

Report for the half year ended June 30, 2023



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### **Corporate Information**

Board Of Directors Mr. Waqar Ahmed Malik - Chairman

Mr. Sarfaraz Ahmed Rehman

Mr. Arif Ur Rehman Dr. Nadeem Inayat Syed Bakhtiyar Kazmi Mr. Manzoor Ahmed Mr. Kamran Yousuf Mirza Ms. Zoya Mohsin Nathani Ms. Samina Rizwan Raja Muhammad Abbas

Mr. Atif R. Bokhari - President & Chief Executive

Board Audit Committee Mr. Kamran Yousuf Mirza - Chairman

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

Shariah Board Mufti Muhammad Zahid - Chairman

Mufti Zakir Hassan Naumani - Member

Dr. Lutfullah Saqib - Member

Dr. Muhammad Tahir Mansoori - Resident Shariah Board Member

Auditors KPMG Taseer Hadi & Co.

**Chartered Accountants** 

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

Company Secretary Syed Ali Safdar Naqvi

Registered Office AWT Plaza, The Mall, P. O. Box No. 1084

Rawalpindi - 46000, Pakistan

Tel: (92 51) 8092624, UAN: (92 51) 111 000 787

Fax: (92 51) 2857448 Email: ir@askaribank.com.pk

Registrar & Share Transfer Office CDC Share Registrar Services Limited (CDCSRSL)

Mezzanine Floor, South Tower, LSE Plaza 19-Khayaban-e-Aiwan-e-Iqbal, Lahore Tel: Customer Support Services (Toll Free) 0800-CDCPL (23275)

Tel: (92 42) 36362061-66 Fax: (92 42) 36300072 Email: info@cdcsrsl.com Website: www.cdcsrsl.com

Entity Ratings Long Term: AA+

Short Term: A1+ By PACRA

Website www.askaribank.com

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### **DIRECTORS' REVIEW**

### **Dear Shareholders**

The Directors present the unaudited condensed interim unconsolidated financial statements for the quarter and half year ended June 30, 2023.

At the outset, we would like to inform that consequent upon election of directors held in March 2023, the composition of the Board of Directors has changed. We take this opportunity to place on record our profound appreciation for the valuable services of outgoing directors, Mr. Aftab Mansoor and Mr. Mushtaq Malik. We further extend a warm welcome to incoming directors, Mr. Kamran Yousuf Mirza and Ms. Samina Rizwan and look forward to their wise council on the Board of Directors.

## **Economy**:

Pakistan's economy continued to face strong headwinds amidst soaring inflation, supply chain imbalances, reserve position and political uncertainty. The severe impacts of last year's floods, commodity price shock from Ukraine-Russia tensions and tough management of financing requirements; both external and domestic, exacerbated economic challenges and impeded recovery.

CPI inflation was recorded at 29.2 percent for the fiscal year 2023 compared to 12.2 percent for the last fiscal, though recent data reflects moderate trend as month-on-month CPI showed a decline of 0.3 percent for June 2023. Current account deficit narrowed to USD 2.6 billion for fiscal 2023 from USD 17.5 billion last year mainly due to contraction in imports and was sufficient to offset the decline in exports and remittances. For the month of June 2023, current account is showing a surplus of USD 334 million. The nine-month Stand-By Arrangement (SBA) with the IMF has been the key stabilization measure for the current period as it largely addressed the near-term external sector's stability concerns. The receipt of first tranche under the SBA and additional funds in bilateral support have increased SBP's foreign exchange reserves to USD 8.2 billion in July 2023 thus reducing economic uncertainty. On the domestic front, growth in private sector credit declined substantially due to cumulative impact of monetary tightening and slowdown in economic activity across major sectors as growth in money supply was driven by increased public sector borrowing.

Looking ahead, inflation is estimated to generally maintain a downward trajectory due to favorable outlook for commodity prices and positive base effect, despite the rise in electricity tariffs, fuel price and changes in duties on consumer items and raw materials. The economic growth is projected in the range of 2.0 to 3.0 percent for fiscal 2024. A higher and sustainable economic

growth will require prudent and effective economic decisions and policies, political and economic certainty along with sufficient foreign exchange financing. The recent IMF SBA coupled with bilateral and multilateral inflows are expected to pave the way to further improve the macroeconomic environment and investor confidence.

## Financial Performance:

The financial results of Askari Bank for the for the half year ended June 30, 2023. are summarized as under:

	(Rupees in million)		
	Six months Ende		
	June 30,	June 30,	
	2023	2022	
Net mark-up and non fund income	31,584	22,827	
Administrative and other expenses	(13,961)	(10,566)	
Operating profit	17,623	12,261	
Provisions reversals - net	(617)	(110)	
Profit before taxation	17,006	12,151	
Taxation	(8,168)	(5,841)	
Profit after taxation	8,838	6,310	
		Re-stated	
Basic earning per share - Rupees	6.10	4.35	

The Bank's profit before tax for the six months increased by 40 percent year on year (yoy) and is reported at Rs 17.0 billion compared to Rs. 12.2 billion last year. Profit after taxation increased to Rs.8.84 billion, also showing an increase of 40 percent yoy after incorporating the impact of additional super tax as announced in the federal budget 2023-24. The earnings per share at Rs 5.94 for the current period compares with restated EPS of Rs 4.35 last year.

Net aggregate revenues increased by 38 percent to Rs 31.6 billion as net mark-up income increased to Rs.24.8 billion, a 44 percent yoy growth enabled by volumetric increase in earning assets, effective duration management and improving spreads. Non-markup income increased by 21 percent mainly driven by fee and commission incomes that posted a growth of 33 percent yoy. Major contributions were recorded in card income (debit and credit card combined) on account of higher spend on e-commerce and point-of-sale transaction. Income on trade, guarantees and credit also increased by 42 percent yoy. Non-mark-up expenses increased by 33 percent reflecting the effects of inflation, Rupee devaluation and additional cost of 42 new branches added to the nation-wide network. The Bank continues to maintain a check on growth of administrative expenses and managing costs prudently while investing in technologies and infrastructure to support revenue streams. The Bank's cost to income ratio improved to 44 percent for the current six months compared to 46 percent for the same period last year.

Customer deposits are reported at Rs 1.27 trillion; current and saving accounts constituted 81 percent of the total deposit as at June 30, 2023 while current to total deposit ratio improved to 32 as on that date. Gross advances stood at Rs 654 billion, an increase of 6.4 percent during the half year. Non-performing loans registered a slight increase of 1.5 percent while provision coverage ratio remained unchanged at 99.9 percent.

The Bank's entity rating was reaffirmed at 'AA+' (Double A Plus) for the long-term by Pakistan Credit Rating Agency Limited (PACRA), with outlook assigned as 'Stable'. The Bank's strong brand and affiliation with Fauji Foundation are recognized as the key rating drivers, supported by Bank's experienced management team, prudent risk management policies, and deep-rooted relationship with clients. Lately, retention of profits in the bank to bolster the capital structure is also a testimonial of support. The short-term rating was maintained at 'A1+' (A One Plus).

During the half year, the Bank's wholly owned subsidiary, Askari Securities Limited was amalgamated with Foundation Securities Limited (FSL) pursuant to the scheme of amalgamation sanctioned by the Honourable Sindh High Court. Earlier, the amalgamation was approved by the State Bank of Pakistan subject to AKBL holding majority equity stake in the merged FSL. Consequently, at June 30, 2023 AKBL held 51 percent equity stake in FSL. The amalgamation has synergized business and operating platform while extending the suite of financial offerings to a larger customer segment.

Given the macroeconomic challenges and the effects of fiscal and monetary developments, Askari Bank will continue to align with changing business dynamics to maintain its position for sustainable growth supported by enhanced governance, compliance, credit and risk management. While supporting trade volumes and increasing penetration in cash management and transactional banking, the Bank remains focused on increasing share in low-cost deposits and is pursuing accelerated digital adoption by improving process efficiencies and turn-around-times for enhanced customer experience. Alongside, branch network will continue to grow, extending outreach to serve a larger customer base with best and innovative banking solutions. Investment in human capital and creating a caring culture, process improvement and automation, remains a key priority. The Bank is making an assessment of business strategies to enhance contributions to priority sectors in support of the economic agenda.

## Acknowledgment:

On behalf of the Board, we would like to place on record our gratitude to our valued customers and shareholders for their continued patronage to the Askari brand; our profound thanks to the State Bank of Pakistan, Securities and Exchange Commission of Pakistan and other regulatory authorities for their guidance and assistance. We would also like to place on record our

appreciation for the efforts of the Sharia Board for Strengthening sharia compliance and governance framework for Askari Ikhlas Islamic Banking. Lastly, we express our deepest appreciation and gratitude to our staff for the hard work and dedication.

-sd-Atif R. Bokhari President & Chief Executive -sd-Waqar Ahmed Malik Chairman, Board of Directors

Rawalpindi August 21, 2023 ششاہی کے دوران، بینک کی ممل ملکیتی ذیلی ممپنی عسکری سیکیو رٹیز لمیٹڈ کوفاؤنڈیشن سیکیو رٹیز لمیٹڈ (FSL) کے ساتھ ضم کیا گیا جس کی منظوری سندھ ہائی کورٹ نے دی تھی۔ قبل ازیں، انضام کی منظوری اسٹیٹ بینک آف پاکستان نے دی تھی جس کے تحت عسکری بینک لمیٹڈ (AKBL) ضم شدہ فاؤنڈیشن سیکیو رٹیز لمیٹڈ میں اکثریتی ایکویٹی صصص رکھتا ہے۔ نتیجاً، 30 جون 2023 کو عسکری بینک لمیٹڈ کے پاس فاؤنڈیشن سیکیو رٹیز لمیٹڈ میں 51 فیصدا یکویٹی صصص تھے۔ انضام نے کاروباراور آپریٹنگ پلیٹ فارم کوہم آہنگ کیا ہے جبکہ مالیاتی پیشکش کو کسٹمرز کے ایک بڑے طبقہ تک بڑھایا ہے۔

معاشی چیلنجز اور مالیاتی پیشرفت کے اثرات کے پیش نظر ، عسکری بینک بہتر قیادت ، عمل داری ، کریڈٹ اور رسک مینجمنٹ کے ذریعے تعاون یافتہ پائیدارتر تی کے لیے اپنی پوزیشن کو برقر اررکھنے کے لیے بدلتی ہوئی کاروباری ضروریات کے ساتھ ہم آ ہنگ رہے گا۔ تجارتی جم کوسپورٹ کرتے ہوئے اور کیش کے انتظام اورٹر انزبیکشنل بینکنگ کی جانب پیش رفت کو بڑھاتے ہوئے ، بینک کم لاگت والے ڈپازٹس میں حصہ بڑھانے پر توجہ مرکوز کیے ہوئے ہے ، استعداد کار کی بہتری اور صارفین کے بہتر تجربے کے لیے مختلف اوقات میں وہ تیزی سے ڈبھیٹل سٹم کو اپنانے کی کوشش کررہا ہے۔ اس کے ساتھ ساتھ بینک اپنا برانچ نیٹ ورک بڑھتار ہے گا ، بینکنگ کے بہترین اور اختر اعلی کو وسیع تر کسٹم بیس کی خدمت کے لیے بڑھا تارہے گا۔ افرادی قوت میں سرمایہ کاری اور ہمدردی کے کلچری تھکیل عمل میں بہتری اور آٹومیشن ، ایک اہم ترجیجے ہے۔ بینک اقتصادی ایجنڈ ہے کی حمایت میں ترجیجی شعبوں میں شراکت کو بڑھانے کے لیے کاروباری حکمت عملیوں کا جائزہ لے رہا ہے۔

## اعترافات:

عسکری برانڈ کی مسلسل سر پرسی کرنے پر بورڈ کی جانب سے ہم اپنے قابل قدر صارفین اور شیئر ہولڈرز کاشکر بیادا کرنا چاہتے ہیں۔ہم اسٹیٹ بینک آف پاکتان،سیکیو رٹیز اینڈ ایجینے کمیشن آف پاکتان اور دیگر کی افغارٹیز کاان کی رہنمائی اور مدد کے لیے تہددل سے شکر بیادا کرتے ہیں۔ہم شریعت کی تعمیل کو مضبوط ہنانے اور عسکری اخلاص اسلامی بینکنگ کے لیے گورننس فریم ورک دینے پرشریعہ بورڈ کی کوششوں کی تعریف کو بھی ریکارڈ پر رکھنا چاہیں گے۔آخر میں ،ہم شخت محنت اور کگن کا مظاہرہ کرنے پراپنے عملے کی بھی تہددل سے تعریف اورشکر میادا کرتے ہیں۔

و ستخط عاطف ریاض بخاری و قاراحمد ملک صدر و چیف ایگزیکٹیو چیئر مین، بورڈ آ ف ڈائر یکٹرز

> راولپنڈی 212اگست2023

30
584
961)
623
617 <u>)</u>
006
168)
338
.10

چے ماہ کے لیے بینک کے ٹیکس سے پہلے کے منافع میں سال بہ سال 40 فیصدا ضافہ ہوا ہے اور یہ بچھلے سال 12.2 ارب کے مقابلہ میں 17.0 ارب روپے رپورٹ کیا گیا ہے۔ ٹیکس لگانے کے بعد منافع بڑھ کر 8.84 بلین روپے ہو گیا ہے جو کہ وفاقی بجٹ برائے سال 24-2023 میں اعلان کر دہ اضافی سپرٹیکس کے اثرات کوشامل کرنے کے بعد سالانہ 40 فیصد کا اضافہ بھی ظاہر کرتا ہے۔موجودہ مدت کے لیے فی شیئر آمدن بچھلے سال کے ربی سٹیڈ 4.35 روپے کے مقابلہ میں بڑھ کر 6.10 روپے فی شیئر ہوگئی ہے۔

خالص مجموعی آمدنی 38 فیصد بڑھ کر 3.16 ارب روپے ہوگئ، خالص مارک اپ آمدنی بڑھ کر 24.8 ارب روپے ہوگئ ہے سالانہ 44 فیصد کا بیاضا فہ آمدنی کے لیے اٹا شہات کا تجم بڑھنے، دورانیہ کا موثر انتظام اور سپریڈ کو بہتر بنانے سے ممکن ہوا ہے۔ نان مارک اپ آمدنی میں 21 فیصد اضافہ ہوا ہے جو بنیادی طور پرفیس اور کمیشن کی آمدنی کی وجہ سے جس میں سالانہ 33 فیصد اضافہ ہوا ہے۔ جس میں اہم اشتراک کارڈ (ڈیبٹ اور کریڈٹ کارڈ دونوں) کی آمدنی کا ہے جو کہ ای کا مرس اور پوائٹ آف سیل ٹرانز یکشن پر زیادہ خرچ کی وجہ سے ریکارڈ کی گئی ہیں۔ تجارت، گارنٹیوں اور قرضوں پر ہونے والی آمدنی میں بھی سالانہ 42 فیصد اضافہ ہوا۔ نان مارک اپ اخراجات میں 33 فیصد اضافہ ہوا جو کے قدر میں کمی اور ملک گیرنیٹ ورک میں شامل 42 گئی برانچوں کی اضافی لاگت کے اثرات کو ظاہر کرتا ہے۔ بینک انتظامی الاگت سے آمدنی کا سیسے موجودہ ہے مہینوں کے لیے بہتر ہوکر 44 فیصد ہوگیا ہے جوگزشتہ سال کی اسی مدت کے لیے 46 فیصد تھا۔

صارفین کے ڈیپازٹس 1.27 ٹریلین روپے بتائے گئے ہیں۔ کرنٹ اور سیونگ اکاؤنٹ 30 جون 2023 تک کل ڈپازٹ کا 81 فیصد تھے جب کہ اس تاریخ تک کرنٹ اکاؤنٹ سے ٹوٹل ڈپازٹ کا تناسب بہتر ہوکر 32 فیصد ہوگیا۔ مجموعی قرضے 654 ارب روپے رہے جو کہ اس ششاہی کے دوران 6.4 فیصد زیادہ ہیں۔ غیر فعال قرضوں میں معمولی اضافہ ریکارڈ کیا گیا جبکہ پروویژن کورج کا تناسب 99.9 فیصد پر برقر اررہا۔

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹٹر (PACRA) کی جانب سے طویل مدت کے لیے بینک کی درجہ بندی ڈبل اے پلس (+AA) پر دوبارہ تصدیق کی گئی جبکہ بینک کی آؤٹ لک کوئمشخکم قرار دیا گیا ہے۔ بینک کا مضبوط برانڈ اور فوجی فاؤنڈیشن کے ساتھ وابسٹگی اس کی بہتر ریٹنگ میں کلیدی کر دارا داکرتا ہے، جسے بینک کی تجربہ کارانظا می ٹیم ، رسک مینجمنٹ کی تبجھدار پالیسیاں اور کلائنٹس کے ساتھ گہر ہے تعلقات کی معاونت حاصل ہے۔ حال ہی میں ، سرمایہ کے انفر اسٹر کچرکو تقویت دینے کے لیے بینک میں منافع کو برقر اررکھنا کہا۔ بھی اسی جمایت کا ثبوت ہے۔ مختصر مدت کی درجہ بندی کوا ہے ون (+A1) بربرقر اررکھا گیا۔

# ڈائر یکٹرز کی جائزہ رپورٹ

عز برخصص داران

ڈائر کیٹرز 30 جون 2023 کوختم ہونے والی سہ ماہی اورششماہی کے لیے غیر آ ڈٹ شدہ ،عبوری وغیر مدغم شدہ مالیاتی گوشوارے پیش کرتے ہیں۔

ابتدامیں ہم یہ بتانا چاہیں گے کہ مارچ2023 میں ہونے والے ڈائر کیٹرز کے انتخابات کے نتیج میں بورڈ آف ڈائر کیٹرز کی ساخت تبدیل ہوگئ ہے۔ہم اس موقع سے فائدہ اٹھاتے ہوئے اپنے سبکدوش ہونے والے ڈائر کیٹرزمحتر م آفاب منظور اورمحتر م مشاق ملک کی گراں قدر خدمات پر انہیں خراج تحسین پیش کرتے ہیں۔ہم آنے والے ڈائر کیٹرزمحتر م) مرزااورمحتر مہمیندرضوان کاپر تیا کے خیر مقدم کرتے ہیں اور بورڈ آف ڈائر کیٹرز میں ان کی دانشمندانہ تجاویز کے منتظر ہیں۔

## معيشت

بڑھتی ہوئی مہنگائی،سپلائی چین کےعدم توازن،ریزرو پوزیش اورغیر بقینی سیاسی صورتحال کے درمیان پاکستان کی معیشت کوشدید مشکلات کا سامنار ہاہے۔گزشتہ سال کے شدید سیلاب کے اثر ات، بوکرین اورروس کی کشیدگی سے اشیاء کی قیمتوں میں اضافہ اور مالیاتی ضروریات کے انتظامات میں مشکلات، اندرونی و بیرونی دونوں قسم کے بڑھتے ہوئے معاشی چیلنجر بھی معاشی ریکوری میں رکاوٹ بنے ہیں۔

سی پی آئی افراط زر مالی سال 2023 کے لیے 2.92 فیصد ریکارڈ کیا گیا جوگزشتہ مالی سال کے لیے 12.2 فیصد تھا، حالانکہ حالیہ اعداد و ثاراعتدال پیندر بھان کی عکاسی کرتے ہوں 2023 کے لیے ماہانہ 0.3 فیصد کی کئی خاہر کی جا ہوئی 10 فائٹ خسارہ مالی سال 2023 کے لیے 202 کے لیے ماہانہ 0.3 فیصد کی کئی خاہر کی جا ہوئی 2023 کے گرفتہ سال 17.5 بلین امر کی ڈالر تھا جو کہ بنیادی طور پر در آمدات میں کی کی وجہ سے اور بر آمدات اور ترسیلات زرمیں کی کو پورا کرنے کے لیے کافی ہے۔ ماہ جون 2023 کے گرفتہ سال 17.5 بلین امر کی ڈالر تھا جو کہ بنیادی طور پر در آمدات میں کی کی وجہ سے اور بر آمدات اور ترسیلات زرمیں کی کو پورا کرنے کے لیے کافی ہے۔ ماہ جون 2023 کے لیے کرنے اکا وَنے 334 ملین امر کی ڈالر کا سر پلس رہا۔ آئی ایم ایف کے ساتھ نو ماہ کا اسٹینڈ بائی معاہدہ (SBA) موجودہ مدت کے لیے کلیدی استحکام کا پیانہ رہا ہے کیونکہ اس نے نیزی حدتک ہیرونی شعبے کے قلیل مدتی اسٹیٹ بینک نے بڑی حدتک ہیرونی شعبے کے قلیل مدتی اسٹیٹ میا ہوں کہ موجودہ میں اضافی فنڈ زنے جو لائی 2023 میں اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر کو 2.8 بلین امر کی ڈالر تک بڑھا دیا ہے اس طرحواہ کی واقع ہوئی کیونکہ سرکاری شعبے کے قرضوں میں اضافہ سے دقم کی طلب بڑھ گئی سرگرمیوں میں سست روی کے مجموعی اثر ات کی وجہ سے تی شعبے کے قرضے میں خاطرخواہ کی واقع ہوئی کیونکہ سرکاری شعبے کے قرضوں میں اضافہ سے دقم کی طلب بڑھ گئی۔ معاشی سرگرمیوں میں سست روی کے مجموعی اثر ات کی وجہ سے تی شعبے کے قرضے میں خاطرخواہ کی واقع ہوئی کیونکہ سرکاری شعبے کے قرضوں میں اضافہ سے دقم کی طلب بڑھ سے کے قرضوں میں اضافہ سے دونے میں کی سے دونے کی کھوئی کی کیونکہ سرکاری شعبے کے قرضوں میں اضافہ سے دقم کی طلب بڑھ سے کھوئی کی کے دونے کی کھوئی کی کھوئی کی کھوئی کی کھوئی کے دونے کی کھوئی کی کھوئی کی کھوئی کی کوئکہ سرکاری شعبے کے قرضوں میں اضافہ سے دونے کی کھوئی کے کھوئی کے دونے کی کھوئی کے دونے کی کھوئی کے کھوئی کی کھوئی کی کھوئی کی کھوئی کی کھوئی کے کھوئی کی کھوئی کے کھوئی کے کھوئی کھوئی کے کھوئی کی کھوئی کے کھوئی کوئکہ کی کھوئی کے کھوئی کھوئی کے کھوئی کھوئی کے کھوئی کے کھوئی کوئکہ کوئے کے کھوئی کوئکہ کی کھوئی کی کھوئی کوئل کے کوئر کوئل کے کھوئی کوئی کھوئی کوئی کے کھوئی کی کھوئی کے کھوئی کے کھوئی کوئٹ کے کوئک کوئی کوئک کی کھوئ

مستقبل میں بیکل کے نرخوں میں بڑھوتی ، ایندھن کی قیمتوں میں اضافے اور صارفین کی اشیاءاور خام مال پرڈیوٹیوں میں تبدیلی کے باوجود ، اجناس کی قیمتوں کے لیے سازگار نقطہ نظر اور مثبت بنیاد پراٹر کی وجہ سے افراط زر میں کمی برقر ارر ہنے کا اندازہ لگایا گیا ہے۔ مالی سال 2024 کے لیے معاثی ترقی کی شرح 2.0 کے فیصد کی حد تک رہنے کی توقع ہے۔ ایک اعلی اور پائیدار معاشی نمو کے لیے دانشمندا نہ اور موثر اقتصادی فیصلوں اور پالیسیوں ، سیاسی اور معاشی یقین کے ساتھ ساتھ کافی زرمبادلہ کی مالی اعانت کی ضرورت ہوگی۔ آئی ایم ایف کے ساتھ حالیہ شینڈ بائی معاہدہ کے ساتھ دوطر فیہ اور کیثر جہتی آمدن سے بھی توقع کی جاتی ہے کہ وہ میکر واکنا مک ماحول اور سرمایہ کاروں کے اعتماد کو مزید بہتر بنانے کی راہم موارکر ہے گا۔

# مالياتى كاركردگى:

30 جون، 2023ء کوختم ہونے والی ششماہی کے لیے عسکری بینک کے مالیاتی نتائج کا خلاصہ درج ذیل ہے۔



KPMG Taseer Hadi & Co. Chartered Accountants 351 Shadman-1, Jail Road, Lahore 54000 Pakistan +92 (42) 111-KPMGTH (576484), Fax +92 (42) 3742 9907

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Askari Bank Limited Report on review of the Unconsolidated Condensed Interim Financial Statements

## Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Askari Bank Limited ("the Bank") as at 30 June 2023 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, unconsolidated condensed interim statement of cash flows. and notes to the financial statements for the six- month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

## Scope of Review

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

### Conclusion

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

### Other Matters

The figures for the unconsolidated condensed interim statement of profit or loss account and unconsolidated condensed interim statement of comprehensive income for the quarter ended 30 June 2023 have not been reviewed and we do not express a conclusion on them.

The engagement partner on the audit resulting in this independent auditor's report is M. Rehan Chughtai.

Lahore

Date: 23 August 2023

UDIN: RR202310183qTSn9NjGV

KPMG Taseer Hadi & Co. Chartered Accountants

RR0823

Unconsolidated Condensed Interim Statement of Financial Position As at June 30, 2023

		(Un-audited)	(Audited)
	-	June 30,	December 31,
		2023	2022
	Note	(Rupees	in '000)
ASSETS			
Cash and balances with treasury banks	6	128,348,502	70,950,067
Balances with other banks	7	17,492,927	9,677,123
Lendings to financial institutions	8	99,999	406,934
Investments	9	1,098,816,418	762,696,638
Advances	10	622,816,273	583,810,931
Fixed assets	11	24,445,742	24,484,412
Intangible assets	12	1,519,104	1,375,625
Deferred tax assets	13	15,717,463	7,545,677
Other assets	14	79,810,586	64,723,402
	-	1,989,067,014	1,525,670,809
LIABILITIES			44.070.700
Bills payable	15	27,962,286	11,878,563
Borrowings	16	540,355,869	233,432,089
Deposits and other accounts	17	1,269,627,069	1,142,574,606
Liabilities against assets subject to finance lease		-	-
Subordinated debts	18	12,000,000	12,000,000
Deferred tax liabilities		-	-
Other liabilities	19	62,300,952	52,463,298
	-	1,912,246,176	1,452,348,556
NET ASSETS	=	76,820,838	73,322,253
REPRESENTED BY			
Share capital		14,492,992	12,602,602
Reserves		56,667,742	43,385,854
(Deficit) / surplus on revaluation of assets - net of tax	20	(2,581,518)	3,952,356
Unappropriated profit		8,241,622	13,381,441
	-	76,820,838	73,322,253
	•	· · · · ·	· ·

## **CONTINGENCIES AND COMMITMENTS**

statements.

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

21

-sd-	-sd-	-sd·	-sd-	-sd-
Chief Financial Officer	President & Chief Executive	Director	Director	Chairman

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited) For the half year ended June 30, 2023

		For the quarter ended		For the half y	year ended
	_	June 30,	June 30,	June 30,	June 30,
		2023	2022	2023	2022
	Note	(Rupees	in '000)	(Rupees i	in '000)
Mark-up / return / interest earned	23	70,864,396	34,977,997	128,011,880	61,722,284
Mark-up / return / interest expensed	24	57,979,011	26,188,325	103,190,618	44,479,435
Net mark-up / interest income	<del>-</del>	12,885,385	8,789,672	24,821,262	17,242,849
Non mark-up / interest income					
Fee and commission income	25	1,718,135	1,369,288	3,393,147	2,542,722
Dividend income		175,267	80,551	360,789	185,615
Foreign exchange income		1,503,436	1,589,906	2,783,441	2,613,199
Income / (loss) from derivatives		-	-	-	-
Gain / (loss) on securities	26	117,086	(74,358)	25,765	15,829
Other income	27	108,452	90,917	199,804	226,668
Total non-markup / interest income	_	3,622,376	3,056,304	6,762,946	5,584,033
Total income		16,507,761	11,845,976	31,584,208	22,826,882
Non mark-up / interest expenses					
Operating expenses	28	7,042,106	5,330,742	13,599,088	10,218,365
Workers' Welfare Fund		119,679	106,333	237,899	194,193
Other charges	29	16,813	73,081	124,165	153,621
Total non-markup / interest expenses	_	7,178,598	5,510,156	13,961,152	10,566,179
Profit before provisions		9,329,163	6,335,820	17,623,056	12,260,703
Provisions and write offs - net	30	675,085	282,158	617,276	110,140
Extraordinary / unusual items	-	<u> </u>		<u> </u>	-
Profit before taxation		8,654,078	6,053,662	17,005,780	12,150,563
Taxation	31	4,519,956	3,349,793	8,168,237	5,841,300
Profit after taxation	=	4,134,122	2,703,869	8,837,543	6,309,263
	_	Rupe	ees	Rupe	es
	_		Restated		Restated
Basic earnings per share	32	2.85	1.87	6.10	4.35

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

-sd-	-sd-	-sd-	-sd-	-sd-
Chief Financial Officer	President & Chief Executive	Director	Director	Chairman

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited) For the half year ended June 30, 2023

	For the quarter ended		For the half year ended		
	June 30,	June 30,	June 30,	June 30,	
	2023	2022	2023	2022	
	(Rupees	in '000)	(Rupees	in '000)	
Profit after taxation	4,134,122	2,703,869	8,837,543	6,309,263	
Other comprehensive income					
Items that may be reclassified to profit and loss account in subsequent periods:					
Effect of translation of net investment in					
Wholesale Bank Branch	36,380	427,677	907,083	555,410	
Movement in surplus / (deficit) on revaluation					
of investments - net of tax	565,981	3,566,581	(6,533,874)	2,236,640	
	602,361	3,994,258	(5,626,791)	2,792,050	
Items that will not be reclassified to profit and loss account in subsequent periods:					
Remeasurement gain / (loss) on defined benefit plan	287,833	(857)	287,833	(857)	
Total comprehensive income	5,024,316	6,697,270	3,498,585	9,100,456	

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

-sd- -sd- -sd- -sd- -sd- -sd- Chief Financial Officer President & Chief Executive Director Director Chairman

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-audited) For the half year ended June 30, 2023

Balance as at January 1, 2022   12,602,602   549,520   234,669   14,198,903   17,747,205   (4,962,187)   6,925,806   8,605,975   55,575   55,575   55,075			Exchange	Share			Surplus / (deficit) on revaluation of			
Balance as at January 1, 2022   12,602,602   549,520   234,669   14,198,903   17,747,205   (4,962,187)   6,925,806   8,605,975   55,877		Share	translation	premium	Statutory	General		Fixed / Non	Un-appropriated	
Palaince as at Junuary 1, 2022	_	capital	reserve	account	reserve	reserve	Investments	banking assets	profit / (loss)	Total
Total comprehensive income for the half year ended June 30, 2022						(Rupees in '00	0)			
Net profit for the half year ended June 30, 2022  Net profit for the half year ended June 30, 2022  Other comprehensive income related to equity  Separate S	nnce as at January 1, 2022	12,602,602	549,520	234,669	14,198,903	17,747,205	(4,962,187)	6,925,806	8,605,975	55,902,493
Other comprehensive income related to equity         555,410         -         2,236,640         -         (857)         2,7           Transfer to Statutory reserve         -         555,410         -         -         2,236,640         -         6,308,406         9,1           Transfer to Statutory reserve         -         -         630,926         -         -         -         (630,926)           Transfer to General reserve         -         -         -         8,605,975         -         -         (8,605,975)           Balance as at June 30, 2022         12,602,602         1,104,930         234,669         14,829,829         26,353,180         (2,725,547)         6,925,806         5,677,480         65,07           Total comprehensive income for the six months ended December 31, 2022         -         -         -         -         -         7,752,332         7,7           Other comprehensive income related to equity         -         88,012         -         -         (4,823,608)         5,240,207         7,814,693         8,3           Transfer from surplus on revaluation of assets to unappropriated profit on disposal         -         -         -         7,752,334         -         -         -         -         -         -         -										
Transfer to Statutory reserve	profit for the half year ended June 30, 2022	-	-	-	-	-	-	-	6,309,263	6,309,263
Transfer to Statutory reserve         -         -         -         630,926         -         -         -         (630,926)           Transfer to General reserve         -         -         -         -         -         8,605,975         -         -         (8,605,975)           Balance as at June 30, 2022         12,602,602         1,104,930         234,669         14,829,829         26,353,180         (2,725,547)         6,925,806         5,677,480         65,077,480 <td>er comprehensive income related to equity</td> <td>-</td> <td>555,410</td> <td>-</td> <td>-</td> <td>-</td> <td>2,236,640</td> <td>-</td> <td>(857)</td> <td>2,791,193</td>	er comprehensive income related to equity	-	555,410	-	-	-	2,236,640	-	(857)	2,791,193
Transfer to General reserve         -         -         -         8,605,975         -         (8,605,975)         -         (8,605,975)         -         (8,605,975)         -         -         (8,605,975)         -         -         (8,605,975)         -         -         (8,605,975)         -		-	555,410	-	-	-	2,236,640	-	6,308,406	9,100,456
Balance as at June 30, 2022  Total comprehensive income for the six months ended December 31, 2022  Net profit for the six months ended December 31, 2022  Other comprehensive income related to equity  Transfer to Statutory reserve  Transfer from surplus on revaluation of assets to unappropriated profit on disposal  Balance as at December 31, 2022  12,602,602  1,104,930  234,669  14,829,829  26,353,180  (2,725,547)  6,925,806  5,677,480  65,67,670  67,673,670  67,673,670  67,674,770  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,674,70  67,67	sfer to Statutory reserve	-	-	-	630,926	-	-	-	(630,926)	-
Total comprehensive income for the six months ended December 31, 2022  Net profit for the six months ended December 31, 2022  Other comprehensive income related to equity	sfer to General reserve	-	-	-	-	8,605,975	-	-	(8,605,975)	-
Net profit for the six months ended December 31, 2022	nnce as at June 30, 2022	12,602,602	1,104,930	234,669	14,829,829	26,353,180	(2,725,547)	6,925,806	5,677,480	65,002,949
Other comprehensive income related to equity  - 88,012 (4,823,608) 5,240,207 62,361 5,240,207 7,814,693 8,32	-									
- 88,012 (4,823,608) 5,240,207 7,814,693 8,3  Transfer to Statutory reserve 775,234 (775,234)  Transfer from surplus on revaluation of assets to unappropriated profit on disposal (664,502) 664,502  Balance as at December 31, 2022 12,602,602 1,192,942 234,669 15,605,063 26,353,180 (7,549,155) 11,501,511 13,381,441 73,3  Total comprehensive income for the half year ended June 30, 2023  Net profit for the half year ended June 30, 2023 8,837,543 8,8  Other comprehensive income related to equity - 907,083 (6,533,874) - 287,833 (5,3)  Other comprehensive income related to equity - 907,083 (6,533,874) - 9,125,376 3,4	profit for the six months ended December 31, 2022	-	-	-	-	-	-	-	7,752,332	7,752,332
Transfer to Statutory reserve 775,234 (775,234)  Transfer from surplus on revaluation of assets to unappropriated profit on disposal (664,502) 664,502  Balance as at December 31, 2022 12,602,602 1,192,942 234,669 15,605,063 26,353,180 (7,549,155) 11,501,511 13,381,441 73,33 (7,542) (7,549,155) 1,1501,511 13,381,441 73,33 (7,542) (7,549,155) (	er comprehensive income related to equity	=	88,012	=	=	-	(4,823,608)	5,240,207	62,361	566,972
Transfer from surplus on revaluation of assets to unappropriated profit on disposal (664,502) 664,502  Balance as at December 31, 2022 12,602,602 1,192,942 234,669 15,605,063 26,353,180 (7,549,155) 11,501,511 13,381,441 73,33		-	88,012	-	-	-	(4,823,608)	5,240,207	7,814,693	8,319,304
unappropriated profit on disposal         -	sfer to Statutory reserve	-	-	-	775,234	-	=	-	(775,234)	-
Balance as at December 31, 2022 12,602,602 1,192,942 234,669 15,605,063 26,353,180 (7,549,155) 11,501,511 13,381,441 73,32    Total comprehensive income for the half year ended June 30, 2023  Net profit for the half year ended June 30, 2023 8,837,543 8,6    Other comprehensive income related to equity - 907,083 (6,533,874) - 287,833 (5,3    - 907,083 (6,533,874) - 9,125,376 3,4	sfer from surplus on revaluation of assets to									
Total comprehensive income for the half year ended June 30, 2023       Net profit for the half year ended June 30, 2023     -     -     -     -     -     -     8,837,543     8,6       Other comprehensive income related to equity     -     907,083     -     -     -     (6,533,874)     -     9,125,376     3,4	appropriated profit on disposal	-	-	-	-	-	-	(664,502)	664,502	-
June 30, 2023       Net profit for the half year ended June 30, 2023     -     -     -     -     -     -     -     8,837,543     8,8       Other comprehensive income related to equity     -     907,083     -     -     -     (6,533,874)     -     9,125,376     3,4	nce as at December 31, 2022	12,602,602	1,192,942	234,669	15,605,063	26,353,180	(7,549,155)	11,501,511	13,381,441	73,322,253
Other comprehensive income related to equity  - 907,083 (6,533,874) - 287,833 (5,324)  - 907,083 (6,533,874) - 9,125,376 3,425										
- 907,083 (6,533,874) - 9,125,376 3,4	profit for the half year ended June 30, 2023	-	-	=	-	-	-	=	8,837,543	8,837,543
	er comprehensive income related to equity	-	907,083	-	-	-	(6,533,874)	-	287,833	(5,338,958)
7		-	907,083	-	-	-	(6,533,874)	-	9,125,376	3,498,585
Transfer to Statutory reserve 883,754 (883,754)	sfer to Statutory reserve	-	-	-	883,754	-	-	-	(883,754)	-
Transfer to General reserve - 13,381,441 (13,381,441)	sfer to General reserve			-		13,381,441			(13,381,441)	-
Transactions with owners, recorded directly in equity  Bonus shares issued @ 15%  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390  1,890,390		1,890,390	-	(234,669)	-	(1,655,721)	-	-	-	-
Balance as at June 30, 2023	nnce as at June 30, 2023	14,492,992	2,100,025		16,488,817	38,078,900	(14,083,029)	11,501,511	8,241,622	76,820,838

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

-sd- -sd- -sd- -sd- -sd- -sd- Chief Financial Officer President & Chief Executive Director Director Chairman

Unconsolidated Condensed Interim Cash Flow Statement (Un-audited) For the half year ended June 30, 2023

		For the half y	ear ended
		June 30,	June 30,
		2023	2022
	Note	(Rupees i	n '000)
Cash flow from operating activities			
Profit before taxation		17,005,780	12,150,563
Less: dividend income		(360,789)	(185,615)
2000. dividona modino	-	16,644,991	11,964,948
Adjustments:		, ,	, ,
Depreciation		472,859	453,841
Amortization		82,922	69,163
Depreciation on ROU assets		811,224	773,035
Markup expense on lease liability against ROU assets		495,230	445,599
Termination of lease contracts under IFRS - 16 Leases		(9,900)	(13,700)
Charge for defined benefit plan		256,877	232,795
Provisions and write offs - net	30	663,472	153,609
Unrealized (gain) / loss on held for trading securities		(9,476)	18,477
Gain on sale of fixed assets		(4,019)	(37,501)
	-	2,759,189	2,095,318
		19,404,180	14,060,266
Decrease in operating assets	Г	204 705	(00 500 000)
Lendings to financial institutions  Held for trading securities		321,795	(23,500,000)
Advances		274,747 (39,474,073)	(3,415,824) (69,978,127)
Other assets (excluding advance taxation)		(17,149,438)	(5,960,475)
Other assets (excluding advance taxation)	Ļ	(56,026,969)	(102,854,426)
Increase / (decrease) in operating liabilities		(00,020,303)	(102,004,420)
Bills payable	ſ	16,083,723	918,506
Borrowings from financial institutions		306,923,780	204,027,356
Deposits		127,052,463	69,870,354
Other liabilities (excluding current taxation)		9,884,853	7,016,913
	- -	459,944,819	281,833,129
Net cash flow generated from operations		423,322,030	193,038,969
Payment made to defined benefit plan		(221,353)	(388,062)
Income tax paid		(6,205,499)	(4,603,534)
Net cash flow generated from operating activities	· <del>-</del>	416,895,178	188,047,373
Oak flow from housether activities			
Cash flow from investing activities  Net investments in available for sale securities	Г	(349,509,447)	(159,499,413)
Net investments in held to maturity securities		(1,635,665)	3,422,751
Dividend received		333,498	181,146
Investments in operating fixed assets - net of adjustments		(580,787)	(560,136)
Investments in intangible assets		(225,782)	(183,909)
Proceeds from sale of fixed assets		6,869	50,356
Effect of translation of net investment in Wholesale Bank Branch		907,083	555,410
Net cash used in investing activities	•	(350,704,231)	(156,033,795)
Cash flow from financing activities			
Payments against lease liabilities	Г	(975,538)	(912,744)
Dividend paid		(1,170)	(3,189)
Net cash used in financing activities	L	(976,708)	(915,933)
Increase in cash and cash equivalents	-	65,214,239	31,097,645
Cash and cash equivalents at beginning of the period		80,627,190	92,887,074
Cash and cash equivalents at end of the period	-	145,841,429	123,984,719
	=		, ,

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

-sd- -sd- -sd- -sd- -sd- Chief Financial Officer President & Chief Executive Director Director Chairman

Notes to the Unconsolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2023

### 1. STATUS AND NATURE OF BUSINESS

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF), Fauji Fertilizer Company Limited (FFCL) and Fauji Fertilizer Bin Qasim Limited (FFBL) collectively owned 71.91 percent shares of the Bank as on June 30, 2023. The ultimate parent of the Bank is Fauji Foundation. The Bank has 602 branches (December 31, 2022: 600 branches); 601 in Pakistan and Azad Jammu and Kashmir including 120 (December 31, 2022: 120) Islamic Banking branches and 59 (December 31, 2022: 57) subbranches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain.

### 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

#### 2.1 BASIS OF PREPARATION

- **2.1.1** These unconsolidated condensed interim financial statements represent separate financial statements of Askari Bank Limited. The consolidated condensed interim financial statements of the Group are being issued separately.
- 2.1.2 The unconsolidated condensed interim financial statements are presented in Pak Rupees, which is the Bank's functional and presentation currency. The amounts are rounded off to the nearest thousand.
- 2.1.3 These unconsolidated financial statements have been prepared under the historical cost convention as modified for certain investments and derivative financial instruments which are carried at fair value, non-banking assets

#### 2.2 STATEMENT OF COMPLIANCE

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

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

- 2.2.2 The State Bank of Pakistan has deferred the applicability of IFAS 3 'Profit and Loss Sharing on Deposits', vide BPRD Circular No.04 dated February 25, 2015, International Accounting Standard 39, "Financial Instruments: Recognition and Measurement" (IAS 39) and International Accounting Standard 40, Investment Property, vide BSD Circular Letter no. 10 dated August 26, 2002, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. 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.
- 2.2.3 These unconsolidated condensed interim financial statements have been presented in accordance with the requirements of format prescribed by SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and International Accounting Standard 34 'Interim Financial Reporting' and do not include all the information and disclosures required in the audited annual unconsolidated financial statements, and should be read in conjunction with the audited annual unconsolidated financial statements of the Bank for the financial year ended December 31, 2022.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual unconsolidated financial statements of the Bank for the year ended December 31, 2022.

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

There are certain new and amended standards, interpretations and amendments to accounting and reporting standards that are mandatory for the Bank's accounting periods beginning on or after January 1, 2023 but are considered not to be relevant or do not have any significant effect on the Bank's operations and are therefore not detailed in these unconsolidated condensed interim financial statements.

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

The SBP vide its BPRD Circular Letter No. 7 of 2023 has extended the implementation date of IFRS 9 to January 01, 2024. However, during the transition period, the banks are required to carry out the parallel run reporting.

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

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements is the same as that applied in the preparation of audited annual unconsolidated financial statements for the year ended December 31, 2022.

## 5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the audited annual unconsolidated financial statements for the year ended December 31, 2022.

		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
	Note	Rupees	in '000
6.	CASH AND BALANCES WITH TREASURY BANKS		
	In hand:	07.100.777	00 700 070
	Local currency	27,183,777	22,700,376
	Foreign currencies	5,447,712 32,631,489	3,407,920
		32,031,469	26,108,296
	With the State Bank of Pakistan in:		
	Local currency current accounts	69,616,417	43,901,951
	Foreign currency current account	7,652,516	647,093
	Foreign currency deposit account	14,232,384	-
		91,501,317	44,549,044
	With National Bank of Pakistan in:		
	Local currency current accounts	4,184,963	260,731
	Prize Bonds	30,733	31,996
		128,348,502	70,950,067
7.	BALANCES WITH OTHER BANKS		
	In Pakistan		
	In current accounts	3,951	32,629
	Outside Pakistan		
	In current accounts	3,926,635	3,383,544
	In deposit accounts 7.1	13,562,347	6,260,952
		17,488,982	9,644,496
	Provision held against balances with other banks	(6)	(2)
		17,492,927	9,677,123
		11,432,321	3,077,123
7.1	This includes Rs.759,194 thousand (December 31, 2022: Nil) marks against issue of SBLC.	ed as lien with corr	espondent Bank
		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
0	LENDINGS TO SIMANGIAL INSTITUTIONS	Rupees	ın '000
8.	LENDINGS TO FINANCIAL INSTITUTIONS		
	Repurchase agreement lendings (reverse repo)	204,025	525,820
	Provision held against lending to financial institutions	(104,026)	(118,886)
	Lending to financial institutions - net of provision	99,999	406,934

9.	INVESTMENTS	June 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
		Cost /	Provision for	Surplus /	Carrying	Cost /	Provision for	Surplus /	Carrying
		amortized cost	diminution	(deficit)	value	amortized cost	diminution	(deficit)	value
		-			(Rupees in	1 '000)			
9.1	Investments by type:								
	Held for trading securities								
	Fully paid ordinary shares	189,971	-	9,476	199,447	464,718	-	(60,647)	404,071
	Available for sale securities								
	Federal Government Securities	994,159,981	(601,099)	(27,838,939)	965,719,943	646,356,442	(526,353)	(13,520,293)	632,309,796
	Shares	6,148,110	(946,488)	225,190	5,426,812	5,109,394	(809,454)	126,617	4,426,557
	Units of open end mutual funds	750,000	(160,920)	(18,157)	570,923	750,000	(144,205)	37,490	643,285
	Fully paid preference shares	27,314	(11,914)	12,750	28,150	27,314	(11,914)	12,750	28,150
	Non Government Debt Securities	13,752,987	(1,298,339)	5,374	12,460,022	13,085,795	(1,319,740)	99,304	11,865,359
		1,014,838,392	(3,018,760)	(27,613,782)	984,205,850	665,328,945	(2,811,666)	(13,244,132)	649,273,147
	Held to maturity securities								
	Federal Government Securities	115,079,977	(865,556)	-	114,214,421	111,642,002	(585,365)	-	111,056,637
	Non Government Debt Securities	110,000	(110,000)	-	-	110,000	(110,000)	-	-
	Foreign securities	-	-	-	-	1,802,310	(5,146)	=	1,797,164
		115,189,977	(975,556)	-	114,214,421	113,554,312	(700,511)	-	112,853,801
	Associate - Note 9.4	-	-	-	-	165,619	<del>-</del>	<del>-</del>	165,619
	Subsidiary - Note 9.4	196,700	-	-	196,700	-	-	-	-
	Total investments	1,130,415,040	(3,994,316)	(27,604,306)	1,098,816,418	779,513,594	(3,512,177)	(13,304,779)	762,696,638
								(Un-audited)	(Audited)
								June 30,	December 31,
								2023	2022
9.1.1	Investments given as collateral							(Rupees	in '000)
	The market value of investment given as colla	ateral is as follows						<b>.</b>	44.000 =5-
	Market Treasury Bills							54,006,421	14,650,739
	Pakistan Investment Bonds							424,358,113	163,347,300
	Turkish Euro Bonds							-	1,797,861
	Shares							80,129 478,444,663	177,855 179,973,755
				47				710,444,003	113,313,133

	(Un-audited)	(Audited)
	June 30,	December 31,
	2023	2022
9.2 Provision for diminution in value of investments	(Rupee:	s in '000)
9.2.1 Opening balance	3,512,177	2,304,644
Exchange adjustments	295,325	134,098
Charge / (reversals)		
Charge for the period / year	198,364	560,165
Charge for the period / year under IFRS 9 related to	WBB <b>54,466</b>	760,372
Reversals for the period / year	(21,403)	(67,045)
Net charge	231,427	1,253,492
Reversal on disposals	(44,613)	(180,057)
Closing balance	3,994,316	3,512,177

## 9.2.2 Particulars of provision against debt securities

	June 30, 2023 (Un-audited)		December 31, 2022 (Audited		
	NPI Provision		NPI	Provision	
Category of classification	(Rupees in '000)				
Domestic					
Loss	1,408,339	1,408,339	1,429,740	1,429,740	

- 9.2.3 Included in above, Bank's Bahrain branch holds general provision of Rs 1,466,655 thousand (December 31, 2022: Rs 1,116,864 thousand) against investments in accordance with ECL requirement of IFRS 9.
- **9.3** Market value of held to maturity securities other than classified investments is Rs. 102,251,304 thousand (December 31, 2022: Rs. 101,813,767 thousand).
- The Honorable Sindh High Court vide its order dated March 13, 2023 approved the scheme of arrangement for amalgamation of Askari Securities Limited (ASL) inclusive of all properties, assets, rights, liabilities, trademarks, patents and obligations with and into Foundation Securities (Private) Limited (FSL), wholly owned by Fauji Foundation, as of the effective date of scheme i.e. July 01, 2021 against issuance of 27,140,000 ordinary shares of Rs. 10 each of FSL at par value (1.18 shares of FSL) against 1 share of ASL held by the Bank.

Earlier, the amalgamation was approved by the State Bank of Pakistan subject to the Bank holding atleast 51% equity stake in the post amalgamated FSL. Accordingly, subsequent to merger the Bank acquired 2,236,031 ordinary shares of Rs. 10 each of FSL to hold 51% equity stake in FSL.

Since FSL and the Bank are under common control of Fauji Foundation before and after this transaction therefore, the transaction has been recorded by restating the comparative figures in accordance with the requirements of SECP's approved Accounting Standard on "Accounting of Common Control Transactions". However, this restatement has no impact on the net assets, EPS and cash flows presented in these condensed interim unconsolidated financial statements. As on June 30, 2023 investment in FSL has been classified as investment in subsidiary due to 51% shareholding, while comparative information has been restated and classified as investment in associate being 47.12% interest in FSL under approved scheme of arrangement.

				(Un-audited)	(Audited)	(Un-audited)	(Audited)	(On-audited)	(Audited)
40	ADVANCEO			June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
10.	ADVANCES			2023	2022	2023	2022	2023	2022
					170 0 10 5 : 5		s in '000)		<b>500.000</b> 515
	Loans, cash credits, running finances, etc. Islamic financing and related assets			504,744,380	473,649,618 82,206,609	26,945,077	26,450,298 2,894,335	531,689,457	500,099,916 85,100,944
	Bills discounted and purchased			98,527,097 19,507,923	27,931,036	2,851,795 1,831,846	2,694,335 1,802,149	101,378,892 21,339,769	29,733,185
	Advances - gross			622,779,400	583,787,263	31,628,718	31,146,782	654,408,118	614,934,045
	Provision against advances			0,,	,,	0.,020,	,	33 1, 133, 113	,,
	- Specific			-	-	(29,760,712)	(29,297,528)	(29,760,712)	(29,297,528)
	- General			(1,831,133)	(1,825,586)		-	(1,831,133)	(1,825,586)
				(1,831,133)	(1,825,586)	(29,760,712)	(29,297,528)	(31,591,845)	(31,123,114)
	Advances - net of provision			620,948,267	581,961,677	1,868,006	1,849,254	622,816,273	583,810,931
								(Un-audited)	(Audited)
							•	June 30,	December 31,
								2023	2022
10.1	Particulars of advances (Gross)							(Rupees	in '000)
	In local currency							615,204,020	573,258,877
	In foreign currencies							39,204,098	41,675,168
							•	654,408,118	614,934,045
10.2	Advances include Rs. 31,628,718 thousand (December 31, 2022: F	De 21 1/6 792 thous	and) which have	hoon placed under p	on-porforming status	s as detailed below			
10.2	Advances include Rs. 51,020,7 to tribusaria (December 51, 2022. F	15. 51, 140,762 tilous	and) which have	been placed under no	on-periorning status	s as detailed below			
							3 (Un-audited)	December 31, 2	, ,
	Category of classification					Non Performing	Provision	Non Performing	2022 (Audited) Provision
							Provision	Non Performing Loans	. ,
	Domestic					Non Performing Loans	Provision (Rupee	Non Performing Loans es in '000)	Provision
	Domestic Other Assets Especially Mentioned					Non Performing Loans 98,747	Provision (Rupee 1,056	Non Performing Loans es in '000) 122,279	Provision 1,437
	Domestic Other Assets Especially Mentioned Substandard					Non Performing Loans 98,747 1,634,050	Provision (Rupes 1,056 398,600	Non Performing Loans es in '000) 122,279 1,596,854	Provision 1,437 394,848
	Domestic Other Assets Especially Mentioned Substandard Doubtful					Non Performing Loans 98,747 1,634,050 895,624	Provision (Rupee 1,056 398,600 447,187	Non Performing Loans es in '000) 122,279 1,596,854 844,347	Provision 1,437 394,848 413,258
	Domestic Other Assets Especially Mentioned Substandard					Non Performing Loans 98,747 1,634,050 895,624 29,000,297	Provision (Rupee 1,056 398,600 447,187 28,913,869	Non Performing Loans es in '000) 122,279 1,596,854 844,347 28,583,302	Provision 1,437 394,848 413,258 28,487,985
	Domestic Other Assets Especially Mentioned Substandard Doubtful					Non Performing Loans 98,747 1,634,050 895,624	Provision (Rupee 1,056 398,600 447,187	Non Performing Loans es in '000) 122,279 1,596,854 844,347	Provision 1,437 394,848 413,258
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful		June 30, 20	23 (Un-audited)		Non Performing Loans 98,747 1,634,050 895,624 29,000,297	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712	Non Performing Loans es in '000) 122,279 1,596,854 844,347 28,583,302	Provision 1,437 394,848 413,258 28,487,985
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss	Specific	June 30, 20 General	Consumer	Total	Non Performing Loans 98,747 1,634,050 895,624 29,000,297	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712	Non Performing Loans es in '000) 122,279 1,596,854 844,347 28,583,302 31,146,782 , 2022 (Audited) Consumer	Provision 1,437 394,848 413,258 28,487,985
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss	Specific			Total	Non Performing Loans  98,747 1,634,050 895,624 29,000,297 31,628,718 -  Specific	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712 December 31	Non Performing Loans es in '000) 122,279 1,596,854 844,347 28,583,302 31,146,782 , 2022 (Audited)	Provision  1,437 394,848 413,258 28,487,985 29,297,528
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss  Particulars of provision against advances		General	Consumer financing-General	Total (Rupees	Non Performing Loans  98,747 1,634,050 895,624 29,000,297 31,628,718  Specific	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712 December 31 General	Non Performing Loans es in '000) 122,279 1,596,854 844,347 28,583,302 31,146,782 , 2022 (Audited) Consumer financing-General	Provision  1,437 394,848 413,258 28,487,985 29,297,528  Total
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss  Particulars of provision against advances  Opening balance	Specific 29,297,528	1,010,000	Consumer	Total (Rupees 31,123,114	98,747 1,634,050 895,624 29,000,297 31,628,718 Specific sin '000) 28,518,930	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712 December 31 General	Non Performing Loans es in '000) 122,279 1,596,854 844,347 28,583,302 31,146,782 , 2022 (Audited) Consumer	Provision  1,437 394,848 413,258 28,487,985 29,297,528  Total  30,228,216
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss  Particulars of provision against advances  Opening balance Exchange adjustment	29,297,528	1,010,000 21,213	Consumer financing-General 815,586	Total (Rupees 31,123,114 21,213	98,747 1,634,050 895,624 29,000,297 31,628,718 Specific sin '000) 28,518,930 4,041	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712  December 31 General	Non Performing Loans es in '000) 122,279 1,596,854 844,347 28,583,302 31,146,782 , 2022 (Audited) Consumer financing-General	Provision  1,437 394,848 413,258 28,487,985 29,297,528  Total  30,228,216 40,506
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss  Particulars of provision against advances  Opening balance Exchange adjustment Charge for the period / year		1,010,000 21,213 56,191	Consumer financing-General	Total (Rupees 31,123,114 21,213 1,409,670	98,747 1,634,050 895,624 29,000,297 31,628,718 Specific s in '000) 28,518,930 4,041 2,675,775	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712 December 31 General	Non Performing Loans es in '000) 122,279 1,596,854 844,347 28,583,302 31,146,782 , 2022 (Audited) Consumer financing-General	7,437 394,848 413,258 28,487,985 29,297,528 Total 30,228,216 40,506 2,923,176
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss  Particulars of provision against advances  Opening balance Exchange adjustment Charge for the period / year Provision under IFRS 9 related to WBB	29,297,528	1,010,000 21,213 56,191 (52,927)	Consumer financing-General  815,586  -  25,121	Total (Rupees 31,123,114 21,213 1,409,670 (52,927)	98,747 1,634,050 895,624 29,000,297 31,628,718 - Specific in '000) 28,518,930 4,041 2,675,775 (27,403)	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712  December 31 General  974,026 36,465 133,850 (112,950)	Non Performing Loans es in '000)  122,279 1,596,854 844,347 28,583,302 31,146,782  , 2022 (Audited) Consumer financing-General  735,260 - 113,551 -	7,437 394,848 413,258 28,487,985 29,297,528 Total 30,228,216 40,506 2,923,176 (140,353)
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss  Particulars of provision against advances  Opening balance Exchange adjustment Charge for the period / year	29,297,528 - - 1,328,358 - (865,174)	1,010,000 21,213 56,191 (52,927) (13,181)	Consumer financing-General 815,586 - 25,121 - (30,870)	Total (Rupees 31,123,114 21,213 1,409,670 (52,927) (909,226)	98,747 1,634,050 895,624 29,000,297 31,628,718  Specific in '000) 28,518,930 4,041 2,675,775 (27,403) (1,821,378)	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712  December 31 General  974,026 36,465 133,850 (112,950) (21,391)	Non Performing Loans es in '000)  122,279 1,596,854 844,347 28,583,302 31,146,782  , 2022 (Audited)  Consumer financing-General  735,260 - 113,551 - (33,225)	7,437 394,848 413,258 28,487,985 29,297,528 Total 30,228,216 40,506 2,923,176 (140,353) (1,875,994)
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss  Particulars of provision against advances  Opening balance Exchange adjustment Charge for the period / year Provision under IFRS 9 related to WBB Reversal for the period / year	29,297,528	1,010,000 21,213 56,191 (52,927)	Consumer financing-General  815,586  -  25,121	Total (Rupees 31,123,114 21,213 1,409,670 (52,927)	Non Performing Loans  98,747 1,634,050 895,624 29,000,297 31,628,718  Specific  in '000) 28,518,930 4,041 2,675,775 (27,403) (1,821,378) 826,994	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712  December 31 General  974,026 36,465 133,850 (112,950)	Non Performing Loans es in '000)  122,279 1,596,854 844,347 28,583,302 31,146,782  , 2022 (Audited) Consumer financing-General  735,260 - 113,551 -	7,437 394,848 413,258 28,487,985 29,297,528 Total 30,228,216 40,506 2,923,176 (140,353) (1,875,994) 906,829
10.3	Domestic Other Assets Especially Mentioned Substandard Doubtful Loss  Particulars of provision against advances  Opening balance Exchange adjustment Charge for the period / year Provision under IFRS 9 related to WBB	29,297,528 - - 1,328,358 - (865,174)	1,010,000 21,213 56,191 (52,927) (13,181)	Consumer financing-General 815,586 - 25,121 - (30,870)	Total (Rupees 31,123,114 21,213 1,409,670 (52,927) (909,226)	98,747 1,634,050 895,624 29,000,297 31,628,718  Specific in '000) 28,518,930 4,041 2,675,775 (27,403) (1,821,378)	Provision  (Rupee 1,056 398,600 447,187 28,913,869 29,760,712  December 31 General  974,026 36,465 133,850 (112,950) (21,391)	Non Performing Loans es in '000)  122,279 1,596,854 844,347 28,583,302 31,146,782  , 2022 (Audited)  Consumer financing-General  735,260 - 113,551 - (33,225)	7,437 394,848 413,258 28,487,985 29,297,528 Total 30,228,216 40,506 2,923,176 (140,353) (1,875,994)

Performing

(Audited)

(Un-audited)

Non Performing
udited) (Audited)

(Un-audited)

Total

(Audited)

(Un-audited)

10.3.1 The net FSV benefit already availed has been reduced by Rs. 9,778 thousand, which has resulted in increased charge for specific provision for the period by the same amount. Had the FSV benefit not reduced before and after tax profit for the period would have been higher by 9,778 thousand (June 30, 2022: Rs. 81,046 thousand) and Rs. 4,987 thousand (June 30, 2022: Rs. 41,333 thousand) respectively. Further, at June 30, 2023, cumulative net of tax benefit availed for Forced Saled Value (FSV) was Rs. 21,870 thousand (December 31, 2022: Rs.26,865 thousand) under BSD circular No. 1 of 2011 dated October 21, 2011. Reserves and un-appropriated profit to that extent are not available for distribution by way of cash or stock dividend.

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
11.	FIXED ASSETS	(Rupees	in '000)
	Capital work-in-progress - note 11.1 Property and equipment Right of use asset - IFRS 16	209,869 17,488,053 6,747,820 24,445,742	220,511 17,372,333 6,891,568 24,484,412
11.1	This represents civil works in progress during the year.		
		(Un-au	
		Period ended June 30, 2023	Period ended June 30, 2022
11.2	Additions to fixed assets	(Rupees	in '000)
	The following additions have been made to fixed assets during the period	d:	
	Capital work-in-progress	98,355	104,711
	Property and equipment		
	Land - freehold	-	16,970
	Renovation of premises	165,657	46,375
	Furniture, fixtures and office equipment	118,694	81,662
	Machine and equipment Computer equipment	191,419 107,728	134,957 155,091
	Vehicles	7,716	20,370
		591,214	455,425
	Right of use assets under IFRS 16	393,512	392,138
	Total	1,083,081	952,274
11.3	Disposal of fixed assets		
	The net book value of fixed assets disposed off during the period is as for	ollows:	
	Renovation of premises	-	168
	Furniture, fixtures and office equipment	2,193	4,453
	Machine and equipments	657	3,110
	Vehicles		5,124
	Total	2,850	12,855
		(Un-audited)	(Audited)
		June 30,	December 31,
12	INTANCIDI E ASSETS	2023 (Buposs	2022
12.	INTANGIBLE ASSETS	(Rupees	•
	Computer software	1,155,895	1,130,815
	Capital work in progress	363,209	244,810
		1,519,104	1,375,625

			(Un-audited)	
12.1   Additions to intangible assets			Period ended	Period ended
Rupes   100   10			June 30,	June 30,
12.1 Additions to intangible assets           The following additions have been made to intangible assets during the period:           Capital work-in-progress Directly purchased         179,625 (4.15)         117,807 (66.102 (25.762)         183,909           Quantity of the period:         (Un-audited) (Audited) (Audited) (Audited) (20.25)         (Euglish) (Audited) (Audi			2023	2022
The following additions have been made to intangible assets during the period:    Capital work-in-progress   179,625   117,807   66,102   225,782   81,3090   120,203			(Rupees	in '000)
Capital work-in-progress   179,625   117,807   66,102   225,782   183,909   225,782   183,909   225,782   183,909   2023   183,909   2023	12.1	Additions to intangible assets		
Directly purchased   46,157   66,102   163,009   (Un-audited)   (Audited)				
Company   Comp		· · · · · · · · · · · · · · · · · · ·	·	
		Directly purchased		
June 30, 2023   2022 (Rupees in '9000)			225,782	183,909
13. DEFERRED TAX ASSETS   Deductible temporary differences on			(Un-audited)	(Audited)
Name			June 30,	December 31,
Deductible temporary differences on				
Deductible temporary differences on   - Post retirement employee benefits   - Accelerated tax depreciation   34,792   36,767   - Deficit on revaluation of investments   13,530,753   5,694,977   - Provision against advances   2,151,918   1,878,936   15,717,463   7,545,677			(Rupees	in '000)
- Post retirement employee benefits - Accelerated tax depreciation - Accelerated tax depreciation - Deficit on revaluation of investments - Provision against advances - Provision against advance rent and other prepayments - Provision against advance rent and other prepayments - Provision against against other assets - Provision held against other assets - Provision held against other assets - Provision held against other assets - Advances, deposits, advance rent and other prepayments - Provision held against other assets - Provision held against other assets - Advances, deposits, advance rent and other prepayments - Provision held against other assets - Advances, deposits, advance rent and other prepayments - Provision held against other assets - Advances, deposits, advance rent and other prepayments - Provision held against other assets - Advances, deposits, advance rent and other prepayments - Provision held against other assets - Advances, deposits, advance rent and other prepayments - Provision held against other assets	13.	DEFERRED TAX ASSETS		
- Accelerated tax depreciation - Deficit on revaluation of investments - Provision against advances - Provision - Provision (payments less provisions) - Provision held against other assets - Provision held against othe		• •		
- Deficit on revaluation of investments - Provision against advances 2,151,918 1,878,936 15,777,463 7,545,677 2,151,918 1,878,936 15,777,463 7,545,677 7,545			-	•
- Provision against advances 2,151,918 1,879,936 15,717,463 7,545,677    14. OTHER ASSETS    Income / mark-up accrued in local currency - net of provision   49,671,730   37,216,850   Income / mark-up accrued in foreign currencies   1,397,009   1,241,333   Advances, deposits, advance rent and other prepayments   1,009,451   678,674   Advance taxation (payments less provisions)   3,750,138   5,983,883   Non-banking assets acquired in satisfaction of claims   839,058   847,462   Assets held for sale   1,750,000   1,750,000   Branch adjustment account   - 40,219   Mark to market gain on forward foreign exchange contracts - net   85,544   - 81,000   1,750,000   1		·	·	
14. OTHER ASSETS         Income / mark-up accrued in local currency - net of provision Income / mark-up accrued in foreign currencies       49,671,730       37,216,850         Income / mark-up accrued in foreign currencies       1,397,009       1,241,333         Advances, deposits, advance rent and other prepayments       1,009,451       678,674         Advance taxation (payments less provisions)       3,750,138       5,983,883         Non-banking assets acquired in satisfaction of claims       839,058       847,462         Assets held for sale       1,750,000       1,750,000         Branch adjustment account       -       40,219         Mark to market gain on forward foreign exchange contracts - net       85,544       -         Stationary and stamps in hand       284,617       68,093         Dividend receivable       32,277       4,986         Acceptances       19,233,169       14,925,859         Receivable from defined benefit plan       58,689       -         Receivable against trading of securities - net       29,791       486,673         Others       715,980       527,204         Provision held against other assets - note 14.1       (182,641)       (182,608)         Other assets - net of provision       78,674,812       63,587,628         <				
Income / mark-up accrued in local currency - net of provision   A9,671,730   37,216,850   Income / mark-up accrued in foreign currencies   1,397,009   1,241,333   Advances, deposits, advance rent and other prepayments   1,009,451   678,674   Advance taxation (payments less provisions)   3,750,138   5,983,883   Non-banking assets acquired in satisfaction of claims   839,058   847,462   Assets held for sale   1,750,000   1,750,000   1,750,000   Branch adjustment account   - 40,219   Mark to market gain on forward foreign exchange contracts - net   Stationary and stamps in hand   284,617   68,093   Dividend receivable   32,277   4,986   Acceptances   19,233,169   14,925,859   Receivable from defined benefit plan   58,689   - Receivable against trading of securities - net   29,791   485,673   486,73   486,73   486,73   486,74   486,73   486,74   486,73   486,74   486,73   486,74   48		- Provision against advances		
Income / mark-up accrued in local currency - net of provision   1,397,009   1,241,333   Advances, deposits, advance rent and other prepayments   1,009,451   678,674   Advance taxation (payments less provisions)   3,750,138   5,983,883   Non-banking assets acquired in satisfaction of claims   839,058   847,462   Assets held for sale   1,750,000   1,750,000   Branch adjustment account   -   40,219   Mark to market gain on forward foreign exchange contracts - net   85,544   -   40,219   Mark to market gain on forward foreign exchange contracts - net   Stationary and stamps in hand   284,617   68,093   Dividend receivable   32,277   4,986   Acceptances   19,233,169   14,925,859   Receivable from defined benefit plan   58,689   -   Receivable against trading of securities - net   29,791   485,673   C0thers   715,980   527,204   78,857,453   63,770,236   Provision held against other assets - note 14.1   (182,641)   (182,608)   C0ther assets - net of provision   78,674,812   63,587,628   Surplus on revaluation of non-banking assets   acquired in satisfaction of claims   1,135,774   1,135,774   C0ther assets - total   79,810,586   64,723,402   14.1   Provision held against other assets   Advances, deposits, advance rent and other prepayments   4,838   4,838   C0thers   177,803   177,770   17			15,/1/,463	7,545,677
Income / mark-up accrued in foreign currencies	14.	OTHER ASSETS		
Advances, deposits, advance rent and other prepayments       1,009,451       678,674         Advance taxation (payments less provisions)       3,750,138       5,983,883         Non-banking assets acquired in satisfaction of claims       839,058       847,462         Assets held for sale       1,750,000       1,750,000         Branch adjustment account       -       40,219         Mark to market gain on forward foreign exchange contracts - net       85,544       -         Stationary and stamps in hand       284,617       68,093         Dividend receivable       32,277       4,986         Acceptances       19,233,169       14,925,859         Receivable from defined benefit plan       58,689       -         Receivable against trading of securities - net       29,791       485,673         Others       715,980       527,204         Provision held against other assets - note 14.1       (182,641)       (182,608)         Other assets - net of provision       78,674,812       63,587,628         Surplus on revaluation of non-banking assets		Income / mark-up accrued in local currency - net of provision	49,671,730	37,216,850
Advance taxation (payments less provisions)  Non-banking assets acquired in satisfaction of claims Assets held for sale Assets held for sale Branch adjustment account Ark to market gain on forward foreign exchange contracts - net Stationary and stamps in hand Dividend receivable Acceptances Breceivable from defined benefit plan Receivable against trading of securities - net Others  Provision held against other assets - note 14.1 Other assets - net of provision Other assets - total  Advances, deposits, advance rent and other prepayments Others  3,750,138 839,058 847,462 839,058 847,462 1,750,000 1,75		Income / mark-up accrued in foreign currencies	1,397,009	1,241,333
Non-banking assets acquired in satisfaction of claims		· · · · · · · · · · · · · · · · · · ·	1,009,451	678,674
Assets held for sale Branch adjustment account Branch adjustment account Mark to market gain on forward foreign exchange contracts - net Stationary and stamps in hand Dividend receivable Acceptances Receivable from defined benefit plan Receivable against trading of securities - net Others  Provision held against other assets - note 14.1 Other assets - net of provision Surplus on revaluation of claims Other assets - total  Provision held against other assets  Advances, deposits, advance rent and other prepayments Others  1,750,000 1,750,000 2,40,219 41,219 40,219 41,21,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21,21 41,21 41,21,21 41,21		ii i	3,750,138	5,983,883
Branch adjustment account       -       40,219         Mark to market gain on forward foreign exchange contracts - net       85,544       -         Stationary and stamps in hand       284,617       68,093         Dividend receivable       32,277       4,986         Acceptances       19,233,169       14,925,859         Receivable from defined benefit plan       58,689       -         Receivable against trading of securities - net       29,791       485,673         Others       715,980       527,204         Provision held against other assets - note 14.1       (182,641)       (182,608)         Other assets - net of provision       78,674,812       63,587,628         Surplus on revaluation of non-banking assets       1,135,774       1,135,774         Other assets - total       1,135,774       1,135,774         Other assets - total       79,810,586       64,723,402     14.1 Provision held against other assets  Advances, deposits, advance rent and other prepayments Others       4,838       4,838				
Mark to market gain on forward foreign exchange contracts - net       85,544       -         Stationary and stamps in hand       284,617       68,093         Dividend receivable       32,277       4,986         Acceptances       19,233,169       14,925,859         Receivable from defined benefit plan       58,689       -         Receivable against trading of securities - net       29,791       485,673         Others       715,980       527,204         Restriction held against other assets - note 14.1       (182,641)       (182,608)         Other assets - net of provision       78,674,812       63,587,628         Surplus on revaluation of non-banking assets <ul> <li>acquired in satisfaction of claims</li> <li>Other assets - total</li> </ul> 1,135,774       1,135,774         Other assets - total       79,810,586       64,723,402     14.1 Provision held against other assets  Advances, deposits, advance rent and other prepayments  Advances, deposits, advance rent and other prepayments Others       4,838       4,838			1,750,000	
Stationary and stamps in hand       284,617       68,093         Dividend receivable       32,277       4,986         Acceptances       19,233,169       14,925,859         Receivable from defined benefit plan       58,689       -         Receivable against trading of securities - net       29,791       485,673         Others       715,980       527,204         Provision held against other assets - note 14.1       (182,641)       (182,608)         Other assets - net of provision       78,674,812       63,587,628         Surplus on revaluation of non-banking assets             32,5774       1,135,774       1,135,774         Other assets - total       79,810,586       64,723,402          14.1       Provision held against other assets         Advances, deposits, advance rent and other prepayments       4,838       4,838         Others       177,803       177,770			05.544	40,219
Dividend receivable   32,277   4,986		· · · · · · · · · · · · · · · · · · ·	·	-
Acceptances       19,233,169       14,925,859         Receivable from defined benefit plan       58,689       -         Receivable against trading of securities - net       29,791       485,673         Others       715,980       527,204         78,857,453       63,770,236         Provision held against other assets - note 14.1       (182,641)       (182,608)         Other assets - net of provision       78,674,812       63,587,628         Surplus on revaluation of non-banking assets       1,135,774       1,135,774         Other assets - total       1,135,774       1,135,774         Other assets - total       79,810,586       64,723,402     14.1  Provision held against other assets  Advances, deposits, advance rent and other prepayments Others  177,803  177,770		· · · · · · · · · · · · · · · · · · ·	·	
Receivable from defined benefit plan   58,689   Receivable against trading of securities - net   29,791   485,673   0thers   715,980   527,204   78,857,453   63,770,236   Provision held against other assets - note 14.1   (182,641)   (182,608)   Other assets - net of provision   78,674,812   63,587,628   Surplus on revaluation of non-banking assets acquired in satisfaction of claims   1,135,774   1,135,774   Other assets - total   79,810,586   64,723,402				
Receivable against trading of securities - net       29,791       485,673         Others       715,980       527,204         78,857,453       63,770,236         Provision held against other assets - note 14.1       (182,641)       (182,608)         Other assets - net of provision       78,674,812       63,587,628         Surplus on revaluation of non-banking assets       1,135,774       1,135,774         Other assets - total       79,810,586       64,723,402     14.1 Provision held against other assets  Advances, deposits, advance rent and other prepayments Others  4,838  4,838  4,838  177,770       Others     177,803     177,770		·		-
Others         715,980         527,204           78,857,453         63,770,236           Provision held against other assets - note 14.1         (182,641)         (182,608)           Other assets - net of provision         78,674,812         63,587,628           Surplus on revaluation of non-banking assets         1,135,774         1,135,774           Other assets - total         79,810,586         64,723,402           14.1         Provision held against other assets         4,838         4,838           Advances, deposits, advance rent and other prepayments         4,838         4,838           Others         177,803         177,770		·	•	485,673
Provision held against other assets - note 14.1       (182,641)       (182,608)         Other assets - net of provision       78,674,812       63,587,628         Surplus on revaluation of non-banking assets       1,135,774       1,135,774         Other assets - total       79,810,586       64,723,402         14.1       Provision held against other assets       4,838       4,838         Advances, deposits, advance rent and other prepayments       4,838       4,838         Others       177,803       177,770			•	
Other assets - net of provision Surplus on revaluation of non-banking assets acquired in satisfaction of claims Other assets - total  Provision held against other assets  Advances, deposits, advance rent and other prepayments Others  78,674,812 63,587,628 1,135,774 79,810,586 64,723,402  4,838 4,838 4,838 0thers			78,857,453	63,770,236
Surplus on revaluation of non-banking assets acquired in satisfaction of claims Other assets - total  1,135,774 79,810,586 64,723,402  14.1 Provision held against other assets  Advances, deposits, advance rent and other prepayments Others 177,803 177,770		Provision held against other assets - note 14.1	(182,641)	(182,608)
acquired in satisfaction of claims       1,135,774       1,135,774         Other assets - total       79,810,586       64,723,402         14.1 Provision held against other assets         Advances, deposits, advance rent and other prepayments       4,838       4,838         Others       177,803       177,770		·	78,674,812	63,587,628
Other assets - total         79,810,586         64,723,402           14.1         Provision held against other assets         4,838         4,838           Advances, deposits, advance rent and other prepayments Others         177,803         177,770		·		
14.1 Provision held against other assets  Advances, deposits, advance rent and other prepayments Others  4,838 4,838 4,838 177,770		·		
Advances, deposits, advance rent and other prepayments  4,838  4,838  177,770		Other assets - total	79,810,586	64,723,402
Others <u>177,803</u> 177,770	14.1	Provision held against other assets		
Others <u>177,803</u> 177,770		Advances, deposits, advance rent and other prepayments	4.838	4.838
		·	•	

						(Un-audited)	(Audited)
						June 30,	December 31,
1/11	Movement in provision he	uld against other a	eente			2023 (Punee	2022 s in '000)
14.1.1	wovement in provision ne	agamst other as	55015			(Nupee	3 111 000)
	Opening balance					182,608	175,845
	Charge for the period / year					180	9,315
	Reversals for the period / you Net charge for the period / you					(147)	(2,552) 6,763
	Closing balance	, 0 4.				182,641	182,608
	Closing balance					102,041	102,000
15.	BILLS PAYABLE						
	In Pakistan					27,962,286	11,878,563
16.	BORROWINGS						
	Secured						
	Borrowings from the State B	Bank of Pakistan un	der:				
	Export refinance scheme					20,780,718	22,741,967
	Long term financing facili	•				9,538,407	9,904,417
	Financing facility for store	0 0 1	roduce			29,541	44,311
	Renewable energy finance Refinance from SBP	only facility				3,924,220	3,944,124
	Credit guarantee schei	me for women entre	preneurs			-	67
	Payment of wages and		•			-	454,197
	Temporary Economic I	Relief				12,614,272	9,680,778
	Modernization of SME					10,451	12,215
	Combating COVID-19					473,215	563,711
	Askari Ujala	ing of hills / receive	hlo			2 242 022	3,117
	Rupee based discount	ing or bills / receival	bie			2,242,023 49,612,847	1,891,099 49,240,003
	Danurahasa agraamant hay	rowingo				.0,0.2,0	.0,2 .0,000
	Repurchase agreement bor State Bank of Pakistan	rowings				425,000,000	100,000,000
	Financial institutions					61,376,355	80,826,007
						486,376,355	180,826,007
	Refinance from Pakistan M	ortgage Refinance (	Company			2,366,667	3,366,079
	Total secured		,			538,355,869	233,432,089
	Umanavirad					, ,	, ,
	Unsecured Call borrowings					2,000,000	_
	Total unsecured					2,000,000	
						540,355,869	233,432,089
		June :	30, 2023 (Un-aud	dited)	Decem	nber 31, 2022 (Au	idited)
		In local	In foreign	Total	In local	In foreign	Total
		currency	currencies		currency	currencies	
17.	DEPOSITS AND OTHER			(Rupees	s in '000)		
	ACCOUNTS						
	Customers		·	<del>,</del>		,	,
	Current accounts	375,155,377	31,980,736	407,136,113	323,359,037	25,268,830	348,627,867
	Savings deposits	545,059,764	71,927,179	616,986,943	500,472,663	60,092,675	560,565,338
	Fixed deposits	192,908,347 1,113,123,488	33,777,153 137,685,068	226,685,500 1,250,808,556	195,530,848 1,019,362,548	26,160,189 111,521,694	221,691,037 1,130,884,242
		1,113,123,400	137,003,000	1,230,000,330	1,019,302,340	111,521,094	1,130,004,242
	Financial institutions						
	Current accounts	1,234,100	94,197	1,328,297	1,047,450	32,749	1,080,199
	Savings deposits	1,584,016	-	1,584,016	4,517,990	-	4,517,990
	Fixed deposits	15,906,200 18,724,316	94,197	15,906,200 18,818,513	6,092,175 11,657,615	32,749	6,092,175 11,690,364
		1,131,847,804	137,779,265	1,269,627,069	1,031,020,163	111,554,443	1,142,574,606

		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
18.	SUBORDINATED DEBTS	(Rupees	in '000)
	Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000
	Term Finance Certificates - VII	6,000,000	6,000,000
		12,000,000	12,000,000

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

	Term Finance Certificates - VI (ADT-1)	Term Finance Certificates - VII
Outstanding amount - Rupees in '000	6,000,000	6,000,000
Issue amount	Rupees 6,000 million	Rupees 6,000 million
Issue date	July 03, 2018	March 17, 2020
Maturity Date	Perpetual	March 16, 2030
Rating	AA-	AA
Security	Unsecured	Unsecured
Listing	Listed	Listed
Profit payment frequency	Payable six monthly	Payable quarterly
Redemption	Perpetual	109-120th month: 100%
Profit Rate	Base Rate plus 1.50%	Base Rate plus 1.20%
	Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.	Base Rate is the simple average of the ask rate of three month KIBOR prevailing on the base rate setting date
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.	Excercisable after 60th month from the date of issue subject to approval by the SBP.
Lock-in-clause	Payment of profit will be subject to the condition that such payment will not result in breach of the Bank's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cummulative features will subject these TFCs to mandatory conversion into common shares / write off at the discretion of SBP.	maturity) in respect of the TFC, if such payment will result in a shortfall or increase in an existing shortfall in the Bank's Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio. That is, any payment (profit and/or principal) in respect of the TFC would be made, subject to the Bank being in
Loss absorption clause	TFCs' divided by market value per share of	TFCs' divided by market value per share of the Bank's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP subject to a cap

to a specified cap.

		(Un-audited) June 30,	(Audited) December 31,
		2023	2022
19.	OTHER LIABILITIES	(Rupees	_
10.	OTTER EIABIETTES	(Nupoco	000)
	Mark-up / return / interest payable in local currency	17,947,608	11,177,244
	Mark-up / return / interest payable in foreign currencies	1,294,808	523,791
	Unearned commission and income on bills discounted	2,340,624	2,485,237
	Accrued expenses	1,389,620	2,141,323
	Advance payments	454,031	446,546
	Acceptances	19,233,169	14,925,859
	Dividend payable	194,549	195,719
	Advance against sale of non-banking assets	1,242,540	494,255
	Mark to market loss on forward foreign exchange contracts	-	110,688
	Branch adjustment account	466,665	<u>-</u>
	Payable to defined benefit plan		194,714
	Provision for employees' compensated absences	702,011	635,913
	Security deposit against lease / Ijarah financing	3,871,030	4,145,427
	Levies and taxes payable Workers' Welfare Fund	1,426,447	1,156,266
	Switch settlement accounts	1,006,385 342,939	768,486 2,747,463
	Provision against off-balance sheet obligations - note 19.1	134,239	134,767
	Lease liability against ROU assets as per IFRS - 16 Leases	8,277,876	8,084,073
	Others	1,976,411	2,095,527
		62,300,952	52,463,298
		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
19.1	Provision against off balance sheet obligations	(Rupees	in 'UUU)
19.1	Provision against off-balance sheet obligations		
	Opening balance	134,767	1,143,768
	Exchange adjustment	121	404
	Reversal for the period / year	(649)	(1,009,405)
	Closing balance	134,239	134,767
20.	(DEFICIT) / SURPLUS ON REVALUATION OF ASSETS - NET OF TAX		
	(Deficit) / surplus on revaluation of:		
	- Available for sale securities	(27,613,782)	(13,244,132)
	- Fixed Assets	10,365,737	10,365,737
	- Non-banking assets acquired in satisfaction of claims	1,135,774	1,135,774
		(16,112,271)	(1,742,621)
	Deferred tax on deficit on revaluation of:		
	- Available for sale securities	13,530,753	5,694,977
		(2,581,518)	3,952,356
		(=,50.,0.3)	

Pursuant to relaxation provided by the SBP, the Bank had availed the benefit of staggering the unrealized loss on PIBs having aggregate face value of Rs 85,168 million at December 31, 2022. Accordingly, the Bank had reversed an amount of revaluation loss of Rs. 6,486 million upto December 31, 2022. The relaxation is not available at June 30, 2023.

		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
21.	CONTINGENCIES AND COMMITMENTS	(Rupees	in '000)
	- Guarantees - note 21.1	361,224,855	313,699,274
	- Commitments - note 21.2	545,744,003	473,577,812
	- Other contingent liabilities - note 21.3	2,292,284	1,720,383
		909,261,142	788,997,469
21.1	Guarantees		
	Financial guarantees	10,869,347	9,494,557
	Performance guarantees	199,751,019	180,122,513
	Other guarantees	150,604,489	124,082,204
		361,224,855	313,699,274
21.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	224,195,797	187,240,002
	Commitments in respect of:		
	- forward foreign exchange contracts - note 21.2.1	318,965,856	269,232,712
	- forward government securities transactions	-	15,400,000
	- non government securities transactions - note 21.2.2	2,036,120	1,366,896
	Commitments for acquisition of:		
	- operating fixed assets	118,579	82,807
	- intangible assets	427,651	255,395
		545,744,003	473,577,812
21.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	178,648,788	150,899,164
	Sale	140,317,068	118,333,548
		318,965,856	269,232,712
	The above commitments have maturities falling within one year.		
21.2.2	Commitments in respect of non government securities transaction	ons	
	Purchase	2,036,120	1,035,290
	Sale	-	331,606
		2,036,120	1,366,896
21.3	Other contigent liabilities		
	These represent certain claims by third parties against the Bank, which are being contested in the Courts of law. Based on legal advice and / or internal assessment, management is confident that the matters will be decided in Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these condensed interim		
	unconsolidated financial statements	1,447,293	1,254,927
	This represent stand by letters of credit issued by correspondent		
	banks on behalf of the Bank.	844,991	465,456
		2,292,284	1,720,383

## 22. DERIVATIVE INSTRUMENTS

The Bank does not offer derivative products such as Interest Rate Swaps, Cross Currency Swaps, Forward Rate Agreements or Foreign Exchange Options. The Bank's Treasury and Investment Banking Groups buy and sell derivative instruments such as Forward Exchange Contracts (FECs) and Equity Futures (EFs).

		(Un-audited)	
		Period ended	Period ended
		June 30,	June 30,
		2023	2022
23.	MARK-UP / RETURN / INTEREST EARNED	(Rupees	in '000)
	On:		
	Loans and advances	51,765,694	25,186,060
	Investments	75,416,614	36,074,142
	Lendings to financial institutions	72,958	78,222
	Balances with banks	239,575	1,829
	Securities purchased under resale agreements	517,039 128,011,880	382,031 61,722,284
24.	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	Deposits	67,807,224	31,389,502
	Borrowings	32,270,412	10,318,338
	Subordinated debts	1,165,762	760,075
	Cost of foreign currency swaps against foreign currency		
	deposits / borrowings	1,451,990	1,565,921
	Interest expense on lease liability against ROU assets	495,230	445,599
		103,190,618	44,479,435
25.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	382,800	402,848
	Consumer finance related fees	47,729	55,184
	Card related fees (debit and credit cards)	712,684	549,179
	Credit related fees	433,658	270,934
	Investment banking fees	155,433	115,127
	Commission on trade	871,295	496,025
	Commission on guarantees	634,152	488,053
	Commission on remittances including home remittances	94,390	104,949
	Commission on bancassurance	16,503	42,632
	Others	44,503 3,393,147	17,791 2,542,722
		0,000,147	2,012,122
26.	GAIN / (LOSS) ON SECURITIES		
	Realised - note 26.1	16,289	34,446
	Unrealised - note 9.1	9,476	(18,617)
		25,765	15,829
26.1	Realised gain / (loss) on:		
	Federal Government Securities	(153,747)	12,187
	Shares	127,469	9,101
	Non Government Debt Securities	37,833	300
	Mutual Funds	4,734	12,858
		16,289	34,446

		(Un-au	dited)
		Period ended	Period ended
		June 30,	June 30,
		2023	2022
27.	OTHER INCOME	(Rupees	-
21.		` .	,
	Gain on sale of fixed assets	4,019	37,501
	Rent of lockers	25,403	24,172
	Recovery of expenses from customers	160,482	151,295
	Termination of lease contracts under IFRS - 16 Leases	9,900 199,804	13,700 226,668
		199,004	220,000
28.	OPERATING EXPENSES		
	Total compensation expenses - note 28.1	6,952,448	5,500,134
	Property expense		
	Rent and taxes	72,469	63,367
	Insurance	45,924	42,883
	Utilities cost	622,111	416,398
	Security (including guards)	381,112	285,593
	Repair & maintenance (including janitorial charges)	211,294	160,378
	Depreciation on ROU assets	811,224	773,035
	Depreciation	120,980	141,378
		2,265,114	1,883,032
	Information technology expenses		
	Software maintenance	334,067	245,600
	Hardware maintenance	80,107	30,429
	Depreciation	113,404	87,693
	Amortisation	82,922	69,163
		261,287	
	Network charges	871,787	138,734 571,619
		0.1,10.	07 1,010
	Other operating expenses		
	Directors' fees, allowances	15,200	16,700
	Fees and allowances to shariah board	4,746	4,539
	Rates, taxes, insurance etc.	89,800	104,287
	Legal and professional charges	48,917	56,400
	Brokerage and commission	100,672	73,923
	NIFT clearing charges	52,342	34,423
	Repair and maintenance	401,987	182,467
	Communications	475,841	337,945
	Stationery and printing	301,362	171,123
	Marketing, advertisement and publicity	54,077	81,489
	Donations	524,397	67,150
	Auditors' remuneration	26,389	21,401
	Travelling, conveyance and entertainment	194,534	138,843
	Depreciation	238,475	224,770
	Security service charges	356,972	192,153
	Training and development	11,603	11,841
	Deposit premium expense	351,160	323,717
	Outsourced service cost	102,216	42,280
	Other expenditure	159,049	178,129
		3,509,739	2,263,580
		13,599,088	10,218,365
28.1	Total compensation expense		
	Managerial remuneration	5,194,287	4,302,002
	Charge for defined benefit / contribution plan	423,655	376,697
	Other staff cost - note 28.1.1	1,334,506	821,435
		6,952,448	5,500,134

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

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

Period ended June 30, 2023         Period ended June 30, 2022           30. PROVISIONS AND WRITE OFFS - NET         (Rupees in '000)           Provision for diminution in value of investments Provision against loans and advances Provision against loans and advances Provision against other assets and balances with other banks Reveral of provision against repurchase agreement lendings (14,860) (14,861) (14,861) (14,861) (14,861) (14,861) (14,861) (14,861) (14,225) (14,225) (14,225) (14,225) (14,225) (14,225) (14,225) (14,225) (14,225) (14,226)			(Un-audited)			
2023   2022			Period ended	Period ended		
30. PROVISIONS AND WRITE OFFS - NET       (Rupees in '000)         Provision for diminution in value of investments       231,427       425,752         Provision against loans and advances       447,517       629,981         Provision against other assets and balances with other banks       37       11,739         Reveral of provision against repurchase agreement lendings       (14,860)       (14,861)         Reversal of provision against off-balance sheet obligations       (649)       (897,777)         Reversal of provision against intangible assets       -       (1,225)         Recovery of written off / charged off bad debts       (46,196)       (43,469)         31. TAXATION         Current       8,439,244       5,778,624         Deferred       (271,007)       62,676			June 30,	June 30,		
Provision for diminution in value of investments       231,427       425,752         Provision against loans and advances       447,517       629,981         Provision against other assets and balances with other banks       37       11,739         Reveral of provision against repurchase agreement lendings       (14,860)       (14,861)         Reversal of provision against off-balance sheet obligations       (649)       (897,777)         Reversal of provision against intangible assets       -       (1,225)         Recovery of written off / charged off bad debts       (46,196)       (43,469)         31. TAXATION         Current       8,439,244       5,778,624         Deferred       (271,007)       62,676			2023	2022		
Provision against loans and advances       447,517       629,981         Provision against other assets and balances with other banks       37       11,739         Reveral of provision against repurchase agreement lendings       (14,860)       (14,861)         Reversal of provision against off-balance sheet obligations       (649)       (897,777)         Reversal of provision against intangible assets       -       (1,225)         Recovery of written off / charged off bad debts       (46,196)       (43,469)         31. TAXATION         Current       8,439,244       5,778,624         Deferred       (271,007)       62,676	30.	PROVISIONS AND WRITE OFFS - NET	(Rupees	in '000)		
Provision against other assets and balances with other banks       37       11,739         Reveral of provision against repurchase agreement lendings       (14,860)       (14,861)         Reversal of provision against off-balance sheet obligations       (649)       (897,777)         Reversal of provision against intangible assets       -       (1,225)         Recovery of written off / charged off bad debts       (46,196)       (43,469)         31. TAXATION         Current       8,439,244       5,778,624         Deferred       (271,007)       62,676		Provision for diminution in value of investments	231,427	425,752		
Reveral of provision against repurchase agreement lendings       (14,860)       (14,861)         Reversal of provision against off-balance sheet obligations       (649)       (897,777)         Reversal of provision against intangible assets       -       (1,225)         Recovery of written off / charged off bad debts       (46,196)       (43,469)         31. TAXATION         Current       8,439,244       5,778,624         Deferred       (271,007)       62,676		Provision against loans and advances	447,517	629,981		
Reversal of provision against off-balance sheet obligations       (649)       (897,777)         Reversal of provision against intangible assets       -       (1,225)         Recovery of written off / charged off bad debts       (46,196)       (43,469)         31. TAXATION         Current       8,439,244       5,778,624         Deferred       (271,007)       62,676		Provision against other assets and balances with other banks	37	11,739		
Reversal of provision against intangible assets   - (1,225)     Recovery of written off / charged off bad debts   (46,196)   (43,469)     617,276		Reveral of provision against repurchase agreement lendings	(14,860)	(14,861)		
Recovery of written off / charged off bad debts     (46,196)     (43,469)       617,276     110,140       31. TAXATION     8,439,244     5,778,624       Deferred     (271,007)     62,676		Reversal of provision against off-balance sheet obligations	(649)	(897,777)		
617,276         110,140           31. TAXATION         Current         8,439,244         5,778,624           Deferred         (271,007)         62,676		Reversal of provision against intangible assets	-	(1,225)		
31. TAXATION  Current 8,439,244 5,778,624 Deferred (271,007) 62,676		Recovery of written off / charged off bad debts	(46,196)	(43,469)		
Current       8,439,244       5,778,624         Deferred       (271,007)       62,676			617,276	110,140		
Deferred (271,007) 62,676	31.	TAXATION				
		Current	8,439,244	5,778,624		
<b>8,168,237</b> 5,841,300		Deferred	(271,007)	62,676		
			8,168,237	5,841,300		

- 31.1 i) The Bank has filed tax returns for and up to tax year 2022. The assessments for and up to tax year 2022 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,119.049 million, provision for diminution in the value of investments for Rs 2,530.226 million, bad debts written off for Rs 86.922 million, provision for substandard advances for Rs 74.95 million, Provision against other assets and fixed assets for Rs 142.494 million, disallowance of employee benefit expenses Rs 228.680 Million and Other disallowances of expenses/credits for Rs 326.846 million. Bank's Appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Bank are confident that these matters will be decided in favor of the Bank and consequently no provision has been made thereon. Tax payments by the Bank against certain matters are being carried forward as receivable, as management and tax advisor of the Bank are confident of their realization.
  - ii) Consequent upon the amalgamation with and into the Bank, the outstanding tax issues relating to Askari Leasing Limited (ALL) are as follows:

Tax returns of ALL have been filed for and up to tax year 2010. The returns for the tax years 2003 to 2010 were amended by the tax authorities mainly in the matter of admissibility of initial allowance claimed on leased vehicles. On appeals filed by ALL, partial relief was provided by the CIR(A) by allowing initial allowance on commercial vehicles. Re-assessment has not yet been carried out by the tax department. A tax demand is however not likely to arise after re-assessment.

For and up to the assessment years 2002-2003, reference applications filed by the tax authorities in the matter of computation of lease income are pending decisions by the High Court. However, the likelihood of an adverse decision is considered low due to a favorable decision of the High Court in a parallel case.

(Un-audited)			
Period ended June 30, 2023	Period ended June 30, 2022		
8,837,543	6,309,263		
1,449,299,207	1,449,299,207		
6.10	Restated 4.35		
	Period ended June 30, 2023 8,837,543 1,449,299,207		

There is no dilutive effect on the basic earnings per share of the Bank, therefore dilutive earnings per share have not been presented seperately. Further, the prior period earnings per share has been restated for the effect of bonus shares issued @15% during the year.

#### 33. FAIR VALUE MEASUREMENTS

The fair values of traded investments are based on quoted market prices. The fair values of unquoted equity investments are estimated using the break-up value of the investee company.

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

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

All assets and liabilities for which fair value is measured or disclosed in these consolidated financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

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

#### 33.1 Fair value of financial assets

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

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

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

The following table provides the fair values of those of the Bank's financial assets and liabilities that are recognized or disclosed at fair value in these unconsolidated condensed interim financial statements:

			June 30, 2023 (	Un-audited)	
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
			(Rupees in '000)		
On balance sheet financial instruments					
Financial assets - measured at fair value					
Investments Federal Government Securities Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities	965,719,943 4,576,259 570,923 28,150 12,460,022 983,355,297	5,128,668 4,576,259 - 28,150 - 9,733,077	960,591,275 - 570,923 - 12,460,022 973,622,220	- - - - -	965,719,943 4,576,259 570,923 28,150 12,460,022 983,355,297
Elementation of Parkers III and a second of the second	,,	-,,-			
Financial assets - disclosed but not measured at fair value					
Investments Federal Government Securities Unlisted shares Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to financial institutions Advances Other assets	114,214,421 1,050,000 - 128,348,502 17,492,927 99,999 622,816,273 71,051,719 955,073,841	10,718,376 - - - - - - - 10,718,376	103,496,045 - - - - - - - 103,496,045	: : : : :	114,214,421 - - - - - - - 114,214,421
Off-balance sheet financial instruments - measured at fair value	-		•		
	470 040 700		464.064		404.004
Forward purchase of foreign exchange	178,648,788	-	161,364	<del>-</del>	161,364
Forward sale of foreign exchange	140,317,068	-	(75,820)		(75,820)
			December 31, 20	022 (Audited)	
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
	Tronona. Talao	LOVOIT	(Rupees in '000)	LOVOI O	Total
On balance sheet financial instruments			, ,		
Financial assets - measured at fair value					
Investments					
Federal Government Securities	632,309,796	3,896,424	628,413,372	-	632,309,796
Shares	3,780,628	3,896,424 3,780,628	-	- -	3,780,628
Shares Units of open end mutual funds	3,780,628 643,285	3,780,628	628,413,372 - 643,285	- - -	3,780,628 643,285
Shares Units of open end mutual funds Fully paid preference shares	3,780,628 643,285 28,150		643,285	- - - -	3,780,628 643,285 28,150
Shares Units of open end mutual funds	3,780,628 643,285	3,780,628 - 28,150	-	- - - - -	3,780,628 643,285
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities	3,780,628 643,285 28,150	3,780,628 - 28,150	643,285	- - - - - - -	3,780,628 643,285 28,150
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities	3,780,628 643,285 28,150 11,865,359	3,780,628 - 28,150 - -	643,285 - 11,865,359	- - - - - - -	3,780,628 643,285 28,150 11,865,359
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities Financial assets - disclosed but not measured at fair value	3,780,628 643,285 28,150 11,865,359	3,780,628 - 28,150 - -	643,285 - 11,865,359	- - - - - - - -	3,780,628 643,285 28,150 11,865,359
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities	3,780,628 643,285 28,150 11,865,359	3,780,628 - 28,150 - -	643,285 - 11,865,359	- - - - - - - -	3,780,628 643,285 28,150 11,865,359
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary	3,780,628 643,285 28,150 11,865,359 - 648,627,218	3,780,628 - 28,150 - -	643,285 - 11,865,359 - 640,922,016	- - - - - - - - - - -	3,780,628 643,285 28,150 11,865,359
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities	3,780,628 643,285 28,150 11,865,359 - 648,627,218 1,050,000 - 111,056,637	3,780,628 - 28,150 - 7,705,202 - 8,644,666	643,285 - 11,865,359 - 640,922,016	- - - - - - - - - - - - - - - - - - -	3,780,628 643,285 28,150 11,865,359 - 648,627,218
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities	3,780,628 643,285 28,150 11,865,359 - 648,627,218 1,050,000 - 111,056,637 1,797,164	3,780,628 - 28,150 - - 7,705,202	643,285 - 11,865,359 - 640,922,016	- - - - - - - - - - - - - - - - - - -	3,780,628 643,285 28,150 11,865,359 - 648,627,218
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks	3,780,628 643,285 28,150 11,865,359 648,627,218 1,050,000 - 111,056,637 1,797,164 70,950,067	3,780,628 - 28,150 - 7,705,202 - 8,644,666	643,285 - 11,865,359 - 640,922,016	- - - - - - - - - - - - - - - - - - -	3,780,628 643,285 28,150 11,865,359 - 648,627,218
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institutions	3,780,628 643,285 28,150 11,865,359 - 648,627,218 1,050,000 - 111,056,637 1,797,164 70,950,067 9,677,123 406,934	3,780,628 - 28,150 - 7,705,202 - 8,644,666	643,285 - 11,865,359 - 640,922,016	- - - - - - - - - - - - - - - - - - -	3,780,628 643,285 28,150 11,865,359 - 648,627,218
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to financical institutions Advances	3,780,628 643,285 28,150 11,865,359 - 648,627,218 1,050,000 - 111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931	3,780,628 - 28,150 - 7,705,202 - 8,644,666	643,285 - 11,865,359 - 640,922,016	- - - - - - - - - - - - - - - - - - -	3,780,628 643,285 28,150 11,865,359 - 648,627,218
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institutions	3,780,628 643,285 28,150 11,865,359 648,627,218 1,050,000 - 111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931 53,738,462	3,780,628 	643,285 11,865,359 640,922,016	- - - - - - - - - - - - - - - - - - -	3,780,628 643,285 28,150 11,865,359 
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to financical institutions Advances	3,780,628 643,285 28,150 11,865,359 - 648,627,218 1,050,000 - 111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931	3,780,628 - 28,150 - 7,705,202 - 8,644,666	643,285 - 11,865,359 - 640,922,016	- - - - - -	3,780,628 643,285 28,150 11,865,359 - 648,627,218
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to financical institutions Advances	3,780,628 643,285 28,150 11,865,359 648,627,218 1,050,000 - 111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931 53,738,462	3,780,628 	643,285 11,865,359 640,922,016	- - - - - -	3,780,628 643,285 28,150 11,865,359 
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institutions Advances Other assets  Off-balance sheet financial instruments - measured at fair value Forward purchase of foreign exchange	3,780,628 643,285 28,150 11,865,359 648,627,218 1,050,000 - 111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931 53,738,462	3,780,628 	643,285 11,865,359 640,922,016	- - - - - -	3,780,628 643,285 28,150 11,865,359 
Shares Units of open end mutual funds Fully paid preference shares Non Government Debt Securities Foreign securities  Financial assets - disclosed but not measured at fair value Investments Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institutions Advances Other assets  Off-balance sheet financial instruments - measured at fair value	3,780,628 643,285 28,150 11,865,359 - 648,627,218 1,050,000 - 111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931 53,738,462 832,487,318	3,780,628 	643,285 11,865,359 - 640,922,016 - 102,411,971 - - - 102,411,971	- - - - - -	3,780,628 643,285 28,150 11,865,359 - 648,627,218 - 111,056,637 1,797,164 - - - - 112,853,801

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

	(Un-audited)	(Audited)
	June 30,	December 31,
	2023	2022
33.2 Fair value of non-financial assets	(Rupees	s in '000)
	Level 3	Level 3
Fixed assets		
Property and equipment (freehold and leasehold land)	13,238,392	13,238,392
Other assets		
Non-banking assets acquired in satisfaction of claims	1,974,832	1,983,236

### 34. Segment Information

### 34.1 Segment details with respect to Business Activities

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

				June 30, 2023	(Un audited)						
	Branch	Corporate		Consumer	Islamic	Foreign	Head Office				
	banking	banking	Treasury	banking	banking	operations	/ others	Total			
				(Rupees	in '000)						
Profit and loss	(40.007.004)	47.075.000	20 720 440	0.040.050	F 000 7F4	4 404 604	(4.442.007)	04 004 000			
Net mark-up / return / profit Inter segment revenue - net	(40,637,694) 58,025,034	17,975,386 (15,577,459)	39,738,449 (44,492,217)	2,213,650 (1,676,681)	5,823,754 (1,776,600)	1,121,604 (835,287)	(1,413,887) 6,333,210	24,821,262			
Non mark-up / return / interest income	1,090,027	2,279,515	2,494,311	376,161	357,570	16,154	149,208	6,762,946			
Total income	18,477,367	4,677,442	(2,259,457)	913,130	4,404,724	302,471	5,068,531	31,584,208			
Segment direct expenses	7,360,735	491,248	210,020	753,599	1,613,145	116,030	3,416,375	13,961,152			
Inter segment expense allocation	675,266	495,989	10,506	25,972	-	-	(1,207,733)	-			
Total expenses	8,036,001	987,237	220,526	779,571	1,613,145	116,030	2,208,642	13,961,152			
Provisions	(188,600)	609,273	183,504	(12,751)	(40,593)		66,443	617,276			
Profit before tax	10,629,966	3,080,932	(2,663,487)	146,310	2,832,172	186,441	2,793,446	17,005,780			
				June 30, 2023	(Un-audited)						
	Branch	Corporate	_	Consumer	Islamic	Foreign	Head Office				
	banking	banking	Treasury	banking (Rupees	banking	operations	/ others	Total			
Statement of financial position				(Nupees	111 000)						
Cash and bank balances	34,196,052	-	100,505,379	759,194	10,236,792	93,562	50,450	145,841,429			
Investments	-	8,437,417	1,033,683,841	-	40,394,404	15,847,044	453,712	1,098,816,418			
Lendings to financial institutions	-	-	99,999	-	-	-	-	99,999			
Advances - performing - net of provision	11,289,944	477,763,210	-	19,957,704	98,486,872	5,375,926	8,074,611	620,948,267			
Advances - non-performing - net of provision Others	280,319 929,806	517,246 35,112,346	24,519,880	95,560 668,840	974,881 11,495,447	429,614	48,336,963	1,868,006 121,492,895			
Total Assets	46,696,121	521,830,219	1,158,809,099	21,481,298	161,588,396	21,746,146	56,915,736	1,989,067,014			
Borrowings	1,626,582	41,997,115	488,376,353	2,366,667	5,989,152	-	-	540,355,869			
Subordinated debts	-	-	-	-	-	-	12,000,000	12,000,000			
Deposits and other accounts	854,239,151	303,145,572		3,300	110,156,151	1,972,947	109,948	1,269,627,069			
Net inter segment balances - net Others	(827,365,330) 18,195,718	132,779,582 43,907,950	664,214,420 6,218,326	18,609,307 502,024	24,763,747 8,484,856	19,233,136 540,063	(32,234,862) 12,414,302	90,263,238			
Total liabilities	46,696,121	521,830,219	1,158,809,099	21,481,298	149,393,906	21,746,146	(7,710,612)	1,912,246,176			
Equity			<u> </u>	<u> </u>	12,194,490		64,626,348	76,820,838			
Total Equity and liabilities	46,696,121	521,830,219	1,158,809,099	21,481,298	161,588,396	21,746,146	56,915,736	1,989,067,014			
Contingencies and commitments	6,685,939	560,329,387	321,001,976	844,991	18,440,777		1,958,072	909,261,142			
				June 30, 2022	(Lin-audited)						
	Branch	Corporate		Consumer	Islamic	Foreign	Head Office				
	banking	banking	Treasury	banking	banking	operations	/ others	Total			
				(Rupees							
Profit and loss				(Rupees	in '000)	<u> </u>					
Net mark-up / return / profit	(20,632,154)	9,889,774	23,957,135	(Rupees 1,753,684		872,377	(922,035)	17,242,849			
Net mark-up / return / profit Inter segment revenue - net	33,091,009	9,889,774 (7,266,333)	(27,447,342)	1,753,684 (1,129,377)	2,324,068	872,377 (92,579)	(922,035) 2,844,622	17,242,849			
Net mark-up / return / profit		9,889,774		(Rupees 1,753,684	in '000)	872,377	(922,035)				
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income	33,091,009 864,707	9,889,774 (7,266,333) 1,590,876	(27,447,342) 2,483,253	1,753,684 (1,129,377) 265,936	2,324,068 - 246,835	872,377 (92,579) 14,323	(922,035) 2,844,622 118,103	17,242,849 - 5,584,033			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation	33,091,009 864,707 13,323,562 5,754,727 446,614	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837	1,753,684 (1,129,377) 265,936 890,243 538,740 69,167	2,324,068 - 246,835 2,570,903 1,252,587	872,377 (92,579) 14,323 794,121 69,823	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135)	17,242,849 - 5,584,033 22,826,882 10,566,179			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses	33,091,009 864,707 13,323,562 5,754,727	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065	(27,447,342) 2,483,253 (1,006,954) 154,751	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740	2,324,068 - 246,835 2,570,903	872,377 (92,579) 14,323 794,121	(922,035) 2,844,622 118,103 2,040,690 2,359,486	17,242,849 - 5,584,033 22,826,882			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation	33,091,009 864,707 13,323,562 5,754,727 446,614	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837	1,753,684 (1,129,377) 265,936 890,243 538,740 69,167	2,324,068 - 246,835 2,570,903 1,252,587	872,377 (92,579) 14,323 794,121 69,823	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135)	17,242,849 - 5,584,033 22,826,882 10,566,179			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b>	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907	in '000) 2,324,068 - 246,835 2,570,903 1,252,587 - 1,252,587	872,377 (92,579) 14,323 794,121 69,823	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351	17,242,849 - 5,584,033 22,826,882 10,566,179 - 10,566,179			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b> Provisions	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501)	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427)	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379	1,266,429	872,377 (92,579) 14,323 794,121 69,823 - 69,823 (78,920)	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515	17,242,849 - 5,584,033 22,826,882 10,566,179 - 10,566,179 110,140			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b> Provisions	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501)	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427)	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043)	1,266,429	872,377 (92,579) 14,323 794,121 69,823 - 69,823 (78,920)	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515	17,242,849 - 5,584,033 22,826,882 10,566,179 - 10,566,179 110,140			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b> Provisions	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	in '000)  2,324,068  246,835  2,570,903  1,252,587  1,252,587  1,266,429  2022 (Audited) Islamic banking	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824	17,242,849 - 5,584,033 22,826,882 10,566,179 - 10,566,179 110,140			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer	in '000)  2,324,068  246,835  2,570,903  1,252,587  1,252,587  1,266,429  2022 (Audited) Islamic banking	872,377 (92,579) 14,323 794,121 69,823 	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824	17,242,849 5,584,033 22,826,882 10,566,179 10,566,179 110,140 12,150,563			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000)	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824	17,242,849 5,584,033 22,826,882 10,566,179 10,566,179 110,140 12,150,563			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	in '000)  2,324,068  246,835  2,570,903  1,252,587  1,252,587  1,266,429  2022 (Audited)  Islamic banking in '000)  6,862,101	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 22,826,882 10,566,179 -10,140 12,150,563  Total  80,627,190			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000)	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824	17,242,849 5,584,033 22,826,882 10,566,179 10,566,179 110,140 12,150,563			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking 24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162 Corporate banking	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury	(Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking (Rupees	in '000)  2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000) 6,862,101 39,942,674	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 -22,826,882 -10,566,179 -10,140 -12,150,563  Total  80,627,190 762,696,638 -406,934			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking 24,540,132 13,644,831	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162 Corporate banking	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury 49,189,748 699,774,652	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking (Rupees	in '000)  2,324,068 246,835 2,570,903 1,252,587 1,252,587 51,887 1,266,429 2022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 - 82,166,386	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 22,826,882 10,566,179 -10,566,179 110,140 12,150,563  Total  80,627,190 762,696,638 -406,934 581,961,677			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees  21,143,917 130,836	2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000) 6,862,101 39,942,674 - 82,166,386 983,250	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 -2,826,882 -10,566,179 -10,566,179 -110,140 -12,150,563  Total  80,627,190 -762,696,638 -406,934 -581,961,677 -1,849,254			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking 24,540,132 13,644,831	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162 Corporate banking	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury 49,189,748 699,774,652	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking (Rupees	in '000)  2,324,068 246,835 2,570,903 1,252,587 1,252,587 51,887 1,266,429 2022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 - 82,166,386	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 22,826,882 10,566,179 -10,566,179 110,140 12,150,563  Total  80,627,190 762,696,638 -406,934 581,961,677			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443 447,812,623 445,3499 27,107,590 483,499,155	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 19,094,660 768,465,994	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees	in '000)  2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 82,166,386 983,250 7,097,474 137,051,885	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations 35,209 14,338,254 9,999,101 418,422 24,790,986	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 22,826,882 10,566,179 10,140 12,150,563  Total  80,627,190 762,696,638 -406,934 581,961,677 1,849,254 98,129,116 1,525,670,809			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision Others	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162 Corporate banking	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 - 19,094,660	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees  21,143,917 130,836 594,298	in '000)  2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000) 6,862,101 39,942,674 82,166,386 983,250 7,097,474	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations 35,209 14,338,254 9,999,101 418,422	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 -22,826,882 -10,566,179 -10,140 -12,150,563  Total  80,627,190 762,696,638 -406,934 -581,961,677 -1,849,254 -98,129,116			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  447,812,623 453,499 27,107,590 483,499,155 42,909,471 293,324,608	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 19,094,660 768,465,994 179,432,046	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees	in '000)  2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 82,166,386 983,250 7,937,474 137,051,885 4,586,320 96,297,085	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations 35,209 14,338,254 9,999,101 418,422 24,790,986 1,393,961 1,094,507	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 22,826,882 10,566,179 -10,566,179 110,140 12,150,563  Total  80,627,190 762,696,638 -406,934 581,961,677 1,849,254 98,129,116 1,525,670,809 233,432,089			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking (Rupees	in '000)  2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 82,166,386 933,250 7,097,474 137,051,885 4,586,320 96,297,085 19,475,830	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 9,999,101 418,422 24,790,986 1,393,961 1,094,507 22,068,820	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 22,826,882 10,566,179 10,566,179 110,140 12,150,563  Total  80,627,190 762,696,638 -406,934 581,961,677 1,849,254 98,129,116 1,525,670,809 233,432,089 12,000,000 1,142,574,606			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Others	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443 447,812,623 447,812,623 448,499,155 42,909,471 293,324,608 122,512,889 24,752,187	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 19,094,660 768,465,994 179,432,046 586,421,413 2,612,535	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees  21,143,917 130,836 594,298 21,869,051 3,366,079 - 3,686 17,862,227 637,059	in '000)  2,324,068  246,835  2,570,903  1,252,587  1,252,587  1,266,429  2022 (Audited)  Islamic banking in '000)  6,862,101 39,942,674  82,166,386 983,250 7,097,474  137,051,885  4,586,320  96,297,085 19,475,830 16,884,620	872,377 (92,579) 14,323 794,121 69,823 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 1,9,991,01 1,94,507 22,068,820 233,688	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 5,584,033 22,826,882 10,566,179 10,566,179 110,140 12,150,563  Total  80,627,190 762,696,638 406,934 581,961,677 1,849,254 98,129,116 1,525,670,809 233,432,089 12,000,000 1,142,574,606 64,341,861			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Total liabilities	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking (Rupees	in '000)  2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 82,166,386 983,250 7,097,474 137,051,885 4,586,320 96,297,085 19,475,830 6,684,620 127,043,855	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 9,999,101 418,422 24,790,986 1,393,961 1,094,507 22,068,820	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 -5,584,033 22,826,882 10,566,179 10,140 12,150,563  Total  80,627,190 762,696,638 -406,934 581,961,677 1,849,254 98,129,116 1,525,670,809 233,432,089 12,000,000 1,142,574,606 -64,341,861 1,452,348,556			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Others	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443 447,812,623 447,812,623 448,499,155 42,909,471 293,324,608 122,512,889 24,752,187	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 19,094,660 768,465,994 179,432,046 586,421,413 2,612,535	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees  21,143,917 130,836 594,298 21,869,051 3,366,079 - 3,686 17,862,227 637,059	in '000)  2,324,068  246,835  2,570,903  1,252,587  1,252,587  1,266,429  2022 (Audited)  Islamic banking in '000)  6,862,101 39,942,674  82,166,386 983,250 7,097,474  137,051,885  4,586,320  96,297,085 19,475,830 16,884,620	872,377 (92,579) 14,323 794,121 69,823 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 1,9,991,01 1,94,507 22,068,820 233,688	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others	17,242,849 5,584,033 22,826,882 10,566,179 10,566,179 110,140 12,150,563  Total  80,627,190 762,696,638 406,934 581,961,677 1,849,254 98,129,116 1,525,670,809 233,432,089 12,000,000 1,142,574,606 64,341,861			
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expenses allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Total liabilities Equity	33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443	(27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 179,432,046 179,432,046 1586,421,413 2,612,535 768,465,994	(Rupees  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees	2,324,068 246,835 2,570,903 1,252,587 1,252,587 1,266,429 2022 (Audited) Islamic banking in '000) 6,862,101 39,942,674 82,166,386 983,250 7,097,474 137,051,885 4,586,320 96,297,085 19,475,830 6,884,620 127,043,855	872,377 (92,579) 14,323 794,121 69,823 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 9,999,101 418,422 24,790,986 1,393,961 1,094,507 22,068,820 233,698 24,790,986	(922,035) 2,844,622 118,103 2,040,690 2,359,486 (953,135) 1,406,351 81,515 552,824  Head Office / others  7,194,819 42,813,532 50,523,966 12,000,000 92,485 (36,412,871) 11,530,129 (12,790,257) 63,314,223	17,242,849 5,584,033 22,826,882 10,566,179 110,140 12,150,563  Total  80,627,190 762,696,638 406,934 581,961,677 1,849,254 98,129,116 1,525,670,809 233,432,089 12,000,000 1,142,574,606 64,341,861 1,452,348,556 73,322,253			

#### 35. RELATED PARTY TRANSACTIONS

Securities given as collateral

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

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

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

Details of transactions with related parties and balances are as follows:										
		As at Jur	ne 30, 2023 (Un-a	udited)			As at Dec	ember 31, 2022 (	Audited)	
			Key	Subsidiary /				Key		
			management	Associate	Other related			management	Associate	Other related
	Parent	Directors	personnel	Note - 9.4	parties	Parent	Directors	personnel	Note - 9.4	parties
					Rupe	es in '000				
Investments										
Opening balance	-	-	-	165,619	1,165,448	-	-	-	165,619	1,189,341
Investment made during the period / year	-	-	-	31,081	76,432	-	-	-	-	44,195
Revaluation adjustment				-	(56,277)					(81,568)
Transfer in / (out) - net		-	-	-	13,745		-	-	-	13,480
Closing balance		-	-	196,700	1,199,348			-	165,619	1,165,448
Provision for diminution in value of investments	-	-	-	-	87,862	-	-	-	-	87,248
Advances										
Opening balance	29.986.315	60	507,549	_	16,983,652	4,523,915	43	441.248	_	10.521.710
Addition during the period / year	138,713,893	6,069	46,760	800,482	27,885,648	352,713,101	20,581	469,897	_	10,892,307
Repaid during the period / year	(168,606,218)	(5,278)	(130,489)	(1,000,000)	(20,348,894)	(327,250,701)	(20,564)	(419,988)	_	(4,430,365)
Transfer in / (out) - net	(100,000,210)	(3,270)	(32,745)	200,000	3,474,156	(327,230,701)	(20,304)	16,392	_	(4,430,303)
Closing balance	93,990	851	391,075	482	27,994,562	29,986,315	60	507,549	-	16,983,652
·					, , , , , , , , , , , , , , , , , , , ,					-,,-
Other Assets	0.707		75 000	_	000 005	202 207	_	74.400		700 000
Interest / mark-up receivable	3,767	-	75,298		923,325	369,907	-	71,132	-	790,833
Receivable from staff retirement fund	-	-	-	-	58,689					
Advance rent	225	-	-	<u> </u>	<u>-</u> _	1,254	-		<u> </u>	<u> </u>
Borrowings										
Opening balance	_	_	_	-	3,366,079	_	_	_	_	2,372,387
Borrowings during the period / year	-	-	-	-	-	-	_	-	-	1,200,000
Settled during the period / year	-	-	-	-	(999,412)	-	-	-	-	(206,308)
Closing balance	-	-	-	-	2,366,667		-	-	-	3,366,079
Deposits and other accounts										
Opening balance	38,816,364	34,615	193,107	200.843	38,867,218	56,224,390	24,009	211,259	268,208	42,288,557
Received during the period / year	576,016,064	386,548	1,498,960	2,234,514	517,665,587	988,405,154	79,294	2,726,090	1,012,631	992,693,856
Withdrawn during the period / year	(582,210,789)	(326,103)	(1,331,561)	(2,789,371)	(514,731,353)	(1,005,813,179)	(68,689)	(2,683,283)	(1,079,996)	(996,115,195)
Transfer in / (out) - net	-	(202)	(332)	455,771	(455,771)	-	- '	(60,959)	- 1	- 1
Closing balance	32,621,639	94,858	360,173	101,757	41,345,682	38,816,364	34,615	193,107	200,843	38,867,218
Other Liabilities										
Interest / mark-up payable	71,139	8	3,813	-	490,623	625,832	-	3,299	-	361,829
Payable to staff retirement fund	-	-	-	-	-	-	-	-,	-	194,714
Security deposits payable	-	-	-	-	470,958	-	-	-	-	470,698
Others		-	34,984	-	<u> </u>		-	18,607	-	<u> </u>
Contingencies and Commitments										
Contingencies and Commitments	177,550	<u>-</u>		_	7,830,668	1,183,172	<del>-</del>	<u> </u>	40,000	2,447,138
·										
Others	2 062 500		E0 000		0.506.477	2 462 500		26 500	100.000	7 405 000
Securities held as custodian	3,962,500	-	58,209	-	9,596,477	3,462,500	-	36,500	100,000	7,105,000

177,855

For the half year ended June 30, 2023 (Un-Audited)

For the half year ended June 30, 2022 (Un-Audited)

			Key management	Subsidiary / Associate	Other related			Key management	Associate	Other related
	Parent	Directors	personnel	Note - 9.4	parties	Parent	Directors	personnel	Note - 9.4	parties
					Rupees	in '000				
Income										
Mark-up / return / interest earned	207,620	-	5,283	1,240	2,523,478	212,968	-	14,017	-	748,251
Fee and commission received	505	-	-	-	33,577	3,284	-	-	39	15,175
Dividend income	-	-	-	-	124,793	-	-	-	-	53,268
Gain on sale of fixed assets	-	-	-	-	-	-	-	7,250	-	-
Expense										
Mark-up / return / interest expensed	4,006,138	597	21,819	8,622	2,356,502	1,676,168	3	4,702	2,261	1,131,623
Charge to defined benefit plan	-	-	-	-	164,141	-	-	-	-	165,608
Contribution to defined contribution plan	-	-	-	-	166,693	-	-	-	-	143,902
Remuneration and allowances	-	-	545,403	-	4,746	-	-	363,812	-	4,539
Rent	1,029	-	-	-	-	887	-	-	-	-
Communications	-	-	-	-	62,471	-	-	-	-	31,664
Brokerage and Commission	-	-	-	15	43,834	-	-	-	-	38,525
Directors' Fee, Allowances	-	15,200	-	-	-	4,650	12,050	-	-	-
Donations	524,397	-	-	-	-	177,278	-	-	-	-

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

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

#### 36. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited)	(Audited)
	June 30, 2023	December 31, 2022
	(Rupees	in '000)
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	14,492,992	12,602,602
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	62,827,585	65,303,243
Eligible Additional Tier 1 (ADT 1) Capital	6,000,000	6,000,000
Total Eligible Tier 1 Capital	68,827,585	71,303,243
Eligible Tier 2 Capital	9,931,158	11,835,110
Total Eligible Capital (Tier 1 + Tier 2)	78,758,742	83,138,353
Risk Weighted Assets (RWAs):		
Credit Risk	424,416,987	412,323,250
Market Risk	17,657,655	27,675,542
Operational Risk	81,324,765	81,324,765
Total	523,399,406	521,323,556
Common Equity Tier 1 Capital Adequacy ratio	12.00%	12.53%
Tier 1 Capital Adequacy Ratio	13.15%	13.68%
Total Capital Adequacy Ratio	<u>15.05%</u>	15.95%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	68,827,585	71,303,243
Total Exposures	2,367,924,070	2,243,512,648
Leverage Ratio	2.91%	3.18%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	574,974,149	520,361,460
Total Net Cash Outflow	295,959,807	281,841,107
Liquidity Coverage Ratio	194.27%	184.63%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	1,246,875,273	1,113,842,290
Total Required Stable Funding	621,897,298	561,351,354
Net Stable Funding Ratio	200.50%	198.42%

Pursuant to relaxation provided by State Bank of Pakistan through its letter dated July 03, 2023, the Bank is allowed relaxation from the applicability of leverage ratio requirement of 3% till September 30, 2023. Provided the Bank's leverage ratio shall not fall below 2.5%.

#### 37. Islamic Banking Business

The Bank is operating 120 Islamic banking branches including 3 sub-branches at June 30, 2023 as compared to 120 Islamic banking branches including 3 sub-branches at year ended December 31, 2022.

	Note	(Un-audited) June 30, 2023 (Rupees	(Audited) December 31, 2022 in '000)
ASSETS			
Cash and balances with treasury banks		9,875,067	6,747,452
Balances with other banks		361,725	114,649
Investments	37.1	40,394,404	39,942,674
Islamic financing and related assets - net	37.2	99,461,752	83,149,636
Fixed assets		1,939,297	1,984,521
Other assets		9,813,150	5,812,116
Total assets		161,845,395	137,751,048
EIABILITIES  Bills payable  Due to financial institutions  Deposits and other accounts  Due to head office  Other liabilities	37.3	1,643,829 5,989,149 110,156,149 25,000,000 6,861,774 149,650,901	1,425,734 4,586,320 96,297,085 20,175,000 5,258,880 127,743,019
NET ASSETS		12,194,494	10,008,029
REPRESENTED BY Islamic Banking Fund Deficit on revaluation of assets Unappropriated profit	37.4	4,600,000 (1,760,954) 9,355,448 12,194,494	4,600,000 (1,115,247) 6,523,276 10,008,029
CONTINGENCIES AND COMMITMENTS	37.5	18,440,777	19,620,329

The profit and loss account of the Bank's Islamic banking branches for the quarter ended March 31, 2023 is as follows:

		(Un-audited) For the nine months ended		
		June 30, 2023	June 30, 2022	
	Note	(Rupees i	n '000)	
Profit / return earned	37.7	11,151,164	5,699,106	
Profit / return expensed	37.8	7,104,010	3,375,038	
Net Profit / return		4,047,154	2,324,068	
Other income				
Fee and Commission Income		153,071	124,753	
Dividend Income		9,123	5,177	
Foreign Exchange Income		135,720	79,692	
Gain / (loss) on securities		7,100	-	
Other Income		52,556	37,213	
Total other income	-	357,570	246,835	
Total Income	•	4,404,724	2,570,903	
Other expenses				
Operating expenses		1,610,704	1,252,161	
Other charges		2,441	426	
Total other expenses	•	1,613,145	1,252,587	
Profit before provisions	·	2,791,579	1,318,316	
Provisions and write offs - net	-	(40,593)	51,887	
Profit before taxation	-	2,832,172	1,266,429	

		June 30, 2023 (Un-audited)			December 31, 2022 (Audited)				
		Cost /	Provision for	Surplus /	Carrying	Cost /	Provision for	Surplus /	Carrying
		amortized cost	diminution	(deficit)	value	amortized cost	diminution	(deficit)	value
37.1	Investments by segments:				(Rupee:	s in '000)			
	Federal Government Securities:								
	- Ijarah Sukuks	33,933,396	-	(1,761,856)	32,171,540	33,935,928	-	(1,115,711)	32,820,217
	- Islamic Naya Pakistan Certificates	4,095,533	-	-	4,095,533	3,282,078	-	-	3,282,078
		38,028,929	-	(1,761,856)	36,267,073	37,218,006	-	(1,115,711)	36,102,295
	Units of Open end Mutual Fund	100,000	-	902	100,902	100,000		464	100,464
	Non Government Debt Securities: - Unlisted	4,563,554	(537,125)	-	4,026,429	4,283,463	(543,548)	-	3,739,915
	Total investments	42,692,483	(537,125)	(1,760,954)	40,394,404	41,601,469	(543,548)	(1,115,247)	39,942,674

						(Un-audited)	(Audited)
						June 30, 2023	December 31, 2022
37.2	ISLAMIC FINANCING AND RELATE	D ASSETS					2022 s in '000)
37.2		LD AGGLIG					,
	ljarah					5,504,172	4,934,290
	Murabaha - note 37.2.1 Musharakah					6,561,149	5,033,231
	Diminishing Musharakah					43,661,380 20,012,184	32,639,372 17,080,337
	Salam					7,322,143	7,948,100
	Istisna					6,562,641	5,238,318
	Receivable against sale of Istisna / S	alam Inventor	ry			1,032,222	585,400
	Service Ijarah					2,458,154	2,427,176
	Wakalah					496,049	
	Other Islamic Modes (Qard) Advances against Islamic assets - no	sto 37 2 2				2,338,089 879,737	2,703,951 4,539,685
	Inventory related to Islamic financing					4,550,972	1,971,084
	Gross Islamic financing and related a					101,378,892	85,100,944
	Logo: provinion against Islamia financ	oin an					
	Less: provision against Islamic finance - Specific	angs				1,876,915	1,911,083
	- General					40,225	40,225
						1,917,140	1,951,308
	Islamic financing and related assets -	net of provisi	ion			99,461,752	83,149,636
37.2.1	Includes advance against Murabaha	of Rs 1 089 1	68 thousand (Do	ecember 31, 202	92 <sup>.</sup> Rs 954 40	5 thousand)	
07.2.1	morado davanto agamor marabana	01 110.1,000,1	oo inououna (Di	500111501 01, 202	.2. 110.00 1, 10	o triododria).	
37.2.2	Advance against Islamic assets						
				Diminishing			
		ljarah	Musharakah	Musharakah	Salam	Istisna	Total
				(Rupees	in '000)		
	June 30, 2023 (Un-audited)	65,896		813,841	-		879,737
	December 31, 2022 (Audited)	1,524,153		3,015,532	-	-	4,539,685
37.2.3	Inventory related to Islamic financ	ing					
				Diminishing			
		ljarah	Musharakah	Musharakah	Salam	Istisna	Total
				(Rupees	in '000)		
	June 30, 2023 (Un-audited)	-			2,288,304	2,262,668	4,550,972
	December 31, 2022 (Audited)	-	-	-	226,020	1,745,064	1,971,084
	•					// la auditad)	(Adit a.d)
						(Un-audited) June 30,	(Audited) December 31,
						2023	2022
37.3	DEPOSITS AND OTHER ACCOUNT	rs				(Rupees	s in '000)
	Customers						
	Current deposits - non remunerative					40,195,862	36,236,795
	Current deposits - remunerative					1,211,955	1,353,496
	Saving deposits					24,407,459	23,299,225
	Term deposits					24,113,272	25,135,675
	Others					4,954,230	1,589,333
						94,882,778	87,614,524
	Financial Institutions						
	Current deposits - non remunerative					82,703	101,309
	Current deposits - remunerative					37,334	131,152
	Saving deposits Term deposits					279,634	2,667,925 5,782,175
	remi ucposits					14,873,700 15,273,371	5,782,175 8,682,561
							96,297,085
						110,156,149	30,231,000

		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
37.4	ISLAMIC BANKING BUSINESS	(Rupees	in '000)
	UNAPPROPRIATED PROFIT		
	Opening helenes	C F22 27C	2.052.007
	Opening balance Add: Islamic banking profit for the period	6,523,276 2,832,172	3,652,897 2,870,379
	Closing Balance	9,355,448	6,523,276
	Glosning Balance	3,333,440	0,323,210
37.5	CONTINGENCIES AND COMMITMENTS		
	-Guarantees	10,019,748	8,971,118
	-Commitments	8,421,029	10,649,211
		18,440,777	19,620,329
37.6	CHARITY FUND		
	Opening balance Additions during the period	40,130	24,292
	Received from customers on delayed payments	17,901	55,203
	- Non Shariah Compliant Income	-	170
	- Profit on charity account	16	16
	- Others	441	449
		18,358	55,838
	Payments / utilization during the period		
	- Education	(5,000)	
	- Natural Disaster		(40,000)
	- Health	(14,264)	-
	- Orphanage	(3,123)	(40,000)
	Closing balance	(22,387) 36,101	(40,000) 40,130
	Closing balance	30,101	40,130
		(Un-au	ditad)
		For the six m	
		June 30,	June 30,
		2023	2022
		(Rupees	
		` .	ŕ
37.7	PROFIT / RETURN EARNED ON FINANCING, INVESTMENTS AND PLACEMENTS		
	Profit earned on:		
	Financing	8,164,225	3,985,787
	Investments	2,964,521	1,702,933
	Placements	22,418	10,386
		11,151,164	5,699,106
37.8	PROFIT ON DEPOSITS AND OTHER DUES EXPENSED		
	Deposits and other accounts	4,939,067	1,627,249
	Due to financial institutions	277,811	203,533
	Due to head office	1,776,600	1,448,749
	Lease liability against right-of-use assets	110,532	95,507
		7,104,010	3,375,038
		<del></del> _	

#### 38. DATE OF AUTHORIZATION

These unconsolidated condensed interim financial statements were authorized for issue by the Board of Directors on August 21, 2023.



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED JUNE 30, 2023

(UN-AUDITED)

Consolidated Condensed Interim Statement of Financial Position As at June 30, 2023

		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
	Note	(Rupees	in '000)
ASSETS			
Cash and balances with treasury banks	6	128,348,676	70,950,067
Balances with other banks	7	18,109,584	9,677,123
Lendings to financial institutions	8	99,999	406,934
Investments	9	1,098,765,321	762,531,019
Advances	10	622,816,273	583,810,931
Fixed assets	11	24,457,865	24,484,412
Intangible assets	12	1,565,756	1,375,625
Deferred tax assets	13	15,718,802	7,545,677
Other assets	14	80,308,740	65,512,059
		1,990,191,016	1,526,293,847
LIABILITIES			
Bills payable	15	27,962,286	11,878,563
Borrowings	16	540,355,869	233,432,089
Deposits and other accounts	17	1,269,627,069	1,142,373,763
Liabilities against assets subject to finance lease		-	-
Subordinated debts	18	12,000,000	12,000,000
Deferred tax liabilities		-	-
Other liabilities	19	62,924,454	53,138,956
		1,912,869,678	1,452,823,371
NET ASSETS		77,321,337	73,470,476
REPRESENTED BY			
Share capital		14,492,992	12,602,602
Reserves		43,286,301	43,487,608
(Deficit) / surplus on revaluation of assets - net of tax	20	(2,581,518)	3,975,493
Unappropriated profit		21,781,935	13,404,773
Non-controlling interest		341,628	-
-		77,321,337	73,470,476

#### CONTINGENCIES AND COMMITMENTS

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

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Consolidated Condensed Interim Profit and Loss Account (Un-audited) For the half year ended June 30, 2023

		For the quarter ended		For the half year ended	
	- -	June 30,	June 30,	June 30,	June 30,
		2023	2022	2023	2022
	Note	(Rupees i	in '000)	(Rupees i	n '000)
Mark-up / return / interest earned	23	70,864,396	34,982,545	128,011,880	61,731,116
Mark-up / return / interest expensed	24	57,979,011	26,188,357	103,190,618	44,479,481
Net mark-up / interest income		12,885,385	8,794,188	24,821,262	17,251,635
Non mark-up / interest income					
Fee and commission income	25	1,718,135	1,390,020	3,393,147	2,586,282
Dividend income		175,267	80,551	360,789	185,615
Foreign exchange income		1,503,436	1,589,906	2,783,441	2,613,199
Income / (loss) from derivatives		-	-	-	-
Gain / (loss) on securities	26	117,086	(74,358)	25,765	15,829
Other income	27	108,452	90,917	199,804	226,668
Total non-markup / interest income	<u>-</u>	3,622,376	3,077,036	6,762,946	5,627,593
Total income		16,507,761	11,871,224	31,584,208	22,879,228
Non mark-up / interest expenses					
Operating expenses	28	7,042,106	5,353,488	13,599,088	10,264,562
Workers' Welfare Fund		119,679	106,333	237,899	194,193
Other charges	29	16,813	73,081	124,165	153,621
Total non-markup / interest expenses	_	7,178,598	5,532,902	13,961,152	10,612,376
Profit before provisions		9,329,163	6,338,322	17,623,056	12,266,852
Provisions and write offs - net	30	675,085	282,158	617,276	110,140
Extraordinary / unusual items		-	-	-	-
Profit before taxation	- -	8,654,078	6,056,164	17,005,780	12,156,712
Taxation	31	4,519,956	3,351,139	8,168,237	5,843,256
Profit after taxation	-	4,134,122	2,705,025	8,837,543	6,313,456
Attributable to					
Equity holders of the Bank		4,134,122	2,705,025	8,837,543	6,313,456
Non-controlling interest		-		-	
•	-	4,134,122	2,705,025	8,837,543	6,313,456
		Rupe	ees	Rupe	es
	- -		Restated		Restated
Basic earnings per share	32	2.85	1.87	6.10	4.36

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 half year ended June 30, 2023

	For the quarter ended		For the half year ended	
	June 30,	June 30,	June 30,	June 30,
	2023	2022	2023	2022
	(Rupees	in '000)	(Rupees i	n '000)
Profit after taxation	4,134,122	2,705,025	8,837,543	6,313,456
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Effect of translation of net investment in Wholesale Bank Branch	36,380	427,677	907,083	555,410
Movement in surplus / (deficit) on revaluation of investments - net of tax	565,981	3,566,581	(6,533,874)	2,236,641
	602,361	3,994,258	(5,626,791)	2,792,051
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain / (loss) on defined benefit plan - net of tax	287,833	892	287,833	892
Total comprehensive income	5,024,316	6,700,175	3,498,585	9,106,399
Attributable to				
Equity holders of the Bank	5,024,316	6,700,175	3,498,585	9,106,399
Non-controlling interest	-	-	-	-
	5,024,316	6,700,175	3,498,585	9,106,399

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

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

For the half year ended June 30, 2023

		Exchange	Share			Surplus / (deficit)	on revaluation of			
	Share	translation	premium	Statutory	General		Fixed / Non	Un-appropriated	Non-controlling	
	capital	reserve	account	reserve	reserve	Investments	banking assets	profit / (loss)	interest	Total
					(Rup	pees in '000)				
Balance as at January 1, 2022	12,602,602	549,520	234,669	14,210,403	17,837,459	(4,937,829)	6,925,805	8,618,234	-	56,040,863
Total comprehensive income for the half year ended June 30, 2022										
Net profit for the half year ended June 30, 2022	-	-	-	-	-	-	-	6,313,456	-	6,313,456
Other comprehensive income related to equity	-	555,410	-	-	-	2,236,641	-	326	-	2,792,377
	-	555,410	-	-	-	2,236,641	-	6,313,782	-	9,105,833
Transfer to Statutory reserve	-	-	-	630,926	-	-	-	(630,926)	-	-
Transfer to General reserve	-	-	-	-	8,618,234	-	-	(8,618,234)	-	-
Balance as at June 30, 2022	12,602,602	1,104,930	234,669	14,841,329	26,455,693	(2,701,188)	6,925,805	5,682,856	-	65,146,696
Total comprehensive income for the six months ended December 31, 2022										
Net profit for the six months ended December 31, 2022	-	-	-	-	-	-	-	7,759,212	-	7,759,212
Other comprehensive income related to equity	-	88,012	-	-	-	(4,824,830)	5,240,208	61,178	-	564,568
	-	88,012	-	-	-	(4,824,830)	5,240,208	7,820,390	-	8,323,780
Transfer to Statutory reserve	-	-	-	775,234	-	-	-	(775,234)	-	-
Transfer to General reserve	-	-	-	-	(12,259)	-	-	12,259	-	-
Transfer from surplus on revaluation of assets to										
unappropriated profit on disposal	<u> </u>	<u> </u>	<u> </u>	<u> </u>		-	(664,502)	664,502	<u> </u>	-
Balance as at December 31, 2022	12,602,602	1,192,942	234,669	15,616,563	26,443,434	(7,526,018)	11,501,511	13,404,773	-	73,470,476
Disposal of ASL	-	-	-	(11,500)	(90,254)	(23,137)	-	(23,332)	-	(148,223)
Total comprehensive income for the half year ended June 30, 2023										
Net profit for the half year ended June 30, 2023	-	-	-	-	-	-	-	8,837,543	-	8,837,543
Other comprehensive income related to equity	-	907,083	-	-	-	(6,533,874)	-	287,833	-	(5,338,958)
	-	907,083	-	-	-	(6,533,874)	-	9,125,376	-	3,498,585
Transfer to Statutory reserve	-	-	-	883,754	-	-	-	(883,754)	-	-
Transfer to General reserve	-	-	-	-	13,381,441	-	-	(13,381,441)	-	-
Transactions with owners, recorded directly in equity Bonus shares issued @ 15% Acquisition of FSL	1,890,390	-	(234,669)	- -	(1,655,721)	-	-	- 158,872	- 341,628	- 500,499
Balance as at June 30, 2023	14,492,992	2,100,025		16,488,817	24,697,459	(14,083,029)	11,501,511	21,781,935	341,628	77,321,337
Datatice as at Julie 30, 2023	14,432,332	2,100,025		10,400,017	24,037,439	(14,000,029)	11,501,511	21,701,933	341,020	11,321,331

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

Consolidated Condensed Interim Cash Flow Statement (Un-audited) For the half year ended June 30, 2023

		For the half y	ear ended
		June 30,	June 30,
		2023	2022
	Note	(Rupees i	n '000)
Cash flow from operating activities			
Profit before taxation		17,005,780	12,156,712
Less: dividend income		(360,789)	(185,615)
		16,644,991	11,971,097
Adjustments:			
Depreciation		472,859	455,069
Amortization		82,922	69,372
Depreciation on ROU assets		811,224	773,035
Markup expense on lease liability against ROU assets		495,230	445,599
Termination of lease contracts under IFRS - 16 Leases		(9,900)	(13,700)
Charge for defined benefit plan		256,877	235,395
Provisions and write offs - net	30	663,472	153,609
Unrealized loss on held for trading securities		(5,683)	18,477
Gain on sale of fixed assets		(4,019)	(37,501)
		2,762,982	2,099,355
		19,407,973	14,070,452
Decrease in operating assets		204 705	(00.500.000)
Lendings to financial institutions		321,795	(23,500,000)
Held for trading securities Advances		260,899 (39,474,073)	(3,415,824)
Other assets (excluding advance taxation)		(17,120,118)	(69,898,613) (6,051,043)
Other assets (excluding advance taxation)		(56,011,497)	(102,865,480)
Increase / (decrease) in operating liabilities		(50,011,457)	(102,000,400)
Bills payable		16,083,723	918,506
Borrowings from financial institutions		306,923,780	204,027,356
Deposits		127,253,306	69,954,653
Other liabilities (excluding current taxation)		9,845,544	6,954,461
3 ,		460,106,353	281,854,976
Net cash flow generated from operations		423,502,829	193,059,948
Payment made to defined benefit plan		(207,829)	(390,706)
Income tax paid		(6,205,499)	(4,604,480)
Net cash flow generated from operating activities		417,089,501	188,064,762
		,,	, , -
Cash flow from investing activities  Net investments in available for sale securities		(240 540 070)	(150 400 440)
		(349,546,876)	(159,499,413)
Net investments in held to maturity securities Dividend received		(1,733,784) 333,498	3,422,751 181,137
Investments in operating fixed assets - net of adjustments		(592,910)	(560,301)
Investments in intangible assets		(272,434)	(184,749)
Proceeds from sale of fixed assets		6,869	50,461
Effect of translation of net investment in Wholesale Bank Branch		907,083	555,410
Net cash used in investing activities		(350,898,554)	(156,034,704)
•			,
Cash flow from financing activities		(075 520)	(040.744)
Payments against lease liabilities		(975,538)	(912,744)
Cash and cash equivalents from subsidiary Dividend paid		616,831	(3,189)
Net cash used in financing activities		(1,170) (359,877)	(915,933)
Increase in cash and cash equivalents		65,831,070	31,114,125
Cash and cash equivalents at beginning of the period		80,627,190	92,988,460
Cash and cash equivalents at end of the period		146,458,260	124,102,585
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The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

Notes to the consolidated Condensed Interim Financial Statements (Un-audited) For the half year ended June 30, 2023

#### 1. STATUS AND NATURE OF BUSINESS

The Group consists of Askari Bank Limited, the holding company and Foundation Securities Limited, a 51% owned subsidiary.

Askari Bank Limited (the Bank) was incorporated in Pakistan on October 9, 1991 as a Public Limited Company and is listed on the Pakistan Stock Exchange. The registered office of the Bank is situated at AWT Plaza, the Mall, Rawalpindi. The Bank is a scheduled commercial bank and is principally engaged in the business of banking as defined in the Banking Companies Ordinance, 1962. The Fauji Consortium: comprising of Fauji Foundation (FF), Fauji Fertilizer Company Limited (FFCL) and Fauji Fertilizer Bin Qasim Limited (FFBL) collectively owned 71.91 percent shares of the Bank as on June 30, 2023. The ultimate parent of the Bank is Fauji Foundation. The Bank has 602 branches (December 31, 2022: 600 branches); 601 in Pakistan and Azad Jammu and Kashmir including 120 (December 31, 2022: 120) Islamic Banking branches and 59 (December 31, 2022: 57) sub-branches and a Wholesale Bank Branch (WBB) in the Kingdom of Bahrain.

The Honorable Sindh High Court vide its order dated March 13, 2023 approved the scheme of arrangement for amalgamation of Askari Securities Limited (ASL) inclusive of all properties, assets, rights, liabilities, trademarks, patents and obligations with and into Foundation Securities (Private) Limited (FSL), wholly owned by Fauji Foundation, as of the effective date of scheme i.e. July 01, 2021 against issuance of 27,140,000 ordinary shares of Rs. 10 each of FSL at par value (1.18 shares of FSL) against 1 share of ASL held by the Bank.

Earlier, the amalgamation was approved by the State Bank of Pakistan subject to the Bank holding atleast 51% equity stake in the post amalgamated FSL. Accordingly, subsequent to merger the Bank acquired 2,236,031 ordinary shares of Rs. 10 each of FSL to hold 51% equity stake in FSL.

Since FSL and the Bank are under common control of Fauji Foundation before and after this transaction therefore, the transaction has been recorded by restating the comparative figures in accordance with the requirements of SECP's approved Accounting Standard on "Accounting of Common Control Transactions".

Foundation Securities (Private) Limited (FSL) was incorporated in Pakistan on January 18, 2005 under the repealed Companies Ordinance, 1984 as a private limited company. The Group holds 51% Ordinary Shares of FSL. The principal activity includes equity and commodity brokerage, equity research and corporate financial advisory services. The registered office of FSL is situated in Karachi.

#### 2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

#### 2.1 BASIS OF PREPARATION

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

#### 2.2 STATEMENT OF COMPLIANCE

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

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

- 2.2.2 The State Bank of Pakistan has deferred the applicability of IFAS 3 'Profit and Loss Sharing on Deposits', vide BPRD Circular No.04 dated February 25, 2015, International Accounting Standard 39,"Financial Instruments: Recognition and Measurement" (IAS 39) and International Accounting Standard 40, Investment Property, vide BSD Circular Letter no. 10 dated August 26, 2002, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.
- 2.2.3 These consolidated condensed interim financial statements have been presented in accordance with the requirements of format prescribed by SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and International Accounting Standard 34 'Interim Financial Reporting' and do not include all the information and disclosures required in the audited annual consolidated financial statements, and should be read in conjunction with the audited annual consolidated financial statements of the Group for the financial year ended December 31, 2022.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the audited annual consolidated financial statements of the Group for the year ended December 31, 2022.

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

There are certain new and amended standards, interpretations and amendments that are mandatory for the Group's accounting periods beginning on or after January 1, 2023 but are considered not to be relevant or do not have any significant effect on the Group's operations and are therefore not detailed in these consolidated condensed interim financial statements.

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

As per the SBP's BPRD Circular Letter No. 7 of 2023 dated April 13, 2023, the applicability of IFRS 9, "Financial Instruments has been deferred to accounting periods beginning on or after January 01, 2024. The impact of application of IFRS 9 in Pakistan on the Group's Financial Statements is being assessed.

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

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements is the same as that applied in the preparation of audited annual consolidated financial statements for the year ended December 31, 2022.

#### 5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the audited annual consolidated financial statements for the year ended December 31, 2022.

6. CASH AND BALANCES WITH TREASURY BANKS  In hand:  Local currency Foreign currencies  With the State Bank of Pakistan in:  Local currency current accounts Foreign currency deposit accounts Foreign currency de			(Un-audited)	(Audited)
In hand:         Local currency         27,183,951         22,700,376           Foreign currencies         27,183,951         22,700,376           With the State Bank of Pakistan in:         Local currency current accounts         69,816,417         43,901,951           Foreign currency current accounts         69,816,417         43,901,951         647,093           Foreign currency current account         14,222,384         -         91,501,317         44,549,044           With National Bank of Pakistan in:           Local currency current accounts         4,184,963         260,731           Prize Bonds         30,733         31,996           7.         BALANCES WITH OTHER BANKS         110,739         32,629           In current accounts         110,739         32,629           In deposit accounts         509,870         -           60,068         32,629           Outside Pakistan         1         13,562,347         6,260,952           In current accounts         7.1         13,562,347         6,260,952           In current accounts         7.1         13,562,347         6,260,952           Provision held against balances with other banks         6         (2)           Rist include			June 30,	December 31,
In hand:			2023	2022
Local currency   27,183,951   3,407,920   3,607,920	6.	CASH AND BALANCES WITH TREASURY BANKS	Rupees	s in '000
Foreign currencies         5,447,712 (32,631,663)         3,407,920 (26,108,296)           With the State Bank of Pakistan in:           Local currency current accounts         69,616,417 (7,652,516)         43,901,951 (647,093)           Foreign currency deposit account         14,232,384 (7,652,516)         647,093 (7,652,516)           Foreign currency deposit account         14,232,384 (7,622,516)         7,652,516 (647,093)           With National Bank of Pakistan in:           Local currency current accounts         4,184,963 (260,731)         260,731           Prize Bonds         30,733 (31,996)         33,996           Prevision Mether Banks           In Pakistan         110,739 (32,625)         32,629           Dustide Pakistan           In current accounts         509,870 (2,635)         3,2629           Outside Pakistan           In current accounts         7,1 (3,562,347)         6,260,952           In deposit accounts         7,1 (3,562,347)         6,260,952           Provision held against balances with other banks         (6) (2)           18,109,584         9,674,496           Provision held against balances with other banks         (6) (2)           18,109,584         9,677,123           7.1		In hand:		
With the State Bank of Pakistan in:           Local currency current accounts         69,616,417         43,901,951           Foreign currency current account         14,232,384         647,093           Foreign currency deposit account         91,501,317         44,549,044           With National Bank of Pakistan in:         260,731           Local currency current accounts         4,184,963         260,731           Prize Bonds         30,733         31,996           7.         BALANCES WITH OTHER BANKS         110,739         32,629           In deposit accounts         110,739         32,629           In deposit accounts         509,870         -           620,608         32,629           Outside Pakistan         3,926,635         3,383,544           In deposit accounts         7.1         13,562,347         6,260,952           In deposit accounts         7.1         13,562,347         6,260,952           Provision held against balances with other banks         (6)         (2)           18,109,584         9,677,123           7.1         This includes Rs,759,194 thousand (December 31, 2022: Nill) marked as lien with correspondent Bank against issue of SBLC.           8.         LENDINGS TO FINANCIAL INSTITUTIONS         204,025         525,		Local currency	27,183,951	22,700,376
With the State Bank of Pakistan in:           Local currency current accounts         69,616,417         7,652,516         647,093           Foreign currency current account         14,232,384         91,501,317         44,549,044           With National Bank of Pakistan in:           Local currency current accounts         4,184,963         260,731           Prize Bonds         30,733         31,996           7.         BALANCES WITH OTHER BANKS         110,739         32,629           In current accounts         110,739         32,629           In deposit accounts         509,870         -           In deposit accounts         509,870         -           In deposit accounts         3,926,635         3,383,544           In deposit accounts         7.1         13,562,347         6,260,952           17,488,982         9,644,496           Provision held against balances with other banks         (6)         (2)           18,109,584         9,677,123           7.1         This includes Rs.759,194 thousand (December 31, 2022: Nill) marked as lien with correspondent Bank against issue of SBLC.           8.         LENDINGS TO FINANCIAL INSTITUTIONS           Repurchase agreement lendings (reverse repo)         204,025         525,820 <t< td=""><td></td><td>Foreign currencies</td><td>5,447,712</td><td>3,407,920</td></t<>		Foreign currencies	5,447,712	3,407,920
Local currency current accounts   Foreign currency current account   Foreign currency current account   Foreign currency deposit accounts   Foreign currency deposit accounts   Foreign currency deposit accounts   Foreign currency current accounts   Foreign currency deposit accounts   For			32,631,663	26,108,296
Foreign currency current account Foreign currency deposit account   14,232,384   91,501,317   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,044   44,549,045   44,184,963   260,731   73,260,073   31,996   70,950,067   75.   8ALANCES WITH OTHER BANKS   70,950,067		With the State Bank of Pakistan in:		
Foreign currency deposit account         14,232,384 g1,501,317         44,549,044           With National Bank of Pakistan in:           Local currency current accounts         4,184,963         260,731           Prize Bonds         30,733         31,996           7.         BALANCES WITH OTHER BANKS         128,348,676         70,950,067           7.         BALANCES WITH OTHER BANKS         110,739         32,629           In current accounts         110,739         32,629           In deposit accounts         509,870         -           In current accounts         3,926,635         3,383,544           In deposit accounts         7.1         13,562,347         6,260,952           Provision held against balances with other banks         (6)         (2)           Provision held against balances with other banks         (6)         (2)           18,109,584         9,677,123           7.1         This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.           8.         LENDINGS TO FINANCIAL INSTITUTIONS           Repurchase agreement lendings (reverse repo) Provision held against lending to financial institutions         204,025 (104,026) (118,886)		Local currency current accounts	69,616,417	43,901,951
With National Bank of Pakistan in:           Local currency current accounts         4,184,963         260,731           Prize Bonds         30,733         31,996           128,348,676         70,950,067           7.         BALANCES WITH OTHER BANKS         110,739         32,629           In current accounts         110,739         32,629           In deposit accounts         509,870         -           fo20,608         32,629           Outside Pakistan         3,926,635         3,383,544           In deposit accounts         7.1         13,562,347         6,260,952           In deposit accounts         7.1         13,562,347         6,260,952           Provision held against balances with other banks         (6)         (2)           18,109,584         9,677,123           7.1         This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.           8.         LENDINGS TO FINANCIAL INSTITUTIONS           Repurchase agreement lendings (reverse repo)         204,025         525,820           Provision held against lending to financial institutions         (104,026)         (118,886)		Foreign currency current account	7,652,516	647,093
With National Bank of Pakistan in:           Local currency current accounts         4,184,963         260,731           Prize Bonds         30,733         31,996           128,348,676         70,950,067           7.         BALANCES WITH OTHER BANKS         110,739         32,629           In current accounts         110,739         32,629           In deposit accounts         509,870         -           In current accounts         3,926,635         3,383,544           In deposit accounts         7.1         13,562,347         6,260,952           In deposit accounts         7.1         13,562,347         6,260,952           Provision held against balances with other banks         (6)         (2)           18,109,584         9,677,123           7.1         This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.           8.         LENDINGS TO FINANCIAL INSTITUTIONS           Repurchase agreement lendings (reverse repo)         204,025         525,820           Provision held against lending to financial institutions         (104,026)         (118,886)		Foreign currency deposit account	14,232,384	-
Local currency current accounts			91,501,317	44,549,044
Prize Bonds         30,733         31,996           7. BALANCES WITH OTHER BANKS           In Pakistan           In current accounts         110,739         32,629           In deposit accounts         509,870         -           In current accounts         509,870         -           In current accounts         3,926,635         3,383,544           In deposit accounts         7.1         13,562,347         6,260,952           In deposit accounts         7.1         13,562,347         6,260,952           Provision held against balances with other banks         (6)         (2)           18,109,584         9,677,123           7.1         This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.           8.         LENDINGS TO FINANCIAL INSTITUTIONS           Repurchase agreement lendings (reverse repo)         204,025         525,820           Provision held against lending to financial institutions         (104,026)         (118,886)		With National Bank of Pakistan in:		
7. BALANCES WITH OTHER BANKS    In Pakistan		Local currency current accounts	4,184,963	260,731
7. BALANCES WITH OTHER BANKS  In Pakistan In current accounts In deposit accounts In deposit accounts In current accounts In current accounts In current accounts In current accounts In deposit accounts In d		Prize Bonds	30,733	31,996
In Current accounts			128,348,676	70,950,067
In current accounts In deposit accounts In deposit accounts  Outside Pakistan In current accounts In deposit accounts In depos	7.	BALANCES WITH OTHER BANKS		
In deposit accounts		In Pakistan		
Outside Pakistan           In current accounts         3,926,635         3,383,544           In deposit accounts         7.1         13,562,347         6,260,952           Provision held against balances with other banks         (6)         (2)           18,109,584         9,677,123           7.1         This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.           8.         LENDINGS TO FINANCIAL INSTITUTIONS           Repurchase agreement lendings (reverse repo)         204,025         525,820           Provision held against lending to financial institutions         (104,026)         (118,886)		In current accounts	110,739	32,629
Outside Pakistan In current accounts In deposit accounts In deposi		In deposit accounts	509,870	
In current accounts			620,608	32,629
In deposit accounts  7.1 13,562,347 6,260,952 17,488,982 9,644,496  Provision held against balances with other banks  (6) (2) 18,109,584 9,677,123  7.1 This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.  8. LENDINGS TO FINANCIAL INSTITUTIONS  Repurchase agreement lendings (reverse repo) Provision held against lending to financial institutions  (104,026) (118,886)		Outside Pakistan		
Provision held against balances with other banks  (6) (2)  18,109,584  7.1 This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.  8. LENDINGS TO FINANCIAL INSTITUTIONS  Repurchase agreement lendings (reverse repo) Provision held against lending to financial institutions  (104,026)  (118,886)		In current accounts	3,926,635	3,383,544
Provision held against balances with other banks  (6) (2)   18,109,584 9,677,123  7.1 This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.  8. LENDINGS TO FINANCIAL INSTITUTIONS  Repurchase agreement lendings (reverse repo) 204,025 525,820 Provision held against lending to financial institutions (104,026) (118,886)		In deposit accounts 7.1	13,562,347	6,260,952
7.1 This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.  8. <b>LENDINGS TO FINANCIAL INSTITUTIONS</b> Repurchase agreement lendings (reverse repo) Provision held against lending to financial institutions  204,025 (104,026) (118,886)			17,488,982	9,644,496
<ul> <li>7.1 This includes Rs.759,194 thousand (December 31, 2022: Nil) marked as lien with correspondent Bank against issue of SBLC.</li> <li>8. LENDINGS TO FINANCIAL INSTITUTIONS Repurchase agreement lendings (reverse repo) Provision held against lending to financial institutions (104,026) (118,886)</li> </ul>		Provision held against balances with other banks	(6)	(2)
issue of SBLC.  8. LENDINGS TO FINANCIAL INSTITUTIONS  Repurchase agreement lendings (reverse repo) 204,025 525,820 Provision held against lending to financial institutions (104,026) (118,886)			18,109,584	9,677,123
Repurchase agreement lendings (reverse repo) 204,025 525,820 Provision held against lending to financial institutions (104,026) (118,886)	7.1	,	rith correspondent	Bank against
Provision held against lending to financial institutions (104,026) (118,886)	8.	LENDINGS TO FINANCIAL INSTITUTIONS		
Provision held against lending to financial institutions (104,026) (118,886)		Repurchase agreement lendings (reverse repo)	204.025	525.820
			99,999	

9.	INVESTMENTS	June 30, 2023 (Un-audited)  December 31, 2			cember 31, 2022 (	022 (Audited) - Restated			
		Cost / amortized cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortized cost	Provision for diminution	Surplus / (deficit)	Carrying value
				(22)	(Rupees i			(=====,	
9.1	Investments by type:				(110)				_
	Held for trading securities								
	Fully paid ordinary shares	203,819	-	5,683	209,502	464,718	-	(60,647)	404,071
	Available for sale securities								
	Federal Government Securities	994,159,981	(601,099)	(27,838,939)	965,719,943	646,356,442	(526,353)	(13,520,293)	632,309,796
	Shares	6,185,539	(946,488)	225,190	5,464,241	5,109,394	(809,454)	126,617	4,426,557
	Units of open end mutual funds	750,000	(160,920)	(18,157)	570,923	750,000	(144,205)	37,490	643,285
	Fully paid preference shares	27,314	(11,914)	12,750	28,150	27,314	(11,914)	12,750	28,150
	Non Government Debt Securities	13,752,987	(1,298,339)	5,374	12,460,022	13,085,795	(1,319,740)	99,304	11,865,359
		1,014,875,821	(3,018,760)	(27,613,782)	984,243,279	665,328,945	(2,811,666)	(13,244,132)	649,273,147
	Held to maturity securities								
	Federal Government Securities	115,178,096	(865,556)	-	114,312,540	111,642,002	(585,365)	-	111,056,637
	Non Government Debt Securities	110,000	(110,000)	-	-	110,000	(110,000)	-	-
	Foreign securities	-	-	-	-	1,802,310	(5,146)	-	1,797,164
		115,288,096	(975,556)	-	114,312,540	113,554,312	(700,511)	-	112,853,801
	Total investments	1,130,367,736	(3,994,316)	(27,608,099)	1,098,765,321	779,347,975	(3,512,177)	(13,304,779)	762,531,019
							<u>-</u>	(Un-audited)	(Audited)
								June 30,	December 31,
								2023	2022
9.1.1	Investments given as collateral							(Rupees	in '000)
	The market value of investment given as collat	eral is as follows							
	Market Treasury Bills							54,006,421	14,650,739
	Pakistan Investment Bonds							424,358,113	163,347,300
	Turkish Euro Bonds							- 90 120	1,797,861
	Shares						-	80,129 478,444,663	177,855 179,973,755
							=	710,774,003	110,010,100

		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
9.2	Provision for diminution in value of investments	(Rupees	in '000)
9.2.1	Opening balance	3,512,177	2,304,644
	Exchange adjustments	295,325	134,098
	Charge / (reversals)		
	Charge for the period / year	198,364	560,165
	Charge for the period / year under IFRS 9 related to WBB	54,466	760,372
	Reversals for the period / year	(21,403)	(67,045)
	Net charge	231,427	1,253,492
	Reversal on disposals	(44,613)	(180,057)
	Closing balance	3,994,316	3,512,177
9.2.2	Particulars of provision against debt securities		

	June 30, 2023	(Un-audited)	December 31, 2022 (Audited)		
	NPI Provision		NPI	Provision	
Category of classification	(Rupees in '000)				
Domestic					
Loss	1,408,339	1,408,339	1,429,740	1,429,740	

<sup>9.2.3</sup> Included in above, Group's Bahrain branch holds general provision of Rs 1,466,655 thousand (December 31, 2022: Rs 1,116,864 thousand) against investments in accordance with ECL requirement of IFRS 9.

<sup>9.3</sup> Market value of held to maturity securities other than classified investments is Rs. 102,251,304 thousand (December 31, 2022: Rs. 101,813,767 thousand).

				Perfor	ming	Non Per	rforming	Tot	al
				(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
				June 30,	December 31,	June 30,	December 31,	June 30,	December 31,
10.	ADVANCES			2023	2022	2023	2022	2023	2022
						(Rupees	s in '000)		
	Loans, cash credits, running finances, etc.			504,744,380	473,649,618	26,945,077	26,450,298	531,689,457	500,099,916
	Islamic financing and related assets			98,527,097	82,206,609	2,851,795	2,894,335	101,378,892	85,100,944
	Bills discounted and purchased			19,507,923	27,931,036	1,831,846	1,802,149	21,339,769	29,733,185
	Advances - gross			622,779,400	583,787,263	31,628,718	31,146,782	654,408,118	614,934,045
	Provision against advances					(00 700 740)	(00 007 500)	(00.700.740)	(00.007.500)
	- Specific - General			(1,831,133)	(1,825,586)	(29,760,712)	(29,297,528)	(29,760,712) (1,831,133)	(29,297,528) (1,825,586)
	- General			(1,831,133)	(1,825,586)	(29,760,712)	(29,297,528)	(31,591,845)	(31,123,114)
	Advances - net of provision			620,948,267	581,961,677	1,868,006	1,849,254	622,816,273	583,810,931
	Advances field provision			020,340,201	301,301,011	1,000,000	1,043,234	022,010,210	303,010,331
								(Un-audited)	(Audited)
								June 30,	December 31,
								2023	2022
10.1	Particulars of advances (Gross)							(Rupees	in '000)
	In local currency							615,204,020	573,258,877
	In foreign currencies							39,204,098	41,675,168
								654,408,118	614,934,045
10.2	Advances include Rs. 31,628,718 thousand (December	31, 2022: Rs. 31,146	5,782 thousand)	which have been plac	ed under non-perfo	rming status as de	tailed below:		
						June 30, 2023		December 31, 2	,
	Category of classification					Non Performing	Provision	Non Performing	Provision
						Loans	(5	Loans	
	Domestic Other Assets Foresigh, Montioned					00.747	` .	es in '000)	4 407
	Other Assets Especially Mentioned Substandard					98,747 1,634,050	1,056 398,600	122,279 1,596,854	1,437 394,848
	Doubtful					895,624	447,187	844,347	413,258
	Loss					29,000,297	28,913,869	28,583,302	28,487,985
	2000					31,628,718	29,760,712	31,146,782	29,297,528
						-	-	0.11.101.02	20,20.,020
10.3	Particulars of provision against advances		June 30, 20	23 (Un-audited)			December 31	, 2022 (Audited)	
		Specific	General	Consumer	Total	Specific	General	Consumer	Total
				financing-General				financing-General	
					(Rupees	s in '000)			
	Opening balance	29,297,528	1,010,000	815,586	31,123,114	28,518,930	974,026	735,260	30,228,216
	Exchange adjustment	-	21,213	-	21,213	4,041	36,465	-	40,506
	Charge for the period / year	1,328,358	56,191	25,121	1,409,670	2,675,775	133,850	113,551	2,923,176
	Provision under IFRS 9 related to WBB	-	(52,927)	-	(52,927)	(27,403)	(112,950)	-	(140,353)
	Reversal for the period / year	(865,174)	(13,181)	(30,870)	(909,226)	(1,821,378)	(21,391)	(33,225)	(1,875,994)
		463,184	(9,917)	(5,749)	447,517	826,994	(491)	80,326	906,829
	Amounts written off	-	-	-	-	(198)	-	-	(198)
	Amounts charged off- agriculture financing Closing balance	29,760,712	1,021,296	809,837	31,591,845	(52,239) 29,297,528	1,010,000	815,586	(52,239) 31,123,114
	CJOSIDO DAIADCE	29.700.712	1.071.796	8U9 8.1/	31 241 842	74 747 578	1 (11(1)(1)(1)	X I D DXh	

10.3.1 The net FSV benefit already availed has been reduced by Rs. 9,778 thousand, which has resulted in increased charge for specific provision for the period by the same amount. Had the FSV benefit not reduced before and after tax profit for the period would have been higher by 9,778 thousand (June 30, 2022: Rs. 81,046 thousand) and Rs. 4,987 thousand (June 30, 2022: Rs. 41,333 thousand) respectively. Further, at June 30, 2023, cumulative net of tax benefit availed for Forced Saled Value (FSV) was Rs. 21,870 thousand (December 31, 2022: Rs.26,865 thousand) under BSD circular No. 1 of 2011 dated October 21, 2011. Reserves and un-appropriated profit to that extent are not available for distribution by way of cash or stock dividend.

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
11.	FIXED ASSETS	(Rupees	in '000)
	Capital work-in-progress - note 11.1 Property and equipment Right of use asset - IFRS 16	209,869 17,500,176 6,747,820 24,457,865	220,511 17,372,333 6,891,568 24,484,412
11.1	This represents civil works in progress during the year.		
44.0		Period ended June 30, 2023	Period ended June 30, 2022
11.2	Additions to fixed assets	(Rupees	in '000)
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress	98,355	104,711
11.3	Property and equipment  Land - freehold Leasehold building Renovation of premises Furniture, fixtures and office equipment Machine and equipments Computer equipments Vehicles  Right of use assets under IFRS 16 Total  Disposal of fixed assets The net book value of fixed assets disposed off during the period is as follows:	1,037 165,657 125,005 191,419 112,476 7,743 603,337 393,512 1,095,204	16,970 - 46,375 81,662 134,957 155,091 20,370 455,425 392,138 952,274
	Renovation of premises Furniture, fixtures and office equipment Machine and equipments Vehicles Total	2,193 657 - 2,850 (Un-audited) June 30, 2023	168 4,453 3,110 5,124 12,855 (Audited) December 31, 2022
12.	INTANGIBLE ASSETS	(Rupees	in '000)
	Computer software Capital work in progress Goodwill Membership Card	1,156,147 363,209 41,400 5,000 1,565,756	1,130,815 244,810 - - - 1,375,625

		(Un-audited)	
		Period ended June 30, 2023	Period ended June 30, 2022
12.1	Additions to intangible assets	(Rupees	
12.1	The following additions have been made to intangible assets during the period:	(, , , , , , , , , , , , , , , , , , ,	
	Capital work-in-progress	179,625	117,807
	Directly purchased	92,809	66,102
		272,434	183,909
		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
13.	DEFERRED TAX ASSETS	(Rupees	
	Deductible temporary differences on	` '	,
	- Post retirement employee benefits	_	(65,004)
	- Accelerated tax depreciation	34,792	36,767
	- Deficit on revaluation of investments	13,530,753	5,694,977
	- Provision against advances	2,151,918	1,878,936
	- Others	1,339	-
		15,718,802	7,545,677
14.	OTHER ASSETS		
	Income / mark-up accrued in local currency - net of provision	49,671,730	37,216,850
	Income / mark-up accrued in foreign currencies	1,397,009	1,241,333
	Advances, deposits, advance rent and other prepayments	1,227,498	1,627,272
	Advance taxation (payments less provisions)	3,829,161	5,983,883
	Non-banking assets acquired in satisfaction of claims	839,058	847,462
	Assets held for sale	1,750,000	2,076,683
	Trade debts - unsecured - considered good	212,655	-
	Branch adjustment account	-	40,219
	Mark to market gain on forward foreign exchange contracts - net	85,544	-
	Stationary and stamps in hand	284,617	68,093
	Dividend receivable	32,277	4,986
	Acceptances	19,233,169	14,925,859
	Receivable from defined benefit plan	45,165	-
	Receivable against trading of securities - net	29,791	-
	Others	717,933	526,253
		79,355,607	64,558,893
	Provision held against other assets - note 14.1	(182,641)	(182,608)
	Other assets - net of provision Surplus on revaluation of non-banking assets	79,172,966	64,376,285
	acquired in satisfaction of claims	1,135,774	1,135,774
	Other assets - total	80,308,740	65,512,059
			- 3, - 1, - 1, - 2
14.1	Provision held against other assets		
	Advances, deposits, advance rent and other prepayments	4,838	4,838
	Others	177,803	177,770
		182,641	182,608

						(Un-audited)	(Audited)
						June 30,	December 31,
1/11	Movement in provision by	old against other as	ests			2023 (Runee	2022 s in '000)
14.1.1	14.1.1 Movement in provision held against other assets					(Napoc	3 117 000)
	Opening balance					182,608	175,845
	Charge for the period / yea Reversals for the period / y					180 (147)	9,315 (2,552)
	Net charge for the period /					33	6,763
	Closing balance	•				182,641	182,608
45	•						
15.	BILLS PAYABLE						
	In Pakistan					27,962,286	11,878,563
16.	BORROWINGS						
	Secured						
	Borrowings from the State		der:				
	Export refinance scheme					20,780,718	22,741,967 9,904,417
	Long term financing facility for store	•	oduce			9,538,407 29,541	9,904,417
	Renewable energy finance		oduce			3,924,220	3,944,124
	Refinance from SBP	g,				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	Credit guarantee sche	me for women entrep	oreneurs			-	67
	Payment of wages and	d salaries				-	454,197
	Temporary Economic I					12,614,272	9,680,778
	Modernization of SME					10,451	12,215
	Combating COVID-19					473,215	563,711
	Askari Ujala Rupee based discount	ring of hills / receivah	ماد			2,242,023	3,117 1,891,099
	rapec basea alsocant	ing or bills / received				49,612,847	49,240,003
	Repurchase agreement bo	rrowings					
	State Bank of Pakistan					425,000,000	100,000,000
	Financial institutions					61,376,355	80,826,007
						486,376,355	180,826,007
	Refinance from Pakistan M	lortgage Refinance C	Company			2,366,667	3,366,079
	Total secured					538,355,869	233,432,089
	Unsecured						
	Call borrowings					2,000,000	-
	Total unsecured					2,000,000	-
						540,355,869	233,432,089
		June	e 30, 2023 (Un-au	dited)	Decer	mber 31, 2022 (Au	dited)
		In local	In foreign	Total	In local	In foreign	Total
		currency	currencies	(5	currency	currencies	
17.	DEPOSITS AND OTHER ACCOUNTS			(Rupees ir	1 '000)		
	Current accounts	075 455 077	04 000 700	407.400.440	202 202 202	05.000.000	040 500 700
	Current accounts Savings deposits	375,155,377 545,059,764	31,980,736 71,927,179	407,136,113 616,986,943	323,233,968 500,396,889	25,268,830 60,092,675	348,502,798 560,489,564
	Fixed deposits	192,908,347	33,777,153	226,685,500	195,530,848	26,160,189	221,691,037
		1,113,123,488	137,685,068	1,250,808,556	1,019,161,705	111,521,694	1,130,683,399
	Financial institutions						
	Financial institutions Current accounts	1,234,100	04 107	1,328,297	1,047,450	22.740	1,080,199
	Savings deposits	1,584,016	94,197	1,584,016	4,517,990	32,749	4,517,990
	Fixed deposits	15,906,200	-	15,906,200	6,092,175	_	6,092,175
	•	18,724,316	94,197	18,818,513	11,657,615	32,749	11,690,364
		4 404 647 001	407.770.005	4 000 007 000	4 000 010 000	444.551.110	4 440 070 700
		1,131,847,804	137,779,265	1,269,627,069	1,030,819,320	111,554,443	1,142,373,763

		(Un-audited)	(Audited)	
		June 30,	December 31,	
		2023	2022	
18.	SUBORDINATED DEBTS	(Rupees in	'000)	
	Term Finance Certificates - VI (ADT-1)	6,000,000	6,000,000	
	Term Finance Certificates - VII	6,000,000	6,000,000	
		12,000,000	12,000,000	

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

	Term Finance Certificates - VI (ADT-1)	Term Finance Certificates - VII
Outstanding amount - Rupees in '000	6,000,000	6,000,000
Issue amount	Rupees 6,000 million	Rupees 6,000 million
Issue date	July 03, 2018	March 17, 2020
Maturity Date	Perpetual	March 16, 2030
Rating	AA-	AA
Security	Unsecured	Unsecured
Listing	Listed	Listed
Profit payment frequency	Payable six monthly	Payable quarterly
Redemption	Perpetual	109-120th month: 100%
Profit Rate	Base Rate plus 1.50%	Base Rate plus 1.20%
	Base Rate is the simple average of the ask rate of six month KIBOR prevailing on the base rate setting date.	Base Rate is the simple average of the ask rate of three month KIBOR prevailing on the base rate setting date
Call option	Exercisable after 60 months from the date of issue subject to approval by the SBP.	Excercisable after 60th month from the date of issue subject to approval by the SBP.
Lock-in-clause	condition that such payment will not result in breach of the Group's regulatory Minimum Capital Requirement or Capital Adequacy Ratio set by SBP from time to time. Any inability to exercise lock-in clause or the non-cummulative features will subject these TFCs to mandatory	As per the lock-in requirement for Tier II Issues, neither profit nor principal will be payable (even at maturity) in respect of the TFC, if such payment will result in a shortfall or increase in an existing shortfall in the Group's Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio. That is, any payment (profit and/or principal) in respect of the TFC would be made, subject to the Group being in compliance with the requirement of Leverage Ratio or Minimum Capital Requirement or Capital Adequacy Ratio.
Loss absorption clause	The Instrument will be subject to loss	As per Loss Absorbency Clause requirement for Tier

Loss absorption clause

absorption and / or any other requirements of SBP upon the occurrence of a Point of Non-Viability event as per Section A-5-3 of Annexure 5 of the Circular, which stipulates that SBP may, at its option, fully and permanently convert the TFCs into common shares of the issuer and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Value of the TFCs' divided by market value per share of the Group's common share on the date of trigger event as declared by SBP, subject to a specified cap.

The Instrument will be subject to loss As per Loss Absorbency Clause requirement for Tier Il capital purpose, the instrument will be subject to loss absorbency and/or any other requirements under SBP's instructions on the subject. Upon the occurrence of a Point of Non-Viability event as defined under SBP BPRD Circular # 6 of 2013, SBP may at its option, fully and permanently convert the TFCs into common shares of the Group and/or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by market value per share of the Group's common share on the date of trigger of Point of Non-Viability (PONV) as declared by SBP subject to a cap of 245,042,630 shares.

		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
19.	OTHER LIABILITIES	(Rupees	in '000)
	Mark-up / return / interest payable in local currency	17,947,608	11,177,244
	Mark-up / return / interest payable in foreign currencies	1,294,808	523,791
	Unearned commission and income on bills discounted	2,340,624	2,485,237
	Accrued expenses	1,415,295	2,141,323
	Advance payments	454,031	446,546
	Acceptances	19,233,169	14,925,859
	Dividend payable	194,549	195,719
	Advance against sale of non-banking assets	1,683,790	494,255
	Mark to market loss on forward foreign exchange contracts	-	110,688
	Branch adjustment account	466,665	-
	Payable to defined benefit plan	-	194,714
	Provision for employees' compensated absences	702,011	635,913
	Security deposit against lease / Ijarah financing	3,871,030	4,145,427
	Liability against asset held for sale	-	212,780
	Levies and taxes payable	1,426,447	1,156,266
	Trade payables	597,828	-
	Workers' Welfare Fund	1,006,385	768,486
	Liability against trading of securities	-	462,925
	Switch settlement accounts	342,939	2,747,463
	Provision against off-balance sheet obligations - note 19.1	134,239	134,767
	Lease liability against ROU assets as per IFRS - 16 Leases	8,277,876	8,084,073
	Others	1,535,161	2,095,480
		62,924,454	53,138,956
		(Un-audited)	(Audited)
		June 30,	December 31,
		2023	2022
		(Rupees	in '000)
19.1	Provision against off-balance sheet obligations		
	Opening balance	134,767	1,143,768
	Exchange adjustment	121	404
	Reversal for the period / year	(649)	(1,009,405)
	Closing balance	134,239	134,767
20.	(DEFICIT) / SURPLUS ON REVALUATION OF ASSETS - NET OF TA	x	
	(Deficit) / surplus on revaluation of:		
	- Available for sale securities	(27,613,782)	(13,220,995)
	- Fixed Assets	10,365,737	10,365,737
	- Non-banking assets acquired in satisfaction of claims	1,135,774	1,135,774
		(16,112,271)	(1,719,484)
	Deferred tax on deficit on revaluation of:		
	- Available for sale securities	13,530,753	5,694,977
		(2,581,518)	3,975,493
		(2,001,010)	5,975,495

Pursuant to relaxation provided by the SBP, the Group had availed the benefit of staggering the unrealized loss on PIBs having aggregate face value of Rs 85,168 million at December 31, 2022. Accordingly, the Group had reversed an amount of revaluation loss of Rs. 6,486 million upto December 31, 2022. The relaxation is not available at June 30, 2023.

		(Un-audited)	(Audited)
		June 30, 2023	December 31, 2022
21.	CONTINGENCIES AND COMMITMENTS		s in '000)
21.			•
	- Guarantees - note 21.1	361,224,855	313,699,274
	- Commitments - note 21.2 - Other contingent liabilities - note 21.3	545,744,003 1,533,090	473,577,812 1,322,856
	- Other Contingent habilities - Hote 21.3	908,501,948	788,599,942
21.1	Guarantees		
	Financial guarantees	10,869,347	9,494,557
	Performance guarantees	199,751,019	180,122,513
	Other guarantees	150,604,489	124,082,204
		361,224,855	313,699,274
21.2	Commitments		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	224,195,797	187,240,002
	Commitments in respect of:		'
	- forward foreign exchange contracts - note 21.2.1	318,965,856	269,232,712
	- forward government securities transactions	-	15,400,000
	- non government securities transactions - note 21.2.2	2,036,120	1,366,896
	Commitments for acquisition of:		
	- operating fixed assets	118,579	82,807
	- intangible assets	427,651	255,395
		545,744,003	473,577,812
21.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	178,648,788	150,899,164
	Sale	140,317,068	118,333,548
		318,965,856	269,232,712
	The above commitments have maturities falling within one year.		
21.2.2	Commitments in respect of non government securities transactions		
	Purchase	2,036,120	1,035,290
	Sale	-,,	331,606
		2,036,120	1,366,896
21.3	Other contigent liabilities		
	These represent certain claims by third parties against the Group, which are being contested in the Courts of law. Based on legal advice and / or internal		
	assessment, management is confident that the matters will be decided in Group's favour and the possibility of any outcome against the Group is		
	remote and accordingly no provision has been made in these condensed interim unconsolidated financial statements	1,447,293	1,254,927
	This represent letter of credit issued by correspondent bank on Group's behalf	85,797	67 020
	Donaii	1,533,090	67,929 1,322,856
		.,000,000	.,522,555

#### 22. **DERIVATIVE INSTRUMENTS**

The Group does not offer derivative products such as Interest Rate Swaps, Cross Currency Swaps, Forward Rate Agreements or Foreign Exchange Options. The Bank's Treasury and Investment Banking Groups buy and sell derivative instruments such as Forward Exchange Contracts (FECs) and Equity Futures (EFs).

Period ended   Per			(Un-audited)	
MARK-UP / RETURN / INTEREST EARNED			Period ended	Period ended
Constant			June 30,	June 30,
Consideration			2023	2022
Loans and advances   51,765,694   25,188,973   Investments   75,416,614   36,075,250   22,085   51,000   16,0	23.	MARK-UP / RETURN / INTEREST EARNED	(Rupees	in '000)
Investments		On:		
Lendings to financial institutions   72,958   78,222   8alances with banks   239,575   6,640   6,640   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   61,731,116   128,011,880   128,011,880   10,318,384   10,318,384   10,318,384   10,319,0618   10,318,384   10,319,0618		Loans and advances	51,765,694	25,188,973
Balances with banks Securities purchased under resale agreements         239,575 517,039 218,011,890         6,640 382,031 382,031           24. MARK-UP / RETURN / INTEREST EXPENSED           Deposits         67,807,224 31,389,502 32,270,412         31,389,502 10,318,384 30,400 currency swaps against foreign currency deposits / borrowings         1,165,762 1,656,921         760,075 60,075           Interest expense on lease liability against ROU assets         495,230 103,190,618         445,599 444,599           25.         FEE AND COMMISSION INCOME         382,800 402,848         402,848 Consumer finance related fees         47,729 45,184         55,184 Card related fees (debit and credit cards)         712,684 47,729         55,184 40,025 50,934 Investment banking fees         155,433 115,127 Commission on guarantees         155,433 115,127 Commission on guarantees         631,522 488,053 20,093 20,000         402,848 20,093 20,09		Investments	75,416,614	36,075,250
Securities purchased under resale agreements   517,039   128,011,800   61,731,116		Lendings to financial institutions	72,958	78,222
24. MARK-UP / RETURN / INTEREST EXPENSED           Deposits Borrowings 32,270,412 10,318,384 5ubordinated debts 32,200 (and the debts 34,599 (borrowings 49,520) (borrowings 44,479,481)         1,451,990 (borrowings 49,520) (borrowings 49,520) (borrowings 44,599) (borrowings 44,479,481)           25. FEE AND COMMISSION INCOME         Branch banking customer fees 382,800 (borrowings 44,479,481) (borrowings 44,479,481) (borrowings 44,772) (borrowing 44,772)		Balances with banks	239,575	6,640
MARK-UP / RETURN / INTEREST EXPENSED         On:       C peposits       67,807,224       31,389,502         Borrowings       32,270,412       10,318,384         Subordinated debts       1,165,762       760,075         Cost of foreign currency swaps against foreign currency deposits / borrowings       1,451,990       1,565,921         Interest expense on lease liability against ROU assets       495,230       445,599         Interest expense on lease liability against ROU assets       495,230       444,599         25.       FEE AND COMMISSION INCOME         Branch banking customer fees       382,800       402,848         Consumer finance related fees       47,729       55,184         Card related fees (debit and credit cards)       712,684       549,179         Credit related fees       433,658       270,934         Investment banking fees       155,433       115,127         Commission on trade       871,295       496,025         Commission on guarantees       634,152       488,053         Commission on bancassurance       16,503       42,632         Others       44,503       61,351         Realised - note 26.1       9,476       (18,617)         25,765       <		Securities purchased under resale agreements	517,039	382,031
On:           Deposits Borrowings         32,270,412         10,318,384           Subordinated debts         1,165,762         760,075           Cost of foreign currency swaps against foreign currency deposits / borrowings         1,451,990         1,565,921           Interest expense on lease liability against ROU assets         495,230         445,599           Interest expense on lease liability against ROU assets         495,230         444,79,481           25.         FEE AND COMMISSION INCOME         Very Color of the Color of			128,011,880	61,731,116
Deposits   67,807,224   31,389,502   Borrowings   32,270,412   10,318,384   Subordinated debts   1,165,762   760,075   Cost of foreign currency swaps against foreign currency deposits / borrowings   1,451,990   1,565,921   Interest expense on lease liability against ROU assets   495,230   444,593   444,79,481   44,	24.	MARK-UP / RETURN / INTEREST EXPENSED		
Borrowings   32,270,412   10,318,384   Subordinated debts   1,165,762   760,075   76		On:		
Borrowings   32,270,412   10,318,384   Subordinated debts   1,165,762   760,075   76		Deposits	67,807,224	31,389,502
Cost of foreign currency swaps against foreign currency deposits / borrowings   1,451,990   1,565,921   445,599   103,190,618   444,79,481   25.   FEE AND COMMISSION INCOME				10,318,384
Cost of foreign currency swaps against foreign currency deposits / borrowings   1,451,990   1,565,921   1,451,990   1,565,921   445,599   103,190,618   44,479,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,472,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,473,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,481,481   1,481,481   1,481,481   1,481,481   1,481,481   1,481,4		· · · · · · · · · · · · · · · · · · ·	1,165,762	
Notrowings		Cost of foreign currency swaps against foreign currency deposits		
Interest expense on lease liability against ROU assets   495,230   103,190,618   444,79,481   444,79,481   25.   FEE AND COMMISSION INCOME			1.451.990	1.565.921
25. FEE AND COMMISSION INCOME           Branch banking customer fees         382,800         402,848           Consumer finance related fees         47,729         55,184           Card related fees (debit and credit cards)         712,684         549,179           Credit related fees         433,658         270,934           Investment banking fees         155,433         115,127           Commission on trade         871,295         496,025           Commission on guarantees         634,152         488,053           Commission on remittances including home remittances         94,390         104,949           Commission on bancassurance         16,503         42,632           Others         44,503         61,351           3,393,147         2,586,282           26.         GAIN / (LOSS) ON SECURITIES           Realised - note 26.1         16,289         34,446           Unrealised - note 9.1         9,476         (18,617)           25,765         15,829           26.1         Realised gain / (loss) on:           Federal Government Securities         (153,747)         12,187           Shares         127,469         9,101           Non Government Debt Securities         37,833		Interest expense on lease liability against ROU assets		
Branch banking customer fees       382,800       402,848         Consumer finance related fees       47,729       55,184         Card related fees (debit and credit cards)       712,684       549,179         Credit related fees       433,658       270,934         Investment banking fees       155,433       115,127         Commission on trade       871,295       496,025         Commission on guarantees       634,152       488,053         Commission on remittances including home remittances       94,390       104,949         Commission on bancassurance       16,503       42,632         Others       44,503       61,351         Realised - note 26.1       16,289       34,446         Unrealised - note 9.1       9,476       (18,617)         25,765       15,829         26.1       Realised gain / (loss) on:         Federal Government Securities         Shares       (127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858		, ,		
Consumer finance related fees       47,729       55,184         Card related fees (debit and credit cards)       712,684       549,179         Credit related fees       433,658       270,934         Investment banking fees       155,433       115,127         Commission on trade       871,295       496,025         Commission on guarantees       634,152       488,053         Commission on remittances including home remittances       94,390       104,949         Commission on bancassurance       16,503       42,632         Others       44,503       61,351         Realised - note 26.1       16,289       34,446         Unrealised - note 9.1       9,476       (18,617)         25,765       15,829          26.1       Realised gain / (loss) on:         Federal Government Securities       (153,747)       12,187         Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858	25.	FEE AND COMMISSION INCOME		
Consumer finance related fees       47,729       55,184         Card related fees (debit and credit cards)       712,684       549,179         Credit related fees       433,658       270,934         Investment banking fees       155,433       115,127         Commission on trade       871,295       496,025         Commission on guarantees       634,152       488,053         Commission on remittances including home remittances       94,390       104,949         Commission on bancassurance       16,503       42,632         Others       44,503       61,351         Realised - note 26.1       16,289       34,446         Unrealised - note 9.1       9,476       (18,617)         25,765       15,829          26.1       Realised gain / (loss) on:       Federal Government Securities       (153,747)       12,187         Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858		Branch hanking customer fees	382 800	402 848
Card related fees (debit and credit cards)       712,684       549,179         Credit related fees       433,658       270,934         Investment banking fees       155,433       115,127         Commission on trade       871,295       496,025         Commission on guarantees       634,152       488,053         Commission on remittances including home remittances       94,390       104,949         Commission on bancassurance       16,503       42,632         Others       44,503       61,351         3,393,147       2,586,282          26.       GAIN / (LOSS) ON SECURITIES         Realised - note 26.1       16,289       34,446         Unrealised - note 9.1       9,476       (18,617)         25,765       15,829          26.1       Realised gain / (loss) on:         Federal Government Securities       (153,747)       12,187         Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858				
Credit related fees       433,658       270,934         Investment banking fees       155,433       115,127         Commission on trade       871,295       496,025         Commission on guarantees       634,152       488,053         Commission on remittances including home remittances       94,390       104,949         Commission on bancassurance       16,503       42,632         Others       44,503       61,351         3,393,147       2,586,282          26.       GAIN / (LOSS) ON SECURITIES         Realised - note 26.1       16,289       34,446         Unrealised - note 9.1       9,476       (18,617)         25,765       15,829          26.1       Realised gain / (loss) on:         Federal Government Securities       (153,747)       12,187         Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858				
Investment banking fees		·		
Commission on trade				
Commission on guarantees       634,152       488,053         Commission on remittances including home remittances       94,390       104,949         Commission on bancassurance       16,503       42,632         Others       44,503       61,351         3,393,147       2,586,282         26.       GAIN / (LOSS) ON SECURITIES         Realised - note 26.1       16,289       34,446         Unrealised - note 9.1       9,476       (18,617)         25,765       15,829          26.1       Realised gain / (loss) on:         Federal Government Securities       (153,747)       12,187         Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858		· · · · · · · · · · · · · · · · · · ·		
Commission on remittances including home remittances       94,390       104,949         Commission on bancassurance       16,503       42,632         Others       44,503       61,351         3,393,147       2,586,282             26.       GAIN / (LOSS) ON SECURITIES         Realised - note 26.1       16,289       34,446         Unrealised - note 9.1       9,476       (18,617)         25,765       15,829             26.1       Realised gain / (loss) on:         Federal Government Securities       (153,747)       12,187         Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858				
Commission on bancassurance Others       16,503 42,632 44,503 61,351 3,393,147 2,586,282         26. GAIN / (LOSS) ON SECURITIES         Realised - note 26.1 Unrealised - note 9.1 9,476 (18,617) 25,765 15,829         26.1 Realised gain / (loss) on:         Federal Government Securities Shares Non Government Debt Securities Non Government Debt Securities 37,833 300 Mutual Funds       (153,747) 12,187		· · · · · · · · · · · · · · · · · · ·		
Others       44,503 (3,393,147)       61,351 (3,393,147)         26.       GAIN / (LOSS) ON SECURITIES         Realised - note 26.1 (Unrealised - note 9.1)       16,289 (18,617) (18,617) (18,617) (18,617) (25,765) (15,829)         26.1       Realised gain / (loss) on:         Federal Government Securities Shares (153,747) (Non Government Debt Securities (17,469) (17,469				
26. GAIN / (LOSS) ON SECURITIES         Realised - note 26.1 Unrealised - note 9.1       16,289 34,446 (18,617) 9,476 (18,617) 25,765 15,829         26.1 Realised gain / (loss) on:         Federal Government Securities Shares 127,469 9,101 Non Government Debt Securities 37,833 300 Mutual Funds       12,7469 9,101 12,858		Others		
Realised - note 26.1       16,289       34,446         Unrealised - note 9.1       9,476       (18,617)         25,765       15,829         26.1 Realised gain / (loss) on:         Federal Government Securities       (153,747)       12,187         Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858				
Unrealised - note 9.1       9,476 / 25,765       (18,617) / 15,829         26.1       Realised gain / (loss) on:         Federal Government Securities Shares       (153,747) / 12,187 / 12	26.	GAIN / (LOSS) ON SECURITIES		
Unrealised - note 9.1       9,476 / 25,765       (18,617) / 15,829         26.1       Realised gain / (loss) on:         Federal Government Securities Shares       (153,747) / 12,187 / 12				
Z6.1     Realised gain / (loss) on:       Federal Government Securities       Shares     127,469     9,101       Non Government Debt Securities     37,833     300       Mutual Funds     4,734     12,858				
26.1 Realised gain / (loss) on:       (153,747)       12,187         Federal Government Securities       (127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858		Unrealised - note 9.1		
Federal Government Securities       (153,747)       12,187         Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858			25,705	15,629
Shares       127,469       9,101         Non Government Debt Securities       37,833       300         Mutual Funds       4,734       12,858	26.1	Realised gain / (loss) on:		
Non Government Debt Securities         37,833         300           Mutual Funds         4,734         12,858		Federal Government Securities	(153,747)	12,187
Mutual Funds <u>4,734</u> 12,858		Shares		
		Non Government Debt Securities	37,833	300
<u>16,289</u> <u>34,446</u>		Mutual Funds		
			16,289	34,446

		(Un-aud	dited)
		Period ended	Period ended
		June 30,	June 30,
		2023	2022
27.	OTHER INCOME	(Rupees	-
		` '	ŕ
	Gain on sale of fixed assets	4,019	37,501
	Rent of lockers Recovery of expenses from customers	25,403 160,482	24,172 151,295
	Termination of lease contracts under IFRS - 16 Leases	9,900	13,700
	Termination of lease contracts under if NO - 10 Leases	199,804	226,668
28.	OPERATING EXPENSES		
	Total compensation expenses - note 28.1	6,952,448	5,531,538
	Property expense		
	Rent and taxes	72,469	65,802
	Insurance	45,924	42,883
	Utilities cost	622,111	417,357
	Security (including guards)	381,112	285,593
	Repair & maintenance (including janitorial charges)	211,294	161,203
	Depreciation on ROU assets	811,224	773,035
	Depreciation	120,980	141,378
		2,265,114	1,887,251
	Information technology expenses		
	Software maintenance	334,067	245,600
	Hardware maintenance	80,107	30,429
	Depreciation	113,404	87,693
	Amortisation	82,922	69,372
	Network charges	261,287	138,734
	Total Margae	871,787	571,828
	Other operating expenses		
	Directors' fees, allowances	15,200	16,700
	Fees and allowances to shariah board	4,746	4,539
	Rates, taxes, insurance etc.	89,800	104,287
	Legal and professional charges	48,917	57,373
	Brokerage and commission	100,672	73,923
	NIFT clearing charges	52,342	34,423
	Repair and maintenance	401,987	182,467
	Communications	475,841	339,811
	Stationery and printing	301,362	171,774
	Marketing, advertisement and publicity	54,077	81,489
	Donations	524,397	67,150
	Auditors' remuneration	26,389	10,424
	Travelling, conveyance and entertainment	194,534	140,363
	Depreciation	238,475	225,998
	Security service charges	356,972	192,153
	Training and development	11,603	11,841
	Deposit premium expense	351,160	323,717
	Outsourced service cost	102,216	42,280
	Other expenditure	159,049	193,233
		3,509,739	2,273,945
		13,599,088	10,264,562
28.1	Total compensation expense		
	Managerial remuneration	5,194,287	4,331,022
	Charge for defined benefit / contribution plan	423,655	379,082
	Other staff cost - note 28.1.1	1,334,506_	821,435
		6,952,448	5,531,539

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

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

		(Un-audited)		
		Period ended	Period ended	
		June 30,	June 30,	
		2023	2022	
30.	PROVISIONS AND WRITE OFFS - NET	(Rupees	in '000)	
	Provision for diminution in value of investments	231,427	425,752	
	Provision against loans and advances	447,517	629,981	
	Provision against other assets and balances with other banks	37	11,722	
	Reveral of provision against repurchase agreement lendings	(14,860)	(14,861)	
	Reversal of provision against off-balance sheet obligations	(649)	(897,777)	
	Provision against cash and bank balances	-	17	
	Reversal of provision against intangible assets	-	(1,225)	
	Recovery of written off / charged off bad debts	(46,196)	(43,469)	
		617,276	110,140	
31.	TAXATION			
	Current	8,439,244	5,780,467	
	Deferred	(271,007)	62,789	
		8,168,237	5,843,256	

- 31.1 i) The Group has filed tax returns for and up to tax year 2022. The assessments for and up to tax year 2022 were amended by the tax authorities creating accumulated additional tax demand, mainly in the matters of admissibility of recoveries against doubtful debts for Rs 1,119.049 million, provision for diminution in the value of investments for Rs 2,530.226 million, bad debts written off for Rs 86.922 million, provision for substandard advances for Rs 74.95 million, Provision against other assets and fixed assets for Rs 142.494 million, disallowance of employee benefit expenses Rs 228.680 Million and Other disallowances of expenses/credits for Rs 326.846 million. Group's Appeals against these orders are currently pending before Commissioner Appeals, Appellate Tribunal and Islamabad High Court. The management and tax advisor of the Group are confident that these matters will be decided in favor of the Group and consequently no provision has been made thereon. Tax payments by the Group against certain matters are being carried forward as receivable, as management and tax advisor of the Group are confident of their realization.
  - ii) Consequent upon the amalgamation with and into the Group, the outstanding tax issues relating to Askari Leasing Limited (ALL) are as follows:

Tax returns of ALL have been filed for and up to tax year 2010. The returns for the tax years 2003 to 2010 were amended by the tax authorities mainly in the matter of admissibility of initial allowance claimed on leased vehicles. On appeals filed by ALL, partial relief was provided by the CIR(A) by allowing initial allowance on commercial vehicles. Re-assessment has not yet been carried out by the tax department. A tax demand is however not likely to arise after re-assessment.

For and up to the assessment years 2002-2003, reference applications filed by the tax authorities in the matter of computation of lease income are pending decisions by the High Court. However, the likelihood of an adverse decision is considered low due to a favorable decision of the High Court in a parallel case.

		(Un-audited)		
		Period ended June 30, 2023	Period ended June 30, 2022	
32.	BASIC EARNINGS PER SHARE			
	Profit for the period - Rupees in '000	8,837,543	6,313,456	
	Weighted average number of Ordinary Shares - numbers	1,449,299,207	1,449,299,207	
			Restated	
	Basic earnings per share - Rupees	6.10	4.36	

There is no dilutive effect on the basic earnings per share of the Group, therefore dilutive earnings per share have not been presented seperately. Further, the prior period earnings per share has been restated for the effect of bonus shares issued @15% during the year.

#### 33. FAIR VALUE MEASUREMENTS

The fair values of traded investments are based on quoted market prices. The fair values of unquoted equity investments are estimated using the break-up value of the investee company.

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

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

All assets and liabilities for which fair value is measured or disclosed in these consolidated financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement.

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

#### 33.1 Fair value of financial assets

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

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

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

The following table provides the fair values of those of the Group's financial assets and liabilities that are recognized or disclosed at fair value in these unconsolidated condensed interim financial statements:

	June 30, 2023 (Un-audited)				
	Carrying /	Laval 4	LovelO	Lovel 0	Total
	Notional Value	Level 1	Level 2 (Rupees in	Level 3	Total
On balance sheet financial instruments			(rtapood ii	1 000)	
Financial assets - measured at fair value					
Investments					
Federal Government Securities	965,719,943	5,128,668	960,591,275	-	965,719,943
Shares	4,623,743	4,623,743	, , , <u>-</u>	-	4,623,743
Units of open end mutual funds	570,923	570,923	-	-	570,923
Fully paid preference shares	28,150	28,150	-	-	28,150
Non Government Debt Securities	12,460,022 983,402,781	10,351,484	12,460,022 973,051,297		12,460,022 983,402,781
	903,402,701	10,331,404	973,031,297		903,402,701
Financial assets - disclosed but not measured at fair value					
Investments					
Federal Government Securities	114,312,540	10,718,376	103,594,164	-	114,312,540
Unlisted shares	1,050,000	-	-	-	-
Foreign Securities Cash and balances with treasury banks	- 128,348,676	-	-	-	-
Balances with other banks	18,109,584	_	_	_	_
Lendings to financial institutions	99,999	_	_	-	-
Advances	622,816,273	_	-	-	_
Other assets	70,984,812	-	_	_	-
	955,721,884	10,718,376	103,594,164	-	114,312,540
Off-balance sheet financial instruments - measured at fair value					
	178,648,788	_	161,364		161,364
Forward purchase of foreign exchange Forward sale of foreign exchange	140,317,068		(75,820)		(75,820)
1 orward sale of foreign exertaings	140,017,000		(10,020)		(10,020)
	0		December 31, 202	2 (Un-audited)	
	Carrying / Notional Value	Level 1	Level 2	Level 3	Total
	Notional value	Level I	(Rupees in		Total
On balance sheet financial instruments				,	
Financial assets - measured at fair value					
Investments					
Federal Government Securities	632,309,796	3,896,424	628,413,372	-	632,309,796
Shares	4,184,699	4,184,699	-	-	4,184,699
Units of open end mutual funds	643,285	-	643,285	-	643,285
Fully paid preference shares	28,150	28,150	-	-	28,150
Non Government Debt Securities	11,865,359	-	11,865,359	-	11,865,359
Foreign securities	- 640,024,200	- 0.400.073	- 640,000,046	-	- 640,024,200
	649,031,289	8,109,273	640,922,016		649,031,289
Financial assets - disclosed but not measured at fair value					
Investments					
IIIVOSIIIIOIIIS					
Unlisted shares	1,050,000	-	-	-	-
Unlisted shares Subsidiary	1,050,000	- -	-	- -	-
Unlisted shares Subsidiary Federal Government Securities	111,056,637	- - 8,644,666	- - 102,411,971	- - -	- - 111,056,637
Unlisted shares Subsidiary Federal Government Securities Foreign Securities	111,056,637 1,797,164	- 8,644,666 1,797,164	- - 102,411,971 -	- - - -	- - 111,056,637 1,797,164
Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks	111,056,637 1,797,164 70,950,067		- - 102,411,971 - -	- - - -	
Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks	111,056,637 1,797,164 70,950,067 9,677,123		- - 102,411,971 - - -	- - - - -	
Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institute	111,056,637 1,797,164 70,950,067 9,677,123 406,934		- - 102,411,971 - - -	- - - -	
Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institute Advances	111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931		- - 102,411,971 - - -	- - - -	
Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institute	111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931 53,984,332	1,797,164 - - - - -	- - - -	- - - - - -	1,797,164 - - - -
Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institute Advances Other assets	111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931		- - 102,411,971 - - - - 102,411,971	- - - -	
Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institute Advances Other assets  Off-balance sheet financial instruments - measured at fair value	111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931 53,984,332 832,733,188	1,797,164 - - - - -	- - - - 102,411,971	- - - -	1,797,164 - - - - - - - - - - - - - - - - - - -
Unlisted shares Subsidiary Federal Government Securities Foreign Securities Cash and balances with treasury banks Balances with other banks Lendings to finanical institute Advances Other assets	111,056,637 1,797,164 70,950,067 9,677,123 406,934 583,810,931 53,984,332	1,797,164 - - - - -	- - - -	- - - -	1,797,164 - - - -

The Group's policy is to recognize transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused such transfer to takes place. There were no transfers between levels 1 and 2 during the year.

	(Un-audited)	(Audited)
	June 30,	December 31,
	2023	2022
33.2 Fair value of non-financial assets	(Rupees	s in '000)
	Level 3	Level 3
Fixed assets		
Property and equipment (freehold and leasehold land)	13,238,392	13,238,392
Other assets		
Non-banking assets acquired in satisfaction of claims	1,974,832	1,983,236

#### 34. Segment Information

#### 34.1 Segment details with respect to Business Activities

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

				June 30, 2023	(Un-audited)			
	Branch	Corporate		Consumer	Islamic	Foreign	Head Office	
	banking	banking	Treasury	banking (Rupees	banking in '000)	operations	/ others	Total
Profit and loss								
Net mark-up / return / profit	(40,637,694)	17,975,386	39,738,449	2,213,650	5,823,754	1,121,604	(1,413,887)	24,821,262
Inter segment revenue - net Non mark-up / return / interest income	58,025,034 1,090,027	(15,577,459) 2,279,514	(44,495,586) 2,494,311	(1,676,680) 376,161	(1,776,600) 357,571	(831,918) 16,154	6,333,210 149,208	6,762,946
Total income	18,477,367	4,677,441	(2,262,826)	913,131	4,404,725	305,840	5,068,531	31,584,209
Segment direct expenses	7,360,735	491,246	210,020	753,599	1,613,147	116,030	3,416,375	13,961,152
Inter segment expense allocation	675,266	495,989	10,506	25,972	-	-	(1,207,733)	-
Total expenses	8,036,001	987,235	220,526	779,571	1,613,147	116,030	2,208,642	13,961,152
Provisions	(188,600)	609,275	183,504	(12,751)	(40,595)	-	66,443	617,276
Profit before tax	10,629,966	3,080,931	(2,666,856)	146,311	2,832,173	189,810	2,793,446	17,005,781
				June 30, 2023	(Un-audited)			
	Branch	Corporate		Consumer	Islamic	Foreign	Head Office	
	banking	banking	Treasury	banking (Rupees	banking in '000)	operations	/ others	Total
Statement of financial position				, ,,	,			
Cash and bank balances	34,196,046	-	100,505,385	759,194	10,236,792	93,562	667,281	146,458,260
Investments	-	8,437,421	1,033,683,841	-	40,394,400	15,847,044	402,615	1,098,765,321
Lendings to financial institutions Advances - performing - net of provision	- 11,289,944	477,763,210	99,999	- 19,957,704	98,486,872	5,375,926	8,074,611	99,999 620,948,267
Advances - non-performing - net of provision	280,319	517,246	-	95,560	974,881	5,375,920	6,074,011	1,868,006
Others	929,805	35,112,348	24,519,874	668,840	11,508,460	429,614	48,882,222	122,051,163
Total Assets	46,696,114	521,830,225	1,158,809,099	21,481,298	161,601,405	21,746,146	58,026,729	1,990,191,016
Borrowings	1,626,582	41,997,115	488,376,353	2,366,667	5,989,152	-	-	540,355,869
Subordinated debts	-	-	-	-	-	-	12,000,000	12,000,000
Deposits and other accounts  Net inter segment balances - net	854,239,151 (827,365,330)	303,145,572 132,779,582	664,214,420	3,300 18,609,307	110,156,151 24,763,747	1,972,947 19,233,136	109,948 (32,234,862)	1,269,627,069 (0)
Others	18,195,711	43,907,956	6,218,326	502,024	8,497,865	540,063	13,024,795	90,886,740
Total liabilities	46,696,114	521,830,225	1,158,809,099	21,481,298	149,406,915	21,746,146	(7,100,119)	1,912,869,678
Equity	40,000,444	-	- 4 450 000 000		12,194,490	- 04 740 440	65,126,847	77,321,337
Total Equity and liabilities	46,696,114	521,830,225	1,158,809,099	21,481,298	161,601,405	21,746,146	58,026,728	1,990,191,015
Contingencies and commitments	6,685,939	563,832,047	317,499,316	85,797	18,440,777	<del></del> -	1,958,072	908,501,948
				June 30, 2022	(Un-audited)			
	Branch	Corporate		Consumar	Islamic	Foreign	Head Office	
	Branch banking	Corporate banking	Treasury	Consumer banking (Rupees	Islamic banking in '000)	Foreign operations	Head Office / others	Total
Profit and loss			Treasury	banking	banking			Total
Net mark-up / return / profit	banking (20,632,154)	9,889,774	23,957,135	banking (Rupees 1,753,684	banking	operations 872,377	/ others (913,249)	Total 17,251,635
Net mark-up / return / profit Inter segment revenue - net	(20,632,154) 33,091,009	9,889,774 (7,266,333)	23,957,135 (27,447,342)	1,753,684 (1,129,377)	banking in '000) 2,324,068	operations 872,377 (92,579)	/ others (913,249) 2,844,622	17,251,635 -
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income	(20,632,154) 33,091,009 864,707	9,889,774 (7,266,333) 1,590,876	23,957,135 (27,447,342) 2,483,253	1,753,684 (1,129,377) 265,936	banking in '000) 2,324,068 - 246,835	872,377 (92,579) 14,323	(913,249) 2,844,622 161,663	17,251,635 - 5,627,593
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income	(20,632,154) 33,091,009 864,707 13,323,562	9,889,774 (7,266,333) 1,590,876 4,214,317	23,957,135 (27,447,342) 2,483,253 (1,006,954)	1,753,684 (1,129,377) 265,936 890,243	banking in '000) 2,324,068 - 246,835 2,570,903	872,377 (92,579) 14,323 794,121	/ others (913,249) 2,844,622 161,663 2,093,036	17,251,635 - 5,627,593 22,879,228
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income	(20,632,154) 33,091,009 864,707	9,889,774 (7,266,333) 1,590,876	23,957,135 (27,447,342) 2,483,253	1,753,684 (1,129,377) 265,936	banking in '000) 2,324,068 - 246,835	872,377 (92,579) 14,323	(913,249) 2,844,622 161,663	17,251,635 - 5,627,593
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751	1,753,684 (1,129,377) 265,936 890,243 538,740	banking in '000) 2,324,068 - 246,835 2,570,903	872,377 (92,579) 14,323 794,121	(913,249) 2,844,622 161,663 2,093,036 2,405,683	17,251,635 - 5,627,593 22,879,228
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837	banking (Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167	banking in '000) 2,324,068 - 246,835 2,570,903 1,252,587 -	872,377 (92,579) 14,323 794,121 69,823	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135)	17,251,635 - 5,627,593 22,879,228 10,612,376
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b>	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588	banking (Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907	banking in '000)  2,324,068  246,835  2,570,903  1,252,587  1,252,587	872,377 (92,579) 14,323 794,121 69,823	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b> Provisions	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501)	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427)	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629	banking (Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379	banking in '000)  2,324,068  246,835 2,570,903 1,252,587  1,252,587  51,887 1,266,429	872,377 (92,579) 14,323 794,121 69,823 - 69,823 (78,920)	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b> Provisions	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501)	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427)	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629	banking (Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043)	banking in '000)  2,324,068  246,835 2,570,903 1,252,587  1,252,587  51,887 1,266,429	872,377 (92,579) 14,323 794,121 69,823 - 69,823 (78,920)	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b> Provisions	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629	banking (Rupees) 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	banking in '000)  2,324,068 -246,835 2,570,903 1,252,587 -1,252,587 51,887 1,266,429  022 (Audited) Islamic banking	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 (59,501) 7,181,722  Branch	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)	banking (Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer	banking in '000)  2,324,068 -246,835 2,570,903 1,252,587 -1,252,587 51,887 1,266,429  022 (Audited) Islamic banking	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973	17,251,635 5,627,593 22,879,228 10,612,376 10,612,376 110,140 12,156,712
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income <b>Total income</b> Segment direct expenses Inter segment expense allocation <b>Total expenses</b> Provisions	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 (59,501) 7,181,722  Branch	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)	banking (Rupees) 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	banking in '000)  2,324,068 -246,835 2,570,903 1,252,587 -1,252,587 51,887 1,266,429  022 (Audited) Islamic banking	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973	17,251,635 5,627,593 22,879,228 10,612,376 
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 (59,501) 7,181,722  Branch banking	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury	banking (Rupees) 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	banking in '000)  2,324,068 - 246,835 2,570,903 1,252,587 - 1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending	(20,632,154) 33,091,009 864,707 13,323,562 5,754,722 446,614 6,201,341 (59,501) 7,181,722  Branch banking	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury	banking (Rupees) 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	banking in '000)  2,324,068 -246,835 2,570,903 1,252,587 -1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000) 6,862,101	872,377 (92,579) 14,323 794,121 69,823 69,823 (78,920) 803,218  Foreign operations	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions	banking (20,632,154) 33,091,009 864,707 13,323,562 5,754,722 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury	banking (Rupees 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking (Rupees	banking in '000)  2,324,068 -246,835 2,570,903 1,252,587 -1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000) 6,862,101 39,942,674 -	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations 35,209 14,338,254	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending	(20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 (59,501) 7,181,722  Branch banking	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury 49,189,748 699,774,652 406,934	banking (Rupees) 1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379 December 31, 2 Consumer banking	banking in '000)  2,324,068 - 246,835 2,570,903 1,252,587 - 1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218 Foreign operations	(913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 -
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443 - 447,812,623 453,499 27,107,590	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury 49,189,748 699,774,652 406,934	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)  21,143,917 130,836 594,298	banking in '000)  2,324,068 - 246,835 2,570,903 1,252,587 1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 - 82,166,386 983,250 7,097,474	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 9,999,101 - 418,422	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others  349,996 7,194,819 43,602,189	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934 581,961,677 1,849,254 98,917,773
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Advances - non-performing - net of provision	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)  21,143,917 130,836	banking in '000)  2,324,068 - 246,835 2,570,903 1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 - 82,166,386 983,250	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations 35,209 14,338,254 - 9,999,101	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934 581,961,677 1,849,254
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443 - 447,812,623 453,499 27,107,590	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury 49,189,748 699,774,652 406,934	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)  21,143,917 130,836 594,298	banking in '000)  2,324,068 - 246,835 2,570,903 1,252,587 1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 - 82,166,386 983,250 7,097,474	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 9,999,101 - 418,422	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others  349,996 7,194,819 43,602,189 51,147,004	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934 581,961,677 1,849,254 98,917,773 1,526,293,847 233,432,089
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140 39,469,772 1,744,212	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  447,812,623 453,499 27,107,590 483,499,155 42,909,471	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury 49,189,748 699,774,652 406,934 - 19,094,660 768,465,994	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)  21,143,917 130,836 594,298 21,869,051 3,366,079	banking in '000)  2,324,068  246,835 2,570,903 1,252,587  1,252,587  51,887  1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674  82,166,386 983,250 7,097,474 137,051,885 4,586,320	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 - 9,999,101 418,422 24,790,986 1,393,961	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others  - 349,996 7,194,819 - 43,602,189 51,147,004 - 12,000,000	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934 581,961,677 1,849,254 98,917,773 1,526,293,847 233,432,089 12,000,000
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140 39,469,772 1,744,212 751,561,392	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  447,812,623 453,499 27,107,590 483,499,155 42,909,471 293,324,608	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 - 19,094,660 768,465,994 179,432,046	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)  21,143,917 130,836 594,298 21,869,051 3,366,079 3,686	banking in '000)  2,324,068 -246,835 2,570,903 1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 - 82,166,386 983,250 7,097,474 137,051,885 4,586,320 96,297,085	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 - 9,999,101 418,422 24,790,986 1,393,961 1,094,507	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others  - 349,996 - 7,194,819 - 43,602,189 51,147,004 - 12,000,000 92,485	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934 581,961,677 1,849,254 98,917,773 1,526,293,847 233,432,089
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140 39,469,772 1,744,212	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  447,812,623 453,499 27,107,590 483,499,155 42,909,471	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171) Treasury  49,189,748 699,774,652 406,934 	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)  21,143,917 130,836 594,298 21,869,051 3,366,079	banking in '000)  2,324,068  246,835 2,570,903 1,252,587  1,252,587  51,887  1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674  82,166,386 983,250 7,097,474 137,051,885 4,586,320	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 - 9,999,101 418,422 24,790,986 1,393,961	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others  - 349,996 7,194,819 - 43,602,189 51,147,004 - 12,000,000	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934 581,961,677 1,849,254 98,917,773 1,526,293,847 233,432,089 12,000,000
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140 39,469,772 1,744,212 - 751,561,392 (731,727,465)	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  447,812,623 453,499 27,107,590 483,499,155 42,909,471 293,324,608 122,512,889	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 - 19,094,660 768,465,994 179,432,046	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)  21,143,917 130,836 594,298 21,869,051 3,366,079 3,686 17,862,227	banking in '000)  2,324,068 -246,835 2,570,903 1,252,587 1,252,587 51,887 1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 - 82,166,386 983,250 7,097,474 137,051,885 4,586,320 -96,297,085 19,475,830	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 9,999,101 - 418,422 24,790,986 1,393,961 - 1,094,507 22,068,820	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others  7,194,819 43,602,189 51,147,004 12,000,000 92,485 (36,613,714)	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934 581,961,677 1,849,254 98,917,773 1,526,293,847 233,432,089 12,000,000 1,142,373,763 - 65,017,519 1,452,823,371
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Total liabilities Equity	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,727 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140 39,469,772 1,744,212 751,561,392 (731,727,465) 17,891,633 39,469,772	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  8,125,443 47,812,623 453,499 27,107,590 483,499,155 42,909,471 293,324,608 122,512,889 24,752,187 483,499,155	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 19,094,660 768,465,994 179,432,046 586,421,413 2,612,535 768,465,994	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)	banking in '000)  2,324,068 -246,835 2,570,903 1,252,587 51,887 1,266,429 022 (Audited) Islamic banking in '000)  6,862,101 39,942,674 82,166,386 983,250 7,097,474 137,051,885 4,586,320 96,297,085 19,475,830 6,884,620 127,043,855 10,008,029	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 - 9,999,101 - 418,422 24,790,986 1,393,961 1,094,507 22,068,820 233,698 24,790,986	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others  7,194,819 43,602,189 51,147,004 12,000,000 92,485 (36,613,714) 12,205,787 (12,315,442) 63,462,447	Total  80,627,190 762,531,019 406,934 581,961,677 1,849,254 98,917,773 1,526,293,847 233,432,089 12,000,000 1,142,373,763 65,017,519 1,452,823,371 73,470,476
Net mark-up / return / profit Inter segment revenue - net Non mark-up / return / interest income Total income Segment direct expenses Inter segment expense allocation Total expenses Provisions Profit before tax  Statement of financial position Cash and bank balances Investments Net inter segment lending Lendings to financial institutions Advances - performing - net of provision Others Total Assets Borrowings Subordinated debts Deposits and other accounts Net inter segment balances - net Others Total liabilities	banking  (20,632,154) 33,091,009 864,707 13,323,562 5,754,722 446,614 6,201,341 (59,501) 7,181,722  Branch banking  24,540,132 13,644,831 281,669 1,003,140 39,469,772 1,744,212 751,561,392 (731,727,465) 17,891,633	9,889,774 (7,266,333) 1,590,876 4,214,317 436,065 431,517 867,582 (320,427) 3,667,162  Corporate banking  447,812,623 453,499 27,107,590 483,499,155 42,909,471 - 293,324,608 122,512,889 24,752,187	23,957,135 (27,447,342) 2,483,253 (1,006,954) 154,751 5,837 160,588 454,629 (1,622,171)  Treasury  49,189,748 699,774,652 406,934 19,094,660 768,465,994 179,432,046 586,421,413 2,612,535	banking (Rupees)  1,753,684 (1,129,377) 265,936 890,243 538,740 69,167 607,907 (19,043) 301,379  December 31, 2 Consumer banking (Rupees)  21,143,917 130,836 594,298 21,869,051 3,366,079 - 3,686 17,862,227 637,059	banking in '000)  2,324,068  246,835 2,570,903 1,252,587  1,252,587  51,887  1,266,429  022 (Audited) Islamic banking in '000)  6,862,101 39,942,674  82,166,386 983,250 7,097,474 137,051,885 4,586,320 96,297,085 19,475,830 6,684,620 127,043,855	872,377 (92,579) 14,323 794,121 69,823 (78,920) 803,218  Foreign operations  35,209 14,338,254 - 9,999,101 - 418,422 24,790,986 1,393,961 - 1,094,507 22,068,820 233,698	/ others  (913,249) 2,844,622 161,663 2,093,036 2,405,683 (953,135) 1,452,548 81,515 558,973  Head Office / others	17,251,635 - 5,627,593 22,879,228 10,612,376 - 10,612,376 110,140 12,156,712  Total  80,627,190 762,531,019 - 406,934 581,961,677 1,849,254 98,917,773 1,526,293,847 233,432,089 12,000,000 1,142,373,763 - 65,017,519 1,452,823,371

#### 35. RELATED PARTY TRANSACTIONS

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

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

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

	A:	s at June 30, 20	23 (Un-audited)				As at Dec	ember 31, 2022	(Audited)	
	Parent	Directors	Key management personnel	Subsidiary / Associate Note - 9.4	Other related parties	Parent	Directors	Key management personnel	Subsidiary / Associate Restated Note - 9.4	Other related parties
					Rupe	es in '000				
Investments										
Opening balance	-	-	-	165,619	1,165,448	-	-	-	165,619	1,189,341
Investment made during the period / year	-	-	-	31,081	76,432	-	-	-	-	44,195
Revaluation adjustment				-	(56,277)					(81,568)
Investment redeemed / disposed off during the period / year	-	-	-	-	-	-	-	-	-	-
Transfer in / (out) - net		-	-	-	13,745	-	-	-	-	13,480
Closing balance		-	-	196,700	1,199,348		-		165,619	1,165,448
Provision for diminution in value of investments	-	-	-	-	87,862	-		-	-	87,248
Advances	00 000 615		F07 F 10		40,000,050	4.500.015		444.040		40 504 740
Opening balance	29,986,315	60	507,549	-	16,983,652	4,523,915	43	441,248	-	10,521,710
Addition during the period / year	138,713,893	6,069	46,760	800,482	27,885,648	352,713,101	20,581	469,897	-	10,892,307
Repaid during the period / year	(168,606,218)	(5,278)	(130,489)	(1,000,000)	(20,348,894)	(327,250,701)	(20,564)	(419,988)	-	(4,430,365)
Transfer in / (out) - net Closing balance	93,990	- 851	(32,745) 391,075	200,000 482	3,474,156 27,994,562	29,986,315	- 60	16,392 507,549		16,983,652
Closing balance	93,990	651	391,073	402	21,994,502	29,960,313	00	307,349		10,963,632
Other Assets										
Interest / mark-up receivable	3,767	-	75,298	-	923,325	369,907	-	71,132	-	790,833
Receivable from staff retirement fund	-	-	-	-	58,689					
Advance rent	225	<u> </u>	<u> </u>		<u>-</u>	1,254		<u> </u>		<u>-</u>
Borrowings										
Opening balance	-	-	-	-	3,366,079	-	-	-	-	2,372,387
Borrowings during the period	-	-	-	-		-	-	-	-	1,200,000
Settled during the period					(999,412)					(206,308)
Closing balance					2,366,667		<del>-</del>		<del>-</del>	3,366,079
Deposits and other accounts										
Opening balance	38,816,364	34,615	193,106	200,843	38,867,218	56,224,390	24,009	211,259	268,208	42,288,557
Received during the period / year	576,016,064	386,548	1,498,959	2,234,514	517,665,587	988,405,154	79,294	2,726,090	1,012,631	992,693,856
Withdrawn during the period / year	(582,210,789)	(326,103)	(1,331,561)	(2,789,371)	(514,731,353)	(1,005,813,179)	(68,689)	(2,683,283)	(1,079,996)	(996,115,195)
Transfer in / (out) - net		(202)	(332)	455,771	(455,771)			(60,959)		
Closing balance	32,621,639	94,858	360,172	101,757	41,345,682	38,816,364	34,615	193,107	200,843	38,867,218
Other Liabilities										
Interest / mark-up payable	71,139	8	3,813	-	490,623	625,832	-	3,299	-	361,829
Payable to staff retirement fund	-	-	-	-		-	-	-	-	194,714
Security deposits payable	-	-	34,984	-	470,958	-	-	18,607	-	470,698
Others			34,984		<del></del>			10,007		<del></del>
Contingencies and Commitments										
Contingencies and Commitments	177,550	-	-	-	7,830,668	1,183,172	-	-	40,000	2,447,138
Others										
Securities held as custodian	3,962,500	_	58,209		9,596,477	3,462,500	-	36,500	100,000	7,105,000
Securities given as collateral	-	_	-	-	80,129	-,,500	-	-	-	177,855
•					,					,

For the half year ended June 30, 2023 (Un-Audited)

For the half year ended June 30, 2022 (Un-Audited)

	Parent	Directors	Key management personnel	Subsidiary / Associate Note - 9.4	Other related parties	Parent	Directors	Key management personnel	Subsidiary / Associate Note - 9.4	Other related parties
					Rupe	ees in '000				
Income										
Mark-up / return / interest earned	207,620	-	5,283	1,240	2,523,478	212,968	-	14,017	_	748,251
Fee and commission received	505	-	-	-	33,577	3,284	-	-	39	15,175
Dividend income	-	-	=	-	124,793	-	-	-	=	53,268
Gain on sale of fixed assets	-	-	-	-	-	-	-	7,250	-	-
Expense										
Mark-up / return / interest expensed	4,006,138	597	21,819	8,622	2,356,502	1,676,168	3	4,702	2,261	1,131,623
Charge to defined benefit plan	-	-	-	-	164,141	-	-	-	-	165,608
Contribution to defined contribution plan	-	-	-	-	166,693	-	-	-	-	143,902
Remuneration and allowances	-	-	545,403	-	4,746	-	-	363,812	-	4,539
Rent	1,029	-	-	-	-	887	-	-	-	-
Communications	-	-	-	-	62,471	-	-	-	-	31,664
Brokerage and Commission	-	-	-	15	43,834	-	-	-	-	38,525
Directors' Fee, Allowances	-	15,200	=	-	=	4,650	12,050	-	=	=
Donations	524,397	-	-	-	=	177,278	-	-	-	=

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

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

#### 36. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	2023 (Rupees	
Minimum Capital Requirement (MCR):	(Nupees	111 000)
Paid-up capital (net of losses)	14,492,992	12,602,602
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	62,949,688	65,440,838
Eligible Additional Tier 1 (ADT 1) Capital	6,000,000	6,000,000
Total Eligible Tier 1 Capital	68,949,688	71,440,838
Eligible Tier 2 Capital	9,931,158	11,858,247
Total Eligible Capital (Tier 1 + Tier 2)	78,880,845	83,299,085
Risk Weighted Assets (RWAs):		
Credit Risk	424,653,480	412,266,206
Market Risk	17,657,655	27,675,542
Operational Risk	81,515,108	81,515,216
Total	523,826,243	521,456,964
Common Equity Tier 1 Capital Adequacy ratio	12.02%	12.55%
Tier 1 Capital Adequacy Ratio	13.16%	13.70%
Total Capital Adequacy Ratio	15.06%	15.97%
Leverage Ratio (LR):		
Eligible Tier-1 Capital	68,949,688	71,440,838
Total Exposures	2,368,412,238	2,243,477,307
Leverage Ratio	2.91%	3.18%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	574,974,149	520,361,460
Total Net Cash Outflow	295,959,807	281,841,107
Liquidity Coverage Ratio	194.27%	184.63%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	1,247,314,721	1,113,890,911
Total Required Stable Funding	622,665,069	561,560,640
Net Stable Funding Ratio	200.32%	198.36%
Pursuant to relavation provided by State Bank of Pakistan, the Group is		

Pursuant to relaxation provided by State Bank of Pakistan, the Group is allowed relaxation from the applicability of leverage ratio requirement of 3% till September 30, 2023. Provided the Group's leverage ratio shall not fall below 2.5%.

### 37. Islamic Banking Business

The Group is operating 120 Islamic banking branches including 3 sub-branches at June 30, 2023 as compared to 120 Islamic banking branches including 3 sub-branches at year ended December 31, 2022.

ASSETS	Note	(Un-audited) June 30, 2023 (Rupees	(Audited) December 31, 2022 in '000)
Cash and balances with treasury banks	ſ	9,875,067	6,747,452
Balances with other banks		361,725	114,649
Investments	37.1	40,394,404	39,942,674
Islamic financing and related assets - net	37.2	99,461,752	83,149,636
Fixed assets		1,939,297	1,984,521
Other assets		9,813,150	5,812,116
Total assets		161,845,395	137,751,048
LIABILITIES  Dillo pouch le	Г	4 642 020	4 405 704
Bills payable		1,643,829	1,425,734
Due to financial institutions  Deposits and other accounts	37.3	5,989,149 110,156,149	4,586,320 96,297,085
Due to head office	37.3	25,000,000	20,175,000
Other liabilities		6,861,774	5,258,880
Other habilities	L	149,650,901	127,743,019
NET ASSETS	-	12.194.494	10,008,029
	=	,,	.0,000,020
REPRESENTED BY			
Islamic Banking Fund		4,600,000	4,600,000
Deficit on revaluation of assets		(1,760,954)	(1,115,247)
Unappropriated profit	37.4	9,355,448	6,523,276
	=	12,194,494	10,008,029
CONTINGENCIES AND COMMITMENTS	37.5	18,440,777	19,620,329

The profit and loss account of the Group's Islamic banking branches for the period ended June 30, 2023 is as follows:

		(Un-audited)		
	_	For the six mo	nths ended	
	_	June 30,	June 30,	
		2023	2022	
	Note	(Rupees i	n '000)	
Profit / return earned	37.7	11,151,164	5,699,106	
Profit / return expensed	37.8	7,104,010	3,375,038	
Net Profit / return	_	4,047,154	2,324,068	
Other income				
Fee and Commission Income		153,071	124,753	
Dividend Income		9,123	5,177	
Foreign Exchange Income		135,720	79,692	
Gain / (loss) on securities		7,100	-	
Other Income		52,556	37,213	
Total other income	_	357,570	246,835	
Total Income	_	4,404,724	2,570,903	
Other expenses				
Operating expenses	Γ	1,610,704	1,252,161	
Other charges		2,441	426	
Total other expenses	_	1,613,145	1,252,587	
Profit before provisions	-	2,791,579	1,318,316	
Provisions and write offs - net	_	(40,593)	51,887	
Profit before taxation	_	2,832,172	1,266,429	

		June 30, 2023 (Un-audited)			December 31, 2022 (Audited)					
		Cost / amortized cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortized cost	Provision for diminution	Surplus / (deficit)	Carrying value	
37.1	Investments by segments:				(Rupee	ees in '000)				
	Federal Government Securities:									
	- Ijarah Sukuks	33,933,396	-	(1,761,856)	32,171,540	33,935,928	-	(1,115,711)	32,820,217	
	- Islamic Naya Pakistan Certificates	4,095,533	-	-	4,095,533	3,282,078	-	-	3,282,078	
		38,028,929	-	(1,761,856)	36,267,073	37,218,006	-	(1,115,711)	36,102,295	
	Units of Open end Mutual Fund	100,000	-	902	100,902	100,000		464	100,464	
	Non Government Debt Securities:									
	- Unlisted	4,563,554	(537,125)	-	4,026,429	4,283,463	(543,548)	-	3,739,915	
	Total investments	42,692,483	(537,125)	(1,760,954)	40,394,404	41,601,469	(543,548)	(1,115,247)	39,942,674	

						(Un-audited)	(Audited)	
						June 30,	December 31,	
						2023	2022	
37.2	ISLAMIC FINANCING AND RELATED ASSETS					(Rupees	es in '000)	
	ljarah					5,504,172	4,934,290	
	Murabaha - note 37.2.1					6,561,149	5,033,231	
	Musharakah					43,661,380	32,639,372	
	Diminishing Musharakah					20,012,184	17,080,337	
	Salam					7,322,143	7,948,100	
	Istisna					6,562,641	5,238,318	
	Receivable against sale of Istisna / S	alam Inventor	ry			1,032,222	585,400	
	Service Ijarah					2,458,154	2,427,176	
	Wakalah	•				496,049	-	
	Other Islamic Modes (Qard)					2,338,089	2,703,951	
	Advances against Islamic assets - no	ote 37.2.2				879,737	4,539,685	
	Inventory related to Islamic financing	- note 37.2.3				4,550,972	1,971,084	
	Gross Islamic financing and related a	assets				101,378,892	85,100,944	
	Less: provision against Islamic financings							
	- Specific	_				1,876,915	1,911,083	
	- General					40,225	40,225	
						1,917,140	1,951,308	
	Islamic financing and related assets	- net of provis	ion			99,461,752	83,149,636	
37.2.1	1 Includes advance against Murabaha of Rs.1,089,168 thousand (December 31, 2022: Rs.954,405 thousand).							
37.2.2	Advance against Islamic assets							
				Diminishing				
		Ijarah	Musharakah	-	Salam	Istisna	Total	
		,			es in '000)			
					000)			
	June 30, 2023 (Un-audited)	65,896	-	813,841			879,737	
	December 31, 2022 (Audited)	1,524,153	-	3,015,532	-		4,539,685	
37.2.3	Inventory related to Islamic financ	ing						
				Diminishing				
		Ijarah	Musharakah	Musharakah	Salam	Istisna	Total	
		ijaran	Macharakan			ionoria	, ota,	
				(Kupe	es in '000)			
	June 30, 2023 (Un-audited)	-	-		2,288,304	2,262,668	4,550,972	
	December 31, 2022 (Audited)	-			226,020	1,745,064	1,971,084	

		(Un-audited)	(Audited)	
		June 30,	December 31,	
		2023	2022	
37.3	DEPOSITS AND OTHER ACCOUNTS	(Rupee	(Rupees in '000)	
	Customers			
	Current deposits - non remunerative	40,195,862	36,236,795	
	Current deposits - remunerative	1,211,955	1,353,496	
	Saving deposits	24,407,459	23,299,225	
	Term deposits	24,113,272	25,135,675	
	Others	4,954,230	1,589,333	
		94,882,778	87,614,524	
	Financial Institutions			
	Current deposits - non remunerative	82,703	101,309	
	Current deposits - remunerative	37,334	131,152	
	Saving deposits	279,634	2,667,925	
	Term deposits	14,873,700	5,782,175	
		15,273,371	8,682,561	
		110,156,149	96,297,085	
37.4	ISLAMIC BANKING BUSINESS UNAPPROPRIATED PROFIT			
	Opening balance	6,523,276	3,652,897	
	Add: Islamic banking profit for the period	2,832,172	2,870,379	
	Closing Balance	9,355,448	6,523,276	
37.5	CONTINGENCIES AND COMMITMENTS			
	-Guarantees	10,019,748	8,971,118	
	-Commitments	8,421,029	10,649,211	
		18,440,777	19,620,329	
37.6	CHARITY FUND			
	Opening balance	40,130	24,292	
	Additions during the period	40,130	24,232	
	- Received from customers on delayed payments	17,901	55,203	
	- Non Shariah Compliant Income	-	170	
	- Profit on charity account	16	16	
	- Others	441	449	
		18,358	55,838	
	Payments / utilization during the period	<del></del>		
	- Education	(5,000)	-	
	- Natural Disaster	- (4.4.00.0)	(40,000)	
	- Health	(14,264)	-	
	- Orphanage	(3,123)	(40,000)	
	Closing balance	(22,387)	(40,000) 40,130	
		30,101	70,130	
	70			

		(Un-audited)		
		For the six months ended		
		June 30,	June 30,	
		2023	2022	
		(Rupees in '000)		
37.7	PROFIT / RETURN EARNED ON FINANCING, INVESTMENTS AND PLACEMENTS			
	Profit earned on:			
	Financing	8,164,225	3,985,787	
	Investments	2,964,521	1,702,933	
	Placements	22,418	10,386	
		11,151,164	5,699,106	
37.8	PROFIT ON DEPOSITS AND OTHER DUES EXPENSED			
	Deposits and other accounts	4,939,067	1,627,249	
	Due to financial institutions	277,811	203,533	
	Due to head office	1,776,600	1,448,749	
	Lease liability against right-of-use assets	110,532	95,507	
		7,104,010	3,375,038	

#### 38. **DATE OF AUTHORIZATION**

These consolidated condensed interim financial statements were authorized for issue by the Board of Directors on August 21, 2023.



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