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COMPANY INFORMATION

Board of Directors

Sir Mohammed Anwar Pervez, OBE, HPk
Chairman/Non-Executive Director

Lord Zameer M. Choudrey, CBE, SI Pk
Non-Executive Director

Mr. Haider Zameer Choudrey
Non-Executive Director

Mr. Rizwan Pervez
Non-Executive Director

Mr. Shazad G. Dada
President & CEO

Mr. Arshad Ahmad Mir
Non-Executive Director

Mr. Amar Zafar Khan
Independent Director

Mr. Tariq Rashid
Independent Director

Ms. Shazia Syed
Independent Director

COMMITTEES OF THE BOARD

BOARD AUDIT COMMITTEE (BAC):

Ms. Shazia Syed	Chairperson
Mr. Haider Zameer Choudrey	Member
Mr. Rizwan Pervez	Member
Mr. Aqeel Ahmed Nasir	Secretary

BOARD HUMAN RESOURCE & COMPENSATION COMMITTEE (HRCC):

Mr. Tariq Rashid	Chairman
Sir Mohammed Anwar Pervez, OBE, HPk	Member
Mr. Arshad Ahmad Mir	Member
Mr. Rizwan Pervez	Member
Mr. Abdul Jabbar Junejo	Secretary

BOARD RISK & COMPLIANCE COMMITTEE (BRCC):

Mr. Arshad Ahmad Mir	Chairman
Lord Zameer M. Choudrey, CBE, SI Pk	Member
Ms. Shazia Syed	Member
Mr. Shazad G. Dada	Member
Mr. Imran Sarwar	Secretary

BOARD IT COMMITTEE (BITC):

Mr. Tariq Rashid	Chairman
Lord Zameer M. Choudrey, CBE, SI Pk	Member
Mr. Haider Zameer Choudrey	Member
Mr. Shazad G. Dada	Member
Mr. Muhammad Faisal Anwar	Secretary

BOARD NOMINATION COMMITTEE (BNC):

Sir Mohammed Anwar Pervez, OBE, HPk	Chairman
Lord Zameer M. Choudrey, CBE, SI Pk	Member
Mr. Arshad Ahmad Mir	Member
Mr. Aqeel Ahmed Nasir	Secretary

Chief Financial Officer

Mr. Arif Akmal Saifie

Company Secretary & Chief Legal Counsel

Mr. Aqeel Ahmed Nasir

Registered Office:
13th Floor, UBL Building, Jinnah Avenue,
Blue Area, Islamabad.

UBL Head Office
I.I. Chundrigar Road, Karachi – 74000, Pakistan.

Share Registrar
THK Associates (Pvt.) Limited
Plot No. 32-C, Jami Commercial Street - 2
D.H.A. Phase VII,
Karachi - 75500.
Phone No.: 021-35310187
UAN: 021-111-000-322
Fax No.: 021-35310190
Email: sfc@thk.com.pk

Auditors
M/s. EY Ford Rhodes
Chartered Accountants

Legal Advisors
M/s. Mehmood Abdul Ghani & Co.,
Advocates

Contacts
UAN: 111-825-111
Contact Centre: 111-825-888
Website: www.ubldigital.com
Email: customer.services@ubl.com.pk

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DIRECTORS' REPORT TO THE MEMBERS

On behalf of the Board of Directors, we are pleased to present the financial statements of United Bank Limited (UBL) for the half year ended June 30, 2022.

Performance Overview

On a standalone basis, UBL recorded Profit Before Tax (PBT) of Rs. 34.2 billion for the half year ended June 30, 2022, a strong growth of 32% year on year. The bank also maintained its trajectory of expansion in earnings this quarter as PBT is up 16% Q2'22 versus Q1'22.

The Bank's gross revenues were recorded at Rs. 59.8 billion for H1'22, an increase of 29% year on year. Net mark-up income stood at Rs. 45.1 billion for H1'22, a strong growth of 29% versus last year. Non-markup income of Rs. 14.7 billion was earned in H1'22 (H1'21: Rs. 11.4 billion), well ahead of last year, owing to significant increase in foreign exchange income as well as strong growth across all major fee-based revenues.

The bank's operating expenses stood at Rs. 24.1 billion for H1'22, a growth of 19% over H1'21, a result of significantly higher inflation levels. Cost to income ratio improved further to 40.3% for H1'22 as against 43.4% in the corresponding period of last year.

The bank recorded a net provisioning expense of Rs. 0.8 billion for H1'22, this charge was mainly to build coverage against foreign bonds, offset by strong NPL recoveries across both domestic and international.

Financial Highlights

On a standalone basis, UBL recorded Profit After Tax (PAT) of Rs. 11.9 billion for H1'22 versus a PAT of Rs. 15.0 billion for H1'21. Earnings per share (EPS) was measured at Rs. 9.69 for H1'22 (H1'21: Rs. 12.25). The current reporting period includes a one-off taxation adjustment with respect to prior years, a result of revisions in the Finance Act 2022.

On a consolidated basis, UBL recorded PAT of Rs. 12.2 billion (H1'21: Rs. 15.0 billion). The consolidated EPS was measured at Rs. 9.77 for H1'22 (H1'21: Rs. 12.24).

Net Markup Income

Net markup income was recorded at Rs. 45.1 billion for H1'22, with a growth of 29% year on year. The bank's markup earning assets averaged Rs. 2.1 trillion in H1'22, growing by 16% year on year. Bank level Net interest margins (NIMs) were measured at 4.5% for H1'22 (H1'21: 4.0%).

The State Bank of Pakistan (SBP) increased the policy rate from 7.0% at Jun'21 to 15.0% in the last one year up to Jul'22. This was to counter the effects of rising inflation, significant increase in global commodity prices and a weakening domestic currency. Benchmark interest rates averaged 11.2% in H1'22 versus 7.0% in H1'21, which improved earning margins over the corresponding period of last year.

Domestic deposits averaged Rs. 1.5 trillion in H1'22, growing by 7% over last year i.e. an incremental increase of Rs. 94 billion. Domestic CASA deposits averaged Rs. 1.3 trillion for H1'22, with a growth of 9% year on year, with a growth in the deposits base of Rs. 111 billion. The average CASA to total deposits ratio continued to

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strengthen and was measured at 87.1% in H1'22 (H1'21: 85.1%). The bank added approximately 302,000 new current account relationships in H1'21 as against 290,000 current account relationships in the corresponding period of last year. This resulted in average current deposits recording a growth of 12% year on year to Rs. 691 billion in H1'22. Resultantly, the average current to total deposits ratio improved to 45.2% in H1'22 from 43.1% in H1'21. The domestic portfolio of savings accounts averaged Rs. 641 billion in H1'22, with a steady increase of 6% year on year. The domestic cost of deposits was measured at 5.1% as against 3.4% in the corresponding period of last year, thus remaining relatively well contained despite the sharp increase in interest rates in the last 12 months.

Bank level performing advances averaged Rs. 640 billion for H1'22, growing by 19% year on year. Domestic performing advances averaged Rs. 503 billion for H1'22, with an increase of 15%, with a cautious build up across the Corporate and SME segments. The Islamic loan book increased over two-folds over the corresponding period of last year to average Rs. 63 billion in H1'22.

The bank's markup earning investments averaged Rs. 1.4 trillion for H1'22, growing by 10%. The domestic government securities portfolio earned a healthy yield of close to 11.0% during the period under review. UBL International also maintained a healthy contribution to the Bank's overall net-markup income with yields of 5.8% earned on the investment portfolio, comprising primarily of foreign sovereign bonds.

Non-Markup Income

The bank earned non-markup income of Rs. 14.7 billion in H1'22, an increase of 29%. Non-markup income contributed 25% to the total revenues of the bank (H1'21: 25%).

Fees and commission income of Rs. 7.8 billion was earned in H1'22, recording a strong growth of 17%. Customer fees from branch banking operations stood at Rs. 1.2 billion for H1'22, growing by a strong 44%. UBL maintained its leadership position in the domestic home remittances space with a market share of over 21%. As a result, commission income of Rs. 918 million was earned in H1'22, a growth of 9%. The bank maintained its momentum within the bancassurance business as premium volumes of Rs. 1.8 billion were underwritten in H1'22, in line with last year, while commissions stood at Rs. 822 million (H1'21: Rs. 883 million). Income from debit and credit card fees of Rs. 1.5 billion was earned in H1'22, recording a strong growth of 33%. Commission income from cash management was recorded at Rs. 515 million for H1'22, growing by 12% year on year. Income from trade and guarantee business was recorded at Rs. 780 million, recording a strong growth of 31%, with volumes up 17% year on year.

The bank earned foreign exchange income of Rs. 4.6 billion for H1'22 as against Rs. 1.2 billion last year due to enhanced customer flows and proactive balance sheet positioning. Dividend income of Rs. 1.3 billion was earned in H1'22, an increase of 43%, with strong payouts from the bank's holdings in fertilizer and energy stocks as well as group entities.

Provisions and loan losses

UBL recorded a net provision charge of Rs. 0.8 billion for H1'22 as against a net provision reversal of Rs. 87 million in the corresponding period last year.

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Bank level non-performing loans (NPLs) stood at Rs. 90.4 billion at Jun'22, (Dec'21: Rs. 86.0 billion), an increase of Rs. 4.3 billion. Bank level asset quality increased slightly from 11.8% at Dec'21 to 12.1% at Jun'22, while specific coverage was enhanced from 86.9% at Dec'21 to 87.3% at Jun'22.

UBL Domestic

Gross advances for the domestic bank stood at Rs. 537 billion at Jun'22 (Dec'21: Rs. 544 billion), constituting over 70% of the total portfolio. Domestic NPLs reduced by Rs. 1.2 billion since Dec'21, from Rs. 27.1 billion to Rs. 25.8 billion at Jun'22.

The domestic bank recorded net provision reversals of Rs. 385 million for H1'22 versus net provision reversals of Rs. 1.1 billion last year. Domestic bank's asset quality stood at 4.8% at Jun'22 (Dec'21: 5.0%).

UBL International

UBL International's NPLs have declined from USD 334 million at Dec'21 to USD 315 million at Jun'22. The business recorded a net provision charge of USD 6.2 million for H1'22 against a net provision charge of USD 6.6 million in H1'21, primarily against the bank's investment in Sri Lankan sovereign debt instruments. Specific coverage was enhanced from 86.4% at Dec'21 to 87.0% at Jun'22. Furthermore, specific coverage with Forced Sale Value (FSV) of mortgaged properties and cash collateral stood at 96.8% at Jun'22 (Dec'21: 94.8%, refer to note 10.3.2 to the financial statements).

Cost management

Improving operational efficiencies remains a key focus for UBL. The bank is continually striving to optimize its cost base, while improving service delivery through greater investment in human capital as well its IT infrastructure to support the needs of a large-scale network.

UBL's operating expenses were recorded at Rs. 24.1 billion for H1'22, growing by 19% year on year. Employee compensation was recorded at Rs. 9.3 billion for H1'22, an increase of 13% owing primarily to inflation related adjustments and merit increments. Property expenses were recorded at Rs. 4.0 billion, growing by 23%, and includes a one-off adjustment of change in accounting estimate for depreciation on premises. IT expenses recorded an increase of 16%, primarily due to the steep devaluation in the PKR impacting foreign currency denominated licensing arrangements. Other operating expenses were recorded at Rs. 8.3 billion for H1'22, growing by 26%, mainly due to higher sales commissions and other charges related to the increased business volumes compared to last year.

Capital Ratios

The bank seeks to maintain a strong capital base that provides a solid foundation for future growth as well as maintaining adequate buffers over regulatory requirements.

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In the latest assessment carried out by SBP in October 2021, in line with a lower risk profile, UBL is no longer a D-SIB. However, the Bank shall continue to meet the HLA capital surcharge, in the form of additional Common Equity Tier 1 (CET-1) capital of 1.0% on a standalone and consolidated basis till June 30, 2022.

The overall CAR stood at 18.8% at Jun'22 (Dec'21: 21.5%), a buffer of 6.3% over the minimum regulatory requirement of 12.5%. The Common Equity Tier 1 (CET-1) ratio stood at 13.2% at Jun'22 (Dec'21: 15.1%). Total Tier 1 Capital ratio was measured at 14.3% at Jun'22 (Dec'21: 16.3%).

The Board of Directors of UBL declared an interim cash dividend of Rs. 4.0 per share in their meeting in Islamabad held on August 3, 2022, along with the results for the half year ended June 30, 2022.

Economy Review

The domestic economy remained under severe stress in the first half of 2022 as prices of food, fuel and energy remained highly elevated. As the world adjusts to supply chain disruptions aggravated by the ongoing conflict between Russia and Ukraine, substantial increase in domestic inflation levels have put a significant strain on the country's foreign exchange reserves.

The Rupee has depreciated by a significant 33% since Dec'21, from Rs. 178 / USD on December 31, 2021, to Rs. 236 / USD on July 27, 2022. The State Bank of Pakistan (SBP) has raised interest rates by a cumulative 525 bps since Dec'21, including the 125 bps increase in its most recent meeting held on July 07, 2022, taking the benchmark rate to 15.0%.

The country's import bill continues to soar, as the Current Account recorded a deficit of USD 15.2 billion for 11M FY'22 versus USD 1.2 billion for the corresponding period of last fiscal year. The country's balance of trade recorded a deficit of USD 48.4 billion for FY'22, with an increase of 56%. Led by the textile sector, the country's exports picked up well in FY'22 recorded at USD 31.8 billion, growing by a strong 26%. However, the import bill grew significantly this year, due to the high cost of energy imports, and was recorded at USD 80.2 billion for FY'22, up 42% year on year. Home remittances continue to make a significant contribution to the country's external position with inflows of USD 31.2 billion for FY'22 and despite a slowdown in the global economy recorded an increase of 6%.

The recent taxation and fiscal consolidation measures with a pass through of high energy costs to domestic consumers have laid the grounds to the resumption of the IMF program. However, this has led to a significant increase in CPI inflation levels, which was recorded at a historic high of 21.3% for the month of Jun'22. Inflation levels averaged 12.1% for FY'22 versus 8.9% for FY'21. The economy is bound to face a slowdown in times ahead with the consumption impact of rising domestic prices. These will be elevated in the medium term and is likely to exert pressure on the country's ability to meet its external financing obligations.

The KSE-100 index also remained impacted by the current economic crisis but remained relatively resilient and closed at 41,541 points as at Jun 30, 2022, declining by 7% since Dec'21. Deposits for the banking sector stood at Rs. 22.8 trillion at Jun'22, up 9% since Dec'21, while banking sector advances closed at Rs. 10.9 trillion at Jun'22, up 7% over Dec'21. Non-performing loans for the banking industry stood at Rs. 864 billion at Mar'22, slightly above the levels at Dec'21, as the asset quality improved slightly from 7.9% at Dec'21 to 7.8% at Mar'22.

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UBL International

UBL International recorded a PBT of USD 9.1 million for H1'22 (H1'21: USD 19.1 million). Gross revenues for the International business were recorded at USD 31.4 million (H1'21: USD 42.6 million). Net markup income was recorded at USD 24.2 million in H1'22, in line with last year. Non markup income of USD 7.2 million was earned in H1'22 as against USD 18.4 million earned last year, which was higher due to capital gains. Operating expenses were recorded at USD 15.0 million, in line with last year. The business recorded a net provision charge of USD 6.2 million for H1'22, mainly arising on its Sri Lanka sovereign debt holdings, as against a net provision charge of USD 6.6 million incurred on the loan portfolio last year.

UBL International's deposits averaged USD 1.3 billion for H1'22, slightly ahead of last year. Cost of deposits was reduced from 1.2% in H1'21 to 1.0% in H1'22. Performing advances averaged USD 740 million for H1'22, with a steady growth of 15%. The foreign debt investment portfolio averaged USD 674 million and earned the bank a consistent and healthy yield of 5.3% during H1'22.

Credit Rating

VIS Credit Rating Company Limited (VIS) re-affirmed the entity ratings of UBL at ''AAA / A-1+" (Triple A / A-One Plus) on June 30, 2022. Furthermore, UBL's Additional Tier-1 (ADT-1) TFC has also been re-affirmed at 'AA+' (Double A plus). Outlook on the assigned ratings are 'Stable'.

Awards and Recognition

UBL was declared Pakistan's Best Digital Bank by Asiamoney, an associate of Euromoney, for the third time in a row. The award is a testament to UBL's contribution in expanding the scope of financial services through digital channels in Pakistan and leading innovation within the local banking space. The bank' continues to invest in digital platforms and in developing its teams that are redefining the future of banking in Pakistan.

Future Outlook

Being one of the biggest financial institutions of the country, UBL will continue to play a leading role to broaden the scope of financial services across the country. Branch Banking Group remains the core of the UBL franchise where the aim is to expand our customer base and offer innovative solutions to fulfill the needs of an emerging economy. As part of improving service levels, the bank is re-investing in its network and people while setting significantly higher standards for per branch deposits and profitability. Our award-winning digital products continue to support the network in providing innovative solutions in a secure and convenient manner to serve an ever-growing customer base. Improving the compliance culture in line with best practices remains a key strategic priority. We are fully committed to setting the right benchmarks for the Environment, Social and Governance (ESG) standards in Pakistan. UBL's most valuable asset is its people, and the bank remains committed to invest in their growth and development and the Bank aspires building an even larger market positioning in years to come.

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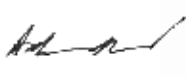
Acknowledgements

In the end, on behalf of the board of director's, we would like to express our gratitude to UBL shareholders and customers for their continued trust in the UBL brand. We value the commitment and dedication with which our staff continues to perform, particularly during this challenging period and ensuring improving service levels across all touchpoints. We would also like to extend our appreciation to the Government of Pakistan, the State Bank of Pakistan, the Securities and Exchange Commission of Pakistan and other regulatory bodies for their continuous guidance and support.

Shazad G. Dada
President & CEO
Islamabad,
August 3, 2022



Arshad Ahmad Mir
Director

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UNITED BANK LIMITED

UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2022 (Un-audited)

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EY Ford Rhodes
Chartered Accountants
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Pakistan

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INDEPENDENT AUDITORS' REVIEW REPORT

To the members of United Bank Limited

Report on Review of Unconsolidated Condensed Interim Financial Information

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **United Bank Limited** (the Bank) as at **30 June 2022,** the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement, unconsolidated condensed interim statement of changes in equity, and notes to the financial information for the six-months period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on the financial information based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended 30 June 2022 and 30 June 2021 have not been subject to limited scope review by us as we are only required to review the cumulative figures for the six-months period ended 30 June 2022.

Scope of review

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

Conclusion

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

Other Matter

The financial statements for the Bank for the six-month period ended 30 June 2021 and for the year ended 31 December 2021 were reviewed and audited by another firm of chartered accountants who have expressed unmodified conclusion and unmodified opinion vide their review report and audit report issued on 25 August 2021 and 7 March 2022 respectively.

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

Chartered Accountants
Date:
Karachi

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

	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		---------- (Rupees in '000) ----------	
ASSETS			
Cash and balances with treasury banks	6	232,048,358	267,937,282
Balances with other banks	7	25,443,631	23,363,057
Lendings to financial institutions	8	96,685,729	51,701,076
Investments	9	1,677,050,162	1,496,542,453
Advances	10	657,683,183	646,188,457
Fixed assets	11	69,359,637	68,537,653
Intangible assets	12	2,399,103	2,231,265
Deferred tax assets	13	16,865,865	7,204,275
Other assets	14	75,585,264	54,460,389
		2,853,120,932	2,618,165,907
LIABILITIES			
Bills payable	16	32,032,368	26,792,970
Borrowings	17	552,943,032	563,284,750
Deposits and other accounts	18	1,974,877,832	1,750,943,765
Liabilities against assets subject to finance lease		-	-
Subordinated debt	19	10,000,000	10,000,000
Deferred tax liabilities	13	-	-
Other liabilities	20	83,750,102	62,501,875
		2,653,603,334	2,413,523,360
NET ASSETS		199,517,598	204,642,547
REPRESENTED BY:			
Share capital		12,241,797	12,241,797
Reserves		78,642,515	69,718,467
Surplus on revaluation of assets	21	26,648,071	38,056,329
Unappropriated profit		81,985,215	84,625,954
		199,517,598	204,642,547
CONTINGENCIES AND COMMITMENTS	22		

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

Arif Akmal Saifie	**Shazad G. Dada**	**Shazia Syed**	**Arshad Ahmad Mir**	**Sir Mohammed Anwar Pervez, OBE, HPk**
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Note	April - June 2022	April - June 2021	January - June 2022	January - June 2021
		(Rupees in '000)			
Mark-up / return / interest earned	24	54,891,250	35,925,457	102,847,455	67,751,048
Mark-up / return / interest expensed	25	31,258,621	17,694,416	57,741,904	32,662,142
Net mark-up / interest income		23,632,629	18,231,041	45,105,551	35,088,906
Non mark-up / interest income					
Fee and commission income	26	3,835,629	3,564,368	7,754,584	6,604,890
Dividend income		355,843	628,742	1,259,503	881,158
Foreign exchange income		3,332,194	710,330	4,614,918	1,194,558
Income from derivatives		60,264	1,504	22,487	8,758
Gain on securities - net	27	146,466	677,562	574,717	2,544,500
Other income	28	190,442	63,606	474,770	195,629
Total non mark-up / interest income		7,920,838	5,646,112	14,700,979	11,429,493
Total income		31,553,467	23,877,153	59,806,530	46,518,399
Non mark-up / interest expenses					
Operating expenses	29	12,361,375	10,345,999	24,089,347	20,198,825
Workers' Welfare Fund		374,482	272,283	699,603	517,178
Other charges	30	10,334	14,947	15,962	39,494
Total non mark-up / interest expenses		12,746,191	10,633,229	24,804,912	20,755,497
Profit before provisions		18,807,276	13,243,924	35,001,618	25,762,902
Provisions / (reversal) and write-offs - net	31	418,471	(441,467)	765,760	(87,396)
Profit before taxation		18,388,805	13,685,391	34,235,858	25,850,298
Taxation	32	16,054,639	6,092,761	22,373,985	10,852,991
Profit after taxation		2,334,166	7,592,630	11,861,873	14,997,307
		(Rupees)			
Earnings per share - basic and diluted	33	1.91	6.20	9.69	12.25

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

Arif Akmal Saifie	Shazad G. Dada	Shazia Syed	Arshad Ahmad Mir	Sir Mohammed Anwar Pervez, OBE, HPk
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	April - June 2022	April - June 2021	January - June 2022	January - June 2021
	---------- (Rupees in '000) ----------			
Profit after taxation for the period	2,334,166	7,592,630	11,861,873	14,997,307
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods				
Effect of translation of net investment in overseas branches	5,585,461	1,168,961	7,737,861	(606,477)
Movement in deficit on revaluation of investments - net of tax	(6,415,890)	1,358,115	(11,173,324)	(240,412)
	(830,429)	2,527,076	(3,435,463)	(846,889)
Items that will not be reclassified to profit and loss account in subsequent periods				
Movement in surplus / (deficit) on revaluation of fixed assets - net of tax	(101,304)	495	(100,596)	(237)
Movement in surplus on revaluation of non-banking assets - net of tax	(668)	219	15,214	219
	(101,972)	714	(85,382)	(18)
Total comprehensive income for the period	1,401,765	10,120,420	8,341,028	14,150,400

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

Arif Akmal Saifie	**Shazad G. Dada**	**Shazia Syed**	**Arshad Ahmad Mir**	**Sir Mohammed Anwar Pervez, OBE, HPk**
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Share capital	Capital reserve - exchange translation	Statutory reserve	Surplus / (Deficit) on revaluation			Unappropriated profit	Total
				Investments	Fixed assets	Non-banking assets		
	(Rupees in '000)							
Balance as at January 01, 2021 (Audited)	12,241,797	27,008,465	35,265,603	2,654,932	24,984,734	913	81,916,463	184,072,907
Total comprehensive income for the six months ended June 30, 2021								
Profit after taxation for the six months ended June 30, 2021	-	-	-	-	-	-	14,997,307	14,997,307
Other comprehensive income - net of tax	-	(606,477)	-	(240,412)	(237)	219	-	(846,907)
Total comprehensive income for the six months ended June 30, 2021	-	(606,477)	-	(240,412)	(237)	219	14,997,307	14,150,400
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	(2,641)	-	2,641	-
Transfer of incremental depreciation from revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	(22,524)	-	22,524	-
Transfer to statutory reserve	-	-	1,499,731	-	-	-	(1,499,731)	-
Transactions with owners, recorded directly in equity								
Final cash dividend - December 31, 2020 declared subsequent to the year end at Rs. 9.5 per share	-	-	-	-	-	-	(11,629,707)	(11,629,707)
Interim cash dividend - March 31, 2021 declared at Rs.4.0 per share	-	-	-	-	-	-	(4,896,719)	(4,896,719)
	-	-	-	-	-	-	(16,526,426)	(16,526,426)
Balance as at June 30, 2021 (Un-audited)	12,241,797	26,401,988	36,765,334	2,414,520	24,959,332	1,132	78,912,778	181,696,881
Total comprehensive income for the six months ended December 31, 2021								
Profit after taxation for the six months ended December 31, 2021	-	-	-	-	-	-	15,884,816	15,884,816
Other comprehensive income - net of tax	-	4,962,663	-	(4,455,520)	15,154,056	9,057	1,184,032	16,854,288
Total comprehensive income for the six months ended December 31, 2021	-	4,962,663	-	(4,455,520)	15,154,056	9,057	17,068,848	32,739,104
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	(474)	-	474	-
Transfer of incremental depreciation from revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	(25,774)	-	25,774	-
Transfer to statutory reserve	-	-	1,588,482	-	-	-	(1,588,482)	-
Transactions with owners, recorded directly in equity								
Interim cash dividend - June 30, 2021 declared at Rs 4.0 per share	-	-	-	-	-	-	(4,896,719)	(4,896,719)
Interim cash dividend - September 30, 2021 declared at Rs 4.0 per share	-	-	-	-	-	-	(4,896,719)	(4,896,719)
	-	-	-	-	-	-	(9,793,438)	(9,793,438)
Balance as at December 31, 2021 (Audited)	12,241,797	31,364,651	38,353,816	(2,041,000)	40,087,140	10,189	84,625,954	204,642,547
Total comprehensive income for the six months ended June 30, 2022								
Profit after taxation for the six months ended June 30, 2022	-	-	-	-	-	-	11,861,873	11,861,873
Other comprehensive income - net of tax	-	7,737,861	-	(11,173,324)	(100,596)	15,214	-	(3,520,845)
Total comprehensive income for the six months ended June 30, 2022	-	7,737,861	-	(11,173,324)	(100,596)	15,214	11,861,873	8,341,028
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	(102,988)	-	102,988	-
Transfer of incremental depreciation from revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	(46,564)	-	46,564	-
Transfer to statutory reserve	-	-	1,186,187	-	-	-	(1,186,187)	-
Transactions with owners, recorded directly in equity								
Final cash dividend - December 31, 2021 declared subsequent to the year end at Rs. 6.0 per share	-	-	-	-	-	-	(7,345,078)	(7,345,078)
Interim cash dividend - March 31, 2022 declared at Rs.5.0 per share	-	-	-	-	-	-	(6,120,899)	(6,120,899)
Balance as at June 30, 2022 (Un-audited)	12,241,797	39,102,512	39,540,003	(13,214,324)	39,836,992	25,403	81,985,215	199,517,598

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

Arif Akmal Saifie	**Shazad G. Dada**	**Shazia Syed**	**Arshad Ahmad Mir**	**Sir Mohammed Anwar Pervez, OBE, HPk**
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	January - June 2022	January - June 2021
	---------- (Rupees in '000) ----------	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	34,235,858	25,850,298
Less: Dividend income	1,259,503	881,158
	32,976,355	24,969,140
Adjustments:		
Depreciation on fixed assets	1,715,546	1,387,570
Depreciation on right-of-use assets	1,008,142	924,501
Amortisation	373,165	380,843
Workers' Welfare Fund - charge	699,603	517,178
Provision for retirement benefits	292,699	471,713
Provision for compensated absences	57,765	86,226
(Reversal) / provision against loans and advances - net	(1,836,277)	452,208
Reversal of provision against off - balance sheet obligations - net	(29,123)	(330,661)
Provision / (reversal) for diminution in value of investments - net	2,931,690	(714,640)
Interest expense on lease liability against right-of-use assets	506,676	473,603
Gain on sale of fixed assets - net	(42,616)	(4,721)
Bad debts written-off directly	18,242	20,382
Unrealised gain on revaluation of investments classified as held for trading	(39,132)	(5,006)
Provision / (reversal) against other assets	40,427	(98,538)
Other provisions / write-offs	(18,176)	583,853
	5,678,631	4,144,511
	38,654,986	29,113,651
(Increase) / decrease in operating assets		
Lendings to financial institutions	(44,984,653)	(1,775,193)
Held for trading securities	26,375,473	(62,057,326)
Advances	(9,676,691)	(27,433,434)
Other assets (excluding advance taxation)	(27,324,467)	3,847,752
	(55,610,338)	(87,418,201)
Increase / (decrease) in operating liabilities		
Bills payable	5,239,398	2,060,209
Borrowings	(10,341,718)	134,724,705
Deposits and other accounts	223,934,067	209,620,398
Other liabilities	11,289,194	2,858,965
	230,120,941	349,264,277
	213,165,589	290,959,727
Receipts / (payments) on account of staff retirement benefits	1,603,144	(1,714,702)
Income taxes paid	(10,730,452)	(5,006,930)
Net cash flow generated from operating activities	204,038,281	284,238,095
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available for sale securities	(191,087,273)	(209,399,726)
Net investments in held to maturity securities	(35,636,988)	(56,825,708)
Net investments in associates	(3,000,000)	(200,000)
Dividend income received	1,259,503	904,124
Investment in fixed assets and intangible assets	(2,956,563)	(1,844,447)
Sale proceeds from disposal of fixed assets	149,816	11,958
Effect of translation of net investment in overseas branches	7,737,861	(606,477)
Net cash flow used in investing activities	(223,533,644)	(267,960,276)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease liability against right-of-use assets	(1,360,070)	(1,195,507)
Dividend paid	(12,952,916)	(13,853,720)
Net cash flow used in financing activities	(14,312,986)	(15,049,227)
(Decrease) / increase in cash and cash equivalents	(33,808,349)	1,228,592
Cash and cash equivalents at the beginning of the period	291,300,339	264,726,817
Cash and cash equivalents at the end of the period	257,491,990	265,955,409

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

Arif Akmal Saifie	**Shazad G. Dada**	**Shazia Syed**	**Arshad Ahmad Mir**	**Sir Mohammed Anwar Pervez, OBE, HPk**
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2022

1. STATUS AND NATURE OF BUSINESS

United Bank Limited (the Bank) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's registered office and principal office are situated at UBL Building, Jinnah Avenue, Blue Area, Islamabad and at UBL Head Office, I. I. Chundrigar Road, Karachi respectively. The Bank operates 1,340 (December 31, 2021: 1,341) branches inside Pakistan including 150 (December 31, 2021: 145) Islamic Banking branches and 2 (December 31, 2021: 2) branches in Export Processing Zones. The Bank also operates 8 (December 31, 2021: 8) branches outside Pakistan. The Bank is a subsidiary of Bestway International Holdings Limited (BIHL) and BIHL is a wholly owned subsidiary of Bestway Group Limited (BGL) which is incorporated in the Guernsey.

The Bank's ordinary shares are listed on Pakistan Stock Exchange (PSX). Its Global Depository Receipts (GDRs) are on the list of the UK Listing Authority and the London Stock Exchange Professional Securities Market. These GDRs are also eligible for trading on the International Order Book System of the London Stock Exchange. Further, the GDRs constitute an offering in the United States only to qualified institutional buyers in reliance on Rule 144A under the US Securities Act of 1933 and an offering outside the United States in reliance on Regulation S.

2. BASIS OF PRESENTATION

These unconsolidated condensed interim financial statements have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular Letter No. 5 dated March 22, 2019.

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing includes purchase of goods by banks from customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchase and resale arising under these arrangements are not reflected in these unconsolidated condensed interim financial statements as such, but are restricted to the amount of facility actually utilized and the appropriate portion of mark-up thereon. However, 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) as are notified under the provisions of Companies Act, 2017.

Key financial figures of the Islamic Banking branches are disclosed in note 38 to these unconsolidated condensed interim financial statements.

2.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015 has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

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The SECP vide its notification SRO 633 (I)/2014 dated July 10, 2014, adopted IFRS 10 effective from the periods starting from June 30, 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.

The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019 and IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in preparation of audited annual financial statements, and should be read in conjunction with the audited unconsolidated financial statements of the Bank for the year ended December 31, 2021.

These unconsolidated condensed interim financial statements represent the separate condensed interim financial statements of the Bank. The consolidated condensed interim financial statements of the Bank and its subsidiary companies are presented separately.

2.2 Standards, interpretations and amendments to accounting standards that are effective in the current period

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

2.3 Standards, interpretations and amendments to accounting standards that are not yet effective

As per the SBP's BPRD Circular no. 3 dated July 05, 2022, IFRS 9 - Financial Instruments has been made applicable to Banks in Pakistan for accounting periods beginning on or after January 01, 2023 (for banks having asset size of Rs. 500 billion or above). The impact of the application of IFRS 9 in Pakistan on the Bank's financial statements is being assessed.

IFRS 9 has been applicable in several overseas jurisdictions from January 01, 2018. Accordingly, the requirements of this standard are incorporated in the Bank’s unconsolidated condensed interim financial statements for the jurisdictions where IFRS 9 has been adopted.

There are certain other new amendments that are mandatory for the Bank's accounting periods beginning on or after January 01, 2023, but are considered not to be relevant or will not have any significant effect on the Bank's operations and are, therefore, not detailed in these unconsolidated condensed interim financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the unconsolidated financial statements of the Bank for the year ended December 31, 2021 except for the following:

During the period, the Bank has reviewed the useful lives of its leasehold improvements, furniture and fixtures and electrical, office and computer equipment as required by IAS 16 - Property, Plant and Equipment. This review has resulted in a change in the useful lives of these assets. This revision has been accounted for as a change in accounting estimate in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, the effect of this change in accounting estimate has been recognised prospectively in the unconsolidated condensed interim profit and loss account from the current period.

With effect from January 2022, the estimated useful lives of leasehold improvements and certain items of furniture and fixtures have been decreased from 10 to 8 years and, certain items of electrical, office and computer equipment from 5 to 4 years and 4 to 3 years. Further, useful lives of certain items of electrical, office and computer equipment have been increased from 4 to 5 years. The useful lives have been revised to make them more reflective of the consumption pattern of the assets.

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The effect of these changes on depreciation expense in the current period / year and the next year is as follows:

	January - June 2022	January - December 2022	January - December 2023
	---------- (Rupees in '000) ----------		
Increase in depreciation expense			
Leasehold improvements	99,651	178,854	136,479
Furniture and fixtures	32,023	57,212	41,695
Electrical, office and computer equipment	16,887	23,245	20,442
Decrease in depreciation expense			
Electrical, office and computer equipment - ATM	44,459	77,480	-
Net impact on profit and loss before taxation	(104,102)	(181,831)	(198,616)

5. FINANCIAL RISK MANAGEMENT

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

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	---------- (Rupees in '000) ----------	
6. CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	23,348,710	27,262,667
Foreign currencies	8,944,590	6,987,106
	32,293,300	34,249,773
With State Bank of Pakistan in		
Local currency current accounts	62,522,968	75,005,750
Foreign currency current accounts	5,125,038	5,312,400
Foreign currency deposit accounts	8,403,279	8,818,135
	76,051,285	89,136,285
With other central banks in		
Foreign currency current accounts	32,892,295	31,754,341
Foreign currency deposit accounts	6,217,278	8,148,977
	39,109,573	39,903,318
With National Bank of Pakistan in local currency current accounts	84,422,994	104,153,210
National prize bonds	171,206	494,696
	232,048,358	267,937,282
7. BALANCES WITH OTHER BANKS		
In Pakistan		
In deposit accounts	6,000,000	6,350,000
Outside Pakistan		
In current accounts	12,516,013	8,075,999
In deposit accounts	6,927,618	8,937,058
	19,443,631	17,013,057
	25,443,631	23,363,057
8. LENDINGS TO FINANCIAL INSTITUTIONS		
Call / clean money lending	-	100,000
Repurchase agreement lendings (reverse repo)	96,013,619	49,726,776
Placements with State Bank of Pakistan	672,110	1,874,300
	96,685,729	51,701,076

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9. INVESTMENTS

9.1 Investments by type

	Note	June 30, 2022 (Un-audited)				December 31, 2021 (Audited)			
		Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
		(Rupees in '000)							
Held for trading securities									
Federal Government Securities									
- Market Treasury Bills		46,808,062	-	33,510	46,841,572	69,718,806	-	9,101	69,727,907
- Government of Pakistan Sukuks		300,731	-	(641)	300,090	-	-	-	-
- Pakistan Investment Bonds - fixed		1,133,675	-	6,461	1,140,136	4,883,004	-	7,053	4,890,057
- Pakistan Investment Bonds - floaters		250,720	-	(70)	250,650	250,697	-	128	250,825
		48,493,188	-	39,260	48,532,448	74,852,507	-	16,282	74,868,789
Available for sale securities									
Federal Government securities									
- Market Treasury Bills		437,217,732	-	(210,651)	437,007,081	462,307,400	-	(295,082)	462,012,318
- Pakistan Investment Bonds - fixed		195,508,797	-	(4,361,061)	191,147,736	106,428,744	-	(956,951)	105,471,793
- Pakistan Investment Bonds - floaters		433,158,848	-	(2,582,198)	430,576,650	365,357,391	-	(1,612,561)	363,744,830
- Government of Pakistan Sukuks		82,408,397	(5,709)	(487,921)	81,914,767	43,996,036	-	(265,635)	43,730,401
- Islamic Naya Pakistan Certificates		3,524,822	-	-	3,524,822	924,941	-	-	924,941
- Government of Pakistan Eurobonds		30,253,537	(218,444)	(9,392,931)	20,642,162	22,789,875	(285,929)	49,770	22,553,716
Ordinary shares									
- Listed companies		14,909,260	(5,436,414)	683,049	10,155,895	13,269,396	(4,623,052)	1,019,365	9,665,709
- Unlisted companies		790,686	(60,446)	-	730,240	790,083	(60,440)	41	729,684
Non-Government debt securities									
- Corporate Sukuks		1,409,286	-	-	1,409,286	1,452,143	-	-	1,452,143
- Term Finance Certificates		782,335	(161,996)	-	620,339	782,335	(161,996)	-	620,339
Foreign securities									
- Foreign bonds - sovereign		50,198,517	(1,861,119)	(6,773,811)	41,563,587	41,692,161	(383,468)	(1,325,534)	39,983,159
- Foreign bonds - others		1,014,763	(1,052)	(115,286)	898,425	1,187,962	(1,103)	8,036	1,194,895
Mutual Fund units		258,179	-	(45,715)	212,464	258,179	-	(15,711)	242,468
Real Estate Investment Trust units		533,453	-	103,501	636,954	458,590	-	48,360	506,950
		1,251,968,612	(7,745,180)	(23,183,024)	1,221,040,408	1,061,695,236	(5,515,988)	(3,345,902)	1,052,833,346
Held to maturity securities									
Federal Government securities									
- Pakistan Investment Bonds - fixed		267,529,479	-	-	267,529,479	216,576,752	-	-	216,576,752
- Pakistan Investment Bonds - floaters		47,726,986	-	-	47,726,986	47,666,897	-	-	47,666,897
- Government of Pakistan Sukuks		10,002,634	-	-	10,002,634	10,002,935	-	-	10,002,935
- Government of Pakistan Eurobonds		12,006,760	(154,171)	-	11,852,589	10,381,683	(141,574)	-	10,240,109
- Bai Muajjal with Government of Pakistan		-		-	-	21,214,989	-	-	21,214,989
Non-Government debt securities									
- Corporate Sukuks		8,981,009	(50,934)	-	8,930,075	10,580,384	(50,934)	-	10,529,450
- Term Finance Certificates		8,604,665	(69,951)	-	8,534,714	8,079,835	(69,951)	-	8,009,884
- Debentures		2,267	(2,267)	-	-	2,267	(2,267)	-	-
- Participation Term Certificates		437	(437)	-	-	437	(437)	-	-
- Corporate Bond		1,991,216	(25,509)	-	1,965,707	1,715,945	(23,356)	-	1,692,589
Foreign securities									
- Market Treasury Bills		3,189,050	-	-	3,189,050	2,682,985	-	-	2,682,985
- Foreign bonds - sovereign		38,906,383	(1,796,196)	-	37,110,187	33,578,466	(641,202)	-	32,937,264
- Foreign bonds - others		2,514,993	(5,832)	-	2,509,161	2,171,411	(11,610)	-	2,159,801
- CDC SAARC Fund		444	-	-	444	383	-	-	383
		401,456,323	(2,105,297)	-	399,351,026	364,655,369	(941,331)	-	363,714,038
Associates									
- UBL Financial Sector Fund		366,640	-	-	366,640	366,640	-	-	366,640
- UBL Liquidity Plus Fund		3,000,000	-	-	3,000,000	-	-	-	-
- UBL Insurers Limited		240,000	-	-	240,000	240,000	-	-	240,000
- Khushhali Bank Limited	9.4	832,485	-	-	832,485	832,485	-	-	832,485
		4,439,125	-	-	4,439,125	1,439,125	-	-	1,439,125
Subsidiaries									
- United National Bank Limited (UBL UK)		2,855,223	-	-	2,855,223	2,855,223	-	-	2,855,223
- UBL (Switzerland) AG	9.7	589,837	-	-	589,837	589,837	-	-	589,837
- UBL Fund Managers Limited		100,000	-	-	100,000	100,000	-	-	100,000
		3,545,060	-	-	3,545,060	3,545,060	-	-	3,545,060
Discontinued operation									
- UBL Bank (Tanzania) Limited	9.6	1,831,006	(1,688,911)	-	142,095	1,831,006	(1,688,911)	-	142,095
Total Investments		1,711,733,314	(11,539,388)	(23,143,764)	1,677,050,162	1,508,018,303	(8,146,230)	(3,329,620)	1,496,542,453

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			(Un-audited) June 30, 2022	(Audited) December 31, 2021
			------- (Rupees in '000) -------	
9.1.1	**Investments given as collateral**			
	Market Treasury Bills		71,541,199	215,584,125
	Pakistan Investment Bonds - floaters		281,129,912	232,144,261
	Pakistan Investment Bonds - fixed		106,746,055	1,853,526
			459,417,166	449,581,912

The market value of securities given as collateral is Rs. 453,998 million (December 31, 2021: Rs. 448,718 million).

		Note		
9.2	**Provision for diminution in value of investments**			
9.2.1	Opening balance		8,146,230	9,343,576
	Exchange adjustments		461,468	155,536
	Charge / (reversals)			
	Charge for the period / year		3,121,074	446,250
	Reversals for the period / year		(102,709)	(555,978)
	Reversal on disposals		(86,675)	(1,161,770)
			2,931,690	(1,271,498)
	Amounts written off		-	(81,384)
	Closing balance	9.5	11,539,388	8,146,230

9.2.2 Particulars of provision against debt securities

Category of classification	(Un-audited) June 30, 2022		(Audited) December 31, 2021	
	Non-Performing Investments	Provision	Non-Performing Investments	Provision
	---------- (Rupees in '000) ----------			
Domestic				
Loss	285,585	285,585	285,585	285,585
Overseas				
Defaulted exposure	8,248,057	3,299,223	-	-
Total	8,533,642	3,584,808	285,585	285,585

9.3 The market value of securities classified as held-to-maturity as at June 30, 2022 amounted to Rs. 374,686.416 million (December 31, 2021: Rs. 354,991.660 million).

9.4 This represents the Bank's subscription towards the paid-up capital of Khushhali Bank Limited. Pursuant to section 10 of the Khushhali Bank Ordinance, 2000 strategic investors including the Bank cannot sell or transfer their investment before a period of five years that has expired on October 10, 2005. Thereafter, such sale / transfer would be subject to the prior approval of the SBP. However, these shares are still appearing as frozen as no approval has been obtained by the Bank to unfreeze these shares.

9.5 Provision against investments includes Expected Credit Losses (ECL) under IFRS 9 amounting to Rs. 4,068.069 million including defaulted exposure (December 31, 2021: Rs. 1,488.282 million) on investments of overseas branches.

9.6 UBL Bank (Tanzania) Limited (UBTL) is a wholly owned subsidiary of United Bank Limited. UBTL sold materially all of its assets and liabilities held as at October 31, 2019, including the loans and advances and deposit book to EXIM Bank Tanzania Limited (Exim), in line with the Asset and Liabilities Purchase Agreement signed on May 22, 2019. The control of these assets and liabilities was transferred to Exim effective from November 01, 2019. The Banking operations of the subsidiary ceased on November 01, 2019. The official liquidator was appointed by Board of Directors of UBTL on December 15, 2021. The audit for the years 2019, 2020 and 2021 was completed in May 2022 and the final tax clearance has been obtained from Tanzania Revenue Authority in June 2022. The UBTL notice of final meeting of members was published in the newspaper and in the Government Gazette in June 2022. The closure of UBTL and remittance of the amount to the sponsors is expected in August 2022.

9.7 The shareholders of the Bank have resolved the voluntary and orderly wind up of UBL Switzerland AG, a wholly owned subsidiary of the Bank in the Extra Ordinary General Meeting (EOGM) of shareholders held on August 06, 2021. This decision was in line with the Bank's strategy to exit from non-core markets. UBL Switzerland AG was released from FINMA's regulatory supervision on March 24, 2022 and entered voluntary liquidation on March 31, 2022. Deloitte AG were appointed as liquidators. The liquidation of the entity is subject to fulfillment of relevant legal and regulatory requirements both in Pakistan and Switzerland.

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10. ADVANCES

	Note	Performing		Non-performing		Total	
		(Un-audited) June 30, 2022	(Audited) December 31, 2021	(Un-audited) June 30, 2022	(Audited) December 31, 2021	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		---------- (Rupees in '000) ----------					
Loans, cash credits, running finances, etc.		543,281,414	561,742,044	87,548,706	83,224,648	630,830,120	644,966,692
Islamic financing and related assets	38.2	62,207,835	43,859,593	169,502	197,330	62,377,337	44,056,923
Bills discounted and purchased		48,884,829	36,670,914	2,638,000	2,591,046	51,522,829	39,261,960
Advances - gross		654,374,078	642,272,551	90,356,208	86,013,024	744,730,286	728,285,575
Provision against advances	10.3						
- Specific		-	-	(78,851,275)	(74,703,857)	(78,851,275)	(74,703,857)
- General		(8,195,828)	(7,393,261)	-	-	(8,195,828)	(7,393,261)
		(8,195,828)	(7,393,261)	(78,851,275)	(74,703,857)	(87,047,103)	(82,097,118)
Advances - net of provision		646,178,250	634,879,290	11,504,933	11,309,167	657,683,183	646,188,457

10.1 Particulars of advances - gross

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	------- (Rupees in '000) -------	
In local currency	536,472,394	531,161,298
In foreign currencies	208,257,892	197,124,277
	744,730,286	728,285,575

10.2 Advances include Rs. 90,356.208 million (December 31, 2021: Rs. 86,013.024 million) which have been placed under non-performing status as detailed below:

Category of Classification	(Un-audited) June 302022		(Audited) December 31, 2021	
	Non-Performing Loans	Provision	Non-Performing Loans	Provision
	---------- (Rupees in '000) ----------			
Domestic				
Other Assets Especially Mentioned*	150,191	2,719	155,903	-
Substandard	2,416,177	608,604	2,398,883	595,091
Doubtful	277,995	139,403	563,051	346,746
Loss	23,005,350	21,993,687	23,945,768	22,853,989
	25,849,713	22,744,413	27,063,605	23,795,826
Overseas				
Not past due but impaired**	4,959,034	2,622,308	4,207,043	1,233,410
Overdue by:				
Upto 90 days	1,100,921	166,386	1,004,416	303,038
91 to 180 days	71,158	5,549	1,811,745	1,620,231
181 to 365 days	1,229,754	1,010,970	4,666,129	3,620,254
> 365 days	57,145,628	52,301,649	47,260,086	44,131,098
	64,506,495	56,106,862	58,949,419	50,908,031
Total	90,356,208	78,851,275	86,013,024	74,703,857

* The Other Assets Especially Mentioned category pertains to agriculture, housing and small enterprises financing.
** Not past due but impaired category mainly represents restructured exposures.

10.3 Particulars of provision against advances

	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	Specific	General	Total	Specific	General	Total
	---------- (Rupees in '000) ----------					
Opening balance	74,703,857	7,393,261	82,097,118	71,755,668	7,271,844	79,027,512
Exchange adjustments	8,105,343	1,086,205	9,191,548	5,068,084	734,361	5,802,445
(Reversals) / charge						
Charge for the period / year	455,158	59,757	514,915	4,901,313	361,989	5,263,302
Reversals for the period / year	(2,007,797)	(343,395)	(2,351,192)	(3,048,379)	(974,933)	(4,023,312)
	(1,552,639)	(283,638)	(1,836,277)	1,852,934	(612,944)	1,239,990
Amounts charged off						
- agriculture financing	-	-	-	(257,446)	-	(257,446)
Amounts written off	(2,405,286)	-	(2,405,286)	(3,711,835)	-	(3,711,835)
Transfers out - net	-	-	-	(3,548)	-	(3,548)
Closing balance	78,851,275	8,195,828	87,047,103	74,703,857	7,393,261	82,097,118

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10.3.1 General provision represents provision amounting to Rs. 453.105 million (December 31, 2021: Rs. 402.418 million) against consumer finance portfolio as required by the Prudential Regulations issued by the SBP and Rs. 7,742.723 million (December 31, 2021: Rs. 6,990.843 million) pertaining to overseas advances to meet the requirements of the regulatory authorities of the respective countries in which the overseas branches operate.

10.3.2 The Bank has availed the benefit of Forced Sale Value (FSV) of certain mortgaged properties held as collateral against non-performing advances as allowed under BSD Circular 01 of 2011. Had the benefit under the said circular not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 12.464 million (December 31, 2021: Rs. 16.258 million).

The Bank has also availed FSV benefit of certain mortgaged properties held as collateral against non-performing advances of overseas branches in accordance with the applicable regulations in the respective countries where the branches operate. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 4,545.699 million (December 31, 2021: Rs. 3,528.942 million) for the overseas branches.

The FSV benefit availed is not available for the distribution of cash or stock dividend to shareholders.

		Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
			------- (Rupees in '000) -------	
11.	**FIXED ASSETS**			
	Capital work-in-progress	11.1	2,186,561	1,294,646
	Property and equipment		59,953,693	60,166,347
	Right-of-use assets		7,219,383	7,076,660
			69,359,637	68,537,653
11.1	**Capital work-in-progress**			
	Civil works		909,072	419,443
	Equipment		1,277,489	875,203
			2,186,561	1,294,646

		(Un-audited) January - June 2022	January - June 2021
11.2	**Additions to fixed assets**	---------- (Rupees in '000) --------	
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress - net additions	891,915	300,231
	Property and equipment		
	Leasehold improvements	204,497	202,835
	Furniture and fixtures	128,661	50,039
	Electrical, office and computer equipment	982,791	910,018
	Vehicles	222,397	109,027
		1,538,346	1,271,919
	Right-of-use assets	1,278,694	1,355,664
	Total	3,708,955	2,927,814

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		(Un-audited) January - June 2022	January - June 2021
		------- (Rupees in '000) -----	
11.3	**Disposal of fixed assets**		
	The net book value of fixed assets disposed off during the period is as follows:		
	Leasehold land	70,500	-
	Building on leasehold land	32,500	4,726
	Leasehold Improvement	-	91,808
	Furniture and fixtures	436	565
	Electrical, office and computer equipment	2,637	911
	Vehicles	1,127	2,374
		107,200	100,384
	Derecognition of right-of-use assets	141,332	522,246
	Total	248,532	622,630

11.4 During the period, the Bank has reviewed the useful lives of its fixed assets. This review has resulted in a change in the useful lives of these assets. The effect of these changes are presented in note 4 to the unconsolidated condensed interim financial statements.

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
12.	**INTANGIBLE ASSETS**	------- (Rupees in '000) -----	
	Capital work-in-progress - Computer software	1,039,869	604,751
	Intangible assets - Computer software	1,359,234	1,626,514
		2,399,103	2,231,265

		(Un-audited) January - June 2022	January - June 2021
12.1	**Additions to intangible assets**	------- (Rupees in '000) -----	
	The following additions have been made to intangible assets during the period		
	Capital work-in-progress - net additions	435,118	181,725
	Directly purchased - intangible assets	91,184	114,368
		526,302	296,093

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
13.	**DEFERRED TAX ASSETS**	------- (Rupees in '000) -------	
	Deductible temporary differences on		
	Provision against advances and off balance sheet obligations	5,690,974	5,172,302
	Deficit on revaluation of investments	9,968,700	1,304,902
	Post retirement employee benefits	692,034	716,805
	Workers' Welfare Fund	2,532,572	2,231,742
	Others	218,514	36,404
		19,102,794	9,462,155
	Taxable temporary differences on		
	Surplus on revaluation of fixed assets / non-banking assets	(1,756,224)	(1,683,947)
	Accelerated tax depreciation	(480,705)	(573,933)
		(2,236,929)	(2,257,880)
		16,865,865	7,204,275

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14. OTHER ASSETS	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		------- (Rupees in '000) -------	
Income / mark-up accrued in local currency		37,181,194	25,128,445
Income / mark-up accrued in foreign currencies	14.1	2,816,870	2,771,265
Advance taxation - net of provision for taxation	20.1	-	4,144,088
Receivable from staff retirement fund		77,839	2,077,069
Receivable from other banks against telegraphic transfers and demand drafts		-	365,000
Unrealised gain on forward foreign exchange contracts		8,920,921	4,069,229
Rebate receivable - net		1,710,973	652,112
Unrealised gain on derivative financial instruments		6,684	8,476
Suspense accounts		114,620	158,508
Stationery and stamps on hand		225,487	206,616
Non-banking assets acquired in satisfaction of claims		180,170	196,640
Advances, deposits, advance rent and other prepayments		2,760,620	1,177,703
Commission receivable - Branchless Banking		3,779,731	676,483
Commission receivable - Bancassurance		141,063	111,180
Receivable against fraud & forgery and looted notes		591,326	564,693
Acceptances		15,603,758	11,421,246
Others		2,673,593	1,877,987
		76,784,849	55,606,740
Provision held against other assets	14.2	(1,232,171)	(1,163,055)
Other assets - net of provisions		75,552,678	54,443,685
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	21	32,586	16,704
Other assets - total		75,585,264	54,460,389

14.1 Unrealised mark-up held in suspense amounting to Rs. 21,760.233 million (December 31, 2021: Rs. 16,929.481 million) against non-performing overseas advances has been netted off.

14.2 Provision held against other assets	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	------- (Rupees in '000) -------	
Advances and other receivables	54,108	54,674
Fraud & forgery and looted notes	591,326	564,693
Others	586,737	543,688
	1,232,171	1,163,055

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		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		------- (Rupees in '000) -------	
14.2.1	**Movement of provision held against other assets**		
	Opening balance	1,163,055	1,392,976
	Exchange adjustments	34,023	28,541
	Charge / (reversals)		
	Charge for the period / year	89,292	33,348
	Reversals for the period / year	(48,865)	(201,953)
		40,427	(168,605)
	Transfers out - net	-	(41,160)
	Amounts written off	(5,334)	(48,697)
	Closing balance	1,232,171	1,163,055

15. CONTINGENT ASSETS

There were no contingent assets as at June 30, 2022 (December 31, 2021: Nil).

16. BILLS PAYABLE

In Pakistan	30,350,141	25,898,903
Outside Pakistan	1,682,227	894,067
	32,032,368	26,792,970

17. BORROWINGS

Secured		
Borrowings from the State Bank of Pakistan under:		
Export refinance scheme	41,069,122	38,881,750
Refinance facility for modernization of SME	255,383	5,100
Long term financing facility	18,918,125	20,056,964
Refinance scheme for payment of wages and salaries	1,824,223	3,225,644
Renewable energy scheme	768,369	513,403
Temporary economic refinance facility	13,696,539	9,972,210
Refinance facility for combating COVID-19	449,354	390,962
Repurchase agreement borrowings	399,922,438	417,755,950
Refinance for women entrepreneurs	22,208	18,487
	476,925,761	490,820,470
Repurchase agreement borrowings from other banks	55,757,859	54,783,321
	532,683,620	545,603,791
Unsecured		
Call borrowings	9,935,154	15,885,337
Overdrawn nostro accounts	5,203,091	1,795,622
Other borrowings	5,121,167	-
	20,259,412	17,680,959
	552,943,032	563,284,750

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18. DEPOSITS AND OTHER ACCOUNTS

	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	(Rupees in '000)					
Customers						
Current accounts - remunerative	4,145,597	16,056,192	20,201,789	2,528,236	6,001,961	8,530,197
Current accounts - non-remunerative	704,106,311	150,270,096	854,376,407	633,109,393	117,505,435	750,614,828
Savings deposits	590,706,809	53,941,291	644,648,100	574,380,924	48,883,320	623,264,244
Term deposits	180,503,144	115,733,695	296,236,839	134,138,693	135,909,226	270,047,919
Sundry deposits	29,696,709	1,120,761	30,817,470	9,313,881	1,283,385	10,597,266
Margin deposits	4,174,354	4,031,690	8,206,044	4,356,837	3,149,326	7,506,163
	1,513,332,924	341,153,725	1,854,486,649	1,357,827,964	312,732,653	1,670,560,617
Financial Institutions						
Current deposits	27,335,590	5,625,444	32,961,034	35,723,146	3,186,112	38,909,258
Saving deposits	59,047,854	228,820	59,276,674	16,824,931	54,784	16,879,715
Term deposits	17,517,650	10,635,825	28,153,475	18,612,650	5,981,525	24,594,175
	103,901,094	16,490,089	120,391,183	71,160,727	9,222,421	80,383,148
	1,617,234,018	357,643,814	1,974,877,832	1,428,988,691	321,955,074	1,750,943,765

18.1 Deposits eligible to be covered under insurance arrangements in accordance with DPC Circular No. 04 dated June 22, 2018 amounting to Rs. 1,142,129.242 million (December 31, 2021: Rs 1,078,654.532 million).

19. SUBORDINATED DEBT

The Bank has issued fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I Capital as outlined by State Bank of Pakistan (SBP) under BPRD Circular No. 6 dated August 15, 2013.

Salient features of the Additional Tier 1 issue are as follows:

Issue Size	Rs. 10,000 million
Issue Date	January 29, 2019
Tenor	Perpetual (i.e. no fixed or final redemption date)
Rating	"AA+" (Double A Plus) by VIS Credit Rating Company Limited
Security	Unsecured
Mark-up rate	The TFCs shall carry mark-up at the rate of 3 Month KIBOR + 1.55%.
Mark-up payment frequency	Mark-up shall be payable quarterly in arrears, on a non-cumulative basis
Call option	The Bank may, at its sole discretion, call the TFCs, at any time after five years from the Issue Date subject to the prior approval of the SBP.
Lock-in clause	Mark-up on the TFCs shall only be paid from the current year's earnings and if the Bank is fully compliant with SBP's Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR) and Liquidity Ratio (LR) requirements.
Loss absorbency clause	The TFCs shall, at the discretion of the SBP, be either permanently converted into ordinary shares or permanently written off (partially or in full) pursuant to the loss absorbency clause as stipulated in the "Instructions for Basel III Implementation in Pakistan" issued vide BPRD Circular No. 6 dated August 15, 2013.

	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
20. OTHER LIABILITIES		(Rupees in '000)	
Mark-up / return / interest payable in local currency		17,675,873	15,032,556
Mark-up / return / interest payable in foreign currencies		641,122	863,563
Accrued expenses		3,270,990	4,416,101
Branch adjustment account		304,895	479,517
Deferred income		972,731	997,320
Current taxation (provisions less payments)	20.1	8,468,619	-
Unearned commission and income on bills discounted		183,172	231,988
Provision against off-balance sheet obligations	20.2	794,893	730,630
Unrealised loss on forward foreign exchange contracts		5,554,766	1,156,024
Unrealised loss on derivative financial instruments		21,188	-
Liability against trading of securities		18,280	1,521,590
Provision for post-retirement medical benefits		2,199,391	2,175,874
Payable to staff retirement fund		-	103,685
Provision for compensated absences		816,277	835,134
Deferred liabilities		643,982	590,579
Workers' Welfare Fund payable		6,222,019	5,522,416
Liabilities against ATM settlement		2,028,473	40,996
Insurance payable against consumer assets		489,449	477,866
Payable to other banks against telegraphic transfers and demand drafts		21,062	-
Dividends payable		3,267,533	2,762,515
Unclaimed dividends		300,184	292,141
Acceptances		15,603,758	11,421,246
Charity fund balance		6,386	4,039
Lease liability against right-of-use assets		8,709,494	8,412,023
Levies and taxes payable		3,967,483	3,017,195
Others		1,568,082	1,416,877
		83,750,102	62,501,875

20.1 The Income Tax returns of the Bank have been filed up to the tax year 2021 (accounting year ended December 31, 2020) and were deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).

The income tax authorities have issued amended assessment orders for the tax years 2003 to 2021, and created additional tax demands (including disallowances of provisions made prior to Seventh Schedule) of Rs.14,970 million (2021: Rs.13,752 million) . The Bank has filed appeals before the various appellate forums against these amendments. Where the appellate authorities have allowed relief on certain issues, the assessing authorities have filed appeals before higher appellate forums. Where the appellate authorities have not allowed relief the Bank has filed appeals before higher appellate forums. The management of the Bank is confident that the appeals will be decided in favor of the Bank.

The tax returns for Azad Kashmir (AK) and Gilgit Baltistan (GB) Branches have been filed upto the tax year 2021 under the provisions of section 120(1) read with section 114 of the Ordinance and in compliance with the terms of the agreement between banks and the Azad Kashmir Council in May 2005. The returns filed are considered as deemed assessment orders under the law.

The tax authorities have also carried out monitoring for Federal Excise Duty, Sales tax and withholding taxes covering period from year ended 2005 to 2019. Consequently various addbacks and demands were raised creating a total demand of Rs. 2,632 million (2021: Rs. 2,632 million). The Bank has filed appeals against all such demands and is confident that these would be decided in the favor of the Bank.

The tax returns for Yemen have been filed upto the year ended December 31, 2019 and for UAE and Qatar branches upto the year ended December 31, 2021 under the provisions of the laws prevailing in the respective countries, and are deemed as assessed unless opened for reassessment.

The Bank has received corrective tax assessment of QAR 642 thousand (Rs. 32.695 million) from the General tax Authority (GTA) in respect of tax year 2015. Management has filed an appeal against the said penalty and is confident that the matters will be decided in favor of the Bank and the possibility of any outcome against it is remote.

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		Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
			------- (Rupees in '000) -------	
20.2	**Provision against off-balance sheet obligations**			
	Opening balance		730,630	1,065,233
	Exchange adjustments		104,342	14,927
	Charge / (reversal)			
	Charge for the period / year		15,525	8,819
	Reversals for the period / year		(44,648)	(353,069)
			(29,123)	(344,250)
	Transfers out - net		(10,956)	(5,280)
	Closing balance		794,893	730,630
21.	**SURPLUS ON REVALUATION OF ASSETS**			
	Surplus / (Deficit) arising on revaluation of:			
	- Available for sale securities	9.1	(23,183,024)	(3,345,902)
	- Fixed assets		41,589,000	41,764,572
	- Non-banking assets acquired in satisfaction of claims	14	32,586	16,704
			18,438,562	38,435,374
	Less: Deferred tax on (deficit) / surplus on revaluation of:			
	- Available for sale securities		(9,968,700)	(1,304,902)
	- Fixed assets		1,752,008	1,677,432
	- Non-banking assets acquired in satisfaction of claims		7,183	6,515
			(8,209,509)	379,045
			26,648,071	38,056,329
22.	**CONTINGENCIES AND COMMITMENTS**			
	Guarantees	22.1	199,859,495	167,884,838
	Commitments	22.2	1,286,460,216	947,939,838
	Other contingent liabilities	22.3	16,727,856	16,452,188
			1,503,047,567	1,132,276,864
22.1	**Guarantees:**			
	Financial guarantees		73,301,589	55,725,856
	Performance guarantees		102,997,103	107,821,730
	Other guarantees		23,560,803	4,337,252
			199,859,495	167,884,838
22.2	**Commitments:**			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		221,535,688	169,653,706
	Commitments in respect of:			
	- forward foreign exchange contracts	22.2.2	831,125,370	652,382,419
	- forward Government securities transactions	22.2.3	45,058,200	11,780,000
	- derivatives	22.2.4	11,880,173	1,808,940
	- forward lending	22.2.5	172,341,129	109,605,370
	- operating leases	22.2.6	181,325	99,911
			1,060,586,197	775,676,640
	Commitments for acquisition of:			
	- fixed assets		3,111,746	1,049,017
	- intangible assets		1,226,585	1,560,475
			4,338,331	2,609,492
			1,286,460,216	947,939,838

22.2.1 Commitments to extend credit

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.

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		Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
			------- (Rupees in '000) -------	
22.2.2	**Commitments in respect of forward foreign exchange contracts**			
	Purchase		441,355,300	350,490,749
	Sale		389,770,070	301,891,670
			831,125,370	652,382,419
22.2.3	**Commitments in respect of forward Government securities transactions**			
	Purchase		45,058,200	9,081,000
	Sale		-	2,699,000
			45,058,200	11,780,000
22.2.4	**Commitments in respect of derivatives**			
	Cross Currency Swaps		252,625	-
	FX options			
	Purchase		5,813,774	904,470
	Sale		5,813,774	904,470
			11,627,548	1,808,940
22.2.5	**Commitments in respect of forward lending**			
	Undrawn formal standby facilities, credit lines and other commitments to lend	22.2.5.1	113,120,850	63,017,022
	Others		59,220,279	46,588,348
			172,341,129	109,605,370

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

22.2.6	**Commitments in respect of operating leases**			
	Not later than one year		181,078	99,661
	Later than one year and not later than five years		22	22
	Later than five years		225	228
			181,325	99,911
22.3	**Other contingent liabilities**			
22.3.1	Claims against the Bank not acknowledged as debts		12,638,553	12,362,885

These mainly represent counter claims filed by the borrowers for restricting the Bank from disposal of assets (such as mortgaged / pledged assets kept as security).

Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Bank's favour and the possibility of any outcome against the Bank is remote and accordingly no provision has been made in these unconsolidated condensed interim financial statements.

22.3.2 During 2016, penalties amounting to Rs. 4.089 billion were levied by the FE Adjudication Court of the State Bank of Pakistan relating to alleged contraventions of the requirements of foreign exchange regulations with respect to issuance and certification of E-Forms by the Bank to certain customers (exporters) who failed to submit the export documents there against. Consequently, foreign exchange on account of export proceeds have not been repatriated. The Bank maintains that it fully discharged its liability, in accordance with the law and has filed a civil suit in the High Court of Sindh challenging the levy of the penalty. The High Court has granted a stay on action being taken against the Bank. The management, based on the advice from legal counsel, is confident that the view of the Bank will prevail and the Bank will not be exposed to any loss on this account.

22.3.3 For contingencies relating to taxation, refer note 20.1.

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23. Derivative Instruments

Product analysis

June 30, 2022 (Un-audited)

	FX options		Cross Currency Swaps		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
	Notional principal	Mark to Market Loss	Notional principal	Mark to Market Loss	Notional principal	Mark to Market Loss	Notional principal	Mark to Market Loss	Notional principal	Mark to Market Loss
	(Rupees in '000)									
Hedging	5,813,774	-	-	-	45,058,200	(16,149)	-	-	50,871,974	(16,149)
Market making	5,813,774	-	252,625	1,645	-	-	-	-	6,066,399	1,645
	11,627,548	-	252,625	1,645	45,058,200	(16,149)	-	-	56,938,373	(14,504)

December 31, 2021 (Audited)

	FX options		Cross Currency Swaps		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain	Notional principal	Mark to Market Gain
	(Rupees in '000)									
Hedging	904,470	-	-	-	9,081,000	7,374	2,699,000	1,102	12,684,470	8,476
Market making	904,470	-	-	-	-	-	-	-	904,470	-
	1,808,940	-	-	-	9,081,000	7,374	2,699,000	1,102	13,588,940	8,476

			(Un-audited)	
			January - June 2022	January - June 2021
		Note	------- (Rupees in '000) -------	
24.	**MARK-UP / RETURN / INTEREST EARNED**			
	On:			
	Loans and advances		28,993,586	18,620,914
	Investments		70,427,423	48,166,699
	Lendings to financial institutions		2,971,180	722,797
	Balances with banks		455,266	240,638
			102,847,455	67,751,048
25.	**MARK-UP / RETURN / INTEREST EXPENSED**			
	On:			
	Deposits		40,119,561	25,814,351
	Borrowings		14,787,945	4,382,104
	Subordinated debt		649,156	441,847
	Cost of foreign currency swaps against foreign currency deposits / borrowings		1,678,566	1,550,237
	Lease liability against right-of-use assets		506,676	473,603
			57,741,904	32,662,142
26.	**FEE AND COMMISSION INCOME**			
	Branch banking customer fee		1,183,273	820,291
	Consumer finance related fee		559,858	479,126
	Card related fee (debit and credit cards)		1,508,129	1,135,999
	Investment banking fee		193,651	343,216
	Financial Institution rebate / commission		269,535	156,835
	Corporate service charges / facility fee		426,991	376,681
	Commission on trade		443,324	320,007
	Commission on guarantees		336,245	275,578
	Commission on cash management		515,258	461,703
	Commission on remittances including home remittances - net		1,212,591	1,110,448
	Commission on bancassurance		822,360	882,534
	Rent on lockers		98,940	95,652
	Others		184,429	146,820
			7,754,584	6,604,890
27.	**GAIN ON SECURITIES - NET**			
	Realised	27.1	535,585	2,539,494
	Unrealised - held for trading		39,132	5,006
			574,717	2,544,500

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		(Un-audited)	
		January - June 2022	January - June 2021
		------- (Rupees in '000) -------	
27.1	**Realised gain / (loss) on:**		
	Federal Government securities	473,001	790,970
	Shares	12,990	298,863
	Foreign securities	49,594	1,449,227
	Other securities	-	434
		535,585	2,539,494
28.	**OTHER INCOME**		
	Charges recovered	199,603	130,948
	Rent on properties	30,382	40,072
	Gain on sale of fixed assets - net	42,616	4,721
	(Loss) / gain on sale of Ijarah assets - net	(1,718)	3,222
	Gain on trading liabilities - net	203,887	16,666
		474,770	195,629
29.	**OPERATING EXPENSES**		
	Total compensation expense	9,348,296	8,255,548
	Property expense		
	Rent and taxes	498,487	538,405
	Insurance	127,399	102,205
	Utilities cost	936,720	661,737
	Security (including guards)	599,233	502,727
	Repair and maintenance (including janitorial charges)	156,482	82,383
	Depreciation on owned fixed assets	604,626	399,330
	Depreciation on right-of-use assets	1,008,142	924,501
	Depreciation on non-banking assets acquired in satisfaction of claims	33,425	-
	Others	29,888	30,277
		3,994,402	3,241,565
	Information technology expenses		
	Software maintenance	928,724	622,952
	Hardware maintenance	209,052	177,794
	Depreciation	436,485	385,638
	Amortisation	373,165	380,843
	Network charges	351,697	356,445
	Consultancy charges	124,551	170,738
		2,423,674	2,094,410
	Other operating expenses		
	Directors' fee and allowances	47,100	34,050
	Fee and allowances to Shariah Board	4,010	4,818
	Legal and professional charges	672,106	242,328
	Outsourced service costs	700,875	631,486
	Commission paid to branchless banking agents	180,866	207,616
	Commission paid to sales force	747,210	624,849
	Travelling and conveyance	85,326	45,452
	Clearing charges	104,476	89,830
	Depreciation - others	674,435	602,602
	Depreciation on Islamic financing against leased assets	77,662	84,917
	Training and development	36,181	9,090
	Postage and courier charges	223,767	163,482
	Communication	172,709	224,631
	Stationery and printing	440,860	376,288
	Marketing, advertisement and publicity	481,626	249,781
	Donations	10,000	71,096
	Auditors' remuneration	56,396	36,945
	Insurance	48,867	46,492
	Deposit protection premium expense	862,924	793,350
	Cash transportation and sorting charges	413,700	414,374
	Entertainment	96,564	73,243
	Banking service charges	1,384,427	927,806
	Repairs and maintenance	423,374	335,353
	Miscellaneous expenses	377,514	317,423
		8,322,975	6,607,302
		24,089,347	20,198,825

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		Note	(Un-audited) January - June 2022	January - June 2021
			(Rupees in '000)	
30.	**OTHER CHARGES**			
	Penalties imposed by the SBP		14,592	28,179
	Penalties imposed by other regulatory bodies of overseas branches		1,370	11,315
			15,962	39,494
31.	**PROVISIONS AND WRITE-OFFS - NET**			
	Provision / (reversal) for diminution in value of investments - net		2,931,690	(714,640)
	(Reversal) / provision against loans and advances - net		(1,836,277)	686,602
	Bad debts written off directly		18,242	20,382
	Provision / (reversal) against other assets - net		40,427	(98,538)
	Reversal of provision against off-balance sheet obligations - net		(29,123)	(330,661)
	Recovery of written-off / charged off bad debts		(341,023)	(234,394)
	Other provisions / write-offs		(18,176)	583,853
			765,760	(87,396)
32.	**TAXATION**			
	Current	32.1	19,612,815	11,010,646
	Prior years		3,681,026	(189,016)
	Deferred		(919,856)	31,361
			22,373,985	10,852,991

32.1 During the period, the tax rate has been revised from 35% to 39%. Further, a Super Tax of 10% has been levied for the tax year 2023. Accordingly, the impact of these changes in tax rates have been incorporated in these unconsolidated condensed interim financial statements.

33.	**EARNINGS PER SHARE**		
	Profit after taxation for the period	11,861,873	14,997,307
		(Number of shares)	
	Weighted average number of ordinary shares	1,224,179,687	1,224,179,687
		(Rupees)	
	Earnings per share - basic and diluted	9.69	12.25

There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2022 and June 30, 2021.

34. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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 these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

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

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

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

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

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34.1.1 Valuation techniques used in determination of fair values within level 2 and level 3.

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Bloomberg.
Non-Government debt securities	The fair value of non-government debt securities is determined using the prices / rates from MUFAP.
Foreign debt securities	The fair value of foreign corporate and foreign government securities is determined using the rates from Bloomberg.
Mutual Fund units	The fair values of investments in mutual fund units are determined based on their net asset values as published at the close of each business day.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Derivatives	The fair valuation techniques include forward pricing and swap models using present value calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these unconsolidated condensed interim financial statements.

34.2 Fair value of financial assets

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, 2022 (Un-audited)				
	Carrying value	Fair 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	1,213,345,666	-	1,213,345,666	-	1,213,345,666
- Foreign bonds - sovereign	41,563,587	-	41,563,587	-	41,563,587
- Foreign bonds - others	898,425	-	898,425	-	898,425
- Ordinary shares of listed companies	10,155,895	10,155,895	-	-	10,155,895
- Mutual Fund units	212,464	-	212,464	-	212,464
- Non-Government debt securities	2,029,625	-	2,029,625	-	2,029,625
- Real Estate Investment Trust units	636,954	636,954	-	-	636,954
	1,268,842,616	10,792,849	1,258,049,767	-	1,268,842,616
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	337,111,688	-	317,717,284	-	317,717,284
- Foreign Bonds - Market Treasury Bills	3,189,050	-	3,189,050	-	3,189,050
- Foreign Bonds - sovereign	37,110,187	-	32,286,931	-	32,286,931
- Foreign Bonds - others	2,509,161	-	3,498,272	-	3,498,272
- Non-Government debt securities	19,430,496	-	17,994,879	-	17,994,879
	399,350,582	-	374,686,416	-	374,686,416
	1,668,193,198	10,792,849	1,632,736,183	-	1,643,529,032
Off-balance sheet financial instruments measured at fair value					
Foreign exchange contracts - purchased and sold	831,125,370	-	3,366,155	-	3,366,155
Cross currency swaps	252,625	-	1,645	-	1,645
FX options - purchased and sold	11,627,548	-	-	-	-
Forward Government Securities - purchased and sold	45,058,200	-	(16,149)	-	(16,149)

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	December 31, 2021 (Audited)				
	Carrying value	Fair 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	1,073,306,788	-	1,073,306,788	-	1,073,306,788
- Foreign bonds - sovereign	39,983,159	-	39,983,159	-	39,983,159
- Foreign bonds - others	1,194,895	-	1,194,895	-	1,194,895
- Ordinary shares of listed companies	9,665,709	9,665,709	-	-	9,665,709
- Mutual Fund units	242,468	-	242,468	-	242,468
- Non-Government debt securities	2,072,482	-	2,072,482	-	2,072,482
- Real Estate Investment Trust units	506,950	506,950	-	-	506,950
	1,126,972,451	10,172,659	1,116,799,792	-	1,126,972,451
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	305,701,682	-	296,942,277	-	296,942,277
- Foreign Bonds - Market Treasury Bills	2,682,985	-	2,682,985	-	2,682,985
- Foreign Bonds - sovereign	32,937,264	-	32,805,738	-	32,805,738
- Foreign Bonds - others	2,159,801	-	2,183,328	-	2,183,328
- Non-Government debt securities	20,231,923	-	20,377,332	-	20,377,332
	363,713,655	-	354,991,660	-	354,991,660
	1,490,686,106	10,172,659	1,471,791,452	-	1,481,964,111
Off-balance sheet financial instruments - measured at fair value					
Foreign exchange contracts - purchased and sold	652,382,419	-	2,913,205	-	2,913,205
FX options - purchased and sold	1,808,940	-	-	-	-
Forward Government Securities - purchased and sold	11,780,000	-	8,476	-	8,476

34.3 Fair Value of non-financial assets

	June 30, 2022 (Un-audited)				
	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Fixed Assets	52,245,969	-	-	52,245,969	52,245,969
Non-banking assets acquired in satisfaction of claims	212,756	-	-	212,756	212,756
	52,458,725	-	-	52,458,725	52,458,725

	December 31, 2021 (Audited)				
	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Fixed Assets	52,555,712	-	-	52,555,712	52,555,712
Non-banking assets acquired in satisfaction of claims	213,344	-	-	213,344	213,344
	52,769,056	-	-	52,769,056	52,769,056

34.4 Certain categories of fixed assets (land and buildings) and non-banking assets acquired in satisfactions of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values.

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35. SEGMENT INFORMATION

35.1 Segment details with respect to business activities

	For the six months ended June 30, 2022 (Un-audited)						
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
	(Rupees in '000)						
Profit and Loss							
Net mark-up / return / profit	17,893,091	49,211,879	(30,249,462)	4,322,153	4,498,647	(570,757)	45,105,551
Inter segment (expense) / revenue - net	(16,698,159)	(56,318,241)	68,178,889	-	-	4,837,511	-
Non mark-up / return / interest income	2,461,604	4,408,339	5,475,575	201,002	1,343,415	811,044	14,700,979
Total Income	3,656,536	(2,698,023)	43,405,002	4,523,155	5,842,062	5,077,798	59,806,530
Segment direct expenses	662,487	130,684	15,653,023	1,284,281	2,793,455	4,280,982	24,804,912
Inter segment expense allocation	185,524	42,765	3,565,021	-	205,428	(3,998,738)	-
Total expenses	848,011	173,449	19,218,044	1,284,281	2,998,883	282,244	24,804,912
Provision charge / (reversal) - net	(774,830)	792,929	(408,378)	22,692	1,150,825	(17,478)	765,760
Profit / (loss) before taxation	3,583,355	(3,664,401)	24,595,336	3,216,182	1,692,354	4,813,032	34,235,858

	For the six months ended June 30, 2021 (Un-audited)						
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
	(Rupees in '000)						
Profit and Loss							
Net mark-up / return / profit	11,746,753	36,866,641	(18,942,711)	1,917,490	3,794,060	(293,327)	35,088,906
Inter segment (expense) / revenue - net	(9,699,132)	(33,307,860)	39,935,709	-	-	3,071,283	-
Non mark-up / return / interest income	1,582,025	1,711,348	4,522,136	169,940	2,871,976	572,068	11,429,493
Total Income	3,629,646	5,270,129	25,515,134	2,087,430	6,666,036	3,350,024	46,518,399
Segment direct expenses	599,967	314,245	13,045,262	897,707	2,332,203	3,566,113	20,755,497
Inter segment expense allocation	252,943	40,337	3,048,057	-	307,437	(3,648,774)	-
Total expenses	852,910	354,582	16,093,319	897,707	2,639,640	(82,661)	20,755,497
Provision charge / (reversal) - net	(132,311)	(591,454)	(407,642)	(2,966)	1,031,493	15,484	(87,396)
Profit before taxation	2,909,047	5,507,001	9,829,457	1,192,689	2,994,903	3,417,201	25,850,298

	As at June 30, 2022 (Un-audited)						
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
	(Rupees in '000)						
Balance Sheet							
Cash & Bank balances	157,661	69,487,685	108,556,574	23,673,047	55,617,022	-	257,491,989
Investments	9,362,255	1,437,414,504	-	104,605,017	120,182,806	5,485,580	1,677,050,162
Net inter segment lending	-	-	1,305,607,590	38,077,145	-	77,340,876	1,421,025,611
Lendings to financial institutions	-	96,013,619	-	-	-	672,110	96,685,729
Advances - performing	394,212,217	16,722	51,206,479	62,115,140	135,172,604	3,455,088	646,178,250
Advances - non-performing net	2,458,638	41,440	523,997	67,684	8,399,634	13,540	11,504,933
Others	22,750,162	37,194,072	21,575,264	4,087,952	16,298,025	62,304,394	164,209,869
Total Assets	428,940,933	1,640,168,042	1,487,469,904	232,625,985	335,670,091	149,271,588	4,274,146,543

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	As at June 30, 2022 (Un-audited)						
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
	(Rupees in '000)						
Borrowings	65,405,232	466,004,555	4,699,346	6,898,745	9,935,154	-	552,943,032
Subordinated debt	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	92,742,035	126,480	1,404,755,648	208,370,882	268,529,013	353,774	1,974,877,832
Net inter segment borrowing	247,607,264	1,173,017,160	-	-	401,187	-	1,421,025,611
Others	19,483,402	8,364,095	54,505,782	4,292,301	7,154,245	21,982,645	115,782,470
Total Liabilities	425,237,933	1,647,512,290	1,463,960,776	219,561,928	286,019,599	32,336,419	4,074,628,945
Equity	3,703,000	(7,344,248)	23,509,128	13,064,057	49,650,492	116,935,169	199,517,598
Total Equity & liabilities	428,940,933	1,640,168,042	1,487,469,904	232,625,985	335,670,091	149,271,588	4,274,146,543
Contingencies and Commitments	455,129,034	328,461,722	93,531,663	11,547,116	613,007,501	1,370,531	1,503,047,567

	As at December 31, 2021 (Audited)						
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Others	Total
	(Rupees in '000)						
Balance Sheet							
Cash & Bank balances	5,847	83,432,361	131,280,024	20,417,689	56,164,418	-	291,300,339
Investments	8,802,055	1,281,680,391	-	87,124,858	113,449,568	5,485,581	1,496,542,453
Net inter segment lending	-	-	1,199,024,459	4,712,655	-	73,725,465	1,277,462,579
Lendings to financial institutions	-	49,826,776	-	-	-	1,874,300	51,701,076
Advances - performing	421,026,745	16,109	48,013,514	43,788,935	118,247,080	3,786,907	634,879,290
Advances - non-performing net	2,765,799	-	414,816	66,191	8,041,387	20,974	11,309,167
Others	15,418,743	22,200,014	17,122,101	2,493,299	12,940,001	62,259,424	132,433,582
Total Assets	448,019,189	1,437,155,651	1,395,854,914	158,603,627	308,842,454	147,152,651	3,895,628,486
Borrowings	62,724,244	474,334,893	4,626,077	5,714,199	15,885,337	-	563,284,750
Subordinated debt	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	47,718,108	302,491	1,331,212,978	139,534,238	232,014,732	161,218	1,750,943,765
Net inter segment borrowing	320,279,992	956,239,947	-	-	942,640	-	1,277,462,579
Others	13,535,713	2,137,056	50,355,842	3,344,877	7,199,334	12,722,023	89,294,845
Total Liabilities	444,258,057	1,433,014,387	1,386,194,897	148,593,314	256,042,043	22,883,241	3,690,985,939
Equity	3,761,132	4,141,264	9,660,017	10,010,313	52,800,411	124,269,410	204,642,547
Total Equity & liabilities	448,019,189	1,437,155,651	1,395,854,914	158,603,627	308,842,454	147,152,651	3,895,628,486
Contingencies and Commitments	368,891,124	239,061,601	40,476,794	14,347,612	469,317,371	182,362	1,132,276,864

36. RELATED PARTY TRANSACTIONS

The Bank has related party transactions with its parent, directors, key management personnel, subsidiaries, associates and other related parties including employee benefit schemes of the Bank.

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

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

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	As at June 30, 2022 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Statement of financial position	(Rupees in '000)					
Balances with other banks						
In current accounts	-	-	-	545,009	-	-
In deposit accounts	-	-	-	-	-	-
	-	-	-	545,009	-	-
Lendings to financial institutions						
Opening balance	-	-	-	-	-	2,355,115
Addition during the period	-	-	-	-	-	2,497,101
Repaid during the period	-	-	-	-	-	(4,852,216)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
Investments						
Opening balance	-	-	-	3,687,156	1,799,125	4,654,612
Investment made during the period	-	-	-	-	3,225,000	-
Investment disposed during the period	-	-	-	-	-	(219,547)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	3,687,156	5,024,125	4,435,065
Provision for diminution in value of investments	-	-	-	1,688,911	-	945,969
Provision written off	-	-	-	-	-	-
Advances						
Opening balance	-	645	277,816	-	-	1,768
Addition during the period	-	9	82,569	-	-	19,374,595
Repaid during the period	-	(644)	(91,876)	-	-	(3,557,419)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	10	268,509	-	-	15,818,944
Provision held against advances	-	-	-	-	-	-
Other Assets						
Income / mark-up accrued	-	-	-	-	8,179	594,335
Receivable from staff retirement fund	-	-	-	-	-	77,839
Prepaid insurance	-	-	-	-	311,330	-
Other receivable	-	-	-	13,297	-	-
Provision written off						
Borrowings						
Opening balance	-	-	-	-	-	-
Borrowings during the period	-	-	-	-	-	107,800
Settled during the period	-	-	-	-	-	(107,800)
Closing balance	-	-	-	-	-	-
Deposits and other accounts						
Opening balance	18,601	7,769,284	66,177	227,997	2,209,154	16,151,170
Received during the period	19,125	22,063,697	654,288	12,663,026	115,953,589	157,716,431
Withdrawn during the period	(19,774)	(18,501,281)	(614,399)	(12,592,892)	(111,065,327)	(164,605,422)
Transfers in - net	-	-	-	-	-	1,001
Closing balance	17,952	11,331,700	106,066	298,131	7,097,416	9,263,180

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	As at June 30, 2022 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Other Liabilities						
Interest / mark-up payable on deposits and borrowings	-	49,247	-	-	48,942	29,103
Dividend payable	3,158,644	83,957	-	-	-	21,972
Payable to staff retirement fund	-	-	-	-	-	-
Unearned income	-	-	-	406	-	7,800
Other payable	-	-	-	-	13,750	-
Contingencies and Commitments						
Letter of guarantee	-	-	-	6,145	-	-

	As at December 31, 2021 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Statement of financial position						
Balances with other banks						
In current accounts	-	-	-	478,967	-	-
In deposit accounts	-	-	-	1,765,018	-	-
	-	-	-	2,243,985	-	-
Lendings to financial institutions						
Opening balance	-	-	-	-	-	-
Addition during the year	-	-	-	-	-	5,726,952
Repaid during the year	-	-	-	-	-	(3,371,837)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	-	-	2,355,115
Investments						
Opening balance	-	-	-	3,717,256	1,582,485	3,997,489
Investment made during the year	-	-	-	-	216,640	2,563,634
Investment disposed during the year	-	-	-	(30,100)	-	(1,906,511)
Transfers in / (out) - net	-	-	-	-	-	-
Closing balance	-	-	-	3,687,156	1,799,125	4,654,612
Provision for diminution in value of investments	-	-	-	1,688,911	-	938,502
Provision written off	-	-	-	-	-	77,606
Advances						
Opening balance	-	10	237,861	-	-	9,365,687
Addition during the year	-	1,170	87,189	-	-	84,111,001
Repaid during the year	-	(535)	(49,221)	-	-	(93,474,920)
Transfers in / (out) - net	-	-	1,987	-	-	-
Closing balance	-	645	277,816	-	-	1,768
Provision held against advances	-	-	-	-	-	-

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	As at December 31, 2021 (Audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Other Assets						
Interest mark-up accrued	-	-	-	91	4,541	149,672
Receivable from staff retirement fund	-	-	-	-	-	2,077,069
Advances, deposits & prepayments	-	-	-	-	65,811	-
Prepaid insurance	-	-	-	13,282	-	-
Provision written off	-	-	-	-	-	30,164
Borrowings						
Opening balance	-	-	-	1,598,323	-	-
Borrowings during the year	-	-	-	2,834,585	-	488,300
Settled during the year	-	-	-	(4,432,908)	-	(488,300)
Closing balance	-	-	-	-	-	-
Deposits and other accounts						
Opening balance	-	6,431,790	62,761	598,007	4,285,435	14,387,025
Received during the year	101,751	30,758,130	1,048,423	27,454,331	180,782,484	240,407,932
Withdrawn during the year	(83,150)	(29,420,636)	(1,074,629)	(27,824,341)	(182,858,765)	(238,650,477)
Transfers (out) / in - net	-	-	29,622	-	-	6,690
Closing balance	18,601	7,769,284	66,177	227,997	2,209,154	16,151,170
Other Liabilities						
Interest / mark-up payable on deposits and borrowings	-	33,314	1	-	11,222	76,214
Dividend payable	2,526,916	8,000	-	-	-	17,578
Payable to staff retirement fund	-	-	-	-	-	103,685
Unearned income	-	-	-	406	-	19,501
Other payable	-	-	-	-	13,613	-
Contingencies and Commitments						
Letter of guarantee	-	-	-	5,295	-	-
Forward Government securities - sale	-	-	-	-	199,000	-

	For the six months ended June 30, 2022 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Profit and loss account	(Rupees in '000)					
Income						
Mark-up / return / interest earned	-	-	7,654	-	50,590	106,440
Commission / charges recovered	-	34	743	235	14,105	10,467
Dividend income	-	-	-	505,351	49,878	176,000
Net gain on sale of securities	-	-	-	-	-	-
Other income	-	-	-	1,217	-	11,705
Gain on sale of fixed assets	-	-	715	-	836	-
Switch revenue	-	-	-	-	-	125,644
Management fee	-	-	-	22,891	-	-

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	For the six months ended June 30, 2022 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
	(Rupees in '000)					
Expense						
Mark-up / return / interest paid	825	265,929	1,537	4,342	150,031	418,774
Remuneration paid	-	-	553,566	-	-	-
Post employment benefits	-	-	5,054	-	-	-
Directors' fees and allowances	-	47,100	-	-	-	-
Charge for defined contribution plans	-	-	11,505	-	-	219,364
Charge for defined benefit plans	-	-	-	-	-	292,699
Other expenses	-	-	-	-	-	135,222
Clearing charges	-	-	-	-	-	73,622
Membership, subscription, sponsorship and maintenance charges	-	-	-	-	-	3,589
Other Information						
Dividend paid	6,127,770	158,268	3,838	-	64,277	1,128,183
Insurance premium paid	-	-	-	-	525,781	-
Insurance claims settled	-	-	-	-	219,192	-

	For the six months ended June 30, 2021 (Un-audited)					
	Parent	Directors	Key management personnel	Subsidiaries	Associates	Other related parties
Profit and loss account	(Rupees in '000)					
Income						
Mark-up / return / interest earned	-	-	6,747	2,648	18,352	383,939
Commission / charges recovered	22	224	1,064	758	15,515	12,607
Dividend income	-	-	-	434,866	11,841	71,079
Net gain on sale of securities	-	78	-	-	-	-
Other income	-	-	2,374	1,114	-	10,718
Gain on sale of fixed assets	-	-	-	-	-	-
Reversal of provision	-	-	-	-	-	32,703
Switch revenue	-	-	-	-	-	119,796
Management fee	-	-	-	7,485	-	-
Expense						
Mark-up / return / interest paid	269	185,727	224	921	48,666	438,176
Remuneration paid	-	-	612,851	-	-	-
Post employment benefits	-	-	3,544	-	-	-
Directors' fees and allowances	-	34,050	-	-	-	-
Charge for defined contribution plans	-	-	9,619	-	-	197,059
Charge for defined benefit plans	-	-	-	-	-	159,695
Other expenses	-	-	-	-	-	64,497
Clearing charges	-	-	-	-	-	67,645
Membership, subscription, sponsorship and maintenance charges	-	-	-	-	-	46,368
Custody charges	-	-	-	-	-	1,485
Other Information						
Dividend paid	2,147,878	57,753	1,657	-	18,310	543,598
Insurance premium paid	-	-	-	-	462,810	-
Insurance claims settled	-	-	-	-	244,459	-

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		(Un-audited) June 30, 2022	(Audited) December 31, 2021
37.	**CAPITAL ADEQUACY, LEVERAGE RATIO & LIQUIDITY REQUIREMENTS**	------- (Rupees in '000) -------	
	Minimum Capital Requirement (MCR):		
	Paid-up capital (net of losses)	12,241,797	12,241,797
	Capital Adequacy Ratio (CAR):		
	Eligible Common Equity Tier 1 (CET 1) Capital	125,431,386	130,899,755
	Eligible Additional Tier 1 (ADT 1) Capital	9,825,628	9,825,628
	Total Eligible Tier 1 Capital	135,257,014	140,725,383
	Eligible Tier 2 Capital	42,400,370	45,533,655
	Total Eligible Capital (Tier 1 + Tier 2)	177,657,384	186,259,038
	Risk Weighted Assets (RWAs):		
	Credit Risk	694,910,960	622,392,344
	Market Risk	85,118,390	75,576,397
	Operational Risk	166,790,557	166,790,557
	Total	946,819,907	864,759,298
	Common Equity Tier 1 Capital Adequacy Ratio	13.25%	15.14%
	Tier 1 Capital Adequacy Ratio	14.29%	16.27%
	Total Capital Adequacy Ratio	18.76%	21.54%

The SBP through its BSD Circular No. 07 dated April 15, 2009 has prescribed the minimum paid-up capital (net of accumulated losses) for Banks to be raised to Rs.10,000 million by the year ending December 31, 2015. The paid-up capital of the Bank for the six months ended June 30, 2022 stood at Rs.12,241.797 million (December 31, 2022: Rs.12,241.797 million) and is in compliance with SBP requirements. Banks are also required to maintain a minimum Capital Adequacy Ratio (CAR) of 10.0% plus capital conservation buffer of 2.5% and High Loss Absorbency Requirement of 1.0% of the risk weighted exposures of the Bank.

In order to dampen the effects of COVID-19, the State Bank of Pakistan under BPRD Circular Letter No. 12 of 2020 has given a regulatory relief and reduced the Capital Conservation Buffer (CCB) as prescribed vide BPRD Circular No. 6 of August 15, 2013, for the time being, from its existing level of 2.5% to 1.5%, till further instructions.

In accordance to the Basel III instructions, Banks are also required to maintain a Common Equity Tier 1 (CET 1) ratio and Tier 1 ratio of 6.0% and 7.5%, respectively, as at June 30, 2022. The Bank is fully compliant with prescribed ratios as the Bank's CAR is 18.76% whereas CET 1 and Tier 1 ratios stood at 13.25% and 14.29% respectively.

Under the SBP's Framework for Domestic Systemically Important Banks (D-SIBs) introduced vide BPRD Circular No. 04 of 2019 dated April 13, 2019, UBL is a sample D-SIB. In line with this framework, the Bank is required to meet the Higher Loss Absorbency (HLA) capital charge of 1.0%, in the form of Additional CET 1 capital, on a standalone as well as consolidated level during 2022.

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	------- (Rupees in '000) -------	
Leverage Ratio (LR):		
Eligible Tier-1 Capital	135,257,014	140,725,383
Total Exposures	3,393,026,080	3,498,758,906
Leverage Ratio	3.99%	4.02%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	961,228,218	1,597,732,985
Total Net Cash Outflow	293,929,726	476,786,878
Liquidity Coverage Ratio	327.03%	335.10%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	2,048,108,628	2,409,606,992
Total Required Stable Funding	1,553,139,091	1,341,535,238
Net Stable Funding Ratio	131.87%	179.62%

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38. ISLAMIC BANKING BUSINESS

The Bank operates 150 (December 31, 2021: 145) Islamic Banking branches and 193 (December 31, 2021: 197) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		--------- (Rupees in '000) ---------	
ASSETS			
Cash and balances with treasury banks		17,089,130	13,367,864
Balances with other banks		6,583,917	7,049,825
Due from financial institutions		-	-
Investments	38.1	104,605,017	87,124,858
Islamic financing and related assets - net	38.2	62,182,824	43,855,127
Fixed assets		1,315,642	1,289,983
Intangible assets		781	2,084
Due from Head Office		38,077,145	4,712,655
Other assets		2,771,529	1,201,231
		232,625,985	158,603,627
LIABILITIES			
Bills payable		1,957,730	1,672,972
Due to financial institutions		6,898,745	5,714,199
Deposits and other accounts	38.3	208,370,882	139,534,238
Other liabilities		2,334,571	1,671,905
		219,561,928	148,593,314
NET ASSETS		13,064,057	10,010,313
REPRESENTED BY			
Islamic Banking Fund		2,181,000	2,181,000
Reserves		-	-
Deficit on revaluation of assets		(428,073)	(265,635)
Unappropriated profit	38.4	11,311,130	8,094,948
		13,064,057	10,010,313
CONTINGENCIES AND COMMITMENTS	38.5		

PROFIT AND LOSS ACCOUNT	Note	(Un-audited) January - June 2022	(Un-audited) January - June 2021
		--------- (Rupees in '000) ---------	
Profit / return earned	38.6	8,057,396	4,225,371
Profit / return expensed	38.7	3,735,243	2,307,881
Net profit / return		4,322,153	1,917,490
Other income			
Fee and commission income		172,024	138,573
Foreign exchange income		12,253	19,685
Loss on securities - net		-	(285)
Other income		16,725	11,967
Total other income		201,002	169,940
Total Income		4,523,155	2,087,430
Other expenses			
Other operating expenses		1,284,281	897,707
Profit before provisions		3,238,874	1,189,723
Provisions / (reversal) and write-offs - net		22,692	(2,966)
Profit before taxation		3,216,182	1,192,689
Taxation		1,447,282	465,149
Profit after taxation		1,768,900	727,540

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38.1 Investments by segments

		As at June 30, 2022 (Un-audited)				As at December 31, 2021 (Audited)			
		Cost / Amortised cost	Provision	Deficit	Carrying Value	Cost / Amortised cost	Provision	Deficit	Carrying Value
	Note	(Rupees in '000)							
Federal Government Securities									
- Ijarah Sukuks		82,725,559	-	(428,073)	82,297,486	53,998,970	-	(265,635)	53,733,335
- Islamic Naya Pakistan Certificates		3,524,822	-	-	3,524,822	924,941	-	-	924,941
- Bai muajjal with Govt. of Pakistan	38.1.1	-	-	-	-	21,214,989	-	-	21,214,989
		86,250,381	-	(428,073)	85,822,308	76,138,900	-	(265,635)	75,873,265
Non Government Debt Securities									
- Listed		598,661	-	-	598,661	657,143	-	-	657,143
- Unlisted		18,184,048	-	-	18,184,048	10,594,450	-	-	10,594,450
		18,782,709	-	-	18,782,709	11,251,593	-	-	11,251,593
		105,033,090	-	(428,073)	104,605,017	87,390,493	-	(265,635)	87,124,858

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

38.1.1 Bai Muajjal with Government of Pakistan

Bai Muajjal investment	-	21,611,000
Less: Deferred income	-	(396,011)
Bai Muajjal investment - net	-	21,214,989

38.2 Islamic financing and related assets

Ijarah	295,582	376,317
Murabaha	409,297	263,312
Musharakah	23,520,013	12,401,891
Diminishing Musharakah	22,375,928	20,091,403
Mera Pakistan Mera Ghar (MPMG)	3,737,638	832,542
Istisna	124,308	80,112
Islamic Export Refinance scheme - Musharakah	4,897,905	4,598,162
Islamic Export Refinance scheme - Istisna	539,040	542,915
Advances against Islamic assets		
Advances against Ijarah	33,364	6,528
Advances for Diminishing Musharakah	1,747,247	1,941,910
Advances for Murabaha	69,374	100,346
Advances against MPMG	1,374,060	1,343,196
Advances for Istisna	398,743	407,065
Advances against Ameen ITERF	1,401,150	463,846
Inventory related to Islamic financing		
Istisna	119,935	136,399
Profit and other receivables against financings	1,333,753	470,979
Gross Islamic financing and related assets	62,377,337	44,056,923
Less: Provision against Islamic financings		
- Specific	(101,818)	(131,139)
- General	(92,695)	(70,657)
	(194,513)	(201,796)
Islamic financing and related assets - net of provision	62,182,824	43,855,127

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38.3 Deposits and other accounts	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	--------- (Rupees in '000) ---------	
Customers		
Current deposits	89,990,995	74,840,685
Saving deposits	34,624,555	26,341,608
Term deposits	29,591,907	9,833,547
	154,207,457	111,015,840
Financial Institutions		
Current deposits	5,596,312	11,355,282
Saving deposits	37,907,113	4,113,116
Term deposits	10,660,000	13,050,000
	54,163,425	28,518,398
	208,370,882	139,534,238

38.3.1 Deposits eligible to be covered under insurance arrangements in accordance with DPC Circular No. 04 dated June 22, 2018 amounting to Rs. 100,304.636 million (December 31, 2021: Rs. 87,997.015 million).

38.4 Islamic Banking Business Unappropriated Profit	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	--------- (Rupees in '000) ---------	
Opening Balance	8,094,948	4,625,774
Profit for the period / year	3,216,182	3,469,174
	11,311,130	8,094,948
Taxation	(1,447,282)	(1,414,045)
Closing Balance	9,863,848	6,680,903

38.5 Contingencies and commitments		
- Guarantees	111,322	400
- Commitments	11,435,794	14,347,212
	11,547,116	14,347,612

38.6 Profit / Return earned	(Un-audited) January - June 2022	January - June 2021
	--------- (Rupees in '000) ---------	
On:		
Financing	3,098,330	1,012,634
Investments	4,659,080	2,921,467
Placements	181,334	186,654
Rental Income from Ijarah	118,652	104,616
	8,057,396	4,225,371

38.7 Profit / Return expensed		
On:		
Deposits and other accounts	3,587,650	2,229,517
Due to Financial Institutions	90,264	31,075
Others	57,329	47,289
	3,735,243	2,307,881

38.8 Disclosures for profit and loss distribution and pool management

The Bank operates general and special pools for deposits and inter-bank funds accepted / acquired under Mudarabah, Wakalah and Musharakah modes.

Under the General deposits pools, the Bank accepts funds on Mudarabah basis from depositors (Rab-ul-Maal) where the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financing, investments and placements. When utilising investing funds, the Bank prioritizes the funds received from depositors over the funds generated from own sources after meeting the regulatory requirement relating to such deposits.

Specific pools are operated for funds acquired / accepted from the Corporate Customers, other banks and State Bank of Pakistan for liquidity management and Islamic Export Refinance to the Bank's customers respectively under the Musharakah/ Mudarabah / Wakalah modes.

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General Pool(s)
For General Pools, the Bank allocates PKR financing to Corporate, SME and Consumer Finance customers in diversified sectors and avenues of the economy / business and Investments in Sovereign Guarantee Sukuk, Corporate Sukuk, Bai Muajjal with Government of Pakistan, are also done through General Pools. All remunerative deposits are tagged to these general pools and their funds generated from the depositors are invested on priority basis.

IERS Pool(s)
The IERS pool assets comprise of Sovereign Guarantee Sukuk, and financing to Corporate Customers and exporters as allowed under the applicable laws and regulations, and as such are exposed to lower credit risk. The Musharakah with SBP under IERS is tagged to the IERS pool.

Treasury Pool(s)
The Treasury pool assets generally comprise of Sovereign Guarantee Sukuk and financing under diminishing musharakah, Ijarah facility and the related liability of the Treasury pool comprise of Musharakah / Wakalah / Mudarabah from financial institutions. These pools are created to meet the liquidity requirements of the Holding company.

Special Pool(s) - LCY
Separate pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates are higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, profit is paid to the Mudarib in the ratio of the Mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

Special Pool(s) - FCY
UBL also manages Foreign Currency (FCY) special pools. The objective of the Pool is to meet the FCY Liquidity requirement. The funds in this pool are generally deployed in FCY Placement of funds with State Bank under the mode of Islamic Naya Pakistan Certificate, loss (if any) is borne by the Rab-ul-Maal as per ratio of investment of the pool.

Equity Pool(s)
All other assets including fixed assets, advance against financing, bai-salam financing and subsidized financing to Bank's employees are tagged to equity pool. To safeguard the interest of customers, all high risk investments are done through equity pool. The Bank as Mudarib in the general pools is responsible for financing costs / assets such as land, building, furniture, fixtures, computers and IT system from its own sources / equity.

During the period, the Bank has given General Hiba to the depositors in general and specific pool, keeping in view the prescribed guidelines of Pool Management provided by the SBP. However, Hiba are given at the sole discretion of the Bank without any contractual commitment with the depositors.

The Mudarib's share on Deposits for the period ended June 30, 2022 is Rs.1,361.518 million (28.25% of distributable profit of Mudarabah Pool). of this, an amount of Rs. 269.095 million (19.76% of Mudarib share) was distributed back to depositors as Hiba. The rate of profit earned on average earning assets was 11.75% per annum and the rate of profit paid on average deposits was 9.08% per annum.

The risk characteristics of pools
The risk characteristic of each pool mainly depends on the assets and liability profile of the pool. As per the Bank 's policy, relatively low risk / secured financing transactions and assets are allocated to the pool. The Bank maintains General Pools, Special Pools, FI Pools, IERS pool and Equity pool. All pools are exposed to general credit risk, asset ownership risk and Profit rate risk of underlying assets involved.

The Parameters used for allocation of profit, expenses and provisions to the Pool
- The profit of each deposit pool is calculated on all the remunerative assets booked by utilising the funds from the pool.
- Profit of pool is calculated after deduction of expenses directly incurred in earning the income of such pool, the directly related costs comprise of depreciation on ijarah assets, takaful premium, Amortisation of premium on investment etc.
- No expense of general or administrative nature is charged to the pools.
- No provisions against any non-performing asset of the pool is passed on to the pool except on the actual loss / write-off of such non-performing asset.
- The profit of the pool is shared between equity and Rab-ul-Maal of the pool on the basis of Musharakah at gross level (before charging of mudarib fee) as per the investment ratio of the equity.
- The profit of the pool is shared among the members of the pool on pre-defined mechanism based on the weightages announced before the profit calculation period after charging of mudarib fee.

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The Bank managed following pools during the period.

For the six months ended June 30, 2022 (Un-audited)

	No of Pools	Nature of Pool	Profit rate and weightages announce-ment period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
ADMA Pools	6	Mudarbaha	Monthly	10.30%	46.48%	90,809	7.25%	36.33%	32,987
Special Pools	80	Mudarbaha	Monthly	12.43%	12.30%	339,707	11.25%	35.99%	122,253
IERS Pools	12	Musharkah	Monthly	9.65%	89.24%	460,235	2.32%	0.00%	-
FCY Pools	12	Mudarbaha	Monthly	2.13%	50.00%	1,917	1.06%	0.00%	-
General Pools	6	Mudarbaha	Monthly	10.10%	49.99%	931,002	5.67%	12.23%	113,856
Treasury Pools	6	Musharkah	Monthly	10.61%	5.42%	355,968	10.08%	0.00%	0.0001

For the six months ended June 30, 2021 (Un-audited)

	No of Pools	Nature of Pool	Profit rate and weightages announce-ment period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
ADMA Pools	6	Mudarbaha	Monthly	7.17%	48.62%	22,917	6.00%	52.79%	12,099
Special Pools	60	Mudarbaha	Monthly	8.51%	34.91%	391,978	6.73%	38.12%	149,437
IERS Pools	12	Musharkah	Monthly	6.40%	84.19%	166,621	2.00%	0.00%	-
FCY Pools	6	Mudarbaha	Monthly	1.75%	50.00%	788	1.06%	0.00%	-
General Pools	6	Mudarbaha	Monthly	9.46%	50.00%	1,165,211	5.48%	15.79%	183,968

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

38.9 Deployment of Mudarabah based deposits by class of business

Chemical and pharmaceuticals	3,998,735	3,815,014
Agriculture	19,333,208	12,686,234
Textile	6,965,952	2,362,688
Financial	7,198,917	7,664,825
Food industries	134,435	152,269
Plastic	229,929	301,339
Individuals	17,064,567	13,303,854
Production and transmission of energy	17,792,256	18,441,835
Government of Pakistan Securities	94,995,656	75,873,265
Others	5,852,616	3,630,282
	173,566,271	138,231,605

39. YEMEN OPERATIONS

The political and economic instability resulting from the ongoing civil war in Yemen raised insurmountable challenges for the UBL-Yemen Branch including difficulties emanating from the bankruptcy of the two central banks regulators, i.e. CBY Sana'a and CBY Aden, severe shortage of liquid funds in the Yemeni local market and non-cooperation of CBY Sana'a to facilitate liquidity.

While UBL-Yemen Branch has been striving to honour its liabilities for the past seven years notwithstanding continued operational losses, it is no longer possible for the branch to continue its operations in Yemen due to reasons not attributable to the branch and circumstances entirely beyond UBL or its branch's control. UBL is cognizant of the associated risks of ceasing its branch's business in Yemen but has concluded that in the totality of circumstances it is prudent to do so. UBL will monitor the situation in Yemen so that it may appropriately deal with the associated risks.

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40. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on August 03, 2022 has declared an interim cash dividend in respect of quarter ended June 30, 2022 of Rs. 4.0 per share (June 30, 2021: Rs. 4.0 per share). This is in addition to Rs. 5.0 already paid during the year bringing the total dividend for the six months to Rs. 9.0 per share (June 30, 2021: Rs. 8.0). These unconsolidated condensed interim financial statements for the six months ended June 30, 2022 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

41. GENERAL

41.1 Comparative information has been reclassified, rearranged or additionally incorporated in these unconsolidated condensed interim financial statements for the purposes of better presentation. However, there is no material reclassification to report.

41.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

42. DATE OF AUTHORISATION

These unconsolidated condensed interim financial statements were authorised for issue on August 03, 2022, by the Board of Directors of the Bank.

Arif Akmal Saifie	**Shazad G. Dada**	**Shazia Syed**	**Arshad Ahmad Mir**	**Sir Mohammed Anwar Pervez, OBE, HPk**
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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UNITED BANK LIMITED

CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED JUNE 30, 2022 (Un-audited)

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

	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		---------- (Rupees in '000) ----------	
ASSETS			
Cash and balances with treasury banks	6	232,090,275	273,949,520
Balances with other banks	7	40,061,351	29,975,564
Lendings to financial institutions	8	97,782,615	52,238,047
Investments	9	1,705,280,137	1,521,467,342
Advances	10	808,362,193	766,781,120
Fixed assets	11	77,277,910	76,193,898
Intangible assets	12	2,539,759	2,432,796
Deferred tax assets	13	12,587,943	3,040,812
Other assets	15	77,265,877	55,149,257
		3,053,248,060	2,781,228,356
LIABILITIES			
Bills payable	17	32,037,393	26,830,806
Borrowings	18	554,542,430	565,172,922
Deposits and other accounts	19	2,147,753,081	1,885,771,572
Liabilities against assets subject to finance lease	20	7,860	12,193
Subordinated debt	21	10,000,000	10,000,000
Deferred tax liabilities	13	-	-
Other liabilities	22	86,688,946	65,126,887
		2,831,029,710	2,552,914,380
NET ASSETS		222,218,350	228,313,976
REPRESENTED BY:			
Share capital		12,241,797	12,241,797
Reserves		86,622,381	77,600,790
Surplus on revaluation of assets	23	27,737,502	40,019,053
Unappropriated profit		87,296,606	89,840,102
Total equity attributable to the equity holders of the Bank		213,898,286	219,701,742
Non-controlling interest		8,320,064	8,612,234
		222,218,350	228,313,976
CONTINGENCIES AND COMMITMENTS	24		

The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.

Arif Akmal Saifie	**Shazad G. Dada**	**Shazia Syed**	**Arshad Ahmad Mir**	**Sir Mohammed Anwar Pervez, OBE, HPk**
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Note	April - June 2022	April - June 2021	January - June 2022	January - June 2021
		(Rupees in '000)			
Mark-up / return / interest earned	26	56,515,764	36,873,518	105,847,586	69,804,068
Mark-up / return / interest expensed	27	31,888,669	18,044,127	58,857,098	33,469,771
Net mark-up / interest income		24,627,095	18,829,391	46,990,488	36,334,297
Non mark-up / interest income					
Fee and commission income	28	4,154,930	3,651,729	8,372,389	7,121,063
Dividend income		174,469	182,866	704,274	435,072
Foreign exchange income		3,386,444	736,225	4,729,777	1,260,733
Income from derivatives		738,940	1,504	701,163	8,758
Gain on securities - net	29	201,542	709,535	647,948	2,583,607
Other income	30	202,409	58,722	478,911	186,607
Total non mark-up / interest income		8,858,734	5,340,581	15,634,462	11,595,840
Total income		33,485,829	24,169,972	62,624,950	47,930,137
Non mark-up / interest expenses					
Operating expenses	31	13,303,855	11,008,395	25,990,861	21,793,028
Workers' Welfare Fund		376,571	273,358	704,603	521,852
Other charges	32	10,334	14,947	15,962	39,494
Total non mark-up / interest expenses		13,690,760	11,296,700	26,711,426	22,354,374
Share of profit of associates		98,781	72,784	51,615	224,786
Profit before provisions		19,893,850	12,946,056	35,965,139	25,800,549
Provisions / (reversals) and write-offs - net	33	1,033,661	(534,265)	1,367,770	(157,933)
Profit before taxation from continuing operations		18,860,189	13,480,321	34,597,369	25,958,482
Taxation	34	16,079,594	6,127,353	22,444,112	11,019,580
Profit after taxation from continuing operations		2,780,595	7,352,968	12,153,257	14,938,902
Discontinued operation					
Profit from discontinued operation - net of tax	14	23,616	106,507	45,788	106,474
Profit after taxation		2,804,211	7,459,475	12,199,045	15,045,376
Attributable to:					
Equity holders of the Bank					
from continuing operations		2,630,746	7,282,454	11,912,672	14,881,184
from discontinued operation		23,616	106,507	45,788	106,474
		2,654,362	7,388,961	11,958,460	14,987,658
Non-controlling interest		149,849	70,514	240,585	57,718
		2,804,211	7,459,475	12,199,045	15,045,376
		(Rupees in '000)			
Earnings per share for profit from continuing operations attributable to the equity holders of the Bank					
Basic and diluted		2.15	5.95	9.73	12.16
Earnings per share for profit attributable to the equity holders of the Bank					
Basic and diluted	35	2.17	6.04	9.77	12.24

The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.

Arif Akmal Saifie	Shazad G. Dada	Shazia Syed	Arshad Ahmad Mir	Sir Mohammed Anwar Pervez, OBE, HPk
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2022

	April - June 2022	April - June 2021	January - June 2022	January - June 2021
	(Rupees in '000)			
Profit after taxation for the period attributable to:				
Equity holders of the Bank				
from continuing operations	2,630,746	7,282,454	11,912,672	14,881,184
from discontinued operation	23,616	106,507	45,788	106,474
	2,654,362	7,388,961	11,958,460	14,987,658
Non-controlling interest	149,849	70,514	240,585	57,718
	2,804,211	7,459,475	12,199,045	15,045,376
Other comprehensive income				
Items that may be reclassified to profit and loss account in subsequent periods				
Effect of translation of net investment in overseas branches and subsidiaries - net of tax				
Equity holders of the Bank	5,840,408	1,732,696	7,835,404	(1,014,132)
Non-controlling interest	104,264	200,456	187,193	98,623
	5,944,672	1,933,152	8,022,597	(915,509)
Movement in deficit on revaluation of investments - net of tax				
Equity holders of the Bank	(6,735,435)	1,345,037	(12,162,385)	(203,998)
Non-controlling interest	(260,948)	5,983	(810,479)	(55,601)
	(6,996,383)	1,351,020	(12,972,864)	(259,599)
	(1,051,711)	3,284,172	(4,950,267)	(1,175,108)
Items that will not be reclassified to profit and loss account in subsequent periods				
Movement in surplus / (deficit) on revaluation of fixed assets - net of tax				
Equity holders of the Bank	(23,424)	(18,271)	15,828	(82,412)
Non-controlling interest	63,442	(16,119)	94,717	(68,229)
	40,018	(34,390)	110,545	(150,641)
Movement in surplus on revaluation of non-banking assets - net of tax	(668)	219	15,214	219
	39,350	(34,171)	125,759	(150,422)
Total comprehensive income for the period	1,791,850	10,709,476	7,374,537	13,719,846
Attributable to:				
Equity holders of the Bank				
from continuing operations	1,711,627	10,342,135	7,616,733	13,580,861
from discontinued operation	23,616	106,507	45,788	106,474
	1,735,243	10,448,642	7,662,521	13,687,335
Non-controlling interest	56,607	260,834	(287,984)	32,511
	1,791,850	10,709,476	7,374,537	13,719,846

The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.

Arif Akmal Saifie	Shazad G. Dada	Shazia Syed	Arshad Ahmad Mir	Sir Mohammed Anwar Pervez, OBE, HPk
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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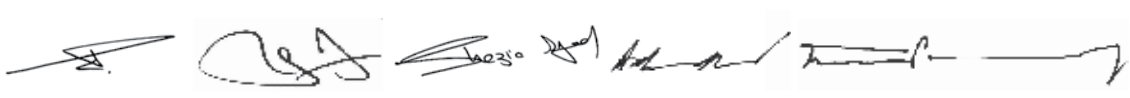
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2022

	Attributable to equity holders of the Bank									Non-controlling Interest	Total
	Share capital	General reserve	Statutory reserve	Capital reserve - exchange translation	Surplus / (Deficit) on revaluation			Unappropriated profit	Sub total		
					Investments	Fixed assets	Non banking assets				
	(Rupees in '000)										
Balance as at January 01, 2021 (Audited)	12,241,797	3,000	35,399,378	35,618,208	2,310,676	27,022,623	913	87,527,909	200,124,504	7,507,382	207,631,886
Total comprehensive income for the six months ended June 30, 2021											
Profit after taxation for the six months ended June 30, 2021	-	-	-	-	-	-	-	14,987,658	14,987,658	57,718	15,045,376
Other comprehensive income - net of tax	-	-	-	(1,014,132)	(203,998)	(82,412)	219	-	(1,300,323)	(25,207)	(1,325,530)
Total comprehensive income for the six months ended June 30, 2021	-	-	-	(1,014,132)	(203,998)	(82,412)	219	14,987,658	13,687,335	32,511	13,719,846
Ordinary dividend relating to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(3,851)	(3,851)
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	(2,641)	-	2,641	-	-	-
Transfer of incremental depreciation from revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	(23,739)	-	23,739	-	-	-
Transfer to statutory reserve	-	-	1,507,484	-	-	-	-	(1,507,484)	-	-	-
Transactions with owners, recorded directly in equity											
Final cash dividend - December 31, 2020 declared subsequent to the year end at Rs. 9.5 per share	-	-	-	-	-	-	-	(11,629,707)	(11,629,707)	-	(11,629,707)
Interim cash dividend - March 31, 2021 declared at Rs. 4.0 per share	-	-	-	-	-	-	-	(4,896,719)	(4,896,719)	-	(4,896,719)
Balance as at June 30, 2021 (Un-audited)	12,241,797	3,000	36,906,862	34,604,076	2,106,678	26,913,831	1,132	84,508,037	197,285,413	7,536,042	204,821,455
Total comprehensive income for the six months ended December 31, 2021											
Profit after taxation for the six months ended December 31, 2021	-	-	-	-	-	-	-	15,421,119	15,421,119	155,404	15,576,523
Other comprehensive income - net of tax	-	-	-	4,501,038	(4,668,229)	15,689,786	9,057	1,259,996	16,791,648	920,788	17,712,436
Total comprehensive income for the six months ended December 31, 2021	-	-	-	4,501,038	(4,668,229)	15,689,786	9,057	16,681,115	32,212,767	1,076,192	33,288,959
Ordinary dividend relating to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	(474)	-	474	-	-	-
Transfer of incremental depreciation from revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	(32,728)	-	32,728	-	-	-
Transfer to statutory reserve	-	-	1,588,814	-	-	-	-	(1,588,814)	-	-	-
Liquidation of subsidiary	-	(3,000)	-	-	-	-	-	-	(3,000)	-	(3,000)
Transactions with owners, recorded directly in equity											
Interim cash dividend - June 30, 2021 declared at Rs. 4.0 per share	-	-	-	-	-	-	-	(4,896,719)	(4,896,719)	-	(4,896,719)
Interim cash dividend - September 30, 2021 declared at Rs. 4.0 per share	-	-	-	-	-	-	-	(4,896,719)	(4,896,719)	-	(4,896,719)
	-	-	-	-	-	-	-	(9,793,438)	(9,793,438)	-	(9,793,438)
Balance as at December 31, 2021 (Audited)	12,241,797	-	38,495,676	39,105,114	(2,561,551)	42,570,415	10,189	89,840,102	219,701,742	8,612,234	228,313,976
Total comprehensive income for the six months ended June 30, 2022											
Profit after taxation for the six months ended June 30, 2022	-	-	-	-	-	-	-	11,958,460	11,958,460	240,585	12,199,045
Other comprehensive income - net of tax	-	-	-	7,835,404	(12,162,385)	15,828	15,214	-	(4,295,939)	(528,569)	(4,824,508)
Total comprehensive income for the six months ended June 30, 2022	-	-	-	7,835,404	(12,162,385)	15,828	15,214	11,958,460	7,662,521	(287,984)	7,374,537
Ordinary dividend relating to non-controlling shareholders	-	-	-	-	-	-	-	-	-	(4,186)	(4,186)
Transfer from surplus on revaluation upon disposal to unappropriated profit - net of tax	-	-	-	-	-	(102,988)	-	102,988	-	-	-
Transfer of incremental depreciation from revaluation of fixed assets to unappropriated profit - net of tax	-	-	-	-	-	(47,220)	-	47,220	-	-	-
Transfer to statutory reserve	-	-	1,186,187	-	-	-	-	(1,186,187)	-	-	-
Transactions with owners, recorded directly in equity											
Final cash dividend - December 31, 2021 declared subsequent to the year end at Rs. 6.0 per share	-	-	-	-	-	-	-	(7,345,078)	(7,345,078)	-	(7,345,078)
Interim cash dividend - March 31, 2022 declared at Rs. 5.0 per share	-	-	-	-	-	-	-	(6,120,899)	(6,120,899)	-	(6,120,899)
Balance as at June 30, 2022 (Un-audited)	12,241,797	-	39,681,863	46,940,518	(14,723,936)	42,436,035	25,403	87,296,606	213,898,286	8,320,064	222,218,350

The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.



Arif Akmal Saifie	**Shazad G. Dada**	**Shazia Syed**	**Arshad Ahmad Mir**	**Sir Mohammed Anwar Pervez, OBE, HPk**
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2022

	January - June 2022	January - June 2021
	---------- (Rupees in '000) ----------	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation including discontinued operation	34,643,157	26,101,479
Less: Dividend income	704,274	(435,072)
Share of profit / (loss) of associates	51,615	(224,786)
	33,887,268	25,441,621
Adjustments:		
Depreciation on fixed assets	1,779,150	1,443,566
Depreciation on right-of-use assets	1,008,142	924,501
Amortisation	418,980	420,674
Workers' Welfare Fund - charge	704,603	521,852
Provision for retirement benefits	292,699	363,183
Provision for compensated absences	57,765	86,226
(Reversal) / provision against loans and advances - net	(1,829,964)	458,384
Reversal of provision against off balance sheet items - net	(29,123)	(330,661)
Provision / (reversal) for diminution in value of investments - net	3,453,634	(833,915)
Interest expense on lease liability against right-of-use assets	507,989	474,784
Gain on sale of fixed assets - net	(42,616)	(4,298)
Bad debts written off directly	18,242	62,944
Unrealised gain on revaluation of investments classified as held for trading	(39,260)	(5,006)
Provision / (reversals) against other assets	40,427	(98,538)
Other provisions / write-offs	(18,176)	583,853
	6,322,492	4,067,549
	40,209,760	29,509,170
(Increase) / decrease in operating assets		
Lendings to financial institutions	(45,544,568)	(2,628,612)
Held for trading securities	26,356,777	(62,052,548)
Advances	(40,859,495)	(44,632,697)
Other assets (excluding advance taxation)	(28,347,818)	4,772,253
	(88,395,104)	(104,541,604)
Increase / (decrease) in operating liabilities		
Bills payable	5,206,587	2,079,409
Borrowings	(10,630,492)	139,979,116
Deposits and other accounts	261,981,509	202,354,796
Other liabilities	12,694,261	2,567,152
	269,251,865	346,980,473
	221,066,521	271,948,039
Receipts / (payments) on account of staff retirement benefits	1,455,007	(1,625,581)
Income taxes paid	(10,819,728)	(4,994,029)
Net cash flows generated from operating activities	211,701,800	265,328,429
CASH FLOW FROM INVESTING ACTIVITIES		
Net investments in available for sale securities	(197,266,570)	(196,220,533)
Net investments in held to maturity securities	(35,636,989)	(56,726,000)
Net investments in associates	(2,195,369)	(216,560)
Investment in fixed assets and intangible assets	(3,020,900)	(2,115,852)
Dividend income received	702,481	545,593
Sale proceeds from disposal of fixed assets	291,458	105,319
Exchange differences on translation of net investment in overseas branches and subsidiaries attributable to:		
- Equity holders of the Bank	7,835,404	(1,014,132)
- Non-controlling interest	187,193	98,623
Net cash flows used in investing activities	(229,103,292)	(255,543,542)
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of lease obligations	(4,333)	2,916
Payment of lease liability against right-of-use assets	(1,410,534)	(1,195,507)
Dividends paid	(12,957,099)	(13,857,571)
Net cash flows used in financing activities	(14,371,966)	(15,050,162)
Decrease in cash and cash equivalents	(31,773,458)	(5,265,275)
Cash and cash equivalents at the beginning of the period	303,925,084	287,722,487
Cash and cash equivalents at the end of the period	272,151,626	282,457,212

The annexed notes 1 to 44 form an integral part of these consolidated condensed interim financial statements.

Arif Akmal Saifie	**Shazad G. Dada**	**Shazia Syed**	**Arshad Ahmad Mir**	**Sir Mohammed Anwar Pervez, OBE, HPk**
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2022

1. STATUS AND NATURE OF BUSINESS

The Group consists of:

Holding Company
- United Bank Limited (the Bank)

Subsidiary Companies

- United National Bank Limited, United Kingdom (UBL UK) - 55% holding
- UBL (Switzerland) AG, in Liquidation c/o Deloitte AG (USAG) - 100% holding
- UBL Bank (Tanzania) Limited, Tanzania (UBTL) - 100% holding
- UBL Fund Managers Limited, Pakistan (UBL FM) - 98.87% holding
- Al Ameen Financial Services (Private) Limited (AFSL) - 98.87% effective holding

The Group is engaged in commercial banking, asset management, investment advisory and investments business. United Bank Limited (the Bank) is a banking company incorporated in Pakistan and is engaged in commercial banking and related services. The Bank's registered office and principal office are situated at UBL Building, Jinnah Avenue, Blue Area, Islamabad and at UBL Head Office, I. I. Chundrigar Road, Karachi respectively. The Bank operates 1,340 (December 31, 2021: 1,341) branches inside Pakistan including 150 (December 31, 2021: 145) Islamic Banking branches and 2 (December 31, 2021: 2) branches in Export Processing Zones. The Bank also operates 8 (December 31, 2021: 8) branches outside Pakistan. The Bank is a wholly owned subsidiary of Bestway International Holdings Limited (BIHL) and BIHL a wholly owned subsidiary of Bestway Group Limited (BGL) which is incorporated in the Guernsey.

The Bank's ordinary shares are listed on Pakistan Stock Exchange (PSX). Its Global Depository Receipts (GDRs) are on the list of the UK Listing Authority and the London Stock Exchange Professional Securities Market. These GDRs are also eligible for trading on the International Order Book System of the London Stock Exchange. Further, the GDRs constitute an offering in the United States only to qualified institutional buyers in reliance on Rule 144A under the US Securities Act of 1933 and an offering outside the United States in reliance on Regulation S.

Non-controlling interest represents National Bank of Pakistan's 45% share in the net asset value of UBL UK and 1.13% shares held by past and present employees of UBL FM in the net asset value of UBL FM.

The shareholders of the Bank have resolved the voluntary and orderly wind up of UBL Switzerland AG, a wholly owned subsidiary of the Bank in the Extra Ordinary General Meeting (EOGM) of shareholders held on August 06, 2021. This decision is in line with the Bank's strategy to exit from non-core markets.

UBL Switzerland AG was released from FINMA's regulatory supervision on March 24, 2022 and entered voluntary liquidation on March 31, 2022. Deloitte AG were appointed as liquidators. The winding up is subject to fulfilment of relevant legal and regulatory requirements both in Pakistan and Switzerland.

2. BASIS OF PRESENTATION

These consolidated condensed interim financial statements have been prepared in conformity with the format of financial statements prescribed by the State Bank of Pakistan (SBP) vide BPRD Circular Letter No. 5 dated March 22, 2019.

In accordance with the directives of the Federal Government regarding the shifting of the banking system to Islamic modes, SBP has issued various circulars from time to time. Permissible forms of trade-related modes of financing includes purchase of goods by banks from customers and immediate resale to them at appropriate mark-up in price on deferred payment basis. The purchase and resale arising under these arrangements are not reflected in these consolidated condensed interim financial statements as such, but are restricted to the amount of facility actually utilised and the appropriate portion of mark-up thereon. However, 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) as are notified under the provisions of Companies Act, 2017.

Key financial figures of the Islamic Banking branches are disclosed in note 40 to these consolidated condensed interim financial statements.

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2.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Banking Companies Ordinance, 1962;
- Provisions of and directives issued under the Companies Act, 2017; and
- Directives issued by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP).

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

The SBP vide BSD Circular Letter No. 10, dated August 26, 2002, has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property for banking companies till further instructions. Moreover, SBP vide BPRD Circular No. 4, dated February 25, 2015, has deferred the applicability of Islamic Financial Accounting Standards (IFAS) 3, Profit and Loss Sharing on Deposits. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7, Financial Instruments: Disclosures has not been made applicable for banks. Accordingly, the requirements of these standards have not been considered in the preparation of these consolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

The SECP vide its notification SRO 633 (I)/2014 dated July 10, 2014, adopted IFRS 10 effective from the periods starting from 30 June 2014. However, vide its notification SRO 56 (I)/2016 dated January 28, 2016, it has been notified that the requirements of IFRS 10 and section 228 of the Companies Act, 2017 will not be applicable with respect to the investment in mutual funds established under trust structure.

The disclosures made in these consolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BPRD Circular Letter No. 5 dated March 22, 2019, and IAS 34, Interim Financial Reporting. They do not include all the information and disclosures required in the preparation of audited annual financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group for the year ended December 31, 2021.

2.2 Standards, interpretations and amendments to approved accounting standards that are effective in the current peri

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

2.3 Standards, interpretations and amendments to accounting standards that are not yet effective

As per the SBP's BPRD Circular no. 3 dated July 05, 2022, IFRS 9 - Financial Instruments has been made applicable to Banks in Pakistan for accounting periods beginning on or after January 01, 2023 (for banks having asset size of Rs. 500 billion or above). The impact of the application of IFRS 9 in Pakistan on the Bank's financial statements is being assessed.

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IFRS 9 has been applicable in several overseas jurisdictions from January 01, 2018. Accordingly, the requirements of this standard are incorporated in the Bank's consolidated condensed interim financial statements for the jurisdictions where IFRS 9 has been adopted.

There are certain other new amendments to existing accounting and reporting standards that have become applicable to the Bank for accounting periods beginning on or after January 01, 2022. These are either considered to not be relevant or do not have any significant impact and accordingly have not been detailed in these consolidated condensed interim financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements of the Group for the year ended December 31, 2021 except for the following:

During the period, the Group has reviewed the useful lives of its leasehold improvements, furniture and fixtures and electrical, office and computer equipment as required by IAS 16 - Property, Plant and Equipment. This review has resulted in a change in the useful lives of these assets. This revision has been accounted for as a change in accounting estimate in accordance with the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors. Accordingly, the effect of this change in accounting estimate has been recognised prospectively in the consolidated condensed interim profit and loss account from the current period.

With effect from January 2022, the estimated useful lives of leasehold improvements and certain items of furniture and fixtures have been decreased from 10 to 8 years and, certain items of electrical, office and computer equipment from 5 to 4 years and 4 to 3 years. Further, useful lives of certain items of electrical, office and computer equipment have been increased from 4 to 5 years. The useful lives have been revised to make them more reflective of the consumption pattern of the assets.

The effect of these changes on depreciation expense in the current period / year and the next year is as follows:

	January - June 2022	January - December 2022	January - December 2023
	(Rupees in '000)		
Increase in depreciation expense			
Leasehold improvements	99,651	178,854	136,479
Furniture and fixtures	32,023	57,212	41,695
Electrical, office and computer equipment	16,887	23,245	20,442
Decrease in depreciation expense			
Electrical, office and computer equipment - ATM	44,459	77,480	-
Net impact on profit and loss before taxation	(104,102)	(181,831)	(198,616)

5. FINANCIAL RISK MANAGEMENT

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

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	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	---------- (Rupees in '000) ----------	
6. CASH AND BALANCES WITH TREASURY BANKS		
In hand		
Local currency	23,348,710	27,262,667
Foreign currencies	8,986,507	7,048,434
	32,335,217	34,311,101
With State Bank of Pakistan in		
Local currency current accounts	62,522,968	75,005,750
Foreign currency current accounts	5,125,038	5,312,400
Foreign currency deposit accounts	8,403,279	8,818,135
	76,051,285	89,136,285
With other central banks in		
Foreign currency current accounts	32,892,295	37,705,251
Foreign currency deposit accounts	6,217,278	8,148,977
	39,109,573	45,854,228
With National Bank of Pakistan in local currency current accounts	84,422,994	104,153,210
National prize bonds	171,206	494,696
	232,090,275	273,949,520
7. BALANCES WITH OTHER BANKS		
In Pakistan		
In current accounts	13,842	6,183
In deposit accounts	5,736,056	6,320,896
	5,749,898	6,327,079
Outside Pakistan		
In current accounts	27,383,835	16,480,728
In deposit accounts	6,927,618	7,167,757
	34,311,453	23,648,485
	40,061,351	29,975,564
8. LENDINGS TO FINANCIAL INSTITUTIONS		
Call / clean money lendings	1,096,886	636,971
Repurchase agreement lendings (reverse repo)	96,013,619	49,726,776
Placements with State Bank of Pakistan	672,110	1,874,300
	97,782,615	52,238,047

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9. INVESTMENTS

9.1 Investments by type

	Note	June 30, 2022 (Un-audited) Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value	December 31, 2021 (Audited) Cost / Amortised cost	Provision for diminution	Surplus / (Deficit)	Carrying Value
		(Rupees in '000)							
Held for trading securities									
Federal Government Securities									
- Market Treasury Bills		46,808,062	-	33,510	46,841,572	69,718,806	-	9,101	69,727,907
- Government of Pakistan Sukuks		300,731	-	(641)	300,090	-	-	-	-
- Pakistan Investment Bonds - fixed		1,133,675	-	6,461	1,140,136	4,883,004	-	7,053	4,890,057
- Pakistan Investment Bonds - floaters		250,720	-	(70)	250,650	250,697	-	128	250,825
		48,493,188	-	39,260	48,532,448	74,852,507	-	16,282	74,868,789
Available for sale securities									
Federal Government Securities									
- Market Treasury Bills		437,217,732	-	(210,651)	437,007,081	462,307,400	-	(295,082)	462,012,318
- Pakistan Investment Bonds - fixed		195,508,797	-	(4,361,061)	191,147,736	106,428,744	-	(956,951)	105,471,793
- Pakistan Investment Bonds - floaters		433,158,848	-	(2,582,198)	430,576,650	365,357,391	-	(1,612,561)	363,744,830
- Government of Pakistan Sukuks		82,408,397	(5,709)	(487,921)	81,914,767	43,996,036	-	(265,635)	43,730,401
- Islamic Naya Pakistan Certificates		3,524,822	-	-	3,524,822	924,941	-	-	924,941
- Government of Pakistan Eurobonds		35,654,386	(218,444)	(10,834,558)	24,601,384	25,516,697	(285,929)	89,226	25,319,994
Ordinary shares									
- Listed companies		14,909,527	(5,436,414)	683,046	10,156,159	13,269,396	(4,623,052)	1,019,365	9,665,709
- Unlisted companies		790,686	(60,446)	-	730,240	790,083	(60,438)	41	729,686
Non-Government debt securities									
- Corporate Sukuks		1,409,286	-	-	1,409,286	1,452,143	-	-	1,452,143
- Term Finance Certificates		782,335	(161,996)	-	620,339	782,335	(161,996)	-	620,339
Foreign securities									
- Foreign bonds - sovereign		72,845,319	(1,861,119)	(6,773,811)	64,210,389	60,311,840	(383,468)	(2,274,095)	57,654,277
- Foreign bonds - others		2,258,519	(538,629)	(1,395,117)	324,773	2,736,387	(1,103)	(3,252)	2,732,032
Mutual Fund units		258,179	-	(45,715)	212,464	258,179	-	(15,711)	242,468
Real Estate Investment Trust units		533,453	-	103,501	636,954	458,590	-	48,360	506,950
		1,281,260,286	(8,282,757)	(25,904,485)	1,247,073,044	1,084,590,162	(5,515,986)	(4,266,295)	1,074,807,881
Held to maturity securities									
Federal Government Securities									
- Pakistan Investment Bonds - fixed		267,529,479	-	-	267,529,479	216,576,752	-	-	216,576,752
- Pakistan Investment Bonds - floaters		47,726,986	-	-	47,726,986	47,666,897	-	-	47,666,897
- Government of Pakistan Sukuks		10,002,634	-	-	10,002,634	10,002,935	-		10,002,935
- Government of Pakistan Eurobonds		12,006,760	(154,171)	-	11,852,589	10,381,683	(141,574)	-	10,240,109
- Bai Muajjal with Government of Pakistan		-	-	-	-	21,214,989	-	-	21,214,989
Non-Government debt securities									
- Corporate Sukuks		8,981,009	(50,934)	-	8,930,075	10,580,384	(50,934)	-	10,529,450
- Term Finance Certificates		8,604,666	(69,951)	-	8,534,715	8,079,835	(69,951)	-	8,009,884
- Corporate Bond		1,991,216	(25,509)	-	1,965,707	1,715,945	(23,356)	-	1,692,589
- Debentures		2,267	(2,267)	-	-	2,267	(2,267)	-	-
- Participation Term Certificates		437	(437)	-	-	437	(437)	-	-
Foreign securities									
- Market Treasury Bills		3,189,050	-	-	3,189,050	2,682,985	-	-	2,682,985
- Foreign bonds - sovereign		38,906,383	(1,796,196)	-	37,110,187	33,578,466	(641,202)	-	32,937,264
- Foreign bonds - others		2,514,993	(5,832)	-	2,509,161	2,171,411	(11,610)	-	2,159,801
- CDC SAARC Fund		444	-	-	444	383	-	-	383
		401,456,324	(2,105,297)	-	399,351,027	364,655,369	(941,331)	-	363,714,038
Associates									
- UBL Liquidity Plus Fund		3,277,553	-	-	3,277,553	1,130,540	-	-	1,130,540
- UBL Financial Sector Fund		374,769	-	-	374,769	452,591	-	-	452,591
- UBL Special Savings Fund II		102,179	-	-	102,179	100,986	-	-	100,986
- UBL Pakistan Enterprise Exchange Traded Fund		24,524	-	-	24,524	24,961	-	-	24,961
- UBL Growth and Income Fund		-	-	-	-	100,049	-	-	100,049
- UBL Cash Fund		2,058,233	-	-	2,058,233	1,359,354	-	-	1,359,354
- UBL Dedicated Equity Fund		31,498	-	-	31,498	528	-	-	528
- Al Ameen Islamic Energy Fund		181,970	-	-	181,970	118,211	-	-	118,211
- Al Ameen Islamic Dedicated Equity Fund		10,640	-	-	10,640	7,139	-	-	7,139
- Al Ameen Islamic Sovereign Fund		653,474			653,474	-	-	-	-
- Al-Ameen Islamic Cash Plan I		14,375	-	-	14,375	667,364	-	-	667,364
- Al-Ameen Shariah Stock Fund		127,649	-	-	127,649	111,778	-	-	111,778
- UBL Insurers Limited		564,055	-	-	564,055	521,450	-	-	521,450
- Khushhali Bank Limited	9.2	2,902,699	-	-	2,902,699	3,481,683	-	-	3,481,683
		10,323,618	-	-	10,323,618	8,076,634	-	-	8,076,634
Total Investments		1,741,533,416	(10,388,054)	(25,865,225)	1,705,280,137	1,532,174,672	(6,457,317)	(4,250,013)	1,521,467,342

9.2 This represents the Bank's subscription towards the paid-up capital of Khushhali Bank Limited. Pursuant to section 10 of the Khushhali Bank Ordinance, 2000 strategic investors including the Bank cannot sell or transfer their investment before a period of five years that has expired on October 10, 2005. Thereafter, such sale / transfer would be subject to the prior approval of the SBP. However these shares are still appearing as frozen as no approval has been obtained by the Bank to unfreeze these shares.

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		Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
9.3	**Investments given as collateral**		--------- (Rupees in '000) ---------	
	Market Treasury Bills		71,541,199	215,584,125
	Pakistan Investment Bonds - fixed		106,746,055	1,853,526
	Pakistan Investment Bonds - floaters		281,129,912	232,144,261
	UBL Liquidity Plus Fund units		268,001	1,115,535
	UBL Cash Fund units		1,924,719	1,126,693
			461,609,886	451,824,140

The market value of securities given as collateral is Rs. 456,191 million (December 31, 2021: Rs. 450,960 million).

9.4 Provision for diminution in value of investments

9.4.1	Opening balance		6,457,317	8,164,875
	Exchange adjustments		477,103	171,743
	Charge / (reversals)			
	Charge for the period / year		3,643,018	446,250
	Reversals for the period / year		(102,709)	(555,978)
	Reversal on disposals		(86,675)	(1,688,189)
			3,453,634	(1,797,917)
	Amount written off		-	(81,384)
	Closing balance	9.6	10,388,054	6,457,317

9.4.2 Particulars of provision against debt securities

Category of classification	June 30, 2022 (Un-audited) Non-Performing Investments	June 30, 2022 (Un-audited) Provision	December 31, 2021 (Audited) Non-Performing Investments	December 31, 2021 (Audited) Provision
	---------- (Rupees in '000) ----------			
Domestic				
Loss	285,583	285,583	285,585	285,585
Overseas				
Defaulted exposure	10,462,559	3,836,800	-	-
Total	10,748,142	4,122,383	285,585	285,585

9.5 The market value of securities classified as held-to-maturity as at June 30, 2022 amounted to Rs. 374,686.416 million (December 31, 2021: Rs. 354,991.660 million).

9.6 Provision against investments includes Expected Credit Losses (ECL) under IFRS 9 amounting to Rs. 4,068.069 million including defaulted exposure (December 31, 2021: Rs. 1,488.282 million) on investments of overseas branches.

10. ADVANCES

		Performing		Non-performing		Total	
		(Un-audited) June 30, 2022	(Audited) December 31, 2021	(Un-audited) June 30, 2022	(Audited) December 31, 2021	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	Note	---------- (Rupees in '000) ----------					
Loans, cash credits, running finances, etc.		686,052,779	674,183,019	90,416,835	86,244,579	776,469,614	760,427,598
Islamic financing and related assets	40.2	62,207,835	43,859,593	169,502	197,330	62,377,337	44,056,923
Bills discounted and purchased		54,279,964	42,137,465	2,638,000	2,591,046	56,917,964	44,728,511
Advances - gross		802,540,578	760,180,077	93,224,337	89,032,955	895,764,915	849,213,032
Provision against advances	10.3						
- Specific		-	-	(79,104,549)	(74,961,336)	(79,104,549)	(74,961,336)
- General		(8,298,173)	(7,470,576)	-	-	(8,298,173)	(7,470,576)
		(8,298,173)	(7,470,576)	(79,104,549)	(74,961,336)	(87,402,722)	(82,431,912)
Advances - net of provision		794,242,405	752,709,501	14,119,788	14,071,619	808,362,193	766,781,120

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		(Un-audited) June 30, 2022	(Audited) December 31, 2021
10.1	**Particulars of advances - gross**	--------- (Rupees in '000) ---------	
10.1.1	In local currency	536,472,394	531,161,298
	In foreign currencies	359,292,521	318,051,734
		895,764,915	849,213,032

10.2 Advances include Rs. 93,224.337 million (December 31, 2021: Rs. 89,032.955 million) which have been placed under non-performing status as detailed below:

Category of Classification	June 30, 2022 (Un-audited) Non-Performing Loans	Provision	December 31, 2021 (Audited) Non-Performing Loans	Provision
	---------- (Rupees in '000) ----------			
Domestic				
Other Assets Especially Mentioned*	150,191	2,719	155,903	-
Substandard	2,416,177	608,604	2,398,883	595,091
Doubtful	2,939,328	185,881	563,051	346,746
Loss	23,212,146	22,200,483	23,945,768	22,853,989
	28,717,842	22,997,687	27,063,605	23,795,826
Overseas				
Not past due but impaired**	4,959,034	2,622,308	4,207,043	1,233,410
Overdue by:				
Upto 90 days	1,100,921	166,386	1,004,416	303,038
91 to 180 days	71,158	5,549	1,811,745	1,620,231
181 to 365 days	1,229,754	1,010,970	7,473,154	3,664,825
> 365 days	57,145,628	52,301,649	47,472,992	44,344,006
	64,506,495	56,106,862	61,969,350	51,165,510
Total	93,224,337	79,104,549	89,032,955	74,961,336

* The Other Assets Especially Mentioned category pertains to agriculture, housing and small enterprises financing.
** Not past due but impaired category mainly represents restructured exposure.

10.3 Particulars of provision against advances

	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	Specific	General	Total	Specific	General	Total
	---------- (Rupees in '000) ----------					
Opening balance	74,961,336	7,470,576	82,431,912	72,036,997	7,313,877	79,350,874
Exchange adjustments	8,115,916	1,090,145	9,206,061	5,091,021	739,835	5,830,856
(Reversals) / charge						
Charge for the period / year	440,381	80,847	521,228	4,924,107	391,797	5,315,904
Reversals for the period / year	(2,007,797)	(343,395)	(2,351,192)	(3,117,960)	(974,933)	(4,092,893)
	(1,567,416)	(262,548)	(1,829,964)	1,806,147	(583,136)	1,223,011
Amounts charged off - agriculture financing	-	-	-	(257,446)	-	(257,446)
Amounts written off	(2,405,287)	-	(2,405,287)	(3,711,835)	-	(3,711,835)
Transfers out - net	-	-	-	(3,548)	-	(3,548)
Closing balance	79,104,549	8,298,173	87,402,722	74,961,336	7,470,576	82,431,912

10.3.1 General provision represents provision amounting to Rs. 453.105 million (December 31, 2021: Rs. 402.418 million) against consumer finance portfolio as required by the Prudential Regulations issued by the SBP and Rs. 7,742.723 million (December 31, 2021: Rs. 6,990.843 million) pertaining to overseas advances to meet the requirements of the regulatory authorities of the respective countries in which the overseas branches operate.

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10.3.2 The Bank has availed the benefit of Forced Sale Value (FSV) of certain mortgaged properties held as collateral against non-performing advances as allowed under BSD Circular 01 of 2011. Had the benefit under the said circular not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 12.464 million (December 31, 2021: Rs. 16.258 million).

The Bank has also availed FSV benefit of certain mortgaged properties held as collateral against non-performing advances of overseas branches in accordance with the applicable regulations in the respective countries where the branches operate. Had the benefit not been taken by the Bank, the specific provision against non-performing advances would have been higher by Rs. 4,545.699 million (December 31, 2021: Rs. 3,528.942 million) for the overseas branches.

The FSV benefit availed is not available for the distribution of cash or stock dividend to shareholders.

		Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
11.	**FIXED ASSETS**		------- (Rupees in '000) ---------	
	Capital work-in-progress	11.1	2,207,723	1,298,146
	Property and equipment		67,763,469	67,683,161
	Right-of-use assets		7,306,718	7,212,591
			77,277,910	76,193,898
11.1	**Capital work-in-progress**			
	Civil works		930,234	422,943
	Equipment		1,277,489	875,203
			2,207,723	1,298,146

		(Un-audited) January - June 2022	January - June 2021
11.2	**Additions to fixed assets**	---------- (Rupees in '000) --------	
	The following additions have been made to fixed assets during the period:		
	Capital work-in-progress - net additions	909,457	311,977
	Property and equipments		
	Leasehold improvements	204,497	203,685
	Furniture and fixtures	129,337	50,039
	Electrical, office and computer equipment	1,020,587	917,539
	Vehicles	222,397	110,016
		1,576,818	1,281,279
	Right-of-use assets	1,278,694	1,355,664
	Total	3,764,969	2,948,920

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		(Un-audited) January - June 2022	(Un-audited) January - June 2021
		(Rupees in '000)	
11.3	**Disposals of fixed assets**		
	The net book value of fixed assets disposed off during the period is as follows:		
	Leasehold Land	70,500	4,726
	Building on leasehold land	32,500	-
	Leasehold Improvement	-	91,808
	Furniture and fixtures	436	565
	Electrical, office and computer equipment	2,947	976
	Vehicles	1,127	2,946
		107,510	101,021
	Derecognition to right-of-use assets	141,332	522,246
	Total	248,842	623,267

11.4 During the period, the Group has reviewed the useful lives of its fixed assets. This review has resulted in a change in the useful lives of these assets. The effect of these changes are presented in note 4 to the consolidated condensed interim financial statements.

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		(Rupees in '000)	
12.	**INTANGIBLE ASSETS**		
	Capital work-in-progress - Computer software	1,039,869	632,672
	Intangible assets - Computer software	1,499,890	1,800,124
		2,539,759	2,432,796

		(Un-audited) January - June 2022	(Un-audited) January - June 2021
		(Rupees in '000)	
12.1	**Additions to intangible assets**		
	The following additions have been made to intangible assets during the period:		
	Capital work-in-progress - net additions	435,118	181,725
	Directly purchased - intangible assets	99,507	114,368
		534,625	296,093

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		(Rupees in '000)	
13.	**DEFERRED TAX ASSETS**		
	Deductible temporary differences on		
	Provision against advances, off-balance sheet obligations	4,540,997	5,172,302
	Deficit on revaluation of investments	9,968,700	1,304,902
	Post-retirement employee benefits	692,034	717,479
	Workers' Welfare Fund	2,532,572	2,231,742
	Others	218,514	44,477
		17,952,817	9,470,902
	Taxable temporary differences on		
	Surplus on revaluation of fixed assets / non-banking assets	(1,756,224)	(2,837,880)
	Accelerated tax depreciation	(480,705)	(578,224)
	Share of profit from associates	(1,008,843)	(1,135,743)
	Exchange reserve on subsidiaries under liquidation	(2,119,102)	(1,878,243)
		(5,364,874)	(6,430,090)
		12,587,943	3,040,812

14. DISCONTINUED OPERATION

UBL Bank (Tanzania) Limited (UBTL) is a wholly owned subsidiary of United Bank Limited. UBTL sold materially all of its assets and liabilities held as at October 31, 2019, including the loans and advances and deposit book to EXIM Bank Tanzania Limited (Exim), in line with the Asset and Liabilities Purchase Agreement signed on May 22, 2019. The control of these assets and liabilities was transferred to Exim effective from November 01, 2019. The Banking operations of the subsidiary ceased on November 01, 2019. The official liquidator was appointed by Board of Directors of UBTL on December 15, 2021. The audit for the years 2019, 2020 and 2021 was completed in May 2022 and the final tax clearance has been obtained from Tanzania Revenue Authority in June 2022. The UBTL notice of final meeting of members was published in the newspaper and in the Government Gazette in June 2022. The closure of UBTL and remittance of the amount to the sponsors is expected in August 2022.

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14.1 Assets and liabilities under discontinued operation

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	------- (Rupees in '000) -------	
Assets		
Balances with other banks	257,845	240,315
Liabilities		
Other liabilities	37,240	85,896

14.2 Discontinued operation

	(Un-audited) January - June 2022	January - June 2021
	------- (Rupees in '000) -------	
Mark-up / return / interest earned	-	208,242
Mark-up / return / interest expensed	-	73,896
Net mark-up / interest income	-	134,346
Non mark-up / interest income		
Fee, commission and brokerage income	-	333,675
Foreign exchange income	160	198
Other income	-	-
Total non mark-up / interest income	160	333,873
Total income	160	468,219
Non mark-up / interest expenses		
Operating expenses	(45,628)	325,222
Total non mark-up / interest expenses	(45,628)	325,222
Profit before taxation	45,788	142,997
Taxation	-	36,523
Profit after taxation	45,788	106,474

15. OTHER ASSETS	**Note**	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		------- (Rupees in '000) -------	
Income / mark-up accrued in local currency		37,181,196	25,128,447
Income / mark-up accrued in foreign currencies	15.1	2,816,892	2,771,194
Advance taxation - net of provision for taxation	15.2	-	4,195,628
Receivable from staff retirement fund		77,839	2,077,069
Receivable from other banks against telegraphic transfers and demand drafts		-	365,000
Unrealised gain on forward foreign exchange contracts		8,930,395	4,167,926
Rebate receivable - net		1,710,973	652,112
Unrealised gain on derivative financial instruments		705,686	8,476
Suspense accounts		418,311	-
Stationery and stamps on hand		225,487	206,616
Non-banking assets acquired in satisfaction of claims		180,170	196,640
Advances, deposits, advance rent and other prepayments		3,434,501	1,850,434
Commission receivable - Branchless Banking		3,779,731	676,483
Commission receivable - Bancassurance		141,062	111,180
Receivable against fraud & forgery and looted notes		591,326	564,693
Acceptances		15,603,759	11,421,246
Others		2,668,134	1,902,464
		78,465,462	56,295,608
Provision held against other assets	15.3	(1,232,171)	(1,163,055)
Other assets - net of provision		77,233,291	55,132,553
Surplus on revaluation of non-banking assets acquired in satisfaction of claims	23	32,586	16,704
Other assets - total		77,265,877	55,149,257

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15.1 Unrealised mark-up held in suspense amounting to Rs. 21,760.233 million (December 31, 2021: Rs. 16,929.481 million) against non-performing overseas advances has been netted off.

15.2 The Income Tax returns of the Bank have been filed upto the tax year 2021 (accounting year ended December 31, 2020) and were deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).

The Income Tax authorities have issued amended assessment orders for the tax years 2003 to 2020, and created additional tax demands (including disallowances of provisions made prior to Seventh Schedule) of Rs.13,752 million (December 31, 2021: Rs.13,752 million). The Group has filed appeals before the various appellate forums against these amendments. Where the appellate authorities have allowed relief on certain issues, the assessing authorities have filed appeals before higher appellate forums. Where the appellate authorities have not allowed relief the Group has filed appeals before higher appellate forums. The management of the Group is confident that the appeals will be decided in favour of the Group.

The tax returns for Azad Jammu and Kashmir (AJK) and Gilgit Baltistan (GB) branches have been filed upto the tax year 2021 (financial year ended December 31, 2020) under the provisions of section 120(1) read with section 114 of the Ordinance and in compliance with the terms of the agreement between banks and the Azad Kashmir Council in May 2005. The returns filed are considered as deemed assessment orders under the law.

The tax authorities have also carried out monitoring for Federal Excise Duty, Sales tax and withholding taxes covering period from year ended 2005 to 2019. Consequently various addbacks and demands were raised creating a total demand of Rs. 2,632 million (December 31, 2021: Rs. 2,632 million). The Bank has filed appeals against all such demands and is confident that these would be decided in the favor of the Bank.

The tax returns for Yemen have been filed upto the year ended December 31, 2019 and for UAE and Qatar branches upto the year ended December 31, 2020 under the provisions of the laws prevailing in the respective countries, and are deemed as assessed unless opened for reassessment.

The Group has received corrective tax assessment of QAR 642 thousand (Rs. 32.695 million) from the General tax Authority (GTA) in respect of tax year 2015. Management has filed an appeal against the said penalty and is confident that the matters will be decided in favor of the Group and the possibility of any outcome against it is remote.

For UBL UK, USAG and UBL FM income tax returns have been filed upto the accounting year ended December 31, 2020, under the provisions of the laws prevailing in the respective countries and are deemed as assessed unless opened for reassessment by the tax authorities. Additionally, tax clearance has been issued for USAG and UBL UK till the accounting year 2020 and 2018 and for UBTL till October 31, 2019. There are no material tax contingencies in any of the subsidiaries.

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	------- (Rupees in '000) -------	
15.3 Provision held against other assets		
Advances, deposits, advance rent and other prepayments	621,744	54,674
Fraud & forgery and looted notes	591,326	564,693
Others	19,101	543,688
	1,232,171	1,163,055
15.3.1 Movement of provision held against other assets		
Opening balance	1,163,055	1,392,976
Exchange adjustments	51,980	28,541
Charge / (reversals)		
Charge for the period / year	48,075	33,348
Reversals for the period / year	(7,648)	(201,953)
	40,427	(168,605)
Transfers out - net	-	(41,160)
Amounts written off	(23,291)	(48,697)
Closing balance	1,232,171	1,163,055

16. CONTINGENT ASSETS

There were no contingent assets as at June 30, 2022 (December 31, 2021: Nil).

17. BILLS PAYABLE

In Pakistan	30,350,141	25,898,903
Outside Pakistan	1,687,252	931,903
	32,037,393	26,830,806

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18. BORROWINGS

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	------- (Rupees in '000) -------	
Secured		
Borrowings from the State Bank of Pakistan under:		
Export refinance scheme	41,069,122	38,881,750
Refinance facility for modernisation of SME	255,383	5,100
Long term financing facility	18,918,125	20,056,964
Refinance scheme for payment of wages and salaries	1,824,223	3,225,644
Renewable energy scheme	768,369	513,403
Temporary economic refinance facility	13,696,539	9,972,210
Refinance facility for combating COVID-19	449,354	390,962
Repurchase agreement borrowings	399,922,438	417,755,950
Refinance for women entrepreneurs	22,208	18,487
	476,925,761	490,820,470
Repurchase agreement borrowings from other banks	55,757,859	54,783,321
Borrowing from commercial banks by subsidiary	1,622,560	1,885,182
	534,306,180	547,488,973
Unsecured		
Call borrowings	9,935,154	15,885,337
Overdrawn nostro accounts	5,179,929	1,798,612
Other borrowings	5,121,167	-
	20,236,250	17,683,949
	554,542,430	565,172,922

19. DEPOSITS AND OTHER ACCOUNTS

	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	In Local Currency	In Foreign Currencies	Total	In Local Currency	In Foreign Currencies	Total
	---------- (Rupees in '000) ----------					
Customers						
Current accounts - remunerative	4,145,597	19,102,442	23,248,039	2,528,236	9,006,485	11,534,721
Current accounts - non-remunerative	704,106,311	159,267,486	863,373,797	633,109,393	130,940,383	764,049,776
Saving deposits	590,706,809	74,785,120	665,491,929	574,380,924	54,053,338	628,434,262
Term deposits	180,503,144	246,582,643	427,085,787	134,138,693	241,523,821	375,662,514
Sundry deposits	29,696,709	1,518,578	31,215,287	9,313,881	1,497,076	10,810,957
Margin deposits	4,174,354	4,070,477	8,244,831	4,356,837	3,182,745	7,539,582
	1,513,332,924	505,326,746	2,018,659,670	1,357,827,964	440,203,848	1,798,031,812
Financial Institutions						
Current deposits	27,335,590	7,220,203	34,555,793	33,903,284	3,937,927	37,841,211
Saving deposits	59,047,854	228,820	59,276,674	16,613,222	54,784	16,668,006
Term deposits	17,517,650	17,743,294	35,260,944	18,155,193	15,075,350	33,230,543
	103,901,094	25,192,317	129,093,411	68,671,699	19,068,061	87,739,760
	1,617,234,018	530,519,063	2,147,753,081	1,426,499,663	459,271,909	1,885,771,572

19.1 Deposits eligible to be covered under insurance arrangements in accordance with DPC Circular No. 04 dated June 22, 2018 amounting to Rs. 1,142,129.242 million (December 31, 2021: Rs 1,078,654.532 million).

20. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE

	June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
	Minimum lease payments	Finance charges for future periods	Principal Outstanding	Minimum lease payments	Finance charges for future periods	Principal Outstanding
	---------- (Rupees in '000) ----------					
Not later than one year	4,661	32	4,693	6,428	249	6,179
Later than one year and not later than five years	3,167	-	3,167	6,075	61	6,014
	7,828	32	7,860	12,503	310	12,193

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21. SUBORDINATED DEBT

The Bank has issued fully paid up, rated, listed, perpetual, unsecured, subordinated, non-cumulative and contingent convertible debt instruments in the nature of Term Finance Certificates (TFCs) under Section 66 of the Companies Act, 2017 which qualify as Additional Tier I Capital as outlined by State Bank of Pakistan (SBP) under BPRD Circular No. 6 dated August 15, 2013.

Salient features of the Additional Tier 1 issue are as follows:

Issue Size	Rs. 10,000 million
Issue Date	January 29, 2019
Tenor	Perpetual (i.e. no fixed or final redemption date)
Rating	"AA+" (Double A Plus) by VIS Credit Rating Company Limited
Security	Unsecured
Mark-up rate	The TFCs shall carry mark-up at the rate of 3 Month KIBOR + 1.55%.
Mark-up payment frequency	Mark-up shall be payable quarterly in arrears, on a non-cumulative basis
Call option	The Bank may, at its sole discretion, call the TFCs, at any time after five years from the Issue Date subject to the prior approval of the SBP.
Lock-in clause	Mark-up on the TFCs shall only be paid from the current year's earnings and if the Bank is fully compliant with SBP's Minimum Capital Requirement (MCR), Capital Adequacy Ratio (CAR) and Liquidity Ratio (LR) requirements.
Loss absorbency clause	The TFCs shall, at the discretion of the SBP, be either permanently converted into ordinary shares or permanently written off (partially or in full) pursuant to the loss absorbency clause as stipulated in the "Instructions for Basel III Implementation in Pakistan" issued vide BPRD Circular No. 6 dated August 15, 2013.

22. OTHER LIABILITIES

	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		------- (Rupees in '000) -------	
Mark-up / return / interest payable in local currency		17,719,331	15,042,576
Mark-up / return / interest payable in foreign currencies		672,036	921,324
Accrued expenses		4,069,616	5,257,795
Current taxation (provisions less payments)	15.2	8,476,914	-
Branch adjustment account		304,895	479,517
Deferred income		972,731	997,320
Unearned commission and income on bills discounted		183,172	231,988
Provision against off-balance sheet obligations	22.1	807,743	742,953
Unrealised loss on derivative financial instruments		21,188	-
Suspense accounts		331,386	340,020
Liability against trading of securities		18,280	1,521,590
Provision for post-retirement medical benefits		2,199,391	2,175,874
Payable to staff retirement fund		16,933	154,589
Provision for compensated absences		816,277	895,897
Deferred liabilities		643,982	590,579
Unrealised loss on forward foreign exchange contracts		6,161,746	1,560,903
Workers' Welfare Fund payable		6,292,014	5,587,411
Liabilities against ATM settlements		2,028,472	40,996
Insurance payable against consumer assets		489,449	477,866
Dividend payable		3,267,536	2,762,515
Unclaimed dividends		300,184	292,141
Acceptances		15,603,758	11,421,246
Charity fund balance		6,386	4,039
Lease liability against right-of-use assets		8,808,164	8,573,347
Levies and taxes payable		3,989,043	3,060,045
Others		2,488,319	1,994,356
		86,688,946	65,126,887

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	(Un-audited) June 30, 2022	(Audited) December 31, 2021
22.1 Provision against off-balance sheet obligations	------- (Rupees in '000) -------	
Opening balance	742,953	1,076,530
Exchange adjustments	93,913	15,953
Charge / (reversals)		
Charge for the period / year	26,481	8,819
Reversals for the period / year	(55,604)	(353,069)
	(29,123)	(344,250)
Transfer out - net	-	(5,280)
Closing balance	807,743	742,953

23. SURPLUS ON REVALUATION OF ASSETS

		June 30, 2022 (Un-audited)			December 31, 2021 (Audited)		
		Attributable to			Attributable to		
		Equity Holders	Non-Controlling interest	Total	Equity Holders	Non-Controlling interest	Total
	Note	---------- (Rupees in '000) ----------					
Surplus / (deficit) arising on revaluation of:							
- Available for sale securities	9.1	(24,679,829)	(1,224,656)	(25,904,485)	(3,852,118)	(414,177)	(4,266,295)
- Fixed assets		44,842,856	2,662,243	47,505,099	44,882,510	2,551,040	47,433,550
- Non-banking assets acquired in satisfaction of claims	15	32,586	-	32,586	16,704	-	16,704
- Assets of associates		(12,807)	-	(12,807)	(14,335)	-	(14,335)
		20,182,806	1,437,587	21,620,393	41,032,761	2,136,863	43,169,624
Deferred tax on surplus / (deficit) on revaluation of:							
- Available for sale securities		(9,968,700)	-	(9,968,700)	(1,304,902)	-	(1,304,902)
- Fixed assets		2,406,821	535,756	2,942,577	2,312,095	519,270	2,831,365
- Non-banking assets acquired in satisfaction of claims		7,183	-	7,183	6,515	-	6,515
		(7,554,696)	535,756	(7,018,940)	1,013,708	519,270	1,532,978
		27,737,502	901,831	28,639,333	40,019,053	1,617,593	41,636,646

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		Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
			------- (Rupees in '000) -------	
24.	**CONTINGENCIES AND COMMITMENTS**			
	Guarantees	24.1	200,055,525	167,903,371
	Commitments	24.2	1,351,382,881	998,421,712
	Other contingent liabilities	24.3	16,727,856	16,452,188
			1,568,166,262	1,182,777,271
24.1	**Guarantees**			
	Financial guarantees		73,295,444	55,744,389
	Performance guarantees		102,997,103	107,821,730
	Other guarantees		23,762,978	4,337,252
			200,055,525	167,903,371
24.2	**Commitments**			
	Documentary credits and short-term trade-related transactions			
	- letters of credit		221,535,688	169,653,706
	Commitments in respect of:			
	- forward foreign exchange contracts	24.2.2	876,237,115	691,686,595
	- forward Government securities transactions	24.2.3	45,058,200	11,780,000
	- derivatives	24.2.4	26,830,409	1,808,940
	- forward lending	24.2.5	176,951,992	120,620,043
	- operating leases	24.2.6	248,762	168,870
			1,125,326,478	826,064,448
	Commitments for acquisition of:			
	- fixed assets		3,111,746	1,049,017
	- intangible assets		1,226,585	1,560,475
			4,338,331	2,609,492
	Others commitments		182,384	94,066
			1,351,382,881	998,421,712

24.2.1 Commitments to extend credit

The Group 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.

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		------- (Rupees in '000) -------	
24.2.2	**Commitments in respect of forward foreign exchange contracts**		
	Purchase	463,611,455	369,989,325
	Sale	412,625,660	321,697,270
		876,237,115	691,686,595
24.2.3	**Commitments in respect of forward Government securities transactions**		
	Purchase	45,058,200	9,081,000
	Sale	-	2,699,000
		45,058,200	11,780,000

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		Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
			------- (Rupees in '000) -------	
24.2.4	**Commitments in respect of derivatives**			
	Cross Currency Swaps		252,625	-
	Interest Rate Swaps			
	Purchase		7,465,303	-
	Sale		7,484,933	-
			14,950,236	-
	FX options			
	Purchase		5,813,774	904,470
	Sale		5,813,774	904,470
			11,627,548	1,808,940
24.2.5	**Commitments in respect of forward lending**			
	Undrawn formal standby facilities, credit lines and other commitments to lend	24.2.5.1	117,731,713	74,031,695
	Others		59,220,279	46,588,348
			176,951,992	120,620,043

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

		(Un-audited) June 30, 2022	(Audited) December 31, 2021
		------- (Rupees in '000) -------	
24.2.6	**Commitments in respect of operating leases**		
	Not later than one year	190,023	108,239
	Later than one year and not later than five years	35,803	34,335
	Later than five years	22,936	26,296
		248,762	168,870
24.3	**Other contingent liabilities**		
24.3.1	Claims against the Group not acknowledged as debts	12,638,553	12,362,885

These mainly represent counter claims filed by the borrowers for restricting the Group from disposal of assets (such as mortgaged / pledged assets kept as security).

Based on legal advice and / or internal assessments, management is confident that the matters will be decided in the Group's favour and the possibility of any outcome against the Group is remote and accordingly no provision has been made in these consolidated condensed interim financial statements.

24.3.2 During 2016, penalties amounting to Rs. 4.089 billion were levied by the FE Adjudication Court of the State Bank of Pakistan relating to alleged contraventions of the requirements of foreign exchange regulations with respect to issuance and certification of E-Forms by the Bank to certain customers (exporters) who failed to submit the export documents there against. Consequently, foreign exchange on account of export proceeds have not been repatriated. The Bank maintains that it fully discharged its liability, in accordance with the law and has filed a civil suit in the High Court of Sindh challenging the levy of the penalty. The High Court has granted a stay on action being taken against the Bank. The management, based on the advice from legal counsel, is confident that the view of the Bank will prevail and the Bank will not be exposed to any loss on this account.

24.3.3 Punjab Revenue Authority issued show cause notice to UBL Fund Managers Limited requiring them to pay sales tax under Punjab sales tax on Service Act 2012 on management fee earned in Punjab from May 22, 2013. The Company has filed a petition on July 8, 2015 in the High Court of Sindh. A favorable outcome of this petition is expected.

24.4 For contingencies relating to taxation, refer note 15.2.

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25. DERIVATIVE INSTRUMENTS

25.1 Product analysis

	June 30, 2022 (Un-audited)											
	FX options		Cross Currency Swaps		Interest Rate Swaps		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
	Notional principal	Mark to Market loss	Notional principal	Mark to Market gain	Notional principal	Mark to Market loss	Notional principal	Mark to Market loss	Notional principal	Mark to Market loss	Notional principal	Mark to Market (loss) / gain
	(Rupees in 000)											
Hedging	5,813,774	-	-	-	7,465,303	-	45,058,200	(16,149)	-	-	58,337,277	(16,149)
Market making	5,813,774	-	252,625	1,645	7,484,933	-	-	-	-	-	13,551,332	1,645
	11,627,548	-	252,625	1,645	14,950,236	-	45,058,200	(16,149)	-	-	71,888,609	(14,504)

	December 31, 2021 (Audited)											
	FX options		Cross Currency Swaps		Interest Rate Swaps		Forward purchase contracts of Government securities		Forward sale contracts of Government securities		Total	
	Notional principal	Mark to Market gain	Notional principal	Mark to Market Loss	Notional principal	Mark to Market Loss	Notional principal	Mark to Market gain	Notional principal	Mark to Market gain	Notional principal	Mark to Market gain
	(Rupees in 000)											
Hedging	904,470	-	-	-	-	-	9,081,000	7,374	2,699,000	1,102	12,684,470	8,476
Market making	904,470	-	-	-	-	-	-	-	-	-	904,470	-
	1,808,940	-	-	-	-	-	9,081,000	7,374	2,699,000	1,102	13,588,940	8,476

			(Un-audited)	
			January - June 2022	January - June 2021
		Note	------- (Rupees in '000) -------	
26.	**MARK-UP / RETURN / INTEREST EARNED**			
	On:			
	Loans and advances		31,496,294	20,369,132
	Investments		70,919,385	48,462,089
	Lendings to financial institutions		2,971,180	722,797
	Balances with banks		460,727	250,050
			105,847,586	69,804,068
27.	**MARK-UP / RETURN / INTEREST EXPENSED**			
	On:			
	Deposits		41,083,106	26,569,996
	Borrowings		14,842,097	4,382,104
	Subordinated debt		649,156	441,847
	Cost of foreign currency swaps against foreign currency deposits / borrowings		1,774,750	1,601,040
	Lease liability against right-of-use assets		507,989	474,784
			58,857,098	33,469,771
28.	**FEE AND COMMISSION INCOME**			
	Branch banking customer fee		1,212,674	834,635
	Consumer finance related fee		650,330	544,098
	Card related fees (debit and credit cards)		1,510,972	1,138,268
	Investment banking fees		193,651	343,216
	Financial Institution rebate / commission		269,535	156,835
	Corporate service charges / facility fee		426,991	376,681
	Commission on trade		445,028	320,522
	Commission on guarantees		336,245	275,578
	Commission on cash management		515,258	461,703
	Commission on remittances including home remittances - net		1,237,303	1,116,302
	Commission on bancassurance		822,360	882,534
	Management fee		446,212	388,188
	Rent on lockers		98,940	95,652
	Others		206,890	186,851
			8,372,389	7,121,063
29.	**GAIN ON SECURITIES - NET**			
	Realised	29.1	627,512	2,578,601
	Unrealised - held for trading		20,436	5,006
			647,948	2,583,607
29.1	**Realised gain on:**			
	Federal Government securities		473,001	808,119
	Shares		12,990	298,863
	Foreign securities		141,521	1,471,185
	Other securities		-	434
			627,512	2,578,601
30.	**OTHER INCOME**			
	Charges recovered		203,912	123,463
	Rent on properties		30,214	38,958
	Gain on sale of operating fixed assets - net		42,616	4,298
	(Loss) / gain on sale of Ijarah assets - net		(1,718)	3,222
	Gain on trading liabilities - net		203,887	16,666
			478,911	186,607

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		(Un-audited)	
		January - June 2022	January - June 2021
		------- (Rupees in '000) -------	
31.	**OPERATING EXPENSES**		
	Total compensation expense	10,392,768	9,082,490
	Property expense		
	Rent and taxes	577,801	603,367
	Insurance	134,016	108,822
	Utilities cost	945,781	661,737
	Security (including guards)	599,233	502,727
	Repair and maintenance (including janitorial charges)	167,921	92,233
	Depreciation on owned fixed assets	627,433	414,571
	Depreciation on right-of-use assets	1,008,142	924,501
	Depreciation on non-banking assets acquired in satisfaction of claims	33,425	-
	Others	29,888	37,625
		4,123,640	3,345,583
	Information technology expenses		
	Software maintenance	930,501	624,150
	Hardware maintenance	386,585	319,470
	Depreciation	475,957	416,379
	Amortisation	418,980	420,674
	Network charges	363,241	382,669
	Consultancy Charges	124,551	170,738
		2,699,815	2,334,080
	Other operating expenses		
	Directors' fees and allowances	71,787	54,168
	Fees and allowances to Shariah Board	4,010	4,818
	Legal and professional charges	714,864	292,382
	Outsourced service costs	757,207	207,616
	Commission paid to branchless banking agents	180,866	624,849
	Commission paid to sales force	747,210	674,189
	Travelling and conveyance	99,998	48,117
	Clearing charges	104,474	89,830
	Depreciation others	675,760	612,616
	Depreciation on Islamic financing against leased assets	77,662	84,917
	Training and development	43,762	11,212
	Postage and courier charges	223,723	163,482
	Communication	200,680	253,431
	Stationery and printing	444,339	379,292
	Marketing, advertisement and publicity	528,730	308,504
	Donations	10,000	71,096
	Auditors' remuneration	82,734	56,286
	Insurance	55,758	51,956
	Deposit protection premium expense	862,924	793,350
	Cash transportation and sorting charges	414,289	414,374
	Entertainment	106,436	75,896
	Banking service charges	1,416,856	955,209
	Repairs and maintenance	446,956	358,271
	Miscellaneous expenses	503,613	445,014
		8,774,638	7,030,875
		25,990,861	21,793,028

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	Note	(Un-audited) January - June 2022	January - June 2021
32. OTHER CHARGES		------- (Rupees in '000) -------	
Penalties imposed by the SBP		14,592	28,179
Penalties imposed by other regulatory bodies of overseas branches		1,370	11,315
		15,962	39,494
33. PROVISIONS / (REVERSALS) AND WRITE-OFFS - NET			
Provision / (reversals) for diminution in value of investments - net	9.4	3,453,634	(833,915)
(Reversals) / provision against loans and advances - net	10.3	(1,829,964)	692,778
Bad debts written-off directly		18,242	62,944
Reversal of provision against other assets - net	15.3.1	40,427	(98,538)
Reversal of provision against off-balance sheet obligations - net	22.1	(29,123)	(330,661)
Recovery of written-off / charged-off bad debts		(267,270)	(234,394)
Other provisions / write-offs		(18,176)	583,853
		1,367,770	(157,933)
34. TAXATION			
Current	34.1	19,811,244	11,129,891
Prior years		3,681,026	(189,016)
Deferred		(1,048,158)	78,705
		22,444,112	11,019,580

34.1 During the period, the tax rate has been revised from 35% to 39%. Further, a Super Tax of 10% has been levied for the tax year 2023. Accordingly, the impact of these changes in tax rates have been incorporated in these consolidated condensed interim financial

35. EARNINGS PER SHARE		
Profit after tax attributable to equity shareholders of the Bank	11,958,460	14,987,658
	----- (Number of shares) -----	
Weighted average number of ordinary shares	1,224,179,687	1,224,179,687
	------- (Rupees) -------	
Earnings per share - basic and diluted	9.77	12.24

There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2022 and June 30, 2021.

36. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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 these are either short-term in nature or, in the case of customer loans and deposits, are frequently repriced.

36.1 The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the

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

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

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

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36.1.1 Valuation techniques used in determination of fair values within level 2 and level 3.

Item	Valuation approach and input used
Federal Government securities	The fair value of Federal Government securities is determined using the prices / rates available on Mutual Funds Association of Pakistan (MUFAP) / Bloomberg.
Non-Government debt securities	The fair value of non-government debt securities is determined using the prices / rates from MUFAP.
Foreign debt securities	The fair value of foreign corporate and foreign government securities is determined using the rates from Bloomberg.
Mutual Fund units	The fair values of investments in mutual fund units are determined based on their net asset values as published at the close of each business day.
Forward foreign exchange contracts and Forward Government securities transactions	The fair values of forward foreign exchange contracts and forward Government securities transactions are determined using forward pricing calculations.
Derivatives	The fair valuation techniques include forward pricing and swap models using present value calculations.
Fixed assets and non-banking assets acquired in satisfaction of claims	Land, buildings and non-banking assets acquired in satisfaction of claims are revalued on a periodic basis using professional valuers. The valuation is based on their assessment of the market value of the assets. The effect of changes in the unobservable inputs used in the valuations cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these consolidated condensed interim financial statements.

36.2 Fair value of financial assets

The following table provides the fair values of those of the Group's financial assets and liabilities that are recognised or disclosed at fair value in these consolidated condensed interim financial statements.

	June 30, 2022 (Un-audited)				
	Carrying value	Fair 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	1,217,004,798	-	1,217,004,798	-	1,217,004,798
- Foreign Bonds - sovereign	64,210,389	-	64,210,389	-	64,210,389
- Foreign Bonds - others	324,773	-	324,773	-	324,773
- Ordinary shares of listed companies	10,156,159	10,156,159	-	-	10,156,159
- Mutual Fund units	212,464	-	212,464	-	212,464
- Non-Government debt securities	2,029,625	-	2,029,625	-	2,029,625
- Real Estate Investment Trust units	636,954	636,954	-	-	636,954
	1,294,575,162	10,793,113	1,283,782,049	-	1,294,575,162
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	337,111,688	-	317,717,284	-	317,717,284
- Foreign Bonds - Market Treasury Bills	3,189,050	-	3,189,050	-	3,189,050
- Foreign Bonds - sovereign	37,110,187	-	32,286,931	-	32,286,931
- Foreign Bonds - others	2,509,161	-	3,498,272	-	3,498,272
- Non-Government debt securities	19,430,497	-	17,994,879	-	17,994,879
	399,350,583	-	374,686,416	-	374,686,416
	1,693,925,745	10,793,113	1,658,468,465	-	1,669,261,578
Off-balance sheet financial instruments - measured at fair value					
Foreign exchange contracts - purchased and sold	876,237,115	-	2,768,649	-	2,768,649
FX options - purchased and sold	11,627,548	-	-	-	-
Cross currency swaps	252,625	-	1,645	-	1,645
Interest rate swaps	14,950,236	-	-	-	-
Forward Government Securities - purchased and sold	45,058,200	-	(16,149)	-	(16,149)

	December 31, 2021 (Audited)				
	Carrying value	Fair 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	1,076,073,066	-	1,076,073,066	-	1,076,073,066
- Foreign Bonds - sovereign	57,654,277	-	57,654,277	-	57,654,277
- Foreign Bonds - others	2,732,032	-	2,732,032	-	2,732,032
- Ordinary shares of listed companies	9,665,709	9,665,709	-	-	9,665,709
- Mutual Fund units	242,468	-	242,468	-	242,468
- Non-Government debt securities	2,072,482	-	2,072,482	-	2,072,482
- Real Estate Investment Trust units	506,950	506,950	-	-	506,950
	1,148,946,984	10,172,659	1,138,774,325	-	1,148,946,984
Financial assets - disclosed but not measured at fair value					
Investments					
- Federal Government Securities	305,701,682	-	296,942,277	-	296,942,277
- Foreign Bonds - Market Treasury Bills	2,682,985	-	2,682,985	-	2,682,985
- Foreign Bonds - sovereign	32,937,264	-	32,805,738	-	32,805,738
- Foreign Bonds - others	2,159,801	-	2,183,328	-	2,183,328
- Non-Government debt securities	20,231,923	-	20,377,332	-	20,377,332
	363,713,655	-	354,991,660	-	354,991,660
	1,512,660,639	10,172,659	1,493,765,985	-	1,503,938,644

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	December 31, 2021 (Audited)				
	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Off-balance sheet financial instruments - measured at fair value					
Foreign exchange contracts - purchased and sold	691,686,595	-	2,607,023	-	2,607,023
FX options - purchased and sold	1,808,940	-	-	-	-
Forward Government Securities - purchased and sold	11,780,000	-	8,476	-	8,476

36.3 Fair value of non-financial assets

	June 30, 2022 (Un-audited)				
	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Fixed Assets	52,245,969	-	-	52,245,969	52,245,969
Non-banking assets acquired in satisfaction of claims	212,756	-	-	212,756	212,756
	52,458,725	-	-	52,458,725	52,458,725

	December 31, 2021 (Audited)				
	Carrying value	Fair value			
		Level 1	Level 2	Level 3	Total
	(Rupees in '000)				
Fixed Assets	59,874,618	-	-	59,874,618	59,874,618
Non-banking assets acquired in satisfaction of claims	213,344	-	-	213,344	213,344
	60,087,962	-	-	60,087,962	60,087,962

36.4 Certain categories of fixed assets (land and buildings) and non-banking assets acquired in satisfactions of claims are carried at revalued amounts (level 3 measurement) determined by professional valuers based on their assessment of the market values.

37. SEGMENT INFORMATION

37.1 Segment details with respect to business activities

	For the six months ended June 30, 2022 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
Profit and Loss	(Rupees in '000)							
Net mark-up / return / profit	17,893,091	49,211,879	(30,249,462)	4,322,153	4,498,647	1,884,937	(570,757)	46,990,488
Inter segment (expense) / revenue - net	(16,698,159)	(56,318,241)	68,178,889	-	-	-	4,837,511	-
Non mark-up / return / interest income	2,461,604	4,408,339	5,475,575	201,002	1,343,415	985,098	811,044	15,686,077
Total income	3,656,536	(2,698,023)	43,405,002	4,523,155	5,842,062	2,870,035	5,077,798	62,676,565
Segment direct expenses	662,487	130,684	15,653,023	1,284,281	2,793,455	1,906,514	4,280,982	26,711,426
Inter segment expense allocation	185,524	42,765	3,565,021	-	205,428	-	(3,998,738)	-
Total expenses	848,011	173,449	19,218,044	1,284,281	2,998,883	1,906,514	282,244	26,711,426
Provision charge / (reversal) - net	(774,830)	792,929	(408,378)	22,692	1,150,825	602,010	(17,478)	1,367,770
Profit / (loss) before taxation from continuing operations	3,583,355	(3,664,401)	24,595,336	3,216,182	1,692,354	- 361,511	4,813,032	34,597,369

	For the six months ended June 30, 2021 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
Profit and Loss	(Rupees in '000)							
Net mark-up / return / profit	11,746,753	36,866,641	(18,942,711)	1,917,490	3,794,060	1,245,391	(293,327)	36,334,297
Inter segment (expense) / revenue - net	(9,699,132)	(33,307,860)	39,935,709	-	-	-	3,071,283	-
Non mark-up / return / interest income	1,582,025	1,705,321	4,521,379	169,940	2,871,976	601,348	368,637	11,820,626
Total income	3,629,646	5,264,102	25,514,377	2,087,430	6,666,036	1,846,739	3,146,593	48,154,923
Segment direct expenses	599,967	314,245	13,045,262	897,707	2,332,203	1,598,879	3,566,111	22,354,374
Inter segment expense allocation	252,943	40,337	3,048,057	-	307,437	-	(3,648,774)	-
Total expenses	852,910	354,582	16,093,319	897,707	2,639,640	1,598,879	(82,663)	22,354,374
Provision (reversal) / charge - net	(132,311)	(591,454)	(407,642)	(2,966)	1,031,493	(70,537)	15,484	(157,933)
Profit before taxation from continuing operations	2,909,047	5,500,974	9,828,700	1,192,689	2,994,903	318,397	3,213,772	25,958,482

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	As at June 30, 2022 (Un-audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
	(Rupees in '000)							
Balance Sheet								
Cash and bank balances	157,661	69,487,685	108,556,574	23,673,047	55,617,022	14,659,637	-	272,151,626
Investments	9,362,255	1,437,414,504	-	104,605,017	120,182,806	28,229,975	5,485,580	1,705,280,137
Net inter segment lending	-	-	1,305,607,590	38,077,145	-	-	77,340,876	1,421,025,611
Lendings to financial institutions	-	96,013,619	-	-	-	1,096,886	672,110	97,782,615
Advances - performing	394,212,217	16,722	51,206,479	62,115,140	135,172,604	148,166,499	3,455,088	794,344,749
Advances - non-performing net	2,458,638	41,440	523,997	67,684	8,399,634	2,512,511	13,540	14,017,444
Others	22,750,162	37,194,072	21,575,264	4,087,952	16,298,025	5,461,620	62,304,394	169,671,489
Total assets	428,940,933	1,640,168,042	1,487,469,904	232,625,985	335,670,091	200,127,128	149,271,588	4,474,273,671
Borrowings	65,405,232	466,004,555	4,699,346	6,898,745	9,935,154	1,599,398	-	554,542,430
Subordinated debt	-	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	92,742,035	126,480	1,404,755,648	208,370,882	268,529,013	172,875,294	353,774	2,147,753,126
Net inter segment borrowing	247,607,264	1,173,017,160	-	-	401,187	-	-	1,421,025,611
Others	19,483,402	8,364,095	54,505,782	4,292,301	7,154,245	2,965,432	21,982,645	118,747,902
Total liabilities	425,237,933	1,647,512,290	1,463,960,776	219,561,928	286,019,599	177,440,124	32,336,419	4,252,069,069
Equity	3,703,000	(7,344,248)	23,509,128	13,064,057	49,650,492	22,687,004	116,935,169	222,204,602
Total equity and liabilities	428,940,933	1,640,168,042	1,487,469,904	232,625,985	335,670,091	200,127,128	149,271,588	4,474,273,671
Contingencies and Commitments	455,129,034	328,461,722	93,531,663	11,547,116	613,007,501	129,865,122	1,370,531	1,632,912,689

	As at December 31, 2021 (Audited)							
	Corporate / Commercial Banking	Treasury	Branch Banking	Islamic Banking	International branch operations	Subsidiaries	Others	Total
	(Rupees in '000)							
Balance Sheet								
Cash and bank balances	5,847	83,432,361	131,034,116	20,417,689	53,921,299	15,113,772	-	303,925,084
Investments	8,802,055	1,277,993,225	-	87,124,858	113,449,568	28,612,055	5,485,581	1,521,467,342
Net inter segment lending	-	-	1,199,024,459	4,712,655	-	-	73,725,465	1,277,462,579
Lendings to financial institutions	-	49,826,776	-	-	-	536,971	1,874,300	52,238,047
Advances - performing	421,026,745	16,109	48,013,514	43,788,935	118,247,080	117,830,211	3,786,907	752,709,501
Advances - non-performing net	2,765,799	-	414,816	66,191	8,041,387	2,762,452	20,974	14,071,619
Others	15,418,743	22,200,014	17,954,484	2,493,299	12,940,001	4,541,689	61,268,533	136,816,763
Total assets	448,019,189	1,433,468,485	1,396,441,389	158,603,627	306,599,335	169,397,150	146,161,760	4,058,690,935
Borrowings	62,724,244	474,334,893	4,626,077	5,714,199	15,885,337	1,888,172	-	565,172,922
Subordinated debt	-	-	-	-	-	-	10,000,000	10,000,000
Deposits and other accounts	47,718,108	302,491	1,330,967,753	139,534,238	232,014,732	135,073,032	161,218	1,885,771,572
Net inter segment borrowing	320,279,992	956,239,947	-	-	942,640	-	-	1,277,462,579
Others	13,535,713	2,137,056	50,355,955	3,344,877	7,199,243	2,847,329	12,549,713	91,969,886
Total liabilities	444,258,057	1,433,014,387	1,385,949,785	148,593,314	256,041,952	139,808,533	22,710,931	3,830,376,959
Equity	3,761,132	454,098	10,491,604	10,010,313	50,557,383	29,588,617	123,450,829	228,313,976
Total equity and liabilities	448,019,189	1,433,468,485	1,396,441,389	158,603,627	306,599,335	169,397,150	146,161,760	4,058,690,935
Contingencies and Commitments	368,885,828	239,061,601	40,476,794	14,347,612	469,317,371	50,505,703	182,362	1,182,777,271

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38. RELATED PARTY TRANSACTIONS

The Group has related party transactions with its parent, directors, key management personnel, associates and other related parties including employee benefit schemes of the Group.

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

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

	As at June 30, 2022 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
Statement of financial position	(Rupees in '000)				
Lendings to financial institutions					
Opening balance	-	-	-	-	2,355,115
Addition during the period	-	-	-	-	2,497,101
Repaid during the period	-	-	-	-	(4,852,216)
Transfers in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	-
Investments					
Opening balance	-	-	-	8,436,634	4,654,612
Investment made during the period	-	-	-	3,225,000	-
Investment disposed off during the period	-	-	-	-	(219,547)
Transfers out	-	-	-	-	-
Equity method adjustments	-	-	-	-	-
Closing balance	-	-	-	11,661,634	4,435,065
Provision for diminution in value of investments	-	-	-	-	945,969
Provision written off	-	-	-	-	-
Advances					
Opening balance	-	645	332,006	-	1,768
Addition during the period	-	9	83,612	-	19,374,595
Repaid during the period	-	(644)	(93,170)	-	(3,557,419)
Transfers in / (out) - net	-	-	-	-	-
Closing balance	-	10	322,448	-	15,818,944
Provision held against advances	-	-	-	-	-
Other Assets					
Income / mark-up accrued	-	-	-	8,179	594,335
Receivable from staff retirement funds	-	-	-	-	77,839
Prepaid insurance	-	-	-	311,330	-
Remuneration receivable from management of funds	-	-	-	45,906	-
Sales load receivable	-	-	-	-	
Formation cost receivable	-	-	-	-	-
Other receivable			-	-	16,013
Provision written off	-	-	-	-	-
Borrowings					
Opening balance	-	-	-	-	-
Borrowings during the period	-	-	-		107,800
Settled during the period	-	-	-		(107,800)
Closing balance	-	-	-	-	-
Deposits and other accounts					
Opening balance	18,601	7,769,284	72,204	2,209,154	16,151,170
Received during the period	19,125	19,097,658	638,157	115,967,458	160,668,533
Withdrawn during the period	(19,774)	(18,276,727)	(596,755)	(111,079,172)	(164,816,106)
Transfers in - net	-	-	-	-	-
Closing balance	17,952	8,590,215	113,606	7,097,440	12,003,597
Other Liabilities					
Interest / mark-up payable on deposits and borrowings	-	49,247	-	48,942	43,872
Dividend payable	3,158,644	83,957	-	-	-
Payable to staff retirement fund	-	-	-	-	7,800
Unearned income	-	-	-	13,750	-
Other payable					
Contingencies and Commitments					
Forward Government securities sale	-	-	-	-	-
Letter of guarantee	-	-	-	-	-

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	As at December 31, 2021 (Audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Lendings to financial institutions					
Opening balance	-	-	-	-	-
Addition during the year	-	-	-	-	5,726,952
Repaid during the year	-	-	-	-	(3,371,837)
Transfers in / (out) - net	-	-	-	-	-
Closing balance	-	-	-	-	2,355,115
Investments					
Opening balance	-	-	-	6,609,954	3,997,489
Investment made during the year	-	-	-	49,574,054	2,563,634
Investment redeemed / disposed off during the year	-	-	-	(47,950,535)	(1,906,511)
Transfers out	-	-	-	-	-
Equity method adjustments	-	-	-	203,161	-
Closing balance	-	-	-	8,436,634	4,654,612
Provision for diminution in value of investments	-	-	-	-	938,502
Provision written off	-	-	-	-	77,606
Advances					
Opening balance	-	10	287,037	-	9,365,687
Addition during the year	-	1,170	92,652	-	84,111,001
Repaid during the year	-	(535)	(49,670)	-	(93,474,920)
Transfer in / (out)	-	-	1,987	-	-
Closing balance	-	645	332,006	-	1,768
Provision held against advances	-	-	-	-	-
Other Assets					
Income / mark-up accrued	-	-	-	4,541	149,672
Receivable from staff retirement funds	-	-	-	-	2,077,069
Prepaid insurance	-	-	-	65,811	-
Remuneration receivable from management of funds	-	-	-	89,413	-
Sales load receivable	-	-	-	13,783	-
Formation cost receivable	-	-	-	6,500	-
Provision written off	-	-	-	-	30,164
Borrowings					
Opening balance	-	-	-	-	-
Borrowings during the year	-	-	-	-	488,300
Settled during the year	-	-	-	-	(488,300)
Closing balance	-	-	-	-	-
Deposits and other accounts					
Opening balance	-	6,431,790	157,712	4,285,435	14,535,275
Received during the year	101,751	30,758,130	1,048,423	180,782,484	240,407,932
Withdrawn during the year	(83,150)	(29,420,636)	(1,155,166)	(182,858,765)	(238,798,727)
Transfers in - net	-	-	21,235	-	6,690
Closing balance	18,601	7,769,284	72,204	2,209,154	16,151,170
Other Liabilities					
Interest / mark-up payable on deposits and borrowings	-	33,314	1	11,222	76,214
Dividend Payable	2,526,916	8,000	-	-	17,578
Payable to staff retirement fund	-	-	-	-	154,589
Unearned income	-	-	-	-	19,501
Other payable	-	-	-	14,730	-
Contingencies and Commitments					
Forward Government securities sale	-	-	-	199,000	-

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	For the six months ended June 30, 2022 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Profit and Loss Account					
Income					
Mark-up / return / interest earned	-	-	8,784	12,694	53,273
Commission / charges recovered	-	34	743	14,105	10,467
Dividend received	-	-	-	99,253	176,000
Net gain on sale of securities	-	-	-	-	-
Other income	-	-	-	-	11,705
Gain on sale of fixed assets	-	-	715	338	-
Remuneration from management of fund	-	-	-	494,946	
Sales load	-	-	-	18,147	
Reversal of provision	-	-	-	-	1,688,911
Switch revenue				-	125,644
Management Fee	-	-	-	-	290
Expenses					
Mark-up / return / interest paid	825	202,189	1,537	150,039	482,506
Remuneration paid	-	-	849,264	-	-
Post employment benefits	-	-	5,054	-	-
Non-executive directors' fee	-	-	71,787	-	-
Directors' fees and allowances		51,169			
Net charge for defined contribution plans	-		19,443	-	244,772
Net charge for defined benefit plans	-	-	-	-	301,972
Other expenses	-	-	-	-	135,222
Clearing charges	-	-	-	-	73,622
Membership, subscription, sponsorship and maintenance charges	-	-	-	-	3,589
Other information					
Dividend paid	6,127,770	158,268	3,838	64,277	1,128,183
Insurance premium paid	-	-	-	526,547	-
Insurance claims settled	-	-	-	219,192	-

	For the six months ended June 30, 2021 (Un-audited)				
	Parent	Directors	Key management personnel	Associates	Other related parties
	(Rupees in '000)				
Profit and Loss Account					
Income					
Mark-up / return / interest earned	-	-	7,978	18,352	383,939
Commission / charges recovered	22	224	1,064	15,515	12,607
Dividend received	-	-	-	11,841	71,079
Net gain on sale of securities	-	78	-	-	-
Other income	-	-	2,374	-	10,718
Gain on sale of fixed assets	-	-	-	-	-
Remuneration from management of fund	-	-	-	378,319	
Sales load	-	-	-	19,910	-
Reversal of provision	-	-	-	-	32,703
Switch revenue	-	-	-	-	119,796
Expenses					
Mark-up / return / interest paid	269	185,727	575	48,666	438,711
Remuneration paid	-	-	857,215	-	-
Post employment benefits	-	-	13,163	-	-
Non-executive directors' fee	-	34,050	17,089	-	-
Net charge for defined contribution plans	-	-	14,129	-	197,059
Net charge for defined benefit plans	-	-	-	-	159,695
Other expenses	-	-	22,605	-	64,497
Clearing charges	-	-	-	-	67,645
Membership, subscription, sponsorship and maintenance charges	-	-	-	-	39,827
Custody charges	-	-	-	-	1,485
Seminar and membership fees	-	-	-	-	6,541
Other information					
Dividend paid	2,147,878	57,753	1,657	18,310	543,598
Insurance premium paid	-	-	999	463,586	-
Insurance claims settled	-	-	-	244,459	-

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39. CAPITAL ADEQUACY, LEVERAGE RATIO AND LIQUIDITY REQUIREMENTS

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	------- (Rupees in '000) -------	
Minimum Capital Requirement (MCR):		
Paid-up capital (net of losses)	12,241,797	12,241,797
Capital Adequacy Ratio (CAR):		
Eligible Common Equity Tier 1 (CET 1) Capital	141,984,581	142,696,673
Eligible Additional Tier 1 (ADT 1) Capital	9,726,537	10,030,732
Total Eligible Tier 1 Capital	151,711,118	152,727,405
Eligible Tier 2 Capital	47,233,520	48,696,456
Total Eligible Capital (Tier 1 + Tier 2)	198,944,638	201,423,861
Risk Weighted Assets (RWAs):		
Credit Risk	875,289,705	763,003,152
Market Risk	95,489,586	95,817,985
Operational Risk	174,186,005	174,186,005
Total	1,144,965,296	1,033,007,142
Common Equity Tier 1 Capital Adequacy Ratio	12.40%	13.81%
Tier 1 Capital Adequacy Ratio	13.25%	14.78%
Total Capital Adequacy Ratio	17.38%	19.50%

The SBP through its BSD Circular No. 07 dated April 15, 2009 has prescribed the minimum paid-up capital (net of accumulated losses) for Banks to be raised to Rs.10,000 million by the year ending December 31, 2015. The paid-up capital of the Bank for the six months ended June 30, 2022 stood at Rs.12,241.797 million (December 31, 2021: Rs.12,241.797 million) and is in compliance with SBP requirements. Banks are also required to maintain a minimum Capital Adequacy Ratio (CAR) of 10.0% plus capital conservation buffer of 2.5% of the risk weighted assets of the Bank.

In order to dampen the effects of COVID-19, the State Bank of Pakistan under BPRD Circular Letter No. 12 of 2020 has given a regulatory relief and reduced the Capital Conservation Buffer (CCB) as prescribed vide BPRD Circular No. 6 of August 15, 2013, for the time being, from its existing level of 2.5% to 1.5%, till further instructions.

In accordance with the Basel III instructions, Banks are also required to maintain a Common Equity Tier 1 (CET 1) ratio and Tier 1 ratio of 6.0% and 7.5%, respectively, as at June 30, 2022. The Bank is fully compliant with prescribed ratios as the Bank's CAR is 17.38% whereas CET 1 and Tier 1 ratios stood at 12.40% and 13.25% respectively.

Under the SBP's Framework for Domestic Systemically Important Banks (D-SIBs) introduced vide BPRD Circular No. 04 of 2019 dated April 13, 2019, UBL is a sample D-SIB. In line with this framework, the Bank is required to meet the Higher Loss Absorbency (HLA) capital charge of 1.0%, in the form of Additional CET 1 capital.

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	------- (Rupees in '000) -------	
Leverage Ratio (LR):		
Eligible Tier-1 Capital	151,711,118	152,727,405
Total Exposures	3,613,632,785	3,672,809,400
Leverage Ratio	4.20%	4.16%
Liquidity Coverage Ratio (LCR):		
Total High Quality Liquid Assets	961,228,218	1,597,732,985
Total Net Cash Outflow	293,929,726	476,786,878
Liquidity Coverage Ratio	327.03%	335.10%
Net Stable Funding Ratio (NSFR):		
Total Available Stable Funding	2,048,108,628	2,409,606,992
Total Required Stable Funding	1,553,139,091	1,341,535,238
Net Stable Funding Ratio	131.87%	179.62%

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40. ISLAMIC BANKING BUSINESS

The Bank operates 150 (December 31, 2021: 145) Islamic Banking branches and 193 (December 31, 2021: 197) Islamic Banking windows.

STATEMENT OF FINANCIAL POSITION	Note	(Un-audited) June 30, 2022	(Audited) December 31, 2021
		--------- (Rupees in '000) ---------	
ASSETS			
Cash and balances with treasury banks		17,089,130	13,367,864
Balances with other banks		6,583,917	7,049,825
Due from financial institutions		-	-
Investments	40.1	104,605,017	87,124,858
Islamic financing and related assets - net	40.2	62,182,824	43,855,127
Fixed assets		1,315,642	1,289,983
Intangible assets		781	2,084
Due from Head Office		38,077,145	4,712,655
Other assets		2,771,529	1,201,231
		232,625,985	158,603,627
LIABILITIES			
Bills payable		1,957,730	1,672,972
Due to financial institutions		6,898,745	5,714,199
Deposits and other accounts	40.3	208,370,882	139,534,238
Other liabilities		2,334,571	1,671,905
		219,561,928	148,593,314
NET ASSETS		13,064,057	10,010,313
REPRESENTED BY			
Islamic Banking Fund		2,181,000	2,181,000
Reserves		-	-
Deficit on revaluation of assets		(428,073)	(265,635)
Unappropriated profit	40.4	11,311,130	8,094,948
		13,064,057	10,010,313
CONTINGENCIES AND COMMITMENTS	40.5		

PROFIT AND LOSS ACCOUNT	Note	(Un-audited) January - June 2022	(Un-audited) January - June 2021
		--------- (Rupees in '000) ---------	
Profit / return earned	40.6	8,057,396	4,225,371
Profit / return expensed	40.7	3,735,243	2,307,881
Net profit / return		4,322,153	1,917,490
Other income			
Fee and commission income		172,024	138,573
Foreign exchange income		12,253	19,685
Loss on securities - net		-	(285)
Other Income		16,725	11,967
Total other income		201,002	169,940
Total income		4,523,155	2,087,430
Other operating expenses		1,284,281	897,707
Profit before provisions		3,238,874	1,189,723
Provisions / (reversals) and write-offs - net		22,692	(2,966)
Profit before taxation		3,216,182	1,192,689
Taxation		1,447,282	465,149
Profit after taxation		1,768,900	727,540

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40.1 Investments by segments

		As at June 30, 2022 (Un-audited)				As at December 31, 2021 (Audited)			
		Cost / Amortised cost	Provision for diminution	Deficit	Carrying Value	Cost / Amortised cost	Provision for diminution	Deficit	Carrying Value
	Note	(Rupees in '000)							
Federal Government Securities									
- Ijarah Sukuks		82,725,559	-	(428,073)	82,297,486	53,998,970	-	(265,635)	53,733,335
- Islamic Naya Pakistan Certificate		3,524,822	-	-	3,524,822	924,941	-	-	924,941
- Bai Muajjal with Govt. of Pakistan	40.1.1	-	-	-	-	21,214,989	-	-	21,214,989
		86,250,381	-	(428,073)	85,822,308	76,138,900	-	(265,635)	75,873,265
Non Government Debt Securities									
-Listed		598,661	-	-	598,661	657,143	-	-	657,143
-Unlisted		18,184,048	-	-	18,184,048	10,594,450	-	-	10,594,450
		18,782,709	-	-	18,782,709	11,251,593	-	-	11,251,593
Total Investments		105,033,090	-	(428,073)	104,605,017	87,390,493	-	(265,635)	87,124,858

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	(Rupees in '000)	
40.1.1 Bai Muajjal with Government of Pakistan		
Bai Muajjal Investment	-	21,611,000
Less: Deferred Income	-	(396,011)
Bai Muajjal Investment - net	-	21,214,989

40.2 Islamic financing and related assets

Ijarah	295,582	376,317
Murabaha	409,297	263,312
Musharakah	23,520,013	12,401,891
Diminishing Musharakah	22,375,928	20,091,403
Mera Pakistan Mera Ghar (MPMG)	3,737,638	832,542
Istisna	124,308	80,112
Islamic Export Refinance scheme - Musharakah	4,897,905	4,598,162
Advances against Istisna - IERS	539,040	542,915
Advances against Islamic assets		
Advances against Ijarah	33,364	6,528
Advances for Diminishing Musharakah	1,747,247	1,941,910
Advances for Murabaha	69,374	100,346
Advances against MPMG	1,374,060	1,343,196
Advances for Istisna	398,743	407,065
Advances against Ameen ITERF	1,401,150	463,846
Inventory related to Islamic financing		
Istisna	119,935	136,399
Profit and other receivables against financings	1,333,753	470,979
Gross Islamic financing and related assets	62,377,337	44,056,923
Less: Provision against Islamic financing		
- Specific	(101,818)	(131,139)
- General	(92,695)	(70,657)
	(194,513)	(201,796)
Islamic financing and related assets - net of provision	62,182,824	43,855,127

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40.3 Deposits and other accounts	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	---------- (Rupees in '000) ----------	
Customers		
Current deposits	89,990,995	74,840,685
Saving deposits	34,624,555	26,341,608
Term deposits	29,591,907	9,833,547
	154,207,457	111,015,840
Financial Institutions		
Current deposits	5,596,312	11,355,282
Saving deposits	37,907,113	4,113,116
Term deposits	10,660,000	13,050,000
	54,163,425	28,518,398
	208,370,882	139,534,238

40.3.1 Deposits eligible to be covered under insurance arrangements in accordance with DPC Circular No. 04 dated June 22, 2018 amounting to Rs. 100,304.636 million (December 31, 2021: Rs. 87,997.015 million).

40.4 Islamic Banking Business Unappropriated Profit	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	---------- (Rupees in '000) ----------	
Opening balance	8,094,948	4,625,774
Profit for the period / year	3,216,182	3,469,174
	11,311,130	8,094,948
Taxation	(1,447,282)	(1,414,045)
Closing balance	9,863,848	6,680,903

40.5 Contingencies and commitments

- Guarantees	111,322	400
- Commitments	11,435,794	14,347,212
	11,547,116	14,347,612

40.6 Profit / Return earned	(Un-audited) January - June 2022	(Un-audited) January - June 2021
	---------- (Rupees in '000) ----------	
On:		
Financing	3,098,330	1,012,634
Investments	4,659,080	2,921,467
Placements	181,334	186,654
Rental Income from Ijarah	118,652	104,616
	8,057,396	4,225,371

40.7 Profit / Return expensed

On:		
Deposits and other accounts	3,587,650	2,229,517
Due to Financial Institutions	90,264	31,075
Others	57,329	47,289
	3,735,243	2,307,881

40.8 Disclosures for profit and loss distribution and pool management

The Bank operates general and special pools for deposits and inter-bank funds accepted / acquired under Mudarabah, Wakalah and Musharakah modes.

Under the General deposits pools, the Bank accepts funds on Mudarabah basis from depositors (Rab-ul-Maal) where the Bank acts as Manager (Mudarib) and invests the funds in the Shariah Compliant modes of financing, investments and placements. When utilising investing funds, the Bank prioritizes the funds received from depositors over the funds generated from own sources after meeting the regulatory requirement relating to such deposits.

Specific pools are operated for funds acquired / accepted from the Corporate Customers, other banks and State Bank of Pakistan for liquidity management and Islamic Export Refinance to the Bank's customers respectively under the Musharakah / Mudarabah / Wakalah modes.

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General Pool(s)

For General Pools, the Bank allocates PKR financing to Corporate, SME and Consumer Finance customers in diversified sectors and avenues of the economy / business and Investments in Sovereign Guarantee Sukuk, Corporate Sukuk, Bai Muajjal with Government of Pakistan, are also done through General Pools. All remunerative deposits are tagged to these general pools and their funds generated from the depositors are invested on priority basis.

IERS Pool(s)

The IERS pool assets comprise of Sovereign Guarantee Sukuk, and financing to Corporate Customers and exporters as allowed under the applicable laws and regulations, and as such are exposed to lower credit risk. The Musharakah with SBP under IERS is tagged to the IERS pool.

Treasury Pool(s)

The Treasury pool assets generally comprise of Sovereign Guarantee Sukuk and financing under diminishing musharakah, Ijarah facility and the related liability of the Treasury pool comprise of Musharakah / Wakalah / Mudarabah from financial institutions. These pools are created to meet the liquidity requirements of the Holding company.

Special Pool(s) - LCY

Separate pool(s) are created where the customers desire to invest in high yield assets. These pool(s) rates are higher than the general pool depending on the assets. In case of loss in special pool, the loss will be borne by the special pool members. The net return on the pool is arrived at after deduction of direct costs from the gross return earned on the pool. From the net return, profit is paid to the Mudarib in the ratio of the Mudarib's equity in the pool to the total pool. The balance represents the distributable profit.

Special Pool(s) - FCY

UBL also manages Foreign Currency (FCY) special pools. The objective of the Pool is to meet the FCY Liquidity requirement. The funds in this pool are generally deployed in FCY Placement of funds with State Bank under the mode of Islamic Naya Pakistan Certificate, loss (if any) is borne by the Rab-ul-Maal as per ratio of investment of the pool.

Equity Pool(s)

All other assets including fixed assets, advance against financing, bai-salam financing and subsidized financing to Bank's employees are tagged to equity pool. To safeguard the interest of customers, all high risk investments are done through equity pool. The Bank as Mudarib in the general pools is responsible for financing costs / assets such as land, building, furniture, fixtures, computers and IT system from its own sources / equity.

During the period, the Bank has given General Hiba to the depositors in general and specific pool, keeping in view the prescribed guidelines of Pool Management provided by the SBP. However, Hiba are given at the sole discretion of the Bank without any contractual commitment with the depositors.

The Mudarib's share on Deposits for the period ended June 30, 2022 is Rs.1,361.518 million (28.25% of distributable profit of Mudarabah Pool). of this, an amount of Rs. 269.095 million (19.76% of Mudarib share) was distributed back to depositors as Hiba. The rate of profit earned on average earning assets was 11.75% per annum and the rate of profit paid on average deposits was 9.08% per annum.

The risk characteristics of pools

The risk characteristic of each pool mainly depends on the assets and liability profile of the pool. As per the Bank 's policy, relatively low risk / secured financing transactions and assets are allocated to the pool. The Bank maintains General Pools, Special Pools, FI Pools, IERS pool and Equity pool. All pools are exposed to general credit risk, asset ownership risk and Profit rate risk of underlying assets involved.

The Parameters used for allocation of profit, expenses and provisions to the Pool

- The profit of each deposit pool is calculated on all the remunerative assets booked by utilising the funds from the pool.
- Profit of pool is calculated after deduction of expenses directly incurred in earning the income of such pool, the directly related costs comprise of depreciation on ijarah assets, takaful premium, Amortisation of premium on investment etc.
- No expense of general or administrative nature is charged to the pools.

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- No provisions against any non-performing asset of the pool is passed on to the pool except on the actual loss / write-off of such non-performing asset.
- The profit of the pool is shared between equity and Rab-ul-Maal of the pool on the basis of Musharakah at gross level (before charging of mudarib fee) as per the investment ratio of the equity.
- The profit of the pool is shared among the members of the pool on pre-defined mechanism based on the weightages announced before the profit calculation period after charging of mudarib fee.

The Bank managed following pools during the period.

For the six months ended June 30, 2022 (Un-audited)

	No of Pools	Nature of Pool	Profit rate and weightages announce-ment period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
ADMA Pools	6	Mudarbaha	Monthly	10.30%	46.48%	90,809	7.25%	36.33%	32,987
Special Pools	80	Mudarbaha	Monthly	12.43%	12.30%	339,707	11.25%	35.99%	122,253
IERS Pools	12	Musharkah	Monthly	9.65%	89.24%	460,235	2.32%	0.00%	-
FCY Pools	12	Mudarbaha	Monthly	2.13%	50.00%	1,917	1.06%	0.00%	-
General Pools	6	Mudarbaha	Monthly	10.10%	49.99%	931,002	5.67%	12.23%	113,856
Treasury Pools	6	Musharkah	Monthly	10.61%	5.42%	355,968	10.08%	0.00%	0.0001

For the six months ended June 30, 2021 (Un-audited)

	No of Pools	Nature of Pool	Profit rate and weightages announce-ment period	Average profit rate earned	Profit Sharing ratio	Mudarib fee / Musharakah share / Wakalah Fee	Average profit rate / return distributed	Percentage of Mudarib share transferred through Hiba	Amount of Mudarib share transferred through Hiba
				%	%	Rupees in '000	%	%	Rupees in '000
ADMA Pools	6	Mudarabah	Monthly	7.17%	48.62%	22,917	6%	52.79%	12,099
Special Pools	60	Mudarabah	Monthly	8.51%	34.91%	391,978	6.73%	38.12%	149,437
IERS Pools	12	Musharakah	Monthly	6.40%	84.19%	166,621	2.00%	0.00%	-
FCY Pools	6	Mudarabah	Monthly	1.75%	50.00%	788	1.06%	0.00%	-
General Pools	6	Mudarabah	Monthly	9.46%	50.00%	1,165,211	5.48%	15.79%	183,968

	(Un-audited) June 30, 2022	(Audited) December 31, 2021
	-------Rupees in '000-----	
40.9 Deployment of Mudarabah based deposits by class of business		
Chemical and pharmaceuticals	3,998,735	3,815,014
Agriculture	19,333,208	12,686,234
Textile	6,965,952	2,362,688
Financial	7,198,917	7,664,825
Food industries	134,435	152,269
Plastic	229,929	301,339
Individuals	17,064,567	13,303,854
Production and transmission of energy	17,792,256	18,441,835
Government of Pakistan securities	94,995,656	75,873,265
Others	5,852,616	3,630,282
	173,566,271	138,231,605

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41. YEMEN OPERATIONS

The political and economic instability resulting from the ongoing civil war in Yemen raised insurmountable challenges for the UBL-Yemen Branch including difficulties emanating from the bankruptcy of the two central banks regulators, i.e. CBY Sana'a and CBY Aden, severe shortage of liquid funds in the Yemeni local market and non-cooperation of CBY Sana'a to facilitate liquidity.

While UBL-Yemen Branch has been striving to honour its liabilities for the past seven years notwithstanding continued operational losses, it is no longer possible for the branch to continue its operations in Yemen due to reasons not attributable to the branch and circumstances entirely beyond UBL or its branch's control. UBL is cognizant of the associated risks of ceasing its branch's business in Yemen but has concluded that in the totality of circumstances it is prudent to do so. UBL will monitor the situation in Yemen so that it may appropriately deal with the associated risks.

42. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on August 03, 2022 has declared an interim cash dividend in respect of quarter ended June 30, 2022 of Rs. 4.0 per share (June 30, 2021: Rs. 4.0 per share). This is in addition to Rs. 5.0 already paid during the year bringing the total dividend for the six months to Rs. 9.0 per share (June 30, 2021: Rs. 8.0). These consolidated condensed interim financial statements for the six months ended June 30, 2022 do not include the effect of these appropriations which will be accounted for subsequent to the period end.

43. GENERAL

43.1 Comparative information has been reclassified, rearranged or additionally incorporated in these consolidated condensed interim financial statements for the purposes of better presentation. However, there is no material reclassification to report.

43.2 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

44. DATE OF AUTHORISATION

These consolidated condensed interim financial statements were authorised for issue on August 03, 2022, by the Board of Directors of the Bank.

Arif Akmal Saifie	Shazad G. Dada	Shazia Syed	Arshad Ahmad Mir	Sir Mohammed Anwar Pervez, OBE, HPk
Chief Financial Officer	President & Chief Executive Officer	Director	Director	Chairman

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انوائرمنٹ، سوشل اور گورننس (ESG) معیارات کی مطابق بینچ مارک کے قیام کے لیے پختہ عزم کیے ہوئے ہیں۔ یو بی ایل کا سب سے قابل قدر اثاثہ اس کے لوگ ہیں، اور آنے والے سالوں میں بینک اپنی نمو اور ڈویلپمنٹ میں سرمایہ کاری کرنے کا عزم رکھتا ہے اور مارکیٹ میں ایک بڑی اور مستحکم پوزیشن برقرار رکھنے کا خواہشمند ہے۔

کلماتِ تشکر : (Acknowledgements)

آخر میں، بورڈ آف ڈائریکٹر کی جانب سے، ہم یو بی ایل شیئر ہولڈرز اور کسٹمرز کے تہ دل سے شکرگزار ہیں جو مسلسل یو بی ایل برانڈ پر اپنا اعتماد کر رہے ہیں۔ ہم یو بی ایل ٹیم کے بھی شکرگزار ہیں جن کی شبانہ روز محنت اور لگن کی بدولت آج یو بی ایل مشکل کی اس گھڑی میں بھی اپنے صارفین کو بہترین خدمات فراہم کر رہا ہے۔ ہم حکومت پاکستان، اسٹیٹ بینک آف پاکستان، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور دیگر ضابطہ کار اداروں کے بھی شکرگزار ہیں جو بینک کو رہنمائی اور تعاون فراہم کرتے ہیں۔

شہزاد جی دادا
صدر اور سی ای او
اسلام آباد، 3 اگست 2022

ارشد احمد میر
ڈائریکٹر

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کراچی اسٹاک ایکسچینج (KSE-100) انڈکس بھی موجودہ معاشی بحران سے متاثر ہوا ہے لیکن اس میں اتار چڑھاؤ نسبتاً برقرار رہا ہے اور 30 جون 2022 کو یہ 41,541 پوائنٹس پر بند ہوا، دسمبر 2021 سے اس میں 7 فیصد کمی ہوئی۔ جون 2022 میں بینکنگ سیکٹر کے ڈیپازٹس 22.8 ٹریلین روپے رہے، دسمبر 2021 کے مقابلے میں اس میں 9 فیصد اضافہ ہے، جبکہ جون 2022 میں بینکنگ سیکٹر ایڈوانسز 10.9 ٹریلین روپے پر بند ہوئے، جو دسمبر 2021 کے مقابلے میں 7 فیصد زیادہ ہیں۔ مارچ 2022 میں بینکنگ انڈسٹری کے غیر فعال قرضے 864 ارب روپے رہے، جس میں دسمبر 2021 کے مقابلے میں معمولی اضافہ ہوا، اثاثوں کا معیار دسمبر 2021 کے 7.9 فیصد کے مقابلہ میں مارچ 2022 میں 7.8 فیصد رہا۔

یو بی ایل انٹرنیشنل : (UBL International)

یو بی ایل انٹرنیشنل میں سال 2022 کی پہلی ششماہی کے لیے 9.1 ملین امریکی ڈالر کا منافع قبل از ٹیکس ریکارڈ کیا گیا (سال 2021 پہلی ششماہی: 19.1 ملین امریکی ڈالر)۔ انٹرنیشنل بزنس کے لیے مجموعی ریونیو 31.4 ملین امریکی ڈالر ریکارڈ کیا گیا (سال 2021 کی پہلی ششماہی: 42.6 ملین امریکی ڈالر)۔ گزشتہ سال کی مطابق نیٹ مارک اپ آمدنی سال 2022 کی پہلی ششماہی میں 24.2 ملین امریکی ڈالر ریکارڈ کی گئی۔ سال 2022 کی پہلی ششماہی میں نان مارک اپ آمدنی 7,2 ملین امریکی ڈالر رہی ہے جبکہ گزشتہ سال اسی مدت میں 18.4 ملین امریکی ڈالر رہی ہے۔ گزشتہ سال کی طرح، آپریٹنگ اخراجات 15.0 ملین امریکی ڈالر ریکارڈ کیے گئے۔ گزشتہ سال 6.6 ملین امریکی ڈالر کے پروویژن چارج کے مقابلہ میں سال 2022 کی پہلی ششماہی کے لیے 6.2 ملین امریکی ڈالر کے نیٹ پروویژن چارجز ریکارڈ کیے گئے ہیں، جس میں بنیادی طور پر سری لنکا کے Sovereign Debt Holding پر لیے جانے والا چارج شامل ہے۔

سال 2022 کی پہلی ششماہی میں یو بی ایل انٹرنیشنل کے ڈیپازٹس اوسطاً 1.3 ارب امریکی ڈالر رہے ہیں، گزشتہ سال کے مقابلے میں کچھ زیادہ ہیں۔ ڈیپازٹس کی لاگت میں سال 2021 کی پہلی ششماہی میں 1.2 فیصد کے مقابلے میں سال 2022 کی پہلی ششماہی میں کم ہو کر 1.0 فیصد رہی۔ سال 2022 کی پہلی ششماہی میں فعال ایڈوانسز اوسطاً 740 ملین امریکی ڈالر رہے، جس میں 15 فیصد کا ایک مستحکم اضافہ ہے۔ فارن ڈیٹ انسٹرومینٹ (Foreign Debt Instrument) فولیو اوسطاً 674 ملین امریکی ڈالر رہا اور سال 2022 کی پہلی سہ ماہی کے دوران بینک نے 5.3 فیصد کا مستحکم منافع حاصل کیا۔

کریڈٹ ریٹنگ : (Credit Rating)

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے 30 جون 2022 کو یونائیٹڈ بینک لمیٹڈ (UBL) کی اینٹیٹی ریٹنگز، "AAA/+1-A" (ٹرپل اے/اے ون پلس) کی توثیق کی ہے۔ مزید برآں، یو بی ایل کے اجافی ٹائر (ADT-1) کی بھی 'AA+' (ڈبل اے پلس) ریٹنگ کی دوبارہ توثیق کی گئی ہے۔ تفویض کردہ ریٹنگ پر آؤٹ لک 'مستحکم' ہے۔

ایوارڈز اور اعزازات : (Awards and Recognition)

یو بی ایل کو تیسری دفعہ مسلسل یورومنی کے ایسوسی ایٹ، ایشیا منی کی طرف سے پاکستان کا بہترین ڈیجیٹل بینک قرار دیا گیا ہے۔ یہ ایوارڈ اس بات کی سند ہے کہ یو بی ایل پاکستان میں ڈیجیٹل چینلز کے ذریعے مالیاتی سروسز کے سکوپ میں وسعت دینے میں اور مقامی بینکنگ کے مابین جدت لانے میں نمایاں کردار ادا کر رہا ہے۔ ڈیجیٹل پلیٹ فارمز اور ان سے منسلک ٹیموں کی تشکیل میں بینک متواتر سرمایہ کاری کر رہا ہے جس سے پاکستان میں بینکنگ کا مستقبل کی نئی راہ متعین ہو رہی ہے۔

مستقبل کا منظرنامہ : (Future Outlook)

ملک کے بڑے مالیاتی اداروں میں سے ایک ہونے کے ناطے، یو بی ایل، ملک بھر میں مالیاتی خدمات کو وسعت دینے میں اپنے نمایاں کردار کو جاری رکھے گا۔ برانچ بینکنگ گروپ، یو بی ایل فرنچائز کا بنیادی حصہ رہا ہے، جس کا بنیادی مقصد اپنے صارفین کو بڑھانا اور انہیں اُبھرتی ہوئی معیشت کی ضروریات کو پورا کرنے کے لیے جدت پر مبنی حل فراہم کرنے ہیں۔ خدمات کی بہتری کے حوالے سے، بینک اپنے فی برانچ ڈیپازٹ اور منافع کا اعلیٰ معیار قائم رکھتے ہوئے اپنے نیٹ ورک اور لوگوں پر مزید سرمایہ کاری کر رہا ہے۔ بڑھتے ہوئے صارفین کو محفوظ اور آسان طریقے سے جدت پر مبنی سلوشن فراہم کرنے میں، ہماری ایوارڈ یافتہ ڈیجیٹل پروڈکٹس نیٹ ورک کی سپورٹ میں مسلسل معاونت فراہم کر رہی ہے۔ بہترین پریکٹسز کے ساتھ کمپلائنس کے کلچر میں بہتری کلیدی اسٹریٹجک ترجیح رہی ہے۔ ہم پاکستان میں

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مالیاتی تناسب : (Capital Ratio)

بینک مالیات کی ایک مضبوط بنیاد کو برقرار رکھنے کی کوشش کرتا ہے جو مستقبل کی ترقی کے لیے ایک ٹھوس بنیاد فراہم کرنے کے ساتھ ساتھ ہی ریگولیٹری تقاضوں پر مناسب بفرز کو برقرار رکھتا ہے۔

اکتوبر 2021 میں اسٹیٹ بینک کی جانب سے کیے گئے تازہ ترین جائزے میں، کم خطرے والے پروفائل کے مطابق، یو بی ایل اب (D-SIB) نہیں ہے۔ تاہم، بینک ایچ ایل اے (HLA) کیپٹل سرچارج کو 30 جون 2022 تک 1.0 فیصد کے اضافی کامن ایکویٹی ٹائر 1 (CET-1) کیپٹل کی صورت میں غیر مجتمع اور مجتمع بنیادوں پر برقرار رکھے گا۔

جون 2022 کو مجموعی طور پر سی اے آر (CAR) 18.8 فیصد رہی، جو کہ 12.5 فیصد کی کم از کم ریگولیٹری حد کے مقابلے میں 6.3 فیصد زائد ہے (دسمبر 2021 میں 21.5 فیصد تھی)۔ کامن ایکویٹی ٹائر 1 (CET-1) کا تناسب جون 2022 میں 13.2 فیصد رہا (دسمبر 2021 میں 15.1 فیصد)۔ جون 2022 میں کل ٹائر 1 کیپٹل کا تناسب 14.3 فیصد پر رہا۔ (دسمبر 2021 میں 16.3 فیصد)

یو بی ایل کے بورڈ آف ڈائریکٹرز نے 30 جون 2022 کو ختم ہونے والے ششماہی کے نتائج کے ساتھ 3 اگست 2022 کو اسلام آباد میں ہونے والی اجلاس میں 4 روپے فی حصص کے عبوری نقد ڈیویڈنڈ کا اعلان کیا۔

معاشی جائزہ : (Economy Review)

توانائی، تیل اور خوراک کی بڑھتی ہوئی قیمتوں کے باعث ملک کی معیشت سال 2022 کی پہلی ششماہی میں شدید دباؤ کا شکار رہی۔ روس اور یوکرین کے مابین تنازع نے عالمی سطح پر سپلائی چین (Supply Chain) پر گہرے اثرات مرتب کیے ہیں جس کی وجہ سے ملکی سطح پر بڑھتی ہوئی مہنگائی نے زرِمبادلہ کے ذخائر پر دباؤ ڈالا۔

دسمبر 2021 سے روپے کی قدر میں 33 فیصد کی نمایاں کمی ہوئی ہے، 31 دسمبر 2021 میں روپے کی قدر 178 روپے فی امریکی ڈالر تھی، جو کہ 27 جولائی 2022 میں 236 روپے فی امریکی ڈالر ہوگئی۔ اسٹیٹ بینک آف پاکستان نے شرح سود میں مجموعی طور پر دسمبر 2021 سے 525 bps اضافہ کیا ہے، جس کے نتیجہ میں شرح سود 15 فیصد ہوگئی، حال ہی میں 07 جولائی 2022 میں منعقدہ اجلاس میں کیا گیا 125 bps کا اضافہ اس میں شامل ہے۔

ملک کے درآمدی بل میں اضافہ جاری ہے، گزشتہ مالی سال کے اسی عرصہ میں 1.2 ارب امریکی ڈالر کے مقابلے میں مالی سال 2022 کے 11 ماہ میں 15.2 ارب امریکی ڈالر کا کرنٹ اکاؤنٹ کا خسارہ ریکارڈ کیا گیا ہے۔ مالی سال 2022 میں ملک کا تجارتی حجم میں خسارہ میں 56 فیصد اضافے کے ساتھ 48.4 ارب امریکی ڈالر ریکارڈ کیا گیا ہے۔ مالی سال 2022 میں، ٹیکسٹائل سیکٹر کی سربراہی میں، ملک کی برآمدات میں 31.8 ارب امریکی ڈالر ریکارڈ کا اچھا خاصا اضافہ ریکارڈ کیا گیا ہے، جو کہ 26 فیصد کا ایک مضبوط اضافہ ہے۔ تاہم امسال توانائی کی مہنگی درآمدات کے باعث، درآمدی بل میں بھی نمایاں اضافہ ہوا ہے، اور مالی سال 2022 میں 80.2 ارب امریکی ڈالر ریکارڈ کیا گیا ہے، جس میں سال بہ سال 42 فیصد اضافہ ہے۔ مالی سال 2022 کے لیے 31.2 ارب امریکی ڈالر ملک میں آنے سے ملک کی بیرونی پوزیشن میں ترسیلات زر مسلسل نمایاں کردار ادا کر رہے ہیں اور بین الاقوامی معیشت میں سست روی کے باوجود، اس میں 6 فیصد اضافہ ریکارڈ کیا گیا ہے۔

موجودہ ٹیکسیشن اور مالی استحکام کے حوالے سے اقدامات میں گھریلو صارفین کے لیے توانائی کی لاگت میں اضافہ ہے، جو آئی ایم ایف پروگرام کی بحالی کی بنیاد ہے۔ تاہم ،اس کی وجہ سے افراط زر کی سطح میں نمایاں اضافہ دیکھنے میں آیا ہے، جس میں جون 2022 میں 21.3 فیصد تاریخی اضافہ ریکارڈ کیا گیا ہے۔ افراط زر مالی سال 2021 میں 8.9 فیصد کے مقابلے میں مالی سال 2022 میں اوسطاً 12.1 فیصد رہا ہے۔ ملک میں قیمتوں کے بڑھنے سے معیشت کو آنے والے وقت میں سست روی کا سامنا ہوگا۔ درمیانی مدت میں ان میں اضافہ ہوگا اور بیرونی مالیاتی ذمہ داریوں کو پورا کرنے کے لیے ملک کی اہلیت پر دباؤ آئے گا۔

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زرِمبادلہ سے حاصل کردہ آمدنی میں اضافے اور فعال بیلنس شیٹ پوزیشننگ کی وجہ سے بینک نے 2022 کی پہلی ششماہی میں گذشتہ سال کے 1.2 ارب روپے کے مقابلے میں 4.6 ارب روپے کی غیر ملکی زرمبادلہ آمدن حاصل کی۔ 2022 کی پہلی ششماہی میں بینک کے کھاداور توانائی کے شعبہ کے ساتھ ساتھ گروپ اداروں میں ہولڈنگ کی مضبوط ادائیگیوں کے ساتھ ڈیویڈنڈ آمدنی میں 43 فیصد اضافے کے ساتھ 1.3 ارب روپے حاصل کیے۔

قرضوں پر ممکنہ نادہندگی اور خسارے کیلئے مختص رقم : (Provisions and loan losses)

یو بی ایل نے 2022 کی پہلی ششماہی کیلئے گزشتہ سال کی اسی مدت میں 87 ارب روپے کا نیٹ پرووژن ریورسل کے مقابلے میں 0.8 ارب روپے کا نیٹ پرووژن چارج ریکارڈ کیا۔

بینک کی سطح کے غیر فعال قرضہ جات (NPLs) جون 2022 میں 4.3 ارب روپے اضافے کے ساتھ 90.4 ارب روپے رہے۔ (دسمبر 2021 میں 86.0 ارب روپے تھے)۔ بینک کی سطح کے اثاثوں کا معیار دسمبر 2021 میں 11.8 فیصد کی سطح سے معمولی اضافے کے ساتھ جون 2022 میں 12.1 فیصد رہا، جبکہ مخصوص کوریج دسمبر 2021 میں 86.9 فیصد کے مقابلے میں جون 2022 میں 87.3 فیصد رہی۔

یو بی ایل ڈومیسٹک : (UBL Domestic)

ڈومیسٹک بینک کے لیے مجموعی ایڈوانس جون 2022 میں 537 ارب روپے رہے، (دسمبر 2021 میں 544 ارب روپے) جو کل پورٹ فولیو کا 70 فیصد سے زیادہ حصہ ہے۔ ڈومیسٹک غیر فعال قرضہ جات میں دسمبر 2021 کے بعد سے اب تک 1.2 ارب روپے کمی کے ساتھ 27.1 ارب روپے سے جون 2022 میں 25.8 ارب روپے رہے۔ ڈومیسٹک بینک میں پچھلے سال کے نیٹ پرووژن ریورسلز کے 1.1 ارب روپے کے مقابلے میں 2022 کی پہلی ششماہی کیلئے 385 ملین روپے کے نیٹ پرووژن ریورسلز ریکارڈ کیا گیا۔ ڈومیسٹک بینک کے اثاثے کا معیار بمطابق جون 2022، 4.8 فیصد رہا (دسمبر 2021 میں 5.0 فیصد)۔

یو بی ایل انٹرنیشنل : (UBL International)

یو بی ایل انٹرنیشنل کے غیر فعال قرضہ جات دسمبر 2021 میں 334 ملین امریکی ڈالر سے کم ہوکر جون 2022 میں 315 ملین امریکی ڈالر رہے۔ 2022 کی پہلی ششماہی کیلئے نیٹ پرووژن چارج 2021 کی پہلی ششماہی میں 6.6 ملین امریکی ڈالر کے نیٹ پرووژن چارج کے مقابلے میں 6.2 ملین امریکی ڈالر ریکارڈ کیے گئے جس میں بنیادی طور پر سری لنکا کے خودمختار ڈیبٹ انسٹرومنٹ (Sovereign Debt Instrument) میں کی جانے والی سرمایہ کاری کے لیے چارج شامل ہے۔ مخصوص کوریج دسمبر 2021 میں 86.4 فیصد سے بڑھا کر جون 2022 میں 87.0 فیصد کردی گئی۔ مزید برآں، گروی رکھی ہوئی جائیدادوں کی جبری فروخت کی قدر (FSV) اور کیش کو لیٹرل (Cash Collatral) کے ساتھ مخصوص کوریج جون 2022 میں 96.8 فیصد رہی (دسمبر 2021 میں 94.8 فیصد (بحوالہ مالیاتی گوشوارہ نوٹ 10.3.2)۔

اخراجات کا نظم ونسق : (Cost Management)

آپریشنل استعداد کار کو بہتر بنانا یو بی ایل کے لیے کلیدی توجہ کا مرکز رہا ہے۔ بینک اپنے اخراجات کی بنیاد کو بہتر بنانے کے لیے مسلسل کوشش کررہا ہے، جبکہ ملازمین پر سرمایہ کاری کے ساتھ ساتھ اس کے آئی ٹی کے بنیادی ڈھانچے کے ذریعے خدمات کی فراہمی کو بہتر بنا رہا ہے تاکہ بڑے پیمانے پر نیٹ ورک کی ضروریات کو پورا کیا جاسکے۔

سال بہ سال کی بنیاد پر 2022 کی پہلی ششماہی میں یو بی ایل کے آپریٹنگ اخراجات 19 فیصد اضافے کے ساتھ 24.1 ارب روپے ریکارڈ کیے گئے۔ افراط زر سے متعلق ایڈجسٹمنٹ اور میرٹ پر ترقیوں کی وجہ سے ملازمین کا معاوضہ 9.3 ارب روپے ریکارڈ کیا گیا۔ عمارتی اخراجات 23 فیصد اضافے کے ساتھ 4 ارب روپے ریکارڈ کیے گئے۔ آئی ٹی کے اخراجات میں 16 فیصد کا اضافہ، جس کی وجہ بنیادی طور پر روپے کی قدر میں کمی کی وجہ سے غیر ملکی کرنسی میں لائسنسنگ فیس کی ادائیگیوں میں اضافہ ہے۔ 2022 کی پہلی ششماہی میں دیگر آپریٹنگ اخراجات 26 فیصد اضافے کے ساتھ 8.3 ارب روپے ریکارڈ کیے گئے جس کی بنیادی وجہ پچھلے سال کے مقابلے بڑھتے ہوئے کاروباری حجم میں اضافے کی وجہ سے زیادہ سیلز کمیشن اور دیگر چارجز ہیں۔

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اسٹیٹ بینک آف پاکستان (SBP) نے گزشتہ ایک سال کے دوران پالیسی ریٹ جون 2021 میں 7 فیصد سے جولائی 2022 تک بڑھا کر 15 فیصد کر دیا۔ اس کا مقصد بڑھتے ہوئے افراط زر، عالمی سطح پر اجناس کی قیمتوں میں نمایاں اضافہ اور کمزور ہوتی ملکی کرنسی کے اثرات کا مقابلہ کرنا تھا۔ 2022 کی پہلی ششماہی میں بینچ مارک شرح سود 2021 کی پہلی ششماہی کے 7 فیصد کے مقابلے میں اوسطاً 11.2 فیصد رہی، جس نے گزشتہ سال کی اسی مدت کے مقابلے میں منافع کو بہتر کیا۔

2022 کی پہلی ششماہی میں ڈومیسٹک ڈیپازٹ پچھلے سال کے مقابلے میں 7 فیصد اضافے سے اوسطاً 1.5 ٹریلین روپے رہے یعنی 94 ارب روپے کا اضافہ ہوا۔ سال بہ سال کی بنیاد پر 9 فیصد نمو کے ساتھ، 2022 کی پہلی ششماہی کیلئے ڈومیسٹک (CASA) ڈیپازٹس میں 111 ارب روپے کی نمو کے ساتھ اوسطاً 1.3 ٹریلین روپے رہے۔ اوسط CASA سے کُل ڈیپازٹس کا تناسب مستحکم ہوتا رہا اور 2022 کی پہلی ششماہی میں 87.1 فیصد تک پہنچ گیا (2021 کی پہلی ششماہی میں 85.1 فیصد تھا)۔ بینک نے 2021 کی پہلی ششماہی میں تقریباً تین لاکھ دو ہزار نئے کرنٹ اکاؤنٹ کا اضافہ کیا جبکہ پچھلے سال کی اس مدت میں 2 لاکھ 90 ہزار کرنٹ اکاؤنٹ کا اضافہ کیا گیا تھا۔ اس کے نتیجے میں سال بہ سال کی بنیاد پر کرنٹ ڈیپازٹس میں سالانہ 12 فیصد کا اضافہ ریکارڈ کیا گیا جو 2022 کی پہلی ششماہی میں 691 ارب روپے ہوگیا۔ نتیجتاً 2022 کی پہلی ششماہی میں اوسط کرنٹ سے کل ڈیپازٹس کا تناسب 45.2 فیصد ہوگیا جو 2021 کی پہلی ششماہی میں 43.1 فیصد تھا۔ سال بہ سال کی بنیاد پر 2022 کی پہلی ششماہی میں ڈومیسٹک سیونگ ڈیپازٹس 6 فیصد کے مسلسل اضافے کے ساتھ اوسطاً 641 ارب روپے رہا۔ ڈومیسٹک ڈیپازٹس کی لاگت گزشتہ سال کی اسی مدت میں 3.4 فیصد کے مقابلے میں 5.1 فیصد پر رہی، جو گزشتہ 12 مہینوں میں شرح سود میں تیزی سے اضافے کے باوجود نسبتاً بہتر سطح پر موجود رہی۔

سال بہ سال کی بنیاد پر بینک کی سطح پر فعال قرضہ جات کی کارکردگی میں پیشرفت 19 فیصد نمو کے ساتھ اوسطاً 640 ارب روپے رہی ہے۔ ڈومیسٹک فعال قرضہ جات کی کارکردگی میں پیشرفت کارپوریٹ اور ایس ایم ای (SME) کے شعبے میں محتاط پیشقدمی کے ساتھ 2022 کی پہلی ششماہی کیلئے 15 فیصد اضافے کے ساتھ اوسطاً 503 ارب روپے رہی۔ اسلامی بینکاری کے قرضوں کا حجم پچھلے سال کی اسی مدت کے مقابلے میں دوگنا بڑھ کر 2022 کی پہلی ششماہی میں اوسطاً 63 ارب روپے رہا۔

2022 کی پہلی ششماہی کیلئے بینک کی مارک اپ آمدنی کی حامل سرمایہ کاری 10 فیصد کی نمو سے اوسطاً 1.4 ٹریلین روپے رہی۔ مقامی حکومت کے سیکورٹیز پورٹ فولیو نے زیر جائزہ مدت کے دوران 11.0 فیصد کے قریب صحت مند شرح سود حاصل کیا۔ یو بی ایل انٹرنیشنل نے ابتدائی طور پر غیر ملکی خودمختار بانڈز (Sovereign Bonds) پر مشتمل سرمایہ کاری کے پورٹ فولیو پر حاصل کردہ 5.8 فیصد کی شرح سود کے ساتھ بینک کی مجموعی نیٹ مارک اپ آمدنی میں بھی مضبوط شراکت کو برقرار رکھا۔

نان مارک اپ آمدنی : (Non-Markup Income)

بینک نے 2022 کی پہلی ششماہی میں 29 فیصد کے اضافے کے ساتھ 14.7 ارب روپے کی نان مارک اپ آمدنی حاصل کی۔ نان مارک اپ آمدنی کا تناسب بینک کی کُل آمدنی میں 25 فیصد رہا (2021 کی پہلی ششماہی میں 25 فیصد حصہ)۔

2022 کی پہلی ششماہی میں فیس اور کمیشن کی آمدنی سے 7.8 ارب روپے حاصل ہوئے، اس میں 17 فیصد کی مضبوط نمو ریکارڈ کی گئی۔ 2022 کہ پہلی ششماہی میں برانچ بینکنگ آپریشنز سے صارفین کی فیس 1.2 ارب روپے رہی، اس میں 44 فیصد کا مضبوط اضافہ ہوا۔ یو بی ایل نے 21 فیصد سے زیادہ کے مارکیٹ شیئر کے ساتھ مقامی گھریلو ترسیلات زر میں اپنی قائدانہ پوزیشن کو برقرار رکھا۔ جس کے نتیجے میں 2022 کی پہلی ششماہی میں 918 ملین روپے کی آمدنی ہوئی جس کی نمو 9 فیصد ہے۔ بینک نے ایشورنس کے کاروبار میں اپنی عمدہ کارکردگی کو برقرار رکھا، پچھلے سال کے مطابق 2022 کی پہلی ششماہی میں 1.8 ارب روپے کا پریمیم حجم برقرار رہا، جبکہ کمیشنز 822 ملین روپے رہے۔ (2021 کی پہلی ششماہی میں 883 ملین روپے تھا)۔ 2022 کی پہلی ششماہی میں ڈیبٹ اور کریڈٹ کارڈ فیس کی آمدنی سے 1.5 ارب روپے کمائے گئے، جس میں 33 فیصد کی مضبوط نمو ریکارڈ کی گئی۔ سال بہ سال کی بنیاد پر 12 فیصد اضافے کے ساتھ کیش مینجمنٹ سے کمیشن کی آمدنی 515 ملین روپے ریکارڈ کی گئی۔ تجارت اور گارنٹی کے کاروبار سے آمدن 780 ملین روپے ریکارڈ کی گئی۔ جس میں 31 فیصد اضافہ ہوا اور حجم میں سال بہ سال 17 فیصد نمو ریکارڈ کی گئی۔

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یونائیٹڈ بینک لمیٹڈ

ارکان کو ڈائریکٹرز کی رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے 30 جون 2022 کو ختم ہونے والی ششماہی کیلئے یونائیٹڈ بینک لمیٹڈ (یو بی ایل) کے مالیاتی گوشوارے پیش کرنا ہمارے لئے باعث مسرت ہے۔

کارکردگی کا جائزہ : (Performance Overview)

یو بی ایل نے غیر مجتمع بنیاد پر 30 جون 2022 کو ختم ہونے والی ششماہی کے دوران 32 فیصد کی سال بہ سال مضبوط نمو کے ساتھ 34.2 ارب روپے کا قبل از ٹیکس ریکارڈ منافع حاصل کیا۔ بینک نے اس سہ ماہی میں اپنی آمدنی میں اضافے کی رفتار کو بھی برقرار رکھا اور 2022 کی پہلی سہ ماہی کے مقابلے میں 2022 کی دوسری سہ ماہی میں قبل از ٹیکس منافع 16 فیصد زیادہ ہے۔

بینک کی مجموعی آمدنی 2022 کی پہلی ششماہی کے دوران سال بہ سال 29 فیصد اضافے کیساتھ 59.8 ارب روپے ریکارڈ کی گئی۔ 2022 کی پہلی ششماہی میں نیٹ مارک اپ آمدنی گزشتہ سال کے مقابلے میں 29 فیصد کی مضبوط نمو کے ساتھ 45.1 ارب روپے رہی۔ 2022 کی پہلی ششماہی میں نان مارک اپ آمدنی کی مد میں 14.7 ارب روپے کمائے گئے (2021 کی پہلی ششماہی: 11.4 ارب روپے) جو پچھلے سال سے کافی زیادہ ہے، غیر ملکی زرمبادلہ کی آمدنی میں نمایاں اضافے کے ساتھ ساتھ فیس پر مبنی تمام بڑے محصولات میں مضبوط نمو ہوئی۔

بینک کے انتظامی اخراجات 2021 کی پہلی ششماہی کے مقابلے میں 19 فیصد اضافے کے ساتھ 2022 کی پہلی ششماہی میں 24.1 ارب روپے رہے جو نمایاں طور پر بلند تر افراط زر کی سطح کا نتیجہ ہیں۔ لاگت سے آمدنی کا تناسب 2022 کی پہلی ششماہی کے لیے مزید بہتر ہو کر 40.3 فیصد ہو گیا جو پچھلے سال کی اسی مدت میں 43.4 فیصد تھا۔

2022 کی پہلی ششماہی کیلئے بینک کے نیٹ پروویژن چارج 0.8 ارب روپے ریکارڈ کیے گئے، یہ چارج بنیادی طور پر غیر ملکی بانڈز پر کوریج کیلئے تھے، جو کہ ڈومیسٹک اور انٹرنیشنل دونوں پر غیر فعال قرضہ جات کی ریکوری کے ذریعے پورے کیے گئے۔

مالیاتی اہم نکات : (Financial Highlights)

یو بی ایل نے غیر مجتمع بنیادوں پر 2022 کی پہلی ششماہی میں 2021 کی پہلی ششماہی کے 15 ارب روپے کے بعد از ٹیکس منافع کے مقابلے میں 11.9 ارب روپے کا بعد از ٹیکس منافع ریکارڈ کیا۔ 2022 کی پہلی ششماہی میں فی حصص آمدنی (EPS) 9.69 روپے رہی۔ (2021 کی پہلی ششماہی میں 12.25 روپے تھی)۔ مالیاتی ایکٹ 2022 میں نظر ثانی کے نتیجے میں، موجودہ رپورٹنگ کی مدت میں پچھلے سالوں کے حوالے سے ایک بار ٹیکس کی ایڈجسٹمنٹ شامل ہے۔

مجتمع بنیاد پر یو بی ایل کا بعد از ٹیکس منافع 12.2 ارب روپے ریکارڈ کیا گیا (2021 کی پہلی ششماہی میں 15 ارب روپے)۔ 2022 کی پہلی ششماہی کیلئے فی حصص آمدنی (EPS) 9.77 روپے رہی (2021 کی پہلی ششماہی میں 12.24 روپے تھی)۔

نیٹ مارک اپ آمدنی : (Net Markup Income)

2022 کی پہلی ششماہی میں سال بہ سال کی بنیاد پر 29 فیصد کی نمو کے ساتھ نیٹ مارک اپ آمدنی 45.1 ارب روپے ریکارڈ کی گئی۔ سال بہ سال 16 فیصد اضافے کے ساتھ بینک کے مارک اپ کمانے والے اثاثے 2022 کی پہلی ششماہی میں اوسطاً 2.1 ٹریلین روپے رہے۔ 2022 کی پہلی ششماہی میں کیلئے بینک کی سطح پر نیٹ انٹرسٹ مارجن (NIM) 4.5 فیصد رہا (2021 کی پہلی ششماہی میں 4.0 فیصد تھا)۔

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