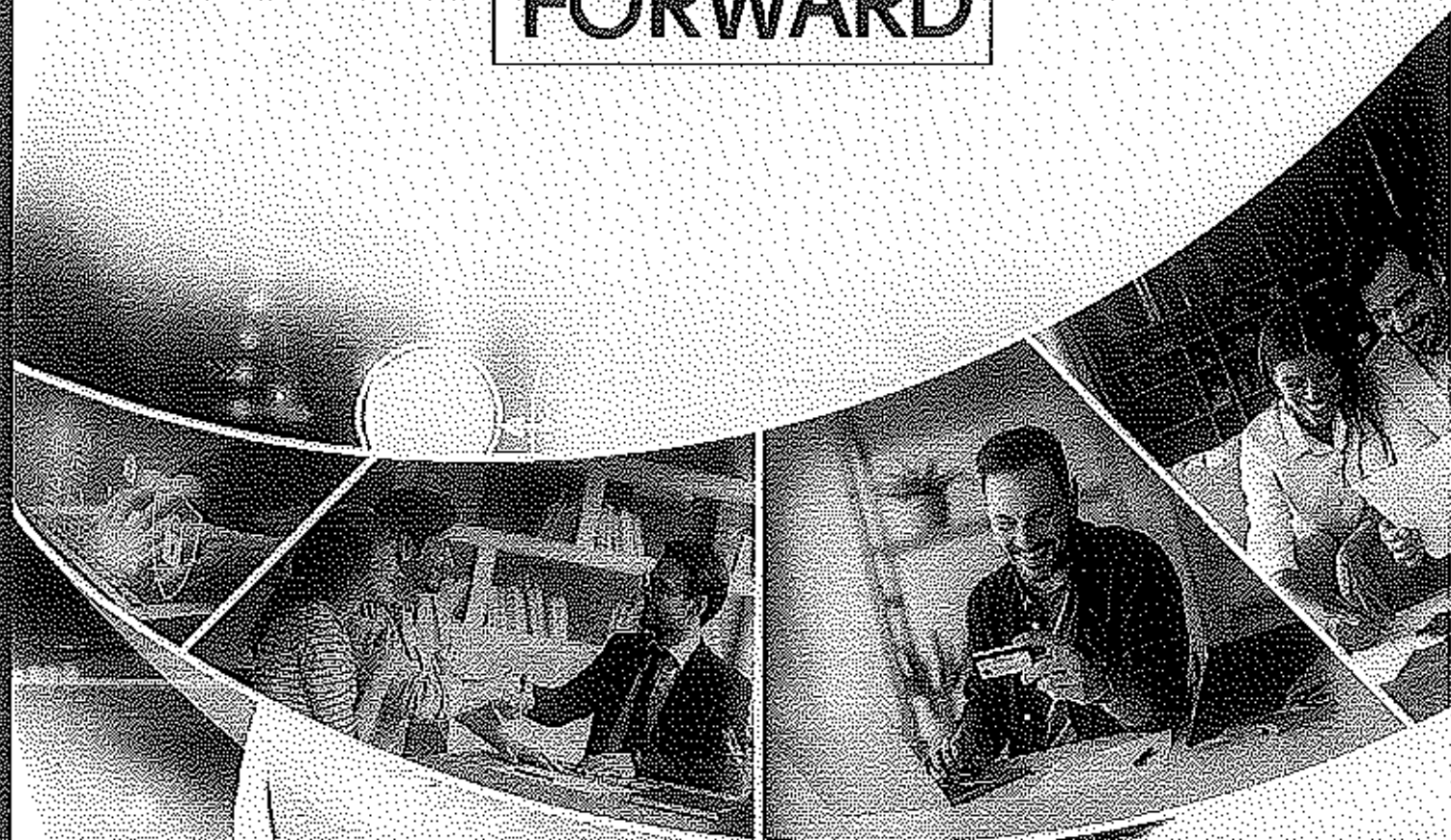


MOVING FORWARD



CORPORATE INFORMATION

Board of Directors

Khalid Aziz Mirza	Chairman
Rashid Akhtar Chughtai	Director
Zubair Nawaz Chattha	Director
Masroor Ahmed Qureshi	Director
Samia Shahzad Murad	Director
Goharulayn Afzal	Director
Shahram Raza Bakhtiari	President & CEO

Company Secretary

Faiz Ul Hasan Hashmi

Chief Financial Officer

Khurram Khan

Audit Committee

Masroor Ahmed Qureshi	Chairman
Samia Shahzad Murad	Member
Head of Audit	Secretary

Nomination, Remuneration & Human Resource Committee

Khalid Aziz Mirza	Chairman
Rashid Akhtar Chughtai	Member
Samia Shahzad Murad	Member
Head of HR	Secretary

Risk Management Committee

Masroor Ahmed Qureshi	Member
Goharulayn Afzal	Member
Chief Risk Officer	Secretary

Information Technology Committee

Zubair Nawaz Chattha	Chairman
Masroor Ahmed Qureshi	Member
Goharulayn Afzal	Member
Head of IT	Secretary

Auditors

M/s. Grant Thornton Anjum Rahman (GTAR)
Chartered Accountants

Legal Advisor

M/s. Abdul Majeed & Co
Advocates & Corporate Consultants

Registered Office

Silkbank Limited,
13-L, F-7 Markaz,
Islamabad.
Direct Tel: (051) 26080-26-27-28,
PABX: (051) 26080-77-78-79 Ext: 111
Fax: (051) 26080-29
Email: companysecretary@silkbank.com.pk
Website: www.silkbank.com.pk

Share Registrar

M/s. CDC Share Registrar Services Limited
CDC House, 99 – B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal
Karachi-74400.
Tel: Customer Support Services (Toll Free) 0800-CDCPL (23275)
Fax: (92-21) 34326053
Email: info@cdcsrsl.com
Website: www.cdcsrsl.com

Director's Report as of June 30, 2024**REPORT**

Dear Shareholders,

We are pleased to present the financial statements of the Bank for the half year ended June 30, 2024.

Economic Review:

Following years of overlapping negative shocks, the global economy is stabilizing. Global growth in 2024 is projected at 2.6%, slightly higher than previous estimates, driven by the continued expansion of the U.S. economy. Growth is expected to average 2.7% in 2025-26 as trade strengthens and monetary easing supports activity. However, global growth remains subdued compared to pre-pandemic levels, with nearly 60% of economies—representing over 80% of global output and population—expected to underperform their 2010s average. Inflation is forecasted to moderate to 3.5% in 2024 and 2.9% in 2025, though at a slower pace than initially anticipated.

Domestically, Pakistan's stabilization program has shown early signs of improvement. A primary account surplus, declining inflation, a significant reduction in the current account deficit, and rising foreign exchange reserves indicate positive momentum. The IMF maintained its GDP growth estimate at 2% for FY 2023-24. Encouraged by macroeconomic stability, the SBP initiated long-awaited monetary easing, reducing the policy rate by 1.5% to 20.5%.

Despite challenges, Large-Scale Manufacturing (LSM) rebounded, posting 1% growth during July-May 2024 compared to a 9.6% contraction in the same period last year. In May 2024 alone, LSM grew by 7.3%.

Pakistan's exports in June 2024 stood at \$2.56 billion, while imports reached \$4.9 billion. For FY 2023-24, exports totaled \$30.67 billion (up 10.65% YoY), while imports declined by 0.72% to \$54.79 billion. The trade deficit for June 2024 widened to \$2.42 billion, a 32.2% increase from June 2023.

Workers' remittances in June 2024 were \$2.81 billion, compared to \$3.24 billion in May. In Q2 2024, remittances reached \$9.21 billion, marking a 41.9% YoY increase. However, the current account recorded a \$352 million deficit in Q2 2024, compared to a \$779 million surplus in Q2 2023. Foreign exchange reserves stood at \$13.99 billion, with SBP reserves at \$9.39 billion, up from \$9.16 billion and \$4.44 billion, respectively, in June 2023. The PKR closed at 278.34 per USD on June 30, 2024, compared to 277.94 on March 29, 2024.

Inflation continued to ease, with the Consumer Price Index (CPI) falling to 12.6% in June 2024 from 29.4% in June 2023. Q2 2024 average inflation was 12.9%, significantly lower than 34.6% in Q2 2023. On a monthly basis, CPI increased by 0.5% in June 2024, following a 3.2% decline in May.

Silkbank Limited

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Clifton 75600, Karachi-Pakistan

PABX: 021-111-00-7455

Website: www.silkbank.com.pk

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Foreign Direct Investment (FDI) for Jul-Feb FY24 rose to \$1.9 billion, reflecting 17% YoY growth.

The Pakistan Stock Exchange (PSX) maintained its upward momentum, closing at 78,445 points on June 30, 2024, compared to 62,451 on December 29, 2023. Market capitalization reached PKR 10,375 billion at the end of Q2 2024.

Financial Performance:

In the first half of 2024, the Bank reported a post tax loss of Rs. 9.52 billion, compared to a loss Rs. 4.93 billion in the same period last year. During this period, total deposits declined by Rs. 6.91 billion, closing at Rs. 147.35 billion, including a Rs. 791 million reduction in the current account portfolio. Additionally, the gross advances decreased by Rs. 1.53 billion.

Summarized financial performance of Silkbank Limited for the half year ended June 30, 2024, is as follows:

	Rs in 'million'
Loss before tax	(15,364)
Tax - Current	-
Prior	(151)
Deferred	5,992
Loss after tax	(9,523)
	Rupee
Loss per share – Basic and diluted	(1.05)

The decline in net profitability is mainly due to a further deterioration in Net interest income (NII) by Rs. 4.46 billion, an increase of Rs. 2.28 billion in provisions for non-performing loans (NPLs), a reduction of Rs. 507 million in non-markup income and a rise of Rs. 169 million in certain operating expenses.

During the first half of 2024, NII further declined by Rs. 4.46 billion primarily due to a significant increase in the Bank's non-earning assets, the deployment of higher-cost deposits, and a reduction in the high-yield consumer lending portfolio due to certain statutory restrictions. Additionally, higher discounts rates in first half of 2024, compared to the same period last year, further contributed to reduced margins.

Provision for NPLs were primarily made for certain borrowers engaged in real estate sector.

The decline in non-markup income is primarily due to a reduction in foreign exchange earnings and fee income from consumer business.

The operating expenses have increased mainly due to higher staff remuneration, legal costs and communication expenses.

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Business Performance:**Branch Banking**

Branch Banking served over 273,650 customers contributing more than 81% of the Bank's deposit base. Total deposit as of 30 June 2024 stood at approximately Rs.119.55 billion. The total Year to Date deposit reduced by Rs. 3.24 billion till 30th June 2024 out of which the current account portfolio grew by Rs. 0.01 billion.

Bancassurance generated business of Rs. 13 million in annual premium which translates into NFI of Rs. 6.75 million during Q2-24.

To enrich the banking experience for our Platinum Debit Cardholders, Silkbank raised the ATM interbank funds transfer, POS, and ATM cash withdrawal limits in Q2 2024. The Platinum Visa Debit Card stands as our premier offering, tailored to meet the elevated transaction requirements of high-value clients.

In Q2 2024, Silkbank's All-in-One Account ad campaign aired on PTV Sports for 13 consecutive days during the ICC T20 World Cup, helping to reach the mass market and build brand and product awareness.

Silkbank collaborated with SBP's nationwide initiative to implement QR code-based payments in cattle markets for Eid-ul-Adha, ensuring secure and convenient transactions during animal sales. Tab-based account openings were introduced, enabling customers to make QR-based P2M payments directly to farmers, thereby reducing the need for cash in circulation.

Consumer Banking: In the 1st half of 2024, Consumer Banking achieved several innovative milestones and continued to expand its diverse product and feature offerings. As a result, the unsecured portfolio reached Rs. 14.12 billion, generating a profit before tax exceeding Rs. 665.07 million.

- **Credit Cards:**

The second quarter of 2024 marked a strong acquisition phase for Credit Cards. Despite the business posting a profit before tax of Rs. 173.44 million in the first half of the year, the acquisition performance showed a notable improvement compared to the previous year. The business concluded the half-year with an ENR of Rs. 6.92 billion, acquiring 11,961 new cards between January and June 2024. As of June 2024, the portfolio CIF (Cards in Force) at 165,751. Total spending on Credit Cards during the first half of 2024 amounted to Rs. 20.67 billion. These milestones were achieved through the launch of a range of Online spend campaigns, offering customers up to 100% cashback and Acquisition campaigns to ramp up Sales.

- **Ready Line:**

The second quarter of 2024 focused on the 'Spend and Win' campaign for Ready Line. As a result of this and several other successful initiatives, we achieved a pre-tax profit of Rs.

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232.28 million in Q2, 2024. By the end of June 2024, the ENR reached Rs. 6.16 billion, with a customer base of 38,270.

• **Personal Loan:**

As a result of a strategic business decision in 2024 to temporarily shift focus to other high-yielding products, growth was slower than expected and loss before tax of Rs. (16.83) million in Q2, 2024 from 8,420 active accounts, with an ENR balance of Rs 1.04 billion.

Emaan Islamic Banking (Emaan)

Emaan Islamic Banking demonstrated commendable performance during the year 2024, successfully navigating challenging economic conditions and a difficult business environment. The deposit portfolio closed at Rs. 12.91 billion, with a CASA to time deposit ratio of 84:16. Throughout the year, 1,607 new accounts were opened, increasing the total to 46,992 accounts.

Service and quality have been paramount for Emaan Islamic Banking, which takes pride in integrating service excellence into every aspect of its operations. Service indicators reflect the bank's commitment to customer service, culminating in a "Very Good" rating for the year.

Compliance with Minimum Capital Requirement (MCR) and Capital Adequacy Ratio (CAR):

As of June 30, 2024, the Minimum Capital Requirement (MCR) stood at negative Rs. 37.70 billion and the Capital Adequacy Ratio (CAR) at negative 113.40% against the prescribed minimum limits of Rs. 10 billion and 11.50% respectively.

Credit Rating:

The long-term entity rating of the Bank is A- (Single A Minus) and the short-term rating is A-2 (A-Two) as determined by "JCR VIS" Credit Rating Company Limited.

Future Outlook:

On October 31, 2024, United Bank Limited ("UBL") has formally conveyed its offer for the potential merger of Silkbank Limited ("Bank") with and into UBL. UBL has disclosed this material information to the Pakistan Stock Exchange Limited ("PSX"), confirming the submission of an offer regarding a possible merger. Accordingly, the Bank also disseminated its material information to the PSX on November 1, 2024.

Following this, the Board of Directors of Silkbank, in its meeting held on November 6, 2024, granted in-principle approval for the potential merger. The merger is to be executed through a Scheme of Amalgamation, requiring sanction by the State Bank of Pakistan (SBP) under Section 48 of the Banking Companies Ordinance, 1962 ("BCO"). The Bank disclosed this decision to PSX on the same day.

Subsequently, UBL and Silkbank convened their Board meetings on December 2 and December 4, 2024, respectively, where both Boards approved the proposed amalgamation through a share swap arrangement under Section 48 of the Banking Companies Ordinance, 1962. They also authorized the execution of the Agreement to Amalgamate, Scheme of Amalgamation, and other relevant documentation required for implementation.

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The approved share swap ratio entails the issuance of one (1) new ordinary share of UBL (face value: Rs. 10) for every 325 shares of Silkbank (face value: Rs. 10 each). This will result in the issuance of 27,944,188 ordinary shares of UBL, excluding any right issuance.

To seek shareholder approval, the Extraordinary General Meetings (EOGMs) were scheduled—Silkbank on December 26, 2024, and UBL on December 30, 2024. At these meetings, the shareholders of both banks formally approved the amalgamation, and the decisions were duly disclosed to PSX.

While the shareholders had already approved the proposed merger of Silkbank Limited with and into UBL, compliance with Section 48 of the BCO, necessitated a re-convening of the EOGM to pass the required resolutions. In line with this requirement, the Bank held another EOGM on February 18, 2025, where shareholders reaffirmed their approval by passing the Special Resolution with 99.997% votes in favor.

With shareholder consent secured, the amalgamation now awaits the completion of all requisite legal formalities, along with corporate, regulatory, and third-party approvals. Upon finalization, the Bank's assets, liabilities, and obligations will be integrated into UBL, to be managed and settled as part of the amalgamated entity's normal business operations.

We will continue to keep our shareholders updated as the merger progresses through further announcements.

Acknowledgement:

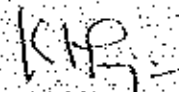
We, once again, take this opportunity to express our deepest gratitude to our customers and business partners for their continued support and trust, and our sincere appreciation to the State Bank of Pakistan for their guidance and cooperation.

We are also equally thankful to our associates, staff and colleagues for their committed services, and look forward to their continued support.

**For and on Behalf of the Board of
Silkbank Limited**



Shahram Raza Bakhtiari
President & CEO



Khalid Aziz Mirza
Chairman

February 26, 2025

Silkbank Limited
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Director's Report as of June 30, 2024

ڈائریکٹرز کی رپورٹ

معزز شیئر ہولڈرز،

ہم نہایت مسرت کے ساتھ 30 جون 2024 کو ختم ہونے والی پہلی سرمایہ کے مالیاتی بیانات پیش کر رہے ہیں۔

معاشی جائزہ:

عالمی معیشت کئی سالوں تک منفی جھکوں کے بعد مستحکم ہو رہی ہے۔ 2024 میں عالمی ترقی کا تخمینہ 2.6% لگایا گیا ہے، جو کچھلی توقعات سے تھوڑا زیادہ ہے، اور اس کی بنیادی وجہ امریکی معیشت میں مسلسل توسیع ہے۔ سال 2025-16 میں یہ شرح 2.7% رہنے کی توقع ہے کیونکہ تجارت میں بہتری آئے گی اور مائیکرو پالیسی میں نرمی سے معاشی سرگرمیوں کو سہارا ملے گا۔ تاہم، عالمی ترقی وبا سے پہلے کی سطح کے مقابلے میں کمزور رہے گی، اور تقریباً 60% معیشتیں جو کہ عالمی پیداوار اور آبادی کے 80% سے زیادہ کی نمائندگی کرتی ہیں، اپنی 2010 کی دہائی کی اوسط کارکردگی سے کم تر رہیں گی۔ مہنگائی 2024 میں 3.5% اور 2025 میں 2.9% تک کم ہونے کی پیش گوئی کی گئی ہے، لیکن یہ کی متوقع رفتار سے سست ہوگی۔

لگائی سطح پر، پاکستان کے استحکامی پروگرام کے ابتدائی مثبت نتائج سامنے آئے ہیں۔ بنیادی اکاؤنٹ میں سرپلس، مہنگائی میں کمی، کرنٹ اکاؤنٹ خسارے میں نمایاں کمی، اور زر مبادلہ کے ذخائر میں اضافے سے معیشت میں بہتری کے آثار نظر آ رہے ہیں۔ آئی ایم ایف نے مالی سال 2023-24 کے لیے پاکستان کی جی ڈی پی نمو کا تخمینہ 2% برقرار رکھا ہے۔ معاشی استحکام کے باعث، اسٹیٹ بینک آف پاکستان (SBP) نے طویل انتظار کے بعد مائیکرو پالیسی میں نرمی کی اور پالیسی ریٹ کو 1.5% کم کر کے 20.5% کر دیا۔

چیلنجز کے باوجود، بڑے پیمانے کی صنعت (LSM) میں بہتری دکھائی گئی، جو مئی تا جولائی 2024 کے دوران 1% بڑھی، جبکہ گزشتہ سال اسی مدت میں 9.6% کی کمی واقع ہوئی تھی۔ مئی 2024 میں LSM نے 7.3% کی نمو حاصل کی۔

جون 2024 میں پاکستان کی برآمدات 2.56 ارب ڈالر جبکہ درآمدات 4.9 ارب ڈالر رہیں۔ مالی سال 2023-24 کے دوران برآمدات 10.65% اضافے کے ساتھ 30.67 ارب ڈالر تک پہنچ گئیں، جبکہ درآمدات 0.72% کمی کے بعد 54.79 ارب ڈالر رہیں۔ جون 2024 میں تجارتی خسارہ 2.42 ارب ڈالر تھا، جو جون 2023 کے مقابلے میں 32.2% زیادہ ہے۔

جون 2024 میں ترسیلات زر 2.81 ارب ڈالر رہیں، جو مئی میں 3.24 ارب ڈالر تھیں۔ دوسری سرمایہ 2024 کے دوران، ترسیلات زر 9.21 ارب ڈالر تک پہنچ گئیں، جو سالانہ بنیاد پر 41.9% کا اضافہ ظاہر کرتی ہیں۔ تاہم، کرنٹ اکاؤنٹ کا خسارہ دوسری سرمایہ 2024 میں 352 ملین ڈالر رہا، جبکہ دوسری سرمایہ 2023 میں 779 ملین ڈالر کا سرپلس تھا۔

جون 2024 کے اختتام پر زرمبادلہ کے ذخائر 13.99 ارب ڈالر تھے، جن میں اسٹیٹ بینک کے ذخائر 9.39 ارب ڈالر رہے، جو جون 2023 میں 9.16 ارب ڈالر اور 4.44 ارب ڈالر تھے۔ پاکستانی روپیہ 30 جون 2024 کو 278.34 فی امریکی ڈالر پر بند ہوا، جو 29 مارچ 2024 کو 277.94 تھا۔

مہنگائی میں کمی کارخان برقرار رہا، جون 2024 میں کنزومر پرائس انڈیکس (CPI) 12.6% رہا، جو جون 2023 میں 29.4% تھا۔ دوسری سہ ماہی 2024 میں اوسط مہنگائی 12.9% رہی، جو دوسری سہ ماہی 2023 میں 34.6% تھی۔ ماہانہ بنیاد پر، جون 2024 میں CPI میں 0.5% اضافہ ہوا، جبکہ مئی میں 3.2% کمی ہوئی تھی۔

جولائی تا فروری مالی سال 2024 کے دوران، براہ راست غیر ملکی سرمایہ کاری (FDI) 1.9 ارب ڈالر تک پہنچ گئی، جو سالانہ بنیاد پر 17% کا اضافہ ظاہر کرتی ہے۔

پاکستان اسٹاک ایکسچینج (PSX) نے اپنی مثبت کارکردگی جاری رکھی اور 30 جون 2024 کو 78,445 پوائنٹس پر بند ہوئی، جو 29 دسمبر 2023 کو 62,451 تھی۔ دوسری سہ ماہی 2024 کے اختتام پر مارکیٹ کپلٹرائزیشن 10,375 ارب روپے تک پہنچ گئی۔

مالیاتی کارکردگی:

سال 2024 کی پہلی سہ ماہی میں، بینک نے بعد از ٹیکس 9.52 ارب روپے کا نقصان رپورٹ کیا، جبکہ گزشتہ سال اسی مدت میں 4.93 ارب روپے کا نقصان ہوا تھا۔ اس عرصے کے دوران، کھل ڈپازٹس میں 6.91 ارب روپے کی کمی ہوئی، جس کے بعد یہ 147.35 ارب روپے پر بند ہوئے، جس میں کرنٹ اکاؤنٹ پورٹ فولیو میں 791 بلین روپے کی کمی بھی شامل ہے۔ اضافی طور پر، گروس ایڈوائسز میں بھی 1.53 ارب روپے کی کمی واقع ہوئی۔

سٹاک بینک لمیٹڈ کی دوسری سہ ماہی (30 جون 2024 کو ختم ہوئے والی) کی خلاصہ مالی کارکردگی درج ذیل ہے:

نقصان قبل از ٹیکس	روپے بلین میں
ٹیکس - موجودہ	(15,364)
گزشتہ	(151)
ماتوی شدہ	5,992
نقصان فی حصص	(9,523)
نقصان فی حصص - بنیادی اور ڈائیلیوٹڈ	روپے بلین میں (1.05)

خالص منافع میں کمی بنیادی طور پر نیٹ انٹرسٹ انکم (NII) میں مزید 4.46 ارب روپے کی گراؤٹ، نان پرفارمنگ لونز (NPLs) کے لیے 2.28 ارب روپے کی اضافی پروویژن، نان مارک اپ انکم میں 507 بلین روپے کی کمی، اور کچھ آپریٹنگ اخراجات میں 169 بلین روپے کے اضافے کی وجہ سے ہوئی۔

سال 2024 کی پہلی ششماہی میں، NII میں مزید 4.46 ارب روپے کی کمی واقع ہوئی، جو بنیادی طور پر بینک کے نان ارتنگ اثاثوں میں نمایاں اضافے، زیادہ لاگت والے ڈپازٹس کی تیناقتی، اور بعض قانونی پابندیوں کی وجہ سے زیادہ منافع بخش کنزیومر لینڈنگ پورٹ فولیو میں کمی کے باعث ہوئی۔ اضافی طور پر، 2024 کی پہلی ششماہی میں پچھلے سال کے اسی عرصے کے مقابلے میں زیادہ ڈسکاؤنٹ رٹس نے بھی مارجنز کو مزید کمزور کیا۔

نان پرفارمنگ لونز (NPLs) کے لیے پروویژن بنیادی طور پر کچھ ریٹل اسٹیٹ بینکس سے وابستہ قرض دہندگان کے لیے کی گئی۔

نان مارک اپ اگم میں کمی بنیادی طور پر فارن ایچجی آمدنی اور کنزیومر بزنس سے حاصل ہونے والی فیس اگم میں کمی کی وجہ سے ہوئی۔

آپرینٹنگ اخراجات میں اضافہ بنیادی طور پر اسٹاف کی تنخواہوں، قانونی اخراجات، اور گورننگ اینڈ کنٹریکشن اخراجات کی وجہ سے ہوا۔

کاروباری کارکردگی

برانچ بینکنگ:

برانچ بینکنگ نے 2,73,650 سے زائد صارفین کو خدمات فراہم کیں، جو بینک کے مجموعی ڈپازٹس میں کا 81% سے زیادہ حصہ رکھتے ہیں۔ 30 جون 2024 تک کل ڈپازٹس تقریباً 119.55 ارب روپے رہے۔ سال کی ابتداء سے 30 جون 2024 تک، کل ڈپازٹس میں 3.24 ارب روپے کی کمی ہوئی، تاہم کرنٹ اکاؤنٹ پورٹ فولیو میں 10.01 ارب روپے کا اضافہ ریکارڈ کیا گیا۔

بینک شونز نے 2024 کی دوسری سہ ماہی میں 13 بلین روپے کا سالانہ پریمیم بزنس حاصل کیا، جس سے 6.75 بلین روپے کی نان انٹرسٹ آمدنی ہوئی۔ پلائینم ڈیٹ کارڈ ہولڈرز کے لیے بینکاری کے تجربے کو مزید بہتر بنانے کے لیے، بینک بینک نے دوسری سہ ماہی 2024 میں اے ٹی ایم انٹرنیٹ فنڈز ٹرانسفر، پی او ایس، اور اے ٹی ایم کیشن نکالنے کی حد میں اضافہ کیا۔ پلائینم ویزا ڈیٹ کارڈ ہارے اعلیٰ مالیت کے صارفین کی بڑھتی ہوئی ٹرانزیکشن ضروریات کے مطابق تیار کیا گیا ہے۔

دوسری سہ ماہی 2024 میں بینک کے آل انڈین ڈن اکاؤنٹ کی اشتہاری مہم پی ٹی وی اسپورٹس پر مسلسل 13 دن نشر کی گئی، جو آئی سی ٹی 20 ورلڈ کپ کے دوران مقامی سطح پر بینک کی مصنوعات اور برانڈ کی آگاہی بڑھانے میں مددگار ثابت ہوئی۔

بینک بینک نے اسٹیٹ بینک آف پاکستان (SBP) کے ملک گیر اقدام کے تحت عید الاضحیٰ کے دوران مویشی منڈیوں میں QR کوڈ پر مبنی ادائیگیوں کے نظام میں تعاون کیا، جس سے جانوروں کی خرید و فروخت کے دوران محفوظ اور آسان لین دین کو یقینی بنایا گیا۔ مزید برآں، بیٹلٹ میٹا اکاؤنٹ کھولنے کا نظام متعارف کرایا گیا، جس سے صارفین کو براہ راست کسانوں کو QR پر مبنی IP2M ادائیگیاں کرنے کی سہولت ملی، یوں معیشت میں نقدی کی گردش میں کمی لانے میں مدد ملی۔

کنزیومر بینکنگ:

2024 کی پہلی ششماہی میں، کنزیومر بینکنگ نے کئی جدید سنگ میل عبور کیے اور اپنی متنوع مصنوعات اور سہولتوں کو مزید وسعت دی۔ اس کے نتیجے میں، بغیر ضمانت والے قرضوں کا پورٹ فولیو 14.12 ارب روپے تک پہنچ گیا، جس سے 665.07 بلین روپے سے زائد کا قبل از ٹیکس منافع حاصل ہوا۔

کریڈٹ کارڈز:

2024 کی دوسری سہ ماہی کریڈٹ کارڈز کے حصول کے لحاظ سے ایک مضبوط مرحلہ ثابت ہوئی۔ سال کی پہلی سہ ماہی میں کارڈ ہار نے 173.44 بلین روپے کا قتل از ٹیکس منافع حاصل کیا، جبکہ نئی کریڈٹ کارڈ حاصل کرنے کی کارکردگی پچھلے سال کے مقابلے میں نمایاں طور پر بہتر رہی۔

سال کی پہلی سہ ماہی کے اختتام تک، کارڈ ہار نے 11,961 نئے کارڈ جاری کیے، جس سے جون 2024 تک کل فعال کارڈز (CIF) کی تعداد 165,751 ہو گئی۔ اس عرصے کے دوران کریڈٹ کارڈ کے ذریعے کل اخراجات 20.67 ارب روپے تک پہنچ گئے۔ یہ کامیابیاں آن لائن اسپنڈ مہمات، 100% تک کیش بیک آفرز، اور بیگز کو بڑھانے کے لیے کی گئی مصولی مہمات کی بدولت حاصل ہوئیں۔

ریڈی لائن:

دوسری سہ ماہی 2024 کے دوران، اسپنڈ اینڈ ون، ہم ریڈی لائن کے لیے مرکز توجہ رہی۔ اس اور دیگر کامیاب اقدامات کے نتیجے میں، مالی سال 2024 کی دوسری سہ ماہی میں 232.28 بلین روپے کا قتل از ٹیکس منافع حاصل کیا گیا۔ جون 2024 کے آخر تک، ریڈی لائن کا ای این آر 16.16 ارب روپے رہا، جبکہ صارفین کی تعداد 38,270 تک پہنچ گئی۔

پرنٹ لون:

2024 میں ایک اسٹریٹجک کاروباری فیصلے کے تحت، دیگر زیادہ منافع بخش مصنوعات پر توجہ مرکوز کرنے کے باعث پرنٹ لون کی ترقی توقع سے کم رہی۔ اس کے نتیجے میں مالی سال 2024 کی دوسری سہ ماہی میں 16.83 بلین روپے کا قتل از ٹیکس نقصان ہوا۔ جون 2024 کے آخر تک، فعال اکاؤنٹس کی تعداد 8,420 اور ENR بیلنس 1.04 ارب روپے رہا۔

ایمان اسلامک بینکنگ (Emaan):

ایمان اسلامک بینکنگ نے سال 2024 میں قابل تعریف کارکردگی کا مظاہرہ کیا اور مشکل معاشی حالات اور چیلنجز کا رو باری ماحول کا کامیابی سے سامنا کیا۔ بینک کاڈپازٹ پورٹ فولیو 12.91 ارب روپے پر بند ہوا، جس میں CASA اور ٹائم ڈپازٹ کا تناسب 84:16 رہا۔ سال بھر میں 1,607 نئے اکاؤنٹس کھولے گئے، جس سے مجموعی اکاؤنٹس کی تعداد 46,992 تک پہنچ گئی۔

ایمان اسلامک بینکنگ کے لیے بہترین سروس اور معیار ہمیشہ اولین ترجیح رہے ہیں، اور بینک نے اپنی ہر سرگرمی میں سروس ایکسیلنس کو شامل کرنے پر فخر محسوس کیا ہے۔ سروس انڈیکس بینک کے اعلیٰ معیار کی کٹھن سروس کے عزم کی عکاسی کرتے ہیں، جس کے نتیجے میں سال 2024 کے لیے Very Good کی رینٹنگ حاصل ہوئی۔

کم از کم کیپٹل کی ضروریات (MCR) اور کیپٹل ایڈیکوئیٹی ریٹو (CAR):

30 جون 2024 تک، کم از کم درکار سرمایہ (MCR) منفی 37.70 ارب روپے جبکہ کیپٹل ایڈیکوئیٹی ریٹو (CAR) منفی 113.40% رہی، جو مقرر کردہ کم از کم حدود 10 ارب روپے اور 11.50% کے خلاف تھی۔

کریڈٹ ریٹنگ:

بینک کی طویل مدتی ریٹنگ A- (سنگل اے ٹائٹل) اور مختصر مدتی ریٹنگ A-2 (سنگل اے ٹائٹل) ہے، جو JCR VIS کریڈٹ ریٹنگ ایجنسی لمیٹڈ نے دی ہے۔

مستقبل کا منظر نامہ:

31 اکتوبر 2024 کو، یونائیٹڈ بینک لمیٹڈ (UBL) نے باضابطہ طور پر سلک بینک لمیٹڈ ("بینک") کے ممکنہ انضمام کی پیشکش دی۔ UBL نے یہ اہم معلومات پاکستان اسٹاک ایکسچینج لمیٹڈ (PSX) کو فراہم کیں، جس میں ممکنہ انضمام سے متعلق پیشکش جمع کروانے کی تصدیق کی گئی۔ چنانچہ، بینک نے بھی اپنی اہم معلومات 1 نومبر 2024 کو PSX کو فراہم کیں۔

اس کے بعد، 6 نومبر 2024 کو منعقدہ بورڈ آف ڈائریکٹرز کے اجلاس میں، سلک بینک کے بورڈ نے اصولی طور پر اس ممکنہ انضمام کی منظوری دی۔ یہ انضمام آئی سی ایم آف ایسٹیمینٹس کے ذریعے کیا جائے گا، جس کے لیے بینکنگ کمینیز آرڈیننس 1962 (BCO) کے سیکشن 48 کے تحت اسٹیٹ بینک آف پاکستان (SBP) کی منظوری درکار ہوگی۔ بینک نے اس فیصلے کو اسی دن PSX میں بھی ظاہر کیا۔

بعد ازاں، UBL اور سلک بینک نے اپنے بورڈ اجلاس بالترتیب 2 دسمبر اور 4 دسمبر 2024 کو منعقد کیے، جہاں دونوں بینکوں کے بورڈ نے شیئرز سویپ آرینجمنٹ کے ذریعے مجوزہ انضمام کی منظوری دے دی، جو بینکنگ کمینیز آرڈیننس 1962 کے سیکشن 48 کے تحت ہوگا۔ اس کے علاوہ، ایگریمنٹ نو ایگلیمنٹ، آئی سی ایم آف ایسٹیمینٹس، اور دیگر ضروری قانونی دستاویزات پر عمل درآمد کی منظوری دی گئی۔

منظور شدہ شیئرز سویپ تناسب کے مطابق، UBL کے ہر ایک (1) نئے عام شیئر (جس کی قدر 10 روپے ہے) کے بدلے سلک بینک کے 325 شیئرز (ہر ایک کی قدر 10 روپے) دیے جائیں گے۔ اس تناسب کے تحت، UBL کے 27,944,188 عام شیئرز جاری کیے جائیں گے، جس میں کوئی رائٹ ایٹو شامل نہیں ہوگا۔

شیئرز ہولڈرز کی منظوری کے لیے، غیر معمولی عام اجلاس (EOGM) منعقد کیے گئے، سلک بینک کے شیئرز ہولڈرز کا اجلاس 26 دسمبر 2024 کو، اور UBL کا اجلاس 30 دسمبر 2024 کو ہوا۔ ان اجلاسوں میں، دونوں بینکوں کے شیئرز ہولڈرز نے باضابطہ طور پر انضمام کی منظوری دی، اور ان فیصلوں کو PSX میں ظاہر کر دیا گیا۔

چونکہ شیئرز ہولڈرز پہلے ہی سلک بینک لمیٹڈ کے UBL میں انضمام کی منظوری دے چکے تھے، تاہم BCO کے سیکشن 48 کی تکمیل کے لیے، EOGM دوبارہ بلائے اور ضروری قراردادیں منظور کرنے کی ضرورت تھی۔ اس کے مطابق، بینک نے 18 فروری 2025 کو ایک اور EOGM منعقد کیا، جہاں شیئرز ہولڈرز نے 99.997% ووٹوں کی اکثریت سے خصوصی قرارداد منظور کر کے اپنی منظوری کی توثیق کی۔

شیر ہولڈرز کی منظوری حاصل ہونے کے بعد، اسب یہ انتظام تمام ضروری قانونی تقاضوں، کارپوریٹ اور ریگولیٹری منظوریوں، اور تیسرے فریق کی منظوریوں کی تکمیل کا منتظر ہے۔ ایک بار تمام مراحل مکمل ہونے پر، بینک کے اثاثے، واجبات، اور ذمہ داریاں UBL میں ضم کر دی جائیں گی اور انہیں نئے ادارے کے معمول کے کاروباری عمل کے مطابق منظم اور عمل کیا جائے گا۔

ہم اپنے شیر ہولڈرز کو اس انتظام کے عمل میں ہونے والی مزید پیش رفت سے آگاہ رکھنے کے لیے اعلانات جاری رکھیں گے۔

اظہارِ تشکر

ہم ایک بار پھر اپنے صارفین اور کاروباری شراکت داروں کا ان کے بینک پر اعتماد اور تعاون کے لیے تہہ دل سے شکریہ ادا کرتے ہیں، اور اسٹیٹ بینک آف پاکستان کی راہنمائی اور تعاون کے لیے دلی قدر دانی کا اظہار کرتے ہیں۔
ہم اپنے ساتھیوں، عملے اور دیگر اسٹاف کے عزم اور خدمات کا بھی شکریہ ادا کرتے ہیں، اور ان کے مسلسل تعاون کے منتظر ہیں۔

بینک کے بورڈ کی جانب سے:

سلک بینک لمیٹڈ

خالد عزیز مرزا

چیئر مین

شہرام رضا بختیاری

پریذیڈنٹ اینڈ سی ای او

26 فروری 2025

INDEPENDENT AUDITOR'S REVIEW REPORT**TO THE MEMBERS OF SILKBANK LIMITED
REPORT ON REVIEW OF CONDENSED INTERIM
FINANCIAL STATEMENTS**

Grant Thornton Anjum
Rahman
1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

Introduction

We have reviewed the accompanying condensed interim statement of financial position of the Silkbank Limited (the Bank) as at June 30, 2024, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as of and for the half year ended June 30, 2024, is not prepared, in all material respects, in accordance with the accounting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matters

We draw attention to:

1. Note 1.4 to the condensed interim financial statements, which indicate, among other things, that the Bank has incurred a net loss of Rs. 9,523 million (2023: Rs. 4,926 million) for the period ended June 30, 2024, resulting in accumulated losses of Rs. 61,135 million (December 31, 2023: Rs. 51,635 million) and negative net equity of Rs. 35,409 million (December 31, 2023: negative net equity of Rs. 26,352 million) as at June 30, 2024. Furthermore, the Bank's paid-up capital (net of losses), Capital Adequacy Ratio (CAR), and Minimum Capital Requirement (MCR) do not meet the thresholds prescribed by the State Bank of Pakistan (SBI) as of June 30, 2024.



Further, we draw attention to the note 1.4.1 to the condensed interim financial statements, regarding the proposed amalgamation of the Bank with and into UBL. This amalgamation remains subject to obtaining all necessary regulatory approvals and the completion of legal formalities, including the sanction of the scheme of amalgamation by the State Bank of Pakistan (SBP).

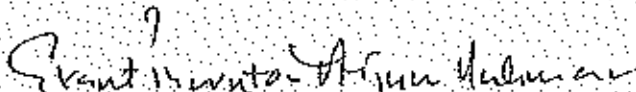
2. Note 3.6 to the condensed interim financial statements which states that the Bank has obtained exemption from application of IFRS-09 till the completion of amalgamation.
3. Note 13.2 of the condensed interim financial statements, there is an ongoing litigation between the buyer and the Bank on the sales transaction of the office building.
4. Note 16.1 of the condensed interim financial statements which states that the deferred tax asset has been recorded on the basis of the proposed merger of the Bank.
5. Note 17.2 to the condensed interim financial statements that fully elaborate the non-compliance of Debt Property Swap Regulations by the Bank.
6. Note 26.3 to the condensed interim financial statements which describes the claims against the Bank an aggregating amount to Rs. 1 billion (2023: Rs. 1.04 billion) and note 26.3.1 to the condensed interim financial statements that describes the effects of the suits for damages which have been filed against the Bank an aggregating amount of Rs. 25.60 billion (2023: Rs. 24.29 billion) by various borrowers / employees in respect of certain disputes relating to loans and advances.

Our conclusion is not modified in respect of the above matters.

Other Matter

The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarters ended June 30, 2024, and June 30, 2023, have not been reviewed and we do not express a conclusion on them, as we are required to review only the cumulative figures for six-month period ended June 30, 2024.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Shaukat Naseeb,


Grant Thornton Anjum Rahman
Chartered Accountants

Karachi

Date: March 05, 2025

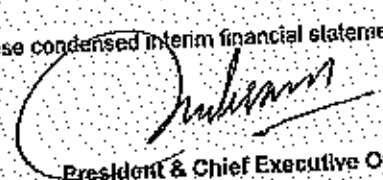
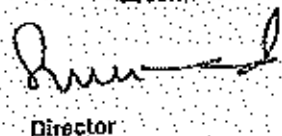

UDIN: RR2024101265xdhSGsb

SILKBANK LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2024

		June 30, 2024	December 31, 2023
		Un-audited	Audited
		Rupees in '000	
ASSETS			
Cash and balances with treasury banks	8	12,657,888	14,055,139
Balances with other banks	9	1,744,190	1,839,082
Lendings to financial institutions	10	98,508	491,450
Investments	11	179,070,820	173,339,468
Advances	12	43,178,449	49,694,132
Property and equipment	13	2,592,293	2,681,797
Right-of-use assets	14	1,731,580	1,924,138
Intangible assets	15	283,351	317,415
Deferred tax assets	16	36,194,296	30,498,301
Other assets	17	17,362,368	17,229,757
Total Assets		284,913,843	292,070,677
LIABILITIES			
Bills payable	19	4,474,376	3,141,963
Borrowings	20	167,016,503	147,380,746
Deposits and other accounts	21	147,352,128	154,282,365
Lease liabilities	22	2,268,531	2,369,107
Subordinated debt	23	2,438,666	2,438,666
Deferred tax liabilities	24	6,773,119	8,829,877
Other liabilities		330,323,323	318,422,724
		(35,409,480)	(26,352,047)
NET ASSETS			
REPRESENTED BY			
Share capital - net		23,431,374	23,431,374
Statutory reserves		820,890	820,890
Surplus on revaluation of assets - net of tax	25	1,472,921	1,030,934
Accumulated losses		(61,134,665)	(51,635,246)
		(35,409,480)	(26,352,047)
CONTINGENCIES AND COMMITMENTS	26		

The annexed notes 1 to 45 form an integral part of these condensed interim financial statements.


 Chief Financial Officer
 Director


 President & Chief Executive Officer

 Director

 Director

SILKBANK LIMITED

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - UNAUDITED
FOR THE HALF YEAR ENDED JUNE 30, 2024**


	Note	Quarter ended		Half year ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Rupees in '000					
Mark-up / return / profit / Interest earned	28	10,286,127	11,327,699	20,913,124	20,510,936
Mark-up / return / profit / Interest expensed	29	(14,466,021)	(13,462,415)	(26,700,842)	(23,837,059)
Net Mark-up / return / profit / Interest expense		(4,179,894)	(2,134,716)	(7,787,718)	(3,326,123)
NON MARK-UP / INTEREST INCOME					
Fee and commission income	30	680,591	740,233	1,392,498	1,572,641
Dividend income		11,941	11,941	11,941	11,941
Foreign exchange income		89,640	120,093	76,050	362,343
Loss from derivatives		-	(7,288)	(1)	(9,088)
Loss on securities	31	(20,559)	(43,680)	(18,661)	(77,445)
Other Income	32	11,566	112,144	34,758	142,989
Total non-markup / Interest income		773,179	933,443	1,496,585	2,003,381
Total loss		(3,406,715)	(1,201,273)	(6,291,133)	(1,322,742)
NON MARK-UP / INTEREST EXPENSES					
Operating expenses	33	(1,971,781)	(1,905,242)	(3,913,439)	(3,753,813)
Workers Welfare Fund					
Other charges	34	(2,434)	(1,285)	(12,178)	(2,937)
Total non-markup / Interest expenses		(1,974,215)	(1,906,527)	(3,925,617)	(3,756,750)
Loss before provisions, extra ordinary / unusual item and taxation		(5,380,930)	(3,107,800)	(10,216,750)	(5,079,492)
Provisions and write offs - net Extra ordinary / unusual items	35	(4,791,597)	(2,476,234)	(5,147,647)	(2,866,493)
LOSS BEFORE TAXATION		(10,172,527)	(5,584,034)	(15,364,297)	(7,945,985)
Taxation	36	3,891,733	2,154,435	5,840,986	3,019,448
LOSS AFTER TAXATION		(6,280,794)	(3,429,599)	(9,523,311)	(4,926,537)
Rupees					
Basic and Diluted Loss Per Share	37	(0.88)	(0.38)	(1.05)	(0.54)

The annexed notes 1 to 45 form an integral part of these condensed interim financial statements. 0101


Chief Financial Officer


President & Chief Executive Officer


Director


Director

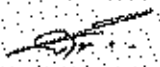

Director


SILKBANK LIMITED

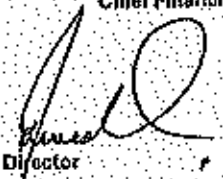
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - UNAUDITED
FOR THE HALF YEAR ENDED JUNE 30, 2024**

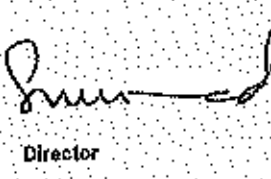
	Quarter ended		Half year ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	Rupees in '000			
Loss after taxation for the period	(6,280,794)	(3,428,599)	(9,523,311)	(4,926,537)
Other comprehensive (loss) / income				
Items that may be reclassified to profit and loss account in subsequent periods:				
Movement in deficit on revaluation of investments - net of tax	471,241	(107,202)	443,687	(1,353,107)
Items that will not be reclassified to profit and loss account in subsequent periods:				
Remeasurement gain on defined benefit obligations - net of tax	21,089	3,617	21,089	3,617
Movement in surplus on revaluation of property and equipment - net of tax	(546)	(546)	(1,092)	(1,092)
Movement in surplus on revaluation of non-banking assets - net of tax	(309)	(309)	(618)	(618)
	20,234	2,762	19,379	1,907
Total comprehensive loss	(5,789,319)	(3,534,039)	(9,060,236)	(6,277,737)


The annexed notes 1 to 45 form an integral part of these condensed interim financial statements. *Q1 24*


Chief Financial Officer


President & Chief Executive Officer


Director


Director


Director

SILKBANK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UNAUDITED
FOR THE HALF YEAR ENDED JUNE 30, 2024

	Share Capital		Statutory Reserves*	Surplus / (Deficit) on revaluation of		Accumulated Losses	Total
	Issued, subscribed and paid-up capital	Discounted Issue of Shares		Investments	Property & Equipment / Non-Banking Assets		
Rupees in '000							
Opening Balance as at January 01, 2023 - Un-audited	59,818,812	(67,387,735)	820,850	(5,370,293)	1,520,535	(38,813,244)	(18,870,742)
Loss after taxation for the first year ended June 30, 2023 - Un-audited						(4,828,537)	(4,828,537)
Other comprehensive income / (loss) - net of tax - Un-audited							
Movement in deficit on revaluation of investments - net of tax				(1,352,502)			(1,352,502)
Reinsurance gain on defined benefit obligations - net of tax						3,637	3,637
Movement in surplus on revaluation of property and equipment - net of tax					(1,092)		(1,092)
Movement in surplus on revaluation of non-banking assets - net of tax					(618)		(618)
Transfer from surplus on revaluation of property and equipment on account of incremental depreciation - net of tax						1,790	1,790
Transfer from surplus on revaluation of non-banking assets on account of incremental depreciation - net of tax						1,012	1,012
Closing Balance as at June 30, 2023 - Un-audited	59,818,812	(67,387,735)	820,850	(2,623,349)	1,517,829	(41,793,344)	(18,245,881)
Loss after taxation for the half year ended ended December 31, 2023 - Un-audited						(7,859,900)	(7,859,900)
Other comprehensive income / (loss) - net of tax - Un-audited							
Movement in deficit on revaluation of investments - net of tax				1,737,222			1,737,222
Reinsurance gain on defined benefit obligations - net of tax						15,236	15,236
Movement in surplus on revaluation of property and equipment - net of tax					(1,091)		(1,091)
Movement in surplus on revaluation of non-banking assets - net of tax					(618)		(618)
Transfer to statutory reserves							
Transfer from surplus on revaluation of property and equipment on account of incremental depreciation - net of tax						1,783	1,783
Transfer from surplus on revaluation of non-banking assets on account of incremental depreciation - net of tax						1,012	1,012
Closing Balance as at December 31, 2023 - Audited	59,818,812	(67,387,735)	820,850	(428,177)	1,517,191	(51,638,245)	(25,552,041)
Loss after taxation for the half year ended June 30, 2024 - Un-audited						(9,524,311)	(9,524,311)
Other comprehensive income / (loss) - net of tax - Un-audited							
Movement in surplus on revaluation of investments - net of tax				443,697			443,697
Reinsurance gain on defined benefit obligations - net of tax						21,608	21,608
Movement in surplus on revaluation of property and equipment - net of tax					(1,092)		(1,092)
Movement in surplus on revaluation of non-banking assets - net of tax					(618)		(618)
Transfer from surplus on revaluation of property and equipment on account of incremental depreciation - net of tax						1,790	1,790
Transfer from surplus on revaluation of non-banking assets on account of incremental depreciation - net of tax						1,012	1,012
Closing Balance as at June 30, 2024 - Un-audited	59,818,812	(67,387,735)	820,850	(428,480)	1,515,485	(61,162,556)	(25,465,223)

* Statutory reserves represent amount set aside as per requirements of section 21 of the Banking Companies Ordinance, 1962.

The annexed notes form an integral part of the condensed interim financial statements.

Signature
 Chief Financial Officer

Signature
 President & Chief Executive Officer



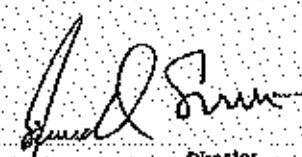

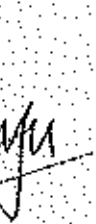
Signature
 Director

Signature
 Director

SILKBANK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT - UNAUDITED
FOR THE HALF YEAR ENDED JUNE 30, 2024

Note	June 30,	June 30,
	2024	2023
Rupees in '000		
CASH FLOW FROM OPERATING ACTIVITIES		
	(15,304,297)	(7,945,985)
Loss before taxation	(11,941)	(11,941)
Less: Dividend income	(15,376,238)	(7,857,026)
Adjustments:		
Net Mark-up / return / profit / interest expense	33 7,787,718	3,326,123
Depreciation on property and equipment	33 111,242	134,473
Depreciation on right-of-use assets	33 264,226	291,023
Depreciation on non-banking assets	33 17,102	17,312
Depreciation on non-banking assets acquired in satisfaction of claims	33 34,064	27,928
Amortization of intangible assets	35 5,315,352	3,047,033
Provisions against loans & advances	32 (31)	(10,199)
Gain on sale of property and equipment	31 (44)	9,533
Unrealized (gain) / loss on revaluation of investments - held-for-trading	31 21,941	44,692
Unrealized loss on revaluation of investments - REIT Units	35 -	9,102
Write offs against property and equipment	35 -	5,897
Write offs against property and equipment - Capital work-in-progress	-	-
	13,551,469	6,902,207
	(1,824,769)	(1,056,719)
Decrease / (Increase) in operating assets		
Lendings to financial institutions	392,942	5,580,815
Net investments in held-for-trading securities	209,051	(10,226,382)
Advances	1,290,331	8,071,314
Other assets (excluding advance taxation)	(262,922)	(1,168,317)
	1,519,402	257,450
Increase / (Decrease) in operating liabilities		
Bills payable	1,332,413	858,674
Borrowings	19,635,767	30,245,670
Deposits	(6,910,237)	8,820,603
Other liabilities (excluding current taxation)	618,049	777,910
	14,676,992	38,502,857
	14,371,616	37,704,588
Interest received	21,182,307	16,731,653
Interest paid	(31,371,686)	(20,838,720)
Income tax paid	(262,477)	(240,416)
Net cash flow generated from operating activities	3,928,769	33,357,108
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in available-for-sale securities	(5,136,743)	(29,776,192)
Net investment in held-to-maturity securities	54,196	48,580
Dividend received	11,941	11,941
Net investment in property and equipment and intangible assets	(30,501)	(41,511)
Proceeds on disposal of property and equipment	8,794	66,323
Net cash flow used in investing activities	(6,092,314)	(29,692,814)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(329,488)	(377,213)
Net cash flow used in financing activities	(329,488)	(377,213)
(Decrease) / Increase in cash and cash equivalents	(1,492,042)	3,287,079
Cash and cash equivalents at the beginning of the period	15,884,221	10,785,286
Cash and cash equivalents at the end of the period	38 14,402,178	14,072,345

The annexed notes 1 to 45 form an integral part of these condensed interim financial statements. *em*

 Chief Financial Officer
 President & Chief Executive Officer
 Director
 Director
 Director

SILKBANK Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - UNAUDITED FOR THE HALF YEAR ENDED JUNE 30, 2024

1 STATUS AND NATURE OF BUSINESS

- 1.1 Silkbank Limited ("the Bank") was incorporated in Pakistan on April 04, 1994 as a public limited company under the Companies Act, 2017. The Bank commenced commercial operations on May 07, 1995. The Bank's shares are quoted on Pakistan Stock Exchange Limited. The Bank is engaged in banking services as described in the Banking Companies Ordinance, 1962. The Bank operates through 105 branches (December 31, 2023: 105 branches) including 23 (December 31, 2023: 23) Islamic banking branches in Pakistan. The Bank's registered office is located at Silkbank Building, 13-L, F-7 Markaz, Islamabad.
- 1.2 Major shareholders of the Bank as on June 30, 2024 are Sinthos Capital (comprising of Mr. Shaukat Tarin, Mr. Sadeq Sayeed and Mr. Azmat Tarin), Arif Habib Corporation Limited, International Finance Corporation (IFC), Nomura European Investment Limited, Bank Muscat S.A.O.G and Mr. Zulqarnain Nawaz Chatta / Mr. Zubair Nawaz Chatta of Gourmet Group.
- 1.3 In October 2020, the short-term and long-term credit ratings of 'A-2' and 'A-' respectively was assigned to the Bank by VIS Credit Rating Company Limited ("VIS") based on the Bank's condensed interim financial statements for the period ended June 30, 2020. Thereafter, no credit ratings have been issued and the VIS shall review the ratings once these and other subsequent financial statements are issued.
- 1.4 As at June 30, 2024, the equity of the Bank is negative Rs. 36.88 billion excluding surplus on revaluation of assets. This includes share capital (net of losses and discount on shares) of negative Rs. 37.70 billion against the Minimum Capital Requirement (MCR) of Rs. 10 billion as prescribed by State Bank of Pakistan (SBP). Further, the Capital Adequacy Ratio (CAR) of the Bank is negative 113.4% (December 31, 2023: negative 88.05%) as against the minimum CAR requirement of SBP of 11.50% (December 31, 2023: 11.50%). Consequently, the Bank is non-compliant with MCR and CAR at June 30, 2024 which resulted in various reduced prudential limits and may expose the Bank to regulatory actions under the Banking laws. These material uncertainties and conditions may cast significant doubts on the Bank's ability to continue as a going concern.
- 1.4.1 On October 31, 2024, United Bank Limited (UBL), after completion of detailed due diligence of the Bank, has submitted an offer to the Bank for its amalgamation with UBL pursuant to a scheme of amalgamation to be filed with and sanctioned by the SBP under section 48 of the Banking Companies Ordinance, 1962 (Amalgamation). As consideration of the Amalgamation, UBL has proposed to issue and allot new UBL ordinary shares to the shareholders of the Bank on the basis of a ratio of one (1) new UBL ordinary shares of every three hundred and twenty five (325) of the Bank's ordinary shares. The Board of Directors of the Bank, in its meeting held on November 06, 2024, accorded its in-principle approval for the Amalgamation.

Later, UBL's and the Bank's Board of Directors in their separate meetings held on December 02, 2024 and December 04, 2024 respectively, have approved:

- The amalgamation of the Bank with and into UBL through a share swap arrangement in accordance with section 48 of the Banking Companies Ordinance, 1962;
- Execution of the Amalgamation Agreement, Scheme of Amalgamation and other ancillary documentation in connection with the Amalgamation;
- The swap ratio of one (1) new ordinary share of UBL having face value of PKR 10/- (Pakistan Rupee Ten Only) in exchange of three hundred and twenty five (325) already issued shares of the Bank, each share having a face value of PKR 10/- (Pakistan Rupee Ten Only), resulting in the issuance of 27,944,188 ordinary shares of UBL, other than by way of right issue; and
- Convening of Extraordinary General Meeting (EOGM) of UBL on December 30, 2024 and of the Bank on December 26, 2024 for consideration and approval of the Amalgamation and above-mentioned matters by the respective shareholders of UBL and the Bank.

Subsequent to the meetings, the Amalgamation Agreement has been executed on December 06, 2024.

On December 18, 2024, a suit was filed in the Honorable Sindh High Court and the Court passed an ad-interim imposing restrictions on certain shareholders from acting on the instructions of certain other shareholders, however, no order was passed against the Bank or the holding of the Extraordinary General Meeting (EOGM). The litigation is still pending to date before the Court.

Subsequently, on the given dates the shareholders of the UBL and the Bank have approved the Amalgamation as per the Scheme of Amalgamation approved by the respective Boards of Directors. However, in order to comply with certain requirements of section 48 of the Banking Companies Ordinance, 1962, the Bank has reconvened its EOGM on February 18, 2025, wherein all the resolutions with respect to Amalgamation have again been passed. Further, the Competition Commission of Pakistan has granted its approval on the Amalgamation on February 25, 2025.

The Amalgamation shall remain subject to all requisite regulatory approvals and completion of legal formalities including sanction of scheme of Amalgamation by SBP.

Upon completion of the Amalgamation, the Bank's assets, liabilities and obligations shall be merged with and into UBL and be realized and settled in ordinary course of business by the amalgamated entity.

- 1.4.2 The issuance of these condensed interim financial statements are delayed due to pending finalization of the annual financial statements for the year ended December 31, 2021, and convening respective year's Annual General Meeting (AGM), for which the Bank was allowed extended time, initially by SECP, and later on by the Honorable Islamabad High Court. The annual financial statements for the year ended December 31, 2021 have been adopted by the shareholders of the Bank in the AGM for the year 2021 which was held on December 06, 2024. Thereafter, the annual financial statements for the year ended December 31, 2022 and December 31, 2023 have also been adopted by the shareholders of the Bank in the respective years' AGMs, which was held on January 04, 2025 and January 29, 2025.

2 BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial statements have been prepared in conformity with the format of interim financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular Letter No. 2 dated February 09, 2023.
- 2.2 In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, the SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing include purchase of goods by the banks from their customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. 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 utilized and the appropriate portion of mark-up thereon.
- 2.3 The Islamic banking branches of the Bank have complied with the requirements set out under the Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) and notified under the provisions of the Companies Act, 2017 except for the adoption of IFAS-3 'Profit & Loss Sharing on Deposits' as disclosed in note 3.3.
- 2.4 The financial results of the Islamic banking branches have been included in these condensed interim financial statements for reporting purposes, after eliminating material inter-branch transactions / balances. Key financial figures of the Islamic banking branches are disclosed in note 43 to these condensed interim financial statements.

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. These comprise of:
- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017;
 - Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Banking Companies Ordinance, 1962 and the Companies Act, 2017; and
 - Directives issued by the SBP and the Securities and Exchange Commission of Pakistan ("SECP") from time to time.

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

- 3.2 The SBP has deferred the applicability of International Accounting Standard (IAS) 40, 'Investment Property' for Banking Companies through BSD Circular No. 10 dated August 26, 2002. Further, the SECP has deferred the 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 SBP through various circulars.
- 3.3 The State Bank of Pakistan through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of IFAS-3 for Profit & Loss Sharing on Deposits (IFAS-3) issued by the ICAP and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). The State Bank of Pakistan through BPRD Circular No. 04 of 2015 dated February 25, 2015 has deferred applicability of IFAS-3 for Profit & Loss Sharing on Deposits issued by the ICAP and notified by the SECP, vide their SRO No. 571 of 2013 dated June 12, 2013 for Institutions offering Islamic Financial Services (IIFS). The disclosures requirements for Islamic Banking Business relating to annual and quarterly financial statements have been based on a format prescribed by SBP vide BPRD Circular Letter No. 02 dated 09 February 2023.
- 3.4 The SBP vide BPRD Circular No. 02 of 2023 dated February 09, 2023 has amended the format of interim / annual financial statements of banks. All banks are required to prepare their interim / annual financial statements on the revised format effective from the accounting year ending January 01, 2024. Accordingly, the Bank has prepared these condensed interim financial statements on the new format prescribed by the SBP.

The adoption of new format required certain recognition requirements, reclassification of comparative information and also introduced additional disclosure requirements. The adoption of revised format has resulted in following material changes (due to which the corresponding presentations have also been changed):

- Right-of-use assets (note 14) amounting to Rs. 1,731.58 million (2023: Rs. 1,924.14 million) which were previously shown as part of property and equipment are now shown separately on the condensed interim statement of financial position.
- Lease liabilities (note 22) amounting to Rs. 2,268.53 million (2023: Rs. 2,369.11 million) which were previously shown as part of other liabilities are now shown separately on the condensed interim statement of financial position.

- 3.5 The disclosures made in these condensed interim financial statements are limited based on the format prescribed by the SBP vide BPRD circular letter No. 02 dated February 09, 2023 and International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and do not include all the information required in the annual financial statements. Accordingly, these condensed interim financial statements should be read in conjunction with the annual financial statements of the Bank for the year ended December 31, 2023.
- 3.6 As disclosed in note 3.5 to these condensed interim financial statements, the format prescribed by SBP includes certain additional disclosures, including those related to International Financial Reporting Standard (IFRS) 9 – Financial Instruments. As disclosed in note 6.2, the Bank has deferred the applicability and related disclosures of IFRS 9 'Financial Instruments' based on specific permission granted by the SBP. Accordingly, these condensed interim financial statements have been prepared on the revised reporting format except to the disclosures related to IFRS 9 'Financial Instruments'.

4 BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared under the historical cost convention, except that certain property and equipment and non-banking assets acquired under satisfaction of claims are stated at revalued amounts less accumulated depreciation and accumulated impairment losses (where applicable) and certain investments and derivative financial instruments have been measured at fair value which net obligations in respect of defined benefit scheme and lease liability against right-of-use assets which are carried at their present values.

These condensed interim financial statements have been prepared in Pakistani Rupee which is the functional and presentation currency of the Bank. The amounts are rounded off to the nearest thousand rupee, unless otherwise stated.

5 MATERIAL ACCOUNTING POLICY INFORMATION

The significant accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the annual financial statements of the Bank for the year ended December 31, 2023.

6.1 Standards, Interpretations of and amendments to accounting and reporting standards that are effective in the year 2024

As referred to in note 4.3 to the Bank's annual financial statements for the year ended December 31, 2023, there are certain standards, amendments and interpretations that are effective for the annual period beginning on or after January 01, 2024. These are considered either not to be relevant or not to have any significant impact on the Bank's condensed interim financial statements.

5.2 Standards, Interpretations of and amendments to accounting and reporting standards that are not yet implemented

- IFRS 9 - 'Financial Instruments'

IFRS 9: 'Financial Instruments' 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 has impact on all assets of the Bank which are exposed to credit risk.

The IFRS 9 is applicable on Banks for the financial period starting from January 01, 2024 as per the pronouncement made by SBP vide its BPRD Circular Letter No. 07 dated April 13, 2023. However, the SBP has granted an exemption to the Bank from the requirements of IFRS 9 'Financial Instruments' till the completion of the merger process with the UBL.

There are certain new and amended standards and interpretations as referred to in note 4.3 to the Bank's annual financial statements for the year ended December 31, 2023, that are mandatory for the Bank's accounting periods beginning on or after January 01, 2024 but are considered not to be relevant or do not have any significant effect on the Bank's operations and are therefore not disclosed in these condensed interim financial statements.

6 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The basis and methods used for critical accounting estimates and judgments adopted in these condensed interim financial information are same as those applied in the preparation of the annual financial statements of the Bank for the year ended December 31, 2023.

7 FINANCIAL RISK MANAGEMENT

The Bank's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended December 31, 2023.

The Bank's activities are exposed to a variety of financial risks i.e. market risk, credit risks and liquidity risks. The condensed interim financial statements do not include all risk management information and are disclosed in the annual financial statements, thus should be read in conjunction with the annual financial statements for the year ended December 31, 2023.

There have been no material changes to our policies and practices regarding risk management and governance as described in annual financial statements for the year ended December 31, 2023 except for certain additions in the criteria to address significant risks emanating from the retail portfolio to ensure that relevant indicators relating to likelihood of default, are being captured in a timely manner under the current situation.

	June 30, 2024	December 31, 2023
	Un-audited	Audited
	Rupees in '000	
8 CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	2,130,243	2,344,461
Foreign currencies	715,480	801,847
	2,845,733	3,146,308
With State Bank of Pakistan in		
Local currency current account	7,613,616	6,495,110
Foreign currency current account	781,667	960,737
Foreign currency deposit account	1,098,218	1,206,584
	9,493,501	10,662,431
With National Bank of Pakistan in		
Local currency current account	312,366	238,306
National Prize Bonds	6,388	8,094
	12,667,988	14,055,139
	June 30, 2024	December 31, 2023
	Un-audited	Audited
	Rupees in '000	
9 BALANCES WITH OTHER BANKS		
In Pakistan		
In current account	88,968	3,627
In deposit account	107	87
	89,075	3,724
Outside Pakistan		
In current account	1,655,115	1,835,358
	1,744,190	1,839,082
10 LENDINGS TO FINANCIAL INSTITUTIONS		
Repurchase agreement lendings (Reverse repo)	98,508	401,450
	98,508	401,450

11 INVESTMENTS

	June 30, 2024 - Un-audited				December 31, 2023 - Audited			
	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value	Cost / amortised cost	Provision for diminution	Surplus / (deficit)	Carrying value
11.1 Investments by type:	Rupees in '000							
Held-for-trading securities								
Federal Government Securities								
Market Treasury Bills					1,800		1	1,801
Pakistan Investment Bonds	22,652		44	22,696				
OCI Sukrah Sukuk					224,040		6,782	220,877
	22,652		44	22,696	225,840		6,783	221,783
Available-for-sale securities								
Federal Government Securities								
Market Treasury Bills	11,774		29	11,797				
Pakistan Investment Bonds	161,664,418		(726,663)	152,538,859	149,326,027		(1,433,415)	147,991,512
OCI Sukrah Sukuk	3,808,244		(43,575)	3,562,669	3,386,421		(40,414)	3,328,007
Shares - Listed								
Ordinary Shares								
	110,456		43,600	154,056	110,466		20,005	131,381
Shares - Unlisted								
Unlisted Ordinary Shares	5,680	(6,680)			5,680	(6,680)		
Real Estate Investment Trust Units	17.4		(80,993)	828,039	310,037		(58,152)	850,000
Non Government Debt Securities								
Term Finance Certificates - Listed	60,035		140	60,175	50,000		175	50,175
Term Finance Certificates - Unlisted	8,780	(8,780)			8,780	(8,780)		
	168,267,419	(14,480)	(806,370)	167,446,589	152,978,390	(14,460)	(1,511,001)	161,452,035
Held-to-maturity securities								
Federal Government Securities								
Pakistan Investment Bonds	11.3			21,601,535	21,665,730			21,855,730
Non Government Debt Securities								
Shares repurchase (fully provided)	74,910	(74,910)			74,910	(74,910)		
	21,676,445	(74,910)		21,601,535	21,730,640	(74,910)		21,855,730
Total Investments	179,955,618	(89,370)	(806,326)	179,070,820	174,934,856	(89,370)	(1,509,118)	173,339,468

	June 30, 2024 Un-audited	December 31, 2023 Audited
Rupees in '000		
11.1.1 Investments given as collateral		
Pakistan Investment Bonds	164,538,884	143,006,883
	<u>164,538,884</u>	<u>143,006,883</u>
11.2 Provision for diminution in value of investments		
11.2.1 Opening balance	89,370	89,370
Charge / (reversals)		
Charge for the period / year		
Reversals for the period / year		
Amounts written off		
Closing balance	<u>89,370</u>	<u>89,370</u>

11.2.2 Particulars of provision against debt securities

Category of classification	June 30, 2024 - Un-audited		December 31, 2023 - Audited	
	Non Performing Investments	Provision	Non Performing Investments	Provision
Rupees in '000				
Domestic				
Substandard				
Doubtful				
Loss	83,690	83,690	83,690	83,690
Total	<u>83,690</u>	<u>83,690</u>	<u>83,690</u>	<u>83,690</u>

11.3 The market value of securities classified as held-to-maturity is Rs. 17,694 million (December 31, 2023: Rs. 17,124 million).

12 ADVANCES

	Performing		Non Performing		Total	
	June 30, 2024 Un-audited	December 31, 2023 Audited	June 30, 2024 Un-audited	December 31, 2023 Audited	June 30, 2024 Un-audited	December 31, 2023 Audited
Rupees in '000						
Loans, cash credits, running finances, etc.	30,130,824	28,838,041	61,745,588	48,743,258	91,876,410	83,378,310
Islamic financing and related assets	4,875	4,875	185,000	185,000	190,000	189,876
Bills discounted and purchased	125,371	153,738	2,893	2,893	128,264	156,631
Advances - gross	<u>30,261,070</u>	<u>29,006,654</u>	<u>61,933,481</u>	<u>49,034,151</u>	<u>111,866,951</u>	<u>103,624,817</u>
Less: Provision against advances						
- Specific	580,917	581,534	38,470,308	33,458,850	39,051,225	34,051,184
- General						
Advances - net of provision	<u>29,705,278</u>	<u>28,425,120</u>	<u>23,463,173</u>	<u>15,575,301</u>	<u>72,815,726</u>	<u>69,573,633</u>

12.1 Particulars of advances (Gross) in local currency in foreign currencies

	June 30, 2024 Un-audited	December 31, 2023 Audited
Rupees in '000		
	82,209,874	83,745,316
	<u>82,209,874</u>	<u>83,745,316</u>

12.2 Advances include Rs. 51.94 billion (December 31, 2023: Rs. 46.04 billion) which have been placed under non-performing status as detailed below:

Category of classification - specific	June 30, 2024 - Un-audited		December 31, 2023 - Audited	
	Non Performing Loans	Provision	Non Performing Loans	Provision
Rupees in '000				
Domestic	5,891,413	77,817	2,389,468	63,078
Substandard	87,848	18,779	600,870	111,099
Doubtful	45,964,418	38,373,912	43,890,710	33,285,473
Loss				
Total	<u>51,943,479</u>	<u>38,470,308</u>	<u>46,881,048</u>	<u>33,459,650</u>

12.3 Particulars of provision against advances:

Note	June 30, 2024 - Un-audited			December 31, 2023 - Audited		
	Specific	General	Total	Specific	General	Total
Rupees in '000						
Opening balance	33,469,650	591,634	34,061,284	28,495,697	795,074	30,290,771
Charge for the period / year	5,418,605		5,418,605	5,215,884		5,215,884
Reversals for the period / year	(73,636)	(30,617)	(104,253)	(272,095)	(113,540)	(385,635)
Amounts written off	(335,211)		(335,211)	(19,758)		(19,758)
Closing balance	<u>38,470,308</u>	<u>560,917</u>	<u>39,031,225</u>	<u>33,458,850</u>	<u>591,534</u>	<u>34,050,384</u>

- 12.3.1** It includes non-performing advances amounting to Rs. 19,283 million (December 31, 2023 : Rs. 19,283 million) extended to certain borrowers ("Respective borrowers") who are engaged primarily in trading and real estate businesses which are mainly secured against the mortgage of land. These exposures are classified under 'Loss' category. The Bank intends to settle these exposures through Real Estate Investment Trust (REIT) arrangements (Note 17.3) which have been approved by the SBP with certain conditions precedent. Under the arrangement, two separate schemes of REITs, i.e. Silk Islamic Development REIT (SIDR) and Silk World Islamic REIT (SWIR) have been established. Out of the total land mortgaged with the Bank as a collateral securing these non-performing exposures, the land measuring 14.34 acres and 32.28 acres have been released and transferred in favour of SIDR and SWIR respectively. However, the Bank still hold other land of the Related Borrowers under mortgage having market value of around Rs. 24 billion.
- 12.3.1.1** After formation of SIDR, and transfer of land, an initial sale proceed of Rs. 878 million have been realised to the Bank against these respective non-performing exposures.
- 12.3.1.2** Against the land transferred to SWIR, REIT units in SWIR having par value of Rs. 5 billion have been issued in favour of the Respective borrowers which along with dividend thereon have been assigned in favour of the Bank.
- 12.3.2** SBP vide various circulars has amended Prudential Regulations in respect of provisioning against non-performing advances under which the benefit of Forced Sale Value (FSV) has been allowed for plant and machinery under charge, pledged stock and mortgaged residential, commercial and industrial properties (land and building only) held as collateral against non-performing advances upto five years from the date of classification.
- 12.3.3** As of June 30, 2024, the Bank has availed FSV benefits against all non performing advances. Had the benefit not been taken by the Bank, loss after tax would have been higher by Rs. 5,686 million (December 31, 2023: Rs. 7,547 million), which shall not be available for payment of cash or stock dividend / bonus to employees.
- 12.3.4** General provision represents provision amounting to Rs. 561 million (December 31, 2023: Rs. 592 million) against consumer finance portfolio as required by the Prudential Regulations issued by the SBP.

		June 30, 2024	December 31, 2023
		Un-audited	Audited
	Note	Rupees in '000	
13	PROPERTY AND EQUIPMENT		
	Capital work-in-progress	93	3,080
	Property and equipment	2,592,200	2,678,717
		<u>2,592,293</u>	<u>2,681,797</u>
13.1	Capital work-in-progress		
	Civil works	66	3,043
	Advances to suppliers and contractors	37	37
		<u>93</u>	<u>3,080</u>

- 13.2** On September 10, 2015, the Bank entered into an Agreement to Sell (the Agreement) with respect to its previous Head Office Land and Building (the Property) situated at I. I. Chundrigar Road against sale consideration of Rs. 2,370 million. Pursuant to the terms of the Agreement, the Bank received a down payment of Rs. 118.50 million, which is currently reported in 'other liabilities' (note 24). The remaining balance was required to be paid by the buyer within 5 years from the date of the Agreement. Under the agreement, the counter-party is permitted for new construction at the Property site while keeping the building facade intact being the heritage and required to be protected under Heritage regulations.
- 13.2.1** Certain Constitution Petitions was filed against the high rise construction at the Property. These includes the petition filed by SBP on October 2, 2018 in Honorable High Court of Sindh which granted Stay on October 4, 2018 against any construction at the Property site. Reportedly, the counter party had accepted the objections of SBP and had resolved respective concerns/issues about which SBP was duly communicated through their letter dated October 23, 2021. However, the matter is still pending at SBP and the Court's Stay on construction is still in place.
- 13.2.2** Due to the Court's stay along with severe economic slowdown occurred due to COVID-19, the construction activities at the Property site were badly hampered at various time-intervals due to which the counter-party has requested the Bank to extend the term of the agreement. Accordingly, the agreement was initially extended for one year and thereafter till September 2024.

13.2.3 At the time of issuance of these condensed interim financial statements, the remaining payment under the agreement has not been realized to the Bank. The buyer of the property has not complied with the terms of the agreement, and despite of non-compliance of the terms, has filed a suit in May 2024, to restrain the Bank from interfering in its possession, dispossessing the buyer from the property and other actions. The Bank has also filed a counter suit in the Sindh High Court in August 2024 that the agreement be considered null and void due to its non-compliance by the buyer. The suit filed by both the Bank and the counter party is pending adjudication before the Court.

	June 30, 2024 Un-audited	June 30, 2023 Un-audited
	Rupees in '000	
13.3 Additions to Property and equipment		
The following additions have been made to property and equipment during the period:		
Capital work-in-progress	28,119	23,539
Property and equipment		
Furniture and fixture	230	768
Electrical, office and computer equipment	26,934	8,918
Vehicles	-	25,946
Leasehold Improvements	3,942	17,345
	31,106	52,977
Total	59,225	76,516
13.4 Disposal of Property and equipment		
The net book value of property and equipment disposed off during the period is as follows:		
Furniture and fixture	-	637
Electrical, office and computer equipment	-	1,094
Vehicles	8,763	51,383
Leasehold Improvements	-	10
Total	8,763	56,124
	June 30, 2024 Un-audited	December 31, 2023 Audited
	Rupees in '000	
14 RIGHT-OF-USE ASSETS		
At January 01,		
Cost	4,599,638	4,828,982
Accumulated depreciation	(2,675,402)	(2,396,728)
Net book value at the beginning of the period / year	1,924,136	2,432,254
Period / Year ended		
Additions during the period / year	72,769	240,656
Deletions during the period / year	(1,100)	(203,097)
Depreciation charge for the period / year	(264,226)	(559,748)
Other adjustment	-	14,071
Net book value at the end of the period / year	1,731,580	1,924,136
15 INTANGIBLE ASSETS		
Capital work-in-progress	4,673	4,573
Software	276,778	312,842
	283,351	317,415

	June 30, 2024 Un-audited	June 30, 2023 Un-audited
	Rupees in '000	
15.1 Additions to Intangible assets		
The following additions have been made to intangible assets during the period:		
Capital work-in-progress	-	11,957
Software (directly purchased)	-	81,955
Total	-	93,912

15.2 Disposals of intangible assets		
The net book value of intangible assets disposed off during the period is as follows:		
Software (directly purchased)	-	-
Total	-	-

	June 30, 2024 Un-audited	December 31, 2023 Audited
	Rupees in '000	
16 DEFERRED TAX ASSETS		
Deductible Temporary Differences on		
- Tax losses carried forward	19,232,300	15,093,845
- Deficit on revaluation of investments	282,897	566,572
- Provision for diminution in value of investments	3,424	3,424
- Provision against non-performing advances	15,055,168	13,254,535
- Provision against Workers' Welfare Fund (WWF)	62,476	52,476
- Provision against other assets	363,388	363,388
- Depreciation on non-banking assets	126,997	119,327
- Impairment in property and equipment	1,062,142	1,022,580
- Unabsorbed tax depreciation	129,428	129,428
	36,307,220	30,605,575
Taxable Temporary Differences on		
- Surplus on revaluation of non-banking assets	(13,037)	(13,431)
- Surplus on revaluation of property and equipment	(6,281)	(6,979)
- Post retirement employee benefits	(48,739)	(35,255)
- Accelerated tax depreciation	(44,867)	(51,609)
	(112,924)	(107,274)
	36,194,296	30,498,301

16.1 The Bank has an aggregate amount of deferred tax assets of Rs. 36,194 million (December 31, 2023: Rs. 30,498 million) out of which an amount of Rs. 15,055 million (December 31, 2023: 13,255 million) has been recorded in accordance with the provision of the Seventh Schedule to the Income Tax Ordinance, 2001, which require that Provisions for advances and off-balance sheet items shall be allowed upto a maximum of 1% of total advances and provisions for advances and off-balance sheet items shall be allowed at 5% of total advances for consumers and small and medium enterprises. Pursuant to the Amalgamation arrangement as detailed in Note 1.4, the amalgamated entity is expected to realise these deferred tax assets mainly against its future years tax liabilities and available tax benefits with respect to non performing loans.

		June 30, 2024	December 31, 2023
		Un-audited	Audited
		Rupees in '000	
17	OTHER ASSETS		
	Income / mark-up accrued in local currency - net	7,984,050	8,264,073
	Income / mark-up accrued in foreign currency - net	-	-
	Accrued rent	18,210	18,210
	Advances, deposits, advance rent and other prepayments	1,959,631	1,974,079
	Profit paid in advance on fixed deposits	204,240	175,749
	Advance taxation (payments less provisions)	2,710,547	2,599,144
	Net defined benefit assets	124,971	90,399
	Non-banking assets	17.2	2,965,286
	Branch adjustment account	814,826	857,247
	Mark to market gain on forward contracts	4,373	2,122
	Acceptances	232,507	331,084
	Contract Assets	17.3	-
	Receivable from sale of non-banking assets acquired in satisfaction of claims	17.4	1,850
	Fee receivable from Credit Card members	210,634	198,124
	Others	995,938	593,323
		18,228,803	18,095,179
	Less: Provision held against other assets	17.6	(916,846)
	Other assets - net of provisions	17,311,957	17,178,333
	Surplus on revaluation of non-banking assets	50,411	51,424
	Other assets - total	17,362,368	17,229,757
		2,166,465	2,183,567

17.1 Market value of Non-banking assets acquired in satisfaction of claims

17.2 The non-banking assets acquired in satisfaction of claims (NBAs) aggregating to Rs. 1,802 million (December 31, 2023: Rs. 1,802 million) are currently un-developed and have been evaluated based on the valuation reports from the valuers on Pakistan Bank Association list of approved valuers. The Bank exposure exceeds the prescribed limit of 2.5% of aggregate advances and investments (excluding investment in Government securities) as prescribed by SBP under regulation Debt Property Swap.

17.3 The Contract assets represent the variable consideration, receivable to the Bank from SIDR, against the land transferred to it in 2021, which was previously held as Non-banking assets. Such transfer of land was made under the REIT arrangement to which certain mortgaged land of Respective borrowers as detailed in Note 12.3.1 was also released. The management has assessed the expected value of these Contract assets as Nil, as significant time has been lapsed in launch of SIDR's project, which have multiple implications on achieving the project's required probability level and payouts to SIDR unit holders.

17.4 REIT units of SWIR having par value equivalent to Rs. 910 million had been issued in consideration to the land transferred to SWIR (previously held as Non-banking assets) under REIT arrangement to which certain mortgaged land of Respective borrowers was also released (Note 12.3.1). Such REIT units are held as investments (Note 11). The Bank is expected to realize dividends over the REIT units held during the tenure and liquidation proceeds at the culmination of the respective REIT.

	June 30, 2024	December 31, 2023
	Un-audited	Audited
	Rupees in '000	

17.6 Provision held against other assets

Non-banking assets acquired in satisfaction of claims	849,232	849,232
Advances, deposits, advance rent and other prepayments	3,699	3,600
Others	63,915	63,915
	916,846	916,846

17.5.1 Movement in provision held against other assets

Opening balance	916,846	857,232
Charge for the period / year		59,614
Reversals for the period / year		59,614
Net reversal for the period / year		59,614
Reversal on disposal / write off		
Closing balance	916,846	916,846

18 CONTINGENT ASSETS

There were no contingent assets as at June 30, 2024 (December 31, 2023: Nil)

	June 30, 2024 Un-audited	December 31, 2023 Audited
	Rupees in '000	
19	BILLS PAYABLE	
	In Pakistan	4,474,376
	Outside Pakistan	3,141,963
		<u>4,474,376</u>
20	BORROWINGS	
	Secured	
	Borrowings from State Bank of Pakistan	
	- under export refinance scheme	2,202,541
	- under Credit Guarantee Scheme for Small and Rural Enterprises	167
		<u>2,202,708</u>
	Repurchase agreement borrowings	164,389,766
	Total secured	166,602,474
	Unsecured	
	Overdrawn nostro accounts	404,957
	Overdrawn local bank accounts	9,072
	Total unsecured	414,029
		<u>147,380,746</u>

21 DEPOSITS AND OTHER ACCOUNTS

	June 30, 2024 - Un-audited			December 31, 2023 - Audited		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	Rupees in '000					
Customers						
Current deposits	33,108,303	5,416,800	38,524,903	32,250,858	7,056,794	39,307,652
Saving deposits	82,802,449	4,285,903	87,088,352	66,348,861	4,624,602	70,973,463
Term deposits	32,864,959	1,370,997	34,235,956	38,238,545	1,608,215	37,844,760
Margin deposits	1,122,268	-	1,122,268	1,289,544	-	1,289,544
Call deposits	2,379,351	-	2,379,151	1,328,153	-	1,328,153
	<u>132,277,130</u>	<u>11,073,600</u>	<u>143,350,630</u>	<u>137,456,081</u>	<u>13,287,611</u>	<u>150,743,672</u>
Financial institutions						
Current deposits	147,273	10,809	158,082	145,188	21,328	166,517
Saving deposits	2,460,811	184	2,460,995	1,705,257	186	1,705,443
Term deposits	645,930	736,491	1,382,421	900,830	745,803	1,646,733
	<u>3,254,014</u>	<u>747,484</u>	<u>4,001,498</u>	<u>2,751,376</u>	<u>767,317</u>	<u>3,518,693</u>
	<u>135,531,144</u>	<u>11,820,984</u>	<u>147,352,128</u>	<u>140,207,437</u>	<u>14,054,928</u>	<u>154,262,365</u>

	June 30, 2024 Un-audited	December 31, 2023 Audited
	Rupees in '000	
22	LEASE LIABILITIES	
	Outstanding amount at the start of the period / year	2,369,107
	Additions during the period / year	72,769
	Deletion during the period / year	(1,100)
	Lease payments including interest	(329,488)
	Interest expense	167,243
	Other adjustment	-
	Outstanding amount at the end of the period / year	2,268,531
22.1	Contractual maturity of lease liabilities	
	Short-term lease liabilities - within one year	502,410
	Long-term lease liabilities	
	Later than one year and upto five years	1,273,446
	Later than five years and upto ten years	486,854
	Over ten years	6,021
	Total lease liabilities	2,268,531

	Note	June 30,	December 31,
		2024	2023
		Un-audited	Audited
		Rupees in '000	
23 SUBORDINATED DEBT			
Subordinated Term Finance Certificates	23.1	1,998,400	1,986,400
Subordinated Loan from Sponsors	23.2	440,266	440,266
		<u>2,438,666</u>	<u>2,426,666</u>

23.1 The Bank has issued privately placed, unsecured and subordinated Term Finance Certificates (TFCs) as instruments of redeemable capital under section 86 of the Companies Act, 2017 and the Basel III guidelines issued by the SBP. The key features of the issue are as follows:

Issue amount	Rs. 2,000 million
Issue date	August 10, 2017
Maturity date	Up to 8 years from date of issue.
Rating	BBB+ (Triple B Plus) by VIS Credit Rating Company Limited (VIS) was announced on October 12, 2020, based on condensed interim financial statements of Silk Bank Limited as of June 30, 2020. Later on, the same rating was harmonized by VIS according to their revised methodology and assigned rating at 'B' (Single B) with a 'Rating Watch-Negative' status on June 16, 2023. The VIS shall review the ratings once these and other subsequent financial statements are issued.
Security	The instrument is unsecured and subordinated as to payment of principal and profit to all other indebtedness of the Bank, including deposits.
Profit payment frequency	Profit will be payable semi-annually in arrears on the outstanding principal amount and will be calculated on a 365 day year basis.
Redemption	0.14% of the issue amount during the first 7 years and remaining 99.86% in last two equal semi-annual installments of 49.93% each.
Mark-up	6 months KIBOR plus 1.85% per annum.
Call option	The Bank may call TFCs in part or in full, after 5 years from date of issue on any profit payment date, subject to SBP approval and with not less than 30 days prior notice to the Trustee and Investors. The call option once announced will be irrevocable.
Lock-in clause	As per the lock-in requirement for Tier II issues, neither profit nor principal will be payable (even at maturity) in respect of the TFC, if such payment will result in a shortfall in the Bank's Minimum Capital Requirement (MCR) or Capital Adequacy Ratio (CAR) or results in an increase in any existing shortfall in MCR or CAR.
Loss absorbency clause	The instrument will be subject to loss absorbency and / or any other requirements under SBP's Basel III Capital Rules. Upon the occurrence of a point of non-viability event as defined by SBP's Basel III Capital Rules, the SBP may at its option, fully and permanently convert the TFCs into common shares of the Bank and / or have them immediately written off (either partially or in full). Number of shares to be issued to TFC holders at the time of conversion will be equal to the 'Outstanding Face Value of the TFCs' divided by fair value per share of the Bank's common equity on the date of trigger of the non-viability event as declared by the SBP, subject to a cap of 1,238,300,003 shares.

23.2 Due to the lock-in clause as mentioned in note 23.1 and as per SBP instructions, the Bank has received an unsecured and interest free subordinated loan from the sponsor in order to make the payment of the installments including profit thereon in respect of the above mentioned TFCs. Upon compliance with Capital Adequacy Ratio (CAR), this subordinated loan will be repaid to the Sponsor.

	Note	June 30,	December 31,
		2024	2023
		Un-audited	Audited
		Rupees in '000	
24 OTHER LIABILITIES			
Mark-up / return / interest payable in local currency		2,788,915	5,457,862
Mark-up / return / interest payable in foreign currencies		9,636	16,496
Unearned commission and income on bills discounted		64,496	71,538
Accrued expenses		1,004,019	890,858
Acceptances		232,607	331,084
Mark to market loss on forward contracts		19,792	53,850
Payable to defined benefit plan - contracts) staff		120,044	121,935
Provision against off-balance sheet obligations	24.1	109,812	109,812
Workers' Welfare Fund (WWF)		37,127	64,857
Advance received against future sale of non banking assets		82,191	68,198
Advance received against future sale of property and equipment		118,500	116,500
Deferred income against non-banking assets		128,848	128,848
Islamic pool management reserve		12,033	10,994
Non checking account		75,697	64,460
FRI remitting account		27,023	27,559
Funds received against application of Housing Schema		68,265	56,852
Others		1,896,925	1,146,385
		<u>6,773,119</u>	<u>8,829,877</u>

		June 30, 2024 Un-audited	December 31, 2023 Audited
	Note	Rupees in '000	
24.1 Provision against off-balance sheet obligations			
Opening balance		109,812	109,812
Charge for the period / year			
Reversals for the period / year			
Amount written off			
Closing balance	24.1.1	109,812	109,812
24.1.1 This includes provisions made against letters of guarantee issued by the Bank.			
25 (DEFICIT) / SURPLUS ON REVALUATION OF ASSETS - NET OF TAX			
(Deficit) / Surplus on revaluation of			
- Available for sale securities		(725,377)	(1,452,749)
- Property and equipment		39,379	41,169
- Non-banking assets acquired in satisfaction of claims		1,895,340	1,898,352
		1,209,342	484,772
Deferred tax on (surplus) / deficit on revaluation of			
- Available for sale securities	16	282,887	566,572
- Property and equipment	16	(6,281)	(6,979)
- Non-banking assets acquired in satisfaction of claims	16	(13,037)	(13,431)
		263,579	546,162
		1,472,921	1,030,934
26 CONTINGENCIES AND COMMITMENTS			
Guarantees	26.1	10,593,390	11,302,878
Commitments	26.2	9,260,452	10,928,279
Contingent liabilities	26.3	1,001,404	1,038,843
		20,845,246	23,270,000
26.1 Guarantees:			
Financial guarantees		974,379	854,940
Performance guarantees		6,662,924	7,240,609
Other guarantees		2,956,087	3,199,329
		10,593,390	11,302,878
26.2 Commitments:			
Documentary credits and short-term trade-related transactions			
- letters of credit		1,342,038	1,793,868
Commitments in respect of:			
- forward foreign exchange contracts	26.2.1	7,581,754	9,134,411
- forward government securities transactions	26.2.2		
Commitments for acquisition of:			
- property and equipment		117,275	
- intangible assets		209,385	
		9,260,452	10,928,279
26.2.1 Commitments in respect of forward foreign exchange contracts			
Purchase		7,120,232	8,560,493
Sale		461,522	573,918
		7,581,754	9,134,411
26.2.2 Commitments in respect of forward government securities transactions			
Purchase			
Sale			
26.2.3 The Bank makes commitments to extend credit in the normal course of its business but these being revocable commitments do not attract any significant penalty or expense if the facility is unilaterally withdrawn.			

	June 30, 2024 Un-audited	December 31, 2023 Audited
Rupees in '000		
26.3 Contingent liabilities:		
Claims against the Bank not acknowledged as debt	766,404	803,843
Claims against the Bank by Competition Commission of Pakistan & others	235,000	235,000
	<u>1,001,404</u>	<u>1,038,843</u>

26.3.1 Suits for damages of Rs. 25.60 billion (December 31, 2023: Rs. 24.29 billion) have been filed against the Bank by various borrowers / employees in respect of certain disputes relating to loans and advances. The management of the Bank and its legal counsel consider that the suits are a counterblast in response to the recovery suits filed by the Bank. The Bank and its legal counsel are confident that the cases will be dismissed as actual damages have to be proven in such suits.

26.4 For contingencies relating to taxation refer note 36.1-36.4.

27 DERIVATIVE INSTRUMENTS

Product Analysis

June 30, 2024 - Un-audited	
Forward Contracts	
Notional Principal	Mark to Market gain / (loss)
Rupees in '000	

Counterparties

Hedging

- Banks

- Other entities

Total

6,964,049	(16,727)
617,705	3,308
<u>7,581,754</u>	<u>(15,419)</u>

December 31, 2023 - Audited

Forward Contracts	
Notional Principal	Mark to Market gain / (loss)
Rupees in '000	

Counterparties

Hedging

- Banks

- Other entities

Total

6,675,054	(44,972)
2,459,357	(6,556)
<u>9,134,411</u>	<u>(51,528)</u>

		June 30, 2024	June 30, 2023
	Note	Un-audited	Un-audited
		Rupees in '000	
28	MARK-UP / RETURN / PROFIT / INTEREST EARNED		
	Loans and advances	3,858,101	5,051,262
	Investments	16,919,178	15,340,854
	Lendings to financial institutions	105,638	102,768
	Balances with banks	30,309	18,252
		<u>20,913,124</u>	<u>20,510,938</u>
29	MARK-UP / RETURN / PROFIT / INTEREST EXPENSED		
	Deposits	10,884,827	9,307,365
	Borrowings	17,001,680	14,737,664
	Subordinated debt	233,789	223,041
	Cost of foreign currency swaps against foreign currency deposits / borrowings	423,303	416,020
	Lease liability against right-of-use assets	167,243	152,969
		<u>28,700,842</u>	<u>23,837,059</u>
30	FEE & COMMISSION INCOME		
	Branch banking customer fees	126,198	132,302
	Card related fees (debit and credit cards)	866,268	1,129,622
	Credit related fees	168,091	168,900
	Commission on trade	72,027	74,255
	Commission on guarantees	41,319	39,689
	Commission on remittances including home remittances	6,638	9,291
	Commission on bancassurance	14,644	21,967
	Others	6,312	8,885
		<u>1,392,498</u>	<u>1,572,641</u>
31	(LOSS) / GAIN ON SECURITIES		
	Realised	31.1	3,136
	Unrealised - held for trading		44
	Unrealised - REIT Units		(21,841)
			<u>(18,681)</u>
			<u>(77,445)</u>
31.1	Realised (loss) / gain on:		
	Federal Government Securities		3,136
	Shares		(9,997)
			<u>(13,923)</u>
			<u>(23,320)</u>
32	OTHER INCOME		
	Rent on property and non-banking assets		837
	Gain on sale of property and equipment - net	31	10,199
	Rent on lockers	11,958	10,841
	Postage, telex and other service charges recovered	15,644	28,223
	Early loan termination charges	7,125	12,288
	Gain on termination / adjustment of leases		83,003
		<u>34,758</u>	<u>142,989</u>

	June 30, 2024 Un-audited	June 30, 2023 Un-audited
	Rupees in '000	
33 OPERATING EXPENSES		
Total compensation expense	1,023,272	1,505,538
Property expense		
Rent & taxes	11,304	6,260
Insurance on non-banking assets acquired in satisfaction of claims	192	306
Utilities cost	110,998	60,376
Security (including guards)	71,985	68,209
Repair & maintenance (including janitorial charges)	62,727	59,940
Depreciation on buildings	30,890	32,282
Depreciation on right-of-use assets	264,225	291,023
Depreciation on non-banking assets acquired in satisfaction of claims	17,102	17,312
	575,433	563,716
Information technology expenses		
Software maintenance	213,610	189,053
Hardware maintenance	71,004	82,731
Depreciation	23,854	29,798
Amortisation	34,064	27,328
Website development charges		319
	342,632	329,229
Other operating expenses		
Directors' fees and allowances	29,324	41,990
Fees and allowances to Shariah Board	6,694	10,158
Legal & professional charges	82,652	60,004
Outsourced services costs	17,807	20,026
Travelling & conveyance	64,317	37,890
NIFT clearing charges	7,424	7,863
Depreciation	68,398	72,393
Training & development	2,829	714
Postage & courier charges	2,634	1,643
Communication	648,010	584,083
Stationery & printing	54,408	48,628
Marketing, advertisement & publicity	46,484	82,542
Auditors' remuneration	16,791	13,416
Insurance (including deposit protection)	117,001	107,581
Repairs & maintenance	50,070	48,210
Brokerage and commission	682	4,450
Subscriptions and news papers	9,567	9,976
Entertainment	19,262	13,725
Vehicle running & maintenance	17,917	20,933
Card related expenses (debit and credit cards)	110,612	166,712
Security	20,068	19,148
Others	1,133	3,048
	1,372,202	1,355,330
	3,913,439	3,753,813
34 OTHER CHARGES		
Penalties imposed by State Bank of Pakistan	40	1,158
Operational loss	12,136	1,779
	12,178	2,937

		June 30, 2024	June 30, 2023
	Note	Un-audited	Un-audited
		Rupees in '000	
35	PROVISIONS & WRITE OFFS - NET		
	Provisions against loans & advances	12.3 5,316,352	3,047,033
	Write offs against property and equipment		9,102
	Write offs against property and equipment - Capital work-in-progress		5,087
	Recovery of written off loans	(167,806)	(195,529)
		<u>5,147,547</u>	<u>2,866,493</u>
36	TAXATION		
	Current	151,074	111,406
	Prior periods	(5,992,060)	(3,130,854)
	Deferred	<u>(5,840,986)</u>	<u>(3,019,448)</u>
36.1	The prior year tax amounting to Rs. 151 million pertains to minimum tax for the financial year 2019 as the Bank charges such tax in the year when the statutory period allowed for its carry forward against future tax liabilities on taxable income expires. The Income tax returns of the Bank have been e-filed upto the tax year 2024. The Commissioner Inland Revenue has made amendments in the assessments, and the Bank has filed appeals against these amendments. The appeals are pending before Appellate Tribunal Inland Revenue (ATIR) against certain disallowances amounting to Rs.3,026 million (2023; Rs. 3,026 million) relating to Assessment / Tax Year(s) 2000-2001, 2001-2002, 2002-2003, 2004 and 2015 to 2019. The appeals which are pending before Commissioner-Appeals (CIR-A) against the disallowances amounting to Rs.662 million (2023; Rs.662 million) relating to tax years 2003 and 2006. The management of the Bank, in consultation with its tax advisor, is confident that the decisions in respect of these appeals would be in the Bank's favor.		
36.2	For the tax year 2020, tax audit and amendment in assessment proceedings has been concluded and order under section 122(1) of the Income Tax Ordinance, 2001 is passed disallowing certain items aggregating to Rs. 707,933 million. An appeal against the order is likely to be filed by the Bank. For the tax years 2021, 2022, 2023 and 2024 returns of income filed by the Bank are deemed to be assessment orders under section 120 of the Income Tax Ordinance, 2001.		
36.3	The proceedings regarding monitoring of withholding taxes pertaining to the Tax Years 2011 to 2019 were initiated and completed. Orders were issued by the Assessing Officer (AO) creating total tax demands of Rs. 241,880 million inclusive of penalties and default surcharges. Against these tax demands, the Bank has paid an amount of Rs. 169,312 million. The matters pertaining to the tax years 2011 and 2012 have been concluded, the Bank has not contested the matters in appeals and has paid the demands created by the AO. The Bank's appeals for Tax Years 2013 and 2014 before the CIR-A were rejected after which appeals before the ATIR, Karachi have been filed. The ATIR has remanded back the case to the AO, however, no proceedings were initiated. With respect to Tax Years 2015 and 2016, the Bank has filed appeals against orders before CIR-A. The CIR-A remanded back the matter to the AO, however, no proceedings were initiated. With respect to Tax Years 2017 to 2019, the Bank has filed appeals against orders before CIR-A, the CIR-A remanded back the matter to the AO. The AO afterwards passed the orders by creating tax demands of Rs. 499,831 for tax year 2017, Rs. 303,191 for tax year 2018 and no tax demand for tax year 2019. Since, the orders passed by the AO are in favor of the Bank, therefore, no appeals were preferred. However, these orders are subject to rectification, accordingly, applications under section 221 of the Income Tax Ordinance, 2001 were filed in each case, though no rectified orders have been passed.		
	The proceedings regarding monitoring of withholding taxes for the tax year 2020 has been initiated and notice under section 161(1A) of the Ordinance has been issued. However, no order has been passed by the AO.		
36.4	The income tax returns of the Bank's Azad Kashmir operations have been filed up to the tax year 2021. The Commissioner Inland Revenue have amended the assessments from the tax years 2016 to 2020 and passed orders under section 122(5A) of the Ordinance (for tax years 2016 and 2017) and under section 122(1) of the Income Tax Ordinance, 2001, (for the tax years 2018, 2019 and 2020). Appeals against orders were filed and these matters are pending for adjudication before the CIR-A and ATIR. The CIR-A has remanded back the matter in respect of tax years 2016, 2017 and 2020 for re-examination. The management of the Bank, in consultation with its tax advisor, is confident that the decisions in respect of these appeals would be in the Bank's favor.		
37	BASIC AND DILUTED EARNINGS PER SHARE	June 30, 2024	June 30, 2023
	Loss after taxation for the period (Rupees in '000)	Un-audited	Un-audited
		<u>(8,523,311)</u>	<u>(1,928,537)</u>
	Weighted average number of ordinary shares (Number of shares in '000)	<u>8,081,861</u>	<u>9,061,661</u>
	Basic and diluted loss per share (Rupee)	<u>(1.05)</u>	<u>(0.54)</u>
37.1	There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2024 and June 30, 2023.		
38	CASH AND CASH EQUIVALENTS	June 30, 2024	June 30, 2023
	Cash and balance with treasury banks	Un-audited	Un-audited
	Balance with other banks	<u>12,657,968</u>	<u>12,399,818</u>
		<u>1,744,190</u>	<u>1,872,527</u>
		<u>14,402,178</u>	<u>14,072,345</u>

39 FAIR VALUE MEASUREMENTS

The fair value of traded investments is based on quoted market prices. Fair value of unquoted equity investments other than investments in associates is determined on the basis of break up value of these investments as per the latest available audited financial statements.

Fair value of fixed term loans, other assets, other liabilities, fixed term deposits and borrowings cannot be calculated with sufficient reliability due to absence of current and active market for such assets and liabilities and reliable data regarding market rates for similar instruments.

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 occurred. There were no transfers between levels 1 and 2 during the period.

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

39.1 Fair value of financial assets

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

- Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, 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 financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	June 30, 2024 - Un-audited				
	Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000					
On-balance sheet financial instruments					
Financial assets - measured at fair value					
Investments:					
Federal Government Securities					
Market Treasury Bills	11,797		11,797		11,797
Pakistan Investment Bonds	174,463,084		174,463,084		174,463,084
SOF (Sahih Sukuk)	3,662,669		3,662,669		3,662,669
Shares					
- listed companies	164,056	164,056			164,056
Non-Government Debt Securities					
Term Finance Certificates - Listed	60,176		60,176		60,176
	178,241,781	164,056	178,087,725		178,241,781
Financial assets - disclosed but not measured at fair value					
Cash and balances with treasury banks	12,657,888				12,657,888
Balances with other banks	1,744,180				1,744,180
Lendings to financial institutions	98,508				98,508
Advances	43,178,449				43,178,449
Other assets	8,219,967				8,219,967
	35,899,082				35,899,082
	244,140,873	164,056	178,087,725		244,140,873
Off-balance sheet financial instruments - measured at fair value					
Forward purchase of foreign exchange	7,120,232		7,120,232		7,120,232
Forward sale of foreign exchange	461,522		461,522		461,522
Forward purchase of government securities transactions					
Forward sale of government securities transactions					

December 31, 2023 - Audited				
Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000				
On-balance sheet financial instruments				
Financial assets - measured at fair value				
Investments:				
Federal Government Securities				
Market Treasury Bills		1,881		1,881
Pakistan Investment Bonds	168,747,347		168,747,347	168,747,347
GOP (Karah) Sukuk	3,557,829		3,557,828	3,557,828
Shares				
Listed companies	131,381	131,381		131,381
Non-Government Debt Securities				
Term Finance Certificates - Listed	50,175		60,175	50,175
	172,488,588	131,381	172,367,227	172,488,588
Financial assets - disclosed but not measured at fair value				
Cash and balances with treasury banks	14,055,138			14,055,138
Balances with other banks	1,839,002			1,839,002
Loans to financial institutions	491,450			491,450
Advances	49,684,132			49,684,132
Other assets	8,482,778			8,482,778
	74,672,582			74,672,582
	247,081,170	131,381	172,367,227	172,488,588
Off-balance sheet financial instruments - measured at fair value				
Forward purchase of foreign exchange	8,580,493			8,580,493
Forward sale of foreign exchange	573,818			573,818
Forward purchase of government securities transactions				
Forward sale of government securities transactions				

Valuation techniques used in determination of fair valuation of financial instruments within level 2 and level 3 are:

Item	Valuation approach and input used
Market Treasury Bills and Pakistan Investment Bonds	Fair values are derived using the PMSRV rates.
GOP (Karah) Sukuk	Fair values of GOP Karah Sukuk are derived using the PMSRV 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.
Shares - Listed	Fair values of investments in listed shares are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.
Sukuk - Listed and Term Finance Certificates - Listed	Investments in debt securities i.e. term finance certificates and sukuk certificates issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.
Foreign exchange contracts	The valuation has been determined by interpolating the mid rates announced by the State Bank of Pakistan.

39.2 Fair value of non-financial assets

Information about the fair value hierarchy of Bank's non-financial assets as at the end of the reporting period are as follows:

June 30, 2024 - Un-audited				
Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000				
Property and equipment - land and buildings	2,000,245		2,000,245	2,000,245
Non-banking assets acquired in satisfaction of claims	2,166,465		2,166,465	2,166,465
	4,166,710		4,166,710	4,166,710
December 31, 2023 - Audited				
Carrying Value	Level 1	Level 2	Level 3	Total
Rupees in '000				
Property and equipment - land and buildings	2,008,099		2,008,099	2,008,099
Non-banking assets acquired in satisfaction of claims	2,183,587		2,183,587	2,183,587
	4,191,686		4,191,686	4,191,686

39.2.1 Certain categories of operating Property and equipment (land and buildings) and non-banking assets acquired in satisfaction of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values as disclosed in annual financial statements for the year ended December 31, 2023.

40 SEGMENT INFORMATION

Segment Details with respect to Business Activities

June 30, 2024 - Un-audited			
Consumer / SME	Whole Sale Banking	Treasury	Total
Rupees in '000			
2,853,469	(9,035,662)	(1,805,535)	(7,987,718)
1,321,711	99,820	76,054	1,497,585
4,175,180	(8,935,832)	(1,530,481)	(6,291,133)
(2,165,341)	(1,714,096)	(46,180)	(3,925,617)
(862,897)	913,665	(60,778)	
(3,028,228)	(800,431)	(96,958)	(3,925,617)
(141,016)	(5,008,501)		(5,147,547)
1,005,908	(14,742,764)	(1,627,439)	(15,364,295)

Statement of Financial Position

Cash & Bank balances		4,957,073	9,446,105	14,402,178
Investments			179,070,820	179,070,820
Net inter segment lending	124,162,881	(267,240,688)	133,097,807	
Lendings to financial institutions			98,508	98,508
Advances - performing - net	17,068,601	12,646,677		29,715,278
Advances - non-performing - net	975,989	12,497,182		13,473,171
Others	1,873,487	54,652,828	1,637,723	68,163,898
Total Assets	144,060,958	(172,487,078)	323,339,863	284,913,843
Borrowings	373,466	1,829,241	184,813,798	187,016,505
Subordinated debt		2,438,666		2,438,666
Deposits & other accounts	126,088,322	28,263,808		154,352,130
Net inter segment borrowing	13,499,621	(170,809,930)	157,310,409	
Others	6,099,649	8,585,633	1,820,744	16,506,026
Total liabilities	144,060,958	(137,891,584)	323,963,949	330,323,373
Equity		(34,785,884)	(81,988)	(35,409,480)
Total Equity & liabilities	144,060,958	(172,487,078)	323,339,863	284,913,843
Contingencies & Commitments	768,404	12,497,088	7,681,754	20,947,246

June 30, 2023 - (Un-audited)			
Consumer / SME	Whole Sale Banking	Treasury	Total
Rupees in '000			
4,046,570	(8,278,354)	(1,090,339)	(3,322,123)
1,489,583	200,540	313,239	2,003,361
5,536,153	(8,075,805)	(783,100)	(1,322,742)
(2,183,248)	(1,521,793)	(51,700)	(3,756,750)
(782,080)	627,609	(45,529)	
(2,965,328)	(694,184)	(97,238)	(3,758,750)
(135,374)	(2,731,119)		(2,866,493)
2,435,481	(9,501,108)	(880,338)	(7,945,965)

December 31, 2023 - Audited			
Consumer / SME	Whole Sale Banking	Treasury	Total
Rupees in '000			
	4,888,001	11,005,320	15,893,321
		173,339,460	173,339,460
128,498,328	(250,795,195)	124,288,807	
		491,450	491,450
18,187,088	18,025,532		36,212,620
890,824	12,590,588		13,481,412
1,535,989	49,356,854	1,759,563	52,651,406
147,110,229	(165,933,220)	310,893,668	292,070,677
	402,033	1,640,241	145,138,472
	2,438,666		2,438,666
128,784,612	25,497,753		154,282,365
13,848,280	(175,983,420)	162,115,130	
4,095,294	5,623,579	4,622,024	14,340,897
147,110,229	(140,563,181)	311,875,876	310,422,724
	(26,370,038)	(982,008)	(26,362,047)
147,110,229	(165,933,220)	310,893,668	292,070,677
803,843	13,331,746	9,134,411	23,270,000

Statement of Financial Position

Cash & Bank balances		4,888,001	11,005,320	15,893,321
Investments			173,339,460	173,339,460
Net inter segment lending	128,498,328	(250,795,195)	124,288,807	
Lendings to financial institutions			491,450	491,450
Advances - performing - net	18,187,088	18,025,532		36,212,620
Advances - non-performing - net	890,824	12,590,588		13,481,412
Others	1,535,989	49,356,854	1,759,563	52,651,406
Total Assets	147,110,229	(165,933,220)	310,893,668	292,070,677
Borrowings	402,033	1,640,241	145,138,472	147,300,746
Subordinated debt		2,438,666		2,438,666
Deposits & other accounts	128,784,612	25,497,753		154,282,365
Net inter segment borrowing	13,848,280	(175,983,420)	162,115,130	
Others	4,095,294	5,623,579	4,622,024	14,340,897
Total liabilities	147,110,229	(140,563,181)	311,875,876	310,422,724
Equity		(26,370,038)	(982,008)	(26,362,047)
Total Equity & liabilities	147,110,229	(165,933,220)	310,893,668	292,070,677
Contingencies & Commitments	803,843	13,331,746	9,134,411	23,270,000

Segment determination are made on the basis of management accountability, monitoring and decision making of these reporting segments at regular intervals. Transactions between reportable segments are based on an appropriate transfer pricing mechanism using agreed rates. Furthermore, segment assets and liabilities include intersegment 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.

41 RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its associates, employee benefit plans and its directors and key management personnel.

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

Majority of the transactions with related parties comprise loans and advances, deposits, issuance of letters of credit and guarantees. Advances for the house building, conveyance and for personal use have also been provided to the staff and executives at reduced rates in accordance with the employment and pay policy and such advances have not been disclosed in the following schedule. Facility of group life insurance and hospitalisation insurance is also provided to staff and executives. In addition to this, executives of the Bank have been provided with Bank maintained cars.

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

	June 30, 2024 - Un-audited				December 31, 2023 - Audited			
	Directors	Key management personnel	Associates	Other related parties	Directors	Key management personnel	Associates	Other related parties
Rupees in '000								
Balances								
Investments								
Opening balance							123,509	4
Investment made / share profit during the period / year							(123,509)	(4)
Investment redeemed / disposed off during the period / year								
Revaluation of investment during the period / year								
Closing balance								
Advances								
Opening balance	163	13,286		1,164,582	1,902	49,856		2,008,635
Addition during the period / year	582	34,044		1,917	5,585	94,720		246,454
Repaid during the period / year		(37,939)		(23,918)	(7,414)	(122,291)		(1,101,608)
Closing balance	766	10,290		1,133,461	163	13,285		1,154,582
Provision held against advances								
Other Assets								
Interest / mark-up accrued		139		62,896				63,408
Subordinated debt								
Opening balance				440,266				440,266
Issued / purchased during the period / year								
Redemption during the period / year								
Closing balance				440,266				440,266
Deposits and other accounts								
Opening balance	25,381	29,544		717,916	21,521	79,485	20,740	557,218
Received during the period / year	236,262	327,144		879,215	178,588	603,330	22,466	1,662,783
Withdrawn during the period / year	(258,236)	(317,832)		(713,671)	(174,728)	(653,171)	(43,214)	(1,602,085)
Closing balance	3,907	39,666		883,460	25,381	29,544		717,916
Other Liabilities								
Interest / mark-up payable	15	108	62	390		984		129
Contingencies and Commitments								
Other contingencies				17,389				17,389

	June 30, 2024 - Un-audited				June 30, 2023 - Un-audited			
	Directors	Key management personnel	Associates	Other related parties	Directors	Key management personnel	Associates	Other related parties
Rupees in '000								
Transactions								
Income								
Mark-up / return / interest earned		992		97,234		4,431	(13,323)	100,688
Net loss on sale of securities								
Expense								
Mark-up / return / interest paid	821	2,978		77,673	1,085	1,313	182	42,265
Short term employment benefits	38,808	114,775			30,350	127,040		
Contribution to Defined Benefit Plan	1,388	4,420			1,415	4,988		
Meeting fee	21,090				37,145			

June 30, 2024 Un-audited	December 31, 2023 Audited
Rupees in '000	

42 CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS

Minimum Capital Requirement (MCR)

Paid-up capital (net of losses)	(37,703,291)	(28,203,871)
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Capital Adequacy Ratio (CAR):

Eligible Common Equity Tier 1 (CET 1) Capital	(74,237,985)	(59,076,634)
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Eligible Additional Tier 1 (ADT 1) Capital	-	-
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Total Eligible Tier 1 Capital	(74,237,985)	(59,076,634)
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Eligible Tier 2 Capital	-	-
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Total Eligible Capital (Tier 1 + Tier 2)	(74,237,985)	(59,076,634)
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Risk Weighted Assets (RWAs):

Credit Risk	50,730,880	60,372,908
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Market Risk	662,774	540,494
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Operational Risk	6,181,636	6,181,638
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Total	65,465,290	67,095,038
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Common Equity Tier 1 Capital Adequacy Ratio	-113.40%	-88.05%
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Tier 1 Capital Adequacy Ratio	-113.40%	-88.05%
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Total Capital Adequacy Ratio	-113.40%	-88.05%
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Leverage Ratio (LR):

Eligible Tier-1 Capital	(74,237,985)	(59,076,634)
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Total Exposures	306,746,369	304,960,416
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Leverage Ratio	-24.20%	-19.37%
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Liquidity Coverage Ratio (LCR):

Total High Quality Liquid Assets	9,358,976	17,858,081
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Total Net Cash Outflow	20,471,177	24,499,180
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Liquidity Coverage Ratio	45.72%	72.89%
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Net Stable Funding Ratio (NSFR):

Total Available Stable Funding	162,509,745	167,259,444
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Total Required Stable Funding	97,791,251	98,023,595
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Net Stable Funding Ratio	166.28%	170.63%
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43 ISLAMIC BANKING BUSINESS

The Bank is operating with 23 Islamic Banking branches at the end of June 30, 2024 (December 31, 2023: 23).

The statement of financial position of these branches as at June 30, 2024, are as follows:

	Note	June 30, 2024 Un-audited	December 31, 2023 Audited
Rupees in '000			
ASSETS			
Cash and balances with treasury banks		1,121,657	1,243,883
Balances with other banks		15,202	37,190
Due from financial institutions	43.1	20,577,334	19,838,487
Investments	43.2	2,650,099	2,426,527
Islamic financing and related assets - net	43.3	-	158,825
Property and equipment		65,393	99,441
Right-of-use assets		337,043	380,607
Intangible assets		483	794
Due from Head Office		676,132	-
Other assets		893,214	944,327
Total assets		28,466,557	25,129,961
LIABILITIES			
Bills payable		1,957,265	296,172
Due to financial institutions	43.4	12,908,689	12,550,227
Deposits and other accounts		-	2,005,050
Due to Head Office		478,881	514,732
Lease liabilities		316,943	282,868
Other liabilities		-	-
Total liabilities		15,669,678	15,649,169
NET ASSETS		10,806,879	9,480,812
REPRESENTED BY			
Islamic banking fund		6,625,000	6,625,000
Reserves		-	-
Deficit on revaluation of assets		(41,020)	(40,300)
Un-appropriated profit	43.8	4,222,899	2,896,112
		10,806,879	9,480,812
CONTINGENCIES AND COMMITMENTS			
	43.5		

The profit and loss account of the Bank's Islamic banking branches for the half year ended June 30, 2024 is as follows:

	Note	June 30, 2024 Un-audited	June 30, 2023 Un-audited
Rupees in '000			
Profit / return earned	43.6	2,405,523	1,904,111
Profit / return expensed	43.7	(528,321)	(590,610)
Net profit / return		1,778,202	1,313,499
Other income			
Fee and commission income		53,847	14,002
Foreign exchange loss		13,382	33,641
Gain on securities		-	(382)
Other income		15,271	18,340
Total other income		42,600	83,801
Total income		1,820,702	1,377,098
Other expenses			
Operating expenses		(337,937)	(423,379)
Workers Welfare Fund		-	-
Other charges		(1,527)	(17)
Total other expenses		(339,464)	(423,396)
Profit before provisions		1,481,238	953,700
Provisions and write offs - net		(154,451)	(27,189)
Profit for the period		1,326,787	926,511

	June 30, 2024 Un-audited	December 31, 2023 Audited
	Rupees in '000	
43.5 Contingencies and Commitments		
Guarantees	907,062	909,258
Commitments	<u>1,620,776</u>	<u>1,835,787</u>
	<u>2,527,838</u>	<u>2,745,045</u>
	June 30, 2024 Un-audited	June 30, 2023 Un-audited
	Rupees in '000	
43.6 Profit / return earned of financing, investments and placement		
Financing	1,047	6,228
Investments	239,778	187,203
Due from Financial Institutions	<u>2,165,698</u>	<u>1,710,680</u>
	<u>2,406,523</u>	<u>1,904,111</u>
43.7 Profit expensed on Deposits and other Dues Expensed		
Deposits and other accounts	457,134	423,603
Cost of foreign currency swaps against foreign currency deposits / borrowings	137,581	131,241
Lease liability against right-of-use assets	<u>33,606</u>	<u>35,772</u>
	<u>628,321</u>	<u>590,616</u>
	June 30, 2024 Un-audited	December 31, 2023 Audited
	Rupees in '000	
43.8 Islamic Banking Business Un-appropriated profit		
Opening Balance	2,896,112	515,753
Add: Islamic Banking profit for the period / year	<u>1,326,787</u>	<u>2,380,359</u>
Closing Balance	<u>4,222,899</u>	<u>2,896,112</u>

44 GENERAL

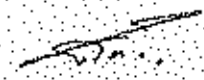
44.1 Comparative information has been reclassified, rearranged or additionally incorporated in these condensed interim financial statements for the purposes of better presentation.

44.2 The figures have been rounded off to the nearest thousand rupees, unless stated otherwise.

45 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 26th Feb 2025 by the Board of Directors of the Bank.

QSD



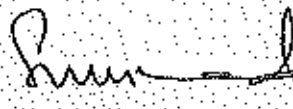
Chief Financial Officer



President & Chief Executive Officer



Director



Director



Director

 Silkbank Building, 3rd Floor,
12-C, Kargan Road, F-3 Markaz,
Capital Territory, Islamabad

 111-100-777

 SMS 9873

 www.silkbank.com.pk

 #SilkbankPK