

BUILDING TODAY SHAPING TOMORROW

QUARTERLY REPORT SEPTEMBER 2023



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. Muhammad Salman Alam Fazli
Non-Executive Director

Board Audit Committee

Ms. Fauzia Hasnain
Chairperson

Mr. Wajahat Ahmed Baqai
Member

Mr. Zafar Iqbal Siddiqi
Member

Mr. Muhammad Salman Alam Fazli
Member

Board Risk Management Committee

Mr. Wajahat Ahmed Baqai
Chairman

Ms. Fauzia Hasnain
Member

Mr. Zafar Iqbal Siddiqi
Member

Mr. Muhammad Salman Alam Fazli
Member

Board Human Resource & Remuneration Committee

Ms. Fauzia Hasnain
Chairperson

Mr. Waseem Mehdi Syed
Member

Mr. Jawad Majid Khan
Member

Mr. Muhammad Salman Alam Fazli
Member

Board Information Technology Committee

Mr. Zafar Iqbal Siddiqi
Chairman

Mr. Waseem Mehdi Syed
Member

Mr. Jawad Majid Khan
Member

Mr. Muhammad Salman Alam Fazli
Member

Board Compliance Committee

Mr. Waseem Mehdi Syed
Chairman

Mr. Wajahat Ahmed Baqai
Member

Mr. Zafar Iqbal Siddiqi
Member

Mr. Muhammad Salman Alam Fazli
Member

Board Special Assets Management Committee

Mr. Wajahat Ahmed Baqai
Chairman

Mr. Waseem Mehdi Syed
Member

Ms. Fauzia Hasnain
Member

Mr. Jawad Majid Khan
Member

Mr. Muhammad Salman Alam Fazli
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

M/s. Yousuf Adil
Chartered Accountants

Legal Advisors

Hyat & Meerjees

Share Registrar

THK Associates (Private) Limited
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Email : secretariat@thk.com.pk
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Head Office

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UAN : 021-1111-24365
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Registered Office

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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

We are delighted to provide, on behalf of the Board of Directors, our review of Summit Bank Limited's performance and the unaudited condensed interim financial statements for the nine months' period ended 30 September 2023.

H.E. Naseer Abdulla Hussain Lootah (Investor) has invested an amount of PKR 10 billion to acquire major equity stake in the Bank. During the second quarter of 2023, the Bank received all the necessary regulatory approvals and issued the requisite shares to the Investor. This equity injection will help boost the Bank's capital base and also provide it with the much needed liquidity for its operational requirements. After acquisition of controlling stake in the Bank, the shareholders of the Bank in their Extraordinary General Meeting held on August 15, 2023 through a special resolution approved the change of Bank's name to Bank Makramah Limited (BML). However, the change of name will be applicable after all formalities are completed. This marks the start of the Bank's transformation which would involve a rebranding exercise and a complete overhaul of its operations, as well as moving towards converting the Bank into a full-fledged Shariah compliant Islamic bank.

THE BANK'S PERFORMANCE

The highlights of the financial results for the nine months ended September 30, 2023 are as follows

Financial Position	Rupees in Millions
Shareholders' Equity	(11,354)
Total Deposits	147,002
Total Assets	268,861
Advances – net	18,354
Investments – net	185,451
Financial Performance	
Net Interest Income and Non Mark-up Income (Total Income)	(712)
Non Mark-up Expenses	5,244
Provisions and write offs (net)	(92)
Loss before tax	(5,864)
Loss after tax	(3,775)
Basic and diluted loss per share - Rupee	(0.77)

The Bank posted Loss before tax of Rs. 5.864 billion and Loss after tax of Rs. 3.775 billion for the nine months period ended September 30, 2023, as compared to Rs. 5.581 billion and Rs. 1.995 billion respectively for the comparative period last year. Loss per share was recorded at Re. 0.77 per share for the current period, as compared to Re. 0.76 per share for the comparative prior period.

The Bank's results reflect a marked improvement in average net investments for the nine months period ended September 30, 2023, which can be attributed to multiple factors, including a fresh equity injection and an increase in deposits and borrowings. As a result, the average net investments surged from Rs. 36.003 billion in the comparative prior period to Rs. 112.729 billion. This substantial increase in net average investments was further complemented by enhanced net investment yields, which improved from 12.25% in the comparative prior period to 21.07% in the current period. As a result of this significant growth in both volume and yields, the Bank experienced a sizeable boost in its income from investments by Rs. 14.465 billion, which ended at Rs. 17.764 billion for the current period as against Rs. 3.299 billion in the comparative prior period.

Net yields on advances also improved year on year, ending at 14.61% for the current period as against 8.93% for the comparative prior period, reflecting the repricing effect of the continued gradual increase in policy rates by SBP. However, the Bank witnessed a decrease in average net advances, totalling Rs. 19.314 billion during the nine months of 2023, compared to Rs. 25.969 billion for the comparative prior period. The reduction in advances is part of the Bank's strategy to reduce its risk weighted assets. Income from advances ended higher at Rs. 2.110 billion for the current period as against Rs. 1.734 billion for the comparative prior period, indicating an increase of 22%.

Deposits as of September 30, 2023 reflected significant growth of 20.57%, reaching Rs. 147.002 billion as compared to Rs. 121.919 billion on December 31, 2022. This marks the highest deposit level in the history of the Bank. Furthermore, the Bank's average deposits experienced substantial growth of Rs. 22.620 billion during the current period, representing a 20.82% increase from September 2022 levels when it stood at Rs. 108.625 billion. The Bank's strategic focus on expanding its current account base yielded positive results, with non-remunerative average deposits witnessing a 25% increase, equivalent to Rs. 9.023 billion. As a result, the cost of deposits was managed at 11.36% for the current period despite a 7% increase in the policy rate by State Bank of Pakistan since September 2022.

Despite stiff competition for rates and transfer of the amount earmarked for investment in the Bank by the Investor from his current account to the share subscription account, the Bank was able to improve its CASA ratio to 88.88% as of September 2023 as against 87.46% in December 2022.

The Bank was able to capitalize on arbitrage opportunities, resulting in an increase of Rs. 50.341 billion in average borrowing levels since September 2022 by investing in risk free (government guaranteed) instruments.

The Bank's non-funded income slightly improved, totalling Rs. 1.019 billion, as against Rs. 0.984 billion for the comparative prior period. The primary contributors to this income were foreign exchange earnings, gains from sale of assets and fee income from trade and guarantee business.

Despite facing challenges such as inflationary pressures, currency devaluation and rising commodity prices, the Bank successfully demonstrated prudent control over its operating expenses. While the average CPI inflation reached 31.4% on year-on-year basis in 2023, the Bank managed to limit the increase in its operating expenses to 20.4% compared to the same period last year. The Bank's total non-markup expenses amounted to Rs. 5.244 billion, as against Rs. 4.356 billion for the previous comparative period.

During the current period, net provision reversals amounted to Rs. 92.039 million, which reflects a significant improvement from the net charge of Rs. 506.600 million in the same period last year.

As of September 30, 2023, the Bank's gross NPL ratio (Gross non-performing loans to Gross Advances) was 69.47%, which represents a slight increase from the ratio of 65.78% recorded on December 31, 2022, mainly due to the impact of a reduction in gross advances by Rs. 2.747 billion. Additionally, the coverage ratio at the end of September 2023 improved to 93.20%, which was 92.14% in December 2022. The Bank's gross advances to deposits ratio (Gross Advances to Total Deposits) decreased to 35.43% in September 2023 from 44.98% on December 31, 2022 resulting from risk averse strategy that the Bank is following.

The Bank's deferred tax assets (net) amounted to Rs. 23.065 billion as of September 30, 2023. In the current period, the Bank recognized additional deferred tax assets (net) of Rs. 2.284 billion, primarily due to taxable losses incurred during the period.

CREDIT RATING

In 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B Minus) and its short-term rating of 'A-3' (A-Three). The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested the State Bank of Pakistan to allow the Bank to complete the credit rating exercise by December 31, 2023, for which an extension has been granted.

VIS Credit Rating Company Limited has issued a new rating scale for Tier-2 capital instruments. As a result, the Bank's TFC rating has been adjusted to 'B' (Single B) with a 'Rating Watch-Negative' outlook, as stated in their press release dated June 27, 2023. Previously, 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).

ECONOMIC REVIEW

Pakistan's economy has been on a path of recovery since the start of FY2024 as the improvement in the worldwide economy, combined with eased import restrictions, is helping to alleviate disruptions in the supply of raw materials and providing support to industries focused on exports. Additionally, Foreign Direct Investment (FDI) increased by 16.1% in July and August of FY2024, primarily due to higher Chinese investments and stability in exchange rates. However, Pakistan's economy will remain vulnerable to domestic and external shocks.

Pakistan's current account deficit has narrowed sharply, reflecting an improvement in the trade balance. The current account posted a deficit of USD 935 million for July-August FY24 against a deficit of USD 2 billion last year, largely reflecting an improvement in the trade balance.

The fiscal deficit for July in FY2024 stood at 0.2% of the GDP, nearly matching the previous year's level. The positive change in fiscal accounts can be attributed to a substantial increase in net federal revenues, which outpaced the growth in total expenditures. Net federal revenues saw a 66% growth, mainly driven by a significant rise in non-tax collections, particularly from increased receipts related to the petroleum development levy. On the other hand, the introduction of new tax measures and enhanced collections from import-related taxes contributed to an overall increase in tax collection. While markup payments grew by 52% within expenditures, non-markup spending was reduced by 48%.

Average CPI inflation during 1QFY24 reached 29.04%, as compared to the same period last year when it was 25.11%. This surge in inflation can be attributed mainly to the increase in international oil prices, adjustment in energy prices and higher food prices. The Monetary Policy Committee (MPC) kept the policy rate steady at 22% in September 2023, primarily due to an improved outlook for inflation.

As of September 30, 2023, the overall liquid foreign exchange reserves of Pakistan reached USD 13.03 billion, while SBP held reserves amounted to USD 7.62 billion.

With the International Monetary Fund (IMF) Stand-By Arrangement (SBA) now in effect, the interim government must persist in maintaining prudent macroeconomic practices, including the maintenance of a flexible exchange rate and an independent monetary policy aimed at controlling inflation. Concurrently, achieving a more robust economic recovery will necessitate the implementation of a medium-term reform plan focused on fiscal consolidation and the enhancement of competitiveness. This effort should be supported by strong political commitment and ownership.

ACKNOWLEDGEMENT

We extend our gratitude to our valued customers and all stakeholders for their collaboration and contribution to the Bank's cause. Without their support, we would not have been able to achieve our goals and objectives.

We acknowledge the dedication and hard work of the Bank's staff, who have demonstrated resilience, adaptability and commitment in the face of unprecedented challenges. Their contribution to the Bank's cause is invaluable.

On behalf of the Board, we thank the State Bank of Pakistan, the Ministry of Finance, the Securities and Exchange Commission of Pakistan, and other regulatory authorities for their continued support and guidance.

Jawad Majid Khan
President and Chief Executive Officer

Fauzia Hasnain
Director

Summit Bank
October 27, 2023
Karachi

تعریف و توثیق

ہم ایشیاک اور بینک کے مقصد میں تعاون کے لیے اپنے قابل قدر صارفین اور تمام اسٹیک ہولڈرز کے ان کا شکریہ ادا کرتے ہیں۔ ان کے تعاون کے بغیر ہم اپنے اہداف اور مقاصد حاصل نہیں کر سکتے تھے۔

ہم بینک کے عملے کی لگن اور محنت کو تسلیم کرتے ہیں، جنہوں نے بے مثال چیلنجوں کا سامنا کرتے ہوئے پلک، موافقت اور عزم کا مظاہرہ کیا ہے۔ بینک کے مقاصد کے حصول میں ان کا تعاون انمول ہے۔

بورڈ کی جانب سے ہم، اسٹیٹ بینک آف پاکستان، وزارت مالیات، سکیورٹیز اینڈ ایکسچینج کمیشن پاکستان، اور دیگر ضوابطی حکام کی مسلسل معاونت اور رہنمائی پر شکر گزار ہیں۔

فوزیہ حسنین
ڈائریکٹر

جواد ماجد خان
صدر اور چیف ایگزیکٹو آفیسر

سمٹ بینک
27 اکتوبر 2023ء
کراچی

30 ستمبر 2023ء تک بینک 23,065 ارب روپے کے (خالص) مؤخر ٹیکس اثاثوں کا حامل تھا۔ موجودہ مدت میں بینک کی جانب سے 2,284 ارب روپے کے مؤخر ٹیکس اثاثوں کو تسلیم کیا گیا ہے، جس کی بنیادی وجہ دوران مدت عائد کردہ قابل ٹیکس خسارے تھے۔

کریڈٹ ریٹنگ

ء کے دوران، وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے بینک کی درمیانی تا طویل مدتی ریٹنگ 'بی بی پی' (ٹریپل بی ماٹنس) اور قلیل مدتی ریٹنگ 'اے-3' (اے-3) تھری) معطل کر دی۔ بینک وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ کے ساتھ ریٹنگ کے عمل کا آغاز کر چکا ہے اور اسٹیٹ بینک سے درخواست کی گئی ہے کہ وہ کریڈٹ ریٹنگ کے پراسس کی تکمیل کے لیے 31 دسمبر 2023ء تک توسیع فراہم کر دی گئی ہے۔

وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ نے درجہ 2- سرمائے کے آلات کے لیے ایک نیا ریٹنگ اسکیل جاری کیا ہے۔ نتیجتاً، بینک کی ٹی ایف سی ریٹنگ کو ریٹنگ واچ نیگیٹو! منظر نامے کے ساتھ 'بی' (سٹبل بی) میں ایڈجسٹ کیا گیا ہے، جیسا کہ 27 جون، 2023ء کی پریس ریلیز میں بیان کیا گیا۔ قبل ازیں، بینک کی ٹی ایف سی ریٹنگ 'ڈی' (ڈیفالٹ) مقرر کی گئی تھی کیونکہ اسٹیٹ بینک آف پاکستان (ایس بی پی) کے قابل اطلاق ضوابط کے تحت بینک کی جانب سے لاک ان کارڈی حوالے سے تازہ ترین مارک اپ چارج کی ادائیگی نہیں کی گئی تھی۔

اقتصادی جائزہ

مالی سال 2024ء کے آغاز سے ہی پاکستان کی معیشت بحالی کی راہ پر گامزن ہے کیونکہ درآمدی پابندیوں میں زری کے ہمراہ عالمی معیشت میں بہتری سے خام مال کی رسد رکاوٹوں کو دور کرنے اور برآمدات پر مرکوز صنعتوں کو مدد کی فراہمی میں معاونت مل رہی ہے۔ مزید برآں، مالی سال 2024ء کے جولائی اور اگست میں بیرونی برادر است سرمایہ کاری (ایف ڈی آئی) میں 16.1 فیصد اضافہ ہوا، جس کی بنیادی وجہ چین سے بلند سرمایہ کاری اور شرح مبادلہ میں استحکام تھا۔ تاہم پاکستان کی معیشت داخلی و خارجی دچکوں کا شکار رہے گی۔

پاکستان کا جاری کھاتے کا خسارہ تیزی سے کم ہوا ہے جو تجارتی توازن میں بہتری کی عکاسی کرتا ہے۔ جولائی تا اگست مالی سال 24ء کے دوران جاری کھاتے میں 935 ملین ڈالر کا خسارہ ریکارڈ کیا گیا جبکہ گذشتہ برس 2 ارب ڈالر کا خسارہ ہوا تھا جس سے تجارتی توازن میں خاصی بہتری کی عکاسی ہوتی ہے۔

مالی سال 2024ء کے دوران جولائی کے لیے مالیاتی خسارہ جی ڈی پی کا 0.2 فیصد رہا، جو گذشتہ برس کی سطح سے تقریباً سہ ماہی ہے۔ مالی کھاتوں میں مثبت تبدیلی کو خالص وفاقی عااصل میں نمایاں اضافے سے منسوب کیا جا سکتا ہے، جو مجموعی اخراجات میں اضافے سے تجاوز کر گئے۔ خالص وفاقی عااصل میں 66 فیصد اضافہ دکھائی دیا، جس کی بنیادی وجہ بالخصوص پیپر و الیم ڈولپمنٹ لیوی سے متعلق وصولیوں میں اضافے کے سبب نان ٹیکس وصولیوں میں نمایاں اضافہ تھا۔ دوسری جانب نئے ٹیکس اقدامات متعارف کروانے اور درآمدات سے متعلق ٹیکس کی وصولیوں میں اضافے سے مجموعی ٹیکس وصولیاں بڑھ گئیں۔ اخراجات کے ضمن میں، مارک اپ ادائیگیوں میں 52 فیصد اضافہ ہوا جبکہ نان مارک اپ اخراجات میں 48 فیصد کمی آئی۔

مالی سال 2024ء کی پہلی سہ ماہی کے دوران اوسط صارف اٹارنی قیمت (سی پی آئی) مہنگائی 29.04 فیصد تک پہنچ گئی جبکہ گذشتہ برس کی اسی مدت کے دوران یہ 25.11 فیصد تھی۔ مہنگائی میں اس اضافے کی بنیادی وجہ تیل کی بین الاقوامی قیمتوں میں اضافہ، توانائی کی قیمتوں میں رورول اور خوردنی ایشیا کی قیمتوں میں اضافہ تھا۔ زری پالیسی کمیٹی (ایم پی سی) نے ستمبر 2023ء میں پالیسی رت کو 22 فیصد پر برقرار رکھا، جس کی بنیادی وجہ مہنگائی کے لیے بہتر منظر نامہ تھا۔

30 ستمبر 2023ء تک پاکستان کے مجموعی زر مبادلہ کے ذخائر 13.03 ارب ڈالر تک پہنچ گئے جبکہ اسٹیٹ بینک کے ذخائر 7.62 ارب ڈالر تھے۔

بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) کے اسٹیبلشمنٹ بائی انظامات (ایس بی اے) کے نفاذ کے ساتھ، نگران حکومت کو کئی معاشی خطا بیقوں کو برقرار رکھنا ہوگا، جس میں بچ کدرا شرح مبادلہ کو برقرار رکھنا اور مہنگائی پر قابو پانے کے مقصد سے ایک آزاد زری پالیسی شامل ہے۔ اس کے ساتھ ساتھ زیادہ مضبوط معاشی بحالی کے حصول کے لیے ایک وسط مدتی اصلاحاتی منصوبے پر عمل درآمد کی ضرورت ہوگی جس میں مالیاتی استحکام اور مسابقت میں اضافے پر توجہ مرکوز کی جائے گی۔ اس کو شش کو مضبوط سیاسی عزم اور احساس ذمہ داری کی معاونت حاصل ہونی چاہیے۔

30 ستمبر 2023ء کو ختم ہونے والے نو مہینوں کے لیے بینک کے نتائج اوسط خالص سرمایہ کاروں کے لیے نمایاں بہتری کی عکاسی کرتے ہیں، جس کی وجہ تازہ ایکویٹی کا ادخال اور ڈپازٹس اور قرضوں میں اضافے سمیت متعدد عوامل کو قرار دیا جاسکتا ہے۔ نتیجتاً اوسط خالص سرمایہ کاری بڑھ کر 36,003.36 ارب روپے ہو گئی جبکہ گزشتہ برس کی اسی مدت میں یہ 112,729.11 ارب روپے تھی۔ خالص سرمایہ کاروں میں اس نمایاں اضافے کو خالص سرمایہ کاری یافتوں کے بڑھنے سے مزید تقویت ملی، جو بہتر ہو کر زیر جائزہ مدت کے دوران 21,07.12 فیصد ہو گئی جبکہ گزشتہ برس کی اسی مدت میں 12.25 فیصد تھی۔ جنم اور یافتوں دونوں میں اس ضخیم اضافے کے نتیجے میں بینک کی سرمایہ کاروں سے ہونے والی آمدنی 14,465.17 ارب روپے کے نمایاں اضافے سے بڑھ کر موجودہ مدت کے اختتام تک 17,764.17 ارب روپے ہو گئی جبکہ گزشتہ برس کی اسی مدت میں 3,299.13 ارب روپے کا اضافہ ہوا تھا۔

ایڈوانسز پر خالص یافتوں میں بھی سال بسال اضافہ ہوا، جو موجودہ مدت کے لیے 14.61 فیصد رہیں جبکہ گزشتہ برس کی اسی مدت میں یہ 8.93 فیصد تھیں، جو اسٹیٹ بینک کی جانب سے پالیسی ریٹ میں جاری بندرتیج اضافے کے نوبت بندی کے اثرات کی عکاسی کرتا ہے تاہم بینک نے اوسط خالص قرضوں میں کمی دیکھی جو 2023ء کے نو مہینوں کے دوران مجموعی طور پر 19,314.19 ارب روپے رہی جبکہ گزشتہ برس کی اسی مدت میں یہ 25,969.25 ارب روپے تھی۔ قرضوں میں بینک کی حکمت عملی کا حصہ ہے تاہم اس کے risk weighted اثاثوں کو کم کیا جاسکے۔ ایڈوانسز سے ہونے والی آمدنی موجودہ مدت میں 2,110.11 ارب روپے رہی جو عمل ازیں تقابلی مدت میں 1,734.17 ارب روپے تھی، جس سے 22 فیصد اضافے کی نشاندہی ہوتی ہے۔

31 دسمبر 2022ء کے 121,919.12 ارب روپے کے مقابلے میں 30 ستمبر 2023ء تک، ڈپازٹس میں 20.57 فیصد کا نمایاں اضافہ ریکارڈ کیا گیا جو بڑھ کر 147,002.14 ارب روپے تک پہنچ گئے۔ یہ بینک کی تاریخ میں ڈپازٹ کی بلند ترین سطح ہے۔ مزید برآں، رواں مدت کے دوران بینک کے اوسط ڈپازٹس میں 22,620.22 ارب روپے کا نمایاں اضافہ ہوا جو ستمبر 2022ء کی 108,625.10 ارب روپے کی سطح سے 18.96 فیصد نمو کو ظاہر کرتا ہے۔ بینک کی اسٹریٹجک توجہ جاری کھاتے کی اساس میں مثبت نتائج حاصل کرنے پر مرکوز رہی جس کے نتیجے میں غیر نفع بخش اوسط ڈپازٹس میں 25 فیصد اضافہ دکھائی دیا جو 9,023.02 ارب روپے کے مساوی ہے۔ اسٹیٹ بینک آف پاکستان کی جانب سے ستمبر 2022ء سے اپ تک پالیسی ریٹ میں 7 فیصد اضافے کے باوجود دوران مدت ڈپازٹس کی لاگت 11.36 فیصد رہی۔

رٹس میں سخت مسابقت اور سرمایہ کاری کی جانب سے بینک میں سرمایہ کاری کے لیے مختص رقم کو اس کے جاری کھاتے سے شیئرز سبکدوشی اکاؤنٹ میں منتقل کرنے کے باوجود ستمبر 2023ء تک اپنے سی ای اے ایس اے کا تناسب بڑھا کر 88.88 فیصد کرنے میں کامیاب رہا جو دسمبر 2022ء میں 87.46 فیصد تھا۔

بینک ثالثی کے مواقع سے فائدہ اٹھانے میں کامیاب رہا، جس کے نتیجے میں بینک نے خطرے سے پاک (حکومتی ضمانت یافتہ) ترسکات میں سرمایہ کاری کی جس کے باعث ستمبر 2022ء سے اوسط قرض گیری کی سطح میں 50,314.14 ارب روپے کا اضافہ ہوا۔

سابقہ تقابلی مدت کے 0,984.10 ارب روپے کے مقابلے میں بینک کی نان فنڈڈ آمدنی 1,019.17 ارب روپے درج کی گئی۔ غیر ملکی زرمبادلہ کی آمدنی، اثاثوں کی فروخت سے حاصل ہونے والے فوائد اور تجارت اور ضمانت کے کاروبار کی فیس کی مدد میں ہونے والی آمدنی کا اس آمدنی میں بنیادی حصہ تھا۔

مہنگائی کے دباؤ، کرنسی کی قدر میں کمی اور اجناس کی بڑھتی ہوئی قیمتوں جیسے چیلنجوں کا سامنا کرنے کے باوجود، بینک اپنے آپریٹنگ اخراجات کے محتاط انتظام کو برقرار رکھنے میں کامیاب رہا۔ اگرچہ 2023ء کے دوران اوسط صارف اشاریہ قیمت (سی پی آئی) مہنگائی سال بسال بنیاد پر 31.4 فیصد تک پہنچ گئی، تاہم بینک اپنے آپریٹنگ اخراجات میں ہونے والے اضافے کو گزشتہ برس کی اسی مدت کے مقابلے میں 20.4 فیصد تک محدود رکھنے میں کامیاب رہا۔ بینک کے مجموعی نان مارک اپ اخراجات 5,244.15 ارب روپے ہو گئے جبکہ تقابلی مدت کے دوران یہ 4,356.14 ارب روپے تھے۔

موجودہ مدت کے دوران بینک نے 92,039.12 ملین روپے کے تنویں کا خالص اسٹرو اور درج کیا جو گزشتہ برس کی اسی مدت کے 506,600.60 ملین روپے کے خالص چارج سے نمایاں بہتری ہے۔

30 ستمبر 2023ء تک، بینک کا مجموعی غیر فعال قرضوں کا تناسب (مجموعی ایڈوانسز اور مجموعی غیر فعال قرضے) 69.47 فیصد تھا، جو کہ 31 دسمبر 2022ء کو درج کیے گئے 65.78 فیصد کے تناسب سے معمولی اضافہ ظاہر کرتا ہے، جس کی بنیادی وجہ مجموعی ایڈوانسز میں 2,747.17 ارب روپے کی کمی ہے۔ مزید برآں، ستمبر 2023ء کے اختتام پر کورج کا تناسب بہتر ہو کر 93.20 فیصد ہو گیا، جو دسمبر 2022ء میں 92.14 فیصد تھا۔ بینک کے مجموعی ایڈوانسز اور ڈپازٹس کا تناسب (مجموعی ایڈوانسز سے کل ڈپازٹس تک) ستمبر 2023ء میں کم ہو کر 35.43 فیصد رہا جو 31 دسمبر 2022ء کو 44.98 فیصد تھا۔

ڈائریکٹرز کا جائزہ

یورڈ آف ڈائریکٹرز کی جانب سے، ہم 30 ستمبر 2023ء کو اختتام پذیر ہونے والی نو مہینوں کی مدت کے لیے سمٹ بینک لمیٹڈ کی کارکردگی کا ہمارا جائزہ اور غیر آڈٹ شدہ جامع عبوری مالی گوشوارے پیش کرتے ہوئے مسرور ہیں۔

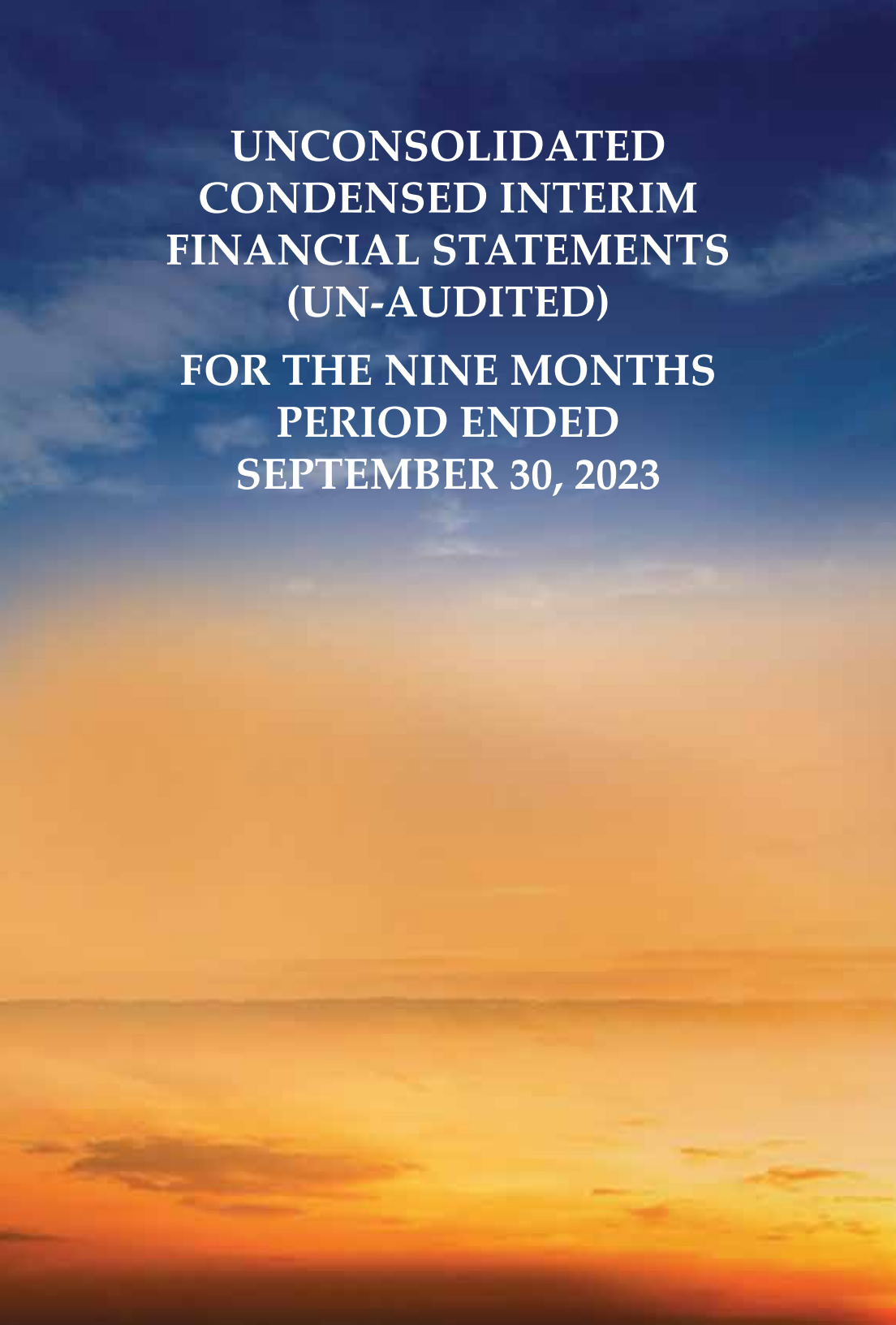
عزت مآب نصیر عبداللہ حسین لوطہ (سرمایہ کار) نے بینک میں اہم ایجوٹی حصص کے حصول کے لیے 10 ارب روپے کی سرمایہ کاری کی ہے۔ 2023ء کی دوسری سہ ماہی کے دوران بینک نے تمام ضروری ضوابطی منظوریاں حاصل کیں اور سرمایہ کار کو مطلوبہ حصص جاری کیے۔ ایجوٹی کا یہ ادخال بینک کی سرمایہ جاتی اساس کو بڑھانے میں مدد کرے گا اور اسے اپنی آپریشنل ضروریات کے لیے انتہائی ضروری سیالیت بھی فراہم کرے گا۔ بینک میں کنٹرولنگ کے اختیار کو حاصل کرنے کے بعد، 15 اگست 2023ء کو منفقہ غیر معمولی اجلاس عام کے دوران بینک کے شیئرز ہولڈرز نے ایک خصوصی قرارداد کے ذریعے بینک کا نام بدل کر بینک مگرمہ لمیٹڈ (بی ایم ایل) رکھنے کی منظوری دی۔ تاہم، تمام رسمی کارروائیوں کی تکمیل کے بعد نام کی تبدیلی کا اطلاق ہو گا۔ یہ بینک کی تبدیلی کا آغاز ہے جس میں ری برانڈنگ کی مشق اور اس کے آپریشنز میں مکمل تبدیلی کے ساتھ ساتھ بینک کو مکمل طور پر شریعت سے ہم آہنگ ادارے میں تبدیل کرنے کی طرف پیش رفت شامل ہوگی۔

بینک کی کارکردگی

30 ستمبر 2023ء کو اختتام پذیر ہونے والے نو مہینوں کے لیے بینک کے مالی نتائج کی جھلکیاں مندرجہ ذیل ہیں:

روپے ملین میں	مالی صورت حال
(11,354)	شیئرز ہولڈرز کی ایجوٹی
147,002	مجموعی ماباقتیں (ڈپازٹس)
268,861	مجموعی اثاثے
18,354	ایڈوانسز - خالص
185,451	سرمایہ کاریاں - خالص
	مالی کارکردگی
(712)	خالص سودی آمدنی اور غیر سودی آمدنی (مجموعی آمدنی)
5,244	غیر سودی اخراجات
(92)	تعمیر اور متروکات (خالص)
(5,864)	خسارہ نقل از ٹیکس
(3,775)	خسارہ بعد از ٹیکس
(0.77)	خسارہ فی شیئر - روپے (diluted) بنیادی اور سیال

بینک نے 30 ستمبر 2023ء کو ختم ہونے والے نو مہینوں کے دوران 5.864 ارب روپے کا خسارہ نقل از ٹیکس اور 3.775 ارب روپے کا خسارہ بعد از ٹیکس درج کیا جبکہ گزشتہ برس کی اسی مدت کے دوران یہ بالترتیب 5.581 ارب روپے اور 1.995 ارب روپے تھا۔ رواں مدت کے دوران خسارہ فی شخص 0.77 روپے فی شخص ریکارڈ کیا گیا جبکہ گزشتہ برس کی تقابلی مدت میں یہ 0.76 روپے فی شخص تھا۔



**UNCONSOLIDATED
CONDENSED INTERIM
FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE NINE MONTHS
PERIOD ENDED
SEPTEMBER 30, 2023**

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks	6	14,984,193	13,372,145
Balances with other banks	7	519,983	1,363,429
Lendings to financial institutions	8	-	10,141,557
Investments	9	185,451,090	51,446,799
Advances	10	18,354,289	21,592,523
Fixed assets	11	10,197,089	10,650,623
Intangible assets	12	245,399	143,606
Deferred tax assets	13	23,065,302	20,781,731
Other assets	14	16,043,798	11,224,315
		268,861,143	140,716,728
LIABILITIES			
Bills payable	16	1,844,353	1,993,587
Borrowings	17	119,314,294	25,388,560
Deposits and other accounts	18	147,001,506	121,919,068
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	10,559,454	7,568,890
		280,215,122	158,365,620
NET ASSETS		<u>(11,353,979)</u>	<u>(17,648,892)</u>
REPRESENTED BY			
Share capital - net	21	30,500,208	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	22	4,062,995	3,997,636
Accumulated losses		(45,492,139)	(41,721,679)
		<u>(11,353,979)</u>	<u>(17,648,892)</u>
CONTINGENCIES AND COMMITMENTS	23		

The annexed notes 1 to 40 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, 2023

	Note	Quarter Ended		Nine Months Period Ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
----- (Rupees in '000) -----					
Mark-up / return / interest earned	24	9,971,426	2,379,484	20,073,068	5,232,702
Mark-up / return / interest expensed	25	10,685,385	3,097,192	21,803,931	6,936,394
Net Mark-up / interest expense		(713,959)	(717,708)	(1,730,863)	(1,703,692)
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26	155,481	113,777	439,315	333,145
Dividend income		-	4,575	206	6,375
Foreign exchange income		133,419	323,174	722,398	618,598
Income / (loss) from derivatives		-	-	-	-
Gain / (loss) on securities	27	(62,255)	4,172	(514,293)	14,740
Other income	28	14,340	3,240	371,146	12,034
Total non-markup / interest income		240,985	448,938	1,018,772	984,892
Total income		(472,974)	(268,770)	(712,091)	(718,800)
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	1,910,501	1,549,664	5,243,652	4,354,587
Workers' welfare fund		-	-	-	-
Other charges	30	237	916	418	923
Total non-markup / interest expenses		1,910,738	1,550,580	5,244,070	4,355,510
Loss before provisions		(2,383,712)	(1,819,350)	(5,956,161)	(5,074,310)
(Reversals) / provisions and write offs - net	31	739,826	267,537	(92,039)	506,600
Extra ordinary / unusual items		-	-	-	-
LOSS BEFORE TAXATION		(3,123,538)	(2,086,887)	(5,864,122)	(5,580,910)
Taxation	32	(1,069,980)	(764,609)	(2,088,772)	(3,586,269)
LOSS AFTER TAXATION		(2,053,558)	(1,322,278)	(3,775,350)	(1,994,641)
----- (Rupee) -----					
Basic loss per share	33	(0.34)	(0.51)	(0.77)	(0.76)
Diluted loss per share	33	(0.34)	(0.51)	(0.77)	(0.76)

The annexed notes 1 to 40 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, 2023

	Quarter Ended		Nine Months Period Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- (Rupees in '000) -----			
Loss after taxation for the period	(2,053,558)	(1,322,278)	(3,775,350)	(1,994,641)
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	335,521	30,977	185,369	48,285
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of operating fixed assets - net of tax	9,657	9,845	28,977	(92,683)
Movement in surplus on revaluation of non-banking assets - net of tax	2,313	1,975	6,937	(27,184)
Movement in surplus on revaluation of held for sale property - net of tax	-	-	15,613	(46,431)
	11,970	11,820	51,527	(166,298)
Total comprehensive loss	(1,706,067)	(1,279,481)	(3,538,454)	(2,112,654)

The annexed notes 1 to 40 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, 2023

	Share capital		Capital reserves		Surplus / (deficit) on revaluation of			Total		
	Issued, subscribed and paid up	Discount on issue of shares	Share premium	Reserve arising on amalgamation	Statutory reserve	Investments	Fixed / Non banking assets		Property held for sale	Accumulated losses
Balance as at January 01, 2022 (Audited)	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	46,608	3,496,935	754,510	(8,776,353)	(14,403,149)
Loss after taxation for nine months period ended September 30, 2022	-	-	-	-	-	-	-	-	(1,994,644)	(1,994,644)
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	-
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	-	-	-	-
Balance as at October 01, 2022 (Un-audited)	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	94,893	3,286,134	708,079	(40,680,060)	(16,515,803)
Loss after taxation for three months period ended December 31, 2022	-	-	-	-	-	-	-	-	(1,172,247)	(1,172,247)
Other comprehensive income - net of tax	-	-	-	-	-	(101,982)	41,744	-	98,456	39,158
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	(25,239)	-	25,239	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	(5,060)	-	5,060	-
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	(1,872)	-	1,872	-
Balance as at January 01, 2023 (Audited)	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	(6,149)	3,295,706	708,079	(41,721,679)	(17,648,892)
Loss after taxation for nine months period ended September 30, 2023	-	-	-	-	-	-	-	-	(3,775,350)	(3,775,350)
Other comprehensive income - net of tax	-	-	-	-	-	185,369	35,914	15,613	-	236,896
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses	-	-	-	-	-	-	(74,302)	-	74,302	-
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses	-	-	-	-	-	-	(17,785)	-	17,785	-
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses	-	-	-	-	-	-	(39,415)	-	39,415	-
Transfer from surplus on revaluation of property held for sale on sale to accumulated losses	-	-	-	-	-	-	-	(40,035)	40,035	-
Transactions with owners, recorded directly in equity										
Issue of share capital	39,840,695	(29,840,681)	-	-	-	-	-	-	-	10,000,014
Share issuance cost	-	-	-	-	-	-	-	-	-	(166,647)
Balance as at September 30, 2023 (Un-audited)	66,222,205	(35,721,997)	1,000,000	(1,579,205)	154,162	179,220	3,280,118	683,657	(45,492,139)	(11,325,979)

The annexed notes 1 to 40 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, 2023

	September 30, 2023	September 30, 2022
Note	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(5,864,122)	(5,580,910)
Less: Dividend income	(206)	(6,375)
	(5,864,328)	(5,587,285)
Adjustments:		
Depreciation on operating fixed assets	314,899	343,540
Depreciation on right-of-use assets	448,395	448,282
Depreciation on non-banking assets	48,910	45,631
Finance cost of lease liability	322,506	294,693
Amortization	17,944	17,383
(Reversals) / provisions and write-offs excluding recoveries	(91,311)	507,220
Loss on forward exchange contracts	52,822	189,355
Charge for defined benefit plan	37,514	57,179
Charge for employees compensated absences	15,587	13,835
Gain on sale of fixed assets	(201,014)	(10,071)
(Gain) / loss on termination of lease contracts under IFRS 16	(43,082)	6,572
Loss on sale of non banking assets	-	431
Gain on partial sale of HFS property	(116,794)	-
	806,376	1,914,050
	(5,057,952)	(3,673,235)
Decrease in operating assets		
Lendings to financial institutions	10,141,557	(344,060)
Advances	2,746,460	2,965,563
Others assets (excluding advance taxation)	(5,158,533)	(669,572)
	7,729,484	1,951,931
Increase in operating liabilities		
Bills payable	(149,234)	(311,394)
Borrowings from financial institutions	94,650,754	18,272,824
Deposits	25,082,438	5,206,596
Other liabilities (excluding current taxation)	2,912,841	830,413
	122,496,799	23,998,439
Payment on account of staff retirement benefits	92,381	(61,000)
Income tax paid	(210,425)	(49,116)
Net cash generated from operating activities	125,050,287	22,167,019
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(133,116,876)	(21,277,860)
Dividends received	206	2,400
Investments in operating fixed assets	(135,228)	(83,029)
Investments in intangible assets	(119,737)	(23,939)
Proceeds from sale of fixed assets	359,202	11,283
Proceeds from partial sale of HFS property	302,877	-
Proceeds from sale of non-banking assets	-	45,803
Net cash used in investing activities	(132,709,556)	(21,325,342)
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of lease obligations against right-of-use assets	(680,476)	(678,890)
Issue of share capital	10,000,014	-
Share issuance cost	(166,647)	-
Net cash (generated from) / used in financing activities	9,152,891	(678,890)
Effect of exchange rate changes on cash and cash equivalents	528,027	766,483
Increase in cash and cash equivalents	2,021,649	929,270
Cash and cash equivalents at beginning of the period	13,476,148	14,710,430
Cash and cash equivalents at end of the period	15,497,797	15,639,700

The annexed notes 1 to 40 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 (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023**

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 a 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 and its principal office is situated at Summit Tower, Plot No. G-2, Block 2, Scheme 5, Clifton, Karachi, Pakistan.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 176 Conventional Banking Branches and 14 Islamic Banking Branches (December 31, 2022: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan.

The shareholders of the Bank approved the change of Bank's name from 'Summit Bank Limited' to 'Bank Makramah Limited' (abbreviated as 'BML') through a special resolution during their Extraordinary General Meeting held on August 15, 2023. However, the change of name would come into effect after all the requisite regulatory approvals are obtained.

- 1.2** In 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B Minus) and its short-term rating of 'A-3' (A-Three). The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested the State Bank of Pakistan to allow the Bank to complete the credit rating exercise by December 31, 2023, for which an extension has been granted.

VIS Credit Rating Company Limited has issued a new rating scale for Tier-2 capital instruments. As a result, the Bank's TFC rating has been adjusted to 'B' (Single B) with a 'Rating Watch-Negative' outlook, as stated in their press release dated June 27, 2023. Previously, 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).

- 1.3** During the period, the Bank has incurred a net loss of Rs. 3,775.350 million resulting in accumulated losses of Rs. 45,492.139 million and negative equity of Rs. 11,353.979 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, 2023. However, the paid up capital of the Bank (net of losses), CAR and LR are negative.

The aforementioned conditions indicate the existence of material uncertainty that may cast significant doubt on the Bank's ability to continue as a going concern and, therefore, the Bank may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the Bank is making its best efforts to comply with the applicable capital requirements and has successfully increased its capital as mentioned in note 21.1. To achieve 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, achieve compliance with applicable regulatory requirements and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Sale of a portion of self-constructed property on the plot of land bearing No. G-2, Block2, Scheme No: 5;
- 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.

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 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) 39, 'Financial Instruments, Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. Moreover, 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, through S.R.O. 411(1)/2008 dated April 28, 2008 has deferred the applicability of IFRS 7 'Financial Instruments: Disclosures', to banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated 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 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 39 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, 2022.
- 2.4 Standards, interpretations of and amendments to published approved accounting standards that are effective in the current period**

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2023. These are considered either not to be relevant or not to have any significant impact on the Bank's operations and therefore are not detailed in these unconsolidated financial statements.

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

As directed by the State Bank of Pakistan (SBP), via BPRD Circular Letter no. 7 of 2023 dated April 13, 2023, IFRS 9 'Financial Instruments' is now effective for periods beginning on or after January 01, 2024 for all the banks.

Earlier the SBP through BPRD Circular no. 3 dated July 05, 2022 had made IFRS 9 'Financial Instruments' applicable to Banks in Pakistan for accounting periods beginning on or after January 01, 2024 (for banks having asset size of less than Rs. 500 billion). The subject circular also envisages the implementation guidelines and the impact of the application of IFRS 9 in Pakistan on the Bank's financial statements is currently being assessed. IFRS 9 replaces the existing guidance in (IAS) 39, 'Financial Instruments, Recognition and Measurement'. The standard includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Furthermore, 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, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Deferred indefinitely

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, 2022.

3. BASIS OF MEASUREMENT

3.1 Accounting convention

These unconsolidated financial statements have been prepared under the historical cost convention, except for:

- Certain fixed assets and non-banking assets acquired in satisfaction of claims are stated at revalued amounts less accumulated depreciation / impairment.
- Investments classified as held for trading and available-for-sale, which are measured at fair value.
- Commitments in respect of forward exchange contracts, which are measured at fair value.
- Right-of-use assets and their related lease liabilities, which are measured at their present value adjusted for depreciation, interest cost and lease repayments.
- Net obligation in respect of defined benefit scheme, which is measured at their 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, 2022, except that: during the period, the Bank realigned its reporting business segments and as a result changes have been made in the respective note to the accounts along with the restatement of the prior period financial information.

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, 2022.

(Un-audited) (Audited)
September 30, December 31,
2023 2022
----- (Rupees in '000) -----

6. CASH AND BALANCES WITH TREASURY BANKS

In hand

Local currency	4,114,661	4,127,390
Foreign currency	437,109	356,179
	4,551,770	4,483,569

With State Bank of Pakistan in

Local currency current account	8,791,668	7,827,523
Foreign currency current account	490,018	395,801
Foreign currency deposit account	677,169	582,381
	9,958,855	8,805,705

With National Bank of Pakistan in Local currency current account	429,877	66,309
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Prize bonds	43,691	16,562
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14,984,193	13,372,145
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7. BALANCES WITH OTHER BANKS

In Pakistan

In current account	7,330	865
In deposit account	-	16,205
	7,330	17,070

Outside Pakistan

In current account	437,196	1,288,393
In deposit account	75,457	57,966
	512,653	1,346,359

519,983	1,363,429
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8. LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)	-	10,141,557
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Less: provision held against Lendings to Financial Institutions	-	-
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Lendings to Financial Institutions - net of provision	-	10,141,557
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9. INVESTMENTS

9.1 Investments by type:	September 30, 2023 (Un-audited)				December 31, 2022 (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	49,858,546	-	14,695	49,873,241	20,013,762	-	1,975	20,015,737
Pakistan Investment Bonds	104,000,566	-	111,706	104,112,272	14,330,617	-	(13,817)	14,316,800
GoP Ijarah Sukuks	28,378,949	-	(13,549)	28,365,400	13,988,936	-	(73,186)	13,915,750
Shares								
Fully paid up ordinary shares - Listed	1,863,155	(1,625,428)	226,238	463,965	2,588,043	(2,198,059)	124,947	514,931
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	1,554,887	(1,554,887)	-	-	1,565,786	(1,565,786)	-	-
Sukuk Bonds	2,647,917	(200,000)	(45,286)	2,402,631	2,700,000	(200,000)	(50,000)	2,450,000
	188,352,885	(3,427,350)	293,804	185,219,339	55,236,009	(4,010,880)	(10,081)	51,215,048
Subsidiary	396,942	(165,191)	-	231,751	396,942	(165,191)	-	231,751
Total Investments	188,749,827	(3,592,541)	293,804	185,451,090	55,632,951	(4,176,071)	(10,081)	51,446,799

9.1.1 Investments given as collateral - Market Value	(Un-audited)	(Audited)
	September 30, 2023	December 31, 2022
----- (Rupees in '000) -----		
Market Treasury Bills	49,321,116	10,280,041
Pakistan Investment Bonds	64,969,713	7,894,300
	<u>114,290,829</u>	<u>18,174,341</u>

9.2 Provision for diminution in value of investments

Opening balance	4,176,071	4,140,449
Charge / reversals		
Charge for the period / year	26,944	64,786
Reversals for the period / year	(10,899)	(29,164)
Reversal on disposals	(599,575)	-
	(583,530)	35,622
Closing balance	<u>3,592,541</u>	<u>4,176,071</u>

9.3 Particulars of provision against debt securities

Category of classification	(Un-audited)		(Audited)	
	September 30, 2023	Provision	December 31, 2022	Provision
----- (Rupees in '000) -----				
Domestic Loss	1,754,887	1,754,887	1,765,786	1,765,786

10. ADVANCES

	Performing		Non Performing		Total	
	(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2023	(Audited) December 31, 2022
Note	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	13,844,776	16,338,130	35,245,898	35,332,731	49,090,674	51,670,861
Islamic financing and related assets	1,725,258	2,351,110	892,947	686,002	2,618,205	3,037,112
Bills discounted and purchased	331,487	77,636	47,089	49,335	378,576	126,971
Advances - gross	15,901,521	18,766,876	36,185,934	36,068,068	52,087,455	54,834,944
Provision against advances						
- Specific	-	-	(33,726,192)	(33,231,865)	(33,726,192)	(33,231,865)
- General	(6,974)	(10,556)	-	-	(6,974)	(10,556)
	(6,974)	(10,556)	(33,726,192)	(33,231,865)	(33,733,166)	(33,242,421)
Advances - net of provision	15,894,547	18,756,320	2,459,742	2,836,203	18,354,289	21,592,523
					(Un-audited) September 30, 2023	(Audited) December 31, 2022
10.1 Particulars of advances (Gross)					----- (Rupees in '000) -----	
In local currency					51,742,249	54,743,589
In foreign currencies					345,206	91,355
					<u>52,087,455</u>	<u>54,834,944</u>

10.2 Advances include Rs. 36,185.934 million (December 31, 2022: Rs. 36,068.068 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Un-audited) September 30, 2023		(Audited) December 31, 2022	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned	15,629	499	6,174	96
Substandard	72,384	2,083	149,835	391
Doubtful	211,148	735	22,569	6,524
Loss	35,886,773	33,722,875	35,889,490	33,224,854
	<u>36,185,934</u>	<u>33,726,192</u>	<u>36,068,068</u>	<u>33,231,865</u>

10.3 Particulars of provision against advances

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	33,231,865	10,556	33,242,421	32,750,104	13,885	32,763,989
Charge for the period / year	1,583,016	-	1,583,016	1,397,485	-	1,397,485
Reversals	(1,087,735)	(3,582)	(1,091,317)	(906,851)	(3,329)	(910,180)
	495,281	(3,582)	491,699	490,634	(3,329)	487,305
Amounts written off	(954)	-	(954)	(8,873)	-	(8,873)
Closing balance	<u>33,726,192</u>	<u>6,974</u>	<u>33,733,166</u>	<u>33,231,865</u>	<u>10,556</u>	<u>33,242,421</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 from 1% to 2.5% for secured and 4% to 7% for unsecured portfolio. Currently, these percentages are 1.5% for secured and 5% for unsecured portfolio.

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

10.3.2 The Bank has availed the Forced Sale Value (FSV) benefit of pledged stocks, mortgaged properties, plant and machinery, shares and Cash Margin / TDRs 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. 2,179.106 million (December 31, 2022: Rs. 2,820.580 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 1,329.255 million (December 31, 2022: Rs. 1,720.554 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, 2023	(Audited) December 31, 2022
Note	----- (Rupees in '000) -----	
II. FIXED ASSETS		
Capital work-in-progress	11.1 39,621	24,064
Property and equipment	7,319,748	7,673,163
Right-of-use assets	2,837,720	2,953,396
	<u>10,197,089</u>	<u>10,650,623</u>
II.1 Capital work-in-progress		
Civil works and related payments / progress billings	4,965	12,433
Advances and other payments to suppliers and contractors	34,656	11,631
Advances and other payments against capital work in progress considered doubtful	1,155,814	1,158,340
Less: Provision held there against	(1,155,814)	(1,158,340)
	-	-
	<u>39,621</u>	<u>24,064</u>
	----- (Un-audited) -----	
	September 30, 2023	September 30, 2022
	----- (Rupees in '000) -----	
II.2 Additions to fixed assets		
The following additions have been made to fixed assets during the period:		
Capital work-in-progress - net	15,557	6,488
Property and equipment		
Building improvements	37,362	13,839
Furniture and fixture	7,081	5,654
Electrical, office and computer equipment	50,107	40,890
Vehicles	25,121	16,151
	119,671	76,534
Right-of-use assets	442,307	553,789
	<u>577,535</u>	<u>636,811</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

	(Un-audited)	
	September 30, 2023	September 30, 2022
	----- (Rupees in '000) -----	
Leasehold land	70,000	-
Building on leasehold land	74,915	-
Building improvements	593	29
Furniture and fixture	62	108
Electrical, office and computer equipment	476	1,082
Vehicles	12,142	2
	158,188	1,221
Derecognition of right-of-use assets	117,482	16,919
	275,670	18,140

12. INTANGIBLE ASSETS

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
Note	----- (Rupees in '000) -----	
Capital work-in-progress	173,541	72,550
Intangible assets in use	71,858	71,056
	245,399	143,606

12.1 Capital work-in-progress

Advances to suppliers and contractors	173,541	72,550
Advances against capital work in progress considered doubtful Less: Provision held there against	142,522 (142,522)	142,522 (142,522)
	173,541	72,550

12.2 Intangible assets in use

Computer softwares	71,858	71,056
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12.3 Additions to intangible assets

The following additions have been made to intangible assets during the period:

	(Un-audited)	
	September 30, 2023	September 30, 2022
	----- (Rupees in '000) -----	
Capital work-in-progress - net	100,991	17,669
Directly purchased	18,746	6,269
	119,737	23,938

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

13. DEFERRED TAX ASSETS

September 30, 2023 (Un-audited)

At January 01, 2023	Recognised in profit and loss account	Recognised in other comprehensive income	At September 30, 2023
---------------------	---------------------------------------	--	-----------------------

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

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss - Investment
- Provision against intangible assets
- Staff compensated absences
- Provision against other assets
- Unrealized (gain) / loss on forward exchange contracts

13,103,981	2,126,804	-	15,230,785
8,121,244	413,499	-	8,534,743
1,628,668	(227,577)	-	1,401,091
48,034	-	-	48,034
51,077	1,714	-	52,791
166,759	-	-	166,759
(142)	20,743	-	20,601
23,119,621	2,335,183	-	25,454,804

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of property - held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation
- Deficit / (surplus) on revaluation of investments

(1,151,581)	-	28,977	(1,122,604)
(452,705)	-	15,613	(437,092)
(333,546)	-	6,937	(326,609)
(403,990)	15,377	-	(388,613)
3,932	-	(118,516)	(114,584)
(2,337,890)	15,377	(66,989)	(2,389,502)
20,781,731	2,350,560	(66,989)	23,065,302

December 31, 2022 (Audited)

At January 01, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2022
---------------------	---------------------------------------	--	----------------------

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

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss - Investment
- Provision against intangible assets
- Staff compensated absences
- Provision against other assets
- (Surplus) / deficit on revaluation of investments
- Minimum tax

9,813,393	3,290,588	-	13,103,981
7,086,935	1,034,309	-	8,121,244
1,449,157	179,511	-	1,628,668
43,107	4,927	-	48,034
50,412	665	-	51,077
149,656	17,103	-	166,759
(25,096)	-	29,028	3,932
159,921	(159,921)	-	-
18,727,485	4,367,182	29,028	23,123,695

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Unrealized loss / (gain) on forward exchange contracts
- Surplus on revaluation of property - held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation

(1,069,472)	-	(82,109)	(1,151,581)
10,472	(10,614)	-	(142)
(406,274)	-	(46,431)	(452,705)
(289,666)	-	(43,880)	(333,546)
(295,920)	(108,070)	-	(403,990)
(2,050,860)	(118,684)	(172,420)	(2,341,964)
16,676,625	4,248,498	(143,392)	20,781,731

- 13.1 The net deferred tax assets have 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 assets 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 assets. 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) (Audited)
September 30, December 31,
2023 2022
----- (Rupees in '000) -----

Note

14. OTHER ASSETS

Income / mark-up accrued in local currency		6,707,219	1,468,736
Income / mark-up accrued in foreign currency		5,175	2,848
Advances, deposits, advance rent and other prepayments		396,686	351,962
Advance taxation (payments less provisions)		519,953	571,316
Non-banking assets acquired in satisfaction of claims		2,466,388	2,497,513
Branch adjustment account		20,211	7,136
Receivable from defined benefit plan		-	102,958
Receivable from other banks against clearing and settlement - net		192,635	459,528
Mark to market gain on forward foreign exchange contracts		50,711	608
Acceptances		373,090	175,931
Stationery and stamps on hand		6,981	7,071
Commission receivable on home remittance		2,500	2,419
Property - Held for sale	14.1	3,692,787	3,836,309
Others		485,961	556,763
		14,920,297	10,041,098
Less: Provision held against other assets	14.2	(834,706)	(832,810)
Other assets (net of provision)		14,085,591	9,208,288
Surplus on revaluation of non-banking assets acquired in satisfaction of claims		837,458	855,243
Surplus on revaluation of property - held for sale		1,120,749	1,160,784
Other assets - total		16,043,798	11,224,315

- 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) (Audited)
September 30, December 31,
2023 2022
----- (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		98,008	98,008
Non-banking assets acquired in satisfaction of claims		360,107	360,107
Commission receivable on guarantees		9,880	9,880
Receivable from Dewan Group		45,310	45,310
Account receivable - sundry claims		154,410	148,514
Receivable from Speedway Fondmetal (Pakistan) Limited		25,694	25,694
Others		139,908	143,908
		834,706	832,810

14.2.1 Movement in provision held against other assets

Opening balance		832,810	759,224
Charge for the period / year		5,896	78,252
Reversals for the period / year		(4,000)	(4,666)
Closing balance		834,706	832,810

15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	

16. BILLS PAYABLE

In Pakistan	1,844,353	1,993,587
Outside Pakistan	-	-
	<u>1,844,353</u>	<u>1,993,587</u>

17. BORROWINGS

Secured

Borrowings from State Bank of Pakistan

- Under export refinance scheme	4,698,600	5,710,250
- Under Islamic Export Refinance Scheme (IERF)	395,000	400,000
- Under long-term financing facility	278,488	428,927
- Refinance facility for modernization of SMEs	1,413	2,352
- Repurchase agreement borrowings	107,960,102	18,115,632
	<u>113,333,603</u>	<u>24,657,161</u>

Repurchase agreement borrowings

	5,974,312	-
	<u>119,307,915</u>	<u>24,657,161</u>

Total secured

Unsecured

Overdrawn nostro accounts	6,379	731,399
	<u>119,314,294</u>	<u>25,388,560</u>

18. DEPOSITS AND OTHER ACCOUNTS

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits	36,316,735	1,892,545	38,209,280	40,907,997	1,534,309	42,442,306
Savings deposits	83,138,600	1,913,902	85,052,502	58,374,143	1,638,923	60,013,066
Term deposits	12,461,490	3,118,361	15,579,851	12,024,797	2,940,083	14,964,880
Others	3,938,979	45,250	3,984,229	2,284,400	35,609	2,320,009
	<u>135,855,804</u>	<u>6,970,058</u>	<u>142,825,862</u>	<u>113,591,337</u>	<u>6,148,924</u>	<u>119,740,261</u>
Financial institutions						
Current deposits	394,584	257,300	651,884	272,625	162,329	434,954
Savings deposits	2,628,243	125,505	2,753,748	1,416,481	6	1,416,487
Term deposits	620,100	149,912	770,012	327,366	-	327,366
Others	-	-	-	-	-	-
	<u>3,642,927</u>	<u>532,717</u>	<u>4,175,644</u>	<u>2,016,472</u>	<u>162,335</u>	<u>2,178,807</u>
	<u>139,498,731</u>	<u>7,502,775</u>	<u>147,001,506</u>	<u>115,607,809</u>	<u>6,311,259</u>	<u>121,919,068</u>

19. SUBORDINATED DEBT

Issue amount	Rs.1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2022 (December 31, 2022: October 27, 2022)

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 for fourth time by the Bank to October 27, 2019, October 27, 2020, October 27, 2021 and October 27, 2022 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019, October 22, 2020 and October 26, 2021. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020, July 09, 2021 and August 01, 2022. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020, October 22, 2021 and October 24, 2022.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 27, 2022 had 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, 2023. The Bank has complied with all the applicable laws, rules and requisite regulatory requirements and the final approval is awaited from the State Bank of Pakistan.

Rating	'B' (Single B).
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) September 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
20. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	4,715,864	2,291,978
Mark-up / return / interest payable in foreign currencies	3,572	3,475
Unearned income	60,532	70,164
Accrued expenses	91,846	74,270
Advance against sale of property	274,314	328,731
Acceptances	373,090	175,931
Unclaimed dividends	2,213	2,213
Mark to market loss on forward foreign exchange contracts	103,533	243
Payable to defined benefit plan	37,514	-
Charity fund balance	2,467	2,154
Security deposits against lease	196,158	246,913
Payable to Bangladesh Bank	41,389	41,389
Payable to Rupali Bank - Bangladesh	16,293	16,293
Payable to vendors / creditors	328,635	228,005
Provision for compensated absences	135,974	130,964
Payable to Bank of Ceylon, Colombo	20,163	20,163
Retention money	78,020	306
Workers' welfare fund	13,360	13,360
Withholding taxes and government levies payable	206,062	34,946
Federal excise duty and sales tax payable	5,530	6,814
Commission payable on home remittances	2,077	2,381
Lease liability against right-of-use assets	3,426,501	3,494,835
Others	424,347	383,362
	<u>10,559,454</u>	<u>7,568,890</u>

21. SHARE CAPITAL-NET

- 21.1** During the period the Bank has issued 3,984,069,516 ordinary shares having face value of Rs. 10/- each, other than right shares, to His Excellency Naseer Abdulla Hussain Lootah and minority shareholders at a subscription price of Rs. 2.51 per share. Through this issue, an amount of Rs. 10,000.014 million was raised comprising of Rs. 39,840.695 million and Rs. 29,840.681 million in respect of ordinary share capital and discount on issue of shares, respectively. The paid-up capital of the Bank before issuance of shares was Rs. 26,381.511 million (divided into 2,638,151,060 shares of Rs. 10 each) and after issuance of shares has increased to Rs. 66,222.206 million (divided into 6,622,220,576 shares of Rs. 10 each). The shares were issued after having all requisite approvals.

(Un-audited) (Audited)
September 30, December 31,
2023 2022

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

22. 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	293,804	(10,081)
	3,811,873	3,925,590
	837,458	855,243
	1,120,749	1,160,784
	6,063,884	5,931,536

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

(114,584)	3,932
(1,122,604)	(1,151,581)
(326,609)	(333,546)
(437,092)	(452,705)
(2,000,889)	(1,933,900)

4,062,995	3,997,636
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23. CONTINGENCIES AND COMMITMENTS

-Guarantees	23.1	12,802,529	11,817,383
-Commitments	23.2	137,077,633	30,862,340
-Other contingent liabilities	23.3	22,283,567	24,065,166
		172,163,729	66,744,889

23.1 Guarantees:

Financial guarantees	20,470	20,470
Performance guarantees	9,048,900	9,102,570
Other guarantees	3,733,159	2,694,343
	12,802,529	11,817,383

23.2 Commitments:

Documentary credits and short-term trade-related transactions			
- letters of credit		6,492,544	1,670,541
Commitments in respect of:			
- forward foreign exchange contracts	23.2.1	8,721,035	4,542,638
- forward lending	23.2.2	7,651,031	6,310,488
Commitments for acquisition of:			
- operating fixed assets		120,236	24,552
- intangible assets		158,373	198,489
Other commitments	23.2.3	113,934,414	18,115,632
		137,077,633	30,862,340

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
		----- (Rupees in '000) -----	
23.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	6,798,871	4,542,638
	Sale	1,922,164	-
		<u>8,721,035</u>	<u>4,542,638</u>
23.2.2	Commitments in respect of forward lending		
	Forward documentary bills	6,232,869	5,193,241
	Undrawn formal standby facilities, credit lines and other commitments to lend	1,418,162	1,117,247
		<u>7,651,031</u>	<u>6,310,488</u>
23.2.2.1	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, 2023	(Audited) December 31, 2022
		----- (Rupees in '000) -----	
23.2.3	Other commitments		
	Purchase (Repo)	<u>113,934,414</u>	<u>18,115,632</u>
23.3	Other contingent liabilities - claims against the Bank not acknowledged as debts	<u>22,283,567</u>	<u>24,065,166</u>
23.4	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.		
23.5	Contingency for tax payable		
	Contingency related to tax payable is disclosed in note 32.2.		

		(Un-audited)	
		Nine months ended	
		September 30, 2023	September 30, 2022
		----- (Rupees in '000) -----	
24. MARK-UP / RETURN / INTEREST EARNED	Note		
On:			
Loans and advances		2,110,496	1,734,358
Investments		17,764,473	3,299,062
Lendings to financial institutions		148,367	192,021
Balances with banks		49,732	7,261
		<u>20,073,068</u>	<u>5,232,702</u>
25. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		11,150,200	4,992,594
Borrowings		9,430,327	838,889
Subordinated debt		253,674	169,118
Cost of foreign currency swaps against foreign currency deposits / borrowings		647,224	641,100
Finance cost of lease liability		322,506	294,693
		<u>21,803,931</u>	<u>6,936,394</u>
26. FEE AND COMMISSION INCOME			
Branch banking customer fees		47,491	32,429
Consumer finance related fees		3,728	4,502
Card related fees (debit cards)		84,963	61,547
Credit related fees		3,783	2,352
Investment banking fees		1,322	22,325
Commission on trade		174,729	127,601
Commission on guarantees		88,215	48,220
Commission on cash management		40	940
Commission on remittances including home remittances		7,679	6,626
Commission on bancassurance		1,532	618
Alternate Delivery Channels		25,794	25,976
Others		39	9
		<u>439,315</u>	<u>333,145</u>
27. (LOSS) / GAIN ON SECURITIES			
Realised	27.1	<u>(514,293)</u>	<u>14,740</u>
27.1 Realised (loss) / gain on:			
Federal Government Securities		42,233	14,740
Shares		(556,526)	-
		<u>(514,293)</u>	<u>14,740</u>

28. OTHER INCOME

		(Un-audited)	
		Nine months ended	
		September 30, 2023	September 30, 2022
		----- (Rupees in '000) -----	
	4,302		5,798
Gain on sale of fixed assets - net	201,014		10,071
Gain on partial sale of HFS property	116,794		-
Loss on sale of non banking assets	-		(431)
Gain on sale of ijarah assets	720		1,625
Recoveries against previously expensed items	-		1,056
Gain / (loss) on termination of lease contracts under IFRS 16	43,082		(6,572)
Income on settlement of nostro balances	-		448
Refund from Gratuity Fund	4,516		-
Others	718		39
	371,146		12,034

29. OPERATING EXPENSES

Total compensation expense	29.1	1,748,628	1,539,672
Property expense			
Rent and taxes		67,000	72,152
Insurance - property		7,036	7,969
Insurance - non banking assets		621	622
Utilities cost		369,694	302,469
Security (including guards)		183,342	148,813
Repair and maintenance (including janitorial charges)		122,678	88,130
Depreciation on owned fixed assets		187,655	202,150
Depreciation on right-of-use assets		448,395	448,282
Depreciation on non banking assets		48,910	45,631
		1,435,331	1,316,218
Information technology expenses			
Software maintenance		114,531	72,185
Hardware maintenance		115,933	71,038
Depreciation on computer equipments		50,737	60,400
Amortisation of computer softwares		17,944	17,383
Network charges		71,414	63,993
Insurance		2,603	1,194
		373,162	286,193
Other operating expenses			
Directors' fees and allowances		24,000	30,900
Fees and allowances to Shariah Board		17,775	16,125
Legal and professional charges		96,156	54,804
Outsourced services costs		213,894	163,460
Travelling and conveyance		334,254	210,324
NIFT clearing charges		24,036	19,187
Depreciation		76,507	80,990
Training and development		6,598	2,284
Postage and courier charges		30,122	33,380
Communication		72,604	35,418
Stationery and printing		113,971	67,667
Marketing, advertisement and publicity		16,378	14,108
Brokerage and commission		28,261	21,359
Fee and subscription		127,997	82,069
Cash transportation and sorting charges		113,479	84,473
Entertainment		49,666	29,417
Insurance		107,588	90,695
Deposit insurance premium expense		101,148	72,435
Repair and maintenance		97,481	70,792
Auditors' remuneration		7,609	8,169
Others		27,007	24,448
		1,686,531	1,212,504
		5,243,652	4,354,587

		(Un-audited)	
		Nine months ended	
		September 30, 2023	September 30, 2022
		----- (Rupees in '000) -----	
29.1 Total compensation expense	Note		
Fees and allowances etc.		14,333	15,251
Managerial remuneration			
i) Fixed		1,099,154	956,154
ii) Variable			
of which;			
a) Cash bonus / awards etc.		-	-
b) Incentives and commission		5,688	2,485
Charge for defined benefit plan		37,514	57,179
Contribution to defined contribution plan		60,283	53,211
Charge for employees compensated absences		15,587	13,835
Rent and house maintenance		355,892	304,513
Utilities		79,084	67,667
Medical		81,093	69,377
Total		1,748,628	1,539,672

30. OTHER CHARGES

Penalties imposed by State Bank of Pakistan	418	673
Penalties imposed by SECP	-	250
	418	923

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

(Reversal of provision) / provision for diminution in value of investments	(583,530)	26,665
Provision against loans and advances	491,699	471,883
Provision against other assets	1,896	8,626
Fixed assets written off	-	9
Operational loss	1,075	311
Bad debts written off directly	75	37
Reversal of provision for advances and other payments against capital work in progress	(2,526)	-
Recoveries against written off / charged off bad debts	(728)	(931)
	(92,039)	506,600

32. TAXATION

Current	32.1 & 32.2	261,788	77,720
Prior years		-	-
Deferred		(2,350,560)	(3,663,989)
		(2,088,772)	(3,586,269)

32.1 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.

32.2 The Income Tax Returns of the Bank have been submitted up to and including the Bank's financial year ended December 31, 2022 i.e. tax year 2023.

In respect of assessments of Summit Bank Limited from tax years 2009 to tax year 2018 the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 418.48 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, 2023	September 30, 2022
		----- (Rupees in '000) -----	
33. BASIC AND DILUTED LOSS PER SHARE	Note		
Loss for the period		<u>(3,775,350)</u>	<u>(1,994,641)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Basic		<u>4,900,168,551</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Basic loss per share		<u>(0.77)</u>	<u>(0.76)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Diluted	33.1	<u>4,900,168,551</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.77)</u>	<u>(0.76)</u>

33.1 There are no potential ordinary shares outstanding as of September 30, 2023.

		(Un-audited)	
		Nine months ended	
		September 30, 2023	September 30, 2022
		----- (Rupees in '000) -----	
34. CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks		14,984,193	14,495,351
Balances with other banks		519,983	1,171,754
Overdrawn nostro accounts		(6,379)	(27,405)
		<u>15,497,797</u>	<u>15,639,700</u>

35. FAIR VALUE 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.

35.1 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).

35.2 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, 2023 (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	-	182,350,913	-	182,350,913
- Shares - Listed	463,965	-	-	463,965
- Non Government Debt Securities	-	2,402,631	-	2,402,631
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	3,848	3,848
Non-Financial assets - measured at fair value				
Operating fixed assets	-	-	6,917,514	6,917,514
Non banking assets acquired in satisfaction of claims	-	-	2,943,739	2,943,739
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	6,695,708	-	6,695,708
Forward sale of foreign exchange	-	1,871,823	-	1,871,823

December 31, 2022 (Audited)

Level 1	Level 2	Level 3	Total
---------	---------	---------	-------

On balance sheet financial instruments

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

Financial assets - measured at fair value

Investments

- Federal Government Securities	-	48,248,287	-	48,248,287
- Shares - Listed	514,931	-	-	514,931
- Non Government Debt Securities	-	2,450,000	-	2,450,000

Financial assets - disclosed but not measured at fair value

Investments

- Shares - Unlisted	-	-	3,242	3,242
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Non-Financial assets - measured at fair value

Operating fixed assets	-	-	7,213,316	7,213,316
Non banking assets acquired in satisfaction of claims	-	-	2,992,649	2,992,649

Off-balance sheet financial instruments - measured at fair value

Forward purchase of foreign exchange	-	4,543,003	-	4,543,003
Forward sale of foreign exchange	-	-	-	-

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.
Operating 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.

36. SEGMENT INFORMATION

36.1 Segment details with respect to business activities

For the nine months period ended September 30, 2023 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total	
----- (Rupees in '000) -----					
Profit and Loss					
Net mark-up / return / profit	676,701	8,412,735	(10,524,602)	(295,697)	(1,730,863)
Inter segment revenue - net	(1,026,741)	(8,598,469)	16,739,621	(7,114,411)	-
Non mark-up / return / interest income	168,223	245,533	239,698	365,318	1,018,772
Total income	(181,817)	59,799	6,454,717	(7,044,790)	(712,091)
Segment direct expenses	135,602	68,719	3,533,786	1,505,963	5,244,070
Inter segment expense allocation	436,519	136,762	836,047	(1,409,328)	-
Total expenses	572,121	205,481	4,369,833	96,635	5,244,070
(Reversals) / provisions and write offs - net	492,121	(583,531)	-	(629)	(92,039)
Profit / (loss) before tax	(1,246,059)	437,849	2,084,884	(7,140,796)	(5,864,122)

As at September 30, 2023 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total	
----- (Rupees in '000) -----					
Balance Sheet					
Cash and bank balances	164,991	10,908,714	4,430,471	-	15,504,176
Investments	-	185,451,090	-	-	185,451,090
Net inter segment lending	906,482	50,972,127	136,831,674	168,768	188,879,051
Lendings to financial institutions	-	-	-	-	-
Advances - performing	13,887,414	-	400,527	1,606,606	15,894,547
Advances - non-performing	2,369,325	-	86,937	3,480	2,459,742
Others	790,735	6,022,388	2,659,579	40,078,886	49,551,588
Total assets	18,118,947	253,354,319	144,409,188	41,857,740	457,740,194
Borrowings	5,373,501	113,940,793	-	-	119,314,294
Subordinated debt	-	-	-	1,495,515	1,495,515
Deposits and other accounts	6,685,699	-	140,315,807	-	147,001,506
Net inter segment borrowing	5,878,514	137,154,421	543,581	45,302,535	188,879,051
Others	181,233	2,259,105	3,549,800	6,413,669	12,403,807
Total liabilities	18,118,947	253,354,319	144,409,188	53,211,719	469,094,173
Equity	-	-	-	(11,353,979)	(11,353,979)
Total equity and liabilities	18,118,947	253,354,319	144,409,188	41,857,740	457,740,194
Contingencies and Commitments	47,991,290	122,655,449	-	1,516,990	172,163,729

For the nine months period ended September 30, 2022 (Un-audited) (Restated)

Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
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----- (Rupees in '000) -----

Profit and Loss

Net mark-up / return / profit	990,763	2,160,970	(4,632,141)	(223,284)	(1,703,692)
Inter segment revenue - net	(1,173,179)	(2,765,443)	8,777,258	(4,838,636)	-
Non mark-up / return / interest income	130,727	608,393	243,373	2,399	984,892
Total income	(51,689)	3,920	4,388,490	(5,059,521)	(718,800)

Segment direct expenses	110,879	43,903	2,935,275	1,265,453	4,355,510
Inter segment expense allocation	425,906	128,503	567,227	(1,121,636)	-
Total expenses	536,785	172,406	3,502,502	143,817	4,355,510

Provisions and write offs - net	471,310	26,665	-	8,625	506,600
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Profit / (loss) before tax	(1,059,784)	(195,151)	885,988	(5,211,963)	(5,580,910)
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As at December 31, 2022 (Audited) (Restated)

Corporate, SME & Commercial	Treasury	Retail Banking	Others	Total
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----- (Rupees in '000) -----

Balance Sheet

Cash and Bank balances	189,077	10,235,444	4,311,053	-	14,735,574
Investments	-	51,446,799	-	-	51,446,799
Net inter segment lending	58,085	58,056,574	111,577,524	-	169,692,183
Lendings to financial institutions	-	10,141,557	-	-	10,141,557
Advances - performing	16,656,436	-	664,537	1,435,347	18,756,320
Advances - non-performing	2,836,203	-	-	-	2,836,203
Others	571,743	797,710	2,897,243	38,533,579	42,800,275
Total Assets	20,311,544	130,678,084	119,450,357	39,968,926	310,408,911

Borrowings	6,541,530	18,847,030	-	-	25,388,560
Subordinated debt	-	-	-	1,495,515	1,495,515
Deposits and other accounts	6,622,694	-	115,296,374	-	121,919,068
Net inter segment borrowing	6,965,614	111,625,098	717,298	50,384,173	169,692,183
Others	181,706	205,956	3,436,685	5,738,130	9,562,477
Total liabilities	20,311,544	130,678,084	119,450,357	57,617,818	328,057,803

Equity	-	-	-	(17,648,892)	(17,648,892)
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Total equity and liabilities	20,311,544	130,678,084	119,450,357	39,968,926	310,408,911
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Contingencies and Commitments	42,141,197	22,658,270	-	1,945,422	66,744,889
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36.1.1 The Bank does not have any operations outside Pakistan.

37. 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 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, 2023 (Un-audited)				December 31, 2022 (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	1,664,676	-	-	-	396,942	1,692,490
Investment made during the period / year	-	-	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	-	(10,899)	-	-	-	-	(27,814)
Transfer in / (out) - net	-	-	-	-	-	-	-	-	-	-
Closing balance	-	-	-	396,942	1,653,777	-	-	-	396,942	1,664,676
Provision for diminution in value of investments	-	-	-	165,191	1,574,529	-	-	-	165,191	1,585,428
Advances										
Opening balance	-	-	162,705	-	671,888	-	-	252,823	-	786,261
Addition during the period / year	-	-	194,186	292,923	7	-	-	19,755	582,251	1,525,485
Repaid during the period / year	-	-	(66,304)	(292,923)	-	-	-	(28,281)	(582,251)	(1,637,218)
Transfer in / (out) - net	-	-	4,054	-	-	-	-	(8,159)	-	(2,640)
Closing balance	-	-	294,641	-	671,895	-	-	162,705	-	671,888
Provision held against advances	-	-	-	-	671,895	-	-	-	-	-

	September 30, 2023 (Un-audited)					December 31, 2022 (Audited)				
	Parent company	Directors	Key management personnel	Subsidiary	Other related parties	Parent company	Directors	Key management personnel	Subsidiary	Other related parties
	(Rupees in '000)									
Other Assets										
Interest / mark-up accrued	-	-	-	340	-	-	-	-	217	76,337
Advances, deposits, advance rent and other prepayments	-	-	4,369	-	-	-	-	4,250	-	-
Receivable from defined benefit plan	-	-	-	-	-	-	-	-	-	102,958
Other receivable	-	-	-	-	2,949	699	-	-	-	-
Provision held against other assets	-	-	-	-	-	-	-	-	-	-
Deposits and other accounts										
Opening balance	-	-	19,511	57,066	2,052,046	-	-	82,005	59,341	2,110,049
Received during the period / year	-	-	544,388	2,356,780	2,910,029	-	-	31,21,04	2,957,326	6,207,533
Withdrawn during the period / year	-	-	(548,767)	(2,360,776)	(4,082,177)	-	-	(306,636)	(2,959,061)	(6,266,214)
Transfer (out) / in - net	-	-	(82)	-	387	-	-	(67962)	-	678
Closing balance	-	-	15,050	53,610	880,285	-	-	19,511	57,606	2,052,046
Other Liabilities										
Interest / mark-up payable	-	-	99	802	14,404	-	-	131	574	36,374
Payable to defined benefit plan	-	-	-	-	37,514	-	-	-	-	-
Unearned income	-	-	-	-	-	-	-	-	-	692
Brokerage payable	-	-	-	48	-	-	-	-	21	-
Contingencies and Commitments										
Guarantees, letters of credit, and acceptances	-	-	-	-	86,500	-	-	-	-	86,500
Commitments to extend credit	-	-	-	180,282	-	-	-	-	128,409	-

(Un-audited) For nine months period ended September 30, 2023

	(Un-audited) For nine months period ended September 30, 2023					(Un-audited) For nine months period ended September 30, 2022				
	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	-	-	6,564	1,890	-	-	-	7,168	362	74,393
Fee and commission income	-	5	13	76	693	-	-	12	63	222
Other income	-	-	-	3,157	-	-	-	408	2,990	-
Expense										
Mark-up / return / interest expense	-	-	626	6,369	165,540	-	-	2,010	4,104	188,384
Operating expenses:										
- Directors' fees and allowances	-	24,000	-	-	-	-	30,900	-	-	-
- Brokerage and commission	-	-	-	1,115	-	-	-	-	171	-
- Fee and subscription	-	-	1,264	-	-	-	-	626	-	-
- Managerial Remuneration	-	-	263,290	-	1,027	-	-	240,163	-	-
- Contribution to defined contribution plan	-	-	-	-	60,283	-	-	-	-	53,211
- Charge for defined benefit plan	-	-	-	-	37,514	-	-	-	-	57,179
Provision against loans and advances	-	-	-	-	671,895	-	-	-	-	-
Reversal of provision for diminution in value of investment	-	-	-	-	(10,899)	-	-	-	-	(13,933)

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

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>(15,571,136)</u>	<u>(21,800,690)</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier-1 (CET-1) Capital	<u>(39,443,747)</u>	<u>(43,276,304)</u>
Eligible Additional Tier-1 (ADT-1) Capital	-	-
Total Eligible Tier-1 Capital	<u>(39,443,747)</u>	<u>(43,276,304)</u>
Eligible Tier-2 Capital	-	-
Total Eligible Capital (Tier-1 + Tier-2)	<u>(39,443,747)</u>	<u>(43,276,304)</u>
Risk Weighted Assets (RWAs):		
Credit Risk	34,780,642	44,655,013
Market Risk	4,994,521	2,295,820
Operational Risk	7,447,378	7,447,378
Total	<u>47,222,541</u>	<u>54,398,211</u>
Common Equity Tier-1 Capital Adequacy Ratio	<u>-83.53%</u>	<u>-79.55%</u>
Tier-1 Capital Adequacy Ratio	<u>-83.53%</u>	<u>-79.55%</u>
Total Capital Adequacy Ratio	<u>-83.53%</u>	<u>-79.55%</u>
Leverage Ratio (LR):		
Eligible Tier-1 Capital	(39,443,747)	(43,276,304)
Total Exposures	326,488,822	157,956,814
Leverage Ratio	<u>-12.08%</u>	<u>-27.40%</u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	85,888,475	43,961,885
Total Net Cash Outflow	24,987,814	20,348,574
Liquidity Coverage Ratio	<u>343.72%</u>	<u>216.04%</u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	105,616,557	77,771,056
Total Required Stable Funding	61,491,951	56,155,340
Net Stable Funding Ratio	<u>171.76%</u>	<u>138.49%</u>

39. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2022: 14) Islamic banking branches and 35 (December 31, 2022: 35) Islamic banking windows at the end of the period.

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks		1,853,676	1,447,196
Balances with other banks		136,290	236,000
Due from financial institutions	39.1	3,767,499	8,051,586
Investments	39.2	28,731,781	10,880,650
Islamic financing and related assets - net	39.3	1,921,391	2,373,102
Fixed assets		266,778	320,139
Intangible assets		15	82
Due from Head Office		-	-
Deferred tax assets		-	12,622
Other assets		2,150,218	1,041,353
Total Assets		38,827,648	24,362,730
LIABILITIES			
Bills payable		214,778	235,430
Due to financial institutions	39.4	1,253,105	607,944
Deposits and other accounts	39.5	32,979,034	20,464,433
Due to Head Office		-	-
Subordinated debt		-	-
Deferred tax liabilities		13,276	-
Other liabilities		749,580	413,183
		35,209,773	21,720,990
NET ASSETS		3,617,875	2,641,740
REPRESENTED BY			
Islamic Banking Fund		1,000,000	1,000,000
Reserves		-	-
Surplus / (deficit) on revaluation of assets		30,690	(9,815)
Unappropriated / Unremitted profit	39.6	2,587,185	1,651,555
		3,617,875	2,641,740
CONTINGENCIES AND COMMITMENTS	39.7		

**ISLAMIC BANKING BUSINESS
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023**

		September 30, 2023	September 30, 2022
	Note	----- (Rupees in '000) -----	
Profit / return earned	39.8	3,718,538	1,965,140
Profit / return expensed	39.9	2,072,183	806,297
Net Profit / return		1,646,355	1,158,843
Other income			
Fee and commission income		70,509	35,657
Dividend income		-	-
Foreign exchange loss		3,395	(13,509)
Income / (loss) from derivatives		-	-
Loss on sale of securities		(1,879)	(5,934)
Other income		8,482	2,838
Total other income		80,507	19,052
Total income		1,726,862	1,177,895
Other expenses			
Operating expenses		760,822	622,093
Workers' welfare fund		-	-
Other charges		-	-
Total other expenses		760,822	622,093
Profit before provisions		966,040	555,802
Provisions and write offs - net		32,804	4,576
Profit before taxation		933,236	551,226
Taxation		-	-
Profit after taxation		933,236	551,226

ISLAMIC BANKING BUSINESS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

		September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
		In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
39.1 Due from Financial Institutions	Note	----- (Rupees in '000) -----					
Unsecured							
Bai Muajjal Receivable from other Financial Institutions	39.1.1	3,767,499	-	3,767,499	8,051,586	-	8,051,586

39.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited and carries profit 21.75% per annum (December 31, 2022: 15.75% per annum).

39.2 Investments

Investments by segments:	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
----- (Rupees in '000) -----								
Federal Government Securities:								
- GOP Ijarah Sukuks	26,331,099	-	(1,949)	26,329,150	8,496,681	-	(66,031)	8,430,650
Non Government Debt Securities								
- Listed	2,447,917	-	(45,286)	2,402,631	2,500,000	-	(50,000)	2,450,000
Total Investments	28,779,016	-	(47,235)	28,731,781	10,996,681	-	(116,031)	10,880,650

39.3 Islamic financing and related assets		Note	(Un-audited)	(Audited)
			September 30, 2023	December 31, 2022
----- (Rupees in '000) -----				
Ijarah			471,644	394,844
Running Musharakah			144,718	231,889
Diminishing Musharakah			1,371,090	1,753,890
Tijarah			614,998	629,998
Advance against Ijarah			15,755	26,491
Gross Islamic financing and related assets			2,618,205	3,037,112
Less: provision against Islamic financings				
- Specific			(695,226)	(661,849)
- General			(1,588)	(2,161)
			(696,814)	(664,010)
Islamic financing and related assets - net of provision			1,921,391	2,373,102

39.4 Due to financial institutions

Secured			
Acceptances from the SBP under Islamic Export Refinance Scheme			395,000 400,000
Total secured			395,000 400,000
Unsecured			
Overdrawn nostro accounts			8,105 7,944
Musharakah	39.4.1		850,000 200,000
Total unsecured			858,105 207,944
			1,253,105 607,944

39.4.1 This represented acceptance of funds by Islamic operations of Summit Bank Limited from conventional operations of Summit Bank Limited on Musharaka basis.

39.5 Deposits

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
Customers						
Current deposits	6,434,787	670,027	7,104,814	5,929,857	426,025	6,355,882
Savings deposits	23,019,338	179,829	23,199,167	12,470,238	182,913	12,653,151
Term deposits	1,222,069	380,764	1,602,833	929,434	133,928	1,063,362
Others	460,519	-	460,519	223,829	-	223,829
	31,136,713	1,230,620	32,367,333	19,553,358	742,866	20,296,224
Financial Institutions						
Current deposits	15,252	126,881	142,133	5,629	171	5,800
Savings deposits	259,113	8,662	267,775	162,409	-	162,409
Term deposits	150,000	51,793	201,793	-	-	-
	424,365	187,336	611,701	168,038	171	168,209
	31,561,078	1,417,956	32,979,034	19,721,396	743,037	20,464,433

	(Un-audited) September 30 2023	(Audited) December 31 2022
----- (Rupees in '000) -----		

39.6 Islamic Banking Business Unappropriated Profit

Opening balance	1,651,555	801,294
Add: Islamic Banking profit for the period / year	933,236	847,070
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated profit	2,394	3,191
Closing balance	2,587,185	1,651,555

39.7 CONTINGENCIES AND COMMITMENTS

-Guarantees	3,721,325	3,110,325
-Commitments	3,868,740	1,434,033
-Other contingent liabilities	-	-
	7,590,065	4,544,358

	(Un-audited) September 30 2023	September 30 2022
----- (Rupees in '000) -----		

39.8 Profit / Return Earned of Financing, Investments and Placement

Profit earned on:		
Financing	190,636	226,714
Investments	2,646,696	996,010
Placements	881,061	741,864
Balances with banks	145	552
	3,718,538	1,965,140

39.9 Profit on Deposits and other Dues Expensed

Deposits and other accounts	1,925,049	752,582
Due to Financial Institutions	134,605	38,804
Finance cost of lease liability	12,529	14,911
	2,072,183	806,297

40. DATE OF AUTHORIZATION OF ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on October 27, 2023 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, 2023**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
	Note	----- (Rupees in '000) -----	
ASSETS			
Cash and balances with treasury banks	6	14,984,197	13,372,146
Balances with other banks	7	521,230	1,364,568
Lendings to financial institutions	8	-	10,141,557
Investments	9	185,258,591	51,255,291
Advances	10	18,354,578	21,593,564
Fixed assets	11	10,227,377	10,681,413
Intangible assets	12	247,921	146,135
Deferred tax assets	13	23,011,556	20,726,644
Other assets	14	16,153,155	11,343,215
		268,758,605	140,624,533
LIABILITIES			
Bills payable	16	1,844,353	1,993,587
Borrowings	17	119,314,294	25,388,560
Deposits and other accounts	18	146,947,896	121,861,462
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	1,495,515	1,495,515
Deferred tax liabilities		-	-
Other liabilities	20	10,631,358	7,643,430
		280,233,416	158,382,554
NET ASSETS		(11,474,811)	(17,758,021)
REPRESENTED BY			
Share capital - net	21	30,500,208	20,500,194
Reserves		(425,043)	(425,043)
Surplus / (deficit) on revaluation of assets	22	4,067,914	4,003,547
Accumulated losses		(45,617,890)	(41,836,719)
		(11,474,811)	(17,758,021)
CONTINGENCIES AND COMMITMENTS			
	23		

The annexed notes 1 to 40 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, 2023

	Quarter Ended		Half Year Ended		
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	
Note	----- (Rupees in '000) -----				
Mark-up / return / interest earned	24	9,971,651	2,380,626	20,074,446	5,235,176
Mark-up / return / interest expensed	25	10,682,961	3,095,920	21,797,562	6,932,607
Net Mark-up / interest expense		(711,310)	(715,294)	(1,723,116)	(1,697,431)
NON MARK-UP / INTEREST INCOME					
Fee and commission income	26	172,804	125,038	479,371	365,024
Dividend income		11	4,997	232	7,430
Foreign exchange income		133,419	323,174	722,398	618,598
Income / (loss) from derivatives		-	-	-	-
Gain / (loss) on securities	27	(43,849)	4,172	(495,857)	14,740
Other income	28	13,894	3,146	369,720	19,747
Total non-markup / interest income		276,279	460,527	1,075,864	1,025,539
Total income		(435,031)	(254,767)	(647,252)	(671,892)
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	29	1,940,279	1,568,877	5,314,426	4,413,169
Workers' welfare fund		-	-	-	-
Other charges	30	237	916	418	923
Total non-markup / interest expenses		1,940,516	1,569,793	5,314,844	4,414,092
Loss before provisions		(2,375,547)	(1,824,560)	(5,962,096)	(5,085,984)
(Reversals) / provisions and write offs - net Extra ordinary / unusual items	31	739,826	267,537	(92,039)	506,600
		-	-	-	-
LOSS BEFORE TAXATION		(3,115,373)	(2,092,097)	(5,870,057)	(5,592,584)
Taxation	32	(1,063,149)	(765,752)	(2,083,996)	(3,579,623)
LOSS AFTER TAXATION		(2,052,224)	(1,326,345)	(3,786,061)	(2,012,961)
----- (Rupee) -----					
Basic loss per share	33	(0.34)	(0.50)	(0.77)	(0.76)
Diluted loss per share	33	(0.34)	(0.50)	(0.77)	(0.76)

The annexed notes 1 to 40 form an integral part of these consolidated condensed interim financial statements.

President / Chief Executive

Chief Financial Officer

Director

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CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

	Quarter Ended		Nine Months Period Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
	----- (Rupees in '000) -----			
Loss after taxation for the period	(2,052,224)	(1,326,345)	(3,786,061)	(2,012,961)
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus / (deficit) on revaluation of investments - net of tax	332,357	27,707	184,377	39,372
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of operating fixed assets - net of tax	-	9,845	28,977	(92,683)
Movement in surplus on revaluation of non-banking assets - net of tax	2,313	1,975	6,937	(27,184)
Movement in surplus on revaluation of held for sale property - net of tax	-	-	15,613	(46,431)
	2,313	11,820	51,527	(166,298)
Total comprehensive loss	(1,717,554)	(1,286,818)	(3,550,157)	(2,139,887)

The annexed notes 1 to 40 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, 2023**

	Share capital		Capital reserves		Surplus / (deficit) on revaluation of			Total
	Issued, subscribed and paid up	Discount on issue of shares	Share premium	Reserve arising on amalgamation	Statutory reserve	Investments	Fixed / Non banking assets	
	(Rupees in '000)							
	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	63,983	3,496,935	754,510
Balance as at January 01, 2022 (Audited)								(38,868,163)
Loss after taxation for nine months period ended September 30, 2022								(2,012,961)
Other comprehensive income - net of tax						39,372	(119,867)	(46,431)
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
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses								
Balance as at October 01, 2022 (Un-audited)	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	103,355	3,286,134	708,079
Loss after taxation for the three months period ended December 31, 2022								
Other comprehensive income - net of tax						(103,593)	41,744	96,223
Transfer to statutory reserve								
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses							(25,239)	25,239
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses							(5,060)	5,060
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses							(1,873)	1,873
Balance as at January 01, 2023 (Audited)	26,381,510	(5,881,316)	1,000,000	(1,579,205)	154,162	(2,38)	3,295,706	708,079
Loss after taxation for nine months period ended September 30, 2023								
Other comprehensive income - net of tax						184,377	35,914	15,613
Transfer to statutory reserve								
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated losses							(74,302)	74,302
Transfer in respect of incremental depreciation from surplus on revaluation of non-banking assets to accumulated losses							(17,785)	17,785
Transfer from surplus on revaluation of fixed assets on sale to accumulated losses							(39,415)	39,415
Transfer from surplus on revaluation of property held for sale to accumulated losses							(40,035)	40,035
Transactions with owners, recorded directly in equity								
Issue of share capital	39,840,695	(29,840,681)						
Share issuance cost								
Balance as at September 30, 2023 (Un-audited)	66,222,205	(35,721,997)	1,000,000	(1,579,205)	154,162	184,139	3,200,118	683,657

The annexed notes 1 to 40 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, 2023

	September 30, 2023	September 30, 2022
Note	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(5,870,057)	(5,592,584)
Less: Dividend income	(232)	(7,430)
	<u>(5,870,289)</u>	<u>(5,600,014)</u>
Adjustments:		
Depreciation on operating fixed assets	315,328	344,345
Depreciation on right-of-use assets	448,395	448,282
Depreciation on non-banking assets	49,180	45,904
Finance cost of lease liability	322,506	294,693
Amortization	17,951	17,392
(Reversals) / provisions and write-offs excluding recoveries	(91,311)	507,220
Loss on forward exchange contracts	52,822	189,355
Charge for defined benefit plan	38,264	58,529
Charge for employees compensated absences	16,637	13,991
(Gain) / loss on termination of lease contracts under IFRS 16	(43,082)	6,572
Gain on sale of fixed assets	(201,019)	(18,890)
Loss on sale of non banking assets	-	431
Gain on partial sale of HFS property	(116,794)	-
	<u>808,877</u>	<u>1,907,824</u>
	<u>(5,061,412)</u>	<u>(3,692,190)</u>
Decrease in operating assets		
Lendings to financial institutions	10,141,557	(344,060)
Advances	2,747,212	2,965,596
Others assets (excluding advance taxation)	<u>(5,149,966)</u>	<u>(648,440)</u>
	7,738,803	1,973,096
Increase in operating liabilities		
Bills payable	(149,234)	(311,394)
Borrowings from financial institutions	94,650,754	18,272,824
Deposits	25,086,434	5,198,463
Other liabilities (excluding current taxation)	<u>2,909,199</u>	<u>848,621</u>
	122,497,153	24,008,514
Payment on account of staff retirement benefits	91,587	(64,262)
Income tax paid	<u>(215,835)</u>	<u>(53,960)</u>
Net cash generated from operating activities	<u>125,050,296</u>	<u>22,171,198</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(133,116,877)	(21,295,831)
Dividend received	232	3,455
Investments in operating fixed assets	(135,226)	(83,336)
Investments in intangible assets	(119,737)	(23,939)
Proceeds from sale of fixed assets	359,277	23,512
Proceeds from partial sale of HFS property	302,877	-
Proceeds from sale of non banking assets	-	45,803
Net cash used in investing activities	<u>(132,709,454)</u>	<u>(21,330,336)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(680,476)	(678,890)
Issue of share capital	10,000,014	-
Share issuance cost	<u>(166,647)</u>	<u>-</u>
Net cash (generated from) / used in financing activities	<u>9,152,891</u>	<u>(678,890)</u>
Effect of exchange rate changes on cash and cash equivalents	561,117	766,483
Increase in cash and cash equivalents	<u>2,054,850</u>	<u>928,455</u>
Cash and cash equivalents at beginning of the period	13,444,198	14,712,217
Cash and cash equivalents at end of the period	<u>15,499,048</u>	<u>15,640,672</u>

The annexed notes I to 40 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 (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

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 a 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 and its principal office is situated at Summit Tower, Plot No. G-2, Block 2, Scheme 5, Clifton, Karachi, Pakistan.

The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962 and is operating through its 176 Conventional Banking Branches and 14 Islamic Banking Branches (December 31, 2022: 179 Conventional Banking Branches and 14 Islamic Banking Branches) in Pakistan as defined in the Banking Companies Ordinance, 1962 .

The shareholders of the Bank approved the change of Bank's name from 'Summit Bank Limited' to 'Bank Makramah Limited' (abbreviated as 'BML') through a special resolution during their Extraordinary General Meeting held on August 15, 2023. However, the change of name would come into effect after all the requisite regulatory approvals are obtained.

In 2019, VIS Credit Rating Company Limited suspended the Bank's medium to long-term rating of 'BBB -' (Triple B Minus) and its short-term rating of 'A-3' (A-Three). The Bank has initiated the rating process with VIS Credit Rating Company Limited and has requested the State Bank of Pakistan to allow the Bank to complete the credit rating exercise by December 31, 2023, for which an extension has been granted.

VIS Credit Rating Company Limited has issued a new rating scale for Tier-2 capital instruments. As a result, the Bank's TFC rating has been adjusted to 'B' (Single B) with a 'Rating Watch-Negative' outlook, as stated in their press release dated June 27, 2023. Previously, 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).

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, the Group has incurred a net loss of Rs. 3,786.061 million resulting in accumulated losses of Rs. 45,617.890 million and negative equity of Rs. 11,474.811 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, 2023. However, the paid up capital of the Group (net of losses), CAR and LR are negative.

The aforementioned conditions indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the Group is making its best efforts to comply with the applicable capital requirements and has successfully increased its capital as mentioned in note 21.1. To achieve 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, achieve compliance with applicable regulatory requirements and provide impetus to its future growth initiatives. The key assumptions considered in the business plan are as follows:

- Injection of capital;
- Sale of a portion of self-constructed property on the plot of land bearing No. G-2, Block2, Scheme No: 5;
- 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.

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) 39, 'Financial Instruments, Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for banking companies till further instructions. Moreover, 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, through S.R.O. 411(1)/2008 dated April 28, 2008 has deferred the applicability of IFRS 7 'Financial Instruments: Disclosures', to banks. 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 39 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, 2022.

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

There are certain new standards and interpretations of and amendments to existing accounting and reporting standards that have become applicable to the Group for accounting periods beginning on or after January 01, 2023. These are considered either not to be relevant or not to have any significant impact on the Group's operations and therefore are not detailed in these consolidated financial statements.

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

As directed by the State Bank of Pakistan (SBP), via BPRD Circular Letter no. 7 of 2023 dated April 13, 2023, IFRS 9 'Financial Instruments' is now effective for periods beginning on or after January 01, 2024 for all the banks.

The SBP through BPRD Circular no. 3 dated July 05, 2022 had made IFRS 9 'Financial Instruments' applicable to Banks in Pakistan for accounting periods beginning on or after January 01, 2024 (for banks having asset size of less than Rs. 500 billion). The subject circular also envisages the implementation guidelines and the impact of the application of IFRS 9 in Pakistan on the Bank's financial statements is currently being assessed. IFRS 9 replaces the existing guidance in (IAS) 39, 'Financial Instruments, Recognition and Measurement'. The standard includes revised guidance on the classification and measurement of financial instruments, a new expected credit loss model for calculating impairment on financial assets, and new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.

Furthermore, 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, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28	Deferred indefinitely

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, 2022.

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, 2022, except that: during the period, the Bank realigned its reporting business segments and as a result changes have been made in the respective note to the accounts along with the restatement of the prior period financial information.

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, 2022.

(Un-audited) (Audited)
September 30, December 31,
2023 2022
----- (Rupees in '000) -----

6. CASH AND BALANCES WITH TREASURY BANKS

In hand

Local currency	4,114,665	4,127,391
Foreign currency	437,109	356,179
	4,551,774	4,483,570

With State Bank of Pakistan in

Local currency current account	8,791,668	7,827,523
Foreign currency current account	490,018	395,801
Foreign currency deposit account	677,169	582,381
	9,958,855	8,805,705

With National Bank of Pakistan in Local currency current account 429,877 66,309

Prize bonds 43,691 16,562

14,984,197	13,372,146
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7. BALANCES WITH OTHER BANKS

In Pakistan

In current account	8,522	2,003
In deposit account	55	16,206
	8,577	18,209

Outside Pakistan

In current account	437,196	1,288,393
In deposit account	75,457	57,966
	512,653	1,346,359
	521,230	1,364,568

8. LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo) - 10,141,557

Less: provision held against Lendings to Financial Institutions - -

Lendings to Financial Institutions - net of provision	-	10,141,557
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9. INVESTMENTS

9.1 Investments by type:	September 30, 2023 (Un-audited)				December 31, 2022 (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	49,858,546	-	14,695	49,873,241	20,013,762	-	1,975	20,015,737
- Pakistan Investment Bonds	104,000,566	-	111,706	104,112,272	14,330,617	-	(13,817)	14,316,800
- GoP Ijarah Sukuks	28,378,949	-	(13,549)	28,365,400	13,988,936	-	(73,186)	13,915,750
Shares								
- Fully paid up ordinary shares - Listed	1,892,119	(1,625,428)	231,159	497,850	2,610,662	(2,198,059)	130,866	543,469
- Fully paid up ordinary shares - Unlisted	8,131	(1,000)	-	7,131	14,475	(1,000)	-	13,475
- Preference shares - Unlisted	46,035	(46,035)	-	-	46,035	(46,035)	-	-
Non Government Debt Securities								
- Term Finance Certificates	1,554,887	(1,554,887)	-	-	1,565,786	(1,565,786)	-	-
- Sukuk Bonds	2,647,917	(200,000)	(45,286)	2,402,631	2,700,000	(200,000)	(50,000)	2,450,000
Units of mutual funds - Listed	68	-	(2)	66	68	-	(8)	60
	188,387,218	(3,427,350)	298,723	185,258,591	55,270,341	(4,010,880)	(4,170)	51,255,291
Total Investments	188,387,218	(3,427,350)	298,723	185,258,591	55,270,341	(4,010,880)	(4,170)	51,255,291

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
9.1.1 Investments given as collateral - Market Value		
Market Treasury Bills	49,321,116	10,280,041
Pakistan Investment Bonds	64,969,713	7,894,300
	<u>114,290,829</u>	<u>18,174,341</u>

9.2 Provision for diminution in value of investments

Opening balance	4,010,880	3,975,258
Charge / reversals		
Charge for the period / year	26,944	64,786
Reversals for the period / year	(10,899)	(29,164)
Reversal on disposals	(599,575)	-
	<u>(583,530)</u>	<u>35,622</u>
Closing balance	<u>3,427,350</u>	<u>4,010,880</u>

9.3 Particulars of provision against debt securities

Category of classification	(Un-audited) September 30, 2023		(Un-audited) December 31, 2022	
	NPI	Provision	NPI	Provision
	----- (Rupees in '000) -----			
Domestic				
Loss	1,754,887	1,754,887	1,765,786	1,765,786

10. ADVANCES

	Performing		Non Performing		Total	
	(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2023	(Audited) December 31, 2022	(Un-audited) September 30, 2023	(Audited) December 31, 2022
Note	----- (Rupees in '000) -----					
Loans, cash credits, running finances, etc.	13,845,065	16,339,171	35,245,898	35,332,731	49,090,963	51,671,902
Islamic financing and related assets	1,725,258	2,351,110	892,947	686,002	2,618,205	3,037,112
Bills discounted and purchased	331,487	77,636	47,089	49,335	378,576	126,971
Advances - gross	15,901,810	18,767,917	36,185,934	36,068,068	52,087,744	54,835,985
Provision against advances						
- Specific	-	-	(33,726,192)	(33,231,865)	(33,726,192)	(33,231,865)
- General	(6,974)	(10,556)	-	-	(6,974)	(10,556)
	(6,974)	(10,556)	(33,726,192)	(33,231,865)	(33,733,166)	(33,242,421)
Advances - net of provision	15,894,836	18,757,361	2,459,742	2,836,203	18,354,578	21,593,564

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
10.1 Particulars of advances (Gross)	----- (Rupees in '000) -----	
In local currency	51,742,538	54,744,630
In foreign currencies	345,206	91,355
	<u>52,087,744</u>	<u>54,835,985</u>

10.2 Advances include Rs. 36,185,934 million (December 31, 2022: Rs. 36,068,068 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Un-audited) September 30, 2023		(Audited) December 31, 2022	
	Non Performing Loans	Provision	Non Performing Loans	Provision
	----- (Rupees in '000) -----			
Domestic				
Other Assets Especially Mentioned	15,629	499	6,174	96
Substandard	72,384	2,083	149,835	391
Doubtful	211,148	735	22,569	6,524
Loss	35,886,773	33,722,875	35,889,490	33,224,854
	<u>36,185,934</u>	<u>33,726,192</u>	<u>36,068,068</u>	<u>33,231,865</u>

10.3 Particulars of provision against advances

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	33,231,865	10,556	33,242,421	32,750,104	13,885	32,763,989
Charge for the period / year	1,583,016	-	1,583,016	1,397,485	-	1,397,485
Reversals	(1,087,735)	(3,582)	(1,091,317)	(906,851)	(3,329)	(910,180)
	495,281	(3,582)	491,699	490,634	(3,329)	487,305
Amounts written off	(954)	-	(954)	(8,873)	-	(8,873)
Closing balance	<u>33,726,192</u>	<u>6,974</u>	<u>33,733,166</u>	<u>33,231,865</u>	<u>10,556</u>	<u>33,242,421</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 from 1% to 2.5% for secured and 4% to 7% for unsecured portfolio. Currently, these percentages are 1.5% for secured and 5% for unsecured portfolio.

The Group 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 Group has availed the Forced Sale Value (FSV) benefit of pledged stocks, mortgage 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 Group, the specific provision against non-performing advances would have been higher by Rs. 2,179,106 million (2022: Rs. 2,820,580 million). The positive impact on the profit and loss account arising from availing this benefit - net of tax amounts to Rs. 1,329,255 million (2022: Rs. 1,720,554 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, 2023	(Audited) December 31, 2022
Note	----- (Rupees in '000) -----	
II. FIXED ASSETS		
Capital work-in-progress	11.1 42,121	26,564
Property and equipment	7,347,536	7,701,453
Right-of-use assets	2,837,720	2,953,396
	10,227,377	10,681,413

II.1 Capital work-in-progress

Civil works and related payments / progress billings	7,465	14,933
Advances and other payments to suppliers and contractors	34,656	11,631
Advances and other payments against capital work in progress considered doubtful	1,155,814	1,158,340
Less: Provision held there against	(1,155,814)	(1,158,340)
	-	-
	42,121	26,564

(Un-audited) September 30, 2023	September 30, 2022
----- (Rupees in '000) -----	

II.2 Additions to fixed assets

The following additions have been made to fixed assets during the period:

Capital work-in-progress - net	15,557	6,488
Property and equipment		
Building improvements	37,362	13,839
Furniture and fixture	7,081	5,654
Electrical, office and computer equipment	50,107	41,183
Vehicles	25,121	16,151
	119,671	76,827
Right-of-use assets	442,307	553,789
	577,535	637,104

13. DEFERRED TAX ASSETS

September 30, 2023 (Un-audited)

At January 01, 2023	Recognised in profit and loss account	Recognised in other comprehensive income	At September 30, 2023
---------------------	---------------------------------------	--	-----------------------

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

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss - Investment
- Provision against intangible assets
- Staff compensated absences
- Provision against other assets
- Unrealized (gain) / loss on forward exchange contracts
- Minimum tax
- Alternative Corporate tax

13,108,527	2,128,015	-	15,236,542
8,121,244	413,499	-	8,534,743
1,564,243	(227,577)	-	1,336,666
48,034	-	-	48,034
51,955	1,726	-	53,681
166,759	-	-	166,759
(142)	20,743	-	20,601
354	800	-	1,154
3,800	(752)	-	3,048
23,064,774	2,336,454	-	25,401,228

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Surplus on revaluation of property - held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation
- Deficit / (surplus) on revaluation of investments

(1,151,581)	-	28,977	(1,122,604)
(452,705)	-	15,613	(437,092)
(333,546)	-	6,937	(326,609)
(404,230)	15,447	-	(388,783)
3,932	-	(118,516)	(114,584)
(2,338,130)	15,447	(66,989)	(2,389,672)
20,726,644	2,351,901	(66,989)	23,011,556

December 31, 2022 (Audited)

At January 01, 2022	Recognised in profit and loss account	Recognised in other comprehensive income	At December 31, 2022
---------------------	---------------------------------------	--	----------------------

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

Deductible Temporary Differences on

- Tax losses carried forward
- Provision against advances, off balance sheet etc.
- Provision for impairment loss - Investment
- Provision against intangible assets
- Staff compensated absences
- Provision against other assets
- (Surplus) / deficit on revaluation of investments
- Minimum tax
- Alternative Corporate tax

9,813,393	3,295,134	-	13,108,527
7,086,935	1,034,309	-	8,121,244
1,391,340	172,903	-	1,564,243
43,107	4,927	-	48,034
51,647	308	-	51,955
149,656	17,103	-	166,759
(25,096)	-	29,028	3,932
160,275	(159,921)	-	354
4,235	(435)	-	3,800
18,675,492	4,364,328	29,028	23,068,848

Taxable Temporary Differences on

- Surplus on revaluation of fixed assets
- Unrealized loss / (gain) on forward exchange contracts
- Surplus on revaluation of property - held for sale
- Surplus on revaluation of non-banking assets
- Accelerated tax depreciation

(1,069,472)	-	(82,109)	(1,151,581)
10,472	(10,614)	-	(142)
(406,274)	-	(46,431)	(452,705)
(289,666)	-	(43,880)	(333,546)
(295,904)	(108,326)	-	(404,230)
(2,050,844)	(118,940)	(172,420)	(2,342,204)
16,624,648	4,245,388	(143,392)	20,726,644

13.1 The net deferred tax assets have 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 assets. 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.

14. OTHER ASSETS

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
Note	----- (Rupees in '000) -----	
Income / mark-up accrued in local currency	6,706,257	1,468,519
Income / mark-up accrued in foreign currency	5,175	2,848
Advances, deposits, advance rent and other prepayments	419,019	383,911
Advance taxation (payments less provisions)	556,575	608,644
Non-banking assets acquired in satisfaction of claims	2,483,892	2,515,284
Branch adjustment account	20,211	7,136
Receivable from defined benefit plan	-	102,958
Receivable from other banks against clearing and settlement	192,635	459,528
Mark to market gain on forward foreign exchange contracts	50,711	608
Acceptances	373,090	175,931
Stationery and stamps on hand	6,981	7,076
Commission receivable on home remittance	2,500	2,419
Commission receivable on brokerage	5,864	3,492
Property - held for sale	14.1 3,692,787	3,836,309
Account receivable	83,879	84,455
Others	485,964	556,766
	15,085,540	10,215,884
Less: Provision held against other assets	14.2 (890,592)	(888,696)
Other assets (net of provision)	14,194,948	9,327,188
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	837,458	855,243
Surplus on revaluation of property - held for sale	1,120,749	1,160,784
Other assets - total	16,153,155	11,343,215

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, 2023	(Audited) December 31, 2022
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	98,008	98,008
Non-banking assets acquired in satisfaction of claims	360,107	360,107
Commission receivable on guarantees	9,880	9,880
Receivable from Dewan Group	45,310	45,310
Account receivable - sundry claims	210,296	204,400
Receivable from Speedway Fondmetal (Pakistan) Limited	25,694	25,694
Others	139,908	143,908
	890,592	888,696

14.2.1 Movement in provision held against other assets

Opening balance	888,696	815,110
Charge for the period / year	5,896	78,252
Reversals	(4,000)	(4,666)
Closing balance	890,592	888,696

15. CONTINGENT ASSETS

There were no contingent assets at the balance sheet date.

(Un-audited) (Audited)
September 30, December 31,
2023 2022
----- (Rupees in '000) -----

16. BILLS PAYABLE

In Pakistan	1,844,353	1,993,587
Outside Pakistan	-	-
	<u>1,844,353</u>	<u>1,993,587</u>

17. BORROWINGS

Secured

Borrowings from State Bank of Pakistan		
- Under export refinance scheme	4,698,600	5,710,250
- Under Islamic Export Refinance Scheme (IERF)	395,000	400,000
- Under long-term financing facility	278,488	428,927
- Refinance facility for modernization of SMEs	1,413	2,352
- Repurchase agreement borrowings	107,960,102	18,115,632
	113,333,603	24,657,161
Repurchase agreement borrowings	5,974,312	-
Total secured	<u>119,307,915</u>	<u>24,657,161</u>

Unsecured

Overdrawn nostro accounts	6,379	731,399
	<u>119,314,294</u>	<u>25,388,560</u>

18. DEPOSITS AND OTHER ACCOUNTS

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	----- (Rupees in '000) -----					
Customers						
Current deposits	36,316,735	1,892,545	38,209,280	40,907,997	1,534,309	42,442,306
Savings deposits	83,138,600	1,913,902	85,052,502	58,374,143	1,638,923	60,013,066
Term deposits	12,461,490	3,118,361	15,579,851	12,024,797	2,940,083	14,964,880
Others	3,938,979	45,250	3,984,229	2,284,400	35,609	2,320,009
	135,855,804	6,970,058	142,825,862	113,591,337	6,148,924	119,740,261
Financial institutions						
Current deposits	394,483	257,300	651,783	272,524	162,329	434,853
Savings deposits	2,574,734	125,505	2,700,239	1,358,976	6	1,358,982
Term deposits	620,100	149,912	770,012	327,366	-	327,366
Others	-	-	-	-	-	-
	3,589,317	532,717	4,122,034	1,958,866	162,335	2,121,201
	<u>139,445,121</u>	<u>7,502,775</u>	<u>146,947,896</u>	<u>115,550,203</u>	<u>6,311,259</u>	<u>121,861,462</u>

19. SUBORDINATED DEBT

Issue amount	Rs.1,500,000,000
Issue date	October 27, 2011
Maturity date	October 27, 2022 (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 for fourth time by the Bank to October 27, 2019, October 27, 2020, October 27, 2021 and October 27, 2022 through the extraordinary resolutions passed by the TFC holders on November 19, 2018, April 10, 2019, November 20, 2019, October 22, 2020 and October 26, 2021. The Bank completed necessary regulatory formalities for these extensions and executed the amended Declaration of Trusts on July 23, 2019, September 23, 2020, July 09, 2021 and August 01, 2022. The final approval of these extensions were approved by the SBP vide its letters dated October 21, 2019, October 21, 2020, October 22, 2021 and October 24, 2022.

Recently, the TFC holders of the Bank in their extraordinary meeting held on October 27, 2022 had 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, 2023. The Bank has complied with all the applicable laws, rules and requisite regulatory requirements and the final approval is awaited from the State Bank of Pakistan.

Rating	'B' (Single B).
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) September 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
20. OTHER LIABILITIES		
Mark-up / return / interest payable in local currency	4,715,242	2,291,490
Mark-up / return / interest payable in foreign currencies	3,572	3,475
Unearned income	61,144	70,164
Accrued expenses	98,688	78,399
Advance against sale of property	274,314	328,731
Acceptances	373,090	175,931
Unclaimed dividends	2,213	2,213
Mark to market loss on forward foreign exchange contracts	103,533	243
Payable to defined benefit plan	37,514	-
Charity fund balance	2,467	2,154
Security deposits against lease	196,467	247,222
Payable to Bangladesh Bank	41,389	41,389
Payable to Rupali Bank - Bangladesh	16,293	16,293
Payable to vendors / creditors	328,635	228,005
Provision for compensated absences	140,157	134,141
Payable to Bank of Ceylon, Colombo	20,163	20,163
Retention money	78,020	306
Workers' welfare fund	13,360	13,360
Withholding taxes and government levies payable	206,422	34,946
Federal excise duty and sales tax payable	5,994	6,814
Commission payable on home remittances	2,077	2,381
Lease liability against right-of-use assets	3,426,501	3,494,835
Account payable	59,048	66,754
Others	425,055	384,021
	10,631,358	7,643,430

21. SHARE CAPITAL-NET

- 21.1 During the period the Bank has issued 3,984,069,516 ordinary shares having face value of Rs. 10/- each, other than right shares, to His Excellency Naseer Abdulla Hussain Lootah and minority shareholders at a subscription price of Rs. 2.51 per share. Through this issue, an amount of Rs. 10,000.014 million was raised comprising of Rs. 39,840.695 million and Rs. 29,840.681 million in respect of ordinary share capital and discount on issue of shares, respectively. The paid-up capital of the Bank before issuance of shares was Rs. 26,381.511 million (divided into 2,638,151,060 shares of Rs. 10 each) and after issuance of shares has increased to Rs. 66,222.206 million (divided into 6,622,220,576 shares of Rs. 10 each). The shares were issued after having all requisite approvals.

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
Note ----- (Rupees in '000) -----		
22. SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS		
Surplus / (deficit) on revaluation of		
- Available for sale securities	9.1 298,723	(4,170)
- Fixed assets	3,811,873	3,925,590
- Non-banking assets acquired in satisfaction of claims	837,458	855,243
- Property - held for sale	1,120,749	1,160,784
	6,068,803	5,937,447
Deferred tax on surplus / (deficit) on revaluation of:		
- Available for sale securities	(114,584)	3,932
- Fixed assets	(1,122,604)	(1,151,581)
- Non-banking assets acquired in satisfaction of claims	(326,609)	(333,546)
- Property - held for sale	(437,092)	(452,705)
	(2,000,889)	(1,933,900)
	4,067,914	4,003,547

23. CONTINGENCIES AND COMMITMENTS

-Guarantees	23.1 12,802,529	11,817,383
-Commitments	23.2 136,897,351	30,733,931
-Other contingent liabilities	23.3 22,283,567	24,065,166
	171,983,447	66,616,480

23.1 Guarantees:

Financial guarantees	20,470	20,470
Performance guarantees	9,048,900	9,102,570
Other guarantees	3,733,159	2,694,343
	12,802,529	11,817,383

23.2 Commitments:

Documentary credits and short-term trade-related transactions		
- letters of credit	6,492,544	1,670,541
Commitments in respect of:		
- forward foreign exchange contracts	23.2.1 8,721,035	4,542,638
- forward lending	23.2.2 7,470,749	6,182,079
Commitments for acquisition of:		
- operating fixed assets	120,236	24,552
- intangible assets	158,373	198,489
Other commitments	23.2.3 113,934,414	18,115,632
	136,897,351	30,733,931

		(Un-audited) September 30, 2023	(Audited) December 31, 2022
		----- (Rupees in '000) -----	
23.2.1	Commitments in respect of forward foreign exchange contracts		
	Purchase	6,798,871	4,542,638
	Sale	1,922,164	-
		<u>8,721,035</u>	<u>4,542,638</u>

23.2.2 Commitments in respect of forward lending

	Forward documentary bills	6,232,869	5,193,241
	Undrawn formal standby facilities, credit lines and other commitments to lend	1,237,880	988,838
		<u>7,470,749</u>	<u>6,182,079</u>

23.2.2.1 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, 2023	(Audited) December 31, 2022
		----- (Rupees in '000) -----	
23.2.3	Other commitments		
	Purchase (Repo)	<u>113,934,414</u>	<u>18,115,632</u>
23.3	Other contingent liabilities - claims against the Group not acknowledged as debts	<u>22,283,567</u>	<u>24,065,166</u>

23.4 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.

23.5 Contingency for tax payable

Contingency related to tax payable is disclosed in note 32.2.

		(Un-audited)	
		Nine months ended	
		September 30, 2023	September 30, 2022
		----- (Rupees in '000) -----	
24. MARK-UP / RETURN / INTEREST EARNED	Note		
On:			
Loans and advances		2,110,540	1,734,409
Investments		17,764,473	3,299,062
Lendings to financial institutions		148,367	192,021
Balances with banks		51,066	9,684
		<u>20,074,446</u>	<u>5,235,176</u>
25. MARK-UP / RETURN / INTEREST EXPENSED			
On:			
Deposits		11,143,831	4,988,807
Borrowings		9,430,327	838,889
Subordinated debt		253,674	169,118
Cost of foreign currency swaps against foreign currency deposits / borrowings		647,224	641,100
Finance cost of lease liability		322,506	294,693
		<u>21,797,562</u>	<u>6,932,607</u>
26. FEE AND COMMISSION INCOME			
Branch banking customer fees		47,415	32,367
Consumer finance related fees		3,728	4,502
Card related fees (debit cards)		84,963	61,547
Credit related fees		3,783	2,352
Investment banking fees		1,322	22,325
Commission on trade		174,729	127,601
Commission on guarantees		88,215	48,220
Commission on cash management		40	940
Commission on remittances including home remittances		7,679	6,626
Commission on bancassurance		1,532	618
Alternate Delivery Channels		25,794	25,976
Commission on brokerage		40,132	31,941
Others		39	9
		<u>479,371</u>	<u>365,024</u>
27. (LOSS) / GAIN ON SECURITIES			
Realised	27.1	<u>(495,857)</u>	<u>14,740</u>
27.1 Realised (loss) / gain on:			
Federal Government Securities		60,614	14,740
Shares		(556,471)	-
		<u>(495,857)</u>	<u>14,740</u>

28. OTHER INCOME

	(Un-audited)	
	Nine months ended	
	September 30, 2023	September 30, 2022
Note	----- (Rupees in '000) -----	
Rent on property / locker	2,870	4,376
Gain on sale of fixed assets - net	201,019	18,890
Gain on partial sale of HFS property	116,794	-
Loss on sale of non banking assets	-	(431)
Gain on sale of ijarah assets	720	1,625
Recoveries against previously expensed items	-	1,056
Gain on termination of lease contracts under IFRS 16	43,082	(6,572)
Income on settlement of nostro balances	-	448
Refund from Gratuity Fund	4,516	-
Others	719	355
	369,720	19,747

29. OPERATING EXPENSES

Total compensation expense	29.1	1,796,184	1,574,465
Property expense			
Rent and taxes		67,458	72,627
Insurance - property		7,036	7,969
Insurance - non banking assets		643	644
Utilities cost		373,138	305,599
Security (including guards)		183,342	148,813
Repair and maintenance (including janitorial charges)		124,008	89,461
Depreciation on owned fixed assets		187,673	202,171
Depreciation on right-of-use assets		448,395	448,282
Depreciation on non banking assets		49,180	45,904
		1,440,873	1,321,470
Information technology expenses			
Software maintenance		115,053	73,714
Hardware maintenance		116,314	71,697
Depreciation on computer equipments		50,857	60,580
Amortisation of computer softwares		17,951	17,392
Network charges		74,770	66,683
Insurance		2,603	1,194
		377,548	291,260
Other operating expenses			
Directors' fees and allowances		24,000	30,900
Fees and allowances to Shariah Board		17,775	16,125
Legal and professional charges		98,255	57,213
Outsourced services costs		214,137	163,703
Travelling and conveyance		338,143	213,267
NIFT clearing charges		24,036	19,187
Depreciation		76,798	81,594
Training and development		6,598	2,284
Postage and courier charges		30,307	33,575
Communication		73,878	36,758
Stationery and printing		114,579	68,033
Marketing, advertisement and publicity		16,378	14,108
Brokerage and commission		27,150	21,195
Fee and subscription		128,531	82,451
Cash transportation and sorting charges		113,479	84,473
Entertainment		51,040	30,560
Insurance		109,269	92,223
Deposit insurance premium expense		101,148	72,435
Repair and maintenance		97,481	70,792
Auditors' remuneration		8,023	8,553
Others		28,816	26,545
		1,699,821	1,225,974
		5,314,426	4,413,169

		(Un-audited)	
		Nine months ended	
		September 30, 2023	September 30, 2022
		----- (Rupees in '000) -----	
29.1	Total compensation expense	Note	
	Fees and allowances etc.	14,333	15,251
	Managerial remuneration		
	i) Fixed	1,140,790	985,860
	ii) Variable		
	of which;		
	a) Cash bonus / awards etc.	-	-
	b) Incentives and commission	5,973	2,783
	Charge for defined benefit plan	38,264	58,529
	Contribution to defined contribution plan	62,094	54,764
	Charge for employees compensated absences	16,637	13,991
	Rent and house maintenance	355,892	304,513
	Utilities	79,084	67,667
	Medical	82,558	70,686
	Employee old age benefit institution	559	421
	Total	1,796,184	1,574,465

30. OTHER CHARGES

Penalties imposed by State Bank of Pakistan	418	673
Penalties imposed by SECP	-	250
	418	923

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

(Reversal of provision) / provision for diminution in value of investments	(583,530)	26,665
Provision against loans and advances	491,699	471,883
Provision against other assets	1,896	8,626
Fixed assets written off	-	9
Bad debts written off directly	-	37
Operational loss	1,075	311
Reversal of provision for advances and other payments against capital work in progress	75	-
	(2,526)	-
Recoveries against written off / charged off bad debts	(728)	(931)
	(92,039)	506,600

32. TAXATION

Current	32.1 & 32.2	267,904	80,889
Prior years		-	-
Deferred		(2,351,900)	(3,660,512)
		(2,083,996)	(3,579,623)

32.1 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.

32.2 The Income Tax Returns of the Bank and its subsidiary have been submitted up to and including financial year ended December 31, 2022 i.e. tax year 2023.

In respect of assessments of Summit Bank Limited from tax years 2009 to tax year 2018 the tax authorities disputed the Bank's treatment on certain issues and created an additional tax demand (net of rectification) of Rs. 418.48 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 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, 2023	September 30, 2022
		----- (Rupees in '000) -----	
33. BASIC AND DILUTED LOSS PER SHARE	Note		
Loss for the period		<u>(3,786,061)</u>	<u>(2,012,961)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Basic		<u>4,900,168,551</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Basic loss per share		<u>(0.77)</u>	<u>(0.76)</u>
		----- (Number of shares) -----	
Weighted average number of ordinary shares - Diluted	33.1	<u>4,900,168,551</u>	<u>2,638,151,060</u>
		----- (Rupee) -----	
Diluted loss per share		<u>(0.77)</u>	<u>(0.76)</u>

33.1 There are no potential ordinary shares outstanding as of September 30, 2023.

		(Un-audited)	
		Nine months ended	
		September 30, 2023	September 30, 2022
		----- (Rupees in '000) -----	
34. CASH AND CASH EQUIVALENTS			
Cash and balances with treasury banks		14,984,197	14,495,353
Balances with other banks		521,230	1,172,724
Overdrawn nostro accounts		(6,379)	(27,405)
		<u>15,499,048</u>	<u>15,640,672</u>

35. 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.

35.1 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).

35.2 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, 2023 (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	-	182,350,913	-
- Shares - Listed	497,850	-	-
- Non Government Debt Securities	-	2,402,631	-
- Units of mutual funds	-	66	-
Financial assets - disclosed but not measured at fair value			
Investments			
- Shares - Unlisted	-	-	73,243
Non-Financial assets - measured at fair value			
Operating fixed assets	-	-	6,941,925
Non banking assets acquired in satisfaction of claims	-	-	2,961,243
Off-balance sheet financial instruments - measured at fair value			
Forward purchase of foreign exchange	-	6,695,708	-
Forward sale of foreign exchange	-	1,871,823	-

December 31, 2022 (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	-	48,248,287	-	48,248,287
- Shares - Listed	543,469	-	-	543,469
- Non Government Debt Securities	-	2,450,000	-	2,450,000
- Units of mutual funds	-	60	-	60
Financial assets - disclosed but not measured at fair value				
Investments				
- Shares - Unlisted	-	-	72,637	72,637
Non-Financial assets - measured at fair value				
Operating fixed assets	-	-	7,237,768	7,237,768
Non banking assets acquired in satisfaction of claims	-	-	3,010,420	3,010,420
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	-	4,543,003	-	4,543,003
Forward sale of foreign exchange	-	-	-	-

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.
Units of mutual funds	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.
Operating 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.

36. SEGMENT INFORMATION

36.1 Segment details with respect to business activities

For the nine months period ended September 30, 2023 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total	
----- (Rupees in '000) -----						
Profit and Loss						
Net mark-up / return / profit	678,591	8,412,735	(10,530,971)	12,226	(295,697)	(1,723,116)
Inter segment revenue - net	(1,026,741)	(8,598,469)	16,739,621	-	(7,114,411)	-
Non mark-up / return / interest income	168,223	245,533	239,622	60,325	362,161	1,075,864
Total income	(179,927)	59,799	6,448,272	72,551	(7,047,947)	(647,252)
Segment direct expenses	135,602	67,604	3,533,786	71,884	1,505,968	5,314,844
Inter segment expense allocation	436,519	136,762	836,047	-	(1,409,328)	-
Total expenses	572,121	204,366	4,369,833	71,884	96,640	5,314,844
Provisions and write offs - net	492,121	(583,531)	-	-	(629)	(92,039)
Profit / (loss) before tax	(1,244,169)	438,964	2,078,439	667	(7,143,958)	(5,870,057)

As at September 30, 2023 (Un-audited)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total	
----- (Rupees in '000) -----						
Balance Sheet						
Cash and bank balances	164,991	10,908,714	4,430,471	1,251	-	15,505,427
Investments	-	185,219,339	-	39,252	-	185,258,591
Net inter segment lending	906,482	50,972,127	136,831,674	-	168,768	188,879,051
Lendings to financial institutions	-	-	-	-	-	-
Advances - performing	13,887,414	-	400,527	289	1,606,606	15,894,836
Advances - non-performing	2,369,325	-	86,937	-	3,480	2,459,742
Others	790,735	6,022,388	2,659,579	152,842	40,014,465	49,640,009
Total assets	18,118,947	253,122,568	144,409,188	193,634	41,793,319	457,637,656
Borrowings	5,373,501	113,940,793	-	-	-	119,314,294
Subordinated debt	-	-	-	-	1,495,515	1,495,515
Deposits and other accounts	6,632,089	-	140,315,807	-	-	146,947,896
Net inter segment borrowing	5,878,514	137,154,421	543,581	-	45,302,535	188,879,051
Others	181,233	2,259,057	3,548,838	72,914	6,413,669	12,475,711
Total liabilities	18,065,337	253,354,271	144,408,226	72,914	53,211,719	469,112,467
Equity	53,610	(231,703)	962	120,720	(11,418,400)	(11,474,811)
Total equity and liabilities	18,118,947	253,122,568	144,409,188	193,634	41,793,319	457,637,656
Contingencies and Commitments	47,811,008	122,655,449	-	-	1,516,990	171,983,447

For the nine months period ended September 30, 2022 (Un-audited) (Restated)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
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----- (Rupees in '000) -----

Profit and Loss

Net mark-up / return / profit	990,763	2,160,970	(4,636,290)	10,410	(223,284)	(1,697,431)
Inter segment revenue - net	(1,173,179)	(2,765,443)	8,777,258	-	(4,838,636)	-
Non mark-up / return / interest income	130,727	608,393	243,311	43,699	(591)	1,025,539
Total income	(51,689)	3,920	4,384,279	54,109	(5,062,511)	(671,892)
Segment direct expenses	110,879	43,732	2,935,275	58,753	1,265,453	4,414,092
Inter segment expense allocation	425,906	128,503	567,227	-	(1,121,636)	-
Total expenses	536,785	172,235	3,502,502	58,753	143,817	4,414,092
Provisions and write offs - net	471,310	26,665	-	-	8,625	506,600
Profit / (loss) before tax	(1,059,784)	(194,980)	881,777	(4,644)	(5,214,953)	(5,592,584)

As at December 31, 2022 (Audited) (Restated)

Corporate, SME & Commercial	Treasury	Retail Banking	Brokerage Business	Others	Total
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----- (Rupees in '000) -----

Balance Sheet

Cash and Bank balances	189,077	10,235,444	4,311,053	1,140	-	14,736,714
Investments	-	51,215,048	-	40,243	-	51,255,291
Net inter segment lending	58,085	58,056,574	111,577,524	-	-	169,692,183
Lendings to financial institutions	-	10,141,557	-	-	-	10,141,557
Advances - performing	16,656,436	-	664,537	1,041	1,435,347	18,757,361
Advances - non-performing	2,836,203	-	-	-	-	2,836,203
Others	571,743	797,710	2,897,243	162,057	38,468,654	42,897,407
Total Assets	20,311,544	130,446,333	119,450,357	204,481	39,904,001	310,316,716
Borrowings	6,541,530	18,847,030	-	-	-	25,388,560
Subordinated debt	-	-	-	-	1,495,515	1,495,515
Deposits and other accounts	6,622,694	-	115,238,768	-	-	121,861,462
Net inter segment borrowing	6,965,614	111,625,098	717,298	-	50,384,173	169,692,183
Others	181,706	205,935	3,436,685	75,266	5,737,425	9,637,017
Total liabilities	20,311,544	130,678,063	119,392,751	75,266	57,617,113	328,074,737
Equity	-	(231,730)	57,606	129,215	(17,713,112)	(17,758,021)
Total equity and liabilities	20,311,544	130,446,333	119,450,357	204,481	39,904,001	310,316,716
Contingencies and Commitments	42,012,788	22,658,270	-	-	1,945,422	66,616,480

36.1.1 The Group does not have any operations outside Pakistan.

37. 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, 2023 (Un-audited)				December 31, 2022 (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	-	-	-	1,664,676	-	-	-	1,692,490
Investment made during the year	-	-	-	-	-	-	-	-
Investment redeemed / disposed off during the period / year	-	-	-	(10,899)	-	-	-	(27,814)
Transfer in / (out) - net	-	-	-	-	-	-	-	-
Closing balance	-	-	-	1,653,777	-	-	-	1,664,676
Provision for diminution in value of investments	-	-	-	1,574,529	-	-	-	1,585,428
Advances								
Opening balance	-	-	162,705	671,888	-	-	252,823	786,261
Addition during the period / year	-	-	194,186	7	-	-	19,755	1,525,485
Repaid during the period / year	-	-	(66,304)	-	-	-	(28,281)	(1,637,218)
Transfer in / (out) - net	-	-	4,054	-	-	-	(81,592)	(2,640)
Closing balance	-	-	294,641	671,895	-	-	162,705	671,888
Provision held against advances	-	-	-	671,895	-	-	-	-

	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Parent company	Directors	Key management personnel	Other related parties	Parent company	Directors	Key management personnel	Other related parties
(Rupees in '000)								
Other Assets								
Interest / mark-up accrued	-	-	-	-	-	-	-	76,337
Advances, deposits, advance rent and other prepayments	-	-	4,369	-	-	-	4,250	-
Receivable from defined benefit plan	-	-	-	-	-	-	-	102,958
Other receivable	-	-	-	2,949	699	-	-	-
Provision against other assets	-	-	-	-	-	-	-	-
Deposits and other accounts								
Opening balance	-	-	19,511	2,052,046	-	-	82,005	2,110,049
Received during the period / year	-	-	544,388	2,910,029	-	-	312,104	6,207,533
Withdrawn during the period / year	-	-	(548,767)	(4,082,177)	-	-	(306,636)	(6,266,214)
Transfer (out) / in - net	-	-	(82)	387	-	-	(67,962)	678
Closing balance	-	-	15,050	880,285	-	-	19,511	2,052,046
Other Liabilities								
Interest / mark-up payable	-	-	99	14,404	-	-	131	36,374
Payable to defined benefit plan	-	-	-	37,514	-	-	-	-
Unearned income	-	-	-	-	-	-	-	692
Contingencies and Commitments								
Guarantees, letters of credit and acceptances	-	-	-	86,500	-	-	-	86,500

	(Un-audited) For the nine months period ended September 30, 2023				(Un-audited) For the nine months period ended September 30, 2022			
	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	-	-	6,564	-	-	-	7,168	74,393
Fee and commission income	-	5	13	693	-	-	12	222
Other income	-	-	-	-	-	-	408	-
Expense								
Mark-up / return / interest expensed	-	-	626	165,560	-	-	2,010	188,384
Operating expenses:								
- Directors' fees and allowances	-	24,000	-	-	-	30,900	-	-
- Brokerage and commission	-	-	-	-	-	-	-	-
- Fee and subscription	-	-	1,264	-	-	-	626	-
- Managerial Remuneration	-	-	263,290	1,027	-	-	240,163	-
- Contribution to defined contribution plan	-	-	-	62,094	-	-	-	54,764
- Charge for defined benefit plan	-	-	-	38,264	-	-	-	58,529
Provision against loans and advances	-	-	-	671,895	-	-	-	-
Reversal of provision for diminution in value of investment	-	-	-	(10,899)	-	-	-	(13,933)

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

38. CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
	----- (Rupees in '000) -----	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	<u>(15,696,887)</u>	<u>(21,915,730)</u>
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier-I (CET-I) Capital	<u>(39,518,444)</u>	<u>(43,134,166)</u>
Eligible Additional Tier-I (ADT-I) Capital	<u>-</u>	<u>-</u>
Total Eligible Tier-I Capital	<u>(39,518,444)</u>	<u>(43,134,166)</u>
Eligible Tier-2 Capital	<u>-</u>	<u>-</u>
Total Eligible Capital (Tier-I + Tier-2)	<u><u>(39,518,444)</u></u>	<u><u>(43,134,166)</u></u>
Risk Weighted Assets (RWAs):		
Credit Risk	36,841,510	44,703,398
Market Risk	4,889,517	2,298,794
Operational Risk	3,800,036	3,800,036
Total	<u><u>45,531,063</u></u>	<u><u>50,802,228</u></u>
Common Equity Tier-I Capital Adequacy Ratio	<u><u>-86.79%</u></u>	<u><u>-84.91%</u></u>
Tier-I Capital Adequacy Ratio	<u><u>-86.79%</u></u>	<u><u>-84.91%</u></u>
Total Capital Adequacy Ratio	<u><u>-86.79%</u></u>	<u><u>-84.91%</u></u>
Leverage Ratio (LR):		
Eligible Tier-I Capital	(39,518,444)	(43,134,166)
Total Exposures	326,471,717	158,019,813
Leverage Ratio	<u><u>-12.10%</u></u>	<u><u>-27.30%</u></u>
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	85,888,475	43,961,885
Total Net Cash Outflow	24,987,814	20,348,574
Liquidity Coverage Ratio	<u><u>343.72%</u></u>	<u><u>216.04%</u></u>
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	105,616,557	77,771,056
Total Required Stable Funding	61,491,951	56,155,340
Net Stable Funding Ratio	<u><u>171.76%</u></u>	<u><u>138.49%</u></u>

39. ISLAMIC BANKING BUSINESS

The Bank commenced its Islamic Banking Operations in Pakistan on March 07, 2014 and is operating with 14 (December 31, 2022: 14) Islamic banking branches and 35 (December 31, 2022: 35) Islamic banking windows at the end of the period.

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023

	(Un-audited) September 30, 2023	(Audited) December 31, 2022
Note	----- (Rupees in '000) -----	
ASSETS		
Cash and balances with treasury banks	1,853,676	1,447,196
Balances with other banks	136,290	236,000
Due from financial institutions	39.1 3,767,499	8,051,586
Investments	39.2 28,731,781	10,880,650
Islamic financing and related assets - net	39.3 1,921,391	2,373,102
Fixed assets	266,778	320,139
Intangible assets	15	82
Due from Head Office	-	-
Deferred tax assets	-	12,622
Other assets	2,150,218	1,041,353
Total Assets	38,827,648	24,362,730
LIABILITIES		
Bills payable	214,778	235,430
Due to financial institutions	39.4 1,253,105	607,944
Deposits and other accounts	39.5 32,979,034	20,464,433
Due to Head Office	-	-
Subordinated debt	-	-
Deferred tax liabilities	13,276	-
Other liabilities	749,580	413,183
	35,209,773	21,720,990
NET ASSETS	3,617,875	2,641,740
REPRESENTED BY		
Islamic Banking Fund	1,000,000	1,000,000
Reserves	-	-
Surplus / (deficit) on revaluation of assets	30,690	(9,815)
Unappropriated / Unremitted profit	39.6 2,587,185	1,651,555
	3,617,875	2,641,740
CONTINGENCIES AND COMMITMENTS	39.7	

**ISLAMIC BANKING BUSINESS
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023**

		September 30, 2023	September 30, 2022
	Note	----- (Rupees in '000) -----	
Profit / return earned	39.8	3,718,538	1,965,140
Profit / return expensed	39.9	2,072,183	806,297
Net Profit / return		1,646,355	1,158,843
Other income			
Fee and commission income		70,509	35,657
Dividend income		-	-
Foreign exchange loss		3,395	(13,509)
Income / (loss) from derivatives		-	-
Loss on sale of securities		(1,879)	(5,934)
Other income		8,482	2,838
Total other income		80,508	19,052
Total income		1,726,863	1,177,895
Other expenses			
Operating expenses		760,822	622,093
Workers' welfare fund		-	-
Other charges		-	-
Total other expenses		760,822	622,093
Profit before provisions		966,041	555,802
Provisions and write offs - net		32,804	4,576
Profit before taxation		933,237	551,226
Taxation		-	-
Profit after taxation		933,237	551,226

ISLAMIC BANKING BUSINESS
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

		September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
		In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
39.1 Due from Financial Institutions	Note	----- (Rupees in '000) -----					
Unsecured							
Bai Muajjal Receivable from other Financial Institutions	39.1.1	3,767,499	-	3,767,499	8,051,586	-	8,051,586

39.1.1 This represents Bai Muajjal agreements with conventional operations of Summit Bank Limited and carries profit 21.75% per annum (December 31, 2022: 15.75% per annum).

39.2 Investments

	September 30, 2023 (Un-audited)				December 31, 2022 (Audited)			
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Investments by segments:	----- (Rupees in '000) -----							
Federal Government Securities:								
- GOP Ijarah Sukuks	26,331,099	-	(1,949)	26,329,150	8,496,681	-	(66,031)	8,430,650
Non Government Debt Securities								
- Listed	2,447,917	-	(45,286)	2,402,631	2,500,000	-	(50,000)	2,450,000
Total Investments	28,779,016	-	(47,235)	28,731,781	10,996,681	-	(116,031)	10,880,650

		(Un-audited)		(Audited)	
		September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
39.3 Islamic financing and related assets	Note	----- (Rupees in '000) -----			
Ijarah		471,644	394,844		
Running Musharakah		144,718	231,889		
Diminishing Musharakah		1,371,090	1,753,890		
Tijarah		614,998	629,998		
Advance against Ijarah		15,755	26,491		
Gross Islamic financing and related assets		2,618,205	3,037,112		
Less: provision against Islamic financings					
- Specific		(695,226)	(661,849)		
- General		(1,588)	(2,161)		
		(696,814)	(664,010)		
Islamic financing and related assets - net of provision		1,921,391	2,373,102		

39.4 Due to financial institutions

Secured			
Acceptances from the SBP under Islamic Export Refinance Scheme		395,000	400,000
Total secured		395,000	400,000
Unsecured			
Overdrawn nostro accounts		8,105	7,944
Musharakah	39.4.1	850,000	200,000
Total unsecured		858,105	207,944
		1,253,105	607,944

39.4.1 This represented acceptance of funds by Islamic operations of Summit Bank Limited from conventional operations of Summit Bank Limited on Musharaka basis.

39.5 Deposits

	September 30, 2023 (Un-audited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
----- (Rupees in '000) -----						
Customers						
Current deposits	6,434,787	670,027	7,104,814	5,929,857	426,025	6,355,882
Savings deposits	23,019,338	179,829	23,199,167	12,470,238	182,913	12,653,151
Term deposits	1,222,069	380,764	1,602,833	929,434	133,928	1,063,362
Others	460,519	-	460,519	223,829	-	223,829
	31,136,713	1,230,620	32,367,333	19,553,358	742,866	20,296,224
Financial Institutions						
Current deposits	15,252	126,881	142,133	5,629	171	5,800
Savings deposits	259,113	8,662	267,775	162,409	-	162,409
Term deposits	150,000	51,793	201,793	-	-	-
	424,365	187,336	611,701	168,038	171	168,209
	31,561,078	1,417,956	32,979,034	19,721,396	743,037	20,464,433

	(Un-audited) September 30 2023	(Audited) December 31 2022
----- (Rupees in '000) -----		

39.6 Islamic Banking Business Unappropriated Profit

Opening balance	1,651,555	801,294
Add: Islamic Banking profit for the period / year	933,237	847,070
Transfer in respect of incremental depreciation from surplus on revaluation of fixed assets to accumulated profit	2,394	3,191
Closing balance	2,587,186	1,651,555

39.7 CONTINGENCIES AND COMMITMENTS

-Guarantees	3,721,325	3,110,325
-Commitments	3,868,740	1,434,033
-Other contingent liabilities	-	-
	7,590,065	4,544,358

	(Un-audited)	
	September 30 2023	September 30 2022
----- (Rupees in '000) -----		

39.8 Profit / Return Earned of Financing, Investments and Placement

Profit earned on:		
Financing	190,636	226,714
Investments	2,646,696	996,010
Placements	881,061	741,864
Balances with banks	145	552
	3,718,538	1,965,140

39.9 Profit on Deposits and other Dues Expensed

Deposits and other accounts	1,925,049	752,582
Due to Financial Institutions	134,605	38,804
Finance cost of lease liability	12,529	14,911
	2,072,183	806,297

40. DATE OF AUTHORIZATION OF ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 27, 2023 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

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: 021-32243311-13
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 2

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

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

Khayaban-e-Ittehad Branch

Plot No. 22-C, Khayaban-e-Ittehad,
Phase-VI, DHA, Karachi
Tel: 021-35176607-09

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

Nagan Chowrangi Branch

Shop/ Showroom #. 1,
Plot #. SC-28, Sector No. 11-H,
Situated at North, Karachi
Tel: 021-32763012
Fax: 021-32462550

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

North Nazimabad Branch

Shop / Showroom #. 04, Commercial
Plot # B-64, Block-L, North Nazimabad
K.D.A Scheme # - 2, Karachi
PABX # 021-36724992-94
FAX # 021-36724972

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

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

Safoora Goth Branch, Karachi

Shop # 01 & 02, Vital Dreams Apartment, Block-7,
Gulistan-e-Jouhar, Main University Road, Karachi
PABX # 021-34618691-93

Sea View, Clifton Branch, Karachi

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

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 Qrtrs, Shershah, Karachi
Tel: 021-32588191-93
Fax: 021-32588195

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

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

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

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

Ferozepur 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

Cantt Branch

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

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 Way, Sufiyan 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 & Dist., Gujrat
Tel: 053-3517051-54
Fax: 053-3516756

Katchery Chowk Branch

Shop #. 1263 & 1270 B-II, Katchery Chowk,
Opp. Zahoora 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- 863158, 863148
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

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/I, 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

49 Garipan Chowk, Dohail- 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, Talagang 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

Khashra 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 Bhauddin Branch

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

MANSEHRA

Mansehra Branch

Main Dhangri Chowk, Opposite Garden
Public School, 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

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

SAHIWAL

High Street Branch

558/8-I, 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

Fortune Towers Branch

Showroom No. 9 S-09, Ground Floor,
Plot No. 43/1-A, Fortune Towers,
P.E.C.H.S., Block-VI,
Shahrah-e-Faisal, Karachi
PABX: 021-32368002-4
Fax: 021-32368008

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

Super Highway Branch

Shop No. 29 & 30, Plot # I-B/3, Sub Sector I-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



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