

BUILDING TODAY SHAPING TOMORROW

QUARTERLY REPORT SEPTEMBER 2022



Summit **S** *Bank*
Committed to you

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CORPORATE INFORMATION

Board of Directors

Mr. Waseem Mehdi Syed
Chairman / Independent Director

Mr. Jawad Majid Khan
President & CEO / Executive Director

Mr. Wajahat Ahmed Baqai
Non-Executive Director

Mr. Zafar Iqbal Siddiqi
Non-Executive Director

Ms. Fauzia Hasnain
Independent Director

Mr. Salman Zafar Siddiqi
Executive Director

Board Audit Committee

Ms. Fauzia Hasnain
Chairperson

Mr. Wajahat Ahmed Baqai
Member

Mr. Zafar Iqbal Siddiqi
Member

Board Risk Management Committee

Mr. Wajahat Ahmed Baqai
Chairman

Ms. Fauzia Hasnain
Member

Mr. Zafar Iqbal Siddiqi
Member

Mr. Salman Zafar Siddiqi
Member

Board Human Resource & Remuneration Committee

Ms. Fauzia Hasnain
Chairperson

Mr. Zafar Iqbal Siddiqi
Member

Mr. Wajahat Ahmed Baqai
Member

Mr. Jawad Majid Khan
Member

Board Information Technology Committee

Mr. Zafar Iqbal Siddiqi
Chairman

Mr. Waseem Mehdi Syed
Member

Mr. Salman Zafar Siddiqi
Member

Board Compliance Committee

Mr. Wajahat Ahmed Baqai
Chairman

Mr. Waseem Mehdi Syed
Member

Mr. Zafar Iqbal Siddiqi
Member

Mr. Salman Zafar Siddiqi
Member

Shariah Board

Mufti Muhammad Najeeb Khan
Chairman

Mufti Irshad Ahmed Aijaz
Member

Dr. Noor Ahmed Shahtaz
Member

Mufti Bilal Ahmed Qazi
Member

Mufti Syed Zubair Hussain
Resident Shariah Board Member

Chief Financial Officer

Mr. Salman Zafar Siddiqi

Company Secretary

Syed Muhammad Talib Raza

Auditors

Baker Tilly Mehmoood Idrees Qamar
Chartered Accountants

Legal Advisors

Hyat & Meerjees

Share Registrar

THK Associates (Private) Limited
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D.H.A., Phase-VII, Karachi
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Fax : 021-35310190
Email : secretariat@thk.com.pk
Website : www.thk.com.pk

Head Office

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Registered Office

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Islamabad, Pakistan

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companysecretary@summitbank.com.pk
Website : www.summitbank.com.pk

VISION

To be the preferred
provider of financial products
& services to the markets



MISSION

- To be a financial institution based on trust, integrity and good governance
- To deliver financial solutions to our customers
- To provide equal opportunities & professional working environment to our employees
- To provide fair returns to our shareholders on their investment
- To serve the community at large
- To discharge corporate social responsibility



DIRECTORS' REVIEW

On behalf of the Board of Directors, we are pleased to present the Directors' Review of the Bank along with the un-audited condensed interim financial statements for the nine months' ended September 30, 2022.

THE BANK'S PERFORMANCE

The highlights of the financial results for the nine months' period ended September 30, 2022 are as follows:

	September 30, 2022
	Rupees in Millions
Financial Position	
Shareholders' Equity	(16,516)
Total Deposits	114,690
Total Assets	134,274
Advances – net	23,606
Investments – net	52,468
Financial Performance	
Net Interest Income and Non Mark-up Income (Total Income)	(719)
Non Mark-up Expenses	4,356
Provisions and write offs (net)	507
Loss before tax	(5,581)
Loss after tax	(1,995)
Basic and diluted loss per share - Rupee	(0.76)

During 2022, the increase in policy rate and record inflation made it difficult to curtail the operating losses at the same level as of last year. As a result, operational loss for the current period increased by 34% while the loss after tax increased by 25%. The Bank posted a loss after tax of Rs. 1.995 billion for the nine months' period ended September 30, 2022, as compared to Rs. 1.591 billion for the comparative period last year, translating into loss per share of Re. 0.76 as against a loss per share of Re. 0.60 for the comparative prior period.

Mark-up income for the nine months' period ended September 30, 2022 improved to Rs. 5.233 billion from Rs. 3.115 billion for the comparative prior period, improving by 68% as yields improved reflecting the repricing effect of the gradual increase in policy rates by SBP over the course of the last few months. In spite of the increase in policy rate of 5.25% in CY22 i.e. from 9.75% to 15.00%, the average cost of deposit was restricted to an increase of 2.2% only as compared to the same period last year.

Average net investments improved to Rs. 36.004 billion for the 9M'22, as against Rs. 32.542 billion during the same period last year. The composition of investments remained tilted towards government securities and on the back of gradual increase in discount rate, yields on investments improved to 12.25% during 9M'22, as against 6.82% during the same period last year, enabling the Bank to improve its income from investments by Rs. 1.462 billion.

On a year on year comparison, net yields on advances also improved, averaging at 8.93% as against 6.26% for the comparative prior period. The Bank's average net advances book reduced by Rs. 4.382 billion for the nine months' period ended September 30, 2022, averaging at Rs. 25.969 billion, while income from advances ended higher aggregating at Rs. 1.734 billion for the current period as against Rs. 1.422 billion for the comparative prior period.

Period end deposits reflected an increase of 5% over December 31, 2021 and closed at Rs. 114.690 billion. Achieving growth in current account base remained a key strategic objective for the Bank. Thereby, current deposits grew by 13% (Rs. 4.572 billion) to close at Rs. 38.782 billion; the Current Account mix also improved to 33.81% and non-remunerative to 35.84% as at September 30, 2022 as against 31.25% and 33.22% respectively as at December 31, 2021. The cost of deposits increased from 3.92% for the nine months' period ended September 30, 2021 to 6.15% largely due to the increase in overall interest rates and impact of minimum floor rate of return on savings deposits.

As the Bank capitalised on arbitrage opportunities, average borrowings levels increased by Rs. 2.790 billion from September 2021 with the overall costs of borrowing rising to 8.42% for the current period as against 3.76% for the comparative prior period.

Non-funded income reflected a decline of 6% over the corresponding period last year, primarily due to lower gains on securities in the absence of the opportunity to tap capital gains. However, this decline was offset by a healthy foreign exchange income of Rs. 618.598 million.

The Bank continued to prudently manage its operating expenses with a moderate increase of 10% despite high inflationary pressures, currency devaluation, rising commodity prices and performance based increments. The total non-mark up expenses were reported at Rs. 4.356 billion as against Rs. 3.956 billion for the comparative period.

The Bank recorded a net provision charge of Rs. 506.600 million for the period ended September 30, 2022 as against a net provisioning reversal of Rs. 1.459 billion for the comparative prior period.

The Bank's gross NPL ratio (Gross non-performing loans to Gross Advances) as of September 30, 2022 stood at 64.23% as against 61.89% on December 31, 2021, while the coverage ratio at September 30, 2022 improved to 90.99% (December 2021: 88.48%). At the September end, the Bank's gross advances to deposits ratio (Gross Advances to Total Deposits) stands at 49.55% as compared to 54.63% on December 31, 2021. As a strategy, the management is targeting reduction in risk based assets and deployment of funds in risk free GoP securities.

As at September 30, 2022, the Bank has deferred tax assets (net) of Rs. 20.139 billion. During the nine months of 2022, the Bank has further recognized deferred tax assets (net) of Rs. 3.462 billion mainly due to the effect of tax rate change for the banking sector in the Finance Bill 2022.

The management and the Board of Directors are hopeful that if the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve the projected improvement in business results and compliance with applicable regulatory requirements.

CREDIT RATING

In the year 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested SBP to allow an extension to complete the credit rating exercise by December 31, 2022. Moreover, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP). The TFC holders of the Bank in their meeting held on October 22, 2021, further approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts, with the revised maturity date set at October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules, regulations and requisite regulatory requirements in this regard.

ECONOMIC REVIEW

Recent floods have had enormous human and economic impacts. Pakistan experienced heavy monsoon rains in June 2022 leading to catastrophic and unprecedented flooding. Economic impacts are concentrated in the agricultural sector, with over 9.4 million acres of cultivated land destroyed, resulting in significant losses to crops. The Government faces a difficult policy challenge in supporting relief and recovery while maintaining progress towards macroeconomic stabilization.

Since the start of FY23, economic activity seems to have fallen to a lower growth path and is now expected to reach only around 2% in FY23.

During Jul-Aug FY2023, the current account deficit was recorded at USD 1.9 billion as against a deficit of USD 2.4 billion last year, mainly due to an increase in exports and contraction in imports. During Jul-Aug FY2023, exports increased to USD 4.7 billion (USD 4.6 billion last year). The total imports in Jul-Aug FY2023 decreased to USD 11.1 billion (USD 12.1 billion last year) as energy imports declined significantly and non-energy imports continued to moderate.

For the first time in seven years, the FY23 budget targets a primary surplus, on the back of significantly higher tax revenue. However, the increased expenditure needs and negative revenue impacts from flooding would adversely affect the fiscal consolidation.

CPI inflation is recorded at 26.1% during Jul-Aug FY2023 as against 8.4% in the same period last year. Along with an increase in international commodity prices, depreciation of the exchange rate against the USD and the recent floods have further amplified domestic inflation.

Pakistan's foreign exchange reserves have been on a decline since February with foreign exchange outflows outpacing the inflows. Despite having received the much awaited IMF tranche of USD 1.16 billion, the total liquid foreign exchange reserves stood at USD 13.6 billion on September 30, 2022, with the SBP's reserves recorded at USD 7.9 billion, while commercial banks' reserves remained at USD 5.7 billion.

SBP raised policy rate cumulatively by 525 bps in CY22 from 9.75% to 15.00% to cool down economic activities and to keep inflation expectations anchored.

Moody's Investor Service, in June 2022, initially downgraded Pakistan's rating outlook from stable to negative and subsequently in September 2022, have downgraded the government of Pakistan's sovereign credit rating to Caa1 from B3. The Caa1 rating reflects Moody's view that Pakistan will remain highly reliant on financing from multilateral partners and other creditors to meet its debt payments, in the absence of access to market financing at affordable costs.

FORWARD LOOKING STATEMENT

The Bank received a letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (Investor) in which the Investor had communicated his intention to acquire a controlling stake in the Bank by subscribing to fresh equity in the Bank which was followed by a Public Announcement of Intention (PAI) by the Investor to acquire at least 51% of the issued and paid up capital of the Bank together with the management control.

The Board of Directors considered and approved the offer received from the Investor following which the Share Subscription Agreement (SSA) was executed between the Bank and the Investor on October 04, 2021.

On expiry of time period for making a public announcement of offer (February 18, 2022), the Investor had submitted a revised PAI dated February 21, 2022 to acquire at least 51% of the issued and paid up capital of the Bank. The Investor continues to be fully committed to consummating the transaction.

The Bank further received a letter dated March 18, 2022 from the Investor informing the Bank about a Public Announcement of Offer (PAO) made to acquire 1,312,298,455 existing ordinary shares from the shareholders of the Bank at a price of Rs. 2.51 per share. The investor has also submitted irrevocable bank guarantees to the manager to the offer in this regard.

The Board of Directors in their meeting held on May 9, 2022 approved the inclusion of an investor in the consortium of the Acquirer subject to approval of the regulatory authorities and shareholders. The shareholders in the (Adjourned) Extra Ordinary General Meeting (EOGM) held on June 08, 2022 approved the consortium of Investors.

The Bank dispatched Subscription Entitlement Letters dated July 05, 2022 to its eligible minority shareholders inviting them to subscribe their respective shares in the Bank at the subscription price of Rs. 2.51 per share. As a result, 5,771 shares of the Bank have been subscribed by minority shareholders. The subscription by minority shareholders and the subsequent allotment of shares are subject to the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory approvals.

The Investor continues to be fully committed to consummating the transaction and has deposited Rs. 6 billion with the Bank which would later be transferred to the shares subscription account.

On consummation of the transaction, the Bank is fully prepared to capitalize on the business opportunities available in the market and will continue to focus on its strategy for long-term sustainable growth.

ACKNOWLEDGEMENT

On behalf of the Board, we would once again like to thank the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory authorities for their continuous guidance and support. At the same time, we would like to express our gratitude to our shareholders, our customers and the Bank's staff for their continued support.

Jawad Majid Khan
President and Chief Executive Officer

Fauzia Hasnain
Director

Summit Bank
October 25, 2022
Karachi

05 جولائی 2022ء کو بینک نے اپنے اہل اقلیتی شیئرز ہولڈرز کو سبسکرپشن انٹانگمنٹ لیٹرز بھیجے جس میں انہیں بینک میں اپنے متعلقہ حصص 2.51 روپے فی شیئر کی سبسکرپشن قیمت پر سبسکرائب کرنے کی دعوت دی گئی۔ اس کے نتیجے میں، بینک کے 5,771 حصص اقلیتی شیئرز ہولڈرز نے خریدے ہیں۔ اقلیتی شیئرز ہولڈرز کی سبسکرپشن اور اس کے بعد حصص کی الاٹمنٹ اسٹیٹ بینک آف پاکستان، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ضوابطی منظور یوں سے مشروط ہے۔

سرمایہ کارڈرانزیکشن کو مکمل کرنے کے لیے پوری طرح پر عزم ہے اور اس نے بینک میں 6 ارب روپے جمع کرائے ہیں جو بعد ازیں شیئرز سبسکرپشن اکاؤنٹ میں منتقل کیے جائیں گے۔

ٹرانزیکشن کی تکمیل پر، بینک مارکیٹ میں دستیاب کاروباری مواقع سے استفادے کے لیے مکمل طور پر تیار ہے اور طویل مدتی پائیدار ترقی کے لیے اپنی حکمت عملی پر توجہ مرکوز رکھے گا۔

تعاریف و توثیق

ہم، بورڈ کی جانب سے ایک بار پھر اسٹیٹ بینک آف پاکستان، سکیورٹیز اینڈ ایکسچینج کمیشن پاکستان، اور دیگر ضوابطی حکام کی مسلسل رہنمائی اور معاونت پر شکرگزار ہیں۔ نیز ہم مسلسل معاونت پر ہمارے شیئرز ہولڈرز، ہمارے صارفین اور بینک کے عملے کا شکریہ ادا کرنا چاہیں گے۔

قوزیہ حسین
ڈائریکٹر

جواد ماجد خان
صدر اور چیف ایگزیکٹو آفیسر

سٹ بینک
25 اکتوبر 2022ء
کراچی

جولائی تا اگست مالی سال 23ء کے دوران صارف اشاریہ قیمت (CPI) مہنگائی 26.1 فیصد درج کی گئی جبکہ گذشتہ برس کی اسی مدت میں یہ 8.4 فیصد تھی۔ بین الاقوامی اجناس کی قیمتوں میں اضافے کے ساتھ ساتھ، ڈالر کے مقابلے میں شرح مبادلہ کی قدر میں کمی اور حالیہ سیلاب نے ملکی مہنگائی کو مزید بڑھا دیا ہے۔

فروری کے بعد سے پاکستان کے زرمبادلہ کے ذخائر کی کمی کا شکار ہیں جب کہ زرمبادلہ کا اخراج رقم کی آمد سے زیادہ ہے۔ آئی ایم ایف کی طویل عرصے سے متوقع 1.16 ارب ڈالر کی قسط موصول ہونے کے باوجود، 30 ستمبر 2022ء کو زرمبادلہ کے کل سیال ذخائر 13.6 ارب ڈالر تھے، اسٹیٹ بینک کے ذخائر 7.9 ارب ڈالر درج کیے گئے، جبکہ کمرشل بینکوں کے ذخائر 5.7 ارب ڈالر ہے۔

اسٹیٹ بینک نے اقتصادی سرگرمیوں کو تقویت دینے اور مہنگائی کی توقعات کو مستحکم رکھنے کے لیے 2022ء میں پالیسی ریٹ کو مجموعی طور پر 525 پی بی ایس تک بڑھا کر 9.75 فیصد سے 15.00 فیصد کر دیا۔

جون 2022ء میں موڈیز انوسٹمنٹس نے، ابتدائی طور پر پاکستان کی ریٹنگ کے منظر نامے کو مستحکم سے منفی کر دیا نیز بعد ازاں ستمبر 2022ء میں حکومت پاکستان کی ریٹنگ کرڈٹ ریٹنگ کو پی 3 سے گھٹا کر پی 1 کر دیا۔ اے اے 1 کی درجہ بندی موڈیز کے اس نظریے کی عکاسی کرتی ہے کہ پاکستان سستی لاگتوں پر قرضہ منڈی تک رسائی کی عدم موجودگی میں اپنے قرضوں کی ادائیگیوں کو پورا کرنے کے لیے کثیر جتنی شراکت داروں اور دیگر قرض دہندگان سے قرضوں پر بہت زیادہ انحصار کرے گا۔

پیش بینی بنیاد

20 مئی 2021ء کو ایچ ای ٹی انصر عبداللہ حسین لوط (سرمایہ کار) کی جانب سے بینک کو ایک مراسلہ موصول ہوا جس میں سرمایہ کار نے بینک میں تازہ سیالٹ سبسکرائب کر کے بینک کے کنٹرولنگ اختیار حاصل کرنے کے ارادے کا اظہار کیا، جس کے بارے میں بعد میں سرمایہ کار کی جانب سے انتظامی کنٹرول کے ساتھ بینک کے کم از کم 51 فیصد جاری کردہ اور ادا شدہ سرمائے کے حوالے سے اظہار و تجویز عام (Intention of Announcement Public) کیا گیا۔

بورڈ آف ڈائریکٹرز نے سرمایہ کار کی جانب سے موصول ہونے والی پیشکش پر غور کیا اور اسے منظور کیا اور اسے بعد 10 اکتوبر 2021ء کو بینک اور سرمایہ کار کے درمیان شیئر سبسکرائبیشن ایگریمنٹ (SSA) پر عمل درآمد ہوا۔

پیشکش کے عوامی اعلان کی مدت (18 فروری 2022ء) ختم ہونے پر سرمایہ کار نے بینک کے جاری کردہ اور ادا شدہ سرمائے کا کم از کم 51 فیصد حاصل کرنے کے لیے 21 فروری 2022ء کو نظر ثانی شدہ پی اے آئی جمع کرایا تھا۔ سرمایہ کار لین دین کو مکمل کرنے کے لیے پوری طرح پر عزم ہیں۔

18 مارچ 2022ء کو بینک نے سرمایہ کار کی جانب سے مزید ایک مراسلہ موصول کیا جس میں بینک کے شیئر ہولڈرز سے 1,312,298,455 روپے کے موجودہ عام حصص کی قیمت پر حاصل کرنے کے لیے کیے گئے عوامی اعلان (PAO) کے بارے میں بینک کو مطلع کیا گیا۔ سرمایہ کار نے شیئر کو ناقابل واپسی بینک گاڑی بھی پیش کی ہے۔

بورڈ آف ڈائریکٹرز نے 09 مئی 2022ء کو منعقدہ اپنی میٹنگ میں ایک سرمایہ کار کو ایکویٹرز کے کنسورٹیم میں شامل کرنے کی منظوری دی جس کے تحت ضوابطی حکام اور شیئر ہولڈرز سے مطلوبہ منظوری حاصل کی جائے گی۔ 08 ستمبر 2022ء کو منعقدہ (ملٹوی) غیر معمولی جنرل میٹنگ (EOGM) میں شیئر ہولڈرز نے سرمایہ کار کے کنسورٹیم کی منظوری دی۔

30 ستمبر 2022ء تک، بینک کے پاس 20.139 ارب روپے کے موثر ٹیکس اثاثے (خالص) موجود ہیں۔ 2022ء کے نو مہینوں کے دوران، بینک نے مزید 3.462 ارب روپے کے موثر ٹیکس اثاثوں (خالص) کو تسلیم کیا ہے جس کی بنیادی وجہ فنانس بل 2022ء میں بینکاری شعبے کے لیے ٹیکس کی شرح میں تبدیلی کے اثرات تھے۔

انتظامیہ اور یورڈ آف ڈائریکٹرز پر امید ہیں کہ اگر کاروباری منصوبہ میں متعین ترقی کے عوامل اور دیگر کلیدی مفروضے پورے ہو جاتے ہیں، تو بینک کاروباری نتائج میں متوقع بہتری اور قابل اطلاق حوالیہ تقاضوں کی تعمیل کرنے میں کامیاب ہو جائے گا۔

کریڈٹ ریٹنگ

2019ء کے دوران، وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے بینک کی درمیانی تا طویل مدتی ریٹنگ 'بی بی -' (ٹرین بی مائنس) اور قلیل مدتی ریٹنگ 'اے-3' (اے-تھری) تازہ ترین معلومات کی عدم دستیابی کی وجہ سے معطل کر دی۔ بینک نے وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ کے ساتھ درجہ بندی کا عمل شروع کیا ہے اور اسٹیٹ بینک سے درخواست کی ہے کہ وہ 31 دسمبر 2022ء تک کریڈٹ ریٹنگ کی مشق کو مکمل کرنے کے لیے توسیع کی اجازت دے۔ مزید برآں، بینک کی ٹی ایف سی ریٹنگ کوڈی (ذیلیات) ترمیمیض کیا گیا تھا کیونکہ کمپنی نے اسٹیٹ بینک آف پاکستان کے قابل اطلاق حوالیہ کے تحت بینک کی لاک ان دفعہ کے حوالے سے اپنی تازہ ترین سوڈی ادائیگی نہیں کی تھی۔ بینک کی ٹی ایف سی ہولڈرز نے 22 اکتوبر 2021ء کو ہونے والی اپنی میٹنگ میں ٹی ایف سی ایٹو کی مدت میں مزید ایک سال کی توسیع کی منظوری دی اور ساتھ ہی تمام انفاک کی رقم کی ادائیگیوں میں توسیع کے ساتھ عرصیت کی نظر ثانی شدہ تاریخ 27 اکتوبر 2022ء مقرر کی۔ بینک اس وقت تمام قابل اطلاق قوانین، قواعد و ضوابط اور اس سلسلے میں مطلوب حوالیہ تقاضوں کی تعمیل کو یقینی بنانے کے لیے مصروف عمل ہے۔

اقتصادی جائزہ

حالیہ سیلاب نے بہت زیادہ انسانی اور معاشی اثرات مرتب کیے۔ جون 2022ء میں پاکستان کو مون سون کی شدید بارشوں کا سامنا رہا جس کی وجہ سے تباہ کن اور شدید سیلاب آیا۔ 9.4 ملین ایکڑ سے زائد کاشت شدہ اراضی کی تباہی، جس کے نتیجے میں فصلوں کو نمایاں نقصان پہنچا ہے، کے ساتھ اس سیلاب کے معاشی اثرات زریعے پر مرکوز ہیں۔ حکومت کو کئی معاشی استحکام کی جانب پیشرفت کو برقرار رکھنے ہونے اور امداد و بحالی کی کوششوں میں دشوار پالیسی چیلنج کا سامنا ہے۔

مالی سال 23ء کے آغاز کے بعد سے، ایسا لگتا ہے کہ اقتصادی سرگرمی پست نمونگی راہ پر آگئی ہے اور اب مالی سال 23ء کے دوران اس کے صرف 2 فیصد تک پہنچنے کی توقع ہے۔

جولائی تا اگست مالی سال 2023ء کے دوران، جاری کھاتے کا خسارہ 1.9 ارب ڈالر درج کیا گیا جو گذشتہ برس 2.4 ارب ڈالر تھا، جس کی بنیادی وجہ برآمدات میں اضافہ اور درآمدات میں کمی ہے۔ جولائی تا اگست مالی سال 2023ء کے دوران برآمدات بڑھ کر 4.7 ارب ڈالر (گذشتہ برس 4.6 ارب ڈالر) ہو گئیں۔ جولائی تا اگست مالی سال 2023ء میں کل درآمدات کم ہو کر 11.1 ارب ڈالر (گذشتہ برس 12.1 ارب ڈالر) رہ گئیں، کیونکہ توانائی کی درآمدات میں نمایاں کمی آئی اور غیر توانائی کی درآمدات معتدل رہیں۔

سات برسوں میں پہلی بار نمایاں طور پر بلند ٹیکس حاصل کی وجہ سے مالی سال 23ء کے بجٹ میں بنیادی فاضل کا بھد رکھا گیا ہے۔ تاہم، اخراجات کی بڑھتی ہوئی ضروریات اور سیلاب سے آمدنی کے منفی اثرات مالی استحکام کو بری طرح متاثر کریں گے۔

2022ء کے نو مہینوں کے دوران اوسط خالص سرمایہ کاری بڑھ کر 36.004 ارب روپے ہو گئی جبکہ گزشتہ برس کی اسی مدت کے دوران 32.542 ارب روپے تھے۔ سرمایہ کاریوں کا جھکاؤ سرمایہ کاری کی طرف رہا اور ڈسکونٹ کی شرح میں بتدریج اضافے کی وجہ سے، 2022ء کے نو مہینوں کے دوران سرمایہ کاری پر یافتہ بہتر ہو کر 12.25 فیصد ہو گئی، جو کہ گزشتہ برس کی اسی مدت کے دوران 6.82 فیصد تھی، جس کے باعث بینک 1.462 ارب روپے کی سرمایہ کاری سے اپنی آمدنی کو بہتر بنانے کے قابل ہو گیا۔

سال بسال موازنے کے لحاظ سے ایڈوانسز پر خالص یافتہ بھی بڑھ کر اوسطاً 8.93 فیصد ہو گئی جبکہ گزشتہ برس کی اسی مدت میں 6.26 فیصد تھی۔ 30 ستمبر 2022ء کو ختم ہونے والی نو مہینوں کی مدت کے دوران بینک کی اوسط خالص ایڈوانسز کی بک 4.382 ارب روپے کی کمی سے گھٹ کر اوسطاً 25.969 ارب روپے ہو گئی، جبکہ موجودہ مدت کے لیے ایڈوانسز سے ہونے والی آمدنی 11.734 ارب روپے ہو گئی جو گزشتہ برس کی اسی مدت کے دوران 11.422 ارب روپے تھی۔

31 دسمبر 2021ء سے اختتام مدت کے ذخائر میں 5 فیصد اضافے کی عکاسی ہوئی اور وہ بڑھ کر 114.690 ارب روپے ہو گئے۔ جاری کھاتے کی اساس میں نمو کا حصول بینک کے لیے ایک اہم اسٹریٹجک مقصد رہا۔ چنانچہ، موجودہ ذخائر 13 فیصد اضافے سے (2.457 ارب روپے) بڑھ کر 38.782 ہو گئے؛ 30 ستمبر 2022ء کے دوران جاری کھاتے کا آمیزہ بڑھ کر 33.81 فیصد ہو گیا اور غیر مالی (remunerative-non) بڑھ کر 35.84 فیصد ہو گیا جبکہ 31 دسمبر 2021ء کو بالترتیب 31.25 فیصد اور 33.22 فیصد تھا۔ 30 ستمبر 2021ء کو اختتام پزیر ہونے والے نو مہینوں کے دوران ڈپازٹس کی لاگت 3.92 فیصد تھی جو رواں مدت میں بڑھ کر 6.15 ہو گئی، جس کی وجہ سے مجموعی شرح سود میں اضافہ اور سیولگ ڈپازٹس پر منافعوں کی کم از کم زریں شرح کے اثرات ہیں۔

جیسا کہ بینک نے ثالثی مواقع سے استفادہ کیا، اوسط قرض گیری کی سطح میں ستمبر 2021ء کے مقابلے میں 2.790 ارب روپے کا اضافہ ہوا نیز موجودہ مدت کے دوران قرض گیری کی مجموعی لاگت 8.42 فیصد تک بڑھ گئی ہے جبکہ سابقہ تقابلی مدت کے دوران یہ 3.76 فیصد تھی۔

نان فنڈ ڈامنی میں گزشتہ برس کی اسی مدت کے مقابلے میں 6 فیصد کمی کی عکاسی ہوتی ہے، جس کی بنیادی وجہ سرمائے کے فوائد کو استعمال کرنے کے مواقع کی عدم موجودگی میں ترسکات پر ملنے والے پست فوائد تھے۔ تاہم، اس کی 618.598 ملین روپے کی بھر پور زرمبادلہ آمدنی سے پورا کیا گیا۔

مہنگائی کے دباؤ، کرنسی کی قدر میں کمی، اجناس کی بڑھتی ہوئی قیمتوں اور کارکردگی کی بنیاد پر انسانی سرمائے میں ردوبدل کے باوجود بینک اپنے آپریٹنگ اخراجات کو 10 فیصد کے معتدل اضافے کے ساتھ سمجھداری سے سنبھالتا رہا۔ مجموعی غیر سودی اخراجات 4.356 ارب روپے درج کیے گئے جبکہ تقابلی مدت کے دوران یہ 3.956 ارب روپے تھے۔

ستمبر 2022ء کو ختم ہونے والی مدت کے دوران بینک نے 506.600 ملین روپے کی خالص تنوین درج کی جبکہ گزشتہ برس کی اسی مدت کے دوران 1.459 ارب روپے کی خالص تنوینی اسٹریٹجی کا اجرا کیا گیا تھا۔

30 ستمبر 2022ء تک بینک کے مجموعی غیر فعال قرضوں کا تناسب (مجموعی ایڈوانسز اور مجموعی غیر فعال قرضے) 64.23 فیصد رہا جبکہ 31 دسمبر 2021ء کو یہ 61.89 فیصد تھا، نیز، 30 ستمبر 2022ء کو کوٹریج کا تناسب بہتر ہو کر 90.99 فیصد ہو گیا (2021ء 88.48 فیصد)۔ ستمبر کے اختتام پر، بینک کے مجموعی ایڈوانسز اور اثاثوں کا تناسب (مجموعی ایڈوانسز اور مجموعی اثاثیں) 49.55 فیصد رہا جبکہ 31 دسمبر 2021ء کو یہ 54.63 فیصد تھا۔ حکمت عملی کے طور پر، انتظامیہ کا ہدف ہے کہ خطرے پر مبنی اثاثوں میں کمی اور خطرے سے پاک حکومتی ترسکات میں رقوم کا استعمال کیا جائے۔

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے، ہم بینک کے 30 ستمبر 2022ء کو اختتام پذیر ہونے والے نوٹمینیوں کے لیے ڈائریکٹرز کا جائزہ اور غیر آڈٹ شدہ جامع عبوری مالی گوشوارے پیش کرتے ہوئے مسرور ہیں:

بینک کی کارکردگی

30 ستمبر 2022ء کو اختتام پذیر ہونے والے نوٹمینیوں کے لیے بینک کے مالی نتائج کی جھلکیاں مندرجہ ذیل ہیں:

30 ستمبر 2022ء	مالی صورت حال
ملین روپے	شیرت ہولڈرز کی ایکویٹی
(16,516)	مجموعی اثاثیں
114,690	مجموعی اثاثے
134,274	ایڈوانس - خالص
23,606	سرمایہ کاریاں - خالص
52,468	
	مالی کارکردگی
(719)	خالص سودی آمدنی اور غیر سودی آمدنی (مجموعی آمدنی)
4,356	غیر سودی اخراجات
507	پروویژنز اور رائٹ آفس (نیٹ)
(5,581)	خسارہ نقل ادائیگی
(1,995)	خسارہ بعد از ٹیکس
(0.76)	خسارہ فی شیرت بنیادی اور سہال (diluted) - روپے

2022ء کے دوران پالیسی کی شرح میں اضافے اور ہنگامی کی ریکارڈ شرح کی وجہ سے آپریٹنگ نقصانات کو گزشتہ برس کی سطح کے مطابق کم کرنا مشکل ہو گیا۔ نتیجتاً، موجودہ مدت کے دوران آپریٹنگ نقصان میں 34 فیصد اضافہ ہو گیا جبکہ بعد از ٹیکس خسارے میں 25 فیصد اضافہ ہوا۔ 30 ستمبر 2022ء کو ختم ہونے والی نوٹمینیوں کی مدت کے لیے بینک 1.9955 ارب روپے کا بعد از ٹیکس خسارہ ہوا جبکہ گزشتہ برس کی تقابلی مدت کے دوران 1.591 ارب روپے کا خسارہ ہوا تھا، جس کے باعث دوران مدت خسارہ فی شیرت 0.76 ہو گیا جبکہ سابقہ تقابلی مدت کے دوران یہ 0.60 فی شیرت تھا۔

30 ستمبر 2022ء کو ختم ہونے والی نوٹمینیوں کی مدت کے لیے سودی آمدنی 68 فیصد بہتری کے ساتھ بڑھ کر 233.5 ارب روپے ہو گئی جبکہ سابقہ تقابلی مدت کے دوران یہ 3.115 ارب، جس کی وجہ یافتوں میں بہتری تھی، جو ایس بی پی کی جانب سے گزشتہ چند کمپنیوں کے دوران پالیسی پریش میں ہونے والے بتدریج اضافے کو قیمت بندی کے اثر کی عکاس کرتی ہیں۔ 2022ء میں پالیسی ریٹ میں 5.25 فیصد اضافے یعنی 9.75 فیصد سے بڑھا کر 15.00 فیصد تک لے جانے کے باوجود، ڈپازٹ کی اوسط لاگت گزشتہ برس کی اسی مدت کے مقابلے میں صرف 2.2 فیصد اضافے تک محدود رہی۔

**UNCONSOLIDATED
CONDENSED INTERIM
FINANCIAL STATEMENTS
(UN-AUDITED)**

**FOR THE NINE MONTHS
PERIOD ENDED
SEPTEMBER 30, 2022**

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

		(Un-audited) September 30, 2022	(Audited) December 31, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks	6	14,495,351	14,415,006
Balances with other banks	7	1,171,754	1,092,288
Lendings to financial institutions	8	642,991	298,931
Investments	9	52,468,399	31,133,345
Advances	10	23,606,245	27,043,728
Fixed assets	11	10,741,451	10,917,257
Intangible assets	12	144,142	137,586
Deferred tax assets	13	20,138,742	16,676,625
Other assets	14	10,865,168	10,301,246
		134,274,243	112,016,012
LIABILITIES			
Bills payable	16	1,759,654	2,071,048
Borrowings	17	25,191,888	6,922,040
Deposits and other accounts	18	114,690,254	109,483,658
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	7,652,735	6,446,900
		150,790,046	126,419,161
NET ASSETS		(16,515,803)	(14,403,149)
REPRESENTED BY			
Share capital - net		20,500,194	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	21	4,089,106	4,298,053
Accumulated losses		(40,680,060)	(38,776,353)
		(16,515,803)	(14,403,149)
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Quarter Ended		Nine Months Period Ended		
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	
Note	(Rupees in '000)				
Mark-up / return / interest earned	23	2,379,484	1,151,268	5,232,702	3,115,268
Mark-up / return / interest expensed	24	3,097,192	1,425,476	6,936,394	3,985,303
Net Mark-up / interest expense		(717,708)	(274,208)	(1,703,692)	(870,035)
NON MARK-UP / INTEREST INCOME					
Fee and commission income	25	113,777	103,673	333,145	340,410
Dividend income		4,575	-	6,375	21,009
Foreign exchange income		323,174	70,450	618,598	139,580
Income / (loss) from derivatives		-	-	-	-
Gain on securities	26	4,172	9,548	14,740	490,359
Other income	27	3,240	13,456	12,034	56,115
Total non-markup / interest income		448,938	197,127	984,892	1,047,473
Total income		(268,770)	(77,081)	(718,800)	177,438
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	28	1,549,664	1,372,170	4,354,587	3,952,353
Workers' Welfare Fund		-	-	-	-
Other charges	29	916	115	923	4,075
Total non-markup / interest expenses		1,550,580	1,372,285	4,355,510	3,956,428
Loss before provisions		(1,819,350)	(1,449,366)	(5,074,310)	(3,778,990)
Provisions / (reversals) and write offs - net Extra ordinary / unusual items	30	267,537	(1,103,326)	506,600	(1,459,166)
LOSS BEFORE TAXATION		(2,086,887)	(346,040)	(5,580,910)	(2,319,824)
Taxation	31	(764,609)	(95,575)	(3,586,269)	(728,895)
LOSS AFTER TAXATION		(1,322,278)	(250,465)	(1,994,641)	(1,590,929)
(Rupee)					
Basic loss per share	32	(0.51)	(0.09)	(0.76)	(0.60)
Diluted loss per share	32	(0.51)	(0.09)	(0.76)	(0.60)

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Quarter ended		Nine Months Period Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----			
Loss after taxation for the period	(1,322,278)	(250,465)	(1,994,641)	(1,590,929)
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	30,977	(98,447)	48,285	(285,389)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain on defined benefit obligations	-	-	-	12,140
Movement in surplus on revaluation of operating fixed assets - net of tax	9,845	8,848	(92,683)	26,977
Movement in surplus on revaluation of non-banking assets - net of tax	1,975	1,322	(27,184)	15,385
Movement in surplus on revaluation of held for sale property - net of tax	-	-	(46,431)	-
	11,820	10,170	(166,298)	54,502
Total comprehensive loss	(1,279,481)	(338,742)	(2,112,654)	(1,821,816)

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Share capital		Capital reserves		Surplus / (deficit) on revaluation of			Revenue reserve		Total
	Share premium	Statutory reserve	Reserve arising on amalgamation	Investments	Fixed / Non banking assets	Property held for sale	Accumulated losses	Revenue reserve		
	(Rupees in '000)									
Balance as at January 01, 2021 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	511,688	3,546,085	754,510	(36,074,905)	(11,187,471)	
Loss after taxation for nine months period ended September 30, 2021	-	-	-	-	-	-	-	(1,590,929)	(1,590,929)	
Other comprehensive income - net of tax	-	-	-	(285,389)	-	42,362	-	12,140	(230,887)	
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	(77,075)	-	-	77,075	-	
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(43,960)	-	43,960	-	
Balance as at October 01, 2021 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	226,999	3,467,412	754,510	(37,532,659)	(13,009,287)	
Loss after taxation for three months period ended December 31, 2021	-	-	-	-	-	-	-	(1,295,995)	(1,295,995)	
Other comprehensive income - net of tax	-	-	-	(179,691)	-	58,556	-	23,268	(97,867)	
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(25,253)	-	25,253	-	
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(3,780)	-	3,780	-	
Balance as at January 01, 2022 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	46,608	3,496,935	754,510	(38,776,353)	(14,403,149)	
Loss after taxation for nine months period ended September 30, 2022	-	-	-	-	-	-	-	(1,994,641)	(1,994,641)	
Other comprehensive income - net of tax	-	-	-	48,285	-	(119,867)	(46,431)	-	(118,013)	
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(75,755)	-	75,755	-	
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(15,179)	-	15,179	-	
Balance as at September 30, 2022 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	94,893	3,286,134	708,079	(40,680,060)	(16,515,803)	

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	September 30, 2022	September 30, 2021
Note	(Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(5,580,910)	(2,319,824)
Less: Dividend income	(6,375)	(21,009)
	<u>(5,587,285)</u>	<u>(2,340,833)</u>
Adjustments:		
Depreciation on fixed assets	343,540	366,568
Depreciation on right-of-use assets	448,282	405,082
Depreciation on non-banking assets	45,631	73,777
Finance cost of lease liability	294,693	268,313
Amortization	17,383	24,032
Provision / (reversals) and write-offs excluding recoveries	507,220	(1,456,735)
Loss / (gain) on forward exchange contracts	189,355	(67,042)
Charge for defined benefit plan	57,179	55,787
Charge for employees compensated absences	13,835	6,234
Gain on sale of fixed assets	(10,071)	(15,615)
Loss on termination of lease (IFRS 16)	6,572	-
Loss on sale of non banking assets	431	-
	<u>1,914,050</u>	<u>(339,599)</u>
	<u>(3,673,235)</u>	<u>(2,680,432)</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	(344,060)	(900,000)
Advances	2,965,563	3,388,269
Others assets (excluding advance taxation)	(669,572)	218,174
	<u>1,951,931</u>	<u>2,706,443</u>
(Decrease) / increase in operating liabilities		
Bills payable	(311,394)	(541,932)
Borrowings from financial institutions	18,272,824	13,029,474
Deposits	5,206,596	4,268,246
Other liabilities (excluding current taxation)	830,413	(5,676)
	<u>23,998,439</u>	<u>16,750,112</u>
Payment on account of staff retirement benefits	(61,000)	(106,391)
Income tax paid	(49,116)	(52,988)
Net cash generated from operating activities	<u>22,167,019</u>	<u>16,616,744</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(21,277,860)	(14,635,120)
Dividends received	2,400	21,009
Investments in operating fixed assets	(83,029)	(324,797)
Investments in intangible assets	(23,939)	(52,159)
Proceeds from sale of fixed assets	11,283	17,070
Proceeds from sale of non-banking assets	45,803	-
Net cash used in investing activities	<u>(21,325,342)</u>	<u>(14,973,997)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(678,890)	(548,816)
Net cash used in financing activities	<u>(678,890)</u>	<u>(548,816)</u>
Effect of exchange rate changes on cash and cash equivalents	766,483	175,581
Increase in cash and cash equivalents	<u>929,270</u>	<u>1,269,512</u>
Cash and cash equivalents at beginning of the period	14,710,430	12,716,496
Cash and cash equivalents at end of the period	<u>33</u> <u>15,639,700</u>	<u>13,986,008</u>

The annexed notes 1 to 39 form an integral part of these unconsolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

I. STATUS AND NATURE OF BUSINESS

1.1 Summit Bank Limited (the Bank) is a banking company incorporated in Pakistan on December 09, 2005 as public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan. The Bank is a subsidiary of Suroor Investments Limited, a company incorporated in Mauritius, holding 66.77% of the issued, subscribed and paid up capital of the Bank as at September 30, 2022.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 179 Conventional Banking Branches and 14 Islamic Banking Branches (December 31, 2021: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962.

1.2 In the year 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested SBP to allow an extension to complete the credit rating exercise by December 31, 2022. Moreover, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP). The TFC holders of the Bank in their meeting held on October 22, 2021, further approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts, with the revised maturity date set at October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules, regulations and requisite regulatory requirements in this regard.

1.3 During the nine months ended, the Bank has incurred a net loss of Rs. 1,994.641 million resulting in accumulated losses of Rs. 40,680.060 million and negative equity of Rs. 16,515.803 million. As per the applicable laws and regulations, the Bank is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of September 30, 2022. However, the paid up capital of the Bank (net of losses), CAR and LR are negative.

The Bank is making best efforts to comply with applicable capital requirements through increase in capital / capital injection at the earliest. For this, the management has prepared a business plan, which has been approved by the Board.

This plan aims to improve the Bank's capital base and risk absorption capacity and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Bank will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Bank;
- Identifying opportunities for rationalization of the cost structure;

- Improvement in the risk management and technological infrastructure of the Bank to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark up income and non-mark up income.

The Bank received a letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (Investor) in which the Investor had communicated his intention to acquire a controlling stake in the Bank by subscribing to fresh equity in the Bank which was followed by a Public Announcement of Intention (PAI) by the Investor to acquire at least 51% of the issued and paid up capital of the Bank together with the management control.

The Investor submitted his offer via a letter dated October 01, 2021 and as per the Share Subscription Agreement (SSA) dated October 04, 2021 entered between the Bank and the Investor for the proposed subscription of new ordinary shares in the Bank by way of fresh equity injection Without Rights Offering at a discounted price of Rs. 2.51 per share. The Investor presented the offer as set out in the Share Subscription Agreement which was duly approved by the Board of Directors. The Bank intends to issue total 5,976.096 million new ordinary shares.

On expiry of time period for making a public announcement of offer (February 18, 2022), the Investor had submitted a revised PAI dated February 21, 2022 to acquire at least 51% of the issued and paid up capital of the Bank.

The Bank further received a letter dated March 18, 2022 from the Investor informing the Bank about a Public Announcement of Offer (PAO) made to acquire 1,312,298,455 existing ordinary shares from the shareholders of the Bank at a price of Rs. 2.51 per share subject to a minimum level of acceptance of 35% of remaining voting shares outstanding as on the last date of PAO. The investor has also submitted irrevocable bank guarantees to the manager to the offer in this regard.

The Investor, via a letter dated April 28, 2022 shared with the Bank on May 06, 2022, disclosed the inclusion of Mr. Salman Iqbal in the consortium to acquire the Bank with an intention to subscribe to such number of shares which would enable him to become a maximum of 25% shareholder in the Bank. The Board of Directors in their meeting held on May 09, 2022 approved the inclusion of Mr. Salman Iqbal in the consortium of the Acquirer subject to obtaining the requisite approval from the regulatory authorities and shareholders. The shareholders in the (Adjourned) Extra Ordinary General Meeting (EOGM) held on June 08, 2022 approved the inclusion of Mr. Salman Iqbal in the consortium of the Investor.

The Bank dispatched Subscription Entitlement Letters dated July 05, 2022 to its eligible minority shareholders inviting them to subscribe their respective shares in the Bank at the subscription price of Rs. 2.51 per share. As a result, 5,771 shares of the Bank have been subscribed by minority shareholders. The subscription by minority shareholders and the subsequent allotment of shares are subject to the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory approvals.

The Investor continues to be fully committed to consummating the transaction and has deposited Rs. 6 billion with the Bank which would later be transferred to the shares subscription account.

The management and the Board of Directors are hopeful that with the capital injection along with the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve compliance with applicable regulatory requirements.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (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 Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. The SBP vide BPRD Circular No. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' for banks through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Moreover, the SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and has directed banks having asset size of less than Rs. 500 billion to implement IFRS 9 'Financial Instruments' with effect from January 01, 2024 vide BPRD Circular Letter No. 03 of 2022 dated July 05, 2022. The SBP is in process of issuing revised reporting formats for interim financial reporting following the implementation of IFRS 9. These are currently in draft form and are yet to be notified.

Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

These unconsolidated condensed interim financial statements represent separate financial statements of Summit Bank Limited in which investment in subsidiary are accounted for on the basis of direct equity interest rather than on the basis of reported results. Accordingly, the consolidated condensed interim financial statements have been presented separately.

- 2.2** Key financial figures of the Islamic banking branches are disclosed in Note 38 to these unconsolidated condensed interim financial statements.
- 2.3** The disclosures made in these unconsolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required for annual unconsolidated financial statements and should be read in conjunction with the unconsolidated financial statements for the year ended December 31, 2021.
- 2.4 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period**

There are certain amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2022. These are considered either not to be relevant or not to have any significant impact on the Bank's unconsolidated condensed interim financial statements.

2.5 Standards, interpretations of and amendments to existing accounting and reporting standards that are not yet effective

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for the accounting periods as stated below:

<u>Standard, Interpretation or Amendment</u>	<u>Effective date (annual periods beginning on or after)</u>
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	January 01, 2023
Definition of Accounting estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
Sale or contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	January 01, 2023

2.6 Critical accounting estimates and judgments

The basis for accounting estimates adopted in the preparation of these unconsolidated condensed interim financial statements is the same as that applied in the preparation of the unconsolidated financial statements for the year ended December 31, 2021.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated condensed interim financial statements have been prepared under the historical cost convention except that certain operating fixed assets and non banking assets in satisfaction of claims are stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value and defined benefit obligations which are carried at present value.

3.2 Functional and Presentation Currency

These unconsolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the unconsolidated 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 unconsolidated financial statements for the year ended December 31, 2021.

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

6. CASH AND BALANCES WITH TREASURY BANKS

In hand

Local currency	4,454,164	4,435,269
Foreign currency	471,470	565,956
	4,925,634	5,001,225

With State Bank of Pakistan in

Local currency current account	7,041,631	6,966,624
Foreign currency current account	609,510	518,597
Foreign currency deposit account	1,027,425	875,136
	8,678,566	8,360,357

With National Bank of Pakistan in Local currency current account	880,298	959,344
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Prize bonds	10,853	94,080
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14,495,351	14,415,006
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7. BALANCES WITH OTHER BANKS

In Pakistan

In current account	9,691	20,641
In deposit account	5,738	5,391
	15,429	26,032

Outside Pakistan

In current account	1,097,841	1,022,128
In deposit account	58,484	44,128
	1,156,325	1,066,256

1,171,754	1,092,288
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8. LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)	642,991	298,931
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Less: provision held against Lendings to Financial Institutions	-	-
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Lendings to Financial Institutions - net of provision	642,991	298,931
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9. INVESTMENTS

9.1 Investments by type:	September 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								
- Market Treasury Bills	18,312,362	-	5,325	18,317,687	13,879,696	-	(42,183)	13,837,513
- Pakistan Investment Bonds	16,866,126	-	(24,926)	16,841,200	8,502	-	(173)	8,329
- GoP Ijarah Sukuks	13,987,945	-	(29,195)	13,958,750	13,985,092	-	(65,242)	13,919,850
Shares								
- Fully paid up ordinary shares - Listed	2,588,043	(2,175,221)	244,117	656,939	2,588,043	(2,133,273)	274,127	728,897
- Fully paid up ordinary shares - Unlisted	2,830	(1,000)	-	1,830	2,830	(1,000)	-	1,830
- Preference shares - Unlisted	46,035	(46,035)	-	-	46,035	(46,035)	-	-
Non Government Debt Securities								
- Term Finance Certificates	1,579,667	(1,579,667)	-	-	1,594,950	(1,594,950)	-	-
- Sukuk Bonds	2,700,000	(200,000)	(39,758)	2,460,242	2,700,000	(200,000)	(94,825)	2,405,175
	56,083,008	(4,001,923)	155,563	52,236,648	34,805,148	(3,975,258)	71,704	30,901,594
Subsidiary	396,942	(165,191)	-	231,751	396,942	(165,191)	-	231,751
Total Investments	56,479,950	(4,167,114)	155,563	52,468,399	35,202,090	(4,140,449)	71,704	31,133,345

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

9.1.1 Investments given as collateral - Market Value

Market Treasury Bills	10,866,672	-
Pakistan Investment Bonds	7,878,700	-
	18,745,372	-

9.2 Provision for diminution in value of investments

Opening balance	4,140,449	4,881,353
Charge / reversals		
Charge for the period / year	41,948	-
Reversals for the period / year	(15,283)	(2,700)
Reversal on disposals	-	(738,204)
	26,665	(740,904)
Closing balance	4,167,114	4,140,449

9.3 Particulars of provision against debt securities

Category of classification	(Un-audited) September 30, 2022		(Audited) December 31, 2021	
	NPI	Provision	NPI	Provision
	(Rupees in '000)			
Domestic				
Loss	1,779,667	1,779,667	1,794,950	1,794,950

10. ADVANCES

	Performing		Non Performing		Total	
	(Un-audited) September 30, 2022	(Audited) December 31, 2021	(Un-audited) September 30, 2022	(Audited) December 31, 2021	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	(Rupees in '000)					
Loans, cash credits, running finances, etc.	16,928,596	19,171,122	35,694,446	36,177,174	52,623,042	55,348,296
Islamic financing and related assets	2,408,125	3,090,791	760,673	772,718	3,168,798	3,863,509
Bills discounted and purchased	992,069	533,456	49,335	62,456	1,041,404	595,912
Advances - gross	20,328,790	22,795,369	36,504,454	37,012,348	56,833,244	59,807,717
Provision against advances						
- Specific	-	-	(33,216,723)	(32,750,104)	(33,216,723)	(32,750,104)
- General	(10,276)	(13,885)	-	-	(10,276)	(13,885)
	(10,276)	(13,885)	(33,216,723)	(32,750,104)	(33,226,999)	(32,763,989)
Advances - net of provision	20,318,514	22,781,484	3,287,731	4,262,244	23,606,245	27,043,728

10.1 Particulars of advances (Gross)	(Un-audited) (Audited) September 30, December 31, 2022 2021 ----- (Rupees in '000) -----	
	In local currency	56,096,937
In foreign currencies	736,307	533,377
	<u>56,833,244</u>	<u>59,807,717</u>

10.2 Advances include Rs. 36,504.454 million (December 31, 2021: Rs. 37,012.348 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Un-audited) September 30, 2022		(Audited) December 31, 2021	
	Non Performing Loans	Provision	Non Performing Loans	Provision
Domestic				
Other Assets Especially Mentioned	137,684	73	1,126	113
Substandard	9,402	524	16,259	2,645
Doubtful	256,077	6,510	440,901	98,695
Loss	36,101,291	33,209,616	36,554,062	32,648,651
	<u>36,504,454</u>	<u>33,216,723</u>	<u>37,012,348</u>	<u>32,750,104</u>

10.3 Particulars of provision against advances

	September 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
Opening balance	32,750,104	13,885	32,763,989	32,425,544	21,671	32,447,215
Charge for the period / year	983,360	-	983,360	2,461,718	-	2,461,718
Reversals	(507,868)	(3,609)	(511,477)	(2,137,158)	(7,786)	(2,144,944)
	475,492	(3,609)	471,883	324,560	(7,786)	316,774
Amounts written off	(8,873)	-	(8,873)	-	-	-
Closing balance	<u>33,216,723</u>	<u>10,276</u>	<u>33,226,999</u>	<u>32,750,104</u>	<u>13,885</u>	<u>32,763,989</u>

10.3.1 The general provision against consumer financing is required to be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages range are 1.5% for secured and 6% for unsecured portfolio.

The Bank has maintained general provision against housing finance portfolio at the rate of 1.5% of the performing portfolio and 1% against unsecured performing SE portfolio.

The Bank has availed the Forced Sale Value (FSV) benefit of mortgaged properties, plant and machinery and liquid securities held as collateral against non-performing advances as allowed under the applicable Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 3,136,909 million (December 31, 2021: Rs. 4,028,587 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 1,913,515 million (December 31, 2021: Rs. 2,618,582 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	----- (Rupees in '000) -----	
11. FIXED ASSETS		
Capital work-in-progress	11.1 13,106	6,618
Property and equipment	7,799,774	8,067,994
Right-of-use assets	2,928,571	2,842,645
	<u>10,741,451</u>	<u>10,917,257</u>
11.1 Capital work-in-progress		
Civil works and related payments / progress billings	8,480	1,992
Advances and other payments to suppliers and contractors	4,626	4,626
Advances and other payments against capital work in progress considered doubtful	1,158,340	1,158,340
Less: Provision held there against	(1,158,340)	(1,158,340)
	-	-
	<u>13,106</u>	<u>6,618</u>
	(Un-audited)	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
11.2 Additions to fixed assets		
The following additions have been made to fixed assets during the period:		
Capital work-in-progress - net	6,488	45,441
Property and equipment		
Building improvements	13,839	328
Furniture and fixture	5,654	1,976
Electrical, office and computer equipment	40,890	216,994
Vehicles	16,151	60,057
	76,534	279,355
Right-of-use assets	553,789	1,393,198
	<u>636,811</u>	<u>1,717,994</u>
11.3 Disposal of fixed assets		
The net book value of fixed assets disposed of during the period is as follows:		
Building improvements	29	-
Furniture and fixture	108	-
Electrical, office and computer equipment	1,082	1,455
Vehicles	2	-
	1,221	1,455
Derecognition of right-of-use assets	16,919	-
	<u>18,140</u>	<u>1,455</u>

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
12. INTANGIBLE ASSETS	Note	----- (Rupees in '000) -----
Capital work-in-progress	12.1 67,369	49,700
Intangible assets in use	12.2 76,773	87,886
	<u>144,142</u>	<u>137,586</u>
12.1 Capital work-in-progress		
Advances to suppliers and contractors	67,369	49,700
Advances against capital work in progress considered doubtful	142,522	142,522
Less: Provision held there against	(142,522)	(142,522)
	-	-
	<u>67,369</u>	<u>49,700</u>
12.2 Intangible assets in use		
Computer softwares	<u>76,773</u>	<u>87,886</u>
	<u>(Un-audited)</u>	
	<u>September 30, 2022</u>	<u>September 30, 2021</u>
12.3 Additions to intangible assets	----- (Rupees in '000) -----	
The following additions have been made to intangible assets during the period:		
Capital work-in-progress - net	17,669	43,590
Directly purchased	6,269	8,569
	<u>23,938</u>	<u>52,159</u>
12.4 There were no disposals in intangible assets during the current and prior period.		

13. DEFERRED TAX ASSETS

September 30, 2022 (Un-audited)			
At January 01, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	At September 30, 2022
----- (Rupees in '000) -----			
Deductible Temporary Differences on			
- Tax losses carried forward	9,813,393	2,638,017	-
- Provision against advances, off balance sheet etc.	7,086,935	940,177	-
- Provision for impairment loss - Investment	1,449,157	176,017	-
- Provision against intangible assets	43,107	4,927	-
- Staff compensated absences	50,412	4,133	-
- Unrealized loss on forward exchange contracts	10,472	63,376	-
- Provision against other assets	149,656	17,103	-
- Minimum tax	159,921	(159,921)	-
	18,763,053	3,683,829	-
			22,446,882
Taxable Temporary Differences on			
- Surplus on revaluation of fixed assets	(1,069,472)	-	(92,683)
- Surplus on revaluation of investments	(25,096)	-	(35,574)
- Surplus on revaluation of property - held for sale	(406,274)	-	(46,431)
- Surplus on revaluation of non-banking assets	(289,666)	-	(27,184)
- Accelerated tax depreciation	(295,920)	(19,840)	-
	(2,086,428)	(19,840)	(201,872)
			(2,308,140)
	16,676,625	3,663,989	(201,872)
			20,138,742
December 31, 2021 (Audited)			
At January 01, 2021	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2021
----- (Rupees in '000) -----			
Deductible Temporary Differences on			
- Tax losses carried forward	7,847,641	1,965,752	-
- Provision against advances, off balance sheet etc.	6,878,619	208,316	-
- Provision for impairment loss - Investment	1,708,474	(259,317)	-
- Provision against intangible assets	43,107	-	-
- Staff compensated absences	46,247	4,165	-
- Unrealized loss on forward exchange contracts	7,032	3,440	-
- Provision against other assets	149,656	-	-
- Minimum tax	-	159,921	-
	16,680,776	2,082,277	-
			18,763,053
Taxable Temporary Differences on			
- Surplus on revaluation of fixed assets	(1,105,287)	-	35,815
- Surplus on revaluation of investments	(275,524)	-	250,428
- Surplus on revaluation of property - held for sale	(406,274)	-	-
- Surplus on revaluation of non-banking assets	(280,316)	-	(9,350)
- Accelerated tax depreciation	(334,130)	38,210	-
	(2,401,531)	38,210	276,893
			(2,086,428)
	14,279,245	2,120,487	276,893
			16,676,625

13.1 The net deferred tax asset has been recognized in accordance with the Bank's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the deferred tax asset could be realized. The projections includes certain key assumptions underlying management's estimation of profits. Any significant change in such assumptions may have effect on the recoverability of deferred tax asset. The management believes that it is probable that the Bank would be able to achieve the profits and consequently, the deferred tax amount will be fully realized in future.

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	----- (Rupees in '000) -----	
14. OTHER ASSETS		
Income / mark-up accrued in local currency	1,502,922	709,304
Income / mark-up accrued in foreign currency	2,642	1,059
Advances, deposits, advance rent and other prepayments	397,387	369,568
Advance taxation (payments less provisions)	588,111	616,715
Non-banking assets acquired in satisfaction of claims	2,494,689	2,571,374
Branch adjustment account	-	174
Receivable from other banks against clearing and settlement	179,903	194,464
Mark to market gain on forward foreign exchange contracts	19,469	6,435
Acceptances	133,034	246,482
Stationery and stamps on hand	7,835	8,663
Dividend receivable	3,975	-
Commission receivable on home remittance	5,382	9,936
Property - Held for sale	3,836,309	3,836,309
Others	488,139	501,587
	9,659,797	9,072,070
Less: Provision held against other assets	14.2 (767,850)	(759,224)
Other Assets (net of provision)	8,891,947	8,312,846
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	812,437	827,616
Surplus on revaluation of property - held for sale	1,160,784	1,160,784
Other Assets - total	10,865,168	10,301,246

14.1 This represents a portion of the Bank's self constructed property which has been earmarked for selling in the near future. This property is carried at lower of market value / fair value less cost to sell and carrying amount.

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
	----- (Rupees in '000) -----	
14.2 Provision held against other assets		
Income / mark-up accrued in local currency	1,389	1,389
Advances, deposits, advance rent and other prepayments	96,689	96,689
Non-banking assets acquired in satisfaction of claims	360,107	360,107
Commission receivable on guarantees	9,880	9,880
Receivable from Dewan Group	38,295	34,436
Account receivable - sundry claims	148,797	141,300
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	86,999	89,729
	767,850	759,224

14.2.1 Movement in provision held against other assets

Opening balance	759,224	637,837
Charge for the period / year	11,356	121,543
Reversals	(2,730)	(156)
Closing balance	767,850	759,224

15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

16. BILLS PAYABLE

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
----- (Rupees in '000) -----		
In Pakistan	1,759,654	2,071,048
Outside Pakistan	-	-
	<u>1,759,654</u>	<u>2,071,048</u>

17. BORROWINGS

Secured

Borrowings from State Bank of Pakistan

- Under export refinance scheme	5,722,400	5,858,980
- Under Islamic Export Refinance Scheme (IERF)	300,000	400,000
- Under long-term financing facility	474,298	629,075
- Refinance facility for modernization of SMEs	2,665	3,604
- Repurchase agreement borrowings	18,665,120	-
Total secured	25,164,483	6,891,659

Unsecured

Overdrawn nostro accounts	27,405	30,381
	<u>25,191,888</u>	<u>6,922,040</u>

18. DEPOSITS AND OTHER ACCOUNTS

	September 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	36,883,538	1,394,635	38,278,173	32,419,903	1,394,634	33,814,537
Savings deposits	55,072,433	1,656,259	56,728,692	53,921,219	3,902,261	57,823,480
Term deposits	11,010,216	4,248,931	15,259,147	9,783,869	3,954,546	13,738,415
Others	2,283,694	35,927	2,319,621	2,132,165	27,759	2,159,924
	<u>105,249,881</u>	<u>7,335,752</u>	<u>112,585,633</u>	<u>98,257,156</u>	<u>9,279,200</u>	<u>107,536,356</u>
Financial institutions						
Current deposits	323,124	180,255	503,379	292,720	102,102	394,822
Savings deposits	1,268,870	6	1,268,876	991,330	5	991,335
Term deposits	332,366	-	332,366	561,145	-	561,145
Others	-	-	-	-	-	-
	<u>1,924,360</u>	<u>180,261</u>	<u>2,104,621</u>	<u>1,845,195</u>	<u>102,107</u>	<u>1,947,302</u>
	<u>107,174,241</u>	<u>7,516,013</u>	<u>114,690,254</u>	<u>100,102,351</u>	<u>9,381,307</u>	<u>109,483,658</u>

19. SUBORDINATED DEBT

Issue amount	Rs. 1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2021 (December 31, 2021: October 27, 2021)

These TFCs were issued by the Bank on October 27, 2011 for an initial tenure of seven years and maturity date of October 27, 2018. In order to protect the interest of the TFC Holders, the tenure of the TFC together with the payment of applicable redemption amounts were extended thrice by the Bank to October 27, 2019, October 27, 2020 and October 27, 2021 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019 and October 22, 2020. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020 and July 09, 2021. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020 and October 22, 2021.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 26, 2021 have approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts (principal and the related mark-up) with the revised maturity date of October 27, 2022. The requisite formalities and compliance with the applicable regulatory requirements necessary for this extension have already been completed by the Bank and the final approval is awaited from the State Bank of Pakistan.

Rating	'D' (Default).
Security	Unsecured.
Redemption / profit payment frequency	The redemption / profit payment details are mentioned in the above maturity date clause.
Mark up	Base rate (6 months KIBOR - ask side) plus 325 bps.
Call option	The Bank had an option to call the TFC's subject to SBP's prior written approval, on any profit payment date after the 60th month from the last day of public subscription, with not less than 30 days prior notice to be given to the Trustee. The Call option once announced will not be revocable. Further, no premium will be paid to the TFC Holders in case the call option is exercised by the Bank.
Lock-in-clause	Neither interest nor principal can be paid (even at maturity) if such payments will result in a shortfall in the Bank's Minimum Capital Requirements (MCR) or Capital Adequacy Ratio (CAR) or increase in the existing shortfall in MCR and CAR.

20. OTHER LIABILITIES

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	----- (Rupees in '000) -----	
Mark-up / return / interest payable in local currency	2,181,981	1,305,054
Mark-up / return / interest payable in foreign currencies	2,223	3,291
Unearned income	67,452	16,329
Accrued expenses	63,000	100,518
Advance against sale of property	378,609	373,323
Acceptances	133,034	246,482
Unclaimed dividends	2,213	2,213
Mark to market loss on forward foreign exchange contracts	208,824	36,356
Payable to defined benefit plan	57,179	42,992
Charity fund balance	1,119	1,084
Branch adjustment account	8,612	-
Security deposits against lease	262,596	308,321
Payable to Bangladesh Bank	41,389	41,389
Payable to Rupali Bank - Bangladesh	16,293	16,293
Payable to vendors / creditors	232,074	196,909
Provision for compensated absences	139,857	144,030
Payable to Bank of Ceylon, Colombo	20,163	20,163
Retention money	3,637	3,133
Provision for Workers' Welfare Fund	13,360	13,360
Withholding taxes and government levies payable	39,952	14,290
Federal excise duty and sales tax payable	4,962	7,062
Commission payable on home remittances	4,680	3,102
Lease liability against right-of-use assets	3,372,248	3,215,664
Others	397,278	335,542
	<u>7,652,735</u>	<u>6,446,900</u>

21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS

Surplus / (deficit) on revaluation of

- Available for sale securities
- Fixed assets
- Non-banking assets acquired in satisfaction of claims
- Property - held for sale

9.1	155,563	71,704
	3,952,702	4,028,457
	812,437	827,616
	1,160,784	1,160,784
	<u>6,081,486</u>	<u>6,088,561</u>

Deferred tax on surplus / (deficit) on revaluation of:

- Available for sale securities
- Fixed assets
- Non-banking assets acquired in satisfaction of claims
- Property - held for sale

(60,670)	(25,096)
(1,162,155)	(1,069,472)
(316,850)	(289,666)
(452,705)	(406,274)
<u>(1,992,380)</u>	<u>(1,790,508)</u>
<u>4,089,106</u>	<u>4,298,053</u>

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	----- (Rupees in '000) -----	
22. CONTINGENCIES AND COMMITMENTS		
-Guarantees	22.1 11,617,098	9,824,912
-Commitments	22.2 33,560,558	15,287,854
-Other contingent liabilities	22.3 25,319,406	19,203,552
	<u>70,497,062</u>	<u>44,316,318</u>
22.1 Guarantees:		
Financial guarantees	20,470	20,470
Performance guarantees	8,798,293	8,003,196
Other guarantees	2,798,335	1,801,246
	<u>11,617,098</u>	<u>9,824,912</u>
22.2 Commitments:		
Documentary credits and short-term trade-related transactions - letters of credit	1,547,075	1,990,941
Commitments in respect of:		
- forward foreign exchange contracts	22.2.1 6,062,556	7,537,538
- forward lending	22.2.2 7,082,835	5,579,206
Commitments for acquisition of:		
- Fixed assets	5,509	664
- Intangible assets	197,463	179,505
Other commitments	22.2.3 18,665,120	-
	<u>33,560,558</u>	<u>15,287,854</u>
22.2.1 Commitments in respect of forward foreign exchange contracts		
Purchase	4,861,845	6,748,974
Sale	1,200,711	788,564
	<u>6,062,556</u>	<u>7,537,538</u>

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	----- (Rupees in '000) -----	
22.2.2 Commitments in respect of forward lending		
Forward documentary bills	5,184,788	3,996,813
Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.2.1 1,898,047	1,582,393
	<u>7,082,835</u>	<u>5,579,206</u>

22.2.2.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Bank without the risk of incurring significant penalty or expense.

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
	----- (Rupees in '000) -----	
22.2.3 Other commitments		
Purchase (Repo)	<u>18,665,120</u>	-
22.3 Other contingent liabilities - claims against the Bank not acknowledged as debts	<u>25,319,406</u>	<u>19,203,552</u>

22.4 During the year 2018, Law Enforcement Agencies (LEAs) initiated its investigation on certain bank accounts alleged for money laundering activities in various banks including Summit Bank Limited. The Honourable Supreme Court of Pakistan under Suo Moto Case HRC-39216-G, appointed a Joint Investigation Team (JIT) which was constituted to investigate the matter. On recommendation of JIT, the matter was referred by the Honourable Supreme Court to the National Accountability Bureau (NAB) for further investigation and filing of references in the National Accountability Courts. The matter is currently under NAB investigations and only partial references have been filed in the NAB Courts. The Bank has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible and the matter is currently sub judice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Bank.

22.5 Contingency for tax payable

Contingency related to tax payable is disclosed in note 31.2.

		(Un-audited) Nine months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
23. MARK-UP / RETURN / INTEREST EARNED	Note		
On:			
Loans and advances		1,734,358	1,421,769
Investments		3,299,062	1,660,831
Lendings to financial institutions		192,021	31,092
Balances with banks		7,261	1,576
		<u>5,232,702</u>	<u>3,115,268</u>
24. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		4,992,594	3,021,682
Borrowings		838,889	295,894
Subordinated debt		169,118	120,562
Cost of foreign currency swaps against foreign currency deposits / borrowings		641,100	278,852
Finance cost of lease liability		294,693	268,313
		<u>6,936,394</u>	<u>3,985,303</u>
25. FEE AND COMMISSION INCOME			
Branch banking customer fees		32,429	31,946
Consumer finance related fees		4,502	7,233
Card related fees (debit cards)		61,547	47,400
Credit related fees		2,352	2,486
Investment banking fees		22,325	32,967
Commission on trade		127,601	125,234
Commission on guarantees		48,220	79,560
Commission on cash management		940	1,829
Commission on remittances including home remittances		6,626	9,851
Commission on bancassurance		618	775
Alternate Delivery Channels		25,976	1,117
Others		9	12
		<u>333,145</u>	<u>340,410</u>
26. GAIN ON SECURITIES			
Realised	26.1	<u>14,740</u>	<u>490,359</u>
26.1 Realised gain on:			
Federal Government Securities		14,740	31,335
Shares		-	459,024
		<u>14,740</u>	<u>490,359</u>

		(Un-audited)	
		Nine months ended	
		September 30, 2022	September 30, 2021
27. OTHER INCOME	Note	----- (Rupees in '000) -----	
Rent on property		5,798	13,291
Gain on sale of fixed assets - net		1,071	15,615
Loss on sale of non banking assets		(431)	-
Gain on sale of ijarah assets		1,625	20,574
Recoveries against previously expensed items		1,056	-
Loss on termination of lease (IFRS 16)		(6,572)	-
Income on settlement of nostro balances		448	-
Income against reallocation of shares		-	6,555
Others		39	80
		<u>12,034</u>	<u>56,115</u>
28. OPERATING EXPENSES			
Total compensation expense	28.1	1,539,672	1,398,299
Property expense			
Rent and taxes		72,152	114,574
Insurance - property		7,969	5,491
Insurance - non banking assets		622	526
Utilities cost		302,469	206,002
Security (including guards)		148,813	146,987
Repair and maintenance (including janitorial charges)		88,130	99,970
Depreciation on owned fixed assets		202,150	215,175
Depreciation on right-of-use assets		448,282	405,082
Depreciation on non banking assets		45,631	73,777
		1,316,218	1,267,584
Information technology expenses			
Software maintenance		72,185	70,900
Hardware maintenance		71,038	65,247
Depreciation on computer equipments		60,400	51,067
Amortisation of computer softwares		17,383	16,867
Network charges		63,993	64,879
Insurance		1,194	517
		286,193	269,477
Other operating expenses			
Directors' fees and allowances		30,900	12,000
Fees and allowances to Shariah Board		16,125	11,505
Legal and professional charges		54,804	65,604
Outsourced services costs		163,460	123,628
Travelling and conveyance		210,324	131,802
NIFT clearing charges		19,187	18,875
Depreciation		80,990	100,326
Amortisation of core deposits and brand name		-	7,165
Training and development		2,284	1,883
Postage and courier charges		33,380	26,920
Communication		35,418	35,603
Stationery and printing		67,667	61,436
Marketing, advertisement and publicity		14,108	6,273
Brokerage and commission		21,359	18,767
Fee and subscription		82,069	46,992
Cash transportation and sorting charges		84,473	82,129
Entertainment		29,417	26,212
Insurance		90,695	93,299
Deposit insurance premium expense		72,435	62,471
Repair and maintenance		70,792	66,949
Auditors' remuneration		8,169	10,014
Others		24,448	7,140
		1,212,504	1,016,993
		<u>4,354,587</u>	<u>3,952,353</u>

		(Un-audited)	
		Nine months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
28.1	Total compensation expense		
	Fees and allowances etc.	15,251	11,922
	Managerial remuneration		
	i) Fixed	956,154	867,079
	ii) Variable		
	of which;		
	a) Cash bonus / awards etc.	-	2,580
	b) Incentives and commission	2,485	950
	Charge for defined benefit plan	57,179	55,787
	Contribution to defined contribution plan	53,211	54,258
	Charge for employees compensated absences	13,835	6,234
	Rent and house maintenance	304,513	275,244
	Utilities	67,667	61,144
	Medical	69,377	63,101
	Total	1,539,672	1,398,299

29. OTHER CHARGES

Penalties imposed by State Bank of Pakistan	673	3,975
Penalties imposed by SECP	250	100
	923	4,075

30. PROVISIONS / (REVERSALS) AND WRITE OFFS - NET

Provision / (reversal of provision) for diminution in value of investments	26,665	(740,229)
Provision / (reversal of provision) against loans and advances	471,883	(845,523)
Provision for capital work in progress	-	1,298
Provision against intangible assets	-	4,098
Provision against other assets	8,626	120,537
Fixed assets written off	9	14
Bad debts written off directly	37	-
Operational loss	311	3,070
Recoveries against written off / charged off bad debts	(931)	(2,431)
	506,600	(1,459,166)

31. TAXATION

Current	31.1 & 31.2	77,720	45,095
Prior years		-	-
Deferred		(3,663,989)	(773,990)
		(3,586,269)	(728,895)

31.1 This represents the provision for minimum taxation made in accordance with the requirements of section 113 of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and accounting profit / loss has not been disclosed.

31.2 The Income Tax Returns of the Bank have been submitted up to and including the Bank's financial year ended December 31, 2021 i.e. tax year 2022.

In respect of assessments of Summit Bank Limited from tax years 2009 to tax year 2016 the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 329.13 million through amended assessment orders and the same have been paid / stayed / adjusted against available refunds.

In respect of assessments of Summit Bank Limited AJK Region from tax year 2013 to tax year 2017, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand of Rs. 9.684 million through amended assessment orders and the same have been paid / adjusted against advance tax paid.

In respect of assessments of ex-My Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2011, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2010, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 89.74 million through amended assessment orders and the same have been paid / adjusted against available refunds.

Such issues mainly include disallowances of mark up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non-banking assets, disallowances of certain HO expenses, addition to mark-up/interest earned in AJK region etc. The Bank has filed appeals before the various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Bank is confident about the favourable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these unconsolidated financial statements.

		(Un-audited) Nine months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
32. BASIC AND DILUTED LOSS PER SHARE	Note		
Loss for the period		<u>(1,994,641)</u>	<u>(1,590,929)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Basic		<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Basic loss per share		<u>(0.76)</u>	<u>(0.60)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Diluted	32.1	<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.76)</u>	<u>(0.60)</u>

32.1 There are no potential ordinary shares outstanding as of September 30, 2022.

		(Un-audited) Nine months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
33. CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks		14,495,351	13,236,094
Balances with other banks		1,171,754	771,699
Overdrawn nostro accounts		(27,405)	(21,785)
		<u>15,639,700</u>	<u>13,986,008</u>

34. FAIRVALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities, other than investment in subsidiary, is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

34.1 Fair value of financial assets

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

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

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

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

34.2 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 categorized:

September 30, 2022 (Un-audited)				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
- Federal Government Securities	-	49,117,637	-	49,117,637
- Shares - Listed	656,939	-	-	656,939
- Non Government Debt Securities	2,460,242	-	-	2,460,242
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	3,242	3,242
Non-Financial assets - measured at fair value				
Fixed assets	-	-	7,314,900	7,314,900
Non banking assets acquired in satisfaction of claims	-	-	2,947,019	2,947,019
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	4,673,028	-	4,673,028
Forward sale of foreign exchange	-	1,201,250	-	1,201,250

On balance sheet financial instruments

December 31, 2021 (Audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

Financial assets - measured at fair value

Investments

- Federal Government Securities	-	27,765,692	-	27,765,692
- Shares - Listed	728,897	-	-	728,897
- Non Government Debt Securities	2,405,175	-	-	2,405,175

Financial assets - disclosed but not measured at fair value

Investments

- Shares - Unlisted	-	-	3,070	3,070
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Non-Financial assets - measured at fair value

Fixed assets	-	-	7,503,241	7,503,241
Non banking assets acquired in satisfaction of claims	-	-	3,038,883	3,038,883

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	6,715,915	-	6,715,915
Forward sale of foreign exchange	-	785,426	-	785,426

Valuation techniques used in determination of fair value

Item	Valuation approach and input used
Federal Government Securities	The fair values of Market Treasury Bills (MTB) and Pakistan Investment Bonds (PIB) are determined using the PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair values of GOP Ijarah Sukuks are derived using the PKISRV rates.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Fixed assets (land and building) and non-banking assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.

35. SEGMENT INFORMATION

35.1 Segment details with respect to business activities

For the nine months period ended September 30, 2022 (Un-audited)						
Corporate finance	Trading and sales	Branch Banking	Islamic	Others	Total	
(Rupees in '000)						
Profit and Loss						
Net mark-up / return / profit	(611)	1,128,448	(3,278,517)	446,988	-	(1,703,692)
Inter segment revenue - net	-	(711,855)	-	711,855	-	-
Non mark-up / return / interest income	17,775	(1,546,167)	2,494,232	19,052	-	984,892
Total income	17,164	(1,129,574)	(784,285)	1,177,895	-	(718,800)
Segment direct expenses	2,621	166,483	3,892,625	247,528	46,253	4,355,510
Inter segment expense allocation	-	-	(374,565)	374,565	-	-
Total expenses	2,621	166,483	3,518,060	622,093	46,253	4,355,510
Provisions	-	26,665	475,359	4,576	-	506,600
Profit / (loss) before tax	14,543	(1,322,722)	(4,777,704)	551,226	(46,253)	(5,580,910)
As at September 30, 2022 (Un-audited)						
Corporate finance	Trading and sales	Branch Banking	Islamic	Others	Total	
(Rupees in '000)						
Balance Sheet						
Cash and bank balances	-	8,608,266	5,619,024	1,439,815	-	15,667,105
Investments	-	39,933,672	1,394,734	10,908,242	231,751	52,468,399
Net inter segment lending	-	500,000	-	8,190,611	-	8,690,611
Lendings to financial institutions	-	642,991	-	-	-	642,991
Advances - performing	-	-	17,912,794	2,405,720	-	20,318,514
Advances - non-performing	-	-	3,262,113	25,618	-	3,287,731
Others	143,728	4,258,334	24,972,089	937,766	11,577,586	41,889,503
Total assets	143,728	53,943,263	53,160,754	23,907,772	11,809,337	142,964,854
Borrowings	-	18,682,802	6,199,364	309,722	-	25,191,888
Subordinated debt	5,403	289,492	1,200,620	-	-	1,495,515
Deposits and other accounts	-	-	94,581,027	20,109,227	-	114,690,254
Net inter segment borrowing	-	8,190,611	-	500,000	-	8,690,611
Others	6,323	888,731	7,579,379	626,225	311,731	9,412,389
Total liabilities	11,726	28,051,636	109,560,390	21,545,174	311,731	159,480,657
Equity	132,002	25,891,627	(56,399,636)	2,362,598	11,497,606	(16,515,803)
Total equity and liabilities	143,728	53,943,263	53,160,754	23,907,772	11,809,337	142,964,854
Contingencies and Commitments	-	23,993,468	16,036,481	4,944,735	25,522,378	70,497,062

For the nine months period ended September 30, 2021 (Un-audited)					
Corporate finance	Trading and sales	Branch Banking	Islamic	Others	Total
(Rupees in '000)					
Profit and Loss					
Net mark-up / return / profit	(1,075)	776,300	(1,691,720)	46,460	(870,035)
Inter segment revenue - net	-	(556,398)	-	556,398	-
Non mark-up / return / interest income	31,554	665,835	321,976	28,108	1,047,473
Total income	30,479	885,737	(1,369,744)	630,966	177,438
Segment direct expenses	5,366	367,908	3,291,835	217,542	3,956,428
Inter segment expense allocation	-	-	(372,391)	372,391	-
Total expenses	5,366	367,908	2,919,444	589,933	3,956,428
Provisions	-	(740,229)	(746,235)	27,298	(1,459,166)
Profit / (loss) before tax	25,113	1,258,058	(3,542,953)	13,735	(2,319,824)
As at December 31, 2021 (Audited)					
Corporate finance	Trading and sales	Branch Banking	Islamic	Others	Total
(Rupees in '000)					
Balance Sheet					
Cash and Bank balances	-	8,189,994	5,939,387	1,377,913	15,507,294
Investments	-	17,873,826	2,186,043	10,841,725	31,133,345
Net inter segment lending	-	425,000	-	7,644,820	8,069,820
Lendings to financial institutions	-	298,931	-	-	298,931
Advances - performing	-	-	19,694,216	3,087,268	22,781,484
Advances - non-performing	-	-	4,218,887	43,357	4,262,244
Others	197,494	10,145,078	15,248,343	638,055	38,032,714
Total Assets	197,494	36,932,829	47,286,876	23,633,138	120,085,832
Borrowings	-	14,503	6,491,659	415,878	6,922,040
Subordinated debt	11,261	830,084	654,170	-	1,495,515
Deposits and other accounts	-	-	90,540,299	18,943,359	109,483,658
Net inter segment borrowing	-	7,644,820	-	425,000	8,069,820
Others	908	97,338	6,023,303	2,084,668	8,517,948
Total liabilities	12,169	8,586,745	103,709,431	21,868,905	134,488,981
Equity	185,325	28,346,084	(56,422,555)	1,764,233	(14,403,149)
Total equity and liabilities	197,494	36,932,829	47,286,876	23,633,138	120,085,832
Contingencies and Commitments	-	6,911,598	14,944,419	3,076,580	44,316,318

35.1.1 The Bank does not have any operations outside Pakistan.

36. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, subsidiary, employee benefit plans and its directors and Key Management Personnel.

The Bank enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period / year, other than those which have been disclosed elsewhere in these financial statements are as follows:

	September 30, 2022 (Un-audited)				December 31, 2021 (Audited)					
	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	Parent company	Directors	Key management personnel	Subsidiary	Other related parties
	(Rupees in '000)									
Investments										
Opening balance	-	-	-	396,942	1,692,490	-	-	-	396,942	1,692,490
Investment made during the period / year	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed of during the period / year	-	-	-	-	(13,833)	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	396,942	1,678,557	-	-	-	396,942	1,692,490
Provision for diminution in value of investments	-	-	-	165,191	1,599,309	-	-	-	165,191	1,613,242
Advances										
Opening balance	-	-	252,823	-	786,261	-	-	295,706	-	675,185
Addition during the period / year	-	-	27,855	260,732	1,540,895	-	-	11,465	99,998	1,888,290
Repaid during the period / year	-	-	(32,694)	(260,732)	(1,643,360)	-	-	(44,036)	(99,998)	(1,777,214)
Transfer in / (out) - net	-	-	(51,305)	-	-	-	-	(10,322)	-	-
Closing balance	-	-	196,679	-	683,796	-	-	252,823	-	786,261
Provision held against advances	-	-	-	-	-	-	-	-	-	-

	September 30, 2022 (Un-audited)			December 31, 2021 (Audited)				
	Parent company	Key management personnel	Subsidiary parties	Parent company	Directors	Key management personnel	Subsidiary parties	Other related parties
	(Rupees in '000)							
Other Assets								
Interest / mark-up accrued	-	-	318	-	-	-	-	13,630
Other receivable	699	1,469	-	699	-	666	-	-
Provision held against other assets	-	-	-	-	-	-	-	-
Deposits and other accounts								
Opening balance	-	82,005	59,341	2,110,049	-	64,072	157,832	2,083,253
Received during the period / year	-	295,741	1,511,963	4,438,529	-	670,534	4,229,194	3,638,126
Withdrawn during the period / year	-	(288,777)	(1,503,829)	(4,431,715)	-	(660,431)	(4,327,685)	(3,613,898)
Transfer (out) / in - net	-	(63,821)	-	-	-	7,830	-	2,568
Closing balance	-	25,148	67,475	2,116,863	-	82,005	59,341	2,110,049
Other Liabilities								
Interest / mark-up payable	-	140	540	36,334	-	545	44	16,647
Payable to defined benefit plan	-	-	-	57,179	-	-	-	42,992
Brokerage payable	-	-	28	-	-	-	11	-
Contingencies and Commitments								
Guarantees, letters of credit and acceptances	-	-	-	86,500	-	-	-	217,289
Commitments to extend credit	-	-	59,732	93	-	-	300,000	65,377

	For nine months period ended September 30, 2022 (Un-audited)				For nine months period ended September 30, 2021 (Un-audited)					
	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	Parent company	Directors	Key management personnel	Subsidiary	Other related parties
Income										
Mark-up / return / interest earned	-	-	7,168	362	74,393	-	-	10,217	379	54,479
Fee and commission income	-	-	12	63	222	-	-	7	74	1,942
Other income	-	-	408	2,990	-	-	-	263	2,806	-
Expense										
Mark-up / return / interest expensed	-	-	2,010	4,104	188,384	-	-	3,739	475	95,329
Operating expenses:										
- Directors' fees and allowances	-	30,900	-	-	-	-	12,000	-	-	-
- Brokerage and commission	-	-	-	171	-	-	-	-	3,179	-
- Fee and subscription	-	-	626	-	-	-	-	553	-	-
- Managerial Remuneration	-	-	240,163	-	-	-	-	179,862	-	-
- Contribution to defined contribution plan	-	-	-	-	53,211	-	-	-	-	54,258
- Charge for defined benefit plan	-	-	-	-	57,179	-	-	-	-	55,787
Reversal of provision for diminution in value of investment	-	-	-	-	(13,833)	-	-	-	-	-

Directors include Non-Executive Directors only. Executive Directors including the President / CEO are part of key management personnel.

37. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

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

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses) (20,759,071) (18,855,364)

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier-I (CET-I) Capital	<u>(41,596,360)</u>	<u>(36,266,670)</u>
Eligible Additional Tier-I (ADT-I) Capital	-	-
Total Eligible Tier-I Capital	<u>(41,596,360)</u>	<u>(36,266,670)</u>
Eligible Tier-2 Capital	-	-
Total Eligible Capital (Tier-I + Tier-2)	<u>(41,596,360)</u>	<u>(36,266,670)</u>

Risk Weighted Assets (RWAs):

Credit Risk	<u>44,271,341</u>	<u>48,061,227</u>
Market Risk	<u>6,210,000</u>	<u>3,514,273</u>
Operational Risk	<u>7,447,378</u>	<u>7,447,378</u>
Total	<u>57,928,719</u>	<u>59,022,878</u>

Common Equity Tier-I Capital Adequacy Ratio

Tier-I Capital Adequacy Ratio	<u>-71.81%</u>	<u>-61.45%</u>
Total Capital Adequacy Ratio	<u>-71.81%</u>	<u>-61.45%</u>

Leverage Ratio (LR):

Eligible Tier-I Capital	<u>(41,596,360)</u>	<u>(36,266,670)</u>
Total Exposures	<u>125,001,738</u>	<u>128,015,223</u>
	<u>-33.28%</u>	<u>-28.33%</u>

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	<u>47,578,270</u>	<u>40,325,959</u>
Total Net Cash Outflow	<u>21,524,229</u>	<u>21,880,329</u>
Liquidity Coverage Ratio	<u>221.05%</u>	<u>184.30%</u>

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	<u>77,707,087</u>	<u>72,650,421</u>
Total Required Stable Funding	<u>55,386,449</u>	<u>52,487,876</u>
Net Stable Funding Ratio	<u>140.30%</u>	<u>138.41%</u>

38. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2021: 14) Islamic banking branches and 35 (December 31, 2021: 35) Islamic banking windows at the end of the period.

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2022

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	----- (Rupees in '000) -----	
ASSETS		
Cash and balances with treasury banks	1,338,692	1,344,202
Balances with other banks	101,123	33,711
Due from financial institutions	38.1 8,190,611	7,644,820
Investments	38.2 10,908,242	10,841,725
Islamic financing and related assets - net	38.3 2,431,338	3,130,625
Fixed assets	295,534	337,895
Intangible assets	104	409
Due from Head Office	-	-
Deferred tax assets	1,433	19,956
Other assets	640,695	279,795
Total Assets	23,907,772	23,633,138
LIABILITIES		
Bills payable	234,224	253,005
Due to financial institutions	38.4 809,722	840,878
Deposits and other accounts	38.5 20,109,227	18,943,359
Due to Head Office	-	-
Subordinated debt	-	-
Deferred tax liabilities	-	-
Other liabilities	392,001	1,831,663
	21,545,174	21,868,905
NET ASSETS	2,362,598	1,764,233
REPRESENTED BY		
Islamic Banking Fund	1,000,000	1,000,000
Reserves	-	-
Surplus on revaluation of assets	7,685	(37,061)
Unappropriated / Unremitted profit	38.6 1,354,913	801,294
	2,362,598	1,764,233
CONTINGENCIES AND COMMITMENTS	38.7	

**ISLAMIC BANKING BUSINESS
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	September 30, September 30, 2022 2021	
Note	----- (Rupees in '000) -----	
Profit / return earned	38.8 1,965,140	1,155,232
Profit / return expensed	38.9 806,297	552,374
Net Profit / return	1,158,843	602,858
Other income		
Fee and commission income	35,657	30,822
Dividend income	-	-
Foreign exchange loss	(13,509)	(18,110)
Income / (loss) from derivatives	-	-
Loss on sale of securities	(5,934)	(7,245)
Other income	2,838	22,641
Total other income	19,052	28,108
Total income	1,177,895	630,966
Other expenses		
Operating expenses	622,093	589,930
Workers' welfare fund	-	-
Other charges	-	3
Total other expenses	622,093	589,933
Profit before provisions	555,802	41,033
Provisions and write offs - net	4,576	27,298
Profit before taxation	551,226	13,735
Taxation	-	-
Profit after taxation	551,226	13,735

**ISLAMIC BANKING BUSINESS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	Note	September 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) -----							
38.1 Due from Financial Institutions							
Unsecured							
Bai Muajjal Receivable from other Financial Institutions	38.1.1	8,190,611	-	8,190,611	7,644,820	-	7,644,820
		<u>8,190,611</u>	<u>-</u>	<u>8,190,611</u>	<u>7,644,820</u>	<u>-</u>	<u>7,644,820</u>

38.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited and carries profit rate of 14.75% per annum (December 31, 2021: 8.50% to 9.50% per annum).

38.2 Investments

	September 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) -----								
Investments by segments:								
Federal Government Securities:								
- GOP Ijarah Sukuks	8,496,383	-	(48,383)	8,448,000	8,495,528	-	(58,978)	8,436,550
Non Government Debt Securities								
- Listed	2,500,000	-	(39,758)	2,460,242	2,500,000	-	(94,825)	2,405,175
Total Investments	<u>10,996,383</u>	<u>-</u>	<u>(88,141)</u>	<u>10,908,242</u>	<u>10,995,528</u>	<u>-</u>	<u>(153,803)</u>	<u>10,841,725</u>

	(Un-audited)	(Audited)
	September 30, 2022	December 31, 2021
----- (Rupees in '000) -----		
38.3 Islamic financing and related assets		
Ijarah	369,634	284,662
Murabaha	-	762
Running Musharakah	164,749	539,651
Diminishing Musharakah	1,901,585	2,281,155
Tijarah	699,998	699,998
Advance against Ijarah	32,832	22,791
Tijarah Inventory	-	2,400
Payment against Document	-	32,090
Gross Islamic financing and related assets	<u>3,168,798</u>	<u>3,863,509</u>
Less: provision against Islamic financings		
- Specific	(735,055)	(729,361)
- General	(2,405)	(3,523)
	<u>(737,460)</u>	<u>(732,884)</u>
Islamic financing and related assets - net of provision	<u>2,431,338</u>	<u>3,130,625</u>

38.4 Due to financial institutions

Secured		
Acceptances from the SBP under Islamic Export Refinance Scheme	300,000	400,000
Total secured	<u>300,000</u>	<u>400,000</u>
Unsecured		
Overdrawn nostro accounts	9,722	15,878
Musharakah	500,000	425,000
Total unsecured	<u>509,722</u>	<u>440,878</u>
	<u>809,722</u>	<u>840,878</u>

38.4.1 This represents Musharakah acceptance with conventional operations of Summit Bank Limited and carries profit rate of 14.75% per annum (December 31, 2021: 8.50% per annum).

38.5 Deposits

	September 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	6,363,165	434,480	6,797,645	6,037,564	445,290	6,482,854
Savings deposits	11,637,785	221,771	11,859,556	11,135,390	98,557	11,233,947
Term deposits	944,345	133,050	1,077,395	785,378	176,683	962,061
Others	222,556	-	222,556	164,091	-	164,091
	19,167,851	789,301	19,957,152	18,122,423	720,530	18,842,953
Financial Institutions						
Current deposits	6,453	168	6,621	10,385	139	10,524
Savings deposits	145,454	-	145,454	78,882	-	78,882
Term deposits	-	-	-	11,000	-	11,000
	151,907	168	152,075	100,267	139	100,406
	19,319,758	789,469	20,109,227	18,222,690	720,669	18,943,359

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
	----- (Rupees in '000) -----	
38.6 Islamic Banking Business Unappropriated Profit		
Opening balance	801,294	691,819
Add: Islamic Banking profit for the period / year	551,226	106,284
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated profit	2,393	3,191
Closing balance	1,354,913	801,294

38.7 CONTINGENCIES AND COMMITMENTS

-Guarantees	3,201,821	1,732,852
-Commitments	1,742,914	1,343,728
-Other contingent liabilities	-	-
	4,944,735	3,076,580

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

38.8 Profit / Return Earned of Financing, Investments and Placement

Profit earned on:		
Financing	226,714	208,031
Investments	996,010	373,186
Placements	741,864	573,404
Balances with banks	552	611
	1,965,140	1,155,232

38.9 Profit on Deposits and other Dues Expensed

Deposits and other accounts	752,582	512,741
Due to Financial Institutions	38,804	20,940
Finance cost of lease liability	14,911	18,693
	806,297	552,374

39. DATE OF AUTHORIZATION OF ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on October 25, 2022 by the Board of Directors of the Bank.

President / Chief Executive

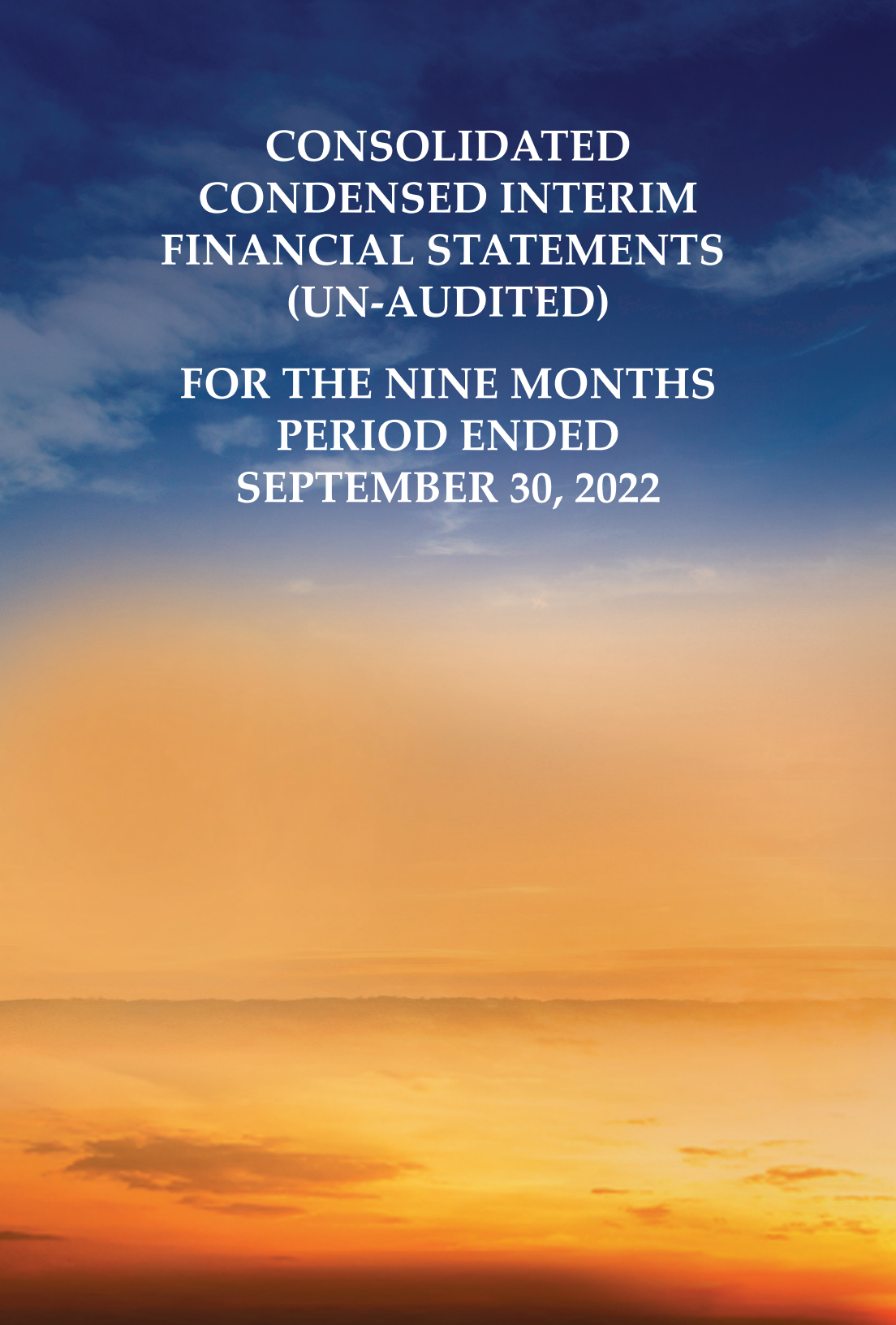
Chief Financial Officer

Director

Director

Director





**CONSOLIDATED
CONDENSED INTERIM
FINANCIAL STATEMENTS
(UN-AUDITED)**

**FOR THE NINE MONTHS
PERIOD ENDED
SEPTEMBER 30, 2022**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

		(Un-audited) September 30, 2022	(Audited) December 31, 2021
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks	6	14,495,353	14,415,012
Balances with other banks	7	1,172,724	1,094,069
Lendings to financial institutions	8	642,991	298,931
Investments	9	52,279,392	30,935,280
Advances	10	23,606,949	27,044,465
Fixed assets	11	10,772,622	10,952,336
Intangible assets	12	146,674	140,127
Deferred tax assets	13	20,083,288	16,624,648
Other assets	14	10,994,755	10,450,563
		134,194,748	111,955,431
LIABILITIES			
Bills payable	16	1,759,654	2,071,048
Borrowings	17	25,191,888	6,922,040
Deposits and other accounts	18	114,622,779	109,424,316
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	7,742,383	6,520,096
		150,812,219	126,433,015
NET ASSETS		<u>(16,617,471)</u>	<u>(14,477,584)</u>
REPRESENTED BY			
Share capital - net		20,500,194	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	21	4,097,568	4,315,428
Accumulated losses		(40,790,190)	(38,868,163)
		<u>(16,617,471)</u>	<u>(14,477,584)</u>
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

Note	Quarter Ended		Nine Months Period Ended		
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	
	(Rupees in '000)				
Mark-up / return / interest earned	23	2,380,626	1,152,177	5,235,176	3,117,519
Mark-up / return / interest expensed	24	3,095,920	1,425,350	6,932,607	3,984,799
Net Mark-up / interest expense		(715,294)	(273,173)	(1,697,431)	(867,280)
NON MARK-UP / INTEREST INCOME					
Fee and commission income	25	125,038	120,456	365,024	397,084
Dividend income		4,997	-	7,430	21,009
Foreign exchange income		323,174	70,450	618,598	139,580
Income / (loss) from derivatives		-	-	-	-
Gain on securities	26	4,172	9,548	14,740	490,359
Other income	27	3,146	13,014	19,747	55,217
Total non-markup / interest income		460,527	213,468	1,025,539	1,103,249
Total income		(254,767)	(59,705)	(671,892)	235,969
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	28	1,568,877	1,397,288	4,413,169	4,024,891
Workers' welfare fund		-	-	-	-
Other charges	29	916	115	923	4,075
Total non-markup / interest expenses		1,569,793	1,397,403	4,414,092	4,028,966
Loss before provisions		(1,824,560)	(1,457,108)	(5,085,984)	(3,792,997)
Provisions / (reversals) and write offs - net	30	267,537	(1,103,326)	506,600	(1,459,166)
Extra ordinary / unusual items		-	-	-	-
LOSS BEFORE TAXATION		(2,092,097)	(353,782)	(5,592,584)	(2,333,831)
Taxation	31	(765,752)	(94,078)	(3,579,623)	(723,449)
LOSS AFTER TAXATION		(1,326,345)	(259,704)	(2,012,961)	(1,610,382)
(Rupee)					
Basic loss per share	32	(0.50)	(0.10)	(0.76)	(0.61)
Diluted loss per share	32	(0.50)	(0.10)	(0.76)	(0.61)

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Quarter ended		Nine Months Period Ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----			
Loss after taxation for the period	(1,326,345)	(259,704)	(2,012,961)	(1,610,382)
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	27,707	(104,602)	39,372	(279,875)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain on defined benefit obligations	-	-	-	12,140
Movement in surplus on revaluation of operating fixed assets - net of tax	9,845	8,848	(92,683)	26,977
Movement in surplus on revaluation of non-banking assets - net of tax	1,975	1,322	(27,184)	15,385
Movement in surplus on revaluation of held for sale property - net of tax	-	-	(46,431)	-
	11,820	10,170	(166,298)	54,502
Total comprehensive loss	(1,286,818)	(354,136)	(2,139,887)	(1,835,755)

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	Share capital		Capital reserves		Surplus / (deficit) on revaluation of			Revenue reserve		Total
	Share premium	Statutory reserve	Reserve arising on amalgamation	Fixed / Non banking assets	Investments	Property held for sale	Accumulated losses			
	(Rupees in '000)									
Balance as at January 01, 2021 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	530,778	3,546,085	754,510	(36,144,298)		(11,237,774)
Loss after taxation for nine months period ended September 30, 2021	-	-	-	-	-	-	-	(1,610,382)		(1,610,382)
Other comprehensive income - net of tax	-	-	-	-	(279,875)	42,362	-	12,140		(225,373)
Transfer to statutory reserve	-	-	-	-	-	-	-	-		-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(77,075)	-	77,075		-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(43,960)	-	43,960		-
Balance as at October 01, 2021 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	250,903	3,467,412	754,510	(37,621,505)		(13,073,529)
Loss after taxation for the three months period ended December 31, 2021	-	-	-	-	-	-	-	(1,301,409)		(1,301,409)
Other comprehensive income - net of tax	-	-	-	-	(186,920)	58,556	-	25,718		(102,646)
Transfer to statutory reserve	-	-	-	-	-	-	-	-		-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(25,253)	-	25,253		-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(3,780)	-	3,780		-
Balance as at January 01, 2022 (Audited)	20,500,194	1,000,000	154,162	(1,579,205)	63,983	3,496,935	754,510	(38,868,163)		(14,477,584)
Loss after taxation for nine months period ended September 30, 2022	-	-	-	-	-	-	-	(2,012,961)		(2,012,961)
Other comprehensive income - net of tax	-	-	-	-	39,372	(119,867)	(46,431)	-		(126,926)
Transfer to statutory reserve	-	-	-	-	-	-	-	-		-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	(75,755)	-	75,755		-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	(15,179)	-	15,179		-
Balance as at September 30, 2022 (Un-audited)	20,500,194	1,000,000	154,162	(1,579,205)	103,355	3,286,134	708,079	(40,790,190)		(16,617,471)

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

	September 30, 2022	September 30, 2021
Note	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(5,592,584)	(2,333,831)
Less: Dividend income	(7,430)	(21,009)
	<u>(5,600,014)</u>	<u>(2,354,840)</u>
Adjustments:		
Depreciation on fixed assets	344,345	367,952
Depreciation on right-of-use assets	448,282	405,082
Depreciation on non-banking assets	45,904	74,055
Finance cost of lease liability	294,693	268,313
Amortization	17,392	24,045
Provision / (reversals) and write-offs excluding recoveries	507,220	(1,456,735)
Loss / (gain) on forward exchange contracts	189,355	(67,042)
Charge for defined benefit plan	58,529	58,037
Charge for employees compensated absences	13,991	6,316
Gain on sale of fixed assets	(18,890)	(16,078)
Loss on termination of lease (IFRS 16)	6,572	-
Loss on sale of non banking assets	431	-
	<u>1,907,824</u>	<u>(336,055)</u>
	<u>(3,692,190)</u>	<u>(2,690,895)</u>
(Increase) / decrease in operating assets		
Lendings to financial institutions	(344,060)	(900,000)
Advances	2,965,596	3,388,021
Others assets (excluding advance taxation)	(648,440)	240,182
	<u>1,973,096</u>	<u>2,728,203</u>
(Decrease) / increase in operating liabilities		
Bills payable	(311,394)	(541,932)
Borrowings from financial institutions	18,272,824	13,029,474
Deposits	5,198,463	4,326,693
Other liabilities (excluding current taxation)	848,621	(70,679)
	<u>24,008,514</u>	<u>16,743,556</u>
Payment on account of staff retirement benefits	(64,262)	(109,078)
Income tax paid	(53,960)	(58,492)
Net cash generated from operating activities	<u>22,171,198</u>	<u>16,613,294</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(21,295,831)	(14,635,120)
Dividend received	3,455	21,009
Investments in fixed assets	(83,336)	(324,841)
Investments in intangible assets	(23,939)	(52,159)
Proceeds from sale of fixed assets	23,512	18,120
Proceeds from sale of non banking assets	45,803	-
Net cash used in investing activities	<u>(21,330,336)</u>	<u>(14,972,991)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(678,890)	(548,816)
Net cash used in financing activities	<u>(678,890)</u>	<u>(548,816)</u>
Effect of exchange rate changes on cash and cash equivalents	766,483	175,581
Decrease in cash and cash equivalents	<u>928,455</u>	<u>1,267,068</u>
Cash and cash equivalents at beginning of the period	14,712,217	12,722,305
Cash and cash equivalents at end of the period	<u>33</u> <u>15,640,672</u>	<u>13,989,373</u>

The annexed notes 1 to 39 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022

I. STATUS AND NATURE OF BUSINESS

I.1 The Group comprises of:

I.1.1 Holding Company: Summit Bank Limited

Summit Bank Limited (the Bank) is a banking company incorporated in Pakistan on December 09, 2005 as public company limited by shares under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Bank's registered office is situated at Plot No. 9-C, F-6 Markaz, Supermarket, Islamabad, Pakistan. The Bank is a subsidiary of Suoro Investments Limited, a company incorporated in Mauritius, holding 66.77% of the issued, subscribed and paid up capital of the Bank as at September 30, 2022.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 179 Conventional Banking Branches and 14 Islamic Banking Branches (December 31, 2021: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962 .

In the year 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B minus) and short term rating of 'A-3' (A-three) due to non-availability of updated information. The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested SBP to allow an extension to complete the credit rating exercise by December 31, 2022. Moreover, the Bank's TFC rating was assigned 'D' (Default) due to non-payment of its latest mark-up payment on account of lock-in-clause invoked by the Bank under the applicable Regulations of the State Bank of Pakistan (SBP). The TFC holders of the Bank in their meeting held on October 22, 2021, further approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts, with the revised maturity date set at October 27, 2022. The Bank is currently in the process of ensuring compliance with all the applicable laws, rules, regulations and requisite regulatory requirements in this regard.

I.1.2 Subsidiary

Summit Capital Private Limited - 100 % Shareholding

SCPL, the subsidiary company was incorporated in Pakistan on March 08, 2006 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The subsidiary company is a corporate member / TREC holder of Pakistan Stock Exchange Limited and Pakistan Mercantile Exchange Limited. The principal activities of the subsidiary company are equity and money market brokerage, interbank foreign exchange brokerage, commodity brokerage and research. The registered office of the Subsidiary is situated at 701-702, 7th Floor, Business and Finance Centre, opposite State Bank of Pakistan, I.I. Chundrigar Road, Karachi. The Group acquired interest in SCPL by virtue of amalgamation of Atlas Bank Limited.

- I.2** During the period ended, the Group has incurred a net loss of Rs. 2,012.961 million resulting in accumulated losses of Rs. 40,790.190 million and negative equity of Rs. 16,617.471 million. As per the applicable laws and regulations, the Group is required to maintain Minimum Paid-up Capital (net of losses) (MCR) of Rs. 10 billion, Capital Adequacy Ratio (CAR) at 11.50% (inclusive of Capital Conservation Buffer of 1.50%), Leverage Ratio (LR) at 3.00%, Liquidity Coverage Ratio (LCR) at 100% and Net Stable Funding Ratio (NSFR) at 100% as of September 30, 2022. However, the paid up capital of the Group (net of losses), CAR and LR are negative.

The Group is making best efforts to comply with applicable capital requirements through increase in capital / capital injection at the earliest. For this, the management has prepared a business plan, which has been approved by the Board.

This plan aims to improve the Group's capital base and risk absorption capacity and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Reaping benefits from the expected growth of Islamic finance in Pakistan since the Group will speed-up the implementation process of its earlier decision of conversion to a full-fledged Islamic bank;
- Recoveries from non-performing advances through strenuous and focused recovery efforts;
- Reduction in overall level of non-earning assets held by the Group;
- Identifying opportunities for rationalization of the cost structure;
- Improvement in the risk management and technological infrastructure of the Group to support the business plan;
- Investments / exposures in safe avenues for achieving solid growth in the core business income; and
- Income generation through avenues for mark-up income and non-mark up income.

In this respect, the Bank received a letter dated May 20, 2021 from H.E. Nasser Abdulla Hussain Lootah (Investor) in which the Investor had communicated his intention to acquire a controlling stake in the Bank by subscribing to fresh equity in the Bank which was followed by a Public Announcement of Intention (PAI) by the Investor to acquire at least 51% of the issued and paid up capital of the Bank together with the management control.

The Investor submitted his offer via a letter dated October 01, 2021 and as per the Share Subscription Agreement (SSA) dated October 04, 2021 entered between the Bank and the Investor for the proposed subscription of new ordinary shares in the Bank by way of fresh equity injection Without Rights Offering at a discounted price of Rs. 2.51 per share. The Investor presented the offer as set out in the Share Subscription Agreement which was duly approved by the Board of Directors. The Bank intends to issue total 5,976.096 million new ordinary shares.

On expiry of time period for making a public announcement of offer (February 18, 2022), the Investor had submitted a revised PAI dated February 21, 2022 to acquire at least 51% of the issued and paid up capital of the Bank.

The Bank further received a letter dated March 18, 2022 from the Investor informing the Bank about a Public Announcement of Offer (PAO) made to acquire 1,312,298,455 existing ordinary shares from the shareholders of the Bank at a price of Rs. 2.51 per share subject to a minimum level of acceptance of 35% of remaining voting shares outstanding as on the last date of PAO. The investor has also submitted irrevocable bank guarantees to the manager to the offer in this regard.

The Investor, via a letter dated April 28, 2022 shared with the Bank on May 06, 2022, disclosed the inclusion of Mr. Salman Iqbal in the consortium to acquire the Bank with an intention to subscribe to such number of shares which would enable him to become a maximum of 25% shareholder in the Bank. The Board of Directors in their meeting held on May 09, 2022 approved the inclusion of Mr. Salman Iqbal in the consortium of the Acquirer subject to obtaining the requisite approval from the regulatory authorities and shareholders. The shareholders in the (Adjourned) Extra Ordinary General Meeting (EOGM) held on June 08, 2022 approved the inclusion of Mr. Salman Iqbal in the consortium of the Investor.

The Bank dispatched Subscription Entitlement Letters dated July 05, 2022 to its eligible minority shareholders inviting them to subscribe their respective shares in the Bank at the subscription price of Rs. 2.51 per share. As a result, 5,771 shares of the Bank have been subscribed by minority shareholders. The subscription by minority shareholders and the subsequent allotment of shares are subject to the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory approvals.

The Investor continues to be fully committed to consummating the transaction and has deposited Rs. 6 billion with the Bank which would later be transferred to the shares subscription account.

The management and the Board of Directors are hopeful that with the capital injection along with the growth factors and other key assumptions stipulated in the business plan materialize, the Bank will be able to achieve compliance with applicable regulatory requirements.

2. BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements represent financial statements of the Holding Company - Summit Bank Limited and its subsidiary. The assets & liabilities of subsidiary have been consolidated on a line-by-line basis and the investment held by the Holding Company is eliminated against the corresponding share capital of the subsidiary in these consolidated condensed interim financial statements.

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

- International Accounting Standard (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 Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP, vide its BSD Circular Letter no. 10 dated August 26, 2002 has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. The SBP vide BPRD Circular No. 4 of 2015, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, the SECP has deferred the applicability of International Financial Reporting Standard (IFRS) 7 'Financial Instruments: Disclosures' for banks through its notification S.R.O. 411(I)/2008 dated April 28, 2008. Moreover, the SBP has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and has directed banks having asset size of less than Rs 500 billion to implement IFRS 9 'Financial Instruments' with effect from January 01, 2024 vide BPRD Circular Letter No. 03 of 2022 dated July 05, 2022. The SBP is in process of issuing revised reporting formats for interim financial reporting following the implementation of IFRS 9. These are currently in draft form and are yet to be notified.

Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the SBP through various circulars.

2.3 Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed, or has rights, to variable returns from its investment with investee and has the ability to effect these return through its power over the investee.

These consolidated financial statements incorporate the financial statements of subsidiary from the date that control commences until the date that control ceases.

Non-controlling interests are that part of the net results of operations and of net assets of subsidiary attributable to the interest which are not owned by the Group. Material intra-group balances and transactions are eliminated.

- 2.4** Key financial figures of the Islamic banking branches are disclosed in note 38 to these consolidated condensed interim financial statements.
- 2.5** The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34 'Interim Financial Reporting' and do not include all the information and disclosures required for annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the year ended December 31, 2021.

2.6 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period

There are certain amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 01, 2022. These are considered either not to be relevant or not to have any significant impact on the Group's consolidated condensed interim financial statements.

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

The following standards, amendments and interpretations as notified under the Companies Act, 2017 will be effective for the accounting periods as stated below:

Standard, Interpretation or Amendment	Effective date (annual periods beginning on or after)
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	January 01, 2023
Definition of Accounting estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12	January 01, 2023
Sale or contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	January 01, 2023

2.8 Critical accounting estimates and judgements

The basis for accounting estimates adopted in the preparation of these consolidated condensed interim financial statements is the same as that applied in the preparation of the consolidated financial statements for the year ended December 31, 2021.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These consolidated condensed interim financial statements have been prepared under the historical cost convention except that certain operating fixed assets and non banking assets in satisfaction of claims are stated at revalued amounts and certain investments and derivative financial instruments have been stated at fair value and defined benefit obligations which are carried at present value.

3.2 Functional and Presentation Currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

The amounts are rounded off to the nearest thousand rupees except as stated otherwise.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended December 31, 2021.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Group are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2021.

	(Un-audited)	(Audited)
	September 30,	December 31,
	2022	2021
	----- (Rupees in '000) -----	
6. CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	4,454,166	4,435,275
Foreign currency	471,470	565,956
	4,925,636	5,001,231
With State Bank of Pakistan in		
Local currency current account	7,041,631	6,966,624
Foreign currency current account	609,510	518,597
Foreign currency deposit account	1,027,425	875,136
	8,678,566	8,360,357
With National Bank of Pakistan in Local currency current account	880,298	959,344
Prize bonds	10,853	94,080
	14,495,353	14,415,012

7. BALANCES WITH OTHER BANKS

In Pakistan		
In current account	10,620	22,412
In deposit account	5,779	5,401
	16,399	27,813
Outside Pakistan		
In current account	1,097,841	1,022,128
In deposit account	58,484	44,128
	1,156,325	1,066,256
	1,172,724	1,094,069

8. LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)	642,991	298,931
Less: provision held against Lendings to Financial Institutions	-	-
Lendings to Financial Institutions - net of provision	642,991	298,931

9. INVESTMENTS

9.1 Investments by type:

	September 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								
- Market Treasury Bills	18,312,362	-	5,325	18,317,687	13,879,696	-	(42,183)	13,837,513
- Pakistan Investment Bonds	16,866,126	-	(24,926)	16,841,200	8,502	-	(173)	8,329
- GoP Ijarah Sukuks	13,987,945	-	(29,195)	13,958,750	13,985,092	-	(65,242)	13,919,850
Shares								
- Fully paid up ordinary shares - Listed	2,610,663	(2,175,221)	252,581	688,023	2,592,709	(2,133,273)	291,502	750,938
- Fully paid up ordinary shares - Unlisted	14,475	(1,000)	-	13,475	14,475	(1,000)	-	13,475
- Preference shares - Unlisted	46,035	(46,035)	-	-	46,035	(46,035)	-	-
Non Government Debt Securities								
- Term Finance Certificates	1,579,667	(1,579,667)	-	-	1,594,950	(1,594,950)	-	-
- Sukuk Bonds	2,700,000	(200,000)	(39,758)	2,460,242	2,700,000	(200,000)	(94,825)	2,405,175
Mutual funds units	17	-	(2)	15	-	-	-	-
	56,117,290	(4,001,923)	164,025	52,279,392	34,821,459	(3,975,258)	89,079	30,935,280
Total Investments	56,117,290	(4,001,923)	164,025	52,279,392	34,821,459	(3,975,258)	89,079	30,935,280

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

9.2 Provision for diminution in value of investments

Opening balance	3,975,258	4,716,162
Charge / reversals		
Charge for the period / year	41,948	-
Reversals for the period / year	(15,283)	(2,700)
Reversal on disposals	-	(738,204)
	26,665	(740,904)
Closing balance	4,001,923	3,975,258

9.3 Particulars of provision against debt securities

Category of classification	(Un-audited) September 30, 2022		(Audited) December 31, 2021	
	NPI	Provision	NPI	Provision
----- (Rupees in '000) -----				
Domestic				
Loss	1,779,667	1,779,667	1,794,950	1,794,950

10. ADVANCES

Note	Performing		Non Performing		Total	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
	(Rupees in '000)					
Loans, cash credits, running finances, etc.	16,929,300	19,171,859	35,694,446	36,177,174	52,623,746	55,349,033
Islamic financing and related assets	2,408,125	3,090,791	760,673	772,718	3,168,798	3,863,509
Bills discounted and purchased	992,069	533,456	49,335	62,456	1,041,404	595,912
Advances - gross	20,329,494	22,796,106	36,504,454	37,012,348	56,833,948	59,808,454
Provision against advances						
- Specific	-	-	(33,216,723)	(32,750,104)	(33,216,723)	(32,750,104)
- General	(10,276)	(13,885)	-	-	(10,276)	(13,885)
	(10,276)	(13,885)	(33,216,723)	(32,750,104)	(33,226,999)	(32,763,989)
Advances - net of provision	20,319,218	22,782,221	3,287,731	4,262,244	23,606,949	27,044,465

10.1 Particulars of advances (Gross)

	(Un-audited)	(Audited)
	September 30, 2022	December 31, 2021
	(Rupees in '000)	
In local currency	56,097,641	59,275,077
In foreign currencies	736,307	533,377
	56,833,948	59,808,454

10.2 Advances include Rs. 36,504,454 million (December 31, 2021: Rs. 37,012,348 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Un-audited)		(Audited)	
	September 30, 2022		December 31, 2021	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	(Rupees in '000)			
Domestic				
Other Assets Especially Mentioned	137,684	73	1,126	113
Substandard	9,402	524	16,259	2,645
Doubtful	256,077	6,510	440,901	98,695
Loss	36,101,291	33,209,616	36,554,062	32,648,651
	36,504,454	33,216,723	37,012,348	32,750,104

10.3 Particulars of provision against advances

	September 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	Specific	General	Total	Specific	General	Total
	(Rupees in '000)					
Opening balance	32,750,104	13,885	32,763,989	32,425,544	21,671	32,447,215
Charge for the period / year	983,360	-	983,360	2,461,718	-	2,461,718
Reversals	(507,868)	(3,609)	(511,477)	(2,137,158)	(7,786)	(2,144,944)
	475,492	(3,609)	471,883	324,560	(7,786)	316,774
Amounts written off	(8,873)	-	(8,873)	-	-	-
Closing balance	33,216,723	10,276	33,226,999	32,750,104	13,885	32,763,989

10.3.1 The general provision against consumer financing is required to be maintained at varying percentages based on the non-performing loan ratio present in the portfolio. These percentages range are 1.5% for secured and 6% for unsecured portfolio.

The Bank has maintained general provision against housing finance portfolio at the rate of 1.5% of the performing portfolio and 1% against unsecured performing SE portfolio.

10.3.2 The Bank has availed the Forced Sale Value (FSV) benefit of mortgaged properties, plant and machinery and liquid securities held as collateral against non-performing advances as allowed under the applicable Prudential Regulations issued by the State Bank of Pakistan. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 3,136,909 million (December 31, 2021: Rs. 4,028,587 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 1,913,515 million (December 31, 2021: Rs. 2,618,582 million). As per the applicable Prudential Regulations, the positive impact of FSV benefit is not available for distribution either as cash or stock dividend to shareholders and bonus to employees.

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
11. FIXED ASSETS	Note ----- (Rupees in '000) -----	
Capital work-in-progress	11.1 15,606	9,118
Property and equipment	7,828,445	8,100,573
Right-of-use assets	2,928,571	2,842,645
	<u>10,772,622</u>	<u>10,952,336</u>
11.1 Capital work-in-progress		
Civil works and related payments / progress billings	10,980	4,492
Advances and other payments to suppliers and contractors	4,626	4,626
Advances and other payments against capital work in progress considered doubtful	1,158,340	1,158,340
Less: Provision held there against	(1,158,340)	(1,158,340)
	<u>15,606</u>	<u>9,118</u>
	(Un-audited)	
	September 30, 2022	September 30, 2021
	----- (Rupees in '000) -----	
11.2 Additions to fixed assets		
The following additions have been made to fixed assets during the period:		
Capital work-in-progress - net	6,488	45,441
Property and equipment		
Building improvements	13,839	328
Furniture and fixture	5,654	1,976
Electrical, office and computer equipment	41,183	217,040
Vehicles	16,151	60,057
	<u>76,827</u>	<u>279,401</u>
Right-of-use assets	553,789	1,393,198
	<u>637,104</u>	<u>1,718,040</u>
11.3 Disposal of fixed assets		
The net book value of fixed assets disposed off during the period is as follows:		
Property and equipment		
Building improvements	29	-
Furniture and fixture	108	587
Electrical, office and computer equipment	1,376	1,455
Vehicles	3,118	-
	<u>4,631</u>	<u>2,042</u>
Derecognition of right-of-use assets	16,919	-
	<u>21,550</u>	<u>2,042</u>

		(Un-audited) September 30, 2022	(Audited) December 31, 2021
	Note	----- (Rupees in '000) -----	
12. INTANGIBLE ASSETS			
Capital work-in-progress	12.1	67,369	49,700
Intangible assets in use	12.2	79,305	90,427
		<u>146,674</u>	<u>140,127</u>
12.1 Capital work-in-progress			
Advances to suppliers and contractors		67,369	49,700
Advances against capital work in progress considered doubtful		142,522	142,522
Less: Provision held there against		(142,522)	(142,522)
		<u>67,369</u>	<u>49,700</u>
12.2 Intangible assets in use			
Computer softwares		76,773	87,927
Trading Rights Entitlement Certificate		2,532	2,500
		<u>79,305</u>	<u>90,427</u>
		<u>(Un-audited)</u>	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
12.3 Additions to intangible assets			
The following additions have been made to intangible assets during the period:			
Capital work-in-progress - net		17,669	43,590
Directly purchased		6,269	8,569
		<u>23,938</u>	<u>52,159</u>

12.4 There were no disposals in intangible assets during the current and prior period.

13. DEFERRED TAX ASSETS

September 30, 2022 (Un-audited)			
At January 01, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	At September 30, 2022
----- (Rupees in '000) -----			
Deductible Temporary Differences on			
- Tax losses carried forward	9,813,393	2,642,153	-
- Provision against advances, off balance sheet etc.	7,086,935	940,177	-
- Provision for impairment loss - Investment	1,391,340	169,409	-
- Provision against intangible assets	43,107	4,927	-
- Staff compensated absences	51,647	3,655	-
- Unrealized gain on forward exchange contracts	10,472	63,376	-
- Provision against other assets	149,656	17,103	-
- Minimum tax	160,275	(159,921)	-
- Alternative Corporate tax	4,235	(318)	-
	18,711,060	3,680,561	-
			22,391,621
Taxable Temporary Differences on			
- Surplus on revaluation of fixed assets	(1,069,472)	-	(92,683)
- Surplus on revaluation of investments	(25,096)	-	(35,574)
- Surplus on revaluation of property - held for sale	(406,274)	-	(46,431)
- Surplus on revaluation of non-banking assets	(289,666)	-	(27,184)
- Accelerated tax depreciation	(295,904)	(20,049)	-
	(2,086,412)	(20,049)	(201,872)
			(2,308,333)
	16,624,648	3,660,512	(201,872)
			20,083,288
December 31, 2021 (Audited)			
At January 01, 2021	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2021
----- (Rupees in '000) -----			
Deductible Temporary Differences on			
- Tax losses carried forward	7,847,641	1,965,752	-
- Provision against advances, off balance sheet etc.	6,878,619	208,316	-
- Provision for impairment loss - Investment	1,650,657	(259,317)	-
- Provision against intangible assets	43,107	-	-
- Staff compensated absences	47,744	3,903	-
- Unrealized (gain) / loss on forward exchange contracts	7,032	3,440	-
- Provision against other assets	149,656	-	-
- Minimum tax	76	160,199	-
- Alternative Corporate tax	4,512	(277)	-
	16,629,044	2,082,016	-
			18,711,060
Taxable Temporary Differences on			
- Surplus on revaluation of fixed assets	(1,105,287)	-	35,815
- Surplus on revaluation of investments	(275,524)	-	250,428
- Surplus on revaluation of property - held for sale	(406,274)	-	-
- Surplus on revaluation of non-banking assets	(280,316)	-	(9,350)
- Accelerated tax depreciation	(334,149)	38,245	-
	(2,401,550)	38,245	276,893
			(2,086,412)
	14,227,494	2,120,261	276,893
			16,624,648

13.1 The net deferred tax asset has been recognized in accordance with the Group's accounting policy. The management, based on financial projections, estimates that sufficient taxable profits would be available in future against which the recognized deferred tax asset could be realized. The projections include certain key assumptions underlying management's estimation of profits. Any significant change in such assumptions may have effect on the recoverability of deferred tax asset. The management believes that it is probable that the Group would be able to achieve the profits and consequently, the recognized deferred tax asset will be fully realized in future.

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
14. OTHER ASSETS	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	1,502,922	709,304
Income / mark-up accrued in foreign currency	2,642	1,059
Advances, deposits, advance rent and other prepayments	440,279	421,504
Advance taxation (payments less provisions)	624,492	651,421
Non-banking assets acquired in satisfaction of claims	2,512,550	2,589,508
Branch adjustment account	-	174
Receivable from other banks against clearing and settlement	179,903	194,464
Mark to market gain on forward foreign exchange contracts	19,469	6,435
Acceptances	133,034	246,482
Stationery and stamps on hand	7,835	8,663
Dividend receivable	3,975	-
Commission receivable on home remittance	5,382	9,936
Commission receivable on brokerage	6,140	7,050
Property - held for sale	3,836,309	3,836,309
Account receivable	82,196	93,374
Others	488,142	501,590
	9,845,270	9,277,273
Less: Provision held against other assets	(823,736)	(815,110)
Other Assets (net of provision)	9,021,534	8,462,163
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	812,437	827,616
Surplus on revaluation of property - held for sale	1,160,784	1,160,784
Other Assets - total	10,994,755	10,450,563

14.1 This represents a portion of the Bank's self constructed property which has been earmarked for selling in the near future. This property is carried at lower of market value / fair value less cost to sell and carrying amount.

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
14.2 Provision held against other assets	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	1,389	1,389
Advances, deposits, advance rent and other prepayments	96,689	96,689
Non-banking assets acquired in satisfaction of claims	360,107	360,107
Commission receivable on guarantees	9,880	9,880
Receivable from Dewan Group	38,295	34,436
Account receivable - sundry claims	204,684	197,186
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	86,998	89,729
	823,736	815,110

14.2.1 Movement in provision held against other assets

Opening balance	815,110	695,012
Charge for the period / year	11,356	121,543
Reversals	(2,730)	(1,445)
Closing balance	823,736	815,110

15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

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

16. BILLS PAYABLE

In Pakistan	1,759,654	2,071,048
Outside Pakistan	-	-
	<u>1,759,654</u>	<u>2,071,048</u>

17. BORROWINGS

Secured

Borrowings from State Bank of Pakistan

- Under export refinance scheme
- Under Islamic Export Refinance Scheme (IERF)
- Under long-term financing facility
- Refinance facility for modernization of SMEs
- Repurchase agreement borrowings

5,722,400	5,858,980
300,000	400,000
474,298	629,075
2,665	3,604
18,665,120	-
25,164,483	6,891,659

Total secured

Unsecured

Overdrawn nostro accounts

27,405	30,381
25,191,888	6,922,040

18. DEPOSITS AND OTHER ACCOUNTS

September 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	36,883,538	1,394,635	38,278,173	32,419,903	1,394,634	33,814,537
Savings deposits	55,072,433	1,656,259	56,728,692	53,921,219	3,902,261	57,823,480
Term deposits	11,010,216	4,248,931	15,259,147	9,783,869	3,954,546	13,738,415
Others	2,283,694	35,927	2,319,621	2,132,165	27,759	2,159,924
	105,249,881	7,335,752	112,585,633	98,257,156	9,279,200	107,536,356

Financial institutions

Current deposits	322,905	180,255	503,160	239,464	102,102	341,566
Savings deposits	1,201,614	6	1,201,620	985,244	5	985,249
Term deposits	332,366	-	332,366	561,145	-	561,145
Others	-	-	-	-	-	-
	1,856,885	180,261	2,037,146	1,785,853	102,107	1,887,960
	107,106,766	7,516,013	114,622,779	100,043,009	9,381,307	109,424,316

19. SUBORDINATED DEBT

Issue amount	Rs. 1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2021 (December 31, 2020: October 27, 2021)

These TFCs were issued by the Bank on October 27, 2011 for an initial tenure of seven years and maturity date of October 27, 2018. In order to protect the interest of the TFC Holders, the tenure of the TFC together with the payment of applicable redemption amounts were extended thrice by the Bank to October 27, 2019, October 27, 2020 and October 27, 2021 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019 and October 22, 2020. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020 and July 09, 2021. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020 and October 22, 2021.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 26, 2021 have approved another extension of one year in the tenure of the TFC issue along with the extension in the payments of all redemption amounts (principal and the related mark-up) with the revised maturity date of October 27, 2022. The requisite formalities and compliance with the applicable regulatory requirements necessary for this extension have already been completed by the Bank and the final approval is awaited from the State Bank of Pakistan.

Rating	'D' (Default).
Security	Unsecured.
Redemption / profit payment frequency	The redemption / profit payment details are mentioned in the above maturity date clause.
Mark up	Base rate (6 months KIBOR - ask side) plus 325 bps.
Call option	The Bank had an option to call the TFC's subject to SBP's prior written approval, on any profit payment date after the 60th month from the last day of public subscription, with not less than 30 days prior notice to be given to the Trustee. The Call option once announced will not be revocable. Further, no premium will be paid to the TFC Holders in case the call option is exercised by the Bank.
Lock-in-clause	Neither interest nor principal can be paid (even at maturity) if such payments will result in a shortfall in the Bank's Minimum Capital Requirements (MCR) or Capital Adequacy Ratio (CAR) or increase in the existing shortfall in MCR and CAR.

	(Un-audited) (Audited)	
	September 30, December 31,	
20. OTHER LIABILITIES	2022	2021
Note	----- (Rupees in '000) -----	
Mark-up / return / interest payable in local currency	2,181,441	1,305,054
Mark-up / return / interest payable in foreign currencies	2,223	3,291
Unearned income	67,452	16,329
Accrued expenses	68,742	105,415
Advance against sale of property	378,609	373,323
Acceptances	133,034	246,482
Unclaimed dividends	2,213	2,213
Mark to market loss on forward foreign exchange contracts	208,824	36,356
Payable to defined benefit plan	57,179	42,992
Charity fund balance	1,119	1,084
Branch adjustment account	8,612	-
Security deposits against lease	262,775	310,050
Payable to Bangladesh Bank	41,389	41,389
Payable to Rupali Bank - Bangladesh	16,293	16,293
Payable to vendors / creditors	232,074	196,909
Provision for compensated absences	142,525	148,454
Payable to Bank of Ceylon, Colombo	20,163	20,163
Retention money	3,637	3,133
Provision for Workers' Welfare Fund	13,360	13,360
Withholding taxes and government levies payable	39,952	14,290
Federal excise duty and sales tax payable	4,962	7,062
Commission payable on home remittances	4,680	3,102
Lease liability against right-of-use assets	3,372,248	3,215,664
Account payable	80,940	61,560
Others	397,937	336,128
	<u>7,742,383</u>	<u>6,520,096</u>

21. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS

Surplus / (deficit) on revaluation of

- Available for sale securities
- Fixed assets
- Non-banking assets acquired in satisfaction of claims
- Property - held for sale

9.1	164,025	89,079
	3,952,702	4,028,457
	812,437	827,616
	1,160,784	1,160,784
	<u>6,089,948</u>	<u>6,105,936</u>

Deferred tax on surplus / (deficit) on revaluation of:

- Available for sale securities
- Fixed assets
- Non-banking assets acquired in satisfaction of claims
- Property - held for sale

(60,670)	(25,096)
(1,162,155)	(1,069,472)
(316,850)	(289,666)
(452,705)	(406,274)
<u>(1,992,380)</u>	<u>(1,790,508)</u>

<u>4,097,568</u>	<u>4,315,428</u>
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		(Un-audited) September 30, 2022	(Audited) December 31, 2021
	Note	----- (Rupees in '000) -----	
22. CONTINGENCIES AND COMMITMENTS			
-Guarantees	22.1	11,617,098	9,824,912
-Commitments	22.2	33,500,826	14,987,854
-Other contingent liabilities	22.3	25,319,406	19,203,552
		<u>70,437,330</u>	<u>44,016,318</u>
22.1 Guarantees:			
Financial guarantees		20,470	20,470
Performance guarantees		8,798,293	8,003,196
Other guarantees		2,798,335	1,801,246
		<u>11,617,098</u>	<u>9,824,912</u>
22.2 Commitments:			
Documentary credits and short-term trade-related transactions - letters of credit		1,547,075	1,990,941
Commitments in respect of:			
- forward foreign exchange contracts	22.2.1	6,062,556	7,537,538
- forward lending	22.2.2	7,023,103	5,279,206
Commitments for acquisition of:			
- fixed assets		5,509	664
- intangible assets		197,463	179,505
Other commitments	22.2.3	18,665,120	-
		<u>33,500,826</u>	<u>14,987,854</u>
22.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		4,861,845	6,748,974
Sale		1,200,711	788,564
		<u>6,062,556</u>	<u>7,537,538</u>

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	----- (Rupees in '000) -----	
22.2.2 Commitments in respect of forward lending		
Forward documentary bills	5,184,788	3,996,813
Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.2.1 1,838,315	1,282,393
	<u>7,023,103</u>	<u>5,279,206</u>

22.2.2.1 These represent commitments that are irrevocable because they cannot be withdrawn at the discretion of the Group without the risk of incurring significant penalty or expense.

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
	----- (Rupees in '000) -----	
22.2.3 Other commitments		
Purchase (Repo)	<u>18,665,120</u>	<u>-</u>
22.3 Other contingent liabilities - claims against the Group not acknowledged as debts	<u>25,319,406</u>	<u>19,203,552</u>

22.4 During the year 2018, Law Enforcement Agencies (LEAs) initiated its investigation on certain bank accounts alleged for money laundering activities in various banks including Summit Bank Limited. The Honourable Supreme Court of Pakistan under Suo Moto Case HRC-39216-G, appointed a Joint Investigation Team (JIT) which was constituted to investigate the matter. On recommendation of JIT, the matter was referred by the Honourable Supreme Court to the National Accountability Bureau (NAB) for further investigation and filing of references in the National Accountability Courts. The matter is currently under NAB investigations and only partial references have been filed in the NAB Courts. The Bank has been and is committed to extending its full cooperation to the Law Enforcement Agencies in their investigations to the best extent possible and the matter is currently sub judice. These proceedings in the opinion of the management will not have any effect on the operations and functioning of the Bank.

22.5 Contingency for tax payable

Contingency related to tax payable is disclosed in note 31.2.

		(Un-audited)	
		Nine months ended	
		September 30, 2022	September 30, 2021
Note		----- (Rupees in '000) -----	
23.	MARK-UP / RETURN / INTEREST EARNED		
	On:		
	Loans and advances	1,734,409	1,421,506
	Investments	3,299,062	1,660,831
	Lendings to financial institutions	192,021	31,092
	Balances with banks	9,684	4,090
		<u>5,235,176</u>	<u>3,117,519</u>
24.	MARK-UP / RETURN / INTEREST EXPENSED		
	On:		
	Deposits	4,988,807	3,021,507
	Borrowings	838,889	295,565
	Subordinated debt	169,118	120,562
	Cost of foreign currency swaps against foreign currency deposits / borrowings	641,100	278,852
	Finance cost of lease liability	294,693	268,313
		<u>6,932,607</u>	<u>3,984,799</u>
25.	FEE AND COMMISSION INCOME		
	Branch banking customer fees	32,367	31,872
	Consumer finance related fees	4,502	7,233
	Card related fees (debit cards)	61,547	47,400
	Credit related fees	2,352	2,486
	Investment banking fees	22,325	32,967
	Commission on trade	127,601	125,234
	Commission on guarantees	48,220	79,560
	Commission on cash management	940	1,829
	Commission on remittances including home remittances	6,626	9,851
	Commission on bancassurance	618	775
	Alternate Delivery Channels	25,976	1,117
	Commission on brokerage	31,941	56,748
	Others	9	12
		<u>365,024</u>	<u>397,084</u>
26.	GAIN ON SECURITIES		
	Realised	26.1 14,740	490,359
26.1	Realised gain on:		
	Federal Government Securities	14,740	31,335
	Shares	-	459,024
		<u>14,740</u>	<u>490,359</u>

		(Un-audited) Nine months ended	
		September 30, 2022	September 30, 2021
Note		----- (Rupees in '000) -----	
27. OTHER INCOME			
Rent on property		4,376	11,910
Gain on sale of fixed assets - net		18,890	16,078
Loss on sale of non banking assets		(431)	-
Gain on sale of ijarah assets		1,625	20,574
Recoveries against previously expensed items		1,056	-
Loss on termination of lease (IFRS 16)		(6,572)	-
Income on settlement of nostro balances		448	6,555
Others		355	100
		19,747	55,217
28. OPERATING EXPENSES			
Total compensation expense	28.1	1,574,465	1,448,116
Property expense			
Rent and taxes		72,627	115,048
Insurance - property		7,969	5,491
Insurance - non banking assets		644	526
Utilities cost		305,599	208,402
Security (including guards)		148,813	146,987
Repair and maintenance (including janitorial charges)		89,461	100,987
Depreciation on owned fixed assets		202,171	215,198
Depreciation on right-of-use assets		448,282	405,082
Depreciation on non banking assets		45,904	74,055
		1,321,470	1,271,776
Information technology expenses			
Software maintenance		73,714	71,502
Hardware maintenance		71,697	65,619
Depreciation on computer equipments		60,580	51,284
Amortisation of computer softwares		17,392	16,880
Network charges		66,683	67,241
Insurance		1,194	517
		291,260	273,043
Other operating expenses			
Directors' fees and allowances		30,900	12,000
Fees and allowances to Shariah Board		16,125	11,505
Legal and professional charges		57,213	68,529
Outsourced services costs		163,703	123,871
Travelling and conveyance		213,267	134,587
NIFT clearing charges		19,187	18,875
Depreciation		81,594	101,470
Amortisation of core deposits and brand name		-	7,165
Training and development		2,284	1,883
Postage and courier charges		33,575	27,136
Communication		36,758	37,045
Stationery and printing		68,033	62,024
Marketing, advertisement and publicity		14,108	6,273
Brokerage and commission		21,195	15,592
Fee and subscription		82,451	47,559
Cash transportation and sorting charges		84,473	82,129
Entertainment		30,560	27,391
Insurance		92,223	95,428
Deposit insurance premium expense		72,435	62,471
Repair and maintenance		70,792	66,949
Auditors' remuneration		8,553	10,066
Others		26,545	12,008
		1,225,974	1,031,956
		4,413,169	4,024,891

		(Un-audited)	
		Nine months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
28.1	Total compensation expense	Note	
	Fees and allowances etc.	15,251	11,922
	Managerial remuneration		
	i) Fixed	985,860	907,368
	ii) Variable		
	of which;		
	a) Cash bonus / awards etc.	-	2,580
	b) Incentives and commission	2,783	3,954
	Charge for defined benefit plan	58,529	58,037
	Contribution to defined contribution plan	54,764	56,528
	Charge for employees compensated absences	13,991	6,316
	Rent and house maintenance	304,513	275,244
	Utilities	67,667	61,144
	Medical	70,686	64,617
	Employee old age benefit institution	421	406
	Total	1,574,465	1,448,116
29.	OTHER CHARGES		
	Penalties imposed by State Bank of Pakistan	673	3,975
	Penalties imposed by SECP	250	100
		923	4,075
30.	PROVISIONS AND WRITE OFFS - NET		
	Provision / (reversal of provision) for diminution in value of investments	26,665	(740,229)
	Provision / (reversal of provision) against loans and advances	471,883	(845,523)
	Provision against capital work in progress	-	1,298
	Provision against intangible assets	-	4,098
	Provision against other assets	8,626	120,537
	Fixed assets written off	9	14
	Bad debts written off directly	37	-
	Operational loss	311	3,070
	Recoveries against written off / charged off bad debts	(931)	(2,431)
		506,600	(1,459,166)
31.	TAXATION		
	Current	31.1 & 31.2 80,889	50,164
	Prior years	-	-
	Deferred	(3,660,512)	(773,613)
		(3,579,623)	(723,449)

31.1 This represents the provision for minimum taxation made in accordance with the requirements of section 113 of the Income Tax Ordinance, 2001. Therefore, reconciliation of tax expense and accounting profit / loss has not been disclosed.

31.2 The Income Tax Returns of the Bank and its subsidiary have been submitted up to and including financial year ended December 31, 2021 i.e. tax year 2022.

In respect of assessments of Summit Bank Limited from tax years 2009 to tax year 2016, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 329.13 million through amended assessment orders and the same have been paid / stayed / adjusted against available refunds.

In respect of assessments of Summit Bank Limited AJK Region from tax year 2013 to tax year 2017, the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand of Rs. 9.684 million through amended assessment orders and the same have been paid / adjusted against advance tax paid.

In respect of assessments of ex-My Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2011, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 456.62 million through amended assessment orders and the same have been paid / adjusted against available refunds.

In respect of assessments of ex-Atlas Bank Limited (now Summit Bank Limited) from tax year 2003 to tax year 2010, the tax authorities disputed the Bank's treatment on certain issues and created additional tax demand of Rs. 89.74 million through amended assessment orders and the same have been paid / adjusted against available refunds.

Such issues mainly include disallowances of mark up payable, taxation of mutual fund distribution at corporate tax rate, disallowance of provision against non-performing loans, disallowance of reversal of provisions, allocation of expenses against dividend income and capital gain, disallowances against non-banking assets, disallowances of certain HO expenses, addition to mark-up/interest earned in AJK region etc. The Bank has filed appeals before the various appellate forums against these amended assessment orders which are either pending for hearing or order.

The management of the Group is confident about the favourable outcome of the appeals hence, no provision / adjustment with respect to the above matters has been made in these consolidated financial statements.

		(Un-audited)	
		Nine months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
32. BASIC AND DILUTED LOSS PER SHARE	Note		
Loss for the period		<u>(2,012,961)</u>	<u>(1,610,382)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Basic		<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Basic loss per share		<u>(0.76)</u>	<u>(0.61)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Diluted	32.1	<u>2,638,151,060</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.76)</u>	<u>(0.61)</u>

32.1 There are no potential ordinary shares outstanding as of September 30, 2022.

		(Un-audited)	
		Nine months ended	
		September 30, 2022	September 30, 2021
		----- (Rupees in '000) -----	
33. CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks		14,495,353	13,236,097
Balances with other banks		1,172,724	775,061
Overdrawn nostro accounts		(27,405)	(21,785)
		<u>15,640,672</u>	<u>13,989,373</u>

34. FAIRVALUE MEASUREMENTS

The fair value of quoted securities other than those classified as held to maturity, is based on quoted market price. Quoted securities classified as held to maturity are carried at cost. The fair value of unquoted equity securities is determined on the basis of the break-up value of these investments as per their latest available audited financial statements.

The fair value of unquoted debt securities, fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to the absence of a current and active market for these assets and liabilities and reliable data regarding market rates for similar instruments.

34.1 Fair value of financial assets

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

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

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

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

34.2 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 categorized:

September 30, 2022				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
On balance sheet financial instruments				
Financial assets - measured at fair value				
Investments				
- Federal Government Securities	-	49,117,637	-	49,117,637
- Shares - Listed	688,023	-	-	688,023
- Mutual funds units	15	-	-	15
- Non Government Debt Securities	2,460,242	-	-	2,460,242
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	74,678	74,678
Non-Financial assets - measured at fair value				
fixed assets	-	-	7,339,359	7,339,359
Non banking assets acquired in satisfaction of claims	-	-	2,964,880	2,964,880
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	7,044,138	-	7,044,138
Forward sale of foreign exchange	-	980,320	-	980,320

On balance sheet financial instruments

December 31, 2021 (Audited)			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			

Financial assets - measured at fair value

Investments

- Federal Government Securities	-	27,765,692	-	27,765,692
- Shares - Listed	750,938	-	-	750,938
- Mutual funds units	-	-	-	-
- Non Government Debt Securities	2,405,175	-	-	2,405,175

Financial assets - disclosed but not measured at fair value

Investments

- Shares - Unlisted	-	-	74,506	74,506
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Non-Financial assets - measured at fair value

Fixed assets	-	-	7,527,721	7,527,721
Non banking assets acquired in satisfaction of claims	-	-	3,057,017	3,057,017

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	6,715,915	-	6,715,915
Forward sale of foreign exchange	-	785,426	-	785,426

Valuation techniques used in determination of fair value

Item	Valuation approach and input used
Federal Government Securities	The fair values of Market Treasury Bills (MTB) and Pakistan Investment Bonds (PIB) are determined using the PKRV rates. Floating rate PIBs are revalued using PKFRV rates. The fair values of GOP Ijarah Sukuks are derived using the PKISRV rates.
Mutual funds units	The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.
Ordinary shares - Listed	The fair value of investment in listed equity securities are valued on the basis of closing quoted market price available at the Pakistan Stock Exchange.
Ordinary shares - Unlisted	This represents breakup value of investments.
Non-Government Debt Securities	Investments in debt securities (comprising term finance certificates, bonds and any other security issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital) are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Forward foreign exchange contracts	The valuation has been incorporated by interpolating the foreign exchange revaluation rates announced by the SBP.
Fixed assets (land and building) and non-banking assets acquired in satisfaction of claims	The valuation experts used a market based approach to arrive at the fair value of the Bank's properties. The market approach used prices and other relevant information generated by market transactions involving identical or comparable or similar properties.

35. SEGMENT INFORMATION

35.1 Segment details with respect to business activities

For the nine months period ended September 30, 2022 (Un-audited)							
Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total	
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	(611)	1,128,448	(3,278,517)	446,988	6,261	-	(1,697,431)
Inter segment revenue - net	-	(711,855)	-	711,855	-	-	-
Non mark-up / return / interest income	17,775	(1,546,167)	2,491,009	19,052	43,870	-	1,025,539
Total income	17,164	(1,129,574)	(787,508)	1,177,895	50,131	-	(671,892)
Segment direct expenses	2,621	166,483	3,889,402	247,528	61,805	46,253	4,414,092
Inter segment expense allocation	-	-	(374,565)	374,565	-	-	-
Total expenses	2,621	166,483	3,514,837	622,093	61,805	46,253	4,414,092
Provisions	-	26,665	475,359	4,576	-	-	506,600
Profit / (loss) before tax	14,543	(1,322,722)	(4,777,704)	551,226	(11,674)	(46,253)	(5,592,584)
As at September 30, 2022 (Un-audited)							
Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total	
(Rupees in '000)							
Balance Sheet							
Cash and bank balances	-	8,608,266	5,551,957	1,439,815	68,039	-	15,668,077
Investments	-	39,933,672	1,394,734	10,908,242	42,744	-	52,279,392
Net inter segment lending	-	500,000	-	8,190,611	-	-	8,690,611
Lendings to financial institutions	-	642,991	-	-	-	-	642,991
Advances - performing	-	-	17,912,794	2,405,720	704	-	20,319,218
Advances - non-performing	-	-	3,262,113	25,618	-	-	3,287,731
Others	143,728	4,258,334	24,972,089	937,766	173,233	11,512,189	41,997,339
Total assets	143,728	53,943,263	53,093,687	23,907,772	284,720	11,512,189	142,885,359
Borrowings	-	18,682,802	6,199,364	309,722	-	-	25,191,888
Subordinated debt	5,403	289,492	1,200,620	-	-	-	1,495,515
Deposits and other accounts	-	-	94,513,552	20,109,227	-	-	114,622,779
Net inter segment borrowing	-	8,190,611	-	500,000	-	-	8,690,611
Others	6,323	888,731	7,579,379	626,225	90,216	311,163	9,502,037
Total liabilities	11,726	28,051,636	109,492,915	21,545,174	90,216	311,163	159,502,830
Equity	132,002	25,891,627	(56,399,228)	2,362,598	194,504	11,201,026	(16,617,471)
Total equity and liabilities	143,728	53,943,263	53,093,687	23,907,772	284,720	11,512,189	142,885,359
Contingencies and Commitments	-	23,993,468	15,976,749	4,944,735	-	25,522,378	70,437,330

For the nine months period ended September 30, 2021 (Un-audited)							
Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total	
(Rupees in '000)							
Profit and Loss							
Net mark-up / return / profit	(1,075)	776,300	(1,691,720)	46,460	2,755	-	(867,280)
Inter segment revenue - net	-	(556,398)	-	556,398	-	-	-
Non mark-up / return / interest income	31,554	665,835	315,917	28,108	61,835	-	1,103,249
Total income	30,479	885,737	(1,375,803)	630,966	64,590	-	235,969
Segment direct expenses	5,366	365,102	3,288,582	217,542	78,597	73,777	4,028,966
Inter segment expense allocation	-	-	(372,391)	372,391	-	-	-
Total expenses	5,366	365,102	2,916,191	589,933	78,597	73,777	4,028,966
Provisions	-	(740,229)	(746,235)	27,298	-	-	(1,459,166)
Profit / (loss) before tax	25,113	1,260,864	(3,545,759)	13,735	(14,007)	(73,777)	(2,333,831)
As at December 31, 2021							
Corporate finance	Trading and sales	Branch Banking	Islamic	Brokerage Business	Others	Total	
(Rupees in '000)							
Balance Sheet							
Cash and Bank balances	-	8,189,994	5,880,299	1,377,913	60,875	-	15,509,081
Investments	-	17,873,826	2,186,043	10,841,725	33,686	-	30,935,280
Net inter segment lending	-	425,000	-	7,644,820	-	-	8,069,820
lendings to financial institutions	-	298,931	-	-	-	-	298,931
Advances - performing	-	-	19,694,216	3,087,268	737	-	22,782,221
Advances - non-performing	-	-	4,218,887	43,357	-	-	4,262,244
Others	197,494	10,145,078	15,248,343	638,055	193,038	11,745,666	38,167,674
Total Assets	197,494	36,932,829	47,227,788	23,633,138	288,336	11,745,666	120,025,251
Borrowings	-	14,503	6,491,659	415,878	-	-	6,922,040
Subordinated debt	11,261	830,084	654,170	-	-	-	1,495,515
Deposits and other accounts	-	-	90,480,957	18,943,359	-	-	109,424,316
Net inter segment borrowing	-	7,644,820	-	425,000	-	-	8,069,820
Others	908	97,338	6,023,303	2,084,668	73,207	311,720	8,591,144
Total liabilities	12,169	8,586,745	103,650,089	21,868,905	73,207	311,720	134,502,835
Equity	185,325	28,346,084	(56,422,301)	1,764,233	215,129	11,433,946	(14,477,584)
Total equity and liabilities	197,494	36,932,829	47,227,788	23,633,138	288,336	11,745,666	120,025,251
Contingencies and Commitments	-	6,911,598	14,644,419	3,076,580	-	19,383,721	44,016,318

35.1.1 The Bank does not have any operations outside Pakistan.

36. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, employee benefit plans and its directors and Key Management Personnel.

The Group enters into transactions with related parties in the ordinary course of business and on substantially the same terms as for comparable transactions with person of similar standing. Contributions to and accruals in respect of staff retirement benefits and other benefit plans are made in accordance with the actuarial valuations / terms of the contribution plan. Remuneration to the executives / officers is determined in accordance with the terms of their appointment.

Details of transactions with related parties during the period / year, other than those which have been disclosed elsewhere in these financial statements are as follows:

	September 30, 2022 (Un-audited)			December 31, 2021 (Audited)				
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
	(Rupees in '000)							
Investments								
Opening balance	-	-	1,692,490	-	-	-	-	1,692,490
Investment made during the year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	(13,933)	-	-	-	-	-
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	1,678,557	-	-	-	-	1,692,490
Provision for diminution in value of investments	-	-	1,599,309	-	-	-	-	1,613,242
Advances								
Opening balance	-	252,823	786,261	-	-	-	295,706	675,185
Addition during the period / year	-	27,855	1,540,895	-	-	-	11,465	1,888,290
Repaid during the period / year	-	(32,694)	(1,643,360)	-	-	-	(44,026)	(1,777,214)
Transfer in / (out) - net	-	(51,305)	-	-	-	-	(10,322)	-
Closing balance	-	196,679	683,796	-	-	-	252,823	786,261
Provision held against advances	-	-	-	-	-	-	-	-

	September 30, 2022 (Un-audited)				December 31, 2021 (Audited)			
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
Other Assets	(Rupees in '000)							
Interest / mark-up accrued	-	-	-	48,426	-	-	-	13,630
Other receivable	699	-	1,469	-	699	-	666	-
Provision against other assets	-	-	-	-	-	-	-	-
Deposits and other accounts								
Opening balance	-	-	82,005	2,110,049	-	-	64,072	2,083,253
Received during the period / year	-	-	295,741	4,438,529	-	-	670,534	3,638,126
Withdrawn during the period / year	-	-	(288,777)	(4,431,715)	-	-	(660,431)	(3,613,898)
Transfer (out) / in - net	-	-	(63,821)	-	-	-	7,830	2,568
Closing balance	-	-	25,148	2,116,863	-	-	82,005	2,110,049
Other Liabilities								
Interest / mark-up payable	-	-	140	36,334	-	-	545	16,647
Payable to defined benefit plan	-	-	-	57,179	-	-	-	42,992
Contingencies and Commitments								
Guarantees, letters of credit and acceptances	-	-	-	86,500	-	-	-	217,289
Commitments to extend credit	-	-	-	93	-	-	-	65,377

	(Un-audited) For the nine months period ended September 30, 2022				(Un-audited) For the nine months period ended September 30, 2021			
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
(Rupees in '000)								
Income								
Mark-up / return / interest earned	-	-	7,168	74,393	-	-	10,217	54,479
Fee and commission income	-	-	12	222	-	-	7	1,942
Other income	-	-	408	-	-	-	263	-
Expense								
Mark-up / return / interest expensed	-	-	2,010	188,384	-	-	3,739	95,329
Operating expenses:								
- Directors' fees and allowances	-	30,900	-	-	-	12,000	-	-
- Fee and subscription	-	-	626	-	-	-	553	-
- Managerial Remuneration	-	-	240,163	-	-	-	179,862	-
- Contribution to defined contribution plan	-	-	-	54,764	-	-	-	56,528
- Charge for defined benefit plan	-	-	-	58,529	-	-	-	58,037
Reversal of provision for diminution in value of investment	-	-	-	(13,933)	-	-	-	-

Directors include Non-Executive Directors only. Executive Directors including the President / CEO are part of key management personnel.

37. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

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

Minimum Capital Requirement (MCR):

Paid-up capital (net of losses) (20,869,201) (18,947,174)

Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier-1 (CET-1) Capital	(41,464,546)	(36,088,938)
Eligible Additional Tier-1 (ADT-1) Capital	-	-
Total Eligible Tier-1 Capital	(41,464,546)	(36,088,938)
Eligible Tier-2 Capital	-	-
Total Eligible Capital (Tier-1 + Tier-2)	<u>(41,464,546)</u>	<u>(36,088,938)</u>

Risk Weighted Assets (RWAs):

Credit Risk	44,392,833	48,061,826
Market Risk	6,210,030	3,558,355
Operational Risk	3,800,036	3,800,036

Total 54,402,899 55,420,217

Common Equity Tier-1 Capital Adequacy Ratio

-76.22% -65.12%

Tier-1 Capital Adequacy Ratio -76.22% -65.12%

Total Capital Adequacy Ratio -76.22% -65.12%

Leverage Ratio (LR):

Eligible Tier-1 Capital	(41,464,546)	(36,088,938)
Total Exposures	125,152,037	127,883,112

-33.13% -28.22%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	47,578,270	40,325,959
Total Net Cash Outflow	21,524,229	21,880,329

Liquidity Coverage Ratio 221.05% 184.30%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	77,707,087	72,650,421
Total Required Stable Funding	55,386,449	52,487,876

Net Stable Funding Ratio 140.30% 138.41%

38. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2021: 14) Islamic banking branches and 35 (December 31, 2021: 35) Islamic banking windows at the end of the period.

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2022

	(Un-audited) September 30, 2022	(Audited) December 31, 2021
Note	----- (Rupees in '000) -----	
ASSETS		
Cash and balances with treasury banks	1,338,692	1,344,202
Balances with other banks	101,123	33,711
Due from financial institutions	38.1 8,190,611	7,644,820
Investments	38.2 10,908,242	10,841,725
Islamic financing and related assets - net	38.3 2,431,338	3,130,625
Fixed assets	295,534	337,895
Intangible assets	104	409
Due from Head Office	-	-
Deferred tax assets	1,433	19,956
Other assets	640,695	279,795
Total Assets	23,907,772	23,633,138
LIABILITIES		
Bills payable	234,224	253,005
Due to financial institutions	38.4 809,722	840,878
Deposits and other accounts	38.5 20,109,227	18,943,359
Due to Head Office	-	-
Subordinated debt	-	-
Deferred tax liabilities	-	-
Other liabilities	392,001	1,831,663
	21,545,174	21,868,905
NET ASSETS	2,362,598	1,764,233
REPRESENTED BY		
Islamic Banking Fund	1,000,000	1,000,000
Reserves	-	-
Surplus on revaluation of assets	7,685	(37,061)
Unappropriated / Unremitted profit	38.6 1,354,913	801,294
	2,362,598	1,764,233
CONTINGENCIES AND COMMITMENTS	38.7	

**ISLAMIC BANKING BUSINESS
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	September 30, September 30, 2022 2021	
Note	----- (Rupees in '000) -----	
Profit / return earned	38.8 1,965,140	1,155,232
Profit / return expensed	38.9 806,297	552,374
Net Profit / return	1,158,843	602,858
Other income		
Fee and commission income	35,657	30,822
Dividend income	-	-
Foreign exchange loss	(13,509)	(18,110)
Income / (loss) from derivatives	-	-
Loss on sale of securities	(5,934)	(7,245)
Other income	2,838	22,641
Total other income	19,052	28,108
Total income	1,177,895	630,966
Other expenses		
Operating expenses	622,093	589,930
Workers' welfare fund	-	-
Other charges	-	3
Total other expenses	622,093	589,933
Profit before provisions	555,802	41,033
Provisions and write offs - net	4,576	27,298
Profit before taxation	551,226	13,735
Taxation	-	-
Profit after taxation	551,226	13,735

**ISLAMIC BANKING BUSINESS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2022**

	Note	September 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) -----							
38.1 Due from Financial Institutions							
Unsecured							
Bai Muajjal Receivable from other Financial Institutions	38.1.1	8,190,611	-	8,190,611	7,644,820	-	7,644,820
		8,190,611	-	8,190,611	7,644,820	-	7,644,820

38.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited and carries profit rate of 14.75% per annum (December 31, 2021: 8.50% to 9.50% per annum).

38.2 Investments

	September 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) -----								
Investments by segments:								
Federal Government Securities:								
- GOP Ijarah Sukuks	8,496,383	-	(48,383)	8,448,000	8,495,528	-	(58,978)	8,436,550
Non Government Debt Securities								
- Listed	2,500,000	-	(39,758)	2,460,242	2,500,000	-	(94,825)	2,405,175
Total Investments	10,996,383	-	(88,141)	10,908,242	10,995,528	-	(153,803)	10,841,725

	(Un-audited) (Audited)	
	September 30, 2022	December 31, 2021
----- (Rupees in '000) -----		
38.3 Islamic financing and related assets		
Ijarah	369,634	284,662
Murabaha	-	762
Running Musharakah	164,749	539,651
Diminishing Musharakah	1,901,585	2,281,155
Tijarah	699,998	699,998
Advance against Ijarah	32,832	22,791
Tijarah Inventory	-	2,400
Payment against Document	-	32,090
Gross Islamic financing and related assets	3,168,798	3,863,509
Less: provision against Islamic financings		
- Specific	(735,055)	(729,361)
- General	(2,405)	(3,523)
	(737,460)	(732,884)
Islamic financing and related assets - net of provision	2,431,338	3,130,625

38.4 Due to financial institutions

Secured			
Acceptances from the SBP under Islamic Export Refinance Scheme		300,000	400,000
Total secured		300,000	400,000
Unsecured			
Overdraw nostro accounts		9,722	15,878
Musharakah	38.4.1	500,000	425,000
Total unsecured		509,722	440,878
		809,722	840,878

38.4.1 This represents Musharakah acceptance with conventional operations of Summit Bank Limited and carries profit rate of 14.75% per annum (December 31, 2021: 8.50% per annum).

38.5 Deposits

	September 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	6,363,165	434,480	6,797,645	6,037,564	445,290	6,482,854
Savings deposits	11,637,785	221,771	11,859,556	11,135,390	98,557	11,233,947
Term deposits	944,345	133,050	1,077,395	785,378	176,683	962,061
Others	222,556	-	222,556	164,091	-	164,091
	19,167,851	789,301	19,957,152	18,122,423	720,530	18,842,953
Financial Institutions						
Current deposits	6,453	168	6,621	10,385	139	10,524
Savings deposits	145,454	-	145,454	78,882	-	78,882
Term deposits	-	-	-	11,000	-	11,000
	151,907	168	152,075	100,267	139	100,406
	19,319,758	789,469	20,109,227	18,222,690	720,669	18,943,359

	(Un-audited)	(Audited)
	September 30, 2022	December 31, 2021
	----- (Rupees in '000) -----	
38.6 Islamic Banking Business Unappropriated Profit		
Opening balance	801,294	691,819
Add: Islamic Banking profit for the period / year	551,226	106,284
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated profit	2,393	3,191
Closing balance	1,354,913	801,294

38.7 CONTINGENCIES AND COMMITMENTS

-Guarantees	3,201,821	1,732,852
-Commitments	1,742,914	1,343,728
-Other contingent liabilities	-	-
	4,944,735	3,076,580

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

38.8 Profit / Return Earned of Financing, Investments and Placement

Profit earned on:		
Financing	226,714	208,031
Investments	996,010	373,186
Placements	741,864	573,404
Balances with banks	552	611
	1,965,140	1,155,232

38.9 Profit on Deposits and other Dues Expensed

Deposits and other accounts	752,582	512,741
Due to Financial Institutions	38,804	20,940
Finance cost of lease liability	14,911	18,693
	806,297	552,374

39. DATE OF AUTHORIZATION OF ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 25, 2022 by the Board of Directors of the Group.

President / Chief Executive

Chief Financial Officer

Director

Director

Director

BRANCH NETWORK

CONVENTIONAL BANKING BRANCHES

KARACHI

Abdullah Haroon Road Branch

282/3, Abdullah Haroon Road, Area, Saddar, Karachi
Tel: 021-35685269, 35685393, 35685940
Fax: 021-35683991

Adamjee Nagar Branch

115-A/Z, Block 7/8, Tipu Sultan Road, Karachi
Tel: 021- 34312984-9
Fax: 021-34312980

Atrium Mall Branch

Shop No. 6 and 21 Ground floor, Plot No. 249, Atrium Mall, Staff Lines, Zaibunnisa Street, Saddar, Karachi
Tel: 021-35641001-7
Fax: 021-35641008

Badar Commercial Branch

Plot No. 41-C, Badar Commercial, Street No. 10, Phase-V Extension, DHA Karachi
Tel: 021-35348501-3
Fax: 021-35348504

Bahadur Shah Center Branch

Bahadur Shah Center, Urdu Bazar,
Off: M.A. Jinnah Road, Karachi
Tel: 021-32768547, 32768559
Fax: 021-32765083

Bahadurabad Branch

Plot # C-23, Shop # 1&2 Block-3, BMC Commercial Area Bahadurabad, Karachi
Tel: 021-34913447 & 49
Fax: 021-34913453

Barkat-e-Hyderi Branch

Almas Square, Block-G, North Nazimabad, Karachi
Tel: 021-36628931, 36706896-7
Fax: 021-36723165

Burns Road Branch

Plot No. 55-A, Survey Sheet A.M., Artillery Maidan Quarters (Burns Road), Karachi.
Tel: 021-32215174, 75 & 76
Fax: 021-32215289

Clifton Branch

Pearl Heaven Apartments, Khayaban-e-Roomi, Block No-5, Clifton, Karachi
Tel: 021-35823469, 35824171, 35823619
Fax: 021-35821463

Cloth Market Branch

41, Saleh Muhammad Street, Cloth Market, Karachi
Tel: 021-32461601-03 & 32461605
Fax: 021-32461608

Com-3, Clifton Branch, Karachi

Show Room No. 12, Com-3, (Opp: Bar B.Q. Tonight), Block 6, Clifton, Karachi.
Tel: 021-35148311 - 13
Fax: 021-35148314

Defence Branch

55-C, Phase-II, D.H.A, Opp Toyota Motors, Main Korangi Road, Karachi.
Tel: 021-35387809-35396263 - 35312592
Fax: 021-35387810

DHA Phase I Branch

101-C, Commercial Area 'B', Phase-I DHA, Karachi
Tel: 021- 35314061, 35314063-67, 35314105
Fax: 021-35314070

DHA Phase IV Branch

Plot # 129, 9th Commercial Street, Phase IV, DHA, Karachi
Tel: 021-35313068-70
Fax: 021-35313071

Dhoraji Colony Branch

Plot No. 133, Block No. 7 & 8 Dhoraji Colony, C.P & Berar Co- operative Housing Society, Karachi
Tel: 021-34860773-75
Fax: 021-34860772

Ex. Dolmen City Branch

temporary shifted to:
Plot No. G-2, Block 2, (Ground Floor), Clifton, Karachi
Tel: 021-3572020-22
Fax: 021-3572023

Electronic Market (Abdullah Haroon Road) Branch

Shop No 1 & 2, Plot # 19, Ghafoor Chambers, Preedy Quarters, Saddar, Karachi
Tel: 021-32711614-8
Fax: 021-32716113

Fish Harbour Branch

K - 3, Export Zone, Adjacent Main Auction Hall, Fish Harbour, Karachi
PABX: 021-32315383 - 85
Fax: 021-32315386

Garden East Branch

Shop No. 1,2,3,4, 5 & 6, Jumani Centre
Plot No. 177-B, Garden
East, Karachi
Tel: 021-3224331 1-13
Fax: 021-32243314

Gulistan-e-Jauhar - Branch 1

Plot # 118/A-B, Shop # 02, 03, 04 Ground Floor Rufi
Paradise Block-18 Gulistan-e-Jauhar, Karachi
Tel: 021-34621281-4
Fax: 021-34621285

Gulistan-e-Jauhar - Branch 2

Shop No. 5, 6,7 & Office No. D-2,
Farhan Centre Block No. 1.
Gulistan-e-Jauhar, Karachi
Tel: 021-34022259, 34613674, 34016488-9
Fax: 021-34022639

Gulshan-e-Iqbal - Branch 1

Ground Floor, Hasan Center, Block-16,
Main University Road, Karachi
Tel: 021-34829024-27
Fax: 021-34829023

Gulshan-e-Iqbal - Branch 2

B-44, Block 13/A, Main University Road,
Gulshan-e-Iqbal, Karachi
Tel: 021-34987688, 34987739-40
Fax: 021-34987689

Hyderi Branch

D-10 Block-F, North Nazimabad, Hyderi, Karachi.
Tel: 021-36724991-4
Fax: 021-36724972

I. I. Chundrigar Road Branch 1 - Unitower

Uni Towers, I.I. Chundrigar Road, Karachi.
Tel: 021-32466410-13
Fax: 021-32466500

Jami Commercial, DHA Branch

64 C, Jami Commercial Phase VII, 7th Street, DHA, Karachi
Tel: 021-35316200-07
Fax: 021-35316199

Jamshed Quarters Branch

Showroom no. 3 & 4, AB Arcade Plot # 714-6-1
Block A, New M.A. Jinnah Road, Karachi
Tel: 021-34860422-23, 34860425
Fax: 021-34860424

Jodia Bazar - Branch 1

A/25/28 Daryalal Street, Jodia Bazar, Karachi
Tel: 021-32500121-5
Fax: 021-32500128

Karachi Stock Exchange Branch

Office No. 52, 52-A, 52-B, (1st Floor) KSE Building, Karachi
Tel: 021-32462850, 32462844-9
Fax: 021-32462843

Karimabad Branch

Plot No BS-16, Block I, FB Area, Karimabad, Karachi
Tel: 021- 36826646-48
Fax: 021-36826649

Khayaban-e-Shahbaz Branch

Plot No. 21-C Khayaban-e-Shahbaz, Phase VI, DHA, Karachi
Tel: 021-35344952, 353444957 & 35344963
Fax: 021-35344942

Khayaban-e-Tanzeem Branch

C 4-C, Tauheed Commercial, Khayaban-e-Tanzeem,
Phase-5, DHA, Karachi
Tel: 021-35869147-35810977 & 35871640
Fax: 021-35869342

Korangi Industrial Area Branch

33/1, Sector-15, Korangi Industrial Area, Karachi
Tel: 021-35114290, 35121294, 35122231-32
Fax: 021-35114282

Malir Cantt Branch

Army Shopping Complex, Adjacent Tooba Army Store
Malir Cantonment, Karachi
Tel: 021-34196142-44
Fax: 021-34196145

M. A. Jinnah Road Branch

Mezzanine & Ground Floor, Plot Survey # 19, Street #
R.B.6. Shop # 3, 4, Ram Bagh Quarters 166 M.A. Jinnah
Road, Karachi
Tel: 021- 32218395, 32218409,32218428
Fax: 021-32218376

Muhammad Ali Society Branch

Plot # 4-C Commercial Area, Muhammad Ali
Co-Operative Housing Society, Karachi
Tel: 021-34168036-37
Fax: 021-34186045

Nazimabad (Gol Market) Branch

Plot # 7, Sub Block 'E', in Block # III (III-E-7), Nazimabad
(Gole Market), Karachi
Tel: 021-36620261-63 & 36620267
Fax: 021-36620264

New Challi Branch

Plot No. 27, Survey No. 27, (New Challi),
Altaf Hussain Road, Karachi.
Tel: 021 - 32423999 - 32423737
Fax: 021 - 32422051

North Karachi Industrial Area Branch

Plot No. R-14, Gabol Town, North Karachi Industrial Area, Karachi
Tel: 021-32015919, 36995925 & 36963445
Fax: 021-36975919

PAF-Base Faisal Branch

Camp-2, Faisal Arcade, PF-I, Market PAF-Base Faisal, Karachi
PABX: 021-34601360-62
Fax: 021-34601363

Paper Market Branch

Al-Abbas Centre, Paper Market, Shahrah-e-Liaquat, Karachi
Tel: 021-32639671-2 & 32634135
Fax: 021-32639670

Plaza Quarters Branch

Al-Shafi Building Noman Street, Off: M.A. Jinnah Road, Karachi
Tel: 021-32771515-16-18
Fax: 021-32771517

Ranchore Line Branch

R.C. 11, Old Survey # E-7/143, Ranchore Line, New Lakhpati Hotel, Karachi
Tel: 021-32767234-36
Fax: 021-32767460

Rizvia Society Branch

B-12, Rizvia Cooperative Society, Nazimabad, Karachi
Tel: 021-36600956-57
Fax: 021-36600958

Sea View, Clifton Branch, Karachi

Plot No. G - 2, Block 2, (Ground Floor), Clifton, Karachi.
Tel: 021 - 3572020 -22
Fax: 021 - 3572023

S.I.T.E. Branch

B/9-B/3, Near Metro Chowrangi, S.I.T.E., Area, Karachi
Tel: 021-32586801-4, 32587166-8
Fax: 021-32586806

Saeedabad Branch

Plot # 1004/1 & 1004-A/1 (5G/102-A & 5G/012-A/2), Saeedabad, Baldia, Mahajir Camp, Karachi
Tel: 021-32815092-94
Fax: 021-32815095

Shahrah-e-Faisal Branch

Business Avenue Block-6, P.E.C.H.S., Karachi
Tel: 021-34386417-18 & 34374476
Fax: 021-34531819

Shershah Branch

Plot # D-175, Industrial Trading Estate Area, Trans Lyari Qtrrs, Shershah, Karachi
Tel: 021-32588191-93
Fax: 021-32588195

Soldier Bazar Branch

Shop # 4, 5 & 6, Plot No 14, Survey # 13-B-2, Soldier Bazar Quarters, Karachi
Tel: 021-32231559-60
Fax: 021-32231556

Steel Market Branch

Ground Floor, Shop # G-13, 14, 32, 33 Steel Market, Ranchore lines Quarters, Karachi
Tel: 021-32763001 - 07
Fax: 021-32763009

Tariq Road Branch

C-51, Central Commercial Area, Near Pizza Max Tariq Road, P.E.C.H.S., Karachi
Tel: 021-34556486, 34556682
Fax: 021-34555478

Timber Market Branch

Siddique Wahab Road, Karachi
Tel: 021-32732729, 32766995
Fax: 021-32733214

Water Pump Branch

Lateef Square, Block-16, Federal 'B' Area, Main Water Pump Market, Karachi
Tel: 021-36321387, 36314817
Fax: 021-36314848

LAHORE

Allama Iqbal Town Branch

56/12, Karim Block, Allama Iqbal Town, Lahore
Tel: 042-35434160-61, 35434163
Fax: 042-35434164

Azam Cloth Market Branch

285-286, Punjab Block, Azam Cloth Market, Lahore
Tel: 042-37661686,
37660341 & 37660298
Fax: 042-37661863

Badami Bagh Branch

25 - Peco Road Badami Bagh Lahore
Tel: 042-37724583, 37720382, 37705036
Fax: 042-37730867

Bahria Town Branch

Plot No. 31 - B, Sector 'C', Bahria Town, Lahore
Tel: 042 - 37862380 - 82
Fax: 042-37862379

Bedian Road Branch

Plot No. 3025/20925, Opposite Askari I I,
Main Gate, Main Bedian Road, Lahore Cantt.
Tel: 042-37165300-03
Fax: 042-37165304

Circular Road Branch

Babar Centre, 51, Circular Road, Lahore
Tel: 042-37379371 - 75
Fax: 042-37379370

Darogawala Branch

Near Shalimar garden G.T.Road Darogawala Lahore
Tel: 042-36520681-83
Fax: 042-36520684

DHA G Block Branch

Plot # 13 G, Commercial Zone DHA,
Phase-I, Lahore Cantt.
Tel: 042-35691173-78
Fax: 042-35691171

DHA Phase - VI Branch

Property No 16-MB , Block MB, Phase VI DHA Lahore
Tel: 042 -37189650 -52
Fax: 042-37189653

DHA Y Block Branch

163, Block Y, Phase III, DHA Lahore Cantt
Tel: 042-35692531-36
Fax: 042-35692690

Egerton Road Branch

27-Ajmal House, Egerton Road, Lahore
Tel: 042-36364522, 36364532
Fax: 042-36364542

Empress Road Branch

Plot #. 29, Empress Road, Lahore
Tel: 042-36300670-3
Fax: 042-36310362

Faisal Town Branch

853/D, Akbar Chowk, Faisal Town, Lahore
Tel: 042-35204101-3
Fax: 042-35204104

Ferozpur Road Branch

Siza Farmer Factory, Sufiabad, Lahore
Tel: 042- 35401751-3, 35401754
Fax: 042-35800094

Gulberg Branch

Plot 61, Main Gulberg, Lahore
Tel: 042-35870832-3, 35870975-6
Fax: 042-35870834

Ichra More Branch

House # 146, Muhallah Ferozpur Road, Ichra More, Lahore
Tel: 042-37572090-93 - 042-37426301
Fax: 042-37572089

Johar Town Branch

Plot # 85, Block G/I, M.A Johar Town-Lahore
Tel: 042-35291172-74
Fax: 042-35171047

Kashmir Block, Allama Iqbal Town Branch

Plot # 1, Kashmir Block, Allama Iqbal Town
Scheme, Lahore
Tel: 042-37809021-24
Fax: 042-37809026

Lahore - Cantt Branch

Day building 1482/A, Abdul Rehman Road, Lahore Cantt
Tel: 042- 36603061-63
Fax: 042-36603065

Lahore Stock Exchange Branch

Office No. 1, Lower Ground floor # 1, Lahore Stock
Exchange Plaza, Plot No. 19, Khasra No. 1047, 19,
Khayaban e Aiwan e Iqbal, Lahore
Tel: 042-36280853 - 56
Fax: 042-36280851

Liberty Market Branch

Shop No.02 & 03, Ground floor, Diamond Tower,
28 Commercial Zone, Liberty Market, Gulberg III, Lahore
Tel: 042- 35717273, 35763308
Fax: 042-35763310

Mall Road Branch

56, Ground Floor, Sh-e-Quaid-e-Azam (The Mall), Lahore
Tel: 042-36284801-3
Fax: 042-36284805

Model Town Branch

14-15, Central Commercial Market, Model Town, Lahore
Tel: 042-35915540-42 & 35915548
Fax: 042-35915549

New Garden Town Branch

19-A, Ali Block, New Garden Town, Lahore
Tel: 042-35911361-4
Fax: 042-35911365

Shah Alam Gate Branch

12-A, Shah Alam Gate, Lahore
Tel: 042-37666854 - 57
Fax: 042-37663488

Urdu Bazar Branch

S - 38-R, Urdu Bazar Chowk - 205, Circular Road, Lahore
Tel: 042-37116001-3
Fax: 042-37116004

Wahdat Road Branch

Mauza Ichra, Wahdat Road, Lahore
Tel: 042-37503001-3
Fax: 042-37503004

Z Block DHA Branch

323-Z, DHA, Phase-3, Lahore
Tel: 042-35693112-5
Fax: 042-35693117

ISLAMABAD

Bahria Town Branch

Plot # 3-4, Express VWay, Sufiyani Plaza,
Phase VII, Bahria Town, Islamabad
Tel: 051- 5707360 – 63-65
Fax: 051-5707358

Barah Koh Branch

Murree Road, Tehsil / District,
Islamabad
Tel: 051- 2321712- 13
Fax: 051-2321714

Blue Area Branch

20 - Al- Asghar Plaza, Blue Area,
Islamabad
Tel: 051-2823204, 2872913
Fax: 051-2274276

F-10 Markaz Branch

Plot No. 08, Maroof Hospital, F-10
Markaz, Islamabad
Tel: 051-2222860-62
Fax: 051-2222863

F-11 Markaz Branch

Plot # 29, Select Center, F-11
Markaz, Islamabad
Tel: 051-2228027-28
Fax: 051-2228365

G-11 Markaz Branch

Shop #. 25-34, Plot # 23, Sajid Sharif
plaza, G-11 Markaz, Islamabad
Tel: 051-2220973-6
Fax: 051-2220977

I-9 Markaz Branch

Plot # 3/L, Shops Nos. 6, 7, 13, & 14, I-9,
Markaz, Islamabad
Tel: 051-4449832-35
Fax: 051-4449836

Stock Exchange Branch

Plot # 109, East F-7/G-7, Jinnah Avenue,
Blue Area, Islamabad
Tel: 051-2806281-83
Fax: 051-2806284

Super Market Branch

Shop No. 9, Block - C, F-6 Markaz, Islamabad.
Tel: 051-2279168-170 & 051-2824533-34
Fax: 051-2279166

RAWALPINDI

Raja Bazar Branch

Raja Bazar, Rawalpindi
Tel: 051-5553504, 5557244 & 5777707 - 5534173-5557244
Fax: 051-5559544

Shamsabad Muree Road Branch

DD/29, Shamsabad Murree Road, Ojri Kalan, Rawalpindi
Tel: 051-4854400, 4854401-03
Fax: 051-4854404

The Mall Road Branch, Rawalpindi

Shop No. 31-A/4, The Mall Road,
Opp: State Life Bldg., Saddar,
Rawalpindi Cantt.
Tel: 051-5564123, 051-5120777-80
Fax: 051-5528148

FAISALABAD

Jail Road Branch

House No. P-62, opposite Punjab Medical College,
Jail Road, Faisalabad
Tel: 041-8813541-43
Fax: 041-8813544

Kotwali Road Branch

P-12, Kotwali Road, Faisalabad
Tel: 041-2412151-53
Fax: 041-2412154

Liaquat Road Branch

Liaquat Road, Chak # 212, Faisalabad
Tel: 041-2541257-59
Fax: 041-2541255

Satiana Road Branch

679-DGM, Batala Colony, Satiana Road, Faisalabad
Tel: 041 - 8500569 - 71
Fax: 041 - 8500568

Susan Road Branch

Chak No. 213/RB Susan Road, Faisalabad
Tel: 041-8502367-69
Fax: 041-8502371

MULTAN

Abdali Road Branch

Plot No. 66-A & 66-B/9, Abdali Road, Multan
Tel: 061-4588171, 4588172 & 4588175-78
Fax: 061-4516762

Hussain Agahi Road Branch

2576, Hussain Agahi Road, Multan
Tel: 061-4548083, 4583268, 4583168 & 4584815
Fax: 061-4543794

Qadafi Chowk Branch

Plot # 43, Block T, New Multan Road, Qadafi Chowk-Multan
Tel: 061-6770882-84
Fax: 061-6770889

Vehari Road Branch

Plot # 2227-A, Chowk Shah Abbas, Vehari Road, Multan
Tel: 061-6241015-17
Fax: 061-6241014

SUKKUR

Marich Bazar Branch

B – 885, Marich Bazar, Sukkur
Tel: 071-5627781-2
Fax: 071-5627755

Shikarpur Road Branch

Shop # D-195, Ward D, Near A Section Police Station Shikarpur Road, Sukkur
Tel: 071-5617142-44
Fax: 071-5617145

Workshop Road Branch

City Survey # 3403/2/1 and C.S # 3403/2M/6, Ward-B Tooba Tower Workshop Road, Sukkur
Tel: 071-5616663, 5616664, 5616582
Fax: 071-5616584

GUJRANWALA

GT Road Branch

B/11-S7/103, G. T. Road, Gujranwala
Tel: 055-3842751-3842729
Fax: 055-3842890

Gujranwala Branch

G.T. Rd., Opp. General Bus Stand, Gujranwala
Tel: 055-3820401-3
Fax: 055-3820404

Wapda Town Branch

Plot # B - III, MM - 53, Hamza Centre, Wapda Town, Gujranwala
Tel: 055-4800204-06
Fax: 055-4800203

GUJRAT

GT Road Branch

Small Estate, G. T. Road , Gujrat
Tel: 053-3534208, 3533949 & 3534208
Fax: 053-3533934

Gujrat Branch

Main GT Road Tehsil & Distt., Gujrat
Tel: 053-3517051-54
Fax: 053-3516756

Katchery Chowk Branch

Shop #. 1263 & 1270 B-II, Katchery Chowk, Opp. Zahoor Elahi Satadium, Near New Narala Bakers, Gujrat
Tel: 053-3601021-24
Fax: 053-3601025

PESHAWAR

Deans Trade Center Branch

Deans Trade Centre, Islamia Road, Peshawar
Tel: 091-5253081 -3 & 5
Fax: 091-5253080

Fruit Market Branch

Near Fruit Market, G.T. Road, Peshawar
Tel: 091-2260373-4
Fax: 091-2260375

Hayatabad Branch

Shop# 1, Hayatabad Mall, Baghee-Naran Road, Phase II, Sector J-I Hayatabad Peshawar.
Tel: 091-5822923-25
Fax: 091-5822926

Main University Road Branch

Tehkal Payan, Main University Road-Peshawar
Tel: 091-5850540-41 & 5850548-9
Fax: 091-5850546

Milad Chowk Branch

Milad Chowk, New Gate, Peshawar City
Tel: 091-2550477, 2550466, 2217131
Fax: 091-2550488

QUETTA

Fatima Jinnah Road Branch

Plot No. Khasra No.134 & 138, Ward No. 19, Urban # 1, Fatima Jinnah Road, Quetta
Tel: 081-2301094-95
Fax: 081-2301096

Liaquat Bazar Branch

Ainuddin Street, Quetta
Tel: 081-2837300-1
Fax: 081-2837302

M. A. Jinnah Road Branch

Ground Floor, Malik Plaza, Near Adara-e-Saqafat,
M.A. Jinnah Road, Quetta.
Tel: 081-2865590-95
Fax: 081-2865587

Regal Chowk Branch

Regal Chowk, Jinnah Road, Quetta
Tel: 081-2837028-29
Fax: 081-2825065

ABBOTTABAD

Abbottabad Branch

Ground Floor Shalimar Motors, Ali Plaza,
Near Sethi Masjid, Mansehra Road, Abbottabad.
Tel: 0992- 863 158, 863 148
Fax: 0992-385935

ATTOCK

Hassan Abdal Branch

Survey No. 1269/1624, Khasra No. 1935, G. T. Road,
Hassan Abdal, District Attock
Tel: 057-2520328-331 & 2520320-321
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Fateh Jang Branch

Main Rawalpindi Road, Fateh
Jang Distt Attock
Tel: 057-2210321-23
Fax: 057-2210324

AZAD KASHMIR

Dadyal Branch

Choudhary Centre, Ara Jattan, Dadyal, Azad Kashmir
Tel: 05827-463475
Fax: 05827-465316

Mirpur Azad Kashmir - Branch I

NS Tower I 19 F/1, Kotli Road
Mirpur, Azad Kashmir
Tel: 05827- 437193-97
Fax: 05827-437192

Mirpur Azad Kashmir Branch II

Ghazi Archade, 6-B/3, Part II, Allama Iqbal Road,
Mirpur, Azad Kashmir
Tel: 05827-446405, 446407-9
Fax: 05827-446406

Muzzafarabad Branch

Sangam Hotel, Muzzafarabad - Azad Jammu Kashmir (AJK)
Tel: 05822-924203-5
Fax: 05822-924206

Shaheed Chowk Branch

Deen Plaza, Shaheed Chowk, Kotli, Azad Kashmir
Tel: 05826-448453-54
Fax: 05826-448455

CHAK GHANIAN

Chak Ghanian Branch

Plot No. 547-548, Iqbal Mandi, G. T. Road, Sarai Alamgir.
Tel: 0544-654402-03, 655155
Fax: 0544-654401

CHAKWAL

Chakwal Branch

Al- Noor Plaza Sabzi Mandi, Talang Road, Chakwal
Tel: 0543-554796, 540650-51
Fax: 0543-554797

Dalwal Branch

Village & Post Office Dalwal, Tehsil
Choha, Saidan Shah, Distt Chakwal
Tel: 0543-582834
Fax: 0543-582842

CHAMMAN

Chamman Branch

Khasra No. 1323 & 2324 Abdali Bazar, Dola Ram Road,
Tehsil Chaman, District Qila Abdullah, Baluchistan
Tel: 0826- 618137-39
Fax: 0826-618143

DADU

Dadu Branch

CS No. 1036/2, Ward 'B', Station Road,
Dadu, Sindh
Tel: 0254-711471-3
Fax: 0254-711474

DINA

Dina Branch

Mian G.T. Road Dina
Tel: 0544-634471 -3
Fax: 0544-636675

GAWADAR

Gawadar Branch

Plot Askani Hotel, Mullah Faazul Chowk, Gawadar
Tel: 0864-212144- 212146
Fax: 0864-212147

GHOTKI

Ghotki Branch

CS # 395 & 407, Muhallah Machhi Bazar,
Opp: Sarkari Bagh, Ghotki, Sindh
Tel: 0723-681571 - 73
Fax: 0723-681574

GILGIT

Gilgit Branch

Khasra # 1103, 1112, 1113,
Haji Ghulam Hussain Building
Raja Bazar Gilgit
Tel: 05811-457366-68
Fax: 05811-457369

GUJAR KHAN

Gujar Khan Branch

Plot # 58-D, 59-C, Sector/Block Area
Development, Scheme # 1, Akbar Kayani
Plaza, G. T. Road, Gujjar Khan
Tel: 051-3516431-4 & 3516436
Fax: 051-3516435

HARIPUR

Haripur Branch

Ground Floor, Akbar Arcade, Main G.T. Road, Haripur
Tel: 0995- 610832 - 34
Fax: 0995-610829

HAZRO

Hazro Branch

Plot # B -386, 386-A, Dawood Centre, Bank Square,
Ziaul Haq Road, Hazro
Tel: 057-2313283 - 85
Fax: 057-2313286

HYDERABAD

Bohri Bazar Hyderabad Branch

41/364, Saddar, Bohri Bazar-Hyderabad
Tel: 022-2730911-14
Fax: 022-2730910

Latifabad No. 7 Branch

Latifabad # 7, 5/D Unit # 7, Hyderabad
Tel: 022-3810524 & 3810525
Fax: 022-3810515

Market Chowk Branch

Shop CS # A/2772/2, Ward -A,
Market Road, Hyderabad
Tel: 022-2638451-54
Fax: 022-2638450

Qasimabad Branch

Shop No. 23, 24 & 25, Rani Arcade,
Qasimabad, Hyderabad
Tel: 022-2650742-43 & 2652204-5
Fax: 022-2650745

JACOBABAD

Jacobabad Branch

C.S. No. 480, Ward # 5, Town, Jacobabad - Sindh
Tel: 0722-650071 - 73
Fax: 0722-650074

JEHLUM

Jhelum Branch

Property # 1 Survey # 222 (Part)
Dada Bhai Building, Kazim Kamal Road, Jhelum Cantt.
Tel: 0544-720216 - 18
Fax: 0544-720219

KAMBAR

Shahdad Kot Branch

C.S. No. 1048, 1051, 1052, 1054, Ward 'B',
Taluqa Shahdad Kot, District Kambar, Sindh
Tel: 074-4014461-63
Fax: 074-4014464

KAMOKE

Kamoke - GT Road Branch

Madni Trade Centre, G.T Road, Kamoke
Tel: 055- 6815175-76
Fax: 055-6815184

KANDH KOT

Kandh Kot Branch

Registry # 505 & 520, Mukhi Muhallah,
Adjacent: Press Club, Kandh Kot, Sindh
Tel: 0722-572604 - 6 & 0722-675607
Fax: 0722-572607

KASUR

Kasur Branch

Near Pul Qatal Gahri, Kutchery Road, Kasur.
Tel: 049-2721993
Fax: 049-2721994

KHAIRPUR

Pacca Chang Branch

CS No. 418/1-08, Deh. Pacca Chang,
Taluqa Faiz Ganj, District Khairpur, Sindh
Tel: 0243-557403-5
Fax: 0243-557406

KOT ADDU

Kot Addu Branch

Property # 43, RH, 48/A-49-50, Ward B-III,
Kot Addu District, Muzaffar Garh
Tel: 066-2240206-07
Fax: 066-2240208

LALAMUSA

Lalamusa Branch

G. T. Road, Lalamusa
Tel: 0537 -515694,515699, 515697,519977
Fax: 0537-515685

LARKANA

Larkana Branch

C.S. No. 1808, Pakistan Chowk, Larkana , Sindh
Tel: 074-4053608-10
Fax: 074-4053611

MANDI BHAUDDIN

Mandi Bahauddin Branch

Khasra # 143/112, Chak #51, Bank Road,
Off Railway Road, Ghalla Mandi, Mandi
Bahauddin
Tel: 0546-600901, 600903-4-5
Fax: 0546-600902

MANSEHRA

Mansehra Branch

Al- Hadeed Corporation Market Shahrah
Resham, Mansehra
Tel: 0997-303186, 303180
Fax: 0997-303135

MARDAN

The Mall Branch

Plot No. 337, 337-A, The Mall, Mardan.
Tel: 0937-865344-45
Fax: 0937-865342

MIRPURKHAS

Khipro Bus Stand Branch

Plot No. 92-93, Samanabad, Khipro District,
Ghumanabad Chowk, Khipro Bus Stand - Mirpurkhas
Tel: 0233-876384 & 874518
Fax: 0233-875925

Umer Kot Road Branch

Plot No : 988 to 991 Umerkot Gharibabad,
Mirpur Khas
Tel: 0233- 875113-7
Fax: 0233-875118

MURIDKE

Muridke Branch

774, G.T. Road Muridke
Tel: 042-37950456,37994711-12
Fax: 042-37994713

NAROWAL

Katchery Road Branch

Katchery Road, Narowal
Tel: 0542-414105-7
Fax: 0542-414089

NAWABSHAH

Nawabshah Branch

Survey No. 77, Masjid Road,
Nawabshah, Sindh
Tel: 0244 - 372042 - 44
Fax: 0244-372045

JAMSHORO

Nooriabad Branch

Ground Floor, SITE Office Building Nooriabad,
Dist Jamshoro, Sindh
Tel: 025-4670433-8
Fax: 025-4670434

OKARA

M.A. Jinnah Road, Okara Branch

Ghulam Mustafa Centre,
Tel: 044-2528755, 2525355
Fax: 044-2525356

RABWAH

Rabwah Branch

Plot No-9-10, Block-14, Darul Sadar, Gol Bazar,
(Chenab Nagar) Rabwah
Tel: 047-6213795-97 & 6213792
Fax: 047-621 3797

RAHIM YAR KHAN

Rahim Yar Khan Branch

31/34 Shahi Road, Rahimyar Khan
Tel: 068-5877821-5883876
Fax: 068-5876776

SADIQABAD

Sadiqabad Branch

Mozzakh Khuda Bux Dehar, Macchi Goth,
KLP Road, Sadiqabad
Tel: 068- 5951303 & 5951301-2
Fax: 068-5951300

SAHIWAL

High Street Branch

558/8-1, Navid, Plaza, High Street Sahiwal.
Tel: 040-4229247, 4221615, 4229247
Fax: 040-4460960

SARGODHA

Sargodha Branch

Prince Cinema Market Railway Road, Sargodha
Tel: 048-3768113-5
Fax: 048-3768116

Satellite Town Branch

Satellite Town, Ground Floor, Afzal Towers,
Plot # 302-A, Main Satellite Town, Sargodha.
Tel: 048-3221025-28
Fax: 048-3221029

SHIKARPUR

Shikarpur Branch

C.S. No.52/33/1, Ward 'B', Lakhi Gate, Shikarpur, Sindh
Tel: 0726-522057-59
Fax: 0726-522060

SIALKOT

Kashmir Road Branch

Address: Block 'A', ZHC, Kashmir Road, Sialkot
Tel: 052-3573304-7
Fax: 052-3573310

Paris Road Branch

B1, 16S, 71/A/1, Paris Road, Sialkot
Tel: 052-4602712-17
Fax: 052-4598849

Small Industrial Area Branch

Plot No. 32 / A, S.I.E -I, Small Industrial Estate,
UGOKE Road, Sialkot
Tel: 052-3242690 - 92
Fax: 052-3242695

SWABI

Swabi Branch

Property bearing No. 3361, Main Mardan Road, Swabi
Tel: 0938-222968 - 69
Fax: 0938-221572

TANDO ALLAH YAR

Tando Allah Yar Branch

C-1, Survey # 274, Main Road, Tando Allah Yar - Sindh
Tel: 022-2763181-83
Fax: 022-2763184

TURBAT

Main Bazar Branch

Main Bazar, Turbat
Tel: 0852-413874 & 411606
Fax: 0852-414048

WAH CANTT

Wah Cantt Branch

Plot No. 17/37, Civic Center, Aslam Market, Wah Cantt
Tel: 051-4902238-39 & 4902241
Fax: 051-490224

ISLAMIC BANKING BRANCHES

KARACHI

Fish Harbour Branch

Plot No. L - 2, Block L
Fish Harbour, Dockyard Road,
West Wharf, Karachi
PABX: 021-32312166-68
Fax: 021-32312165

I. I. Chundrigar Road Branch II

5-Business & Finance Centre,
Opposite State Bank of Pakistan,
Karachi.
Tel: 021-32438212, 32472176, 32471796
Fax: 021-32438218

IBL Building Centre Shahrah-e-Faisal Branch

Ground Floor IBL Building Center at Plot No. 1,
Block 7 & 8, D.M.C.H.S, Shahrah-e-Faisal, Karachi
Tel: 021-32368002-4
Fax #: 021 - 32368005

Super Highway Branch

Shop No. 29 & 30, Plot # 1-B/3, Sub Sector 1-A,
Scheme No. 33, main Super Highway, Karachi.
Tel: 021 - 36830161-3
Fax: 021-36830162

Zamzama Branch

Shop No. 3, 4, 5, 6 & 7, Plot No. 16-C, 2nd
Zamzama Commercial Lane DHA - Karachi
Tel: 021 - 35373135-7
Fax: 021 - 35373138

LAHORE

PIA Society Islamic Banking Branch

Plot # 40, Block-D, Main Boulevard PIA Society,
Opp Wapda Town Roundabout, Lahore
Tel: 042-35189957 - 59
Fax: 042-35210895

HUB

Hub Branch

Shop No. 12 - 14, Khasra No. 106/4,
Int. Shopping Mall Hotel, Mouza Berot,
Tehsil Hub, Lasbella, Baluchistan
Tel: 0853 - 363056 - 058
Fax: 0853 - 363050

CHILAS

Chilas Branch

Khasra No. 02, Bazar Area, Chillas,
District Baltistan
Tel: 05812 - 450702-3
Fax: 05812-450704

SKARDU

Skardu Branch

Khasra No. 1265/39, Yadgar Chowk,
Tehsil Skardu, District Baltistan
Tel: 05815 - 456693-94
Fax: 05815-456696

ISLAMABAD

DHA Phase-2 Branch

Plot No. 7, Street SSZBS Al Nahayaan, Sector-A,
DHA Phase-2, Near Al Ghurair, Main Boulevard, Islamabad
Tel: 051-4918314 -16
Fax: 051-4918317

Naval Anchorage Branch

Plot # 19, Commercial No. 2, Naval Officers'
Housing Scheme Anchorage, Islamabad
Tel: 051 - 5159126 - 28
Fax: 051 - 5159129

CHITRAL

Chitral Branch

Attalique Bazar, Bank Square,
Opp: NBP Building, Chitral
Tel: 0943 - 412536-37
Fax: 0943 - 414352

HYDERBAD

DHA Plaza Branch

Shop No. 1 & 2, Block C,
Defence Plaza, Thandi Sarak, Hyderabad
Tel: 022- 2108474, 2108478
Fax # 022-210847

RAWALPINDI

Bahria Town Branch Phase-IV

Plot # 1, Bahria Town, Civic Centre,
Phase IV, Rawalpindi
Tel: 051-5733945-46
Fax: 051-5733967

The logo for Summit Bank, featuring the word "Summit" in a red serif font, a stylized blue "S" symbol, and the word "Bank" in a blue serif font.

Summit S Bank

Committed to you

Plot No. G-2, Block 2, Clifton, Karachi.
UAN: 021-1111-24365, Toll Free: 0800-24365
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