

**Dubai Islamic Bank  
Pakistan Limited**

Condensed Interim Financial Information  
for the quarter ended  
March 31, 2023

**Dubai Islamic Bank Pakistan Limited**  
**Condensed Interim Statement of Financial Position**  
*As at March 31, 2023*

		March 31, 2023 (Un-audited) 2023	December 31, 2022 (Audited) 2022
	<i>Note</i>	--- Rupees in '000 ---	
<b>ASSETS</b>			
Cash and balances with treasury banks	6	25,897,300	45,632,108
Balances with other banks	7	924,594	1,146,321
Due from financial institutions	8	-	23,500,000
Investments	9	107,904,966	103,361,135
Islamic financing and related assets	10	251,055,545	247,767,953
Property and equipment	11	1,644,582	1,655,824
Right-of-use assets	12	3,826,261	3,680,399
Intangible assets	13	436,613	409,352
Deferred tax assets	14	2,343,326	2,001,279
Other assets	15	18,328,246	16,236,091
		412,361,433	445,390,462
<b>LIABILITIES</b>			
Bills payable	16	3,498,348	7,207,894
Due to financial institutions	17	43,366,023	35,875,060
Deposits and other accounts	18	308,671,907	345,811,211
Lease liabilities	19	4,102,621	3,807,378
Subordinated sukuks	20	7,120,000	7,120,000
Deferred tax liabilities		-	-
Other liabilities	21	14,469,346	15,462,102
		381,228,245	415,283,645
<b>NET ASSETS</b>		31,133,188	30,106,817
<b>REPRESENTED BY</b>			
Share capital		11,652,288	11,652,288
Reserves		4,180,591	3,875,828
Deficit on revaluation of investments	22	(1,171,501)	(674,055)
Unappropriated profit		16,471,810	15,252,756
		31,133,188	30,106,817
<b>CONTINGENCIES AND COMMITMENTS</b>			
	23		

The annexed notes 1 to 40 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, 2023*

		<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<i>Note</i>	<b>--- Rupees in '000 ---</b>	
Profit / return earned	24	<b>14,045,361</b>	7,441,164
Profit / return expensed	25	<b>(7,475,167)</b>	(3,948,853)
<b>Net Profit / return</b>		<b>6,570,194</b>	3,492,311
<b>OTHER INCOME</b>			
Fee and commission income	26	<b>457,433</b>	482,619
Dividend income		-	-
Foreign Exchange income		<b>385,179</b>	299,919
Gain on securities		-	-
Other (loss) / income	27	<b>(17)</b>	28
<b>Total other income</b>		<b>842,595</b>	782,566
<b>Total income</b>		<b>7,412,789</b>	4,274,877
<b>OTHER EXPENSES</b>			
Operating expenses	28	<b>(2,795,833)</b>	(2,257,114)
Workers Welfare Fund		<b>(53,713)</b>	(29,396)
Other charges	29	<b>(3,976)</b>	(1,709)
<b>Total other expenses</b>		<b>(2,853,522)</b>	(2,288,219)
<b>Profit before provisions</b>		<b>4,559,267</b>	1,986,658
Provisions and write offs - net	30	<b>(1,873,589)</b>	(516,846)
<b>PROFIT BEFORE TAXATION</b>		<b>2,685,678</b>	1,469,812
Taxation	31	<b>(1,161,861)</b>	(574,564)
<b>PROFIT AFTER TAXATION</b>		<b>1,523,817</b>	895,248
<b>--- Rupees ---</b>			
<b>Basic &amp; diluted earnings per share</b>	32	<b>1.31</b>	0.77

The annexed notes 1 to 40 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, 2023*

	<b>March 31, 2023</b>	<b>March 31, 2022</b>
	<b>--- Rupees in '000 ---</b>	
Profit after taxation for the period	<b>1,523,817</b>	895,248
<b>Items that may be reclassified to profit and loss account in subsequent periods:</b>		
Movement in revaluation of investments - net of tax	<b>(497,446)</b>	(405,264)
<b>Total comprehensive income</b>	<b><u>1,026,371</u></b>	<b><u>489,984</u></b>

The annexed notes 1 to 40 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, 2023

	Share capital	Statutory reserve	Surplus / (deficit) on revaluation of investments	Unappropriated profit	Total
	Rupees in '000				
<b>Balance as at January 01, 2022</b>	11,652,288	3,092,713	683,374	12,138,684	27,567,059
<b>Total comprehensive income for the period</b>					
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)	-
<b>Balance as at March 31, 2022</b>	11,652,288	3,271,763	278,110	12,854,882	28,057,043
<b>Total comprehensive income for the period</b>					
Profit after taxation	-	-	-	3,020,326	3,020,326
Other comprehensive loss - net of tax	-	-	(952,165)	(18,387)	(970,552)
	-	-	(952,165)	3,001,939	2,049,774
Transfer to statutory reserve	-	604,065	-	(604,065)	-
<b>Balance as at December 31, 2022</b>	11,652,288	3,875,828	(674,055)	15,252,756	30,106,817
<b>Total comprehensive income for the period</b>					
Profit after taxation	-	-	-	1,523,817	1,523,817
Other comprehensive loss - net of tax	-	-	(497,446)	-	(497,446)
	-	-	(497,446)	1,523,817	1,026,371
Transfer to statutory reserve	-	304,763	-	(304,763)	-
<b>Balance as at March 31, 2023</b>	<b>11,652,288</b>	<b>4,180,591</b>	<b>(1,171,501)</b>	<b>16,471,810</b>	<b>31,133,188</b>

The annexed notes 1 to 40 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, 2023

		March 31, 2023	March 31, 2022
	Note	----- Rupees in '000 -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before taxation		2,685,678	1,469,812
<b>Adjustments for:</b>			
Depreciation	28	118,860	85,667
Depreciation on right-of-use assets	28	231,965	229,312
Amortisation	28	27,888	21,050
Finance charges on leased assets	25	127,240	71,220
Loss / (gain) on sale of property and equipment	27	17	(28)
Provisions and write offs - net	30	1,873,589	516,846
		2,379,559	924,067
		5,065,237	2,393,879
<b>(Increase) / decrease in operating assets</b>			
Due from financial institutions		23,500,000	1,000,000
Islamic financing and related assets		(5,161,181)	(13,780,585)
Others assets (excluding current taxation)		(3,541,404)	(2,397,454)
		14,797,415	(15,178,039)
<b>(Decrease) / increase in operating liabilities</b>			
Bills payable		(3,709,546)	438,274
Due to financial institutions		7,477,722	7,175,663
Deposits and other accounts		(37,139,304)	2,893,358
Other liabilities (excluding current taxation)		449,508	(230,706)
		(32,921,620)	10,276,589
		(13,058,968)	(2,507,571)
Income tax paid		(1,121,655)	(422,455)
<b>Net cash flow used in operating activities</b>		(14,180,623)	(2,930,026)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Net investments in available-for-sale securities		(5,416,543)	1,495,095
Investments in property and equipment		(173,569)	(102,263)
Disposal of property and equipment		2,220	265
Investments in intangibles		(55,149)	(17,090)
<b>Net cash (used in) / flow from investing activities</b>		(5,643,041)	1,376,007
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payments of lease obligations against right-of-use assets		(146,112)	(168,445)
<b>Decrease in cash and cash equivalents</b>		(19,969,776)	(1,722,464)
Cash and cash equivalents at beginning of the year		46,777,790	27,068,101
<b>Cash and cash equivalents at end of the period</b>	33	26,808,014	25,345,637

The annexed notes 1 to 40 form an integral part of this condensed interim financial information.

President & CEO

Chief Financial Officer

Director

Director

Director

# Dubai Islamic Bank Pakistan Limited

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

*For the quarter ended March 31, 2023*

### **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 29, 2022 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, 2023 (December 31, 2022: 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 schemes as well as various long term refinancing facility of the SBP respectively as briefly explained in the notes to these financial statements. The transactions of purchases, sales and leases executed under these arrangements are not reflected in these financial statements 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, 2022.

#### **3.2.1 Adoption of new forms for the preparation of condensed interim financial information**

During the quarter, the SBP, vide its BPRD Circular No. 02 dated February 09, 2023, issued the revised forms for the preparation of the condensed interim financial information of the banks which are applicable for quarterly / half yearly periods beginning on or after January 01, 2023. The implementation of the revised forms has resulted in certain changes to the presentation and disclosure of various elements of the condensed interim financial information.

The Bank has adopted the above changes in the presentation and made additional disclosures to the extent applicable to its operations and corresponding figures have been rearranged / reclassified to correspond to current period presentation. Such reclassification / re-arrangements are disclosed in note 38 to this condensed interim financial information.

#### **3.2.2 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 2022). However, such standards did not have any significant effect on this condensed interim financial information.

#### **3.2.3 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 2022) and are not expected to have any material impact on the Bank's condensed interim financial information in the period of their initial application. The SBP vide its BPRD circular No. 03 dated July 05, 2022 has extended the implementation date of IFRS 9 from January 01, 2022 to January 01, 2024 for banks having assets size of less than PKR 500 billion as at December 31, 2021. However, during the transition period, the banks are required to carry out the parallel run reporting.

## **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, 2022.

## **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, 2022.



		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	----- Rupees in '000 -----	
<b>6 CASH AND BALANCES WITH TREASURY BANKS</b>			
<b>In hand</b>			
- local currency		4,859,708	4,614,182
- foreign currencies		1,347,156	981,572
		<u>6,206,864</u>	<u>5,595,754</u>
<b>With State Bank of Pakistan in</b>			
- local currency current account	6.1	15,078,108	38,154,888
- foreign currency current account		58,869	34,744
- foreign currency deposit accounts			
- Cash reserve account	6.2	1,893,034	1,674,570
- Special cash reserve account	6.2	2,271,553	-
		<u>4,164,587</u>	<u>1,674,570</u>
<b>With National Bank of Pakistan in</b>			
- local currency current accounts		388,872	172,152
		<u>25,897,300</u>	<u>45,632,108</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, 2022: 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, 2022: 6%) and special cash reserve of 6% (December 31, 2022: Nil) 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, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	----- Rupees in '000 -----	
<b>7 BALANCES WITH OTHER BANKS</b>			
<b>In Pakistan</b>			
- in current account		179,899	244,936
<b>Outside Pakistan</b>			
- in current accounts	7.1	744,695	901,385
		<u>924,594</u>	<u>1,146,321</u>

**7.1** This includes an amount of Rs. 53.81 million (December 31, 2022: Rs. 128.64 million) deposited with the holding company.

		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
		----- Rupees in '000 -----	
<b>8 DUE FROM FINANCIAL INSTITUTIONS</b>			
Musharaka - unsecured		-	23,500,000

## 9 INVESTMENTS

### 9.1 Investments by types:

	March 31, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / amortised cost	Provision for diminution	(Deficit) / surplus	Carrying value	Cost / amortised cost	Provision for diminution	(Deficit) / surplus	Carrying value
----- Rupees in '000 -----								
<b>Available-for-sale securities</b>								
Federal Government securities	48,112,406	-	(463,650)	47,648,756	47,237,843	-	(218,500)	47,019,343
Non-Government debt securities	39,242,316	(89,316)	997,576	40,150,576	39,273,566	(89,316)	1,047,563	40,231,813
Foreign securities	22,694,825	-	(2,589,191)	20,105,634	18,121,595	-	(2,011,616)	16,109,979
<b>Total investments</b>	<b>110,049,547</b>	<b>(89,316)</b>	<b>(2,055,265)</b>	<b>107,904,966</b>	<b>104,633,004</b>	<b>(89,316)</b>	<b>(1,182,553)</b>	<b>103,361,135</b>

	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
----- Rupees in '000 -----		
<b>9.2 Provision for diminution in value of investments</b>		
<b>9.2.1 Opening balance</b>	<b>89,316</b>	89,316
Charge for the period / year	-	-
Closing balance	<b>89,316</b>	89,316

### 9.2.2 Particulars of provision against debt securities

Category of classification	March 31, 2023 (Un-audited)		December 31, 2022 (Audited)	
	*NPI	Provision	*NPI	Provision
----- Rupees in '000 -----				
<b>Domestic</b>				
Other Assets Especially Mentioned	-	-	-	-
Substandard	-	-	-	-
Doubtful	-	-	-	-
Loss	89,316	89,316	89,316	89,316
	89,316	89,316	89,316	89,316
<b>Overseas</b>	-	-	-	-
<b>Total</b>	<b>89,316</b>	<b>89,316</b>	<b>89,316</b>	<b>89,316</b>

\* NPI stands for non-performing investments.

**10 ISLAMIC FINANCING AND RELATED ASSETS**

		Performing		Non-Performing		Total	
		March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Note		----- Rupees in '000 -----					
Murabaha	10.1	13,363,067	19,296,641	1,775,206	1,017,271	15,138,273	20,313,912
Musawamah	10.2	5,783,819	5,493,399	223,522	198,937	6,007,341	5,692,336
Tijarah cum wakala	10.3	18,503,253	13,817,610	63,000	63,000	18,566,253	13,880,610
Istisna cum Wakala	10.4	19,418,473	17,898,652	390,698	502,698	19,809,171	18,401,350
Salam	10.5	2,097,717	182,070	-	-	2,097,717	182,070
Islamic Export Refinance Scheme - SBP	10.6	16,345,148	16,369,663	124,395	125,295	16,469,543	16,494,958
Other Islamic Refinance Schemes - SBP	10.7	18,573,026	18,003,607	13,798	15,649	18,586,824	18,019,256
Wakala Istithmar		26,914,865	28,247,608	612,843	617,987	27,527,708	28,865,595
Running Musharaka financing		29,419,612	21,716,947	655,901	655,901	30,075,513	22,372,848
Shirkatulmilk - Housing	10.8	17,010,248	17,119,176	681,869	566,990	17,692,117	17,686,166
Shirkatulmilk - Autos	10.9	23,006,194	24,875,744	218,651	239,933	23,224,845	25,115,677
Shirkatulmilk - Fleet financing	10.10	4,520,905	4,735,574	155,509	175,388	4,676,414	4,910,962
Shirkatulmilk - Others		8,305,184	9,813,839	4,513,898	3,525,084	12,819,082	13,338,923
Diminishing Musharaka - Others		46,602,862	49,274,868	2,459,940	2,111,333	49,062,802	51,386,201
Staff financing		2,690,515	2,622,073	-	-	2,690,515	2,622,073
Islamic financing and related assets (gross)		252,554,888	249,467,471	11,889,230	9,815,466	264,444,118	259,282,937
Provision against Islamic financing and related assets	10.13						
Specific		-	-	(10,202,051)	(8,335,970)	(10,202,051)	(8,335,970)
General		(3,186,522)	(3,179,014)	-	-	(3,186,522)	(3,179,014)
		(3,186,522)	(3,179,014)	(10,202,051)	(8,335,970)	(13,388,573)	(11,514,984)
Islamic financing and related assets - net of provision		249,368,366	246,288,457	1,687,179	1,479,496	251,055,545	247,767,953

		March 31, 2023	December 31, 2022
		(Un-audited)	(Audited)
		--- Rupees in '000 ---	
<b>10.1 Murabaha</b>			
Financing		4,569,196	4,550,410
Inventory		10,326,579	14,775,412
Advance		242,498	988,090
		<b>15,138,273</b>	<b>20,313,912</b>
<b>10.2 Musawamah</b>			
Financing		5,917,356	5,589,734
Advance		89,985	102,602
		<b>6,007,341</b>	<b>5,692,336</b>
<b>10.3 Tijarah cum wakala</b>			
Financing		15,331,633	10,125,486
Inventory		3,234,620	3,755,124
		<b>18,566,253</b>	<b>13,880,610</b>
<b>10.4 Istisna cum Wakala</b>			
Financing		14,412,674	12,918,728
Advance		5,396,497	5,482,622
		<b>19,809,171</b>	<b>18,401,350</b>
<b>10.5 Salam</b>			
Financing		2,097,717	-
Advance		-	182,070
		<b>2,097,717</b>	<b>182,070</b>
<b>10.6 Islamic Export Refinance Scheme - SBP</b>			
Istisna - Advance		19,000	200,000
Istisna - Financing		600,000	419,000
Running Musharaka - Financing		9,725,800	8,900,800
Wakala Istithmar - Financing		6,124,743	6,975,158
		<b>16,469,543</b>	<b>16,494,958</b>

	March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
	--- Rupees in '000 ---	
<b>10.7 Other Islamic Refinance Schemes - SBP</b>		
Islamic Long Term Financing Facility		
-Diminishing Musharaka - Financing	4,358,459	4,534,058
Payment of Wages and Salaries Refinance Scheme		
-Shirkatulmilk - Financing	39,111	199,665
-Murabaha - Financing	1,608	17,614
	40,719	217,279
Islamic Financing Facility for Combating COVID 19		
-Musharaka - Financing	551,838	633,493
Islamic Finance Facility For Renewable Energy		
-Diminishing Musharaka - Financing	1,488,789	966,331
Islamic Temporary Economic Refinance Facility		
-Musharaka - Financing	364,662	384,184
-Shirkatulmilk - Financing	11,331,061	10,809,500
	11,695,723	11,193,684
Other Islamic Refinance Facilities		
-Musharaka - Financing	451,296	474,411
	18,586,824	18,019,256
<b>10.8 Shirkatulmilk - Housing</b>		
Financing	17,387,505	17,348,216
Advance	304,612	337,950
	17,692,117	17,686,166
<b>10.9 Shirkatulmilk - Autos</b>		
Financing	22,902,250	24,544,215
Advance	322,595	571,462
	23,224,845	25,115,677
<b>10.10 Shirkatulmilk - Fleet financing</b>		
Financing	4,502,823	4,596,342
Advance	173,591	314,620
	4,676,414	4,910,962
<b>10.11 Particulars of Islamic financing and related assets (gross)</b>		
In local currency	263,821,236	258,581,768
In foreign currencies	622,882	701,169
	264,444,118	259,282,937
<b>10.12</b> Islamic financing and related assets include Rs. 11,889.23 million (December 31, 2022: Rs. 9,815.47 million) which have been placed under non-performing status as detailed below:		

Category of Classification	March 31, 2023 (Un-audited)		December 31, 2022 (Audited)	
	Non-Performing	Provision held	Non-Performing	Provision held
	----- Rupees in '000 -----			
<b>Domestic</b>				
Other Assets Especially Mentioned	192,812	135	62,572	156
Substandard	217,278	18,044	379,570	31,104
Doubtful	809,612	343,136	95,632	15,042
Loss	10,669,528	9,840,736	9,277,692	8,289,668
	11,889,230	10,202,051	9,815,466	8,335,970

**10.13 Particulars of provision against Islamic financing and related assets:**

	March 31, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- Rupees in '000 -----					
Opening balance	8,335,970	3,179,014	11,514,984	4,034,938	2,913,326	6,948,264
Charge for the period / year	1,977,888	7,508	1,985,396	4,590,781	265,688	4,856,469
Reversals during the period / year	(111,807)	-	(111,807)	(226,615)	-	(226,615)
	1,866,081	7,508	1,873,589	4,364,166	265,688	4,629,854
Amounts written-off	-	-	-	(63,134)	-	(63,134)
Closing balance	10,202,051	3,186,522	13,388,573	8,335,970	3,179,014	11,514,984

**10.13.1** As allowed by the SBP, the Bank has availed benefit of Forced Sale Value (FSV) amounting to Rs. 900.04 million (December 31, 2022: Rs. 1,078.16 million) in determining the provisioning against non performing Islamic financings as at March 31, 2023. The additional profit arising from availing the FSV benefit - net of tax as at March 31, 2023 which is not available for distribution as either cash or stock dividend to shareholders amounted to Rs. 513.02 million (December 31, 2022: Rs. 549.86 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.

**10.13.3** In addition to the above, the Bank has maintained a general provision of Rs. 2,914 million (December 31, 2022: Rs. 2,914 million) against financing made on prudent basis, in view of the prevailing economic conditions. This general provision is in addition to the existing requirements of Prudential Regulations.

			March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
			--- Rupees in '000 ---	
<b>11</b>	<b>PROPERTY AND EQUIPMENT</b>	<i>Note</i>		
	Capital work-in-progress	11.1	75,100	50,723
	Property and equipment		1,569,482	1,605,101
			<u>1,644,582</u>	<u>1,655,824</u>
<b>11.1</b>	<b>Capital work-in-progress</b>			
	Civil works		11,629	8,768
	Equipment		63,471	41,955
			<u>75,100</u>	<u>50,723</u>
<b>11.2</b>	<b>Additions to fixed assets</b>			
	Furniture and fixtures		8,987	5,783
	Electrical, office and computer equipment		65,613	58,877
	Leasehold improvements		10,880	12,740
			<u>85,480</u>	<u>77,400</u>
<b>12</b>	<b>RIGHT-OF-USE ASSETS</b>	<i>Note</i>		
	<b>Buildings on leasehold land</b>			
	At January 01, 2023			
	Cost		7,013,352	5,188,669
	Accumulated depreciation		(3,332,953)	(2,415,669)
	Net carrying amount at the start of the year		<u>3,680,399</u>	<u>2,773,000</u>
	Additions during the period / year		414,266	1,877,592
	Deletions during the period / year		(36,439)	(52,789)
	Depreciation charge for the period / year		(231,965)	(917,404)
	Net carrying amount at the end of the period / year		<u>3,826,261</u>	<u>3,680,399</u>
<b>13</b>	<b>INTANGIBLE ASSETS</b>			
	Capital work-in-progress - Advance to suppliers		82,439	59,148
	Computer software	13.1	354,174	350,204
			<u>436,613</u>	<u>409,352</u>

		<b>March 31, 2023</b>	<b>March 31, 2022</b>
		<b>(Un-audited)</b>	
		<b>--- (Rupees in '000) ---</b>	
<b>13.1 Additions to intangible assets</b>			
Directly purchased (including transfer from CWIP)		<b>31,858</b>	<b>6,259</b>

		March 31, 2023 (Un-audited)			
At Jan 1, 2023		Recognised in P&L	Recognised in OCI	At Mar 31, 2023	
		----- Rupees in '000 -----			
14	DEFERRED TAX ASSETS / (LIABILITIES)				
	Deductible temporary differences on:				
	Provision against non-performing Islamic financing and related assets	1,446,259	(54,089)	-	1,392,170
	Provision against other assets	3,867	-	-	3,867
	Deficit on revaluation of investments	508,498	-	375,266	883,764
	Deficit on defined benefit plan	44,478	-	-	44,478
	Accelerated tax depreciation and amortisation	(1,823)	20,870	-	19,047
		2,001,279	(33,219)	375,266	2,343,326

	December 31, 2022 (Audited)			
	At Jan 1, 2022	Recognised in P&L	Recognised in OCI	At Dec 31, 2022
	----- Rupees in '000 -----			
<b>Deductible temporary differences on:</b>				
Provision against non-performing Islamic financing and related assets	302,873	1,143,386	-	1,446,259
Provision against other assets	3,507	360	-	3,867
Deficit on revaluation of investments	(436,911)	-	945,409	508,498
Deficit on defined benefit plan	25,940	-	18,538	44,478
	<u>(104,591)</u>	<u>1,143,746</u>	<u>963,947</u>	<u>2,003,102</u>
<b>Taxable temporary differences on:</b>				
Accelerated tax depreciation and amortisation	(201)	(1,622)	-	(1,823)
	<u>(104,792)</u>	<u>1,142,124</u>	<u>963,947</u>	<u>2,001,279</u>

		<b>March 31, 2023</b>	<b>December 31, 2022</b>
		<b>(Un-audited)</b>	<b>(Audited)</b>
		<b>--- Rupees in '000 ---</b>	
<b>15 OTHER ASSETS</b>			
Profit / return accrued in local currency		<b>12,330,168</b>	9,915,595
Profit / return accrued in foreign currencies		<b>110,795</b>	197,375
Advances, deposits and other prepayments		<b>1,055,341</b>	863,106
Mark to market gain on forward foreign exchange contracts		<b>1,618,141</b>	566,774
Acceptances		<b>2,987,270</b>	4,436,519
Commission receivable		<b>8,145</b>	14,278
Others		<b>227,379</b>	251,437
		<b>18,337,239</b>	16,245,084
Less: Provision held against other assets		<b>(8,993)</b>	(8,993)
		<b>18,328,246</b>	16,236,091

<b>16 BILLS PAYABLE</b>			
In Pakistan		<b>3,484,351</b>	7,196,760
Outside Pakistan		<b>13,997</b>	11,134
		<b>3,498,348</b>	7,207,894

<b>17 DUE TO FINANCIAL INSTITUTIONS</b>			
<b>Secured</b>			
Musharaka from the State Bank of Pakistan under Islamic Export Refinance Scheme		<b>14,873,849</b>	15,878,463
Investment from the State Bank of Pakistan under Islamic Long Term Financing Facility		<b>4,098,204</b>	4,268,281
under Payment of Wages and Salaries Refinance Scheme		<b>6,020</b>	375,164
under Islamic Financing Facility for Combating COVID 19		<b>537,536</b>	591,857
under Islamic Finance Facility For Renewable Energy		<b>444,721</b>	466,849
under Islamic Temporary Economic Refinance Facility		<b>11,140,517</b>	10,819,396
under other Islamic Refinance Facilities		<b>451,296</b>	474,411
		<b>31,552,143</b>	32,874,421
Other Musharaka acceptance		<b>3,000,000</b>	3,000,000
<b>Total Secured</b>		<b>34,552,143</b>	35,874,421
<b>Unsecured</b>			
Musharaka acceptance		<b>2,500,000</b>	-
Wakala acceptance		<b>6,300,000</b>	-
Overdrawn nostros accounts		<b>13,880</b>	639
<b>Total unsecured</b>		<b>8,813,880</b>	639
		<b>43,366,023</b>	35,875,060

	March 31, 2023 (Un-audited) ---- Rupees in '000 ----	December 31, 2022 (Audited)
<b>17.1 Particulars of due to financial institutions with respect to currencies</b>		
In local currency	43,352,143	35,874,421
In foreign currencies	13,880	639
	<u>43,366,023</u>	<u>35,875,060</u>

**18 DEPOSITS AND OTHER ACCOUNTS**

	March 31, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- Rupees in '000 -----					
<b>Customers</b>						
Current deposits	80,500,030	18,390,183	98,890,213	68,772,344	17,032,944	85,805,288
Savings deposits	94,560,325	12,173,721	106,734,046	114,270,169	8,752,595	123,022,764
Term deposits	27,118,492	29,853,142	56,971,634	44,015,825	26,456,553	70,472,378
Others	8,683,438	-	8,683,438	11,840,762	-	11,840,762
	<u>210,862,285</u>	<u>60,417,046</u>	<u>271,279,331</u>	<u>238,899,100</u>	<u>52,242,092</u>	<u>291,141,192</u>
<b>Financial institutions</b>						
Current deposits	755,941	58,869	814,810	208,483	43,930	252,413
Savings deposits	34,228,716	-	34,228,716	52,293,215	-	52,293,215
Term deposits	2,349,050	-	2,349,050	2,124,391	-	2,124,391
	<u>37,333,707</u>	<u>58,869</u>	<u>37,392,576</u>	<u>54,626,089</u>	<u>43,930</u>	<u>54,670,019</u>
	<u>248,195,992</u>	<u>60,475,915</u>	<u>308,671,907</u>	<u>293,525,189</u>	<u>52,286,022</u>	<u>345,811,211</u>

	March 31, 2023 (Un-audited) ---- Rupees in '000 ----	December 31, 2022 (Audited)
<b>19 LEASE LIABILITIES</b>		
Outstanding amount at the start of the year	3,807,378	2,666,266
Additions during the period / year	314,115	1,638,177
Lease payments	(146,112)	(857,750)
Finance charges on leased assets	127,240	360,685
Outstanding amount at the end of the period / year	<u>4,102,621</u>	<u>3,807,378</u>
<b>19.1 Liabilities Outstanding</b>		
Not later than one year	625,935	583,641
Later than one year and upto five years	1,893,531	1,778,472
Over five years	1,583,155	1,445,265
Total at the year end	<u>4,102,621</u>	<u>3,807,378</u>

	Note	March 31, 2023 (Un-audited) ---- Rupees in '000 ----	December 31, 2022 (Audited)
<b>20 SUBORDINATED SUKUKS</b>			
<b>Additional Tier I Sukuk</b>	20.1	3,120,000	3,120,000
<b>Tier II Sukuk</b>	20.2	4,000,000	4,000,000
		<u>7,120,000</u>	<u>7,120,000</u>

- 20.1** 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 18.76% 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.

- 20.2** In December 2022, 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 17.51% 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.

**March 31,      December 31,**  
**2023              2022**  
**(Un-audited)      (Audited)**  
**--- Rupees in '000 ---**

## **21      OTHER LIABILITIES**

Profit / return payable in local currency	<b>2,867,837</b>	3,178,501
Profit / return payable in foreign currencies	<b>118,271</b>	169,666
Deferred income murabaha / musawamah / SBP refinance schemes	<b>2,648,663</b>	2,224,289
Accrued expenses	<b>908,755</b>	1,060,452
Advance from financing customers	<b>1,149,419</b>	1,206,145
Mark to market loss on forward foreign exchange contracts	<b>158,384</b>	22,728
Acceptances	<b>2,987,270</b>	4,436,519
Current taxation (provisions less payments)	<b>1,154,202</b>	1,147,215
Security deposits against Islamic financing and related assets	<b>38,407</b>	35,173
Payable to dealers, contractors, etc.	<b>208,418</b>	188,750
Workers welfare fund payable	<b>765,505</b>	711,792
Payable to Employees Old Age Benefit Institution (EOBI)	<b>164,426</b>	158,729
Sundry Creditors	<b>353,851</b>	280,125
Others	<b>945,938</b>	642,018
	<b><u>14,469,346</u></b>	<u>15,462,102</u>

## **22      DEFICIT ON REVALUATION OF INVESTMENTS**

### **Deficit on revaluation of Available-for-sale securities**

Sukuk certificates	<b>(2,055,265)</b>	(1,182,553)
Less: Related deferred tax asset	<b>883,764</b>	508,498
	<b><u>(1,171,501)</u></b>	<u>(674,055)</u>



		March 31, 2023 (Un-audited)	December 31, 2022 (Audited)
	Note	--- Rupees in '000 ---	
<b>23 CONTINGENCIES AND COMMITMENTS</b>			
Guarantees	23.1	27,738,126	26,997,386
Commitments	23.2	60,541,826	76,020,890
Other contingent liabilities	23.3	211,480	211,480
		<u>88,491,432</u>	<u>103,229,756</u>

#### 23.1 Guarantees

Financial guarantees	14,874	14,874
Performance guarantees	11,696,404	10,565,865
Other guarantees	16,026,848	16,416,647
	<u>27,738,126</u>	<u>26,997,386</u>

#### 23.2 Commitments

##### Documentary credits and short-term trade-related transactions

- Letters of credit	27,490,834	43,094,462
---------------------	------------	------------

##### Commitments in respect of:

- Forward foreign exchange contracts - net	23.2.1	25,578,084	25,433,348
- Islamic financing and related assets		7,129,289	7,096,289

##### Commitments for acquisition of:

- Fixed assets	137,133	162,172
- Intangible assets	206,486	234,619
	<u>60,541,826</u>	<u>76,020,890</u>

#### 23.2.1 Commitments in respect of forward foreign exchange contracts - net

Purchase	36,441,505	33,437,162
Sale	10,863,421	8,003,814
	<u>25,578,084</u>	<u>25,433,348</u>

#### 23.3 Tax contingencies

The income tax authorities have amended assessment orders of the Bank for prior years including the tax year 2022. The disallowances were mainly due to IFRS 16 “Leases” related adjustments, charge/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, 2023	March 31, 2022
	(Un-audited)	
	--- Rupees in '000 ---	
<b>24 PROFIT / RETURN EARNED</b>		
On Islamic financing and related assets to customers	10,188,415	5,715,948
On investments in available-for-sale securities	3,513,260	1,636,401
On deposits / placements with financial institutions	343,686	88,815
	<u>14,045,361</u>	<u>7,441,164</u>
<b>25 PROFIT / RETURN EXPENSED</b>		
Deposits and other accounts	6,336,367	3,398,843
Subordinated sukuks	317,025	206,196
Due to financial institutions	726,471	188,096
Finance charges on leased assets	127,240	71,220
Cost of foreign currency swaps	(31,936)	84,498
	<u>7,475,167</u>	<u>3,948,853</u>
<b>26 FEE &amp; COMMISSION INCOME</b>		
Consumer finance related fees	170,781	168,545
Credit related fees	11,432	18,629
Investment banking fees	10,000	49,543
Branch banking customer fees	23,125	28,335
Card related fees	68,454	37,427
Commission on trade	75,762	81,360
Commission on guarantees	36,145	32,612
Commission on cash management	21,289	6,189
Commission on remittances including home remittances	2,476	2,690
Commission on bancassurance	3,327	8,365
Rebate income	33,138	34,115
Others	1,504	14,809
	<u>457,433</u>	<u>482,619</u>
<b>27 OTHER (LOSS) / INCOME</b>		
(Loss) / gain on sale of property and equipment - net	<u>(17)</u>	<u>28</u>

## 28 OPERATING EXPENSES

March 31,                      March 31,  
2023                              2022  
(Un-audited)  
--- Rupees in '000 ---

<b>Total compensation expense</b>	<b>1,144,248</b>	930,662
-----------------------------------	------------------	---------

### Property expense

Utilities cost	183,385	110,712
Security	75,098	71,932
Repair & maintenance (including janitorial charges)	52,162	49,869
Takaful charges	381	243
Depreciation	20,348	21,401
Depreciation on right-of-use assets	231,965	229,312
	<b>563,339</b>	483,469

### Information technology expenses

Software maintenance	151,124	98,857
Hardware maintenance	76,388	43,849
Depreciation	64,183	29,695
Amortisation	27,888	21,050
Networking and connectivity charges	45,251	36,709
Outsourced services cost	14,250	10,190
Takaful charges	625	376
Others	1,410	473
	<b>381,119</b>	241,199

### Other operating expenses

Directors' fee and allowances	5,047	2,121
Fees and allowances to Sharia'h Board members	4,180	3,368
Legal and professional charges	20,002	12,095
Outsourced services cost	45,758	34,045
Travelling and conveyance	10,877	10,022
NIFT clearing charges	14,465	9,658
Depreciation	34,329	34,571
Training and development	3,405	5,973
Postage and courier charges	9,651	9,141
Communications	83,399	67,065
Stationary and printing	56,920	47,963
Marketing, advertising and publicity	61,589	47,584
Auditors' remuneration	2,233	1,800
Brokerage, commission and bank charges	117,249	122,136
Tracker related charges	41,211	37,770
Cash transportation charges	75,712	49,969
Repair and maintenance	31,683	29,909
Subscription fees	6,832	5,702
Takaful charges	11,065	9,472
Deposit premium cost	34,793	30,983
Others	36,727	30,437
	<b>707,127</b>	601,784
	<b>2,795,833</b>	2,257,114

		March 31, 2023	March 31, 2022
		(Un-audited)	
	Note	--- Rupees in '000 ---	
<b>29 OTHER CHARGES</b>			
Penalties imposed by State Bank of Pakistan		<u>3,976</u>	<u>1,709</u>
<b>30 PROVISIONS &amp; WRITE OFFS - NET</b>			
Provision against Islamic financing and related assets		<u>1,873,589</u>	<u>516,846</u>
<b>31 TAXATION</b>			
Current		1,128,642	350,150
Deferred		<u>33,219</u>	<u>224,414</u>
		<u>1,161,861</u>	<u>574,564</u>
<b>32 BASIC AND DILUTED EARNINGS PER SHARE</b>			
Profit for the period		<u>1,523,817</u>	<u>895,248</u>
		----- (Number) -----	
Weighted average number of ordinary shares		<u>1,165,228,776</u>	<u>1,165,228,776</u>
		----- (Rupees) -----	
Earning per share - basic and diluted		<u>1.31</u>	<u>0.77</u>
		March 31, 2023	March 31, 2022
		(Un-audited)	
		--- Rupees in '000 ---	
<b>33 CASH AND CASH EQUIVALENTS</b>			
Cash and balances with treasury banks	6	25,897,300	24,021,158
Balances with other banks	7	924,594	1,327,999
Overdrawn nostro account	17	(13,880)	(3,520)
		<u>26,808,014</u>	<u>25,345,637</u>

### 34 SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

	March 31, 2023 (Un-audited)						
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Others	Inter-segment Elimination	Total
	Rupees in '000						
Condensed Interim Profit and Loss Account							
Net profit earned	3,364,348	430,884	(1,439,390)	4,184,558	29,794	-	6,570,194
Inter segment revenue - net	(2,809,350)	1,009,130	5,869,336	(4,038,485)	(30,631)	-	-
Other income / (loss)	123,514	167,038	400,264	151,796	(17)	-	842,595
Total income	678,512	1,607,052	4,830,210	297,869	(854)	-	7,412,789
Segment direct expenses	(204,283)	(480,492)	(1,739,715)	(37,946)	-	-	(2,462,436)
Inter segment expense allocation	(30,378)	(77,610)	(268,697)	(14,401)	-	-	(391,086)
Total expenses	(234,661)	(558,102)	(2,008,412)	(52,347)	-	-	(2,853,522)
(Provisions) / reversal	(314,364)	(1,577,036)	16,957	-	854	-	(1,873,589)
Profit before tax	129,487	(528,086)	2,838,755	245,522	-	-	2,685,678
Condensed Interim Statement of Financial Position							
Cash and bank balances	-	-	6,206,865	924,594	19,690,435	-	26,821,894
Due from financial institutions	-	-	-	-	-	-	-
Investments	-	-	-	107,904,966	-	-	107,904,966
Net inter segment lending	-	28,642,342	125,393,776	-	18,162,127	(172,198,245)	-
Islamic financings and related assets - performing	149,395,264	47,296,885	50,058,321	-	2,617,896	-	249,368,366
- non-performing	420,112	696,121	537,135	-	33,811	-	1,687,179
Others	9,570,974	5,650,030	7,044,953	1,739,795	2,573,276	-	26,579,028
Total Assets	159,386,350	82,285,378	189,241,050	110,569,355	43,077,545	(172,198,245)	412,361,433
Due to financial institutions	21,190,842	10,361,301	-	11,813,880	-	-	43,366,023
Deposits & other accounts	62,389,013	67,585,913	178,593,129	103,852	-	-	308,671,907
Net inter segment borrowing	72,571,190	-	-	99,627,055	-	(172,198,245)	-
Subordinated sukuk	-	-	-	-	7,120,000	-	7,120,000
Others	3,235,305	4,338,164	10,647,921	196,069	3,652,856	-	22,070,315
Total liabilities	159,386,350	82,285,378	189,241,050	111,740,856	10,772,856	(172,198,245)	381,228,245
Equity	-	-	-	(1,171,501)	32,304,689	-	31,133,188
Total Equity and liabilities	159,386,350	82,285,378	189,241,050	110,569,355	43,077,545	(172,198,245)	412,361,433
Contingencies and Commitments							
	33,836,441	25,159,759	3,664,629	25,583,156	247,447	-	88,491,432

	March 31, 2022 (Un-audited)						
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Inter-segment Elimination	Total
	----- Rupees in '000 -----						
<b>Profit and Loss</b>							
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	3,082,299	(1,737,070)	184,001	-	-
Other income	194,627	146,485	343,298	98,128	28	-	782,566
<b>Total income</b>	594,685	927,722	2,730,888	21,582	-	-	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)
<b>Total expenses</b>	(177,165)	(451,505)	(1,610,317)	(49,232)	-	-	(2,288,219)
Provisions	(431,954)	(40,434)	(44,458)	-	-	-	(516,846)
<b>Profit before tax</b>	(14,434)	435,783	1,076,113	(27,650)	-	-	1,469,812

	December 31, 2022 (Audited)						
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Other	Inter-segment Elimination	Total
	----- Rupees in '000 -----						
<b>Statement of Financial Position</b>							
Cash and bank balances	-	884,448	4,711,307	1,146,321	40,036,353	-	46,778,429
Due from financial institutions	-	-	-	23,500,000	-	-	23,500,000
Investments	-	-	-	103,361,135	-	-	103,361,135
Net inter segment lending	-	30,737,695	144,643,559	-	-	(175,381,254)	-
Islamic financings and related							-
assets - performing	141,724,106	50,052,050	51,890,228	-	2,622,073	-	246,288,457
- non-performing	144,163	888,008	447,325	-	-	-	1,479,496
Others	11,838,368	1,939,323	5,588,431	4,252,285	364,538	-	23,982,945
<b>Total Assets</b>	153,706,637	84,501,524	207,280,850	132,259,741	43,022,964	(175,381,254)	445,390,462
Due to financial institutions	21,262,593	11,611,828	-	3,000,639	-	-	35,875,060
Deposits & other accounts	83,358,092	66,111,481	196,241,691	99,947	-	-	345,811,211
Net inter segment borrowing	44,504,794	-	-	129,231,862	1,644,598	(175,381,254)	-
Subordinated sukuk	-	-	-	-	7,120,000	-	7,120,000
Others	4,581,158	6,778,215	11,039,159	601,348	3,477,494	-	26,477,374
<b>Total liabilities</b>	153,706,637	84,501,524	207,280,850	132,933,796	12,242,092	(175,381,254)	415,283,645
Equity	-	-	-	(674,055)	30,780,872	-	30,106,817
<b>Total Equity and liabilities</b>	153,706,637	84,501,524	207,280,850	132,259,741	43,022,964	(175,381,254)	445,390,462
<b>Contingencies and</b>							
<b>Commitments</b>	39,378,385	32,561,815	5,601,115	25,438,421	250,020	-	103,229,756

### 35 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, 2023 (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	Total
	----- Rupees in '000 -----									
Financial assets - measured at fair value										
Investments										
Federal Government securities	-	42,936,350	-	-	-	42,936,350	-	42,936,350	-	42,936,350
Non-Government debt securities	-	39,750,576	-	-	-	39,750,576	38,229,143	1,521,433	-	39,750,576
Foreign securities	-	20,105,634	-	-	-	20,105,634	20,105,634	-	-	20,105,634
Other assets										
Unrealized gain on foreign exchange contracts	-	-	-	1,618,141	-	1,618,141	-	1,618,141	-	1,618,141
Financial assets - not measured at fair value										
Cash and balances with treasury banks	-	-	-	25,897,300	-	25,897,300				
Balances with other banks	-	-	-	924,594	-	924,594				
Due from financial institution	-	-	-	-	-	-				
Investments	-	5,112,406	-	-	-	5,112,406				
Islamic financings and related assets - net	-	-	251,055,545	-	-	251,055,545				
Other asset	-	-	-	15,684,160	-	15,684,160				
	-	107,904,966	251,055,545	44,124,195	-	403,084,706				
Financial liabilities - measured at fair value										
Other liabilities										
Unrealized loss on foreign exchange contracts	-	-	-	-	158,384	158,384	-	158,384	-	158,384
Financial liabilities - not measured at fair value										
Bills payable	-	-	-	-	3,498,348	3,498,348				
Due to financial institutions	-	-	-	-	43,366,023	43,366,023				
Deposits and other accounts	-	-	-	-	308,671,907	308,671,907				
Subordinated sukuk	7,120,000	-	-	-	-	7,120,000				
Other liabilities	-	-	-	-	13,551,519	13,551,519				
	7,120,000	-	-	-	369,246,181	376,366,181				
Off-balance sheet financial instruments - measured at fair value										
Forward foreign exchange contracts - net	-	-	-	27,037,841	-	27,037,841	-	27,037,841	-	27,037,841
----- Rupees in '000 -----										
	December 31, 2022 (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	Total
	----- Rupees in '000 -----									
Financial assets - measured at fair value										
Investments										
Federal Government securities	-	43,181,500	-	-	-	43,181,500	-	43,181,500	-	43,181,500
Non-Government debt securities	-	39,831,813	-	-	-	39,831,813	38,259,561	1,572,252	-	39,831,813
Foreign securities	-	16,109,979	-	-	-	16,109,979	16,109,979	-	-	16,109,979
Other assets										
Unrealized gain on foreign exchange contracts	-	-	-	566,774	-	566,774	-	566,774	-	566,774
Financial assets - not measured at fair value										
Cash and balances with treasury banks	-	-	-	45,632,108	-	45,632,108				
Balances with other banks	-	-	-	1,146,321	-	1,146,321				
Due from financial institution	-	-	-	23,500,000	-	23,500,000				
Investments	-	4,237,843	-	-	-	4,237,843				
Islamic financings and related assets - net	-	-	247,767,953	-	-	247,767,953				
Other asset	-	-	-	14,838,527	-	14,838,527				
	-	103,361,135	247,767,953	85,683,730	-	436,812,818				
Financial liabilities - measured at fair value										
Other liabilities										
Unrealized loss on foreign exchange contracts	-	-	-	-	22,728	22,728	-	22,728	-	22,728
Financial liabilities - not measured at fair value										
Bills payable	-	-	-	-	7,207,894	7,207,894				
Due to financial institutions	-	-	-	-	35,875,060	35,875,060				
Deposits and other accounts	-	-	-	-	345,811,211	345,811,211				
Subordinated sukuk	7,120,000	-	-	-	-	7,120,000				
Other liabilities	-	-	-	-	14,944,947	14,944,947				
	7,120,000	-	-	-	403,861,840	410,981,840				
Off-balance sheet financial instruments - measured at fair value										
Forward foreign exchange contracts - net	-	-	-	25,977,394	-	25,977,394	-	25,977,394	-	25,977,394

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).

### 36 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

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, 2023 (Un-audited)					December 31, 2022 (Audited)				
	Holding Company	Directors	Key management personnel	Others**	Total	Holding Company	Directors	Key management personnel	Others**	Total
<hr/>										
<hr/>										
Rupees in '000										
<hr/>										
<b>Balances with other banks</b>										
As at January 1,	128,641	-	-	-	128,641	128,774	-	-	-	128,774
Deposited during the period / year	21,329,523	-	-	-	21,329,523	53,162,099	-	-	-	53,162,099
Withdrawals during the period / year	(21,404,356)	-	-	-	(21,404,356)	(53,162,232)	-	-	-	(53,162,232)
Closing balance	53,808	-	-	-	53,808	128,641	-	-	-	128,641
<hr/>										
<b>Islamic financing and related assets</b>										
As at January 1,	-	-	205,096	-	205,096	-	-	169,974	-	169,974
Disbursed during the period / year	-	-	-	-	-	-	-	67,120	-	67,120
Repaid during the period / year	-	-	(10,003)	-	(10,003)	-	-	(51,057)	-	(51,057)
Adjustments *	-	-	12,306	-	12,306	-	-	19,059	-	19,059
Closing balance	-	-	207,399	-	207,399	-	-	205,096	-	205,096
<hr/>										
<b>Deposits and other accounts</b>										
As at January 1,	73,931	1,963	101,325	1,406,741	1,583,960	87,254	6,705	110,850	1,056,088	1,260,897
Received during the period / year	1,432,561	7,035	336,879	183,383	1,959,858	10,764,588	4,945	934,867	652,181	12,356,581
Withdrawals during the period / year	(1,437,633)	(1,212)	(246,733)	(777,472)	(2,463,050)	(10,777,911)	(9,687)	(906,293)	(301,528)	(11,995,419)
Adjustments *	-	-	463	-	463	-	-	(38,099)	-	(38,099)
Closing balance	68,858	7,786	191,934	812,652	1,081,230	73,931	1,963	101,325	1,406,741	1,583,960
<hr/>										
<b>Other Liability</b>										
As at January 1,	-	-	29,026	-	29,026	-	-	21,077	-	21,077
Withheld during the period / year	-	-	19,673	-	19,673	-	-	16,256	-	16,256
Paid during the period / year	-	-	(15,371)	-	(15,371)	-	-	(8,307)	-	(8,307)
Closing balance	-	-	33,328	-	33,328	-	-	29,026	-	29,026
<hr/>										
<hr/>										
Rupees in '000										
<hr/>										
<b>Transactions during the period</b>										
Profit earned on financings	-	-	2,084	-	2,084	-	-	1,924	-	1,924
Profit expensed on deposits	-	24	4,117	46,272	50,413	-	-	1,995	27,353	29,348
Profit expensed on other liability	-	-	3,241	-	3,241	-	-	346	-	346
Fees and allowances	-	5,047	2,969	-	8,016	-	2,121	2,969	-	5,090
Remuneration to key management personnel (including bonus)	-	-	174,394	-	174,394	-	-	89,831	-	89,831
Contribution made to gratuity fund	-	-	-	24,000	24,000	-	-	-	24,000	24,000
Contribution made to provident fund	-	-	-	35,856	35,856	-	-	-	32,708	32,708
<hr/>										
<b>Contingencies and commitments</b>										
Foreign currency purchase contracts	8,113,858	-	-	-	8,113,858	6,132,278	-	-	-	6,132,278
Foreign currency sale contracts	8,113,858	-	-	-	8,113,858	6,132,278	-	-	-	6,132,278
Other guarantees	-	-	-	-	-	-	132,549	-	-	132,549

\* 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 March 31, 2023.

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



**37 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**

**March 31,      December 31,**  
**2023                      2022**  
**(Un-audited)      (Audited)**  
**--- (Rupees in '000) ---**

**Minimum Capital Requirement (MCR):**

Paid-up capital

<b>11,652,288</b>	11,652,288
-------------------	------------

**Capital Adequacy Ratio (CAR):**

Eligible Common Equity Tier I (CET I) Capital

<b>30,698,774</b>	29,700,887
-------------------	------------

Eligible Additional Tier I (ADT I) Capital

<b>3,120,000</b>	3,120,000
------------------	-----------

Total Eligible Tier I Capital

<b>33,818,774</b>	32,820,887
-------------------	------------

Eligible Tier II Capital

<b>6,789,997</b>	6,746,267
------------------	-----------

**Total Eligible Capital (Tier I + Tier II)**

<b>40,608,771</b>	39,567,154
-------------------	------------

**Risk Weighted Assets (RWAs):**

Credit Risk

<b>223,199,787</b>	219,701,355
--------------------	-------------

Market Risk

<b>743,328</b>	1,386,293
----------------	-----------

Operational Risk

<b>32,576,501</b>	32,576,501
-------------------	------------

**Total**

<b>256,519,616</b>	253,664,149
--------------------	-------------

**Common Equity Tier I Capital Adequacy ratio**

<b>11.97%</b>	11.71%
---------------	--------

**Tier I Capital Adequacy Ratio**

<b>13.18%</b>	12.94%
---------------	--------

**Total Capital Adequacy Ratio**

<b>15.83%</b>	15.60%
---------------	--------

**Leverage Ratio (LR):**

Eligible Tier I Capital

<b>33,818,774</b>	32,820,887
-------------------	------------

Total Exposures

<b>510,817,597</b>	527,359,837
--------------------	-------------

**Leverage Ratio**

<b>6.62%</b>	6.22%
--------------	-------

**Liquidity Coverage Ratio (LCR):**

Total High Quality Liquid Assets

<b>110,295,079</b>	93,343,235
--------------------	------------

Total Net Cash Outflow

<b>71,222,332</b>	74,425,165
-------------------	------------

**Liquidity Coverage Ratio**

<b>154.86%</b>	125.42%
----------------	---------

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

Total Available Stable Funding

<b>276,297,240</b>	286,050,477
--------------------	-------------

Total Required Stable Funding

<b>222,934,454</b>	217,892,083
--------------------	-------------

**Net Stable Funding Ratio**

<b>123.94%</b>	131.28%
----------------	---------

### 38 RECLASSIFICATIONS

As a result of change in forms for the preparation of condensed interim financial information issued by SBP as referred in note 3.2.1 and for better presentation, corresponding figures have been rearranged as follows:

<b>Transfer from</b>	<b>Transfer to</b>	<b>Rupees in '000</b>
Fixed assets	Right-of-use assets	<u><u>3,680,399</u></u>
Other liabilities	Lease liabilities	<u><u>3,807,378</u></u>

### 39 DATE OF AUTHORISATION FOR ISSUE

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

### 40 GENERAL

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

**President & CEO**

**Chief Financial Officer**

**Director**

**Director**

**Director**