



MCB Islamic Bank Ltd.

بابرکت ۛ بینکارۛ، ہمارۛ ذمۛء دارۛ



THIRD QUARTER REPORT

2023





MCB Islamic Bank Ltd.

پابرجا ہے بینکارے، ہمارے ذمہ دارے

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MCB Islamic Bank Ltd.

بائپرکتے بینکارے، ہمارے ذمہ دارے

ABOUT MCB ISLAMIC BANK

MCB Islamic Bank Limited (the "Bank") is the wholly owned subsidiary of MCB Bank Limited and commenced its operations in 2015 with a nation-wide network of branches.

The aim of MCB Islamic Bank Limited is to be the first choice Shari'ah compliant financial services provider for the customers and to carry out business purely in accordance with Shari'ah principles with full conviction and devotion.

MISSION STATEMENT

- To provide innovative Shari'ah compliant financial solutions and quality services to our customers.
- To maximize returns in Halal manners for our shareholders.
- To nurture an internal environment of qualified professionals and cutting-edge technology.

VISION STATEMENT

To be the leading provider of Shari'ah Compliant Innovative financial products with a focus on service quality and providing superior value for our customers, shareholders, employees and the community.

OUR VALUES

We are Shari'ah driven

Following the Shari'ah we will conduct our activity in a fair, ethical and socially responsible manner.

Dedicated and Dependable

We will build strong, enduring relationships, delivering an experience that delights our customers.

Aspirational

We will be professional and fulfil our commitments, delivering high quality products and services.

CREDIT RATING

Long Term

A

Short Term

A - 1

CORPORATE INFORMATION

Board of Directors

Mr. Raza Mansha (Chairman)	Non-Executive Director
Mr. Jawaid Iqbal	Independent Director
Ms. Seema Aziz	Independent Director
Mr. Ahmed Ebrahim Hasham	Non-Executive Director
Mr. Ibrahim Shamsi	Non-Executive Director
Mr. Hammad Khalid	Non-Executive Director
Mr. Omair Safdar	Non-Executive Director
Mr. Zargham Khan Durrani	President & CEO

Board Audit Committee

Mr. Jawaid Iqbal	Chairman
Ms. Seema Aziz	Member
Mr. Ibrahim Shamsi	Member
Mr. Omair Safdar	Member
Mr. Hammad Khalid	Member

Human Resource & Remuneration Committee

Mr. Jawaid Iqbal	Chairman
Ms. Seema Aziz	Member
Mr. Raza Mansha	Member
Mr. Omair Safdar	Member

Risk Management & Portfolio Review Committee

Mr. Omair Safdar	Chairman
Mr. Ahmed Ebrahim Hasham	Member
Mr. Ibrahim Shamsi	Member
Mr. Jawaid Iqbal	Member
Mr. Zargham Khan Durrani	Member

Board Evaluation Committee

Ms. Seema Aziz	Chairman
Mr. Hammad Khalid	Member

Business Strategy & Service Quality Review Committee

Mr. Ahmed Ebrahim Hasham	Chairman
Mr. Hammad Khalid	Member
Mr. Omair Safdar	Member
Mr. Zargham Khan Durrani	Member

Board I.T. Committee

Mr. Ibrahim Shamsi	Chairman
Mr. Jawaaid Iqbal	Member
Mr. Hammad Khalid	Member
Mr. Zargham Khan Durrani	Member

Shari'ah Board

Prof. Mufti Munib-ur-Rehman	Chairman
Mufti Syed Sabir Hussain	Resident Shari'ah Board Member
Mufti Nadeem Iqbal	Shari'ah Board Member

Chief Financial Officer

Syed Iftikhar Hussain Rizvi

Company Secretary

Ms. Maimoona Cheema

Head of Internal Audit

Mr. Muhammad Imran Siddique

Legal Advisor

M/s Imtiaz Siddiqui & Associates,
Advocates & Solicitor

Auditors

M/s A.F. Ferguson & Co., Chartered
Accountants

Registered Office

59-T Block, Phase-II, DHA, Lahore

Website

www.mcbislamicbank.com

Directors' Report to the Members

On behalf of the Board of Directors of MCB Islamic Bank limited (the Bank), we are pleased to present the financial results for the Nine Months Ended September 30, 2023.

Rs. in Million

Statement of Financial Position	30-Sep-23	31-Dec-22	Growth
Deposits	183,426	154,001	19%
Total Assets	233,727	199,040	17%
Investments – net	110,760	72,669	52%
Islamic Financing – net	71,496	90,302	-21%
Shareholders' Equity (including revaluations)	20,221	16,347	24%

Profit & Loss Account	Jan – Sep 2023	Jan – Sep 2022	Growth
Operating income	13,621	6,126	122%
Operating and other expenses	5,554	4,432	25%
Provisions against financing and investments	(561)	(19)	29.5 Times
Profit before taxation	7,506	1,675	4.5 Times
Profit after taxation	3,834	847	4.5 Times
Basic / diluted earnings per share - Rs.	2.47	0.64	3.8 Times

Performance Review

Pakistan's Banking Sector has demonstrated remarkable resilience and strong performance despite multiple challenges such as record-high inflation, climate change costs, economic stagnation and political instability.

In the back drop of these challenges our Bank proactively managed downside risks within the economic and operational landscape. Our strategy prioritized steady growth achieved through low-cost deposit mobilization, seizing timely investment opportunities and maintaining prudent financing practices, supported by an efficient organizational structure, robust risk management, and strict regulatory compliance. Resultantly, the Bank reported, **a profit before tax of Rs. 7.506 billion for the 3rd quarter ending on September 30, 2023, Alhamdulillah.**

The Bank's Deposits reached Rs. 183 billion as of September 30, 2023 as compared to Rs. 154 billion as at December 31, 2022, registering a growth of 19% while accumulation of no and low-cost deposits remained a key objective of the Bank during the period under review. The Bank's Current and Saving Account (CASA) mix stands at a healthy rate of 77% against 72% as at December 31, 2022, with non-remunerative Deposits constituting 33% of the total deposit mix against 32% as at December 31, 2022. The bank achieved a significant growth in Current Accounts by Rs.10 billion (21%) during the period. By offering a range of Islamic Banking products and upholding service excellence, the Bank continues to raise awareness of Islamic Banking among potential non-banked consumers.

The Bank's total assets increased by 17% to reach Rs. 234 billion as of September 30, 2023, compared to Rs. 199 billion on December 31, 2022. Net Financing stood at Rs. 71.50 billion, down from the December 31, 2022 position of Rs. 90.30 billion. Investments amounted to Rs. 110.76 billion, up from Rs. 72.67 billion on December 31, 2022, reflecting the bank's prudent approach to boosting profitability without compromising its Capital Adequacy, which closed at 24.39%. The management's focus remains on efficient capital management, improved asset quality, and a high-yield portfolio.

During this period, the bank earned an operating income of Rs. 13.62 billion, and the return on total assets reached 17%. The cost of funds stood at 8.61%, resulting in a net spread of 8.39%. Despite the considerable rise in the general price level and Rupee devaluation, we successfully managed to control the increase in operating and other expenses, limiting them to 25% compared to the corresponding period last year.

Based on the above achievements and our continued efforts to enhance the balance sheet spreads through effective portfolio management, our bank's profitability has seen a significant increase. We posted a profit before tax of Rs. 7,506 million and an after-tax profit of Rs. 3,834 million for the period under review, compared to Rs. 1,675 million and Rs. 847 million, respectively, for the same period last year. This improvement has led to an increase in earnings per share after tax, reaching Rs. 2.47 for the period under review, as opposed to Rs. 0.64 for the comparative period.

Credit Rating

Pakistan Credit Rating Agency (PACRA) has maintained the Bank's medium to long-term rating as "A" and the short-term rating as 'A-1' with stable outlook.

Economic Review

The global economy faced its most significant shock in over 75 years on multiple fronts. It's now rebounding from the combined impacts of the pandemic, Russia's invasion of Ukraine, and a cost-of-living crisis. Disparities are emerging, with advanced economies slowing more than emerging markets. Global economic activity hit its lowest point last year, and inflation is gradually stabilizing. However, achieving a full recovery remains challenging, especially for emerging markets. According to the IMF, global inflation is expected to decrease from 8.7% in 2022 to 6.9% in 2023. Monetary policy tightening, geo-economic fragmentation, debt, and extreme weather events hinder recovery. The IMF forecasts a slowdown in global growth, from 3.5% in 2022 to 3.0% in 2023. Nonetheless, developing and emerging markets show signs of recovery.

Pakistan's post-pandemic recovery faced setbacks in FY 2023, marked by economic imbalances like high fiscal deficits and mounting debt. Pakistan was exposed to shocks, including floods, surging global commodity prices, and tight global financing conditions. Yet, FY 2024 marks a recovery. Despite surging global oil prices and their influence on administered energy prices, inflation exhibited a consistent but less-than-expected decline from its peak of 38% in May 2023 to 31.4% in September 2023. The cotton harvest surged by 79.9%. In its recent meeting on September 14, 2023, the SBP maintained the policy rate at 22% while aggressively tightening monetary policy, resulting in a cumulative increase of 600 basis points during the period under review. Fitch Ratings upgraded Pakistan's Long-Term Foreign-Currency Issuer Default Rating (IDR) from 'CCC-' to 'CCC.' However, the IMF projects a negative GDP growth of 0.5% in 2023, compared to 6.1% growth in 2022.

In FY2024, Pakistan faced ongoing challenges from FY2023, with Large Scale Manufacturing (LSM) showing negative trends. LSM declined by 1.09% in July 2023 on a YoY basis and decreased by 3.62% on a MoM basis. However, 9 sectors recorded positive growth, including Food, Tobacco, Wearing apparel, Chemicals, Pharmaceuticals, Rubber Products, Non-Metallic Mineral Products, Machinery and Equipment, and others (Football). On a positive note, farm tractor production in July-August FY2024 increased by 6.5% to 6,189 units, with sales also rising by 27.3% to 6,645 units compared to the corresponding period last year.

The Current Account posted a deficit of USD 935 million for July-August FY2024, showing a significant improvement compared to a deficit of USD 2.0 billion the previous year. This improvement is mainly attributed to positive changes in the trade balance. Exports (fob) declined by 8.3% and reached USD 4.5 billion (compared to USD 4.9 billion last year), while imports (fob) dropped by 26.0% to USD 8.4 billion (compared to \$11.5 billion last year). Consequently, the trade deficit decreased to USD 3.9 billion from USD 6.5 billion the previous year. Workers' remittances for July-September FY2024 stood at USD 6.3 billion, a 19.8% decrease from USD 7.9 billion during the same period last year.

Pakistan's total liquid foreign exchange reserves increased to USD 13 billion as of September 28, 2023, with the SBP holding USD 7.6 billion and commercial banks having USD 5.4 billion, despite a 27.2% exchange rate depreciation since December 2022.

On September 28, 2023, the KSE-100 Index closed at 46,232.59 points, marking an increase of 5,812 points from December 31, 2022.

In the Islamic banking industry, both assets and deposits saw significant growth. The industry recorded a growth of Rs. 1,652 billion in assets and Rs. 950 billion in deposits from January to December 2022. Total assets and deposits increased by 29.6% and 22.6%, respectively, closing at Rs. 7,229 billion (with a market share of 20.2%) and Rs. 5,161 billion (with a market share of 22.0%). Meanwhile, the branch network expanded to 4,396 branches by the end of December 2022.

Future Outlook

The global economic outlook is more balanced now, with reduced chances of a hard landing, yet lingering downside risks. Concerns include China's property sector crisis and its potential impact on commodity-exporting countries. Geo-economic fragmentation and climate change challenges may disrupt commodity flows, causing economic disruptions and price volatility. Rising inflation expectations and tight labour markets may lead to ongoing core inflation pressures, potentially necessitating higher policy rates. Central banks need to prioritize price stability and address financial stress when necessary. Fiscal policymakers should enhance fiscal flexibility, phase out untargeted measures, and protect vulnerable populations. While extreme risks have eased, the overall risk balance tilts downward. The IMF projects a gradual decline in global inflation, from 6.9% in 2023 to 5.8% in 2024, leading to revised growth projections: 3.0% in 2023 and 2.9% in 2024, a 0.1% drop from July 2023. The World Bank forecasts growth at 2.1% in 2023 and 2.4% in 2024.

On the domestic front, Pakistan anticipates political stability and aims to manage the fiscal deficit through controlled spending and revenue measures. Slow progress in structural reforms has reduced economic confidence, potentially impacting medium-term GDP growth. Despite the recent completion of the IMF Stand-By Arrangement, associated bilateral financing, and continued rollovers, foreign reserves are projected to remain at lower levels. Recent regulatory measures target commodity supply constraints and combat illicit activities in foreign exchange markets. These, combined with a positive agricultural outlook and tight monetary policies, may reduce inflation, though energy tariff adjustments could increase it. Positive real interest rates are expected. Pakistan's path to economic recovery requires comprehensive fiscal reform. IMF projects 2.5% GDP growth in 2024 and 3.6% in 2025, while the World Bank forecasts 1.7% growth in 2024 and 2.4% in 2025.

Amid the growth in digital financial services, new risks including credit, operational, and cyber threats have emerged in the banking sector. These challenges underscore the need to strategically enhance risk management capabilities by proactively addressing both conventional and emerging risks.

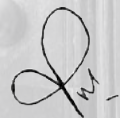
The Bank remains committed to its long-term sustainable growth strategy. The capital injection in 2022 has already improved profitability and opened new business opportunities, aligning with the goal of becoming the most prominent player in the Islamic industry. Our focus continues to be on acquiring no or low-cost deposits, optimizing high-earning assets, and maintaining cost control. We will further invest in process automation, develop new product platforms, and prioritize digitization.

Acknowledgment

On behalf of the Board of Directors and management, we extend our heartfelt appreciation to our valued customers, esteemed business partners, and dedicated shareholders for their unwavering trust and continued support. We also express our gratitude to the State Bank of Pakistan, the Securities & Exchange Commission of Pakistan and other regulatory authorities for their consistent guidance and support. The Board of Directors expresses profound appreciation for the invaluable support and guidance of Shariah Board and acknowledges the substantial contributions by our committed staff members who have been instrumental in propelling our franchise's growth, even in challenging business conditions.

For and on behalf of the Board of Directors

Zargham Khan Durrani
President & CEO
October 23, 2023



Raza Mansha
Chairman

ہوسکتی ہے۔ باوجود اس امر کے کہ توانائی کی ٹیرف ایڈجسٹمنٹ اس میں اضافے کا باعث ہو سکتی ہے۔ حقیقی انٹرسٹ ریٹس کے مثبت ہونے کی توقع ہے۔ پاکستان کی معاشی ترقی کی راہ ہمہ گیر مالیاتی اصلاحات کے نفاذ کی متقاضی ہے۔ آئی ایم ایف نے سال 2024ء کے لیے جی ڈی پی کی نمو کی شرح 2.5 فیصد جبکہ سال 2025ء کے لیے 3.6 فیصد پر تجویز کی ہے۔ جبکہ عالمی بینک کی پیش بینی کے مطابق سال 2024ء کے لیے شرح نمو 1.7 فیصد اور سال 2025ء کے لیے 2.4 فیصد پر اندازہ کی گئی ہے۔

ڈیجیٹل مالیاتی خدشات و خطرات کے متوقع پھیلاؤ کی صورتحال کے مابین، بینکنگ کے شعبے کو بھی نئے چیلنجز کا سامنا ہے جن میں کریڈٹ، کاروباری اور سائبر خطرات شامل ہیں۔ یہ معاملات روایتی اور ابھرتے ہوئے دونوں طرح کے خدشات کا پیش قدمی سے تدارک کرنے کی انتظامی صلاحیت میں اضافہ کرنے کی حکمت عملی کو اختیار کرنے کی ضرورت پر زور دیتے ہیں۔ بینک اپنی طویل المدت پائیدار نمو کے حصول کے لیے مسلسل پرعزم ہے۔ سال 2022ء میں حاصل ہونے والے سرمائے کی امداد جو پہلے سے ہی منافع کی بہتری کا باعث بن رہی ہے اور اسلامک بینکنگ کی صنعت کے اہم ترین کھلاڑی کی حیثیت کے حصول کے مقصد کے تحت نئے کاروباری مواقع سے استفادہ بھی حاصل ہو رہا ہے۔ ہماری خصوصی توجہ بغیر یا کم لاگت کے ڈیپازٹس کے حصول، بلند پیداواری اثاثہ جات کی موزونیت اور لاگت پر قابو برقرار رکھنے پر مسلسل مرکوز ہے۔ ہم خود کاریت، نئی پراڈکٹس کی تشکیل اور ترجیحاتی ڈیجیٹلائزیشن کی مد میں مزید سرمایہ کاری کرنے میں دلچسپی رکھتے ہیں۔

بورڈ آف ڈائریکٹرز اور مینجمنٹ کی جانب سے ہم اپنے صارفین، کاروباری شراکت دار اور شیئر ہولڈرز کا انکے غیر متزلزل اعتماد اور تعاون پر تہ دل سے مشکور ہیں۔ ہم اسٹیٹ بینک آف پاکستان، سیکیورٹی اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر الضابطی اداروں کی جانب سے جاری معاونت اور رہنمائی پر بھی انکے بے حد مشکور ہیں۔ بورڈ آف ڈائریکٹرز، شریعہ بورڈ کے بے مثال تعاون اور رہنمائی کا شکریہ ادا کرنے کے ساتھ ساتھ اپنے ملازمین کی نمایاں خدمات کا پُر خلوص اعتراف کرتے ہیں جنکی بدولت ادارے نے مشکل کاروباری ماحول میں بھی شاندار ترقی کی ہے۔

منجانب و برائے بورڈ آف ڈائریکٹرز:



رضا منشاء

چیسر مین

✓ *Laely*

زرغام خان دُرانی

پریزیڈنٹ اسی امی او

23 اکتوبر 2023ء

پاکستان کے کل دستیاب غیر ملکی زرمبادلہ کے ذخائر 28 ستمبر 2023ء تک اضافے کے ساتھ 13 بلین امریکی ڈالر پر پہنچ گئے۔ جس میں اسٹیٹ بینک آف پاکستان کے 7.6 بلین امریکی ڈالر جبکہ کمرشل بینکوں کے 5.4 بلین امریکی ڈالر شامل تھے۔ چہ جائیکہ، شرح تبادلہ دسمبر 2022ء سے 27.2 فیصد کم ہو گئی۔

28 ستمبر 2023ء تک کے ایس ای - 100 انڈیکس 46,232.59 پوائنٹس پر بند ہوا اور اس طرح 31 دسمبر 2022 کی سطح سے 5,812 پوائنٹس کے اضافے کا اندراج کیا۔

اسلامی بینکاری کی صنعت میں اثاثہ جات اور ڈیپازٹس دونوں حوالوں سے نمایاں بڑھوتی دیکھی گئی۔ سال 2022ء کے جنوری تا دسمبر کے عرصے کے دوران اثاثہ جات میں 1,652 بلین روپے اور ڈیپازٹس میں 950 بلین روپے کا اضافہ دیکھا گیا۔ مجموعی اثاثہ جات اور ڈیپازٹس 29.6 فیصد اور 22.6 فیصد کے بالترتیب اضافے کے ساتھ 7,229 بلین روپے (20.2 فیصد مارکیٹ شیئر) اور 5,161 بلین روپے (22 فیصد مارکیٹ شیئر) پر درج ہوئے۔ جبکہ، دسمبر 2022ء کے اختتام پر برانچوں کی تعداد 4,396 پر پہنچ گئی۔

مستقبل کی پیش بینی

مشکلات میں گہری صورتحال میں پیدا ہونے والی کچھ آسانیوں کے باعث عالمی معاشی پیش بینی میں اب قدرے توازن پایا جاتا ہے۔ تاہم، منفی رجحانات اب بھی منظر نامے کا حصہ ہیں۔ چین میں پراپرٹی کے شعبے کے بحران اور اشیاء کے درآمدی ممالک پر ان کے متوقع اثرات، جغرافیائی و سیاسی تقسیم اور ماحولیاتی تبدیلیوں سے جڑے خدشات، اجناس کی ترسیل میں رکاوٹ کا سبب بن سکتے ہیں۔ جس سے معاشی دشواریاں اور قیمتوں میں عدم استحکام پیدا ہو سکتا ہے۔

افراط زر کے بڑھتے خدشات اور سخت مسابقتی لیبر مارکیٹ، خالص افراط زر کے دباؤ کے جاری رہنے کا سبب بن سکتے ہیں اور پالیسی ریٹ میں کسی متوقع اضافے کا پیش خیمہ ثابت ہو سکتے ہیں۔ مرکزی بینکوں کو قیمتوں کے استحکام کے ہدف کو ناصرف اپنی ترجیحات میں شامل کرنے کی ضرورت ہے بلکہ کسی بھی طرح کے مالیاتی دباؤ کے موخر تدارک کی بھی ضرورت ہے۔ مالیاتی پالیسی سازوں کو مالی پلک میں اضافے، اہداف کے بغیر اقدامات کے مرحلہ وار خاتمے، اور کمزور آبادیوں کے تحفظ کی کوشش کرنی چاہیئے۔ اگرچہ، انتہائی نوعیت کے خدشات کی شدت میں کمی واقع ہوئی ہے تاہم، مجموعی خدشات کا توازن قدرے تنزیل کی طرف گامزن ہے۔ آئی ایم ایف نے عالمی افراط زر میں سال 2023ء کی 6.9 فیصد کی شرح سے سال 2024ء کے لیے کمی کے ساتھ 5.8 فیصد کی شرح پر آنے کی توقع کی ہے۔ جس کے باعث نمو کے تخمینوں پر بھی نظر ثانی کرتے ہوئے سال 2023ء کے لیے 3 فیصد اور سال 2024ء کے لیے 2.9 فیصد پر اندازہ کیا ہے جو کہ جولائی 2023ء میں تجویز کی گئی شرح سے 0.1 فیصد کمی کو ظاہر کرتا ہے۔ ورلڈ بینک نے سال 2023ء میں 2.1 فیصد اور سال 2024ء میں 2.4 فیصد کی نمو کا تخمینہ لگایا ہے۔

داخلی محاذ پر، پاکستان، مستقبل قریب میں، سیاسی استحکام کے برقرار رہنے کی امید کے ساتھ مخصوص اخراجات اور آمدنی کے اقدامات کے ذریعے مالی خسارے کے موخر انتظام کا عندیہ رکھتا ہے۔ بنیادی اصلاحات کے نفاذ میں سست روی کے باعث معاشی اعتماد میں کمی ہوئی جس سے متوقع طور پر درمیانی مدت میں جی ڈی پی کی نمو متاثر ہوئی۔

آئی ایم ایف کے حالیہ اسٹیڈ بائی ارتیجمنٹ کی تکمیل اور اس سے جڑی دوطرفہ قرض کی صورتحال اور مسلسل رول اور زکے باوجود غیر ملکی زرمبادلہ کے ذخائر کم ترین سطح پر برقرار ہیں۔ موجودہ اصلاحاتی اقدامات ناصرف اشیاء کی ترسیل میں حائل رکاوٹوں کو دور کرنے پر مرکوز ہیں، بلکہ غیر ملکی شرح تبادلہ کی مارکیٹوں میں پائی جانے والی غیر قانونی سرگرمیوں کو بھی اپنا ہدف بناتے ہیں۔ یہ تمام عوامل اور اس کے ساتھ زرعی پیداوار کی مثبت پیش بینی اور سخت مالیاتی پالیسیوں سے افراط زر میں کمی واقع

معیشت کی نمو کی شرح کو سال 2022ء کی 3.5 فیصد کی سطح سے کمی کے ساتھ سال 2023 کے لیے 3 فیصد پر تجویز کی ہے۔ چچانیکہ، ترقی پذیر اور ابھرتی مارکیٹوں میں بحالی کے اشاریے دیکھے جارہے ہیں۔

پاکستان کے عالمگیر وباء کے بعد کی معاشی بحالی کی تحریک، مالی سال 2023ء میں بری طرح متاثر ہوئی جس میں بلند مالی خسارے اور تیزی سے بڑھتے قرضے سے پیدا ہونے والے عدم توازن جیسے عوامل شامل ہیں۔ پاکستان کو کئی بڑے جھکوں کا سامنا رہا جن میں سیلاب، اجناس کی بڑھتی عالمی قیمتیں اور قرضہ جات کی کڑی عالمی صورتحال و شرائط نمایاں رہے۔ پھر بھی مالی سال 2024ء ایک بہتری اور بحالی کا سال ثابت ہوا ہے۔

تیل کی عالمی قیمتوں میں اضافے اور اس پر منحصر توانائی کی قیمتوں پر مرتب ہونے والے اثرات کے باوجود، افراط زر کی شرح میں تسلسل کے ساتھ مگر توقع سے کم تنزلی دیکھی گئی اور یہ مئی 2023ء میں 38 فیصد کی بلندی سے ستمبر 2023ء تک 31.4 فیصد پر درج ہوئی۔ کپاس کی فصل کی کاشت میں 79.9 فیصد کا اضافہ دیکھا گیا۔

14 ستمبر 2023ء کو منعقدہ حالیہ اجلاس میں اسٹیٹ بینک آف پاکستان نے اپنے کڑے مالیاتی بیانیے کو شدت سے جاری رکھتے ہوئے پالیسی ریٹ کو 22 فیصد کی شرح پر برقرار رکھا۔ جس کے نتیجے میں اس زنجیرہ عرصہ کے دوران، پالیسی ریٹ میں مجموعی طور پر 600 بیس پوائنٹس کا اضافہ ہوا۔ فیٹچ (FITCH) ریٹنگز نے پاکستان کی طویل المدت فارن کرنسی اشورڈیفالٹ ریٹنگ (IDR- Foreign Currency Issuer Default) کو اپ گریڈ کرتے ہوئے منفی CCC سے مثبت CCC (ٹرپل سی) پر مقرر کیا ہے۔ تاہم، آئی ایم ایف نے سال 2022ء کی 6.1 فیصد کی نمو کے مقابلے میں سال 2023ء کے لیے 0.5 فیصد کی منفی نمو کی توقع کا اظہار کیا ہے۔

مالی سال 2024ء کے دوران پاکستان کو مالی سال 2023ء سے جاری چیلنجز کا سامنا رہا اور اس کے ساتھ بڑے پیمانے کی پیداواری صنعت میں منفی رجحانات دیکھے گئے۔ بڑے پیمانے کی پیداواری صنعت میں جولائی 2023ء سے، سال بہ سال کی بنیاد پر، 1.09 فیصد کمی اور ماہانہ بنیاد پر 3.62 فیصد کی تنزلی دیکھی گئی۔ تاہم، 09 شعبوں میں مثبت نمو ریکارڈ ہوئی جن میں خوراک، تمباکو، ملبوسات، کیمیکلز، فارماسیوٹیکلز، ربڑ سے تیار شدہ مصنوعات، غیر دھاتی معدنی اشیاء، مشینری اور آلات اور دیگر (یعنی فٹ بال) شامل ہیں۔ مثبت پہلو کے طور پر مالی سال 2024ء کے جولائی تا اگست کے عرصے میں فارم ٹریکٹرز کی پیداوار گزشتہ سال کی تقابلی مدت کے مقابلے میں 6.5 فیصد کے اضافے کے ساتھ 6,189 یونٹس پر پہنچ گئی اور فروخت بھی 27.3 فیصد کے اضافے کے ساتھ 6,645 یونٹس پر ریکارڈ ہوئی۔

کرنٹ اکاؤنٹ، گزشتہ سال کے 2 بلین امریکی ڈالرز کے خسارے کے تناسب میں مالی سال 2024ء کے جولائی تا اگست کی مدت کے دوران خاطر خواہ بہتری کے مظاہرے کے ساتھ 935 بلین امریکی ڈالرز کے خسارے پر درج ہوا۔ اس بہتری میں تجارتی میزانیے میں ہونے والی مثبت تبدیلیوں کا بنیادی کردار رہا۔ درآمدات (ایف او بی) 8.3 فیصد کمی کے ساتھ 4.5 بلین امریکی ڈالرز (بہ نسبت گزشتہ سال کے 4.9 بلین امریکی ڈالرز) جبکہ برآمدات (ایف او بی) 26 فیصد کمی کے ساتھ 8.4 بلین امریکی ڈالرز پر درج ہوئیں (بہ نسبت گزشتہ سال کے 11.5 بلین امریکی ڈالرز)۔ چنانچہ، تجارتی خسارہ پچھلے سال کے 6.5 بلین امریکی ڈالرز سے کم ہوتے ہوئے 3.9 بلین امریکی ڈالرز پر پہنچ گیا۔ افرادی ترسیلات زر مالی سال 2024ء کے جولائی تا ستمبر کے دورانیے میں گزشتہ سال کے تقابلی عرصہ کے 7.9 بلین امریکی ڈالرز کے حجم سے 19.8 فیصد کمی کے ساتھ 6.3 بلین امریکی ڈالرز پر درج ہوئیں۔

ڈیپازٹس کی شمولیت کی شرح 31 دسمبر 2022ء کی 32 فیصد کی سطح کی نسبت 33 فیصد پر رپورٹ کی گئی۔ بینک نے اس مدت کے دوران کرنٹ اکاؤنٹس میں 10 بلین روپے (21 فیصد) کی شاندار نمو حاصل کی۔ اسلامی بینکاری کی متنوع پراڈکٹس کی فراہمی اور خدمات کے اعلیٰ معیار کو برقرار رکھتے ہوئے بینک نے بینکاری سے محروم اپنے متوقع صارفین میں اسلامی بینکاری کے بارے میں آگاہی کے عمل کو جاری رکھا۔

بینک کے کل اثاثہ جات 31 دسمبر 2022ء کے 199 بلین روپے کے حجم کی نسبت 30 ستمبر 2023ء تک 17 فیصد کے اضافے کے ساتھ، 234 بلین روپے درج ہوئے۔ خالص قرضہ جات، 31 دسمبر 2022 کے 90.30 بلین کے حجم کی نسبت، کمی کے ساتھ، 71.50 بلین روپے پر شمار کیے گئے۔ سرمایہ کاری 31 دسمبر 2022ء کی 72.67 بلین روپے کی سطح سے بڑھ کر 110.76 بلین روپے پر پہنچ گئی۔ جو کہ بینک کی جانب سے اپنے سرمائے کی معقولیت، جس کی شرح 24.39 فیصد پر بند ہوئی، پر کوئی سمجھوتا کیلئے بغیر منافع کے فروغ کی حکمت عملی کو ظاہر کرتی ہے۔ انتظامیہ اپنے سرمائے کے موزوں انتظام، اثاثہ جات کے معیار میں بہتری اور زیادہ آمدنی کے پورٹ فولیو پر اپنی توجہ برقرار رکھے ہوئے ہے۔

اس مدت کے دوران، بینک نے 13.62 بلین روپے کی کاروباری آمدنی حاصل کی اور کل اثاثہ جات کی آمدنی 17 فیصد پر جانچنی۔ سرمائے کی لاگت کی شرح 8.61 فیصد رہی جس کے نتیجے میں خالص سپریڈ کی شرح 8.39 فیصد پر رہی۔ عمومی قیمتوں کی سطح میں غیر معمولی اضافہ اور روپے کی قدر میں تنزلی کے باوجود، ہم اپنے کاروباری اور دیگر اخراجات میں ہونے والے اضافے کو گزشتہ سال کی نسبت 25 فیصد کی سطح تک محدود رکھنے میں کامیاب رہے ہیں۔

مندرجہ بالا کامیابیوں کے پیش نظر اور پورٹ فولیو کے موثر انتظام کے ذریعے اپنے میزبانے (ہیلنس شیٹ) کے سپریڈز میں اضافے کی مسلسل کوششوں کی بدولت بینک کے منافع میں قابل قدر اضافہ دیکھا گیا۔ اس زیر تجزیہ عرصے میں بینک نے 7,506 ملین روپے منافع قبل از ٹیکس اور 3,824 ملین روپے منافع بعد از ٹیکس حاصل کیا۔ جبکہ گزشتہ سال کے تقابلی عرصہ میں ان کا حجم بالترتیب 1,675 ملین روپے اور 847 ملین روپے پر درج ہوا۔ اس بہتری کے باعث فی حصص آمدنی بعد از ٹیکس بھی گزشتہ تقابلی مدت کی 0.64 روپے فی حصص کے مقابلے میں اس زیر تجزیہ مدت کے دوران بڑھتے ہوئے 2.47 روپے فی حصص پر پہنچ گئی۔

کریڈٹ ریٹنگ :

پاکستان کریڈٹ ریٹنگ ایجنسی (پاکرا) نے بینک کی درمیانی سے طویل المدت ریٹنگ کو "A" (اے) اور قلیل المدت ریٹنگ کو "A-1" (اے ون) کی سطح پر مستحکم پیش بینی کے ساتھ برقرار رکھا ہے۔

معاشی جائزہ :

عالمی معیشت نے تقریباً 75 سالہ مدت میں مختلف محاذوں پر کئی بڑی دشواریوں اور مشکلات کا سامنا کیا۔ تاہم عالمگیر وباء، یوکرین پر روس جارحیت اور زندہ رہنے کی لاگت کے بحران جیسے عوامل کے مشترکہ اثرات سے دوچار ہونے کے بعد یہ قدرے بہتری کی صورتحال کا مظاہرہ کر رہی ہے۔

ابھرتی معیشتوں کی نسبت ترقی یافتہ معیشتوں میں نمو کی سست رفتار کی بدولت عدم مساوات پیدا ہو رہی ہے۔ گزشتہ سال عالمی معاشی سرگرمی اپنی کم ترین سطح کو چھو چکی ہے اور افراط زر بھی بتدریج مستحکم ہو رہا ہے۔ تاہم، مکمل بحالی، خاص طور پر ابھرتی مارکیٹوں کے لیے، ایک مشکل عمل کے طور پر برقرار ہے۔ آئی ایم ایف کے مطابق عالمی افراط زر کی سال 2022ء کی 8.7 فیصد کی شرح کم ہو کر سال 2023ء میں 6.9 فیصد پر آنے کی توقع ہے۔ مالیاتی پالیسیوں کی سختی، جغرافیائی و اقتصادی تقسیم، قرضہ جات اور شدید موسمی اثرات، اس کی بحالی کی راہ میں رکاوٹ ہیں۔ آئی ایم ایف نے عالمی

ممبران کے لیے ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے ہم انتہائی مسرت کے ساتھ ایم سی بی اسلامک بینک لمیٹڈ (بینک) کی 30 ستمبر 2023ء کو اختتام پذیر ہونے والی مدت کے مالیاتی نتائج آپ کے سامنے پیش کر رہے ہیں۔

ملین روپے

نمو	31 دسمبر 2022	30 ستمبر 2023	مالیاتی ائٹمنٹس کی حیثیت (پوزیشن):
19%	154,001	183,426	ڈیبٹس
17%	199,040	233,727	کل اثاثہ جات
52%	72,669	110,760	سرمایہ کاری۔ خالص
-21%	90,302	71,496	اسلامی فنانسنگ خالص
24%	16,347	20,221	حصص یافتگان کی ایکویٹی (سرمایہ) بشمول تخمینہ نو

نمو	جنوری-ستمبر 2022	جنوری-ستمبر 2023	نفع و نقصان کا اکاؤنٹ:
122%	6,126	13,621	آپریٹنگ (کاروباری) آمدنی
25%	4,432	5,554	کاروباری و دیگر اخراجات
29.5 گنا	(19)	(561)	پرویشن قرضہ جات اور سرمایہ کاری کے لیے اخراجات
4.5 گنا	1,675	7,506	منافع قبل از ٹیکس
4.5 گنا	847	3,834	منافع بعد از ٹیکس
3.8 گنا	0.64	2.47	بنیادی/تحلیل شدہ منافع / آمدنی فی شیئر (حصص) روپے

کارکردگی کا جائزہ

پاکستان کی بینکاری کے شعبے نے بلند ترین افراط زر، ماحولیاتی تبدیلی کی لاگت، معاشی جمود اور سیاسی عدم استحکام جیسے مختلف دشواریوں کے باوجود، غیر معمولی چلک اور مضبوط کارکردگی کا مظاہرہ کیا ہے۔

ان چیلنجز کے تناظر میں، ہمارے بینک نے معاشی اور آپریشنل منظر نامے کو لاحق منفی خدشات کا پیش قدمی سے سدباب کیا۔ مواقع سے بروقت استفادہ اور قرضہ جات کے مروجہ طریقہ کار کو دانشمندی سے برقرار رکھتے ہوئے پائیدار نمو کے حصول کی ترجیحاتی حکمت عملی کو، جسے موزوں انتظامی ڈھانچے، خدشات کے تدارک کے مضبوط نظام اور کڑی انضباطی تعلیمات کی مدد حاصل رہی، جاری رکھا گیا۔ جس کے نتیجے میں، الحمد للہ، بینک نے 30 ستمبر 2023 کو اختتام پذیر تیسری سہ ماہی کے دوران 7,506 ملین روپے کا منافع قبل از ٹیکس حاصل کیا۔

بینک کے ڈیبٹس 31 دسمبر 2022ء کے 154 ملین روپے کے حجم سے 19 فیصد کی نمو کے ساتھ 30 ستمبر 2023ء تک 183 ملین روپے پر درج ہوئے جبکہ اس زیر تجزیہ مدت کے دوران، بغیر یا کم لاگت کے ڈیبٹس کا حصول اور انکی جامعیت، بینک کے ایک کلیدی مقصد کے طور پر برقرار رہے۔ بینک کے کرنٹ اور سیونگ اکاؤنٹس کی ترکیب 31 دسمبر 2022ء کی 72 فیصد کی شرح کے مقابلے 77 فیصد کی مضبوط شرح پر درج کی گئی۔ جس میں کل ڈیبٹس کی ترکیب میں غیر پیداواری



MCB Islamic Bank Ltd.

بائپرکتے بینکارے، ہمارے ذمہ دارے

CONDENSED INTERIM FINANCIAL STATEMENTS

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

		(Unaudited) September 30, 2023	(Audited) December 31, 2022
	Note	Rupees in thousands	
ASSETS			
Cash and balances with treasury banks	8	15,384,258	13,906,238
Balances with other banks	9	2,776,252	1,238,320
Due from financial institutions	10	11,200,000	6,170,000
Investments - net	11	110,759,545	72,668,657
Islamic financing and related assets - net	12	71,495,523	90,301,709
Fixed assets	13	5,014,502	4,936,840
Intangible assets	14	513,346	576,754
Deferred tax assets - net	15	153,892	12,527
Other assets - net	16	16,429,335	9,228,528
		233,726,653	199,039,573
LIABILITIES			
Bills payable	18	1,735,518	3,737,482
Due to financial institutions	19	17,291,365	14,670,759
Deposits and other accounts	20	183,426,214	154,001,460
Liabilities against assets subject to finance lease		-	-
Sub-ordinated debts		-	-
Deferred tax liabilities - net		-	-
Other liabilities	21	11,052,112	10,282,990
		213,505,209	182,692,691
NET ASSETS		20,221,444	16,346,882
REPRESENTED BY			
Share capital	22	15,550,000	15,550,000
Reserves	23	1,164,593	397,819
Surplus on revaluation of assets - net of tax	24	439,858	400,830
Accumulated profit / (loss)		3,066,993	(1,767)
		20,221,444	16,346,882
CONTINGENCIES AND COMMITMENTS		25	

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



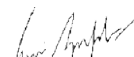
Zargham Khan Durrani
President / Chief Executive



Hammad Khalid
Director



Jawaid Iqbal
Director




Omair Safdar
Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023**

Note	Quarter Ended		Nine Months Ended		
	July 1, 2023 to September 30, 2023	July 1, 2022 to September 30, 2022	January 1, 2023 to September 30, 2023	January 1, 2022 to September 30, 2022	
Rupees in thousands					
Profit / return earned	26	10,335,064	5,339,387	25,222,622	12,316,734
Profit / return expensed	27	4,933,142	2,949,677	12,840,053	6,788,326
Net profit / return		5,401,922	2,389,710	12,382,569	5,528,408
OTHER INCOME					
Fee and commission income	28	177,156	123,705	545,350	366,729
Dividend income		2,329	38	8,918	26,648
Foreign exchange income		190,706	238,652	504,565	361,916
Loss on securities	29	-	-	(46)	(251,196)
Other income	30	65,792	36,151	179,448	93,609
Total other income		435,983	398,546	1,238,235	597,706
Total income		5,837,905	2,788,256	13,620,804	6,126,114
OTHER EXPENSES					
Operating expenses	31	2,033,710	1,543,659	5,394,395	4,390,207
Workers welfare fund		67,469	25,244	157,528	39,008
Other charges	32	755	1,348	2,081	2,928
Total other expenses		2,101,934	1,570,251	5,554,004	4,432,143
Profit before provisions		3,735,971	1,218,005	8,066,800	1,693,971
Provisions and write offs - net	33	242,822	137,975	560,957	18,801
Extra ordinary / unusual items		-	-	-	-
PROFIT BEFORE TAXATION		3,493,149	1,080,030	7,505,843	1,675,170
Taxation	34	1,624,879	596,342	3,671,975	828,148
PROFIT AFTER TAXATION		1,868,270	483,688	3,833,868	847,022
-----Rupees-----					
Basic and diluted earnings per share	35	1.202	0.296	2.466	0.644

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.


 Syed Iftikhar Hussain Rizvi
 Chief Financial Officer


 Zargham Khan Durrani
 President / Chief Executive


 Hammad Khalid
 Director


 Jawaid Iqbal
 Director


 Omair Safdar
 Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023**

	Quarter Ended		Nine Months Ended	
	July 1, 2023 to September 30, 2023	July 1, 2022 to September 30, 2022	January 1, 2023 to September 30, 2023	January 1, 2022 to September 30, 2022
	Rupees in thousands			
Profit after taxation for the period	1,868,270	483,688	3,833,868	847,022
Other comprehensive (loss) / income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in surplus on revaluation of investments - net of tax	76,490	14,667	52,678	31,474
Items that will not be reclassified to profit and loss account in subsequent periods:				
Movement in deficit on revaluation of fixed assets - net of tax	-	-	(11,984)	(4,821)
Total comprehensive income for the period	<u>1,944,760</u>	<u>498,355</u>	<u>3,874,562</u>	<u>873,675</u>

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



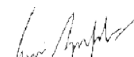
Zargham Khan Durrani
President / Chief Executive



Hammad Khalid
Director



Jawaid Iqbal
Director




Omair Safdar
Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023**

	Share Capital	Statutory Reserve	Surplus / (deficit) on revaluation of		Accumulated profit / (loss)	Total
			Investments	Fixed Assets		
	Rupees in thousands					
Balance as at January 1, 2022	11,550,000	88,193	(57,307)	305,671	(1,282,002)	10,604,555
Total comprehensive income / (loss) for the nine months period ended September 30, 2022						
Profit after taxation for the nine month period ended September 30, 2022	-	-	-	-	847,022	847,022
Other comprehensive income / (loss) - net of tax	-	-	31,474	(4,821)	-	26,653
	-	-	31,474	(4,821)	847,022	873,675
Transfer to statutory reserve	-	169,404	-	-	(169,404)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(1,095)	1,095	-
Transactions with owners, recorded directly in equity						
Issue of right shares	4,000,000	-	-	-	-	4,000,000
Balance as at September 30, 2022 (Unaudited)	15,550,000	257,597	(25,833)	299,755	(603,289)	15,478,230
Total comprehensive income / (loss) for the three months period ended December 31, 2022						
Profit after taxation for the three months period ended December 31, 2022	-	-	-	-	701,107	701,107
Other comprehensive income / (loss) - net of tax	-	-	(54,095)	221,640	-	167,545
	-	-	(54,095)	221,640	701,107	868,652
Transfer to statutory reserve	-	140,222	-	-	(140,222)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of disposals depreciation - net of tax	-	-	-	(40,340)	40,340	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(297)	297	-
Balance as at December 31, 2022 (Audited)	15,550,000	397,819	(79,928)	480,758	(1,767)	16,346,882
Total comprehensive income / (loss) for the nine months period ended September 30, 2023						
Profit after taxation for the nine month period ended September 30, 2023	-	-	-	-	3,833,868	3,833,868
Other comprehensive income / (loss) - net of tax	-	-	52,678	(11,984)	-	40,694
	-	-	52,678	(11,984)	3,833,868	3,874,562
Transfer to statutory reserve	-	766,774	-	-	(766,774)	-
Transfer from surplus on revaluation of fixed assets to unappropriated profit in respect of incremental depreciation - net of tax	-	-	-	(1,666)	1,666	-
Balance as at September 30, 2023 (Unaudited)	15,550,000	1,164,593	(27,250)	467,108	3,066,993	20,221,444

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.


Syed Iftikhar Hussain Rizvi
 Chief Financial Officer


Zargham Khan Durrani
 President / Chief Executive


Hammad Khalid
 Director


Jawaid Iqbal
 Director



Omair Safdar
 Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023**

	Note	September 30, 2023	September 30, 2022
Rupees in thousands			
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		7,505,843	1,675,170
Less: Dividend income		(8,918)	(26,648)
		<u>7,496,925</u>	<u>1,648,522</u>
Adjustments			
Depreciation on fixed assets	31	339,122	292,039
Depreciation on right-of-use asset	31	382,080	349,501
Depreciation on Ijarah assets under IFAS 2		425,214	521,248
Amortization	31	139,996	130,172
Unwinding of liability against right-of-use asset	27	222,519	224,880
Provision and write offs - net	33	560,957	18,801
Unrealized loss / (gain) on forward foreign exchange contracts - net		211,563	(8,218)
Gain on sale of fixed assets - net	30	(428)	(2,245)
Gain on termination of lease liability against right-of-use asset	30	(6,319)	(3,833)
Loss on sale of securities - net	29	46	251,196
		<u>2,274,750</u>	<u>1,773,541</u>
		<u>9,771,675</u>	<u>3,422,063</u>
(Increase) / decrease in operating assets			
Due from financial institutions		(5,030,000)	1,350,000
Islamic financing and related assets		17,820,015	(1,063,261)
Other assets (excluding advance taxation)		(7,058,367)	(3,144,022)
		<u>5,731,648</u>	<u>(2,857,283)</u>
Increase / (decrease) in operating liabilities			
Bills payable		(2,001,964)	(564,487)
Due to financial institutions		2,620,606	1,882,571
Deposits and other accounts		29,424,754	20,881,420
Other liabilities (excluding current taxation)		22,472	453,618
		<u>30,065,868</u>	<u>22,653,122</u>
		<u>45,569,191</u>	<u>23,217,902</u>
Income tax paid		(3,441,344)	(143,223)
Net cash flow generated from operating activities		<u>42,127,847</u>	<u>23,074,679</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net investments in available-for-sale securities		(25,008,124)	(17,856,551)
Net (investments) / divestments in held-to-maturity securities		(12,996,015)	(8,538,832)
Dividends received		8,918	26,648
Investments in operating fixed assets	13.2	(512,806)	(200,539)
Proceeds from sale of fixed assets		1,079	5,027
Investments in intangible assets		(76,589)	(141,143)
Net cash flow used in investing activities		<u>(38,583,537)</u>	<u>(26,705,390)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of share capital		-	4,000,000
Payment of lease liability against right-of-use asset		(528,358)	(480,537)
Net cash flow (used in) / generated from financing activities		<u>(528,358)</u>	<u>3,519,463</u>
Increase / (decrease) in cash and cash equivalents during the period		<u>3,015,952</u>	<u>(111,248)</u>
Cash and cash equivalents at the beginning of the period		15,144,558	14,960,326
Cash and cash equivalents at the end of the period	36	<u>18,160,510</u>	<u>14,849,078</u>

The annexed notes 1 to 42 form an integral part of these condensed interim financial statements.


Syed Iftikhar Hussain Rizvi
Chief Financial Officer


Zargham Khan Durrani
President / Chief Executive


Hammad Khalid
Director


Jawaid Iqbal
Director


Omair Safdar
Director

**NOTES TO AND FORMING PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2023**

1 STATUS AND NATURE OF BUSINESS

- 1.1** MCB Islamic Bank Limited (the Bank) was incorporated in Pakistan on May 15, 2014 as an unlisted public limited company under the Companies Act, 2017 (previously Companies Ordinance, 1984) to carry out the business of an Islamic Commercial Bank in accordance and in conformity with the principles of Islamic Shari'ah and in accordance with regulations and guidelines of the State Bank of Pakistan. The Securities and Exchange Commission of Pakistan granted "Certificate of Commencement of Business" to the Bank on January 30, 2015. The Bank is a wholly owned subsidiary of MCB Bank Limited (MCB).
- 1.2** The State Bank of Pakistan (SBP) granted a "Certificate of Commencement of Banking Business" to the Bank on September 14, 2015 under Section 27 of the Banking Companies Ordinance, 1962. The Bank formally commenced operations as a scheduled Islamic Commercial Bank with effect from October 15, 2015 upon receiving notification in this regard from SBP under section 37 of the State Bank of Pakistan Act, 1956. Currently, the Bank is engaged in corporate, commercial, consumer, micro finance, investment and retail banking activities.
- 1.3** The Bank is operating through 202 branches including two sub branches in Pakistan (December 31, 2022: 198 branches including one sub branch). The Registered office of the Bank is situated at 59 Block T, Phase II, DHA, Lahore Cantt and Principal Office is situated at 14-A Main Jail Road, Gulberg, Lahore.
- 1.4** Pakistan Credit Rating Agency (PACRA) has maintained the Bank's medium to long-term rating as "A" and the short-term rating as 'A-1' with stable outlook.

2 BASIS OF PRESENTATION

- 2.1** The Bank provides financing through Shari'ah compliant financing products mainly through Murabaha, Istisna, Salam, Ijarah, Diminishing Musharaka and Running Musharaka. The Bank also provides refinance facilities under various refinance schemes of the State Bank of Pakistan including Islamic Export Refinance Scheme.
- 2.2** The purchases and sales arising under these arrangements are not reflected in these condensed interim financial statements as such but are restricted to the amount of facility actually utilised and the appropriate portion of profit thereon. The income on such Islamic financing is recognised in accordance with the principles of Islamic Shari'ah and in accordance with regulations and guidelines of the State Bank of Pakistan. However, income, if any, received which does not comply with the principles of Islamic Shari'ah is recognised as charity payable if so directed by the Shari'ah Board of the Bank.
- 2.3** The disclosures made in these condensed interim financial statements have been limited based on the format prescribed by the State Bank of Pakistan through BPRD circular Letter No. 5 dated March 22, 2019 and the requirements of International Accounting Standard 34, "Interim Financial Reporting". They do not include all of the information required for a full set of annual financial statements and these condensed interim financial statements should be read in conjunction with the financial statements of the Bank for the year ended December 31, 2022.

3 STATEMENT OF COMPLIANCE

- 3.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. 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 the Companies Act, 2017; and
 - Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The State Bank of Pakistan has deferred the applicability of IFAS 3 'Profit and Loss Sharing on Deposits', through BPRD circular No.04 dated February 25, 2015.

The State Bank of Pakistan has deferred the applicability of International Accounting Standards 40, 'Investment Property' for Banking Companies through BSD circular No. 10 dated August 26, 2002. The Securities and Exchange Commission of Pakistan (SECP) has deferred applicability of IFRS-7 "Financial Instruments: Disclosures" on Banks through S.R.O 411(1)/2008 dated April 28, 2008. Accordingly, the requirements of these standards have not been considered in the preparation of these condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements prescribed by the State Bank of Pakistan through various circulars.

3.2 Amendments to approved accounting standards that are effective in the current period

There are certain new interpretations of and amendments to existing accounting standards that have become applicable to the Bank for accounting periods beginning on or after January 1, 2023. These are considered either to not be relevant or not to have any significant impact on the Bank's condensed interim financial statements.

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

The following new standard and amendments to existing accounting standards will be effective from the dates mentioned below against the respective standard or amendment:

	Effective date (annual periods beginning on or after)
Amendment to IFRS 16 – <u>Leases on sale</u> and leaseback	January 1, 2024
Amendment to IAS 1 – Non-current liabilities with covenants	January 1, 2024

IFRS 9, Financial Instruments: Classification and Measurement, addresses recognition, classification, measurement and derecognition of financial assets and financial liabilities. The standard has also introduced a new impairment model for financial assets which requires recognition of impairment charge based on an 'Expected Credit Losses' (ECL) approach rather than the 'incurred credit losses' approach as currently followed. The ECL approach has an impact on all assets of the Bank which are exposed to credit risk.

As per the SBP's BPRD Circular letter no. 07 dated April 13, 2023, the effective implementation of IFRS 9 to Banks in Pakistan has been deferred to January 1, 2024. Moreover, SBP has also issued application instructions on IFRS 9 for banks in Pakistan along with the requirements to conduct quarterly parallel run reporting for the year 2023 and the Bank is in the process of complying the same. These condensed interim financial statements have been prepared in accordance with the existing prudential regime. The impact of the application of IFRS 9 in Pakistan on the Bank's financial statements is being assessed.

There are other new and amended standards and interpretations that are mandatory for the annual periods beginning on or after January 1, 2024 but are considered not to be relevant or do not have any significant effect on the Bank's operations and are therefore not detailed in these condensed interim financial statements.

4 BASIS OF MEASUREMENT

- 4.1 These condensed interim financial statements have been prepared under the historical cost convention, except that certain classes of fixed assets which are stated at revalued amounts and certain investments, foreign currency balances and commitments in respect of certain forward foreign exchange contracts have been marked to market and carried at fair value in accordance with the requirements of the SBP.
- 4.2 Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Bank operates. These condensed interim financial statements are presented in Pakistani Rupees, which is the Bank's functional and presentation currency.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and the methods used for critical accounting estimates and judgements adopted in these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2022.

6 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Bank for the year ended December 31, 2022.

7 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Bank are consistent with those disclosed in the financial statements for the year ended December 31, 2022. These risk management policies continue to remain robust and the Bank is reviewing its portfolio regularly in line with emerging risks.

		(Unaudited) September 30, 2023	(Audited) December 31, 2022
		Rupees in thousands	
8 CASH AND BALANCES WITH TREASURY BANKS			
In hand			
- local currency		3,466,778	3,698,486
- foreign currencies		707,014	644,364
		4,173,792	4,342,850
With the State Bank of Pakistan in			
- local currency current account		9,603,963	8,762,753
- foreign currency current accounts			
cash reserve account	8.1	413,192	297,530
special cash reserve account	8.2	489,155	334,438
USD clearing account		309,023	103,577
		1,211,370	735,545
With National Bank of Pakistan in			
- local currency current account		395,133	64,400
Prize bonds	8.3	-	690
		15,384,258	13,906,238
8.1	As per BSD Circular No. 15 dated June 21, 2008, cash reserve of 5% is required to be maintained with the SBP on deposits held under the New Foreign Currency Accounts Scheme (FE-25 deposits). This account is non-remunerative in nature.		
8.2	Special Cash Reserve of 6% is required to be maintained with the SBP on FE-25 deposits as specified in BSD Circular No. 15 dated June 21, 2008. This account is non-remunerative in nature.		
8.3	These represent the national prize bonds received from customers for onward surrendering to SBP. The Bank, as a matter of Shari'ah principle, does not deal in prize bonds.		
		(Unaudited) September 30, 2023	(Audited) December 31, 2022
9 BALANCES WITH OTHER BANKS		Rupees in thousands	
In Pakistan			
- deposit account		1,861	2,107
Outside Pakistan			
- current account		2,774,391	1,236,213
		2,776,252	1,238,320
10 DUE FROM FINANCIAL INSTITUTIONS			
Unsecured			
Musharaka arrangements		11,200,000	6,170,000
		11,200,000	6,170,000
10.1 Particulars of due from financial institutions			
- local currency		11,200,000	6,170,000
- foreign currencies		-	-
		11,200,000	6,170,000

11 INVESTMENTS
11.1 Investments by type:
September 30, 2023 (Unaudited)

Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands			

Available-for-sale securities

Federal Government securities
Shares and units
Non Government securities

79,797,228	-	(45,201)	79,752,027
57,352	-	1,487	58,839
770,000	-	(9,716)	760,284
80,624,580	-	(53,430)	80,571,150

Held-to-maturity securities

Federal Government securities

30,188,395	-	-	30,188,395
30,188,395	-	-	30,188,395

Total Investments

110,812,975	-	(53,430)	110,759,545
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December 31, 2022 (Audited)

Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands			

Available-for-sale securities

Federal Government securities
Shares and units
Non Government securities

54,789,150	-	(142,464)	54,646,686
57,352	-	2,239	59,591
770,000	-	-	770,000
55,616,502	-	(140,225)	55,476,277

Held-to-maturity securities

Federal Government securities

17,192,380	-	-	17,192,380
17,192,380	-	-	17,192,380

Total Investments

72,808,882	-	(140,225)	72,668,657
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September 30, 2023 (Unaudited)

Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands			

11.1.1 Investments by segments:
Federal Government securities

GOP Ijarah Sukuks

109,985,623	-	(45,201)	109,940,422
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Shares and units

Listed companies

57,352	-	1,487	58,839
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Non Government securities

Un listed

770,000	-	(9,716)	760,284
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Total Investments

110,812,975	-	(53,430)	110,759,545
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December 31, 2022 (Audited)				
	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
Rupees in thousands				
Federal Government securities				
GOP Ijarah Sukuks	71,981,530	-	(142,464)	71,839,066
Shares and units				
Listed companies	57,352	-	2,239	59,591
Non Government securities				
Un listed	770,000	-	-	770,000
Total Investments	72,808,882	-	(140,225)	72,668,657

11.1.2 There were no investments given as collateral as at September 30, 2023 (December 31, 2022: Nil).

	(Unaudited) September 30, 2023	(Audited) December 31, 2022
Rupees in thousands		

11.2 Provision for diminution in value of investments

On available for sale securities

Opening balance	-	262,194
Charge for the period / year	-	-
Reversal on disposals	-	(262,194)
Closing balance	-	-

11.3 The market value of Government securities classified as held-to-maturity as at September 30, 2023 amounted to Rs. 30,120 million (December 31, 2022: Rs. 17,113 million).

12 ISLAMIC FINANCING AND RELATED ASSETS - NET

		Performing		Non performing		Total	
		(Unaudited) September 30, 2023	(Audited) December 31, 2022	(Unaudited) September 30, 2023	(Audited) December 31, 2022	(Unaudited) September 30, 2023	(Audited) December 31, 2022
		Rupees in thousands					
Note							
Murabaha	12.1	8,438,430	10,019,296	46,695	1,283	8,485,125	10,020,579
Istisna	12.2	3,729,344	3,669,842	39,612	-	3,768,956	3,669,842
Ijarah	12.3	1,869,662	1,764,790	1,378	1,676	1,871,040	1,766,466
Running Musharaka	12.4	31,293,741	44,824,547	-	-	31,293,741	44,824,547
Diminishing Musharaka	12.5	23,732,343	27,436,009	1,733,718	1,675,832	25,466,061	29,111,841
Bai Muajjal	12.6	6,356	-	-	-	6,356	-
Staff finance	12.7	1,749,477	1,493,537	-	-	1,749,477	1,493,537
Islamic financing and related assets - gross		70,819,352	89,208,021	1,821,404	1,678,791	72,640,756	90,886,812
Less: Provision against non-performing							
Islamic financing and related assets							
- Specific		-	-	(744,904)	(175,194)	(744,904)	(175,194)
- General		(400,329)	(409,909)	-	-	(400,329)	(409,909)
12.10		(400,329)	(409,909)	(744,904)	(175,194)	(1,145,233)	(585,103)
Islamic financing and related assets							
- net of provisions		70,419,023	88,798,112	1,076,500	1,503,597	71,495,523	90,301,709

	(Unaudited) September 30, 2023	(Audited) December 31, 2022
	Rupees in thousands	
12.1 Murabaha		
- Murabaha financing	4,445,268	5,847,916
- Murabaha inventory	3,773,459	3,970,854
- Advances against Murabaha financing	196,398	131,357
- Murabaha financing under Islamic export refinance scheme	-	-
- Murabaha financing - Islamic export refinance scheme	-	-
- Advances against Murabaha financing - Islamic Export Refinance Scheme (IERS)	70,000	70,000
- Murabaha inventory - Islamic Refinancing Scheme for Payment of Wages and Salaries (IRSPWS)	-	452
	<u>8,485,125</u>	<u>10,020,579</u>
12.2 Istisna		
- Istisna financing	1,720,348	586,545
- Istisna inventory	439,265	211,744
- Advances against Istisna financing	1,501,840	2,616,591
- Istisna financing - Islamic Export Refinance Scheme (IERS)	62,153	27,790
- Advances against Istisna financing - Islamic Export Refinance Scheme (IERS)	45,350	227,172
	<u>3,768,956</u>	<u>3,669,842</u>
12.3 Ijarah financing and related assets		
- Net book value of assets in Ijarah under IFAS 2	1,773,650	1,617,992
- Advances against Ijarah	97,390	148,474
	<u>1,871,040</u>	<u>1,766,466</u>
12.4 Running Musharaka		
- Running Musharaka financing	27,977,741	41,381,547
- Running Musharaka financing - Islamic Export Refinance Scheme (IERS)	3,316,000	3,443,000
	<u>31,293,741</u>	<u>44,824,547</u>
12.5 Diminishing Musharaka		
- Diminishing Musharaka financing	24,835,356	26,430,619
- Diminishing Musharaka financing - Islamic Refinancing Scheme for Payment of Wages and Salaries (IRSPWS)	-	155,638
- Advances against Diminishing Musharaka financing	156,775	735,542
- Advances against Diminishing Musharaka - Islamic Long Term Financing Facility (ILTFF)	2,984	865,702
- Advances against Diminishing Musharaka under Islamic Temporary Economic Refinancing Facility (ITERF) for Plant and Machinery	470,946	924,340
	<u>25,466,061</u>	<u>29,111,841</u>
12.6 Bai Muajjal		
Bai Muajjal-gross	6,356	-
Less: Deferred Income	1,361	-
Profit receivable shown in other assets	(1,361)	-
Bai Muajjal-net	<u>6,356</u>	<u>-</u>
12.7 Staff finance		
- Staff vehicle finance under Diminishing Musharaka	449,267	398,393
- Staff housing finance under Diminishing Musharaka	1,300,210	1,095,144
	<u>1,749,477</u>	<u>1,493,537</u>
12.8 Particulars of Islamic financing and related assets - gross		
In local currency	72,640,756	90,886,812
In foreign currency	-	-
	<u>72,640,756</u>	<u>90,886,812</u>
12.9	Islamic financing and related assets include Rs. 1,821,404 million (December 31,2022: Rs. 1,678,791 million) which have been placed under non-performing status as detailed below:	

	(Unaudited) September 30, 2023	(Audited) December 31, 2022
Category of Classification	Non-performing Islamic financing and related assets	Non-performing Islamic financing and related assets
	Provision	Provision
	Rupees in thousands	
Domestic		
Other Assets Especially Mentioned	2,007	31
Substandard	175,601	1,214,219
Doubtful	59,172	6,261
Loss	1,584,625	458,280
	<u>1,821,404</u>	<u>1,678,791</u>

12.10	Particulars of provision against Islamic financing and related assets					
	(Unaudited) September 30, 2023			(Audited) December 31, 2022		
	Specific	General	Total	Specific	General	Total
	Rupees in thousands					
Opening balance	175,194	409,909	585,103	124,718	61,882	186,600
Charge for the period / year	575,027	1,996	577,023	160,418	348,118	508,536
Reversals	(4,490)	(11,576)	(16,066)	(105,102)	(91)	(105,193)
	570,537	(9,580)	560,957	55,316	348,027	403,343
Amounts written off	(827)	-	(827)	(4,840)	-	(4,840)
Closing balance	<u>744,904</u>	<u>400,329</u>	<u>1,145,233</u>	<u>175,194</u>	<u>409,909</u>	<u>585,103</u>

12.11 State Bank of Pakistan vide BSD Circular No. 2 dated January 27, 2009, BSD Circular No. 10 dated October 20, 2009, BSD Circular No. 02 of 2010 dated June 03, 2010 and BSD Circular No.1 of 2011 dated October 21, 2011 has allowed benefit of forced sale value (FSV) of Plant & Machinery under charge, pledged stock and mortgaged residential, commercial & industrial properties (land and building only) held as collateral against NPLs for five years from the date of classification. Had the benefit not been taken by the Bank, the specific provision against non-performing Islamic financing and related assets would have been higher by Rs. 914.104 million (December 31, 2022 : Rs. 555.936 million). The additional benefit on the Bank's profit and loss account arising from availing the FSV benefit - net of tax amounts to Rs. 466.193 million as at September 30, 2023 (December 31, 2022: Rs. 283.527 million). However, the additional impact on profitability arising from availing the benefit of forced sales value is not available for payment of cash or stock dividends to shareholders.

12.12 The Bank has maintained general provision at an amount equal to 1% of the fully secured performing portfolio of consumer auto finance and unsecured performing portfolio of micro financing as required by the Prudential Regulations issued by the SBP. Further, general provision on consumer house finance is maintained as per the criteria defined in relevant Prudential Regulations issued by SBP.

12.13 In addition, the Bank has also maintained an un-encumbered general provision of Rs. 325 million (December 31, 2022: 326.5 million) against financing made in accordance with the prevailing macroeconomic circumstances. This general provision is in addition to the requirements of Prudential Regulations.

12.14 Particulars of provision against Islamic financing and related assets

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	Specific	General	Total	Specific	General	Total
	Rupees in thousands					
In local currency	744,904	400,329	1,145,233	175,194	409,909	585,103
In foreign currency	-	-	-	-	-	-
	<u>744,904</u>	<u>400,329</u>	<u>1,145,233</u>	<u>175,194</u>	<u>409,909</u>	<u>585,103</u>

	Note	(Unaudited) September 30, 2023	(Audited) December 31, 2022
		Rupees in thousands	
13 FIXED ASSETS			
Capital work-in-progress	13.1	226,390	252,146
Property and equipment		2,934,604	2,735,815
Right-of-use asset		<u>1,853,508</u>	<u>1,948,879</u>
		<u>5,014,502</u>	<u>4,936,840</u>

13.1 Capital work-in-progress

Civil works	49,101	124,303
Advance to suppliers and contractors	79,524	68,149
Electrical and computer equipment	<u>97,765</u>	<u>59,694</u>
	<u>226,390</u>	<u>252,146</u>

	(Unaudited) For the period ended September 30	(Audited) December 31, 2022
	Rupees in thousands	
13.2 Additions to fixed assets - at cost		

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

Capital work-in-progress - net	251,765	52,715
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Property and equipment

Building on freehold land	862	2,319
Leasehold improvements	30,570	23,887
Furniture and fixtures	20,198	19,028
Electrical, office and computer equipment	186,061	103,299
Vehicles	<u>23,250</u>	<u>-</u>
	<u>261,041</u>	<u>148,533</u>
	<u>512,806</u>	<u>201,248</u>

13.3 Disposal of fixed assets - at net book value (NBV)

The net book value of fixed assets disposed off during the period is as follows:

Furniture and fixtures	23	2
Electrical, office and computer equipment	146	292
Vehicles	<u>482</u>	<u>2,488</u>
	<u>651</u>	<u>2,782</u>

14 INTANGIBLE ASSETS

 Advance against purchase of software
 Computer software

(Unaudited) September 30, 2023	(Audited) December 31, 2022
Rupees in thousands	
79,793	54,327
433,553	522,427
<u>513,346</u>	<u>576,754</u>

14.1 Additions to intangible assets

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

 Capital work-in-progress
 Directly purchased

(Unaudited) For the period ended September 30 2023	(Audited) December 31, 2022
Rupees in thousands	
52,371	71,088
22,211	519,650
<u>74,582</u>	<u>590,738</u>

15 DEFERRED TAX ASSETS / (LIABILITY) - NET
September 30, 2023 (Unaudited)

	At Dec 31, 2022	Recognised in P&L A/C	Recognised in OCI	At Sep 30, 2023
Rupees in thousands				
Deductible temporary difference				
Tax losses carried forward	-	-	-	-
Minimum tax	-	-	-	-
Surplus / (Deficit) on revaluation of investments - net	60,297	-	(34,116)	26,181
Provision against Islamic financing and related assets	63,466	61,131	-	124,597
Workers Welfare Fund	41,945	83,042	-	124,987
	<u>165,708</u>	<u>144,173</u>	<u>(34,116)</u>	<u>275,765</u>
Taxable temporary difference				
Surplus on revaluation of fixed assets	(85,881)	1,600	(11,984)	(96,265)
Accelerated tax depreciation	(67,300)	41,692	-	(25,608)
	<u>(153,181)</u>	<u>43,292</u>	<u>(11,984)</u>	<u>(121,873)</u>
	<u>12,527</u>	<u>187,465</u>	<u>(46,100)</u>	<u>153,892</u>

December 31, 2022 (Audited)

	At Dec 31, 2021	Recognised in P&L A/C	Recognised in OCI	At Dec 31, 2022
Rupees in thousands				
Deductible temporary difference				
Tax losses carried forward	594,182	(594,182)	-	-
Minimum tax	480,565	(480,565)	-	-
Deficit on revaluation of investments - net	123,417	-	(63,120)	60,297
Provision against Islamic financing and related assets	41,821	21,645	-	63,466
Workers Welfare Fund	8,675	33,270	-	41,945
	<u>1,248,660</u>	<u>(1,019,832)</u>	<u>(63,120)</u>	<u>165,708</u>
Taxable temporary difference				
Surplus on revaluation of fixed assets	(47,021)	5,080	(43,940)	(85,881)
Surplus on revaluation of investments	(86,778)	-	86,778	-
Accelerated tax depreciation	(107,903)	40,603	-	(67,300)
	<u>(241,702)</u>	<u>45,683</u>	<u>42,838</u>	<u>(153,181)</u>
	<u>1,006,958</u>	<u>(974,149)</u>	<u>(20,282)</u>	<u>12,527</u>

		(Unaudited) September 30, 2023	(Audited) December 31, 2022
	Note	Rupees in thousands	
16 OTHER ASSETS			
Profit / return accrued in local currency		12,784,857	5,058,105
Advances, deposits, advance rent and other prepayments		428,470	434,951
Branch adjustment account		474,002	13,099
Receivable against ATM transactions		431,284	315,624
Receivable under home remittances		25,426	17,817
Un-realized mark to market gain on forward foreign exchange contracts		246,081	103,643
Acceptances	21	1,732,057	3,091,576
Others		307,158	193,713
		<u>16,429,335</u>	<u>9,228,528</u>
17 CONTINGENT ASSETS			
There were no contingent assets of the Bank as at September 30, 2023 (December 31, 2022: Nil).			
		(Unaudited) September 30, 2023	(Audited) December 31, 2022
		Rupees in thousands	
18 BILLS PAYABLE			
In Pakistan		1,735,518	3,737,482
Outside Pakistan		-	-
		<u>1,735,518</u>	<u>3,737,482</u>
19 DUE TO FINANCIAL INSTITUTIONS			
In Pakistan		17,291,365	14,670,759
Outside Pakistan		-	-
		<u>17,291,365</u>	<u>14,670,759</u>
19.1 Particulars of due to financial institutions with respect to currencies			
In local currency		17,291,365	14,670,759
In foreign currencies		-	-
		<u>17,291,365</u>	<u>14,670,759</u>
19.2 Details of due to financial institutions - Secured / Unsecured			
Secured			
Musharaka with the State Bank of Pakistan -			
Islamic Export Refinance Scheme (IERS)		3,486,003	3,717,962
Investment under - Islamic Long Term Financing Facility (ILTFF)		1,966,616	1,979,296
Investment under - Islamic			
Temporary Economic Refinancing Facility (ITERF) for Plant and Machinery		4,301,055	4,479,240
Investment under - Islamic			
Refinancing Scheme for Payment of Wages and Salaries (IRSPWS)		-	123,251
Investment under - Islamic			
Refinancing facility for combating COVID-19 (IRFCC)		-	18,345
Investment under - Islamic			
Financing Facility for Renewable Energy (IFRE)		352,416	391,519
Investment under Shariah Compliant open Market Operations		2,871,226	-
Unsecured			
Musharaka arrangements with financial institutions		4,093,751	3,657,500
Musharaka arrangements with other institution		220,298	303,646
		<u>17,291,365</u>	<u>14,670,759</u>

20 DEPOSITS AND OTHER ACCOUNTS

	September 30, 2023 (Unaudited)			December 31, 2022 (Audited)		
	In local currency	In foreign currencies	Total	In local currency	In foreign currencies	Total
	Rupees in thousands					
Customers						
Current deposits - non-remunerative	49,676,341	3,561,458	53,237,799	39,828,755	2,786,057	42,614,812
Savings deposits	64,243,024	2,458,331	66,701,355	52,776,141	1,684,992	54,461,133
Term deposits	38,290,211	933,098	39,223,309	38,119,209	674,520	38,793,729
Others	7,085,445	-	7,085,445	7,377,399	-	7,377,399
	159,295,021	6,952,887	166,247,908	138,101,504	5,145,569	143,247,073
Financial Institutions						
Current deposits - non-remunerative	188,279	207	188,486	56,731	163	56,894
Savings deposits	14,764,820	-	14,764,820	7,095,493	-	7,095,493
Term deposits	2,225,000	-	2,225,000	3,602,000	-	3,602,000
	17,178,099	207	17,178,306	10,754,224	163	10,754,387
	176,473,120	6,953,094	183,426,214	148,855,728	5,145,732	154,001,460

	Note	(Unaudited) September 30, 2023	(Audited) December 31, 2022
		Rupees in thousands	
21 OTHER LIABILITIES			
Profit / return payable in local currency	21.1	2,942,025	2,109,258
Profit / return payable in foreign currencies		12,783	1,948
Accrued expenses		1,064,547	741,479
Current taxation (provision less payments)		943,695	525,598
Unearned income		82,388	85,967
Acceptances	16	1,732,057	3,091,576
Advance receipt against Islamic financing and related assets		27,569	22,926
Charity fund balance		13,803	12,119
Security deposits against Ijarah financing		893,887	748,306
Withholding tax, Federal Excise Duty and other payable		60,361	42,762
Un-realized mark to market loss on forward foreign exchange contracts		387,302	33,301
Lease liability against right-of-use asset		2,463,326	2,488,775
Others		428,369	378,975
		11,052,112	10,282,990

21.1 It includes Rs. 147,507 million (December 31, 2022: Rs. 102,952 million) in respect of profit / return accrued on Musharaka with SBP under Islamic Export Refinance Scheme and Rs. 41,790 million (December 31, 2022: Rs. 41,951 million) in respect of return accrued on acceptance from the SBP under various Islamic Refinance Schemes.

22 SHARE CAPITAL
Authorised capital

(Unaudited) September 30, 2023	(Audited) December 31, 2022		(Unaudited) September 30, 2023	(Audited) December 31, 2022
Number of shares			Rupees in thousands	
2,000,000,000	2,000,000,000	Ordinary shares of Rs. 10/- each	20,000,000	20,000,000

Issued, subscribed and paid up capital

(Unaudited) September 30, 2023	(Audited) December 31, 2022		(Unaudited) September 30, 2023	(Audited) December 31, 2022
Number of shares			Rupees in thousands	
Fully paid in cash				
1,555,000,000	1,155,000,000	Balance at beginning of the period / year	15,550,000	11,550,000
-	400,000,000	Issued during the period / year	-	4,000,000
1,555,000,000	1,555,000,000	Balance at end of the period / year	15,550,000	15,550,000

22.1 The Bank's shares are 100 percent held by MCB Bank Limited (MCB) - the parent company and its nominee directors.

			(Unaudited) September 30, 2023	(Audited) December 31, 2022
			Rupees in thousands	
23	RESERVES			
	Statutory reserves		1,164,593	397,819
23.1	Statutory reserve represents amount set aside as per the requirements of section 21 of the Banking Companies Ordinance, 1962.			
			(Unaudited) September 30, 2023	(Audited) December 31, 2022
			Rupees in thousands	
24	SURPLUS / (DEFICIT) ON REVALUATION OF ASSETS - NET OF TAX	Note		
	Surplus / (deficit) arising on revaluation of:			
	- Fixed assets		563,372	566,639
	- Available for sale securities	11.1	(53,430)	(140,225)
			509,942	426,414
	Deferred tax on surplus / (deficit) on revaluation of:			
	- Fixed assets		(96,265)	(85,881)
	- Available for sale securities		26,181	60,297
			(70,084)	(25,584)
			439,858	400,830
25	CONTINGENCIES AND COMMITMENTS			
	Guarantees	25.1	17,199,164	13,078,059
	Commitments	25.2	38,843,452	26,770,503
	Other contingent liabilities	25.3	1,090,329	1,103,158
			57,132,945	40,951,720
25.1	Guarantees			
	Performance guarantees		7,611,000	5,756,990
	Other guarantees		9,588,164	7,321,069
			17,199,164	13,078,059
25.2	Commitments			
	Documentary credits and short-term trade-related transactions			
	Letters of credit		16,323,324	18,200,336
	Commitments in respect of:			
	Forward foreign exchange contracts	25.2.1	20,605,926	7,431,256
	Commitments for acquisition of:			
	Intangible assets		308,025	101,555
	Fixed assets		745,352	115,778
	Other commitments	25.2.2	860,825	921,578
			38,843,452	26,770,503
25.2.1	Commitments in respect of forward foreign exchange contracts			
	Purchase		11,584,277	4,707,222
	Sale		9,021,649	2,724,034
			20,605,926	7,431,256

		(Unaudited) September 30, 2023	(Audited) December 31, 2022
	Note		
25.2.2 Other commitments		Rupees in thousands	
Commitments to extend financing	25.2.2.1	860,825	921,578

25.2.2.1 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.

25.2.2.2 Other than those stated above, the Bank makes commitment(s) to extend credit in the normal course of business including related parties but these being revocable commitments do not attract any penalty or expense if the facility is unilaterally withdrawn.

		(Unaudited) September 30, 2023	(Audited) December 31, 2022
25.3 Other contingent liabilities		Rupees in thousands	
Claims against the Bank not acknowledged as debt		1,090,329	1,103,158

This includes claim by a third party against the Bank, amounting to Rs. 1,025.820 million (December 31, 2022: Rs. 1,025.820 million) which is being contested in the Court of law. The suit has been disposed off by the Court vide Order dated May 10, 2019 wherein the status quo has been ordered to be maintained with respect to Bank guarantee and the matter has been referred to arbitration with the consent of the parties. However the Bank has not received any official notice to attend the arbitration proceedings till date.

In addition to the above, this includes claim by different parties against the bank amounting to Rs. 64.509 million (December 31, 2022: Rs. 77.338 million) which is pending before the court. Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any adverse outcome is remote. Accordingly, no provision has been made in these condensed interim financial statements.

		(Unaudited)	
		Period ended September 30, 2023	Period ended September 30, 2022
26 PROFIT / RETURN EARNED		Rupees in thousands	
Financing		12,141,556	8,429,082
Investments in			
- Available For Sale securities		9,368,154	3,370,878
- Held To Maturity securities		3,191,581	225,943
		12,559,735	3,596,821
Musharaka arrangements		485,877	133,756
Deposits with financial institutions		35,454	157,075
		25,222,622	12,316,734

		(Unaudited)	
		Period ended September 30, 2023	Period ended September 30, 2022
		Rupees in thousands	
27	PROFIT / RETURN EXPENSED		
	Deposits and other accounts	11,231,821	5,708,701
	Musharaka and other arrangements with the State Bank of Pakistan	550,809	213,490
	Musharaka arrangements with other financial institutions	795,581	588,409
	Musharaka arrangements with other institutions	39,323	52,846
	Unwinding of lease liability against right-of-use asset	222,519	224,880
		<u>12,840,053</u>	<u>6,788,326</u>
28	FEE AND COMMISSION INCOME		
	Branch banking customer fees	16,950	11,864
	Consumer finance related fees	8,706	14,754
	Card related fees	169,745	113,141
	Credit related fees	15,487	18,682
	Digital banking fees	42,665	18,580
	Commission on trade	132,839	90,410
	Commission on guarantees	59,662	39,959
	Commission on cash management	32,266	3,724
	Commission on remittances including home remittances	23,864	12,331
	Commission on banca takaful	25,078	30,546
	Locker rent	17,596	12,483
	Others	492	255
		<u>545,350</u>	<u>366,729</u>
29	LOSS ON SECURITIES		
	Realised	29.1 (46)	(251,196)
29.1	Realised loss - net on:		
	Federal Government Securities - Sukuk certificates	(46)	-
	Shares	-	(251,196)
		<u>(46)</u>	<u>(251,196)</u>
30	OTHER INCOME		
	Rental income	80	6,324
	Gain on sale of fixed assets	428	2,245
	Fees and charges recovered	7,405	1,412
	Commission on arrangement with financial institutions	150,101	68,191
	Gain on termination of lease liability against right of use assets	6,319	3,833
	Gain on conversion of Ijarah agreements	15,115	11,604
		<u>179,448</u>	<u>93,609</u>

31

OPERATING EXPENSES
Total compensation expense

2,569,801 2,000,827

Property expense

Rent and taxes	35,334	17,084
Takaful expenses	28,695	24,924
Utilities cost	201,067	160,608
Security (including guards)	275,742	232,894
Repairs and maintenance (including janitorial charges)	167,952	117,442
Depreciation on right-of-use assets	382,080	349,501
Depreciation	232,587	191,598
	1,323,457	1,094,051

Information technology expenses

Software maintenance	251,112	197,339
Hardware maintenance	53,865	82,467
Takaful expenses	1,869	1,301
Depreciation	91,594	90,561
Amortization	139,996	130,172
Network charges	104,943	113,867
	643,379	615,707

Other operating expenses

Directors' fees and allowances	4,976	496
Fees and allowances to Shari'ah Board	10,186	8,993
Legal and professional charges	32,536	34,761
Takaful expenses	107,799	87,941
Fee and subscription	1,721	4,009
Outsourced services costs	110,395	85,088
Travelling and conveyance	122,417	90,231
Repairs and maintenance of vehicles	6,875	2,373
NIFT clearing charges	23,501	17,749
Brokerage, commission and bank charges	42,931	32,733
Depreciation	14,941	9,880
Training and development	10,248	7,755
Postage and courier charges	31,002	30,972
Communication	58,619	23,477
Stationery and printing	106,756	73,239
Marketing, advertisement and publicity	35,243	78,836
Auditors' remuneration	10,385	8,933
Entertainment	52,793	41,826
Others	74,434	40,330
	857,758	679,622
	5,394,395	4,390,207

		(Unaudited)	
		Period ended September 30, 2023	Period ended September 30, 2022
		Rupees in thousands	
32	OTHER CHARGES		
	Penalties imposed by the State Bank of Pakistan	2,081	2,928
		<u>2,081</u>	<u>2,928</u>
33	PROVISIONS / (REVERSALS) AND WRITE OFFS - NET		
	Reversal in provision for diminution in value of investments	11.2	-
	Provision against non-performing Islamic financing and related assets	12.10	(262,194)
		560,957	280,995
		<u>560,957</u>	<u>18,801</u>
34	TAXATION		
	Current	3,859,441	354,672
	Deferred	(187,466)	473,476
		<u>3,671,975</u>	<u>828,148</u>
35	BASIC AND DILUTED EARNINGS PER SHARE		
	Profit after taxation	3,833,868	847,022
		Number of shares - in thousands	
	Weighted average number of ordinary shares	1,555,000	1,316,172
		Rupees	
	Basic and diluted earnings per share	2.466	0.644
		(Unaudited)	
		September 30, 2023	September 30, 2022
		Rupees in thousands	
36	CASH AND CASH EQUIVALENTS		
	Cash and balances with treasury banks	15,384,258	12,832,791
	Balances with other banks	2,776,252	2,016,287
	Overdrawn nostro accounts	-	-
		<u>18,160,510</u>	<u>14,849,078</u>

37 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 amortised cost.

In the opinion of the management, the fair value of the remaining financial assets and financial liabilities are not significantly different from their carrying values since these assets and liabilities are either short-term in nature or re-priced over short term.

37.1 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).

The table below analyses the financial and non-financial assets carried at fair values, by valuation methods. For financial assets, the Bank essentially carries its investments in Sukuk and equity securities at fair values. Valuation of investments is carried out as per guidelines specified by the SBP. In case of non-financial assets, the Bank has adopted revaluation model (as per IAS 16) in respect of land and building.

September 30, 2023 (Unaudited)				
Carrying value	Level 1	Level 2	Level 3	Total
Rupees in thousands				
On-balance sheet financial instruments				
Financial assets measured at fair value				
Investments				
Federal Government Securities				
Pakistan Energy Sukkuks	13,000,000	13,000,000	-	13,000,000
GOP Ijarah Sukuk	66,752,026	-	66,752,026	66,752,026
Shares	58,839	58,839	-	58,839
Non-Government Securities	760,284	-	760,284	760,284
	80,571,149	13,058,839	67,512,310	80,571,149

Fair value of non-financial assets

Operating fixed assets				
(land and building)	1,387,421	-	1,387,421	1,387,421

Off-balance sheet financial instruments

Foreign exchange contracts purchase	11,584,277	-	11,215,018	11,215,018
Foreign exchange contracts sale	9,021,649	-	8,793,611	8,793,611

December 31, 2022 (Audited)				
Carrying value	Level 1	Level 2	Level 3	Total
Rupees in thousands				
On-balance sheet financial instruments				
Financial assets measured at fair value				
Investments				
Federal Government Securities				
Pakistan Energy Sukkuks	13,000,000	13,000,000	-	13,000,000
GOP Ijarah Sukuk	58,839,066	-	58,839,066	58,839,066
Shares	59,591	59,591	-	59,591
Non-Government Securities	770,000	-	770,000	770,000
	72,668,657	13,059,591	59,609,066	72,668,657

Fair value of non-financial assets

Operating fixed assets				
(land and building)	1,396,106	-	1,396,106	1,396,106

Off-balance sheet financial instruments

Foreign exchange contracts purchase	4,707,222	-	4,769,989	4,769,989
Foreign exchange contracts sale	2,724,034	-	2,716,459	2,716,459

The Bank's policy is to recognise transfers into and out of the different fair value hierarchy levels at the date the event or change in circumstances that caused the transfer to occur. There were no transfers between levels 1 and 2 during the period.

- (a) **Financial instruments in level 1**
Financial instruments included in level 1 comprise of investments in listed ordinary shares.
- (b) **Financial instruments in level 2**
Financial instruments included in level 2 comprise of Sukuks and Forward Exchange Contracts.
- (c) **Financial instruments in level 3**
Currently, no financial instrument is classified in level 3.

Valuation techniques and inputs used in determination of fair values

Item	Valuation techniques and input used
Fully paid-up ordinary shares	Fair values of investments in listed equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.
Ijarah Sukuks (GOP Ijarah Sukuks and other Ijarah Sukuks)	Fair values of GoP Ijarah Sukuks and other Ijarah Sukuks are derived using the PKISRV rates announced by the Financial Market Association (FMA) through Reuters. These rates denote an average of quotes received from eight different pre-defined / approved dealers / brokers.
Foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by the State Bank of Pakistan.
Operating fixed assets (land and building)	Land and buildings are revalued every three years using professional valuers on the panel of Pakistan Banker's Association. The valuation is based on their assessment of market value of the properties.

38 SEGMENT INFORMATION

38.1 Segment details with respect to business activities

September 30, 2023 (Unaudited)									
	Retail Banking Group	Corporate Banking	Consumer Banking	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
Profit and Loss									
Net Profit / return	(9,556,951)	7,966,807	1,426,056	40,128	12,657,770	(151,241)	12,382,569	-	12,382,569
Inter segment revenue - net	20,465,136	(6,763,042)	(1,102,591)	(36,240)	(12,263,020)	(300,243)	-	-	-
Other income	455,831	159,361	15,168	2,299	589,950	15,626	1,238,235	-	1,238,235
Total income	11,364,016	1,363,126	338,633	6,187	984,700	(435,858)	13,620,804	-	13,620,804
Segment direct expenses	(2,726,163)	(145,605)	(190,323)	(1,528)	(20,014)	(2,470,371)	(5,554,004)	-	(5,554,004)
Inter segment expense allocation	(920,448)	(7,896)	(24,389)	(567)	(1,543)	954,843	-	-	-
Total expenses	(3,646,611)	(153,501)	(214,712)	(2,095)	(21,557)	(1,515,528)	(5,554,004)	-	(5,554,004)
Provisions / (reversals) and write offs - net	100	(567,023)	7,005	(931)	-	(108)	(560,957)	-	(560,957)
Profit / (loss) before tax	7,717,505	642,602	130,926	3,161	963,143	(1,951,494)	7,505,843	-	7,505,843
Balance Sheet									
Cash and bank balances	4,568,593	-	-	30	13,591,586	301	18,160,510	-	18,160,510
Investments	-	-	-	-	110,700,705	58,840	110,759,545	-	110,759,545
Net inter segment lending	174,762,563	-	-	-	-	8,396,452	183,159,015	(183,159,015)	-
Due from financial institutions	-	-	-	-	11,200,000	-	11,200,000	-	11,200,000
Financing - performing	9,820,564	50,235,953	8,238,773	366,220	-	1,757,513	70,419,023	-	70,419,023
- non-performing	219,055	805,017	52,396	32	-	-	1,076,500	-	1,076,500
Others	2,036,921	4,991,832	522,968	34,946	7,757,254	6,767,154	22,111,075	-	22,111,075
Total Assets	191,407,696	56,032,802	8,814,137	401,228	143,249,545	16,980,260	416,885,668	(183,159,015)	233,726,653
Bills payable	1,735,518	-	-	-	-	-	1,735,518	-	1,735,518
Due to financial institutions	220,298	10,106,091	593,750	-	6,371,226	-	17,291,365	-	17,291,365
Deposits & other accounts	169,394,968	13,919,317	107,859	-	-	4,070	183,426,214	-	183,426,214
Net inter segment borrowing	9,565,628	30,016,467	7,309,633	397,400	135,869,887	-	183,159,015	(183,159,015)	-
Others	2,773,779	1,348,325	671,969	667	45,289	6,212,083	11,052,112	-	11,052,112
Total liabilities	183,690,191	55,390,200	8,683,211	398,067	142,286,402	6,216,153	396,664,224	(183,159,015)	213,505,209
Equity	7,717,505	642,602	130,926	3,161	963,143	10,764,107	20,221,444	-	20,221,444
Total Equity & liabilities	191,407,696	56,032,802	8,814,137	401,228	143,249,545	16,980,260	416,885,668	-	233,726,653
Contingencies & Commitments	17,812,497	17,615,190	20,956	-	20,630,925	1,053,377	57,132,945	-	57,132,946

September 30, 2022 (Unaudited)

	Retail Banking Group	Corporate Banking	Consumer Banking	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
Profit & Loss									
Net Profit / return	(4,885,175)	6,458,798	881,146	16,986	3,226,779	(170,126)	5,528,408	-	5,528,408
Inter segment revenue - net	10,232,791	(6,453,875)	(719,924)	(11,218)	(3,423,720)	375,946	-	-	-
Other income	235,702	143,524	20,568	593	409,811	(212,492)	597,706	-	597,706
Total Income	5,583,318	148,447	181,790	6,361	212,870	(6,672)	6,126,114	-	6,126,114
Segment direct expenses	(2,249,672)	(115,183)	(172,648)	(4,865)	(19,056)	(1,870,719)	(4,432,143)	-	(4,432,143)
Inter segment expense allocation	(475,515)	(4,961)	(13,773)	(738)	(758)	495,745	-	-	-
Total expenses	(2,725,187)	(120,144)	(186,421)	(5,603)	(19,814)	(1,374,974)	(4,432,143)	-	(4,432,143)
Provisions / (reversals) and write offs - net	170	(121,458)	(15,126)	(7,892)	-	125,505	(18,801)	-	(18,801)
Profit / (loss) before tax	2,858,301	(93,155)	(19,757)	(7,134)	193,056	(1,256,141)	1,675,170	-	1,675,170

December 31, 2022 (Audited)

	Retail Banking Group	Corporate Banking	Consumer Banking	Micro Finance	Treasury	Head Office	Sub-total	Elimination	Total
Rupees in thousands									
Balance Sheet									
Cash & Bank balances	4,036,572	-	-	-	10,736,618	371,368	15,144,558	-	15,144,558
Investments	-	-	-	-	72,609,066	59,591	72,668,657	-	72,668,657
Net inter segment lending	147,821,651	-	-	-	-	7,841,693	155,663,344	(155,663,344)	-
Due from financial institutions	-	-	-	-	6,170,000	-	6,170,000	-	6,170,000
Financing - performing	11,079,375	66,626,024	9,434,307	167,114	-	1,491,292	88,798,112	-	88,798,112
- non-performing	74,671	1,422,121	4,718	504	-	1,583	1,503,597	-	1,503,597
Others	685,923	5,999,696	496,178	16,370	2,464,764	5,091,718	14,754,649	-	14,754,649
Total Assets	163,698,192	74,047,841	9,935,203	183,988	91,980,448	14,857,245	354,702,917	(155,663,344)	199,039,573
Bills payable	3,737,482	-	-	-	-	-	3,737,482	-	3,737,482
Due to financial institutions	2,267,174	8,746,085	687,500	-	2,970,000	-	14,670,759	-	14,670,759
Deposits & other accounts	150,959,151	2,981,767	-	-	-	60,542	154,001,460	-	154,001,460
Net inter segment borrowing	-	58,165,880	8,520,861	186,878	88,789,725	-	155,663,344	(155,663,344)	-
Others	2,350,044	4,294,033	706,211	669	84,910	2,847,123	10,282,990	-	10,282,990
Total liabilities	159,313,851	74,187,765	9,914,572	187,547	91,844,635	2,907,665	338,356,035	(155,663,344)	182,692,691
Equity	4,384,341	(139,924)	20,631	(3,559)	135,813	11,949,580	16,346,882	-	16,346,882
Total Equity & liabilities	163,698,192	74,047,841	9,935,203	183,988	91,980,448	14,857,245	354,702,917	-	199,039,573
Contingencies & Commitments	10,712,459	22,469,810	95,862	-	7,456,256	217,333	40,951,720	-	40,951,720

38.2 Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furthermore, segment assets and liabilities include inter segment balances. Costs which are not allocated to segments are included in the Head office. Income taxes are managed at Bank level and are not allocated to operating segments.

38.3 Segment details with respect to geographical locations

The Bank operates in Pakistan only.

39 RELATED PARTY TRANSACTIONS

The Bank has related party relationship with its parent company, associates, employee benefit plans and its directors and key management personnel and their close family members.

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 staff retirement benefit plan are made in accordance with the terms of the contribution plan. Remuneration to the executives / officers including financing provided to them is determined in accordance with the terms of their appointment.

The Chief Executive and three key management personnel have been provided with Bank's maintained cars.

39.1 The details of transactions with related parties and balances with them are given below:

	September 30, 2023 (Unaudited)				December 31, 2022 (Audited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in thousands				Rupees in thousands			
Balances with other banks								
In current accounts	6,357	-	-	-	6,222	-	-	-
	6,357	-	-	-	6,222	-	-	-
Islamic financing and related assets								
Opening balance	-	-	97,953	1,829,326	-	6,376	91,750	2,274,692
Addition during the period / year	-	15,000	42,950	1,824,867	-	-	47,140	3,687,934
Repaid during the period / year	-	-	(18,389)	(2,034,303)	-	(1,389)	(37,884)	(4,133,300)
Transfer in / (out) - net	-	-	(12,336)	-	-	(4,987)	(3,053)	-
Closing balance	-	15,000	110,178	1,619,890	-	-	97,953	1,829,326
Fixed assets - Capital work in progress								
Advance paid against purchase of property	20,000	-	-	-	20,000	-	-	-
Right-of-use asset	43,829	-	-	-	78,129	-	-	-
	63,829	-	-	-	98,129	-	-	-
Other assets								
Profit receivable	-	-	4,382	61,068	-	-	3,286	40,380
Commission receivable	-	-	-	-	-	-	-	-
Prepaid expenses	-	-	11,440	14,893	-	1,880	3,875	33,975
Receivable under scheme of merger	11,282	-	-	-	11,282	-	-	-
Receivable under home remittance	25,616	-	-	-	17,818	-	-	-
Other Receivable	13,485	-	-	-	-	-	-	-
Unrealized mark to market gain on forward exchange contra	-	-	-	-	-	-	-	-
	50,383	-	15,822	75,961	29,100	1,880	7,161	74,355
Due to financial institutions								
Opening balance	-	-	-	-	3,500,000	-	-	-
Addition during the period / year	64,700,000	-	-	-	118,446,765	-	-	-
Repaid during the period / year	(64,700,000)	-	-	-	(121,946,765)	-	-	-
Closing balance	-	-	-	-	-	-	-	-
Deposits								
Opening balance	-	100,227	66,085	995,552	-	526,091	31,609	1,568,472
Addition during the period / year	-	8,103,488	233,035	31,958,991	-	8,906,263	386,092	30,017,861
Withdrawn during the period / year	-	(7,900,347)	(218,095)	(30,542,769)	-	(9,325,643)	(345,654)	(30,592,000)
Transfer in / (out) - net	-	83	504	(208)	-	(6,484)	(5,962)	1,419
Closing balance	-	303,451	81,529	2,411,566	-	100,227	66,085	995,552
Other liabilities								
Profit payable	-	6,736	748	14,245	-	4,110	665	9,001
Accrued expenses	-	-	-	28,712	-	-	-	2,377
Acceptances	18,214	-	-	-	587,036	-	-	-
Unearned Income	-	-	-	554	-	-	-	4,053
Unrealized mark to market loss on forward foreign exchange contracts	0	0	0	0	-	-	-	-
Lease liability against right-of-use asset	58,764	-	-	-	94,595	-	-	-
Meeting fee payable	-	194	-	-	-	3,470	-	-
	76,978	13,940	748	43,511	681,631	7,580	665	15,431
Contingencies and Commitments								
Letter of Credit	-	-	-	240,173	-	-	-	-
Letter of Guarantee	115,846	-	-	1,065,021	70,227	-	-	1,205,784
Commitment to extend credit	-	-	-	-	-	-	-	-
Forward exchange contract	-	-	-	-	-	-	-	-
Purchase	-	-	-	-	42,996	-	-	-
Sale	-	-	-	-	42,996	-	-	-
September 30, 2023 (Unaudited)					September 30, 2022 (Unaudited)			
	Parent	Directors	Key management personnel	Other related parties	Parent	Directors	Key management personnel	Other related parties
	Rupees in thousands				Rupees in thousands			
Transactions during the period								
Income								
Profit / return earned	-	70	3,720	186,525	-	62	4,134	106,416
Commission income	-	-	-	23,228	-	-	-	27,753
Rental income	-	-	-	-	6,324	-	-	-
Other income	-	-	17	-	-	4	66	-
	-	70	3,737	209,753	6,324	66	4,200	134,169
Expense								
Profit / return expensed	275,240	16,215	6,852	67,107	265,581	39,489	1,155	32,836
Takaful expense	-	-	-	101,387	-	-	-	62,012
Security expense	-	-	-	2,660	-	-	-	28,528
Depreciation on right-of-use assets	34,300	-	-	-	27,672	-	-	-
Unwinding of lease liability against right-of-use asset	7,505	-	-	-	7,087	-	-	-
Rent and Taxes	-	-	-	-	-	-	-	-
Meeting fee to Directors	-	4,976	-	-	-	-	-	-
Other expense	6,757	-	-	135	7,429	550	-	161
	323,802	21,191	6,852	171,289	307,769	40,039	1,155	123,537
Other transactions during the period								
Managerial remuneration paid	-	47,627	178,989	-	-	43,416	161,209	-
Contribution paid to provident fund	-	-	-	114,379	-	-	-	46,940
Re-imbursement under home remittance payments	4,358,122	-	-	-	3,634,916	-	-	-
Proceeds from issue of share capital	-	-	-	-	4,000,000	-	-	-
Proceeds from sale of fixed assets	-	-	17	-	-	1,872	114	-
Purchase of fixed assets	23,000	-	-	-	-	-	-	-
Disbursement made against advance salary	-	-	-	-	-	-	1,400	-
Repayment made against advance salary	-	-	-	-	-	-	2,567	-
Payment made against expenses (including lease liabilities)	50,677	-	-	67,355	37,274	-	-	81,597
Foreign currency purchase	23,643,766	-	-	-	15,656,988	-	-	-
Foreign currency sale	27,600,306	-	-	-	9,762,961	-	-	-
Letter of Credit issued	-	-	-	2,258,671	-	-	-	2,015,181
Letter of Guarantee issued	48,090	-	-	3,568	49,415	-	-	62,240

40 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS
Minimum Capital Requirement (MCR):

Paid - up capital (net of losses)	18,616,993	15,548,233
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	19,268,240	15,369,298
Eligible Additional Tier 1 (ADT 1) Capital	-	-
Total Eligible Tier 1 Capital	19,268,240	15,369,298
Eligible Tier 2 Capital	840,187	810,739
Total Eligible Capital (Tier 1 + Tier 2)	20,108,427	16,180,037

Risk Weighted Assets (RWAs):

Credit Risk	67,683,010	63,682,494
Market Risk	2,458,333	3,262,215
Operational Risk	12,320,815	12,320,815
Total	82,462,158	79,265,524

Common Equity Tier 1 Capital Adequacy ratio

	23.37%	19.39%
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Tier 1 Capital Adequacy Ratio

	23.37%	19.39%
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Total Capital Adequacy Ratio

	24.39%	20.41%
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Leverage Ratio (LR):

Eligible Tier-1 Capital	19,268,240	15,369,298
Total Exposures	266,064,678	226,108,533
Leverage Ratio	7.24%	6.80%

Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	76,920,962	52,914,884
Total Net Cash Outflow	47,750,352	35,308,570
Liquidity Coverage Ratio	161.09%	149.86%

Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	151,963,300	129,634,224
Total Required Stable Funding	113,691,251	96,984,488
Net Stable Funding Ratio	133.66%	133.66%


41 GENERAL

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

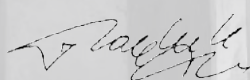
Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangement have been made.

42 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 23, 2023 by the Board of Directors of the Bank.



Syed Iftikhar Hussain Rizvi
Chief Financial Officer



Zargham Khan Durrani
President / Chief Executive



Hammad Khalid
Director



Jawaid Iqbal
Director



Omair Safdar
Director

BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
1	Shahrah-e-Faisal Branch	Ground Floor, Nice Trade Orbit, Nursery stop, Main Shahrah-e-Faisal, Karachi	Karachi	021-34328477
2	Liberty Market Branch, Gulberg	9-C, Commercial Liberty Market, Gulberg Lahore	Lahore	042-35789831-34
3	Shah Rukn-e-Alam Colony Branch	17-F Chowk Shah ukn e Alam Colony, Multan	Multan	061-6560451-57
4	Thandi Sarak Branch	Ground Floor, Shop No.6 &7, River View Apartments, Thandi Sarak, Hyderabad	Hyderabad	022-2785486 022-2101172
5	Peoples Colony Branch	668-1, Block A, Peoples Colony No. 1, Faisalabad	Faisalabad	041-8556601-02
6	Jinnah Avenue, Blue Area Branch	52 East, Dodhy Plaza, Jinnah Avenue Islamabad	Islamabad	051-2875091 051-2604677
7	Rashid Minhas Road Branch	Plot# LM-10, Block-10-A, Near Pizza Hut, Main Rashid Minhas Road, Karachi	Karachi	021-34817623 021-34817649
8	DHA Phase III, Z Block Branch	339-Z (Commercial) Ground Floor, Phase III, Defence Housing Authority, Lahore	Lahore	042-35692901 042-35692949
9	Bank Road, Saddar Branch	Shahbaz Plaza, Bank Road, Saddar, Rawalpindi	Rawalpindi	051-5700342 051-5700105
10	Tasneem Plaza, Saddar Road Branch	Tasneem Plaza, 6 Saddar Road, Peshawar Cantt	Peshawar	091-5272180-83
11	M.A Jinnah Road Branch	M.A. Jinnah Road, Quetta, Balochistan	Quetta	081-2824977
12	Shahalam Market Branch	12-13-6 Block-A, Shah Alam Market, Lahore	Lahore	042-37667813
13	New Challi Branch	Shop No G-2, Muhammadi Trade Tower, Altaf Hussani Road, New Challi, Karachi	Karachi	021-32371191 021-32371192 021-32371195
14	S.I.T.E Branch	C 18-A, East Avenue, S.I.T.E, Karachi	Karachi	021-32552191 021-32552192
15	G.T. Road Branch, Sharifpura Chowk	Sharifpura Chowk G.T Road Gujranwala	Gujranwala	055-3251915-17
16	Rahim Yar Khan Branch	29-Model Town, City Centre, City Park Chowk, Rahim Yar Khan	Rahim Yar Khan	068-5876049
17	Club Road Branch	73, Club Road, Civil Line, Sargodha	Sargodha	048-3768634 048-3768638
18	F-10 Markaz Branch	Plot # 7-Q, F-10 Markaz, Islamabad	Islamabad	051-2114301-4
19	Allama Iqbal Town Branch	132 Jahanzaib Block, Main Boulevard, Allama Iqbal Town, Lahore	Lahore	042-37813680 042-37813682-3-4-7
20	Bunder Road Branch	Shop/ Plot/ Khasra/ Khatooni/ Khawat # Plot # B-1623, Bunder Road, Sukkur	Sukkur	071-5620756 071-5620752
21	Khalid-Bin-Waleed Road Branch	Show Room No.9-11, Plot No.167-A, Block-3, Khalid Bin Waleed Road, Karachi	Karachi	021-34323051-53
22	Maulana Shaukat Ali Road Branch, Johar Town	87-E, Madina Heights, Maulana Shaukat Ali Road, Johar Town, Lahore	Lahore	042-35222674-77
23	Hyderabad Road Branch	Plot No.1, Survey No. 272-1 Deh Taluka Hyderabad Road, Tando Allah Yar	Tando Allahyar	022-3891600 022-3891567
24	Farid Town Branch	Plot # 23, Khawat # 7854, Khatooni # 7907, Khasra No. 776-23-J, Farid Town, Sahiwal, Tehsil & District Sahiwal	Sahiwal	040-4270713-15
25	Bhimber Road Branch	Khawat # 143, Khatooni # 341, Bhimber Road, Gujrat, Tehsil & District Gujrat	Gujrat	053-3601781-82
26	Korangi Industrial Area Sector 23 Branch	Plot # 1-A, Sector 23, Korangi Industrial Area, Karachi	Karachi	021-35122311-12
27	North Nazimabad Branch	Shop # 1 & 2 Jasmine Heights Plot # SC-21-A Block H North Nazimabad, Karachi	Karachi	021-36641761-63
28	Main Saddar Bazar Branch	Qasr-e-Fatima 90-1-2, Main Saddar Bazar, Hyderabad	Hyderabad	022-27315646-47
29	Main Boulevard Branch, Gulberg	58 Main Boulevard Gulberg Lahore	Lahore	042-35760954-58
30	F.B. Industrial Area Branch	Sector no 22, KDA Scheme 16, FB Industrial Area Karachi	Karachi	021-36834441 021-36834442 021-36834448
31	Taj Road Branch	Taj Road Chaman, Balochistan	Chaman	082-6615429
32	Tehsil Road Branch, Loralai	Shop # 372, House # 425, Tehsil Road Loralai, Balochistan	Loralai	082-4660400
33	Timergara Branch	Zeb Plaza Main Balambat Road Timergara District Lower Dir	Timargara	0945-825571-73
34	Mingora Branch	Opposite Bank Square Main Bazar Mingora Swat	Mingora	0946-725373-74
35	Shamsi Road Branch	RS Plaza Shamsi Road, Tehsil and District Mardan	Mardan	0937-870751 0937-870753
36	New Garden Town Branch	Shop No 12, 13, 14, Shan Arcade, Civic Centre, Garden Town, Lahore	Lahore	042-35941840-41
37	Cavalry Ground Branch	Plot No 7, Cavalry Ground Commercial Area, Walton Lahore Cantt	Lahore	042-36672180 042-36672183
38	Matta Branch	Khatooni No. 28-50, Khasra No.2309, Mehran Khan Plaza, Main Matta Khareri, Matta Swat	Matta	094-6790612-15
39	Mall Godam Road Branch	Plot No. 359, Mall Godam Road, Toba Tek Singh	Toba Tek Singh	046-2517327
40	Hazara Town Branch	Lilak Shopping Centre, Barma Road, Aliabad, Hazara Town, Quetta, Balochistan	Quetta	081-2853127

BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
41	Main Airport Road Branch	Main Airport Road, Gwadar, Balochistan	Gwadar	086-4210290
42	Dream Gardens Branch	Shop No.08 & 09, Block C, Dream Garden Housing Society, 1.5 KM Defence Road, Off Raiwind Road, Lahore	Lahore	042-35469652 042-35469696
43	Kabal Branch	Khasra No. 2262, Khata No. 901, Khatooni No. 1176, Hassan Plaza, Kabal Chowk, Kabal, District Swat	Kabal	094-6755592-95
44	Sirki Road Branch	Plot No. 136-14-32, Akram Plaza, Sirki Road, Quetta, Balochistan	Quetta	081-2836417
45	Pak Haider Market Branch	Shop No 1 to 6, Pak Haider Market, Near Zafar Park, next to Malakand CNG, GT Road, Batkhela District Malakand	Batkhela	093-2410670-72
46	G-11 Markaz Branch	Shop No. 7,8,25,26, Plot No. 33, G-11 Markaz, Islamabad	Islamabad	051-2360067
47	Chaklala Scheme III Branch	Plot No. 16, Commercial Area, Chaklala Scheme III, Rawalpindi Cantt.	Rawalpindi	051-5766233 051-5766235
48	Nawan Shehar Branch	Plot No. 741-F, Ward No.9, Muslim Mouza Ismail, Chowk Nawan Shehar, Multan	Multan	061-4573032
49	Gulshan-e-Iqbal Branch	Shop No. 1&2, Al- Sammad Tower 13- Gulshan-e-Iqbal, Main University Road, Karachi	Karachi	021-34971513-15
50	Latifabad Branch	Shop No 1, 2 & 3, United Plaza, Opposite American Hospital, Main Road, Unit # 7, Taluka Latifabad, District Hyderabad	Hyderabad	022-3821861 022-3818439
51	Zainab Market, Saddar Branch	PB No. 272-1, Ground Floor State Life Building No.11, Abdullah Haroon Road, Saddar Karachi	Karachi	021-35681851-52
52	Main Road Branch, Turbat	Main Road Turbat, Balochistan	Turbat	085-2411153
53	G-1 Market, Johar Town Branch	435 G-1 Market, Johar Town, Lahore	Lahore	042-35468417
54	PIA Housing Society Branch	Plot No. 8, Block D, Phase I, PIA Housing Scheme, Wapda Town, Lahore	Lahore	042-35463997-98
55	Manshera Road Branch	GM Tower, near Sethi Masjid, Mansehra Road, Abbottabad	Abbottabad	099-2408301-04
56	Main Boulevard Branch, Faisal Town	35-A, Main Boulevard, Faisal Town, Lahore.	Lahore	042-35202200 042-35202204
57	Ataliq Bazar, Bypass Road Branch	Ataliq Bazar Bypass Road Near Bus Adda, Chitral	Chitral	0943-414389 0943-414316
58	Tehsil Bazar Branch, Sadiqabad	19/20-D, Tehsil Bazar, Sadiqabad	Sadiqabad	068-5802242-43
59	JK Sugar Mills Branch	JK Sugar Mills, Chak No. 84/15L Mian Channu	Mian Channu	042-34501000 Ext. 1972
60	Muhammad Ali Society Branch	12-C/B Muhammad Ali Society, Karachi	Karachi	021-34320831 021-34320833
61	Kachehri Road, DG Khan Branch	Ashraf Palaza, Block # 2, Kachehri Road, D. G. Khan	Dera Ghazi Khan	064-2460258
62	Bahria Town Phase IV Branch	Shop No G-9-10, Bahria Heights II, Ext Bahria Town, Phase- IV, Islamabad	Islamabad	051-5146025 051-5146050
63	Model Colony Branch	H.No. 4/95, Affandi House, Liaquat Ali Khan Road, Model Colony, Karachi	Karachi	021-341110334-5
64	DHA Rahbar Branch	Defence Road, DHA Rahbar, Lahore	Lahore	042-35447910-11
65	Jutial Branch	Shahrah-e-Quaid-e-Azam, Near NHA Office, Jutial Gilgit	Gilgit	0581-1450754
66	Model Town Block A Branch	30 - Model Town-B, Block A Bahawalpur	Bahawalpur	062-2888768
67	DHA Phase II - Tulip Road Branch	Plaza # 8, Street # A/62, Tulip Road, Sector A, DHA Phase-II, Islamabad	Islamabad	051-5147175 051-5147164 051-5147163
68	Madras Chowk Branch	Shop # S-8, S-9 & S-10, Pioneer Tower Survey No. 22 & 24, DehSungalGujro, Sector 16-A, Scheme,Karachi	Karachi	021-34645751 021-34645754-5
69	Faizan-e-Madina Branch	Shop No. 22, Alami Madani Markaz, Faizan-e-Madina, Mohalla Saudagran Old Sabzi Mandi Karachi	Karachi	021-34910376 021-34910378
70	Okara Branch	M.A. Jinnah Road, Okara	Okara	044-2510124
71	Raza Garden Branch	Main Sillanwali Road, Raza Garden Sargodha	Sargodha	048-3218620 048-3218622
72	Arabia Islamia Road Branch	Plot No.98 Block-A, Arabia Islamia Road, Burewala	Burewala	067-3351281-85
73	Millat Chowk Branch	156-B, Millat Chowk, Gulistan Colony, Faisalabad	Faisalabad	041-8782965 041-8782968
74	Dalazak Road Branch	Malik Sardar Plaza, Near Yousafabad Canal, Dalazak Road, Peshawar	Peshawar	091-2244041-42
75	Qasimabad Branch	Shop No. 6 & 7, Raheel Heights, 267/2, Deh Sari, Wadhu Wah Road, Qasimabad, Hyderabad	Hyderabad	022-2675334 022-2675337
76	Korangi Industrial Area Sector 7-A Branch	Plot No.251, Sector 7-A, Korangi Industrial Area, Karachi	Karachi	021-35151195-96
77	Sarwar Road Cantt. Branch	Plot No. 05, Survey No.52/C-5, Sarwar Road Cantt. Lahore	Lahore	042-37177096 042-36682075-76-78
78	Malir Cantt Branch	Shop No. 75, 4 Dots Shopping Complex C/O HQ 4 Air Defence Division, 31 Bostan Lines, Malir Cantonment, Karachi	Karachi	021-34901138 021-34901142
79	Muslim Bagh Branch	Station Road, Muslim Bagh, Balochistan	Muslim Bagh	0823-669214-5
80	Samanabad Branch	Property 22-7-17/1 & 22-S-17/2, Main Samanabad, Lahore	Lahore	042-37590152

BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
81	G.T Road Branch, PAC Chowk	Shop No. 75, Mini Plaza, PAC Chowk, G.T Road, Kamra Cantt	Kamra	057-2642521
82	Burq Road Branch	Shop # B-III/37, C-152, Dr. Ghulam Gillani Burq Road, Attock City	Attock	057-2700903
83	Talagang Road Branch, Chakwal	B1-1/1634/1, B-1-1635, Talagang Road, Chakwal	Chakwal	0543-600684 0543-602050
84	Canal Road Branch	204 RB East, Canal Road Faisalabad	Faisalabad	041-2421891 041-2421889
85	Kotwali Road Branch	P-64 Taj Plaza, Kotwali Road, Faisalabad	Faisalabad	041-2604940 041-2604935
86	G.T Road Branch, Ghakhar	Khewat # 2414, Khatooni # 3600, Khasra # 3359, GT Road, Ghakhar	Ghakhar	055-3886661 055-3886665
87	Satellite Town Branch	Satellite Town Branch, 529-C Satellite Town, Gujranwala	Gujranwala	055-3825781
88	G.T Road Branch, Kharian	Bilal Plaza, G.T. Road, Kharian	Kharian	053-7601357 053-7601358
89	Ghalla Mandi Branch	Plot # 7/211, Ward # 7, Ghalla Mandi, Mandi Bahauddin	Mandi Bahauddin	0546-509554 0546-509552
90	G.T Road Branch, Hussain Plaza	Khasra No. 625, Hussain Plaza, Chowk GTS, G.T Road, Gujrat	Gujrat	053-3517542 053-3530287
91	F-7 Markaz, Post Mall Branch	Plot # 3, F-7 Markaz, Post Office, Mall Building, Islamabad	Islamabad	051-2653583 051-2653428
92	F-8 Markaz Branch	Shop # 12 & 13, Al-Babar Center, F-8 Markaz, Islamabad	Islamabad	051-2852653
93	F-11 Markaz Branch	Plot # 18, Trade Centre, Main Double Road, F-11 Markaz, Islamabad	Islamabad	051-2107862
94	E-11/3 Branch	Commercial Plot No. 2, Sector E-11/3, Islamabad Garden, Islamabad	Islamabad	051-2375345-6
95	I-8 Markaz Branch	MB City Mall, Plot No. 34, I-8 Markaz, Islamabad	Islamabad	051-4862287
96	Wah Cantt Branch	Plot No. 10, Shahwali Colony, Moza Bhakra, Wah Cantt	Wah Cantt	051-4902231
97	Yousuf Shah Road Branch	Khewat # 698, Khatooni # 203, Yousuf Shah Road, District Jhang (Opposite District Courts Jhang)	Jhang	047-7629591 047-7629594
98	G.T Road Branch, Sarai Alamgir	Al Awan Plaza, near Military College, Main GT Road, Sarai Alamgir	Sarai Alamgir	0544-654929 0544-654927
99	G.T Road Branch, Gujar Khan	Commercial Property # BIII 379 & BIII 377, G.T. Road (Near MCB), Gujar Khan	Gujar Khan	051-3510156 051-3510158
100	Shandar Chowk Branch	Model Colony, Shandar Chowk, Jhelum	Jhelum	0544-627128 0544-628677
101	North Napier Road Branch	Marium Manzil, Plot # 161, Survey Sheet # MR-1, Market Quarters, North Napier Road, Karachi	Karachi	021-32473166 021-32440583
102	I.I. Chundrigar Road Branch	Gul Tower, Main I.I Chundrigar Road, Karachi	Karachi	021-324210471 021-32428320 021-32469410
103	Cloth Market Branch	Plot # 21/1, Puri Building, Cloth Market, Karachi	Karachi	021-32471726 021-32472148-49
104	Jodia Bazar Branch	MR 6/2, Market Quarters, Virjee Street, Jodia Bazar, Karachi	Karachi	021-32443758 021-32443684
105	Javed Arcade Branch	Javed Arcade, Plot # SB-1, Block # 17, KDA Scheme # 36, Gulistan-e-Jauhar, Karachi	Karachi	021-34632739 021-34632745 021-34636747
106	Shershah Branch	Plot # M-II-E-606, Shershah, Karachi	Karachi	021-32587582-83 021-32587595
107	Shaheed-e-Millat Road Branch	Bismillah Blessings, Plot No. 7-A/228, SS No. 35-P/1, Block-3, DMCHS, Main Shaheed-e-Millat Road, Karachi	Karachi	021-34145043 021-34943888 021-34943777
108	Business Arcade Branch	Plot # 27-A, Business Arcade, Block-6, P.E.C.H.S., Shahr-e-Faisal, Karachi	Karachi	021-34374220 021-34524668
109	EOBI House Branch	Plot No. ST-1/A-1, KDA Commercial Complex, Scheme 1, B, Ground Floor, EOBI House, Shahr-e-Faisal, Karachi	Karachi	021-34330172 021-34536732
110	Allama Iqbal Road Branch	Plot No.683-C Ground Floor & Mezzanine Floor, Block-2, PECHS, Allama Iqbal Road, Karachi	Karachi	021-34301817-18
111	DHA Phase V Ext., Saba Avenue Branch	Saba Avenue, Plot # 8-C, Badar Commercial, Street # 6, Phase V Ext, DHA, Karachi	Karachi	021-35341673 021-35849782
112	DHA Phase V, Zamzama Lane Branch	17-E, 6th Commercial Lane, DHA Phase-V, Karachi	Karachi	021-35295210 021-35295015
113	Kulsoom Court Branch	Kulsoom Court, Shop # 2, 3, 5A & 6, Plot DC-3, KDA Scheme # 5, Block-9, Clifton, Karachi	Karachi	92-21-35837018 021-35837012
114	DHA Phase IV Branch	Ground Floor, Plot # 99-E, 9th Commercial Street, Phase-IV, DHA, Karachi	Karachi	021-35313001 021-35885719
115	Paper Market Branch	Plot # 11/2, Sheet SR-9, Seraj Quarters, Anjarwala Bakery Shahr-e-Liaquat Karachi	Karachi	021-32212610 021-322126368
116	Gulshan-e-Ravi Branch	159-A, Main Boulevard, Gulshan Ravi, Lahore	Lahore	042-37401870-74 042-37401890
117	Nila Gumbad Branch	Plot # 12, McLagan Road, Nila Gumbad, Lahore	Lahore	042-37360129-32
118	Shahr-e-Aiwan-e-Tijarat, China Chowk Branch	14-A (Ground Floor), Shahr-e-Aiwan-e-Tijarat, Old Race Course Road, Lahore	Lahore	042-36282790-91-93-94-95

BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
119	Davis Road Branch	Aftab Centre, 30-Davis Road, Lahore	Lahore	042-36287029 042-36286965
120	C Block, Model Town Branch	Shop No.10 and 11, Commercial Market, C-Block, Model Town, Lahore	Lahore	042-35915402-406
121	DHA Phase II, Commercial Area Branch	Commercial Plot # 12, Block CCA, Phase II, DHA, Lahore	Lahore	042-35749481 042-35749485
122	Bahria Town Sector C Branch	65-A, Sector-C, Bahria Town, Lahore	Lahore	042-37861591-93
123	Thokar Niaz Baig Branch	171-A Ali Town, Main Raiwind Road, Lahore	Lahore	042-35297829-30
124	Ichra Branch	Shop # 158, Mohalla Rasool Pura, Ichra, Main Ferozepura Road, Lahore.	Lahore	042-37426801-05
125	Muzaffarabad AJK Branch	Plot No. 26-1, Ghari Phan Chowk, Domel Syedan, Muzaffarabad, Azad Kashmir	Muzaffarabad	05822-921137-38 05822-920455
126	Mirpur AJK Branch	Bank Square, Allama Iqbal Road, Mirpur, Azad Kashmir	Mirpur A.K.	05827-442840 05827-447683 05827-442886
127	Hayatabad Branch	B-1, Phase V, Hayatabad, Peshawar	Peshawar	091-5825305
128	Gulbahar Branch	Malik Arcade, Anam Sanam Chowk, Gulbahar Road, Peshawar	Peshawar	091-2580718 091-2590762
129	Choharmal Road Branch	Choharmal Road, Quetta, Balochistan	Quetta	081-2843640
130	Mannan Chowk Branch	2-116-303, Mannan Chowk, M.A. Jinnah Road, Quetta	Quetta	081-2836204-05
131	Murree Road Branch	North Star Plaza, 20-B, Murree Road, Satellite Town, Rawalpindi	Rawalpindi	051-4426976 051-4572370
132	PWD Employees Society Branch	40-B, Block-B, Commercial Area (Extension), PWD Employees Housing Society, Lohi Bhair, Islamabad Highway, Islamabad	Islamabad	051-5194302
133	Mian Khan Road Branch	110 Mian Khan Road, Block 5, Sargodha	Sargodha	048-3768856, 048-3729623
134	Sargodha Road Branch	Shop No. 1, Ground Floor, Al-Hamd Plaza, Batti Chowk, Sargodha Road, Sheikhupura	Sheikhupura	056-3545724
135	Kashmir Road Branch	155/A, BIII-12S, Sublime Chowk, Kashmir Road, Sialkot	Sialkot	052-3241491 052-3241292
136	Bank Road Deh Garaho Branch	Plot No. 9, Block No. 263/4 Deh Garaho City, Bank Road, Kunri	Kunri	0238-558013-14
137	Shahdara Branch	Shahdara, Main Sheikhupura Road, Jiya Musa, Lahore	Lahore	042-37919160
138	Baghbanpura Branch	266, G.T. Road, Baghbanpura, Lahore	Lahore	042-36844011-12 042-36844015
139	Ravi Road, Timber Market Branch	NWIII.R.78/5/A, Timber Market, Lahore	Lahore	042-37709233
140	Babar Center, Circular Road Branch	Babar Center, 51-Circular Road, Outside Akbari Gate, Lahore	Lahore	042-37641201-02
141	Badami Bagh Branch	93-Grain Market Badami Bagh, Lahore	Lahore	042-37706366 042-37706086 042-37720696
142	Bahria Town Phase VII Branch	Plot No.6, Mini River View Commercial Mall Extension - II, Bahria Town Phase VII, Rawalpindi	Rawalpindi	051-5400185 051-5400183
143	Tehsil Road Branch, Gojra	Tehsil Office Road, Gojra	Gojra	046-3515426 046-3515427
144	Shahkas Branch	Spinzer Market, Wazir Dhand, Main Jamrud Road, Shahkas Jamrud, District Khyber Agency	Jamrud	091-3021760-61
145	U.P. More Branch	Shop no. 1&2, Ground Floor, Plot Bearing No. A976, Sector 11-B, U.P More, North Karachi	Karachi	021-36416681-82 021-36416684
146	Adda Khaliqabad Tulamba Branch	Adda Khaliqabad Tulamba, District Khanewal	Khanewal	042-34501000 Ext. 2196
147	DHA Phase II Ext. Branch	Plot No. 47-E, 21st Commercial Street, Phase II-Extension, D.H.A, Karachi	Karachi	021-35392202 021-35392204
148	SMCHS Branch	Plot # 21-22, Sub Block D, Block A, Sindhi Muslim Cooperative Housing Society, Karachi	Karachi	021-34300712-14
149	DHA Phase VI Branch	Plot No. 12, Main Boulevard Phase VI, DHA Lahore	Lahore	042-37180316-17-18
150	Jinnah Avenue, Bahria Town Branch	Dominion Business-1, Plot No: B-34, Jinnah Avenue Commercial, Bahria Town, Karachi	Karachi	042-34501000 Ext. 2201
151	Railway Road Branch	Plot# 376/A, Railway Road, Bannu City, Bannu	Bannu	0928-660405-6
152	Dera Ismail Khan Branch	Plot # 3, Survey # 68, Circular Road, Dera Ismail Khan	Dera Ismail Khan	0966-719934-36
153	DHA EME Sector Branch	Plot# 408, Block-J, Commercial Area, DHA, EME Sector, Multan Road, Lahore	Lahore	042-37512401-2
154	Chowk Halalpur Noon Branch	Chowk Halalpur Noon, Tehsil Kot Momin, District Sargodha	Sargodha	048-6873029 048-6873027
155	Faisalabad Road Branch	Shan Plaza, Opposite NADRA Office, Faisalabad Road, Chiniot	Chiniot	047-6333566 047-6333577
156	Kallar Sayedan Branch	Mouzakallar Sagwal, Tehsil Kallar Syedan, District Rawalpindi	Rawalpindi	051-3570650-52
157	Bahria Town Phase VIII Branch	Plot No. 43/C, Business Junction, Circulation Strip, Bahria Town, Phase VIII, Rawalpindi	Rawalpindi	042-34501000 Ext. 2208
158	Attari Ferozepur Road Branch	Plot # S-86-R-800/C/Hall, Sobra Attari Ferozepur Road, Lahore	Lahore	042-35923687-88
159	G.T Road Branch, Kamoke	G.T Road Kamoke	Kamoke	055-6816623 055-6816923
160	Shahabpura Road Branch	BIII-85-322, Shahabpura Road, Sialkot	Sialkot	052-3550103-04
161	F.B Industrial Area, Water Pump Branch	PMJ Square, Phase-1, Shop # 1 to 4, Block 14, Naseerabad, F.B Industrial Area, Karachi	Karachi	021-36377051-54

BRANCH NETWORK

Sr. #	Branch Name	Branch Address	City	Contact No.
162	Sheikh Sultan Trust Branch	Survey No. 25, Survey Sheet No. CL-10, Building No. 1, Sheikh Sultan Trust, Beaumont Road, Civil Lines, Karachi	Karachi	021-35210178 021-35210179
163	Jaranwala Branch	Main Hassan Road, Jaranwala	Jaranwala	041-4310932-33
164	G.T Road Branch, Mian Channu	Amin Trade Center, GT Road, Mian Channu	Mian Channu	065-2660166
165	Model Town Branch, Multan	Plot # 1, 2 Block B, Model Town, Multan	Multan	061-6216391-94
166	Hajipura Branch	Hajipura, adjacent Doctors Hospital, Wazirabad	Wazirabad	0555-6601611-12
167	Chobara Road Branch	Near MCB Bank, Chobara Road, Layyah	Layyah	0606-410691-93
168	I-10 Markaz Branch	I-10 Markaz Branch, Islamabad	Islamabad	051-462441-42
169	Faisal Hills Branch	Plot No. 22, MB Square, MR-01, Executive Block, Faisal Hills, Main GT Road, Taxila	Taxila	051-4500037-39
170	Bahria Orchard (Sub Branch Bahria Town Sector C)	Plot No. 34, Low Cost Commercial Block-C, Category Boulevard, Bahria Orchard, Lahore	Lahore	042-3545199 042-35451509
171	Bannu Road Branch	Shop # T-663, 664, Bezari, Chakkar Kot, Main Bazaar, Bannu Road, Kohat	Kohat	0922-866155-56
172	Highway Road Branch, Chishtian	Highway Road, Chishtian	Chishtian	063-2507634
173	Top City 1 Branch	Orion Business Square, Top City, Rawalpindi	Rawalpindi	042-34501000 Ext. 2223
174	Main Bazaar Kumbhar Branch	Old Adda, Main Bazaar, Kumbhar, District Lower Dir	Lower Dir	0945-888007
175	Manshera Branch	Main Bazaar, near Fouji Foundation, Manshera	Manshera	0997-391801
176	Muridke Branch	Muhalla Bilal Park, GT Road, Muridke	Muridke	042-37166582
177	Hafizabad Branch	Royal Guest House, Gujranwala Road, Hafizabad	Hafizabad	0547-583492 0547-583494
178	Adda Chamb Morr Branch, Lodhran Branch	M97 Highway Road (M-5) Adda Chamb Morr, Lodhran	Lodhran	042-3450100 Ext. 2228
179	Lady Dufferin Hospital Branch	Chand Bibi Road, Adhumal Oodharam Quarter, Opposite Civil Hospital, Karachi	Karachi	021-32373702
180	Samundri Branch	Grain Market, Samundri	Samundri	041-3420214-17
181	Kasur Branch	M.A. Jinnah Road, Kasur	Kasur	049-2771010-11
182	Al Kabir Town Phase II Branch	Plot No. 16 Commercial Area, Block B Al Kabir Town, Phase II, Lahore	Lahore	042-3450100 Ext. 2232
183	Susan Road Branch	Plot # 101, P-12, Main Susan Road, Faisalabad	Faisalabad	041-8502858-61
184	Sundar Industrial Estate Branch	Mull Chowk, Opposite Sundar Industrial Estate Gate 1, Raiwind Road, Lahore	Lahore	042-37860171-74
185	Model Town Khanpur Branch	Main Bazaar, Model Town, Khanpur	Khanpur	068-5575116-19
186	Jalalpur Jattan Branch	Main Bazaar, Jalalpur Jattan	Jalalpur Jattan	0533-592744
187	Lalamusa Branch	Sabri Mohallah G.T. Road, Lalamusa	Lalamusa	053-511811-15
188	Narowal Branch	Circular Road, Narowal	Narowal	042-3450100 Ext. 2238
189	Battagram Branch	Opposite Police Station, Karokaram Highway, Battagram	Battagram	0997-310470-74
190	Darra Adam Khel Branch	Main Bazaar, Kohat Road, Darra Adam Khel	Darra Adam Khel	042-3450100 Ext. 2240
191	Depalpur Branch	Okara Road, Depalpur	Depalpur	044-4544449 044-4544492 044-4542121 044-4540717
192	Old Airport Road Branch	Bismillah Tower, Faisal Colony Near Gulzar-e-Quaid, Old Airport Road, Rawalpindi	Rawalpindi	051-5707804-06
193	G-13/2 Branch	Plot No. 4-A Bazaar No. 4, G-13/2, Islamabad	Islamabad	051-2769092
194	Talagang Branch	Rawalpindi Road, Talagang	Talagang	0543-414200
195	Odigram Branch	Main Bazaar Odigram, Lower Dir	Odigram	0945-890022-26
196	Airport Road Swat Branch	Airport Road, Swat	Swat	042-34501000 Ext. 2246
197	Khawazakhela Branch	Khawazakhela Bazaar, Swat	Khawaza Khela	042-34501000 Ext. 2247
198	Karak Branch	Bannu Road, Karak	Karak	042-34501000 Ext. 2248
199	Chichawatni Branch	Railway Road, Chichawatni	Chichawatni	040-5480401-02
200	33 Phatak Branch	Khewat No. 69/66, Khatuni No. 185 to 206, Qitah 231, Chak No 33 Phatak, Sargodha	Sargodha	042-34501000 Ext. 2250
201	Gulberg Green Branch	Block D, Markaz, Gulberg Green, Islamabad	Islamabad	042-34501000 Ext. 2251
202	Bahadurabad (Sub Branch Javed Arcade)	Head Office Saylani Welfare Internatioanl Trust, Bahadurabad Chowrangi, Karachi	Karachi	021-34920171



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