

**Dubai Islamic Bank
Pakistan Limited**

Condensed Interim Financial Information
for the half year ended
June 30, 2022

INDEPENDENT AUDITOR'S REVIEW REPORT**To the members of Dubai Islamic Bank Pakistan Limited****Report on review of Interim Financial Information****Introduction**

We have reviewed the accompanying condensed interim statement of financial position of **Dubai Islamic Bank Pakistan Limited ("the Bank")** as at June 30, 2022 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement, and notes to the financial information for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Other Matters

The figures for the quarters ended June 30, 2022 and 2021 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended June 30, 2022.

The engagement partner on the review resulting in this independent auditor's report is Hena Sadiq.


Chartered Accountants

Place: Karachi

Date: July 26, 2022

UDIN: RR202210057Rh23wtLgD

Dubai Islamic Bank Pakistan Limited
Condensed Interim Statement of Financial Position
As at June 30, 2022

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	----- Rupees in '000 -----	
ASSETS			
Cash and balances with treasury banks	6	24,374,027	25,761,239
Balances with other banks	7	1,152,532	1,363,873
Due from financial institutions	8	-	1,031,302
Investments	9	102,608,505	84,861,748
Islamic financing and related assets	10	285,173,290	225,364,893
Fixed assets	11	4,154,181	4,281,548
Intangible assets	12	398,174	378,536
Deferred tax assets	13	249,789	-
Other assets	14	16,208,486	8,431,020
		434,318,984	351,474,159
LIABILITIES			
Bills payable	15	4,176,718	7,449,011
Due to financial institutions	16	64,586,549	33,545,307
Deposits and other accounts	17	313,467,033	261,573,620
Subordinated sukuk	18	7,120,000	7,120,000
Deferred tax liabilities	13	-	104,792
Other liabilities	19	16,273,314	14,114,370
		405,623,614	323,907,100
NET ASSETS		28,695,370	27,567,059
REPRESENTED BY			
Share capital		11,652,288	11,652,288
Reserves		3,493,723	3,092,713
(Deficit) / surplus on revaluation of investments	20	(196,026)	683,374
Unappropriated profit		13,745,385	12,138,684
		28,695,370	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 Statement of Financial Position
As at June 30, 2022

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	----- Rupees in '000 -----	
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President & CEO

Chief Financial Officer

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Dubai Islamic Bank Pakistan Limited
Condensed Interim Profit and Loss Account (Un-Audited)
For the half-year ended June 30, 2022

		Quarter ended June 30, 2022	Half year ended June 30, 2022	Quarter ended June 30, 2021	Half year ended June 30, 2021
	<i>Note</i>	----- Rupees in '000 -----			
Profit / return earned	22	10,808,386	18,249,550	5,464,508	10,804,208
Profit / return expensed	23	(6,359,087)	(10,307,940)	(2,597,661)	(5,138,863)
Net Profit / return		4,449,299	7,941,610	2,866,847	5,665,345
OTHER INCOME					
Fee and commission income	24	618,002	1,100,621	501,119	978,095
Dividend income		-	-	-	-
Foreign exchange income		675,497	975,416	229,433	498,272
Gain on securities	25	-	-	256,068	268,368
Other income / (loss)	26	4,237	4,265	408	(2,770)
Total other income		1,297,736	2,080,302	987,028	1,741,965
Total income		5,747,035	10,021,912	3,853,875	7,407,310
OTHER EXPENSES					
Operating expenses	27	(2,442,430)	(4,699,544)	(2,062,326)	(3,956,119)
Workers Welfare Fund		(46,824)	(76,220)	(30,597)	(66,258)
Other charges	28	(110)	(1,819)	(2,995)	(3,015)
Total other expenses		(2,489,364)	(4,777,583)	(2,095,918)	(4,025,392)
Profit before provisions		3,257,671	5,244,329	1,757,957	3,381,918
Provisions and write offs - net	29	(916,486)	(1,433,332)	(231,441)	(514,828)
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		2,341,185	3,810,997	1,526,516	2,867,090
Taxation	30	(1,231,383)	(1,805,947)	(570,327)	(1,111,332)
PROFIT AFTER TAXATION		1,109,802	2,005,050	956,189	1,755,758
----- Rupee(s) -----					
Basic & diluted earnings per share	31	0.95	1.72	0.82	1.51

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

President & CEO

Chief Financial Officer

Director

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Director

Dubai Islamic Bank Pakistan Limited
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the half-year ended June 30, 2022

	Quarter ended June 30, 2022	Half year ended June 30, 2022	Quarter ended June 30, 2021	Half year ended June 30, 2021
	----- Rupees in '000 -----			
Profit after taxation for the period	1,109,802	2,005,050	956,189	1,755,758
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in revaluation of investments - net of tax	(474,136)	(879,400)	84,012	(67,053)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in defined benefit obligation	2,661	2,661	2,252	2,252
Total comprehensive income	<u>638,327</u>	<u>1,128,311</u>	<u>1,042,453</u>	<u>1,690,957</u>

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

President & CEO

Chief Financial Officer

Director

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Dubai Islamic Bank Pakistan Limited
Condensed Interim Statement of Changes in Equity (Un-Audited)
For the half-year ended June 30, 2022

	Share capital	Statutory reserve	Surplus / (deficit) 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	-	-	-	1,755,758	1,755,758
Other comprehensive (loss) / income - net of tax	-	-	(67,053)	2,252	(64,801)
	-	-	(67,053)	1,758,010	1,690,957
Transfer to statutory reserve	-	351,152	-	(351,152)	-
Balance as at June 30, 2021	11,652,288	2,826,003	758,292	11,078,072	26,314,655
Total Comprehensive income for the period					
Profit after taxation	-	-	-	1,333,552	1,333,552
Other comprehensive loss - net of tax	-	-	(74,918)	(6,230)	(81,148)
	-	-	(74,918)	1,327,322	1,252,404
Transfer to statutory reserve	-	266,710	-	(266,710)	-
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	-	-	-	2,005,050	2,005,050
Other comprehensive (loss) / income - net of tax	-	-	(879,400)	2,661	(876,739)
	-	-	(879,400)	2,007,711	1,128,311
Transfer to statutory reserve	-	401,010	-	(401,010)	-
Balance as at June 30, 2022	11,652,288	3,493,723	(196,026)	13,745,385	28,695,370

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

President & CEO

Chief Financial Officer

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Dubai Islamic Bank Pakistan Limited
Condensed Interim Cash Flow Statement (Un-Audited)
For the half-year ended June 30, 2022

	Half year ended June 30, 2022	Half year ended June 30, 2021
<i>Note</i>	----- Rupees in '000 -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,810,997	2,867,090
Adjustments for:		
Depreciation	27 171,292	161,518
Depreciation on right-of-use assets	27 464,150	441,068
Amortisation	27 43,844	33,412
Finance cost on Ijarah (lease) liabilities	23 150,679	142,285
Gain on securities	25 -	(268,368)
(Gain) / loss on sale of fixed assets	26 (4,265)	2,770
Provisions and write offs - net	29 1,433,332	514,828
	2,259,032	1,027,513
	6,070,029	3,894,603
(Increase) / decrease in operating assets		
Due from financial institutions	1,031,302	924,885
Islamic financing and related assets	(61,241,729)	(17,047,064)
Others assets (excluding current taxation)	(6,911,904)	(112,007)
	(67,122,331)	(16,234,186)
Increase / (decrease) in operating liabilities		
Bills payable	(3,272,293)	(385,318)
Due to financial institutions	31,079,566	12,900,504
Deposits and other accounts	51,893,413	931,277
Other liabilities (excluding current taxation)	867,322	706,833
	80,568,008	14,153,296
	19,515,706	1,813,713
Income taxes paid	(1,373,630)	(955,447)
Net cash flow generated from operating activities	18,142,076	858,266
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available for sale securities	(19,210,948)	419,655
Investments in fixed assets	(147,634)	(164,083)
Proceeds from sale of fixed assets	7,390	5,179
Investments in intangible assets	(63,481)	(77,400)
Net cash flow (used in) / generated from investing activities	(19,414,673)	183,351
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of Ijarah (lease) liabilities against right-of-use assets	(287,632)	(458,279)
(Decrease) / increase in cash and cash equivalents	(1,560,229)	583,338
Cash and cash equivalents at beginning of the period	27,068,101	22,376,826
Cash and cash equivalents at end of the period	25,507,872	22,960,164

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

President & CEO

Chief Financial Officer

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 half-year ended June 30, 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 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 June 30, 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 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, 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.

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
6 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
- local currency		4,241,811	4,123,049
- foreign currencies		1,718,151	801,268
		<u>5,959,962</u>	<u>4,924,317</u>
With State Bank of Pakistan in			
- local currency current accounts	6.1	14,288,114	16,286,776
- foreign currency current accounts		118,685	59,647
- foreign currency deposit accounts			
- Cash reserve account	6.2	2,560,686	1,601,948
- Special cash reserve account	6.2	-	1,922,214
		<u>2,560,686</u>	<u>3,524,162</u>
With National Bank of Pakistan in			
- local currency current accounts		1,446,580	966,337
		<u>24,374,027</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). However, SBP has allowed relaxation to the bank in maintaining the special cash reserve requirement of 6% till October 02, 2022. These accounts are non-remunerative in nature.

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	----- (Rupees in '000) -----	
7 BALANCES WITH OTHER BANKS			
In Pakistan			
- in local currency current account		484,784	753,540
- in foreign currency current account		442	322
		<u>485,226</u>	<u>753,862</u>
Outside Pakistan			
- in foreign currencies current account	7.1	667,306	610,011
		<u>1,152,532</u>	<u>1,363,873</u>

- 7.1** This includes an amount of Rs. 10.14 million (December 31, 2021: Rs. 128.77 million) deposited with the holding company.

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
		----- (Rupees in '000) -----	
8 DUE FROM FINANCIAL INSTITUTIONS			
Musharaka - unsecured		-	1,000,000
Other placement with State Bank of Pakistan		-	31,302
		<u>-</u>	<u>1,031,302</u>

9 INVESTMENTS

9.1 Investments by types:	June 30, 2022 (Un-audited)				December 31, 2021 (Audited)			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
----- (Rupees in '000) -----								
Available-for-sale securities								
Federal Government securities	46,924,818	-	(88,700)	46,836,118	24,258,893	-	(139,520)	24,119,373
Non-Government debt securities	39,696,972	(89,316)	1,282,368	40,890,024	42,749,533	(89,316)	1,365,876	44,026,093
Foreign securities	16,419,937	-	(1,537,574)	14,882,363	16,822,353	-	(106,071)	16,716,282
	103,041,727	(89,316)	(343,906)	102,608,505	83,830,779	(89,316)	1,120,285	84,861,748
Total investments	103,041,727	(89,316)	(343,906)	102,608,505	83,830,779	(89,316)	1,120,285	84,861,748

9.2 Provision for diminution in value of investments	June 30, 2022 (Un-audited) ----- (Rupees in '000) -----	December 31, 2021 (Audited)
Opening balance	89,316	89,316
Charge for the period / year	-	-
Closing balance	89,316	89,316

9.2.1 Particulars of provision against debt securities

Category of classification	June 30, 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

		Performing		Non-Performing		Total	
		June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021	June 30, 2022	December 31, 2021
		(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	Note	(Rupees in '000)					
Murabaha	10.1	25,150,008	21,938,164	1,133,977	326,844	26,283,985	23,299,782
Musawamah	10.2	4,635,874	3,777,120	177,666	163,900	4,813,540	3,941,020
Tijarah cum wakala	10.3	15,838,206	10,813,657	63,000	192,000	15,901,206	11,005,657
Istisna cum Wakala	10.4	19,041,044	14,909,213	521,219	609,411	19,562,263	15,518,624
Salam	10.5	3,366,669	1,763,274	-	-	3,366,669	1,763,274
Islamic Export Refinance Scheme - SBP	10.6	15,918,263	16,186,797	126,390	136,322	16,044,653	16,323,119
Other Islamic Refinance Schemes - SBP	10.7	17,595,655	15,655,471	10,921	8,000	17,606,576	15,663,471
Wakala Istithmar		27,132,866	25,926,888	418,505	317,558	27,551,371	26,244,446
Running Musharaka financing		45,645,470	20,993,803	655,901	655,901	46,301,371	21,649,704
Shirkatulmilk - Housing	10.8	16,557,969	12,824,946	438,433	461,015	16,996,402	13,285,961
Shirkatulmilk - Autos	10.9	27,392,046	27,062,639	235,523	238,107	27,627,569	27,300,746
Shirkatulmilk - Fleet financing	10.10	5,357,829	5,676,188	204,515	312,691	5,562,344	5,988,879
Shirkatulmilk - Others		10,462,442	13,396,134	3,615,372	2,433,197	14,077,814	14,794,557
Diminishing Musharaka - Others		48,495,280	32,396,629	737,792	638,734	49,233,072	33,035,363
Staff financing		2,547,270	2,454,777	50,214	43,777	2,597,484	2,498,554
Islamic financing and related assets (gross)		285,136,891	225,775,700	8,389,428	6,537,457	293,526,319	232,313,157
Provision against Islamic financing and related assets	10.12						
Specific		-	-	(5,406,435)	(4,034,938)	(5,406,435)	(4,034,938)
General		(2,946,594)	(2,913,326)	-	-	(2,946,594)	(2,913,326)
		(2,946,594)	(2,913,326)	(5,406,435)	(4,034,938)	(8,353,029)	(6,948,264)
Islamic financing and related assets - net of provision		282,190,297	222,862,374	2,982,993	2,502,519	285,173,290	225,364,893
						June 30, 2022	December 31, 2021
						(Un-audited)	(Audited)
						--- (Rupees in '000) ---	
10.1 Murabaha							
Financing						5,935,155	6,694,396
Inventory						19,512,018	15,573,375
Advance						836,812	1,032,011
						26,283,985	23,299,782
10.2 Musawamah							
Financing						4,726,948	3,834,238
Advance						86,592	106,782
						4,813,540	3,941,020
10.3 Tijarah cum wakala							
Financing						15,528,486	7,930,533
Inventory						372,720	3,075,124
						15,901,206	11,005,657
10.4 Istisna cum Wakala							
Financing						13,789,729	7,581,580
Advance						5,772,534	7,937,044
						19,562,263	15,518,624
10.5 Salam							
Financing						3,366,669	289,497
Advance						-	1,473,777
						3,366,669	1,763,274
10.6 Islamic Export Refinance Scheme - SBP							
Istisna - Advance						64,000	279,500
Istisna - Financing						690,000	509,500
Running Musharaka - Financing						7,910,800	8,885,800
Wakala Istithmar - Financing						7,379,853	6,648,319
						16,044,653	16,323,119

	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	--- (Rupees in '000) ---	
10.7 Other Islamic Refinance Schemes - SBP		
Islamic Long Term Financing Facility		
-Diminishing Musharaka - Financing	4,541,187	3,464,187
Payment of Wages and Salaries Refinance Scheme		
-Shirkatulmilk - Financing	1,029,799	1,912,456
-Running Musharaka - Financing	272,618	545,235
-Murabaha - Financing	58,916	109,337
	1,361,333	2,567,028
Islamic Financing Facility for Combating COVID 19		
-Musharaka - Financing	670,500	817,893
Islamic Finance Facility For Renewable Energy		
-Diminishing Musharaka - Financing	963,999	356,248
Islamic Temporary Economic Refinance Facility		
-Musharaka - Financing	9,195,812	7,639,539
-Shirkatulmilk - Financing	422,570	444,626
	9,618,382	8,084,165
Other Islamic Refinance Facilities		
-Musharaka - Financing	451,175	373,950
	17,606,576	15,663,471
10.8 Shirkatulmilk - Housing		
Financing	16,733,402	12,927,181
Advance	263,000	358,780
	16,996,402	13,285,961
10.9 Shirkatulmilk - Autos		
Financing	25,541,300	23,815,075
Advance	2,086,269	3,485,671
	27,627,569	27,300,746
10.10 Shirkatulmilk - Fleet financing		
Financing	5,028,643	5,292,809
Advance	533,701	696,070
	5,562,344	5,988,879
10.11 Particulars of Islamic financing and related assets (gross)		
In local currency	288,403,211	230,215,986
In foreign currencies	5,123,108	2,097,171
	293,526,319	232,313,157

10.12 Islamic financing and related assets include Rs. 8,389.428 million (December 31, 2021: Rs. 6,537.457 million) which have been placed under non-performing status as detailed below:

Category of Classification	June 30, 2022 (Un-audited)		December 31, 2021 (Audited)	
	Non-Performing	Provision held	Non-Performing	Provision held
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned	48,512	-	22,122	-
Substandard	879,582	80,443	244,858	35,960
Doubtful	217,405	16,350	338,321	12,337
Loss	7,243,929	5,309,642	5,932,156	3,986,641
	8,389,428	5,406,435	6,537,457	4,034,938

10.13 Particulars of provision against Islamic financing and related assets:

	June 30, 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 / year	1,526,976	33,268	1,560,244	1,685,654	1,000,467	2,686,121
Reversals during the period / year	(126,912)	-	(126,912)	(595,661)	-	(595,661)
	1,400,064	33,268	1,433,332	1,089,993	1,000,467	2,090,460
Amounts written-off	(28,567)	-	(28,567)	(137,665)	-	(137,665)
Closing balance	5,406,435	2,946,594	8,353,029	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. 2,158.591 million (December 31, 2021: Rs. 2,123.294 million) in determining the provisioning against non performing Islamic financings as at June 30, 2022. The additional profit arising from availing the FSV benefit - net of tax as at June 30, 2022 which is not available for distribution as either cash or stock dividend to shareholders amounted to Rs. 1,100.882 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.

10.13.3 In addition to the existing general provision requirement under prudential regulation, the Bank has also maintained a general provision of Rs.2,714 million (December 31, 2021: Rs.2,714 million) against financing made on prudent basis, in view of the prevailing economic conditions.

	Note	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
		--- (Rupees in '000) ---	
11 FIXED ASSETS			
Capital work-in-progress	11.1	20,503	13,754
Property and equipment		1,461,262	1,494,794
Right-of-use assets		2,672,416	2,773,000
		<u>4,154,181</u>	<u>4,281,548</u>
11.1 Capital work-in-progress			
Civil works		4,073	441
Equipment		16,430	13,313
		<u>20,503</u>	<u>13,754</u>
		June 30, 2022 (Un-audited)	June 30, 2021
		--- (Rupees in '000) ---	
11.2 Additions to fixed assets			
Furniture and fixtures		7,778	14,554
Electrical, office and computer equipment		77,708	134,969
Leasehold improvements		20,944	42,775
Vehicles		34,455	6,801
		<u>140,885</u>	<u>199,099</u>
		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
		--- (Rupees in '000) ---	
12 INTANGIBLE ASSETS			
Capital work-in-progress - Advance to suppliers		76,345	59,168
Computer software		321,829	319,368
		<u>398,174</u>	<u>378,536</u>
		June 30, 2022 (Un-audited)	June 30, 2021
		--- (Rupees in '000) ---	
12.1 Additions to intangible assets			
Directly purchased (including transfer from CWIP)		46,304	99,800

		June 30, 2022 (Un-audited)			
		At Jan 1, 2022	Recognised in P&L	Recognised in OCI	At Jun 30, 2022
		----- (Rupees in '000) -----			
13	DEFERRED TAX ASSETS				
	Deductible temporary differences on:				
	Accelerated (tax) / accounting depreciation and amortisation	(201)	21,651	-	21,450
	(Surplus) / deficit on revaluation of investments	(436,911)	-	584,791	147,880
	Provision against non-performing Islamic financing and related assets	302,873	(254,882)	-	47,991
	Provision against other assets	3,507	360	-	3,867
	Deficit on defined benefit plan	25,940	-	2,661	28,601
		<u>(104,792)</u>	<u>(232,871)</u>	<u>587,452</u>	<u>249,789</u>
		December 31, 2021 (Audited)			
		At Jan 1, 2021	Recognised in P&L	Recognised in OCI	At Dec 31, 2021
		----- (Rupees in '000) -----			
	Taxable temporary differences on:				
	Accelerated tax depreciation and amortisation	(695)	494	-	(201)
	Surplus on revaluation of investments	(444,416)	-	7,505	(436,911)
		<u>(445,111)</u>	<u>494</u>	<u>7,505</u>	<u>(437,112)</u>
	Deductible temporary differences on:				
	Provision against non-performing Islamic financing and related assets	71,741	231,132	-	302,873
	Provision against other assets	611	2,896	-	3,507
	Deficit on defined benefit plan	19,705	-	6,235	25,940
		<u>92,057</u>	<u>234,028</u>	<u>6,235</u>	<u>332,320</u>
		<u>(353,054)</u>	<u>234,522</u>	<u>13,740</u>	<u>(104,792)</u>
				June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
				--- (Rupees in '000) ---	
14	OTHER ASSETS			8,690,329	4,389,992
	Profit / return accrued in local currency - net			169,582	125,935
	Profit / return accrued in foreign currencies - net			1,402,501	892,810
	Advances, deposits and other prepayments			1,953,254	111,827
	Mark to market gain on forward foreign exchange contracts			-	169,170
	Current taxation (payments less provisions)			3,512,957	2,478,225
	Acceptances			39,007	52,185
	Commission receivable			449,849	219,869
	Others			16,217,479	8,440,013
	Less: Provision held against other assets			(8,993)	(8,993)
				<u>16,208,486</u>	<u>8,431,020</u>
15	BILLS PAYABLE				
	In Pakistan			4,166,582	7,440,147
	Outside Pakistan			10,136	8,864
				<u>4,176,718</u>	<u>7,449,011</u>
16	DUE TO FINANCIAL INSTITUTIONS				
	Secured				
	Musharaka from the State Bank of Pakistan under Islamic Export Refinance Scheme			15,515,163	15,721,797
	Investment from the State Bank of Pakistan under Islamic Long Term Financing Facility			4,148,038	3,414,483
	under Payment of Wages and Salaries Refinance Scheme			1,366,805	2,569,020
	under Islamic Financing Facility for Combating COVID 19			675,500	759,143
	under Islamic Finance Facility For Renewable Energy			481,110	310,003
	under Islamic Temporary Economic Refinance Facility			9,418,424	6,539,900
	under other Islamic Refinance Facilities			433,175	373,950
	Mudarabah facility from the State Bank of Pakistan			14,634,647	-
				46,672,862	29,688,296
	Other Musharaka acceptance			3,000,000	-
	Total Secured			<u>49,672,862</u>	<u>29,688,296</u>
	Unsecured				
	Musharaka acceptance			12,395,000	3,800,000
	Wakala acceptance			2,500,000	-
	Overdrawn nostros			18,687	57,011
	Total Unsecured			<u>14,913,687</u>	<u>3,857,011</u>
				<u>64,586,549</u>	<u>33,545,307</u>

	June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	--- (Rupees in '000) ---	
16.1 Particulars of due to financial institutions with respect to currencies		
In local currency	64,567,862	33,488,296
In foreign currencies	18,687	57,011
	64,586,549	33,545,307

17 DEPOSITS AND OTHER ACCOUNTS

	June 30, 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	80,443,820	16,817,062	97,260,882	68,719,908	16,005,918	84,725,826
Savings deposits	103,886,703	9,142,185	113,028,888	93,132,815	8,446,665	101,579,480
Term deposits	44,221,900	24,949,948	69,171,848	34,972,950	7,560,198	42,533,148
Others	9,955,164	-	9,955,164	4,934,565	-	4,934,565
	238,507,587	50,909,195	289,416,782	201,760,238	32,012,781	233,773,019
Financial institutions						
Current deposits	334,641	31,525	366,166	373,845	40,620	414,465
Savings deposits	18,426,694	-	18,426,694	22,290,009	-	22,290,009
Term deposits	5,257,391	-	5,257,391	5,096,127	-	5,096,127
	24,018,726	31,525	24,050,251	27,759,981	40,620	27,800,601
	262,526,313	50,940,720	313,467,033	229,520,219	32,053,401	261,573,620

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
		---- (Rupees in '000) ----	
18 SUBORDINATED SUKUK	Note		
Additional Tier I Sukuk	18.1	3,120,000	3,120,000
Tier II Sukuk	18.2	4,000,000	4,000,000
		7,120,000	7,120,000

- 18.1 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 13.73% 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.

- 18.2 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.

		June 30, 2022 (Un-audited)	December 31, 2021 (Audited)
	Note	--- (Rupees in '000) ---	
19 OTHER LIABILITIES			
Profit / return payable in local currency		2,403,625	1,462,977
Profit / return payable in foreign currencies		71,176	55,258
Deferred income murabaha / musawamah		2,901,542	2,440,527
Accrued expenses		696,775	777,835
Advance from financing customers		1,544,925	1,410,787
Mark to market loss on forward foreign exchange contracts		161,986	112,337
Acceptances		3,512,957	2,478,225
Current taxation (provisions less payments)		30,276	-
Security deposits against Islamic financing and related assets		125,143	151,374
Ijarah (lease) liabilities		2,892,879	2,666,266
Payable to dealers, contractors, etc.		218,142	581,398
Workers Welfare Fund payable		576,230	500,010
Payable to Employees Old Age Benefit Institution (EOBI)		147,404	136,201
Sundry Creditors		295,767	281,976
Others		694,487	1,059,199
		<u>16,273,314</u>	<u>14,114,370</u>
20 (DEFICIT) / SURPLUS ON REVALUATION OF INVESTMENTS			
(Deficit) / surplus on revaluation of Available-for-sale securities			
Sukuk certificates		(343,906)	1,120,285
Less: Related deferred tax asset / (liability)		<u>147,880</u>	<u>(436,911)</u>
		<u>(196,026)</u>	<u>683,374</u>
21 CONTINGENCIES AND COMMITMENTS			
Guarantees	21.1	29,327,428	26,262,065
Commitments	21.2	56,904,863	51,790,251
Other contingent liabilities	21.3	<u>211,480</u>	<u>211,480</u>
		<u>86,443,771</u>	<u>78,263,796</u>
21.1 Guarantees			
Financial guarantees		26,647	108,546
Performance guarantees		8,692,704	6,209,764
Other guarantees		<u>20,608,077</u>	<u>19,943,755</u>
		<u>29,327,428</u>	<u>26,262,065</u>
21.2 Commitments			
Documentary credits and short-term trade-related transactions			
Import letters of credit		34,588,581	34,649,476
Commitments in respect of:			
- Forward foreign exchange contracts - net	21.2.1	12,729,728	7,329,426
- Islamic financing and related assets		9,192,406	9,602,000
Commitments for acquisition of:			
- Fixed assets		196,962	77,838
- Intangible assets		<u>197,186</u>	<u>131,511</u>
		<u>56,904,863</u>	<u>51,790,251</u>
21.2.1 Commitments in respect of forward foreign exchange contracts - net			
Purchase		37,324,007	17,847,323
Sale		<u>24,594,279</u>	<u>10,517,897</u>
		<u>12,729,728</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 2021. 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 prior years up until Tax Year 2020.

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.

	June 30, 2022	June 30, 2021
	(Un-audited)	
	----- Rupees in '000 -----	
22 PROFIT / RETURN EARNED		
On Islamic financing and related assets to customers	13,942,341	8,516,701
On investments in available-for-sale securities	4,185,460	2,190,212
On deposits / placements with financial institutions	121,749	97,295
	<u>18,249,550</u>	<u>10,804,208</u>
23 PROFIT / RETURN EXPENSED		
Deposits and other accounts	7,623,276	4,378,930
Subordinated sukuk	432,768	297,061
Due to financial institutions	1,572,847	302,759
Finance cost on Ijarah (lease) liabilities	150,679	142,285
Cost of foreign currency swaps	528,370	17,828
	<u>10,307,940</u>	<u>5,138,863</u>
24 FEE & COMMISSION INCOME		
Consumer finance related fees	341,305	303,064
Credit related fees	57,526	81,158
Investment banking fees	104,134	72,010
Branch banking customer fees	53,278	54,153
Card related fees	115,680	105,466
Commission on trade	169,359	205,711
Commission on guarantees	99,959	35,727
Commission on cash management	41,258	19,977
Commission on remittances including home remittances	6,252	9,086
Commission on bancassurance	19,296	20,014
Rebate income	66,288	66,747
Others	26,286	4,982
	<u>1,100,621</u>	<u>978,095</u>
25 GAIN ON SECURITIES		
Realised		
Debt securities	-	268,368
26 OTHER INCOME / (LOSS)		
Gain / (loss) on sale of fixed assets - net	4,265	(2,770)

27 **OPERATING EXPENSES**

June 30, June 30,
2022 2021
(Un-audited)
----- Rupees in '000 -----

Total compensation expense 1,947,258 1,652,755

Property expense

Takaful charges	466	489
Utilities cost	231,739	148,605
Security	142,851	116,832
Repair & maintenance (including janitorial charges)	100,046	71,046
Depreciation	41,511	46,924
Depreciation on right-of-use assets	464,150	441,068
	980,763	824,964

Information technology expenses

Software maintenance	197,390	165,401
Hardware maintenance	88,984	80,529
Depreciation	59,067	52,714
Amortisation	43,844	33,412
Networking and connectivity charges	73,417	76,784
Outsourced services cost	20,380	16,765
Takaful charges	712	633
Others	1,388	2,095
	485,182	428,333

Other operating expenses

Directors' fee and allowances	4,225	6,363
Fees and allowances to Shari'a Board members	6,797	6,412
Legal and professional charges	22,483	18,233
Outsourced services cost	81,977	56,700
Travelling and conveyance	15,683	8,684
NIFT clearing charges	19,480	17,324
Depreciation	70,714	61,880
Training and development	8,063	5,615
Postage and courier charges	18,035	17,778
Communications	132,863	102,047
Stationary and printing	96,179	49,675
Marketing, advertising and publicity	96,758	71,910
Auditors' remuneration	3,600	3,600
Brokerage, commission and bank charges	256,716	187,060
Tracker related charges	72,466	84,560
Cash transportation charges	127,639	119,624
Repair and maintenance	60,162	49,207
Subscription fees	12,586	9,454
Takaful charges	18,664	27,460
Deposit premium cost	67,045	61,118
Others	94,206	85,363
	1,286,341	1,050,067
	4,699,544	3,956,119

		June 30, 2022	June 30, 2021
	Note	(Un-audited)	
		----- Rupees in '000 -----	
28 OTHER CHARGES			
Penalties imposed by State Bank of Pakistan		<u>1,819</u>	<u>3,015</u>
29 PROVISIONS & WRITE OFFS - NET			
Provision against Islamic financing and related assets - net	10.13	<u>1,433,332</u>	<u>516,574</u>
Reversal of provision against other assets		<u>-</u>	<u>(1,746)</u>
		<u>1,433,332</u>	<u>514,828</u>
30 TAXATION			
Current		<u>1,573,076</u>	<u>1,292,027</u>
Deferred - for the period		<u>264,274</u>	<u>(180,695)</u>
Deferred - Prior year		<u>(31,403)</u>	<u>-</u>
		<u>1,805,947</u>	<u>1,111,332</u>
31 BASIC AND DILUTED EARNINGS PER SHARE			
Profit after taxation for the period		<u>2,005,050</u>	<u>1,755,758</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>1.72</u>	<u>1.51</u>
32 CASH AND CASH EQUIVALENTS			
Cash and balance with treasury banks	6	<u>24,374,027</u>	<u>21,544,574</u>
Balance with other banks	7	<u>1,152,532</u>	<u>1,416,848</u>
Overdrawn nostros	16	<u>(18,687)</u>	<u>(1,258)</u>
		<u>25,507,872</u>	<u>22,960,164</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:

On-Balance sheet Financial Instruments	June 30, 2022 (Un-audited)						Fair Value			
	Carrying 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	-	43,311,300	-	-	-	43,311,300	-	43,311,300	-	43,311,300
Non-Government debt securities	-	40,340,024	-	-	-	40,340,024	38,490,525	1,849,499	-	40,340,024
Foreign securities	-	14,882,363	-	-	-	14,882,363	14,882,363	-	-	14,882,363
Other assets										
Mark to market gain on forward foreign exchange contracts	-	-	-	1,953,254	-	1,953,254	-	1,953,254	-	1,953,254
Financial assets - not measured at fair value										
Cash and balances with treasury banks	-	-	-	24,374,027	-	24,374,027				
Balances with other banks	-	-	-	1,152,532	-	1,152,532				
Due from financial institution	-	-	-	-	-	-				
Investments	-	4,074,818	-	-	-	4,074,818				
Islamic financings and related assets - net	-	-	285,173,290	-	-	285,173,290				
Other asset	-	-	-	13,163,449	-	13,163,449				
	-	102,608,505	285,173,290	40,643,262	-	428,425,057				
Financial liabilities - measured at fair value										
Other liabilities										
Mark to market loss on forward foreign exchange contracts	-	-	-	-	161,986	161,986	-	161,986	-	161,986
Financial liabilities - not measured at fair value										
Bills payable	-	-	-	-	4,176,718	4,176,718				
Due to financial institutions	-	-	-	-	64,586,549	64,586,549				
Deposits and other accounts	-	-	-	-	313,467,033	313,467,033				
Subordinated sukuk	7,120,000	-	-	-	-	7,120,000				
Other liabilities	-	-	-	-	12,360,371	12,360,371				
	7,120,000	-	-	-	394,752,657	401,872,657				
Off-balance sheet financial instruments - measured at fair value										
Forward foreign exchange contracts - net	-	-	-	14,520,996	-	14,520,996	-	14,520,996	-	14,520,996
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	Total
	(Rupees in '000)									
Financial assets - measured at fair value										
Investments										
Federal Government securities	-	23,260,480	-	-	-	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	-	41,263,593
Foreign securities	-	16,716,282	-	-	-	16,716,282	16,716,282	-	-	16,716,282
Other assets										
Mark to market gain on forward foreign exchange contracts	-	-	-	111,827	-	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										
Mark to market loss on forward foreign exchange contracts	-	-	-	-	112,337	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	-	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

	June 30, 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	4,881,921	1,318,011	(1,275,710)	2,972,281	45,107	-	7,941,610
Inter segment revenue - net	(4,022,946)	254,263	7,038,385	(3,222,881)	(46,821)	-	-
Other income	670,309	429,648	790,385	185,695	4,265	-	2,080,302
Total income	1,529,284	2,001,922	6,553,060	(64,905)	2,551	-	10,021,912
Segment direct expenses	(298,719)	(814,126)	(2,960,729)	(73,999)	-	-	(4,147,573)
Inter segment expense allocation	(67,319)	(131,037)	(408,633)	(23,021)	-	-	(630,010)
Total expenses	(366,038)	(945,163)	(3,369,362)	(97,020)	-	-	(4,777,583)
Provisions	(1,072,848)	(295,986)	(61,947)	-	(2,551)	-	(1,433,332)
Profit before tax	90,398	760,773	3,121,751	(161,925)	-	-	3,810,997
Condensed Interim Statement of Financial Position							
Cash and bank balances	-	1,065,526	4,894,435	1,152,532	18,414,066	-	25,526,559
Due from financial institutions	-	-	-	-	-	-	-
Investments	-	-	-	102,608,505	-	-	102,608,505
Net inter segment lending	-	8,333,662	136,931,155	-	16,587,095	(161,851,912)	-
Islamic financings and related assets							
- performing - net	169,861,736	56,117,719	53,663,600	-	2,547,242	-	282,190,297
- non-performing - net	736,034	1,877,743	352,214	-	17,002	-	2,982,993
Others	7,603,823	3,657,729	4,708,832	4,305,328	734,918	-	21,010,630
Total Assets	178,201,593	71,052,379	200,550,236	108,066,365	38,300,323	(161,851,912)	434,318,984
Due to financial institutions	21,366,996	10,671,219	-	32,548,334	-	-	64,586,549
Deposits & other accounts	65,384,083	55,923,497	192,062,596	96,857	-	-	313,467,033
Net inter segment borrowing	86,674,325	-	-	75,177,587	-	(161,851,912)	-
Subordinated sukuk	-	-	-	-	7,120,000	-	7,120,000
Others	4,776,189	4,457,663	8,487,640	439,613	2,288,927	-	20,450,032
Total liabilities	178,201,593	71,052,379	200,550,236	108,262,391	9,408,927	(161,851,912)	405,623,614
Equity	-	-	-	(196,026)	28,891,396	-	28,695,370
Total Equity and liabilities	178,201,593	71,052,379	200,550,236	108,066,365	38,300,323	(161,851,912)	434,318,984
Contingencies and commitments	38,860,416	25,137,323	9,472,774	12,731,170	242,088	-	86,443,771
June 30, 2021 (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	3,131,321	689,534	(163,730)	2,264,323	(256,103)	-	5,665,345
Inter segment revenue - net	(2,322,320)	583,413	3,506,901	(2,027,727)	259,733	-	-
Other income / (loss)	297,399	306,207	725,027	416,102	(2,770)	-	1,741,965
Total income	1,106,400	1,579,154	4,068,198	652,698	860	-	7,407,310
Segment direct expenses	(226,523)	(698,733)	(2,501,946)	(67,923)	-	-	(3,495,125)
Inter segment expense allocation	(51,708)	(64,401)	(391,013)	(23,145)	-	-	(530,267)
Total expenses	(278,231)	(763,134)	(2,892,959)	(91,068)	-	-	(4,025,392)
Provisions	(364,618)	(95,599)	(53,751)	-	(860)	-	(514,828)
Profit before tax	463,551	720,421	1,121,488	561,630	-	-	2,867,090
December 31, 2021 (Audited)							
	Corporate Banking	SME & Commercial Banking	Consumer Banking	Treasury	Others	Inter-segment Eliminations	Total
	(Rupees in '000)						
Condensed Interim 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 assets							
- performing - net	116,944,943	53,658,495	49,804,159	-	2,454,777	-	222,862,374
- non-performing - net	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 and associated undertakings, key management personnel and Staff Retirement Funds.

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

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:

	June 30, 2022 (Un-audited)					December 31, 2021 (Audited)				
	Holding Company	Directors	Key management personnel	Others**	Total	Holding Company	Directors	Key management personnel	Others**	Total
	(Rupees in '000)									
Balances with other banks										
As at January 1	128,774	-	-	-	128,774	51,819	-	-	-	51,819
Deposited during the period / year	25,979,245	-	-	-	25,979,245	41,757,775	-	-	-	41,757,775
Withdrawals during the period / year	(26,097,883)	-	-	-	(26,097,883)	(41,680,820)	-	-	-	(41,680,820)
Closing balance	10,136	-	-	-	10,136	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	-	-	57,486	-	57,486	-	-	83,338	-	83,338
Payments during the period / year	-	-	(33,368)	-	(33,368)	-	-	(76,059)	-	(76,059)
Adjustments *	-	-	22,738	-	22,738	-	-	18,652	-	18,652
Closing balance	-	-	216,830	-	216,830	-	-	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	5,906,595	3,399	675,300	309,188	6,894,482	15,951,267	24,408	804,874	9,262,362	26,042,911
Withdrawals during the period / year	(5,905,564)	(6,642)	(601,159)	(177,715)	(6,691,080)	(16,006,181)	(26,056)	(795,644)	(9,641,093)	(26,468,974)
Adjustments *	-	-	612	-	612	-	(3,802)	3,794	-	(8)
Closing balance	88,285	3,462	185,603	1,187,561	1,464,911	87,254	6,705	110,850	1,056,088	1,260,897
Other Liability										
As at January 1,	-	-	20,620	-	20,620	-	-	12,900	-	12,900
Withheld during the period / year	-	-	16,256	-	16,256	-	-	12,020	-	12,020
Paid during the period / year	-	-	(8,307)	-	(8,307)	-	-	(4,300)	-	(4,300)
Adjustments *	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	28,569	-	28,569	-	-	20,620	-	20,620
Contingencies and commitments										
Foreign currency purchase contracts	6,572,652	-	-	-	6,572,652	6,058,663	-	-	-	6,058,663
Foreign currency sale contracts	6,572,652	-	-	-	6,572,652	6,058,663	-	-	-	6,058,663
Other guarantees	2,327	-	-	-	2,327	-	399,128	-	-	399,128
	June 30, 2022 (Un-audited)					June 30, 2021 (Un audited)				
	Holding Company	Directors	Key management personnel	Others**	Total	Holding Company	Directors	Key management personnel	Others**	Total
	(Rupees in '000)									
Transactions during the period										
Fees and allowances	-	4,225	5,415	-	9,640	-	6,363	5,583	-	11,946
Remuneration to key management personnel (Including bonus)	-	-	223,223	-	223,223	-	-	183,534	-	183,534
Profit earned on financings	-	-	4,825	-	4,825	-	-	3,542	-	3,542
Profit expensed on deposits	-	1	5,505	62,433	67,939	-	219	1,955	46,555	48,729
Profit expensed on other liability	-	-	1,156	-	1,156	-	-	558	-	558
Contribution made to gratuity fund	-	-	-	48,000	48,000	-	-	-	44,118	44,118
Contribution made to provident fund	-	-	-	65,594	65,594	-	-	-	60,462	60,462

* 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 June 30, 2022.

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

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

June 30, December 31,
2022 2021
(Un-audited) (Audited)
----- Rupees in '000 -----

Minimum Capital Requirement:

Paid-up capital

<u>11,652,288</u>	<u>11,652,288</u>
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Capital Adequacy Ratio:

Eligible Common Equity Tier I Capital

<div style="border: 1px solid black; padding: 2px;">28,305,465</div>	26,514,582
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Eligible Additional Tier I Capital

<div style="border: 1px solid black; padding: 2px;">3,120,000</div>	3,120,000
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Total Eligible Tier I Capital

31,425,465	29,634,582
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Eligible Tier II Capital

<div style="border: 1px solid black; padding: 2px;">6,898,463</div>	7,330,705
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Total Eligible Capital (Tier I + Tier II)

<div style="border: 1px solid black; padding: 2px;">38,323,928</div>	36,965,287
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Risk Weighted Assets:

Credit Risk

<div style="border: 1px solid black; padding: 2px;">231,877,050</div>	211,786,481
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Market Risk

<div style="border: 1px solid black; padding: 2px;">7,932,284</div>	210,919
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Operational Risk

<div style="border: 1px solid black; padding: 2px;">26,305,661</div>	26,305,661
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Total

<div style="border: 1px solid black; padding: 2px;">266,114,995</div>	238,303,061
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Common Equity Tier I Capital Adequacy Ratio

<div style="border: 1px solid black; padding: 2px;">10.64%</div>	11.13%
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Tier I Capital Adequacy Ratio

<div style="border: 1px solid black; padding: 2px;">11.81%</div>	12.44%
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Total Capital Adequacy Ratio

<div style="border: 1px solid black; padding: 2px;">14.40%</div>	15.51%
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Leverage Ratio:

Eligible Tier I Capital

31,425,465	29,634,582
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Total Exposures

<div style="border: 1px solid black; padding: 2px;">521,667,501</div>	425,221,999
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Leverage Ratio

<div style="border: 1px solid black; padding: 2px;">6.02%</div>	6.97%
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Liquidity Coverage Ratio:

Total High Quality Liquid Assets

86,234,043	78,831,848
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Total Net Cash Outflow

<div style="border: 1px solid black; padding: 2px;">68,445,069</div>	48,527,995
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Liquidity Coverage Ratio

<div style="border: 1px solid black; padding: 2px;">125.99%</div>	162.45%
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Net Stable Funding Ratio:

Total Available Stable Funding

278,491,576	234,218,377
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Total Required Stable Funding

<div style="border: 1px solid black; padding: 2px;">229,909,803</div>	189,869,716
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Net Stable Funding Ratio

<div style="border: 1px solid black; padding: 2px;">121.13%</div>	123.36%
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37 DATE OF AUTHORISATION FOR ISSUE

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

38 GENERAL

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

President & CEO

Chief Financial Officer

Director

Director

Director