732729, 32766995 Fax: 021-32733214

Water Pump Branch

Lateef Square, Block-16, Federal 'B' Area, Main Water Pump Market, Karachi Tel: 021-36321387, 36314817 Fax: 021-36314848

LAHORE

Allama Iqbal Town Branch

56/12, Karim Block, Allama Iqbal Town, Lahore Tel: 042-35434160-61, 35434163 Fax: 042-35434164

Azam Cloth Market Branch

285-286, Punjab Block, Azam Cloth Market, Lahore Tel: 042-37661686, 37660341 & 37660298 Fax: 042-37661863

Badami Bagh Branch

25 - Peco Road Badami Bagh Lahore Tel: 042-37724583, 37720382, 37705036 Fax: 042-37730867

Bahria Town Branch

Plot No. 31 - B, Sector 'C', Bahria Town, Lahore Tel: 042 - 37862380 - 82 Fax: 042-37862379



Bedian Road Branch

Plot No. 3025/20925, Opposite Askari II, Main Gate, Main Bedian Road, Lahore Cantt. Tel: 042-37165300-03

Fax: 042-37165304

Circular Road Branch

Babar Centre, 51, Circular Road, Lahore

Tel: 042-37379371 - 75 Fax: 042-37379370

Darogawala Branch

Near Shalimar garden G.T.Road Darogawala Lahore Tel: 042-36520681-83

Fax: 042-36520684

DHA G Block Branch

Plot # 13 G, Commercial Zone DHA, Phase-I, Lahore Cantt.

Tel: 042-35691173-78 Fax: 042-35691171

DHA Phase - VI Branch

Property No 16-MB, Block MB, Phase VI DHA Lahore

Tel: 042 -37189650 -52 Fax: 042-37189653

DHA Y Block Branch

163, Block Y, Phase III, DHA Lahore Cantt Tel: 042-35692531-36

Fax: 042-35692690

Egerton Road Branch

27-Ajmal House, Egerton Road, Lahore Tel: 042-36364522, 36364532

Fax: 042-36364542

Empress Road Branch

Plot #. 29, Empress Road, Lahore Tel: 042-36300670-3 Fax: 042-36310362

Faisal Town Branch 853/D, Akbar Chowk, Faisal Town, Lahore Tel: 042-35204101-3

Fax: 042-35204104

Ferozepur Road Branch

Siza Farmer Factory, Sufiabad, Lahore Tel: 042- 35401751-3, 35401754

Fax: 042-35800094

Gulberg Branch

Plot 61, Main Gulberg, Lahore Tel: 042-35870832-3, 35870975-6

Fax: 042-35870834

Ichra More Branch

House # 146, Muhallah Ferozpur Road, Ichra More, Lahore Tel: 042-37572090-93 - 042-37426301 Fax: 042-37572089

Johar Town Branch

Plot # 85, Block G/I, M.A Johar Town-Lahore Tel: 042-35291172-74

Fax: 042-35171047

Kashmir Block, Allama Iqbal Town Branch

Plot # I, Kashmir Block, Allama Iqbal Town

Scheme, Lahore Tel: 042-37809021-24

Fax: 042-37809026

Lahore - Cantt Branch

Day building 1482/A, Abdul Rehman Road, Lahore Cantt

Tel: 042- 36603061-63 Fax: 042-36603065

Lahore Stock Exchange Branch

Office No. 1, Lower Ground floor # 1, Lahore Stock Exchange Plaza, Plot No. 19, Khasra No. 1047, 19, Khayaban e Aiwan e Iqbal, Lahore Tel: 042-36280853 - 56

Fax: 042-36280851

Liberty Market Branch

Shop No.02 & 03, Ground floor, Diamond Tower, 28 Commercial Zone, Liberty Market, Gulberg III, Lahore Tel: 042-35717273, 35763308

Fax: 042-35763310

Mall Road Branch

56, Ground Floor, Sh-e-Quaid-e-Azam (The Mall), Lahore Tel: 042-36284801-3 Fax: 042-36284805

Model Town Branch

14-15, Central Commercial Market, Model Town, Lahore Tel: 042-35915540-42 & 35915548 Fax: 042-35915549

New Garden Town Branch

19-A, Ali Block, New Garden Town, Lahore Tel: 042-35911361-4 Fax: 042-35911365

Shah Alam Gate Branch

12-A, Shah Alam Gate, Lahore Tel: 042-37666854 - 57 Fax: 042-37663488



Urdu Bazar Branch

S - 38-R, Urdu Bazar Chowk - 205, Circular Road, Lahore Tel: 042-37116001-3

Fax: 042-37116004

Wahdat Road Branch

Mauza Ichra, Wahdat Road, Lahore Tel: 042-37503001-3

Fax: 042-37503004

Z Block DHA Branch

323-Z, DHA, Phase-3, Lahore

Tel: 042-35693112-5 Fax: 042-35693117

ISLAMABAD

Bahria Town Branch

Plot # 3-4, Express Way, Sufiyan Plaza, Phase VII, Bahria Town, Islamabad

Tel: 051-5707360 - 63-65

Fax: 051-5707358

Barah Koh Branch

Murree Road, Tehsil / District,

Islamabad

Tel: 051-2321712-13 Fax: 051-2321714

Blue Area Branch

20 - Al- Asghar Plaza, Blue Area,

Islamabad

Tel: 051-2823204, 2872913

Fax: 051-2274276

F-10 Markaz Branch

Plot No. 08, Maroof Hospital, F-10 Markaz, Islamabad

Tel: 051-2222860-62 Fax: 051-2222863

F-II Markaz Branch

Plot # 29, Select Center, F-II

Markaz, Islamabad Tel: 051-2228027-28

Fax: 051-2228365

G-II Markaz Branch

Shop #. 25-34, Plot # 23, Sajid Sharif plaza, G-II Markaz, Islamabad

Tel: 051-2220973-6

Fax: 051-2220977

I-9 Markaz Branch

Plot # 3/L, Shops Nos. 6, 7, 13, & 14, I-9,

Markaz, Islamabad Tel: 051-4449832-35

Fax: 051-4449836

Stock Exchange Branch

Plot # 109, East F-7/G-7, Jinnah Avenue,

Blue Area, Islamabad Tel: 051-2806281-83

Fax: 051-2806284

Super Market Branch

Shop No. 9, Block - C, F-6 Markaz, Islamabad. Tel: 051-2279168-170 & 051-2824533-34

Fax: 051-2279166

RAWALPINDI

Raja Bazar Branch

Raja Bazar, Rawalpindi

Tel: 051-5553504, 5557244 & 5777707 - 5534173-5557244

Fax: 051-5559544

Shamsabad Muree Road Branch

DD/29, Shamsabad Murree Road, Ojri Kalan, Rawalpindi

Tel: 051-4854400, 4854401-03

Fax: 051-4854404

The Mall Road Branch, Rawalpindi

Shop No. 31-A/4, The Mall Road, Opp: State Life Bldg., Saddar,

Rawalpindi Cantt.

Tel: 051-5564123, 051-5120777-80

Fax: 051-5528148

FAISALABAD

Iail Road Branch

House No. P-62, opposite Punjab Medical College, lail Road, Faisalabad

Tel: 041-8813541-43

Fax: 041-8813544

Kotwali Road Branch

P-12. Kotwali Road, Faisalahad

Tel: 041-2412151-53

Fax: 041-2412154

Liaquat Road Branch

Liaquat Road, Chak # 212, Faisalabad

Tel: 041-2541257-59

Fax: 041-2541255

Satiana Road Branch

679-DGM, Batala Colony, Satiana Road, Faisalabad

Tel: 041 - 8500569 - 71

Fax: 041 - 8500568

Susan Road Branch

Chak No. 213/RB Susan Road, Faisalabad

Tel: 041-8502367-69

Fax: 041-8502371



MULTAN

Abdali Road Branch

Plot No. 66-A & 66-B/9, Abdali Road, Multan Tel: 061-4588171, 4588172 & 4588175-78 Fax: 061-4516762

Hussain Agahi Road Branch

2576, Hussain Agahi Road, Multan Tel: 061-4548083, 4583268, 4583168 & 4584815 Fax: 061-4543794

Oadafi Chowk Branch

Plot # 43, Block T, New Multan Road, Qadafi Chowk-Multan Tel: 061-6770882-84 Fax: 061-6770889

Vehari Road Branch

Plot # 2227-A, Chowk Shah Abbas, Vehari Road, Multan Tel: 061-6241015-17 Fax: 061-6241014

SUKKUR

Marich Bazar Branch

B – 885, Marich Bazar, Sukkur Tel: 071-5627781-2 Fax: 071-5627755

Shikarpur Road Branch

Shop # D-195, Ward D, Near A Section Police Station Shikarpur Road, Sukkur Tel: 071-5617142-44 Fax: 071-5617145

Workshop Road Branch

City Survey # 3403/2/1 and C.S # 3403/2M/6, Ward-B Tooba Tower Workshop Road, Sukkur Tel: 071-5616663, 5616664, 5616582 Fax: 071-5616584

GUJRANWALA

GT Road Branch

B/II-S7/103, G. T. Road, Gujranwala Tel: 055-3842751-3842729 Fax: 055-3842890

Gujranwala Branch

G.T. Rd., Opp. General Bus Stand, Gujranwala Tel: 055-3820401-3 Fax: 055-3820404

Wapda Town Branch

Plot # B - III, MM - 53, Hamza Centre, Wapda Town, Gujranwala Tel: 055-4800204-06 Fax: 055-4800203

GUJRAT

GT Road Branch

Small Estate, G. T. Road, Gujrat Tel: 053-3534208, 3533949 & 3534208 Fax: 053-3533934

Gujrat Branch

Main GT Road Tehsil & Distt., Gujrat Tel: 053-3517051-54 Fax: 053-3516756

Katchery Chowk Branch

Shop #. 1263 & 1270 B-II, Katchery Chowk, Opp. Zahoor Elahi Satadium, Near New Narala Bakers, Gujrat Tel: 053-3601021-24 Fax: 053-3601025

PESHAWAR

Deans Trade Center Branch

Deans Trade Centre, Islamia Road, Peshawar Tel: 091-5253081 -3 & 5 Fax: 091-5253080

Fruit Market Branch

Near Fruit Market, G.T. Road, Peshawar Tel: 091-2260373-4 Fax: 091-2260375

Hayatabad Branch

Shop# I, Hayatabad Mall, Baghee-Naran Road, Phase II, Sector J-I Hayatabad Peshawar. Tel: 091-5822923-25 Fax: 091-5822926

Main University Road Branch

Tehkal Payan, Main University Road-Peshawar Tel: 091-5850540-41 & 5850548-9 Fax: 091-5850546

Milad Chowk Branch

Milad Chowk, New Gate, Peshawar City Tel: 091-2550477, 2550466, 2217131 Fax: 091-2550488

OUETTA

Fatima Jinnah Road Branch

Plot No. Khasra No.134 & 138, Ward No. 19, Urban # 1, Fatima Jinnah Road, Quetta Tel: 081-2301094-95 Fax: 081-2301096



Liaquat Bazar Branch

Ainuddin Street, Quetta Tel: 081-2837300-1 Fax: 081-2837302

M. A. Jinnah Road Branch

Ground Floor, Malik Plaza, Near Adara-e-Saqafat, M.A. Jinnah Road, Quetta. Tel: 081-2865590-95 Fax: 081-2865587

Regal Chowk Branch

Regal Chowk, Jinnah Road, Quetta Tel: 081-2837028-29 Fax: 081-2825065

ABBOTTABAD

Abbottabad Branch

Sitara Market, Mansehra Road, Abbottabad Tel: 0992- 385931-34 Fax: 0992-385935

ATTOCK

Hassan Abdal Branch

Survey No. 1269/1624, Khasra No. 1935, G. T. Road, Hassan Abdal, District Attock Tel: 057-2520328-331 & 2520320-321 274 ANNUAL REPORT 2019

Fateh Jang Branch

Main Rawalpindi Road, Fateh Jang Distt Attock Tel: 057-2210321-23 Fax: 057-2210324

AZAD KASHMIR

Dadyal Branch

Choudhary Centre, Ara Jattan, Dadyal, Azad Kashmir Tel: 05827-463475

Fax: 05827-465316

Mirpur Azad Kashmir - Branch I

NS Tower 119 F/I, Kotli Road Mirpur, Azad Kashmir Tel: 05827- 437193-97 Fax: 05827-437192

Mirpur Azad Kashmir Branch II

Ghazi Archade, 6-B/3, Part II, Allama Iqbal Road, Mirpur, Azad Kashmir

Tel: 05827-446405, 446407-9 Fax: 05827-446406

Muzzafarabad Branch

Sangam Hotel, Muzzafarabad - Azad Jammu Kashmir (AJK)

Tel: 05822-924203-5 Fax: 05822-924206

Shaheed Chowk Branch

Deen Plaza, Shaheed Chowk, Kotli, Azad Kashmir Tel: 05826-448453-54 Fax: 05826-448455

CHAK GHANIAN

Chak Ghanian Branch

Plot No. 547-548, Iqbal Mandi, G. T. Road, Sarai Alamgir. Tel: 0544-654402-03, 655155

Fax: 0544-654401

CHAKWAL

Chakwal Branch

Al- Noor Plaza Sabzi Mandi, Talagang Road, Chakwal Tel: 0543-554796, 540650-51 Fax: 0543-554797

Dalwal Branch

Village & Post Office Dalwal, Tehsil Choha, Saidan Shah, Distt Chakwal Tel: 0543-582834 Fax: 0543-582842

CHAMMAN

Chamman Branch

Khashra No. 1323 & 2324 Abdali Bazar, Dola Ram Road, Tehsil Chaman, District Qila Abdullah, Baluchistan Tel: 0826-618137-39 Fax: 0826-618143

DADU

Dadu Branch

CS No. 1036/2, Ward 'B', Station Road, Dadu, Sindh Tel: 0254-711471-3 Fax: 0254-711474

DINA

Dina Branch

Mian G.T. Road Dina Tel: 0544-634471 -3 Fax: 0544-636675

GAWADAR

Gawadar Branch

Plot Askani Hotel, Mullah Faazul Chowk, Gawadar Tel: 0864-212144- 212146

Fax: 0864-212147



GHOTKI

Ghotki Branch

CS # 395 & 407, Muhallah Machhi Bazar, Opp: Sarkari Bagh, Ghotki, Sindh

Tel: 0723-681571 - 73 Fax: 0723-681574

GILGIT

Gilgit Branch

Khasra # 1103, 1112, 1113, Haji Ghulam Hussain Building Raja Bazar Gilgit

Tel: 05811-457366-68 Fax: 05811-457369

GUJAR KHAN

Gujar Khan Branch

Plot # 58-D, 59-C, Sector/Block Area Development, Scheme # I, Akbar Kayani Plaza, G. T, Road, Gujjar Khan

Tel: 051-3516431-4 & 3516436

Fax: 051-3516435

HARIPUR

Haripur Branch

Ground Floor, Akbar Arcade, Main G.T. Road, Haripur Tel: 0995- 610832 - 34

Fax: 0995-610829

HAZRO

Hazro Branch

Plot # B -386, 386-A, Dawood Centre, Bank Square, Ziaul Haq Road, Hazro

Tel: 057-2313283 - 85 Fax: 057-2313286

HYDERABAD

Bohri Bazar Hyderabad Branch

41/364, Saddar, Bohri Bazar-Hyderabad Tel: 022-2730911-14

Fax: 022-2730910

Latifabad No. 7 Branch

Latifabad # 7, 5/D Unit # 7, Hyderabad Tel: 022-3810524 & 3810525

Fax: 022-3810515

Market Chowk Branch

Shop CS # A/2772/2, Ward -A, Market Road, Hyderabad Tel: 022-2638451-54

Fax: 022-2638450

Qasimabad Branch

Shop No. 23, 24 & 25, Rani Arcade, Qasiamabad, Hyderabad Tel: 022-2650742-43 & 2652204-5 Fax: 022-2650745

JACOBABAD

Jacobabad Branch

C.S. No. 480, Ward # 5, Town, Jacobabad - Sindh Tel: 0722-650071 - 73 Fax: 0722-650074

JEHLUM

Ihelum Branch

Property # I Survey # 222 (Part)
Dada Bhai Building, Kazim Kamal Road, Jhelum Cantt.
Tel: 0544-720216 - 18
Fax: 0544-720219

KAMBAR

Shahdad Kot Branch

C.S. No. 1048, 1051, 1052, 1054, Ward 'B', Taluqa Shahdad Kot, District Kambar, Sindh Tel: 074-4014461-63

Fax: 074-4014461-6

KAMOKE

Kamoke - GT Road Branch

Madni Trade Centre, G.T Road, Kamoke Tel: 055- 6815175-76 Fax: 055-6815184

KANDH KOT

Kandh Kot Branch

Registry # 505 & 520, Mukhi Muhallah, Adjacent: Press Club, Kandh Kot, Sindh Tel: 0722-572604 - 6 & 0722-675607 Fax: 0722-572607

KASUR

Kasur Branch

Near Pul Qatal Gahri, Kutchery Road, Kasur. Tel: 049-2721993 Fax: 049-2721994

KHAIRPUR

Pacca Chang Branch

CS No. 418/1-08, Deh. Pacca Chang, Taluqa Faiz Ganj, District Khairpur, Sindh Tel: 0243-557403-5

Fax: 0243-557406



KOT ADDU

Kot Addu Branch

Property # 43, RH, 48/A-49-50, Ward B-III, Kot Addu District, Muzaffar Garh

Tel: 066-2240206-07 Fax: 066-2240208

LALAMUSA

Lalamusa Branch

G. T. Road, Lalamusa Tel: 0537 -515694,515699, 515697,519977

Fax: 0537-515685

LARKANA

Larkana Branch

C.S. No. 1808, Pakistan Chowk, Larkana, Sindh Tel: 074-4053608-10

Fax: 074-4053611

MANDI BAHAUDDIN

Mandi Bahauddin Branch

Khasra # 143/112, Chak #51, Bank Road, Off Railway Road, Ghalla Mandi, Mandi Bahauddin

Tel: 0546-600901, 600903-4-5

Fax: 0546-600902

MANSEHRA

Mansehra Branch

Al- Hadeed Corporation Market Shahrah Resham, Mansehra Tel: 0997-303186, 303180

Fax: 0997-303135

MARDAN

The Mall Branch

Plot No. 337, 337-A, The Mall, Mardan. Tel: 0937-865344-45

Fax: 0937-865342

MIRPURKHAS

Khipro Bus Stand Branch

Plot No. 92-93, Samanabad, Khipro District, Ghumanabad Chowk, Khipro Bus Stand - Mirpurkhas Tel: 0233-876384 & 874518

Fax: 0233-875925

Umer Kot Road Branch

Plot No: 988 to 991 Umerkot Gharibabad. Mirpur Khas

Tel: 0233-875113-7 Fax: 0233-875118

MURIDKE

Muridke Branch

774, G.T. Road Muridke Tel: 042-37950456,37994711-12

Fax: 042-37994713

NAROWAL

Katchery Road Branch

Katchery Road, Narowal Tel: 0542-414105-7 Fax: 0542-414089

NAWABSHAH

Nawabshah Branch

Survey No. 77, Masjid Road, Nawabshah, Sindh Tel: 0244 - 372042 - 44 Fax: 0244-372045

IAMSHORO

Nooriabad Branch

Ground Floor, SITE Office Building Nooriabad, Dist Jamshoro, Sindh

Tel: 025-4670433-8 Fax: 025-4670434

OKARA

M.A. Jinnah Road, Okara Branch

Ghulam Mustafa Centre, Tel: 044-2528755, 2525355 Fax: 044-2525356

RABWAH

Rabwah Branch

Plot No-9-10, Block-14, Darul Sadar, Gol Bazar, (Chenab Nagar) Rabwah Tel: 047-6213795-97 & 6213792

Fax: 047-621 3797

RAHIM YAR KHAN

Rahim Yar Khan Branch

31/34 Shahi Road, Rahimyar Khan Tel: 068-5877821-5883876

Fax: 068-5876776

SADIQABAD

Sadigabad Branch

Mozzah Khuda Bux Dehar, Macchi Goth, KLP Road, Sadigabad Tel: 068- 5951303 & 5951301-2

Fax: 068-5951300



SAHIWAL

High Street Branch

558/8-1, Navid, Plaza, High Street Sahiwal. Tel: 040-4229247, 4221615,4229247 Fax: 040-4460960

SARGODHA

Sargodha Branch

Prince Cinema Market Railway Road, Sargodha

Tel: 048-3768113-5 Fax: 048-3768116

Satellite Town Branch

Satellite Town, Ground Floor, Afzal Towers, Plot # 302-A, Main Satellite Town, Sargodha.

Tel: 048-3221025-28 Fax: 048-3221029

SHIKARPUR

Shikarpur Branch

C.S. No.52/33/1, Ward 'B', Lakhi Gate, Shikarpur , Sindh

Tel: 0726-522057-59 Fax: 0726-522060

SIALKOT

Kashmir Road Branch

Address: Block 'A', ZHC, Kashmir Road, Sialkot

Tel: 052-3573304-7 Fax: 052-3573310

Paris Road Branch

BI, 16S, 7I/A/I, Paris Road, Sialkot

Tel: 052-4602712-17 Fax: 052-4598849

Small Industrial Area Branch

Plot No. 32 / A, S.I.E - I, Small Industrial Estate, UGOKE Road, Sialkot

Tel: 052-3242690 - 92 Fax: 052-3242695

SWABI

Swabi Branch

Property bearing No. 3361, Main Mardan Road, Swabi

Tel: 0938-222968 - 69 Fax: 0938-221572

TANDO ALLAH YAR

Tando Allah Yar Branch

C-1, Survey # 274, Main Road, Tando Allah Yar - Sindh Tel: 022-2763181-83

Fax: 022-2763184

TURBAT

Main Bazar Branch

Main Bazar, Turbat Tel: 0852-413874 & 411606

Fax: 0852-414048

WAH CANTT

Wah Cantt Branch

Plot No. 17/37, Civic Center, Aslam Market, Wah Cantt

Tel: 051-4902238-39 & 4902241

Fax: 051-490224



ISLAMIC BANKING BRANCHES

KARACHI

Fish Harbour Branch

Plot No. L - 2, Block L Fish Harbour, Dockyard Road, West Wharf, Karachi PABX: 021-32312166-68 Fax: 021-32312165

I. I. Chundrigar Road Branch II

5-Business & Finance Centre, Opposite State Bank of Pakistan, Karachi.

Tel: 021-32438212. 32472176. 32471796

Fax: 021-32438218

IBL Building Centre Shahrah-e-Faisal Branch

Ground Floor IBL Building Center at Plot No. I, Block 7 & 8, D.M.C.H.S, Shahrah-e-Faisal, Karachi Tel: 021-32368002-4

Fax #. 021 - 32368005

Super Highway Branch

Shop No. 29 & 30, Plot # I-B/3, Sub Sector I-A, Scheme No. 33, main Super Highway, Karachi. Tel: 021 - 36830161-3

Fax: 021-36830162

Zamzama Branch

Shop No. 3, 4, 5, 6 & 7, Plot No. 16-C, 2nd Zamzama Commercial Lane DHA - Karachi Tel: 021 - 35373135-7

Fax: 021 - 35373138

LAHORE

PIA Society Islamic Banking Branch

Plot # 40, Block-D, Main Boulevard PIA Society, Opp Wapda Town Roundabout, Lahore Tel: 042-35189957 - 59

Fax: 042-35210895

HUB

Hub Branch

Shop No. 12 - 14, Khasra No. 106/4, Int. Shopping Mall Hotel, Mouza Berot, Tehsil Hub, Lasbella, Baluchistan Tel: 0853 - 363056 - 058

Fax: 0853 – 363050

CHILAS

Chilas Branch

Khasra No. 02, Bazar Area, Chillas, District Baltistan Tel: 05812 - 450702-3 Fax: 05812-450704

SKARDU

Skardu Branch

Khasra No. 1265/39, Yadgar Chowk, Tehsil Skardu, District Baltistan Tel: 05815 - 456693-94 Fax: 05815-456696

ISLAMABAD

DHA Phase-2 Branch

Plot No. 7, Street SSZBS Al Nahayaan, Sector-A, DHA Phase-2, Near Al Ghurair, Main Boulevard, Islamabad Tel: 051-4918314-16 Fax: 051-4918317

Naval Anchorage Branch

Plot # 19, Commercial No. 2, Naval Officers' Housing Scheme Anchorage, Islamabad Tel: 051 - 5159126 - 28 Fax: 051 - 5159129

CHITRAL

Chitral Branch

Attalique Bazar, Bank Square, Opp: NBP Building, Chitral Tel: 0943 - 412536-37 Fax: 0943 - 414352

HYDERBAD

DHA Plaza Branch

Shop No. 1 & 2, Block C, Defence Plaza, Thandi Sarak, Hyderabad Tel: 022- 2108474, 2108478 Fax # 022-210847

RAWALPINDI

Bahria Town Branch Phase-IV

Plot # I, Bahria Town, Civic Centre, Phase IV, Rawalpindi Tel: 051-5733945-46 Fax: 051-5733967





Plot No. G-2, Block 2, Clifton, Karachi. UAN: 021-1111-24365, Toll Free: 0800-24365 www.summitbank.com.pk | info@summitbank.com.pk