



Ref: SMBL/CSD/2023/08-24

**FORM-8**

Date: 29.08.2023

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

**Subject: TRANSMISSION OF QUARTERLY REPORT FOR THE PERIOD ENDED JUNE 30, 2023**

Dear Sir,

We have to inform you that the Quarterly Report of Summit Bank Limited for the period ended June 30, 2023 have been transmitted through PUCARS and is also available on Bank's website.

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

Thanking you,

Yours truly,

For and on behalf of  
Summit Bank Limited

**Syed Muhammad Talib Raza**  
*Company Secretary*

**COMMITTED TO YOU**

Corporate Affairs Division  
Summit Tower | Head Office

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# BUILDING TODAY SHAPING TOMORROW

HALF YEARLY REPORT JUNE 2023



*Summit* **S** *Bank*  
Committed to you

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# CORPORATE INFORMATION

## Board of Directors

Mr. Waseem Mehdi Syed  
Chairman / Independent Director

Mr. Jawad Majid Khan  
President & CEO / Executive Director

Mr. Wajahat Ahmed Baqai  
Non-Executive Director

Mr. Zafar Iqbal Siddiqi  
Non-Executive Director

Ms. Fauzia Hasnain  
Independent Director

Mr. Muhammad Salman Alam Fazli  
Non-Executive Director

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## Board Audit Committee

Ms. Fauzia Hasnain  
Chairperson

Mr. Wajahat Ahmed Baqai  
Member

Mr. Zafar Iqbal Siddiqi  
Member

Mr. Muhammad Salman Alam Fazli  
Member

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## Board Risk Management Committee

Mr. Wajahat Ahmed Baqai  
Chairman

Ms. Fauzia Hasnain  
Member

Mr. Zafar Iqbal Siddiqi  
Member

Mr. Muhammad Salman Alam Fazli  
Member

## Board Human Resource & Remuneration Committee

Ms. Fauzia Hasnain  
Chairperson

Mr. Waseem Mehdi Syed  
Member

Mr. Jawad Majid Khan  
Member

Mr. Muhammad Salman Alam Fazli  
Member

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## Board Information Technology Committee

Mr. Zafar Iqbal Siddiqi  
Chairman

Mr. Waseem Mehdi Syed  
Member

Mr. Jawad Majid Khan  
Member

Mr. Muhammad Salman Alam Fazli  
Member

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## Board Compliance Committee

Mr. Waseem Mehdi Syed  
Chairman

Mr. Wajahat Ahmed Baqai  
Member

Mr. Zafar Iqbal Siddiqi  
Member

Mr. Muhammad Salman Alam Fazli  
Member

## **Board Special Assets Management Committee**

**Mr. Wajahat Ahmed Baqai**  
Chairman

**Mr. Waseem Mehdi Syed**  
Member

**Ms. Fauzia Hasnain**  
Member

**Mr. Jawad Majid Khan**  
Member

**Mr. Muhammad Salman Alam Fazli**  
Member

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## **Shariah Board**

**Mufti Muhammad Najeeb Khan**  
Chairman

**Mufti Irshad Ahmed Aijaz**  
Member

**Dr. Noor Ahmed Shahtaz**  
Member

**Mufti Bilal Ahmed Qazi**  
Member

**Mufti Syed Zubair Hussain**  
Resident Shariah Board Member

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## **Chief Financial Officer**

**Mr. Salman Zafar Siddiqi**

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## **Company Secretary**

**Syed Muhammad Talib Raza**

## **Auditors**

**M/s. Yousuf Adil**  
Chartered Accountants

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## **Legal Advisors**

**Hyat & Meerjees**

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## **Share Registrar**

**THK Associates (Private) Limited**  
Plot No. 32-C, Jami Commercial Street-2,  
D.H.A., Phase-VII, Karachi  
Tel : 021-111-000-322  
Ext : 107-111-115  
Fax : 021-35310190  
Email : secretariat@thk.com.pk  
Website : www.thk.com.pk

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## **Head Office**

**Summit Tower**  
Plot No. G-2, Block-2, Clifton, Karachi.  
UAN : 021-1111-24365  
Fax : 021-32463553

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## **Registered Office**

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

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Email : info@summitbank.com.pk  
companysecretary@summitbank.com.pk  
Website : www.summitbank.com.pk

# VISION

To be the preferred  
provider of financial products  
& services to the markets





# MISSION

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



## DIRECTORS' REVIEW

We are delighted to provide, on behalf of the Board of Directors, our review of Summit Bank Limited's performance and the unaudited condensed interim financial statements for the half year ended June 30, 2023.

H.E. Naseer Abdulla Hussain Lootah (Investor) has invested an amount of PKR 10 billion to acquire major equity stake in the Bank. During the half year ended June 30, 2023, the Bank received all the necessary regulatory approvals and issued the requisite shares to the Investor. This equity injection will help boost the Bank's capital base and also provide it with the much needed liquidity for its operational requirements. After acquisition of controlling stake in the Bank, the Investor changed the Bank's name to Bank Makramah Limited (BML), after receipt of all the requisite approvals. Subsequently, the shareholders of the Bank also approved the change of Bank's name through a special resolution during their Extraordinary General Meeting held on August 15, 2023. This marks the start of the Bank's transformation which would involve a rebranding exercise and a complete overhaul of its operations, as well as moving towards converting the Bank into a full fledged Shariah compliant entity.

## THE BANK'S PERFORMANCE

The highlights of the financial results for the half year ended June 30, 2023 are as follows:

Financial Position	Rupees in Millions
Shareholders' Equity	(9,648)
Total Deposits	141,464
Total Assets	240,479
Advances – net	19,900
Investments – net	155,842
<b>Financial Performance</b>	
Net Interest Income and Non Mark-up Income (Total Income)	(239)
Non Mark-up Expenses	3,333
Provisions and write offs (net)	(832)
Loss before tax	(2,741)
Loss after tax	(1,722)
Basic and diluted loss per share - Rupee	(0.43)

While the Bank's financial statements reflect a loss for the half year ended June 30, 2023, it is important to recognize the progress made in various areas, compared to the same period last year. The loss before tax reduced from Rs. 3.494 billion to Rs. 2.741 billion, indicating a significant improvement in financial performance.

The Bank's results reflect a marked improvement in average net investments for the half year ended June 30, 2023, which can be attributed to multiple factors, including a fresh equity injection and an increase in deposits and borrowing. As a result, the average net investments surged from Rs. 30.753 billion in the comparative prior period to Rs. 86.585 billion. This substantial increase in net investments was further complemented by enhanced net investment yields, which improved from 10.59% in the comparative prior period to 19.77% in the current period. As a result of this significant growth in both volume and yields, the Bank experienced a sizeable boost in its income from investments by Rs. 6.876 billion, which amounted to Rs. 8.490 billion for the current period as against Rs. 1.614 billion in the comparative prior period.

On a year on year comparison, net yields on advances remained substantially higher, at 15.45% for the current period as against 8.56% for the comparative prior period. Furthermore, the Bank witnessed a reduction in average net advances, which amounted to Rs. 19.437 billion for the half year ended June 2023, as against Rs. 26.021 billion for the comparative prior period while income from advances ended higher at Rs. 1.490 billion for the current period as against Rs. 1.104 billion for the comparative prior period, indicating an increase of 35%.



Deposits as at June 30, 2023 reflected significant growth of 16.03%, reaching Rs. 141.464 billion as compared to Rs. 121.919 billion on December 31, 2022. Furthermore, the Bank's average deposits experienced substantial growth in the half year ended 2023, amounting to Rs. 20.174 billion, which represents 18.96% increase from June 2022 when it stood at Rs. 106.426 billion. The Bank's strategic focus on expanding its current account base yielded positive results, with non-remunerative average deposits experiencing a 30% increase, equivalent to Rs. 10.773 billion. As a result, the cost of deposits reflected an increase to 10.21% for the period ended June 2023, compared to 5.48% for the comparative prior period. This was due to the increase in the policy rate of 825bps by State Bank of Pakistan.

Despite the challenging situation due to an increase in policy rate and transfer of the amount earmarked for investment in the Bank by the Investor from his current account to the equity, the Bank was able to maintain its CASA ratio of 87.66% as of June 2023 as against 87.46% in December 2022. The Bank's non-remunerative deposits as at June 30, 2023, amounted to Rs. 49.714 billion as against Rs. 45.197 billion as at December 31, 2022.

The Bank was able to capitalize on arbitrage opportunities, resulting in an increase of Rs. 33.547 billion in average borrowings levels since June 2022 without creating any unnecessary risk.

The Bank's non-funded income was recorded at Rs. 777.787 million, improving by 45% as against the comparative prior period due to higher foreign exchange income and gains from the sale of assets.

Despite facing challenges such as inflationary pressures, currency devaluation and rising commodity prices, the Bank successfully demonstrated prudent control over its operating expenses. Despite the average CPI inflation reaching 33.1% for HY1 of 2023, the Bank managed to limit the increase in operating expenses to 18.8% compared to the same period last year. The Bank's total non-markup expenses amounted to Rs. 3.333 billion, as against Rs. 2.805 billion for the previous comparative period.

During the current period, net provision reversals amounted to Rs. 831.865 million, which reflects a significant improvement from the net charge of Rs. 239.063 million in the same period last year.

As of June 30, 2023, the Bank's gross NPL ratio (Gross non-performing loans to Gross Advances) was 67.49%, which represents a slight increase from the ratio of 65.78% recorded on December 31, 2022, mainly due to the impact of a reduction in gross advances by Rs. 2.021 billion. Additionally, the coverage ratio at the end of June 2023 was 92.32%, which increased from 92.14% in December 2022. The Bank's gross advances to deposits ratio (Gross Advances to Total Deposits) decreased to 37.33% in June 2023 from 44.98% on December 31, 2022 resulting from risk averse strategy that the Bank is following.

The Bank's deferred tax assets (net) amounted to Rs. 22.070 billion as of June 30, 2023. In the current period, the Bank recognized additional deferred tax assets (net) of Rs. 1.288 billion, primarily due to taxable losses incurred during the period.

## CREDIT RATING

In 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B Minus) and its short-term rating of 'A-3' (A-Three). The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested the State Bank of Pakistan to allow the Bank to complete the credit rating exercise by September 30, 2023.

VIS Credit Rating Company Limited has issued a new rating scale for Tier-2 capital instruments. As a result, the Bank's TFC rating has been adjusted to 'B' (Single B) with a 'Rating Watch-Negative' outlook, as stated in their press release dated June 27, 2023. Previously, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP).

## ECONOMIC REVIEW

Pakistan's economy encountered various external challenges during FY23, including the devastating floods in 2022, as well as a surge in international commodity prices following Russia's conflict in Ukraine. These shocks, coupled with certain policy decisions and limitations on the foreign exchange market, have resulted in a stagnation of economic growth. Inflation, particularly concerning essential goods, has reached alarming levels. Despite the government's attempts to decrease imports and address the trade deficit, foreign reserves have significantly diminished, reaching critically low levels. Liquidity conditions in the power sector also remained acute, with further build-up of circular debt and frequent load shedding.

In an effort to address issues related to revenue collection, energy subsidies and policies that are not in line with a market-based exchange rate, the Pakistani government has implemented various measures. These include restrictions on import financing and certain upward revisions in taxes, duties and Petroleum Development Levy rate in FY24. Consequently, Pakistan has entered into a new short-term bailout agreement with the International Monetary Fund (IMF) called the Stand-by Arrangement (SBA). The bailout package amounts to USD 3 billion, with an initial disbursement of USD 1.2 billion, and the remaining USD 1.8 billion scheduled for disbursement after reviews in November 2023 and February 2024. While these government measures are necessary for the IMF program, they are likely to contribute to inflation both directly and indirectly. Furthermore, the relaxation in imports may put pressure on the foreign exchange reserves. As a result, SBP has increased the policy rate by 100 basis points, bringing it to 22%.

Pakistan's current account deficit has narrowed sharply, driven by earlier restrictions on imports and FX availability, tighter fiscal and economic policies, measures to limit energy consumption and lower commodity prices. The current account posted a deficit of USD 2.6 billion for FY23 against a deficit of USD 17.5 billion during FY22.

Due to the implementation of fiscal consolidation measures, such as a reduction in spending on subsidies and grants, the primary fiscal deficit in the period from July to May of FY23 decreased significantly to Rs 112 billion as compared to Rs. 945.3 billion last year. However, the total fiscal deficit was recorded at 5.5% of GDP as against 5.2% for the comparable period last year.

Average CPI inflation during FY23 reached 29.18%, which is a significant increase compared to the same period last year when it was 12.15%. Over the first six months of 2023, the average CPI inflation reached 33.1%. This surge in inflation can be attributed mainly to the increase in taxes and duties, the removal of energy subsidies, and the ongoing depreciation of the Pakistani Rupee.

As of June 30, 2023, the overall liquid foreign exchange reserves of Pakistan witnessed a rise, reaching USD 9.75 billion, while SBP held reserves amounted to USD 4.46 billion.

In July 2023, Fitch Ratings raised Pakistan's Long-Term Foreign-Currency Issuer Default Rating (IDR) from "CCC-" to "CCC." The upgrade is attributed to improved external liquidity and funding conditions in Pakistan, which have resulted from the Staff-Level Agreement between Pakistan and the IMF reached in June 2023.

## MODIFICATIONS IN THE AUDITORS' REVIEW REPORT

The Bank's paid-up capital (net of losses), Capital Adequacy Ratio (CAR) and Leverage Ratio (LR) do not meet the requirements provided by State Bank of Pakistan (SBP) as at June 30, 2023. These conditions indicate the existence of material uncertainty which may cast significant doubt about the Bank's ability to continue as a going concern. However, the Bank is making continued efforts for implementation of the Bank's plan to comply with applicable capital and liquidity requirements and in this regard the initial step of enhancing its equity base has been successfully completed.

The Bank has recognized deferred tax asset of Rs. 22.070 billion which is considered realizable based on the financial projections of taxable profits in foreseeable future.

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

The Bank holds an immovable property which is partially in contravention with the provisions of Banking Companies Ordinance, 1962. The management has planned steps to achieve compliance with the same by selling the property that is in non-compliance with the applicable laws.

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

### **ACKNOWLEDGEMENT**

We extend our gratitude to our valued customers and all stakeholders for their collaboration and contribution to the Bank's cause. Without their support, we would not have been able to achieve our goals and objectives.

We acknowledge the dedication and hard work of the Bank's staff, who have demonstrated resilience, adaptability and commitment in the face of unprecedented challenges. Their contribution to the Bank's cause is invaluable.

On behalf of the Board, we thank the State Bank of Pakistan, the Ministry of Finance, the Securities and Exchange Commission of Pakistan, and other regulatory authorities for their continued support and guidance.

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**Jawad Majid Khan**  
President and Chief Executive Officer

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**Fauzia Hasnain**  
Director

Summit Bank  
August 25, 2023  
Karachi

ان معاملات کے حوالے سے آڈٹ رپورٹ میں ترمیم کی گئی ہے، تاہم یہ رپورٹ معتبر ہے۔

### تعریف و توثیق

ہم اپنے قابل قدر صارفین اور تمام اسٹیک ہولڈرز کے تعاون اور بینک کے مقصد میں تعاون کے لیے ان کا شکریہ ادا کرتے ہیں۔ ان کے تعاون کے بغیر ہم اپنے اہداف اور مقاصد حاصل نہیں کر سکتے تھے۔

ہم بینک کے عمل کی لگن اور محنت کو تسلیم کرتے ہیں، جنہوں نے بے مثال چیلنجوں کا سامنا کرتے ہوئے چلک، موافقت اور عزم کا مظاہرہ کیا ہے۔ بینک کے مقاصد کے حصول میں ان کا تعاون انمول ہے۔

بورڈ کی جانب سے ہم، اسٹیٹ بینک آف پاکستان، وزارت مالیات، سکیورٹیز اینڈ ایکسچینج کمیشن پاکستان، اور دیگر ضوابطی حکام کی مسلسل معاونت اور رہنمائی پر شکرگزار ہیں۔

فوزیہ حسین  
ڈائریکٹر

جواد ماجد خان  
صدر اور چیف ایگزیکٹو آفیسر

سمٹ بینک  
25 اگست 2023ء  
کراچی

مالی سال 23ء کے دوران اوسط صارف اشاریہ قیمت مہنگائی 29.18 فیصد تک پہنچ گئی، جو گذشتہ برس کی اسی مدت کے 12.15 فیصد کے مقابلے میں نمایاں اضافہ ہے۔ 2023ء کے پہلے چھ مہینوں میں، اوسط صارف اشاریہ قیمت مہنگائی 33.1 فیصد تک پہنچ گئی۔ مہنگائی میں اس اضافے کی بنیادی وجہ ٹیکسوں اور ڈیوٹیوں میں اضافہ، توانائی کی سبسڈی کا خاتمہ اور پاکستانی روپے کی قدر میں مسلسل کمی ہے۔

30 جون 2023ء تک پاکستان کے مجموعی زرمبادلہ کے ذخائر میں اضافہ دیکھا گیا جو 9.75 ارب ڈالر تک پہنچ گئے جبکہ اسٹیٹ بینک کی تحویل میں 4.46 ارب ڈالر کے ذخائر تھے۔

جولائی 2023ء میں فچ ریٹنگ نے پاکستان کی طویل مدتی غیر ملکی کرنسی جاری کنندہ ڈیٹا ریٹنگ (آئی ڈی آر) کو "سی سی سی" سے بڑھا کر "سی سی سی" کر دیا۔ اس اضافے کی وجہ پاکستان میں بیرونی سیالیت اور فنڈنگ کی بہتر صورت حال ہے، جس کے نتیجے میں پاکستان اور آئی ایم ایف کے درمیان جون 2023ء میں اسٹاف لیول معاہدہ طے پایا ہے۔

### آڈیٹرز کی جائزہ رپورٹ میں تبدیلیاں

30 جون 2023ء تک بینک کا ادا شدہ سرمایہ (خالص خسارے)، شرح کفایت سرمایہ (CAR) اور لیوراج کی شرح (LR) اسٹیٹ بینک آف پاکستان (SBP) کے تقاضوں پر پورے نہیں اترتے۔ یہ حالات مادی عدم یقینی کی موجودگی کی نشاندہی کرتے ہیں جو کہ بینک کے جاری کاروبار کے طور پر جاری رہنے کی صلاحیت کے بارے میں اہم شک پیدا کر سکتی ہے۔ تاہم، بینک قابل اطلاق سرمائے اور سیالیت کے تقاضوں سے ہم آہنگ بینک کے منصوبے پر عمل درآمد کے لیے مسلسل کوششیں کر رہا ہے۔

بینک نے 22.070 ارب روپے کے مؤخر ٹیکس اٹاٹے کو تسلیم کیا ہے۔ جو مستقبل قریب میں قابل ٹیکس منافع کے مالی تخمینوں کی بنیاد پر قابل حصول سمجھا جاتا ہے۔

2018ء کے دوران، قانون نافذ کرنے والی ایجنسیوں (ایل ای ای) نے سمٹ بینک لمیٹڈ سمیت بعض بینکوں میں منعی لائڈنگ کی سرگرمیوں کے لیے مدینہ طور پر کچھ بینک اکاؤنٹس کی تحقیقات شروع کی۔ یہ معاملہ فی الحال نیب کے زیر تفتیش ہے۔ بینک قانون نافذ کرنے والی ایجنسیوں کو ان کی تحقیقات میں ہر ممکن حد تک مکمل تعاون فراہم کرنے کے لیے پرعزم ہے اور رہے گا۔ بینک کی انتظامیہ کا خیال ہے کہ اس طرح کی تحقیقات بینک کے جاری آپریشنز اور افعال کو متاثر نہیں کریں گی۔

بینک اس وقت غیر منقولہ جائیداد میں سرمایہ کاری کے حوالے سے بیکنگ کمپنیز آرڈیننس، 1962ء کی شقوں سے جزوی طور پر ہم آہنگ نہیں ہے۔ انتظامیہ نے اس ضمن میں تعمیل کے حصول کے لیے اس پراپرٹی کا وہ حصہ بیچنے کے لیے منصوبہ بندی کی ہے جو قابل اطلاق قوانین سے ہم آہنگ نہیں ہے۔

وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے درجہ-2 سرمائے کے آلات کے لیے ایک نیاریننگ اسکیل جاری کیا ہے۔ نتیجتاً، بینک کی ٹی ایف سی ریٹنگ کو 'ریٹنگ واچ ٹیلیگم' منظر نامے کے ساتھ 'بی' (سنگل بی) میں ایڈجسٹ کیا گیا ہے، جیسا کہ 27 جون، 2023ء کی پریس ریلیز میں بیان کیا گیا۔ قبل ازیں، بینک کی ٹی ایف سی ریٹنگ 'ڈی' (ڈیفالٹ) مقرر کی گئی تھی کیونکہ اسٹیٹ بینک آف پاکستان (ایس بی پی) کے قابل اطلاق ضوابط کے تحت بینک کی جانب سے لاک ان کلاز کی حوالے سے تازہ ترین مارک اپ ہیڈسٹ کی ادائیگی نہیں کی گئی تھی۔

## اقتصادی جائزہ

مالی سال 2023ء کے دوران پاکستان کی معیشت کو مختلف بیرونی چیلنجز کا سامنا کرنا پڑا، جن میں 2022ء کے دوران تباہ کن سیلاب کے ساتھ ساتھ یوکرین اور روس کے تنازع کے بعد بین الاقوامی اجناس کی قیمتوں میں اضافہ بھی شامل ہے۔ ان چیلنجز کے ساتھ ساتھ بعض پالیسی فیصلوں اور زرمبادلہ منڈی پر پابندیوں کے نتیجے میں معاشی نمو جو دکھنا شروع ہو گئی۔ بالخصوص ایشیائے جنوبیہ سے متعلق، مہنگائی خطرناک حد تک پہنچ چکی ہے۔ درآمدات میں کمی اور تجارتی خسارے پر قابو پانے کی حکومتی کوششوں کے باوجود زرمبادلہ کے ذخائر میں نمایاں کمی واقع ہوئی ہے جو انتہائی پست سطح پر پہنچ گئے ہیں۔ گردشی قرضوں میں مزید اضافے اور مسلسل لوڈ شیڈنگ کی وجہ سے بجلی کے شعبے میں سیالیٹ کی صورت حال بھی شدید رہی۔

محاصل کی وصولی، توانائی کی سبسڈیز اور پالیسیوں سے متعلق مسائل، جو مارکیٹ پر مبنی شرح مبادلہ سے مطابقت نہیں رکھتے، کو حل کرنے کی کوشش میں حکومت پاکستان نے متعدد اقدامات کا نفاذ کیا ہے۔ ان میں سرآمدی قرضوں پر پابندی اور مالی سال 24ء میں ٹیکسوں، ڈیوٹیز اور پیٹرو لیوم ڈیولپمنٹ لیوی کی شرح میں کچھ اضافہ شامل ہے۔ جن کے نتیجے میں پاکستان بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کے ساتھ ایک نیا قیامی ملتی بیل آؤٹ معاہدے میں شامل ہوا ہے، جسے اسٹینڈ بائی ایگریمنٹ (ایس بی اے) کہا جاتا ہے۔ بیل آؤٹ کی 3 ارب ڈالر ہے جس میں ابتدائی طور پر 1.2 ارب ڈالر ادا کیے گئے ہیں، جبکہ باقی 1.8 ارب ڈالر نومبر 2023 اور فروری 2024ء میں جائزے کے بعد ادا کیے جائیں گے۔ اگرچہ یہ حکومتی اقدامات آئی ایم ایف پروگرام کے لیے ضروری ہیں، تاہم امکان ہے کہ یہ مہنگائی میں براہ راست اور بالواسطہ طور پر کردار ادا کریں گے۔ مزید برآں درآمدات میں نرمی سے زرمبادلہ کے ذخائر پر دباؤ پڑ سکتا ہے۔ اس کے نتیجے میں اسٹیٹ بینک نے پالیسی ریٹ میں 100 بیسیس پوائنٹس کا اضافہ کر کے اسے 22 فیصد کر دیا ہے۔

پاکستان کے جاری کھاتے کے خسارے میں تیزی سے کمی آئی ہے جس کی وجہ درآمدات پر پہلے سے عائد پابندیاں اور زرمبادلہ کی دستیابی، سخت مالیاتی اور اقتصادی پالیسیاں، توانائی کی کھپت کو محدود کرنے کے اقدامات اور اجناس کی قیمتوں میں کمی ہے۔ مالی سال 23ء کے دوران جاری کھاتے میں 2.6 ارب ڈالر کا خسارہ درج کیا گیا جبکہ مالی سال 22ء کے دوران 17.5 ارب ڈالر کا خسارہ ہوا تھا۔

مالیاتی استحکام کے اقدامات جیسے سبسڈیز اور گرانٹس پر اخراجات میں کمی کے نفاذ کی وجہ سے جولائی تا مئی مالی سال 23ء کے دوران ابتدائی مالیاتی خسارہ گزشتہ برس کے 945.3 ارب روپے کے مقابلے میں نمایاں طور پر کم ہو کر 112 ارب روپے رہ گیا۔ تاہم مجموعی مالیاتی خسارہ جی ڈی پی کا 5.5 فیصد درج کیا گیا جو گزشتہ برس کی اسی مدت میں 5.2 فیصد تھا۔



بینک ثالثی کے مواقع سے فائدہ اٹھانے میں کامیاب رہا، جس کے نتیجے میں جون 2022ء سے اوسط قرض گیری کی سطح میں 33,547 ارب روپے کا اضافہ ہوا۔

ساتھ تقابلی مدت کے مقابلے میں بینک کی نان فنڈڈ آمدنی 777.787 ملین روپے درج کی گئی جو گذشتہ برس کی اسی مدت کے مقابلے میں 45 فیصد اضافہ ہے، جس کی بلند زرمبادلہ آمدنی اور اثاثوں کی فروخت سے حاصل ہونے والے فوائد تھے۔

مہنگائی کے دباؤ، کرنسی کی قدر میں کمی اور اجناس کی بڑھتی ہوئی قیمتوں جیسے چیلنجوں کا سامنا کرنے کے باوجود، بینک اپنے آپریٹنگ اخراجات کے محتاط انتظام کو برقرار رکھنے میں کامیاب رہا۔ 2023ء کی پہلی ششماہی کے دوران اوسط صارف اشاریہ قیمت (سی پی آئی) مہنگائی کے 33.1 فیصد تک پہنچ جانے کے باوجود بینک اپنے آپریٹنگ اخراجات میں ہونے والے اضافے کو گذشتہ برس کی اسی مدت کے مقابلے میں 18.8 فیصد تک محدود رکھنے میں کامیاب رہا۔ بینک نے 3,333 ارب روپے کے نان مارک اپ اخراجات درج کیے جبکہ تقابلی مدت کے دوران یہ 2,805 ارب روپے تھے۔

موجودہ مدت کے دوران بینک نے 831.865 ملین روپے کا تخمینہ کا خالص اسٹرواد درج کیا جو گذشتہ برس کی اسی مدت کے 239.063 ملین روپے کے خالص چارج سے نمایاں بہتری ہے۔

30 جون 2023ء تک، بینک کا مجموعی غیر فعال قرضوں کا تناسب (مجموعی ایڈوانسز اور مجموعی غیر فعال قرضے) 67.49 فیصد تھا، جو کہ 31 دسمبر 2022ء کو درج کیے گئے 65.78 فیصد کے تناسب سے معمولی اضافہ ظاہر کرتا ہے، جس کی بنیادی وجہ مجموعی ایڈوانسز میں 2,021 ارب روپے کی کا اثر تھا۔ مزید برآں، جون 2023ء کے آخر میں کوریج کا تناسب بڑھ کر 92.32 فیصد ہو گیا، جبکہ دسمبر 2022ء میں 92.14 فیصد تھا۔ بینک کا مجموعی ایڈوانسز اور ڈپازٹس کا تناسب (مجموعی ایڈوانسز اور مجموعی ڈپازٹس) 31 دسمبر 2022ء کے 44.98 فیصد سے کم ہو کر جون 2023ء میں 37.33 فیصد ہو گیا۔

30 جون 2023ء تک بینک 22,070 ارب روپے کے (خالص) مؤخر ٹیکس اثاثوں کا حامل تھا۔ موجودہ مدت میں بینک کی جانب سے 1,288 ارب روپے کے مؤخر ٹیکس اثاثوں کو تسلیم کیا گیا ہے، جس کی بنیادی وجہ دوران مدت عائد کیے گئے قابل ٹیکس خسارے تھے۔

## کریڈٹ ریٹنگ

2019ء کے دوران، وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے بینک کی درمیانی تا طویل مدتی ریٹنگ 'بی بی بی' (ٹریبل بی مائنس) اور قلیل مدتی ریٹنگ 'اے-3' (اے-تھری) معطل کر دی۔ بینک وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ کے ساتھ ریٹنگ کے عمل کا آغاز کر چکا ہے اور اسٹیٹ بینک سے درخواست کی گئی ہے کہ وہ کریڈٹ ریٹنگ کے پراسس کی تکمیل کے لیے 30 ستمبر 2023ء تک توسیع فراہم کر دے۔

اگرچہ بینک کے مالیاتی بیانات 30 جون 2023ء کو ختم ہونے والی ششماہی کے لیے خسارے کی عکاسی کرتے ہیں، تاہم گزشتہ برس کی اسی مدت کے مقابلے میں مختلف شعبوں میں ہونے والی پیش رفت کو تسلیم کرنا ضروری ہے۔ قبل از ٹیکس خسارہ جو 3,494 ارب روپے تھا، کم ہو کر 2,741 ارب روپے رہ گیا، جس سے مالی کارکردگی میں نمایاں بہتری کی نشاندہی ہوتی ہے۔

30 جون 2023ء کو ختم ہونے والی ششماہی کے لیے بینک کے نتائج میں اوسط خالص سرمایہ کاری کے لیے نمایاں بہتری دکھائی دی ہے، جس کی وجہ متعدد عوامل ہو سکتے ہیں، جن میں تاہم ایجوکیشن کا ادخال اور ڈپازٹس اور قرضوں میں اضافہ شامل ہے۔ نتیجتاً اوسط خالص سرمایہ کاری بڑھ کر 86.585 ارب روپے ہو گئی جبکہ گزشتہ برس کی اسی مدت میں یہ 30.753 ارب روپے تھی۔ خالص سرمایہ کاری میں اس نمایاں اضافے کو خالص سرمایہ کاری یافتوں میں اضافے سے مزید تقویت ملی، جو بہتر ہو کر زبردانہ مدت کے دوران 19.77 فیصد ہو گئی جبکہ گزشتہ برس کی اسی مدت میں 10.59 فیصد تھی۔ حجم اور یافتوں دونوں میں اس نمایاں اضافے کے نتیجے میں بینک کی سرمایہ کاری سے ہونے والی آمدنی 6.876 ارب روپے کے نمایاں اضافے سے بڑھ کر 8.490 ارب روپے ہو گئی جبکہ گزشتہ برس کی اسی مدت میں یہ آمدن 1.614 ارب روپے تھی۔

سال بسال موازنے کے لحاظ سے، خالص ایڈوانسز پر یافتوں میں بھی نمایاں طور پر بلند رہیں، جو کہ موجودہ مدت کے لیے 15.45 فیصد رہیں جبکہ گزشتہ برس کی اسی مدت میں یہ 8.56 فیصد تھیں۔ جون 2023ء کو ختم ہونے والی ششماہی کے لیے بینک کے اوسط خالص ایڈوانسز گزشتہ مدت کے 26.021 ارب روپے سے کم ہو کر 19.437 ارب روپے رہ گئے جبکہ ایڈوانسز سے حاصل ہونے والی آمدنی بلند رہی جو 35 فیصد نمو کے ساتھ رواں مدت کے دوران 1.4901 ارب روپے رہی جبکہ گزشتہ برس کی اسی مدت میں یہ 1.104 ارب روپے تھی۔

31 دسمبر 2022ء کے 121.919 ارب روپے کے مقابلے میں 30 جون 2023ء تک، ڈپازٹس 16.03 فیصد اضافے سے 141.464 ارب روپے تک پہنچ گئے۔ مزید برآں، 2023ء کی ششماہی کے اختتام پر بینک کے اوسط ڈپازٹس میں 20.174 ارب روپے کا نمایاں اضافہ ہوا جو 18.96 فیصد نمو کو ظاہر کرتا ہے، جبکہ جون 2022ء میں یہ 106.426 ارب روپے تھے۔ بینک کی اسٹریٹجک توجہ جاری رکھتے کی اساس میں مثبت نتائج حاصل کرنے پر مرکوز رہی جس کے نتیجے میں غیر نفع بخش ڈپازٹس میں 30 فیصد اضافہ ہوا جو 10.773 ارب روپے کے مساوی ہے۔ اس کے نتیجے میں، جون 2023ء کو ختم ہونے والی مدت کے لیے ڈپازٹس کی لاگت بڑھ کر 10.21 فیصد ہو گئی جبکہ گزشتہ برس کی اسی مدت کے دوران یہ 5.48 فیصد تھی۔ اس کی وجہ اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی ریٹ میں 825 بی پی ایس اضافہ تھا۔

پالیسی ریٹ میں اضافے اور سرمایہ کاری کی جانب سے بینک میں سرمایہ کاری کے لیے مختص رقم کو اس کے جاری رکھنے سے ایکویٹی میں منتقل کرنے کے باعث دشوار صورت حال کے باوجود بینک جون 2023ء تک اپنے سی اے ایس کے اتنا 87.66 فیصد پر برقرار رکھنے میں کامیاب رہا جو دسمبر 2022ء میں 87.46 فیصد تھا۔ 30 جون 2023ء تک بینک کے غیر منافع بخش ڈپازٹس کی مالیت 49,714 ارب روپے رہی جو 31 دسمبر 2022ء کو 45,197 ارب روپے تھی۔

## ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم 30 جون 2023ء کو اختتام پذیر ہونے والی ششماہی کے لیے سمٹ بینک لمیٹڈ کی کارکردگی کا جائزہ اور غیر آڈٹ شدہ جامع عبوری مالی گوشوارے پیش کرتے ہوئے مسرور ہیں۔

عزت مآب نصیر عبداللہ حسین لوٹاہ (سرمایہ کار) نے بینک میں اہم ایجوینیٹھص کے حصول کے لیے 10 ارب روپے کی سرمایہ کاری کی ہے۔ 30 جون 2023ء کو ختم ہونے والی ششماہی کے دوران بینک نے تمام ضروری ضوابطی منظوریاں حاصل کیں اور سرمایہ کار کو مطلوبہ حصص جاری کیے۔ ایجوینیٹھ کا یہ ادخال بینک کی سرمایہ جاتی اساس کو بڑھانے میں مدد کرے گا اور اسے اپنی آپریشنل ضروریات کے لیے انتہائی ضروری سیالیت بھی فراہم کرے گا۔ بینک میں کسٹمر ونگ کے اختیار کو حاصل کرنے کے بعد، سرمایہ کار نے تمام مطلوبہ منظوریاں لینے کے بعد بینک کا نام بدل کر بینک مکرمل لمیٹڈ (پی ایم ایل) رکھ دیا۔ بعد ازاں 15 اگست 2023ء کو منعقدہ غیر معمولی اجلاس عام کے دوران بینک کے شیئر ہولڈرز نے بھی ایک خصوصی قرارداد کے ذریعے بینک کا نام تبدیل کرنے کی منظوری دی۔ یہ بینک کی تبدیلی کا آغاز ہے جس میں ری برانڈنگ کی مشق اور اس کے آپریشنز میں مکمل تبدیلی کے ساتھ ساتھ بینک کو مکمل طور پر شریعت سے ہم آہنگ ادارے میں تبدیل کرنے کی طرف پیش رفت شامل ہوگی۔

### بینک کی کارکردگی

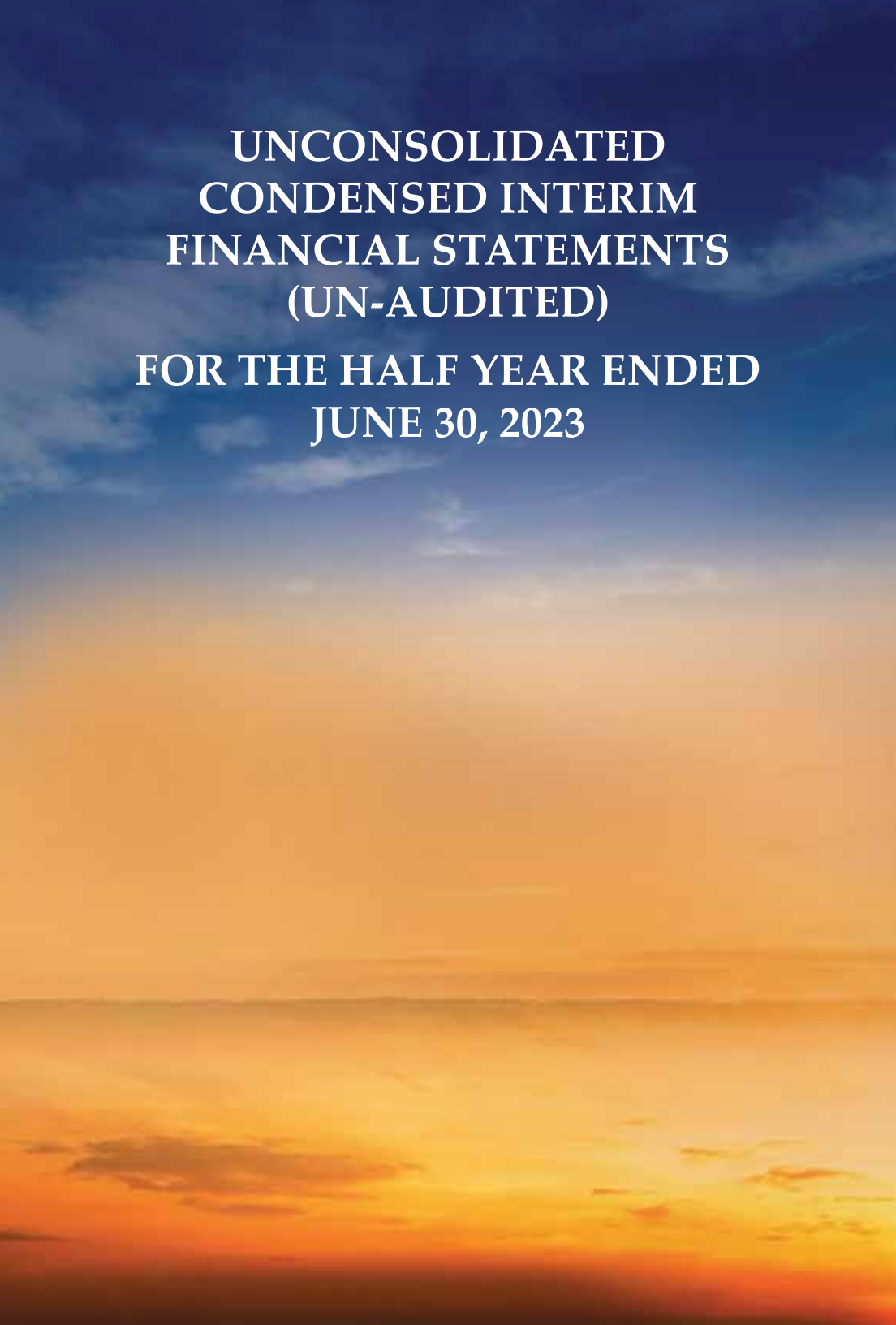
30 جون 2023ء کو اختتام پذیر ہونے والی ششماہی کے لیے بینک کے مالی نتائج کی جھلکیاں مندرجہ ذیل ہیں:

مالی صورت میں	روپے ملین میں
شیئر ہولڈرز کی ایجوینیٹھ	(9,648)
مجموعی امانتیں (ڈپازٹس)	141,464
مجموعی اثاثے	240,479
ایڈوانسز - خالص	19,900
سرمایہ کاریاں - خالص	155,842

### مالی کارکردگی

خالص سودی آمدنی اور غیر سودی آمدنی (مجموعی آمدنی)	(239)
غیر سودی اخراجات	3,333
تعمین اور متروکات (خالص)	(832)
خسارہ قبل از ٹیکس	(2,741)
خسارہ بعد از ٹیکس	(1,722)
بنیادی اور سیال (diluted) خسارہ فی شیئر - روپے	(0.43)





**UNCONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE HALF YEAR ENDED  
JUNE 30, 2023**

**INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF SUMMIT BANK LIMITED**  
**REPORT ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

**Introduction**

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

**Scope of Review**

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

**Conclusion**

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

**Emphasis of Matter**

We draw attention to the following matters:

- As disclosed in note 1.3 to the unconsolidated condensed interim financial statements, during the half year ended, the Bank has incurred a net loss of Rs. 1,721.79 million resulting in accumulated losses of Rs. 43,469.28 million and negative equity of Rs. 9,647.91 million. As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of June 30, 2023. However, the paid up capital of the Bank (net of losses), CAR and LR are negative. These conditions, along with other matters as set forth in note 1.3, indicates the existence of material uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern.
- As disclosed in note 13.1 to the unconsolidated condensed interim financial statements, the Bank has recognized deferred tax asset on the basis of financial projections for the future years approved by the Board of Directors of the Bank. The preparation of financial projection involves management assumptions regarding future business and economic conditions and significant change in assumptions may have impact on recoverability of the deferred tax assets.
- As disclosed in note 23.4 to the unconsolidated condensed interim financial statements, the National Accountability Bureau (NAB) is currently conducting an investigation against certain accounts of the bank alleged of involvement in illegal activities.



- As disclosed in note 14.1 to the unconsolidated condensed interim financial statements, the Bank holds an immovable property which is in contravention with the provisions of Banking Companies Ordinance, 1962.

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

**Other Matter**

- The financial statements of the Bank for the six months period ended June 30, 2022 and for the year ended December 31, 2022 were reviewed and audited by another firm of Chartered Accountants who had expressed unmodified conclusion and unmodified opinion thereon vide their review report and audit report issued on August 24, 2022 and February 22, 2023, respectively.
- The figures for the quarters ended June 30, 2023 and June 30, 2022 in the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income and figures for half year ended December 31, 2022 in unconsolidated condensed interim statement of changes in equity have not been subject to review and therefore, we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is Nadeem Yousuf Adil.

**Yousuf Adil**  
Chartered Accountants

Place: Karachi  
Date: August 28, 2023  
UDIN: RR202310091bBCvrc8XR

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
AS AT JUNE 30, 2023

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	6	16,502,490	13,372,145
Balances with other banks	7	877,527	1,363,429
Lendings to financial institutions	8	1,664,467	10,141,557
Investments	9	155,842,339	51,446,799
Advances	10	19,900,471	21,592,523
Fixed assets	11	10,195,500	10,650,623
Intangible assets	12	147,163	143,606
Deferred tax assets	13	22,070,210	20,781,731
Other assets	14	13,278,955	11,224,315
		240,479,122	140,716,728
<b>LIABILITIES</b>			
Bills payable	16	1,825,990	1,993,587
Borrowings	17	96,154,380	25,388,560
Deposits and other accounts	18	141,464,436	121,919,068
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	9,186,713	7,568,890
		250,127,034	158,365,620
<b>NET ASSETS</b>		<u>(9,647,912)</u>	<u>(17,648,892)</u>
<b>REPRESENTED BY</b>			
Share capital - net	21	30,500,208	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	22	3,746,199	3,997,636
Accumulated losses		(43,469,276)	(41,721,679)
		<u>(9,647,912)</u>	<u>(17,648,892)</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	23		

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023

	Note	Quarter Ended		Half Year Ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
----- (Rupees in '000) -----					
Mark-up / return / interest earned	24	6,492,251	1,679,511	10,101,642	2,853,218
Mark-up / return / interest expensed	25	7,098,711	2,181,819	11,118,546	3,839,202
Net Mark-up / interest expense		(606,460)	(502,308)	(1,016,904)	(985,984)
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee and commission income	26	148,527	115,249	283,834	219,368
Dividend income		206	900	206	1,800
Foreign exchange income		225,673	238,356	588,979	295,424
Income / (loss) from derivatives		-	-	-	-
Gain / (loss) on securities	27	24,425	9,228	(452,038)	10,568
Other income	28	340,950	2,406	356,806	8,794
Total non-markup / interest income		739,781	366,139	777,787	535,954
Total income		133,321	(136,169)	(239,117)	(450,030)
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Operating expenses	29	1,745,160	1,448,557	3,333,151	2,804,923
Workers' welfare fund		-	-	-	-
Other charges	30	61	7	181	7
Total non-markup / interest expenses		1,745,221	1,448,564	3,333,332	2,804,930
Loss before provisions		(1,611,900)	(1,584,733)	(3,572,449)	(3,254,960)
(Reversals) / provisions and write offs - net Extra ordinary / unusual items	31	(298,010)	138,676	(831,865)	239,063
		-	-	-	-
<b>LOSS BEFORE TAXATION</b>		<b>(1,313,890)</b>	<b>(1,723,409)</b>	<b>(2,740,584)</b>	<b>(3,494,023)</b>
Taxation	32	(520,018)	(2,221,253)	(1,018,792)	(2,821,660)
<b>(LOSS) / PROFIT AFTER TAXATION</b>		<b>(793,872)</b>	<b>497,844</b>	<b>(1,721,792)</b>	<b>(672,363)</b>
----- (Rupee) -----					
Basic (Loss) / Earning per share	33	(0.08)	0.19	(0.43)	(0.25)
Diluted (Loss) / Earning per share	33	(0.08)	0.19	(0.43)	(0.25)

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023

	Quarter Ended		Half Year Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----			
(Loss) / profit after taxation for the period	<b>(793,872)</b>	497,844	<b>(1,721,792)</b>	(672,363)
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>				
Movement in surplus on revaluation of investments - net of tax	<b>(34,075)</b>	(90,783)	<b>(150,152)</b>	17,308
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>				
Movement in surplus on revaluation of fixed assets - net of tax	<b>9,662</b>	(111,368)	<b>19,320</b>	(102,528)
Movement in surplus on revaluation of non-banking assets - net of tax	<b>2,311</b>	(30,929)	<b>4,624</b>	(29,159)
Movement in surplus on revaluation of held for sale property - net of tax	<b>15,613</b>	(46,431)	<b>15,613</b>	(46,431)
	<b>27,586</b>	(188,728)	<b>39,557</b>	(178,118)
<b>Total comprehensive (loss) / income</b>	<b><u>(800,361)</u></b>	218,333	<b><u>(1,832,387)</u></b>	<u>(833,173)</u>

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.

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President / Chief Executive

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Chief Financial Officer

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Director

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Director

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Director

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Share capital		Capital reserves		Statutory reserve	Surplus / (deficit) on revaluation of		Accumulated losses	Total
	Issued, subscribed and paid up	Discount on issue of shares	Share premium	Reserve arising on amalgamation		Investments	Fixed / Non banking assets		
<b>Balance as at January 01, 2022 (Audited)</b>	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	46,608	3,496,935	754,510	(38,776,353)
Loss after taxation for six months period ended June 30, 2022	-	-	-	-	-	-	-	-	(672,363)
Other comprehensive income - net of tax	-	-	-	-	-	17,308	(131,687)	(46,431)	(160,810)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	(50,506)	-	50,506
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	(10,119)	-	10,119
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	-	-	-
<b>Balance as at July 01, 2022 (Un-audited)</b>	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	63,916	3,304,623	708,079	(39,388,091)
Loss after taxation for six months period ended December 31, 2022	-	-	-	-	-	(70,065)	53,564	-	(2,494,525)
Other comprehensive income - net of tax	-	-	-	-	-	-	-	-	98,656
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	(50,488)	-	50,488
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	(10,120)	-	10,120
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	(1,873)	-	1,873
<b>Balance as at January 01, 2023 (Audited)</b>	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	(6,149)	3,295,706	708,079	(41,721,679)
Loss after taxation for six months period ended June 30, 2023	-	-	-	-	-	-	-	-	(1,721,792)
Other comprehensive income - net of tax	-	-	-	-	-	(150,152)	23,944	15,413	(1,721,792)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	(110,595)
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	(49,536)	-	49,536
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	(11,856)	-	11,856
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	(39,415)	-	39,415
Transfer from surplus on revaluation of property held for sale to accumulated losses	-	-	-	-	-	-	-	(40,035)	40,035
<b>Transactions with owners, recorded directly in equity</b>	39,840,695	(78,840,681)	-	-	-	-	-	-	10,000,014
Issue of share capital	-	-	-	-	-	-	-	-	(166,647)
Share issuance cost	-	-	-	-	-	-	-	-	(1,666,647)
<b>Balance as at June 30, 2023 (Un-audited)</b>	66,222,205	(35,721,997)	1,000,000	(1,579,205)	154,162	(156,301)	3,218,843	683,657	(43,469,276)

The annexed notes 1 to 41 form an integral part of these unaudited condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
FOR THE HALF YEAR ENDED JUNE 30, 2023

	June 30, 2023	June 30, 2022
Note	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(2,740,584)	(3,494,023)
Less: Dividend income	(206)	(1,800)
	<u>(2,740,790)</u>	<u>(3,495,823)</u>
<b>Adjustments:</b>		
Depreciation on operating fixed assets	211,186	230,627
Depreciation on right-of-use assets	297,207	302,751
Depreciation on non-banking assets	32,607	30,421
Finance cost of lease liability	212,531	191,322
Amortization	11,604	11,638
(Reversals) / provisions and write-offs excluding recoveries	(831,438)	239,526
Loss on forward exchange contracts	13,072	20,055
Charge for defined benefit plan	25,009	38,120
Charge for employees compensated absences	10,392	9,224
Gain on sale of fixed assets	(196,725)	(9,603)
Gain on termination of lease contracts under IFRS 16	(35,006)	6,572
Loss on sale of non banking assets	-	431
Gain on partial sale of HFS property	(116,794)	-
	<u>(366,355)</u>	<u>1,071,084</u>
	<u>(3,107,145)</u>	<u>(2,424,739)</u>
<b>Decrease / (increase) in operating assets</b>		
Lendings to financial institutions	8,477,090	(3,683,069)
Advances	2,020,391	1,565,023
Others assets (excluding advance taxation)	<u>(2,380,518)</u>	<u>(117,990)</u>
	8,116,963	(2,236,036)
<b>Decrease in operating liabilities</b>		
Bills payable	(167,597)	42,050
Borrowings from financial institutions	71,490,726	8,598,281
Deposits	19,545,368	6,899,500
Other liabilities (excluding current taxation)	<u>1,700,323</u>	<u>403,502</u>
	92,568,820	15,943,333
Payment on account of staff retirement benefits	96,963	(56,401)
Income tax paid	<u>(121,650)</u>	<u>(24,824)</u>
<b>Net cash generated from operating activities</b>	<u>97,553,951</u>	<u>11,201,333</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investments in available-for-sale securities	(104,131,412)	(9,699,436)
Dividends received	206	1,800
Investments in operating fixed assets	(67,164)	(39,751)
Investments in intangible assets	(15,161)	(22,539)
Proceeds from sale of fixed assets	342,487	10,479
Proceeds from partial sale of HFS property	302,877	-
Proceeds from sale of non-banking assets	-	45,803
<b>Net cash used in investing activities</b>	<u>(103,568,167)</u>	<u>(9,703,644)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payments of lease obligations against right-of-use assets	(449,802)	(430,332)
Issue of share capital	10,000,014	-
Share issuance cost	(166,647)	-
<b>Net cash (generated from) / used in financing activities</b>	<u>9,383,565</u>	<u>(430,332)</u>
Effect of exchange rate changes on cash and cash equivalents	561,117	420,419
<b>Increase in cash and cash equivalents</b>	<u>3,930,466</u>	<u>1,487,776</u>
Cash and cash equivalents at beginning of the period	13,443,058	15,056,494
<b>Cash and cash equivalents at end of the period</b>	<u>17,373,524</u>	<u>16,544,270</u>

The annexed notes 1 to 41 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director



**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
FOR THE HALF YEAR ENDED JUNE 30, 2023

**I. STATUS AND NATURE OF BUSINESS**

**1.1** Summit Bank Limited (the Bank) is a banking company incorporated in Pakistan on December 09, 2005 as a public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan and its principal office is situated at Summit Tower, Plot No. G-2, Block 2, Scheme 5, Clifton, Karachi, Pakistan.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 179 Conventional Banking Branches and 14 Islamic Banking Branches (December 31, 2022: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan.

**1.2** In 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B Minus) and its short-term rating of 'A-3' (A-Three). The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested the State Bank of Pakistan to allow the Bank to complete the credit rating exercise by September 30, 2023.

VIS Credit Rating Company Limited has issued a new rating scale for Tier-2 capital instruments. As a result, the Bank's TFC rating has been harmonized at to 'B' (Single B) with a 'Rating Watch-Negative' outlook, as stated in their press release dated June 27, 2023. Previously, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP).

**1.3** During the period, the Bank has incurred a net loss of Rs. 1,721.792 million resulting in accumulated losses of Rs. 43,469.276 million and negative equity of Rs. 9,647.912 million. As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of June 30, 2023. However, the paid up capital of the Bank (net of losses), CAR and LR are negative.

The aforementioned conditions indicate the existence of material uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern and, therefore, the Bank may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the Bank is making its best efforts to comply with the applicable capital requirements and has successfully increased its capital as mentioned in note 21.1. To achieve this, the management has prepared a business plan, which has been approved by the Board. This plan aims to improve the Bank's capital base and risk absorption capacity, achieve compliance with applicable regulatory requirements and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Sale of a portion of self-constructed property on the plot of land bearing No. G-2, Block 2, Scheme No: 5;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Bank will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;

- Reduction in overall level of non-earning assets held by the Bank;
- Identifying opportunities for rationalization of the cost structure;
- Improvement in the risk management and technological infrastructure of the Bank to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark up income and non-mark up income.

## 2. BASIS OF PRESENTATION

### 2.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments, Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. Moreover, SBP vide BPRD Circular no. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP, 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 financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

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

- 2.2** Key financial figures of the Islamic banking branches are disclosed in Note 39 to these unconsolidated condensed interim financial statements.
- 2.3** The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2022.
- 2.4 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period**

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2023. These are considered either not to be relevant or not to have any significant impact on the Bank's operations and therefore are not detailed in these unconsolidated financial statements.

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

The SBP through BPRD Circular no. 3 dated July 05, 2022 has made IFRS 9 'Financial Instruments' applicable to Banks in Pakistan for accounting periods beginning on or after January 01, 2024 (for banks having asset size of less than Rs. 500 billion). The subject circular also envisages the implementation guidelines and the impact of the application of IFRS 9 in Pakistan on the Bank's financial statements is currently being assessed. IFRS 9 replaces the existing guidance in (IAS) 39, 'Financial Instruments, Recognition and Measurement'. The standard includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

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

<u>Standard, Interpretation or Amendment</u>	<u>Effective date (annual periods beginning on or after)</u>
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Deferred indefinitely

## 2.6 Critical accounting estimates and judgments

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

## 3. BASIS OF MEASUREMENT

### 3.1 Accounting convention

These unconsolidated financial statements have been prepared under the historical cost convention, except for:

- Certain fixed assets and non-banking assets acquired in satisfaction of claims are stated at revalued amounts less accumulated depreciation / impairment.
- Investments classified as held for trading and available-for-sale, which are measured at fair value.
- Commitments in respect of forward exchange contracts, which are measured at fair value.
- Right-of-use assets and their related lease liabilities, which are measured at their present value adjusted for depreciation, interest cost and lease repayments.
- Net obligation in respect of defined benefit scheme, which is measured at their present value.

### 3.2 Functional and Presentation Currency

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

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

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the unconsolidated financial statements for the year ended December 31, 2022, except that: during the period, the Bank realigned its reporting business segments and as a result changes have been made in the respective note to the accounts along with the restatement of the prior period financial information.

## 5. FINANCIAL RISK MANAGEMENT

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

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
<b>6. CASH AND BALANCES WITH TREASURY BANKS</b>		
<b>In hand</b>		
Local currency	5,455,346	4,127,390
Foreign currency	629,529	356,179
	<b>6,084,875</b>	<b>4,483,569</b>
<b>With State Bank of Pakistan in</b>		
Local currency current account	8,517,545	7,827,523
Foreign currency current account	448,433	395,801
Foreign currency deposit account	641,237	582,381
	<b>9,607,215</b>	<b>8,805,705</b>
With National Bank of Pakistan in Local currency current account	777,944	66,309
Prize bonds	32,456	16,562
	<b>16,502,490</b>	<b>13,372,145</b>
<b>7. BALANCES WITH OTHER BANKS</b>		
<b>In Pakistan</b>		
In current account	8,242	865
In deposit account	20,000	16,205
	<b>28,242</b>	<b>17,070</b>
<b>Outside Pakistan</b>		
In current account	774,287	1,288,393
In deposit account	74,998	57,966
	<b>849,285</b>	<b>1,346,359</b>
	<b>877,527</b>	<b>1,363,429</b>
<b>8. LENDINGS TO FINANCIAL INSTITUTIONS</b>		
Repurchase agreement lendings (Reverse Repo)	1,664,467	10,141,557
Less: provision held against Lendings to Financial Institutions	-	-
Lendings to Financial Institutions - net of provision	<b>1,664,467</b>	<b>10,141,557</b>

## 9. INVESTMENTS

9.1 Investments by type:	June 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----								
<b>Available-for-sale securities</b>								
<b>Federal Government Securities</b>								
- Market Treasury Bills	67,425,930	-	(89,087)	67,336,843	20,013,762	-	1,975	20,015,737
- Pakistan Investment Bonds	58,583,316	-	(84,490)	58,498,826	14,330,617	-	(13,817)	14,316,800
- GoP Ijarah Sukuks	27,110,389	-	(110,110)	27,000,279	13,988,936	-	(73,186)	13,915,750
<b>Shares</b>								
- Fully paid up ordinary shares - Listed	1,944,034	(1,698,680)	73,706	319,060	2,588,043	(2,198,059)	124,947	514,931
- Fully paid up ordinary shares - Unlisted	2,830	(1,000)	-	1,830	2,830	(1,000)	-	1,830
- Preference shares - Unlisted	46,035	(46,035)	-	-	46,035	(46,035)	-	-
<b>Non Government Debt Securities</b>								
- Term Finance Certificates	1,554,887	(1,554,887)	-	-	1,565,786	(1,565,786)	-	-
- Sukuk Bonds	2,700,000	(200,000)	(46,250)	2,453,750	2,700,000	(200,000)	(50,000)	2,450,000
	159,367,421	(3,500,602)	(256,231)	155,610,588	55,236,009	(4,010,880)	(10,081)	51,215,048
<b>Subsidiary</b>	396,942	(165,191)	-	231,751	396,942	(165,191)	-	231,751
<b>Total Investments</b>	<b>159,764,363</b>	<b>(3,665,793)</b>	<b>(256,231)</b>	<b>155,842,339</b>	<b>55,632,951</b>	<b>(4,176,071)</b>	<b>(10,081)</b>	<b>51,446,799</b>

9.1.1 Investments given as collateral - Market Value	(Un-audited)	(Audited)
	June 30, 2023	December 31, 2022
----- (Rupees in '000) -----		
Market Treasury Bills	54,734,684	10,280,041
Pakistan Investment Bonds	36,161,200	7,894,300
	<u>90,895,884</u>	<u>18,174,341</u>

### 9.2 Provision for diminution in value of investments

Opening balance	4,176,071	4,140,449
Charge / reversals		
Charge for the period / year	26,000	64,786
Reversals for the period / year	(10,899)	(29,164)
Reversal on disposals	(525,379)	-
	(510,278)	35,622
Closing balance	<u>3,665,793</u>	<u>4,176,071</u>

### 9.3 Particulars of provision against debt securities

Category of classification	June 30, 2023 (Un-audited)		December 31, 2022 (Audited)	
	NPI	Provision	NPI	Provision
----- (Rupees in '000) -----				
<b>Domestic</b>				
Loss	1,754,887	1,754,887	1,765,786	1,765,786

## 10. ADVANCES

	Performing		Non Performing		Total	
	(Un-audited) June 30, 2023	(Audited) December 31, 2022	(Un-audited) June 30, 2023	(Audited) December 31, 2022	(Un-audited) June 30, 2023	(Audited) December 31, 2022
Note ----- (Rupees in '000) -----						
Loans, cash credits, running finances, etc.	14,900,297	16,338,130	34,700,532	35,332,731	49,600,829	51,670,861
Islamic financing and related assets	1,989,815	2,351,110	895,445	686,002	2,885,260	3,037,112
Bills discounted and purchased	281,258	77,636	47,089	49,335	328,347	126,971
Advances - gross	17,171,370	18,766,876	35,643,066	36,068,068	52,814,436	54,834,944
Provision against advances						
- Specific	-	-	(32,905,689)	(33,231,865)	(32,905,689)	(33,231,865)
- General	(8,276)	(10,556)	-	-	(8,276)	(10,556)
	(8,276)	(10,556)	(32,905,689)	(33,231,865)	(32,913,965)	(33,242,421)
Advances - net of provision	17,163,094	18,756,320	2,737,377	2,836,203	19,900,471	21,592,523
					(Un-audited) June 30, 2023	(Audited) December 31, 2022
					52,814,436	54,834,944

### 10.1 Particulars of advances (Gross)

In local currency	52,597,417	54,743,589
In foreign currencies	217,019	91,355
	52,814,436	54,834,944

10.2 Advances include Rs. 35,643,066 million (December 31, 2022: Rs. 36,068,068 million) which have been placed under non-performing status as detailed below:

Category of Classification	June 30, 2023 (Un-audited)		December 31, 2022 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
----- (Rupees in '000) -----				
<b>Domestic</b>				
Other Assets Especially Mentioned	14,558	161	6,174	96
Substandard	42,463	2,662	149,835	391
Doubtful	482,522	2,004	22,569	6,524
Loss	35,103,523	32,900,862	35,889,490	33,224,854
	35,643,066	32,905,689	36,068,068	33,231,865

### 10.3 Particulars of provision against advances

	June 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
----- (Rupees in '000) -----						
Opening balance	33,231,865	10,556	33,242,421	32,750,104	13,885	32,763,989
Charge for the period / year	534,928	-	534,928	1,397,485	-	1,397,485
Reversals	(860,987)	(2,280)	(863,267)	(906,851)	(3,329)	(910,180)
	(326,059)	(2,280)	(328,339)	490,634	(3,329)	487,305
Amounts written off	(117)	-	(117)	(8,873)	-	(8,873)
Closing balance	32,905,689	8,276	32,913,965	33,231,865	10,556	33,242,421

10.3.1 The general provision against consumer financing is required to be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages range from 1% to 2.5% for secured and 4% to 7% for unsecured portfolio.

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

The Bank has availed the Forced Sale Value (FSV) benefit of pledged stocks, mortgaged properties, plant and machinery, shares and Cash Margin / TDRs held as collateral against non-performing advances as allowed under the applicable Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 2,409,777 million (December 31, 2022: Rs. 2,820,580 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 1,469,964 million (December 31, 2022: Rs. 1,720,554 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
		----- (Rupees in '000) -----	
<b>II. FIXED ASSETS</b>	<b>Note</b>		
Capital work-in-progress	11.1	44,021	24,064
Property and equipment		7,363,422	7,673,163
Right-of-use assets		2,788,057	2,953,396
		<b>10,195,500</b>	<b>10,650,623</b>
<b>11.1 Capital work-in-progress</b>			
Civil works and related payments / progress billings		16,715	12,433
Advances and other payments to suppliers and contractors		27,306	11,631
Advances and other payments against capital work in progress considered doubtful		1,155,814	1,158,340
Less: Provision held there against		(1,155,814)	(1,158,340)
		-	-
		<b>44,021</b>	<b>24,064</b>
		(Un-audited)	
		June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
<b>11.2 Additions to fixed assets</b>			
The following additions have been made to fixed assets during the period:			
<b>Capital work-in-progress - net</b>		19,957	6,213
<b>Property and equipment</b>			
Building improvements		14,778	6,660
Furniture and fixture		2,316	4,407
Electrical, office and computer equipment		30,020	22,471
Vehicles		93	-
		<b>47,207</b>	<b>33,538</b>
Right-of-use assets		216,567	287,690
		<b>283,731</b>	<b>327,441</b>



### 11.3 Disposal of fixed assets

The net book value of fixed assets disposed off during the period is as follows:

#### Property and equipment

	(Un-audited) June 30, 2023	June 30, 2022
Leasehold land	70,000	-
Building on leasehold land	74,915	-
Building improvements	572	29
Furniture and fixture	-	108
Electrical, office and computer equipment	275	739
	<b>145,762</b>	876
Derecognition of right-of-use assets	<b>85,040</b>	16,919
	<b>230,802</b>	17,795

## 12. INTANGIBLE ASSETS

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
Capital work-in-progress	72,997	72,550
Intangible assets in use	74,166	71,056
	<b>147,163</b>	143,606

### 12.1 Capital work-in-progress

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
Advances to suppliers and contractors	72,997	72,550
Advances against capital work in progress considered doubtful Less: Provision held there against	142,522 (142,522)	142,522 (142,522)
	<b>72,997</b>	72,550

### 12.2 Intangible assets in use

Computer softwares	74,166	71,056
--------------------	--------	--------

### 12.3 Additions to intangible assets

The following additions have been made to intangible assets during the period:

	(Un-audited) June 30, 2023	June 30, 2022
Capital work-in-progress - net Directly purchased	447 14,714	17,669 4,870
	<b>15,161</b>	22,539

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

**13. DEFERRED TAX ASSETS**

June 30, 2023 (Un-audited)

At January 01, 2023	Recognised in profit and loss account	Recognised in other comprehensive income	At June 30, 2023	
----- (Rupees in '000) -----				
Deductible Temporary Differences on				
- Tax losses carried forward	13,103,981	1,260,369	-	14,364,350
- Provision against advances, off balance sheet etc.	8,121,244	62,980	-	8,184,224
- Provision for impairment loss - Investment	1,628,668	(199,009)	-	1,429,659
- Provision against intangible assets	48,034	-	-	48,034
- Staff compensated absences	51,077	1,714	-	52,791
- Provision against other assets	166,759	-	-	166,759
- Deficit on revaluation of investments	3,932	-	95,998	99,930
- Unrealized (gain) / loss on forward exchange contracts	(142)	5,240	-	5,098
	23,123,553	1,131,294	95,998	24,350,845
Taxable Temporary Differences on				
- Surplus on revaluation of fixed assets	(1,151,581)	-	19,318	(1,132,263)
- Surplus on revaluation of property - held for sale	(452,705)	-	15,613	(437,092)
- Surplus on revaluation of non-banking assets	(333,546)	-	4,625	(328,921)
- Accelerated tax depreciation	(403,990)	21,631	-	(382,359)
	(2,341,822)	21,631	39,556	(2,280,635)
	20,781,731	1,152,925	135,554	22,070,210

December 31, 2022 (Audited)

At January 01, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2022	
----- (Rupees in '000) -----				
Deductible Temporary Differences on				
- Tax losses carried forward	9,813,393	3,290,588	-	13,103,981
- Provision against advances, off balance sheet etc.	7,086,935	1,034,309	-	8,121,244
- Provision for impairment loss - Investment	1,449,157	179,511	-	1,628,668
- Provision against intangible assets	43,107	4,927	-	48,034
- Staff compensated absences	50,412	665	-	51,077
- Provision against other assets	149,656	17,103	-	166,759
- Surplus / (deficit) on revaluation of investments	(25,096)	-	29,028	3,932
- Minimum tax	159,921	(159,921)	-	-
	18,727,485	4,367,182	29,028	23,123,695
Taxable Temporary Differences on				
- Surplus on revaluation of fixed assets	(1,069,472)	-	(82,109)	(1,151,581)
- Unrealized loss / (gain) on forward exchange contracts	10,472	(10,614)	-	(142)
- Surplus on revaluation of property - held for sale	(406,274)	-	(46,431)	(452,705)
- Surplus on revaluation of non-banking assets	(289,666)	-	(43,880)	(333,546)
- Accelerated tax depreciation	(295,920)	(108,070)	-	(403,990)
	(2,050,860)	(118,684)	(172,420)	(2,341,964)
	16,676,625	4,248,498	(143,392)	20,781,731

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

**14. OTHER ASSETS**

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	4,108,541	1,468,736
Income / mark-up accrued in foreign currency	4,333	2,848
Advances, deposits, advance rent and other prepayments	268,084	351,962
Advance taxation (payments less provisions)	558,833	571,316
Non-banking assets acquired in satisfaction of claims	2,476,763	2,497,513
Branch adjustment account	-	7,136
Receivable from defined benefit plan	-	102,958
Receivable from other banks against clearing and settlement	344,747	459,528
Mark to market gain on forward foreign exchange contracts	15,432	608
Acceptances	153,355	175,931
Stationery and stamps on hand	6,961	7,071
Commission receivable on home remittance	2,425	2,419
Property - Held for sale	3,692,787	3,836,309
Others	523,999	556,763
	<b>12,156,260</b>	<b>10,041,098</b>
Less: Provision held against other assets	(841,440)	(832,810)
Other assets (net of provision)	<b>11,314,820</b>	<b>9,208,288</b>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	843,386	855,243
Surplus on revaluation of property - held for sale	1,120,749	1,160,784
Other assets - total	<b>13,278,955</b>	<b>11,224,315</b>

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

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
<b>14.2 Provision held against other assets</b>		
Income / mark-up accrued in local currency	1,389	1,389
Advances, deposits, advance rent and other prepayments	98,008	98,008
Non-banking assets acquired in satisfaction of claims	360,107	360,107
Commission receivable on guarantees	9,880	9,880
Receivable from Dewan Group	45,310	45,310
Account receivable - sundry claims	157,144	148,514
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	143,908	143,908
	<b>841,440</b>	<b>832,810</b>

**14.2.1 Movement in provision held against other assets**

Opening balance	832,810	759,224
Charge for the period / year	8,630	78,252
Reversals for the period / year	-	(4,666)
Closing balance	<b>841,440</b>	<b>832,810</b>

## 15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

## 16. BILLS PAYABLE

	(Un-audited) June 30, 2023 ----- (Rupees in '000) -----	(Audited) December 31, 2022 -----
In Pakistan	1,825,990	1,993,587
Outside Pakistan	-	-
	<u>1,825,990</u>	<u>1,993,587</u>

## 17. BORROWINGS

### Secured

Borrowings from State Bank of Pakistan

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

4,904,150	5,710,250
400,000	400,000
337,316	428,927
1,726	2,352
<u>90,504,695</u>	<u>18,115,632</u>

### Total secured

96,147,887      24,657,161

### Unsecured

Overdrawn nostro accounts

6,493      731,399

96,154,380      25,388,560

## 18. DEPOSITS AND OTHER ACCOUNTS

	June 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
<b>Customers</b>						
Current deposits	44,021,951	2,186,260	46,208,211	40,907,997	1,534,309	42,442,306
Savings deposits	69,873,118	1,830,155	71,703,273	58,374,143	1,638,923	60,013,066
Term deposits	13,833,968	3,109,734	16,943,702	12,024,797	2,940,083	14,964,880
Others	3,158,094	44,975	3,203,069	2,284,400	35,609	2,320,009
	<u>130,887,131</u>	<u>7,171,124</u>	<u>138,058,255</u>	<u>113,591,337</u>	<u>6,148,924</u>	<u>119,740,261</u>
<b>Financial institutions</b>						
Current deposits	249,279	53,702	302,981	272,625	162,329	434,954
Savings deposits	2,593,192	8	2,593,200	1,416,481	6	1,416,487
Term deposits	510,000	-	510,000	327,366	-	327,366
Others	-	-	-	-	-	-
	<u>3,352,471</u>	<u>53,710</u>	<u>3,406,181</u>	<u>2,016,472</u>	<u>162,335</u>	<u>2,178,807</u>
	<u>134,239,602</u>	<u>7,224,834</u>	<u>141,464,436</u>	<u>115,607,809</u>	<u>6,311,259</u>	<u>121,919,068</u>

**19. SUBORDINATED DEBT**

Issue amount	Rs.1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2022 (December 31, 2022: October 27, 2022)

These TFCs were issued by the Bank on October 27, 2011 for an initial tenure of seven years and maturity date of October 27, 2018. In order to protect the interest of the TFC Holders, the tenure of the TFC together with the payment of applicable redemption amounts were extended for fourth time by the Bank to October 27, 2019, October 27, 2020, October 27, 2021 and October 27, 2022 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019, October 22, 2020 and October 26, 2021. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020, July 09, 2021 and August 01, 2022. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020, October 22, 2021 and October 24, 2022.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 27, 2022 had approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts (principal and the related mark-up) with the revised maturity date of October 27, 2023. The Bank has complied with all the applicable laws, rules and requisite regulatory requirements and the final approval is awaited from the State Bank of Pakistan.

Rating	'B' (Single B).
Security	Unsecured.
Redemption / profit payment frequency	The redemption / profit payment details are mentioned in the above maturity date clause.
Mark up	Base rate (6 months KIBOR - ask side) plus 325 bps.
Call option	The Bank had an option to call the TFC's subject to SBP's prior written approval, on any profit payment date after the 60th month from the last day of public subscription, with not less than 30 days prior notice to be given to the Trustee. The Call option once announced will not be revocable. Further, no premium will be paid to the TFC Holders in case the call option is exercised by the Bank.
Lock-in-clause	Neither interest nor principal can be paid (even at maturity) if such payments will result in a shortfall in the Bank's Minimum Capital Requirements (MCR) or Capital Adequacy Ratio (CAR) or increase in the existing shortfall in MCR and CAR.

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
20. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	3,718,527	2,291,978
Mark-up / return / interest payable in foreign currencies	2,011	3,475
Unearned income	69,811	70,164
Accrued expenses	90,684	74,270
Advance against sale of property	283,784	328,731
Acceptances	153,355	175,931
Unclaimed dividends	2,213	2,213
Mark to market loss on forward foreign exchange contracts	28,504	243
Branch adjustment account	8,128	-
Payable to defined benefit plan	25,009	-
Charity fund balance	2,005	2,154
Security deposits against lease	208,745	246,913
Payable to Bangladesh Bank	41,389	41,389
Payable to Rupali Bank - Bangladesh	16,293	16,293
Payable to vendors / creditors	254,667	228,005
Provision for compensated absences	135,361	130,964
Payable to Bank of Ceylon, Colombo	20,163	20,163
Retention money	33,648	306
Workers' welfare fund	13,360	13,360
Withholding taxes and government levies payable	170,839	34,946
Federal excise duty and sales tax payable	5,833	6,814
Commission payable on home remittances	1,926	2,381
Lease liability against right-of-use assets	3,354,425	3,494,835
Others	546,033	383,362
	<u>9,186,713</u>	<u>7,568,890</u>

## 21. SHARE CAPITAL-NET

- 21.1 During the period the Bank has issued 3,984,069,516 ordinary shares having face value of Rs. 10/- each, other than right shares, to His Excellency Naseer Abdulla Hussain Lootah and minority shareholders at a subscription price of Rs. 2.51 per share. Through this issue, an amount of Rs. 10,000.014 million was raised comprising of Rs. 39,840.695 million and Rs. 29,840.681 million in respect of ordinary share capital and discount on issue of shares, respectively. The paid-up capital of the Bank before issuance of shares was Rs. 26,381.511 million (divided into 2,638,151,060 shares of Rs. 10 each) and after issuance of shares has increased to Rs. 66,222.206 million (divided into 6,622,220,576 shares of Rs. 10 each). The shares were issued after having all requisite approvals.

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
<b>22. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS</b>	<b>Note</b>	----- (Rupees in '000) -----	
Surplus / (deficit) on revaluation of			
- Available for sale securities	9.1	(256,231)	(10,081)
- Fixed assets		3,836,641	3,925,590
- Non-banking assets acquired in satisfaction of claims		843,386	855,243
- Property - held for sale		1,120,749	1,160,784
		<b>5,544,545</b>	<b>5,931,536</b>
Deferred tax on surplus / (deficit) on revaluation of:			
- Available for sale securities		99,930	3,932
- Fixed assets		(1,132,263)	(1,151,581)
- Non-banking assets acquired in satisfaction of claims		(328,921)	(333,546)
- Property - held for sale		(437,092)	(452,705)
		<b>(1,798,346)</b>	<b>(1,933,900)</b>
		<b>3,746,199</b>	<b>3,997,636</b>

### 23. CONTINGENCIES AND COMMITMENTS

-Guarantees	23.1	13,199,858	11,817,383
-Commitments	23.2	107,597,423	30,862,340
-Other contingent liabilities	23.3	22,274,317	24,065,166
		<b>143,071,598</b>	<b>66,744,889</b>

#### 23.1 Guarantees:

Financial guarantees	20,470	20,470
Performance guarantees	9,644,584	9,102,570
Other guarantees	3,534,804	2,694,343
	<b>13,199,858</b>	<b>11,817,383</b>

#### 23.2 Commitments:

Documentary credits and short-term trade-related transactions			
- letters of credit		3,722,667	1,670,541
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	6,234,139	4,542,638
- forward lending	23.2.2	6,860,014	6,310,488
Commitments for acquisition of:			
- operating fixed assets		34,522	24,552
- intangible assets		241,386	198,489
Other commitments	23.2.3	90,504,695	18,115,632
		<b>107,597,423</b>	<b>30,862,340</b>

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
		----- (Rupees in '000) -----	
<b>23.2.1</b>	<b>Commitments in respect of forward foreign exchange contracts</b>		
	Purchase	5,457,749	4,542,638
	Sale	776,390	-
		<u>6,234,139</u>	<u>4,542,638</u>

**23.2.2 Commitments in respect of forward lending**

	Forward documentary bills	5,440,445	5,193,241
	Undrawn formal standby facilities, credit lines and other commitments to lend		
	23.2.2.1	1,419,569	1,117,247
		<u>6,860,014</u>	<u>6,310,488</u>

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

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
		----- (Rupees in '000) -----	
<b>23.2.3</b>	<b>Other commitments</b>		
	Purchase (Repo)	<u>90,504,695</u>	<u>18,115,632</u>
<b>23.3</b>	<b>Other contingent liabilities - claims against the Bank not acknowledged as debts</b>	<u>22,274,317</u>	<u>24,065,166</u>

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

**23.5 Contingency for tax payable**

Contingency related to tax payable is disclosed in note 32.2.



		(Un-audited)	
		Half year ended	
		June 30, 2023	June 30, 2022
Note		----- (Rupees in '000) -----	
24. <b>MARK-UP / RETURN / INTEREST EARNED</b>			
On:			
Loans and advances		1,489,589	1,104,129
Investments		8,490,162	1,614,486
Lendings to financial institutions		90,948	133,142
Balances with banks		30,943	1,461
		<u>10,101,642</u>	<u>2,853,218</u>

25. <b>MARK-UP / RETURN / INTEREST EXPENSED</b>			
On:			
Deposits		6,406,894	2,892,123
Borrowings		3,930,187	275,466
Subordinated debt		158,192	103,717
Cost of foreign currency swaps against foreign currency deposits / borrowings		410,742	376,574
Finance cost of lease liability		212,531	191,322
		<u>11,118,546</u>	<u>3,839,202</u>

26. <b>FEE AND COMMISSION INCOME</b>			
Branch banking customer fees		27,262	20,536
Consumer finance related fees		2,573	3,354
Card related fees (debit cards)		62,781	43,826
Credit related fees		1,223	1,896
Investment banking fees		1,322	12,394
Commission on trade		107,911	86,306
Commission on guarantees		55,693	27,522
Commission on cash management		21	893
Commission on remittances including home remittances		5,387	4,771
Commission on bancassurance		1,515	422
Alternate Delivery Channels		18,127	17,443
Others		19	5
		<u>283,834</u>	<u>219,368</u>

27. <b>(LOSS) / GAIN ON SECURITIES</b>			
Realised	27.1	(452,038)	10,568
Unrealised - held for trading		-	-
		<u>(452,038)</u>	<u>10,568</u>

27.1 <b>Realised (loss) / gain on:</b>			
Federal Government Securities		33,199	10,568
Shares		(485,237)	-
		<u>(452,038)</u>	<u>10,568</u>

		(Un-audited) Half year ended	
		June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
<b>28. OTHER INCOME</b>	<b>Note</b>		
Rent on property		3,238	3,354
Gain on sale of fixed assets - net		196,725	9,603
Gain on partial sale of HFS property		116,794	-
Loss on sale of non banking assets		-	(431)
Gain on sale of ijarah assets		527	1,297
Recoveries against previously expensed items		-	1,056
Gain / (loss) on termination of lease contracts under IFRS 16		35,006	(6,572)
Income on settlement of nostro balances		-	448
Refund from Gratuity Fund		4,516	-
Others		-	39
		<b>356,806</b>	<b>8,794</b>

## 29. OPERATING EXPENSES

<b>Total compensation expense</b>	<b>29.1</b>	<b>1,133,266</b>	<b>1,017,889</b>
<b>Property expense</b>			
Rent and taxes		41,755	46,242
Insurance - property		5,451	5,446
Insurance - non banking assets		392	426
Utilities cost		198,501	152,651
Security (including guards)		121,323	98,922
Repair and maintenance (including janitorial charges)		80,212	57,428
Depreciation on owned fixed assets		126,141	135,295
Depreciation on right-of-use assets		297,207	302,751
Depreciation on non banking assets		32,607	30,421
		<b>903,589</b>	<b>829,582</b>
<b>Information technology expenses</b>			
Software maintenance		73,775	48,135
Hardware maintenance		73,055	45,354
Depreciation on computer equipments		33,976	40,823
Amortisation of computer softwares		11,604	11,638
Network charges		47,268	42,031
Insurance		2,493	168
		<b>242,171</b>	<b>188,149</b>
<b>Other operating expenses</b>			
Directors' fees and allowances		14,700	19,800
Fees and allowances to Shariah Board		11,850	10,200
Legal and professional charges		40,250	36,160
Outsourced services costs		138,283	103,363
Travelling and conveyance		212,395	122,252
NIFT clearing charges		15,315	12,467
Depreciation		51,069	54,509
Training and development		3,877	1,211
Postage and courier charges		20,606	24,054
Communication		41,322	23,414
Stationery and printing		72,723	43,161
Marketing, advertisement and publicity		5,180	5,195
Brokerage and commission		18,344	14,378
Fee and subscription		76,585	49,311
Cash transportation and sorting charges		69,134	55,948
Entertainment		30,615	17,650
Insurance		74,343	61,450
Deposit insurance premium expense		67,432	48,290
Repair and maintenance		64,499	43,718
Auditors' remuneration		4,910	5,245
Others		20,693	17,527
		<b>1,054,125</b>	<b>769,303</b>
		<b>3,333,151</b>	<b>2,804,923</b>

		(Un-audited) Half year ended	
		June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
<b>29.1</b>	<b>Total compensation expense</b>		
	Fees and allowances etc.	7,522	10,103
	Managerial remuneration		
	i) Fixed	715,453	631,582
	ii) Variable		
	of which;		
	a) Cash bonus / awards etc.	-	-
	b) Incentives and commission	262	2,363
	Charge for defined benefit plan	25,009	38,120
	Contribution to defined contribution plan	38,386	35,049
	Charge for employees compensated absences	10,392	9,224
	Rent and house maintenance	231,112	200,814
	Utilities	51,356	44,623
	Medical	53,774	46,011
	<b>Total</b>	<b>1,133,266</b>	<b>1,017,889</b>

### 30. OTHER CHARGES

Penalties imposed by State Bank of Pakistan	181	7
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### 31. (REVERSALS) / PROVISIONS AND WRITE OFFS - NET

(Reversal of provision) / provision for diminution in value of investments	(510,278)	31,301
(Reversal) / provision against loans and advances	(328,339)	204,125
Provision against other assets	8,630	4,091
Fixed assets written off	-	9
Operational loss	1,075	-
Reversal of provision for advances and other payments against capital work in progress	(2,526)	-
Recoveries against written off / charged off bad debts	(427)	(463)
	<b>(831,865)</b>	<b>239,063</b>

### 32. TAXATION

Current	32.1 & 32.2	134,133	42,365
Prior years		-	-
Deferred		(1,152,925)	(2,864,025)
		<b>(1,018,792)</b>	<b>(2,821,660)</b>

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

**32.2** The Income Tax Returns of the Bank have been submitted up to and including the Bank's financial year ended December 31, 2021 i.e. tax year 2022.

In respect of assessments of Summit Bank Limited from tax years 2009 to tax year 2018 the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 418.48 million through amended assessment orders and the same have been paid / stayed / adjusted against available refunds.

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

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

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

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

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

		(Un-audited) Half year ended	
		June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
<b>33. BASIC AND DILUTED LOSS PER SHARE</b>	Note		
Loss for the period		<u>(1,721,792)</u>	<u>(672,363)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Basic		<u>4,024,871,389</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Basic loss per share		<u>(0.43)</u>	<u>(0.25)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Diluted	33.1	<u>4,024,871,389</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.43)</u>	<u>(0.25)</u>

33.1 There are no potential ordinary shares outstanding as of June 30, 2023.

		(Un-audited) Half year ended	
		June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
<b>34. CASH AND CASH EQUIVALENTS</b>			
Cash and balances with treasury banks		16,502,490	15,274,749
Balances with other banks		877,527	1,279,158
Overdrawn nostro accounts		(6,493)	(9,637)
		<u>17,373,524</u>	<u>16,544,270</u>

### 35. FAIRVALUE MEASUREMENTS

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

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

#### 35.1 Fair value of financial assets

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

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

June 30, 2023 (Un-audited)				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
- Federal Government Securities		152,835,948		152,835,948
- Shares - Listed	319,060			319,060
- Non Government Debt Securities		2,453,750		2,453,750
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
- Shares - Unlisted			3,848	3,848
<b>Non-Financial assets - measured at fair value</b>				
Operating fixed assets			6,956,467	6,956,467
Non banking assets acquired in satisfaction of claims			2,960,042	2,960,042
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange		5,454,741		5,454,741
Forward sale of foreign exchange		786,454		786,454

December 31, 2022 (Audited)

	Level 1	Level 2	Level 3	Total
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
- Federal Government Securities	-	48,248,287	-	48,248,287
- Shares - Listed	514,931	-	-	514,931
- Non Government Debt Securities	-	2,450,000	-	2,450,000
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
- Shares - Unlisted	-	-	3,242	3,242
<b>Non-Financial assets - measured at fair value</b>				
Operating fixed assets	-	-	7,213,316	7,213,316
Non banking assets acquired in satisfaction of claims	-	-	2,992,649	2,992,649
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	4,543,003	-	4,543,003
Forward sale of foreign exchange	-	-	-	-

**Valuation techniques used in determination of fair value**

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

### 36. SEGMENT INFORMATION

#### 36.1 Segment details with respect to business activities

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

Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total	
----- (Rupees in '000) -----					
<b>Profit and Loss</b>					
Net mark-up / return / profit	608,157	4,580,888	(6,050,110)	(155,839)	(1,016,904)
Inter segment revenue - net	(688,161)	(4,829,098)	10,123,240	(4,605,981)	-
Non mark-up / return / interest income	105,316	161,017	156,114	355,340	777,787
Total income	25,312	(87,193)	4,229,244	(4,406,480)	(239,117)
Segment direct expenses	77,991	43,490	2,262,180	949,671	3,333,332
Inter segment expense allocation	270,867	82,141	527,272	(880,280)	-
Total expenses	348,858	125,631	2,789,452	69,391	3,333,332
(Reversals) / provisions and write offs - net	(294,238)	(510,278)	(29,837)	2,488	(831,865)
<b>(Loss) / profit before tax</b>	<b>(29,308)</b>	<b>297,454</b>	<b>1,469,629</b>	<b>(4,478,359)</b>	<b>(2,740,584)</b>

As at June 30, 2023 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total	
----- (Rupees in '000) -----					
<b>Balance Sheet</b>					
Cash and bank balances	222,840	11,262,686	5,894,491	-	17,380,017
Investments	-	155,842,339	-	-	155,842,339
Net inter segment lending	176,952	49,072,870	129,064,899	-	178,314,721
Lendings to financial institutions	-	1,664,467	-	-	1,664,467
Advances - performing	15,078,579	-	505,679	1,578,836	17,163,094
Advances - non-performing	2,639,507	-	93,670	4,200	2,737,377
Others	723,756	3,286,806	2,614,355	39,066,911	45,691,828
<b>Total assets</b>	<b>18,841,634</b>	<b>221,129,168</b>	<b>138,173,094</b>	<b>40,649,947</b>	<b>418,793,843</b>
Borrowings	5,643,192	90,511,188	-	-	96,154,380
Subordinated debt	-	-	-	1,495,515	1,495,515
Deposits and other accounts	7,202,192	-	134,262,244	-	141,464,436
Net inter segment borrowing	5,785,533	129,151,388	653,018	42,724,782	178,314,721
Others	210,717	1,466,592	3,257,832	6,077,562	11,012,703
<b>Total liabilities</b>	<b>18,841,634</b>	<b>221,129,168</b>	<b>138,173,094</b>	<b>50,297,859</b>	<b>428,441,755</b>
Equity	-	-	-	(9,647,912)	(9,647,912)
<b>Total equity and liabilities</b>	<b>18,841,634</b>	<b>221,129,168</b>	<b>138,173,094</b>	<b>40,649,947</b>	<b>418,793,843</b>
<b>Contingencies and Commitments</b>	<b>44,818,476</b>	<b>96,738,834</b>	<b>-</b>	<b>1,514,288</b>	<b>143,071,598</b>

For the half year ended June 30, 2022 (Restated)

	Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
----- (Rupees in '000) -----					
<b>Profit and Loss</b>					
Net mark-up / return / profit	626,634	1,166,446	(2,673,877)	(105,187)	(985,984)
Inter segment revenue - net	(770,134)	(1,587,487)	5,270,670	(2,913,049)	-
Non mark-up / return / interest income	81,472	293,900	160,009	573	535,954
Total income	(62,028)	(127,141)	2,756,802	(3,017,663)	(450,030)
Segment direct expenses	73,775	28,988	1,884,031	818,136	2,804,930
Inter segment expense allocation	278,642	84,496	349,664	(712,802)	-
Total expenses	352,417	113,484	2,233,695	105,334	2,804,930
Provisions and write offs - net	203,671	31,301	-	4,091	239,063
<b>(Loss) / profit before tax</b>	<b>(618,116)</b>	<b>(271,926)</b>	<b>523,107</b>	<b>(3,127,088)</b>	<b>(3,494,023)</b>

As at December 31, 2022 (Restated)

	Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
----- (Rupees in '000) -----					
<b>Balance Sheet</b>					
Cash and Bank balances	189,077	10,235,444	4,311,053	-	14,735,574
Investments	-	51,446,799	-	-	51,446,799
Net inter segment lending	58,085	58,056,574	111,577,524	-	169,692,183
Lendings to financial institutions	-	10,141,557	-	-	10,141,557
Advances - performing	16,656,436	-	664,537	1,435,347	18,756,320
Advances - non-performing	2,836,203	-	-	-	2,836,203
Others	571,743	797,710	2,897,243	38,533,579	42,800,275
<b>Total Assets</b>	<b>20,311,544</b>	<b>130,678,084</b>	<b>119,450,357</b>	<b>39,968,926</b>	<b>310,408,911</b>
Borrowings	6,541,530	18,847,030	-	-	25,388,560
Subordinated debt	-	-	-	1,495,515	1,495,515
Deposits and other accounts	6,622,694	-	115,296,374	-	121,919,068
Net inter segment borrowing	6,965,614	111,625,098	717,298	50,384,173	169,692,183
Others	181,706	205,956	3,436,685	5,738,130	9,562,477
<b>Total liabilities</b>	<b>20,311,544</b>	<b>130,678,084</b>	<b>119,450,357</b>	<b>57,617,818</b>	<b>328,057,803</b>
Equity	-	-	-	(17,648,892)	(17,648,892)
<b>Total equity and liabilities</b>	<b>20,311,544</b>	<b>130,678,084</b>	<b>119,450,357</b>	<b>39,968,926</b>	<b>310,408,911</b>
<b>Contingencies and Commitments</b>	<b>42,141,197</b>	<b>22,658,270</b>	<b>-</b>	<b>1,945,422</b>	<b>66,744,889</b>

36.1.1 The Bank does not have any operations outside Pakistan.



### 37. RELATED PARTY TRANSACTIONS

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

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

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

	June 30, 2023 (Un-audited)					December 31, 2022 (Audited)				
	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	Parent company	Directors	Key management personnel	Subsidiary	Other related parties
	----- (Rupees in '000) -----									
<b>Investments</b>										
Opening balance	-	-	-	396,942	1,664,676	-	-	-	396,942	1,692,490
Investment made during the period / year	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	(10,899)	-	-	-	-	(27,814)
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	396,942	1,653,777	-	-	-	396,942	1,664,676
Provision for diminution in value of investments	-	-	-	165,191	1,574,529	-	-	-	165,191	1,585,428
<b>Advances</b>										
Opening balance	-	-	162,705	-	671,888	-	-	252,803	-	786,261
Addition during the period / year	-	-	160,187	176,148	7	-	-	19,755	582,251	1,525,485
Repaid during the period / year	-	-	(60,316)	(160,351)	-	-	-	(28,281)	(582,251)	(1,637,218)
Transfer in / (out) - net	-	-	9,448	-	-	-	-	(81,592)	-	(2,640)
Closing balance	-	-	272,024	15,797	671,895	-	-	162,705	-	671,888
Provision held against advances	-	-	-	-	-	-	-	-	-	-

December 31, 2022 (Audited)

June 30, 2023 (Un-audited)

	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	Parent company	Directors	Key management personnel	Subsidiary	Other related parties
(Rupees in '000)										
<b>Other Assets</b>										
Interest / mark-up accrued	-	-	-	131	144,652	-	-	-	217	76,337
Advances, deposits, advance rent and other prepayments	-	-	4,716	-	-	-	-	4,250	-	-
Receivable from defined benefit plan	-	-	-	-	-	-	-	-	-	102,958
Other receivable	-	-	-	-	2,949	699	-	-	-	-
Provision held against other assets	-	-	-	-	-	-	-	-	-	-
<b>Deposits and other accounts</b>										
Opening balance	-	-	19,511	57,606	2,052,046	-	-	82,005	59,341	2,110,049
Received during the period / year	-	-	391,873	1,398,609	2,749,578	-	-	312,104	2,957,326	6,207,533
Withdrawn during the period / year	-	-	(392,698)	(1,418,276)	(3,905,894)	-	-	(306,636)	(2,959,061)	(6,266,214)
Transfer (out) / in - net	-	256	241	-	647	-	-	(67,962)	-	678
Closing balance	-	256	18,927	37,939	896,377	-	-	19,511	57,606	2,052,046
<b>Other Liabilities</b>										
Interest / mark-up payable	-	-	176	622	13,459	-	-	131	574	36,374
Payable to defined benefit plan	-	-	-	-	25,009	-	-	-	-	-
Unearned income	-	-	-	-	-	-	-	-	-	692
Brokerage payable	-	-	-	53	-	-	-	-	21	-
<b>Contingencies and Commitments</b>										
Guarantees, letters of credit and acceptances	-	-	-	-	86,500	-	-	-	-	86,500
Commitments to extend credit	-	-	-	1,07,058	-	-	-	-	128,409	-

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

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

	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	Parent company	Directors	Key management personnel	Subsidiary	Other related parties
(Rupees in '000)										
<b>Income</b>										
Mark-up / return / interest earned	-	-	2,404	902	68,315	-	-	3,933	-	43,176
Fee and commission income	-	5	12	65	693	-	-	9	63	218
Other income	-	-	-	2,093	-	-	-	340	1,977	-
<b>Expense</b>										
Mark-up / return / interest expensed	-	-	447	3,945	119,296	-	-	1,606	2,470	115,270
Operating expenses:										
- Directors' fees and allowances	-	14,700	-	-	-	-	19,800	-	-	-
- Brokerage and commission	-	-	-	634	-	-	-	-	139	-
- Fee and subscription	-	-	810	-	-	-	-	451	-	-
- Managerial Remuneration	-	-	173,938	-	661	-	-	158,245	-	-
- Contribution to defined contribution plan	-	-	-	-	38,386	-	-	-	-	35,049
- Charge for defined benefit plan	-	-	-	-	25,009	-	-	-	-	38,120
Reversal of provision for diminution in value of investment	-	-	-	-	(10,899)	-	-	-	-	-

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

**38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**

(Un-audited) (Audited)  
June 30, December 31,  
2023 2022  
----- (Rupees in '000) -----

**Minimum Capital Requirement (MCR):**

Paid-up capital (net of losses) (13,548,273) (21,800,690)

**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier-1 (CET-1) Capital	(36,302,486)	(43,276,304)
Eligible Additional Tier-1 (ADT-1) Capital	-	-
Total Eligible Tier-1 Capital	(36,302,486)	(43,276,304)
Eligible Tier-2 Capital	-	-
Total Eligible Capital (Tier-1 + Tier-2)	<u>(36,302,486)</u>	<u>(43,276,304)</u>

**Risk Weighted Assets (RWAs):**

Credit Risk	37,609,746	44,655,013
Market Risk	3,681,221	2,295,820
Operational Risk	7,447,378	7,447,378
Total	<u>48,738,345</u>	<u>54,398,211</u>

Common Equity Tier-1 Capital Adequacy Ratio	-74.48%	-79.55%
Tier-1 Capital Adequacy Ratio	<u>-74.48%</u>	<u>-79.55%</u>
Total Capital Adequacy Ratio	<u>-74.48%</u>	<u>-79.55%</u>

**Leverage Ratio (LR):**

Eligible Tier-1 Capital	(36,302,486)	(43,276,304)
Total Exposures	204,678,048	157,956,814
Leverage Ratio	<u>-17.74%</u>	<u>-27.40%</u>

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets	81,292,868	43,961,885
Total Net Cash Outflow	24,841,327	20,348,574
Liquidity Coverage Ratio	<u>327.25%</u>	<u>216.04%</u>

**Net Stable Funding Ratio (NSFR):**

Total Available Stable Funding	103,331,678	77,771,056
Total Required Stable Funding	61,079,028	56,155,340
Net Stable Funding Ratio	<u>169.18%</u>	<u>138.49%</u>

### 39. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2022: 14) Islamic banking branches and 35 (December 31, 2022: 35) Islamic banking windows at the end of the period.

#### STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
Note	----- (Rupees in '000) -----	
<b>ASSETS</b>		
Cash and balances with treasury banks	2,224,524	1,447,196
Balances with other banks	346,961	236,000
Due from financial institutions	39.1 3,969,928	8,051,586
Investments	39.2 23,873,650	10,880,650
Islamic financing and related assets - net	39.3 2,182,956	2,373,102
Fixed assets	278,040	320,139
Intangible assets	37	82
Due from Head Office	-	-
Deferred tax assets	18,895	12,622
Other assets	824,052	1,041,353
<b>Total Assets</b>	<b>33,719,043</b>	<b>24,362,730</b>
<b>LIABILITIES</b>		
Bills payable	309,975	235,430
Due to financial institutions	39.4 2,159,951	607,944
Deposits and other accounts	39.5 26,953,410	20,464,433
Due to Head Office	-	-
Subordinated debt	-	-
Deferred tax liabilities	-	-
Other liabilities	1,110,632	413,183
	<b>30,533,968</b>	<b>21,720,990</b>
<b>NET ASSETS</b>	<b>3,185,075</b>	<b>2,641,740</b>
<b>REPRESENTED BY</b>		
Islamic Banking Fund	1,000,000	1,000,000
Reserves	-	-
Deficit on revaluation of assets	(19,628)	(9,815)
Unappropriated / Unremitted profit	39.6 2,204,703	1,651,555
	<b>3,185,075</b>	<b>2,641,740</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	<b>39.7</b>	

**ISLAMIC BANKING BUSINESS  
PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	June 30, 2023	June 30, 2022
Note	----- (Rupees in '000) -----	
Profit / return earned	<b>39.8</b> 2,078,129	1,180,702
Profit / return expensed	<b>39.9</b> 1,078,674	478,395
<b>Net Profit / return</b>	<b>999,455</b>	702,307
<b>Other income</b>		
Fee and commission income	38,380	20,478
Dividend income	-	-
Foreign exchange loss	32,178	(17,781)
Income / (loss) from derivatives	-	-
Loss on sale of securities	(2,991)	(4,296)
Other income	8,084	2,249
<b>Total other income</b>	<b>75,651</b>	650
<b>Total income</b>	<b>1,075,106</b>	702,957
<b>Other expenses</b>		
Operating expenses	485,261	399,837
Workers' welfare fund	-	-
Other charges	-	-
<b>Total other expenses</b>	<b>485,261</b>	399,837
<b>Profit before provisions</b>	<b>589,845</b>	303,120
Provisions and write offs - net	38,293	5,387
<b>Profit before taxation</b>	<b>551,552</b>	297,733
Taxation	-	-
<b>Profit before taxation</b>	<b>551,552</b>	297,733

**ISLAMIC BANKING BUSINESS**  
**FOR THE HALF YEAR ENDED JUNE 30, 2023**

		June 30, 2023 (Un-audited)			December 31, 2022 (Audited)			
		In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total	
39.1	Due from Financial Institutions	Note ----- (Rupees in '000) -----						
	<b>Unsecured</b>							
	Bai Muajjal Receivable from other Financial Institutions	39.1.1	3,969,928	-	3,969,928	8,051,586	-	8,051,586

39.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited and carries profit 20.75% per annum (December 31, 2022: 15.75% per annum).

**39.2 Investments**

	June 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Investments by segments:	----- (Rupees in '000) -----							
<b>Federal Government Securities:</b>								
- GOP Ijarah Sukuks	21,504,172	-	(84,272)	21,419,900	8,496,681	-	(66,031)	8,430,650
<b>Non Government Debt Securities</b>								
- Listed	2,500,000	-	(46,250)	2,453,750	2,500,000	-	(50,000)	2,450,000
<b>Total Investments</b>	<b>24,004,172</b>	<b>-</b>	<b>(130,522)</b>	<b>23,873,650</b>	<b>10,996,681</b>	<b>-</b>	<b>(116,031)</b>	<b>10,880,650</b>

		(Un-audited) (Audited)	
		June 30, 2023	December 31, 2022
39.3	Islamic financing and related assets	Note ----- (Rupees in '000) -----	
	Ijarah	500,265	394,844
	Running Musharakah	230,683	231,889
	Diminishing Musharakah	1,529,590	1,753,890
	Tijarah	619,998	629,998
	Advance against Ijarah	4,724	26,491
	Gross Islamic financing and related assets	<b>2,885,260</b>	<b>3,037,112</b>
	Less: provision against Islamic financings		
	- Specific	(700,562)	(661,849)
	- General	(1,742)	(2,161)
		<b>(702,304)</b>	<b>(664,010)</b>
	Islamic financing and related assets - net of provision	<b>2,182,956</b>	<b>2,373,102</b>
39.4	Due to financial institutions		
	<b>Secured</b>		
	Acceptances from the SBP under Islamic Export Refinance Scheme	400,000	400,000
	<b>Total secured</b>	<b>400,000</b>	<b>400,000</b>
	<b>Unsecured</b>		
	Overdrawn nostro accounts	9,951	7,944
	Musharakah	1,750,000	200,000
	<b>Total unsecured</b>	<b>1,759,951</b>	<b>207,944</b>
		<b>2,159,951</b>	<b>607,944</b>

39.4.1 This represented acceptance of funds by Islamic operations of Summit Bank Limited from conventional operations of Summit Bank Limited on Musharaka basis.

**39.5 Deposits**

	June 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
<b>Customers</b>						
Current deposits	8,423,441	785,262	9,208,703	5,929,857	426,025	6,355,882
Savings deposits	15,347,013	169,111	15,516,124	12,470,238	182,913	12,653,151
Term deposits	1,088,619	256,446	1,345,065	929,434	133,928	1,063,362
Others	431,431	-	431,431	223,829	-	223,829
	<b>25,290,504</b>	<b>1,210,819</b>	<b>26,501,323</b>	<b>19,553,358</b>	<b>742,866</b>	<b>20,296,224</b>
<b>Financial Institutions</b>						
Current deposits	8,284	80	8,364	5,629	171	5,800
Savings deposits	293,723	-	293,723	162,409	-	162,409
Term deposits	150,000	-	150,000	-	-	-
	<b>452,007</b>	<b>80</b>	<b>452,087</b>	<b>168,038</b>	<b>171</b>	<b>168,209</b>
	<b>25,742,511</b>	<b>1,210,899</b>	<b>26,953,410</b>	<b>19,721,396</b>	<b>743,037</b>	<b>20,464,433</b>

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
----- (Rupees in '000) -----		

**39.6 Islamic Banking Business Unappropriated Profit**

Opening balance	1,651,555	801,294
Add: Islamic Banking profit for the period / year	551,552	847,070
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated profit	1,596	3,191
Closing balance	<b>2,204,703</b>	<b>1,651,555</b>

**39.7 CONTINGENCIES AND COMMITMENTS**

-Guarantees	4,071,325	3,110,325
-Commitments	2,358,089	1,434,033
-Other contingent liabilities	-	-
	<b>6,429,414</b>	<b>4,544,358</b>

	(Un-audited)	
	June 30, 2023	June 30, 2022
----- (Rupees in '000) -----		

**39.8 Profit / Return Earned of Financing, Investments and Placement**

Profit earned on:		
Financing	119,250	142,997
Investments	1,257,782	598,815
Placements	701,012	438,536
Balances with banks	85	354
	<b>2,078,129</b>	<b>1,180,702</b>

**39.9 Profit on Deposits and other Dues Expensed**

Deposits and other accounts	998,450	447,238
Due to Financial Institutions	71,630	20,844
Finance cost of lease liability	8,594	10,313
	<b>1,078,674</b>	<b>478,395</b>



**40. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE**

The shareholders of the Bank approved the change of Bank's name from 'Summit Bank Limited' to 'Bank Makramah Limited' (abbreviated as 'BML') and the disposal of certain portions of the Bank's head office through a special resolution during their Extraordinary General Meeting held on August 15, 2023.

**41. DATE OF AUTHORIZATION OF ISSUE**

These unconsolidated condensed interim financial statements were authorised for issue on August 25, 2023 by the Board of Directors of the Bank.

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President / Chief Executive

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Chief Financial Officer

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Director

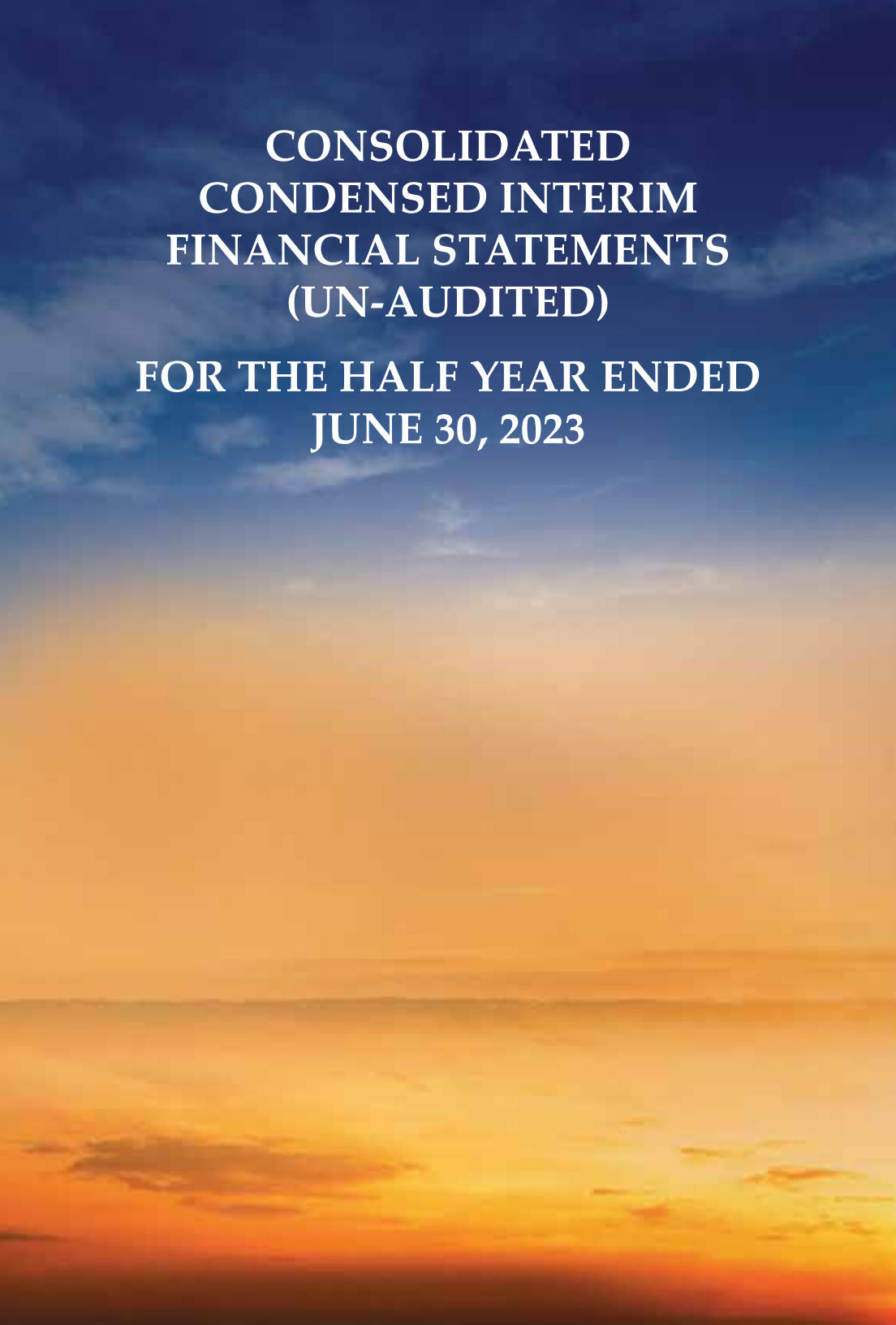
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Director

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Director





**CONSOLIDATED  
CONDENSED INTERIM  
FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE HALF YEAR ENDED  
JUNE 30, 2023**

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
AS AT JUNE 30, 2023

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks	6	16,502,495	13,372,146
Balances with other banks	7	878,345	1,364,568
Lendings to financial institutions	8	1,664,467	10,141,557
Investments	9	155,653,002	51,255,291
Advances	10	19,885,270	21,593,564
Fixed assets	11	10,226,000	10,681,413
Intangible assets	12	149,688	146,135
Deferred tax assets	13	22,019,157	20,726,644
Other assets	14	13,396,079	11,343,215
		<b>240,374,503</b>	<b>140,624,533</b>
<b>LIABILITIES</b>			
Bills payable	16	1,825,990	1,993,587
Borrowings	17	96,154,380	25,388,560
Deposits and other accounts	18	141,426,497	121,861,462
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	9,239,035	7,643,430
		<b>250,141,417</b>	<b>158,382,554</b>
<b>NET ASSETS</b>		<b>(9,766,914)</b>	<b>(17,758,021)</b>
<b>REPRESENTED BY</b>			
Share capital - net	21	30,500,208	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	22	3,754,282	4,003,547
Accumulated losses		(43,596,361)	(41,836,719)
		<b>(9,766,914)</b>	<b>(17,758,021)</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	23		

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023

Note	Quarter Ended		Half Year Ended		
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022	
	----- (Rupees in '000) -----				
Mark-up / return / interest earned	24	6,492,850	1,679,983	10,102,795	2,854,550
Mark-up / return / interest expensed	25	7,096,888	2,179,745	11,114,601	3,836,687
Net Mark-up / interest expense		(604,038)	(499,762)	(1,011,806)	(982,137)
<b>NON MARK-UP / INTEREST INCOME</b>					
Fee and commission income	26	160,028	124,138	306,567	239,986
Dividend income		213	900	221	2,433
Foreign exchange income		225,673	238,356	588,979	295,424
Income / (loss) from derivatives		-	-	-	-
Gain / (loss) on securities	27	24,455	9,228	(452,008)	10,568
Other income	28	340,444	10,672	355,826	16,601
Total non-markup / interest income		750,813	383,294	799,585	565,012
Total income		146,775	(116,468)	(212,221)	(417,125)
<b>NON MARK-UP / INTEREST EXPENSES</b>					
Operating expenses	29	1,767,052	1,465,341	3,374,147	2,844,292
Workers' welfare fund		-	-	-	-
Other charges	30	61	7	181	7
Total non-markup / interest expenses		1,767,113	1,465,348	3,374,328	2,844,299
Loss before provisions		(1,620,338)	(1,581,816)	(3,586,549)	(3,261,424)
(Reversals) / provisions and write offs - net	31	(298,010)	138,676	(831,865)	239,063
Extra ordinary / unusual items		-	-	-	-
<b>LOSS BEFORE TAXATION</b>		<b>(1,322,328)</b>	<b>(1,720,492)</b>	<b>(2,754,684)</b>	<b>(3,500,487)</b>
Taxation	32	(523,033)	(2,215,036)	(1,020,847)	(2,813,871)
<b>(LOSS) / PROFIT AFTER TAXATION</b>		<b>(799,295)</b>	<b>494,544</b>	<b>(1,733,837)</b>	<b>(686,616)</b>
----- (Rupee) -----					
Basic (Loss) / Earning per share	33	(0.08)	0.20	(0.43)	(0.25)
Diluted (Loss) / Earning per share	33	(0.08)	0.20	(0.43)	(0.25)

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2023

	Quarter Ended		Half Year Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----			
(Loss) / profit after taxation for the period	(799,295)	494,544	(1,733,837)	(686,616)
<b>Other comprehensive income</b>				
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>				
Movement in surplus / (deficit) on revaluation of investments - net of tax	(33,032)	(94,630)	(147,980)	11,665
<b>Items that will not be reclassified to profit and loss account in subsequent periods:</b>				
Movement in surplus on revaluation of operating fixed assets - net of tax	-	(111,368)	19,320	(102,528)
Movement in surplus on revaluation of non-banking assets - net of tax	2,311	(30,929)	4,624	(29,159)
Movement in surplus on revaluation of held for sale property - net of tax	15,613	(46,431)	15,613	(46,431)
	17,924	(188,728)	39,557	(178,118)
<b>Total comprehensive (loss) / income</b>	<b>(814,403)</b>	<b>211,186</b>	<b>(1,842,260)</b>	<b>(853,069)</b>

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	Share capital		Capital reserves		Surplus / (deficit) on revaluation of			Total		
	Issued, subscribed and paid up	Discount on issue of shares	Share premium	Reserve arising on amalgamation	Statutory reserve	Investments	Fixed / Non banking assets		Property held for sale	Accumulated losses
<b>Balance as at January 01, 2022 (Audited)</b>	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	63,983	3,496,935	754,510	(38,649,163)	(14,477,584)
Loss after taxation for six months period ended June 30, 2022	-	-	-	-	-	-	-	-	(686,616)	(686,616)
Other comprehensive income - net of tax	-	-	-	-	-	11,665	(131,687)	(46,431)	-	(166,453)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	-	-	50,506	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	(10,119)	-	10,119	-
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	-	-	-	-
<b>Balance as at July 01, 2022 (Un-audited)</b>	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	75,648	3,304,623	708,079	(39,494,154)	(15,330,653)
Loss after taxation for six months period ended December 31, 2022	-	-	-	-	-	-	-	-	(2,501,369)	(2,501,369)
Other comprehensive income - net of tax	-	-	-	-	-	(75,886)	53,564	-	96,323	74,001
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	-	-	50,488	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	(10,120)	-	10,120	-
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	(1,873)	-	1,873	-
<b>Balance as at January 01, 2023 (Audited)</b>	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	(238)	3,295,706	708,079	(41,836,719)	(17,758,071)
Loss after taxation for six months period ended June 30, 2023	-	-	-	-	-	-	-	-	(1,733,837)	(1,733,837)
Other comprehensive income - net of tax	-	-	-	-	-	(147,980)	23,944	15,613	-	(108,423)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	-	-	49,536	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	(11,856)	-	11,856	-
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	(39,415)	-	39,415	-
Transfer from surplus on revaluation of property held for sale to accumulated losses	-	-	-	-	-	-	-	(40,035)	40,035	-
<b>Transactions with owners, recorded directly in equity</b>	39,840,495	(29,840,681)	-	-	-	-	-	-	-	10,000,014
Share issuance cost	66,222,205	(35,721,997)	1,000,000	(1,579,205)	154,162	(148,218)	3,218,843	683,657	(45,596,361)	(9,766,914)

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
FOR THE HALF YEAR ENDED JUNE 30, 2023

	June 30, 2023	June 30, 2022
Note	----- (Rupees in '000) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(2,754,684)	(3,500,487)
Less: Dividend income	(221)	(2,433)
	<u>(2,754,905)</u>	<u>(3,502,920)</u>
<b>Adjustments:</b>		
Depreciation on operating fixed assets	211,476	231,230
Depreciation on right-of-use assets	297,207	302,751
Depreciation on non-banking assets	32,785	30,603
Finance cost of lease liability	212,531	191,322
Amortization	11,608	11,644
(Reversals) / provisions and write-offs excluding recoveries	(831,438)	239,526
Loss on forward exchange contracts	13,072	20,055
Charge for defined benefit plan	25,609	39,170
Charge for employees compensated absences	10,992	9,294
Gain on termination of lease contracts under IFRS 16	(35,006)	6,572
Gain on sale of fixed assets	(196,725)	(18,375)
Loss on sale of non banking assets	-	431
Gain on partial sale of HFS property	(116,794)	-
	<u>(364,683)</u>	<u>1,064,223</u>
	(3,119,588)	(2,438,697)
<b>Decrease / (increase) in operating assets</b>		
Lendings to financial institutions	8,477,090	(3,683,069)
Advances	2,036,633	1,564,725
Others assets (excluding advance taxation)	(2,377,811)	(114,089)
	<u>8,135,912</u>	<u>(2,232,433)</u>
<b>Decrease in operating liabilities</b>		
Bills payable	(167,597)	42,050
Borrowings from financial institutions	71,490,726	8,598,281
Deposits	19,565,035	6,895,748
Other liabilities (excluding current taxation)	1,677,505	411,106
	<u>92,565,669</u>	<u>15,947,185</u>
Payment on account of staff retirement benefits	96,363	(59,295)
Income tax paid	(124,737)	(28,252)
<b>Net cash generated from operating activities</b>	<u>97,553,619</u>	<u>11,188,508</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net investments in available-for-sale securities	(104,131,412)	(9,699,436)
Dividend received	221	2,433
Investments in operating fixed assets	(67,164)	(40,064)
Investments in intangible assets	(15,161)	(22,539)
Proceeds from sale of fixed assets	342,487	45,803
Proceeds from partial sale of HFS property	302,877	-
Proceeds from sale of non banking assets	-	22,448
<b>Net cash used in investing activities</b>	<u>(103,568,152)</u>	<u>(9,691,355)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Payment of lease liability against right-of-use assets	(449,802)	(430,332)
Issue of share capital	10,000,014	-
Share issuance cost	(166,647)	-
<b>Net cash generated from / (used in) financing activities</b>	<u>9,383,565</u>	<u>(430,332)</u>
Effect of exchange rate changes on cash and cash equivalents	561,117	420,419
<b>Increase in cash and cash equivalents</b>	<u>3,930,149</u>	<u>1,487,240</u>
Cash and cash equivalents at beginning of the period	13,444,198	15,058,281
<b>Cash and cash equivalents at end of the period</b>	<u>17,374,347</u>	<u>16,545,521</u>

The annexed notes 1 to 41 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director



**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

**I. STATUS AND NATURE OF BUSINESS**

I.1 The Group comprises of:

**I.1.1 Holding Company: Summit Bank Limited**

Summit Bank Limited (the Bank) is a banking company incorporated in Pakistan on December 09, 2005 as a public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan and its principal office is situated at Summit Tower, Plot No. G-2, Block 2, Scheme 5, Clifton, Karachi, Pakistan.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 179 Conventional Banking Branches and 14 Islamic Banking Branches (December 31, 2022: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962 .

In 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B Minus) and its short-term rating of 'A-3' (A-Three). The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested the State Bank of Pakistan to allow the Bank to complete the credit rating exercise by September 30, 2023.

VIS Credit Rating Company Limited has issued a new rating scale for Tier-2 capital instruments. As a result, the Bank's TFC rating has been harmonized at 'B' (Single B) with a 'Rating Watch-Negative' outlook, as stated in their press release dated June 27, 2023. Previously, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP).

**I.1.2 Subsidiary**

**Summit Capital Private Limited - 100 % Shareholding**

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

I.2 During the period, the Group has incurred a net loss of Rs. 1,733.837 million resulting in accumulated losses of Rs. 43,596.361 million and negative equity of Rs. 9,766.914 million. As per the applicable laws and regulations, the Group is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of June 30, 2023. However, the paid up capital of the Group (net of losses), CAR and LR are negative.

The aforementioned conditions indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the Group is making its best efforts to comply with the applicable capital requirements and has successfully increased its capital as mentioned in note 21.1. To achieve this, the management has prepared a business plan, which has been approved by the Board. This plan aims to improve the Group's capital base and risk absorption capacity, achieve compliance with applicable regulatory requirements and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Sale of a portion of self-constructed property on the plot of land bearing No. G-2, Block 2, Scheme No: 5;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Group will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Group;
- Identifying opportunities for rationalization of the cost structure;
- Improvement in the risk management and technological infrastructure of the Group to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark-up income and non-mark up income.

## **2. BASIS OF PRESENTATION**

### **2.1 STATEMENT OF COMPLIANCE**

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

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments, Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. Moreover, SBP vide BPRD Circular no. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP, 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 financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

### **2.3 Basis of consolidation**

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

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

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

**2.4** Key financial figures of the Islamic banking branches are disclosed in note 39 to these consolidated condensed interim financial statements.

**2.5** The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2022.

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

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 01, 2023. These are considered either not to be relevant or not to have any significant impact on the Group's operations and therefore are not detailed in these consolidated financial statements.

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

The SBP through BPRD Circular no.3 dated July 05, 2022 has made IFRS 9 'Financial Instruments' applicable to Banks in Pakistan for accounting periods beginning on or after January 01, 2024 (for banks having asset size of less than Rs. 500 billion). The subject circular also envisages the implementation guidelines and the impact of the application of IFRS 9 in Pakistan on the Bank's financial statements is currently being assessed. IFRS 9 replaces the existing guidance in (IAS) 39, 'Financial Instruments, Recognition and Measurement'. The standard includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

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

<u>Standard, Interpretation or Amendment</u>	<u>Effective date (annual periods beginning on or after)</u>
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Deferred indefinitely

## 2.8 Critical accounting estimates and judgements

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

## 3. BASIS OF MEASUREMENT

### 3.1 Accounting convention

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

### 3.2 Functional and Presentation Currency

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

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

## 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2022, except that: during the period, the Bank realigned its reporting business segments and as a result changes have been made in the respective note to the accounts along with the restatement of the prior period financial information.

## 5. FINANCIAL RISK MANAGEMENT

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

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
<b>6. CASH AND BALANCES WITH TREASURY BANKS</b>		
<b>In hand</b>		
Local currency	5,455,351	4,127,391
Foreign currency	629,529	356,179
	<b>6,084,880</b>	<b>4,483,570</b>
<b>With State Bank of Pakistan in</b>		
Local currency current account	8,517,545	7,827,523
Foreign currency current account	448,433	395,801
Foreign currency deposit account	641,237	582,381
	<b>9,607,215</b>	<b>8,805,705</b>
With National Bank of Pakistan in Local currency current account	777,944	66,309
Prize bonds	32,456	16,562
	<b>16,502,495</b>	<b>13,372,146</b>
<b>7. BALANCES WITH OTHER BANKS</b>		
<b>In Pakistan</b>		
In current account	9,007	2,003
In deposit account	20,053	16,206
	<b>29,060</b>	<b>18,209</b>
<b>Outside Pakistan</b>		
In current account	774,287	1,288,393
In deposit account	74,998	57,966
	<b>849,285</b>	<b>1,346,359</b>
	<b>878,345</b>	<b>1,364,568</b>
<b>8. LENDINGS TO FINANCIAL INSTITUTIONS</b>		
Repurchase agreement lendings (Reverse Repo)	1,664,467	10,141,557
Less: provision held against Lendings to Financial Institutions	-	-
Lendings to Financial Institutions - net of provision	<b>1,664,467</b>	<b>10,141,557</b>

## 9. INVESTMENTS

9.1 Investments by type:	June 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----								
<b>Available-for-sale securities</b>								
<b>Federal Government Securities</b>								
- Market Treasury Bills	67,425,930	-	(89,087)	67,336,843	20,013,762	-	1,975	20,015,737
- Pakistan Investment Bonds	58,583,316	-	(84,490)	58,498,826	14,330,617	-	(13,817)	14,316,800
- GoP Ijarah Sukuks	27,110,389	-	(110,110)	27,000,279	13,988,936	-	(73,186)	13,915,750
<b>Shares</b>								
- Fully paid up ordinary shares - Listed	1,972,997	(1,698,680)	81,797	356,114	2,610,662	(2,198,059)	130,866	543,469
- Fully paid up ordinary shares - Unlisted	8,131	(1,000)	-	7,131	14,475	(1,000)	-	13,475
- Preference shares - Unlisted	46,035	(46,035)	-	-	46,035	(46,035)	-	-
<b>Non Government Debt Securities</b>								
- Term Finance Certificates	1,554,887	(1,554,887)	-	-	1,565,786	(1,565,786)	-	-
- Sukuk Bonds	2,700,000	(200,000)	(46,250)	2,453,750	2,700,000	(200,000)	(50,000)	2,450,000
<b>Units of mutual funds - Listed</b>	<b>68</b>	<b>-</b>	<b>(9)</b>	<b>59</b>	<b>68</b>	<b>-</b>	<b>(8)</b>	<b>60</b>
	159,401,753	(3,500,602)	(248,149)	155,653,002	55,270,341	(4,010,880)	(4,170)	51,255,291
<b>Total Investments</b>	<b>159,401,753</b>	<b>(3,500,602)</b>	<b>(248,149)</b>	<b>155,653,002</b>	<b>55,270,341</b>	<b>(4,010,880)</b>	<b>(4,170)</b>	<b>51,255,291</b>

9.1.1 Investments given as collateral - Market Value	(Un-audited)		(Audited)	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
----- (Rupees in '000) -----				
Market Treasury Bills	54,734,684	10,280,041		
Pakistan Investment Bonds	36,161,200	7,894,300		
	<u>90,895,884</u>	<u>18,174,341</u>		

### 9.2 Provision for diminution in value of investments

Opening balance	4,010,880	3,975,258
Charge / reversals		
Charge for the period / year	26,000	64,786
Reversals for the period / year	(10,899)	(29,164)
Reversal on disposals	(525,379)	-
	(510,278)	35,622
Closing balance	<u>3,500,602</u>	<u>4,010,880</u>

### 9.3 Particulars of provision against debt securities

Category of classification	June 30, 2023 (Un-audited)		December 31, 2022 (Audited)	
	NPI	Provision	NPI	Provision
----- (Rupees in '000) -----				
Domestic				
Loss	1,794,275	1,794,275	1,765,786	1,765,786

## 10. ADVANCES

	Performing		Non Performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Note ----- (Rupees in '000) -----						
Loans, cash credits, running finances, etc.	14,885,096	16,339,171	34,700,532	35,332,731	49,585,628	51,671,902
Islamic financing and related assets	1,989,815	2,351,110	895,445	686,002	2,885,260	3,037,112
Bills discounted and purchased	281,258	77,636	47,089	49,335	328,347	126,971
Advances - gross	17,156,169	18,767,917	35,643,066	36,068,068	52,799,235	54,835,985
Provision against advances						
- Specific	-	-	(32,905,689)	(33,231,865)	(32,905,689)	(33,231,865)
- General	(8,276)	(10,556)	-	-	(8,276)	(10,556)
	(8,276)	(10,556)	(32,905,689)	(33,231,865)	(32,913,965)	(33,242,421)
Advances - net of provision	17,147,893	18,757,361	2,737,377	2,836,203	19,885,270	21,593,564
					(Un-audited) June 30, 2023	(Audited) December 31, 2022
					52,799,235	54,835,985

### 10.1 Particulars of advances (Gross)

In local currency	52,582,216	54,744,630
In foreign currencies	217,019	91,355
	52,799,235	54,835,985

10.2 Advances include Rs. 35,643.066 million (December 31, 2022: Rs. 36,068.068 million) which have been placed under non-performing status as detailed below:

Category of Classification	June 30, 2023 (Un-audited)		December 31, 2022 (Audited)	
	Non Performing Loans	Provision	Non Performing Loans	Provision
----- (Rupees in '000) -----				
<b>Domestic</b>				
Other Assets Especially Mentioned	14,558	161	6,174	96
Substandard	42,463	2,662	149,835	391
Doubtful	482,522	2,004	22,569	6,524
Loss	35,103,523	32,900,862	35,889,490	33,224,854
	35,643,066	32,905,689	36,068,068	33,231,865

### 10.3 Particulars of provision against advances

	June 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	33,231,865	10,556	33,242,421	32,750,104	13,885	32,763,989
Charge for the period / year	534,928	-	534,928	1,397,485	-	1,397,485
Reversals	(860,987)	(2,280)	(863,267)	(906,851)	(3,329)	(910,180)
	(326,059)	(2,280)	(328,339)	490,634	(3,329)	487,305
Amounts written off	(117)	-	(117)	(8,873)	-	(8,873)
Closing balance	32,905,689	8,276	32,913,965	33,231,865	10,556	33,242,421

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

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

10.3.2 The Group has availed the Forced Sale Value (FSV) benefit of pledged stocks, mortgaged properties, plant and machinery, and liquid securities held as collateral against non-performing advances as allowed under the applicable Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Group, the specific provision against non-performing advances would have been higher by Rs. 2,714.275 million (2022: Rs. 2,820.580 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 1,655.708 million (2022: Rs. 1,720.554 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
<b>II. FIXED ASSETS</b>	<b>Note</b>	----- (Rupees in '000) -----	
Capital work-in-progress	11.1	46,521	26,564
Property and equipment		7,391,422	7,701,453
Right-of-use assets		2,788,057	2,953,396
		<u>10,226,000</u>	<u>10,681,413</u>
<b>11.1 Capital work-in-progress</b>			
Civil works and related payments / progress billings		19,215	14,933
Advances and other payments to suppliers and contractors		27,306	11,631
Advances and other payments against capital work in progress considered doubtful		1,155,814	1,158,340
Less: Provision held there against		(1,155,814)	(1,158,340)
		-	-
		<u>46,521</u>	<u>26,564</u>
		(Un-audited)	
		June 30, 2023	June 30, 2022
<b>11.2 Additions to fixed assets</b>		----- (Rupees in '000) -----	
The following additions have been made to fixed assets during the period:			
<b>Capital work-in-progress - net</b>		19,957	6,213
<b>Property and equipment</b>			
Building improvements		14,778	6,660
Furniture and fixture		2,316	4,407
Electrical, office and computer equipment		30,020	22,845
Vehicles		93	-
		47,207	33,912
Right-of-use assets		216,567	287,690
		<u>283,731</u>	<u>327,815</u>



### 11.3 Disposal of fixed assets

The net book value of fixed assets disposed off during the period is as follows:

#### Property and equipment

	(Un-audited)	
	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
Leasehold land	70,000	-
Building on leasehold land	74,915	-
Building improvements	572	29
Furniture and fixture	-	108
Electrical, office and computer equipment	275	818
Vehicles	-	3,118
	<b>145,762</b>	<b>4,073</b>
Derecognition of right-of-use assets	<b>85,040</b>	<b>16,919</b>
	<b>230,802</b>	<b>20,992</b>

## 12. INTANGIBLE ASSETS

	Note	(Un-audited) June 30, 2023	(Audited) December 31, 2022
		----- (Rupees in '000) -----	
Capital work-in-progress	12.1	72,997	72,550
Intangible assets in use	12.2	76,691	73,585
		<b>149,688</b>	<b>146,135</b>

### 12.1 Capital work-in-progress

Advances to suppliers and contractors	72,997	72,550
Advances against capital work in progress considered doubtful Less: Provision held there against	<b>142,522</b> <b>(142,522)</b>	<b>142,522</b> <b>(142,522)</b>
	<b>72,997</b>	<b>72,550</b>

### 12.2 Intangible assets in use

Computer softwares	74,191	71,085
Trading Rights Entitlement Certificate	2,500	2,500
	<b>76,691</b>	<b>73,585</b>

### 12.3 Additions to intangible assets

The following additions have been made to intangible assets during the period:

	(Un-audited)	
	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
Capital work-in-progress - net	447	17,669
Directly purchased	14,714	4,870
	<b>15,161</b>	<b>22,539</b>

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

**13. DEFERRED TAX ASSETS**

June 30, 2023 (Un-audited)				
At January 01, 2023	Recognised in profit and loss account	Recognised in other comprehensive income	At June 30, 2023	
----- (Rupees in '000) -----				
Deductible Temporary Differences on				
- Tax losses carried forward	13,108,527	1,264,280	-	14,372,807
- Provision against advances, off balance sheet etc.	8,121,244	62,980	-	8,184,224
- Provision for impairment loss - Investment	1,564,243	(199,009)	-	1,365,234
- Provision against intangible assets	48,034	-	-	48,034
- Staff compensated absences	51,955	1,932	-	53,887
- Provision against other assets	166,759	-	-	166,759
- Deficit on revaluation of investments	3,932	-	95,998	99,930
- Unrealized (gain) / loss on forward exchange contracts	(142)	5,240	-	5,098
- Minimum tax	354	660	-	1,014
- Alternative Corporate tax	3,800	(752)	-	3,048
	<b>23,068,706</b>	<b>1,135,331</b>	<b>95,998</b>	<b>24,300,035</b>
Taxable Temporary Differences on				
- Surplus on revaluation of fixed assets	(1,151,581)	-	19,318	(1,132,263)
- Surplus on revaluation of property - held for sale	(452,705)	-	15,613	(437,092)
- Surplus on revaluation of non-banking assets	(333,546)	-	4,625	(328,921)
- Accelerated tax depreciation	(404,230)	21,628	-	(382,602)
	<b>(2,342,062)</b>	<b>21,628</b>	<b>39,556</b>	<b>(2,280,878)</b>
	<b>20,726,644</b>	<b>1,156,959</b>	<b>135,554</b>	<b>22,019,157</b>

December 31, 2022 (Audited)				
At January 01, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2022	
----- (Rupees in '000) -----				
Deductible Temporary Differences on				
- Tax losses carried forward	9,813,393	3,295,134	-	13,108,527
- Provision against advances, off balance sheet etc.	7,086,935	1,034,309	-	8,121,244
- Provision for impairment loss - Investment	1,391,340	172,903	-	1,564,243
- Provision against intangible assets	43,107	4,927	-	48,034
- Staff compensated absences	51,647	308	-	51,955
- Provision against other assets	149,656	17,103	-	166,759
- Minimum tax	160,275	(159,921)	-	354
- Alternative Corporate tax	4,235	(435)	-	3,800
	<b>18,700,588</b>	<b>4,364,328</b>	<b>-</b>	<b>23,064,916</b>
Taxable Temporary Differences on				
- Surplus on revaluation of fixed assets	(1,069,472)	-	(82,109)	(1,151,581)
- Unrealized loss / (gain) on forward exchange contracts	10,472	(10,614)	-	(142)
- Surplus / (deficit) on revaluation of investments	(25,096)	-	29,028	3,932
- Surplus on revaluation of property - held for sale	(406,274)	-	(46,431)	(452,705)
- Surplus on revaluation of non-banking assets	(289,666)	-	(43,880)	(333,546)
- Accelerated tax depreciation	(295,904)	(108,326)	-	(404,230)
	<b>(2,075,940)</b>	<b>(118,940)</b>	<b>(143,392)</b>	<b>(2,338,272)</b>
	<b>16,624,648</b>	<b>4,245,388</b>	<b>(143,392)</b>	<b>20,726,644</b>

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

#### 14. OTHER ASSETS

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	4,108,316	1,468,519
Income / mark-up accrued in foreign currency	4,333	2,848
Advances, deposits, advance rent and other prepayments	293,831	383,911
Advance taxation (payments less provisions)	597,269	608,644
Non-banking assets acquired in satisfaction of claims	2,494,356	2,515,284
Branch adjustment account	-	7,136
Receivable from defined benefit plan	-	102,958
Receivable from other banks against clearing and settlement	344,747	459,528
Mark to market gain on forward foreign exchange contracts	15,432	608
Acceptances	153,355	175,931
Stationery and stamps on hand	6,961	7,076
Commission receivable on home remittance	2,425	2,419
Commission receivable on brokerage	5,638	3,492
Property - held for sale	14.1 3,692,787	3,836,309
Account receivable	85,818	84,455
Others	524,002	556,766
	<b>12,329,270</b>	<b>10,215,884</b>
Less: Provision held against other assets	14.2 (897,326)	(888,696)
Other assets (net of provision)	<b>11,431,944</b>	<b>9,327,188</b>
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	843,386	855,243
Surplus on revaluation of property - held for sale	1,120,749	1,160,784
Other assets - total	<b>13,396,079</b>	<b>11,343,215</b>

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

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
<b>14.2 Provision held against other assets</b>		
Income / mark-up accrued in local currency	1,389	1,389
Advances, deposits, advance rent and other prepayments	98,008	98,008
Non-banking assets acquired in satisfaction of claims	360,107	360,107
Commission receivable on guarantees	9,880	9,880
Receivable from Dewan Group	45,310	45,310
Account receivable - sundry claims	213,030	204,400
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	143,908	143,908
	<b>897,326</b>	<b>888,696</b>

##### 14.2.1 Movement in provision held against other assets

Opening balance	888,696	815,110
Charge for the period / year	8,630	78,252
Reversals	-	(4,666)
Closing balance	<b>897,326</b>	<b>888,696</b>

**15. CONTINGENT ASSETS**

There were no contingent assets at the balance sheet date.

**16. BILLS PAYABLE**

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
In Pakistan	1,825,990	1,993,587
Outside Pakistan	-	-
	<u>1,825,990</u>	<u>1,993,587</u>

**17. BORROWINGS**

**Secured**

Borrowings from State Bank of Pakistan

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

4,904,150	5,710,250
400,000	400,000
337,316	428,927
1,726	2,352
<b>90,504,695</b>	<b>18,115,632</b>
<b>96,147,887</b>	<b>24,657,161</b>

**Total secured**

**Unsecured**

Overdrawn nostro accounts

6,493	731,399
<b>96,154,380</b>	<b>25,388,560</b>

**18. DEPOSITS AND OTHER ACCOUNTS**

	June 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
<b>Customers</b>						
Current deposits	44,021,951	2,186,260	46,208,211	40,907,997	1,534,309	42,442,306
Savings deposits	69,873,118	1,830,155	71,703,273	58,374,143	1,638,923	60,013,066
Term deposits	13,833,968	3,109,734	16,943,702	12,024,797	2,940,083	14,964,880
Others	3,158,094	44,975	3,203,069	2,284,400	35,609	2,320,009
	<b>130,887,131</b>	<b>7,171,124</b>	<b>138,058,255</b>	<b>113,591,337</b>	<b>6,148,924</b>	<b>119,740,261</b>
<b>Financial institutions</b>						
Current deposits	249,179	53,702	302,881	272,524	162,329	434,853
Savings deposits	2,555,353	8	2,555,361	1,358,976	6	1,358,982
Term deposits	510,000	-	510,000	327,366	-	327,366
Others	-	-	-	-	-	-
	<b>3,314,532</b>	<b>53,710</b>	<b>3,368,242</b>	<b>1,958,866</b>	<b>162,335</b>	<b>2,121,201</b>
	<b>134,201,663</b>	<b>7,224,834</b>	<b>141,426,497</b>	<b>115,550,203</b>	<b>6,311,259</b>	<b>121,861,462</b>

**19. SUBORDINATED DEBT**

Issue amount	Rs.1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2022 (2021: October 27, 2021)

These TFCs were issued by the Bank on October 27, 2011 for an initial tenure of seven years and maturity date of October 27, 2018. In order to protect the interest of the TFC Holders, the tenure of the TFC together with the payment of applicable redemption amounts were extended for fourth time by the Bank to October 27, 2019, October 27, 2020, October 27, 2021 and October 27, 2022 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019, October 22, 2020 and October 26, 2021. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020, July 09, 2021 and August 01, 2022. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020, October 22, 2021 and October 24, 2022.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 27, 2022 had approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts (principal and the related mark-up) with the revised maturity date of October 27, 2023. The Bank has complied with all the applicable laws, rules and requisite regulatory requirements and the final approval is awaited from the State Bank of Pakistan.

Rating	'B' (Single B).
Security	Unsecured.
Redemption / profit payment frequency	The redemption / profit payment details are mentioned in the above maturity date clause.
Mark up	Base rate (6 months KIBOR - ask side) plus 325 bps.
Call option	The Bank had an option to call the TFC's subject to SBP's prior written approval, on any profit payment date after the 60th month from the last day of public subscription, with not less than 30 days prior notice to be given to the Trustee. The Call option once announced will not be revocable. Further, no premium will be paid to the TFC Holders in case the call option is exercised by the Bank.
Lock-in-clause	Neither interest nor principal can be paid (even at maturity) if such payments will result in a shortfall in the Bank's Minimum Capital Requirements (MCR) or Capital Adequacy Ratio (CAR) or increase in the existing shortfall in MCR and CAR.

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
20. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	3,717,905	2,291,490
Mark-up / return / interest payable in foreign currencies	2,011	3,475
Unearned income	71,035	70,164
Accrued expenses	93,940	78,399
Advance against sale of property	283,784	328,731
Acceptances	153,355	175,931
Unclaimed dividends	2,213	2,213
Mark to market loss on forward foreign exchange contracts	28,504	243
Branch adjustment account	8,128	-
Payable to defined benefit plan	25,009	-
Charity fund balance	2,005	2,154
Security deposits against lease	209,054	247,222
Payable to Bangladesh Bank	41,389	41,389
Payable to Rupali Bank - Bangladesh	16,293	16,293
Payable to vendors / creditors	254,667	228,005
Provision for compensated absences	139,138	134,141
Payable to Bank of Ceylon, Colombo	20,163	20,163
Retention money	33,648	306
Workers' welfare fund	13,360	13,360
Withholding taxes and government levies payable	171,989	34,946
Federal excise duty and sales tax payable	6,328	6,814
Commission payable on home remittances	1,926	2,381
Lease liability against right-of-use assets	3,354,425	3,494,835
Account payable	42,074	66,754
Others	546,692	384,021
	<u>9,239,035</u>	<u>7,643,430</u>

## 21. SHARE CAPITAL-NET

- 21.1 During the period the Bank has issued 3,984,069,516 ordinary shares having face value of Rs. 10/- each, other than right shares, to His Excellency Naseer Abdulla Hussain Lootah and minority shareholders at a subscription price of Rs. 2.51 per share. Through this issue, an amount of Rs. 10,000.014 million was raised comprising of Rs. 39,840.695 million and Rs. 29,840.681 million in respect of ordinary share capital and discount on issue of shares, respectively. The paid-up capital of the Bank before issuance of shares was Rs. 26,381.511 million (divided into 2,638,151,060 shares of Rs. 10 each) and after issuance of shares has increased to Rs. 66,222.206 million (divided into 6,622,220,576 shares of Rs. 10 each). The shares were issued after having all requisite approvals.

	(Un-audited) June 30, 2023	(Audited) December 31, 2022
<b>22. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS</b>	Note	----- (Rupees in '000) -----
Surplus / (deficit) on revaluation of		
- Available for sale securities	9.1 (248,148)	(4,170)
- Fixed assets	3,836,641	3,925,590
- Non-banking assets acquired in satisfaction of claims	843,386	855,243
- Property - held for sale	1,120,749	1,160,784
	<b>5,552,628</b>	<b>5,937,447</b>
Deferred tax on surplus / (deficit) on revaluation of:		
- Available for sale securities	99,930	3,932
- Fixed assets	(1,132,263)	(1,151,581)
- Non-banking assets acquired in satisfaction of claims	(328,921)	(333,546)
- Property - held for sale	(437,092)	(452,705)
	<b>(1,798,346)</b>	<b>(1,933,900)</b>
	<b>3,754,282</b>	<b>4,003,547</b>

### 23. CONTINGENCIES AND COMMITMENTS

-Guarantees	23.1	13,199,858	11,817,383
-Commitments	23.2	107,490,365	30,733,931
-Other contingent liabilities	23.3	22,274,317	24,065,166
		<b>142,964,540</b>	<b>66,616,480</b>

#### 23.1 Guarantees:

Financial guarantees	20,470	20,470
Performance guarantees	9,644,584	9,102,570
Other guarantees	3,534,804	2,694,343
	<b>13,199,858</b>	<b>11,817,383</b>

#### 23.2 Commitments:

Documentary credits and short-term trade-related transactions			
- letters of credit		3,722,667	1,670,541
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	6,234,139	4,542,638
- forward lending	23.2.2	6,752,956	6,182,079
Commitments for acquisition of:			
- operating fixed assets		34,522	24,552
- intangible assets		241,386	198,489
Other commitments	23.2.3	90,504,695	18,115,632
		<b>107,490,365</b>	<b>30,733,931</b>

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	----- (Rupees in '000) -----	
<b>23.2.1</b>	<b>Commitments in respect of forward foreign exchange contracts</b>		
	Purchase	5,457,749	4,542,638
	Sale	776,390	-
		<u>6,234,139</u>	<u>4,542,638</u>
<b>23.2.2</b>	<b>Commitments in respect of forward lending</b>		
	Forward documentary bills	5,440,445	5,193,241
	Undrawn formal standby facilities, credit lines and other commitments to lend	23.2.2.1 1,312,511	988,838
		<u>6,752,956</u>	<u>6,182,079</u>
<b>23.2.2.1</b>	These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Group without the risk of incurring significant penalty or expense.		
		(Un-audited) June 30, 2023	(Audited) December 31, 2022
<b>23.2.3</b>	<b>Other commitments</b>	----- (Rupees in '000) -----	
	Purchase (Repo)	<u>90,504,695</u>	<u>18,115,632</u>
<b>23.3</b>	<b>Other contingent liabilities - claims against the Group not acknowledged as debts</b>	<u>22,274,317</u>	<u>24,065,166</u>
<b>23.4</b>	During the year 2018, Law Enforcement Agencies (LEAs) initiated its investigation on certain bank accounts alleged for money laundering activities in various banks including Summit Bank Limited. The Honourable Supreme Court of Pakistan under Suo Moto Case HRC-39216-G, appointed a Joint Investigation Team (JIT) which was constituted to investigate the matter. On recommendation of JIT, the matter was referred by the Honourable Supreme Court to the National Accountability Bureau (NAB) for further investigation and filing of references in the National Accountability Courts. The matter is currently under NAB investigations and only partial references have been filed in the NAB Courts. The Bank has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible and the matter is currently sub judice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Bank.		
<b>23.5</b>	<b>Contingency for tax payable</b>		
	Contingency related to tax payable is disclosed in note 32.2.		



		(Un-audited)	
		Half year ended	
		June 30, 2023	June 30, 2022
24. MARK-UP / RETURN / INTEREST EARNED	Note	----- (Rupees in '000) -----	
On:			
Loans and advances		1,489,628	1,104,162
Investments		8,490,162	1,614,486
Lendings to financial institutions		90,948	133,142
Balances with banks		32,057	2,760
		<u>10,102,795</u>	<u>2,854,550</u>

25. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		6,402,949	2,889,608
Borrowings		3,930,187	275,466
Subordinated debt		158,192	103,717
Cost of foreign currency swaps against foreign currency deposits / borrowings		410,742	376,574
Finance cost of lease liability		212,531	191,322
		<u>11,114,601</u>	<u>3,836,687</u>

26. FEE AND COMMISSION INCOME			
Branch banking customer fees		27,197	20,473
Consumer finance related fees		2,573	3,354
Card related fees (debit cards)		62,781	43,826
Credit related fees		1,223	1,896
Investment banking fees		1,322	12,394
Commission on trade		107,911	86,306
Commission on guarantees		55,693	27,522
Commission on cash management		21	893
Commission on remittances including home remittances		5,387	4,771
Commission on bancassurance		1,515	422
Alternate Delivery Channels		18,127	17,443
Commission on brokerage		22,798	20,681
Others		19	5
		<u>306,567</u>	<u>239,986</u>

27. (LOSS) / GAIN ON SECURITIES			
Realised	27.1	(452,008)	10,568
Unrealised - held for trading		-	-
		<u>(452,008)</u>	<u>10,568</u>

27.1 Realised (loss) / gain on:			
Federal Government Securities		33,199	10,568
Shares		(485,207)	-
		<u>(452,008)</u>	<u>10,568</u>

## 28. OTHER INCOME

Note	(Un-audited)	
	Half year ended	
	June 30, 2023	June 30, 2022
	----- (Rupees in '000) -----	
Rent on property / locker	2,258	2,389
Gain on sale of fixed assets - net	196,725	18,375
Gain on partial sale of HFS property	116,794	-
Loss on sale of non banking assets	-	(431)
Gain on sale of ijarah assets	527	1,297
Recoveries against previously expensed items	-	1,056
Gain / (loss) on termination of lease contracts under IFRS 16	35,006	(6,572)
Income on settlement of nostro balances	-	448
Refund from Gratuity Fund	4,516	-
Others	-	39
	<b>355,826</b>	<b>16,601</b>

## 29. OPERATING EXPENSES

<b>Total compensation expense</b>	<b>29.1</b>	<b>1,159,451</b>	<b>1,042,624</b>
<b>Property expense</b>			
Rent and taxes		42,055	46,559
Insurance - property		5,451	5,446
Insurance - non banking assets		414	448
Utilities cost		200,442	154,195
Security (including guards)		121,323	98,922
Repair and maintenance (including janitorial charges)		81,054	58,264
Depreciation on owned fixed assets		126,154	135,309
Depreciation on right-of-use assets		297,207	302,751
Depreciation on non banking assets		32,785	30,603
		<b>906,885</b>	<b>832,497</b>
<b>Information technology expenses</b>			
Software maintenance		74,148	49,060
Hardware maintenance		73,242	45,627
Depreciation on computer equipments		34,056	40,947
Amortisation of computer softwares		11,608	11,644
Network charges		49,490	43,850
Insurance		2,493	168
		<b>245,037</b>	<b>191,296</b>
<b>Other operating expenses</b>			
Directors' fees and allowances		14,700	19,800
Fees and allowances to Shariah Board		11,850	10,200
Legal and professional charges		41,728	37,775
Outsourced services costs		138,445	103,525
Travelling and conveyance		215,136	124,097
NIFT clearing charges		15,315	12,467
Depreciation		51,266	54,974
Training and development		3,877	1,211
Postage and courier charges		20,713	24,168
Communication		42,149	24,205
Stationery and printing		73,142	43,379
Marketing, advertisement and publicity		5,180	5,195
Brokerage and commission		17,712	14,243
Fee and subscription		76,738	49,542
Cash transportation and sorting charges		69,134	55,948
Entertainment		31,521	18,415
Insurance		75,338	62,337
Deposit insurance premium expense		67,432	48,290
Repair and maintenance		64,499	43,718
Auditors' remuneration		5,672	5,501
Others		21,227	18,885
		<b>1,062,774</b>	<b>777,875</b>
		<b>3,374,147</b>	<b>2,844,292</b>

		(Un-audited)	
		Half year ended	
		June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
<b>29.1</b>	<b>Total compensation expense</b>	<b>Note</b>	
	Fees and allowances etc.	7,522	10,103
	Managerial remuneration		
	i) Fixed	737,725	652,725
	ii) Variable		
	of which;		
	a) Cash bonus / awards etc.	-	-
	b) Incentives and commission	470	2,571
	Charge for defined benefit plan	25,609	39,170
	Contribution to defined contribution plan	39,559	36,184
	Charge for employees compensated absences	10,992	9,294
	Rent and house maintenance	231,112	200,814
	Utilities	51,356	44,623
	Medical	54,761	46,887
	Employee old age benefit institution	345	253
	<b>Total</b>	<b>1,159,451</b>	<b>1,042,624</b>

### 30. OTHER CHARGES

Penalties imposed by State Bank of Pakistan	181	7
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### 31. (REVERSALS) / PROVISIONS AND WRITE OFFS - NET

(Reversal of provision) / provision for diminution in value of investments	(510,278)	31,301
(Reversal) / provision against loans and advances	(328,339)	204,125
Provision against other assets	8,630	4,091
Fixed assets written off	-	9
Operational loss	1,075	-
Reversal of provision for advances and other payments against capital work in progress	(2,526)	-
Recoveries against written off / charged off bad debts	(427)	(463)
	<b>(831,865)</b>	<b>239,063</b>

### 32. TAXATION

Current	32.1 & 32.2	136,112	44,546
Prior years		-	-
Deferred		(1,156,959)	(2,858,417)
		<b>(1,020,847)</b>	<b>(2,813,871)</b>

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

**32.2** The Income Tax Returns of the Bank and its subsidiary have been submitted up to and including financial year ended December 31, 2021 i.e. tax year 2022.

In respect of assessments of Summit Bank Limited from tax years 2009 to tax year 2018 the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 418.48 million through amended assessment orders and the same have been paid / stayed / adjusted against available refunds.

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

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

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

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

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

		(Un-audited)	
		Half year ended	
		June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
<b>33. BASIC AND DILUTED LOSS PER SHARE</b>	Note		
Loss for the period		<u>(1,733,837)</u>	<u>(686,616)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Basic		<u>4,024,871,389</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Basic loss per share		<u>(0.43)</u>	<u>(0.26)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Diluted	33.1	<u>4,024,871,389</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.43)</u>	<u>(0.26)</u>

33.1 There are no potential ordinary shares outstanding as of June 30, 2023.

		(Un-audited)	
		Half year ended	
		June 30, 2023	June 30, 2022
		----- (Rupees in '000) -----	
<b>34. CASH AND CASH EQUIVALENTS</b>			
Cash and balances with treasury banks		16,502,495	15,274,755
Balances with other banks		878,345	1,280,403
Overdrawn nostro accounts		(6,493)	(9,637)
		<u>17,374,347</u>	<u>16,545,521</u>

### 35. FAIRVALUE MEASUREMENTS

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

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

#### 35.1 Fair value of financial assets

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

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using input for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

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

June 30, 2023 (Un-audited)				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
<b>On balance sheet financial instruments</b>				
<b>Financial assets - measured at fair value</b>				
Investments				
- Federal Government Securities	-	152,835,948	-	152,835,948
- Shares - Listed	356,114	-	-	356,114
- Non Government Debt Securities	-	2,453,750	-	2,453,750
- Units of mutual funds	-	59	-	59
<b>Financial assets - disclosed but not measured at fair value</b>				
Investments				
- Shares - Unlisted	-	-	73,243	73,243
<b>Non-Financial assets - measured at fair value</b>				
Operating fixed assets	-	-	6,980,906	6,980,906
Non banking assets acquired in satisfaction of claims	-	-	2,977,635	2,977,635
<b>Off-balance sheet financial instruments - measured at fair value</b>				
Forward purchase of foreign exchange	-	5,454,741	-	5,454,741
Forward sale of foreign exchange	-	786,454	-	786,454

December 31, 2022 (Audited)

Level 1	Level 2	Level 3	Total
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----- (Rupees in '000) -----

**On balance sheet financial instruments**

**Financial assets - measured at fair value**

Investments

- Federal Government Securities	-	48,248,287	-	48,248,287
- Shares - Listed	543,469	-	-	543,469
- Non Government Debt Securities	-	2,450,000	-	2,450,000
- Units of mutual funds	-	60	-	60

**Financial assets - disclosed but not measured at fair value**

Investments

- Shares - Unlisted	-	-	72,637	72,637
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**Non-Financial assets - measured at fair value**

Operating fixed assets	-	-	7,237,768	7,237,768
Non banking assets acquired in satisfaction of claims	-	-	3,010,420	3,010,420

**Off-balance sheet financial instruments - measured at fair value**

Forward purchase of foreign exchange	-	4,543,003	-	4,543,003
Forward sale of foreign exchange	-	-	-	-

**Valuation techniques used in determination of fair value**

Item	Valuation approach and input used
Federal Government Securities	The fair values of Market Treasury Bills (MTB) and Pakistan Investment Bonds (PIB) are determined using the PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair values of GOP Ijarah Sukuks are derived using the PKISRV rates.
Units of mutual funds	The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Operating fixed assets (land and building) and non-banking assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.

### 36. SEGMENT INFORMATION

#### 36.1 Segment details with respect to business activities

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

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
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(Rupees in '000)

#### Profit and Loss

Net mark-up / return / profit	609,060	4,580,888	(6,054,055)	8,140	(155,839)	(1,011,806)
Inter segment revenue - net	(688,161)	(4,829,098)	10,123,240	-	(4,605,981)	-
Non mark-up / return / interest income	105,316	161,017	156,049	23,956	353,247	799,585
Total income	26,215	(87,193)	4,225,234	32,096	(4,408,573)	(212,221)
Segment direct expenses	77,991	42,856	2,262,180	41,625	949,676	3,374,328
Inter segment expense allocation	270,867	82,141	527,272	-	(880,280)	-
Total expenses	348,858	124,997	2,789,452	41,625	69,396	3,374,328
(Reversals) / provisions and write offs - net	(294,238)	(510,278)	(29,837)	-	2,488	(831,865)
<b>Profit / (loss) before tax</b>	<b>(28,405)</b>	<b>298,088</b>	<b>1,465,619</b>	<b>(9,529)</b>	<b>(4,480,457)</b>	<b>(2,754,684)</b>

As at June 30, 2023 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
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(Rupees in '000)

#### Balance Sheet

Cash and bank balances	222,840	11,262,686	5,894,491	823	-	17,380,840
Investments	-	155,610,588	-	42,414	-	155,653,002
Net inter segment lending	176,952	49,072,870	129,064,899	-	-	178,314,721
Lendings to financial institutions	-	1,664,467	-	-	-	1,664,467
Advances - performing	15,062,795	-	505,679	583	1,578,836	17,147,893
Advances - non-performing	2,639,507	-	93,670	-	4,200	2,737,377
Others	723,756	3,286,806	2,614,355	163,517	39,002,490	45,790,924
<b>Total assets</b>	<b>18,825,850</b>	<b>220,897,417</b>	<b>138,173,094</b>	<b>207,337</b>	<b>40,585,526</b>	<b>418,689,224</b>
Borrowings	5,643,192	90,511,188	-	-	-	96,154,380
Subordinated debt	-	-	-	-	1,495,515	1,495,515
Deposits and other accounts	7,164,253	-	134,262,244	-	-	141,426,497
Net inter segment borrowing	5,785,533	129,151,388	653,018	-	42,724,782	178,314,721
Others	210,717	1,466,539	3,257,079	53,128	6,077,562	11,065,025
<b>Total liabilities</b>	<b>18,803,695</b>	<b>221,129,115</b>	<b>138,172,341</b>	<b>53,128</b>	<b>50,297,859</b>	<b>428,456,138</b>
Equity	22,155	(231,698)	753	154,209	(9,712,333)	(9,766,914)
<b>Total equity and liabilities</b>	<b>18,825,850</b>	<b>220,897,417</b>	<b>138,173,094</b>	<b>207,337</b>	<b>40,585,526</b>	<b>418,689,224</b>
<b>Contingencies and Commitments</b>	<b>44,711,418</b>	<b>96,738,834</b>	<b>-</b>	<b>-</b>	<b>1,514,288</b>	<b>142,964,540</b>

For the half year ended June 30, 2022 (Restated)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
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----- (Rupees in '000) -----

**Profit and Loss**

Net mark-up / return / profit	626,634	1,166,446	(2,676,392)	6,362	(105,187)	(982,137)
Inter segment revenue - net	(770,134)	(1,587,487)	5,270,670	-	(2,913,049)	-
Non mark-up / return / interest income	81,472	293,900	159,946	31,098	(1,404)	565,012
Total income	(62,028)	(127,141)	2,754,224	37,460	(3,019,640)	(417,125)
Segment direct expenses	73,775	28,849	1,884,031	39,508	818,136	2,844,299
Inter segment expense allocation	278,642	84,496	349,664	-	(712,802)	-
Total expenses	352,417	113,345	2,233,695	39,508	105,334	2,844,299
Provisions and write offs - net	203,671	31,301	-	-	4,091	239,063
<b>Profit / (loss) before tax</b>	<b>(618,116)</b>	<b>(271,787)</b>	<b>520,529</b>	<b>(2,048)</b>	<b>(3,129,065)</b>	<b>(3,500,487)</b>

As at December 31, 2022 (Restated)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
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----- (Rupees in '000) -----

**Balance Sheet**

Cash and Bank balances	189,077	10,235,444	4,311,053	1,140	-	14,736,714
Investments	-	51,215,048	-	40,243	-	51,255,291
Net inter segment lending	58,085	58,056,574	111,577,524	-	-	169,692,183
Lendings to financial institutions	-	10,141,557	-	-	-	10,141,557
Advances - performing	16,656,436	-	664,537	1,041	1,435,347	18,757,361
Advances - non-performing	2,836,203	-	-	-	-	2,836,203
Others	571,743	797,710	2,897,243	162,057	38,468,654	42,897,407
<b>Total Assets</b>	<b>20,311,544</b>	<b>130,446,333</b>	<b>119,450,357</b>	<b>204,481</b>	<b>39,904,001</b>	<b>310,316,716</b>
Borrowings	6,541,530	18,847,030	-	-	-	25,388,560
Subordinated debt	-	-	-	-	1,495,515	1,495,515
Deposits and other accounts	6,622,694	-	115,238,768	-	-	121,861,462
Net inter segment borrowing	6,965,614	111,625,098	717,298	-	50,384,173	169,692,183
Others	181,706	205,935	3,436,685	75,266	5,737,425	9,637,017
<b>Total liabilities</b>	<b>20,311,544</b>	<b>130,678,063</b>	<b>119,392,751</b>	<b>75,266</b>	<b>57,617,113</b>	<b>328,074,737</b>
Equity	-	(231,730)	57,606	129,215	(17,713,112)	(17,758,021)
<b>Total equity and liabilities</b>	<b>20,311,544</b>	<b>130,446,333</b>	<b>119,450,357</b>	<b>204,481</b>	<b>39,904,001</b>	<b>310,316,716</b>
<b>Contingencies and Commitments</b>	<b>42,012,788</b>	<b>22,658,270</b>	<b>-</b>	<b>-</b>	<b>1,945,422</b>	<b>66,616,480</b>

36.1.1 The Group does not have any operations outside Pakistan.



### 37. RELATED PARTY TRANSACTIONS

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

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

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

	June 30, 2023 (Un-audited)			December 31, 2022 (Audited)				
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
	----- (Rupees in '000) -----							
<b>Investments</b>								
Opening balance	-	-	-	1,664,676	-	-	-	1,692,490
Investment made during the year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	(10,899)	-	-	-	(27,814)
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	-	1,653,777	-	-	-	1,664,676
Provision for diminution in value of investments	-	-	-	1,574,529	-	-	-	1,585,428
<b>Advances</b>								
Opening balance	-	-	162,705	671,888	-	-	252,823	786,261
Addition during the period / year	-	-	160,187	7	-	-	19,755	1,525,485
Repaid during the period / year	-	-	(60,316)	-	-	-	(28,281)	(1,637,218)
Transfer in / (out) - net	-	-	9,448	-	-	-	(81,592)	(2,640)
Closing balance	-	-	272,024	671,895	-	-	162,705	671,888
Provision held against advances	-	-	-	-	-	-	-	-

	June 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
(Rupees in '000)								
<b>Other Assets</b>								
Interest / mark-up accrued	-	-	-	144,652	-	-	-	76,337
Advances, deposits, advance rent and other prepayments	-	-	4,716	-	-	-	4,250	-
Receivable from defined benefit plan	-	-	-	-	-	-	-	102,958
Other receivable	-	-	-	2,949	699	-	-	-
Provision against other assets	-	-	-	-	-	-	-	-
<b>Deposits and other accounts</b>								
Opening balance	-	-	19,511	2,052,046	-	-	82,005	2,110,049
Received during the period / year	-	-	391,873	2,749,578	-	-	312,104	6,207,533
Withdrawn during the period / year	-	-	(392,698)	(3,905,894)	-	-	(306,636)	(6,266,214)
Transfer (out) / in - net	-	256	241	647	-	-	(67,962)	678
Closing balance	-	256	18,927	896,377	-	-	19,511	2,052,046
<b>Other Liabilities</b>								
Interest / mark-up payable	-	-	176	13,459	-	-	131	36,374
Payable to defined benefit plan	-	-	-	25,009	-	-	-	-
Unearned Income	-	-	-	-	-	-	-	692
<b>Contingencies and Commitments</b>								
Guarantees, letters of credit and acceptances	-	-	-	86,500	-	-	-	86,500

	For the half year ended June 30, 2023 (Un-audited)			For the half year ended June 30, 2022 (Un-audited)				
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties

	(Rupees in '000)							
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
<b>Income</b>								
Mark-up / return / interest earned	-	-	2,404	68,315	-	-	3,933	43,176
Fee and commission income	-	5	12	693	-	-	9	218
Other income	-	-	-	-	-	-	340	-
<b>Expense</b>								
Mark-up / return / interest expensed	-	-	447	119,296	-	-	1,606	115,270
Operating expenses:								
- Directors' fees and allowances	-	14,700	-	-	-	19,800	-	-
- Brokerage and commission	-	-	-	-	-	-	-	-
- Fee and subscription	-	-	810	-	-	-	451	-
- Managerial Remuneration	-	-	173,938	661	-	-	161,635	-
- Contribution to defined contribution plan	-	-	-	39,559	-	-	-	36,184
- Charge for defined benefit plan	-	-	-	25,609	-	-	-	39,170
Reversal of provision for diminution in value of investment	-	-	-	(10,899)	-	-	-	-

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

**38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**

(Un-audited) (Audited)  
June 30, December 31,  
2023 2022  
----- (Rupees in '000) -----

**Minimum Capital Requirement (MCR):**

Paid-up capital (net of losses) (13,675,358) (21,915,730)

**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier-1 (CET-1) Capital	(36,381,286)	(43,134,166)
Eligible Additional Tier-1 (ADT-1) Capital	-	-
Total Eligible Tier-1 Capital	(36,381,286)	(43,134,166)
Eligible Tier-2 Capital	-	-
Total Eligible Capital (Tier-1 + Tier-2)	<u>(36,381,286)</u>	<u>(43,134,166)</u>

**Risk Weighted Assets (RWAs):**

Credit Risk	37,757,533	44,703,398
Market Risk	3,681,221	2,298,794
Operational Risk	3,800,036	3,800,036
Total	<u>45,238,790</u>	<u>50,802,228</u>

Common Equity Tier-1 Capital Adequacy Ratio

-80.42% -84.91%

Tier-1 Capital Adequacy Ratio

-80.42% -84.91%

Total Capital Adequacy Ratio

-80.42% -84.91%

**Leverage Ratio (LR):**

Eligible Tier-1 Capital	(36,381,286)	(43,134,166)
Total Exposures	204,678,048	158,019,813
Leverage Ratio	<u>-17.77%</u>	<u>-27.30%</u>

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets	81,292,868	43,961,885
Total Net Cash Outflow	24,841,327	20,348,574
Liquidity Coverage Ratio	<u>327.25%</u>	<u>216.04%</u>

**Net Stable Funding Ratio (NSFR):**

Total Available Stable Funding	103,331,678	77,771,056
Total Required Stable Funding	61,079,028	56,155,340
Net Stable Funding Ratio	<u>169.18%</u>	<u>138.49%</u>

### 39. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2022: 14) Islamic banking branches and 35 (December 31, 2022: 35) Islamic banking windows at the end of the period.

#### STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2023

		(Un-audited) June 30, 2023	(Audited) December 31, 2022
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Cash and balances with treasury banks		2,224,524	1,447,196
Balances with other banks		346,961	236,000
Due from financial institutions	39.1	3,969,928	8,051,586
Investments	39.2	23,873,650	10,880,650
Islamic financing and related assets - net	39.3	2,182,956	2,373,102
Fixed assets		278,040	320,139
Intangible assets		37	82
Due from Head Office		-	-
Deferred tax assets		18,895	12,622
Other assets		824,052	1,041,353
<b>Total Assets</b>		<b>33,719,043</b>	<b>24,362,730</b>
<b>LIABILITIES</b>			
Bills payable		309,975	235,430
Due to financial institutions	39.4	2,159,951	607,944
Deposits and other accounts	39.5	26,953,410	20,464,433
Due to Head Office		-	-
Subordinated debt		-	-
Deferred tax liabilities		-	-
Other liabilities		1,110,632	413,183
		<b>30,533,968</b>	<b>21,720,990</b>
<b>NET ASSETS</b>		<b>3,185,075</b>	<b>2,641,740</b>
<b>REPRESENTED BY</b>			
Islamic Banking Fund		1,000,000	1,000,000
Reserves		-	-
Deficit on revaluation of assets		(19,628)	(9,815)
Unappropriated / Unremitted profit	39.6	2,204,703	1,651,555
		<b>3,185,075</b>	<b>2,641,740</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	39.7		

**ISLAMIC BANKING BUSINESS  
PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE HALF YEAR ENDED JUNE 30, 2023**

	June 30, 2023	June 30, 2022
Note	----- (Rupees in '000) -----	
Profit / return earned	39.8	2,078,129
Profit / return expensed	39.9	1,078,674
<b>Net Profit / return</b>	<b>999,455</b>	<b>702,307</b>
<b>Other income</b>		
Fee and commission income	38,380	20,478
Dividend income	-	-
Foreign exchange loss	32,178	(17,781)
Income / (loss) from derivatives	-	-
Loss on sale of securities	(2,991)	(4,296)
Other income	8,084	2,249
<b>Total other income</b>	<b>75,651</b>	<b>650</b>
<b>Total income</b>	<b>1,075,106</b>	<b>702,957</b>
<b>Other expenses</b>		
Operating expenses	485,261	399,837
Workers' welfare fund	-	-
Other charges	-	-
<b>Total other expenses</b>	<b>485,261</b>	<b>399,837</b>
<b>Profit before provisions</b>	<b>589,845</b>	<b>303,120</b>
Provisions and write offs - net	38,293	5,387
<b>Profit before taxation</b>	<b>551,552</b>	<b>297,733</b>
Taxation	-	-
<b>Profit before taxation</b>	<b>551,552</b>	<b>297,733</b>

**ISLAMIC BANKING BUSINESS**  
**FOR THE HALF YEAR ENDED JUNE 30, 2023**

		June 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
		In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
<b>39.1 Due from Financial Institutions</b>	<b>Note</b>	----- (Rupees in '000) -----					
<b>Unsecured</b>							
Bai Muajjal Receivable from other Financial Institutions	39.1.1	<b>3,969,928</b>	-	<b>3,969,928</b>	8,051,586	-	<b>8,051,586</b>

39.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited and carries profit 20.75% per annum (December 31, 2022: 15.75% per annum).

**39.2 Investments**

	June 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
<b>Investments by segments:</b>	----- (Rupees in '000) -----							
<b>Federal Government Securities:</b>								
- GOP Ijarah Sukuks	21,504,172	-	(84,272)	21,419,900	8,496,681	-	(66,031)	8,430,650
<b>Non Government Debt Securities</b>								
- Listed	2,500,000	-	(46,250)	2,453,750	2,500,000	-	(50,000)	2,450,000
<b>Total Investments</b>	<b>24,004,172</b>	<b>-</b>	<b>(130,522)</b>	<b>23,873,650</b>	<b>10,996,681</b>	<b>-</b>	<b>(116,031)</b>	<b>10,880,650</b>

	(Un-audited)	(Audited)
	June 30, 2023	December 31, 2022
<b>39.3 Islamic financing and related assets</b>	----- (Rupees in '000) -----	
Ijarah	500,265.00	394,844
Running Musharakah	230,683.00	231,889
Diminishing Musharakah	1,529,590	1,753,890
Tijarah	619,998.00	629,998
Advance against Ijarah	4,724.00	26,491
Gross Islamic financing and related assets	<b>2,885,260</b>	<b>3,037,112</b>
Less: provision against Islamic financings		
- Specific	(700,562)	(661,849)
- General	(1,742)	(2,161)
	<b>(702,304)</b>	<b>(664,010)</b>
<b>Islamic financing and related assets - net of provision</b>	<b>2,182,956</b>	<b>2,373,102</b>

**39.4 Due to financial institutions**

<b>Secured</b>		
Acceptances from the SBP under Islamic Export Refinance Scheme	400,000	400,000
<b>Total secured</b>	<b>400,000</b>	<b>400,000</b>
<b>Unsecured</b>		
Overdrawn nostro accounts	9,951	7,944
Musharakah	1,750,000	200,000
<b>Total unsecured</b>	<b>1,759,951</b>	<b>207,944</b>
	<b>2,159,951</b>	<b>607,944</b>

39.4.1 This represented acceptance of funds by Islamic operations of Summit Bank Limited from conventional operations of Summit Bank Limited on Musharaka basis.

**39.5 Deposits**

	June 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
<b>Customers</b>						
Current deposits	8,423,441	785,262	9,208,703	5,929,857	426,025	6,355,882
Savings deposits	15,347,013	169,111	15,516,124	12,470,238	182,913	12,653,151
Term deposits	1,088,619	256,446	1,345,065	929,434	133,928	1,063,362
Others	431,431	-	431,431	223,829	-	223,829
	<u>25,290,504</u>	<u>1,210,819</u>	<u>26,501,323</u>	<u>19,553,358</u>	<u>742,866</u>	<u>20,296,224</u>
<b>Financial Institutions</b>						
Current deposits	8,284	80	8,364	5,629	171	5,800
Savings deposits	293,723	-	293,723	162,409	-	162,409
Term deposits	150,000	-	150,000	-	-	-
	<u>452,007</u>	<u>80</u>	<u>452,087</u>	<u>168,038</u>	<u>171</u>	<u>168,209</u>
	<u>25,742,511</u>	<u>1,210,899</u>	<u>26,953,410</u>	<u>19,721,396</u>	<u>743,037</u>	<u>20,464,433</u>

**39.6 Islamic Banking Business Unappropriated Profit**

	(Un-audited)	(Audited)
	June 30, 2023	December 31, 2022
----- (Rupees in '000) -----		
Opening balance	1,651,555	801,294
Add: Islamic Banking profit for the period / year	551,552	847,070
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated profit	1,596	3,191
Closing balance	<u>2,204,703</u>	<u>1,651,555</u>

**39.7 CONTINGENCIES AND COMMITMENTS**

-Guarantees	4,071,325	3,110,325
-Commitments	2,358,089	1,434,033
-Other contingent liabilities	-	-
	<u>6,429,414</u>	<u>4,544,358</u>

**39.8 Profit / Return Earned of Financing, Investments and Placement**

	(Un-audited)	
	June 30, 2023	June 30, 2022
----- (Rupees in '000) -----		
Profit earned on:		
Financing	119,250	142,997
Investments	1,257,782	598,815
Placements	701,012	438,536
Balances with banks	85	354
	<u>2,078,129</u>	<u>1,180,702</u>

**39.9 Profit on Deposits and other Dues Expensed**

Deposits and other accounts	998,450	447,238
Due to Financial Institutions	71,630	20,844
Finance cost of lease liability	8,594	10,313
	<u>1,078,674</u>	<u>478,395</u>



**40. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE**

The shareholders of the Bank approved the change of Bank's name from 'Summit Bank Limited' to 'Bank Makramah Limited' (abbreviated as 'BML') and the disposal of certain portions of the Bank's head office through a special resolution during their Extraordinary General Meeting held on August 15, 2023.

**41. DATE OF AUTHORIZATION OF ISSUE**

These consolidated condensed interim financial statements were authorised for issue on August 25, 2023 by the Board of Directors of the Group.

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President / Chief Executive

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Chief Financial Officer

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Director

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Director

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Director

## BRANCH NETWORK

### CONVENTIONAL BANKING BRANCHES

#### KARACHI

##### Abdullah Haroon Road Branch

282/3, Abdullah Haroon Road, Area, Saddar, Karachi  
Tel: 021-35685269, 35685393, 35685940  
Fax: 021-35683991

##### Adamjee Nagar Branch

115-A/Z, Block 7/8, Tipu Sultan Road, Karachi  
Tel: 021- 34312984-9  
Fax: 021-34312980

##### Atrium Mall Branch

Shop No. 6 and 21 Ground floor, Plot No. 249, Atrium Mall, Staff Lines, Zaibunnisa Street, Saddar, Karachi  
Tel: 021-35641001-7  
Fax: 021-35641008

##### Badar Commercial Branch

Plot No. 41-C, Badar Commercial, Street No. 10, Phase-V Extension, DHA Karachi  
Tel: 021-35348501-3  
Fax: 021-35348504

##### Bahadur Shah Center Branch

Bahadur Shah Center, Urdu Bazar, Off: M.A. Jinnah Road, Karachi  
Tel: 021-32768547, 32768559  
Fax: 021-32765083

##### Bahadurabad Branch

Plot # C-23, Shop # 1&2 Block-3, BMC Commercial Area Bahadurabad, Karachi  
Tel: 021-34913447 & 49  
Fax: 021-34913453

##### Barkat-e-Hyderi Branch

Almas Square, Block-G, North Nazimabad, Karachi  
Tel: 021-36628931, 36706896-7  
Fax: 021-36723165

##### Burns Road Branch

Plot No. 55-A, Survey Sheet A.M., Artillery Maidan Quarters (Burns Road), Karachi.  
Tel: 021-32215174,75 & 76  
Fax: 021-32215289

##### Clifton Branch

Pearl Heaven Apartments, Khayaban-e-Roomi, Block No-5, Clifton, Karachi  
Tel: 021-35823469, 35824171, 35823619  
Fax: 021-35821463

##### Cloth Market Branch

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

##### Com-3, Clifton Branch, Karachi

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

##### Defence Branch

55-C, Phase-II, D.H.A, Opp Toyota Motors, Main Korangi Road, Karachi.  
Tel: 021-35387809-35396263 - 35312592  
Fax: 021-35387810

##### DHA Phase I Branch

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

##### DHA Phase IV Branch

Plot # 129, 9th Commercial Street, Phase IV, DHA, Karachi  
Tel: 021-35313068-70  
Fax: 021-35313071

##### Dhoraji Colony Branch

Plot No. 133, Block No. 7 & 8 Dhoraji Colony, C.P & Berar Co-operative Housing Society, Karachi  
Tel: 021-34860773-75  
Fax: 021-34860772

##### Electronic Market (Abdullah Haroon Road) Branch

Shop No 1 & 2, Plot # 19, Ghafoor Chambers, Preedy Quarters, Saddar, Karachi  
Tel: 021-32711614-8  
Fax: 021-32716113

##### Ex. Hyderi Branch

temporary shifted to:  
Almas Square, Block-G, North Nazimabad, Karachi  
Tel: 021-36628931, 36706896-7  
Fax: 021-36723165

##### Ex. Steel Market Branch

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

**Fish Harbour Branch**

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

**Garden East Branch**

Shop No. 1,2,3,4, 5 & 6, Jumani Centre  
Plot No. 177-B, Garden  
East, Karachi  
Tel: 021-32243311-13  
Fax: 021-32243314

**Gulistan-e-Jauhar - Branch I**

Plot # 118/A-B, Shop # 02, 03, 04 Ground Floor Ruffi  
Paradise Block-18 Gulistan-e-Jauhar, Karachi  
Tel: 021-34621281-4  
Fax: 021-34621285

**Gulistan-e-Jauhar - Branch 2**

Shop No. 5, 6,7 & Office No. D-2,  
Farhan Centre Block No. 1.  
Gulistan-e-Jauhar, Karachi  
Tel: 021-34022259, 34613674, 34016488-9  
Fax: 021-34022639

**Ex. Gulshan-e-Iqbal - Branch I**

temporary shifted to:  
B-44, Block 13/A, Main University Road,  
Gulshan-e-Iqbal, Karachi.  
Tel: 021-34987688, 34987739-40

**Gulshan-e-Iqbal - Branch 2**

B-44, Block 13/A, Main University Road,  
Gulshan-e-Iqbal, Karachi.  
Tel: 021-34987688, 34987739-40  
Fax: 021-34987689

**I. I. Chundrigar Road Branch I - Unitover**

Uni Towers, I.I. Chundrigar Road, Karachi.  
Tel: 021-32466410-13  
Fax: 021-32466500

**Jami Commercial, DHA Branch**

64 C, Jami Commercial Phase VII, 7th Street, DHA, Karachi  
Tel: 021-35316200-07  
Fax: 021-35316199

**Jamshed Quarters Branch**

Showroom no. 3 & 4, AB Arcade Plot # 714-6-1  
Block A, New M.A. Jinnah Road, Karachi  
Tel: 021-34860422-23, 34860425  
Fax: 021-34860424

**Jodia Bazar - Branch I**

A/25/28 Daryalal Street, Jodia Bazar, Karachi  
Tel: 021-32500121-5  
Fax: 021-32500128

**Karachi Stock Exchange Branch**

Office No. 52, 52-A, 52-B,  
(1st Floor) KSE Building, Karachi  
Tel: 021-32462850, 32462844-9  
Fax: 021-32462843

**Karimabad Branch**

Plot No BS-16, Block 1, FB Area, Karimabad, Karachi  
Tel: 021- 36826646-48  
Fax: 021-36826649

**Khayaban-e-Shahbaz Branch**

Plot No. 21-C Khayaban-e-Shahbaz, Phase VI, DHA, Karachi  
Tel: 021-35344952, 353444957 & 35344963  
Fax: 021-35344942

**Khayaban-e-Tanzeem Branch**

C 4-C, Tauheed Commercial, Khayaban-e-Tanzeem,  
Phase-5, DHA, Karachi  
Tel: 021-35869147-35810977 & 35871640  
Fax: 021-35869342

**Korangi Industrial Area Branch**

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

**Khayaban-e-Ittehad Branch**

Plot No. 22-C, Khayaban-e-Ittehad,  
Phase-VI, DHA, Karachi  
Tel: 021-35176607-09

**Malir Cantt Branch**

Army Shopping Complex, Adjacent Tooba Army Store  
Malir Cantonment, Karachi  
Tel: 021-34196142-44  
Fax: 021-34196145

**M. A. Jinnah Road Branch**

Mezzanine & Ground Floor, Plot Survey # 19, Street #  
R.B.6, Shop # 3, 4, Ram Bagh Quarters 166 M.A. Jinnah  
Road, Karachi  
Tel: 021- 32218395, 32218409,32218428  
Fax: 021-32218376

**Muhammad Ali Society Branch**

Plot # 4-C Commercial Area, Muhammad Ali  
Co-Operative Housing Society, Karachi  
Tel: 021-34168036-37  
Fax: 021-34186045

**Nazimabad (Gol Market) Branch**

Plot # 7, Sub Block 'E', in Block # III (III-E-7), Nazimabad  
(Gole Market), Karachi  
Tel: 021-36620261-63 & 36620267  
Fax: 021-36620264

**New Challi Branch**

Plot No. 27, Survey No. 27, (New Challi),  
Altat Hussain Road, Karachi.  
Tel: 021 - 32423999 - 32423737  
Fax: 021 - 32422051

**North Karachi Industrial Area Branch**

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

**PAF-Base Faisal Branch**

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

**Paper Market Branch**

Al-Abbas Centre, Paper Market, Shahrah-e-Liaquat,  
Karachi  
Tel: 021-32639671-2 & 32634135  
Fax: 021-32639670

**Plaza Quarters Branch**

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

**Ranchore Line Branch**

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

**Rizvia Society Branch**

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

**Sea View, Clifton Branch, Karachi**

Plot No. G - 2, Block 2, (Ground Floor), Clifton, Karachi.  
Tel: 021 - 3572020 -22  
Fax: 021 - 3572023

**S.I.T.E. Branch**

B/9-B/3, Near Metro Chowrangi, S.I.T.E., Area, Karachi  
Tel: 021-32586801-4, 32587166-8  
Fax: 021-32586806

**Saeedabad Branch**

Plot # 1004/1 & 1004-A/1 (5G/102-A & 5G/012-A/2),  
Saeedabad, Baldia, Mahajir Camp, Karachi  
Tel: 021-32815092-94  
Fax: 021-32815095

**Shahrah-e-Faisal Branch**

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

**Shershah Branch**

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

**Soldier Bazar Branch**

Shop # 4, 5 & 6, Plot No 14, Survey # 13-B-2, Soldier Bazar  
Quarters, Karachi  
Tel: 021-32231559-60  
Fax: 021-32231556

**Tariq Road Branch**

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

**Timber Market Branch**

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

**Water Pump Branch**

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

**LAHORE**

**Allama Iqbal Town Branch**

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

**Azam Cloth Market Branch**

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

**Badami Bagh Branch**

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

**Bahria Town Branch**

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

**Bedian Road Branch**

Plot No. 3025/20925, Opposite Askari I I,  
Main Gate, Main Bedian Road, Lahore Cantt.  
Tel: 042-37165300-03  
Fax: 042-37165304

**Circular Road Branch**

Babar Centre, 51, Circular Road, Lahore  
Tel: 042-37379371 - 75  
Fax: 042-37379370

**Darogawala Branch**

Near Shalimar garden G.T.Road Darogawala Lahore  
Tel: 042-36520681-83  
Fax: 042-36520684

**DHA G Block Branch**

Plot # 13 G, Commercial Zone DHA,  
Phase-I, Lahore Cantt.  
Tel: 042-35691173-78  
Fax: 042-35691171

**DHA Phase - VI Branch**

Property No 16-MB , Block MB, Phase VI DHA Lahore  
Tel: 042 -37189650 -52  
Fax: 042-37189653

**DHA Y Block Branch**

163, Block Y, Phase III, DHA Lahore Cantt  
Tel: 042-35692531-36  
Fax: 042-35692690

**Egerton Road Branch**

27-Ajmal House, Egerton Road, Lahore  
Tel: 042-36364522, 36364532  
Fax: 042-36364542

**Empress Road Branch**

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

**Faisal Town Branch**

853/D, Akbar Chowk, Faisal Town, Lahore  
Tel: 042-35204101-3  
Fax: 042-35204104

**Ferozpur Road Branch**

Siza Farmer Factory, Sufiabad, Lahore  
Tel: 042- 35401751-3, 35401754  
Fax: 042-35800094

**Gulberg Branch**

Plot 61, Main Gulberg, Lahore  
Tel: 042-35870832-3, 35870975-6  
Fax: 042-35870834

**Ichra More Branch**

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

**Johar Town Branch**

Plot # 85, Block G/1, M.A Johar Town-Lahore  
Tel: 042-35291172-74  
Fax: 042-35171047

**Kashmir Block, Allama Iqbal Town Branch**

Plot # 1, Kashmir Block, Allama Iqbal Town  
Scheme, Lahore  
Tel: 042-37809021-24  
Fax: 042-37809026

**Lahore - Cantt Branch**

Day building 1482/A, Abdul Rehman Road, Lahore Cantt  
Tel: 042- 36603061-63  
Fax: 042-36603065

**Lahore Stock Exchange Branch**

Office No. 1, Lower Ground floor # 1, Lahore Stock  
Exchange Plaza, Plot No. 19, Khasra No. 1047, 19,  
Khayaban e Aiwan e Iqbal, Lahore  
Tel: 042-36280853 - 56  
Fax: 042-36280851

**Liberty Market Branch**

Shop No.02 & 03, Ground floor, Diamond Tower,  
28 Commercial Zone, Liberty Market, Gulberg III, Lahore  
Tel: 042- 35717273, 35763308  
Fax: 042-35763310

**Mall Road Branch**

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

**Model Town Branch**

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

**New Garden Town Branch**

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

**Shah Alam Gate Branch**

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

**Urdu Bazar Branch**

S - 38-R, Urdu Bazar Chowk - 205, Circular Road, Lahore  
Tel: 042-37116001-3  
Fax: 042-37116004

**Wahdat Road Branch**

Mauza Ichra, Wahdat Road, Lahore  
Tel: 042-37503001-3  
Fax: 042-37503004

**Z Block DHA Branch**

323-Z, DHA, Phase-3, Lahore  
Tel: 042-35693112-5  
Fax: 042-35693117

**ISLAMABAD**

**Bahria Town Branch**

Plot # 3-4, Express Way, Sufiyan Plaza,  
Phase VII, Bahria Town, Islamabad  
Tel: 051- 5707360 – 63-65  
Fax: 051-5707358

**Barah Koh Branch**

Murree Road, Tehsil / District,  
Islamabad  
Tel: 051- 2321712- 13  
Fax: 051-2321714

**Blue Area Branch**

20 - Al- Asghar Plaza, Blue Area,  
Islamabad  
Tel: 051-2823204, 2872913  
Fax: 051-2274276

**F-10 Markaz Branch**

Plot No. 08, Maroof Hospital, F-10  
Markaz, Islamabad  
Tel: 051-2222860-62  
Fax: 051-2222863

**F-11 Markaz Branch**

Plot # 29, Select Center, F-11  
Markaz, Islamabad  
Tel: 051-2228027-28  
Fax: 051-2228365

**G-11 Markaz Branch**

Shop #. 25-34, Plot # 23, Sajid Sharif  
plaza, G-11 Markaz, Islamabad  
Tel: 051-2220973-6  
Fax: 051-2220977

**I-9 Markaz Branch**

Plot # 3/L, Shops Nos. 6, 7, 13, & 14, I-9,  
Markaz, Islamabad  
Tel: 051-4449832-35  
Fax: 051-4449836

**Stock Exchange Branch**

Plot # 109, East F-7/G-7, Jinnah Avenue,  
Blue Area, Islamabad  
Tel: 051-2806281-83  
Fax: 051-2806284

**Super Market Branch**

Shop No. 9, Block - C, F-6 Markaz, Islamabad.  
Tel: 051-2279168-170 & 051-2824533-34  
Fax: 051-2279166

**RAWALPINDI**

**Raja Bazar Branch**

Raja Bazar, Rawalpindi  
Tel: 051-5553504, 5557244 & 5777707 - 5534173-5557244  
Fax: 051-5559544

**Shamsabad Muree Road Branch**

DD/29, Shamsabad Murree Road, Ojri Kalan, Rawalpindi  
Tel: 051-4854400, 4854401-03  
Fax: 051-4854404

**The Mall Road Branch, Rawalpindi**

Shop No. 31-A/4, The Mall Road,  
Opp: State Life Bldg., Saddar,  
Rawalpindi Cantt.  
Tel: 051-5564123, 051-5120777-80  
Fax: 051-5528148

**FAISALABAD**

**Jail Road Branch**

House No. P-62, opposite Punjab Medical College,  
Jail Road, Faisalabad  
Tel: 041-8813541-43  
Fax: 041-8813544

**Kotwali Road Branch**

P-12, Kotwali Road, Faisalabad  
Tel: 041-2412151-53  
Fax: 041-2412154

**Liaquat Road Branch**

Liaquat Road, Chak # 212, Faisalabad  
Tel: 041-2541257-59  
Fax: 041-2541255

**Satiana Road Branch**

679-DGM, Batala Colony, Satiana Road, Faisalabad  
Tel: 041 - 8500569 - 71  
Fax: 041 – 8500568

**Susan Road Branch**

Chak No. 213/RB Susan Road, Faisalabad  
Tel: 041-8502367-69  
Fax: 041-8502371

## MULTAN

### Abdali Road Branch

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

### Hussain Agahi Road Branch

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

### Qadafi Chowk Branch

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

### Vehari Road Branch

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

## SUKKUR

### Marich Bazar Branch

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

### Shikarpur Road Branch

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

### Workshop Road Branch

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

## GUJRANWALA

### GT Road Branch

B/11-S7/103, G. T. Road, Gujranwala  
Tel: 055-3842751-3842729  
Fax: 055-3842890

### Gujranwala Branch

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

### Wapda Town Branch

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

## GUJRAT

### GT Road Branch

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

### Gujrat Branch

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

### Katchery Chowk Branch

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

## PESHAWAR

### Deans Trade Center Branch

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

### Fruit Market Branch

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

### Hayatabad Branch

Shop# 1, Hayatabad Mall, Baghee-Naran Road,  
Phase II, Sector J-I Hayatabad Peshawar.  
Tel: 091-5822923-25  
Fax: 091-5822926

### Main University Road Branch

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

### Milad Chowk Branch

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

## QUETTA

### Fatima Jinnah Road Branch

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

**Liaquat Bazar Branch**

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

**M. A. Jinnah Road Branch**

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

**Regal Chowk Branch**

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

**ABBOTTABAD**

**Abbottabad Branch**

Ground Floor Shalimar Motors, Ali Plaza,  
Near Sethi Masjid, Mansehra Road, Abbottabad.  
Tel: 0992- 863158, 863148  
Fax: 0992-385935

**ATTOCK**

**Hassan Abdal Branch**

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

**Fateh Jang Branch**

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

**AZAD KASHMIR**

**Dadyal Branch**

Choudhary Centre, Ara Jattan, Dadyal, Azad Kashmir  
Tel: 05827-463475  
Fax: 05827-465316

**Mirpur Azad Kashmir - Branch I**

NS Tower I 19 F/I, Kotli Road  
Mirpur, Azad Kashmir  
Tel: 05827- 437193-97  
Fax: 05827-437192

**Mirpur Azad Kashmir Branch II**

Ghazi Archade, 6-B/3, Part II, Allama Iqbal Road,  
Mirpur, Azad Kashmir  
Tel: 05827-446405, 446407-9  
Fax: 05827-446406

**Muzzafarabad Branch**

49 Garipan Chowk, Domial- Azad Jammu Kashmir (AJK)  
Tel: 05822-924203-5  
Fax: 05822-924206

**Shaheed Chowk Branch**

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

**CHAK GHANIAN**

**Chak Ghanian Branch**

Plot No. 547-548, Iqbal Mandi, G. T. Road, Sarai Alamgir.  
Tel: 0544-654402-03, 655155  
Fax: 0544-654401

**CHAKWAL**

**Chakwal Branch**

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

**Dalwal Branch**

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

**CHAMMAN**

**Chamman Branch**

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

**DADU**

**Dadu Branch**

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

**DINA**

**Dina Branch**

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

**GAWADAR**

**Gawadar Branch**

Plot Askani Hotel, Mullah Faazul Chowk, Gawadar  
Tel: 0864-212144- 212146  
Fax: 0864-212147



## **GHOTKI**

### **Ghotki Branch**

CS # 395 & 407, Muhallah Machhi Bazar,  
Opp: Sarkari Bagh, Ghotki, Sindh  
Tel: 0723-681571 - 73  
Fax: 0723-681574

## **GILGIT**

### **Gilgit Branch**

Khasra # 1103, 1112, 1113,  
Haji Ghulam Hussain Building  
Raja Bazar Gilgit  
Tel: 05811-457366-68  
Fax: 05811-457369

## **GUJAR KHAN**

### **Gujar Khan Branch**

Plot # 58-D, 59-C, Sector/Block Area  
Development, Scheme # 1, Akbar Kayani  
Plaza, G. T, Road, Gujjar Khan  
Tel: 051-3516431-4 & 3516436  
Fax: 051-3516435

## **HARIPUR**

### **Haripur Branch**

Ground Floor, Akbar Arcade, Main G.T. Road, Haripur  
Tel: 0995- 610832 - 34  
Fax: 0995-610829

## **HAZRO**

### **Hazro Branch**

Plot # B -386, 386-A, Dawood Centre, Bank Square,  
Ziaul Haq Road, Hazro  
Tel: 057-2313283 - 85  
Fax: 057-2313286

## **HYDERABAD**

### **Bohri Bazar Hyderabad Branch**

41/364, Saddar, Bohri Bazar-Hyderabad  
Tel: 022-2730911-14  
Fax: 022-2730910

### **Latifabad No. 7 Branch**

Latifabad # 7, 5/D Unit # 7, Hyderabad  
Tel: 022-3810524 & 3810525  
Fax: 022-3810515

### **Market Chowk Branch**

Shop CS # A/2772/2, Ward -A,  
Market Road, Hyderabad  
Tel: 022-2638451-54  
Fax: 022-2638450

## **Qasimabad Branch**

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

## **JACOBABAD**

### **Jacobabad Branch**

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

## **JEHLUM**

### **Jhelum Branch**

Property # 1 Survey # 222 (Part)  
Dada Bhai Building, Kazim Kamal Road, Jhelum Cantt.  
Tel: 0544-720216 - 18  
Fax: 0544-720219

## **KAMBAR**

### **Shahdad Kot Branch**

C.S. No. 1048, 1051, 1052, 1054, Ward 'B',  
Taluqa Shahdad Kot, District Kambar, Sindh  
Tel: 074-4014461-63  
Fax: 074-4014464

## **KAMOKE**

### **Kamoke - GT Road Branch**

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

## **KANDH KOT**

### **Kandh Kot Branch**

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

## **KASUR**

### **Kasur Branch**

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

## **KHAIRPUR**

### **Pacca Chang Branch**

CS No. 418/1-08, Deh. Pacca Chang,  
Taluqa Faiz Ganj, District Khairpur, Sindh  
Tel: 0243-557403-5  
Fax: 0243-557406

### **KOT ADDU**

#### **Kot Addu Branch**

Property # 43, RH, 48/A-49-50, Ward B-III,  
Kot Addu District, Muzaffar Garh  
Tel: 066-2240206-07  
Fax: 066-2240208

### **LALAMUSA**

#### **Lalamusa Branch**

G. T. Road, Lalamusa  
Tel: 0537 -515694,515699, 515697,519977  
Fax: 0537-515685

### **LARKANA**

#### **Larkana Branch**

C.S. No. 1808, Pakistan Chowk, Larkana , Sindh  
Tel: 074-4053608-10  
Fax: 074-4053611

### **MANDI BHAUDDIN**

#### **Mandi Bhauddin Branch**

Khasra # 143/112, Chak #51, Bank Road,  
Off Railway Road, Ghalla Mandi, Mandi  
Bhauddin  
Tel: 0546-600901, 600903-4-5  
Fax: 0546-600902

### **MANSEHRA**

#### **Mansehra Branch**

Al- Hadeed Corporation Market Shahrah  
Resham, Mansehra  
Tel: 0997-303186, 303180  
Fax: 0997-303135

### **MARDAN**

#### **The Mall Branch**

Plot No. 337, 337-A, The Mall, Mardan.  
Tel: 0937-865344-45  
Fax: 0937-865342

### **MIRPURKHAS**

#### **Khipro Bus Stand Branch**

Plot No. 92-93, Samanabad, Khipro District,  
Ghumanabad Chowk, Khipro Bus Stand - Mirpurkhas  
Tel: 0233-876384 & 874518  
Fax: 0233-875925

#### **Umer Kot Road Branch**

Plot No : 988 to 991 Umerkot Gharibabad,  
Mirpur Khas  
Tel: 0233- 875113-7  
Fax: 0233-875118

### **MURIDKE**

#### **Muridke Branch**

774, G.T. Road Muridke  
Tel: 042-37950456,37994711-12  
Fax: 042-37994713

### **NAROWAL**

#### **Katchery Road Branch**

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

### **NAWABSHAH**

#### **Nawabshah Branch**

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

### **JAMSHORO**

#### **Nooriabad Branch**

Ground Floor, SITE Office Building Nooriabad,  
Dist Jamshoro, Sindh  
Tel: 025-4670433-8  
Fax: 025-4670434

### **OKARA**

#### **M.A. Jinnah Road, Okara Branch**

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

### **RABWAH**

#### **Rabwah Branch**

Plot No-9-10, Block-14, Darul Sadar, Gol Bazar,  
(Chenab Nagar) Rabwah  
Tel: 047-6213795-97 & 6213792  
Fax: 047-621 3797

### **RAHIM YAR KHAN**

#### **Rahim Yar Khan Branch**

31/34 Shahi Road, Rahimyar Khan  
Tel: 068-5877821-5883876  
Fax: 068-5876776

### **SADIQABAD**

#### **Sadiqabad Branch**

Mozzah Khuda Bux Dehar, Macchi Goth,  
KLP Road, Sadiqabad  
Tel: 068- 5951303 & 5951301-2  
Fax: 068-5951300

## **SAHIWAL**

### **High Street Branch**

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

## **SARGODHA**

### **Sargodha Branch**

Prince Cinema Market Railway Road, Sargodha  
Tel: 048-3768113-5  
Fax: 048-3768116

### **Satellite Town Branch**

Satellite Town, Ground Floor, Afzal Towers,  
Plot # 302-A, Main Satellite Town, Sargodha.  
Tel: 048-3221025-28  
Fax: 048-3221029

## **SHIKARPUR**

### **Shikarpur Branch**

C.S. No.52/33/1, Ward 'B', Lakhi Gate, Shikarpur, Sindh  
Tel: 0726-522057-59  
Fax: 0726-522060

## **SIALKOT**

### **Kashmir Road Branch**

Address: Block 'A', ZHC, Kashmir Road, Sialkot  
Tel: 052-3573304-7  
Fax: 052-3573310

### **Paris Road Branch**

B1, 16S, 71/A/1, Paris Road, Sialkot  
Tel: 052-4602712-17  
Fax: 052-4598849

### **Small Industrial Area Branch**

Plot No. 32 / A, S.I.E -I, Small Industrial Estate,  
UGOKE Road, Sialkot  
Tel: 052-3242690 - 92  
Fax: 052-3242695

## **SWABI**

### **Swabi Branch**

Property bearing No. 3361, Main Mardan Road, Swabi  
Tel: 0938-222968 - 69  
Fax: 0938-221572

## **TANDO ALLAH YAR**

### **Tando Allah Yar Branch**

C-1, Survey # 274, Main Road, Tando Allah Yar - Sindh  
Tel: 022-2763181-83  
Fax: 022-2763184

## **TURBAT**

### **Main Bazar Branch**

Main Bazar, Turbat  
Tel: 0852-413874 & 411606  
Fax: 0852-414048

## **WAH CANTT**

### **Wah Cantt Branch**

Plot No. 17/37, Civic Center, Aslam Market, Wah Cantt  
Tel: 051- 4902238-39 & 4902241  
Fax: 051-490224

## ISLAMIC BANKING BRANCHES

### KARACHI

#### Fortune Towers Branch

Showroom No. 9 S-09, Ground Floor,  
Plot No. 43/I-A, Fortune Towers,  
P.E.C.H.S., Block-VI,  
Shahrah-e-Faisal, Karachi  
PABX: 021-32368002-4  
Fax: 021-32368008

#### Fish Harbour Branch

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

#### I. I. Chundrigar Road Branch II

5-Business & Finance Centre,  
Opposite State Bank of Pakistan,  
Karachi.  
Tel: 021-32438212, 32472176, 32471796  
Fax: 021-32438218

#### Super Highway Branch

Shop No. 29 & 30, Plot # I-B/3, Sub Sector I-A,  
Scheme No. 33, main Super Highway, Karachi.  
Tel: 021 - 36830161-3  
Fax: 021-36830162

#### Zamzama Branch

Shop No. 3, 4, 5, 6 & 7, Plot No. I6-C, 2nd  
Zamzama Commercial Lane DHA - Karachi  
Tel: 021 - 35373135-7  
Fax: 021 - 35373138

### LAHORE

#### PIA Society Islamic Banking Branch

Plot # 40, Block-D, Main Boulevard PIA Society,  
Opp Wapda Town Roundabout, Lahore  
Tel: 042-35189957 - 59  
Fax: 042-35210895

### HUB

#### Hub Branch

Shop No. 12 - 14, Khasra No. 106/4,  
Int. Shopping Mall Hotel, Mouza Berot,  
Tehsil Hub, Lasbella, Baluchistan  
Tel: 0853 - 363056 - 058  
Fax: 0853 - 363050

### CHILAS

#### Chilas Branch

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

### SKARDU

#### Skardu Branch

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

### ISLAMABAD

#### DHA Phase-2 Branch

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

#### Naval Anchorage Branch

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

### CHITRAL

#### Chitral Branch

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

### HYDERBAD

#### DHA Plaza Branch

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

### RAWALPINDI

#### Bahria Town Branch Phase-IV

Plot # 1, Bahria Town, Civic Centre,  
Phase IV, Rawalpindi  
Tel: 051-5733945-46  
Fax: 051-5733967

The background of the entire page is a vibrant sunset or sunrise over a body of water. The sun is a bright, glowing orb positioned slightly to the left of the center, just above the horizon. It casts a long, horizontal, shimmering reflection across the water's surface. The sky transitions from a deep, clear blue at the top to a warm, golden yellow near the horizon, with scattered, soft white and light blue clouds. The overall mood is serene and optimistic.

**Summit** *S* **Bank**  
Committed to you

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