Dubai Islamic Bank
Pakistan Limited

Condensed Interim Financial Information
For the period ended September 30, 2021

Dubai Islamic Bank Pakistan Limited

Condensed Interim Statement of Financial Position

As at September 30, 2021

	Note	**September 30, 2021 (Un-audited)**	December 31, 2020 (Audited)
		----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	*6*	**19,357,562**	19,096,891
Balances with other banks	*7*	**2,018,627**	3,279,935
Due from financial institutions	*8*	**3,523,946**	2,397,516
Investments	*9*	**56,741,605**	66,579,570
Islamic financing and related assets	*10*	**224,514,768**	199,416,405
Fixed assets	*11*	**4,606,436**	3,685,492
Intangible assets	*12*	**419,607**	321,916
Deferred tax assets		**-**	-
Other assets	*13*	**10,326,504**	8,484,438
		321,509,055	303,262,163
LIABILITIES			
Bills payable	*14*	**4,262,805**	4,246,241
Due to financial institutions	*15*	**29,430,312**	17,350,949
Deposits and other accounts	*16*	**238,883,237**	237,553,365
Subordinated sukuk	*17*	**7,120,000**	7,120,000
Deferred tax liabilities	*18*	**1,657**	353,054
Other liabilities	*19*	**14,660,539**	12,014,856
		294,358,550	278,638,465
NET ASSETS		**27,150,505**	24,623,698
REPRESENTED BY			
Share capital		**11,652,288**	11,652,288
Reserves		**3,006,074**	2,474,851
Surplus on revaluation of investments	*20*	**693,786**	825,345
Unappropriated profit		**11,798,357**	9,671,214
		27,150,505	24,623,698
CONTINGENCIES AND COMMITMENTS	*21*		

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO **Chief Financial Officer** **Director** **Director** **Director**

Dubai Islamic Bank Pakistan Limited

Condensed Interim Profit and Loss Account (Un-Audited)

For the quarter and nine-months period ended September 30, 2021

	Note	Quarter ended September 30, 2021	Nine months period ended September 30, 2021	Quarter ended September 30, 2020	Nine months period ended September 30, 2020
		---------- Rupees in '000 ----------			
Profit / return earned	22	**5,769,402**	**16,573,610**	5,686,303	20,650,582
Profit / return expensed	23	**(2,634,761)**	**(7,773,624)**	(2,837,103)	(11,635,170)
Net Profit / return		**3,134,641**	**8,799,986**	2,849,200	9,015,412
OTHER INCOME					
Fee and commission income	24	**441,054**	**1,419,149**	401,177	1,128,618
Dividend income		**-**	**-**	-	-
Foreign exchange income		**237,549**	**735,821**	184,006	546,665
Gain on securities	25	**216,324**	**484,692**	-	982
Other income	26	**4,159**	**1,389**	161	809
Total other income		**899,086**	**2,641,051**	585,344	1,677,074
Total income		**4,033,727**	**11,441,037**	3,434,544	10,692,486
OTHER EXPENSES					
Operating expenses	27	**(2,087,124)**	**(6,043,243)**	(1,778,650)	(5,444,860)
Workers Welfare Fund		**(38,276)**	**(104,534)**	(22,313)	(82,057)
Other charges	28	**(16)**	**(3,031)**	(270)	(312)
Total other expenses		**(2,125,416)**	**(6,150,808)**	(1,801,233)	(5,527,229)
Profit before provisions		**1,908,311**	**5,290,229**	1,633,311	5,165,257
Provisions and write offs - net	29	**(429,180)**	**(944,008)**	(462,175)	(1,068,254)
Extra ordinary / unusual items		**-**	**-**	-	-
PROFIT BEFORE TAXATION		**1,479,131**	**4,346,221**	1,171,136	4,097,003
Taxation	30	**(578,775)**	**(1,690,107)**	(455,720)	(1,598,073)
PROFIT AFTER TAXATION		**900,356**	**2,656,114**	715,416	2,498,930
		---------- Rupee(s) ----------			
Basic & diluted earnings per share	31	**0.77**	**2.28**	0.61	2.14

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO **Chief Financial Officer** **Director** **Director** **Director**

Dubai Islamic Bank Pakistan Limited

Condensed Interim Statement of Comprehensive Income (Un-Audited)

For the quarter and nine-months period ended September 30, 2021

	Quarter ended September 30, 2021	**Nine months period ended September 30, 2021**	Quarter ended September 30, 2020	Nine months period ended September 30, 2020
	---------- **Rupees in '000** ----------			
Profit after taxation for the period	**900,356**	**2,656,114**	715,416	2,498,930
Other comprehensive loss				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in revaluation of investments - net of tax	**(64,506)**	**(131,559)**	(217,966)	(1,063,240)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in defined benefit obligation	**-**	**2,252**	-	-
Total comprehensive income	**835,850**	**2,526,807**	497,450	1,435,690

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO	**Chief Financial Officer**	**Director**	**Director**	**Director**

Dubai Islamic Bank Pakistan Limited

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

For the nine-months period ended September 30, 2021

	Share capital	Statutory reserve	Surplus on revaluation of investments	Unappro-priated profit	Total
			Rupees in '000		
Balance as at January 01, 2020	11,652,288	1,896,073	1,265,224	7,349,049	22,162,634
Total Comprehensive income for the period					
Profit after taxation	-	-	-	2,498,930	2,498,930
Other comprehensive loss - net of tax	-	-	(1,063,240)	-	(1,063,240)
	-	-	(1,063,240)	2,498,930	1,435,690
Transfer to statutory reserve	-	499,786	-	(499,786)	-
Balance as at September 30, 2020	11,652,288	2,395,859	201,984	9,348,193	23,598,324
Total Comprehensive income for the period					
Profit after taxation	-	-	-	394,961	394,961
Other comprehensive income - net of tax	-	-	623,361	7,052	630,413
	-	-	623,361	402,013	1,025,374
Transfer to statutory reserve	-	78,992	-	(78,992)	-
Balance as at December 31, 2020	11,652,288	2,474,851	825,345	9,671,214	24,623,698
Total Comprehensive income for the period					
Profit after taxation	-	-	-	**2,656,114**	**2,656,114**
Other comprehensive (loss) / income - net of tax	-	-	**(131,559)**	**2,252**	**(129,307)**
	-	-	**(131,559)**	**2,658,366**	**2,526,807**
Transfer to statutory reserve	-	**531,223**	-	**(531,223)**	-
Balance as at September 30, 2021	**11,652,288**	**3,006,074**	**693,786**	**11,798,357**	**27,150,505**

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO **Chief Financial Officer** **Director** **Director** **Director**

Dubai Islamic Bank Pakistan Limited

Condensed Interim Cash Flow Statement (Un-Audited)

For the nine-months period ended September 30, 2021

	Note	**Nine months period ended September 30, 2021**	Nine months period ended September 30, 2020
		----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		**4,346,221**	4,097,003
Adjustments for:			
Depreciation	*27*	**242,875**	235,499
Depreciation on right-of-use assets	*27*	**664,982**	594,463
Amortisation	*27*	**52,410**	38,741
Finance cost on Ijarah (lease) liabilities	*23*	**227,879**	265,631
Gain on securities	*25*	**(484,692)**	(982)
Gain on sale of fixed assets	*26*	**(1,389)**	(809)
Provisions and write offs - net	*29*	**944,008**	1,068,254
		1,646,073	2,200,797
		5,992,294	6,297,800
Decrease / (increase) in operating assets			
Due from financial institutions		**(1,126,430)**	5,590,405
Islamic financing and related assets		**(26,044,117)**	(10,944,258)
Others assets		**(1,002,767)**	(2,000,171)
		(28,173,314)	(7,354,024)
(Decrease) / increase in operating liabilities			
Bills payable		**16,564**	(4,949)
Due to financial institutions		**12,076,912**	7,486,400
Deposits and other accounts		**1,329,872**	24,856,021
Other liabilities (excluding current taxation)		**438,343**	(228,056)
		13,861,691	32,109,416
		(8,319,329)	31,053,192
Income taxes paid		**(1,532,646)**	(1,899,356)
Net cash (used in) / generated from operating activities		**(9,851,975)**	29,153,836
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available for sale securities		**10,190,250**	(27,437,859)
Net investments in held to maturity securities		**-**	4,000,000
Investments in fixed assets		**(240,351)**	(323,596)
Proceeds from sale of fixed assets		**19,431**	1,818
Investments in intangible assets		**(150,102)**	(158,023)
Net cash generated from / (used in) investing activities		**9,819,228**	(23,917,660)
CASH FLOW FROM FINANCING ACTIVITIES			
Payment of Ijarah (lease) liabilities against right-of-use assets		**(970,341)**	(772,290)
(Decrease) / increase in cash and cash equivalents		**(1,003,088)**	4,463,886
Cash and cash equivalents at beginning of the period		**22,376,826**	20,664,381
Cash and cash equivalents at end of the period	*32*	**21,373,738**	25,128,267

The annexed notes 1 to 38 form an integral part of this condensed interim financial information.

President & CEO **Chief Financial Officer** **Director** **Director** **Director**

1. STATUS AND NATURE OF BUSINESS

1.1 Dubai Islamic Bank Pakistan Limited (the Bank) was incorporated in Pakistan as an unlisted public limited company on May 27, 2005 under the Companies Act, 2017 to carry out the business of an Islamic Commercial Bank in accordance with the principles of Islamic Shari'a.

1.2 The State Bank of Pakistan (the SBP) granted a "Scheduled Islamic Commercial Bank" license to the Bank on November 26, 2005 and subsequently the Bank received the Certificate of Commencement of Business from the Securities and Exchange Commission of Pakistan (the SECP) on January 26, 2006. The Bank commenced its operations as a scheduled Islamic Commercial Bank with effect from March 28, 2006 on receiving certificate of commencement of business from the SBP.

1.3 VIS Credit Rating Company Limited on June 30, 2021 has reaffirmed the Bank's medium to long-term rating at 'AA' (Double A) and the short term rating at 'A-1+' (A-One Plus) with stable outlook.

1.4 The Bank is operating through 235 branches as at September 30, 2021 (December 31, 2020: 235 branches). The registered office of the Bank is situated at Hassan Chambers, DC-7, Block-7 Kehkashan, Clifton, Karachi. The Bank is a wholly owned subsidiary of Dubai Islamic Bank PJSC, UAE (the Holding Company).

2. BASIS OF PRESENTATION

2.1 The Bank provides Islamic financing and makes investments mainly through Murabaha, Musharaka, Running Musharaka, Shirkatulmilk, Istisna cum Wakala, Wakala Istithmar and export refinance under Islamic export refinance scheme of SBP and other Islamic modes as briefly explained in the annual financial statements for the year ended December 31, 2020. The transactions of purchases, sales and leases executed under these arrangements are not reflected in this condensed interim financial information as such but are restricted to the amount of facility actually utilized and the appropriate portion of rental / profit thereon. The income on such Islamic financing and related assets is recognised in accordance with the principles of Shari'a. However, income if any, received which does not comply with the principles of Shari'a is recognised as charity payable if so directed by the Shari'a Board / Resident Shari'a Board Member.

3. STATEMENT OF COMPLIANCE

3.1 This condensed interim financial information has been prepared in accordance with 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 Accounting Standards (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan, as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
- Directives issued by the SBP and the 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 the IAS 34, requirements of the Banking Companies Ordinance, 1962, the Companies Act, 2017 and the said directives, shall prevail.

3.2 Significant accounting policies

The significant accounting policies adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual audited financial statements of the Bank for the year ended December 31, 2020.

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

There are certain other new and amended standards that became effective during the period (enumerated in note 2 to the annual audited financial statements of the Bank for the year 2020). However, such standards did not have any significant effect on this condensed interim financial information.

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

There are certain other standards, amendments and interpretations with respect to the approved accounting standards that are not yet effective (enumerated in note 2 to the annual audited financial statements of the Bank for the year 2020) and are not expected to have any material impact on the Bank's condensed interim financial information in the period of their initial application. With regards to IFRS 9 implementation, the SBP vide its BPRD Circular Letter No. 24 of 2021 dated July 05, 2021 has directed the banks in Pakistan to implement IFRS 9 with effect from January 01, 2022.

4. BASIS OF MEASUREMENT

4.1 Accounting convention

This condensed interim financial information have been prepared under the historical cost convention, except that certain investments, foreign currency balances and commitments in respect of certain foreign exchange contracts have been marked to market and carried at fair value.

4.2 Functional and presentation currency

This condensed interim financial information have been presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

4.3 Critical accounting estimates and judgments

All critical accounting estimates adopted in the preparation of this condensed interim financial information are same as that applied in the preparation of the annual audited financial statements for the year ended December 31, 2020.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the financial statements for the year ended December 31, 2020. These risk management policies continue to remain robust and the Bank is fully aware of the risks associated with COVID-19 and on an ongoing basis conducts assessment of its portfolio and operations to ensure the risks are minimized.

		Note	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
			------ (Rupees in '000) ------	
6	**CASH AND BALANCES WITH TREASURY BANKS**			
	In hand			
	- local currency		**4,911,836**	3,459,311
	- foreign currencies		**1,240,372**	2,256,361
			6,152,208	5,715,672
	With State Bank of Pakistan in			
	- local currency current accounts	*6.1*	**9,279,344**	8,784,631
	- foreign currency current accounts		**87,722**	72,420
	- foreign currency deposit accounts			
	- Cash reserve account	*6.2*	**1,514,672**	1,694,325
	- Special cash reserve account	*6.2*	**1,817,486**	2,033,078
			3,332,158	3,727,403
	With National Bank of Pakistan in			
	- local currency current accounts		**506,130**	796,765
			19,357,562	19,096,891

6.1 The local currency current account is maintained with the State Bank of Pakistan (SBP) as per the requirements of Section 22 of the Banking Companies Ordinance, 1962. This section requires banking companies to maintain a local currency cash reserve in the current account opened with the SBP at a sum not less than 5% of its demand and time liabilities in Pakistan.

6.2 As per BSD Circular No. 15 dated June 21, 2008, cash reserve of 5% and special cash reserve of 6% are required to be maintained with SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits). These accounts are non-remunerative in nature.

		Note	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
			------ (Rupees in '000) ------	
7	**BALANCES WITH OTHER BANKS**			
	In Pakistan			
	- in local currency current account		**562,197**	943,830
	- in foreign currency current account		**613**	277
	- in local currency deposit account		**-**	10
			562,810	944,117
	Outside Pakistan			
	- in current account	*7.1*	**1,455,817**	2,335,818
			2,018,627	3,279,935

7.1 This includes an amount of Rs. 31.59 million (December 31, 2020: Rs. 51.82 million) deposited with the holding company.

		Note	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
			------ (Rupees in '000) ------	
8	**DUE FROM FINANCIAL INSTITUTIONS**			
	Unsecured			
	Wakalah	*8.1*	**1,023,946**	2,397,516
	Musharaka	*8.2*	**2,500,000**	-
			3,523,946	2,397,516

8.1 This carry expected yield of 0.05% (December 31, 2020: 0.02%) per annum with maturity at October 04, 2021 (December 31, 2020: January 04, 2021).

8.2 These carry expected yield ranging from 7.25% to 7.5% (December 31, 2020: Nil) per annum with maturity upto October 06, 2021 (December 31, 2020: Nil).

9 INVESTMENTS

9.1 Investments by types:

	September 30, 2021 (Un-audited)				December 31, 2020 (Audited)			
	Cost / amortised cost	**Provision for diminution**	**Surplus / (deficit)**	**Carrying value**	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
	---------- (Rupees in '000) ----------							
Available-for-sale securities								
Federal Government securities	**2,519,843**	**-**	**11,890**	**2,531,733**	1,500,000	-	(400)	1,499,600
Non-Government debt securities	**43,116,660**	**(89,316)**	**1,147,103**	**44,174,447**	45,623,504	(89,316)	1,212,713	46,746,901
Foreign securities	**10,057,064**	**-**	**(21,639)**	**10,035,425**	18,275,621	-	57,448	18,333,069
Total investments	**55,693,567**	**(89,316)**	**1,137,354**	**56,741,605**	65,399,125	(89,316)	1,269,761	66,579,570

9.2 Provision for diminution in value of investments

	Note	**September 30, 2021 (Un-audited)**	December 31, 2020 (Audited)
		------ (Rupees in '000) ------	
Opening balance		**89,316**	77,881
Charge for the period / year		**-**	11,435
Closing balance	*9.2.1*	**89,316**	89,316

9.2.1 Particulars of provision against debt securities

Category of classification	**September 30, 2021 (Un-audited)**		December 31, 2020 (Audited)	
	***NPI**	**Provision**	*NPI	Provision
	---------- (Rupees in '000) ----------			
Domestic				
Other Assets Especially Mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	**89,316**	**89,316**	89,316	89,316
	89,316	**89,316**	89,316	89,316
Overseas	-	-	-	-
Total	**89,316**	**89,316**	89,316	89,316

* NPI stands for non-performing investments.

10 ISLAMIC FINANCING AND RELATED ASSETS - NET

	Note	Performing		Non-Performing		Total	
		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)	**September 30, 2021 (Un-audited)**	December 31, 2020 (Audited)	**September 30, 2021 (Un-audited)**	December 31, 2020 (Audited)
		---------- (Rupees in '000) ----------					
Murabaha	*10.1*	**21,031,839**	22,207,236	**379,094**	1,564,003	**21,410,933**	23,771,239
Musawamah	*10.2*	**3,399,394**	2,839,456	**165,063**	117,761	**3,564,457**	2,957,217
Tijarah cum wakala	*10.3*	**7,039,618**	5,578,464	**192,000**	-	**7,231,618**	5,578,464
Istisna cum Wakala	*10.4*	**11,569,257**	13,177,273	**550,947**	714,160	**12,120,204**	13,891,433
Salam	*10.5*	**1,183,266**	1,994,493	**-**	-	**1,183,266**	1,994,493
Islamic Export Refinance Scheme - SBP	*10.6*	**15,167,283**	11,021,716	**136,322**	-	**15,303,605**	11,021,716
Other Islamic Refinance Schemes - SBP	*10.7*	**12,746,082**	7,818,593	**8,000**	-	**12,754,082**	7,818,593
Wakala Istithmar		**26,051,828**	21,581,515	**416,156**	316,413	**26,467,984**	21,897,928
Running Musharaka financing		**36,263,046**	31,057,053	**655,901**	-	**36,918,947**	31,057,053
Shirkatulmilk - Housing	*10.8*	**11,178,641**	8,926,567	**535,491**	397,772	**11,714,132**	9,324,339
Shirkatulmilk - Autos	*10.9*	**26,107,696**	19,306,168	**380,975**	328,295	**26,488,671**	19,634,463
Shirkatulmilk - Fleet financing	*10.10*	**5,932,784**	6,446,582	**152,284**	274,945	**6,085,068**	6,721,527
Shirkatulmilk - Others	*10.11*	**13,694,649**	14,967,156	**2,525,669**	1,898,143	**16,220,318**	16,865,299
Diminishing Musharaka - Others		**29,952,182**	29,671,794	**641,722**	27,159	**30,593,904**	29,698,953
Staff financing		**2,351,059**	2,130,373	**47,743**	48,784	**2,398,802**	2,179,157
Islamic financing and related assets (gross)		**223,668,624**	198,724,439	**6,787,367**	5,687,435	**230,455,991**	204,411,874
Provision against Islamic financing and related assets							
Specific	*10.13*	**-**	-	**(3,750,869)**	(3,082,610)	**(3,750,869)**	(3,082,610)
General		**(2,190,354)**	(1,912,859)	**-**	-	**(2,190,354)**	(1,912,859)
		(2,190,354)	(1,912,859)	**(3,750,869)**	(3,082,610)	**(5,941,223)**	(4,995,469)
Islamic financing and related assets - net of provision		**221,478,270**	196,811,580	**3,036,498**	2,604,825	**224,514,768**	199,416,405

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		--- (Rupees in '000) ---	
10.1	**Murabaha**		
Financing		**6,545,039**	5,615,009
Inventory		**14,165,239**	17,458,558
Advance		**700,655**	697,672
		21,410,933	23,771,239
10.2	**Musawamah**		
Financing		**3,491,358**	2,858,989
Advance		**73,099**	98,228
		3,564,457	2,957,217
10.3	**Tijarah cum wakala**		
Financing		**6,473,248**	5,271,282
Inventory		**758,370**	307,182
		7,231,618	5,578,464
10.4	**Istisna cum Wakala**		
Financing		**8,612,921**	9,739,691
Advance		**3,507,283**	4,151,742
		12,120,204	13,891,433
10.5	**Salam**		
Financing		**1,025,357**	289,498
Advance		**157,909**	1,704,995
		1,183,266	1,994,493
10.6	**Islamic Export Refinance Scheme - SBP**		
Istisna - Advance		**529,000**	66,100
Istisna - Financing		**310,000**	590,000
Running Musharaka - Financing		**8,135,800**	5,081,800
Wakala Istithmar - Financing		**6,328,805**	5,051,043
Murabaha - Advance		**-**	155,830
Murabaha - Financing		**-**	76,943
		15,303,605	11,021,716

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		--- (Rupees in '000) ---	
10.7	**Other Islamic Refinance Schemes - SBP**		
	Islamic Long Term Financing Facility		
	-Diminishing Musharaka - Financing	**3,290,167**	2,253,306
	Payment of Wages and Salaries Refinance Scheme		
	-Shirkatulmilk - Financing	**2,389,047**	3,622,962
	-Running Musharaka - Financing	**681,544**	1,090,470
	-Murabaha - Financing	**141,767**	124,595
	-Murabaha - Advance	**-**	84,865
	Islamic Temporary Economic Refinance Facility		
	-Musharaka - Financing	**4,368,718**	21,164
	-Shirkatulmilk - Financing	**374,926**	-
	Other Islamic Refinance Facilities		
	-Musharaka - Financing	**1,507,913**	621,231
		12,754,082	7,818,593
10.8	**Shirkatulmilk - Housing**		
	Financing	**11,536,532**	9,197,469
	Advance	**177,600**	126,870
		11,714,132	9,324,339
10.9	**Shirkatulmilk - Autos**		
	Financing	**22,828,874**	17,074,482
	Advance	**3,659,797**	2,559,981
		26,488,671	19,634,463
10.10	**Shirkatulmilk - Fleet financing**		
	Financing	**5,585,870**	6,249,580
	Advance	**499,198**	471,947
		6,085,068	6,721,527
10.11	**Shirkatulmilk - Others**		
	Financing	**16,220,318**	16,865,299
10.12	**Particulars of Islamic financing and related assets (gross)**		
	In local currency	**228,130,475**	203,870,742
	In foreign currencies	**2,325,516**	541,132
		230,455,991	204,411,874

10.13 Islamic financing and related assets include Rs. 6,787.367 million (December 31, 2020: Rs. 5,687.435 million) which have been placed under non-performing status as detailed below:

	September 30, 2021 (Un-audited)		December 31, 2020 (Audited)	
Category of Classification	**Non-Performing**	**Provision held**	Non-Performing	Provision held
	---------- (Rupees in '000) ----------			
Domestic				
Other Assets Especially Mentioned	**70,792**	**-**	3,553	-
Substandard	**262,041**	**25,662**	50,540	8,584
Doubtful	**1,791,688**	**987,247**	260,698	12,989
Loss	**4,662,846**	**2,737,960**	5,372,644	3,061,037
	6,787,367	**3,750,869**	5,687,435	3,082,610

10.14 Particulars of provision against Islamic financing and related assets:

	September 30, 2021 (Un-audited)			December 31, 2020 (Audited)		
	Specific	**General**	**Total**	Specific	General	Total
	(Rupees in '000)					
Opening balance	**3,082,610**	**1,912,859**	**4,995,469**	2,738,605	133,058	2,871,663
Charge for the period / year	**1,188,356**	**277,495**	**1,465,851**	551,435	1,779,801	2,331,236
Reversals during the period / year	**(520,097)**	**-**	**(520,097)**	(207,430)	-	(207,430)
	668,259	**277,495**	**945,754**	344,005	1,779,801	2,123,806
Amounts written-off	-	-	-	-	-	-
Closing balance	**3,750,869**	**2,190,354**	**5,941,223**	3,082,610	1,912,859	4,995,469

10.14.1 As allowed by the SBP, the Bank has availed benefit of Forced Sale Value (FSV) amounting to Rs.2,138.17 million (December 31, 2020: Rs. 2,428.75 million) in determining the provisioning against non performing Islamic financings as at September 30, 2021. The additional profit arising from availing the FSV benefit - net of tax as at September 30, 2021 which is not available for distribution as either cash or stock dividend to shareholders amounted to Rs. 1,304.28 million (December 31, 2020: Rs. 1,578.69 million).

10.14.2 General provisioning is held against consumer finance portfolio in accordance with the requirements of the Prudential Regulations issued by the State Bank of Pakistan except for Shirkatulmilk financing - Autos. The SBP vide its letter no BPRD / BLRD - 03 / 2009 / 6877 dated October 15, 2009 has allowed relaxation to the Bank from recognising general provision against Shirkatulmilk financing - Autos on the condition that the facility will be categorised as "Loss" on the 180th day from the date of default. In this regard, the SBP vide its letter no BPRD / BRD - 04 / DIB / 2013 / 1644 dated February 12, 2013 has decided that the exemption from general reserve requirement shall only be valid till classified Auto Financing portfolio of the Bank remains upto 5% i.e. if the classified Auto Financing portfolio increases beyond the 5% threshold, the exemption shall stand withdrawn from that point of time.

In addition to the existing general provision requirement under prudential regulation, the Bank has also maintained a general provision of Rs.2,014 million (December 31, 2020: Rs.1,764 million) against financing made on prudent basis, in view of the prevailing economic conditions.

		Note	**September 30, 2021 (Un-audited)**	December 31, 2020 (Audited)
			--- (Rupees in '000) ---	
11	**FIXED ASSETS**			
	Capital work-in-progress	*11.1*	**6,689**	49,485
	Property and equipment		**1,383,069**	1,360,840
	Right-of-use assets		**3,216,678**	2,275,167
			4,606,436	3,685,492

11.1 Capital work-in-progress

Civil works	**5,089**	7,453
Equipment	**1,600**	42,032
	6,689	49,485

	September 30, 2021 (Un-audited)	September 30, 2020
	--- (Rupees in '000) ---	
11.2 Additions to fixed assets		
Furniture and fixtures	**18,180**	24,739
Electrical, office and computer equipment	**193,273**	240,394
Leasehold improvements	**64,893**	87,613
Vehicles	**6,801**	-
	283,147	352,746

		September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		--- (Rupees in '000) ---	
12	**INTANGIBLE ASSETS**		
	Capital work-in-progress - Advance to suppliers	**110,046**	97,215
	Computer software	**309,561**	224,701
		419,607	321,916

		September 30, 2021	September 30, 2020
		(Un-audited)	
12.1	**Additions to intangible assets**	--- (Rupees in '000) ---	
	Directly purchased (including transfer from CWIP)	**137,271**	118,588

		September 30, 2021	December 31, 2020
		(Un-audited)	(Audited)
13	**OTHER ASSETS**	--- (Rupees in '000) ---	
	Profit / return accrued in local currency - net	**5,172,800**	4,186,904
	Profit / return accrued in foreign currencies - net	**109,062**	125,053
	Advances, deposits and other prepayments	**987,089**	1,252,297
	Mark to market gain on forward foreign exchange contracts	**137,517**	103,621
	Current taxation (payments less provisions)	**-**	239,947
	Acceptances	**3,426,743**	2,349,243
	Commission receivable	**57,926**	100,036
	Others	**435,367**	129,083
		10,326,504	8,486,184
	Less: Provision held against other assets	**-**	(1,746)
		10,326,504	8,484,438
14	**BILLS PAYABLE**		
	In Pakistan	**4,254,237**	4,238,196
	Outside Pakistan	**8,568**	8,045
		4,262,805	4,246,241
15	**DUE TO FINANCIAL INSTITUTIONS**		
	Secured		
	Musharaka from the State Bank of Pakistan under Islamic Export Refinance Scheme	**13,094,915**	9,402,906
	Investment from the State Bank of Pakistan		
	under Islamic Long Term Financing Facility	**3,241,875**	2,122,770
	under Payment of Wages and Salaries Refinance Scheme	**3,236,358**	4,916,563
	under Islamic Temporary Economic Refinance Facility	**4,229,779**	-
	Other Islamic Refinance Facilities	**984,934**	408,710
	Unsecured		
	Musharaka acceptance	**4,640,000**	500,000
	Overdrawn nostros	**2,451**	-
		29,430,312	17,350,949
15.1	**Particulars of due to financial institutions with respect to currencies**		
	In local currency	**29,427,861**	17,350,949
	In foreign currencies	**2,451**	-
		29,430,312	17,350,949

16 DEPOSITS AND OTHER ACCOUNTS

	September 30, 2021 (Un-audited)			December 31, 2020 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	---------- (Rupees in '000) ----------					
Customers						
Current deposits	**62,740,471**	**15,814,836**	**78,555,307**	53,425,406	14,133,682	67,559,088
Savings deposits	**90,733,465**	**8,685,116**	**99,418,581**	80,408,915	9,175,796	89,584,711
Term deposits	**29,556,914**	**6,615,149**	**36,172,063**	37,172,369	10,717,224	47,889,593
Others	**5,759,899**	-	**5,759,899**	8,784,309	-	8,784,309
	188,790,749	**31,115,101**	**219,905,850**	179,790,999	34,026,702	213,817,701
Financial institutions						
Current deposits	**414,442**	**35,660**	**450,102**	316,442	52,549	368,991
Savings deposits	**13,904,437**	-	**13,904,437**	17,799,775	-	17,799,775
Term deposits	**4,622,848**	-	**4,622,848**	5,566,898	-	5,566,898
	18,941,727	**35,660**	**18,977,387**	23,683,115	52,549	23,735,664
	207,732,476	**31,150,761**	**238,883,237**	203,474,114	34,079,251	237,553,365

	Note	**September 30, 2021 (Un-audited)**	December 31, 2020 (Audited)
		---- (Rupees in '000) ----	
17 SUBORDINATED SUKUK			
Additional Tier I Sukuk	*17.1*	**3,120,000**	3,120,000
Tier II Sukuk	*17.2*	**4,000,000**	4,000,000
		7,120,000	7,120,000

17.1 In December 2018, the Bank issued regulatory Shari'a compliant perpetual, unsecured, subordinated privately placed Additional Tier I Sukuk based on Mudaraba of Rs. 3,120 million as instrument of redeemable capital under section 66 of the Companies Act, 2017. The brief description of sukuk is as follows:

Credit rating	A+ (Single A - Plus) by VIS Credit Rating Company Limited.
Tenor	Perpetual
Profit payment frequency	Monthly in arrears
Redemption	Perpetual
Expected periodic profit amount (Mudaraba profit amount)	The Mudaraba Profit is computed under General Pool on the basis of profit sharing ratio and monthly weightages announced by the Bank under the SBP guidelines of pool management. Last announced profit rate on the Sukuk is 9.21% per annum.
Call option	The Bank may call Additional Tier I Sukuk with prior approval of SBP on or after five years from the date of issue.
Loss absorbency	The Additional Tier I Sukuk, at the option of the SBP, will be fully and permanently converted into common shares upon the occurrence of a point of non-viability trigger event as determined by SBP or for any other reason as may be directed by SBP.
Lock-in-clause	Profit and/or redemption amount can be held back in respect of the Additional Tier I Sukuk, if such payment will result in a shortfall in the Issuer's minimum capital or capital adequacy ratio requirement.

17.2 In July 2017, the Bank issued regulatory Shariah compliant unsecured, subordinated privately placed Tier II Sukuk based on Mudaraba of Rs. 4,000 million as instrument of redeemable capital under section 66 of the Companies Act, 2017. The brief description of sukuk is as follows:

Credit rating	AA- (Double AA - Minus) by VIS Credit Rating Company Limited.
Tenor	10 years form the issue date
Profit payment frequency	Semi-annually in arrears
Redemption	On the tenth anniversary from the issue date of sukuk
Expected periodic profit amount (Mudaraba profit amount)	The Mudaraba Profit is in accordance with the agreed profit sharing ratios / weightages assigned by the bank from time-to-time coinciding with the relevant profit distribution frequency for the relevant profit distribution period. Last announced profit rate on the sukuk is 8.15% per annum.
Call option	The Bank may call Tier II Sukuk with prior approval of SBP on or after five years from the date of issue.
Loss absorbency	The Tier II Sukuk, at the option of the SBP, will be fully and permanently converted into common shares upon the occurrence of a point of non-viability trigger event as determined by SBP or for any other reason as may be directed by SBP.
Lock-in-clause	Profit and/or redemption amount can be held back in respect of the Tier II Sukuk, if such payment will result in a shortfall in the Issuer's minimum capital or capital adequacy ratio requirement.

18 DEFERRED TAX LIABILITIES

	September 30, 2021 (Un-audited)			
	At January 01, 2021	**Recognised in P&L**	**Recognised in OCI**	**At September 30, 2021**
	---------- (Rupees in '000) ----------			
Taxable temporary differences on:				
Surplus on revaluation of investments	**444,416**	**-**	**(848)**	**443,568**
	444,416	**-**	**(848)**	**443,568**
Deductible temporary differences on:				
Accelerated tax depreciation and amortisation	**695**	**(22,573)**	**-**	**(21,878)**
Provision against non-performing Islamic financing and related assets	**(71,741)**	**(326,335)**	**-**	**(398,076)**
Provision against other assets	**(611)**	**611**	**-**	**-**
Deficit on defined benefit plan	**(19,705)**	**-**	**(2,252)**	**(21,957)**
	(91,362)	**(348,297)**	**(2,252)**	**(441,911)**
	353,054	**(348,297)**	**(3,100)**	**1,657**

	December 31, 2020 (Audited)			
	At Jan 1, 2020	Recognised in P&L	Recognised in OCI	At Dec 31, 2020
	---------- (Rupees in '000) ----------			
Taxable temporary differences on:				
Accelerated tax depreciation and amortisation	17,028	(16,333)	-	695
Surplus on revaluation of investments	681,275	-	(236,859)	444,416
	698,303	(16,333)	(236,859)	445,111
Deductible temporary differences on:				
Provision against non-performing Islamic financing and related assets	75,977	(147,718)	-	(71,741)
Provision against other assets	(611)	-	-	(611)
Deficit on defined benefit plan	(23,502)	-	3,797	(19,705)
	51,864	(147,718)	3,797	(92,057)
	750,167	(164,051)	(233,062)	353,054

19 OTHER LIABILITIES

	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	--- (Rupees in '000) ---	
Profit / return payable in local currency	**1,111,813**	1,105,687
Profit / return payable in foreign currencies	**39,362**	52,108
Deferred income murabaha / musawamah	**2,130,696**	1,859,707
Accrued expenses	**707,017**	739,702
Advance from financing customers	**1,373,925**	1,030,405
Mark to market loss on forward foreign exchange contracts	**110,954**	29,688
Acceptances	**3,426,743**	2,349,243
Current taxation (provisions less payments)	**265,811**	-
Security deposits against Islamic financing and related assets	**279,420**	198,691
Ijarah (lease) liabilities	**3,181,037**	2,317,006
Payable to dealers, contractors, etc.	**683,958**	957,794
Workers Welfare Fund payable	**493,598**	389,065
Payable to Employees Old Age Benefit Institution (EOBI)	**130,670**	114,237
Others	**725,535**	871,523
	14,660,539	12,014,856

20 SURPLUS ON REVALUATION OF INVESTMENTS

Surplus on revaluation of Available-for-sale securities

Sukuk certificates	**1,137,354**	1,269,761
Less: Related deferred tax liability	**(443,568)**	(444,416)
	693,786	825,345

21 CONTINGENCIES AND COMMITMENTS

	Note	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
		--- (Rupees in '000) ---	
Guarantees	*21.1*	**21,310,170**	16,431,358
Commitments	*21.2*	**57,289,195**	35,378,273
Other contingent liabilities	*21.3*	**211,480**	211,480
		78,810,845	52,021,111

21.1 Guarantees

Financial guarantees	**105,939**	26,647
Performance guarantees	**5,476,512**	5,537,835
Other guarantees	**15,727,719**	10,866,876
	21,310,170	16,431,358

21.2 Commitments

Documentary credits and short-term trade-related transactions			
Import letters of credit		**37,361,531**	24,712,924
Commitments in respect of:			
- Forward foreign exchange contracts - net	*21.2.1*	**10,933,964**	4,516,172
- Islamic financing and related assets		**8,757,000**	5,744,000
Commitments for acquisition of:			
- Fixed assets		**100,047**	252,413
- Intangible assets		**136,653**	152,764
		57,289,195	35,378,273

21.2.1 Commitments in respect of forward foreign exchange contracts - net

Purchase	**19,580,186**	14,577,741
Sale	**8,646,222**	10,061,569
	10,933,964	4,516,172

21.3 Other contingencies

The income tax authorities have amended assessment orders of the Bank for prior years including the tax year 2019. The disallowances were mainly due to reversal of provision against financing, provision against investments and Workers Welfare Fund. The Bank has filed appeals before the various appellate forums against these amendments. For the tax year 2015, tax authorities have issued a notice to amend assessment against the adjustment of minimum tax paid in prior years amounting to Rs. 211.48 million. The management of the Bank approached Sindh High Court and subsequently the Honorable Supreme Court of Pakistan against the order of the Sindh High Court. The Honorable Supreme Court of Pakistan has granted leave to appeal. The appeal is expected to be fixed soon. Through Finance Act 2021 favorable amendment has been made to section 113(2)(c) strengthening Bank's stance on adjustment of minimum tax for the years where no tax was payable. The management of the Bank is confident that the appeals will be decided in favor of the Bank in respect of the aforementioned matters.

		September 30, 2021	September 30, 2020
		(Un-audited)	
		----- Rupees in '000 -----	
22	**PROFIT / RETURN EARNED**		
	On Islamic financing and related assets to customers	**13,170,540**	16,216,397
	On investments in available-for-sale securities	**3,263,537**	3,684,614
	On investments in held-to-maturity securities	**-**	103,939
	On deposits / placements with financial institutions	**139,533**	645,632
		16,573,610	20,650,582
23	**PROFIT / RETURN EXPENSED**		
	Deposits and other accounts	**6,545,772**	10,084,458
	Subordinated sukuk	**450,463**	658,538
	Due to financial institutions	**523,352**	361,492
	Finance cost on Ijarah (lease) liabilities	**227,879**	265,631
	Cost of foreign currency swaps	**26,158**	265,051
		7,773,624	11,635,170
24	**FEE & COMMISSION INCOME**		
	Consumer finance related fees	**462,701**	400,401
	Credit related fees	**94,714**	104,770
	Investment banking fees	**80,510**	65,350
	Branch banking customer fees	**78,436**	60,724
	Card related fees	**152,748**	145,358
	Commission on trade	**286,476**	168,541
	Commission on guarantees	**59,332**	53,179
	Commission on cash management	**36,280**	29,335
	Commission on remittances including home remittances	**17,904**	16,088
	Commission on bancassurance	**36,559**	9,197
	Rebate income	**105,094**	74,548
	Others	**8,395**	1,127
		1,419,149	1,128,618
25	**GAIN ON SECURITIES**		
	Realised		
	Debt securities	**484,692**	982
26	**OTHER INCOME**		
	Gain on sale of fixed assets - net	**1,389**	809

		September 30, 2021	September 30, 2020
		(Un-audited)	
		----- Rupees in '000 -----	
27	**OPERATING EXPENSES**		
	Total compensation expense	**2,559,097**	2,335,897
	Property expense		
	Takaful charges	**731**	952
	Utilities cost	**242,449**	219,406
	Security	**175,714**	170,738
	Repair & maintenance (including janitorial charges)	**110,607**	93,113
	Depreciation	**70,122**	72,635
	Depreciation on right-of-use assets	**664,982**	594,463
		1,264,605	1,151,307
	Information technology expenses		
	Software maintenance	**254,397**	207,575
	Hardware maintenance	**109,300**	82,087
	Depreciation	**77,604**	71,295
	Amortisation	**52,410**	38,741
	Networking and connectivity charges	**115,132**	94,999
	Outsourced services cost	**25,143**	22,474
	Takaful charges	**900**	991
	Others	**2,221**	1,034
		637,107	519,196
	Other operating expenses		
	Directors' fee and allowances	**9,580**	7,318
	Fees and allowances to Shari'a Board members	**9,522**	9,948
	Legal and professional charges	**27,776**	40,447
	Outsourced services cost	**85,948**	80,627
	Travelling and conveyance	**14,360**	24,074
	NIFT clearing charges	**25,616**	25,769
	Depreciation	**95,149**	91,569
	Training and development	**9,305**	13,596
	Postage and courier charges	**26,855**	25,883
	Communications	**155,721**	147,293
	Stationary and printing	**76,971**	81,658
	Marketing, advertising and publicity	**116,329**	66,932
	Auditors' remuneration	**5,400**	4,319
	Brokerage, commission and bank charges	**284,422**	262,581
	Tracker related charges	**124,419**	122,686
	Cash transportation charges	**167,616**	77,914
	Repair and maintenance	**74,546**	66,753
	Subscription fees	**14,762**	13,097
	Takaful charges	**40,455**	49,542
	Deposit premium cost	**91,678**	76,243
	Others	**126,004**	150,211
		1,582,434	1,438,460
		6,043,243	5,444,860

		Note	September 30, 2021	September 30, 2020
			(Un-audited)	
			----- Rupees in '000 -----	
28	**OTHER CHARGES**			
	Penalties imposed by State Bank of Pakistan		**3,031**	312
29	**PROVISIONS & WRITE OFFS - NET**			
	Provision against Islamic financing and related assets - net	*10.14*	**945,754**	1,056,819
	Reversal of provision against other assets		**(1,746)**	-
	Provision for diminution in the value of investments		**-**	11,435
			944,008	1,068,254
30	**TAXATION**			
	Current		**2,038,404**	1,569,518
	Deferred		**(348,297)**	28,555
			1,690,107	1,598,073
31	**BASIC AND DILUTED EARNINGS PER SHARE**			
	Profit after taxation for the period		**2,656,114**	2,498,930
			---- (Number) ----	
	Weighted average number of ordinary shares		**1,165,228,776**	1,165,228,776
			---- (Rupees) ----	
	Earning per share - basic and diluted		**2.28**	2.14
32	**CASH AND CASH EQUIVALENTS**			
	Cash and balance with treasury banks	*6*	**19,357,562**	21,331,445
	Balance with other banks	*7*	**2,018,627**	3,796,924
	Overdrawn nostros	*15*	**(2,451)**	(102)
			21,373,738	25,128,267

33 FAIR VALUE OF FINANCIAL INSTRUMENTS

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:

	September 30, 2021 (Un-audited)									
	Carrying Value						Fair Value			
On-Balance sheet Financial Instruments	**Held to Maturity**	**Available for Sale**	**Financing and receivables**	**Other financial assets**	**Other financial liabilities**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
	(Rupees in '000)									
Financial assets - measured at fair value										
Investments										
Federal Government securities	-	**1,411,890**	-	-	-	**1,411,890**	-	**1,411,890**	-	**1,411,890**
Non-Government debt securities	-	**44,174,447**	-	-	-	**44,174,447**	**41,474,447**	**2,700,000**	-	**44,174,447**
Foreign securities	-	**10,035,425**	-	-	-	**10,035,425**	**10,035,425**	-	-	**10,035,425**
Other assets										
Unrealized gain on foreign exchange contracts	-	-	-	**137,517**	-	**137,517**	-	**137,517**	-	**137,517**
Financial assets - not measured at fair value										
Cash and balances with treasury banks	-	-	-	**19,357,562**	-	**19,357,562**				
Balances with other banks	-	-	-	**2,018,627**	-	**2,018,627**				
Due from financial institution	-	-	-	**3,523,946**	-	**3,523,946**				
Investments	-	**1,119,843**	-	-	-	**1,119,843**				
Islamic financings and related assets - net	-	-	**224,514,768**	-	-	**224,514,768**				
Other asset	-	-	-	**9,274,047**	-	**9,274,047**				
	-	**56,741,605**	**224,514,768**	**34,311,699**	-	**315,568,072**				
Financial liabilities - measured at fair value										
Other liabilities										
Unrealized loss on foreign exchange contracts	-	-	-	-	**110,954**	**110,954**	-	**110,954**	-	**110,954**
Financial liabilities - not measured at fair value										
Bills payable	-	-	-	-	**4,262,805**	**4,262,805**				
Due to financial institutions	-	-	-	-	**29,430,312**	**29,430,312**				
Deposits and other accounts	-	-	-	-	**238,883,237**	**238,883,237**				
Subordinated sukuk	**7,120,000**	-	-	-	-	**7,120,000**				
Other liabilities	-	-	-	-	**11,360,584**	**11,360,584**				
	7,120,000	-	-	-	**284,047,892**	**291,167,892**				
Off-balance sheet financial instruments - measured at fair value										
Forward foreign exchange contracts - net	-	-	-	**10,933,964**	-	**10,933,964**	-	**10,960,527**	-	**10,960,527**

	December 31, 2020 (Audited)									
	Carrying Value						Fair Value			
On-Balance sheet Financial Instruments	Held to Maturity	Available for Sale	Financing and receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)									
Financial assets - measured at fair value										
Investments										
Federal Government securities	-	1,499,600	-	-	-	1,499,600	-	1,499,600	-	1,499,600
Non-Government debt securities	-	46,746,901	-	-	-	46,746,901	43,709,401	3,037,500	-	46,746,901
Foreign securities	-	18,333,069	-	-	-	18,333,069	18,333,069	-	-	18,333,069
Other assets										
Unrealized gain on foreign exchange contracts	-	-	-	103,621	-	103,621	-	103,621	-	103,621
Financial assets - not measured at fair value										
Cash and balances with treasury banks	-	-	-	19,096,891	-	19,096,891				
Balances with other banks	-	-	-	3,279,935	-	3,279,935				
Due from financial institution	-	-	-	2,397,516	-	2,397,516				
Investments	-	-	-	-	-	-				
Islamic financings and related assets - net	-	-	199,416,405	-	-	199,416,405				
Other asset	-	-	-	7,520,987	-	7,520,987				
	-	66,579,570	199,416,405	32,398,950	-	298,394,925				
Financial liabilities - measured at fair value										
Other liabilities										
Unrealized loss on foreign exchange contracts	-	-	-	-	29,688	29,688	-	29,688	-	29,688
Financial liabilities - not measured at fair value										
Bills payable	-	-	-	-	4,246,241	4,246,241				
Due to financial institutions	-	-	-	-	17,350,949	17,350,949				
Deposits and other accounts	-	-	-	-	237,553,365	237,553,365				
Subordinated sukuk	7,120,000	-	-	-	-	7,120,000				
Other liabilities	-	-	-	-	9,560,376	9,560,376				
	7,120,000	-	-	-	268,740,619	275,860,619				
Off-balance sheet financial instruments - measured at fair value										
Forward foreign exchange contracts - net	-	-	-	4,516,172	-	4,516,172	-	4,590,105	-	4,590,105

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

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

34 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

	September 30, 2021 (Un-audited)					
	Corporate Banking	**SME & Commercial Banking**	**Consumer Banking**	**Treasury**	**Other**	**Total**
	---------- (Rupees in '000) ----------					
Condensed Interim Profit and Loss Account						
Net profit earned	**4,886,400**	**1,228,700**	**(242,606)**	**3,315,520**	**(388,028)**	**8,799,986**
Inter segment revenue - net	**(3,622,703)**	**788,371**	**5,416,281**	**(2,968,031)**	**386,082**	**-**
Other income	**420,214**	**463,211**	**1,047,258**	**708,979**	**1,389**	**2,641,051**
Total income	**1,683,911**	**2,480,282**	**6,220,933**	**1,056,468**	**(557)**	**11,441,037**
Segment direct expenses	**(371,932)**	**(1,083,589)**	**(3,901,231)**	**(103,350)**	**-**	**(5,460,102)**
Inter segment expense allocation	**(75,812)**	**(82,085)**	**(497,382)**	**(35,427)**	**-**	**(690,706)**
Total expenses	**(447,744)**	**(1,165,674)**	**(4,398,613)**	**(138,777)**	**-**	**(6,150,808)**
(Provisions) / reversal	**(737,665)**	**(108,650)**	**(98,250)**	**-**	**557**	**(944,008)**
Profit before tax	**498,502**	**1,205,958**	**1,724,070**	**917,691**	**-**	**4,346,221**
Condensed Interim Statement of Financial Position						
Cash and bank balances	**-**	**1,184,787**	**4,967,421**	**2,018,627**	**13,205,354**	**21,376,189**
Due from financial institutions	**-**	**-**	**-**	**3,523,946**	**-**	**3,523,946**
Investments	**-**	**-**	**-**	**56,741,605**	**-**	**56,741,605**
Net inter segment lending	**-**	**8,739,702**	**108,447,819**	**-**	**18,054,486**	**135,242,007**
Islamic financings and related assets - net						
- performing	**124,633,339**	**47,513,388**	**46,980,484**	**-**	**2,351,059**	**221,478,270**
- non-performing	**1,766,594**	**815,140**	**434,894**	**-**	**19,870**	**3,036,498**
Others	**5,974,315**	**3,414,605**	**4,480,902**	**1,404,448**	**78,277**	**15,352,547**
Total Assets	**132,374,248**	**61,667,622**	**165,311,520**	**63,688,626**	**33,709,046**	**456,751,062**
Due to financial institutions	**16,924,326**	**7,863,535**	**-**	**4,642,451**	**-**	**29,430,312**
Deposits & other accounts	**34,381,228**	**47,764,813**	**156,581,969**	**155,227**	**-**	**238,883,237**
Net inter segment borrowing	**77,281,674**	**-**	**-**	**57,960,333**	**-**	**135,242,007**
Subordinated sukuk	**-**	**-**	**-**	**-**	**7,120,000**	**7,120,000**
Others	**3,787,020**	**6,039,274**	**8,729,551**	**236,829**	**132,327**	**18,925,001**
Total liabilities	**132,374,248**	**61,667,622**	**165,311,520**	**62,994,840**	**7,252,327**	**429,600,557**
Equity	**-**	**-**	**-**	**693,786**	**26,456,719**	**27,150,505**
Total Equity and liabilities	**132,374,248**	**61,667,622**	**165,311,520**	**63,688,626**	**33,709,046**	**456,751,062**
Contingencies and Commitments	**40,228,943**	**26,179,709**	**1,247,306**	**10,943,407**	**211,480**	**78,810,845**

	September 30, 2020 (Un-audited)					
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Total
	---------- (Rupees in '000) ----------					
Condensed Interim Profit and Loss Account						
Net profit earned	6,384,037	976,603	(2,085,781)	3,998,046	(257,493)	9,015,412
Inter segment revenue - net	(4,732,510)	991,498	6,680,657	(3,191,361)	251,716	-
Other income	277,378	422,954	743,827	232,106	809	1,677,074
Total income	1,928,905	2,391,055	5,338,703	1,038,791	(4,968)	10,692,486
Segment direct expenses	(312,111)	(854,962)	(3,586,776)	(151,665)	-	(4,905,514)
Inter segment expense allocation	(72,971)	(72,714)	(441,879)	(34,151)	-	(621,715)
Total expenses	(385,082)	(927,676)	(4,028,655)	(185,816)	-	(5,527,229)
(Provisions) / reversal	(643,312)	(307,601)	(110,874)	(11,435)	4,968	(1,068,254)
Profit before tax	900,511	1,155,778	1,199,174	841,540	-	4,097,003

	December 31, 2020 (Audited)					
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Total
	---------- (Rupees in '000) ----------					
Statement of Financial Position						
Cash and bank balances	-	664,470	5,051,202	3,279,935	13,381,219	22,376,826
Due from financial institutions	-	-	-	2,397,516	-	2,397,516
Investments	-	-	-	66,579,570	-	66,579,570
Net inter segment lending	-	14,300,344	110,991,528	-	15,698,098	140,989,970
Islamic financings and related assets - net						
- performing	110,586,862	46,604,659	37,489,678	-	2,130,381	196,811,580
- non-performing	1,688,848	612,825	282,827	-	20,325	2,604,825
Others	4,673,747	2,727,538	3,506,127	1,346,575	237,859	12,491,846
Total Assets	116,949,457	64,909,836	157,321,362	73,603,596	31,467,882	444,252,133
Due to financial institutions	9,948,601	6,902,348	-	500,000	-	17,350,949
Deposits & other accounts	34,374,277	52,462,074	150,574,493	142,521	-	237,553,365
Net inter segment borrowing	69,113,931	-	-	71,876,039	-	140,989,970
Subordinated sukuk	-	-	-	-	7,120,000	7,120,000
Others	3,512,648	5,545,414	6,746,869	259,691	549,529	16,614,151
Total liabilities	116,949,457	64,909,836	157,321,362	72,778,251	7,669,529	419,628,435
Equity	-	-	-	825,345	23,798,353	24,623,698
Total Equity and liabilities	116,949,457	64,909,836	157,321,362	73,603,596	31,467,882	444,252,133
Contingencies and Commitments	23,482,303	20,946,146	2,834,699	4,546,483	211,480	52,021,111

35 RELATED PARTY TRANSACTIONS

The Bank has related party relationship with Dubai Islamic Bank P.J.S.C, U.A.E, the holding company, directors, related group companies and associated undertakings, key management personnel and Staff Retirement Funds.

A number of banking transactions are entered into with related parties in the normal course of business. These mainly include financing and deposit transactions. These transactions are executed substantially on the same terms including profit rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than a normal risk. Contributions to staff retirement benefit plan are made in accordance with the terms of the contribution plan. Remuneration and other benefits to the executives are determined in accordance with the terms of their appointment.

Usual transactions with related parties include deposits, financing, returns and provision of other banking services. Transactions with executives are undertaken at terms in accordance with employment agreements and service rules.

The details of transactions with related parties and balances with them are given below:

	September 30, 2021 (Un-audited)						December 31, 2020 (Audited)					
	Associated companies	**Holding Company**	**Directors**	**Key manage-ment personnel**	**Others****	**Total**	Associated companies	Holding Company	Directors	Key manage-ment personnel	Others**	Total
	(Rupees in '000)											
Balances with other banks												
As at January 1	-	**51,819**	-	-	-	**51,819**	-	36,608	-	-	-	36,608
Deposited during the period / year	-	**30,341,498**	-	-	-	**30,341,498**	-	30,701,598	-	-	-	30,701,598
Withdrawals during the period / year	-	**(30,361,726)**	-	-	-	**(30,361,726)**	-	(30,686,387)	-	-	-	(30,686,387)
Closing balance	-	**31,591**	-	-	-	**31,591**	-	51,819	-	-	-	51,819
Islamic financing and related assets												
As at January 1	-	-	-	**144,043**	-	**144,043**	-	-	-	169,899	-	169,899
Disbursed during the period / year	-	-	-	**48,220**	-	**48,220**	-	-	-	18,255	-	18,255
Payments during the period / year	-	-	-	**(61,592)**	-	**(61,592)**	-	-	-	(46,694)	-	(46,694)
Adjustments *	-	-	-	**7,254**	-	**7,254**	-	-	-	2,583	-	2,583
Closing balance	-	-	-	**137,925**	-	**137,925**	-	-	-	144,043	-	144,043
Deposits and other accounts												
As at January 1	-	**142,168**	**12,155**	**97,826**	**1,434,819**	**1,686,968**	-	70,228	5,646	80,174	1,331,515	1,487,563
Received during the period / year	-	**12,814,074**	**23,922**	**696,041**	**7,858,982**	**21,393,019**	-	12,459,354	78,241	474,496	3,066,738	16,078,829
Withdrawals during the period / year	-	**(12,798,136)**	**(24,213)**	**(700,513)**	**(7,850,027)**	**(21,372,889)**	-	(12,387,414)	(71,279)	(456,543)	(2,963,434)	(15,878,670)
Adjustments *	-	-	**141**	**4,000**	-	**4,141**		-	(453)	(301)	-	(754)
Closing balance	-	**158,106**	**12,005**	**97,354**	**1,443,774**	**1,711,239**	-	142,168	12,155	97,826	1,434,819	1,686,968
Other Liability												
As at January 1,	-	-	-	**12,374**	-	**12,374**	-	-	-	-	-	-
Withheld during the period / year	-	-	-	**12,070**	-	**12,070**	-	-	-	13,474	-	13,474
Paid during the period / year	-	-	-	**(3,367)**	-	**(3,367)**	-	-	-	-	-	-
Adjustments *	-	-	-	-	-	-	-	-	-	(1,100)	-	(1,100)
Closing balance	-	-	-	**21,077**	-	**21,077**	-	-	-	12,374	-	12,374

	September 30, 2021 (Un-audited)						September 30, 2020 (Un audited)					
	Associated companies	**Holding Company**	**Directors**	**Key manage-ment personnel**	**Others****	**Total**	Associated companies	Holding Company	Directors	Key manage-ment personnel	Others**	Total
	(Rupees in '000)											
Transactions during the period												
Fees and allowances	-	-	**9,580**	**7,937**	-	**17,517**	-	-	7,318	7,874	-	15,191
Remuneration to key management personnel (Including bonus)	-	-	-	**249,888**	-	**249,888**	-	-	-	243,625	-	243,625
Profit earned on investments	-	-	-	-	-	-						-
Profit earned on financings	-	-	-	**4,714**	-	**4,714**	-	-	-	8,743	-	8,743
Profit expensed on deposits	-	-	**236**	**3,252**	**71,082**	**74,570**	-	-	374	3,408	126,218	130,000
Profit expense on due to financial institution	-	-	-	-	-	-						-
Profit expensed on other liability	-	-	-	**914**	-	**914**	-	-	-	670	-	670
Contribution made to gratuity fund	-	-	-	-	**65,073**	**65,073**	-	-	-	-	55,800	55,800
Contribution made to provident fund	-	-	-	-	**91,723**	**91,723**	-	-	-	-	82,193	82,193
	-	-										
Contingencies and commitments												
Foreign currency purchase contracts	-	**5,897,785**	-	-	-	**5,897,785**	-	5,061,944	-	-	-	5,061,944
Foreign currency sale contracts	-	**5,897,785**	-	-	-	**5,897,785**	-	5,051,944	-	-	-	5,051,944

* Primarily relates to those directors, associates and key management personnel who are no longer related parties or have become related parties of the Bank as at September 30, 2021.

* * Represents Dubai Islamic Bank Pakistan Limited's Provident & Gratuity Funds.

36 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	September 30, 2021 (Un-audited)	December 31, 2020 (Audited)
	----- Rupees in '000 -----	
Minimum Capital Requirement:		
Paid-up capital	**11,652,288**	11,652,288
Capital Adequacy Ratio:		
Eligible Common Equity Tier I Capital	**26,048,060**	23,489,541
Eligible Additional Tier I Capital	**3,120,000**	3,120,000
Total Eligible Tier I Capital	**29,168,060**	26,609,541
Eligible Tier II Capital	**6,884,140**	6,738,204
Total Eligible Capital (Tier I + Tier II)	**36,052,200**	33,347,745
Risk Weighted Assets:		
Credit Risk	**189,048,681**	173,567,219
Market Risk	**476,257**	415,765
Operational Risk	**23,427,513**	23,427,513
Total	**212,952,451**	197,410,497
Common Equity Tier I Capital Adequacy Ratio	**12.23%**	11.90%
Tier I Capital Adequacy Ratio	**13.70%**	13.48%
Total Capital Adequacy Ratio	**16.93%**	16.89%
Leverage Ratio:		
Eligible Tier I Capital	**29,168,060**	26,609,541
Total Exposures	**395,706,908**	358,204,763
Leverage Ratio	**7.37%**	7.43%
Liquidity Coverage Ratio:		
Total High Quality Liquid Assets	**74,871,144**	67,459,090
Total Net Cash Outflow	**49,238,358**	33,081,322
Liquidity Coverage Ratio	**152.06%**	203.92%
Net Stable Funding Ratio:		
Total Available Stable Funding	**216,179,867**	248,445,467
Total Required Stable Funding	**179,171,829**	224,294,003
Net Stable Funding Ratio	**120.66%**	110.77%

37 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on _____ by the Board of Directors of the Bank.

38 GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

President & CEO	**Chief Financial Officer**	**Director**	**Director**	**Director**