

Samba Bank Limited

Quarterly Report
March 31, 2024



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World class banking solutions
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samba bank  **سامبا بینک**



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OUR BRANCH NETWORK

Currently, SBL has a network of 47 branches located in 15 major cities across the country.

Karachi

I.I. Chundrigar Road
Clifton, Park Towers
Rashid Minhas
Hyderi
S.M.C.H.S.
Bahria Complex I
Shahra-e-Faisal
Gulshan
Bahadurabad
DHA Phase VI (Shahbaz)
DHA Phase VIII
Ittehad
Saba Avenue
Tauheed Commercial

Lahore

Gulberg
Shadman
Allama Iqbal Town
Johar Town
New Garden Town
Tufail Sarwar Road
Cavalry Ground
Faisal Town
Model Town
Bahria Town
DHA Phase III
DHA Phase V
DHA Phase VI

Islamabad

F-7
F-11
Jinnah Avenue
DHA Phase II

Rawalpindi

Murree Road
Bahria Town
Wah Cantt.

Gujranwala

G.T. Road

Faisalabad

Liaquat Road
Susan Road

Multan

Nusrat Road
Mauza Gith Brabar (DHA)

Sahiwal

Sahiwal

Sialkot

Paris Road

Peshawar

Islamia Road

Quetta

M.A. Jinnah Road

Gwadar

Airport Road

AJK - Bagh

Bagh

Jhelum

Jhelum Cantt.

Nowshera

Rashakai



COMPANY INFORMATION

Board of Directors

Mr. Mustafa Ilyas	Chairman/Non-Executive Director
Mr. Nasser Sulaiman Al-Fraih	Non-Executive Director
Mr. Hussein Eid	Non-Executive Director
Mr. Timour Pasha	Non-Executive Director
Ms. Kholood Khalid Al-Khelaiwi	Non-Executive Director
Hafiz Mohammad Yousaf	Independent Director
Mr. Javed Kureishi	Independent Director
Ms. Zeeba Ansar	Independent Director
Mr. Ahmad Tariq Azam	President & CEO/Executive Director

Board Audit Committee

Hafiz Mohammad Yousaf	Chairman
Mr. Hussein Eid	Member
Mr. Javed Kureishi	Member

Board Risk Committee

Mr. Timour Pasha	Chairman
Mr. Javed Kureishi	Member
Ms. Zeeba Ansar	Member
Mr. Ahmad Tariq Azam	Member

Board Nominations & Remuneration Committee

Ms. Zeeba Ansar	Chairperson
Hafiz Mohammad Yousaf	Member
Mr. Mustafa Ilyas	Member
Mr. Hussein Eid	Member

Board IT Committee

Mr. Javed Kureishi	Chairman
Mr. Mustafa Ilyas	Member
Hafiz Mohammad Yousaf	Member
Ms. Kholood Khalid Al-Khelaiwi	Member

Registered Office

1st Floor, 19-Saleem Plaza, Blue Area, Jinnah Avenue,
Islamabad - Pakistan.

President & Chief Executive Officer

Mr. Ahmad Tariq Azam

Deputy Chief Executive Officer

Mr. Rashid Jahangir

Company Secretary

Syed Zia-ul-Husnain Shamsi

Chief Financial Officer

Mr. Basit Hamanyun

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisors

Mohsin Tayebaly & Co.
Advocates & Legal Consultants

Head Office

Arif Habib Centre Plot No. 23, Ground floor,
M.T. Khan Road Karachi - Pakistan

Share Registrar

Famco Share Registration Services (Pvt.) Limited
8-F, Near Hotel Faran, Nursery, Block-6 P.E.C.H.S.,
Karachi - Pakistan

Website

www.samba.com.pk

Helpline

11 11 SAMBA (72622)
0800 - SAMBA (72622)

Credit Rating

Medium to Long Term	AA (Double A)
Short Term	A-1 (A-One)



DIRECTORS' REPORT



Economic Highlights

Pakistan's economy is showing signs of a gradual recovery supported by higher crop output, rebound in the private sector investment, progress on reform measures, some stability on political front and reduced macroeconomic imbalances. Inflation is expected to remain high in FY 24-25, driven by high energy prices. The State Bank of Pakistan maintained a policy rate of 22% to combat ongoing inflationary pressures.

On the external front, current account posted a deficit of USD 999 million during the FY 24 (July 2023 - Feb 2024) as against a deficit of USD 3,846 million for FY 23 (July 2022 - Feb 2023). Reduction in current account deficit is mainly on account of contraction in imports which decreased by 4% and increase in exports by 8%. During the month of February 2024 current account posted a surplus of USD128 million.

Bank's Operating Results and Financial Review

Despite high inflation & slow economic activity, the bank has posted resilient financial results for the quarter ended March 31, 2024, the summary of which is as under:

	(Rupees in millions)	
	Quarter ended March 31, 2024	Quarter ended March 31, 2023
Profit before provision	835	554
Provisions (charge)	(133)	(52)
Profit before taxation	702	502
Taxation charge	(343)	(222)
Profit after taxation	359	280
Earnings per share - PKR	0.36	0.28

During the first quarter, Net Interest Income increased by 19% versus last year mainly due to higher and improved earnings assets spread. This increase is in line with the hike in policy rate from 20% in March 2023 to 22% in March 2024. Non markup interest income closed at Rs. 320 million registering an increase of 221% over the corresponding period. Operating expenses for the quarter ended March 31, 2024 increased by 21% over the comparative period that is in line currency devaluation and cost associated with various initiatives undertaken by the bank. Demonstrating effective management of its delinquent loan portfolio, the Bank recovered above PKR 400 million against loss category classified portfolio.

The bank is continuously right sizing its earning assets mix vis-à-vis credit risk. Asset base of the bank grew by Rs. 1.4 billion (i.e. 1%) versus December 31, 2023 position and stood at Rs. 180 billion as at March 31, 2024 which primarily represents a growth of Rs. 2,473 million in investments and decline of Rs. 968 million in advances. On the liabilities side, the interbank borrowings decreased by Rs. 13,665 million which was offset by increase in customer deposits amounting to Rs. 16,224 million or 14%.

Credit Rating

The Pakistan Credit Rating Agency Limited (PACRA) and VIS Credit rating Company limited, premier credit rating agencies of the country, have assigned the entity ratings at 'AA/A-1' (Double A/A-One) to the Bank with 'Stable' outlook. These long-term and short-term ratings of the Bank denote high credit quality with adequate protection factor and strong capability for timely payments to all financial commitments owing to strong liquidity positions.

Future outlook

The revival of IMF program and external inflows remain vital for Pakistan's economy. This recovery reflects controlled monetary and fiscal policy, continued import management measures aimed at preserving country forex reserves and curtailing the losses incurred by state-owned enterprises through critical reforms required to improve their performance, efficiency and governance including the privatization. The main risk to macroeconomic outlook is an elevated debt to GDP ratio, external balance of payments and meeting revenue collection and fiscal targets. As a result, IMF has projected the GDP and inflation of around 2% and 24.8% for the FY 2024.

The Saudi National Bank ("SNB"), Bank's parent entity, has informed the Bank that it has received a non-binding offer from Bank Alfalah Limited relating to the proposed divestment of SNB's 100% stake in Samba Bank Limited ("Samba Pakistan") representing approximately 84.51% shares in Samba Pakistan (the "Potential Transaction"). SNB has agreed to evaluate the non-binding offer, subject to compliance with requirements under applicable laws and regulations.

Acknowledgement

We wish to express sincere gratitude to our customers, business partners and shareholders for their patronage and trust. The Board of Directors and the management would like to thank the State Bank of Pakistan, Securities & Exchange Commission of Pakistan, Federal Board of Revenue and other regulatory bodies for their guidance and support. We also sincerely appreciate the dedication, commitment and team work of all employees of the Bank who worked very hard to transform the Bank into a successful franchise.

On behalf of the Board of Directors,



Ahmad Tariq Azam
President & Chief Executive Officer

April 25, 2024
Karachi



Mr. Timour Pasha
Director

سعودی نیشنل بینک (ایس این بی)، جو کہ بینک کا ملکیتی ادارہ ہے، نے بینک کو مطلع کیا ہے کہ اسے بینک الفلاح لمیٹڈ کی جانب سے سامبا بینک لمیٹڈ (سامبا پاکستان) میں ایس این بی کے 100 فیصد کے حصے جو سامبا پاکستان (کی مکمل ٹرانزیکشن) میں تقریباً 84.51 فیصد کے حصص کی نمائندگی ہے، کی مجوزہ فروخت کے لیے ایک غیر مشروط پیش کش موصول ہوئی ہے۔ ایس این بی نے اس بارے میں لاگو قوانین اور ضوابط کے تحت ضروری تعمیلات کے لیے اس غیر مشروط پیش کش کا جائزہ لینے پر اتفاق کیا ہے۔

اظہارِ تشکر

ہم اپنے صارفین و کاروباری شراکت داران اور حصص یافتگان کے اعتماد اور خلوص پر ان کے نہایت مشکور ہیں۔ بورڈ آف ڈائریکٹرز اور بینک کی انتظامیہ بینک دولت پاکستان، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، فیڈرل بورڈ آف ریونیو اور دیگر ضوابطی اداروں کی رہنمائی اور تعاون پر ان کے شکرگزار ہیں۔ اس کے علاوہ ہم اپنے بینک کے تمام ملازمین کی تہہ دل سے حوصلہ افزائی کرتے ہیں جن کی لگن، عزم اور ٹیم ورک نے بینک کو ایک کامیاب ادارے میں تبدیل کر دیا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

—
—
—

تیور پاشا
ڈائریکٹر

—
—
—

احمد طارق اعظم
پریذیڈنٹ اور چیف ایگزیکٹو آفیسر

25 اپریل 2024ء
کراچی

پیداواری اثاثہ جات کے سپریڈز میں اضافے اور بہتری کی اہم وجوہ کی بناء پر، پہلی سہ ماہی کے دوران، خالص انٹرسٹ آمدنی میں گزشتہ سال کی تقابلی مدت کی نسبت 19 فیصد کا اضافہ ہوا۔ یہ بڑھتی، پالیسی ریٹ کے مارچ 2023ء میں 20 فیصد کی شرح سے مارچ 2024ء تک کی 22 فیصد کی بڑھتی شرح کی عین مطابقت میں تھی۔ نان مارک اپ آمدنی، گزشتہ تقابلی سے 221 فیصد کے اضافے کے اندراج کے ساتھ 320 ملین روپے پر جا پہنچی۔ 31 مارچ 2024ء کو اختتام پذیر سہ ماہی کے کاروباری اخراجات گزشتہ تقابلی مدت سے 21 فیصد رہے۔ یہ اخراجات افراط زر کی شرح، روپے کی قدر میں نمایاں فرسودگی اور بینک کی جانب سے اختیار کئے گئے کئی اقدامات سے جڑی لاگت کی مطابقت میں ہیں۔ اپنے غیر فعال فرضہ جات کے پورٹ فولیو کے موزوں انتظام کے مظاہرے کے طور پر بینک نے مکمل نقصان کے تحت کلاسیفائڈ پورٹ فولیو کی مد میں 400 ملین روپے کی وصولی کی۔

بینک اپنے پیداواری اثاثہ جات کی ترکیب اور اس کے ساتھ ساتھ کریڈٹ کے خدشات کو نہایت موزوں حجم پر برقرار رکھنے کے لیے مسلسل کوشاں ہے۔ بینک کے اثاثہ جات 31 دسمبر 2023ء کے مقابلے میں 1.4 بلین روپے یعنی (1 فیصد) کے اضافے کے ساتھ 31 مارچ 2024ء تک 180 بلین روپے پر پہنچ گئے۔ جس میں سرمایہ کاری کی مد میں 2,473 ملین روپے کے اضافے اور قرضہ جات میں 968 ملین روپے کی کمی کی نمایاں شمولیت رہی۔ واجبات کے حوالے سے، بینکوں کے مابین فراہم شدہ قرضہ جات میں 13,665 ملین روپے کی کمی درج ہوئی جس کا توازن بینک کے صارفین کے مزید ڈیپازٹس سے برقرار رکھا گیا، اس کا حجم 14 فیصد کے اضافے کے ساتھ 16,224 ملین روپے تک جا پہنچا۔

کریڈٹ ریٹنگ

معروف کریڈٹ ایجنسیوں، وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ اور پاکستان کریڈٹ ریٹنگ کمپنی لمیٹڈ (PACRA - پاکرا) نے بینک کی اینٹی ریٹنگز کو مستحکم پیش بینی کے ساتھ، (A-1/AA) ڈبل اے / اے ون کے درجات تفویض کیے ہیں۔ یہ طویل اور قلیل المدتی درجہ بندیوں کے اعلیٰ قرضہ جاتی معیار اور اس کے ساتھ اس کے مناسب محافظت کے عوامل اور اپنی مضبوط سیال پذیرگی (لیکوڈیٹی) کی بدولت اپنی تمام تر مالیاتی ذمہ داریوں کی بروقت ادائیگی کی ٹھوس صلاحیت کی مظہر ہیں۔

مستقبل کی پیش بینی

آئی ایم ایف پروگرام کی بحالی اور غیر ملکی سرمایہ کاری پاکستان کی معیشت کے لئے بہت اہم ہے۔ یہ بحالی کنٹرول شدہ مالیات اور مالیاتی پالیسی، درآمدی انتظامی اقدامات کی عکاسی کرتی ہے جس کا مقصد غیر ملکی زرمبادلہ کے ذخائر کو محفوظ رکھنا اور نجکاری سمیت ملک کے سرکاری اداروں کی کارکردگی، استعدادی صلاحیت اور گورننس کو بہتر بنانے کے لیے درکار اہم اصلاحات کے ذریعے ہونے والے نقصانات کو کم کرنا ہے۔ کلاں اقتصادی جائزے کا یہ بنیادی رسک جی ڈی پی کے تناسب سے زائد قرض، ادائیگیوں کا بیرونی توازن اور محصولات کی وصولی اور مالیاتی اہداف کو پورا کرنا ہے۔ اس کے نتیجے میں، IMF نے مالی سال 2024 کے لیے جی ڈی پی اور افراط زر کی شرح تقریباً 2 فیصد اور 24.8 فیصد رکھی ہے۔



ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم، بینک کے 31 مارچ 2024ء کو اختتام پذیر سہ ماہی کے مالیاتی نتائج پیش کرتے ہوئے، نہایت مسرت محسوس کر رہے ہیں۔

معاشی جھلکیاں

فصلوں کی پیداوار میں بہتری، نجی شعبے کی سرمایہ کاری میں بحالی، سیاسی حوالے سے کچھ استحکام اور کلاں معاشی عدم توازن میں کمی جیسے عوامل کے تعاون سے پاکستان کی معیشت بتدریج بہتری کے اشاریے ظاہر کر رہی ہے۔ توانائی کی بڑھتی ہوئی قیمتوں کے باعث مالی سال 2024-25 میں افراط زر کی شرح میں بلندی کا رجحان برقرار رہنے کی توقع ہے۔ اسٹیٹ بینک آف پاکستان نے یہ جاری افراط زر کے تدارک کے لیے پالیسی ریٹ کو 22 فیصد کی شرح پر برقرار رکھا۔

داخلی محاذ کے حوالے سے، کرنٹ اکاؤنٹ کا خسارہ مالی سال 2023ء کے جولائی 2022ء تا فروری 2023ء کے عرصے کے 3,846 بلین امریکی ڈالرز کے حجم کی نسبت مالی سال 2024ء کے جولائی 2023ء تا فروری 2024ء کی مدت کے دوران 999 بلین امریکی ڈالرز پر درج ہوا۔ کرنٹ اکاؤنٹ میں اس کمی کی بنیادی وجوہ میں درآمدات میں 4 فیصد کمی اور برآمدات میں 8 فیصد اضافہ تھا۔ فروری 2024ء کے مہینے کے دوران کرنٹ اکاؤنٹ میں 128 بلین امریکی ڈالرز کا سرپلس (زائد الوصول حجم) دیکھا گیا۔

بینک کے کاروباری نتائج اور مالیاتی تجزیہ

بلند افراط زر اور سست معاشی سرگرمی کے باوجود، بینک نے 31 مارچ 2024ء کو اختتام پذیر سہ ماہی کے لیے بہتر مالیاتی نتائج حاصل کیے ہیں۔ جن کا خلاصہ مندرجہ ذیل ہے:

ملین روپے	
سہ ماہی مختتمہ 31 مارچ 2023 (غیر آڈٹ شدہ)	سہ ماہی مختتمہ 31 مارچ 2024 (غیر آڈٹ شدہ)
554	835
(52)	(133)
502	702
(222)	(343)
280	359
0.28	0.36

کاروباری منافع / پروویڈنٹس سے قبل
پروویڈنٹس (اخراجات)
منافع قبل از محصولات (ٹیکس)
محصولات
منافع بعد از محصولات
آمدنی فی حصص (روپے)

Condensed Interim Statement of Financial Position

AS AT MARCH 31, 2024

		(Rupees in '000)	
		March 31, 2024	December 31, 2023
		(Un-audited)	(Audited)
ASSETS			
Cash and balances with treasury banks	7	11,128,207	9,465,856
Balances with other banks	8	1,140,588	1,038,476
Lendings to financial institutions	9	7,827,143	8,192,051
Investments	10	72,885,194	70,412,387
Advances	11	72,468,741	73,436,346
Property and equipment	12	1,685,558	1,702,942
Right-of-use assets	13	1,207,913	1,255,338
Intangible assets	14	617,990	596,744
Deferred tax assets	15	2,780,210	2,503,022
Other assets	16	8,450,241	10,130,697
		180,191,785	178,733,859
LIABILITIES			
Bills payable	17	927,524	975,388
Borrowings	18	17,316,300	30,981,605
Deposits and other accounts	19	130,956,478	114,731,997
Lease liabilities		-	-
Subordinated debt	20	4,994,000	4,995,000
Deferred tax liabilities		-	-
Other liabilities	21	9,466,034	10,686,688
		163,660,336	162,370,678
NET ASSETS			
		16,531,449	16,363,181
REPRESENTED BY:			
Share capital		10,082,387	10,082,387
Reserves		3,048,715	2,976,978
Deficit on revaluation of assets	22	(562,968)	(274,468)
Unappropriated profit		3,963,315	3,578,284
		16,531,449	16,363,181
CONTINGENCIES AND COMMITMENTS			
	23		

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


Chief Financial Officer


President & Chief Executive Officer


Director


Director


Chairman

Condensed Interim Profit and Loss Account (Un-Audited)

FOR THE THREE MONTHS ENDED MARCH 31, 2024

	Note	(Rupees in '000)	
		Three months ended March 31, 2024	Three months ended March 31, 2023
Mark-up / Return / Interest earned	24	7,579,570	6,348,009
Mark-up / Return / Interest expensed	25	5,723,639	4,790,642
Net mark-up / interest income		1,855,931	1,557,367
Non Mark-up / Interest Income			
Fee and commission income	26	89,137	105,973
Dividend income		14,607	5,437
Foreign exchange income		216,771	398,631
Income / (Loss) from derivatives		-	-
Loss on securities	27	(469)	(418,934)
Net gains / (loss) on derecognition of financial assets measured at amortised cost	28	-	-
Other income	29	261	8,845
Total non-markup / interest income		320,307	99,952
Total Income		2,176,238	1,657,319
Non Mark-up / Interest Expenses			
Operating expenses	30	1,323,304	1,090,610
Workers Welfare Fund		18,000	12,500
Other charges	31	-	-
Total non-markup / interest expenses		1,341,304	1,103,110
Profit before provisions		834,934	554,209
Credit loss allowance and write offs - net	32	(133,085)	(52,016)
Extra ordinary / unusual items		-	-
Profit Before Taxation		701,849	502,193
Taxation	33	(343,166)	(222,454)
Profit After Taxation		358,683	279,739
		(Rupees)	
Earnings per share - basic and diluted	34	0.36	0.28

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



Chief Financial Officer



President & Chief Executive Officer



Director



Director



Chairman

Condensed Interim Statement of Comprehensive Income (Un-Audited)

FOR THE THREE MONTHS ENDED MARCH 31, 2024

	(Rupees in '000)	
	Three months ended March 31, 2024	Three months ended March 31, 2023
Profit after taxation for the period	358,683	279,739
Other comprehensive income / (loss)		
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of debt investments through FVOCI - net of tax	(90,613)	(1,010,032)
Items that will not be reclassified to profit and loss account in subsequent periods:		
Movement in surplus / (deficit) on revaluation of equity investments - net of tax	(156,920)	66,407
Total comprehensive income / (loss)	<u>111,150</u>	<u>(663,886)</u>

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



Chief Financial Officer



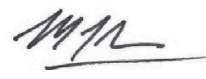
President & Chief Executive Officer



Director



Director



Chairman

Condensed Interim Cash Flow Statement (Un-Audited)

FOR THE THREE MONTHS ENDED MARCH 31, 2024

		(Rupees in '000)	
	Note	Three Months ended March 31, 2024	Three Months ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		701,849	502,193
Less: Dividend income		(14,607)	(5,437)
		687,242	496,756
Adjustments:			
Depreciation	30	53,761	54,028
Depreciation on right-of-use assets	30	92,654	71,510
Amortization	30	26,035	19,918
Credit loss allowance and write offs	32	133,085	52,016
(Gain) sale/disposal of property and equipment		(260)	(1,913)
Finance charges on leased assets		69,398	42,722
Interest expensed on debt securities		297,883	230,988
Unrealized (gain) / loss on revaluation of investments classified as HFT		1,904	406
Loss / (gain) on sale of investment - net		(1,435)	418,527
		673,025	888,202
		1,360,267	1,384,958
(Increase) / decrease in operating assets			
Lendings to financial institutions		364,908	(1,441,236)
Securities classified as FVPL		64,685	(2,842,896)
Advances		831,934	2,698,604
Others assets (excluding advance taxation)		1,437,290	(5,156,007)
		2,698,817	(6,741,535)
Increase / (decrease) in operating liabilities			
Bills payable		(47,864)	(368,806)
Borrowings from financial institutions		(13,665,305)	1,278,663
Deposits		16,224,481	11,725,895
Other liabilities (excluding current taxation)		(821,090)	5,154,428
		1,690,222	17,790,180
Income tax paid		(6,362)	(260,594)
Net cash flow generated from operating activities		5,742,944	12,173,009
CASH FLOW FROM INVESTING ACTIVITIES			
Net Investments in securities classified as FVOCI		(3,105,512)	(2,650,292)
Dividends received		9,288	3,938
Investments in fixed assets and intangible assets		(83,684)	(130,261)
Sale proceeds from disposal of property and equipment		286	2,534
Net cash flow used in investing activities		(3,179,622)	(2,774,081)
CASH FLOW FROM FINANCING ACTIVITIES			
Principal repayment of Debt Securities		(1,000)	(1,000)
Markup payment on Debt Securities		(610,034)	(429,926)
Dividend paid		(2)	(20)
Payments of lease obligations against right-of-use assets		(187,823)	(91,603)
Net cash flow used in financing activities		(798,859)	(522,549)
Increase / (Decrease) in cash and cash equivalents		1,764,463	8,876,379
Cash and cash equivalents at the beginning of the period		10,504,332	7,192,525
Cash and cash equivalents at the end of the period		12,268,795	16,068,904

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



Chief Financial Officer



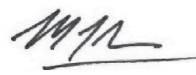
President & Chief Executive Officer



Director



Director



Chairman

Condensed Interim Statement of Changes in Equity (Un-Audited)

FOR THE THREE MONTHS ENDED MARCH 31, 2024

	(Rupees in '000)					
	Share Capital	Capital Reserve	Statutory Reserve	Surplus/ (Deficit) on Revaluation of Investments	Unappropriated profit	Total
Balance as at January 1, 2023	10,082,387	1,561,435	1,168,484	(749,270)	2,590,047	14,653,083
Profit after taxation for three months ended March 31, 2023	-	-	-	-	279,739	279,739
Other comprehensive loss						
Movement in deficit on revaluation of investments - net of tax	-	-	-	(943,625)	-	(943,625)
Transfer to statutory reserve	-	-	55,948	-	(55,948)	-
Balance as at April 01, 2023	10,082,387	1,561,435	1,224,432	(1,692,895)	2,813,838	13,989,197
Profit after taxation for the Nine months ended December 31, 2023	-	-	-	-	955,557	955,557
Other comprehensive income						
Movement in deficit on revaluation of investments - net of tax	-	-	-	1,418,427	-	1,418,427
Transfer to statutory reserve	-	-	191,111	-	(191,111)	-
Balance as at December 31, 2023 (Audited)	10,082,387	1,561,435	1,415,543	(274,468)	3,578,284	16,363,181
Effect of reclassification on adoption of IFRS 9 (net of tax)	-	-	-	(40,967)	40,967	-
Effect of adoption of IFRS 9 - ECL (net of tax)	-	-	-	-	(100,414)	(100,414)
	-	-	-	(40,967)	(59,447)	(100,414)
Profit after taxation for the three months ended March 31, 2024	-	-	-	-	358,683	358,683
Other comprehensive loss						
Movement in surplus / (deficit) on revaluation of investments in debt instruments - net of tax	-	-	-	(90,613)	-	(90,613)
Movement in surplus / (deficit) on revaluation of investments in equity instruments - net of tax	-	-	-	(156,920)	157,532	612
	-	-	-	(247,533)	157,532	(90,001)
Transfer to statutory reserve	-	-	71,737	-	(71,737)	-
Balance as at March 31, 2024 (Un-Audited)	10,082,387	1,561,435	1,487,280	(562,968)	3,963,315	16,273,180

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

Chief Financial Officer

President & Chief Executive Officer

Director

Director

Chairman

Notes to and Forming Part of the Condensed Interim Financial Statement

FOR THE THREE MONTHS ENDED MARCH 31, 2024

1 STATUS AND NATURE OF BUSINESS

Samba Bank Limited (the Bank) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank is listed on the Pakistan Stock Exchange Limited. Its principal office is located at Ground Floor, Arif Habib Centre, M.T. Khan Road, Karachi, whereas, the registered office of the Bank is located at 1st Floor, 19 - Saleem Plaza, Blue Area, Jinnah Avenue, Islamabad. The Bank operates 47 branches (December 31, 2023: 47 branches) inside Pakistan.

The Bank is a subsidiary of Saudi National Bank (formerly Samba Financial Group) of Kingdom of Saudi Arabia, the Parent entity, which holds 84.51% shares of the Bank as at March 31, 2024 (December 31, 2023: 84.51%). The Saudi National Bank ("SNB") has informed the Bank that it has received a non-binding offer from Bank Alfalah Limited relating to the proposed divestment of SNB's 100% stake in Samba Bank Limited ("Samba Pakistan") (representative approximately 84.51% shares in Samba Pakistan") (the "Potential Transaction"). SNB has agreed to evaluate the non-binding offer and will, subject to compliance with requirements under applicable laws and regulations.

- 1.1 Pakistan Credit Rating Agency (PACRA) and VIS Credit Rating Company have maintained the Bank's medium to long-term rating as 'AA' and the short-term rating as 'A-1'.

2 BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in conformity with the format of interim financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular Letter no. 2 dated February 09, 2023.

In accordance with the directives of the Federal Government regarding the shifting of the Banking system to Islamic modes, the State Bank of Pakistan (SBP) has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchases and sales arising under these arrangements are not reflected in these financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon.

SBP vide its instructions in BPRD Circular Letter no. 7 dated April 13, 2023, deferred the applicability of IFRS 9 - Financial Instruments to January 01, 2024. Accordingly, these financial statements have been prepared after taking into account the impact of IFRS 9 on the Bank's financial statements as at March 31, 2024 assuming that IFRS 9 has been adopted with effect from January 01, 2024. Therefore, the requirements of SBP directives that currently provide the accounting framework for the measurement and validation of investments and provision against non performing financings have been followed till December 31, 2023.

3 STATEMENT OF COMPLIANCE

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

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

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

- 3.1** The State Bank of Pakistan, vide its BSD Circular Letter no. 10 dated August 26, 2002, has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property, for banking companies till further instructions. Further, the SECP, through S.R.O 411(1)/2008 dated April 28, 2008, has deferred the applicability of IFRS 7, Financial Instruments: Disclosures, to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

4 MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual financial statements for the year ended December 31, 2023 except for the adoption of IFRS 9 Financial Instruments w.e.f January 01, 2024.

4.1 Changes in accounting policies and transition disclosures

4.1.1 Impact of IFRS 9 - Financial Instruments

As permitted by the transitional provisions of IFRS 9, the Bank has opted for modified retrospective approach and has not restated comparative figures. Any adjustments to the carrying amounts of financial assets and liabilities at the date of transition were recognised in the opening retained earnings and other reserves at the beginning of the current year without restating the comparative figures.

The adoption of IFRS9 has resulted in changes in the accounting policies for recognition, classification and measurement of financial assets and financial liabilities and impairment of financial assets. IFRS 9 also significantly amends other standards dealing with financial instruments such as IFRS 7 'Financial Instruments: Disclosures'.

4.1.2 Reconciliation of statement of financial position balances from existing local regulations to IFRS 9

	(Rupees in '000)						
	Carrying amount as per current accounting policy as at Dec 31, 2023	At FVPL	At FVOCI - with recycling	At FVOCI - without recycling	At Amortized Cost	Remeasurement under IFRS 9	IFRS 9 carrying amount as at Jan 01, 2024
Cash and cash equivalents	10,504,332	-	-	-	10,504,332	(1,481)	10,502,851
Lendings to financial institutions	8,192,051	-	-	-	8,192,051	-	8,192,051
Advances	73,436,346	-	-	-	73,436,346	(150,363)	73,285,983
Investments in financial assets	-	-	-	-	-	-	-
Held for trading	136,545	136,545	-	-	-	-	136,545
Held to maturity	-	-	-	-	-	-	-
Available for sale	70,275,842	-	68,561,069	1,714,773	-	(4,287)	70,271,555
Other Assets	10,130,697	1,632,466	-	-	8,498,231	-	10,130,697
Other liabilities	10,686,688	2,058,075	-	-	8,628,613	(40,760)	10,645,928

4.2 Amendments to approved accounting standards that are effective in the current period

As directed by SBP via BPRD Circular Letter No. 7 of 2023 dated 13 April 2023, IFRS 9 Financial Instruments is effective for periods beginning on 01 January 2024, for banks. The SBP, vide its earlier BPRD Circular No. 3 of 2022 dated 05 July 2022 provided detailed instructions on implementation of IFRS 9 (the Application Instructions) for ensuring smooth and consistent implementation of the standard across banks. Furthermore, the SBP vide its BPRD Circular No. 02 of 2023 dated 09 February 2023, had also issued the revised formats for the preparation of the annual / interim financial statements for banks.

There are certain other new standards and interpretations of and amendments to existing accounting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2024. These are considered either to not be relevant or not to have any significant impact on the Bank's financial statements.

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

"The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 1 January 2025:

Lack of Exchangeability (amendments to IAS 21) clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability

Further, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include:

- the nature and financial impacts of the currency not being exchangeable;
- the spot exchange rate used;
- the estimation process; and
- risks to the company because the currency is not exchangeable.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis for accounting estimates adopted in the preparation of these condensed interim financial statements is the same as that applied in the preparation of the annual financial statements for the year ended December 31, 2023.

6 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the audited annual financial statements for the year ended December 31, 2023.

		(Rupees in '000)	
		March 31, 2024	December 31, 2023
		(Un-audited)	(Audited)
7 CASH AND BALANCES WITH TREASURY BANKS	Note		
In hand			
Local currency		1,046,408	1,125,140
Foreign currency		340,337	958,688
		1,386,745	2,083,828
With State Bank of Pakistan in			
Local currency current account		6,845,513	4,653,285
Foreign currency current account (cash reserve account)		835,231	745,522
Foreign currency deposit account (USD settlement account)		349,826	478,298
Foreign currency deposit account (special cash reserve account)		1,667,405	1,476,668
		9,697,975	7,353,773
With National Bank of Pakistan in			
Local currency current account		43,472	28,240
Prize Bonds		15	15
Less: Credit loss allowance held against cash and balances with treasury banks		-	-
Cash and balances with treasury banks - net of credit loss allowance		11,128,207	9,465,856
8 BALANCES WITH OTHER BANKS			
In Pakistan			
In current accounts		6,826	12,735
In deposit accounts		24	21
		6,850	12,756
Outside Pakistan			
In current accounts	7.1	1,135,637	1,025,720
Less: Credit loss allowance held against balances with other banks		1,899	-
Balances with other banks - net of credit loss allowance		1,140,588	1,038,476

- 8.1 The above amount includes balance with Saudi National Bank (a related party) amounting to Rs. 143.328 million (2023: Rs. 100.391 million)

9 LENDINGS TO FINANCIAL INSTITUTIONS

	(Rupees in '000)	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
Call / clean money lendings	-	-
Reverse repo agreements	3,993,600	2,500,000
Other lending (Naya Pakistan Certificates)	3,833,543	5,692,051
	7,827,143	8,192,051
Less: Credit loss allowance held against lending to financial institutions	-	-
Lendings to financial institutions - net of credit loss allowance	7,827,143	8,192,051

9.1 Lending to FIs- Particulars of credit loss allowance

	(Rupees in '000)	
	March 31, 2024	
	Lending (Un-audited)	Credit loss allowance held
Domestic		
Performing Stage 1	7,827,143	-
Under performing Stage 2	-	-
Non-performing Stage 3		
Substandard		
Doubtful	-	-
Loss	-	-
	-	-
Total	7,827,143	-

10. INVESTMENTS

10.1 Investments by type:

Category of Classification	(Rupees in '000)			
	March 31, 2024 (Un-audited)			
	Cost/ Amortised cost	Credit loss allowances	Surplus/ (Deficit)	Carrying Value
FVTPL				
Federal Government securities	8,117	-	8	8,125
Shares	65,647	-	(1,912)	63,735
	73,764	-	(1,904)	71,860
FVOCI				
Federal Government securities	72,099,168	-	(1,097,911)	71,001,257
Shares	1,166,067	-	(4,709)	1,161,358
Non Government debt securities	657,143	(5,185)	(1,239)	650,719
	73,922,378	(5,185)	(1,103,859)	72,813,334
Amortised Cost				
Federal Government securities	-	-	-	-
Total Investments	73,996,142	(5,185)	(1,105,763)	72,885,194

Category of Classification	(Rupees in '000)			
	December 31, 2023 (Audited)			
	Cost/ Amortised cost	Provision for Diminution	Surplus/ (Deficit)	Carrying Value
Held for Trading Securities				
Federal Government securities	103,105	-	96	103,201
Shares	33,663	-	(319)	33,344
	136,768	-	(223)	136,545
Available for sale Securities				
Federal Government securities	68,539,688	-	(918,898)	67,620,790
Shares	1,422,296	(90,827)	383,304	1,714,773
Non Government debt securities	942,857	-	(2,578)	940,279
	70,904,841	(90,827)	(538,172)	70,275,842
Held to Maturity Securities				
Federal Government securities	-	-	-	-
Total Investments	71,041,609	(90,827)	(538,395)	70,412,387

10.1.1 Investments given as collateral	(Rupees in '000)	
	March 31, 2024	December 31, 2023
	(Un-audited)	(Audited)
Pakistan Investment Bonds	6,879,600	19,172,150

10.2 Credit loss allowance for diminution in value of investments

10.2.1 Opening balance	90,827	17,786
IFRS 9 transition impact	(86,540)	-
Charge / reversals		
Charge for the period / year	898	144,036
Reversals for the period / year	-	(70,995)
	898	73,041
Amounts written off	-	-
Closing Balance	5,185	90,827

10.3 Particulars of credit loss allowance against debt securities	(Rupees in '000)	
	March 31, 2024	
	Outstanding amount	Credit loss allowance held
	(Un-audited)	
Domestic		
Performing Stage 1	657,143	5,185
Underperforming Stage 2		
Non-performing Stage 3		
Substandard	-	-
Doubtful	-	-
Loss	-	-
	-	-
Total	657,143	5,185

11 ADVANCES

	(Rupees in '000)		
	Performing	Non Performing	Total
	March 31, 2024 (Un-audited)		
Loans, cash credits, running finances, etc.	71,507,117	8,001,704	79,508,821
Bills discounted and purchased	522,099	-	522,099
Advances - gross	72,029,216	8,001,704	80,030,920
Credit loss allowance against advances			
-Stage 1	(217,107)	-	(217,107)
-Stage 2	(896,628)	-	(896,628)
-Stage 3	-	(6,448,444)	(6,448,444)
	(1,113,735)	(6,448,444)	(7,562,179)
Advances - net of credit loss allowance	70,915,481	1,553,260	72,468,741

	(Rupees in '000)		
	Performing	Non Performing	Total
	December 31, 2023 (Audited)		
Loans, cash credits, running finances, etc.	73,031,411	7,334,923	80,366,334
Bills discounted and purchased	345,557	-	345,557
Advances - gross	73,376,968	7,334,923	80,711,891
Specific Provision	-	(6,368,758)	(6,368,758)
General Provision	(906,787)	-	(906,787)
	(906,787)	(6,368,758)	(7,275,545)
	72,470,181	966,165	73,436,346

11.1 Particulars of advances (gross)

	(Rupees in '000)	
	March 31, 2024	December 31, 2023
	(Un-audited)	(Audited)
In local currency	79,545,375	80,439,401
In foreign currencies	485,545	272,490
	80,030,920	80,711,891

11.2 Advances include Rs.8,002 million (December 31, 2023: Rs.7,335 million) which have been placed under non-performing / Stage 3 status as detailed below:-

Category of Classification	(Rupees in '000)			
	March 31, 2024 (Un-audited)		December 31, 2023 (Audited)	
	Non Performing Loans	Credit loss allowance	Non Performing Loans	Credit loss allowance
Domestic				
Other Assets Especially Mentioned (OAEM)	56,928	-	56,953	-
Substandard	1,444,186	619,894	1,072,733	486,340
Doubtful	1,431,259	878,844	1,265,335	966,909
Loss	5,069,331	4,949,706	4,939,902	4,915,509
	8,001,704	6,448,444	7,334,923	6,368,758

11.3 Particulars of credit loss allowance against advances

	(Rupees in '000)			
	Stage 1	Stage 2	Stage 3	Total
	March 31, 2024 (Un-audited)			
Opening balance	906,787	-	6,368,758	7,275,545
IFRS 9 transition impact	(623,803)	650,181	124,913	151,291
Charge for the period	-	267,230	394,846	662,076
Reversals	(65,877)	(20,783)	(440,073)	(526,733)
	(65,877)	246,447	(45,227)	135,343
Amounts written off	-	-	-	-
Closing balance	217,107	896,628	6,448,444	7,562,179

	(Rupees in '000)		
	Specific	General	Total
	December 31, 2023 (Audited)		
Opening balance	4,909,582	1,164,393	6,073,975
Charge for the year	2,680,249	-	2,680,249
Reversals for the year	(209,487)	(257,606)	(467,093)
	2,470,762	(257,606)	2,213,156
Amounts written off	(1,011,586)	-	(1,011,586)
Closing balance	6,368,758	906,787	7,275,545

11.3.1 No benefit of forced sale value of the collaterals held by the Bank has been taken while determining the provision against non performing loans as allowed under BSD circular No. 01 dated October 21, 2011.

11.4 Advances - Particulars of credit loss allowance

	(Rupees in '000)		
	Stage 1	Stage 2	Stage 3
	March 31, 2024 (Un-audited)		
11.4.1 Opening balance	906,787	-	6,368,758
IFRS 9 transition impact	(623,803)	650,181	124,913
Net Impairment Charge	(47,773)	267,230	355,959
Advances derecognised or paid	-	-	-
Transfer to stage 1	(56,567)	50,587	5,980
Transfer to stage 2	38,463	(38,463)	-
Transfer to stage 3	-	(32,907)	32,907
Reversal on derecognition	(65,877)	246,447	(440,073)
	(65,877)	246,447	(45,227)
Amounts written off / charged off	-	-	-
Changes in risk parameters	-	-	-
Closing balance	217,107	896,628	6,448,444

11.4.2 Advances - Category of classification

	(Rupees in '000)	
	March 31, 2024 (Un-audited)	
	Outstanding amount	Credit loss allowance held
Domestic		
Performing Stage 1	54,034,544	217,107
Under performing Stage 2	17,994,672	896,628
Non-performing Stage 3		
Substandard	1,501,115	619,895
Doubtful	1,431,258	878,845
Loss	5,069,331	4,949,704
Total	80,030,920	7,562,179

12 PROPERTY AND EQUIPMENT

	(Rupees in '000)	
	March 31, 2024	December 31, 2023
	(Un-audited)	(Audited)
Capital work-in-progress	75,077	46,709
Property and equipment	1,610,481	1,656,233
	1,685,558	1,702,942
12.1 Capital work-in-progress		
Civil works	75,077	46,709

12.2 Additions to property and equipment

The following additions have been made to Property and Equipment during the period:

	(Rupees in '000)	
	March 31, 2024	March 31, 2023
	(Un-audited)	(Audited)
Capital work-in-progress	29,469	5,971
Property and equipment		
Furniture and fixture	1,159	2,312
Electrical office and computer equipment	5,775	4,093
	6,934	6,405
Total	36,403	12,376

12.3 Disposal of property and equipment

The net book value of Property and Equipment disposed off during the period is as follows:

Furniture and fixture	22	94
Electrical office and computer equipment	4	7
Vehicles	-	520
Total	26	621

13 RIGHT-OF-USE ASSETS

	(Rupees in '000)					
	March 31, 2024 (Un-audited)			December 31, 2023 (Audited)		
	Buildings	Others	Total	Buildings	Others	Total
At Beginning						
Cost	2,326,167	-	2,326,167	2,137,850	-	2,137,850
Accumulated Depreciation	(1,070,829)	-	(1,070,829)	(783,517)	-	(783,517)
Net Carrying amount at period end	1,255,338	-	1,255,338	1,354,333	-	1,354,333
Additions during the year	45,229	-	45,229	196,102	-	196,102
Deletions during the year	-	-	-	(6,342)	-	(6,342)
Depreciation Charge for the year	(92,654)	-	(92,654)	(288,755)	-	(288,755)
Net Carrying amount at period end	1,207,913	-	1,207,913	1,255,338	-	1,255,338

14 INTANGIBLE ASSETS

Capital work-in-progress
Intangible assets

	(Rupees in '000)	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
Capital work-in-progress	226,143	253,650
Intangible assets	391,847	343,094
	617,990	596,744

14.1 Additions to intangible assets

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

	(Rupees in '000)	
	March 31, 2024 (Un-audited)	March 31, 2023 (Audited)
Capital work-in-progress	9,165	46,374
Developed internally	-	-
Directly purchased	38,117	-
Through business combinations	-	-
	38,117	-
Total	47,282	46,374

15 DEFERRED TAX ASSETS

Deductible temporary differences on

- Surplus on revaluation of investments
- Deferred tax impact on items realized in retaining earning on adoption of IFRS 9
- Accelerated tax depreciation
- Credit loss allowance against advances, off balance sheet etc.

Taxable temporary differences on

- Net investment in finance lease

	(Rupees in '000)	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
	540,891	263,704
	57,116	-
	52,677	55,576
	2,214,356	2,268,451
	2,865,040	2,587,731
	(84,830)	(84,709)
	(84,830)	(84,709)
	2,780,210	2,503,022

		(Rupees in '000)	
		March 31, 2024	December 31, 2023
		(Un-audited)	(Audited)
16	OTHER ASSETS		
	Income / Mark-up accrued in local currency	5,814,767	6,170,609
	Income / Mark-up accrued in foreign currencies	138,782	81,799
	Advances, deposits, advance rent and other prepayments	280,664	201,679
	Advance taxation	-	-
	Mark to market gain on forward foreign exchange contracts	844,400	1,632,466
	Acceptances	1,142,557	1,450,781
	Receivable against sale of equity investment	60,929	257,197
	Others	312,634	483,551
		8,594,733	10,278,082
	Less: Credit loss allowance held against other assets	(144,492)	(147,385)
	Other Assets (Net of credit loss allowance)	8,450,241	10,130,697
16.1	Credit loss allowance held against other assets		
	Fee, commission and other receivables	76,352	78,245
	Fraud and forgery	68,140	69,140
		144,492	147,385
16.1.1	Movement in Credit loss allowance held against other assets		
	Opening balance	147,385	157,159
	Charge for the period / year	-	-
	Reversals	(2,893)	-
	Amount written off	-	(9,774)
	Closing balance	144,492	147,385
17	BILLS PAYABLE		
	In Pakistan	927,524	975,388
18	BORROWINGS		
	Secured		
	Borrowings from State Bank of Pakistan		
	Under export refinance scheme	3,904,982	4,646,936
	Under Locally Manufactured Machinery (LMM) scheme	-	-
	Under long term financing facilities	6,423,382	6,887,533
		10,328,364	11,534,469
	Repurchase agreement borrowings	6,965,600	19,424,800
	Total secured	17,293,964	30,959,269
	Unsecured		
	Bankers Equity Limited (under liquidation)	22,336	22,336
	Total unsecured	22,336	22,336
		17,316,300	30,981,605

19 DEPOSITS AND OTHER ACCOUNTS

		(Rupees in '000)					
Note	March 31, 2024 (Un-audited)			December 31, 2023 (Audited)			
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total	
Customers							
Current deposits	19,288,981	7,595,716	26,884,697	18,907,204	6,307,245	25,214,449	
Savings deposits	21,897,380	2,716,218	24,613,598	21,550,490	3,199,059	24,749,549	
Term deposits	72,676,776	5,177,807	77,854,583	57,202,589	4,891,760	62,094,349	
Others	-	-	-	679,143	-	679,143	
	113,863,137	15,489,741	129,352,878	98,339,426	14,398,064	112,737,490	
Financial Institutions							
Current deposits	197,374	2,729	200,103	198,278	2,767	201,045	
Savings deposits	326,854	-	326,854	216,199	-	216,199	
Term deposits	-	-	-	500,000	-	500,000	
Others	1,076,643	-	1,076,643	1,077,263	-	1,077,263	
	1,600,871	2,729	1,603,600	1,991,740	2,767	1,994,507	
	115,464,008	15,492,470	130,956,478	100,331,166	14,400,831	114,731,997	

- 19.1 This includes deposit amounting to Rs. 1,076.643 million (December 31, 2022: Rs. 1,077.263 million) from Saudi National Bank - a related party

20 SUBORDINATED DEBT

Term Finance Certificates (TFCs) - Unsecured

		(Rupees in '000)	
Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)	
		4,994,000	4,995,000

Term Finance Certificates (TFCs) - Unsecured

Issue amount Rupees 5,000 million

Issue date March 2021

Maturity date March 2031

Rating AA-

Profit payment frequency Semi - annually

Redemption 6th - 108th month: 0.36%; 114th and 120th month: 49.82% each

Mark-up Payable six monthly at six months' KIBOR plus 1.35%

Call option On or after five years with prior SBP approval

Lock-in-clause Neither profit nor principal may be paid if such payments will result in shortfall in the Bank's Minimum Capital Requirement ("MCR") or Capital Adequacy Ratio ("CAR")

Loss absorbency clause The instrument will be subject to loss absorption and / or any other requirements under SBP's Basel III Capital Rules. Upon the occurrence of a Point of Non-Viability event as defined by SBP's Basel III Capital Rule, SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank (subject to a cap) and / or have them immediately written off (either partially or in full).

21 OTHER LIABILITIES

	Note	(Rupees in '000)	
		March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
Mark-up/ Return/ Interest payable in local currency		2,856,024	2,849,249
Mark-up/ Return/ Interest payable in foreign currency		64,085	51,851
Accrued expenses		603,819	810,339
Accrual for WWF		202,470	184,470
Taxation		662,158	291,770
Acceptances		1,142,557	1,450,781
Unclaimed dividends		3,351	3,351
Dividends payable		28,218	28,220
Mark to market loss on forward foreign exchange contracts		1,078,536	2,058,075
Payable against purchase of equity investment		92,091	37,631
Lease liability against right-of-use assets		1,402,431	1,475,627
Credit loss allowance against off-balance sheet obligations	21.1	209,604	172,746
Security deposits against lease		27,826	27,826
ATM settlement account		959,524	1,118,435
Others		133,340	126,317
		<u>9,466,034</u>	<u>10,686,688</u>

21.1 Credit loss allowance against off-balance sheet obligations

	(Rupees in '000)	
	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
Opening balance	172,746	172,746
IFRS 9 transition impact	40,760	-
Charge for the period / year	-	-
Reversals	(3,902)	-
	(3,902)	-
Amount written off	-	-
Closing balance	<u>209,604</u>	<u>172,746</u>

		(Rupees in '000)	
		March 31, 2024	December 31, 2023
		(Un-audited)	(Audited)
22	DEFICIT ON REVALUATION OF ASSETS		
	Surplus / (deficit) on revaluation of		
	- Securities measured at FVOCI-Debt	10.1 (1,099,150)	(921,476)
	- Securities measured at FVOCI-Equity	10.1 (4,709)	383,304
		(1,103,859)	(538,172)
	Deferred tax on surplus / (deficit) on revaluation of:		
	- Securities measured at FVOCI-Debt	538,584	451,523
	- Securities measured at FVOCI-Equity	2,307	(187,819)
		540,891	263,704
		(562,968)	(274,468)
23	CONTINGENCIES AND COMMITMENTS		
	- Guarantees	23.1 7,512,148	7,692,280
	- Commitments	23.2 131,709,240	112,270,023
	- Other contingent liabilities	23.3 3,058,181	3,058,181
		142,279,569	123,020,484
23.1	Guarantees:		
	Financial guarantees	1,551,627	1,622,350
	Performance guarantees	4,916,699	4,854,026
	Other guarantees	1,043,822	1,215,904
		7,512,148	7,692,280
23.2	Commitments:		
	Documentary credits and short-term trade-related transactions		
	- letters of credit	2,257,644	2,761,534
	Commitments in respect of:		
	- Forward foreign exchange contracts	23.2.1 128,909,505	108,950,523
	Commitments for acquisition of:		
	- Property and equipment	42,720	73,848
	- Intangible assets	497,314	480,244
	- operating leases	23.2.2 2,057	3,874
		131,709,240	112,270,023
23.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	67,821,534	56,645,445
	Sale	61,087,971	52,305,078
		128,909,505	108,950,523

		(Rupees in '000)	
	Note	March 31, 2024 (Un-audited)	December 31, 2023 (Audited)
23.2.2 Commitments in respect of operating leases			
		2,057	3,874
		-	-
		-	-
		2,057	3,874
23.3 Other contingent liabilities			
	23.3.1	2,425,668	2,425,668
	23.3.2	632,513	632,513
		3,058,181	3,058,181
23.3.1 Contingencies in respect of taxation			

Presently, the Bank is contesting these issues at various appellate forums. The disallowances in respect of a number of assessment years have been decided / set aside by various appellate authorities for re-assessment while the Bank's appeal in respect of the remaining assessment years are currently pending. Based on the professional advice received from tax advisors, the management is confident that the eventual outcome of the aforementioned matters will be in favour of the Bank. Accordingly, no provision has been made in these financial statements in respect of the below mentioned demands and windfall tax aggregating Rs. 2,425.668 million (December 31, 2023: Rs. 2,425.668 million) raised by the tax authorities. The details are as follows:

The Federal Board of Revenue (FBR) has raised an arbitrary aggregate demand of Rs. 426.787 million (December 31, 2022: Rs. 426.787 million) for the assessment years 1995-96, 1996-97, 1999-00, 2001-02, 2002-03 on account of non-deduction of tax on profit paid under portfolio management scheme, interest paid on foreign currency deposits and certificates of investment. The FBR has also raised arbitrary aggregate demand of Rs. 645.337 million (December 31, 2022: Rs. 645.337 million) for assessment years 1999-00 to assessment year 2002-03 and tax year 2006 on account of taxability of investment banks as banking companies and taxation of dividend income as normal banking income, and on account of lease rentals received or receivable, lease key money and certain other items. The aforementioned relates to pending assessments of the Bank and amalgamated entities namely Crescent Investment Bank Limited, Trust Investment Bank Limited and Pakistan Industrial Leasing Corporation. The FBR has also raised an arbitrary aggregate demand of Rs. 29.052 million (December 31, 2022: Rs. 29.052 million) for the assessment years 2009, 2010 & 2011 on account of Federal Excise Duty. Further, the FBR has raised arbitrary aggregate demand of Rs. 5.498 million (December 31, 2022: Rs. 5.498 million) on account of monitoring of withholding taxes for the tax year 2014. Provincial Tax authorities have issued orders under Sindh Sales Tax on Services Act, 2011 and Punjab Sales Tax on Services Act, 2012 thereby creating arbitrary aggregate demand amounting to Rs 1.32 million (December 31, 2022: Rs. 35.391 million) for the years 2015 and Rs.15.380 million (December 31, 2022: Rs. 15.380 million) for the year 2016 respectively. Federal Board of Revenue has issued orders to amend assessments for tax years 2015, 2017, 2018, 2019, 2020 and 2022 raising arbitrary aggregate demands of Rs. 64.945 million (December 31, 2022: Rs. 64.945 million), Rs. 527.054 million (December 31, 2022: Nil), Rs. 133.374 million (December 31, 2022: Rs. 133.374 million), Rs. 177.117 million (December 31, 2022: Rs. 177.117 million), Rs. 4.794 million (December 31, 2022: Rs. 4.794 million) and Rs. 41.01 million (December 31, 2022: Nil) respectively.

The Finance Act, 2023 incorporated section 99D of the Income Tax Ordinance, 2001 imposing tax on windfall income, profits and gains. In pursuance of sub-section (2) of said section, the interim Federal Government has issued Notification No. SRO.1588(I)/2023 dated November 21, 2023 imposing 40% tax on foreign exchange income of the banks and has also specified the criteria for calculation of windfall income and tax liability thereon. In pursuance of the same, tax authorities issued recovery notice to the Bank thereby creating a demand to the extent of Rs. 354 million. However, the Bank filed Constitutional Petition before the Honorable High Court Lahore through its external legal counsel; challenging the same on various legal grounds inter-alia including the following:

- unlawful delegation of powers;
- absence of necessary conditions mentioned in section 99D;
- lack of right of appeal to the tax payers; and
- absence of machinery for declaration, assessment and collection.

Based on these grounds the Honorable High Court has suspended the operation of the SRO. Similar orders have also been passed by the High Courts of Sindh and Islamabad. Moreover, the subject SRO has to be ratified and approved by a functional National Assembly within a period of 90 days from its issuance; failing which it would lapse and would have no legal effect though chances of the same appear to be remote. On the basis of the aforementioned factors and as per the advise of our learned legal counsel, the management is confident that these matters will ultimately be decided in favor of the Bank and the Bank may not be exposed to any additional tax liability in such matters.

23.3.2 Claims against the Bank not acknowledged as debt

These represent various cases filed against the Bank for recovery of damages / settlement of deposit balances by various parties. Based on the legal advice, management believes that the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these financial statements.

	(Rupees in '000)	
	March 31, 2024 (Un-audited)	March 31, 2023 (Un-audited)
24 MARK-UP / RETURN / INTEREST EARNED		
Loans and advances	3,384,855	2,879,086
Investments	3,890,855	3,236,940
Lending to financial institutions	214,277	141,094
Balances with banks	17,176	12,525
Others (on pool lending for Naya Pakistan Certificate)	72,407	78,364
	7,579,570	6,348,009
24.1 Interest income (calculated using effective interest rate method) recognised on:		
Financial assets measured at amortised cost;	-	-
Financial assets measured at fair value through OCI.	3,848,918	3,171,853
	3,848,918	3,171,853
25 MARK-UP / RETURN / INTEREST EXPENSED		
Deposits	4,375,921	3,079,125
Borrowings	736,556	1,355,896
Subordinated debt	297,883	230,988
Cost of foreign currency swaps against foreign currency deposits / borrowings	243,881	81,911
Finance cost on lease liability against right-of-use-assets	69,398	42,722
	5,723,639	4,790,642
26 FEE & COMMISSION INCOME		
Branch banking customer fees	13,799	14,098
Consumer finance related fees	8,898	9,454
Debit card related fees	8,046	4,508
Credit related fees	8,932	16,408
Commission on trade	13,218	22,012
Commission on guarantees	8,831	8,658
Commission on cash management	4,957	6,151
Commission on remittances including home remittances	15,881	19,147
Commission on bancassurance	2,145	1,549
Commission on Naya Pakistan Certificiates	2,686	2,280
Others	1,744	1,708
	89,137	105,973

		(Rupees in '000)	
		March 31, 2024	March 31, 2023
		(Un-audited)	(Un-audited)
27	LOSS ON SECURITIES		
	Realised	1,435	(418,528)
	Unrealised - Measured at FVPL	(1,904)	(406)
		(469)	(418,934)
27.1	Realised gain on:		
	Federal Government Securities	1,887	(266,413)
	Shares	(452)	(152,115)
		(1,435)	(418,528)
28	NET GAINS / (LOSS) ON DERECOGNITION OF FINANCIAL ASSETS MEASURED AT AMORTISED COST		
	Gain on derecognition of financial assets measured at amortised cost	-	-
	Loss on derecognition of financial assets measured at amortised cost	-	-
		-	-
29	OTHER INCOME		
	Gain on sale of fixed assets - net	260	1,913
	Others	1	6,932
		261	8,845
30	OPERATING EXPENSES		
	Total compensation expense	655,735	571,632
	Property expense		
	Rent & taxes	14,054	22,959
	Insurance	985	531
	Utilities cost	42,857	26,920
	Security (including guards)	27,173	22,268
	Repair & maintenance (including janitorial charges)	40,981	25,894
	Depreciation on owned fixed assets	4,100	4,100
	Depreciation on right of use assets	92,654	71,510
		222,804	174,182
	Information technology expenses		
	Software maintenance	101,829	76,014
	Hardware maintenance	21,440	19,508
	Depreciation	24,106	23,485
	Amortization	26,035	19,918
	Network charges	66,022	52,231
	Insurance	246	167
		239,678	191,323
	Other operating expenses		
	Directors' fees and related expenses	18,794	13,653
	Legal & professional charges	6,631	7,163
	Outsourced services costs	-	-
	Travelling, conveyance and official entertainment	24,880	19,854
	Charges paid to Central Depository Company & NIFT	4,364	3,989
	Depreciation	25,555	26,443
	Training & development	3,519	1,580
	Postage & courier charges	2,156	3,814

		Nine months ended	
		(Rupees in '000)	
		March 31, 2024	March 31, 2023
		(Un-audited)	(Un-audited)
	Communication	2,534	4,637
	Stationery & printing	19,962	11,044
	Repair & maintenance	21,336	17,987
	Insurance	16,706	17,485
	Marketing, advertisement & publicity	29,921	7,591
	Fee Commission & Brokerage Paid	8,037	11,734
	Donations	-	-
	Auditors Remuneration	2,819	2,584
	Others	17,873	3,915
		205,087	153,473
		1,323,304	1,090,610
31	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	-	-
	Penalties imposed by other regulatory bodies (to be specified)	-	-
	Others (to be specified, if material)	-	-
		-	-
32	CREDIT LOSS ALLOWANCE & WRITE OFFS - NET		
	Credit loss allowance against balance with other banks	8	(418)
	Credit loss allowance for diminution in value of investments	10.2.1	(898)
	Credit loss allowance against loans & advances	11.3	(135,343)
	Fixed assets written-off	-	(9)
	Bad debts written off directly	-	(328)
	Credit loss allowance against off-balance sheet obligations	-	3,902
		(133,085)	(52,016)
33	TAXATION		
	Current	(286,051)	(205,783)
	Deferred	(57,115)	(16,671)
		(343,166)	(222,454)
34	EARNINGS PER SHARE - BASIC AND DILUTED		
	Profit for the period	358,683	279,739
		(Number of shares)	
	Weighted average number of ordinary shares	1,008,238,648	1,008,238,648
		(Rupees)	
	Basic earnings per share	0.36	0.28

34.1 Diluted earnings per share has not been presented separately as the Bank does not have any convertible instruments in issue.

35 FAIR VALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at amortised 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 and equity 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).

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 categorised:

(Rupees in '000)				
March 31, 2024 (Un-audited)				
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	71,009,382	-	71,009,382
Shares	1,225,093	-	-	1,225,093
Non-Government Debt Securities	-	650,719	-	650,719
Off-balance sheet financial instruments- measured at fair value				
Forward purchase of foreign exchange	-	67,821,534	-	67,821,534
Forward sale of foreign exchange	-	61,087,971	-	61,087,971

(Rupees in '000)				
December 31, 2023 (Audited)				
	Level 1	Level 2	Level 3	Total
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
Federal Government Securities	-	67,723,991	-	67,723,991
Shares	1,748,117	-	-	1,748,117
Non-Government Debt Securities	-	940,279	-	940,279
Off-balance sheet financial instruments- measured at fair value				
Forward purchase of foreign exchange	-	56,645,445	-	56,645,445
Forward sale of foreign exchange	-	52,305,078	-	52,305,078

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

- (a) Financial instruments in level 1
Financial instruments included in level 1 comprise of investments in listed ordinary shares.
- (b) Financial instruments in level 2
Financial instruments included in level 2 comprises of Market Treasury Bills, Pakistan Investment Bonds, Term finance certificates and Sukuks.
- (c) Financial instruments in level 3
Financial instruments included in level 3 comprises of shares in unlisted ordinary shares.

Valuation techniques and inputs used in determination of fair values within level 1 and 2

Item	Valuation techniques and input used
Pakistan Investment Bonds / Market Treasury Bills	Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using the PKRV rates (Reuters page). These rates denote an average of quotes received from eight different pre-defined / approved dealers / brokers.
Fully Paid-up Listed ordinary shares, Term finance certificates and Sukuks	Fair value of investment in listed equity securities, term finance certificates and corporate sukuks are valued on the basis of available closing quoted market prices.
Forward foreign exchange contracts	The fair value has been determined by interpolating the mid rates announced by the State Bank of Pakistan.

36. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

36.1 Segment Details with respect to Business Activities

	(Rupees in '000)				
	Three months ended March 31, 2024 (Un-audited)				
	Wholesale Banking	Retail Banking	Global Markets	Inter Segment Allocation	Total
Profit & Loss					
Net mark-up / return / profit	680,358	(1,905,614)	3,081,187	-	1,855,931
Inter segment revenue - net	(45,102)	2,569,910	(2,524,808)	-	-
Non mark-up / return / interest income	85,811	86,039	148,457	-	320,307
Total Income	721,067	750,335	704,836	-	2,176,238
Segment direct expenses	(116,888)	(438,390)	(44,798)	(741,228)	(1,341,304)
Inter segment expense allocation	(315,933)	(352,626)	(72,669)	741,228	-
Total expenses	(432,821)	(791,016)	(117,467)	-	(1,341,304)
Credit loss allowance	(141,225)	9,038	(898)	-	(133,085)
Profit before tax	147,021	(31,643)	586,471	-	701,849
	(Rupees in '000)				
	As at March 31, 2024 (Un-audited)				
	Wholesale Banking	Retail Banking	Global Markets	Inter Segment Allocation	Total
Balance Sheet					
Cash & bank balances	-	1,430,648	10,838,147	-	12,268,795
Investments	-	-	72,885,194	-	72,885,194
Net inter segment lending	4,949,874	62,640,361	-	(67,590,235)	-
Lendings to financial institutions	-	-	7,827,143	-	7,827,143
Advances - performing	65,166,135	5,489,380	259,966	-	70,915,481
Advances - non-performing	1,475,909	77,351	-	-	1,553,260
Others	2,467,584	518,935	11,755,393	-	14,741,912
Total Assets	74,059,502	70,156,675	103,565,843	(67,590,235)	180,191,785
Borrowings	10,328,364	-	6,987,936	-	17,316,300
Subordinated debt	-	-	4,994,000	-	4,994,000
Deposits & other accounts	60,881,081	68,973,919	1,101,478	-	130,956,478
Net inter segment borrowing	-	-	67,590,235	(67,590,235)	-
Others	2,850,057	1,182,756	6,360,745	-	10,393,558
Total liabilities	74,059,502	70,156,675	87,034,394	(67,590,235)	163,660,336
Equity	-	-	16,531,449	-	16,531,449
Total Equity & liabilities	74,059,502	70,156,675	103,565,843	(67,590,235)	180,191,785
Contingencies & Commitments	12,591,987	-	129,687,582	-	142,279,569

	(Rupees in '000)				
	Three months ended March 31, 2023 (Un-audited)				
	Wholesale Banking	Retail Banking	Global Markets	Inter Segment Allocation	Total
Profit & Loss					
Net mark-up / return / profit	1,407,895	(1,773,145)	1,922,617	-	1,557,367
Inter segment revenue - net	(827,055)	2,443,524	(1,616,469)	-	-
Non mark-up / return / interest income	125,074	50,389	(75,511)	-	99,952
Total Income	705,914	720,768	230,637	-	1,657,319
Segment direct expenses	(102,605)	(395,296)	(47,373)	(557,836)	(1,103,110)
Inter segment expense allocation	(248,889)	(253,163)	(55,784)	557,836	-
Total expenses	(351,494)	(648,459)	(103,157)	-	(1,103,110)
Credit loss allowance	(42,841)	(9,175)	-	-	(52,016)
Profit before tax	311,579	63,134	127,480	-	502,193

	(Rupees in '000)				
	As at December 31, 2023 (Audited)				
	Wholesale Banking	Retail Banking	Global Markets	Inter Segment Allocation	Total
Balance Sheet					
Cash & bank balances	-	2,112,496	8,391,836	-	10,504,332
Investments	-	-	70,412,387	-	70,412,387
Net inter segment lending	-	61,248,487	-	(61,248,487)	-
Lendings to financial institutions	-	-	8,192,051	-	8,192,051
Advances - performing	66,762,850	5,594,645	112,686	-	72,470,181
Advances - non-performing	861,171	104,994	-	-	966,165
Others	2,491,754	510,205	13,186,784	-	16,188,743
Total Assets	70,115,775	69,570,827	100,295,744	(61,248,487)	178,733,859
Borrowings	11,534,469	-	19,447,136	-	30,981,605
Subordinated debt	-	-	4,995,000	-	4,995,000
Deposits & other accounts	48,976,462	64,640,384	1,115,151	-	114,731,997
Net inter segment borrowing	7,390,409	-	53,858,078	(61,248,487)	-
Others	2,214,435	4,930,443	4,517,198	-	11,662,076
Total liabilities	70,115,775	69,570,827	83,932,563	(61,248,487)	162,370,678
Equity	-	-	16,363,181	-	16,363,181
Total Equity & liabilities	70,115,775	69,570,827	100,295,744	(61,248,487)	178,733,859
Contingencies & Commitments	13,269,961	-	109,750,523	-	123,020,484

37 RELATED PARTY TRANSACTIONS

The Bank has related party relationships with its holding company, employee contribution plan, its directors and key management personnel.

The Banks 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.

Contributions to the contributory provident fund scheme are made in accordance with the terms of the contribution plan. Remuneration to the Chief Executive Officer, directors and key management personnel are disclosed in note 37 to these financial statements and are determined in accordance with the terms of their appointment.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Bank. The Bank considers all members of its executive team, including the Chief Executive Officer to be key management personnel.

Details of transactions with related parties are given below:

	(Rupees in '000)							
	March 31, 2024 (Un-audited)				December 31, 2023 (Audited)			
	Parent	Directors	Key management personnel	Others related parties	Parent	Directors	Key management personnel	Others related parties
Balances with other banks								
In current accounts	143,328	-	-	-	100,391	-	-	-
Advances								
Opening balance	-	-	231,811	-	-	-	226,221	-
Addition during the period / year	-	-	11,500	-	-	-	109,503	-
Repaid during the period / year	-	-	(18,293)	-	-	-	(103,913)	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	225,018	-	-	-	231,811	-
Credit loss allowance held against advances	-	-	-	-	-	-	-	-
Other Assets								
Other receivable	1,847	-	-	-	1,847	-	-	-
Mark to market gain on forward foreign exchange contracts	31	-	-	-	-	-	-	-
Credit loss allowance against other assets	-	-	-	-	-	-	-	-
	1,878	-	-	-	1,847	-	-	-
Deposits and other accounts								
Opening balance	1,077,263	5,128	37,269	37,793	1,078,421	6,255	17,975	30,583
Received during the period / year	200	6,086	191,362	123,655	16,220	16,511	636,249	874,326
Withdrawn during the period / year	(820)	(6,350)	(149,366)	(123,469)	(17,378)	(17,638)	(616,955)	(867,116)
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	1,076,643	4,864	79,265	37,979	1,077,263	5,128	37,269	37,793
Other Liabilities								
Interest / mark-up payable	-	73	937	500	-	135	197	450
Mark to market loss on forward foreign exchange contracts	123	-	-	-	-	-	-	-
	123	73	937	500	-	135	197	450

(Rupees in '000)								
For three months ended March 31, 2024				For three months ended March 31, 2023				
	Parent	Directors	Key management personnel	Others related parties	Parent	Directors	Key management personnel	Others related parties
Income								
Mark-up / return / interest earned	-	-	2,916	-	-	-	2,778	-
Expense								
Mark-up / return / interest paid	-	264	1,332	1,607	-	258	418	1,409
Remuneration and benefits	-	-	211,510	-	-	-	172,570	-
Directors fee	-	17,280	-	-	-	6,720	-	-
Insurance premium paid	-	-	752	-	-	-	762	-
Insurance claims settled	-	-	-	-	-	-	725	-

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses)

(Rupees in '000)	
March 31, 2024	December 31, 2023
(Un-audited)	(Audited)
10,082,386	10,082,387

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital

14,724,594	14,840,059
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Eligible Additional Tier 1 (ADT 1) Capital

-	-
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Total Eligible Tier 1 Capital

14,724,594	14,840,059
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Eligible Tier 2 Capital

5,564,326	5,584,343
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Total Eligible Capital (Tier 1 + Tier 2)

20,288,920	20,424,402
------------	------------

Risk Weighted Assets (RWAs):

Credit risk

72,023,354	75,824,389
------------	------------

Market risk

6,009,594	6,703,515
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Operational risk

13,314,538	13,314,538
------------	------------

Total

91,347,486	95,842,442
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Common Equity Tier 1 Capital Adequacy Ratio

16.12%	15.48%
--------	--------

Tier 1 Capital Adequacy Ratio

16.12%	15.48%
--------	--------

Total Capital Adequacy Ratio

22.21%	21.31%
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Leverage Ratio (LR):

Eligible Tier-1 Capital

14,724,594	14,840,059
------------	------------

Total Exposure

188,882,166	185,706,974
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Leverage Ratio

7.80%	7.99%
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Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

70,769,228	62,605,419
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Total Net Cash Outflow

25,107,815	26,151,626
------------	------------

Liquidity Coverage Ratio

281.86%	239.39%
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Net Stable Funding Ratio (NSFR):

Total available stable funding

123,645,824	121,845,545
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Total required stable funding

53,066,732	57,320,521
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Net Stable Funding Ratio

233.00%	212.57%
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39 GENERAL

39.1 Figures have been rounded off to the nearest thousand rupees.

39.2 Figures as of and for the period ended March 31, 2024 and March 31, 2023, wherever used in these condensed interim financial statements are unaudited. However figures as of and for the period relating to December 31, 2023 used in these condensed interim financial statements are audited.

39.3 The Bank has not restated comparative information for 2024 for financial instruments in the scope of IFRS 9. Therefore, the comparative information for 2024 is reported under previous local regulatory requirements and is not comparable with the information presented for 2023.

40 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

There have been no events after the balance sheet date that would have a material impact or require adjustment or disclosure in these condensed interim financial statements of the Bank.

41 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 25, 2024 by the Board of Directors of the Bank.



Chief Financial Officer



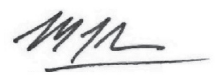
President & Chief Executive Officer



Director



Director










Chairman










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