

**Dubai Islamic Bank
Pakistan Limited**

Condensed Interim Financial Information
for the quarter ended
March 31, 2022

Dubai Islamic Bank Pakistan Limited
Condensed Interim Statement of Financial Position
As at March 31, 2022

		March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	--- (Rupees in '000) ---	
ASSETS			
Cash and balances with treasury banks	6	24,021,158	25,761,239
Balances with other banks	7	1,327,999	1,363,873
Due from financial institutions	8	31,302	1,031,302
Investments	9	82,702,286	84,861,748
Islamic financing and related assets	10	238,628,632	225,364,893
Fixed assets	11	4,142,056	4,281,548
Intangible assets	12	374,576	378,536
Deferred tax assets		-	-
Other assets	13	10,453,193	8,431,020
		361,681,202	351,474,159
LIABILITIES			
Bills payable	14	7,887,285	7,449,011
Due to financial institutions	15	40,667,479	33,545,307
Deposits and other accounts	16	264,466,978	261,573,620
Subordinated sukuk	17	7,120,000	7,120,000
Deferred tax liabilities	18	70,103	104,792
Other liabilities	19	13,412,314	14,114,370
		333,624,159	323,907,100
NET ASSETS		28,057,043	27,567,059
REPRESENTED BY			
Share capital		11,652,288	11,652,288
Reserves		3,271,763	3,092,713
Surplus on revaluation of investments	20	278,110	683,374
Unappropriated profit		12,854,882	12,138,684
		28,057,043	27,567,059
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 ended March 31, 2022

		March 31, 2022	March 31, 2021
	<i>Note</i>	--- (Rupees in '000) ---	
Profit / return earned	22	7,441,164	5,339,700
Profit / return expensed	23	(3,948,853)	(2,541,202)
Net Profit / return		3,492,311	2,798,498
OTHER INCOME			
Fee and commission income	24	482,619	476,976
Dividend income		-	-
Foreign Exchange income		299,919	268,839
Gain on securities	25	-	12,300
Other income / (loss)	26	28	(3,178)
Total other income		782,566	754,937
Total income		4,274,877	3,553,435
OTHER EXPENSES			
Operating expenses	27	(2,257,114)	(1,893,793)
Workers Welfare Fund		(29,396)	(35,661)
Other charges	28	(1,709)	(20)
Total other expenses		(2,288,219)	(1,929,474)
Profit before provisions		1,986,658	1,623,961
Provisions and write offs - net	29	(516,846)	(283,387)
Extra ordinary / unusual items		-	-
PROFIT BEFORE TAXATION		1,469,812	1,340,574
Taxation	30	(574,564)	(541,005)
PROFIT AFTER TAXATION		895,248	799,569
--- (Rupee) ---			
Basic & diluted earnings per share	31	0.77	0.69

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 ended March 31, 2022

	March 31, 2022	March 31, 2021
	--- (Rupees in '000) ---	
Profit after taxation for the period	895,248	799,569
Items that may be reclassified to profit and loss account in subsequent periods:		
Movement in revaluation of investments - net of tax	(405,264)	(151,065)
Total comprehensive income	<u>489,984</u>	<u>648,504</u>

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 quarter ended March 31, 2022

	Share capital	Statutory reserve	Surplus on revaluation of investments	Unappropriated profit	Total
	(Rupees in '000)				
Balance as at January 01, 2021	11,652,288	2,474,851	825,345	9,671,214	24,623,698
Total comprehensive income for the period					
Profit after taxation	-	-	-	799,569	799,569
Other comprehensive loss - net of tax	-	-	(151,065)	-	(151,065)
	-	-	(151,065)	799,569	648,504
Transfer to statutory reserve	-	159,914	-	(159,914)	-
Balance as at March 31, 2021	11,652,288	2,634,765	674,280	10,310,869	25,272,202
Total comprehensive income for the period					
Profit after taxation	-	-	-	2,289,741	2,289,741
Other comprehensive income / (loss) - net of tax	-	-	9,094	(3,978)	5,116
	-	-	9,094	2,285,763	2,294,857
Transfer to statutory reserve	-	457,948	-	(457,948)	-
Balance as at December 31, 2021	11,652,288	3,092,713	683,374	12,138,684	27,567,059
Total comprehensive income for the period					
Profit after taxation	-	-	-	895,248	895,248
Other comprehensive loss - net of tax	-	-	(405,264)	-	(405,264)
	-	-	(405,264)	895,248	489,984
Transfer to statutory reserve	-	179,050	-	(179,050)	-
Balance as at March 31, 2022	11,652,288	3,271,763	278,110	12,854,882	28,057,043

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 quarter ended March 31, 2022

	March 31, 2022	March 31, 2021
Note	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,469,812	1,340,574
Adjustments for:		
Depreciation	27 85,667	90,001
Depreciation on right-of-use assets	27 229,312	206,255
Amortisation	27 21,050	15,900
Finance cost on Ijarah (lease) liabilities	23 71,220	73,250
Gain on securities	25 -	(12,300)
(Gain) / loss on sale of fixed assets	26 (28)	3,178
Provisions and write offs - net	29 516,846	283,387
	924,067	659,671
	2,393,879	2,000,245
(Increase) / decrease in operating assets		
Due from financial institutions	1,000,000	(2,185,242)
Islamic financing and related assets	(13,780,585)	(5,497,356)
Others assets (excluding current taxation)	(2,397,454)	(679,456)
	(15,178,039)	(8,362,054)
Increase / (decrease) in operating liabilities		
Bills payable	438,274	(473,906)
Due to financial institutions	7,175,663	6,089,111
Deposits and other accounts	2,893,358	7,613,789
Other liabilities	(230,706)	99,154
	10,276,589	13,328,148
	(2,507,571)	6,966,339
Income tax paid	(422,455)	(467,248)
Net cash flow (used in) / generated from operating activities	(2,930,026)	6,499,091
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	1,495,095	(6,709,163)
Investments in fixed assets	(102,263)	(113,364)
Proceeds from sale of fixed assets	265	2,819
Investments in intangibles	(17,090)	(59,834)
Net cash flow generated from / (used in) investing activities	1,376,007	(6,879,542)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of Ijarah (lease) liabilities against right-of-use assets	(168,445)	(471,614)
Decrease in cash and cash equivalents	(1,722,464)	(852,065)
Cash and cash equivalents at beginning of the period	27,068,101	22,376,826
Cash and cash equivalents at end of the period	32 25,345,637	21,524,761

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

President & CEO

Chief Financial Officer

Director

Director

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Dubai Islamic Bank Pakistan Limited

Notes to and forming part of the Condensed Interim Financial Information (Un-Audited)

For the quarter ended March 31, 2022

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. The Bank is principally engaged in corporate, commercial, consumer, investing and retail banking activities.
- 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 March 31, 2022 (December 31, 2021: 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, 2021. 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 of the Bank.

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, 2021.

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 2021). 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 2021) 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 extended the implementation date of IFRS 9 to January 01, 2022. The impact of application of IFRS 9 on Bank's condensed interim financial information is presently being assessed and the same will conclude subsequent to issuance of final application instructions by SBP.

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, 2021.

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, 2021.

		March 31, 2022 (Un-audited) ----- (Rupees in '000) -----	December 31, 2021 (Audited)
	<i>Note</i>		
6 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
- local currency		4,105,854	4,123,049
- foreign currencies		2,478,152	801,268
		<u>6,584,006</u>	<u>4,924,317</u>
With State Bank of Pakistan in			
- local currency current accounts	6.1	12,870,777	16,286,776
- foreign currency current accounts		221,016	59,647
- foreign currency deposit accounts			
- Cash reserve account	6.2	1,578,004	1,601,948
- Special cash reserve account	6.2	1,893,477	1,922,214
		<u>3,471,481</u>	<u>3,524,162</u>
With National Bank of Pakistan in			
- local currency current accounts		873,878	966,337
		<u>24,021,158</u>	<u>25,761,239</u>

- 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 6% (December 31, 2021: 6%) of its demand and time liabilities in Pakistan.
- 6.2** As per DMMD Circular No. 20 dated November 13, 2021 and BSD Circular No. 15 dated June 21, 2008, , cash reserve of 6% (December 31, 2021: 6%) and special cash reserve of 6% (December 31, 2021: 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.

		March 31, 2022 (Un-audited) ----- (Rupees in '000) -----	December 31, 2021 (Audited)
	<i>Note</i>		
7 BALANCES WITH OTHER BANKS			
In Pakistan			
- in local currency current account		443,432	753,540
- in foreign currency current account		336	322
		<u>443,768</u>	<u>753,862</u>
Outside Pakistan			
- in foreign currencies current account	7.1	884,231	610,011
		<u>1,327,999</u>	<u>1,363,873</u>

- 7.1** This includes an amount of Rs. 71.27 million (December 31, 2021: Rs. 128.77 million) deposited with the holding company.

		March 31, 2022 (Un-audited) ----- (Rupees in '000) -----	December 31, 2021 (Audited)
8 DUE FROM FINANCIAL INSTITUTIONS			
Musharaka - unsecured		-	1,000,000
Other placement with State Bank of Pakistan		31,302	31,302
		<u>31,302</u>	<u>1,031,302</u>

9 INVESTMENTS

9.1 Investments by types:

	March 31, 2022 (Un-audited)				December 31, 2021 (Audited)			
	Cost / amortised cost	Provision for diminution	(Deficit) / surplus	Carrying value	Cost / amortised cost	Provision for diminution	(Deficit) / surplus	Carrying value
	----- (Rupees in '000) -----							
Available-for-sale securities								
Federal Government securities	24,297,653	-	(17,590)	24,280,063	24,258,893	-	(139,520)	24,119,373
Non-Government debt securities	40,567,174	(89,316)	1,155,642	41,633,500	42,749,533	(89,316)	1,365,876	44,026,093
Foreign securities	17,470,857	-	(682,134)	16,788,723	16,822,353	-	(106,071)	16,716,282
	82,335,684	(89,316)	455,918	82,702,286	83,830,779	(89,316)	1,120,285	84,861,748
Total investments	82,335,684	(89,316)	455,918	82,702,286	83,830,779	(89,316)	1,120,285	84,861,748

	March 31, 2022 (Un-audited) ----- (Rupees in '000) -----	December 31, 2021 (Audited)
9.2 Provision for diminution in value of investments		
9.2.1 Opening balance	89,316	89,316
Charge for the period / year	-	-
Closing balance	89,316	89,316

9.2.2 Particulars of provision against debt securities

Category of classification	March 31, 2022 (Un-audited)		December 31, 2021 (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

	Note	Performing		Non-Performing		Total	
		March 31,	December 31,	March 31,	December 31,	March 31,	December 31,
		2022	2021	2022	2021	2022	2021
		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
----- (Rupees in '000) -----							
Murabaha	10.1	20,307,050	21,938,164	298,985	326,844	20,606,035	23,299,782
Musawamah	10.2	4,234,543	3,777,120	167,453	163,900	4,401,996	3,941,020
Tijarah cum wakala	10.3	14,306,849	10,813,657	234,800	192,000	14,541,649	11,005,657
Istisna cum Wakala	10.4	17,781,892	14,909,213	634,947	609,411	18,416,839	15,518,624
Salam	10.5	3,714,269	1,763,274	-	-	3,714,269	1,763,274
Islamic Export Refinance Schemes - SBP	10.6	16,256,281	16,186,797	136,322	136,322	16,392,603	16,323,119
Other Islamic Refinance Schemes - SBP	10.7	16,951,470	15,655,471	8,000	8,000	16,959,470	15,663,471
Wakala Istithmar		29,145,539	25,926,888	318,037	317,558	29,463,576	26,244,446
Running Musharaka financing		23,431,035	20,993,803	655,901	655,901	24,086,936	21,649,704
Shirkatulmilk - Housing	10.8	14,687,118	12,824,946	468,653	461,015	15,155,771	13,285,961
Shirkatulmilk - Autos	10.9	27,506,903	27,062,639	244,030	238,107	27,750,933	27,300,746
Shirkatulmilk - Fleet financing	10.10	5,600,061	5,676,188	234,014	312,691	5,834,075	5,988,879
Shirkatulmilk - Others		10,992,630	13,396,134	3,091,289	2,433,197	14,083,919	14,794,557
Diminishing Musharaka - Others		31,396,138	32,396,629	636,789	638,734	32,032,927	33,035,363
Staff financing		2,576,433	2,454,777	47,744	43,777	2,624,177	2,498,554
Islamic financing and related assets (gross)		238,888,211	225,775,700	7,176,964	6,537,457	246,065,175	232,313,157
Provision against Islamic financing and related assets	10.13						
Specific		-	-	(4,515,043)	(4,034,938)	(4,515,043)	(4,034,938)
General		(2,921,500)	(2,913,326)	-	-	(2,921,500)	(2,913,326)
		(2,921,500)	(2,913,326)	(4,515,043)	(4,034,938)	(7,436,543)	(6,948,264)
Islamic financing and related assets - net of provision		235,966,711	222,862,374	2,661,921	2,502,519	238,628,632	225,364,893
						March 31,	December 31,
						2022	2021
						(Un-audited)	(Audited)
						--- (Rupees in '000) ---	
10.1	Murabaha						
	Financing					6,393,425	6,694,396
	Inventory					13,724,308	15,573,375
	Advance					488,302	1,032,011
						20,606,035	23,299,782
10.2	Musawamah						
	Financing					4,315,776	3,834,238
	Advance					86,220	106,782
						4,401,996	3,941,020
10.3	Tijarah cum wakala						
	Financing					13,367,286	7,930,533
	Inventory					1,174,363	3,075,124
						14,541,649	11,005,657
10.4	Istisna cum Wakala						
	Financing					13,402,272	7,581,580
	Advance					5,014,567	7,937,044
						18,416,839	15,518,624
10.5	Salam						
	Financing					3,714,269	289,497
	Advance					-	1,473,777
						3,714,269	1,763,274
10.6	Islamic Export Refinance Schemes - SBP						
	Istisna - Advance					679,000	279,500
	Istisna - Financing					110,000	509,500
	Running Musharaka - Financing					8,910,800	8,885,800
	Wakala Istithmar - Financing					6,692,803	6,648,319
						16,392,603	16,323,119

	March 31, 2022 (Un-audited) --- (Rupees in '000) ---	December 31, 2021 (Audited)
10.7 Other Islamic Refinance Schemes - SBP		
Islamic Long Term Financing Facility -Diminishing Musharaka - Financing	4,076,159	3,464,187
Payment of Wages and Salaries Refinance Scheme -Shirkatulmilk - Financing	1,469,278	1,912,456
-Running Musharaka - Financing	408,927	545,235
-Murabaha - Financing	85,647	109,337
	1,963,852	2,567,028
Islamic Financing Facility for Combating COVID 19 -Musharaka - Financing	769,822	817,893
Islamic Finance Facility For Renewable Energy -Diminishing Musharaka - Financing	433,816	356,248
Islamic Temporary Economic Refinance Facility -Musharaka - Financing	441,433	444,626
-Shirkatulmilk - Financing	8,820,438	7,639,539
	9,261,871	8,084,165
Other Islamic Refinance Facilities -Musharaka - Financing	453,950	373,950
	16,959,470	15,663,471
10.8 Shirkatulmilk - Housing		
Financing	14,773,338	12,927,181
Advance	382,433	358,780
	15,155,771	13,285,961
10.9 Shirkatulmilk - Autos		
Financing	24,942,784	23,815,075
Advance	2,808,149	3,485,671
	27,750,933	27,300,746
10.10 Shirkatulmilk - Fleet financing		
Financing	5,202,775	5,292,809
Advance	631,300	696,070
	5,834,075	5,988,879
10.11 Particulars of Islamic financing and related assets (gross)		
In local currency	243,826,004	230,215,986
In foreign currencies	2,239,171	2,097,171
	246,065,175	232,313,157
10.12 Islamic financing and related assets include Rs. 7,176.964 million (December 31, 2021: Rs. 6,537.457 million) which have been placed under non-performing status as detailed below:		

Category of Classification	March 31, 2022 (Un-audited)		December 31, 2021 (Audited)	
	Non-Performing	Provision held	Non-Performing	Provision held
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned	43,069	-	22,122	-
Substandard	755,539	138,146	244,858	35,960
Doubtful	226,995	13,105	338,321	12,337
Loss	6,151,361	4,363,792	5,932,156	3,986,641
	7,176,964	4,515,043	6,537,457	4,034,938

10.13 Particulars of provision against Islamic financing and related assets:

	March 31, 2022 (Un-audited)			December 31, 2021 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	4,034,938	2,913,326	6,948,264	3,082,610	1,912,859	4,995,469
Charge for the period	571,289	8,174	579,463	1,685,654	1,000,467	2,686,121
Reversals during the period	(62,617)	-	(62,617)	(595,661)	-	(595,661)
	508,672	8,174	516,846	1,089,993	1,000,467	2,090,460
Amounts written-off	(28,567)	-	(28,567)	(137,665)	-	(137,665)
Closing balance	4,515,043	2,921,500	7,436,543	4,034,938	2,913,326	6,948,264

10.13.1 As allowed by the SBP, the Bank has availed benefit of Forced Sale Value (FSV) amounting to Rs. 1,931.201 million (December 31, 2021: Rs. 2,123.294 million) in determining the provisioning against non performing Islamic financings as at March 31, 2022. The additional profit arising from availing the FSV benefit - net of tax as at March 31, 2022 which is not available for distribution as either cash or stock dividend to shareholders amounted to Rs. 1,178.033 million (December 31, 2021: Rs. 1,295.209 million).

10.13.2 General provisioning is held against consumer finance portfolio and small enterprise financings 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.

	Note	March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
		--- (Rupees in '000) ---	
11 FIXED ASSETS			
Capital work-in-progress	11.1	38,617	13,754
Property and equipment		1,486,290	1,494,794
Right-of-use assets		2,617,149	2,773,000
		<u>4,142,056</u>	<u>4,281,548</u>
11.1 Capital work-in-progress			
Civil works		4,675	441
Equipment		33,942	13,313
		<u>38,617</u>	<u>13,754</u>
11.2 Additions to fixed assets			
Furniture and fixtures		5,783	11,227
Electrical, office and computer equipment		58,877	93,243
Leasehold improvements		12,740	24,400
		<u>77,400</u>	<u>128,870</u>

		March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
		--- (Rupees in '000) ---	
12 INTANGIBLE ASSETS	<i>Note</i>		
Capital work-in-progress - Advance to suppliers		69,999	59,168
Computer software	12.1	304,577	319,368
		<u>374,576</u>	<u>378,536</u>
		March 31, 2022 (Un-audited)	March 31, 2021 (Audited)
		--- (Rupees in '000) ---	
12.1 Additions to intangible assets			
Directly purchased (including transfer from CWIP)		<u>6,259</u>	<u>81,519</u>
		March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
		--- (Rupees in '000) ---	
13 OTHER ASSETS			
Profit / return accrued in local currency - net		6,573,603	4,389,992
Profit / return accrued in foreign currencies - net		97,506	125,935
Advances, deposits and other prepayments		999,664	892,810
Mark to market gain on forward foreign exchange contracts		205,862	111,827
Acceptances		2,030,639	2,478,225
Current taxation (payments less provisions)		241,475	169,170
Commission receivable		40,032	52,185
Others		273,405	219,869
		<u>10,462,186</u>	<u>8,440,013</u>
Less: Provision held against other assets		<u>(8,993)</u>	<u>(8,993)</u>
		<u>10,453,193</u>	<u>8,431,020</u>
14 BILLS PAYABLE			
In Pakistan		7,878,102	7,440,147
Outside Pakistan		9,183	8,864
		<u>7,887,285</u>	<u>7,449,011</u>
15 DUE TO FINANCIAL INSTITUTIONS			
Secured			
Musharaka from the State Bank of Pakistan under Islamic Export Refinance Scheme		15,266,881	15,721,797
Investment from the State Bank of Pakistan under Islamic Long Term Financing Facility		3,931,588	3,414,483
under Payment of Wages and Salaries Refinance Scheme		1,953,826	2,569,020
under Islamic Financing Facility for Combating COVID 19		717,322	759,143
under Islamic Finance Facility For Renewable Energy		370,134	310,003
under Islamic Temporary Economic Refinance Facility		9,051,749	6,539,900
under other Islamic Refinance Facilities		373,950	373,950
		<u>31,665,450</u>	<u>29,688,296</u>
Other Musharaka acceptance		<u>3,000,000</u>	-
Total secured		<u>34,665,450</u>	<u>29,688,296</u>
Unsecured			
Musharaka acceptance		2,998,509	3,800,000
Wakala acceptance		3,000,000	-
Overdrawn nostro		3,520	57,011
Total unsecured		<u>6,002,029</u>	<u>3,857,011</u>
		<u>40,667,479</u>	<u>33,545,307</u>
15.1 Particulars of due to financial institutions with respect to currencies			
In local currency		40,663,959	33,488,296
In foreign currency		3,520	57,011
		<u>40,667,479</u>	<u>33,545,307</u>

16 DEPOSITS AND OTHER ACCOUNTS

	March 31, 2022 (Un-audited)			December 31, 2021 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
(Rupees in '000)						
Customers						
Current deposits	77,250,433	16,337,945	93,588,378	68,719,908	16,005,918	84,725,826
Savings deposits	92,384,735	8,688,061	101,072,796	93,132,815	8,446,665	101,579,480
Term deposits	29,282,545	6,425,807	35,708,352	34,972,950	7,560,198	42,533,148
Others	10,863,027	-	10,863,027	4,934,565	-	4,934,565
	209,780,740	31,451,813	241,232,553	201,760,238	32,012,781	233,773,019
Financial institutions						
Current deposits	313,792	41,825	355,617	373,845	40,620	414,465
Savings deposits	21,487,517	-	21,487,517	22,290,009	-	22,290,009
Term deposits	1,391,291	-	1,391,291	5,096,127	-	5,096,127
	23,192,600	41,825	23,234,425	27,759,981	40,620	27,800,601
	232,973,340	31,493,638	264,466,978	229,520,219	32,053,401	261,573,620

	March 31, 2022 (Un-audited)	December 31, 2021 (Audited)
	---- (Rupees in '000) ----	
17 SUBORDINATED SUKUK		
Additional Tier I Sukuk	17.1	3,120,000
Tier II Sukuk	17.2	4,000,000
		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 12.12% 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 from 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 12.01% 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 / (ASSETS)

Taxable temporary differences on:

Surplus on revaluation of investments

Deductible temporary differences on:

Provision against non-performing Islamic

financing and related assets

Accelerated tax depreciation and amortisation

Provision against other assets

Deficit on defined benefit plan

March 31, 2022 (Un-audited)			
At Jan 1, 2022	Recognised in P&L	Recognised in OCI	At Mar 31, 2022
----- (Rupees in '000) -----			
436,911	-	(259,103)	177,808
436,911	-	(259,103)	177,808
(302,873)	233,065	-	(69,808)
201	(8,651)	-	(8,450)
(3,507)	-	-	(3,507)
(25,940)	-	-	(25,940)
(332,119)	224,414	-	(107,705)
104,792	224,414	(259,103)	70,103

December 31, 2021 (Audited)

Taxable temporary differences on:

Accelerated tax depreciation and amortisation

Surplus on revaluation of investments

Deductible temporary differences on:

Provision against non-performing Islamic

financing and related assets

Provision against other assets

Deficit on defined benefit plan

At Jan 1, 2021	Recognised in P&L	Recognised in OCI	At Dec 31, 2021
----- (Rupees in '000) -----			
695	(494)	-	201
444,416	-	(7,505)	436,911
445,111	(494)	(7,505)	437,112
(71,741)	(231,132)	-	(302,873)
(611)	(2,896)	-	(3,507)
(19,705)	-	(6,235)	(25,940)
(92,057)	(234,028)	(6,235)	(332,320)
353,054	(234,522)	(13,740)	104,792

March 31, 2022

(Un-audited)

December 31, 2021

(Audited)

--- (Rupees in '000) ---

19 OTHER LIABILITIES

Profit / return payable in local currency	1,665,145	1,462,977
Profit / return payable in foreign currencies	43,841	55,258
Deferred profit murabaha / musawamah income	2,691,388	2,440,527
Accrued expenses	853,134	777,835
Advance from financing customers	1,540,073	1,410,787
Mark to market loss on forward foreign exchange contracts	202,819	112,337
Acceptances	2,030,639	2,478,225
Security deposits against Islamic financing and related assets	161,590	151,374
Payable to dealers, contractors, etc.	214,933	581,398
Ijarah (lease) liabilities	2,642,502	2,666,266
Workers welfare fund payable	529,406	500,010
Payable to Employees Old Age Benefit Institution (EOBI)	141,742	136,201
Sundry Creditors	122,640	281,976
Others	572,462	1,059,199
	13,412,314	14,114,370

20 SURPLUS ON REVALUATION OF INVESTMENTS

Surplus on revaluation of Available-for-sale securities

Sukuk certificates	455,918	1,120,285
Less: Related deferred tax liability	(177,808)	(436,911)
	278,110	683,374

		March 31, 2022 (Un-audited) --- (Rupees in '000) ---	December 31, 2021 (Audited)
	<i>Note</i>		
21	CONTINGENCIES AND COMMITMENTS		
Guarantees	21.1	31,100,554	26,262,065
Commitments	21.2	66,814,271	51,790,251
Other contingent liabilities	21.3	211,480	211,480
		<u>98,126,305</u>	<u>78,263,796</u>
21.1	Guarantees		
Financial guarantees		111,895	108,546
Performance guarantees		8,359,230	6,209,764
Other guarantees		22,629,429	19,943,755
		<u>31,100,554</u>	<u>26,262,065</u>
21.2	Commitments		
Documentary credits and short-term trade-related transactions			
Import letters of credit		55,262,156	34,649,476
Commitments in respect of:			
- Forward foreign exchange contracts - net	21.2.1	4,569,721	7,329,426
- Islamic financing and related assets		6,640,455	9,602,000
Commitments for acquisition of:			
- Fixed assets		225,890	77,838
- Intangible assets		116,049	131,511
		<u>66,814,271</u>	<u>51,790,251</u>
21.2.1	Commitments in respect of forward foreign exchange contracts - net		
Purchase		19,095,318	17,847,323
Sale		14,525,597	10,517,897
		<u>4,569,721</u>	<u>7,329,426</u>

21.3 Tax contingencies

The income tax authorities have amended assessment orders of the Bank for prior years including the tax year 2020. The disallowances were mainly due to IFRS 16 “Leases” related adjustments, reversals 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.

	March 31, 2022	March 31, 2021
	(Un-audited)	
	--- (Rupees in '000) ---	
22 PROFIT / RETURN EARNED		
On Islamic financing and related assets to customers	5,715,948	4,204,847
On investments in available-for-sale securities	1,636,401	1,119,600
On deposits / placements with financial institutions	88,815	15,253
	<u>7,441,164</u>	<u>5,339,700</u>
23 PROFIT / RETURN EXPENSED		
Deposits and other accounts	3,398,843	2,156,128
Subordinated sukuk	206,196	146,201
Due to financial institutions	188,096	181,999
Finance cost on Ijarah (lease) liabilities	71,220	73,250
Cost of foreign currency swaps	84,498	(16,376)
	<u>3,948,853</u>	<u>2,541,202</u>
24 FEE & COMMISSION INCOME		
Consumer finance related fees	168,545	147,730
Credit related fees	18,629	45,275
Investment banking fees	49,543	23,670
Branch banking customer fees	28,335	28,089
Card related fees	37,427	51,786
Commission on trade	81,360	105,625
Commission on guarantees	32,612	17,798
Commission on cash management	6,189	11,684
Commission on remittances including home remittances	2,690	3,974
Commission on bancassurance	8,365	7,862
Rebate income	34,115	33,035
Others	14,809	448
	<u>482,619</u>	<u>476,976</u>
25 GAIN ON SECURITIES		
Realised		
- Debt securities	<u>-</u>	<u>12,300</u>
26 OTHER INCOME		
Gain / (loss) on sale of fixed assets - net	<u>28</u>	<u>(3,178)</u>

27 OPERATING EXPENSES

March 31, March 31,
2022 2021
(Un-audited)
--- (Rupees in '000) ---

Total compensation expense	930,662	761,139
Property expense		
Utilities cost	110,712	73,340
Security	71,932	58,251
Repair & maintenance (including janitorial charges)	49,869	37,274
Takaful charges	243	247
Depreciation	21,401	23,518
Depreciation on right-of-use assets	229,312	206,255
	483,469	398,885
Information technology expenses		
Software maintenance	98,857	78,679
Hardware maintenance	43,849	36,396
Depreciation	29,695	30,160
Amortisation	21,050	15,900
Networking and connectivity charges	36,709	38,436
Outsourced services cost	10,190	8,387
Takaful charges	376	314
Others	473	935
	241,199	209,207
Other operating expenses		
Directors' fee and allowances	2,121	3,161
Fees and allowances to Shari'a Board members	3,368	3,226
Legal and professional charges	12,095	6,843
Outsourced services cost	34,045	25,117
Travelling and conveyance	10,022	4,567
NIFT clearing charges	9,658	8,402
Depreciation	34,571	36,323
Training and development	5,973	2,789
Postage and courier charges	9,141	8,826
Communications	67,065	51,395
Stationary and printing	47,963	31,707
Marketing, advertising and publicity	47,584	31,181
Auditors' remuneration	1,800	1,800
Brokerage, commission and bank charges	122,136	97,751
Tracker related charges	37,770	42,455
Cash transportation charges	49,969	60,787
Repair and maintenance	29,909	22,082
Subscription fees	5,702	4,491
Takaful charges	9,472	14,907
Deposit premium cost	30,983	30,559
Others	30,437	36,193
	601,784	524,562
	2,257,114	1,893,793

		March 31, 2022	March 31, 2021
		(Un-audited)	
	Note	--- (Rupees in '000) ---	
28 OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		<u>1,709</u>	<u>20</u>
29 PROVISIONS & WRITE OFFS - NET			
Provision against Islamic financing and related assets	10.13	<u>516,846</u>	<u>285,133</u>
Reversal from provision against other assets		<u>-</u>	<u>(1,746)</u>
		<u>516,846</u>	<u>283,387</u>
30 TAXATION			
Current		<u>350,150</u>	<u>695,378</u>
Deferred		<u>224,414</u>	<u>(154,373)</u>
		<u>574,564</u>	<u>541,005</u>
31 BASIC AND DILUTED EARNINGS PER SHARE			
Profit after taxation for the period		<u>895,248</u>	<u>799,569</u>
		----- (Number) -----	
Weighted average number of ordinary shares		<u>1,165,228,776</u>	<u>1,165,228,776</u>
		----- (Rupee) -----	
Earnings per share - basic and diluted		<u>0.77</u>	<u>0.69</u>
32 CASH AND CASH EQUIVALENTS			
Cash and balance with treasury banks	6	<u>24,021,158</u>	<u>20,727,036</u>
Balance with other banks	7	<u>1,327,999</u>	<u>823,532</u>
Overdrawn nostro accounts	15	<u>(3,520)</u>	<u>(25,807)</u>
		<u>25,345,637</u>	<u>21,524,761</u>

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:

March 31, 2022 (Un-audited)									
On-Balance sheet Financial Instruments	Carrying Value					Fair Value			
	Held to Maturity	Available for Sale	Financing and receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
(Rupees in '000)									
Financial assets - measured at fair value									
Investments									
Federal Government securities	-	23,382,410	-	-	-	23,382,410	-	23,382,410	-
Non-Government debt securities	-	40,933,500	-	-	-	40,933,500	38,562,592	2,370,908	-
Foreign securities	-	16,788,723	-	-	-	16,788,723	16,788,723	-	-
Other assets									
Unrealized gain on foreign exchange contracts	-	-	-	205,862	-	205,862	-	205,862	-
Financial assets - not measured at fair value									
Cash and balances with treasury banks	-	-	-	24,021,158	-	24,021,158			
Balances with other banks	-	-	-	1,327,999	-	1,327,999			
Due from financial institution	-	-	-	31,302	-	31,302			
Investments	-	1,597,653	-	-	-	1,597,653			
Islamic financings and related assets - net	-	-	238,628,632	-	-	238,628,632			
Other asset	-	-	-	9,020,963	-	9,020,963			
	-	82,702,286	238,628,632	34,607,284	-	355,938,202			
Financial liabilities - measured at fair value									
Other liabilities									
Unrealized loss on foreign exchange contracts	-	-	-	-	202,819	202,819	-	202,819	-
Financial liabilities - not measured at fair value									
Bills payable	-	-	-	-	7,887,285	7,887,285			
Due to financial institutions	-	-	-	-	40,667,479	40,667,479			
Deposits and other accounts	-	-	-	-	264,466,978	264,466,978			
Subordinated sukuk	7,120,000	-	-	-	-	7,120,000			
Other liabilities	-	-	-	-	9,809,077	9,809,077			
	7,120,000	-	-	-	323,033,638	330,153,638			
Off-balance sheet financial instruments - measured at fair value									
Forward foreign exchange contracts - net	-	-	-	4,572,764	-	4,572,764	-	4,572,764	-
December 31, 2021 (Audited)									
On-Balance sheet Financial Instruments	Carrying Value					Fair Value			
	Held to Maturity	Available for Sale	Financing and receivables	Other financial assets	Other financial liabilities	Total	Level 1	Level 2	Level 3
(Rupees in '000)									
Financial assets - measured at fair value									
Investments									
Federal Government securities	-	23,260,480	-	-	-	23,260,480	-	23,260,480	-
Non-Government debt securities	-	41,263,593	-	-	-	41,263,593	38,905,940	2,357,653	-
Foreign securities	-	16,716,282	-	-	-	16,716,282	16,716,282	-	-
Other assets									
Unrealized gain on foreign exchange contracts	-	-	-	111,827	-	111,827	-	111,827	-
Financial assets - not measured at fair value									
Cash and balances with treasury banks	-	-	-	25,761,239	-	25,761,239			
Balances with other banks	-	-	-	1,363,873	-	1,363,873			
Due from financial institution	-	-	-	1,031,302	-	1,031,302			
Investments	-	3,621,393	-	-	-	3,621,393			
Islamic financings and related assets - net	-	-	225,364,893	-	-	225,364,893			
Other asset	-	-	-	7,350,181	-	7,350,181			
	-	84,861,748	225,364,893	35,618,422	-	345,845,063			
Financial liabilities - measured at fair value									
Other liabilities									
Unrealized loss on foreign exchange contracts	-	-	-	-	112,337	112,337	-	112,337	-
Financial liabilities - not measured at fair value									
Bills payable	-	-	-	-	7,449,011	7,449,011			
Due to financial institutions	-	-	-	-	33,545,307	33,545,307			
Deposits and other accounts	-	-	-	-	261,573,620	261,573,620			
Subordinated sukuk	7,120,000	-	-	-	-	7,120,000			
Other liabilities	-	-	-	-	10,865,193	10,865,193			
	7,120,000	-	-	-	313,545,468	320,665,468			
Off-balance sheet financial instruments - measured at fair value									
Forward foreign exchange contracts - net	-	-	-	7,328,916	-	7,328,916	-	7,328,916	-

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

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

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

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

34 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

	March 31, 2022 (Un-audited)						
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Others	Inter-segment Eliminations	Total
	(Rupees in '000)						
Condensed Interim Profit and Loss Account							
Net profit earned	2,004,691	705,834	(694,709)	1,660,524	(184,029)	-	3,492,311
Inter segment revenue - net	(1,604,633)	75,403	3,081,538	(1,737,070)	184,762	-	-
Other income	194,627	146,485	343,298	98,128	28	-	782,566
Total income	594,685	927,722	2,730,127	21,582	761	-	4,274,877
Segment direct expenses	(144,530)	(389,979)	(1,421,505)	(38,249)	-	-	(1,994,263)
Inter segment expense allocation	(32,635)	(61,526)	(188,812)	(10,983)	-	-	(293,956)
Total expenses	(177,165)	(451,505)	(1,610,317)	(49,232)	-	-	(2,288,219)
Provisions	(431,954)	(40,434)	(43,697)	-	(761)	-	(516,846)
Profit before tax	(14,434)	435,783	1,076,113	(27,650)	-	-	1,469,812
Condensed Interim Statement of Financial Position							
Cash and bank balances	-	1,259,500	5,324,507	1,327,999	17,437,151	-	25,349,157
Due from financial institutions	-	-	-	31,302	-	-	31,302
Investments	-	-	-	82,702,286	-	-	82,702,286
Net inter segment lending	-	2,350,550	131,007,142	-	16,230,598	(149,588,290)	-
Islamic financings and related - net							
assets - performing	125,681,345	55,959,006	51,749,927	-	2,576,433	-	235,966,711
- non-performing	1,405,658	836,559	403,383	-	16,321	-	2,661,921
Others	4,028,487	3,577,252	4,404,489	2,078,828	880,769	-	14,969,825
Total Assets	131,115,490	63,982,867	192,889,448	86,140,415	37,141,272	(149,588,290)	361,681,202
Due to financial institutions	22,112,019	9,553,431	-	9,002,029	-	-	40,667,479
Deposits & other accounts	33,247,690	50,196,233	180,946,163	76,892	-	-	264,466,978
Net inter segment borrowing	72,823,200	-	-	76,765,090	-	(149,588,290)	-
Subordinated sukuk	-	-	-	-	7,120,000	-	7,120,000
Others	2,932,581	4,233,203	11,943,285	18,294	2,242,339	-	21,369,702
Total liabilities	131,115,490	63,982,867	192,889,448	85,862,305	9,362,339	(149,588,290)	333,624,159
Equity	-	-	-	278,110	27,778,933	-	28,057,043
Total Equity and liabilities	131,115,490	63,982,867	192,889,448	86,140,415	37,141,272	(149,588,290)	361,681,202
Contingencies and commitments	49,230,543	29,276,493	14,790,566	4,571,163	257,540	-	98,126,305
March 31, 2021 (Un-audited)							
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Inter-segment Eliminations	Total
	(Rupees in '000)						
Condensed Interim Profit and Loss Account							
Net profit earned	1,549,944	360,167	(98,924)	1,113,273	(125,962)	-	2,798,498
Inter segment revenue - net	(1,187,835)	309,864	1,722,887	(973,281)	128,365	-	-
Other income / (loss)	114,340	166,335	381,094	96,310	(3,142)	-	754,937
Total income	476,449	836,366	2,005,057	236,302	(739)	-	3,553,435
Segment direct expenses	(105,097)	(336,958)	(1,221,662)	(34,534)	(1,746)	-	(1,699,997)
Inter segment expense allocation	(25,200)	(27,042)	(165,451)	(11,784)	-	-	(229,477)
Total expenses	(130,297)	(364,000)	(1,387,113)	(46,318)	(1,746)	-	(1,929,474)
(Provisions) / reversal	(201,983)	(62,295)	(21,594)	-	2,485	-	(283,387)
Profit before tax	144,169	410,071	596,350	189,984	-	-	1,340,574
December 31, 2021 (Audited)							
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Inter-segment Eliminations	Total
	(Rupees in '000)						
Statement of Financial Position							
Cash and bank balances	-	836,779	4,087,538	1,363,873	20,836,922	-	27,125,112
Due from financial institutions	-	-	-	1,031,302	-	-	1,031,302
Investments	-	-	-	84,861,748	-	-	84,861,748
Net inter segment lending	-	7,744,868	123,884,236	-	12,934,491	(144,563,595)	-
Islamic financings and related - net							
assets - performing	116,944,943	53,658,495	49,804,159	-	2,454,777	-	222,862,374
- non-performing	1,397,132	698,546	393,725	-	13,116	-	2,502,519
Others	3,757,099	2,896,443	4,940,040	1,204,906	292,616	-	13,091,104
Total Assets	122,099,174	65,835,131	183,109,698	88,461,829	36,531,922	(144,563,595)	351,474,159
Due to financial institutions	19,987,647	9,700,650	-	3,857,010	-	-	33,545,307
Deposits & other accounts	39,404,696	51,389,245	170,692,153	87,526	-	-	261,573,620
Net inter segment borrowing	60,746,267	-	-	83,817,328	-	(144,563,595)	-
Subordinated sukuk	-	-	-	-	7,120,000	-	7,120,000
Others	1,960,564	4,745,236	12,417,545	16,591	2,528,237	-	21,668,173
Total liabilities	122,099,174	65,835,131	183,109,698	87,778,455	9,648,237	(144,563,595)	323,907,100
Equity	-	-	-	683,374	26,883,685	-	27,567,059
Total Equity and liabilities	122,099,174	65,835,131	183,109,698	88,461,829	36,531,922	(144,563,595)	351,474,159
Contingencies and Commitments	38,273,909	23,104,030	9,319,275	7,329,426	237,156	-	78,263,796

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, associated companies, 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 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

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:

	March 31, 2022 (Un-audited)					December 31, 2021 (Audited)				
	Holding Company	Directors	Key management personnel	Others**	Total	Holding Company	Directors	Key management personnel	Others**	Total
Balances with other banks										
As at January 1,	128,774	-	-	-	128,774	51,819	-	-	-	51,819
Deposited during the period / year	15,085,607	-	-	-	15,085,607	41,757,775	-	-	-	41,757,775
Withdrawals during the period / year	(15,143,109)	-	-	-	(15,143,109)	(41,680,820)	-	-	-	(41,680,820)
Closing balance	71,272	-	-	-	71,272	128,774	-	-	-	128,774
Islamic financing and related assets										
As at January 1,	-	-	169,974	-	169,974	-	-	144,043	-	144,043
Disbursed during the period / year	-	-	35,320	-	35,320	-	-	83,338	-	83,338
Repaid during the period / year	-	-	(13,576)	-	(13,576)	-	-	(76,059)	-	(76,059)
Adjustments *	-	-	23,297	-	23,297	-	-	18,652	-	18,652
Closing balance	-	-	215,015	-	215,015	-	-	169,974	-	169,974
Deposits and other accounts										
As at January 1,	87,254	6,705	110,850	1,056,088	1,260,897	142,168	12,155	97,826	1,434,819	1,686,968
Received during the period / year	1,326,901	793	184,265	152,190	1,664,149	15,951,267	24,408	804,874	9,262,362	26,042,911
Withdrawals during the period / year	(1,336,965)	(3,115)	(188,557)	(91,936)	(1,620,573)	(16,006,181)	(26,056)	(795,644)	(9,641,093)	(26,468,974)
Adjustments *	-	-	554	-	554	-	(3,802)	3,794	-	(8)
Closing balance	77,190	4,383	107,113	1,116,342	1,305,027	87,254	6,705	110,850	1,056,088	1,260,897
Other Liability										
As at January 1,	-	-	21,077	-	21,077	-	-	12,374	-	12,374
Withheld during the period / year	-	-	16,281	-	16,281	-	-	12,070	-	12,070
Paid during the period / year	-	-	(8,673)	-	(8,673)	-	-	(3,367)	-	(3,367)
Closing balance	-	-	-	-	-	-	-	-	-	-
	-	-	28,685	-	28,685	-	-	21,077	-	21,077
	March 31, 2022 (Un-audited)					March 31, 2021 (Un-audited)				
	Holding Company	Directors	Key management personnel	Others**	Total	Holding Company	Directors	Key management personnel	Others**	Total
Transactions during the period										
Fees and allowances	-	2,121	2,969	-	5,090	-	3,161	2,842	-	6,003
Remuneration to key management personnel (including bonus)	-	-	89,831	-	89,831	-	-	125,648	-	125,648
Profit earned on financings	-	-	1,924	-	1,924	-	-	1,889	-	1,889
Profit expensed on deposits	-	-	1,995	27,353	29,348	-	187	756	23,294	24,237
Profit expensed on other liability	-	-	346	-	346	-	-	229	-	229
Contribution made to gratuity fund	-	-	-	24,000	24,000	-	-	-	21,000	21,000
Contribution made to provident fund	-	-	-	32,708	32,708	-	-	-	29,131	29,131
Contingencies and commitments										
Foreign currency purchase contracts	6,132,278	-	-	-	6,132,278	6,058,663	-	-	-	6,058,663
Foreign currency sale contracts	6,132,278	-	-	-	6,132,278	6,058,663	-	-	-	6,058,663
Other guarantees	-	132,549	-	-	132,549	-	399,128	-	-	399,128

* 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 December 31, 2021.

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

36 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

March 31, 2022
(Un-audited)
--- (Rupees in '000) ---

December 31, 2021
(Audited)

Minimum Capital Requirement (MCR):

Paid-up capital

11,652,288 11,652,288

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier I (CET I) Capital

27,412,686 26,514,582

Eligible Additional Tier I (ADT I) Capital

3,120,000 3,120,000

Total Eligible Tier I Capital

30,532,686 29,634,582

Eligible Tier II Capital

7,084,870 7,330,705

Total Eligible Capital (Tier I + Tier II)

37,617,556 36,965,287

Risk Weighted Assets (RWAs):

Credit Risk

224,540,781 211,786,481

Market Risk

1,086,675 210,919

Operational Risk

26,305,661 26,305,661

Total

251,933,117 238,303,061

Common Equity Tier I Capital Adequacy ratio

10.88% 11.13%

Tier I Capital Adequacy Ratio

12.12% 12.44%

Total Capital Adequacy Ratio

14.93% 15.51%

Leverage Ratio (LR):

Eligible Tier I Capital

30,532,686 29,634,582

Total Exposures

450,601,901 425,221,999

Leverage Ratio

6.78% 6.97%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets

89,893,767 78,831,848

Total Net Cash Outflow

61,973,929 48,527,995

Liquidity Coverage Ratio

145.05% 162.45%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding

242,277,654 234,218,377

Total Required Stable Funding

195,434,095 189,869,716

Net Stable Funding Ratio

123.97% 123.36%

37 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on _____ by the Board of Directors of the Bank.

38 GENERAL

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

President & CEO

Chief Financial Officer

Director

Director

Director